

AGENDA ITEM BRIEFING

Submitted by: Mark A. Welsh III, Interim President
Texas A&M University

Subject: Approval to Amend the FY 2024 – FY 2028 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation, Increase the Project Planning Amount and Appropriate Funding for Pre-Construction Services for the West Campus Player Development Center & Ellis Field Renovations Project for Texas A&M University (Project No. 02-3404)

Background and Prior Actions:

The project was added to the FY 2023 – FY 2027 Texas A&M University System (A&M System) Capital Plan at the November 2022 Board meeting with an FY 2024 start date and a total planning amount of \$25,000,000. The project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan approved by the Board at the August 2023 meeting with an FY 2025 start date and a total planning amount of \$25,000,000.

Proposed Board Action:

- (1) Amend the approved FY 2024 – FY 2028 A&M System Capital Plan to change the fiscal year designation for project initiation for the West Campus Player Development Center & Ellis Field Renovations Project from FY 2025 to FY 2024 with an increased planning amount of \$28,200,000.
- (2) Appropriate \$2,820,000 for pre-construction services and related project costs.

Funding/Planning Amount:

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Proposed Adjustment</u>	<u>Proposed Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing					Stadium
System Debt Proceeds	\$25,000,000	\$0	\$25,000,000	\$1,737,140	Revenue
Revenue Financing					
System Debt Proceeds	\$0	\$3,200,000	\$3,200,000	\$739,150	Gifts*
Total Project Cost	\$25,000,000	\$3,200,000	\$28,200,000		

*Currently no gifts have been pledged or received. System Policy 51.04 requires that 50% of the gift funds are in hand, and another 25% of the gift funds have been pledged at the time of construction approval. Should Texas A&M University (Texas A&M) fail to receive the \$3,200,000 needed to fund the gift portion of the project, Texas A&M has agreed to make timely payments to the A&M System as necessary to fully service commercial paper or other debt issued to support the project, and such payment shall be made from Investment Earnings.

Note: Any gifts received for this project are hereby appropriated and previous appropriations are reverted from Revenue Financing System Debt Proceeds.

Change Justification:

This project was previously included on the approved FY 2023 – FY 2027 capital plan with an FY 2024 project initiation designation. The initiation year was changed to FY 2025 with approval of the FY 2024 – FY 2028 capital plan at the August 2023 Board meeting. The Program of Requirements (POR) has now been completed and executed and funding has been confirmed. Texas A&M Athletics desires to proceed with the project as soon as possible.

Texas A&M Athletics would like to increase the project planning amount to include scope items identified as Priority 3 in the originally executed POR.

Project Justification:

To make way for the New Indoor Track Facility, the Track Training Center was demolished and removed, and the associated soccer spaces used for training, meetings, equipment storage, conditioning, and rehabilitation were moved to temporary locations. In order to utilize the surrounding real estate effectively, our preliminary investigations direct us to expand the existing West Campus Player Development Center (WCPDC) for the accommodations required for the soccer program administrative and performance support while enhancing the WCPDC with the renovation of the current weight room and office spaces. In addition to the WCPDC, the main entry to Ellis Field needs a focused entrance point to match the architectural standards of the surrounding facilities. Our goal is to bring the soccer program up to the Texas A&M/Southeastern Conference standard for facilities. This project will allow the soccer program to continue to recruit the best student-athletes in the country to Texas A&M.

Scope:

The project proposes various improvements to Ellis Field and renovation of the WCPDC. The project will create a focused hub for the soccer athletic program, providing new team facilities and an improved fan experience, while improving the capabilities and effectiveness of supporting programs such as strength and conditioning, performance, rehabilitation, nutrition, and sports psychology. The project provides for a centralized location with easy access to all supported athletic programs. The existing facilities, functionality and operations of the Huffines Institute for Sports Medicine and Human Performance located at the WCPDC will not be fundamentally impacted by the proposed renovations.

