

AGENDA ITEM BRIEFING

Submitted by: Billy Hamilton, Deputy 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 RELLIS Campus Infrastructure – Phase III-A Project, The Texas A&M University System RELLIS Campus, Bryan, Texas (Project No. 01-3323)

Background and Prior Actions:

The RELLIS Campus Infrastructure – Phase III-A Project was included as an approved project on the FY 2021 – FY 2025 A&M System Capital Plan approved by the Board at the August 2020 meeting.

Proposed Board Action:

- (1) Approve the project scope and budget.
- (2) Appropriate \$13,177,885 for construction services and related project costs. \$1,234,800 has been previously appropriated.
- (3) Approve construction of the RELLIS Campus Infrastructure – Phase III-A Project for The Texas A&M University System (A&M System) at the RELLIS Campus.

Funding/Planning Amount:

<u>Funding Source</u>	<u>Project Budget</u>	<u>Proposed Adjustment</u>	<u>Proposed Budget</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund					Available University Fund
Debt Proceeds	<u>\$12,348,000</u>	<u>\$2,064,685</u>	<u>\$14,412,685</u>	\$1,070,840	
Total Project Cost	<u>\$12,348,000</u>	<u>\$2,064,685</u>	<u>\$14,412,685</u>		

Project Justification:

Development of the RELLIS campus proving grounds infrastructure on the west side of campus is required to support the Ballistic, Aero-Optics, and Materials (BAM) Facility and the Bush Combat Development Complex (BCDC): Innovation Proving Ground (IPG) projects, among other future development. Currently, the major campus infrastructure extends only as far as the

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BCDC. Infrastructure extensions will include electrical, fiber, and domestic water and some sanitary sewer; additional work includes storm water improvements to accommodate storm water drainage to the affected areas associated with the BAM and IPG projects and improved drainage to the Brazos River outfall structure.

Scope:

Project scope includes utility extensions (electrical, fiber, and domestic water) aligned with Runway 35L from the current termination at the BCDC just north of the Runways 4/10 crossing to near the RELLIS Campus and Knife River property line. Sanitary sewer will be extended to the South under the 4/10 cross of the runways. Utilities will be underground and include appropriately spaced manholes. Fiber cabling to support the 5G network is included. The project also includes phase one of the storm water improvements, which will accommodate necessary drainage for proving grounds impacted by the BAM and IPG projects. Improvements will include regrading, installation of new storm water piping, and vegetation removal. A future project Infrastructure III-B will complete the utility and storm water improvements for the remainder of the RELLIS innovative proving ground.

Construction on this project is scheduled to start in June 2021, with substantial completion scheduled for June 2022. The total project budget is \$14,412,685.

Deferred Maintenance:

There is no deferred maintenance associated with this project.

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

RELLIS Campus Infrastructure – Phase III-A supports Strategic Plan Imperative 4, *“The A&M System will increase its prominence by building a robust and targeted research portfolio. We will continue to encourage cross-institution and cross-discipline collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status.”* This project is essential by providing the required infrastructure (electric, fiber, domestic water) and accessibility to the BCDC: IPG and the BAM which are critical in supporting Army Future Command’s research priorities. This project additionally addresses the storm-water drainage requirements which is essential prior to construction.

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**THE TEXAS A&M UNIVERSITY SYSTEM
FACILITIES PLANNING AND CONSTRUCTION**
Office of the Deputy Chancellor and Chief Financial Officer
April 5, 2021

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 RELLIS Campus Infrastructure – Phase III-A Project, The Texas A&M University System RELLIS Campus, Bryan, Texas (Project No. 01-3323)

I recommend adoption of the following minute order:

“The project scope along with a project budget of \$14,412,685 for the RELLIS Campus Infrastructure – Phase III-A Project is approved.

The amount of \$13,177,885 is appropriated from Account No. 01-084243, Permanent University Fund Debt Proceeds (AUF), for construction services and related project costs.

The RELLIS Campus Infrastructure – Phase III-A Project, The Texas A&M University System RELLIS Campus, Bryan, 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).”

