

AGENDA ITEM BRIEFING

Submitted by: Billy Hamilton, Executive Vice Chancellor and Chief Financial Officer
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Storm Water System Improvements Project, Texas A&M University, College Station, Texas (Project No. 02-3220)

Background and Prior Actions:

The Storm Water System Improvements Project was included as an approved project on the FY 2018 – FY 2022 A&M System Capital Plan approved by the Board at the August 2017 meeting.

Proposed Board Action:

- (1) Approve the project scope and budget.
- (2) Appropriate \$10,287,000 for construction services and related project costs. \$1,143,000 has been previously appropriated.
- (3) Approve construction of the Storm Water System Improvements Project at Texas A&M University (Texas A&M).

Funding/Budget Amount:

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	<u>\$11,430,000</u>	\$887,525	Utility Revenue
Total Project Funds	<u>\$11,430,000</u>		

Project Justification:

The primary scope of this project is to provide regional storm water detention and to correct known damage from storm water erosion along White Creek and the outfall of the Texas A&M Waste Water Treatment Plant (WWTP) at the Brazos River to mitigate the impact of erosion, prevent further erosion, and protect university infrastructure.

Scope:

This project scope includes the following:

Task 1A, 1B, and 1C

- Installation of three detention ponds on West Campus (White Creek #1A & #1B, and Research Park Detention #1C)

Task 2

- Installation of White Creek #3 Detention Pond (White Creek flood plain including several branches between FM 2818 and Brayton Fire Training School)

Task 3A, 3B, and 3C

- Bore under railroad and increase storm sewer size from Wellborn Rd to junction box north of the West Campus Garage

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- Construct new box culvert storm sewer from Wellborn to current outfall at Penberthy and then to White Creek Detention Basin #1

Task 4

- Stabilize WWTP effluent outfall at the Brazos River
- Install soldier pile retaining wall on private property to stop erosion of WWTP effluent line (alternate), subject to negotiation with private land owner.

Task 5

- Stabilize banks of White Creek at the George Bush Presidential Library

* Task 6

- Protect HDPE sanitary sewer force main mounted to bridge over White Creek just downstream of FM 2818 by removing pipe from bridge and burying it below creek bed

Task 7

- Repair and protect stream bank and pipe supports for 24" sanitary sewer line crossing White Creek between the Reed House and FM 2818

Task 8 and 9

- Protect stream banks near the Poultry Center
- Repair foundations for sanitary crossing of White Creek near the Poultry Center

Task 10

- Protect stream bank at second sanitary sewer crossing just upstream of Brayton Fire Training School

Task 11

- Protect propane tanks at Brayton Fire Training School

Task 12

- Improve conveyance along White Creek on West Campus at areas not specifically identified. A potential task was to stabilize the bank near a TEEX parking lot at an area of possible erosion along a sharp bend in the creek. Upon site inspection, the bank below the parking lot did not show signs of active erosion, and vegetation had stabilized the bank. It was determined that this task was not required at this time.

Task 13

- Repair foundation of slope armoring at White Creek bridge to Disaster City

Task 14

- Repair slope protection on White Creek bend beside White Creek Road to the WWTP

Tasks 15-17

- Repair erosion pad below bridge to WWTP
- Prevent erosion behind bank armor on the east bank abutment (bridge on White Creek Road to WWTP)
- Remove large debris from piers below bridge to WWTP

Construction on this project is scheduled to start in October 2018, with substantial completion scheduled for March 2020. The total project budget is \$11,430,000.

Other Major Fiscal Impacts:

None.

* Task 6 was previously completed by Texas A&M and is not a part of this project's scope.

THE TEXAS A&M UNIVERSITY SYSTEM
FACILITIES PLANNING AND CONSTRUCTION
Office of the Executive Vice Chancellor and Chief Financial Officer
July 2, 2018

Members, Board of Regents
The Texas A&M University System

Subject: Approval of the Project Scope and Budget, Appropriation for Construction Services, and Approval for Construction for the Storm Water System Improvements Project, Texas A&M University, College Station, Texas (Project No. 02-3220)

I recommend adoption of the following minute order:

“The project scope along with a project budget of \$11,430,000 for the Storm Water System Improvements Project is approved.

The amount of \$10,287,000 is appropriated from Account No. 01-083540 Revenue Financing System Debt Proceeds (Utility Revenue), for construction services and related project costs.

The Storm Water System Improvements Project, Texas A&M University, College Station, Texas, is approved for construction.

