

MATERIAL SUPPORTING THE AGENDA

Volume XXVIIc

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on

May 29-30, 1980 and
July 10-11, 1980

The material is divided according to the standing committees and the meetings that were held and is submitted on four different colors, namely:

White paper - for the documentation of all items that were presented before the deadline date.

Blue paper - all items submitted to the Executive Session of the Committee of the Whole and distributed only to the Regents and Chancellor of the System.

Yellow paper - Emergency items distributed at the meeting.

Pink paper - strictly confidential - normally reflects the names of architectural firms that are recommended by the Administration to the Regents.

Material distributed at the meeting as additional documentation is not included in the bound volume, because sometimes there is an unusual amount and other times some people get copies and some do not get copies. If the Secretary was furnished a copy, then that material goes into the appropriate subject file.

Secretary Thedford was absent for the July meeting. Though she thinks all the supporting material has been furnished her, there is a possibility that something may be lacking.



BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting

Agenda

Meeting Date: May 29-30, 1980

Meeting No.: 768

Name: *Official Copy*

CONFIDENTIAL

BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

Place: Caduceus Room, 6th Floor, Administration Building
The University of Texas Medical Branch at Galveston
Galveston, Texas

Thursday, May 29, 1980

1:30 p. m. Meeting of the Board of Regents

Meeting of the Buildings and Grounds Committee

Friday, May 30, 1980

9:00 a. m. Meeting of the Board of Regents

To Consider Negotiated Sale of:

Board of Regents of The University of
Texas System, The University of Texas
at Arlington, Student Apartment Revenue
Bonds, Series 1980, in the amount of
\$2,792,000

Committee Meetings

System Administration Committee
Academic and Developmental Affairs Committee
Buildings and Grounds Committee (if not
previously completed)
Health Affairs Committee
Land and Investment Committee
Committee of the Whole
Open Session
Executive Session

Meeting of the Board of Regents

Telephone Numbers

Meeting Room (713) 765-2242
President Levin (Residence 765-9156) (713) 765-1902

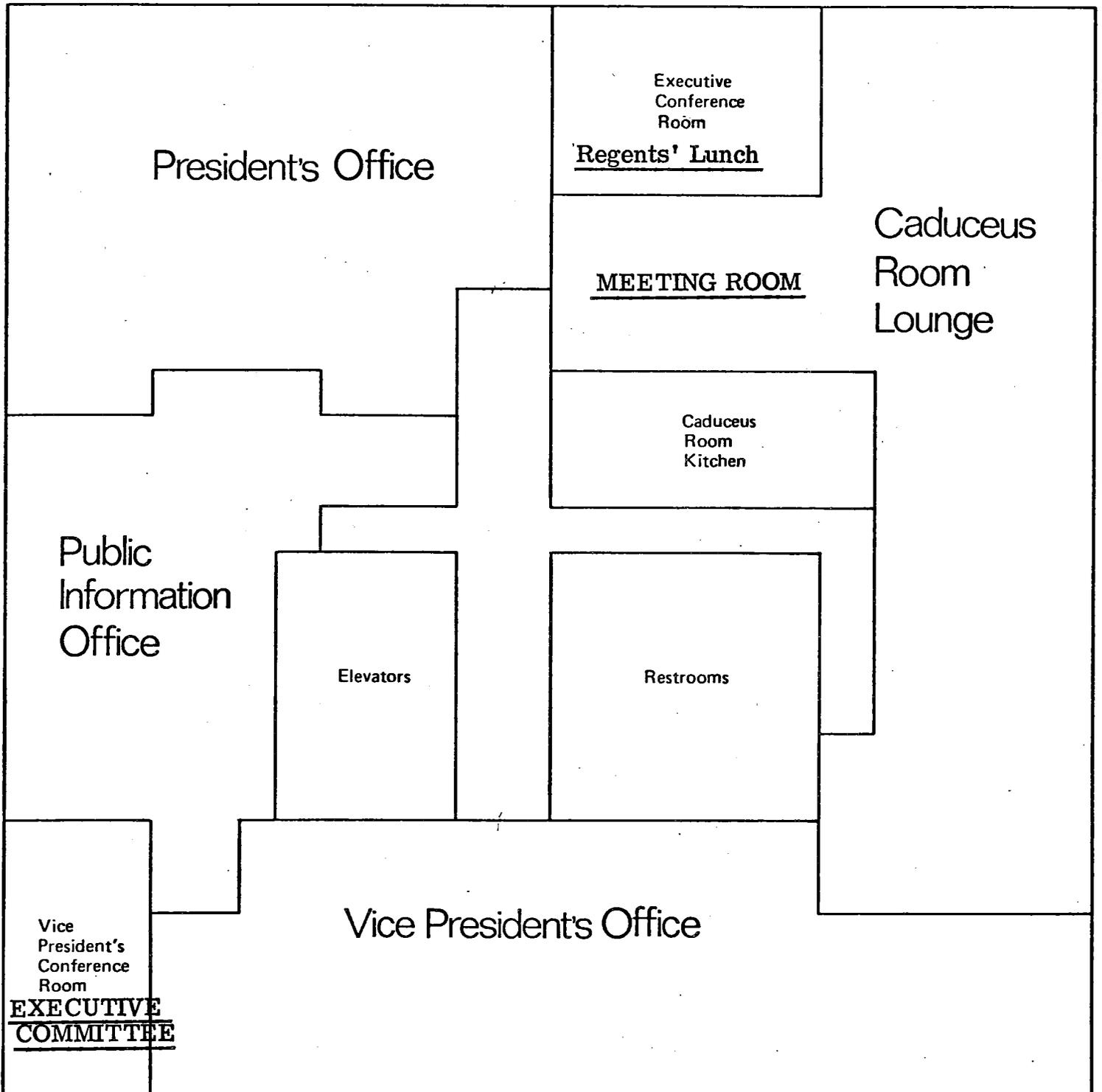
Marriott's Hotel Galvez (713) 765-7721
(21st and Seawall Boulevard)

Airlines:

Braniff International (713) 762-9606
Southwest (713) 763-4614

SIXTH FLOOR
ADMINISTRATION BLDG.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON



Meeting of the Board

AGENDA FOR MEETING
of
BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

Date: May 29, 1980

Time: 1:30 p. m.

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

- A. CALL TO ORDER
- B. WELCOME AND REPORT BY PRESIDENT LEVIN
- C. RECESS FOR COMMITTEE MEETING

Buildings and Grounds Committee. --To discuss and act on items listed on the agenda and any emergency or late items referred to the committee. Unless there are unfinished items, the Buildings and Grounds Committee will complete its meeting on Thursday, May 29. (See Pages B & G 1-21.)

- D. RECESS TO RECONVENE AT 9:00 A. M. ON FRIDAY,
MAY 30, 1980

AGENDA FOR MEETING
of
BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

Date: May 30, 1980

Time: 9:00 a. m.

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

A. -D. (Page B of R - 1)

E. RECONVENE

F. APPROVAL OF MINUTES OF REGENTS' MEETING HELD
APRIL 10-11, 1980

G. INTRODUCTIONS

1. U. T. Arlington - President Nedderman
2. U. T. Austin - President Flawn
3. U. T. Dallas - President Jordan
4. U. T. El Paso - President Templeton
5. U. T. Permian Basin - President Cardozier
6. U. T. San Antonio - President Wagener
7. U. T. Tyler - President Stewart
8. Institute of Texan Cultures - Executive Director Maguire
9. Dallas Health Science Center - President Sprague
10. Galveston Medical Branch - President Levin
11. Houston Health Science Center - President Bulger
12. San Antonio Health Science Center - President Harrison
13. University Cancer Center - President LeMaistre
14. Tyler Health Center - Director Hurst

H. SPECIAL ORDER

Board of Regents: (1) Resolution Authorizing Issuance and Sale of Board of Regents of The University of Texas System, The University of Texas at Arlington, Student Apartment Revenue Bonds, Series 1980, in the Amount of \$2,792,000; (2) Appointment of Banks of Payment, and (3) Award of Contract for Printing. --

Background Information

The Board of Regents at its meeting on July 25-26, 1979, authorized the sale of Board of Regents of The University of Texas System, The University of Texas at Arlington, Apartment Revenue Bonds in an approximate amount of \$1,800,000. These bonds were to be used for the construction of a new apartment complex consisting of four fully furnished apartment buildings; however, since that time it has been determined that six buildings are needed. With that in mind, the Office of Facilities Planning and Construction applied to the Department of Housing and Urban Development for \$2,792,000 at an annual interest rate of 3% for this purpose. H. U. D. has "reserved" \$2,792,000 for the construction of student housing for 260 single students at The University of Texas at Arlington.

Recommendation

It is recommended by the Administration that:

1. The following Bond Resolution (Pages B of R 4-25) authorizing the sale of a bond in the amount of \$2,792,000 to H. U. D. be approved

(This resolution makes provision for H. U. D. to sell the bond, in which case the Office of Investments and Trusts has negotiated for banks of payment. Also, the Office of Investments and Trusts has negotiated for the printing of the bond.)

It is further recommended that:

2. In case H. U. D. sells this bond City National Bank, Austin, Texas, and Chemical Bank, New York, New York, be named Banks of Payment
3. A contract for printing the bond be awarded to Hart Graphics, Inc., Austin, Texas

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF
 THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT
 ARLINGTON, STUDENT APARTMENT REVENUE BOND, SERIES 1980,
\$2,792,000

WHEREAS, the Board of Regents of The University of Texas System is authorized to issue the Bond hereinafter authorized pursuant to Chapter 55, Texas Education Code.

THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM:

Section 1. BOND AUTHORIZED. That there is hereby authorized to be issued initially hereunder a single revenue bond, without coupons, payable in installments, in the denomination and principal amount of \$2,792,000, to be designated as "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, STUDENT APARTMENT REVENUE BOND, SERIES 1980," FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, CONSTRUCT, AND EQUIP STUDENT APARTMENT BUILDINGS ON THE CAMPUS OF THE UNIVERSITY OF TEXAS AT ARLINGTON (the "Bond").

Section 2. CHARACTERISTICS OF BOND. That the Bond shall be dated, be payable, be subject to prepayment, be executed, signed and sealed, bear interest, and have the characteristics as follows, and said Bond and the Comptroller's Certificate to be printed thereon and the Payment Record to be attached thereto, shall be substantially in the forms, respectively, as follows:

(FORM OF SINGLE BOND)

NO. R-1

\$2,792,000

UNITED STATES OF AMERICA
 STATE OF TEXAS
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
 THE UNIVERSITY OF TEXAS AT ARLINGTON,
 STUDENT APARTMENT REVENUE BOND,
 SERIES 1980

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Board"), FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT ARLINGTON, promises to pay to the order of THE UNITED STATES OF AMERICA, SECRETARY OF HOUSING AND URBAN DEVELOPMENT, or his or her successor (the "Payee") or to his or her registered assigns (the "Alternate Payee"), but solely from the sources hereinafter specified, the aggregate principal amount of TWO MILLION SEVEN HUNDRED NINETY TWO THOUSAND DOLLARS (\$2,792,000), in principal installments, on MARCH 1 and SEPTEMBER 1 of each of the years, as follows:

<u>DATE</u>	<u>PRINCIPAL INSTALLMENT</u>	<u>DATE</u>	<u>PRINCIPAL INSTALLMENT</u>
March 1, 1983	\$ 22,000	September 1, 1983	\$ 20,000
March 1, 1984	20,000	September 1, 1984	20,000
March 1, 1985	20,000	September 1, 1985	20,000
March 1, 1986	20,000	September 1, 1986	20,000
March 1, 1987	25,000	September 1, 1987	20,000
March 1, 1988	25,000	September 1, 1988	25,000
March 1, 1989	25,000	September 1, 1989	25,000
March 1, 1990	25,000	September 1, 1990	25,000
March 1, 1991	25,000	September 1, 1991	30,000
March 1, 1992	25,000	September 1, 1992	25,000
March 1, 1993	30,000	September 1, 1993	25,000
March 1, 1994	30,000	September 1, 1994	30,000
March 1, 1995	30,000	September 1, 1995	30,000
March 1, 1996	30,000	September 1, 1996	30,000

<u>DATE</u>	<u>PRINCIPAL INSTALLMENT</u>	<u>DATE</u>	<u>PRINCIPAL INSTALLMENT</u>
March 1, 1997	\$30,000	September 1, 1997	\$35,000
March 1, 1998	30,000	September 1, 1998	30,000
March 1, 1999	35,000	September 1, 1999	35,000
March 1, 2000	30,000	September 1, 2000	35,000
March 1, 2001	35,000	September 1, 2001	35,000
March 1, 2002	35,000	September 1, 2002	40,000
March 1, 2003	35,000	September 1, 2003	40,000
March 1, 2004	35,000	September 1, 2004	40,000
March 1, 2005	40,000	September 1, 2005	40,000
March 1, 2006	40,000	September 1, 2006	45,000
March 1, 2007	40,000	September 1, 2007	40,000
March 1, 2008	45,000	September 1, 2008	45,000
March 1, 2009	45,000	September 1, 2009	45,000
March 1, 2010	45,000	September 1, 2010	50,000
March 1, 2011	45,000	September 1, 2011	50,000
March 1, 2012	45,000	September 1, 2012	50,000
March 1, 2013	50,000	September 1, 2013	50,000
March 1, 2014	50,000	September 1, 2014	50,000
March 1, 2015	55,000	September 1, 2015	55,000
March 1, 2016	55,000	September 1, 2016	55,000
March 1, 2017	55,000	September 1, 2017	55,000
March 1, 2018	60,000	September 1, 2018	60,000
March 1, 2019	60,000	September 1, 2019	60,000
March 1, 2020	60,000		

and to pay interest from March 1, 1980, on the balance of said principal amount from time to time remaining unpaid, at the rate of THREE PER CENTUM (3%) per annum, with said interest being payable on SEPTEMBER 1, 1980, and semiannually thereafter on MARCH 1 and SEPTEMBER 1 of each year until all of the principal amount hereof has been paid.

BOTH PRINCIPAL of and interest on this bond shall be payable in any coin or currency which on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America. During the time that the Payee is registered owner of this Bond, payment of the principal installments and interest due shall be made at the Federal Reserve Bank of Richmond, Richmond, Virginia, or such other fiscal agent as the Payee shall designate in writing (the "Fiscal Agent"). During such time as the Alternate Payee is registered owner hereof, said payments shall be made at Chemical Bank, New York, New York, or at the option of the Alternate Payee, at the City National Bank of Austin, Austin, Texas (collectively the "Alternate Bank of Payment"). Payments of principal and interest, including prepayments of installments of principal as herein-after provided, shall be noted on the Payment Record made a part of this Bond, and if payment is made at the office of the Fiscal Agent or an Alternate Bank of Payment, written notice of the making of such notations shall be promptly sent to said Board of Regents (the "Board") by the Fiscal Agent or an Alternate Bank of Payment, and such payment shall fully discharge the obligation of the Board hereon to the extent of the payments so made. Upon final payment of the principal and interest, this Bond shall be submitted to the Board by the Fiscal Agent or an Alternate Bank of Payment for cancellation.

IF THE DATE FOR PAYMENT of the principal of, premium, if any, or interest on this Bond shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the Fiscal Agent, or an Alternate Bank of Payment, as appropriate, is located or authorized by law or executive

order to close, then the date for such payment shall be the next succeeding day which is not such a day; payment on such date shall have the same force and effect as if made on the original date of payment; and no interest shall accrue from the original date of payment to said date.

THIS BOND CONSTITUTES AN ENTIRE SERIES, dated as of MARCH 1, 1980, issued for the purpose of providing funds to acquire, construct, and equip student apartment buildings on the campus of The University of Texas at Arlington (the "Project"), in accordance with the Constitution and laws of the State of Texas, and Chapter 55, Texas Education Code, and pursuant to a Resolution duly and lawfully adopted by the Board of Regents of The University of Texas System (the "Resolution").

THIS BOND is payable from and secured by an irrevocable first lien on and pledge of the Net Revenues derived from the operation of the Project (the "Net Revenues"), all as more specifically described in the Resolution, to which reference is hereby made for full particulars. No representation is made herein with respect to the anticipated sufficiency of the Net Revenues. No part of the physical property of the Project is encumbered by any lien or security interest for the benefit of the owner of this Bond.

THE OBLIGATION to pay the principal of, premium, if any, and interest on this Bond from the sources described herein is solely and exclusively a special obligation of the Board. No other entity, including the State of Texas, any agency or political subdivision thereof other than the Board, or any other public body, is obligated, directly, indirectly, contingently, or in any other matter, to pay such principal, premium, or interest from any source whatsoever. No breach by the Board of such obligation shall impose any liability on any entity other than the Board. The holder hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation.

THE BOARD EXPRESSLY RESERVES THE RIGHT TO ISSUE ADDITIONAL BONDS payable from the Net Revenues, and any such additional bonds may be on a parity, as to the Net Revenues, with this Bond. However, such additional parity bonds may be issued only pursuant to and subject to the restrictions, covenants, and limitations contained in the Resolution, to which reference is made for all particulars, and to all the provisions of the Resolution the owner or holder of this Bond by the acceptance thereof expressly assents.

UPON 90 DAYS' WRITTEN NOTICE TO THE BOARD, the Board shall cause to be prepared, executed, and delivered, at the request of the registered owner of this Bond, at the sole cost and expense of the Board, definitive coupon bonds, payable to bearer, registrable as to principal only, in the denomination of Five Thousand Dollars (\$5,000) each, as more fully described in the Resolution, in a principal amount equal to the principal amount remaining unpaid on this Bond. The coupon bonds so delivered shall mature on the same dates and in the amounts of the unpaid principal installments evidenced by this Bond, and shall have interest coupons attached representing all unpaid semiannual installments of interest due or to become due on such bonds. Such definitive coupon bonds shall be approved by the Attorney General of the State of Texas and registered and delivered by the Comptroller of Public Accounts of the State of Texas to the registered owner of this bond upon surrender of this Bond and its cancellation by said Comptroller of Public Accounts.

THE BOARD RESERVES THE RIGHT and shall have the option to prepay or redeem on September 1, 1990, and on any interest payment date thereafter, all principal installments then remaining unpaid, or any portion thereof as it may determine, in inverse order of their due dates, at the principal amount thereof plus accrued interest to the date of prepayment and a premium on the principal of such undue installments as follows: 3% if redeemed September 1, 1990, through March 1, 1995, inclusive; 2 1/2% if redeemed September 1, 1995, through March 1, 2000, inclusive; 2% if redeemed September 1, 2000, through March 1, 2005, inclusive; 1 1/2% if redeemed September 1, 2005, through March 1, 2010, inclusive; 1% if redeemed September 1, 2010, through March 1, 2015, inclusive; and 0% if redeemed September 1, 2015, or thereafter. Notice of any such optional prepayment shall be given not less than 30 days prior to the prepayment date by mailing to the registered owner of this Bond, by certified or registered mail, a notice fixing such prepayment date, the amount of principal to be prepaid, and the premium, if any. Prior to the date fixed for such prepayment, funds shall be placed with the Fiscal Agent or an Alternate Bank of Payment sufficient to pay the installment or installments to be paid and the accrued interest thereon, plus any premium required. Upon the happening of the above conditions, the installment or installments thus provided for shall not thereafter bear interest. Notwithstanding the foregoing provisions, so long as the Payee is the registered owner of this Bond, all or any part of this Bond may be prepaid or redeemed as provided above, but without the payment of any premium whatsoever.

THIS BOND MAY BE ASSIGNED, and upon any such assignment the assignor agrees and covenants to immediately notify the Board in writing by certified or registered mail, and every such assignee shall take this Bond subject to such condition.

IF THIS BOND is lost, stolen, destroyed, damaged, or mutilated, any Bond issued in replacement thereof is subject to approval of the Attorney General of the State of Texas. The Board agrees that, upon receipt of satisfactory indemnity, proof of ownership, and all expenses to be incurred in connection therewith, the Board will cooperate with the owner of this Bond in complying with the procedures necessary to obtain a replacement Bond. All expenses involved in the replacement of this Bond will be borne by the owner of this Bond.

IT IS HEREBY DECLARED AND REPRESENTED that, in issuing this Bond, while any part of the principal of or interest on this Bond is outstanding and unpaid, the Board has covenanted and agreed to operate and maintain continuously the Project, and the facilities and services afforded by the same, and to establish and continuously maintain therefor rental rates, fees, and other charges sufficient to pay the reasonable operation and maintenance expenses thereof, the principal of and interest on this Bond, and to establish and maintain adequate reserves as is more fully provided in the Resolution; and that it has established and will maintain in force such rules as shall be necessary to assure maximum use of the Project.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required to exist, to have happened, or to have been performed precedent to and in the issuance of this Bond, do exist, have happened, and have been performed in regular and due time, form, and manner, as required by the Constitution and laws of the State of Texas, and that this Bond does not exceed any constitutional or statutory limitation, and that provision has been made for the payment of the principal and interest on this Bond by an irrevocable pledge, as aforesaid, of the Net Revenues.

IN WITNESS WHEREOF, the Board has caused its official seal to be impressed, or placed in facsimile, hereon and this Bond to be signed with the facsimile signatures of the Chairman and the Secretary of the Board.