Respectfully submitted,

[ORIGINAL SIGNED BY]

Billy Hamilton
Deputy Chancellor and
Chief Financial Officer

Approval Recommended:

[ORIGINAL SIGNED BY]

John Sharp
Chancellor

[ORIGINAL SIGNED BY]

Phillip Ray
Vice Chancellor for Business Affairs

[ORIGINAL SIGNED BY]

Kelly Templin, Director
The Texas A&M University System
RELLIS Campus

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

Ray Bonilla
General Counsel

RELLIS CAMPUS INFRASTRUCTURE - PHASE III-A THE TEXAS A&M UNIVERSITY SYSTEM RELLIS CAMPUS PROJECT NO. 01-3323	PROJECT BUDGET
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1.	Construction	\$12,433,255
2.	Project Contingency	497,000
3.	Program of Requirements.....	0
4.	Pre-Construction Services	718,430
5.	Commissioning Services	0
6.	Construction Testing	92,000
7.	Campus Services & Technology	203,000
8.	Furnishings	0
9.	Equipment	0
10.	Other Project Costs.....	141,000
11.	FP&C Management	<u>328,000</u>
12.	TOTAL ESTIMATED COST OF PROJECT	<u>\$14,412,685</u>

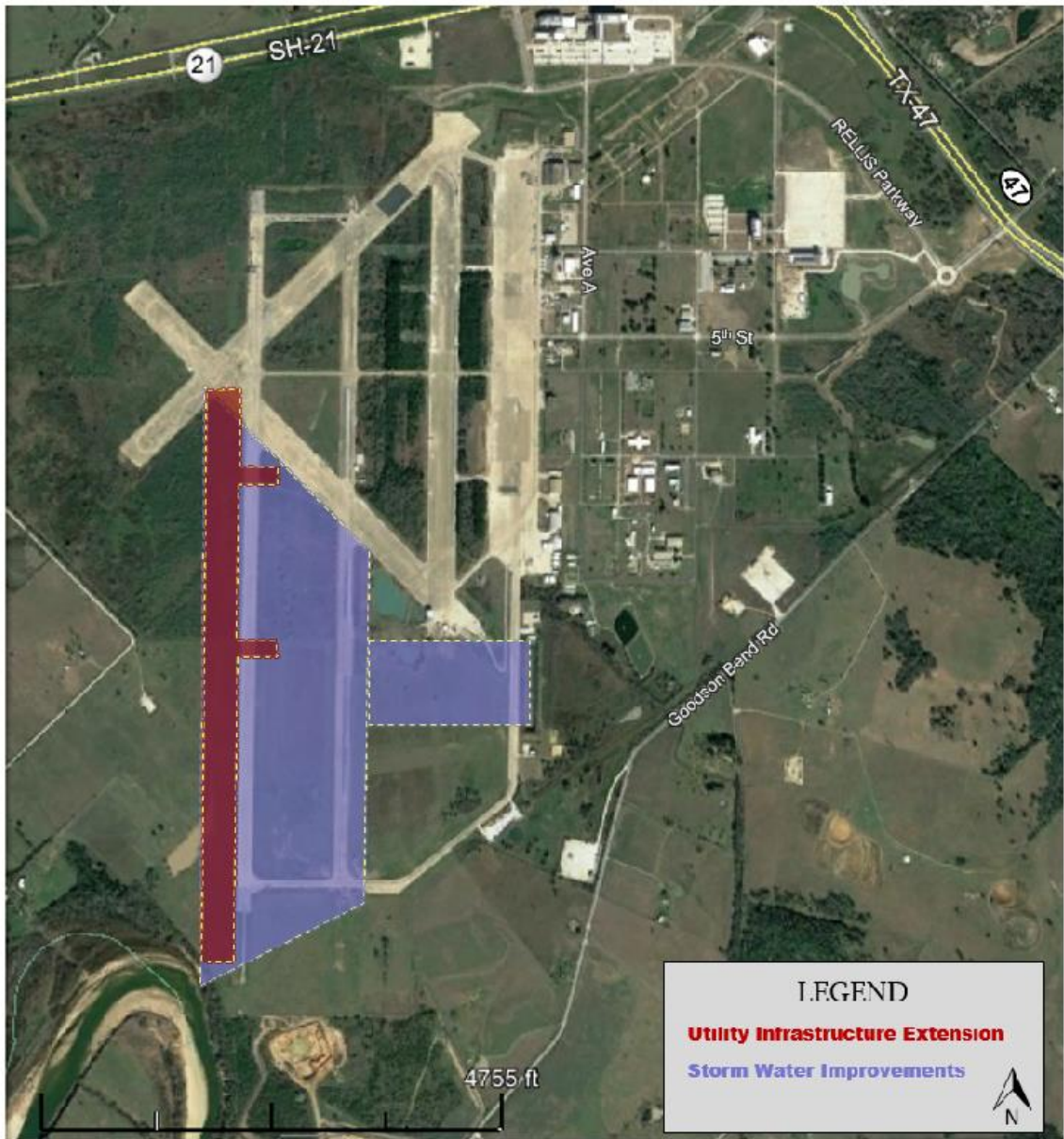
1. Issue DB Request for Qualifications (RFQ) June 9, 2020
2. Receive DB RFQ Response June 30, 2020
3. Shortlist DB Firms July 13, 2020
4. Issue DB RFP to Shortlist July 16, 2020
5. Receive DB RFP Response July 23, 2020
6. Interview DB Firms July 30, 2020
7. Chancellor Approval of Rank Order September 1, 2020
8. Execute DB Agreement September 9, 2020
9. Complete Schematic Design October 31, 2020
10. Complete Design Development November 13, 2020
11. Receive GMP from DB March 2021
12. Complete Construction Documents April 2021
13. Submit THECB Application for Review May 2021
14. BOR Approval for Construction May 2021
15. Notice to Proceed June 2021
16. Construction Substantial Completion June 2022
17. Owner Occupancy June 2022

