



**AGENDA**  
for  
**SPECIAL CALLED TELEPHONE MEETING**  
**U. T. SYSTEM BOARD OF REGENTS**

**2:00 p.m. (Central Standard Time)**  
**September 7, 2005**  
Austin, Texas

- A. CALL TO ORDER IN OPEN SESSION 2:00 p.m.  
Chairman Huffines
  
- B. RECESS TO EXECUTIVE SESSION 2:05 p.m.
  - 1. Personnel Matters Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees - *Texas Government Code Section 551.074*  
  
**U. T. System: Consideration of individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents, U. T. System officers and employees**
  
  - 2. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers - *Texas Government Code Section 551.071*  
  
**U. T. System: Discussion and appropriate action related to legal issues associated with the proposal to host The George W. Bush Presidential Library and Museum** Mr. Burgdorf  
Mr. Collins
  
  - 3. Discussion and appropriate action related to the purchase, exchange, lease, sale, or value of real property - *Texas Government Code Section 551.072*
    - a. **U. T. System: Discussion and appropriate action regarding potential site(s) for The George W. Bush Presidential Library and Museum** Ms. Mayne  
Mr. Collins
  
    - b. **U. T. Austin: Authorization to negotiate amendments to the lease of 45.783 acres of land out of the J. J. Pickle Research Center on the east side of Loop 1 between U.S. Highway 183 and Braker Lane in Austin, Travis County, Texas, to SPG Arbor Walk, L.P.; and authorization to acquire storm water detention rights from SPG Arbor Walk, L.P., at a price not to exceed the fair market value as determined by an independent appraisal** President Faulkner  
Mr. Wilson  
Ms. Mayne

- C. RECONVENE IN OPEN SESSION TO CONSIDER AGENDA ITEMS AND ACTION ON EXECUTIVE SESSION ITEM(S), IF ANY 3:00 p.m.

Additional Item

**U. T. System: Discussion and appropriate action related to authorization of institutional efforts to assist students and others affected by Hurricane Katrina**

- |    |   |   |          |
|----|---|---|----------|
| 1. | <b>U. T. System: Approval of proposed parameters for proposal to host The George W. Bush Presidential Library and Museum</b>  | 3:05 p.m.<br><b>Action</b><br><i>Mr. Collins</i>                    | <b>1</b> |
| 2. | <b>U. T. M. D. Anderson Cancer Center: Consideration of designation of architecturally or historically significant projects</b>   | 3:35 p.m.<br><b>Action</b><br><i>Mr. Dixon</i>                      | <b>2</b> |
|    | <ul style="list-style-type: none"> <li>• UTRP Utilities and Central Maintenance Facilities</li> <li>• Braeswood Parking Garage</li> </ul>   |   |          |
| 3. | <b>U. T. System: Authorization to (a) purchase the real property and improvements located at 731 West Wadley, Building L, Midland, Midland County, Texas, and (b) sell real property and improvements located at 808 West Wall Street in Midland County, Texas; both transactions being with the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. and both to be at fair market value as established by an independent appraisal, to use for the offices of The University of Texas System University Lands - West Texas Operations office; and discussion of the move of the University Lands Accounting Office to Midland, Texas</b> | 3:40 p.m.<br><b>Action</b><br><i>Ms. Mayne</i><br><i>Dr. Kelley</i> | <b>5</b> |

Adjourn

4:00 p.m.  
*approximately*

1. **U. T. System: Approval of proposed parameters for proposal to host The George W. Bush Presidential Library and Museum**

RECOMMENDATION

It is recommended that the U. T. System Board of Regents authorize Chairman Huffines to finalize and submit a proposal from The University of Texas System to host The George W. Bush Presidential Library and Museum.

BACKGROUND INFORMATION

At the February 10, 2005 meeting of the U. T. System Board of Regents, Chairman James R. Huffines announced the establishment of the George W. Bush Presidential Library Special Ad Hoc Advisory Committee to be co-chaired by Dr. Peter T. Flawn, President Emeritus of U. T. Austin, and The Honorable Tom Loeffler, former Chairman of the U. T. System Board of Regents. Chairman Huffines tasked the Committee with providing a thoughtful, competitive proposal or proposals to bring the Presidential Library of President George W. Bush to The University of Texas System. In recognizing the geographic presence of U. T. System in the state, as well as the expertise available System-wide, Chairman Huffines said U. T. System was exceptionally qualified to represent the work, the leadership, and the contributions of President George W. Bush.