Ellis Field (Addition and Renovation)

Improvements to Ellis Field include:

- Construction of new Soccer Operations Building on the east side bleachers
 - New home for the Texas A&M Soccer program
 - Coaching staff offices
 - Home team locker rooms
 - Conference rooms
 - Training and rehabilitation spaces
 - Equipment storage
 - Relocation of Field Lighting
 - Security fencing
 - Miscellaneous cosmetic improvements

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- Construction of new spectator entries from Tom Chandler Drive
- Construction of a new ticketing structure in the northwest corner of Ellis Field
- Renovation of Building 1571 (West Campus Office Pavilion) in the southeast corner of Ellis Field
 - Visiting team locker rooms
 - Game officials' meeting space and restrooms
 - Improved concessions
- Demolition of the following:
 - Old Softball Stadium 1567
 - Track & Field Support Building 1555
 - Ellis '79 Soccer Building 1566
 - Varsity Press Box 1568

West Campus Player Development Center (Addition)

- Addition on the south side of the WCPDC for the following:
 - Additional weight room in support of all spring sports
 - New offices
 - Meeting rooms
 - Locker rooms
 - Equipment storage for Athletics
- Rework of the athletic field turf impacted by the addition

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

The WCPDC and Ellis Field Renovations Project firmly supports the following A&M System strategic imperative:

Imperative No. 3: "Our students will leave the A&M System as responsible and engaged citizens prepared for successful careers in an increasingly global economy."

As noted earlier, the main emphasis of this project is adding and enhancing the opportunities for the success of the student-athletes. Additionally, this project provides performance training and support methods for a healthy lifestyle with nutritional and mental health support mechanisms that can be utilized throughout their adult life.

TEXAS A&M UNIVERSITY
Office of the President
September 26, 2023

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

Subject: Approval to Amend the FY 2024 – FY 2028 Texas A&M University System Capital Plan to Change the Fiscal Year Designation for Project Initiation, Increase the Project Planning Amount and Appropriate Funding for Pre-Construction Services for the West Campus Player Development Center & Ellis Field Renovations Project for Texas A&M University (Project No. 02-3404)

I recommend adoption of the following minute order:

“The request to amend the FY 2024 – FY 2028 Texas A&M University System Capital Plan to change the fiscal year designation for project initiation from FY 2025 to FY 2024 and increase the project planning amount to \$28,200,000 for the West Campus Player Development Center & Ellis Field Renovations Project for Texas A&M University is approved.

The amount of \$2,820,000 is appropriated from Account No. 01-083538, Revenue Financing System Debt Proceeds (Stadium Revenue), for pre-construction services and related project costs.

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

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

Respectfully submitted,

[ORIGINAL SIGNED BY]

Mark A. Welsh
Interim President

Approval Recommended:

[ORIGINAL SIGNED BY]

