

**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 Avenue D South Extension & Utility Upgrades Project, Texas A&M-RELLIS, Bryan, Texas (Project No. 26-3351)

**Background and Prior Actions:**

The Avenue D South Extension & Utility Upgrades Project was included as a proposed project on the FY 2024 – FY 2028 A&M System Capital Plan for FY 2024 approved by the Board at the August 2023 meeting.

**Proposed Board Action:**

- (1) Approve the project scope and budget.
- (2) Appropriate \$12,150,000 for construction services and related project costs. \$1,350,000 has been previously appropriated to this project.
- (3) Approve construction of the Avenue D South Extension & Utility Upgrades Project at Texas A&M-RELLIS (RELLIS).

**Funding/Budget Amount:**

<u>Funding Source</u>	<u>Budget Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Permanent University Fund Debt Proceeds	\$13,000,000	\$1,053,513	Available University Fund
Cash (TEEX E&G Unrestricted Funds)	<u>\$500,000</u>	N/A	N/A
Total Project Funds	<u>\$13,500,000</u>		

**Project Justification:**

The Texas A&M University System is continuing the advancement of the redeveloped RELLIS Campus, a high-tech, multi-institutional research, testing, and workforce development campus.

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As the campus continues to grow, a need for improvement in the areas of infrastructure and utility distribution continues to grow as well.

Development, upgrades, and improvements of the RELLIS campus infrastructure on the southeast side of campus are required to support the existing facilities and projected projects such as the Secure America Institute, TABC Classrooms, Texas A&M AgriLife Programs and the proposed Construction Field Laboratory among other future development projected for the southeast quadrant of RELLIS Campus.

**Scope:**

This project will extend the campus utility network to support the buildout of the southeastern portion of campus. The location is Avenue D from Bryan Street to Goodson Bend Road, 7<sup>th</sup> Street from Flightline Road to Bryan Road, and Flightline Road from the Innovative Proving Grounds to the Texas A&M Engineering Extension Service Training Props site. The project scope includes new concrete roadways, site drainage, domestic water, natural gas, sanitary sewer, street lighting, electrical, and communications utilities. In addition, a new campus entry will be constructed where Avenue D empties onto Goodson Bend Road, and a new Remote Switching Unit building will be installed near the intersection of Avenue D and 7<sup>th</sup> Street. All improvements are planned in conformance with the RELLIS Master Plan.

Construction on this project is scheduled to start in September 2024 with substantial completion scheduled for September 2025. The total project budget is \$13,500,000.

**Other Major Fiscal Impacts:**

None.

**Strategic Plan Imperative(s) this Item Advances:**

This project supports the following Strategic Plan Imperative:

Strategic Plan Imperative No. 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-disciplinary collaboration, and we will support our member institutions in their research pursuits, including obtaining emerging research status."*

This project is essential by providing the road improvement and required infrastructure (electric, fiber, domestic water, natural gas, sanitary sewer, storm drainage improvements and the southern communications hub).

**THE TEXAS A&M UNIVERSITY SYSTEM  
FACILITIES PLANNING AND CONSTRUCTION**  
Office of the Deputy Chancellor and Chief Financial Officer  
June 27, 2024

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 Avenue D South Extension & Utility Upgrades Project, Texas A&M-RELLIS, Bryan, Texas (Project No. 26-3351)

I recommend adoption of the following minute order:

**“The project scope along with a project budget of \$13,500,000 for the Avenue D South Extension & Utility Upgrades Project is approved.**

**The amount of \$11,650,000 is appropriated from Account No. 01-084243 Permanent University Fund Debt Proceeds, (AUF), and the amount of \$500,000 is appropriated from Account No. 09-020121 Instruction-Designated, for construction services and related project costs.**

**The Avenue D South Extension & Utility Upgrades Project, Texas A&M-RELLIS, 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:**