XXXXX
Secretary, Board of Regents,
The University of Texas
System

XXXXX
Chairman, Board of Regents,
The University of Texas
System

(SEAL)

(FORM OF CERTIFICATE OF COMPTROLLER OF
PUBLIC ACCOUNTS OF THE STATE OF TEXAS)

OFFICE OF THE COMPTROLLER

REGISTER NO. _____

THE STATE OF TEXAS

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation upon the Board of Regents of The University of Texas System, payable from the Net Revenues pledged to its payment by and in the Resolution authorizing same; and said Bond has this day been registered by me.

WITNESS MY HAND SEAL OF OFFICE _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(FORM OF ASSIGNMENT)

FOR VALUE RECEIVED, the Registered Owner last listed below sells, assigns, and transfers the within BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, STUDENT APARTMENT REVENUE BOND, SERIES 1980, to the Assignee last listed below, and hereby authorizes the transfer of this Bond on the Registration Books of said Board of Regents.

REGISTERED OWNER

ASSIGNEE

(FORM OF PAYMENT RECORD)

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT ARLINGTON
STUDENT APARTMENT REVENUE BOND
SERIES 1980

PAYMENT RECORD

Due Date	Principal Payment	Principal Balance Due	Interest Payment	Date Paid	Name of Bank of Payment, Authorized Official, and Title

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 (for
 (prin-
 (cipal
 (and in-
 (terest)

(NOTE TO PRINTER: Leave one-half inch space between each due date, etc., for manual interlining, if necessary; also, half a page at end for any explanation that might be required.)

(NOTE TO PRINTER: The following should be a separate sheet.)

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
 THE UNIVERSITY OF TEXAS AT ARLINGTON
 STUDENT APARTMENT REVENUE BOND
 SERIES 1980

SCHEDULE "B"

Principal installments on which payments have been made prior to maturity

Principal Due Date	Principal Amount	Principal Payment	Balance	Date Paid	Name of Bank of Payment, Authorized Official, and Title

(END OF FORM OF REGISTERED BONDS)

Section 3. CONVERSION OF BOND. (a) The Board specifically covenants and agrees that within ninety (90) days after the receipt by the Board of the written request of the registered owner of the Bond, the Board shall have printed, executed and exchanged for such Bond, negotiable coupon bonds, of type composition printed on paper of customary weight and strength, payable to bearer, numbered consecutively from 1 upward, in the denomination of \$5,000 each, in an aggregate principal amount equal to the then unpaid principal amount of such Bond, and having serial and annual maturities on the dates and in the amounts corresponding with the then unpaid principal installments of such Bond, bearing interest at the same rate and payable at the same times as such Bond, with bearer interest coupons annexed to such coupon bonds payable semiannually from and after the date to which interest on such Bond shall have been paid, and with the principal

of such coupon bonds being subject to redemption prior to maturity, at the option of the Board, at the same times and at the same prices as such Bond. All expenses of printing, executing, and exchanging any such Bond shall be paid by the Board from any of its funds on hand lawfully available for such purpose, provided, however, that if no other funds are on hand lawfully available therefor, then such expenses shall be paid from the Gross Revenues, hereinafter defined, as an item of Current Expense of the Project.

(b) It is further covenanted and agreed that no additional resolutions or orders need be adopted by the Board so as to accomplish the foregoing conversion and exchange of the Bond for coupon bonds, and the Board and the officials of the Board, including the Chairman and the Secretary thereof, upon the request of the registered owner of the Bond, as provided herein, shall have the appropriate coupon bonds and coupons printed, executed, issued, and exchanged for the Bond in the manner prescribed herein. The coupon bonds to be exchanged for the Bond shall be submitted by the Chairman of the Board, or some officer acting under his authority, to the Attorney General of the State of Texas for examination, and if said Attorney General finds that such coupon bonds have been printed, executed, and issued as provided by this Resolution, then he shall approve them. After such approval said coupon bonds shall be registered by the Comptroller of Public Accounts of the State of Texas. Upon registration of said coupon bonds, the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's certificate of registration prescribed herein to be printed on the back of each coupon bond, and the seal of said Comptroller shall be affixed on each such coupon bond. It is further provided, however, that the Comptroller of Public Accounts shall not register any such coupon bonds until the Bond being converted shall have been surrendered to and cancelled by said Comptroller, and upon such surrender and cancellation, the Comptroller shall register and deliver said coupon bonds in exchange for the Bond being converted.

Section 4. COUPON BONDS. That any coupon bonds which may in the future be printed, executed, and exchanged as herein provided for the single Bond, and the interest coupons appertaining thereto, shall be payable, be dated, be subject to redemption prior to maturity, be executed and signed, (and said bonds shall be sealed), bear interest, and have the characteristics as hereinbefore prescribed and as follows, and said coupon bonds, the coupons to be attached thereto, and the Comptroller's Certificate to be printed thereon, shall be substantially in the forms, respectively, as follows:

(FORM OF COUPON BOND)

NO. _____

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM,
THE UNIVERSITY OF TEXAS AT ARLINGTON,
STUDENT APARTMENT REVENUE BOND,
SERIES 1980

ON _____ 1, _____, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (the "Board"), for and on behalf of The University of Texas at Arlington, hereby PROMISES TO PAY TO BEARER, OR, IF THIS BOND BE REGISTERED AS TO PRINCIPAL, THEN TO THE REGISTERED OWNER, but solely from the Net Revenues hereafter specified, the principal sum of

FIVE THOUSAND DOLLARS

(\$5,000), and to pay interest thereon from, _____, at the rate of three per cent (3%) per annum, interest payable semiannually on each March 1 and September 1 of each year while this Bond is outstanding. Both principal of and interest on this Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment of such principal and interest is legal tender for the payment of debts due the United States of America, at CHEMICAL BANK, YORK, NEW YORK, or at the option of the holder, at the CITY NATIONAL BANK OF AUSTIN, AUSTIN, TEXAS, (hereinafter collectively referred to as the "Bank of Payment"). The principal hereof shall be payable only upon presentation and surrender of this Bond, and interest hereon falling due on and prior to the maturity of this Bond shall be payable only upon presentation and surrender of the interest coupons hereto attached as such coupons severally become due.

THE DATE OF THIS BOND, in conformity with the Resolution, hereinafter defined, is March 1, 1980.

THIS BOND IS ONE OF A SERIES OF BONDS of like tenor and effect, except as to serial number, maturity, and option of prior redemption, originally issued in the principal amount of \$2,792,000, pursuant to a Resolution adopted by the Board (the "Resolution"), for the purpose of providing funds to acquire, construct, and equip student apartment buildings on the campus of The University of Texas at Arlington (the "Project"), all issued under the Constitution and laws of the State of Texas, including particularly Chapter 55, Texas Education Code, as amended.

IF THE DATE FOR PAYMENT of the principal of, premium, if any, or interest on this Bond shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the appropriate Bank of Payment is located or authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a day; payment on such date shall have the same force and effect as if made on the original date of payment; and no interest shall accrue from the original date of payment to said date.

THIS BOND is payable from and secured by an irrevocable first lien on and pledge of the Net Revenues derived from the operation of the Project (the "Net Revenues"), all as provided in the Resolution, to which reference is hereby made for full particulars. No representation is made herein with respect to the anticipated sufficiency of the Net Revenues. No part of the physical property of the Project is encumbered by any lien or security interest for the benefit of the owner of this Bond.

THE OBLIGATION to pay the principal of, premium, if any, and interest on this Bond from the sources described herein is solely and exclusively a special obligation of the Board. No other entity, including the State of Texas, any agency or political subdivision thereof other than the Board, or any other public body, is obligated, directly, indirectly, contingently, or in any other matter, to pay such principal, premium, or interest from any source whatsoever. No breach by the Board of such obligation shall impose any liability on any entity other than the Board. The holder hereof shall never have the right to demand payment of this Bond or of the interest hereon out of any funds raised or to be raised by taxation.

THIS BOND AND THE INTEREST COUPONS APPURTENANT HERETO are and shall be negotiable instruments in accordance with the laws of the State of Texas, and shall be transferable by delivery unless registered as to principal in the owner's name upon books of the Board to be kept for that purpose at the office of the Chief

Financial Officer of the University of Texas at Arlington, as Registrar, such registration to be noted hereon. After such registration, no transfer of this Bond shall be valid unless made on said books at the request of the registered owner hereof, or his duly authorized agent, and similarly noted hereon; but this Bond may be discharged from registration by being in like manner transferred to bearer, whereupon transferability by delivery shall be restored; and this Bond may again and from time to time be registered or made payable to bearer as before. Such registration, however, shall not affect the negotiability of the interest coupons appurtenant to this Bond, and payment to bearer shall fully discharge the Board with respect to the interest therein mentioned whether or not any such interest coupons be overdue.

THE BOARD EXPRESSLY RESERVES THE RIGHT TO ISSUE ADDITIONAL BONDS payable from the Net Revenues, and any such additional Bonds may be on a parity, as to the Net Revenues, with the Bonds of this series. However, such additional parity may be issued only pursuant to and subject to the restrictions, covenants, and limitations contained in the Resolution, to which reference is made for all particulars and to all the provisions of the Resolution the owner or holder of this Bond by the acceptance thereof expressly assents.

ON SEPTEMBER 1, 1990, and on any interest payment date the Board expressly reserves the right to redeem the outstanding Bonds of the Series, prior to maturity, in whole, or in part in inverse numerical order, at par and accrued interest to the date fixed for redemption, plus a premium on the principal amount of each Bond, as follows: 3% if redeemed September 1, 1990, through March 1, 1995, inclusive; 2 1/2% if redeemed September 1, 1995, through March 1, 2000, inclusive; 2% if redeemed September 1, 2000, through March 1, 2005, inclusive; 1 1/2% if redeemed September 1, 2005, through March 1, 2010, inclusive; 1% if redeemed September 1, 2010, through March 1, 2015, inclusive; and 0% if redeemed September 1, 2015, or thereafter. If the Board elects to redeem all or any part of the Bonds on any such redemption date, it shall cause written notice of such redemption to be published once in a newspaper or journal which regularly publishes financial news and notices, in the City of New York, New York or in the City of Austin, Texas, with such publication to be at least 30 days prior to the date fixed for redemption. If because of temporary or permanent suspension of the publication or general circulation of such newspapers or journals, it is impossible or impractical to publish such notice in the manner provided herein, then such publication in lieu thereof as shall be made with the approval of the Bank of Payment shall constitute a sufficient publication of notice. A similar notice shall be mailed by the Board, postage prepaid, not less than 30 days prior to the redemption date, to each registered owner of the Bonds to be redeemed, addressed to such owner at its address appearing on the bond registration books maintained by the Board. Such notice shall also be mailed to any bondholders who have filed written instructions with the Board as to the name and address to which such notice shall be mailed. Failure to mail or receive any such notice, or any defect therein or in the mailing thereof, shall not effect the validity of any proceedings for the redemption of such Bonds. Notwithstanding the foregoing, published notice need not be given in the event that all Bonds to be redeemed are held by a single owner and written notice by certified or registered mail is given to such owner not less than 30 days before the date fixed for redemption. By the date fixed for any such redemption, due provisions shall be made with the Bank of Payment for the payment of the principal amount of the Bonds which are to be so redeemed, accrued interest thereon to the date fixed for redemption, and any required premium (collectively, the "Redemption Price"). If provision for such

payment is made, all as provided above, the Bonds which are to be redeemed thereby automatically shall be deemed to have been redeemed prior to their scheduled maturity, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the bearer or registered owner to receive the Redemption Price from the Bank of Payment out of the funds provided for such payment. Upon presentation and surrender of such Bonds to a Bank of Payment together with all coupons appertaining thereto maturing after said redemption date, such Bonds shall be paid at the Redemption Price aforesaid, except that interest coupons, if any, which shall mature on or before said redemption date shall be paid only upon presentation and surrender of such coupons.

IF THIS BOND, or any interest coupon appertaining hereto, is lost, stolen, destroyed, damaged, or mutilated, any Bond or coupon issued in replacement thereof is subject to approval of the Attorney General of the State of Texas. The Board agrees that, upon receipt of satisfactory indemnity, proof of ownership, and all expenses to be incurred in connection therewith, the Board will cooperate with the owner of this Bond in complying with the procedures necessary to obtain a replacement Bond and coupons. All expenses involved in the replacement of this Bond or coupons will be borne by the owner of this Bond.

IT IS HEREBY DECLARED AND REPRESENTED that, in issuing this Bond and the series of bonds of which it is a part, while any part of the principal of or interest on said series of bonds is outstanding and unpaid, the Board has covenanted and agreed to operate and maintain continuously the Project, and the facilities and services afforded by the same, and to establish and continuously maintain therefor rental rates, fees, and other charges sufficient to pay the reasonable operation and maintenance expenses thereof, the principal of and interest on the Bonds as each bond matures and as such interest falls due, and to establish and maintain adequate reserves as is more fully provided in the Resolution; and that it has established and will maintain in force such rules as shall be necessary to assure maximum use of the Project.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions, and things required to be done precedent to and in the issuance of this Bond and the other Bonds of the series of which this Bond is one, in order to make them valid and binding special obligations of the Board, have been properly done and performed, and have happened in regular and due time, form, and manner as required by law; that the Net Revenues have been pledged irrevocably, as provided in the Resolution, to the payment of the principal of, premium, if any, and interest on this Bond and the other bonds of said series; and that the entire series of bonds of which this Bond is a part does not exceed any constitutional or statutory limitation.

IN TESTIMONY WHEREOF, the Board has caused its official seal to be impressed, or placed in facsimile, hereon, and this Bond and the interest coupons appertaining hereto to be signed with the facsimile signatures of the Chairman and the Secretary of the Board.

XXXXX

Secretary, Board of Regents,
The University of Texas
System

XXXXX

Chairman, Board of Regents
The University of Texas
System

(SEAL)

(FORM OF INTEREST COUPON)

NO. _____

\$ _____

ON _____ 1, _____,* the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT ARLINGTON, PROMISES TO PAY TO BEARER, without exchange or collection charges, solely from the Net Revenues specified in the bond to which this coupon appertains, at CHEMICAL BANK, New York, New York, or, at the option of the holder, at the CITY NATIONAL BANK OF AUSTIN, Austin, Texas, in any coin or currency which on such date is legal tender for the payment of debts due the United States of America, being interest due that date on BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON, STUDENT APARTMENT REVENUE BOND, SERIES 1980, bearing the number herein-after specified. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation. Bond No. _____.

xxxxx
Secretary Board of Regents

xxxxx
Chairman, Board of Regents

*(Coupons maturing after September 1, 1990, shall contain the following additional clause:

unless the bond to which this coupon appertains has been called for previous redemption and due provision has been made to redeem same,)

(FORM OF CERTIFICATE OF REGISTRATION)

IT IS HEREBY CERTIFIED that, at the request of the holder of the within Bond, I have this day registered it as to principal in the name of such holder as indicated in the registration blank below, on the books kept by me for such purpose. The principal of this Bond shall be payable only to the registered holder named in the below registration blanks. If the last transfer recorded on the books of the Registrar and in the below registration blank shall be to the bearer, the principal of this Bond shall be payable to bearer, and it shall be in all respects negotiable. In no case shall the negotiability of the interest coupons appurtenant to this Bond be affected by any registration as to principal.

Name of Registered Holder	Date of Registration	Signature of Registrar

[END OF FORMS]

Section 7. (a) REGISTRAR FOR COUPON BONDS. The Board shall keep books at the office of the Comptroller of The University of Texas System, or his successor in office, as Registrar for the Board, for the registration (as to principal only) and transfer of the Bonds in coupon form, if any. Such books shall, in addition to the name of each owner of such Bonds

registered as to principal, show the address of each such owner. The holder of any of such Bonds may have such Bonds registered in his name on said books, and such registration shall be noted on each such Bond by the Registrar. The registered owner of any such Bonds registered as to principal shall have the right to have the same discharged from registration and made payable to bearer, in which case transferability by delivery shall be restored, and thereafter the principal of such Bonds, when due, shall be payable to the person presenting the same. Any such Bond made payable to bearer may be registered again in the name of the holder with the same effect as upon the first registration thereof. Successive registrations and discharges from registration as aforesaid may be made from time to time as desired. Registration as to principal of such Bonds shall not affect the negotiability of the interest coupons appertaining thereto, but title to each such coupon shall continue to pass by delivery and it shall remain payable to bearer. Such registrations and discharges from the registration shall be made under such reasonable regulations as the Board may prescribe and for which the Board may make a charge sufficient to reimburse it for any tax or governmental charge required with respect thereto, all such charges to be paid by the party requesting such registration or discharge from registration as a condition precedent to the exercise of such privilege.

(b) No transfer of any such Bond registered as to principal shall be valid unless made on said books at the request of the registered owner, or his duly authorized agent, and such registration noted upon such Bond. Upon presentation to the Registrar of any such Bond registered as to principal, accompanied by a written instrument of transfer in a form approved by the Registrar, executed by the registered owner thereof or by his duly authorized agent, such Bonds shall be transferred upon such books.

(c) The Board and the Bank of Payment may treat the bearer of any such Bond which shall not at the time be registered as to principal and the bearer of any interest coupon appertaining to any such Bond, whether or not such Bond shall be so registered as the absolute owner of such Bond or coupon, as the case may be, for the purpose of receiving payment of, or on account of, such Bond or interest coupon and for all other purposes, and neither the Board nor the Bank of Payment shall be affected by any notice to the contrary.

(d) The Board and the Bank of Payment shall treat the person in whose name any such Bond shall be registered as the absolute owner thereof for the purpose of receiving payment of, or on account of, the principal of such bond and for all other purposes except to receive payment of interest represented by outstanding coupons, and neither the Board nor any bank of payment shall be affected by any notice to the contrary.

Section 8. DEFINITIONS. In this Resolution the following terms as used herein shall have the meanings hereinafter set forth, unless the text hereof specifically indicates otherwise, and in addition to definitions in Section 6 hereof:

Additional Bonds: the additional parity bonds (when and if issued) which the Board expressly reserves the right to issue in the Bonds and Sections 18 and 19, of this Resolution.

Bank of Payment: Chemical Bank, New York, New York, and the City National Bank of Austin, Austin, Texas.

Board of Regents or Board: the Board of Regents of The University of Texas System.

Bonds: Collectively, the Bond or Bonds authorized by this Resolution.

Current Expenses: All necessary operating expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance, and all other expenses incident to the operation of the Project, but excluding depreciation, all general administrative expenses of the University and the Board, and the payment into the System Repair and Replacement Reserve Account, hereinafter provided for.

Gross Revenues: All revenues and income derived from the operation and/or ownership of the Project, and all interest income derived from the investment of moneys credited to each Fund created by Section 9 of this Resolution.

Net Revenues: All Gross Revenues after deducting therefrom only the Current Expenses.

Project: A new apartment complex on the campus of the University consisting of six fully furnished apartment buildings designed to accommodate approximately 260 students, together with all extensions and improvements thereto and replacements thereof hereafter constructed or acquired.

Resolution: this Resolution authorizing the Bonds.

University: The University of Texas at Arlington, in Arlington, Texas.

Section 9. (a) That the Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Net Revenues of the Project, and such Net Revenues are further pledged to the establishment and maintenance of the Funds created by this Resolution.

(b) That there are hereby created and established the following Funds:

(1) The Project Gross Revenue Fund (herein called the "Gross Revenue Fund" or the "Revenue Fund"), which shall be established as a separate account on the books of the University, and to which all Gross Revenues shall be credited excepting interest income derived from all Funds created hereunder other than the Revenue Fund. All Current Expenses of the Project shall be paid from the Gross Revenue Fund, as a first charge against same.

(2) The Project Revenue Bonds Interest and Sinking Fund (herein called the "Interest and Sinking Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(3) The Project Revenue Bonds Reserve Fund (herein called the "Reserve Fund"), which shall be established as a separate fund at an official depository of the University (which must be a member of the Federal Deposit Insurance Corporation).

(4) The Project Repair and Replacement Fund (herein called the "Repair and Replacement Fund"), which shall be established as a separate account on the books of the University.

The Interest and Sinking Fund and the Reserve Fund shall constitute trust funds which shall be held in trust for the benefit of the holders of the Bonds and Additional Bonds. The Revenue Fund, and Repair and Replacement Fund, shall constitute trust funds which shall be used solely as provided in this Resolution until all of the Bonds and Additional Bonds have been retired.

(c) That money in any Fund established pursuant to this Resolution may, at the option of the Board, be placed in time deposits secured by obligations hereinafter described, or be invested in direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligation or in obligations of Federal governmental agencies, including, but not limited to, evidences of indebtedness issued, insured, or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, United States Postal Service, Farmers Home Administration, Federal Home Loan Mortgage Association, Small Business Administration, Federal Housing Association, or Participation Certificates in the Federal Assets Financing Trust; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund from which the deposit or investment was made and shall be used only for the purpose or purposes for which such Fund is required or permitted to be used. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 10. That money in all Funds created by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the Board, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 11. (a) That immediately after the delivery of the Bonds the Board shall deposit all accrued interest, plus the sum of \$125,640 received from the sale and delivery of the Bonds to the credit of the Interest and Sinking Fund, which shall which shall be used to pay part of the interest during the period of construction of the Project.

