

AGENDA ITEM BRIEFING

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

Subject: Approval of the Project Scope and Increased Budget, Appropriation for Pre-Construction and Construction Services, and Approval for Construction for the Penberthy Road Expansion and Multi-Use Path Project, Texas A&M University, College Station, Texas (Project No. 2024-06481)

Background and Prior Actions:

The Penberthy Road Expansion and Multi-Use Path Project was included as a proposed project on the FY 2025 – FY 2029 A&M System Capital Plan approved by the Board at the May 2024 meeting with an FY 2025 start date and a planning amount of \$5,635,000.

Proposed Board Action:

- (1) Approve the project scope and increased budget.
- (2) Appropriate \$5,783,339 for pre-construction services, construction services and related project costs.
- (3) Approve construction of the Penberthy Road Expansion and Multi-Use Path Project at Texas A&M University (Texas A&M).

Funding/Budget 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>
Revenue Financing System Debt Proceeds	\$5,635,000	(\$1,851,661)	\$3,783,339	\$465,806	Transportation Services
Cash - Investment Earnings	<u>\$0</u>	<u>\$2,000,000</u>	<u>\$2,000,000</u>	N/A	N/A
Total Project Funds	<u>\$5,635,000</u>	<u>\$148,339</u>	<u>\$5,783,339</u>		

Change Justification:

Competitive Sealed Proposals (CSP) were received on March 18, 2025. A value engineering process was conducted to help reduce the total cost to the value shown in the project budget. However, the actual market pricing exceeds the design estimate.

Agenda Item No. 3.4
Agenda Item Briefing

Cash was appropriated for this major construction project and approximately \$399,692 was committed or expended prior to Board authorization. This agenda item will add cash as a funding source and reduce the amount of Revenue Financing System debt funding for this project.

Project Justification:

As the City of College Station and Texas Department of Transportation (TxDOT) continue to improve their roadway systems, it has become imperative that the transportation network at Texas A&M follow suit. With the extension of Jones-Butler Road and Luther Street in the City of College Station, a direct path will be created parallel to Wellborn Road from South College Station to Penberthy Boulevard. Penberthy Boulevard has become a main entrance to West Campus and will continue to be utilized more when the improvements to the City of College Station roadway network are complete.

Penberthy Boulevard will be utilized during the construction of the George Bush/Wellborn Road Overpass. With additional traffic control in place during construction, campus stakeholders will need alternative routes to enter West Campus. Penberthy Boulevard will become a much more attractive route to avoid construction and enter campus without disruption.

In preparation for the increased travel and the construction of the Wellborn/George Bush Overpass, Transportation Services is proposing to widen Penberthy Boulevard to 4-lanes. Widening the roadway will increase the capacity for everyday travel as well as improve the entry and exit to campus on game days. The proposed widening of Penberthy Boulevard will also include shared use paths on either side of the road, allowing for greater pedestrian and cyclist safety when traveling in and around campus.

Scope:

This project proposes to widen Penberthy Boulevard from 2-lanes to 4-lanes with associated shared use paths. The scope for the project includes:

1. widening Penberthy Boulevard from 2-lanes to 4-lanes from the intersection of George Bush Drive to John Kimbrough Boulevard;
2. establishing a new roadway cross-section to include two additional lanes and shared use paths for improved pedestrian/cyclist access;
3. shared use paths that will comply with the Campus Master Plan and accommodate heavy pedestrian and cyclist traffic;
4. new street and pedestrian lighting per the UES lighting standard; and
5. each shared use path will have driveway treatments that enhance pedestrian and cyclist safety.

Construction on this project is scheduled to start in June 2025 with substantial completion scheduled for January 2026. The total project budget is \$5,783,339.

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

The Penberthy Road Expansion & Multi-Use Path project supports The Texas A&M University System strategic imperatives 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*) by continuing to address the needs of the people of Texas by improving safety and enhancing access to the Texas A&M campus; and 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*) by being diligent about our plans for growth.

