

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 TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas (Project No. 09-3394)

Background and Prior Actions:

The TEEEX RELLIS Training Props Project was included as a proposed project on The Texas A&M University System (A&M System) FY 2024 – FY 2028 Capital Plan approved by the Board of Regents (Board) at the August 2023 meeting with an FY 2024 start date and a planning amount of \$25,300,000.

Proposed Board Action:

- (1) Approve the project scope and budget.
- (2) Appropriate \$22,770,000 for construction services and related project costs. \$2,530,000 has been previously appropriated to this project.
- (3) Approve construction of the TEEEX RELLIS Training Props Project at Texas A&M Engineering Extension Service (TEEX).

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	\$20,000,000	\$1,215,750	Available University Fund
Cash (E&G Unrestricted)	<u>\$5,300,000</u>		
Total Project Funds	<u>\$25,300,000</u>		

Project Justification:

TEEX, a member of the A&M System, is an internationally recognized provider of training and technical assistance in fire and rescue, infrastructure and safety, law enforcement, economic and workforce development, cybersecurity, and homeland security. For more than 80 years, TEEEX has provided these services. Over the last 10 years, TEEEX has served an annual average of more than 190,000 people representing every U.S. state and 189 countries and territories worldwide. In

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many cases, it is the first responders and citizens of Texas who benefit from TEEEX's expertise and facilities.

The training TEEEX provides requires a wide range of infrastructure, facilities and equipment to simulate realistic situations. To obtain, build and maintain this infrastructure demands substantial resources. To meet changing requirements, satisfy customer demands, and support our mission, TEEEX must continually adapt and update our infrastructure. This relocation project will move key elements of TEEEX's training from multiple locations to a new consolidated site on the Texas A&M-RELLIS Campus. The new area is approximately 86 acres and will allow TEEEX to expand and upgrade offerings while freeing up the current TEEEX space for new Texas A&M-RELLIS ventures. The new site also includes a location for a future TEEEX Headquarters. TEEEX operates two divisions (the Institute for Law Enforcement and Protective Services Excellence and the Infrastructure Training and Safety Institute) and a service center (the Digital Print Shop) on the Texas A&M-RELLIS campus.

The TEEEX RELLIS operations have shown significant and steady growth over the past five to six years, and it is expected that this trend will continue. While TEEEX's operations at Texas A&M-RELLIS are only a portion of TEEEX's activities, these operations are integral to the agency's overall success and its service to the state of Texas.

Scope:

The project includes the construction of an urban simulation grid, drive track, skills pad, props buildings, and training classrooms. This project will construct new training infrastructure to simulate realistic training scenarios for divisions of TEEEX. The project is located on the Texas A&M-RELLIS Campus to the southeast of the Innovation Proving Grounds (IPG). The site is bound by Taxi 7 to the north, IPG to the west, private property to the east, and Goodson Bend Road to the south.

Construction on this project is scheduled to start in December 2024 with substantial completion scheduled for April 2026. The total project budget is \$25,300,000.

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

The TEEEX RELLIS Training Props Project supports Strategic Plan Imperatives 5 and 6:

Imperative No. 5: The A&M System will provide services that respond to the needs of the people of Texas and contribute to the strength of the state's economy. We will continue to address the needs of Texas and utilize technology to reach citizens in new ways.

Imperative No. 6: The A&M System, in adhering to the high standard of excellence and growth required in this strategic plan, will display prudent financial stewardship and sustainability. Our member institutions will be diligent about their plans for growth, and the A&M System will ensure financially sound decision-making at the aggregate level. We have robust financial

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management capabilities in place and will continue to manage the A&M System's financial health in a holistic manner.

THE TEXAS A&M UNIVERSITY SYSTEM
FACILITIES PLANNING AND CONSTRUCTION
Office of the Deputy Chancellor and Chief Financial Officer
September 13, 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 TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, Bryan, Texas (Project No. 09-3394)

I recommend adoption of the following minute order:

“The project scope along with a project budget of \$25,300,000 for the TEEEX RELLIS Training Props Project is approved.

The amount of \$17,470,000 is appropriated from Account No. 01-084900 Permanent University Fund Debt Proceeds (AUF), and the amount of \$5,300,000 is appropriated from Account No. 09-274100, Capital Investment Reserve, for construction services and related project costs.