(b) That the Board shall transfer or cause to be transferred from the Net Revenues in the Revenue Fund and deposit, or cause to be deposited, to the credit of the Interest and Sinking Fund the amounts, at the times, as follows:

(i) on or before August 25, 1980, and semiannually on or before the 25th day of each February and August thereafter, such amounts, as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the next succeeding interest payment date; and

(ii) on or before February 25, 1983, and semiannually on or before the 25th day of each August and February thereafter, such amounts as will be sufficient, together with other amounts, if any, then on hand in the Interest and Sinking Fund and available for such purpose, to pay the principal scheduled to mature and come due on the Bonds on the next succeeding March or September 1.

Section 12. On or before the last day of the first complete fiscal year of The University of Texas System next following the fiscal year during which the Project is completed and placed in operation, and on or before the last day of each fiscal year thereafter, but subject and subordinate to making the above required deposits into the Interest and Sinking Fund, the Board shall deposit or cause to be deposited, from Net Revenues in the Revenue Fund, to the credit of the Reserve Fund an amount not less than 1/4th of the average annual principal and interest requirements of the Bonds, until the Reserve Fund contains an amount of money and investments equal in market value to the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds (the "Required Amount"). So long as the money and investments in the Reserve Fund are not less in market value than a Required Amount equal to the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds, no deposits shall be made into the Reserve Fund; but if the Reserve Fund at any time contains less than said Required Amount in market value, then, subject and subordinate to making the required deposits to the credit of the Interest and Sinking Fund, the Board shall transfer or cause to be transferred from the Net Revenues in the Revenue Fund and deposit, or cause to be deposited to the credit of the Reserve Fund, on or before the last day of each fiscal year thereafter, a sum at least equal to 1/4th of the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds, until the Reserve Fund is restored to said Required Amount in market value. So long as the Reserve Fund contains said Required Amount, in market value, all investment interest and income derived from the Reserve Fund shall be deposited as received to the credit of the Interest and Sinking Fund.

Section 13. When the Required Amount in market value has been accumulated in the Reserve Fund as required by Section 12, and subject to making the required deposits to the credit of the Interest and Sinking Fund and the Reserve Fund, the Board shall cause an amount equal to 10% of the value of the furnishings and moveable equipment of the Project, and any facilities constructed with proceeds from Additional Bonds, to be deposited to the credit of the Repair and Replacement Fund during each fiscal year, provided that no such deposit shall be required so long as an amount equal to 100% of such value has been accumulated therein. The Board shall have the right to draw on and use the monies in the Repair and Replacement Fund for the purpose of paying the cost of unusual or extraordinary maintenance or repairs, renewals, or replacements, and the renovating or replacement of the furniture and equipment not paid as part of the ordinary and normal Current Expenses of the Project, and any facilities constructed with proceeds from Additional Bonds; provided, however, that in the event the funds and investments in the Reserve Fund shall ever be reduced below the Required Amount in market value, funds on deposit in the Repair and Replacement Fund shall be transferred to the Reserve Fund to the extent required to cause the Reserve Fund to contain the Required Amount in market value.

Section 14. All Net Revenues in the Gross Revenue Fund in excess of those required to make the foregoing prescribed deposits may be used by the Board for any lawful purpose;

provided, however, that, if on any occasion there are not sufficient Net Revenues to make the required deposits into the Interest and Sinking Fund and the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available Net Revenues, or from any other sources available for such purposes.

Section 15. On or before the 25th day of August, 1980, and on or before the 25th day of each February and of each August thereafter while any of the Bonds or Additional Bonds, or coupons appertaining thereto, is outstanding and unpaid, there shall be made available to the place of payment, out of the Interest and Sinking Fund, or the Reserve Fund or other Funds if necessary, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds as will accrue or mature on the September 1 or March 1 immediately following.

Section 16. That whenever the total sum in the Interest and Sinking Fund and Reserve Fund shall be equivalent to (1) the aggregate principal amount of all Bonds and Additional Bonds plus (2) the aggregate amount of all unpaid coupons thereto appertaining, unmatured and matured, no further payments need be made into the Interest and Sinking Fund or Reserve Fund. In determining the amount of Bonds and Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the place of payment sufficient for such redemption.

Section 17. That the Bonds and any Additional Bonds, and the interest coupons appertaining thereto, will constitute special obligations of the Board payable solely from the Net Revenues, and the holders of the Bonds and Additional Bonds, and the coupons appertaining thereto, shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 18. (a) The Board reserves and shall have the right and power to issue in one or more series "Additional Bonds" for any purpose authorized by law, including the refunding of any bonds or other obligations, which Additional Bonds, when issued, shall be secured by and payable from a lien on and pledge of the Net Revenues equally and ratably with, and in the same manner and to the same extent as, the Bonds and any other then outstanding Additional Bonds; and the Additional Bonds permitted by this Section, when issued, shall be payable from and secured by the Interest and Sinking Fund and the Reserve Fund and shall be in all respects of equal dignity and on a parity with the Bonds and any other then outstanding Additional Bonds. Each resolution under which Additional Bonds are issued shall provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Gross Revenue Fund and deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same come due; and that the aggregate amount to be accumulated and maintained in the Reserve Fund shall be increased (if and to the extent necessary) to an amount not less than the average annual principal and interest requirements of all Bonds and Additional Bonds which will be outstanding after the issuance and delivery of the then proposed Additional Bonds; and that the required additional amount shall be so accumulated by the deposit in the Reserve Fund of all or any part of said required additional amount in cash immediately after the delivery of the then

proposed Additional Bonds, or, at the option of the Board, by the deposit, from Net Revenues, of said required additional amount (or any balance of said required additional amount not deposited in cash as permitted above) in annual installments, made on or before the last day of each fiscal year, commencing with the fiscal year in which the Board adopted the resolution authorizing the issuance of the then proposed Additional Bonds, of not less than 1/4th of said required additional amount (or 1/4th of the balance of said required additional amount not deposited in cash as permitted above).

(b) All calculations of average annual principal and interest requirements made pursuant to this Section are made as of and from the date of the Additional Bonds then proposed to be issued.

(c) The principal of and interest on all Additional Bonds must be scheduled to mature or be paid on March 1 or September 1.

(d) Any improvements and/or additions to the Project acquired or constructed through the issuance of Additional Bonds shall be a part of the Project and the revenues or fees charged for the use thereof shall be Gross Revenues.

Section 19. Additional Bonds shall be issued only in accordance with this Resolution, but notwithstanding any provisions of this Resolution to the contrary, no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

(a) The Senior Financial Officer of the University signs a written certificate to the effect that the Board is not in default as to any covenant, condition, or obligation in connection with all outstanding Bonds and Additional Bonds, and the resolutions authorizing same, and that the Interest and Sinking Fund and the Reserve Fund each contains the amount then required to be therein.

(b) The State Auditor of the State of Texas, or any certified public accountant, signs a written certificate to the effect that, during either the next preceding University of Texas System fiscal year, or any twelve consecutive calendar month period ending not more than ninety days prior to the adoption of the resolution authorizing the issuance of the then proposed Additional Bonds, the Net Revenues of the Project were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds which were then outstanding during such period.

(c) The Senior Financial Officer of the University signs a written certificate to the effect that the annual Net Revenues of the Project, including Net Revenues attributable to any facilities acquired or constructed with the proceeds of such Additional Bonds, are estimated to be at least equal to the greater of (i) the actual principal and interest requirements or (ii) 1.25 times the average annual principal and interest requirements, of all Bonds and Additional Bonds to be outstanding after the delivery of the then proposed Additional Bonds, during each University of Texas System fiscal year, respectively, while said Bonds or Additional Bonds are outstanding, commencing with the next complete fiscal year after delivery of the then proposed Additional Bonds, or in case any facilities are added to the Project by the resolution authorizing the then proposed Additional Bonds, commencing with the first complete fiscal year after such facilities are estimated to be placed in operation, provided that in the case

of (ii), above, said Net Revenues also must be estimated to be at least equal to the actual principal and interest requirements of such Bonds and Additional Bonds during each complete fiscal year after delivery of the then proposed Additional Bonds.

Section 20. The Board covenants and agrees that so long as any Bonds or Additional Bonds are outstanding it will not sell or otherwise dispose of the Project, or any significant part thereof, and, except as provided for in this Resolution in connection with Additional Bonds, it will not create or permit to be created any charge or lien on the Net Revenues ranking equal or prior to the lien of the Bonds and Additional Bonds. Notwithstanding the foregoing, the Board may at any time permanently abandon the use of, or sell at fair market value, any part of the Project, provided that:

(a) It is then in full compliance with all covenants and undertakings in connection with all of the Bonds and Additional Bonds then outstanding;

(b) It will, in the event of sale, apply the proceeds to either (i) redemption of outstanding Bonds or Additional Bonds or (ii) replacement of the facility so disposed of by another facility which shall be incorporated into the Project;

(c) It certifies, prior to any abandonment of use, that the Net Revenues of the remaining Project will satisfy the historical and future earnings tests required in this Resolution for the issuance of Additional Bonds; or

(d) It certifies prior to any abandonment of use, that the facility to be abandoned is no longer economically capable of producing Net Revenues.

Section 21. That it is hereby covenanted and agreed by the Board that while any Bonds or Additional Bonds or interest coupons appertaining thereto is outstanding and unpaid:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in each and every Bond and Additional Bond executed and delivered hereunder, that it will promptly pay or cause to be paid from the Net Revenues the principal of and interest on every Bond and Additional Bond issued hereunder, on the dates and at the places and manner prescribed in such Bond and Additional Bond and that it will, at the times and in the manner prescribed herein, deposit or cause to be deposited, from the Net Revenues, the amounts of money specified herein.

(b) It is duly authorized under the laws of the State of Texas to create and issue the Bonds; that all action on its part for the creation and issuance of the Bonds has been duly, lawfully, and effectively taken, and that the Bonds in the hands of the holders and owners thereof will be valid and enforceable special obligations of the Board in accordance with their terms and the terms of this Resolution.

(c) It lawfully owns and is lawfully possessed of the land upon which the Project will be located and it has a good and indefeasible estate in such land in fee simple; it warrants that it has, and will defend, the title to the said land and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever; that the Project will be constructed in accordance with the plans

approved by the Board; it is lawfully qualified to pledge the revenues herein pledged in the manner prescribed herein, and has lawfully exercised such right.

(d) It will from time to time, and before the same become delinquent, pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or upon the Project that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which, if unpaid, might by law become a lien or charge upon said structures, or any part of them, the lien of which would be prior to or interfere with the lien hereof, so that the priority of the lien granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborers, materialmen's, or other lien or charge which might or could be prior to the lien hereof, or do or suffer any matter or thing whereby the lien hereof might or could be impaired; provided, however, that no such tax, assessment, or charge, and no such claim which might be used as the basis of a mechanic's, laborer's, materialman's, or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) It will not do or suffer any act or thing whereby the Project or any part thereof, might or could be impaired, and that it will at all times maintain, preserve, and keep the real and tangible property of said facilities and every part thereof in good condition, repair, and working order and maintain, preserve, and keep all structures and equipment pertaining thereto and every part and parcel thereof in good condition, repair, and working order.

(f) That it will continuously and efficiently operate and maintain in good condition and at a reasonable cost the Project and the facilities and services offered by same.

(g) That it will establish and continuously maintain service charges and rates which shall be sufficient to pay all Current Expenses of the Project to pay the principal of and interest on the Bonds and Additional Bonds as such principal and interest mature, and to establish and maintain the Reserve Fund, as required herein, and the said charges and rates shall be revised from time to time in order that the proceeds thereof will be fully sufficient to furnish funds for said purposes.

(h) That it will establish and maintain in force such parietal rules and regulations as shall be necessary to insure, as nearly as possible, maximum use and occupancy of the Project.

(i) (1) With respect to the Project the Board shall procure fire and extended coverage insurance and boiler insurance on the buildings and contents thereof. The foregoing fire and extended coverage insurance and boiler insurance shall be maintained so long as any of the Bonds or Additional Bonds is outstanding and such fire and extended coverage insurance shall be in amounts at least sufficient to provide for full recovery on each building and the contents thereof whenever a loss from perils insured against does not exceed eighty per cent (80%) of the full insurable value thereof. Such insurance shall be carried with a reliable insurance company or companies. In lieu of providing fire and extended coverage insurance as required above, the Board may, at its option, provide the equivalent of such insurance under its University-Wide Fire and Extended Coverage Insurance Policy, subject to a deductible provision which is reasonable in amount, provided the Board establishes and maintains a special account containing funds which are at least sufficient to offset said deductible amount and which are

immediately available for such purpose. Boiler insurance covering any boilers servicing the Project shall be carried in a minimum amount of \$50,000. Upon the happening of any loss or damage covered by such insurance from one or more of said clauses, the Board shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Board. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Board for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such purpose, then said insurance proceeds pertaining to the Project shall be deposited in a special and separate trust fund, at an official depository of the Board, to be designated the Insurance Account. The Insurance Account shall be held until such time as other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required.

(j) Upon receipt of the proceeds of sale of any of the Bonds, the Board shall, if such insurance is not already in force, to the extent permitted by law, procure and maintain, so long as any of the Bonds are outstanding, Public Liability Insurance with limits of not less than \$100,000 for one person and \$300,000 for more than one person involved in one accident to protect the Board from claims for bodily injury and/or death which may arise from the University's operations, including any use or occupancy of its grounds, structures and vehicles, and including any non-owned vehicles operated for the benefit of the University. To the extent permitted by law, the Board shall also maintain Vehicle Property Damage Insurance with limits of not less than \$10,000.

(k) That, at all times when the aggregate amount of funds and/or investments in the Reserve Fund are not at least equal to the total average annual principal and interest requirements on the Bonds and Additional Bonds the Board will procure and maintain use and occupancy insurance on the Project System in an amount sufficient to enable the Board to deposit in the Interest and Sinking Fund, out of the proceeds of such insurance, an amount equal to the sum that normally would have been available for deposit in the Interest and Sinking Fund from said facilities during the time they are wholly or partially nonrevenue-producing as a result of loss of use or occupancy caused by the perils covered by fire and extended coverage insurance.

(l) That the Bonds and Additional Bonds shall not constitute an indebtedness of the State of Texas, the Board, or of the University of Texas at Arlington such as is prohibited under the statutes authorizing their issuance; but shall be secured by an irrevocable pledge of the Net Revenues as provided in this Resolution.

(m) That it shall cause to be kept proper books, records, and accounts (separate and apart from all other records and accounts) in which complete and correct entries shall be made of all transactions relating to the Project and the facilities and services afforded therein; and that the Board shall furnish to any holder of any of the Bonds or Additional Bonds, upon the written request of such holder, not less than ninety (90) days after the close of each fiscal year, complete operating and income statements of the Project in reasonable detail covering such period, together with a certificate signed by the Comptroller of the University stating that the Board has complied with the requirements of this paragraph of this Resolution with respect to the maintenance of insurance, and

not less than one hundred twenty (120) days after the close of each fiscal year, the same certified by the proper state auditing official.

(n) That any holder or holders of twenty-five (25%) per centum in aggregate amount of the Bonds and Additional Bonds at the time then outstanding, shall have the right at all reasonable times to inspect the Project and all records, accounts, and data of the Board relating thereto.

(o) That the Board covenants to and with the purchaser of the Bonds that it will make no use of the proceeds of the Bonds at any time throughout the term of this issue of Bonds which, if such use had been reasonably expected on the date of delivery of the Bonds to any payment for the Bonds by the purchasers, would have caused the Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(c) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

Section 22. That there shall be created in a depository of the University a special account which shall be entitled "Project Construction Fund" (hereinafter called the "Construction Fund"), into which shall be deposited the proceeds from the sale of the Bonds, less (1) the amount of accrued interest plus \$125,640 received on the sale of such Bonds, which shall be deposited in the Interest and Sinking Fund; and (2) the amount required to pay Bond issuance expenses. In addition to such proceeds, any amount of lawfully available money which, together with the proceeds of the Bonds, will be sufficient to complete the acquisition, construction, and equipment of the Project, shall be deposited to the credit of the Construction Fund. Money in the Construction Fund shall be paid out from time to time on estimates and vouchers approved by the manager of construction charged with the supervision of such construction for costs of acquiring, constructing, and equipping the Project. After completion of the Project, any Bond proceeds remaining in the Construction Fund shall be used for prepaying or redeeming principal of the Bonds.

Section 23. (a) That any Bond or Additional Bond shall be deemed to be paid, retired, and no longer outstanding within the meaning of this Resolution when payment of the principal of, redemption premium, if any, on such Bond or Additional Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided by irrevocably depositing with or making available to a paying agent therefor, in trust and irrevocably set aside exclusively for such payment, (1) money sufficient to make such payment or (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such paying agent pertaining to the Bonds and Additional Bonds with respect to which such deposit is made shall have been paid or the payment

thereof provided for to the satisfaction of such paying agent. At such time as a Bond or Additional Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of this Resolution or a lien on and pledge of the Net Revenues, and shall be entitled to payment solely from such money or Government Obligations.

(b) That any moneys so deposited with a paying agent may at the direction of the Board also be invested in Government Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Government Obligations in the hands of the paying agent pursuant to this Section which is not required for the payment of the Bonds and Additional Bonds, the redemption premium, if any, and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Board or deposited as directed by the Board.

Section 24. That the Chairman of the Board is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

Section 25. That the Bonds are hereby sold and shall be delivered to the United States of America, acting by and through the Secretary of Housing and Urban Development, for cash for the par value thereof and accrued interest thereon to date of delivery.

I. RECESS FOR COMPLETION OF COMMITTEE MEETINGS

1. System Administration Committee
Committee Chairman Sterling
2. Academic and Developmental Affairs Committee
Committee Chairman (Mrs.) Blumberg
3. Buildings and Grounds Committee (if business not completed
Committee Chairman Law on Thursday)
4. Health Affairs Committee
Committee Chairman Fly
5. Land and Investment Committee
Committee Chairman Hay
6. Committee of the Whole
Chairman Williams
 - a. Open Session
 - b. Executive Session. --The Board of Regents will retire to the Conference Room, Suite 621, Administration Building, and resolve into Executive Session of the Committee of the Whole pursuant to V. T. C.S., Article 6252-17, Sections, 2(e), (f) and (g) to discuss:
 - (1) Pending or Contemplated Litigation - Section 2(e)
 - (2) Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
 - (3) Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

System Administration Committee

SYSTEM ADMINISTRATION COMMITTEE
Committee Chairman Sterling

Date: May 30, 1980

Time: Following the 9:00 a. m. Session of the Board of Regents

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

	<u>Page</u> <u>SAC</u>
1. U. T. System: Proposed Policies for Preparation of Legislative Budget Requests for 1982-83 Biennium (9-B-80)	2
2. U. T. System: Request to Approve Blue Cross-Blue Shield the Carrier for Health Insurance for Fiscal Year 1980-81 (4-CW-80)	4
3. U. T. Arlington, U. T. Austin, U. T. San Antonio, Institute of Texan Cultures, Dallas Health Science Center (Dallas Southwestern Medical School), Galveston Medical Branch (Galveston Medical School, Galveston Allied Health Sciences School and Galveston Hospitals), Houston Health Science Center (Houston Medical School), and San Antonio Health Science Center (San Antonio Medical School): Amendments to 1979-80 Budget (7-B-80 and 8-B-80)	7

1. U. T. System: Proposed Policies for Preparation of Legislative Budget Requests for 1982-83 Biennium (9-B-80). --Chancellor Walker presented the following policies for preparing the Legislative budget requests for the 1982-83 biennium. For the general academic institutions approximately 85% of the requests are controlled by formulas recommended by the Coordinating Board, and the policies set out below are to be used in requesting funds relating to nonformula areas in these institutions, as well as the requests for the health-related institutions which are not covered by formula funding.

Proposed
Policies for Preparing Legislative Budget Requests
For the Biennium 1982-1983

In preparing the Legislative budget requests for the biennium beginning September 1, 1981, the instructions issued by the Coordinating Board, Texas College and University System and by the Legislative Budget Office and by the Governor's Budget and Planning Office are to be used as guidelines. In preparing budget requests, the following policies and limitations shall be observed relating to areas not funded by formula or otherwise covered by the above-mentioned instructions:

- a. Salary Advances for Faculty and Professional Staff

~~The maximum aggregate salary increases for~~
~~Funds may be requested to grant salary increases up to~~ 20% in 1982 and an ~~additional~~ 15% in 1983. *for what funds may be requested shall*

- b. Salary Advances for Classified Personnel

~~The maximum aggregate increase~~
~~Funds may be requested to provide for a~~ 13.6% increase in 1982 and an ~~additional~~ 10.2% increase in 1983. In addition, requests may include sufficient funds for a 3.4% merit increase for approximately one-half of all employees each year.

- c. New Positions

All requests for new positions must be based on new or expanded programs or on improvements in existing programs, and be fully justified.

