

AGENDA ITEM BRIEFING

Submitted by: Thomas D. Williams, Interim President
Texas A&M University

Subject: Approval to Amend the FY 2026 – FY 2030 A&M System Capital Plan to Add the Poultry Science Center Project for Texas A&M University with an FY 2026 Start Date and Appropriate Funding for Pre-Construction Services (Project No. 02-3461)

Proposed Board Action:

- (1) Amend the approved FY 2026 – FY 2030 A&M System Capital Plan to add the Poultry Science Center Project for Texas A&M University with an FY 2026 start date and a total planning amount of \$36,000,000.
- (2) Appropriate \$3,600,000 for pre-construction services and related project costs.

Funding/Planning Amount:

<u>Funding Source</u>	<u>Planning Amount</u>	<u>Average Estimated Annual Debt Service</u>	<u>Debt Service Source</u>
Revenue Financing System Debt Proceeds	\$12,148,000	\$943,373	Gifts
Permanent University Fund Debt Proceeds (AL-RSRCH)	\$7,000,000	\$543,513	Available University Fund
Cash (Differential Tuition)	\$1,250,000	N/A	N/A
Cash (UAF)	\$15,000,000	N/A	N/A
Cash (Gifts)	<u>\$602,000</u>	N/A	N/A
Total Project Cost	<u>\$36,000,000</u>		

***System policy requires 50% of the gifts funds in hand and an additional 25% in documented pledges before approval for construction on the project is received. For any funds not in hand, an unrestricted source of funds must be identified to pay for the project or for the repayment of debt prior to approval for construction. AgriLife Research has committed Indirect Cost Recoveries as an unrestricted source of funds for repayment of the debt if there is any shortfall.**

****AgriLife Research is using \$7,000,000 of its PUF Equipment Allocations to provide funding for this project. These funds have been reverted to the system so they can be appropriated to this major project.**

Project Justification:

The Department of Poultry Science at Texas A&M University (Texas A&M) has a rich history, dating to 1910, that has facilitated the modernization of the poultry industry. As the largest Poultry Science program in the country, the department serves a critical role in education, research, and outreach that advances poultry management, intestinal health, environmental stewardship, animal welfare, feeding strategies, bird and human health, and food safety and quality.

The Poultry Science department serves a critical role in educating and training the nation's emerging poultry science workforce and poultry scientist researchers. Over the years, at most universities, Poultry Science has merged with Animal Science departments, resulting in only six institutions that maintain Poultry Science as a stand-alone department. Most are SEC schools, all are direct competitors, and all have signature facilities. Poultry Science at Texas A&M produces 35% of all poultry science undergraduate majors nationally, approximately 160 undergraduates per year. Texas A&M has the top Poultry Science program in the nation, industry prioritizes recruiting their students, and yet the worst Poultry Science facilities amongst its direct competitors.

The existing Poultry Science Headquarters building (1201) was built in 1986 and is prominently located on Harvey Mitchell Parkway. As processing and research methods have evolved in the poultry industry, space and capabilities at the university have not kept pace. While processing space will be consolidated with the Animal Science department in a new facility that is currently in design, the remainder of the facility lacks adequate classroom space that meets current pedagogical methods, has original building systems – mechanical, electrical, and plumbing – that are beyond their useful life expectancy, and does not provide adequate demonstration space to provide the critical transformational educational experiences that have become a hallmark of Texas A&M. Field sample collection and processing space that adheres to environmental, health, and safety requirements – required to support Texas A&M's research enterprise – simply do not exist in spaces at the farm. Due to these numerous building infrastructure issues and deficiencies, the Poultry Science department will be best able to fulfill its educational, research, and outreach missions through a new, purpose-built space.

Scope:

As currently programmed, the new Poultry Science Center Project totals 27,700 gross square feet (GSF), which translates to 16,620 assignable square feet (ASF) at 60% efficiency. The new Poultry Science Center Project will be located at the Poultry Science Research, Teaching, and Extension Center (The Farm), southeast of Easterwood Airport and along Harvey Mitchell Parkway. This highly visible and prominent location creates an important opportunity to communicate the Poultry Science department's culture of excellence to the greater community.