In consultation with Dr. Flawn and Mr. Loeffler, Chairman Huffines appointed the following committee members to develop a truly innovative proposal or set of proposals for an appropriate library for the President of the United States:

- Mr. George Bayoud, Jr.
- Mr. Louis A. Beecherl, Jr.
- Ms. Michelle Brock
- Mrs. Jan Felts Bullock
- Ms. Pam Gilbert
- The Honorable Sandy Kress
- Mr. Lowell H. Lebermann, Jr.
- Dr. Teresa Lozano Long
- The Honorable Wales H. Madden, Jr.
- The Honorable Patrick C. Oxford
- Mr. William Eugene Powell
- Mr. Raul Romero
- Mr. Allan "Bud" Shivers

Associate Vice Chancellor Steven R. Collins, Office of Governmental Relations; Associate Vice Chancellor Ad Interim David Dixon, Office of Facilities Planning and Construction; and Executive Associate Rhonda Hankins, Office of the Board of Regents, provided U. T. System staff support for the project.

The Committee last met on August 29, 2005, to finalize recommendations for a proposal, which has been submitted to Chairman Huffines.

2. **U. T. M. D. Anderson Cancer Center: Consideration of designation of architecturally or historically significant projects**
- **U. T. Research Park (UTRP) Utilities and Central Maintenance Facilities**
  - **Braeswood Parking Garage**

### RECOMMENDATION

It is recommended that the U. T. System Board of Regents review the following projects scheduled for architectural selection for possible designation as architecturally or historically significant pursuant to the Regents' *Rules and Regulations*, Series 80302:

#### **U. T. M. D. Anderson Cancer Center**

U. T. Research Park (UTRP) Utilities and Central Maintenance Facilities

Proposed Project Cost: \$30,000,000

Anticipated Delivery Method: Construction Manager at Risk

Braeswood Parking Garage

Proposed Project Cost: \$26,000,000

Anticipated Delivery Method: Design Build

### BACKGROUND INFORMATION

Pursuant to a Memorandum of Understanding effective August 26, 2004, U. T. M. D. Anderson Cancer Center has delegated authority to institutionally manage construction projects under the continued oversight of the Office of Facilities Planning and Construction. Institutionally managed projects are still subject to review by the Board of Regents for potential architectural or historical significance.

The UTRP Utilities and Central Maintenance Facilities is an institutionally managed project to include new construction of a chilled water plant and distribution system to service needs for the South Campus. The project, to be located adjacent to existing Parking Garage 1, will provide support space to maintain and operate the U. T. Research Park and include installation of expanded roadway and utility infrastructure. Funding will be from Hospital Revenues. (More details on the project may be found on Page 3.)

The Braeswood Parking Garage is an institutionally managed project to include a new parking garage with approximately 586,000 gross square feet to accommodate approximately 1,600 vehicles to be located near the Faculty Center Tower and Rotary House International. Funding will be \$20,000,000 from Revenue Financing System Bond Proceeds and \$6,000,000 from Hospital Revenues. (More details on the project may be found on Page 4.)

## **UTRP Utilities and Central Maintenance Facilities**

**Project Description.** The project is shown on the FY2006-2011 CIP at a TPC of \$30,000,000. This is the first phase of this project, and involves the construction of a chiller plant and distribution system. The chiller plant will be interconnected by underground piping to chillers in three existing buildings for shared redundancy. Controls will provide energy-efficient operation of all existing and new chillers as an integrated network. The Preliminary Project Cost is \$13,000,000 for this first phase of this project. During the remaining phases of this project, M. D. Anderson intends to construct an operations and maintenance shop building, a landscaping maintenance building, an extension of a loop road, a hazardous waste storage facility, and a perimeter fence, which will consume the remaining portion of the \$30,000,000.

**Proposed Site.** This chiller plant will be located adjacent to existing Parking Garage 1 and will be designed to blend with the garage architecturally. The plant will be further concealed when the Parking Garage 2 is constructed.

**Age.** This is a new facility.

**Current/Past Use of the Building, and Compliance with the Campus Master Plan.** This project is in keeping with M. D. Anderson's Master Plan 2015, which calls for "Distributed Utility Plants to service the long term South Campus development needs."