- d. Maintenance, Operation, and Equipment

~~The general guideline for requesting funds for this item~~
~~should be for an increase up to~~ 20% in 1982 ~~plus~~ an additional 10% increase in 1983. In limited situations such as scientific equipment, medical supplies, and like items, in which price escalation or other factors make the above limitations totally impractical, actual needs must be the basis for the request. In these situations the variance from the general standard stated above must be carefully justified. *which funds may be requested shall be*

e. Special Equipment

Inasmuch as equipment items included in Item d are regular and routine acquisitions, Special Equipment requests should be related only to new or expanded program requirements or major replacement and updating of obsolete teaching, research, and hospital equipment. Special equipment requests must be based on actual needs and fully documented.

f. Utilities

Requests for Purchased Utilities are to be based on projected needs using the best available rate estimates, carefully documented. In addition, System policy supports an emergency utility request to meet deficiencies, if any, in the 1980-81 Purchased Utilities appropriations.

g. Staff Benefits

- (1) Employee Insurance Premiums. Use \$50 per month in 1982 and \$60 per month in 1983 for each person in requesting funds for payment of the State's contribution toward the cost of insurance premiums. Eligible employees are those covered under provisions of the "Texas State College and University Employees Uniform Insurance Benefits Act."
- (2) O.A.S.I. - State's Contribution of Employees' Share of Tax. As a System policy, the Legislature will be requested to continue the payment of the employees' share of the O.A.S.I. Tax and to expand the payments from the current 5.85% on \$16,500 to the actual tax levied by the Federal Government.
- (3) Longevity Pay. Include in the institutional request an amount to fund longevity pay in accordance with the procedure and rates currently contained in H. B. 454, i. e. \$4 per month for each year of service up to a maximum of \$100 per month (25 years of service).

It is recommended by Chancellor Walker that these policies be approved.

2. U. T. System: Request to Approve Blue Cross-Blue Shield the Carrier for Health Insurance for Fiscal Year 1980-81 (4-CW-80).---
The following written report of the System Insurance Advisory Committee was presented by Chancellor Walker:

Report

The System Insurance Advisory Committee met on April 16, 1980, to review bids received on Health Insurance for 1980-81. Members of the Committee from twelve institutions were present with U. T. Arlington and the Institute of Texan Cultures not being represented.

Bid information was furnished to fifteen insurance carriers; however, only two bids were received. Bids were submitted by the present carrier, Blue Cross-Blue Shield, and Aetna Life and Casualty.

The specifications furnished to prospective bidders are set forth on Exhibit A.

An analysis of the bids on projections on earned income for 1980-81 based on rates quoted is set forth on Exhibit B.

The Committee, after much discussion, chose Plan 3 UT over Plan 3 UT Alternate.

The Committee recommends that Blue Cross-Blue Shield be approved as the carrier for Health Insurance for fiscal year 1980-81.

Chancellor Walker concurs in the recommendation of the System Insurance Advisory Committee that Blue Cross-Blue Shield be approved as the carrier for Health Insurance for 1980-81.

SCHEDULE OF SPECIFICATIONS

XXX in any space means Coverage Factor Inapplicable
 X in any space means Coverage Factor Applicable

Exhibit A

	<u>PLAN 1 UT</u>	<u>PLAN 2 UT</u>	<u>PLAN 3 UT</u>	<u>PLAN 4 UT</u>	<u>PLAN 3 UT ALTERNATE</u>
COVERAGE FACTORS					
<u>BED-PATIENT HOSPITAL EXPENSE BENEFITS</u>					
1. Deductible per admission	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
2. Benefit Percentage	<u>100%</u>	<u>\$100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
3. Maximum number of days available for Psychiatric Care	<u>120</u>	<u>120</u>	<u>120</u>	<u>120</u>	<u>120</u>
<u>OTHER MEDICAL EXPENSE BENEFITS</u>					
4. Deductible each calendar year	<u>\$XXX</u>	<u>\$100.00</u>	<u>\$200.00</u>	<u>\$500.00</u>	<u>\$250.00</u>
5. Benefit Percentage	<u>80%</u>	<u>80%</u>	<u>80%</u>	<u>80%</u>	<u>80%</u>
6. Number of participants required for Family Deductible	<u>XXX</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
7. Out-of-Hospital Drugs	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
8. Psychiatric Care	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
a. Psychiatric Care Benefit Percentage	<u>80%</u>	<u>80%</u>	<u>80%</u>	<u>80%</u>	<u>80%</u>
b. Maximum Psychiatric Care Benefit	<u>\$1,000.00</u>	<u>\$1,000.00</u>	<u>\$1,000.00</u>	<u>\$1,000.00</u>	<u>\$1,000.00</u>
<u>ELIGIBILITY REQUIREMENTS FOR MATERNITY BENEFITS</u>					
9. Either employee or spouse of an employee and a covered dependent daughter of an employee are eligible for Maternity Benefits if the obstetrical patient holds coverage for maternity care at delivery	<u>X</u> <u>X</u> <u>X</u>	<u>X</u> <u>X</u> <u>X</u>	<u>X</u> <u>X</u> <u>X</u>	<u>X</u> <u>X</u> <u>X</u>	<u>X</u> <u>X</u> <u>X</u>
<u>MATERNITY BENEFITS</u>					
10. a. Bed-Patient Hospital Expense (Regular Benefit)	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
b. Other Medical Expense (Regular Benefit)	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>WAITING PERIOD</u>					
11. No Waiting Period for care of pre-existing conditions	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>	<u>X</u>
<u>SECURITY PROVISION</u>					
12. Coinsurance Amount	<u>\$ 500.00</u>	<u>\$ 500.00</u>	<u>\$ 500.00</u>	<u>\$1,000.00</u>	<u>\$1,000.00</u>
<u>MAXIMUM BENEFITS</u>					
13. Maximum Lifetime Benefits available to each participant	<u>\$1,000,000.00</u>	<u>\$1,000,000.00</u>	<u>\$1,000,000.00</u>	<u>\$1,000,000.00</u>	<u>\$1,000,000.00</u>

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Projection of Earned Income for 1980-81

Exhibit B

Plans	Categories	Enrollment	Monthly Rates		Annual Premiums	
			Aetna	BC-BS	Aetna	BC-BS
1 UT	Employee	9,500	\$ 52.97	\$ 50.17	\$ 6,038,580	\$ 5,719,380
	Employee and Spouse	2,000	108.38	120.46	2,601,120	2,891,040
	Employee and Child	2,000	93.86	90.55	2,252,640	2,173,200
	Family	5,000	149.47	131.46	8,968,200	7,887,600
					<u>Sub-total</u>	<u>\$19,860,540</u>
2UT	Employee	3,000	\$ 42.68	\$ 43.57	\$ 1,536,480	\$ 1,568,520
	Employee and Spouse	800	88.09	104.77	845,664	1,005,792
	Employee and Child	700	72.22	78.70	606,648	661,080
	Family	1,000	117.61	114.41	1,411,320	1,372,920
					<u>Sub-total</u>	<u>\$ 4,400,112</u>
3UT	Employee	12,500	\$ 32.57	\$ 32.57	\$ 4,885,500	\$ 4,885,500
	Employee and Spouse	1,000	67.96	93.86	815,520	1,126,320
	Employee and Child	1,000	55.47	69.59	665,640	835,080
	Family	1,000	90.54	102.57	1,086,480	1,230,840
					<u>Sub-total</u>	<u>\$ 7,453,140</u>
3 UT ALT.	Employee	12,500	\$ 31.68	\$ 31.18	\$ 4,752,000	\$ 4,677,000
	Employee and Spouse	1,000	66.13	90.46	793,560	1,085,520
	Employee and Child	1,000	53.46	67.06	641,520	804,720
	Family	1,000	87.59	98.86	1,051,080	1,186,320
					<u>Sub-total</u>	<u>\$ 7,238,160</u>
4UT	Employee	500	\$ 29.68	\$ 27.57	\$ 178,080	\$ 165,420
	Employee and Spouse	200	61.15	81.24	146,760	194,976
	Employee and Child	300	50.26	60.24	180,936	216,864
	Family	500	81.72	88.79	490,320	532,740
					<u>Sub-total</u>	<u>\$ 996,096</u>
				TOTAL (w/ 3UT)	<u>\$32,709,888</u>	<u>\$32,467,272</u>
				TOTAL (w/ 3UT ALT)	<u>\$32,494,908</u>	<u>\$32,143,092</u>

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3. U. T. Arlington, U. T. Austin, U. T. San Antonio, Institute of Texan Cultures, Dallas Health Science Center (Dallas Southwestern Medical School), Galveston Medical Branch (Galveston Medical School, Galveston Allied Health Sciences School and Galveston Hospitals), Houston Health Science Center (Houston Medical School), and San Antonio Health Science Center (San Antonio Medical School): Amendments to 1979-80 Budget (7-B-80 and 8-B-80). --

RECOMMENDATION

It is recommended by the appropriate chief administrative officers, concurred in by System Administration, that their respective 1979-80 Operating Budget be amended as indicated on the pages set out below:

- The University of Texas at Arlington, Page SAC - 8
- The University of Texas at Austin, Pages SAC 8-9
- The University of Texas at San Antonio, Page SAC - 9
- The University of Texas Institute of Texan Cultures at San Antonio, Page SAC - 10
- The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School), Pages SAC 10-13
- The University of Texas Medical Branch at Galveston (Galveston Medical School, Galveston Allied Health Sciences School and Galveston Hospitals), Pages SAC 14-15
- The University of Texas Health Science Center at Houston (Houston Medical School), Page SAC - 15
- The University of Texas Health Science Center at San Antonio (San Antonio Medical School), Page SAC - 16

The source of funds will be from departmental appropriations unless otherwise specified.

THE UNIVERSITY OF TEXAS AT ARLINGTON

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
17.	Robert C. LeGrand, Jr. Intercollegiate Athletics - Basketball Salary Rate Source of Funds: Intercollegiate Athletics Administration - Unallocated	Basketball Coach \$ 19,500	Basketball Coach \$ 22,500	3-1-80

THE UNIVERSITY OF TEXAS AT AUSTIN

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
147.	John Mize Intercollegiate Athletics for Men Salary Rate	Assistant Football Coach (1/2T) \$ 8,452	Assistant Football Coach (F.T.) \$ 22,000	3-1-80
148.	James R. Barger U.T. Austin Student Publications - <u>The Daily Texan</u> Salary Rate	Advertising Manager \$ 16,716	Advertising Manager \$ 19,716	3-1-80

THE UNIVERSITY OF TEXAS AT AUSTIN

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
149.	Abe E. Lemons Intercollegiate Athletics for Men Salary Rate	Head Basketball Coach \$ 39,230	Head Basketball Coach \$ 43,600	4-1-80
150.	David B. Dowd Intercollegiate Athletics for Men Salary Rate	Assistant Basketball Coach \$ 25,000	Assistant Basketball Coach \$ 27,800	4-1-80

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
4.	Rudy A. Davalos Recreational Activities and Intramurals Salary Rate Source of Funds: Unallocated Student Services Fees	Director of Athletics \$ 24,000	Director of Athletics \$ 28,000	3-1-80

THE UNIVERSITY OF TEXAS INSTITUTE OF TEXAN CULTURES
AT SAN ANTONIO

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Administration, Physical Plant, Unallocated Account Transfer of Funds	From: Unappropriated Balance	To: Administration - Equipment \$ 15,000 Physical Plant - Maintenance and Operation 10,000 Unallocated Account 9,132 <u>\$ 34,132</u>	3-1-80
	Amount of Transfer	\$ 34,132		

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>Dallas Southwestern Medical School</u> Department of Anesthesiology Margaret M. McDermott Professor and Chairman							
18.	Marion T. Jenkins (Tenure)	\$ 59,400	\$ 24,100	\$ 83,500	\$ 59,400	\$ 26,600	\$ 86,000	3-1-80

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Dallas Southwestern Medical School (Cont.)</u>								
19.	Associate Professor Edward R. Johnson	\$ 50,600	\$ 7,500	\$ 58,100	\$ 50,600	\$ 14,400	\$ 65,000	3-1-80
Associate Professor of Clinical Psychology								
20.	James F. Lee	\$ 50,600	\$ 10,700	\$ 61,300	\$ 50,600	\$ 13,400	\$ 64,000	3-1-80
21.	S. J. Montgomery	50,600	4,900	55,500	50,600	12,400	63,000	3-1-80
22.	Richard E. Morris	50,600	5,900	56,500	50,600	12,400	63,000	3-1-80
23.	F. C. Rembert	50,600	1,600	52,200	50,600	12,400	63,000	3-1-80
Source of Funds, Items 18 through 23: MSRDP								
Assistant Professor of Clinical Psychology								
24.	Chester W. Beyer Source of Funds: Parkland Hospital and MSRDP	\$ 44,000	\$ ---	\$ 44,000	\$ 45,100	\$ 10,900	\$ 56,000	3-1-80
25.	David M. Downing Source of Funds: Parkland Hospital and MSRDP	\$ 41,800	\$ ---	\$ 41,800	\$ 45,100	\$ 3,900	\$ 49,000	3-1-80
26.	George Y. Gaines Source of Funds: MSRDP	\$ 45,100	\$ 5,200	\$ 50,300	\$ 45,100	\$ 10,900	\$ 56,000	3-1-80

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
Dallas Southwestern Medical School (Cont.)								
Assistant Professor of Clinical Psychology								
27.	Mary F. Harris Source of Funds: Scottish Rite Hospital and MSRDP	\$ 44,700	\$ ---	\$ 44,700	\$ 45,100	\$ 4,900	\$ 50,000	3-1-80
28.	Maria E. Ortega Source of Funds: Scottish Rite Hospital and MSRDP	\$ 41,800	\$ ---	\$ 41,800	\$ 45,100	\$ 3,900	\$ 49,000	3-1-80
29.	David I. Rees Source of Funds: V. A. Medical Center and MSRDP	\$ 41,800	\$ ---	\$ 41,800	\$ 45,100	\$ 3,900	\$ 49,000	3-1-80
30.	L. P. Roddy Source of Funds: V. A. Medical Center and MSRDP	\$ 43,900	\$ ---	\$ 43,900	\$ 45,100	\$ 3,900	\$ 49,000	3-1-80
31.	George A. Syrov Source of Funds: MSRDP	\$ 43,900	\$ ---	\$ 43,900	\$ 43,900	\$ 5,100	\$ 49,000	3-1-80
32.	Clinical Assistant Professor Ann M. Trowbridge (60%T) Source of Funds: Parkland Memorial Hospital	\$ 45,800	\$ ---	\$ 45,800	\$ 50,000	\$ ---	\$ 50,000	3-1-80

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Dallas Southwestern Medical School (Cont.)</u>								
Department of Internal Medicine								
Professor								
33.	Carl G. Blomqvist (Tenure) Source of Funds: NASA Contract and MSRDP	\$ 53,500	\$ ---	\$ 53,500	\$ 56,650	\$ 3,350	\$ 60,000	4-1-80
34.	Research Assistant Professor Marugasu Nagulesparan Source of Funds: National Institutes of Health Contract	\$ 33,000	\$ ---	\$ 33,000	\$ 40,000	\$ ---	\$ 40,000	3-1-80
35.	John M. Anderson Pediatrics; Internal Medicine Salary Rate Source of Funds: Unallocated Faculty Salaries		Assistant Professor \$ 30,400		Assistant Professor \$ 35,000			4-1-80

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1979-80 BUDGET

SAC - 14

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Galveston Medical School</u>								
13.	April G. O'Quinn Obstetrics and Gynecology Assistant Professor Source of Funds: MSRDP	\$ 44,400	\$ 3,600	\$ 48,000	\$ 38,000	\$ 14,000	\$ 52,000	3-1-80
14.	Cattamanchi R. Reddi Obstetrics and Gynecology Assistant Professor Source of Funds: Unallocated Salaries and Gifts from MSRDP	\$ 30,000	\$ 17,000	\$ 47,000	\$ 36,200	\$ 13,800	\$ 50,000	3-1-80
15.	Harvey S. Levin (Tenure) Surgery Associate Professor Source of Funds: Unallocated Salaries and MSRDP	\$ 24,900	\$ 12,300	\$ 37,200	\$ 27,344	\$ 13,656	\$ 41,000	3-1-80
<u>Galveston School of Allied Health Sciences</u>								
16.	Robert K. Bing School of Allied Health Sciences Dean Source of Funds: Departmental Salaries	\$ 38,000	\$ ---	\$ 38,000	\$ 40,660	\$ ---	\$ 40,660	3-1-80

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Galveston Hospitals</u>								
17.	Mark Kurusz Surgical Operating Suite Chief Perfusionist Source of Funds: Departmental Salaries	\$ 27,168	\$ ---	\$ 27,168	\$ 29,939	\$ ---	\$ 29,939	4-1-80

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Houston Medical School</u>								
11.	Jean Latreille Internal Medicine - Oncology Assistant Professor Source of Funds: Transfer from Internal Medicine-General Faculty Salaries	\$ 21,400	\$ 10,600	\$ 32,000 (40%T)	\$ 30,000	\$ 10,000	\$ 40,000 (F.T.)	4-1-80
12.	David J. Fisher Pediatrics Assistant Professor Source of Funds: MSRDP	\$ 35,000	\$ 2,000	\$ 37,000	\$ 35,000	\$ 10,000	\$ 45,000	4-1-80

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
8.	<u>San Antonio Medical School</u> James F. Wittmer Microbiology Salary Rate Source of Funds: Unallocated Salaries	Acting Chairman (1/2T) \$ 48,000	Acting Chairman (1/2T) \$ 56,000	3-1-80
	Note: Dr. Wittmer will continue to serve as Acting Dean of Allied Health Sciences(1/2T) at an annual salary rate of \$48,000.			

Academic and Developmental Affairs Committee

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE
Committee Chairman Blumberg

Date: May 30, 1980

Time: Following the Meeting of the System Administration Committee

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

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3. U. T. Austin: Proposed Increase in Service Charge for Returned Checks Effective Fall Semester 1980 (Catalog Change)	2
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9. U. T. San Antonio: Proposed Designation of Official Colors for Use in Athletic Activities	6

1. U. T. System: Docket No. 10 of the Chancellor of the System.--

RECOMMENDATION

It is recommended that Docket No. 10 of the Chancellor of the System be approved.

It is requested that the Committee confirm that authority to execute contracts, documents, or instruments approved therein has been delegated to the officer or official executing same.

2. U. T. Austin: Proposed Appointment to the Leslie Waggener Professorship in the College of Fine Arts Effective September 1, 1980.--

RECOMMENDATION

President Flawn and Chancellor Walker recommend that Professor Charles Umlauf be appointed to the Leslie Waggener Professorship in the College of Fine Arts, effective September 1, 1980. Upon approval, Professor Umlauf's salary will be supplemented with a \$6,000 stipend from the endowment's income and, in addition, \$2,500 will be provided for activities supportive of his professorship appointment. This recommendation has the support of the Dean of the College of Fine Arts, as well as the Chairman and Budget Council of the Department of Art.

BACKGROUND INFORMATION

The proposed appointee is an outstanding American sculptor whose work is found in prestigious museum collections as well as private collections in the United States and abroad. He has developed the sculpture area of the Department of Art into an outstanding teaching studio laboratory. His past sculpture students are now found as teachers and practicing sculptors across the nation. He has given 39 years of distinguished service to U.T. Austin and continues to provide leadership to the sculpture area of the Department of Art.

The Leslie Waggener Professorship was established in the College of Fine Arts by the Board of Regents on October 26, 1973. Leslie Waggener was a member of the Board of Regents from 1931 to 1942 and at one time served as Chairman of the Board.

3. U. T. Austin: Proposed Increase in Service Charge for Returned Checks Effective Fall Semester 1980 (Catalog Change).--

RECOMMENDATION

President Flawn and Chancellor Walker recommend that the Board of Regents approve an increase in the charge for handling returned checks from \$2.00 to \$5.00, effective with the fall semester of 1980.

BACKGROUND INFORMATION

U. T. Austin has processed 4,624 returned checks since September 1, 1979. This increased charge is recommended to assist in recovery of expenditures incurred in the collection of returned checks. The charge for handling returned checks has not changed since 1970.

SECRETARY'S NOTE: If this recommendation is approved, the next appropriate catalog published will be amended to reflect this action.

4. U. T. Austin: Proposed Increase in Facility Use Charges for the Special Events Center Effective Fall Semester 1980. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend that approval be given to increase the Facility Use Charges for the Special Events Center at The University of Texas at Austin for the Fall Semester 1980 as set out below:

	<u>1979-80 FEES</u>	<u>1980-81 PROPOSED FEES</u>
<u>ARENA</u>		
Single Session Events:		
6:00 a.m. - Noon	\$1,000	\$1,200
Noon - 6:00 p.m.	\$1,500	\$1,750
6:00 p.m. - Midnight	\$1,500	\$1,750
Multiple Session Events:		
1st Session	\$1,500	\$1,750
2nd Session	750	875
3rd Session	500	600
<u>RECEPTION HALL</u>		
Single Session Events:		
6:00 a.m. - Noon	\$ 225	\$ 275
Noon - 6:00 p.m.	250	300
6:00 p.m. - Midnight	350	400
Multiple Session Events:		
1st Session	\$ 250	\$ 300
2nd Session	100	125
3rd Session	50	50
<u>MULTIPURPOSE ROOMS</u>		
One Room	\$ 50	\$ 50
Two Rooms	100	125
Three Rooms	150	175
Four Rooms	160	200
<u>BANQUET /RECEPTION /DANCE</u>	\$ 5/Attendee	\$ 6/Attendee
<u>FOOD MINIMUM</u> (Minimum Attendance = 250)		

BACKGROUND INFORMATION

Facility use charges for the Special Events Center have remained constant since the center opened in late 1977. Due to increased operating costs and inflationary pressures, it has become necessary to seek approval for revision in the use charges. Based on various factors, including a survey of pricing practices at similar facilities in the Southwest, the center director has recommended an increase of approximately 16.5% over current use charge rates.