The new facility will provide new instructional capabilities to teach, demonstrate, and provide hands-on educational experiences for Poultry Science students. Instructional space is planned to include classroom space through two flat-floor multi-purpose rooms for group learning and one tiered lecture room to support traditional teaching methodologies. Demonstration space will

Agenda Item No. 3.5
Agenda Item Briefing

include a judging room, egg grading room, and a teaching kitchen to support coursework that requires interactive teaching to develop critical skills. An instructional wet lab is included to create the opportunity to observe different poultry specimens without jeopardizing the biosecurity of poultry research occurring at The Farm.

In addition to instructional space, three research labs are included to support field sample collection and sample processing, with analytic research to remain in other existing locations. Office space is limited to support faculty when teaching on-site and for farm management and operations staff. This project also includes the demolition of the existing Poultry Science Headquarters building (1201) and Poultry Science Handling & Judging building (1202). Temporary facilities for a farm office and restrooms are included to maintain farm operations during construction.

Other Major Fiscal Impacts:

None.

Strategic Plan Imperative(s) this Item Advances:

Approval of this agenda item will support The Texas A&M University System strategic imperatives 1, 3, and 5. More specifically, the Poultry Science department has a highly successful matriculation rate of acceptance to admittance due to active and engaged recruitment and extension programs that reach future students, their educators, and parents very early in their schooling. The new Poultry Science Center Project will enhance student experience, increase visibility for the department and allow for improved recruitment strategies and programs, aimed at growing the department and student enrollment (*Imperative 1*). The new Poultry Science Center Project will directly support hands-on educational experiences that are critical to training the next generations for careers in the poultry industry (*Imperative 3*). While the department is the top Poultry Science program in the nation and industry prioritizes recruiting Texas A&M students, the improved facilities provided by the new Poultry Science Center Project will help further enhance the department's image and relationship amongst the local, state, and national community and industry (*Imperative 5*).

Agenda Item No. 3.5

TEXAS A&M UNIVERSITY

Office of the President

December 22, 2025

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

Subject: Approval to Amend the FY 2026 – FY 2030 A&M System Capital Plan to Add the Poultry Science Center Project for Texas A&M University with an FY 2026 Start Date and Appropriate Funding for Pre-Construction Services (Project No. 02-3461)

I recommend adoption of the following minute order:

“The request to amend the FY 2026 – FY 2030 A&M System Capital Plan to add the Poultry Science Center Project for Texas A&M University with an FY 2026 start date and a total planning amount of \$36,000,000 is approved.

The amount of \$3,600,000 is appropriated from Account No. 06-805118-01180, Poultry Farm Holding Account, 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,

[SIGNED BY]

Thomas D. Williams
Interim President

System Approval Recommended:

[SIGNED BY]

Glenn Hegar
Chancellor

[SIGNED BY]

Susan Ballabina, Ph.D.
Executive Vice Chancellor

[SIGNED BY]

John A. Barton
Acting Vice Chancellor for
Business Affairs

[SIGNED BY]

