

Meeting No. 1,026

THE MINUTES OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

Pages 1 - 23

March 26, 2008

Austin, Texas

TABLE OF CONTENTS  
 THE MINUTES OF THE BOARD OF REGENTS  
 OF  
 THE UNIVERSITY OF TEXAS SYSTEM  
 MARCH 26, 2008  
 AUSTIN, TEXAS

MEETING NO. 1,026

<u>March 26, 2008</u>	<u>Page No.</u>
I. ATTENDANCE	1
II. WELCOME TO MRS. KAREN RABON, ASSISTANT GENERAL COUNSEL TO THE BOARD	1
III. AGENDA ITEMS	1
1. U. T. System: Update on implementation of the U. T. System Strategic Plan	1
2. U. T. System Board of Regents: Appointment of a) Regent Foster as Chairman of the Audit, Compliance, and Management Review Committee, b) Regent Longoria as the Regental Representative on the Texas Growth Fund Board of Trustees, and c) Regent Dannenbaum as the Regental Representative on the Board for Lease of University Lands	2
3. U. T. System Board of Regents: Reappointment of Mr. Erle Nye and Mr. Charles W. Tate to the Board of Directors of The University of Texas Investment Management Company (UTIMCO)	2
4. U. T. System: Approval to amend the Resolution regarding the list of individuals authorized to negotiate, execute, and administer classified government contracts (Key Management Personnel)	3
5. U. T. System Board of Regents: Amendment of Regents' <i>Rules and Regulations</i> , Series 40601, Section 1.17 to change the official title of The University of Texas Health Center at Tyler to The University of Texas Health Science Center at Tyler	4
6. U. T. System: Approval of initiatives to support commercialization of research	5
7. U. T. Austin: Approval of a resolution related to governance of the Departments of Intercollegiate Athletics	5

8.	U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Plan premium returns	7
9.	U. T. System: Approval of tuition and fee plans	10
IV.	REMARKS BY CHAIRMAN CAVEN	16
V.	RECESS TO EXECUTIVE SESSION	17
VI.	RECONVENE IN OPEN SESSION	17
1a.	U. T. System Board of Regents: Discussion with Counsel on pending legal issues	17
1b.	U. T. System Board of Regents: Discussion and appropriate action concerning pending legal matters related to The United States of America v. 37.52 Acres of Land, more or less, situated in Cameron County, State of Texas; and Texas Southmost College District, et al.	17
2a.	U. T. Health Science Center – Houston: Approval to interview candidates for the position of president	19
2b.	U. T. System: Authorization to appoint a Chancellor ad interim if needed	19
VII.	AGENDA ITEMS, CONTINUED	20
10.	U. T. System Board of Regents: Selection of Cooper, Robertson & Partners, LLP, New York, New York, as master planner for the creation of a minimum of two conceptual master plans for the development of approximately 346 acres along Lady Bird Lake in Austin, Travis County, Texas, known as the Brackenridge Tract	20
VIII.	SCHEDULED MEETING	23
IX.	ADJOURNMENT	23

MEETING NO. 1,026

WEDNESDAY, MARCH 26, 2008.--The members of the Board of Regents of The University of Texas System convened this special called meeting at 9:10 a.m. on Wednesday, March 26, 2008, in the Board Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present  
Chairman Caven, presiding  
Vice Chairman Huffines  
Vice Chairman Rowling  
Regent Camarillo  
Regent Dannenbaum  
Regent Foster  
Regent Gary  
Regent Longoria  
Regent McHugh

Absent  
Regent Barnhill

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Caven called the meeting to order.

WELCOME TO MRS. KAREN RABON, ASSISTANT GENERAL COUNSEL TO THE BOARD.--The Board welcomed Mrs. Karen Rabon, Assistant General Counsel to the Board, who joined the Office of the Board of Regents on February 1, 2008, coming from the Office of the Attorney General of Texas.

AGENDA ITEMS

1. U. T. System: Update on implementation of the U. T. System Strategic Plan

Dr. Geri H. Malandra, Vice Chancellor for Strategic Management, presented an update on implementation of The University of Texas System Strategic Plan and on the timeline for development and completion of institutional strategic plans.

2. U. T. System Board of Regents: Appointment of a) Regent Foster as Chairman of the Audit, Compliance, and Management Review Committee, b) Regent Longoria as the Regental Representative on the Texas Growth Fund Board of Trustees, and c) Regent Dannenbaum as the Regental Representative on the Board for Lease of University Lands

The Board approved Chairman Caven's recommended appointments of

- a. Regent Foster as Chairman of the Audit, Compliance, and Management Review Committee;
- b. Regent Longoria as the Regental Representative on the Texas Growth Fund Board of Trustees; and
- c. Regent Dannenbaum as the Regental Representative on the Board for Lease of University Lands.

All appointments are effective immediately and will remain in effect until new appointments are made.