SECRETARY'S NOTE: This in effect is an amendment to the rates that were approved by the Board of Regents and reported in the U. T. Austin Docket on December 16, 1977.

5. U. T. Dallas: Request to Establish a Student Newspaper. --

RECOMMENDATION

President Jordan and Chancellor Walker request authorization to establish a student newspaper at U.T. Dallas, to be named The UTD Mercury. It is further requested that U.T. Dallas be authorized to establish rules for the administration and operation of the student newspaper within the institution's Handbook of Operating Procedures, and that these rules be approved in the manner prescribed for all Handbook items.

BACKGROUND INFORMATION

Student interest in the establishment of a student newspaper at U.T. Dallas is high. This interest has been expressed to the U.T. Dallas administration by the Student Congress and several student committees organized for the purpose of promoting a student newspaper at U.T. Dallas. The students have expressed the opinion that a student newspaper would promote a greater sense of community on this commuter-oriented campus. A student committee suggested the name, The UTD Mercury, to President Jordan.

6. U. T. El Paso: Request to Submit to Coordinating Board for Review and Appropriate Action Proposed Administrative Changes in the (a) Criminal Justice Program and (b) College of Nursing (Catalog Change). --

RECOMMENDATION

President Templeton and Chancellor Walker recommend the following:

- (1) That the Criminal Justice Program, which is now authorized under the Department of Political Science, be granted departmental status as the Department of Criminal Justice; and
- (2) That the name of the College of Nursing be changed to the College of Nursing and Allied Health; and that a Department of Nursing and a Division of Allied Health be established within the College of Nursing and Allied Health.

Sciences

Upon regental approval these administrative changes will be transmitted to the Coordinating Board for its review and appropriate action.

BACKGROUND INFORMATION

At the present time the Criminal Justice Program at U.T. El Paso awards a bachelor of science degree under the Department of Political Science. The program currently has 506 majors, and employs 14 faculty members. Because of its size, the program has its own operating budget and functions as a department. As a result, the proposed change will require no additional funds for administration, physical resources, faculty, or students.

Of the 326 undergraduate majors in the College of Nursing in the Fall of 1979, 193 were majors in nursing and 133 were majors in medical technology. The recommended name change for the College would, therefore, more appropriately describe the program offerings within it. The College of Nursing currently has an authorized position of an Assistant Dean, but the position is currently unfilled. A proposed coordinator in the Department of Nursing would assist the dean in the management of the College of Nursing and Allied Health, as would a coordinator of the Division of Allied Health. Since a faculty member currently coordinates the allied health programs in the College,

the requested administrative change establishing a Division of Allied Health would simply formalize current operations. These proposed changes will allow the dean to administer the College in a more programmatically effective way without the appointment of an assistant dean.

SECRETARY'S NOTE: If this recommendation is approved by the Board of Regents, the minute order will indicate that if approved by the Coordinating Board the next appropriate catalog published will be amended to reflect this action.

7. U. T. El Paso: Request for Approval to Obtain a Mixed Beverage Permit, Caterer's Permit and Cartage Permit. --

RECOMMENDATION

President Templeton and Chancellor Walker recommend that the Board of Regents authorize submission of an application for a Mixed Beverage Permit, Caterers Permit and Cartage Permit for the U. T. El Paso campus.

BACKGROUND INFORMATION

This recommendation has had careful joint review by the staff of the University Union and the Office of Student Affairs in consultation with other segments of the University Community. The service of beer and wine will be the only service offered at this time and will be limited to the Union Dining Room with catering available to Union Building meeting rooms when accompanied by food service.

8. U. T. El Paso: Proposed Increase in Rates and Security Deposits for Residence Halls and Student Apartments (Formerly Referred to as Married Student Apartments) Effective Fall Semester 1980 (Catalog Change). --

RECOMMENDATION

President Templeton and Chancellor Walker recommend that approval be given to increase the rates and security deposits for Residence Halls and Student Apartments (formerly referred to as Married Student Apartments) at The University of Texas at El Paso effective with the Fall Semester 1980 as set forth below:

THE UNIVERSITY OF TEXAS AT EL PASO

**Residence Halls and Student Apartments (formerly referred to as Married Student Apartments)
Rates and Security Deposits**

	<u>Present</u>	<u>Proposed</u>
<u>Kelly and Barry Halls - Room and Board</u>		
Semester Contract - 4½ months		
Double Occupancy	\$ 685	\$ 760
Single Occupancy	970	1,115
Suite (Kelly Hall only)	720	805

Long Session Contract - 9 months		
Double Occupancy	1,370	1,520
Single Occupancy	1,940	2,230
Suite (Kelly Hall only)	1,440	1,610
Summer Session - Each Term		
Double Occupancy	265	300
Single Occupancy	370	430
Suite (Kelly Hall only)	280	320
Security Deposit	40	60

Each room and suite is provided with a telephone. Twenty meals per week are provided for board.

The security deposit for current residents will remain at \$40; for all new residents, effective with the fall semester of 1980, the deposit will be \$60.

Student Apartments

Monthly Rate	\$ 145	\$ 165
Security Deposit	50	75

The rate for student apartments includes utilities.

The security deposit for current residents will remain at \$50; for all new residents, effective with the fall semester of 1980, the deposit will be \$75.

BACKGROUND INFORMATION

The Housing Committee has proposed these increases because of the continuing escalation of costs for food service, salaries, utilities and maintenance. The increased security deposit is necessary to insure an adequate deposit to cover replacement or repair of lost or damaged housing property.

SECRETARY'S NOTE: If this recommendation is approved, the minute order will provide that the next appropriate catalog published will be revised to reflect this action.

9. U. T. San Antonio: Proposed Designation of Official Colors for Use in Athletic Activities. --

RECOMMENDATION

President Wagener and Chancellor Walker recommend that U. T. San Antonio's official colors for use in connection with athletic activities be designated burnt orange (Sherwin-Williams Kem Lustral Enamel Number F65 E 36), navy blue (Sherwin-Williams Kem Lustral Enamel Number F65 L 10) and white.

BACKGROUND INFORMATION

Subsection 10.2 of Chapter I, Part Two, of the Regents' Rules and Regulations authorizes institutions within the U.T. System to adopt colors for use in connection with athletic activities, if approved by the Board upon the recommendation of the chief administrative officer of the institution and the Chancellor.

This recommendation has the support of U.T. San Antonio's Student Representative Assembly.

Buildings and Grounds Com.

BUILDINGS AND GROUNDS COMMITTEE
Committee Chairman Law

Date: May 29, 1980 - If there are unfinished items, the Committee will reconvene on May 30 following the meeting of the Academic and Developmental Affairs Committee

Time: Following the Open Meeting that Convenes at 1:30 p. m.

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

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2. Thermal Energy Plant (Formerly Called Central Plant) and Utilities Distribution System: Request to (a) Replace 750-Ton Absorption Unit with Centrifugal High-Efficiency 1,200 Ton Chilling Unit; (b) Appoint Project Engineer to Prepare Final Plans; and (c) Appropriate Funds Therefor 4

U. T. AUSTIN

3. Engineering Facilities - Improvements for Departments of Chemical and Petroleum Engineering (E. P. Schoch Laboratories for Chemical Engineering, Petroleum Engineering Building and Taylor Hall): Request for Feasibility Study, Appointment of Consulting Architect and Appropriation Therefor 5
4. Robert Lee Moore Hall - Pedestrian Plaza Improvements and New Landscape Planting Over Site of Texas Experimental Tokamak (TEXT) Project: Presentation of Preliminary Plans; Request to Prepare Final Plans; and Additional Appropriation Therefor 5
5. Refurbishment of 1941 Music Building (Except Recital Hall): Recommended Award of Contract to Hawthorne Construction, Inc., Llano, Texas, and Additional Appropriation Therefor 6
6. Expansion of Physical Plant Facilities: Request for Feasibility Study, Appointment of Consulting Architect and Appropriation Therefor 8

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UNIVERSITY CANCER CENTER

16. Building to House Physical Plant Operations, Police Operations, Motor Pool and Central Stores: Request for Project; Appointment of Project Architect to Prepare Preliminary Plans; and Appropriation Therefor 19
17. Science Park Veterinary Resources Division at Bastrop (Formerly Referred to Camp Swift Division at Bastrop) -Storage and Physical Plant Facility: Request for (a) Project Authorization and Submission to Coordinating Board; (b) Preparation of Final Plans; (c) Subject to Coordinating Board Approval Permission to Advertise for Bids, Award Contract and Complete Project (by UCC Adm.); and (d) Appropriation Therefor 19

U. T. AUSTIN

18. Museum of Fine Arts: Request for Feasibility Study for Design of New Facility, Appointment of Consulting Architect and Appropriation Therefor 20

GALVESTON MEDICAL BRANCH

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1. U. T. ARLINGTON: RENOVATION OF SCIENCE BUILDING (PROJECT NO. 301-429) - REQUEST FOR APPROVAL OF FINAL PLANS AND AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Nedderman and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for Renovation of the Science Building at an estimated total project cost of \$3,377,484
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on February 28, 1980, final plans and specifications for Renovation of the Science Building have been prepared by the Project Architect, Albert S. Komatsu & Associates, Fort Worth, Texas. The 66th Legislature appropriated \$3,377,484 for renovation of this facility.

2. U. T. ARLINGTON - THERMAL ENERGY PLANT (FORMERLY CALLED CENTRAL PLANT) AND UTILITIES DISTRIBUTION SYSTEM: REQUEST TO (a) REPLACE 750-TON ABSORPTION UNIT WITH CENTRIFUGAL HIGH-EFFICIENCY 1,200 TON CHILLING UNIT; (b) APPOINT PROJECT ENGINEER TO PREPARE FINAL PLANS; AND (c) APPROPRIATE FUNDS THEREFOR

RECOMMENDATIONS

President Nedderman and Chancellor Walker recommend that the Board:

- a. Authorize modification of the existing power plant and campus distribution system at an estimated total project cost of \$675,000
- b. Appoint Love, Friberg & Associates, Inc., Fort Worth, Texas as Project Engineer to prepare the final plans and cost estimate to be presented for consideration at a future Board of Regents' meeting
- c. Appropriate \$675,000 from Interest Earned on Time Deposits - Unexpended Plant Funds.

BACKGROUND INFORMATION

The existing thermal energy plant is currently operating at near capacity and upon completion of the School of Nursing Building the total capacity at this plant will be utilized. Since existing backup facilities consist of only a 1963 Carrier Model 750-ton Absorption Unit, it is imperative that planning for updating and improving the thermal energy plant begin immediately. Therefore, authorization is requested to proceed with the design and installation of a centrifugal high-efficiency 1,200-ton chilling unit to replace existing equipment.

The Administration of U. T. Arlington and the Office of Facilities Planning and Construction have considered several initial engineering proposals and have concluded that the replacement of the 750-ton absorption unit is the most desirable at the present time.

BUILDINGS AND GROUNDS COMMITTEE
SUPPLEMENTAL INFORMATION

May 29-30, 1980

U. T. AUSTIN

3. Engineering Facilities - Improvements for Departments
of Chemical and Petroleum Engineering: Recommended
Architectural Firms.--

<u>NAME</u>	<u>RECENT U. T. SYSTEM PROJECTS</u>
CALHOUN, TUNGATE, JACKSON & DILL HOUSTON, TEXAS	None in the last five years
CERNA-GARZA-RABA, INC., SAN ANTONIO, TEXAS	None
GEORGE L. INGRAM & ASSOCIATES, BEAUMONT, TEXAS	None
WHITE, BUDD, VANNESS PARTNERSHIP, HOUSTON/BEAUMONT, TEXAS	U. T. AUSTIN: Addition to Pharmacy Building

6. Expansion of Physical Plant Facilities: Recommended
Architectural Firms.--

<u>NAME</u>	<u>RECENT U. T. SYSTEM PROJECTS</u>
Barnes, Landes, Goodman & Youngblood Austin, Texas	None in the last five years. (1971: U. T. Austin - Central Purchasing and Receiving Facility) (1974: U. T. Austin - Printing and Press Building)
Chartier Newton, Austin, Texas	School of Architecture, U. T. Austin (in association with Dallas firm)
John C. Robinson, Jr. Austin, Texas	R. L. Moore Hall Plaza Improvements, U. T. Austin Waller Creek Improvements, U. T. Austin
Jessen Associates, Inc., Austin, Texas	Texas Department of Corrections Hospital, Galveston Medical Branch (in association with Houston firm)

UNIVERSITY CANCER CENTER

16. Building to House Physical Plant Operations, Police Operations, Motor Pool and Central Stores: Recommended Architectural Firms.--

<u>NAME</u>	<u>RECENT U. T. SYSTEM PROJECTS</u>
✓ JOHN S. CHASE, HOUSTON, TEXAS	HOUSTON HSC/UCC: PRUDENTIAL BUILDING REMODELING (in association)
CALHOUN, TUNGATE, JACKSON AND DILL, HOUSTON, TEXAS	None in the last five years.
S. I. MORRIS ASSOCIATES, HOUSTON, TEXAS	None in the last five years.
KOETTER THARP COWELL & BARTLETT, HOUSTON, TEXAS	UTMB: REMODELING & ADDITION TO GRAVES HOSPITAL
RAPP-FASH-SUNDIN, INC., HOUSTON, TEXAS	None in the last five years.

U. T. AUSTIN

18. Museum of Fine Arts: Request for Feasibility Study for Design of New Facility: Recommended Architectural Firms.--

<u>Name</u>	<u>Recent U. T. System Projects</u>
✓ Fisher & Spillman Architects, Inc., Dallas, Texas	Phase III Fine Arts Building, Initial Studio Facilities, U. T. Dallas (In Assoc. with San Antonio Firm)
	Addition of Two Floors, Florence Bioinformation Center, Dallas Health Science Center
	Alteration & Expansion of Skillern Student Union Bldg., Phase I, Dallas Health Science Center
	Ambulatory Care Center, Dallas Health Science Center
	Burleson Bells Project, U. T. Austin
Crain/Anderson, Inc., Houston, Texas	Special Events Center, U. T. Arlington ^{Austin}
	Conference Center & Special Events Center, U. T. Arlington
Caudill Rowlett Scott, Houston, Texas	None
S. I. Morris Associates, Houston, Texas	None
Skidmore, Owings & Merrill, Houston, Texas	None in the last five years.
E. Verner Johnson and Associates, Inc., Boston, Massachusetts	None
Ford, Powell & Carson, San Antonio, Texas	None in the last five years.

3. U. T. AUSTIN: IMPROVING FACILITIES FOR THE DEPARTMENTS OF CHEMICAL ENGINEERING AND PETROLEUM ENGINEERING - REQUEST FOR FEASIBILITY STUDY, APPOINTMENT OF CONSULTING ARCHITECT AND APPROPRIATION THEREFOR

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Authorize a feasibility study for improving facilities utilized by the Departments of Chemical Engineering and Petroleum Engineering
- b. Appoint a Consulting Architect from a list to be submitted at the meeting to work with a Planning Committee from U. T. Austin and the Office of Facilities Planning and Construction in preparing the feasibility study as well as a cost estimate, with recommendations to be presented at a future Board meeting for consideration
- c. Appropriate \$20,000 from Permanent University Fund Bond Proceeds for the feasibility study including fees and related expenses.

BACKGROUND INFORMATION

Enrollment in the College of Engineering has doubled in the past seven years. This growth is evidenced in Chemical Engineering where enrollment of 366 in 1972 has increased to 741 by 1979; while enrollment in Petroleum Engineering has increased from 159 in 1972 to 593 in 1979.

U. T. Austin Administration has requested that a feasibility study be initiated to investigate the possibilities of expanding facilities for these programs through 1) major renovation of two existing buildings, the E. P. Schoch Laboratories for Chemical Engineering and the Petroleum Engineering Building; 2) new construction or additions, and 3) possible use of a portion of Taylor Hall.

Recommendations with an estimated project cost will be reported to the Board upon completion and evaluation of the feasibility study.

4. U. T. AUSTIN: PEDESTRIAN PLAZA IMPROVEMENTS AND NEW LANDSCAPE PLANTING OVER THE SITE OF TEXAS EXPERIMENTAL TOKAMAK (TEXT) PROJECT IN ROBERT LEE MOORE HALL (PROJECT NO. 102-437) - PRESENTATION OF PRELIMINARY PLANS; REQUEST TO PREPARE FINAL PLANS; AND ADDITIONAL APPROPRIATION THEREFOR

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Approve the preliminary plans and specifications for the Pedestrian Plaza Improvements and new landscape planting over the site of Texas Experimental Tokamak (TEXT) project in Robert Lee Moore Hall, at a revised total project cost of \$225,000
- b. Authorize the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting
- c. Appropriate additional funds in the amount of \$1,275 from Available University Fund for fees and related project expenses through completion of final plans and specifications, \$8,500 having been previously appropriated from the same source.

BACKGROUND INFORMATION

In October 1979, the Board appointed John C. Robinson, Jr., Austin, Texas as Project Architect to prepare final plans for Pedestrian Plaza Improvements and new landscape planting at Robert Lee Moore Hall, at an estimated total project cost of \$150,000. During the design of the project, preliminary cost estimates indicated that the initial cost estimate was insufficient to accomplish the desired scope of plaza improvements. The Administration of U. T. Austin and the Office of Facilities Planning and Construction are of the opinion that costs for this project cannot be satisfactorily reduced unless the desired design concept is radically changed.

The U. T. Austin Administration recommends proceeding with the preparation of final plans at an increased total project cost of \$225,000. This project will be funded from the Available University Fund.

5. **U. T. AUSTIN - REFURBISHMENT OF 1941 MUSIC BUILDING (EXCEPT RECITAL HALL) (PROJECT NO. 102-438): RECOMMENDED AWARD OF CONTRACT TO HAWTHORNE CONSTRUCTION, INC., LLANO, TEXAS, AND ADDITIONAL APPROPRIATION THEREFOR**

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Award the construction contract for Refurbishment of the 1941 Music Building to the lowest responsible bidder, Hawthorne Construction, Inc., Llano, Texas as follows:

Base Bid	\$350,600
Additive Alternates	
No. 1 Paint Exterior Metal Trim	7,193
No. 2 Add Automatic Door Operator	<u>9,490</u>
Total Recommended Contract Award	<u>\$367,283</u>

- b. Approve a revised total project cost of \$464,000 to cover the recommended construction contract award, movable furnishings and equipment, air balancing, fees and related project expenses
- c. Appropriate additional funds in the amount of \$439,500 from Available University Fund to provide for the total project cost, \$24,500 having been previously appropriated from the Available University Fund.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, bids were called for and were received, opened and tabulated on April 24, 1980, as shown on Page B & G 7 for the Refurbishment of the 1941 Music Building.

The refurbishment of this building for use by the College of Liberal Arts will include the addition of an elevator, repainting, minor partition changes, various electrical modifications, and other improvements for the physically handicapped.

REFURBISHMENT OF 1941 MUSIC BUILDING
 THE UNIVERSITY OF TEXAS AT AUSTIN, AUSTIN, TEXAS
 Bids Received at 2:00 p.m., Central Standard Time, April 24, 1980 at
 The Office of Facilities Planning and Construction
 The University of Texas System, Austin, Texas

B & G - 7

<u>Bidder</u>	<u>Base Bid</u>	<u>Add Alt. #1</u>	<u>Add Alt. #2</u>	<u>Bid Bond</u>
Hawthorne Construction, Inc, Llano, Texas	\$350,600.00	\$ 7,193.00	\$ 9,490.00	5%
J. K. Richardson Company, Georgetown, Texas	394,000.00	2,048.00	8,200.00	5%
Royce Construction Company, Austin, Texas	370,536.00	7,066.00	10,218.00	5%
Star Field Constructors Inc., Elgin, Texas	393,000.00	4,800.00	10,200.00	5%
Stiefer Painting & Contracting Company, Inc., Austin, Texas	373,771.00	2,709.00	9,443.00	5%
D & D Sylvester Construction Company, Inc., Austin, Texas	384,888.00	No Bid	8,268.00	5%
Woodruff Construction Company, Austin, Texas	432,976.00	8,000.00	6,680.00	5%

6. U. T. AUSTIN: EXPANSION OF PHYSICAL PLANT FACILITIES - REQUEST FOR A FEASIBILITY STUDY, APPOINTMENT OF CONSULTING ARCHITECT AND APPROPRIATION THEREFOR

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Authorize a feasibility study for the proposed Expansion of Physical Plant Facilities
- b. Appoint a Consulting Architect from a list to be submitted at the meeting to work with a Planning Committee from U. T. Austin and the Office of Facilities Planning and Construction in preparing a feasibility study and cost estimate, with recommendations to be presented at a future Board meeting for consideration
- c. Appropriate \$20,000 from interest on bond proceeds for the feasibility study including fees and related expenses.