John Sharp
Chancellor

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

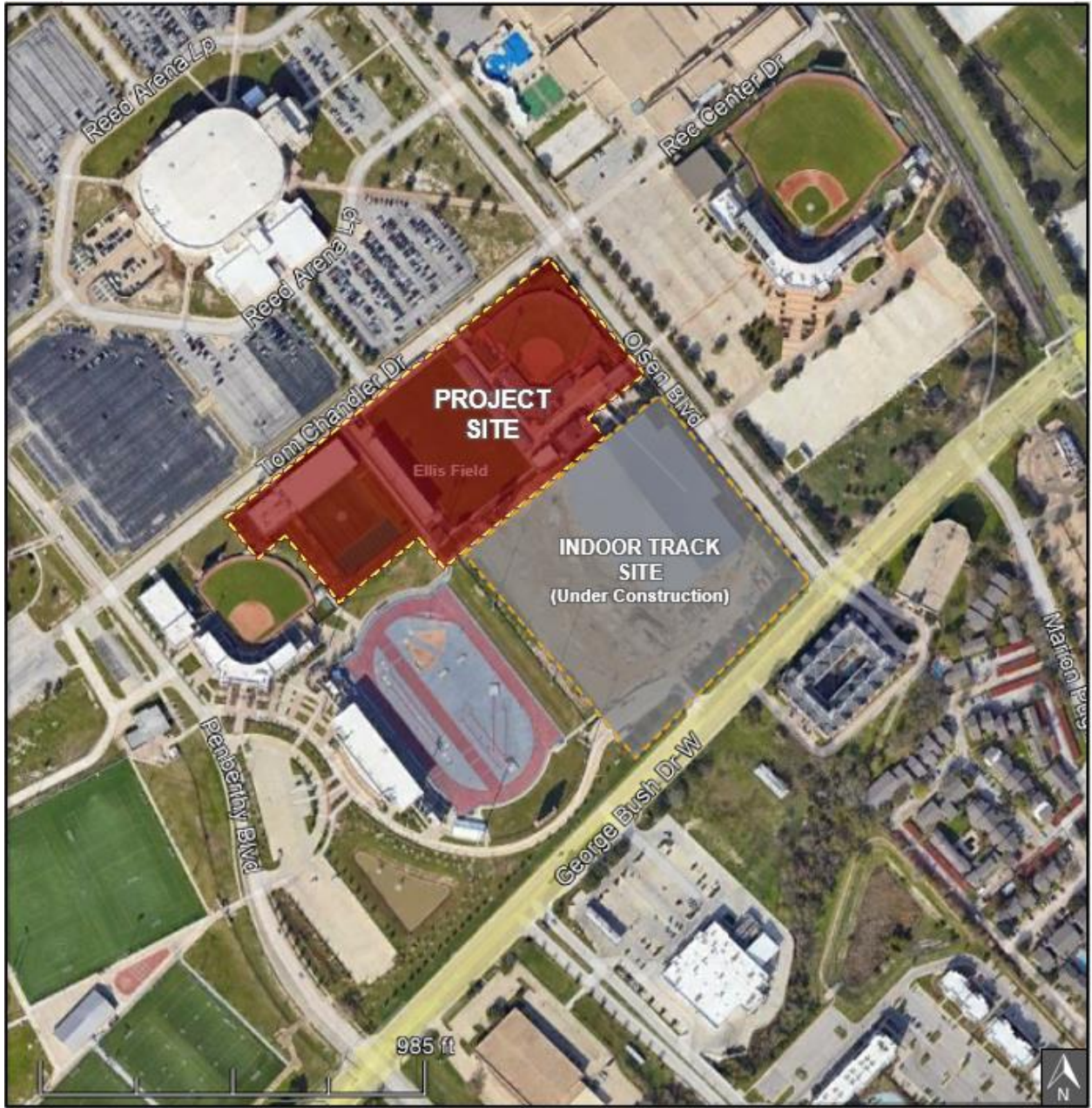
Ray Bonilla
General Counsel

[ORIGINAL SIGNED BY]

Billy Hamilton
Deputy Chancellor and
Chief Financial Officer

[ORIGINAL SIGNED BY]