The Board of Regents of The Texas A&M University System (Board) reasonably expects to incur debt in one or more obligations for this project, and all or a portion of the proceeds received from the sale of such obligations is reasonably expected to be used to reimburse the account(s) for amounts previously appropriated and/or expended from such account(s).

As required by Section 5(a) of the Master Resolution of the Revenue Financing System, the Board hereby determines that it will have sufficient funds to meet the financial obligations of The Texas A&M University System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Revenue Financing System and to meet all financial obligations of the Board relating to the Revenue Financing System and that

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the Participants, on whose behalf the debt is issued, possess the financial capacity to satisfy their Direct Obligations.”

Respectfully submitted,

[ORIGINAL SIGNED BY]

Billy Hamilton
Executive Vice Chancellor and
Chief Financial Officer

Approval Recommended:

[ORIGINAL SIGNED BY]

John Sharp
Chancellor

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

Ray Bonilla
General Counsel

[ORIGINAL SIGNED BY]

Michael K. Young, President
Texas A&M University

STORM WATER SYSTEM IMPROVEMENTS	PROJECT BUDGET
TEXAS A&M UNIVERSITY	
PROJECT NO. 02-3220	

1. Amount Available for Construction Contract	\$ 9,719,200
2. Architectural/Engineering Fees	\$ 1,109,783
3. Physical Plant/Facility Services	\$ 10,000
4. Construction Materials Testing	\$ 97,200
5. FP&C Project Management and Inspection Fees	\$ 295,100
6. Owner's Contingency	\$ 193,917
7. Miscellaneous	\$ 4,800
8. TOTAL ESTIMATED COST OF PROJECT	<u>\$11,430,000</u>

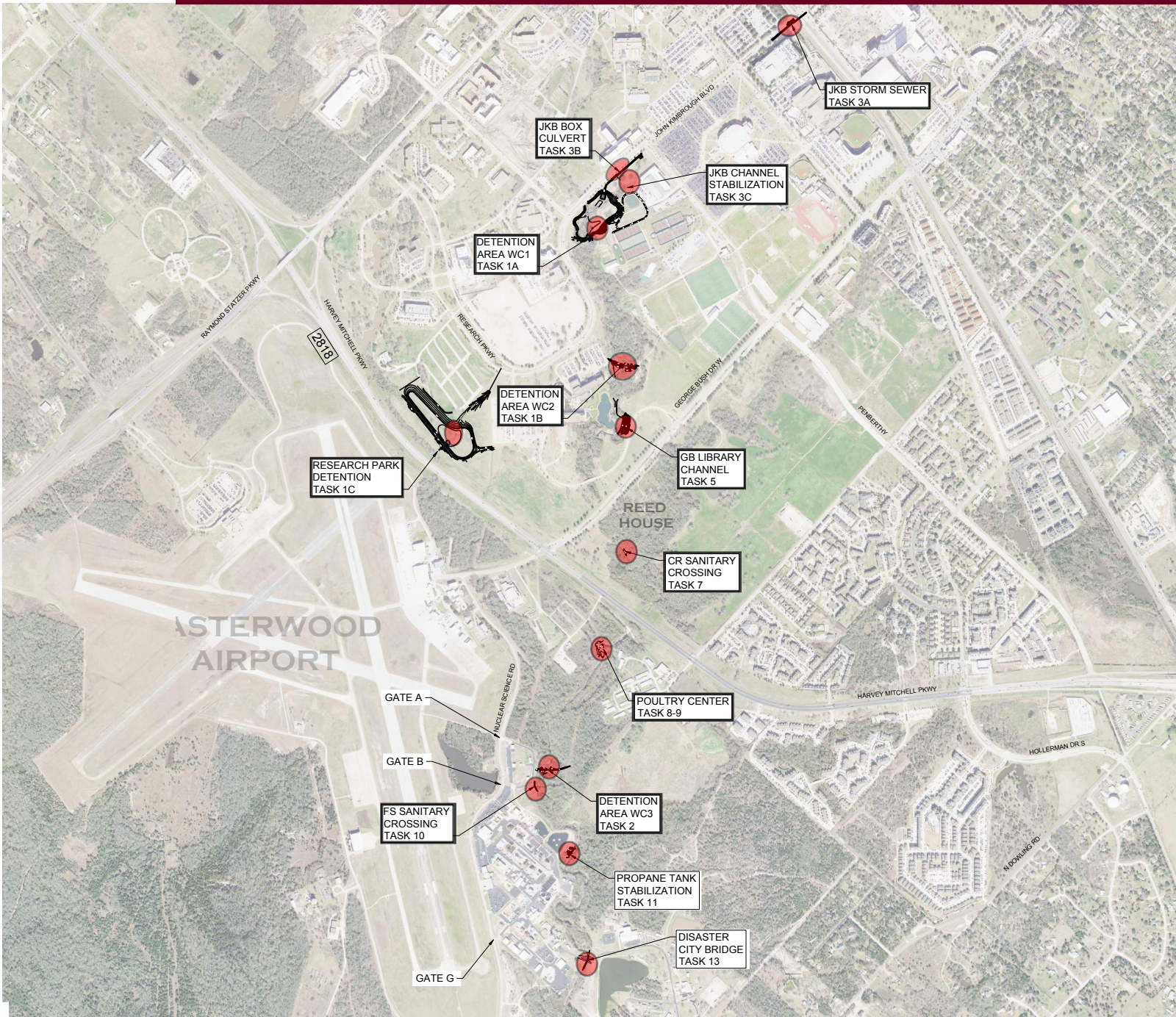
1. BOR Approval of Capital Plan September 2, 2016
2. Issue A/E RFQ September 16, 2016
3. Receive A/E RFQ Responses.....October 14, 2016
4. Shortlist A/E FirmsOctober 27, 2016
5. Interview A/E ShortlistNovember 4, 2016
6. A/E Ranked Order Approved by ChancellorNovember 21, 2016
7. Execute A/E Agreement January 18, 2017
8. A/E Design Kickoff February 2, 2017
9. Complete Schematic Design..... May 26, 2017
10. Complete Design DevelopmentJuly 26, 2017
11. Complete Construction Documents February 16, 2018
12. Advertise for Competitive Sealed Proposals May 21, 2018
13. Receive CSP..... June 27, 2018
14. CSP EvaluationJuly 6, 2018
15. Chancellor Approval of Ranked OrderJuly 31, 2018
16. BOR Approval for Construction..... August 16, 2018
17. Submit THECB Application..... September 2018
18. Begin ConstructionOctober 2018
19. Substantial Completion..... March 2020