BACKGROUND INFORMATION

The Administration of U. T. Austin has a dire need for expansion and improvement of the Physical Plant Division Facilities in order to continue an efficient operation of all campus facilities. In recent years, the construction of new academic buildings and improvements to existing buildings has taken priority over necessary support functions.

The initiation of this feasibility study is recommended to evaluate and determine the total requirements of the Physical Plant Division. After completion and evaluation of the feasibility study, appropriate recommendations and cost estimate will be presented at a future Board meeting for consideration.

7. U. T. AUSTIN: EXPANSION OF CAMPUS UTILITIES DISTRIBUTION SYSTEM - TUNNEL EXTENSION ALONG RED RIVER STREET - REQUEST FOR PROJECT AUTHORIZATION; APPOINTMENT OF PROJECT ENGINEER TO PREPARE FINAL PLANS; AND APPROPRIATION THEREFOR

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Authorize a tunnel extension along Red River Street to improve the Utilities Distribution System in the Southwest Quadrant of the U. T. Austin campus at an estimated total project cost of \$4,000,000
- b. Appoint B. Segall, Engineer, Austin, Texas, as Project Engineer to prepare final plans and cost estimate to be presented at a future Board meeting for consideration
- c. Appropriate \$160,000 from Permanent University Fund Bond Proceeds for fees and related project expenses through completion of final plans.

BACKGROUND INFORMATION

The delivery of chilled water and steam in the Southwest Quadrant of the U. T. Austin campus is currently limited by the existing Tunnel Distribution System. Although present delivery capabilities are adequate, future expansion of the College of Business Administration and the Graduate School of Business will require a significant increase in the total delivery capacity. An extension of the tunnel along Red River Street with increased pipe capacity will correct this forecasted deficiency.

A study conducted by the U. T. Austin Physical Plant Division and the Office of Facilities Planning and Construction recommends proceeding with this utility distribution project.

8. U. T. EL PASO: MILITARY SCIENCE BUILDING AND FOUR ADDITIONAL HANDBALL COURTS IN MEMORIAL GYMNASIUM (PROJECT NO. 201-442) - PRESENTATION OF PRELIMINARY PLANS, REQUEST TO PREPARE FINAL PLANS AND ADDITIONAL APPROPRIATION THEREFOR

RECOMMENDATIONS

President Templeton and Chancellor Walker recommend that the Board:

- a. Approve the preliminary plans and specifications for the Military Science Building and Construction of Four Additional Handball Courts at a revised total project cost of \$790,000
- b. Authorize the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting
- c. Appropriate additional funds in the amount of \$24,000 from Permanent University Fund Bond Proceeds for fees and related project expenses through completion of final plans and specifications, \$8,720 having been previously appropriated from the same source.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, preliminary plans and specifications for the construction of the Military Science Building and four additional handball courts in Memorial Gymnasium at The University of Texas at El Paso have been prepared by the Project Architect, Foster Henry Henry & Thorpe, El Paso, Texas. Although the project scope has not been increased, preliminary design plans indicate that the initial cost estimate was not adequate to meet the desired project scope. The project design provides for minimum facilities, and all reasonable cost saving possibilities have been taken into consideration. The U. T. El Paso Administration recommends proceeding with the preparation of final plans at an increased total project cost of \$790,000. This project will be funded from Permanent University Fund Bond Proceeds.

Based on Fiscal Year 1979 experience, maintenance, operation, and utilities are estimated at \$3.018 per square foot per year.

9. U. T. PERMIAN BASIN: PRESIDENT'S RESIDENCE - REQUEST AUTHORITY TO EXECUTE LEASE AGREEMENT WITH TEXAS ELECTRIC SERVICE COMPANY FOR USE OF RIGHT-OF-WAY

RECOMMENDATION

President Cardozier and Chancellor Walker recommend authorization to execute a five-year lease agreement with Texas Electric Service Company, Odessa, Texas, for use of a right-of-way adjacent to the President's residence in Odessa, Texas.

BACKGROUND INFORMATION

A portion of a transmission line right-of-way belonging to Texas Electric Service Company of Odessa, Texas, is adjacent to the President's Residence at The University of Texas of the Permian Basin and is used as a side yard and access to the garage. Texas Electric Service Company has no objection to continued use of this right-of-way but, in order to preserve its ownership, requests a five-year lease agreement for the consideration of one dollar per annum.

In April 1975 a five-year lease agreement was executed. The proposed document for an additional five-year period is set out on Pages B&G 10-15.

THE STATE OF TEXAS §
 §
COUNTY OF ECTOR §

YARD AND GARDEN LEASE AGREEMENT

This Lease, effective this 10th day of March, 1980, by and between TEXAS ELECTRIC SERVICE COMPANY, a corporation, of Fort Worth, Texas, as Lessor, and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, of Austin, Texas, as Lessee, Witnesseth:

That the said Lessor does, by these presents, lease unto said Lessee, the following described property:

All that certain tract or parcel of land situated in Ector County, Texas, the same being more particularly described as follows:

All of the Texas Electric Service Company unnumbered tract lying North of and adjacent to Lot 6, Block 6, Idlewild Estates, an addition to the City of Odessa, Ector County, Texas; said land having been conveyed to Texas Electric Service Company by that certain Warranty Deed dated September 24, 1959, appearing of record in Volume 306, Page 353, Deed Records, Ector County, Texas.

The metes and bounds of the property covered by this agreement are more particularly set out and shown on TSB-27034 and Detail "A" attached hereto and made a part of this instrument for all purposes.

This Lease is made on the following terms and conditions which are fully agreed to by the parties hereto:

1. Lessor agrees that it will lease to Lessee, for yard and garden purposes only, the surface of the above described property for a period not to exceed five (5) years beginning on the 10th day of March, 1980, and for the consideration of One Dollar (\$1.00) per annum cash in hand paid, the receipt of which is hereby acknowledged, provided Lessee's use of same does not interfere with the superior use of said property by Lessor.

2. The above Lessee agrees that it will not construct or cause to be constructed any cross fences, buildings, or structures of any nature on the above described property without written permission from the Lessor. Lessee will at all times keep said land clear of all obstruction and of all growth of weeds and other objectionable

vegetation from reaching such condition as to violate government requirements, if any, or be hazardous and/or objectionable to the Lessor and/or the adjacent property owners. Lessor herein hereby grants permission for Lessee to continue to maintain the existing fence located on said property.

3. It is further understood and agreed that this Lease will not prevent the Lessor, its employees, or representatives from entering or leaving the said property at any time and/or for any purpose connected with the maintenance, operation, inspection, construction, or removal of its electric system, or from constructing or causing to be constructed, removing or causing to be removed, any building or buildings or other facilities where and whenever it so desires without the Lessee's permission and without any claim or claims from damages from Lessee, it being understood that such entree by the Lessor will be necessary from time to time.

4. It is further understood and agreed that this Lease may be cancelled at any time by either party after thirty (30) days' notice to the other party in writing. Such cancellation shall not prevent Lessee from completing the cultivation and the harvest of any row crops on the land at the time of notice of cancellation.

5. It is understood that this land is crossed by electric distribution and/or transmission line or lines, and may in the future be crossed by additional line or lines and that in consideration of the mutual covenants and obligations of this contract, Lessee agrees to defend, indemnify, and hold harmless Lessor, insofar and only insofar as it is authorized by law so to do, from any and all damages, claims for damages, loss, or liabilities to Lessee, his employees, agents, guests, or property while on the property hereinabove described.

6. All covenants and agreements herein contained shall extend to and be obligatory on the heirs, executors, administrators, successors, and assigns of the respective parties. But, it is expressly understood that these rights granted Lessee under this covenant shall not be assigned without the consent and approval of the Lessor in writing.

7. Lessee accepts the property herein described subject to all previous easements, if any, that may have been granted on, along, over, under, or across said property, and releases Lessor and easement holders, insofar and only insofar as it is authorized by law so to do, from any and all damages, claims for damages, loss, or liabilities that may be caused Lessee by reason of the exercise of such rights or privileges granted in said easements, Lessor also reserves the right to execute and deliver further easements in its discretion covering said property during the term of this Lease, the rights to be granted by any such easement to be superior to Lessee's rights hereunder.

IN WITNESS WHEREOF, the said parties have hereunto set their hands and seals to be effective the day and year first above written.

ATTEST:

TEXAS ELECTRIC SERVICE COMPANY,
LESSOR

Secretary

By: _____
Vice President

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM,
LESSEE

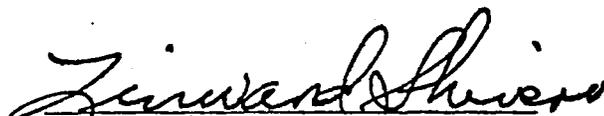
Betty Anne Thedford,
Secretary
Board of Regents of
The University of Texas System

By: _____
DAN C. WILLIAMS,
Chairman of the Board of
Regents of The University
of Texas System

Approved as to Content:

Approved as to Form:





University Attorney

THE STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, on this day personally appeared W. M. TAYLOR, Vice President of Texas Electric Service Company, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein stated, and in the capacity therein stated, and the said instrument is the act and deed of the said Texas Electric Service Company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, 1980.

Notary Public in and for
Tarrant County, Texas

My commission expires:

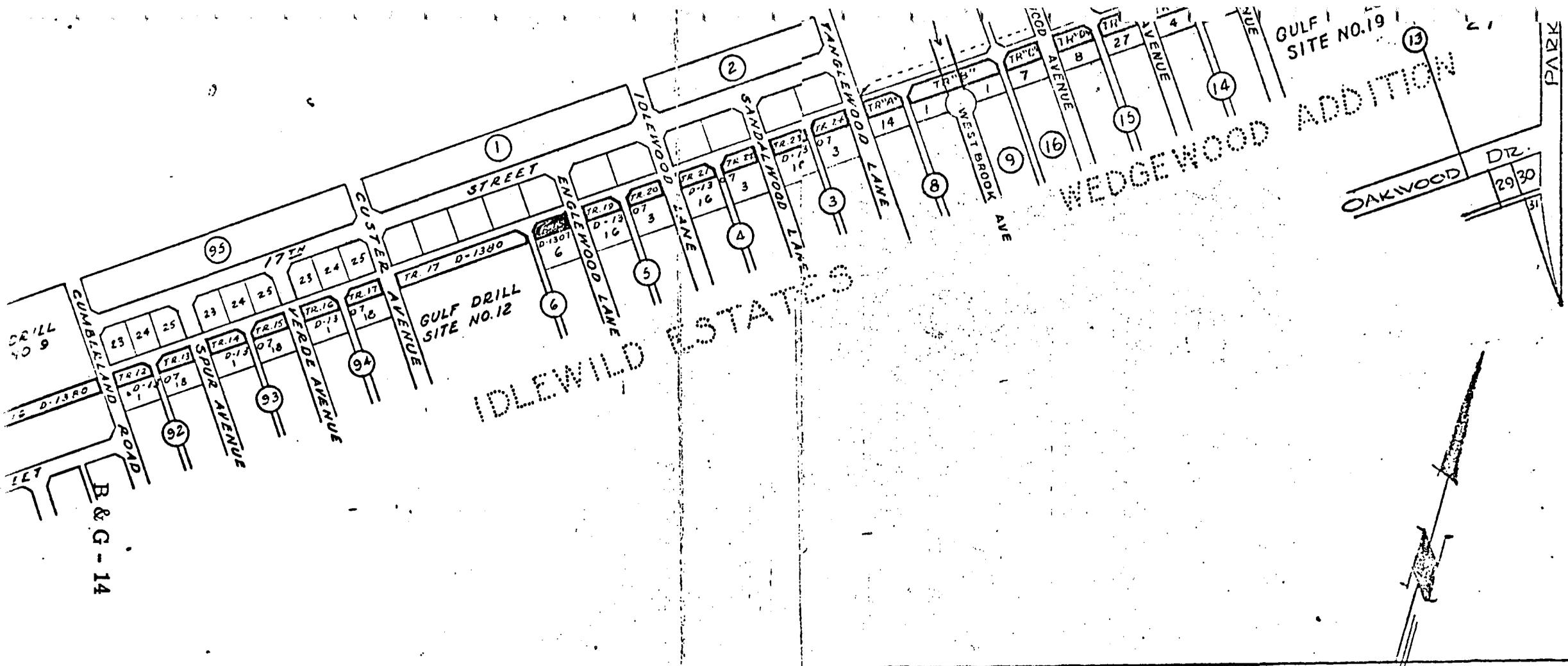
THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared DAN C. WILLIAMS, Chairman of the Board of Regents of The University of Texas System, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act and deed of the Board of Regents of The University of Texas System, and that he executed the same as the act and deed of such Board for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the _____ day of _____, 1980.

Notary Public in and for
Dallas County, Texas

My commission expires:

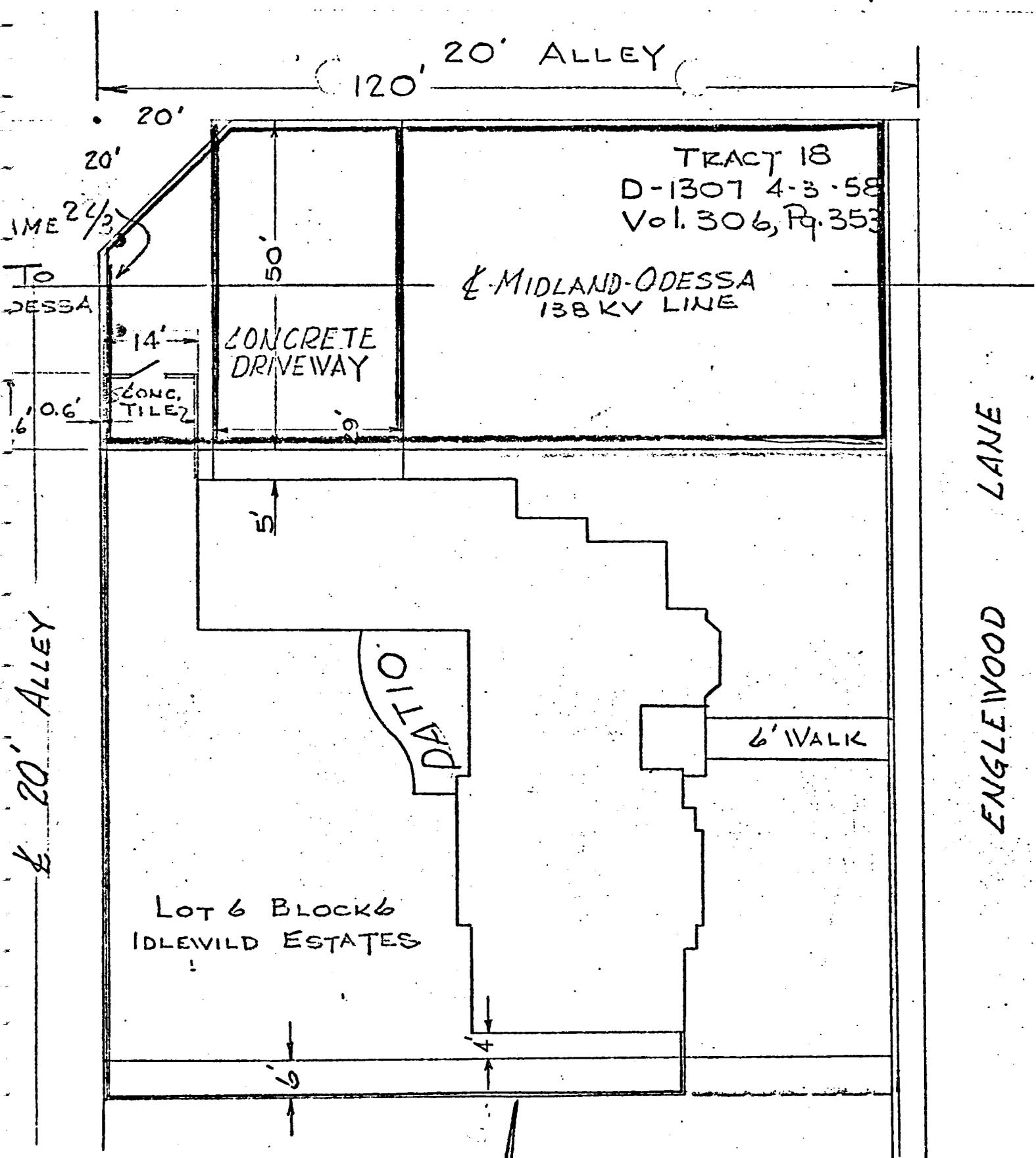


- TESCO PROPERTY
- LEASED PROPERTY
- LESSEE PROPERTY

MIDLAND - ODESSA 138 KV
 CRANEODESSA NORTH 69 KV
 1958
 MAPS
 PROPERTY PLAT
 PART OF
 CRESCENT PARK ADDITION
 and

IDLEWILD ESTATES
 ODESSA, ECTOR COUNTY, TEXAS
 OCTOBER 7, 1958 SCALE 1" = 400'
TEXAS ELECTRIC SERVICE COMPANY
 FORT WORTH TSB 27034

GRANTOR	ACRES	DATE	RECORDED
E DEVELOPMENT CO. INC.	4.824	4-3-58	VOL. 306, PG. 353
SCENT PARK INC.	6.476	9-24-59	VOL. 348, PG. 444
E DEVELOPMENT CO. INC.	1.611	4-21-61	VOL. 384, PG. 100
E DEVELOPMENT CO. INC.	0.477	4-21-61	VOL. 384, PG. 106
Trustees, Ector Co, School Dist	0.807	7-30-65	VOL. 488, Pg. 11
TOTAL	14.195 ac.		



- TESCO PROPERTY
- LEASED PROPERTY
- LESSEE PROPERTY
- DRIVEWAY ON TESCO

DETAIL "A"
 DRAWN: L. E. CHOPP 3-31-64
 B & G - 15 SCALE 1" = 20'

10. U. T. SAN ANTONIO: PHASE II BUILDING - CLASSROOM AND OFFICE BUILDING -
RECOMMENDED INSCRIPTION ON PLAQUE

RECOMMENDATION

President Wagener and Chancellor Walker recommend that the Phase II Classroom and Office Building be given the name Multidisciplinary Studies Building and that the plaque inscription set out below be approved.

This inscription follows the standard pattern approved by the Board at the meeting held June 1, 1979.

MULTIDISCIPLINARY STUDIES BUILDING

1977

BOARD OF REGENTS

Allan Shivers, Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D.D.S.
Jane Weinert Blumberg
(Mrs. Roland K.)
Edward Clark
Sterling H. Fly, Jr., M.D.
Jess Hay
Thos. H. Law
Walter G. Sterling

Charles A. LeMaistre, M.D.
Chancellor, The University
of Texas System
Peter T. Flawn, President
The University of Texas at
San Antonio

Bartlett Cocke and Associates, Inc.
in Association with
Frank M. Valdez
Project Architect
Browning Construction Company
Contractor

BACKGROUND INFORMATION

This building, which is scheduled for completion within the next few months, will house four academic divisions of the College of Multidisciplinary Studies. It is therefore recommended that this facility be designated as the Multidisciplinary Studies Building.

11. U. T. SAN ANTONIO: PHASE I BUILDING, SCIENCE-EDUCATION BUILDING - REQUEST TO REDESIGNATE THIS FACILITY AS THE SCIENCE BUILDING AND RECOMMENDATION FOR MODIFICATION OF EXISTING PLAQUE

RECOMMENDATIONS

President Wagener and Chancellor Walker recommend that the Board:

- a. Approve redesignation of the completed Science-Education Building (Phase I) the Science Building
- b. Authorize modification of the existing building plaque to reflect the name change.

BACKGROUND INFORMATION

In April 1972 a contract for construction of the Phase I Buildings at U. T. San Antonio was awarded by the Board. The Science-Education Building was one of the buildings included in Phase I of the campus construction. With the impending completion of the Phase II Buildings, the Division of Education will vacate the Science-Education Building and move into one of the Phase II Buildings. Therefore, the Administration of U. T. San Antonio recommends this change of name and modification of the existing building plaque to reflect the true occupancy of this building by the College of Sciences and Mathematics only.

12. GALVESTON MEDICAL BRANCH: NEW PHYSICAL PLANT BUILDING, PHASE I (PROJECT NO. 601-431) - REQUEST FOR APPROVAL OF FINAL PLANS AND AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Levin and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for the New Physical Plant Building, Phase I at an estimated total project cost of \$2,500,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, final plans and specifications for the New Physical Plant Building Phase I have been prepared by the Project Architect, Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas. This project was approved by the Coordinating Board, Texas College and University System on April 18, 1980.