Phillip Ray
Vice Chancellor for Business Affairs



West Campus Player Development Center & Ellis Field Renovations

Texas A&M University

Project No. 02-3404

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
02-3404 West Campus Player Development Center and Ellis Field Renovations
Stadium Revenue**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	25,250,000.00				
YEAR 1	24,900,000.00	350,000.00	1,388,750.00	1,738,750.00	1,999,562.50
YEAR 2	24,530,000.00	370,000.00	1,369,500.00	1,739,500.00	2,000,425.00
YEAR 3	24,140,000.00	390,000.00	1,349,150.00	1,739,150.00	2,000,022.50
YEAR 4	23,730,000.00	410,000.00	1,327,700.00	1,737,700.00	1,998,355.00
YEAR 5	23,300,000.00	430,000.00	1,305,150.00	1,735,150.00	1,995,422.50
YEAR 6	22,845,000.00	455,000.00	1,281,500.00	1,736,500.00	1,996,975.00
YEAR 7	22,365,000.00	480,000.00	1,256,475.00	1,736,475.00	1,996,946.25
YEAR 8	21,860,000.00	505,000.00	1,230,075.00	1,735,075.00	1,995,336.25
YEAR 9	21,325,000.00	535,000.00	1,202,300.00	1,737,300.00	1,997,895.00
YEAR 10	20,760,000.00	565,000.00	1,172,875.00	1,737,875.00	1,998,556.25
YEAR 11	20,165,000.00	595,000.00	1,141,800.00	1,736,800.00	1,997,320.00
YEAR 12	19,535,000.00	630,000.00	1,109,075.00	1,739,075.00	1,999,936.25
YEAR 13	18,870,000.00	665,000.00	1,074,425.00	1,739,425.00	2,000,338.75
YEAR 14	18,170,000.00	700,000.00	1,037,850.00	1,737,850.00	1,998,527.50
YEAR 15	17,435,000.00	735,000.00	999,350.00	1,734,350.00	1,994,502.50
YEAR 16	16,655,000.00	780,000.00	958,925.00	1,738,925.00	1,999,763.75
YEAR 17	15,835,000.00	820,000.00	916,025.00	1,736,025.00	1,996,428.75
YEAR 18	14,970,000.00	865,000.00	870,925.00	1,735,925.00	1,996,313.75
YEAR 19	14,055,000.00	915,000.00	823,350.00	1,738,350.00	1,999,102.50
YEAR 20	13,090,000.00	965,000.00	773,025.00	1,738,025.00	1,998,728.75
YEAR 21	12,075,000.00	1,015,000.00	719,950.00	1,734,950.00	1,995,192.50
YEAR 22	11,000,000.00	1,075,000.00	664,125.00	1,739,125.00	1,999,993.75
YEAR 23	9,870,000.00	1,130,000.00	605,000.00	1,735,000.00	1,995,250.00
YEAR 24	8,675,000.00	1,195,000.00	542,850.00	1,737,850.00	1,998,527.50
YEAR 25	7,415,000.00	1,260,000.00	477,125.00	1,737,125.00	1,997,693.75
YEAR 26	6,085,000.00	1,330,000.00	407,825.00	1,737,825.00	1,998,498.75
YEAR 27	4,685,000.00	1,400,000.00	334,675.00	1,734,675.00	1,994,876.25
YEAR 28	3,205,000.00	1,480,000.00	257,675.00	1,737,675.00	1,998,326.25
YEAR 29	1,645,000.00	1,560,000.00	176,275.00	1,736,275.00	1,996,716.25
YEAR 30	-	1,645,000.00	90,475.00	1,735,475.00	1,995,796.25
		<u>\$ 25,250,000.00</u>	<u>\$ 26,864,200.00</u>	<u>\$ 52,114,200.00</u>	<u>\$ 59,931,330.00</u>

Estimated issuance costs and rounding of \$250,000 are included in this schedule.
Long-term rates are assumed to be 5.50%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 09/22/2023

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

**TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
02-3404 West Campus Player Development Center and Ellis Field Renovations
Gifts**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
Coml Paper	3,200,000.00				
YEAR 1	2,620,000.00	580,000.00	160,000.00	740,000.00	851,000.00
YEAR 2	2,015,000.00	605,000.00	131,000.00	736,000.00	846,400.00
YEAR 3	1,375,000.00	640,000.00	100,750.00	740,750.00	851,862.50
YEAR 4	705,000.00	670,000.00	68,750.00	738,750.00	849,562.50
YEAR 5	-	705,000.00	35,250.00	740,250.00	851,287.50
		<u>\$ 3,200,000.00</u>	<u>\$ 495,750.00</u>	<u>\$ 3,695,750.00</u>	<u>\$ 4,250,112.50</u>

Short-term rates are assumed to be 5.00%. Rates are subject to market change.
Assuming that debt will remain in commercial paper until paid off.
Prepared by the Office of the Treasurer - Treasury Services 09/22/2023

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

The backup source of repayment for Gifts is Investment Earnings.