The other Board of Regents' representative on the Board for Lease is Regent Gary, with Regent Barnhill as the alternate.

3. U. T. System Board of Regents: Reappointment of Mr. Erle Nye and Mr. Charles W. Tate to the Board of Directors of The University of Texas Investment Management Company (UTIMCO)

Mr. Erle Nye and Mr. Charles W. Tate were reappointed to The University of Texas Investment Management Company (UTIMCO) Board of Directors, each for a term to expire on April 1, 2011.

Section 66.08 of the *Texas Government Code* requires that The University of Texas System Board of Regents appoint all members of the Board of Directors of UTIMCO. Section 66.08 also provides that the Board of Regents "shall select one or more of the members of the board of directors of the corporation from a list of candidates with substantial background and expertise in investments that is submitted to the board by the board of regents of The Texas A&M University System." The Texas A&M University System Board of Regents submitted the names of Regent Erle Nye, Vice Chairman John D. White, and Regent Morris E. Foster.

On February 26, 2008, Mr. Nye was selected by The Texas A&M University System Board of Regents to continue serving on the UTIMCO Board. Mr. Nye was originally appointed to the UTIMCO Board of Directors on March 10, 2005 and serves as the representative selected from a list of candidates with substantial background and expertise in investments that is

submitted by the Texas A&M Board of Regents. Mr. Nye is a member and past Chairman of The Texas A&M University System Board of Regents and is Chairman Emeritus of TXU Corporation.

Mr. Tate was originally appointed to the UTIMCO Board of Directors on September 28, 2004, for a term ending on April 1, 2008. Mr. Tate, who serves as a public/external representative rather than an "affiliated Director," is Chairman and Founding Partner of Capital Royalty LP.

4. U. T. System: Approval to amend the Resolution regarding the list of individuals authorized to negotiate, execute, and administer classified government contracts (Key Management Personnel)

To comply with the Department of Defense National Industrial Security Program Operating Manual (NISPOM) requirements, the Board amended the Resolution regarding the list of individuals authorized to negotiate, execute, and administer classified government contracts [Key Management Personnel (KMP)] to add Regent Longoria to the list of members of the Board of Regents. The revised Resolution is set forth below.

NISPOM defines KMP as "officers, directors, partners, regents or trustees." The manual requires that the senior management official and the Facility Security Officer must always be designated KMPs and be cleared at the level of the Facility Clearance. Other officials or KMPs, as determined by the Defense Security Service, must be granted Personal Security Clearances or be formally excluded by name from access to classified material.

### RESOLUTION

BE IT RESOLVED:

That the following named members of The University of Texas System Board of Regents shall not require, shall not have, and can be effectively excluded from access to all classified information in the possession of The University of Texas System and do not occupy positions that would enable them to affect adversely the policies and practices of The University of Texas System in the performance of classified contracts for the Department of Defense, or User Agencies of its Industrial Security Program, and need not be processed for a personnel clearance:

Members of the U. T. System Board of Regents:

H. Scott Caven, Jr., Chairman  
James R. Huffines, Vice Chairman

Robert B. Rowling, Vice Chairman  
John W. Barnhill, Jr., Regent  
James D. Dannenbaum, Regent  
Paul Foster, Regent  
Printice L. Gary, Regent  
Janiece Longoria, Regent  
Colleen McHugh, Regent

The Resolution was last approved on November 9, 2007. The Student Regent is not listed because he is a nonvoting member.

A complete list of KMPs is not needed as in the past because there is no requirement to list officers by name. Changes to the KMPs require only the signature of someone on the KMP list.

5. U. T. System Board of Regents: Amendment of Regents' Rules and Regulations, Series 40601, Section 1.17 to change the official title of The University of Texas Health Center at Tyler to The University of Texas Health Science Center at Tyler

The Board amended the Regents' *Rules and Regulations*, Series 40601, Section 1.17, concerning institutions comprising The University of Texas System, to read as set forth below:

Sec. 1 Official Titles. The U. T. System is composed of the institutions and entities set forth below. To ensure uniformity and consistence of usage throughout the U. T. System, the institutions and their respective entities shall be listed in the following order and the following titles (short form of title follows) shall be used:

...

1.17 The University of Texas Health Science Center at Tyler  
(U. T. Health Science Center – Tyler)

This official title change conforms with *Texas Education Code* Section 65.11, which provides the Board of Regents authority to name the institutions and entities it oversees and with *Texas Education Code* Section 74.601 that uses this name. The title change helps to convey the institution's mission to serve East Texas and beyond through excellent patient care and community health, comprehensive education, and innovative research, and reflects more accurately the institution's status as an academic medical center.