TEXAS A&M UNIVERSITY

Office of the President

April 2, 2025

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

Subject: Approval of the Project Scope and Increased Budget, Appropriation for Pre-Construction and Construction Services, and Approval for Construction for the Penberthy Road Expansion and Multi-Use Path Project, Texas A&M University, College Station, Texas (Project No. 2024-06481)

I recommend adoption of the following minute order:

“The project scope along with an increased project budget of \$5,783,339 for the Penberthy Road Expansion and Multi-Use Path Project is approved.

The amount of \$3,783,339 is appropriated from Account No. 01-083540, Revenue Financing System Debt Proceeds (Transportation Services), and the amount of \$2,000,000 is appropriated from Account No. 02-211080, Investment Earnings, for pre-construction services, construction services and related project costs.

The Penberthy Road Expansion and Multi-Use Path 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

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 III
President

Approval Recommended:

[ORIGINAL SIGNED BY]

John Sharp
Chancellor

[ORIGINAL SIGNED BY]

Billy Hamilton
Deputy Chancellor and
Chief Financial Officer

[ORIGINAL SIGNED BY]

Phillip Ray
Vice Chancellor for Business Affairs

Approved for Legal Sufficiency:

[ORIGINAL SIGNED BY]

Ray Bonilla
General Counsel

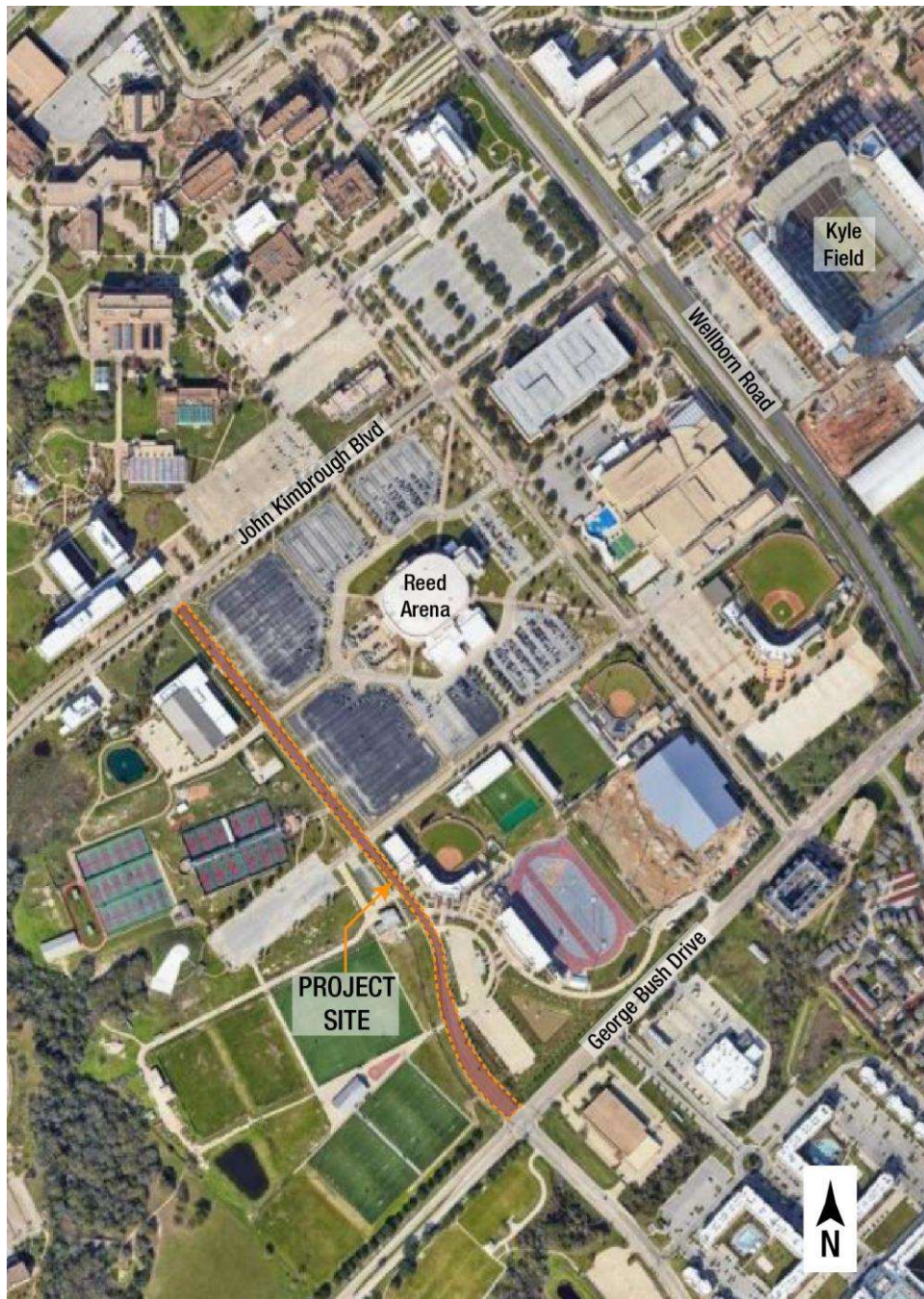
PENBERTHY ROAD EXPANSION AND MULTI-USE PATH TEXAS A&M UNIVERSITY PROJECT NO. 2024-06481	PROJECT BUDGET
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1. Construction	\$4,817,590
2. Project Contingency	358,175
3. Program of Requirements.....	14,500
4. Pre-Construction Services	388,050
5. Commissioning.....	0
6. Construction Testing	35,000
7. Campus Services & Technology	0
8. Furnishings	0
9. Equipment	0
10. Other Project Costs.....	0
11. Project Management & Inspection	<u>\$ 170,024</u>
12. TOTAL ESTIMATED COST OF PROJECT	<u>\$5,783,339</u>