At the meeting on July 26, 1979 an appropriation of \$2,500,000 was authorized from Medical Branch Unappropriated Balances for the total estimated project cost (Source of Funds: Income from Hospital).

13. GALVESTON MEDICAL BRANCH (GALVESTON MEDICAL SCHOOL) - REMODELING AND ADDITION TO THE DEPARTMENT OF PHARMACOLOGY BUILDING (PROJECT NO. 601-430) - REQUEST FOR APPROVAL OF FINAL PLANS AND AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Levin and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for the Remodeling and Addition to the Pharmacology Building at an estimated total project cost of \$2,500,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, final plans and specifications for the Remodeling and Addition to the Pharmacology Building have been prepared by the Project Architect, Louis Lloyd Oliver and Tibor Beerman, Galveston, Texas. This project was approved by the Coordinating Board, Texas College and University System on April 18, 1980.

At the meeting on July 26, 1979 an appropriation of \$2,500,000 was authorized from Medical Branch Unappropriated Balances for the total estimated project cost (Source of Funds: Income from Hospital).

14. HOUSTON HEALTH SCIENCE CENTER: STUDENT/FACULTY APARTMENT PROJECT (PROJECT NO. 701-432) - REQUEST FOR APPROVAL OF FINAL PLANS AND FOR AUTHORIZATION TO ADVERTISE FOR BIDS **SUBJECT TO FUNDING REQUIREMENTS**

RECOMMENDATIONS

President Bulger and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for the Student/Faculty Apartments at an estimated total project cost of \$11,500,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids when funding requirements can be achieved.

BACKGROUND INFORMATION

Final plans and specifications for the construction of Student/Faculty Apartments have been completed as authorized by the Board of Regents on July 25, 1979. This project was subsequently approved by the Coordinating Board, Texas College and University System in October 1979.

Funding for this project is to be entirely from Revenue Bond Proceeds. However, due to the prevailing interest rate in the current bond market, this project is to be deferred until such time as the bond consultant indicates that funding is feasible. Approval of the final plans will facilitate payment to the Project Architect for work completed to date.

15. SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO ALLIED HEALTH SCIENCES SCHOOL) - AUDITORIUM: PROPOSED RENOVATION OF SPACE ON 2ND LEVEL FOR NEW PROGRAMS; REQUEST TO APPOINT PROJECT ARCHITECT TO PREPARE PRELIMINARY PLANS

RECOMMENDATIONS

President Harrison and Chancellor Walker recommend that the Board:

- a. Authorize renovation of Level 2 of the Auditorium to provide space for Allied Health Science Programs at an estimated total project cost of \$1,625,000
- b. Appoint Phelps & Simmons & Garza as Project Architect to prepare preliminary plans and cost estimate to be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

On April 18, 1980, the Coordinating Board, Texas College and University System granted approval for three new programs in the School of Allied Health Sciences, to be offered jointly by U. T. San Antonio and the San Antonio Health Science Center. An appropriation of \$1,625,000 was made by the 66th Legislature for renovation of facilities at the San Antonio Health Science Center for these Allied Health Science Programs.

Approximately 17,700 square feet in Level 2 of the Auditorium is available for renovation and use by the Allied Health Science Programs. This area had previously been occupied by the Dental School pending completion of their permanent facilities. Appointment of the original project architect for this building is recommended to expedite completion of the project.

16. UNIVERSITY CANCER CENTER: BUILDING TO HOUSE THE PHYSICAL PLANT OPERATIONS, POLICE OPERATIONS, MOTOR POOL AND CENTRAL STORES - REQUEST FOR PROJECT AUTHORIZATION; APPOINTMENT OF PROJECT ARCHITECT TO PREPARE PRELIMINARY PLANS; AND APPROPRIATION THEREFOR

RECOMMENDATIONS

President LeMaistre and Chancellor Walker recommend that the Board:

- a. Authorize construction of a building to house the Physical Plant operations, Police operations, Motor Pool and Central Stores facilities at an estimated total project cost of \$3,750,000
- b. Appoint a Project Architect from a list to be submitted at the meeting to prepare preliminary plans and cost estimate to be presented at a future Board meeting for consideration
- c. Appropriate \$35,000 from General Funds Unappropriated Balances Account for fees and related project expenses through preparation of preliminary plans.

BACKGROUND INFORMATION

Support functions for the University Cancer Center including Physical Plant operations, Police operations, Motor Pool and Central Stores can be centralized on part of a 100 acre tract located south of the Texas Medical Center. The Administration of the University Cancer Center recommends the construction of this facility to ensure a more efficient and cost-effective service operation and to vacate needed space within the M. D. Anderson Hospital and the former Prudential Building which could then be more effectively used for other programs.

17. UNIVERSITY CANCER CENTER - SCIENCE PARK VETERINARY RESOURCES DIVISION AT BASTROP (FORMERLY REFERRED TO CAMP SWIFT DIVISION AT BASTROP) - STORAGE AND PHYSICAL PLANT FACILITY: REQUEST FOR (a) PROJECT AUTHORIZATION AND SUBMISSION TO COORDINATING BOARD; (b) PREPARATION OF FINAL PLANS; (c) SUBJECT TO COORDINATING BOARD APPROVAL PERMISSION TO ADVERTISE FOR BIDS, AWARD CONTRACT AND TO COMPLETE PROJECT (BY UCC ADM.); AND (d) APPROPRIATION THEREFOR

RECOMMENDATIONS

President LeMaistre and Chancellor Walker recommend that the Board:

- a. Authorize the construction of a Storage and Physical Plant Facility at an estimated cost of \$550,000 for the Veterinary Resources Division of the Science Park at Bastrop and authorize submission of the project to the Coordinating Board, Texas College and University System
- b. Authorize the University Cancer Center Physical Plant Department staff to prepare final plans and specifications for the Storage and Physical Plant Facility in consultation with the Office of Facilities Planning and Construction
- c. Subject to approval by the Coordinating Board, authorize the University Cancer Center Administration and Physical Plant Department to take all necessary actions for advertising, bidding the project, awarding of a construction contract and completion of the project, with its own forces or through contract services, in consultation with the Office of Facilities Planning and Construction
- d. Appropriate \$550,000 from Plant Funds - Unexpended Account 187291 - Science Park Building Expansion for the total project funding.

BACKGROUND INFORMATION

The Long Range Campus Development Plan for the University Cancer Center includes a Storage and Physical Plant Facility for the Veterinary Resources Division of the Science Park at Bastrop. Initial review and planning indicated that a metal building of approximately 25,000 gross square feet, utilizing standard warehouse modules, can provide a satisfactory facility to meet the requirements for storage and Physical Plant functions. The estimated cost for this building is \$550,000. The building will have minimum partitioning and limited air conditioning for four offices, toilet facilities, and cold storage of animal food items. The majority of the building space will be utilized for Physical Plant shops and storage space. The scope of construction can be accomplished by the Physical Plant Department with its own forces or contract services. Funds for the project are available in Plant Funds - Unexpended Account 187291 - Science Park Building Expansion.

Results of bidding the project and the award of a construction contract will be reported at a future Board meeting.

18. U. T. AUSTIN: MUSEUM OF FINE ARTS - REQUEST FOR FEASIBILITY STUDY FOR DESIGN OF NEW FACILITY, APPOINTMENT OF CONSULTING ARCHITECT AND APPROPRIATION THEREFOR

RECOMMENDATION

President Flawn and Chancellor Walker recommend that the Board:

- a. Authorize a feasibility study for the design of a Museum of Fine Arts
- b. Appoint a Consulting Architect from a list to be submitted at the meeting to work with an Ad Hoc Planning Committee to be appointed by President Flawn and the Office of Facilities Planning and Construction to prepare a feasibility study and a cost estimate, with recommendations to be presented at a future Board meeting for consideration
- c. Appropriate \$50,000 from the Available University Fund for the feasibility study and related expenses.

BACKGROUND INFORMATION

U. T. Austin has a long recognized need to centralize and expand its art museum facilities. A centralized facility for consolidating collections, together with the necessary support functions, maintenance services and security control features, is critical to improving the academic program and facilitating research activities involving the various art holdings. The fact that collections are scattered throughout the campus is a hindrance with regard to academic use of these important holdings and also limits general public access to them. Also, many valuable collections are now stored and others inadequately displayed due to lack of suitable space, thereby resulting in limited or nonaccessibility to students, researchers and the public.

Besides providing the capacity to better display current acquisitions with the result of improved academic use and public access, such a facility is a key ingredient to U. T. Austin's ability to obtain future acquisitions, since ability to adequately display new holdings is often a condition critical to negotiating such acquisitions. Obviously, new acquisitions are important to the quality of instruction in the future as well as to the University's research stature in this area.

Of secondary importance are the cost and security benefits gained from centralization of these valuable collections. The cost advantages are obvious, but the security concerns are equally critical in terms of the public trust involved in preserving these valuable holdings for future generations.

Approximately 4,367 acres of land in Galveston County, Texas was given by Mr. Archer M. Huntington of New York City by deed dated October 7, 1927. The purpose of the gift was to establish a fund for the use and benefit of a museum at U. T. Austin. Funding for a portion of this project can be provided from the proceeds of the sale of the Huntington Lands. Approximately 1500 acres of the original gift of 4,367 acres remain unsold. Support for this project is also anticipated from other private gifts.

Authorization for this feasibility study will permit initial planning to begin. Upon completion and evaluation of the completed study and preparation of a cost estimate, recommendations will be presented at a future Board meeting.

19. GALVESTON MEDICAL BRANCH: ASHBEL SMITH BUILDING (OLD RED) RESTORATION. --System Administration has forwarded the following information:

The Board of Regents have discussed the restoration of the Ashbel Smith Building (Old Red) on a number of occasions.

In December of 1970, the Board of Regents authorized a feasibility study of continued use of the Ashbel Smith Building at a cost not to exceed \$10,000 from funds appropriated by the Legislature. The results of the feasibility study were presented to the Board in June of 1971.

In September of 1973, the Board appointed Wilson/Crain/Anderson as Project Architect for preparation of preliminary plans within appropriated funds of \$1,750,000.00.

The Board approved the preliminary plans in September of 1974, but further action was deferred because funds were not available to proceed with the project. The approved preliminary plans recommended a three phase project.

Phase I - construction work to stabilize the structural system and repair exterior building elements such as the roof and masonry walls

Phase II - necessary interior remodeling to comply with code requirements and standards related to fire exits, toilet rooms and mechanical - electrical systems

Phase III - specific partitioning and interior finishes to accommodate designated tenants to the building

On different occasions the Board of Regents have had presentations in regard to the need to restore the Ashbel Smith Building by State officials, representatives of the Texas Historical Foundation, the Galveston Historical Foundation and interested citizens. The last presentation was at the Board meeting in October of 1978.

A request was submitted to the Sixty-Sixth Legislature in 1979 for \$6,000,000 to be added to funds available to restore this building, however, the Legislature did not act favorably on this request.

Three interested parties are here today that have requested permission to discuss this project with the Board of Regents. They are:

Senator Babe Schwartz
Judge Ray Holbrook
Mr. Truett Lattimer

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEMS

MAY 29-30, 1980

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B & G

U. T. ARLINGTON

20. Student Housing - Initial Phase: Recommended Contract Award to Pierce Contractors, Inc., Dallas, Texas, and Additional Appropriation Therefor; Proposed Inscription for Plaque 23

U. T. AUSTIN

21. College of Fine Arts and Performing Arts Center - Landscape Planting and Irrigation for Segments B, C, D, E and F: Recommended Contract Award to Evergreen Landscape, Inc., Austin, Texas 25
22. Student Family Housing: Proposed Resolution Authorizing the Making and Processing of College Housing Loan Applications in Federal Fiscal Year 1980 26

U. T. EL PASO

23. College of Business Administration Classroom and Office Building: Recommended Contract Award to Vivienda Development Corporation, El Paso, Texas, and Additional Appropriation Therefor; Proposed Inscription for Plaque 27
24. Renovation of Miners' Hall: Recommended Contract Award to Hines-Boyd General Contractors, Inc., El Paso, Texas 29

U. T. SAN ANTONIO

25. Classroom and Office Building (Multidisciplinary Studies Building) and Addition to Arts Building (Phase II Buildings): Recommended Contract Award for Completion to Browning Construction Company, San Antonio, Texas, and Additional Appropriation Therefor 31

GALVESTON MEDICAL BRANCH

26. Galveston Hospitals - Remodeling of Existing John Sealy Hospital (Original Building) - Phase IA Mechanical System: Recommended Contract Award to Don Tarpey Construction Company, Texas City, Texas 33

20. U. T. ARLINGTON: STUDENT HOUSING - INITIAL PHASE (PROJECT NO. 301-402) - RECOMMENDED AWARD OF CONTRACT TO PIERCE CONTRACTORS, INC., DALLAS, TEXAS, ADDITIONAL APPROPRIATION FOR TOTAL PROJECT FUNDING AND RECOMMENDED PLAQUE INSCRIPTION

RECOMMENDATIONS

President Nedderman and Chancellor Walker recommend that the Board:

- a. Award a construction contract for Student Housing - Initial Phase to the lowest responsible bidder, Pierce Contractors, Inc., Dallas, Texas, in the amount of the base bid of \$2,855,000
- b. Authorize a revised total project cost of \$3,729,788 to cover the recommended building construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and related project expenses
- c. Approve the total project funding and appropriate additional funds for the total project cost from the sources listed below:

Proceeds from College Housing Loan	\$2,792,000
Additional Appropriation, Interest on Combined Fee Bonds	<u>800,788</u>
Additional Appropriation, Sub-Total	\$3,592,788
Previously Appropriated, Unappropriated Plant Funds	117,000
Previously Appropriated, UT Arlington Housing System Account	<u>20,000</u>
Grand Total, Funding for Estimated Total Project Cost	<u>\$3,729,788</u>

- d. Approve the recommended inscription as set out below for the plaque to be placed on the Student Housing Project at U. T. Arlington. This inscription follows the standard pattern approved by the Board on June 1, 1979.

STUDENT HOUSING

1980

BOARD OF REGENTS

Dan C. Williams, Chairman
 Thos. H. Law, Vice-Chairman
 Jane Weinert Blumberg
 (Mrs. Roland K.)
 Sterling H. Fly, Jr., M.D.
 Jess Hay
 Jon P. Newton
 James L. Powell
 Howard N. Richards
 Walter G. Sterling

E. D. Walker
 Chancellor, The University
 of Texas System
 Wendell H. Nedderman
 President, The University
 of Texas at Arlington

 Geren Associates
 Project Architect
 Pierce Contractors, Inc.
 Contractor

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 12, 1979, bids were called for and were received, opened and tabulated on May 15, 1980, as shown on Page B & G - 24, for the Initial Phase of Student Housing. This project was approved by the Coordinating Board in July 1979.

<u>Bidder</u>	<u>Base Bid</u>	<u>Bid Bond</u>
Belco Construction Co., Inc., Temple, Texas	\$3,298,000	5%
Cadenhead-Rangaire, Inc., Fort Worth, Texas	3,534,000	5%
Herman DeHart General Contractor, Inc., Fort Worth, Texas	3,800,000	5%
Pierce Contractors, Inc., Dallas, Texas	2,855,000	5%

In October, 1979, final plans for this project were approved at an estimated total project cost of \$3,143,390. Subsequently, a loan under the College Housing Loan Program has been approved for this project. With the inclusion of the Housing and Urban Development loan the project was advertised for bids, providing for some 82,200 gross square feet or a total housing capacity of 260 students. This level of housing capacity equals project planning goals. Prior to bidding, the Project Architect's final construction cost estimate was \$2,868,887.

Including U. T. System Administrative costs of \$25,000 incurred in the bond sale and HUD Administrative field charges of \$1,500, a revised total project cost of \$3,729,788 covers the recommended contract award, fees, furniture and furnishings and related project expenses.

21. U. T. AUSTIN: COLLEGE OF FINE ARTS AND PERFORMING ARTS CENTER (PROJECT NO. 102-201) - LANDSCAPE PLANTING AND IRRIGATION FOR SEGMENTS B, C, D, E AND F - RECOMMENDED AWARD OF CONTRACT TO EVERGREEN LANDSCAPE, INC., AUSTIN, TEXAS

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Award a contract for Landscape Planting and Irrigation for Segments B, C, D, E and F of the College of Fine Arts and Performing Arts Center to the lowest responsible bidder, Evergreen Landscape, Inc., Austin, Texas, as follows:

Base Bid	\$262,488
Additive Alternate:	
No. 1 (Additional Landscape Plant Material)	28,500
Total Recommended Contract Award	\$290,988

BACKGROUND INFORMATION

In December 1976 the Board approved a building construction contract award for the construction of the College of Fine Arts and Performing Arts Center at The University of Texas at Austin. Funds for future landscape planting and irrigation were reserved at that time. In July, 1979, a contract award in the amount of \$161,676 for landscaping for Segment A was approved by the Board.

Bids were called for and were received, opened and tabulated on May 20, 1980, as shown below for landscaping for Segments B, C, D, E and F of the College of Fine Arts and Performing Arts Center.

<u>Bidder</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Bid Bond or Cashier's Check</u>
Brazos Valley Nursery, Bryan, Texas	\$288,500	\$44,000	B.B. 5%
Cornelius Nurseries, Inc., Houston, Texas	271,711	33,206	B.B. 5%
Evergreen Landscape, Inc., Austin, Texas	262,488	28,500	B.B. 5%
Halla Brothers, Inc. & The Myers Co., A Joint Venture, El Paso, Texas	329,000	34,000	B.B. 5%
Laguna Hills, Inc., Austin, Texas	288,215	40,024	C.C. \$16,412
Landscape Design & Construction, Inc., Dallas, Texas	354,819	37,460	B.B. 5%
Randall & Blake, Inc., Dallas, Texas	266,780	29,270	B.B. 5%

The necessary funds to cover the recommended contract award, fees and miscellaneous expenses were previously appropriated.

22. U. T. AUSTIN: STUDENT FAMILY HOUSING (PROJECT NO. 102-455) REQUEST FOR ADOPTION OF A RESOLUTION AUTHORIZING THE MAKING AND PROCESSING OF COLLEGE HOUSING LOAN APPLICATIONS IN FEDERAL FISCAL YEAR 1980 FOR STUDENT FAMILY HOUSING

RECOMMENDATION

Chancellor Walker recommends that the Board adopt the following resolution related to making applications and processing documents under the College Housing Program for Student Family Housing at The University of Texas at Austin.

BE IT RESOLVED, That R. S. Kristoferson, Director of the Office of Facilities Planning and Construction of The University of Texas System, be, and he is hereby, authorized, empowered, and directed to make application for loans for Student Family Housing at The University of Texas at Austin, to execute all documents relating to the acquisition and the use of monies received from the Federal Government through the College Housing Programs of the U. S. Department of Housing and Urban Development in connection with said construction loans, and to do any and all other necessary acts and things in connection therewith, and any and all such acts and deeds done or caused to be done by the Director, R. S. Kristoferson, are hereby ratified, approved, and confirmed, as the acts and deeds of the Board of Regents of The University of Texas System.

BACKGROUND INFORMATION

On February 28, 1980, the Board approved in principle the phased demolition of housing units at the Brackenridge-Deep Eddy Apartments and approved a construction project for replacement housing for some (Brackenridge Duplexes) of these units. The Board's action included approval to search for project funding from the College Housing Programs of the U. S. Department of Housing and Urban Development.

Under previous actions approved by the Board of Regents in July 1971 and February 1976, resolutions of a general nature were passed granting authority to R. S. Kristoferson, Director of the Office of Facilities Planning and Construction, to sign all documents on behalf of The University of Texas System related to securing federal grants and loans awarded for construction purposes. However, new proposed rules for the making of College Housing Loan Applications in Federal Fiscal Year 1980 have been initiated by the Department of Housing and Urban Development and published in the April 28, 1980 issue of the Federal Register. It appears that these new regulations require a separate resolution for each application made under that program.

The Office of General Counsel and the Office of Facilities Planning and Construction have concluded that, in order to avoid the possibility of delay, a resolution specifically authorizing R. S. Kristoferson, Director of the Office of Facilities Planning and Construction, to make application and process the relevant documents for Student Family Housing at U. T. Austin is appropriate.

23. U. T. EL PASO: COLLEGE OF BUSINESS ADMINISTRATION CLASSROOM AND OFFICE BUILDING (PROJECT NO. 201-421) - RECOMMENDED AWARD OF CONTRACT TO VIVIENDA DEVELOPMENT CORPORATION, EL PASO, TEXAS, ADDITIONAL APPROPRIATION FOR TOTAL PROJECT FUNDING, AND RECOMMENDED PLAQUE INSCRIPTION

RECOMMENDATIONS

President Templeton and Chancellor Walker recommend that the Board:

- a. Award the construction contract for the College of Business Administration Classroom and Office Building to the lowest responsible bidder, Vivienda Development Corporation, El Paso, Texas, as follows:

Base Bid	\$4,865,000
Additive Alternates:	
No. 1 Parking Lot	24,700
No. 3 Corridor Flooring	34,000
No. 4 Courtyard Finishes	3,200
No. 5 Lecture Hall Sound System	<u>13,600</u>
Total Recommended Contract Award	<u>\$4,940,500</u>

- b. Approve a total project cost of \$6,800,000 to cover the recommended building construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and related project expenses
- c. Appropriate additional funds in the amount of \$6,526,000 from Permanent University Fund Bond Proceeds to provide for the total project cost, \$274,000 having been previously appropriated from the same source
- d. Approve the recommended inscription as set out below for the plaque to be placed on the College of Business Administration Classroom and Office Building.