6. U. T. System: Approval of initiatives to support commercialization of research

Following brief remarks by Chancellor Yudof and Vice Chancellor McDowell and in support of commercialization of research at University of Texas System institutions, the Board

- a. announced an intent to proactively review U. T. System institutional mission statements for the inclusion of commercialization of university discoveries as the mission statements come forward in the normal course of business; and
- b. reaffirmed the peer review process as an effective support for U. T. System efforts to promote commercialization as a legitimate and desirable outcome of creative scholarship, recognizing that criteria for promotion and tenure are established by faculty as part of the process of peer review and that technology development and commercialization are included in that process where appropriate.

Governor Perry requested that universities in Texas enhance their commitment to commercialization of university intellectual property. In response to the leadership of the Governor, U. T. System is implementing a new initiative titled, "*Ignite Texas!*," a comprehensive program to spark innovation and endorse the culture of entrepreneurship System-wide. This program contains initiatives at U. T. System Administration and U. T. System institutions to accelerate the development of university intellectual property and the creation of new companies and industries in Texas.

In his opening remarks, Dr. McDowell said the *Ignite Texas!* Initiative builds on the Texas Ignition Fund, which was approved by the Board on December 6, 2007, with the allocation of \$2 million from the Intermediate Term Fund. He also noted the recommendations had been reviewed and approved by the presidents and by the Faculty Advisory Council. In response to a question from Vice Chairman Huffines, Dr. McDowell explained that \$1.2 million has been generated retroactively from the Emerging Technology Fund and is being used by the campuses to complement the *Ignite Texas!* Initiative.

7. U. T. Austin: Approval of a resolution related to governance of the Departments of Intercollegiate Athletics

Chairman Caven said the Board was being asked to consider a proposed resolution to reiterate the National Collegiate Athletic Association (NCAA) principles of institutional control and presidential authority for the conduct of intercollegiate athletics at The University of Texas at Austin and to clarify that the Intercollegiate Athletics Councils at U. T. Austin act only in an



advisory capacity. He said this action will also put the Councils into conformity with the Texas Open Meetings Act, as applied to other public university athletics councils in the state and will allow appropriate discussion of personnel and student athletes, who are subject to federal privacy laws. Chairman Caven also said U. T. Austin will continue to provide notice of the regular monthly Athletics Council meetings and will generally open the meetings.

The Board clarified the role of the Men's and Women's Athletics Councils at U. T. Austin by adopting the following Resolution:

### RESOLUTION

Be It Resolved, That the Board of Regents of The University of Texas System declares and reiterates its commitment to the NCAA principles of institutional control and presidential authority for the conduct of all intercollegiate athletics, within the policies approved by this Board, and that this Board shall continue to exercise its exclusive and final authority for policy governance and direction of matters concerning the Departments of Intercollegiate Athletics and intercollegiate athletic programs of The University of Texas at Austin in the same manner that this Board exercises its exclusive and final authority for policy governance and direction for all other departments and programs at U. T. Austin;

That the Board of Regents of The University of Texas System does hereby declare that it shall continue to exercise its exclusive statutory authority to govern, control, and direct the policies for the Departments of Intercollegiate Athletics and all intercollegiate athletic programs of U. T. Austin, within the regulations of the NCAA and the Big 12 Conference as accepted by the Board, and that the Men's and Women's Athletics Councils of U. T. Austin may review and make recommendations to the Office of the President of the University on any matters pertaining to the enforcement of eligibility rules and regulations established by any athletic conference or national association in which U. T. Austin holds membership; and

That the Athletics Councils may review, offer suggestions, and make recommendations on any pertinent matters related to U. T. Austin's intercollegiate athletic programs; however, such recommendations and suggestions shall be made to and channeled through the Office of the President of U. T. Austin, and it is further specifically provided that the Athletics Councils shall not have final authority to direct, control, or supervise the operation or activities of the Departments of Intercollegiate Athletics or intercollegiate athletic programs.

U. T. Austin's Departments of Intercollegiate Athletics are completing the 10-year NCAA certification process this spring. The certification will be considered by the NCAA Board of Directors in April 2008. The NCAA certification principles of athletics governance require adherence to institutional control and presidential authority for the conduct of intercollegiate athletics at the University within the policy framework established by the U. T. System Board of Regents.

The Resolution reiterates these principles of athletics governance. In addition, it corrects the anomaly that was created in 1974 when then Attorney General Hill found that the Athletics Councils at Austin were subject to the Texas Open Meetings Act. That opinion was based upon incorrect facts presented at that time that the Athletics Councils served to govern, control, and direct the policies and activities of intercollegiate athletics.

8. U. T. System: Approval to distribute a portion of The University of Texas System Professional Medical Liability Plan premium returns

The Board approved distribution of \$23 million from The University of Texas System Professional Medical Liability Plan (Plan) premium returns as part of a multiyear strategy to reduce the Plan fund balance to within the recommended reserve range for preserving actuarial soundness. Distribution will be \$20 million to the participating U. T. System institutions pro rata in accordance with premium contributions (as set forth in Exhibit 1, Page 9) and \$3 million for System-wide patient safety initiatives to be implemented over three years.