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
2-3220 Storm Water System Improvements
Utility Revenue**

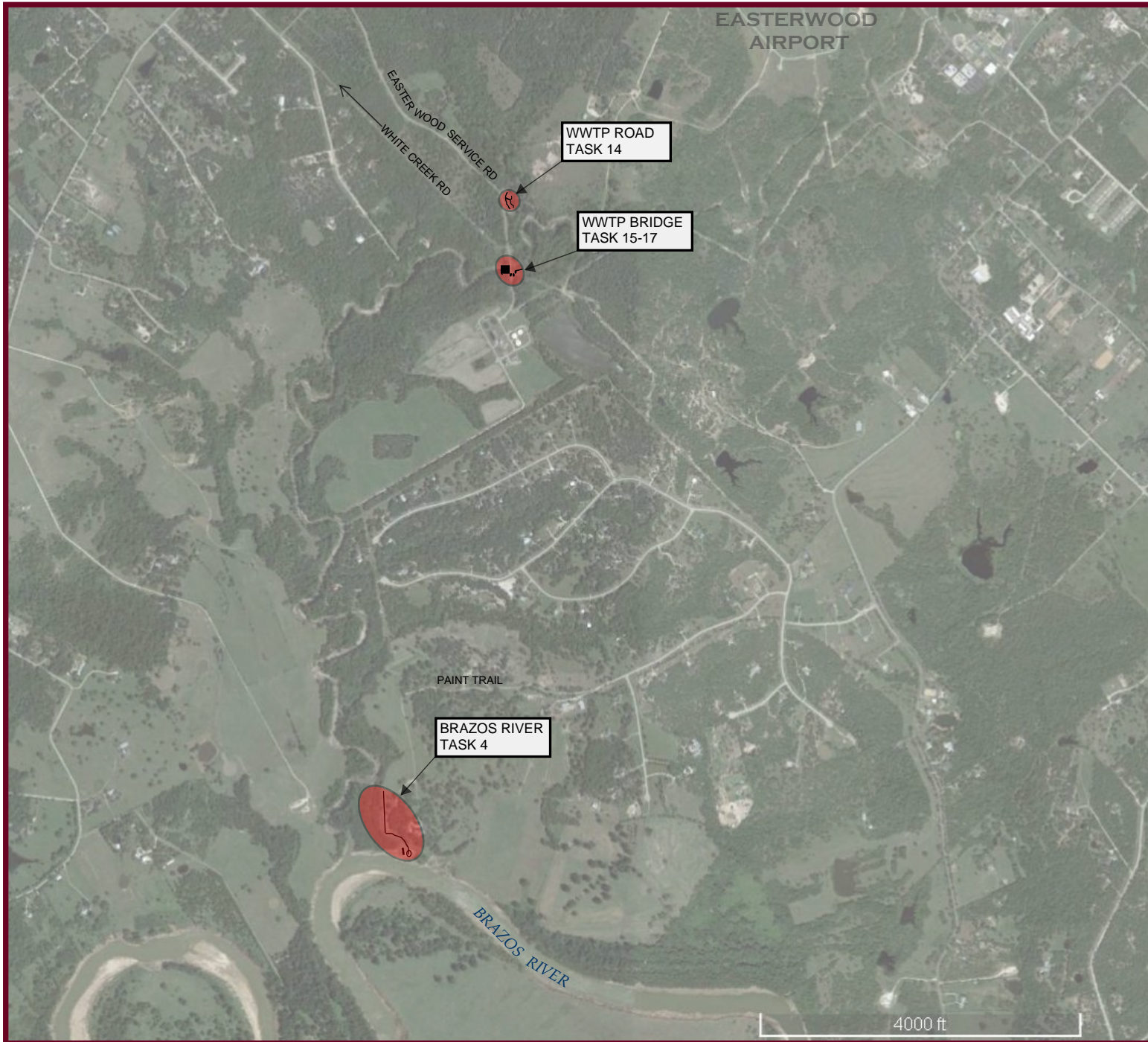
Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	11,545,000.00				
YEAR 1	11,175,000.00	370,000.00	519,525.00	889,525.00	1,022,953.75
YEAR 2	10,790,000.00	385,000.00	502,875.00	887,875.00	1,021,056.25
YEAR 3	10,390,000.00	400,000.00	485,550.00	885,550.00	1,018,382.50
YEAR 4	9,970,000.00	420,000.00	467,550.00	887,550.00	1,020,682.50
YEAR 5	9,530,000.00	440,000.00	448,650.00	888,650.00	1,021,947.50
YEAR 6	9,070,000.00	460,000.00	428,850.00	888,850.00	1,022,177.50
YEAR 7	8,590,000.00	480,000.00	408,150.00	888,150.00	1,021,372.50
YEAR 8	8,090,000.00	500,000.00	386,550.00	886,550.00	1,019,532.50
YEAR 9	7,565,000.00	525,000.00	364,050.00	889,050.00	1,022,407.50
YEAR 10	7,020,000.00	545,000.00	340,425.00	885,425.00	1,018,238.75
YEAR 11	6,450,000.00	570,000.00	315,900.00	885,900.00	1,018,785.00
YEAR 12	5,855,000.00	595,000.00	290,250.00	885,250.00	1,018,037.50
YEAR 13	5,230,000.00	625,000.00	263,475.00	888,475.00	1,021,746.25