Ryan C. Griffin
Vice Chancellor and
Chief Financial Officer

**System General Counsel Approved
for Legal Sufficiency:**

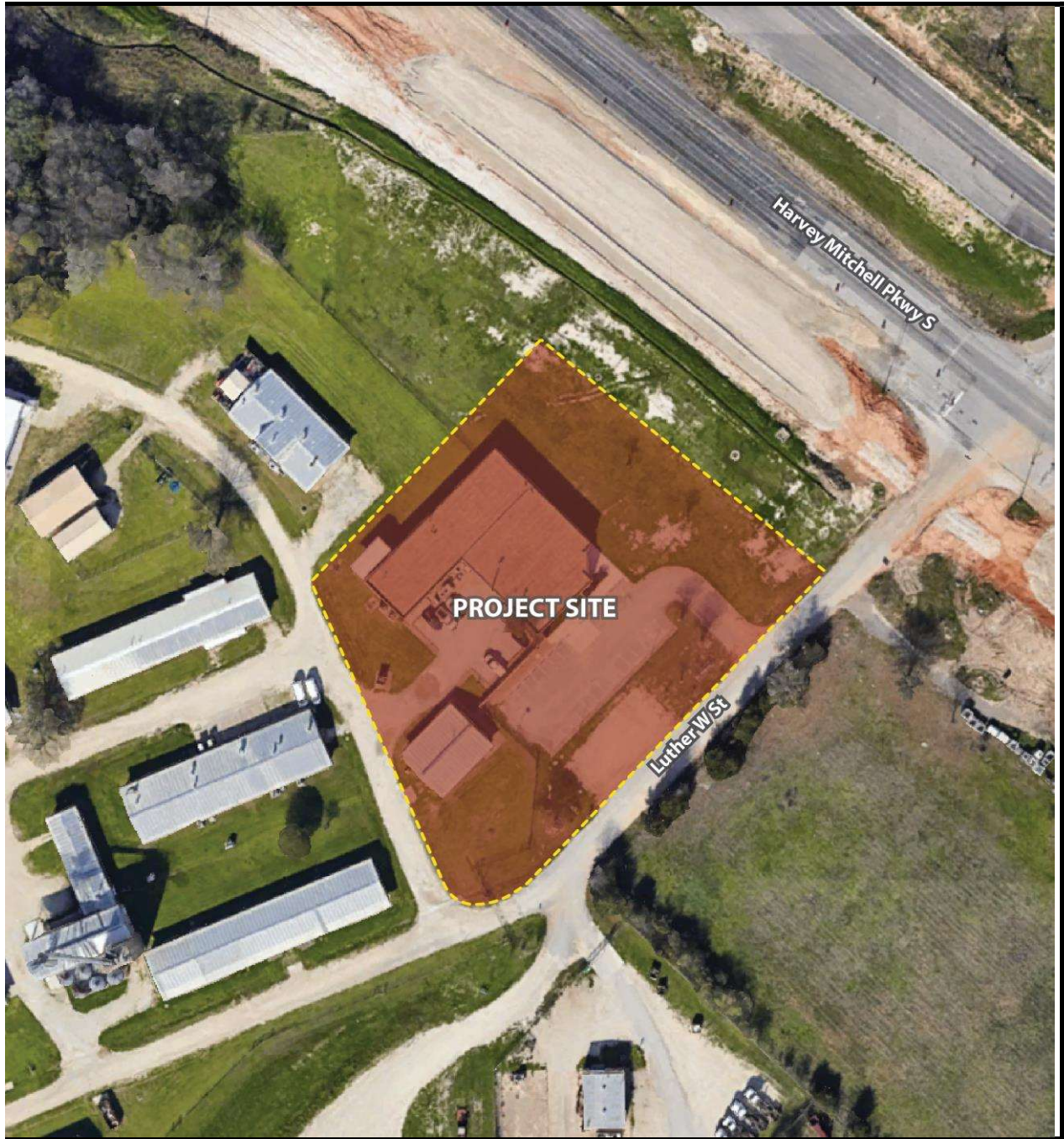
[SIGNED BY]

R. Brooks Moore
General Counsel

**Board General Counsel Approved
for Legal Sufficiency**

[SIGNED BY]