The three-year, \$3 million patient safety initiative is an effort to prevent claims and lawsuits as well as to establish a plan to incorporate patient safety into the culture of medicine. Four areas of focus identified by a task force of U. T. System experts in the field of patient safety and quality assurance are

- a. training healthcare providers across U. T. System in the implementation of the policies for handling of disclosure to patients when unanticipated outcomes occur;

- b. a quality improvement course for clinicians developed by The University of Texas M. D. Anderson Cancer Center is proposed to be extended to other health institutions of the U. T. System to promote sustained individual involvement in breakthrough change initiatives and to enhance organizational learning by the ongoing sponsorship of a U. T. System-wide, structured quality improvement educational program and methods and events to enhance organizational knowledge through the transfer of learning and adoption of best practices within the U. T. System;
- c. a small grants program will stimulate quality and safety activities throughout the U. T. System; and
- d. the development of a Patient Safety Organization at the U. T. System in response to the federal Patient Safety and Quality Improvement Act of 2005 to permit the collection of patient safety data with broad confidentiality protections.

Exhibit 1  
**The University of Texas System Professional Medical Liability Benefit Plan**  
Proposed Distribution of Plan Returns

**Pro Rata Distribution (rounded for ease in presentation):**

<u>Institution</u>	<u>% Distribution</u>	<u>Distribution</u>
UTA	0.006% \$	1,126
UTAustin	0.187%	37,426
UTSA	0.015%	3,017
UTHCT	1.036%	207,216
UTHSCH	12.239%	2,447,761
UTHSCSA	18.413%	3,682,554
UTMDACC	12.669%	2,533,873
Medical Foundation (UTHSCH)	8.137%	1,627,460
UTSWMC	19.973%	3,994,519
UTMB	27.325%	5,465,048
<b>Total</b>	100% \$	<b>20,000,000</b>

<b>Patient Safety Initiatives:</b>	<u>3,000,000</u>
<b>TOTAL PROPOSED DISTRIBUTION</b>	<u><u>\$ 23,000,000</u></u>

9. U. T. System: Approval of tuition and fee plans

House Bill 3015 passed by the Texas Legislature during the 78th Regular Session modified *Texas Education Code* Section 54.0513 to grant authority to boards of regents to set an appropriate charge to students designated as tuition (Designated Tuition) in addition to tuition rates set by the Legislature and other charges set by boards of regents as previously authorized. The statutory changes increased latitude to implement innovative charge structures.

In his opening remarks, Chancellor Yudof said it has been important to exercise the authority to set tuition responsibly and with as much transparency as possible. He noted that after several years of making up for a history of low funding, tuition increases have moderated and, in fact, at some University of Texas System institutions, the rate of tuition increases has been lower since the Board began setting tuition.

After his presentation on the proposed tuition plans for the academic institutions, Executive Vice Chancellor Prior called on the following presidents for presentations on their tuition and fee proposals. Each president was accompanied by the Student Body president for each campus represented.

President Spaniolo, Mr. Collins Watson  
(The University of Texas at Arlington)

President Powers, Mr. Andrew Solomon  
(The University of Texas at Austin)

President García, Mr. Matthew Kendall  
(The University of Texas at Brownsville)

President Daniel, Mr. Ben Dower  
(The University of Texas at Dallas)

President Natalicio, Mr. Aaron Rosas  
(The University of Texas at El Paso)

President Cárdenas, Mr. Otonitl Matamoros  
(former President of Student Government Association),  
(The University of Texas – Pan American)

President Watts, Ms. Iris Fierro  
(The University of Texas of the Permian Basin)

President Romo, Mr. Tommy Thompson  
(The University of Texas at San Antonio)

President Mabry, Mr. Austin O'Kelly  
(The University of Texas at Tyler)

On December 6, 2007, the Board adopted a resolution to limit tuition and fee increases to a maximum of 4.95 percent, or \$150 per semester, whichever is greater, for each of Academic Years 2008-2009 and 2009-2010. Executive Vice Chancellor Shine said the cap affected the health institutions in the nursing and allied health professions. Dr. Shine also requested the Board consider the proposed tuition and fee charges for the U. T. System nursing schools effective only for Fall 2008 and he asked that the \$480 per year student-approved Fitness Center fee at The University of Texas Health Science Center at San Antonio be approved with the understanding that the fee not be implemented until approved by the Executive Vice Chancellor for Health Affairs, which will be contingent on completion of contractual arrangements for construction of the facility. (The fee is described on Page 386 of the Agenda materials). Dr. Shine also explained that last week, the Texas Higher Education Coordinating Board indicated the statutory authority for tuition for nonresidents attending U. T. System institutions will be increased by a small amount (\$3).