**Other Relevant Information.** M. D. Anderson needs to proceed with the selection of an architect/engineer for the design of the chiller plant. Successful execution of the aggressive project schedule is necessary to support the cooling needs of the new South Campus Vivarium upon completion of its renovation. Further, M. D. Anderson recently received a large financial gift toward the future construction of a new building. M. D. Anderson needs to move forward with the chiller plant to meet the anticipated acceleration of construction related to this gift. M. D. Anderson intends to seek Design Development approval at the February 2006 Board of Regents' meeting.

## **Braeswood Parking Garage**

**Project Description.** The project is shown on the FY2006-2011 CIP at a Total Project Cost of \$26,000,000. This project will construct a parking garage of approximately 586,000 square feet and will house approximately 1,600 vehicles.

**Proposed Site.** The parking garage will be located near the Faculty Center Tower building and the Rotary House International building, amid buildings that will share a similar architectural appearance.

**Age.** This is a new facility.

**Current/Past Use of the Building, and Compliance with the Campus Master Plan.** This project is in keeping with M. D. Anderson's master plan for its main campus, which calls for the development of the Faculty Center Tower and the future expansion of the Rotary House International in this area of the campus and associated parking.

**Other Relevant Information.** M. D. Anderson is using the design-built project delivery method for this project. M. D. Anderson intends to seek Design Development approval at the February 2006 Board of Regents' meeting.

3. **U. T. System: Authorization to (a) purchase the real property and improvements located at 731 West Wadley, Building L, Midland, Midland County, Texas, and (b) sell real property and improvements located at 808 West Wall Street in Midland County, Texas; both transactions being with the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. and both to be at fair market value as established by independent appraisal, to use for the offices of The University of Texas System University Lands - West Texas Operations office; and discussion of the move of the University Lands Accounting Office to Midland, Texas**

#### RECOMMENDATION

The Chancellor concurs in the recommendation of the Executive Vice Chancellor for Business Affairs that authorization be granted by the U. T. System Board of Regents, on behalf of U. T. System Administration, to

- a. purchase the real property and improvements located at 731 West Wadley, Building L, Midland, Midland County, Texas, from Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. at fair market value as established by independent appraisal, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate;
- b. sell real property and improvements located at 808 West Wall Street in Midland County, Texas, to the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. at fair market value as established by independent appraisal; and
- c. authorize the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing recommendations.

#### BACKGROUND INFORMATION

A discussion of the move of the University Lands Accounting Office to Midland, Texas, will be facilitated by a white paper and cost/benefit analysis attached on Pages 9 and 10.

The U. T. System desires to purchase the subject property and improvements, consisting of a 17,041 square foot, two-story office building on approximately 1.05 acres of land, as the new location for the University Lands - West Texas Operations office. The building is one of five buildings in an office development known as North Park Executive Center.

The current building housing the departmental offices, contains approximately 9,162 square feet. Additional space is needed to accommodate the employees who will be moving from Austin to Midland as a result of consolidation of all employees of University Lands - West Texas Operations in one city.

The existing office building at 808 West Wall Street in Midland, Texas, will be sold at its appraised value of \$390,000 to the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. Although the sale of this property could be accomplished under the authority delegated to the Executive Director of Real Estate, it is being brought to the Board because the purchase of the new office building and the sale of the current office building are intended to occur simultaneously.

U. T. System will use monies from the Special Fee Fund of University Lands - West Texas Operations, as well as revenue from the sale of the current office building, for the purchase price not to exceed \$570,000. The terms and conditions of the purchase are reflected in the transaction summary below:

### Transaction Summary

#### **Purchase**

Institution:	U. T. System Administration
Type of Transaction:	Purchase
Total Area:	Approximately 1.05 acres, or 45,738 square feet
Improvements:	Two-story office building containing approximately 17,041 square feet
Location:	731 West Wadley, Building L, Midland, Midland County, Texas; see attached map
Sellers:	Black Family Partnership, Ltd. and Crump Family Partnership, Ltd.
Purchase Price:	Not to exceed \$570,000
Appraised Value:	\$570,000 (Barlow Appraisal Associates, May 4, 2005) Second appraisal in progress
Source of Funds:	Special Fee Fund of University Lands – West Texas Operations and proceeds from the sale of the current office building at 808 West Wall Street in Midland, Texas
Intended Use:	Offices of U. T. System University Lands – West Texas Operations