**Approved for Legal Sufficiency:**

**[ORIGINAL SIGNED BY]**

John Sharp  
Chancellor

**[ORIGINAL SIGNED BY]**

Ray Bonilla  
General Counsel

**[ORIGINAL SIGNED BY]**

Phillip Ray  
Vice Chancellor for Business Affairs

**[ORIGINAL SIGNED BY]**

Kelly Templin, Director  
Texas A&M-RELLIS

<b>AVENUE D SOUTH EXTENSION &amp; UTILITY UPGRADES</b> <b>TEXAS A&amp;M-RELLIS</b> <b>PROJECT NO. 26-3351</b>	<b>PROJECT BUDGET</b>
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1. Construction .....	\$9,636,640
2. Project Contingency .....	1,281,400
3. Program of Requirements.....	0
4. Pre-Construction Services .....	695,600
5. Commissioning.....	30,000
6. Construction Testing .....	155,547
7. Campus Services & Technology .....	172,000
8. Furnishings .....	0
9. Equipment .....	600,000
10. Other Project Costs.....	580,299
11. Project Management & Inspection .....	<u>\$348,514</u>
12. TOTAL ESTIMATED COST OF PROJECT .....	<u>\$13,500,000</u>

**AVENUE D SOUTH EXTENSION & UTILITY  
UPGRADES**

**PROJECT SCHEDULE**

**TEXAS A&M-RELLIS  
PROJECT NO. 26-3351**

1. Issue DB RFQ .....October 3, 2023
2. Receive DB RFQ Responses .....October 24, 2023
3. Issue DB RFP .....October 26, 2023
4. Receive DB RFP Response.....November 1, 2023
5. DB Ranked Order Approved by Chancellor .....November 16, 2023
6. Execute DB Agreement ..... January 29, 2024
7. Complete Schematic Design ..... March 22, 2024
8. Complete Design Development ..... May 24, 2024
9. Receive GMP from DB ..... June 26, 2024
10. BOR Approval for Construction ..... August 1, 2024
11. Complete Construction Documents ..... August 2024
12. Begin Construction ..... September 2024
13. Substantial Completion ..... September 2025



## Avenue D South Extension & Utility Upgrades

Texas A&M-RELLIS

Project No. 26-3351

**TEXAS A&M UNIVERSITY SYSTEM  
PERMANENT UNIVERSITY FUND  
26-3351 RELIS Avenue D South Extension & Utility Upgrades  
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	13,130,000.00			
YEAR 1	12,730,000.00	400,000.00	656,500.00	1,056,500.00
YEAR 2	12,315,000.00	415,000.00	636,500.00	1,051,500.00
YEAR 3	11,875,000.00	440,000.00	615,750.00	1,055,750.00
YEAR 4	11,415,000.00	460,000.00	593,750.00	1,053,750.00
YEAR 5	10,930,000.00	485,000.00	570,750.00	1,055,750.00
YEAR 6	10,425,000.00	505,000.00	546,500.00	1,051,500.00
YEAR 7	9,895,000.00	530,000.00	521,250.00	1,051,250.00
YEAR 8	9,335,000.00	560,000.00	494,750.00	1,054,750.00
YEAR 9	8,750,000.00	585,000.00	466,750.00	1,051,750.00
YEAR 10	8,135,000.00	615,000.00	437,500.00	1,052,500.00
YEAR 11	7,490,000.00	645,000.00	406,750.00	1,051,750.00
YEAR 12	6,810,000.00	680,000.00	374,500.00	1,054,500.00
YEAR 13	6,095,000.00	715,000.00	340,500.00	1,055,500.00
YEAR 14	5,345,000.00	750,000.00	304,750.00	1,054,750.00
YEAR 15	4,560,000.00	785,000.00	267,250.00	1,052,250.00
YEAR 16	3,735,000.00	825,000.00	228,000.00	1,053,000.00
YEAR 17	2,870,000.00	865,000.00	186,750.00	1,051,750.00
YEAR 18	1,960,000.00	910,000.00	143,500.00	1,053,500.00
YEAR 19	1,005,000.00	955,000.00	98,000.00	1,053,000.00
YEAR 20	-	1,005,000.00	50,250.00	1,055,250.00
		<u>\$ 13,130,000.00</u>	<u>\$ 7,940,250.00</u>	<u>\$ 21,070,250.00</u>

Estimated Issuance Costs and Rounding of \$130,000.00 are included in this schedule.

Long-term rates are assumed to be 5.00%. Rates are subject to market change.

Prepared by the Office of the Treasurer - Treasury Services 05/31/2024

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