Regent McHugh asked about differential versus uniform tuition and following discussion, Dr. Prior said universities are moving to differential tuition to recognize the true costs of delivering a program. In response to a question from Vice Chairman Huffines regarding data on funding per student at peer institutions, Executive Vice Chancellor Prior noted the information is available, will be published in the next U. T. System Accountability Report, and will be useful for the U. T. System to remain competitive, particularly in terms of faculty and graduate students. Regent Gary expressed concern about determining the costs of a program and Dr. Prior answered base costs are identified in the process of preparing a proposal for the Coordinating Board. Regent Gary also asked if U. T. System institutions are competitive with the tuition discounts as included in the proposals and Chancellor Yudof called on President Powers who responded affirmatively. Vice Chairman Rowling expressed concern that the graph in the first slide on Page 27 of the agenda materials may not reflect all the sources of funding and Chancellor Yudof offered the services of Associate Vice Chancellor, Controller & Chief Budget Officer Wallace to review the chart.

The Board then approved the motion set forth on the following page as presented by Chancellor Yudof regarding tuition and fee plans for the next two years for each University of Texas System institution except The University of Texas Health Science Center at Tyler.

Motion by Chancellor Yudof

I recommend that the Board of Regents approve proposed tuition and fee charges for the U. T. System academic institutions effective for Fall 2008 and Fall 2009 as proposed in the institutional proposals contained on [Pages 60 – 335](#) of the Agenda materials, as clarified by the presidents.

I further recommend that the Board of Regents approve proposed tuition and fee charges for the health institutions effective for Academic and Fiscal Years 2008-2009 and 2009-2010, as proposed in the institutional proposals on [Pages 336 – 394](#) of the Agenda materials, as clarified by Dr. Shine particularly with respect to nonresident tuition increases by the Texas Higher Education Coordinating Board.

In addition, I further recommend that the Board of Regents approve proposed tuition and fee charges for the U. T. System nursing schools effective only for Fall 2008 as proposed in the institutional materials, with the further recommendation that the Board of Regents approve reevaluation of the need for the U. T. System nursing schools tuition increases for Fall 2009 as changes occur in State revenue allocation for the next biennium.

The motion was seconded and carried by acclamation.

Notes from the Assistant Secretary to the Board:

Parking permit fees at U. T. Pan American, as set forth on Page 13 and presented to the Board but not included in the Agenda materials, were also approved.

U. T. San Antonio submitted parking permit fees for its campus. All fees submitted were approved by the Executive Vice Chancellor for Academic Affairs and the Office of General Counsel. In submission of the fees for the Board of Regents' agenda, the Office of Academic Affairs inadvertently omitted reference to the Annual Permit for the "North and DTC Garage" in Schedules 1 and 2 due to format issues. It was the Board's intention to approve all parking permit fees that were submitted and approved by the U. T. System including the Annual Permit – North and DTC Garage as set forth on Pages 14 and 15.

## PARKING PERMITS

Approval is recommended for the following parking permit fees to be effective beginning with the Fall Semester 2008. Fees will be prorated for the spring and summer sessions.

<u>Annual Fees:</u>	<u>Current 2008</u>	<u>Proposed 2009</u>	<u>Proposed 2010</u>
<u>Student Permits</u>			
General	34	39	39
Remote	17	22	22
<u>Faculty/Staff</u>			
Reserved	65	85	85
General	34	39	39
Remote	17	22	22



### Schedule 1

#### Parking Permit Fees

#### For use if the Board approves the Transportation Fee

Approval is recommended for the following parking permit fees to be effective beginning with the Fall Semester 2008. The proposed fees are consistent with the applicable statutory requirements under Section 51.202 of the *Texas Education Code* and have been administratively approved by the Executive Vice Chancellor for Academic Affairs.

Following Regental approval, the appropriate institutional catalog will be amended to reflect these fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<b>Annual fees:</b>			
<u>Student Permit Classifications</u>			
Annual permit – commuter	120	80	(33.33)
Annual permit – remote	75	n/a	n/a
Annual permit – housing	170	130	(23.53)
Annual permit – North and DTC garage	260	300	15.38
Annual permit – south garage	n/a	500	n/a
Annual permit – night commuter	60	40	(33.33)
Annual permit – day general/night garage	180	160	(11.11)
<u>Faculty/Staff Classifications</u>			
Annual permit – executive	610	660	8.17
Annual permit – reserved	445	500	12.36
Annual permit – F/S A	245	250	2.04
Annual permit – F/S A garage	445	500	12.36
Annual permit – F/S reserved garage	550	600	9.09
<b><i>Other Classifications</i></b>			
Contractor	50	60	20.00
Alumni	20	25	25.00
Exercise	n/a	50	n/a

Note: Annual parking permit fees may be prorated for permits purchased for spring semester/summer session or for summer session only, and at the discretion of the institution, refunds may be made for fall semester enrollment/employment only.

\*Motorcycle permit purchased with a vehicle permit will be reduced to \$20.