## **Sale**

Institution: U. T. System Administration

Type of Transaction: Sale

Total Area: Approximately 0.492 acres, or 21,450 square feet

Improvements: Masonry office building containing approximately 9,162 square feet

Location: 808 West Wall Street, Midland, Midland County, Texas; see attached map

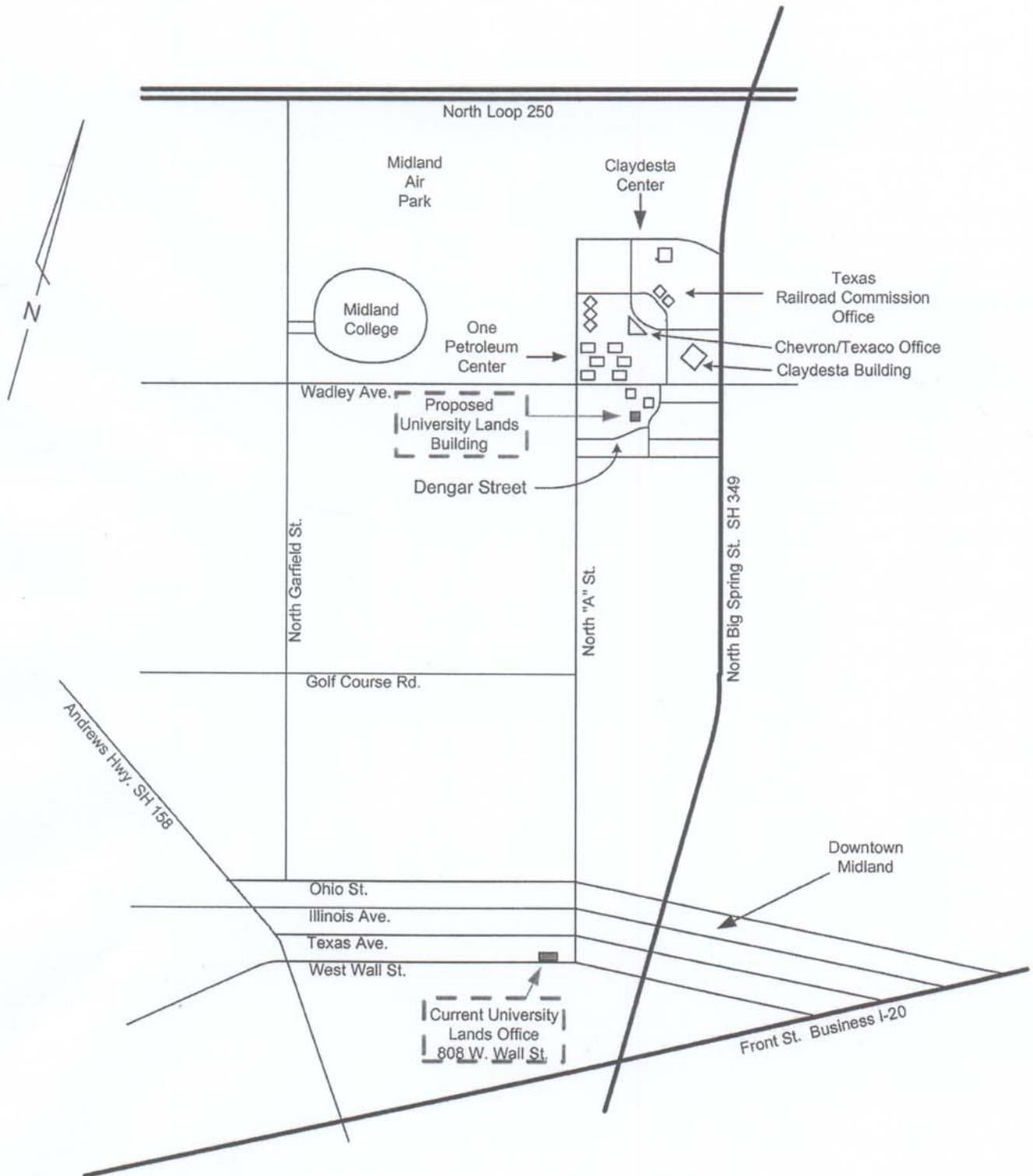
Purchasers: Black Family Partnership, Ltd. and Crump Family Partnership, Ltd.