Nicole B. Bunker
General Counsel



Poultry Science Center

Texas A&M University

Project No. 02-3461

**TEXAS AGRILIFE RESEARCH
REVENUE FINANCING SYSTEM
02-3461 Poultry Science Center
Gifts**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total	Coverage 1.15x
BONDS	12,270,000.00				
YEAR 1	11,880,000.00	390,000.00	552,150.00	942,150.00	1,083,472.50
YEAR 2	11,470,000.00	410,000.00	534,600.00	944,600.00	1,086,290.00
YEAR 3	11,045,000.00	425,000.00	516,150.00	941,150.00	1,082,322.50
YEAR 4	10,600,000.00	445,000.00	497,025.00	942,025.00	1,083,328.75
YEAR 5	10,135,000.00	465,000.00	477,000.00	942,000.00	1,083,300.00
YEAR 6	9,645,000.00	490,000.00	456,075.00	946,075.00	1,087,986.25
YEAR 7	9,135,000.00	510,000.00	434,025.00	944,025.00	1,085,628.75
YEAR 8	8,605,000.00	530,000.00	411,075.00	941,075.00	1,082,236.25
YEAR 9	8,050,000.00	555,000.00	387,225.00	942,225.00	1,083,558.75
YEAR 10	7,470,000.00	580,000.00	362,250.00	942,250.00	1,083,587.50
YEAR 11	6,860,000.00	610,000.00	336,150.00	946,150.00	1,088,072.50
YEAR 12	6,225,000.00	635,000.00	308,700.00	943,700.00	1,085,255.00
YEAR 13	5,560,000.00	665,000.00	280,125.00	945,125.00	1,086,893.75
YEAR 14	4,865,000.00	695,000.00	250,200.00	945,200.00	1,086,980.00
YEAR 15	4,140,000.00	725,000.00	218,925.00	943,925.00	1,085,513.75
YEAR 16	3,385,000.00	755,000.00	186,300.00	941,300.00	1,082,495.00
YEAR 17	2,595,000.00	790,000.00	152,325.00	942,325.00	1,083,673.75
YEAR 18	1,770,000.00	825,000.00	116,775.00	941,775.00	1,083,041.25
YEAR 19	905,000.00	865,000.00	79,650.00	944,650.00	1,086,347.50
YEAR 20	-	905,000.00	40,725.00	945,725.00	1,087,583.75
		<u>\$ 12,270,000.00</u>	<u>\$ 6,597,450.00</u>	<u>\$ 18,867,450.00</u>	<u>\$ 21,697,567.50</u>

Estimated issuance costs and rounding of \$122,000 are included in this schedule.
Long-term rates are assumed to be 4.50%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 12/12/2025

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

Backstop for any shortfall in gifts: AgriLife Research - Indirect Cost Recoveries

**TEXAS AGRILIFE RESEARCH
PERMANENT UNIVERSITY FUND
02-3461 Poultry Science Center
Available University Fund**

Dates	Outstanding Principal	Principal Amount	Interest Amount	Annual Total
BONDS	7,070,000.00			
YEAR 1	6,845,000.00	225,000.00	318,150.00	543,150.00
YEAR 2	6,610,000.00	235,000.00	308,025.00	543,025.00
YEAR 3	6,365,000.00	245,000.00	297,450.00	542,450.00
YEAR 4	6,105,000.00	260,000.00	286,425.00	546,425.00
YEAR 5	5,835,000.00	270,000.00	274,725.00	544,725.00
YEAR 6	5,555,000.00	280,000.00	262,575.00	542,575.00
YEAR 7	5,260,000.00	295,000.00	249,975.00	544,975.00
YEAR 8	4,955,000.00	305,000.00	236,700.00	541,700.00
YEAR 9	4,635,000.00	320,000.00	222,975.00	542,975.00
YEAR 10	4,300,000.00	335,000.00	208,575.00	543,575.00
YEAR 11	3,950,000.00	350,000.00	193,500.00	543,500.00
YEAR 12	3,585,000.00	365,000.00	177,750.00	542,750.00
YEAR 13	3,205,000.00	380,000.00	161,325.00	541,325.00
YEAR 14	2,805,000.00	400,000.00	144,225.00	544,225.00
YEAR 15	2,385,000.00	420,000.00	126,225.00	546,225.00
YEAR 16	1,950,000.00	435,000.00	107,325.00	542,325.00
YEAR 17	1,495,000.00	455,000.00	87,750.00	542,750.00
YEAR 18	1,020,000.00	475,000.00	67,275.00	542,275.00
YEAR 19	520,000.00	500,000.00	45,900.00	545,900.00
YEAR 20	-	520,000.00	23,400.00	543,400.00
		<u>\$ 7,070,000.00</u>	<u>\$ 3,800,250.00</u>	<u>\$ 10,870,250.00</u>

Estimated issuance costs and rounding of \$70,000 are included in this schedule.
Long-term rates are assumed to be 4.50%. Rates are subject to market change.
Prepared by the Office of the Treasurer - Treasury Services 12/12/2025

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