**SCHEDULE 2****Parking Permit Fees****For use if the Board DOES NOT approve the Transportation Fee**

Approval is recommended for the following parking permit fees to be effective beginning with the Fall Semester 2008. The proposed fees are consistent with the applicable statutory requirements under Section 51.202 of the *Texas Education Code*.

Following approval, the appropriate institutional catalog will be amended to reflect these fees.

	<u>Current Rates \$</u>	<u>Proposed Rates \$</u>	<u>Percent Increase</u>
<b>Annual fees:</b>			
<b><u>Student Permit Classifications</u></b>			
Annual permit – commuter	120	130	8.33
Annual permit – remote	75	n/a	n/a
Annual permit – housing	170	185	8.82
Annual permit – North and DTC garage	260	300	15.38
Annual permit – south garage	n/a	500	n/a
Annual permit – night commuter	60	65	8.33
Annual permit – night garage	120	130	8.33
Annual permit – day general/night garage	180	195	8.33
<b><u>Faculty/Staff Classifications</u></b>			
Annual permit – executive	610	660	8.19
Annual permit – reserved	445	500	12.36
Annual permit – F/S A	245	255	4.08
Annual permit – F/S B	125	130	4.00
Annual permit – F/S A garage	445	500	12.36
Annual permit – F/S reserved garage	550	600	9.09
<b><i>Other Classifications</i></b>			
Contractor	50	60	20.00
Alumni	20	25	25.00
Exercise	n/a	50	n/a

Note: Annual parking permit fees may be prorated for permits purchased for spring semester/summer session or for summer session only, and at the discretion of the institution, refunds may be made for fall semester enrollment/employment only.

\*Motorcycle permit purchased with a vehicle permit will be reduced to \$20.

REMARKS BY CHAIRMAN CAVEN.--Chairman Caven commented on recent news that Chancellor Yudof might accept a position as President of the University of California as follows:

Statement by Chairman Caven

With the Board's indulgence, I would like to take a few minutes to speak to Chancellor Yudof and The University of Texas System family. Any good lawyer will tell you that no deal is a done deal until contracts have been signed, sealed, and delivered. And we have at least one lawyer here today who is not only good – but quite exceptional.

Our Chancellor finds himself in high demand these days – not so much for his legal skills as for his other considerable abilities. Apparently, he has done such an outstanding job for us that he has attracted the attentions of a suitor from the west. I think it is fair to say that every member of this Board is chagrined by the ministrations of this rival . . . but not surprised.

Chancellor Yudof is one of the most outstanding leaders of higher education in the nation. He has elevated the national standing of The University of Texas System and transformed the U. T. System Administration into an efficient organization focused on adding value in all its work. The vision he articulated for the System – being a national model in system leadership of academic and healthcare institutions – can never be declared complete, but we are closer to that vision than any others. And, clearly, others have noticed.

There will be time for more of that sort of thing later. Today, we can say simply and fundamentally that Chancellor Yudof's greatest legacy will be that he made the System stronger. And, I want to emphasize what the Chancellor would be the first to tell you: Nothing is more impressive about his service than the team he has assembled. We have exceptional presidents at the helm of every U. T. institution. Chancellor Yudof handpicked a cabinet of executive officers and other key staff that is literally unrivalled for its intellect, collaborative ability, integrity, and talent. He is proud of them and so is every member of this Board.

We really cannot say enough about the quality of their work or their quality as individuals. Each of them, time and time again, has demonstrated his or her commitment to the highest standards and the ability to achieve those standards. We are tremendously grateful for their service and the service of their able staffs – never more so than in a time of transition . . . when we know the System will continue on its upward trajectory and play out our grand mission and vision. We know that we can count on this team to hold to its own standard of excellence and accept nothing less than the best.

Today, I want to say what too often goes unsaid. Every member of this Board understands that the quality of our work is, ultimately, defined by the quality of the U. T. System Vice Chancellors and their respective teams. The bench of talent here runs very, very deep. The policy decisions that we make would be nothing but words on paper without their unstinting efforts to implement those policies. We trust this team. We value beyond measure their loyalty, their devotion to what is best for Texas, their commitment to the U. T. System. And we look forward to working with them for a very long time.

RECESS TO EXECUTIVE SESSION.--At 11:40 a.m., Chairman Caven announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071 and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 1:05 p.m., the Board reconvened in open session and took the following actions on matters discussed in Executive Session.

- 1a. U. T. System Board of Regents: Discussion with Counsel on pending legal issues

No discussion was held on this item.