Sales Price: \$390,000

Appraised Value: \$390,000 (Barlow Appraisal Associates, April 26, 2005)

# Map Showing Building Locations

Midland, Texas



## WHITE PAPER

### Relocation of University Lands Accounting Office to Midland, Texas

August, 2005

The proposal to unify the Midland and Austin offices of University Lands – West Texas Operations (ULWTO) presents difficult challenges and also long-term benefits for the management of this valuable resource. University Lands offices were originally formed as separate entities and operated independently. In 1992 University Lands offices were united under a single Executive Director, Steve Hartmann, and since that time Steve has worked to achieve better customer service, create an attitude of excellence while providing for more efficient operations.

It has become increasingly obvious that the geographic split of the two offices hinders effective management of PUF lands by creating duplication of effort, causing confusion for industry customers, and developing departmental competition that is counter productive to effective management. It is the belief of management that relocating the University Lands Accounting Office (ULAO) to Midland will lead to greater efficiency, enhanced customer service, and economic benefits to UT System (System).

While the primary benefit of the relocation is an operational benefit, the economic benefits to System include a reduced salary budget and vacating valuable office space in the System complex. First, management has identified three positions that could be eliminated after the consolidation of office staffs, representing a budget savings of \$190,000 per year. Second, the relocation of ULAO to a location central to Permanent University Fund lands would free up 6,730 square feet of office space in the Colorado Building. This space has been recently remodeled to include modular work stations and an excellent conference room. These benefits/savings are estimated to be \$670,000.

Costs associated with the relocation of ULAO to Midland include additional office space available for purchase at \$33.45 per square foot. Other costs include remodeling of the new building, relocation expenses for ULAO employees, furniture moving expenses and other miscellaneous expenses. All of the expenses associated with the relocation will be funded with proceeds from the sale of the existing Midland building, the “Special Fee Fund” account (dedicated by statute for funding ULWTO operations). In addition, the Revenue Committee of the Midland Development Corporation (MDC) has recommended the approval of our application in the amount of \$115,000. The application will be submitted to the MDC Board at their August 26<sup>th</sup> meeting. The net cost for relocating ULAO to Midland is calculated to be less than \$500,000 net dollars.

*Prepared by West Texas Operations*

**MIDLAND BUILDING PROPOSAL  
RELOCATION OF UNIVERSITY LANDS ACCOUNTING OFFICE (ULAO)  
BENEFITS COMPARED TO COSTS**

	<b>Benefits/Savings to UT System</b>
<b><u>SAVINGS:</u></b>	
Office Space in Austin <sup>(1)</sup>	\$370,150
<b><u>BENEFITS:</u></b>	
<b>Improvements-Colorado Building (ULAO's space):</b>	
Modular Work Stations/Cubicles	\$59,286
Conference Room Improvements	\$43,922
Kitchen Improvements	\$6,422
<b>TOTAL ONE TIME BENEFITS/SAVINGS</b>	<b>\$479,780</b>
<b><u>EXPENSES:</u></b>	
<b>Cost to UT System</b>	
New Midland Building Sales Price <sup>(2)</sup>	\$570,000
Real Estate Closing Costs	\$57,000
Appraisal & Inspections	\$5,000
Building Renovation <sup>(3)</sup>	\$150,000
Telephone System	\$20,000
Lease Back Fees	\$20,000
Furniture	\$50,000
Parking Lot Repavement	\$20,000
Computer Cabling & Setup	\$25,000
Building Security Setup	\$25,000
Relocation Expense (current employees)	\$20,000
Moving Services (Midland & Austin)	\$22,000
<b><u>INCOME TO BUILDING PROJECT:</u></b>	
Sale of Existing Midland Building	(\$390,000)
Midland Development Corp. Contribution	(\$115,000)
<b>TOTAL NET ONE TIME COST</b>	<b>\$479,000</b>
<b><u>FUTURE SAVINGS</u></b>	
Reduction in FTE's (salaries + benefits) <sup>(4)</sup>	<b>\$190,354</b>

<sup>(1)</sup> ULAO occupies 6,730 sq. ft. in the Colorado Building and commercial property selling price is approximately \$55/sq. ft. according to System Real Estate staff.

<sup>(2)</sup> Selling price of new building is based on 17,041 sq. ft. at approximately \$33.45 per sq. ft.

<sup>(3)</sup> Current renovation rates in Midland are approximately \$15 per sq. ft. according to industry contacts. Plans are to remodel approximately 10,000 sq. ft. of the new building.

<sup>(4)</sup> Three positions eliminated with move: Administrative Associate - \$42,852; 2 part time Office Assistants - \$28,771; and Land Records Supervisor - \$74,803 (plus 30% benefits).