The TEEEX RELLIS Training Props Project, Texas A&M Engineering Extension Service, 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]

David E. Coatney, Agency Director
Texas A&M Engineering Extension Service

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

Ray Bonilla
General Counsel

TEEX RELLIS TRAINING PROPS TEXAS A&M ENGINEERING EXTENSION SERVICE PROJECT NO. 09-3394	PROJECT BUDGET
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1.	Construction	\$21,154,255
2.	Project Contingency	1,368,948
3.	Program of Requirements.....	0
4.	Pre-Construction Services	1,801,700
5.	Commissioning.....	54,000
6.	Construction Testing	190,385
7.	Campus Services & Technology	27,000
8.	Furnishings	0
9.	Equipment	0
10.	Other Project Costs.....	50,570
11.	Project Management & Inspection.....	<u>\$653,142</u>
12.	TOTAL ESTIMATED COST OF PROJECT	<u>\$25,300,000</u>

1. BOR Approval to Include in Capital Plan August 16, 2023
2. Issue A/E RFQ September 5, 2023
3. Issue CMAR RFP September 6, 2023
4. Receive A/E RFQ Responses..... September 26, 2023
5. Receive CMAR RFP Response September 28, 2023
6. Shortlist A/E and CMAR Firms.....October 5, 2023
7. Interview A/E ShortlistOctober 10, 2023
8. Interview CMAR FirmsOctober 11, 2023
9. A/E Ranked Order Approved by ChancellorNovember 15, 2023
10. CMAR Ranked Order Approved by ChancellorNovember 15, 2023
11. Execute A/E Agreement January 17, 2024
12. Execute CMAR Agreement January 24, 2024
13. Complete Schematic Design May 10, 2024
14. Complete Design Development August 26, 2024
15. Submit THECB ApplicationOctober 1, 2024
16. Receive GMP from CMAROctober 9, 2024
17. BOR Approval for ConstructionNovember 7, 2024
18. Begin Construction December 2024
19. Complete Construction Documents December 2024
20. Substantial Completion April 2026
21. Owner Occupancy May 2026



TEEX RELLIS Training Props

Texas A&M Engineering Extension Service

Project No. 09-3394

**TEXAS A&M ENGINEERING EXTENSION SERVICE
PERMANENT UNIVERSITY FUND
RELLIS Training Props
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	15,150,000.00			
YEAR 1	14,690,000.00	460,000.00	757,500.00	1,217,500.00
YEAR 2	14,210,000.00	480,000.00	734,500.00	1,214,500.00
YEAR 3	13,705,000.00	505,000.00	710,500.00	1,215,500.00
YEAR 4	13,175,000.00	530,000.00	685,250.00	1,215,250.00
YEAR 5	12,620,000.00	555,000.00	658,750.00	1,213,750.00
YEAR 6	12,035,000.00	585,000.00	631,000.00	1,216,000.00
YEAR 7	11,420,000.00	615,000.00	601,750.00	1,216,750.00
YEAR 8	10,775,000.00	645,000.00	571,000.00	1,216,000.00
YEAR 9	10,100,000.00	675,000.00	538,750.00	1,213,750.00
YEAR 10	9,390,000.00	710,000.00	505,000.00	1,215,000.00
YEAR 11	8,645,000.00	745,000.00	469,500.00	1,214,500.00
YEAR 12	7,860,000.00	785,000.00	432,250.00	1,217,250.00
YEAR 13	7,035,000.00	825,000.00	393,000.00	1,218,000.00
YEAR 14	6,170,000.00	865,000.00	351,750.00	1,216,750.00
YEAR 15	5,265,000.00	905,000.00	308,500.00	1,213,500.00
YEAR 16	4,315,000.00	950,000.00	263,250.00	1,213,250.00
YEAR 17	3,315,000.00	1,000,000.00	215,750.00	1,215,750.00
YEAR 18	2,265,000.00	1,050,000.00	165,750.00	1,215,750.00
YEAR 19	1,160,000.00	1,105,000.00	113,250.00	1,218,250.00
YEAR 20	-	1,160,000.00	58,000.00	1,218,000.00
		<u>\$ 15,150,000.00</u>	<u>\$ 9,165,000.00</u>	<u>\$ 24,315,000.00</u>

Estimated issuance costs and rounding of \$150,000 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 08/29/2024

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