- 1b. U. T. System Board of Regents: Discussion and appropriate action concerning pending legal matters related to *The United States of America v. 37.52 Acres of Land, more or less, situated in Cameron County, State of Texas; and Texas Southmost College District, et al.*

Upon motion by Vice Chairman Huffines, the Board passed the following resolution:

#### RESOLUTION

WHEREAS, U.S. Customs and Border Protection, Department of Homeland Security (DHS), in pursuit of its mandate to enhance U.S. border security, requested a Right of Entry (ROE) for survey and site assessment from many landowners on the Texas-Mexico border, including the campus of The University of Texas at Brownsville/Texas Southmost College (UTB/TSC);

WHEREAS, The ROE sought access “for proposed construction and installation of border security infrastructure and technology (including but not limited to fences, roads, towers, communications equipment and any other border security related equipment);”

WHEREAS, The written plan (DHS Environmental Impact Statement, November 2007) would have constructed a fence that would cut across campus, leaving approximately 166 acres of the campus on the other side of the fence, and would abut and negatively impact numerous campus buildings and projects and would disrupt educational activities and service to students;

WHEREAS, DHS filed a lawsuit against UTB/TSC and The University of Texas System to secure the ROE;

WHEREAS, The University of Texas System Board of Regents fully supports our Government's efforts to secure our borders and understands the unique posture of UTB/TSC in that effort;

WHEREAS, On February 6, 2008, The University of Texas System Board of Regents passed a resolution urging "all involved to continue the dialogue and work cooperatively to identify solutions that will ensure border security and allow UTB/TSC to fulfill its educational mission;"

WHEREAS, The parties did engage in meaningful and successful negotiations and the parties reached agreement on an order to dismiss the lawsuit and grant to DHS a limited ROE for six months for the purpose of studying the implementation of security measures on the border in the campus area, but which would also require DHS to work jointly with UTB/TSC to assess "alternatives to a physical barrier," "to consider [UTB/TSC's] unique status as an institution of higher education," and "to consult with [UTB/TSC] in order to minimize the impact of any tactical infrastructure on the environment, culture, commerce, and quality of life for the communities and residents," which order United States District Court Judge Andrew S. Hanen approved and entered on March 19, 2008;

WHEREAS, These terms of access represent significant, reasonable accommodation by DHS that ultimately will benefit all interested parties working together in the spirit of the best border security solutions for the campus community and the nation; and

WHEREAS, In open court, Judge Hanen complimented the parties on the access agreement and stated his hope that the agreement would be a model for future access agreements, especially those involving public entities.

NOW THEREFORE, BE IT RESOLVED, That The University of Texas System Board of Regents commends Judge Andrew S. Hanen for the thoughtful and judicious manner in which he handled this

case; commends DHS for its willingness to look more carefully at the proposed border security plan taking into account the unique nature of the UTB/TSC campus; commends the Department of Justice attorneys, the TSC Board of Trustees and its counsel, and The University of Texas System Office of General Counsel attorneys for their efforts in bringing the negotiations to this successful conclusion; commends Dr. Juliet V. García, President of UTB/TSC, for her outstanding leadership in this important matter; and urges the parties to continue to work cooperatively together to reach a final solution that will ensure border security and allow UTB/TSC to fulfill its educational mission.

The motion was duly seconded and carried unanimously.

2a. U. T. Health Science Center – Houston: Approval to interview candidates for the position of president

Regent McHugh moved that the Board interview candidates for The University of Texas Health Science Center at Houston presidency, as discussed in Executive Session, at a Board meeting on April 14, 2008. She said this motion is premised on the understanding that the names of any finalists for this position will be made public at least 21 days before the vote to name a president.

The motion was duly seconded and carried by acclamation.

2b. U. T. System: Authorization to appoint a Chancellor ad interim if needed

Upon motion by Vice Chairman Huffines, the Board authorized Chairman Caven to appoint a Chancellor ad interim should this appointment be needed.

Note from the Assistant Secretary to the Board of Regents:

On April 1, 2008, Chairman Caven appointed Executive Vice Chancellor Kenneth I. Shine, M.D., as Chancellor ad interim effective May 1, 2008.

## AGENDA ITEMS, CONTINUED

10. U. T. System Board of Regents: Selection of Cooper, Robertson & Partners, LLP, New York, New York, as master planner for the creation of a minimum of two conceptual master plans for the development of approximately 346 acres along Lady Bird Lake in Austin, Travis County, Texas, known as the Brackenridge Tract

In his opening remarks regarding selection of a master planning firm for the development of approximately 346 acres along Lady Bird Lake in Austin, Travis County, Texas, known as the Brackenridge Tract, Chairman Caven reminded the Board that University of Texas System lawyers advise Texas law does not allow U. T. System to competitively bid these services on the basis of cost, and therefore, the interview questions may not inquire about specific pricing. He said that, upon selection of a firm, U. T. System staff will be directed to negotiate a contract that assures pricing is fair and reasonable for the services needed. He also reminded the audience that the services are for planning, not development.