YEAR 14	4,580,000.00	650,000.00	235,350.00	885,350.00	1,018,152.50
YEAR 15	3,900,000.00	680,000.00	206,100.00	886,100.00	1,019,015.00
YEAR 16	3,190,000.00	710,000.00	175,500.00	885,500.00	1,018,325.00
YEAR 17	2,445,000.00	745,000.00	143,550.00	888,550.00	1,021,832.50
YEAR 18	1,665,000.00	780,000.00	110,025.00	890,025.00	1,023,528.75
YEAR 19	850,000.00	815,000.00	74,925.00	889,925.00	1,023,413.75
YEAR 20	-	850,000.00	38,250.00	888,250.00	1,021,487.50
		<u>\$ 11,545,000.00</u>	<u>\$ 6,205,500.00</u>	<u>\$ 17,750,500.00</u>	<u>\$ 20,413,075.00</u>

Estimated issuance costs and rounding of \$115,000 are included in this schedule.
Long-term rates are assumed to be 4.50%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 6/1/18

Rates are subject to market change. Amounts are preliminary estimates that will be revised at the time bonds are issued.



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TEXAS A&M
UNIVERSITY®

STORM WATER SYSTEM IMPROVEMENTS

PROJECT NO.
02-3220



Office of Facilities Planning & Construction
THE TEXAS A&M UNIVERSITY SYSTEM