**PENBERTHY ROAD EXPANSION AND MULTI-USE
PATH
TEXAS A&M UNIVERSITY
PROJECT NO. 2024-06481**

PROJECT SCHEDULE

1. BOR Approval to Include in Capital Plan May 7, 2024
2. Issue A/E RFQ September 30, 2024
3. Receive A/E RFQ Responses.....October 15, 2024
4. Evaluate A/E RFQ ResponsesOctober 25, 2024
5. Execute A/E AgreementNovember 6, 2024
6. A/E Design Kick-OffNovember 11, 2024
7. Complete Schematic Design December 4, 2024
8. Complete Design Development January 6, 2024
9. Complete Construction Documents February 7, 2025
10. Advertise for Competitive Sealed Proposals (CSP)..... February 10, 2025
11. Receive CSPs March 18, 2025
12. CSP Evaluation March 19, 2025
13. BOR Approval for Construction May 29, 2025
14. Begin Construction June 2025
15. Substantial Completion January 2026
16. Owner Occupancy February 2026



Penberthy Road Expansion and Multi-Use Path

Texas A&M University

Project No. 2024-06481

**THE TEXAS A&M UNIVERSITY
REVENUE FINANCING SYSTEM
Penberthy Road Expansion and Multi-Use Path
Transportation Services**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	3,825,000.00				
YEAR 1	3,505,000.00	320,000.00	143,437.50	463,437.50	532,953.13
YEAR 2	3,170,000.00	335,000.00	131,437.50	466,437.50	536,403.13
YEAR 3	2,825,000.00	345,000.00	118,875.00	463,875.00	533,456.25
YEAR 4	2,465,000.00	360,000.00	105,937.50	465,937.50	535,828.13
YEAR 5	2,090,000.00	375,000.00	92,437.50	467,437.50	537,553.13
YEAR 6	1,700,000.00	390,000.00	78,375.00	468,375.00	538,631.25
YEAR 7	1,300,000.00	400,000.00	63,750.00	463,750.00	533,312.50
YEAR 8	885,000.00	415,000.00	48,750.00	463,750.00	533,312.50
YEAR 9	450,000.00	435,000.00	33,187.50	468,187.50	538,415.63
YEAR 10	-	450,000.00	16,875.00	466,875.00	536,906.25
		<u>\$ 3,825,000.00</u>	<u>\$ 833,062.50</u>	<u>\$ 4,658,062.50</u>	<u>\$ 5,356,771.90</u>

Estimated Issuance costs and rounding of \$41,600 are included in this schedule.
Long-term rates are assumed to be 3.75%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 03/27/2025

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