TEXAS A&M UNIVERSITY SYSTEM
Permanent University Fund
01-3323 RELLIS Campus Infrastructure Phase III-A
Available University Fund

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	14,555,000.00			
YEAR 1	14,065,000.00	490,000.00	582,200.00	1,072,200.00
YEAR 2	13,555,000.00	510,000.00	562,600.00	1,072,600.00
YEAR 3	13,025,000.00	530,000.00	542,200.00	1,072,200.00
YEAR 4	12,475,000.00	550,000.00	521,000.00	1,071,000.00
YEAR 5	11,905,000.00	570,000.00	499,000.00	1,069,000.00
YEAR 6	11,310,000.00	595,000.00	476,200.00	1,071,200.00
YEAR 7	10,690,000.00	620,000.00	452,400.00	1,072,400.00
YEAR 8	10,045,000.00	645,000.00	427,600.00	1,072,600.00
YEAR 9	9,375,000.00	670,000.00	401,800.00	1,071,800.00
YEAR 10	8,680,000.00	695,000.00	375,000.00	1,070,000.00
YEAR 11	7,955,000.00	725,000.00	347,200.00	1,072,200.00
YEAR 12	7,205,000.00	750,000.00	318,200.00	1,068,200.00
YEAR 13	6,425,000.00	780,000.00	288,200.00	1,068,200.00
YEAR 14	5,610,000.00	815,000.00	257,000.00	1,072,000.00
YEAR 15	4,765,000.00	845,000.00	224,400.00	1,069,400.00
YEAR 16	3,885,000.00	880,000.00	190,600.00	1,070,600.00
YEAR 17	2,970,000.00	915,000.00	155,400.00	1,070,400.00
YEAR 18	2,020,000.00	950,000.00	118,800.00	1,068,800.00
YEAR 19	1,030,000.00	990,000.00	80,800.00	1,070,800.00
YEAR 20	-	1,030,000.00	41,200.00	1,071,200.00
		<u>\$ 14,555,000.00</u>	<u>\$ 6,861,800.00</u>	<u>\$ 21,416,800.00</u>

Estimated Issuance Costs of \$142,315 are included in this schedule.
Long-term rates are assumed to be 4.00%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 03/08/2021

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



RELLIS Campus Infrastructure – Phase III-A

The Texas A&M University System RELLIS Campus

Project No. 01-3323