Vice Chairman Huffines disclosed that when he received the proposals on March 14, 2008, he realized that some of the local entities proposed as subcontractors by the firms to be interviewed are customers of PlainsCapital Bank. He informed the General Counsel to the Board and the Vice Chancellor and General Counsel who advised that he is not required to make this disclosure and that there is clearly no conflict of interest; however, in the interest of full transparency, he wanted to make the Board aware of these indirect business relationships.

Following interviews of representatives of Cooper, Robertson & Partners, LLP, New York, New York, and Johnson Fain, Inc., Los Angeles, California, Vice Chairman Huffines made the following motion. [PowerPoint presentations by the two firms ([Cooper](#) and [Johnson Fain](#)) are on file in the Office of the Board of Regents.]

### Motion by Vice Chairman Huffines

I move that the Board of Regents

- a. select Cooper, Robertson & Partners, LLP, New York, New York, as the top ranked firm and request that Cooper, Robertson & Partners, LLP, submit to the Executive Director of Real Estate on or before noon on April 2, 2008, its proposal and budget for master planning services for the creation of a minimum of two conceptual master plans for the development of the Brackenridge Tract; and

- b. authorize the Executive Director of Real Estate to negotiate and, if negotiations are successful, execute a contract with Cooper, Robertson & Partners, LLP, for master planning services for a fair and reasonable price as determined following discussion with the Chairman and the Chancellor.

I further move that if a contract at a fair and reasonable price cannot be negotiated by April 9, 2008, the Executive Director of Real Estate will make further recommendations to the Board.

I also move that the Board of Regents authorize the Executive Director of Real Estate to execute the contract and such other documents as are necessary or convenient to carry out the foregoing authorizations, after approval of the contract terms by the Vice Chancellor and General Counsel and the General Counsel to the Board.

I move that the contract costs be funded with Available University Funds.

Finally, I move that U. T. System staff, working with U. T. Austin staff, return to the Board within the next 12 months with a plan for the permanent dedication of potential revenue realized from the development of the Brackenridge Tract to the benefit of faculty, graduate students, and undergraduate students at U. T. Austin, with examples of such uses to include but not be limited to recruitment and retention of faculty and funding of academic programs and essential services for students.

The motion was duly seconded and carried unanimously.

On October 12, 2007, Mr. Larry E. Temple, Chairman of the Brackenridge Tract Task Force, reported the findings and recommendations of the Task Force to the U. T. System Board of Regents, who accepted the report and discharged the Task Force with appreciation for its work. Among the recommendations of the Task Force was that the Board engage a qualified firm to prepare a comprehensive analysis of the Brackenridge Tract resulting in conceptual master planning documents that identify the possibilities and constraints of the tract and that can serve as a guide for the near- and long-term use of the tract. Board members reviewed the findings and recommendations contained in the Report and then heard from 39 individuals during a public comment session at the November 9, 2007 Board meeting.



On December 7, 2007, the Board approved a motion to engage in an open process to select a qualified outside planning firm to provide the master planning services for the Brackenridge Tract and the Board established a selection advisory committee to select firms to be interviewed by the Board.

A Request for Qualifications (RFQ) was issued on December 10, 2007, 13 qualifying proposals were submitted, and six of those firms were interviewed by the selection advisory committee. The committee selected Cooper, Robertson & Partners, LLP, and Johnson Fain, Inc., to be interviewed by the Board.

The RFQ sought nationally-recognized planners with outstanding communication skills and sensitivity to and understanding of the challenges confronting public universities. The RFQ also stated an interest in seeking responses from firms that have completed master plans for developments of comparable size and complexity and with comparable characteristics.

The stated objectives of the RFQ were three-fold:

1. to enable the Board to meet its fiduciary and legal obligations under the terms of the gift deed from Colonel Brackenridge: to use the tract in the best interests and for the maximum benefit of the University;
2. to achieve redevelopment of the tract in a manner that will not require the Board to sell portions of the tract, absent a compelling reason to do so; and
3. to provide opportunities for members of the University community, members of the Austin community, neighborhood, civic and governmental leaders, other stakeholders, and the general public to give input with respect to development options and strategies for the tract.

The RFQ detailed the scope of work to be provided by the master planners and provided the following overview of the scope of work: "The conceptual master plans for development of the Brackenridge Tract must be integrated planning documents that consider building sites, streets, parking and land uses; utility infrastructure and capacity; transportation within the tract and between the tract, the surrounding neighborhood, and arterials; recreational and open space, community services, and landscaping; way-finding/graphics; design guidelines, including building heights; compatibility with surrounding neighborhoods; sustainability and stewardship of resources; environmental and endangered species issues; and other relevant components. The focus of the conceptual plans should be the strategic use of the Brackenridge Tract to support the educational mission of [U. T. Austin]."

SCHEDULED MEETING.--The next regularly scheduled meeting will be held on May 14-15, 2008, in Tyler, Texas.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 3:40 p.m.

/s/ Carol A. Felkel  
Assistant Secretary to the Board of Regents

April 7, 2008