This inscription follows the standard pattern approved by the Board at the meeting held June 1, 1979.

BUSINESS ADMINISTRATION BUILDING

1980

BOARD OF REGENTS

Dan C. Williams, Chairman
Thos. H. Law, Vice-Chairman
Jane Weinert Blumberg
(Mrs. Roland K.)
Sterling H. Fly, Jr., M.D.
Jess Hay
Jon P. Newton
James L. Powell
Howard N. Richards
Walter G. Sterling

E. D. Walker
Chancellor, The University
of Texas System
Arleigh B. Templeton
President, The University
of Texas at El Paso

Fouts, Langford, Gomez, Moore, Inc.
Project Architect
Vivienda Development Corporation
Contractor

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on February 29, 1980, bids were called for and were received, opened and tabulated on May 15, 1980, as shown on Page B & G - 28, for the College of Business Administration Classroom and Office Building. The recommended contract award can be made within the previously authorized total project cost of \$6,800,000.

COLLEGE OF BUSINESS ADMINISTRATION BUILDING
 THE UNIVERSITY OF TEXAS AT EL PASO, EL PASO, TEXAS
 Bids Received May 15, 1980 at 2:00 p.m., Mountain Daylight Saving Time
 at the Student Union Building, The University of Texas at El Paso, El Paso, Texas

B & G - 28

<u>Bidder</u>	<u>Base Bid</u>	<u>Add/Deduct Alternates</u>					<u>Bid Bond</u>
		<u>No. 1 Parking Lot</u>	<u>No. 2 Built-Up Roofing</u>	<u>No. 3 Corridor Flooring</u>	<u>No. 4 Courtyard Finish</u>	<u>No. 5 Lecture Hall Sound System</u>	
Arrow Building Corporation & Crinco Investments, Inc., El Paso, Texas	\$5,163,000	+ \$22,500	- \$30,000	+ \$42,500	+ \$6,000	+ \$13,500	5%
R. D. Lowman General Contractor, Inc., El Paso, Texas	5,374,000	+ 24,400	- 31,000	+ 35,000	+ 7,000	+ 13,700	5%
Jordan and Nobles Construction Co., El Paso, Texas	5,146,200	+ 30,500	- 25,000	+ 43,000	+ 8,000	+ 15,700	5%
Robert E. McKee, Inc., El Paso, Texas	5,586,000	+ 27,000	- 31,000	+ 40,500	+ 6,500	+ 13,800	5%
Urban General Contractors, Inc., El Paso, Texas	4,996,400	+ 31,500	- 29,620	+ 39,770	+ 5,700	+ 13,500	5%
Vivienda Development Corporation, El Paso, Texas	4,865,000	+ 24,700	- 29,700	+ 34,000	+ 3,200	+ 13,600	5%

24. U. T. EL PASO: RENOVATION OF MINERS' HALL (PROJECT NO. 201-434) -
RECOMMENDED AWARD OF CONTRACT TO HINES-BOYD GENERAL CONTRACTORS, INC.,
EL PASO, TEXAS

RECOMMENDATIONS

President Templeton and Chancellor Walker recommend that the Board:

- a. Award a construction contract for the Renovation of Miners' Hall to the lowest responsible bidder, Hines-Boyd General Contractors, Inc., El Paso, Texas, as follows:

Base Bid		\$559,500
Additive Alternates:		
No. 2	Operable Windows	11,059
No. 5	Elevator	<u>22,500</u>
Total Recommended Contract Award		<u>\$593,059</u>

- b. Approve a total project cost of \$705,000 to cover the recommended construction contract award, movable furnishings and equipment, air balancing, fees and related project expenses.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on February 29, 1980, bids were called for and were received, opened and tabulated on May 8, 1980, as shown on Page B & G - 30, for the Renovation of Miners' Hall. The 66th Legislature appropriated \$705,000 for renovation of this former three-story dormitory for use as general classroom and office building.

RENOVATION OF MINERS' HALL FOR
 THE UNIVERSITY OF TEXAS AT EL PASO, EL PASO, TEXAS
 Bids Received May 8, 1980 at 2:00 p.m., Mountain Daylight Saving Time
 at the Student Union Building, The University of Texas at El Paso, El Paso, Texas

<u>Bidder</u>	<u>Base Bid</u>	<u>No. 1 Reroof Exist. Building</u>	<u>No. 2 Operable Windows</u>	<u>No. 3 Dbl. Glaze Fixed Wdos</u>	<u>Add Alternates</u>		<u>No. 5 Elevator</u>	<u>No. 6 Glazed Tile Above Wsct</u>	<u>No. 7 Refin. Ext. Stucco</u>
					<u>No. 4 Dbl. Glaze Operable Wdos</u>				
Babenco Development Company, Inc., El Paso, Texas	\$609,000	\$17,860	\$10,831	\$3,447	\$3,885		\$22,698	\$ 812	\$13,619
Croom Construction Company, El Paso, Texas	605,300	15,000	11,000	1,500	1,300		24,000	1,500	13,500
Hines-Boyd General Contractors, Inc., El Paso, Texas	559,500	15,500	11,059	3,100	3,300		22,500	3,000	13,200
John R. Lavis General Contractor, Inc., El Paso, Texas	559,948	18,574	11,309	3,172	3,397		23,210	3,972	12,669
R. D. Lowman General Contractor, Inc., El Paso, Texas	597,000	16,900	11,400	3,200	3,400		23,400	3,700	14,000
Ponsford Brothers, El Paso, Texas	616,200	15,470	11,300	3,200	3,400		23,130	1,130	12,600
Vivienda Development Corporation, El Paso, Texas	588,900	14,800	11,000	3,200	3,400		22,800	1,200	13,500
Wally Sheid, Inc., El Paso, Texas	619,450	15,490	11,480	3,240	3,440		23,770	3,790	14,240
Prati & Prati General Contractors, Inc., El Paso, Texas	596,100	14,800	10,800	3,000	14,100		23,779	3,900	13,400
Silverton Construction Co., Inc., El Paso, Texas	599,400	18,350	11,300	3,166	3,400		23,200	2,000	13,900

All bidders submitted a bidder's bond in the amount of 5% of the total base bid.

25. U. T. SAN ANTONIO: CLASSROOM AND OFFICE BUILDING (MULTIDISCIPLINARY STUDIES BUILDING) AND ADDITION TO ARTS BUILDING (PHASE II BUILDINGS) (PROJECT NO. 401-334) - RECOMMENDED AWARD OF CONTRACT FOR COMPLETION OF PHASE II BUILDINGS TO BROWNING CONSTRUCTION COMPANY, SAN ANTONIO, TEXAS, AND ADDITIONAL APPROPRIATION FOR TOTAL PROJECT FUNDING

RECOMMENDATIONS

President Wagener and Chancellor Walker recommend that the Board:

- a. Award a construction contract for the completion of the Phase II Buildings to the lowest responsible bidder, Browning Construction Company, San Antonio, Texas, as follows:

Base Bid	\$5,096,000
Additive Alternates:	
No. 1 Completion of TV Studio	243,000
No. 2 Add New Exterior Stairs	44,000
No. 3 New Plaza Lighting	<u>20,000</u>
Total Recommended Contract Award	<u>\$5,403,000</u>

- b. Authorize a total project cost of \$7,153,431 to cover the recommended building construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and related project expenses
- c. Appropriate additional funds in the amount of \$7,153,431 from proceeds of sale of Combined Fee Revenue Bonds to provide for the total project cost.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on July 25, 1979, bids were called for and were received, opened and tabulated on May 22, 1980, as shown on Page B & G - 32, for the Completion of the Phase II Buildings.

This project was approved by the Coordinating Board in January 1980.

COMPLETION OF PHASE II BUILDINGS FOR THE UNIVERSITY OF TEXAS AT SAN ANTONIO
 Bids received at 2:00 p.m., C.D.S.T., May 22, 1980 at
 The University of Texas at San Antonio
 San Antonio, Texas

<u>Bidder</u>	<u>Base Bid</u>	<u>Add Alternates</u>			<u>Bid Bond</u>
		<u>No. 1 Completion of TV Studio</u>	<u>No. 2 Add New Exterior Stairs</u>	<u>No. 3 New Plaza Lighting</u>	
Browning Construction Co., San Antonio, Texas	\$5,096,000	\$243,000	\$44,000	\$20,000	5%
Wallace L. Boldt, General Contractor, Inc., San Antonio, Texas	5,398,000	236,000	42,000	22,000	5%
Kunz Construction Company, Inc., San Antonio, Texas	5,386,959	272,433	54,050	33,812	5%
Wilmac Constructors, Inc., Houston, Texas	5,384,000	274,000	62,000	22,000	5%

B & G - 32

26. GALVESTON MEDICAL BRANCH: (GALVESTON HOSPITALS) REMODELING OF EXISTING JOHN SEALY HOSPITAL (ORIGINAL BUILDING) - PHASE IA MECHANICAL SYSTEM (PROJECT NO. 601-296) - RECOMMENDED AWARD OF CONTRACT TO DON TARPEY CONSTRUCTION COMPANY, TEXAS CITY, TEXAS

RECOMMENDATIONS

President Levin and Chancellor Walker recommend that the Board:

- a. Award a construction contract for the Phase IA - Mechanical System of the Remodeling of the Existing John Sealy Hospital Building to the lowest responsible bidder, Don Tarpey Construction Company, Texas City, Texas, in the amount of the base bid of \$4,564,000
- b. Authorize a revised total project cost of \$6,300,000 to cover the recommended construction contract award, equipment, air balancing, fees and related project expenses for the complete revision of the mechanical system in the Old John Sealy Hospital.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on May 14, 1976, bids were called for and were received, opened and tabulated on May 20, 1980, as shown below, for Phase IA - Mechanical System of the Remodeling of the Existing John Sealy Hospital Building.

<u>Bidder</u>	<u>Base Bid</u>	<u>Bid Bond</u>
J. K. Ross Construction Company, Houston, Texas	\$5,084,000	5%
Don Tarpey Construction Company, Texas City, Texas	\$4,564,000	5%

The recommended contract award of \$4,564,000 is below the project architect's final construction cost estimate of \$5,214,650 for the mechanical revision work.

Funds to cover the recommended contract award, fees and miscellaneous expenses are available within previously appropriated funds granted by The Sealy & Smith Foundation.

27. Dallas Health Science Center - Ambulatory Care Center: Request to Change Location and to Halt Preparation of Final Plans and Specifications for Alterations and Adaptation to New Location, and for Authorization to Negotiate for Exchange of Property.--At the time the Ambulatory Care Center (ACC) plans were approved by the Board of Regents, it was stated that the Parkland Memorial Hospital Administration and Board of Managers were anxious to have their new outpatient facility juxtaposed to the ACC if at all possible. Such juxtaposition would result in increased ease of patients and faculty to move back and forth, opportunities for sharing certain expensive items of equipment and improved efficiency of operation. At that time the Hospital had not yet appointed the architects for its project but subsequently Fisher and Spillman, in addition to Harwood K. Smith, were appointed for the total Hospital expansion program with Fisher and Spillman assigned the outpatient clinic. This is the same firm of Architects the Board of Regents appointed for ACC.

The preliminary plans for Dallas Health Science Center ACC have been approved, and the Architects are working on the final plans.

A joint committee from the Hospital and the Health Science Center, along with the architects, have come up with a plan where the above-mentioned objective could be accomplished with the two buildings independent but connected floor by floor.

The proposed plan would necessitate a change in the location of ACC, with minimal design changes and some additional construction costs in connecting the two buildings. There would also be some exchange of land of essentially the same amount provided by each institution. There would be an anticipated delay in the date of completion of the project of two-four months.

The proposed changes would result in an increase in the estimated construction cost of \$1,000,000 and in the total project cost of \$1,300,000.

It is recommended by President Sprague and Chancellor Walker that the Architects, Fisher and Spillman, be requested to halt the final plans in progress and to make alterations and adjustments to the plans for location of ACC juxtapose to Parkland's outpatient facility and to authorize negotiations with Parkland Hospital to exchange land so that the ACC could be juxtapose to Parkland's outpatient facility.

Health Affairs Committee

HEALTH AFFAIRS COMMITTEE
Committee Chairman Fly

Date: May 30, 1980

Time: Following the meeting of the Academic and Developmental Affairs Committee (If the Buildings and Grounds Committee reconvenes on May 30, the Health Affairs Committee will meet thereafter.)

Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

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a. St. Benedict's Hospital San Antonio, Texas	
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3. Dallas Health Science Center: Proposed Affiliation Agreement with The Singer Company - Educational Division d/b/a Singer Career Development Center Dallas, Texas	4
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8. San Antonio Health Science Center (San Antonio Dental School): Request to Seek Permission from Coordinating Board to Change Name of the Department of Diagnosis and Roentgenology to the Department of Dental Diagnostic Science (Catalog Change)	13
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15. University Cancer Center: Proposed Amendments to the University Cancer Foundation Trust Instrument	34

NOTE: The agreements recommended for approval by the Health Affairs Committee have been approved by an attorney of the Office of General Counsel unless otherwise indicated and are based on the model agreement adopted December 16, 1977. If the proposed agreements are not based on the model, then the documents are included in this volume.

1. U. T. Arlington: Proposed Affiliation Agreements with (a) Texas Scottish Rite Hospital for Crippled Children, Dallas, Texas, and (b) Wichita Falls State Hospital, Wichita Falls, Texas.--

RECOMMENDATION

President Nedderman and Chancellor Walker recommend that approval be given to affiliation agreements by and between The University of Texas at Arlington and the following facilities. The agreements are on the standard form and were executed by the appropriate officials on the dates indicated below to be effective upon approval by the Board of Regents.

<u>Facility</u>	<u>Agreement Executed</u>
(a) Texas Scottish Rite Hospital for Crippled Children Dallas, Texas	March 21, 1980
(b) Wichita Falls State Hospital Wichita Falls, Texas	April 9, 1980

PURPOSE

Each of these agreements will provide training opportunities for students primarily in the School of Nursing at U.T. Arlington.

2. U. T. San Antonio: Proposed Affiliation Agreements with (a) St. Benedict's Hospital, San Antonio, Texas and (b) Austin State School, Austin, Texas.--

RECOMMENDATION

President Wagener and Chancellor Walker recommend that approval be given to affiliation agreements by and between The University of Texas at San Antonio and the following facilities. The agreements are on the standard form and were executed by the appropriate officials on the dates indicated below to be effective upon approval by the Board of Regents.

<u>Facility</u>	<u>Agreement Executed</u>
(a) St. Benedict's Hospital San Antonio, Texas	February 29, 1980
(b) Austin State School Austin, Texas	March 7, 1980

PURPOSE

Each of these agreements will provide training opportunities for students in the Division of Allied Health and Life Sciences.

3. Dallas Health Science Center: Proposed Affiliation Agreement with The Singer Company - Educational Division d/b/a Singer Career Development Center, Dallas, Texas.--

RECOMMENDATION

President Sprague and Chancellor Walker recommend that approval be given to the affiliation agreement by and between The University of Texas Health Science Center at Dallas and The Singer Company - Educational Division d/b/a Singer Career Development Center, Dallas, Texas. The agreement was executed by the appropriate officials on December 17, 1979, to be effective upon approval by the Board of Regents.

PURPOSE

This agreement will provide additional facilities for allied health students.

4. Dallas Health Science Center (Dallas Southwestern Medical School, Dallas G.S.B.S. and Dallas Allied Health Sciences School): Proposed Increase in Student Services Fee (Required) Beginning with the 1980-81 Academic Year (Catalog Change).--

RECOMMENDATION

President Sprague and Chancellor Walker recommend that approval be given to increase the Student Services Fee (Required) from \$30.00 to \$60.00 per semester, the statutory limit, beginning with the 1980-81 academic year.

Student Services Fee Rate:

Dallas Southwestern Medical School	\$120 per nine-month term (\$60.00 per semester)
Dallas G.S.B.S.	\$60.00 per semester or summer session (if part-time, \$5.00 per semester credit hour not to exceed \$60.00)
Dallas Allied Health Sciences School	\$60.00 per semester or summer session (if part-time, \$5.00 per semester credit hour not to exceed \$60.00)

BACKGROUND INFORMATION

This increase in Student Services Fee was recommended by a Student Service Fee Committee. The committee further recommended that the income realized from the increase in the fee be allocated to the Student Union budget to cover utility costs and to establish a student activities program in the union for all students of the Dallas Health Science Center.

Distribution of Student Services Fees:

	<u>G.S.B.S.</u>	<u>Medical</u>
	<u>S.A.H.S.</u>	<u>School</u>
Student Health Service	\$ 20.00	\$ 40.00
Student Union	38.00	76.00
Student Activities	2.00	4.00
	<u>\$ 60.00</u>	<u>\$120.00</u>

SECRETARY'S NOTE: If this recommendation is approved by the Board of Regents, the minute order will reflect that the next appropriate catalog published will be amended to conform.

5. Galveston Medical Branch: Proposed Affiliation Agreement with College of the Mainland, Texas City, Texas.--

RECOMMENDATION

President Levin and Chancellor Walker recommend approval of an affiliation agreement by and between The University of Texas Medical Branch at Galveston and the College of the Mainland, Texas City, Texas, to be effective upon approval by the Board of Regents.

PURPOSE

This agreement will benefit students in allied health sciences.

6. Galveston Medical Branch: Proposed Affiliation Agreement with St. Mary's Hospital, Galveston, Texas.--

RECOMMENDATION

It is recommended by President Levin and Chancellor Walker that approval be given to the affiliation agreement set out on Pages HAC 6 - 12 by and between The University of Texas Medical Branch at Galveston and St. Mary's Hospital, Galveston, Texas. This agreement was executed by the appropriate officials on March 17, 1980 to be effective upon approval by the Board of Regents and follows the general format of the standard form approved by the Board of Regents on December 16, 1977 except for changes in paragraphs 5(c), 6(a) and (b), and the addition of paragraph 13 requiring the faculty and students to maintain medical malpractice insurance. In addition certain other paragraphs have been renumbered and the cancellation clause provides for 90 days' prior written notice.

PURPOSE

St. Mary's Hospital offers opportunities for students in the schools of medicine, nursing, and allied health.

HEALTH CARE
EDUCATION EXPERIENCE PROGRAM
AFFILIATION AGREEMENT

THIS AGREEMENT made the 17th day of March,
19 80, by and between The University of Texas Medical Branch at
Galveston ("University"), a component institution of The University
of Texas System ("System"), and St. Mary's Hospital ("Facility"),
having its principal office at 404 Eighth Street, Galveston, State
of Texas.

WITNESSETH:

WHEREAS, Facility now operates St. Mary's Hospital facilities
located at 404 Eighth Street, in the City of Galveston, State of
Texas, and therein provides health care services for persons in
need of such services; and University provides an academic pro-
gram with respect to health care; and,

WHEREAS, University periodically desires to provide health
care related educational experiences for its students, which are
not otherwise available to them under the existing program of
University, by utilization of appropriate facilities and person-
nel of Facility; and,

WHEREAS, Facility is committed to a goal of providing the
best obtainable supply of personnel educated in the field of
health care as being in the best interests of Facility, and by
affording health-care students the opportunity to participate in
meaningful educational experiences as part of an academic health
care program, through utilization of appropriate facilities and
personnel of Facility; and,

WHEREAS, in order to accomplish such objectives, University
and Facility intend to establish and implement from time to time,
one or more educational experience programs which will involve
the students and personnel of University, and the facilities and
personnel of Facility;

NOW, THEREFORE, in consideration of the premises and of the
benefits derived and to be derived therefrom and from the program
or programs established and implemented by said parties, University
and Facility agree that any program agreed to by and between Facil-
ity and University, during the term of this Agreement, for purposes

of achieving the above described objectives of said parties (hereinafter called "Educational Experience Program", or "Program"), shall be covered by and subject to the following terms and conditions:

1. The program shall not become effective until all agreements between the parties with respect to Program have been reduced to writing ("Program Agreement"), executed by the duly authorized representatives of Facility and University, and approved in writing by the Chancellor of The University of Texas System.

2. The Program may be cancelled by either party by giving such written notice to the other of its intention to terminate the Program as provided in the Program Agreement; provided, however, that the Program shall automatically terminate upon termination of this Agreement.

3. In the event of conflict between the text of Program Agreement and the text of this Agreement, this Agreement shall govern.

4. After Program Agreement becomes effective, no amendments thereto shall be valid unless in writing and executed by the duly authorized representatives of Facility and University, and approved by the Chancellor of The University of Texas System.

5. Except for certain acts to be performed by University pursuant to express provisions of this Agreement, Facility hereby agrees to furnish the premises, personnel, services, and all other things necessary for the Educational Experience Program, as specified in the Program Agreement, and, in connection with such Program, further agrees:

(a) To comply with all Federal, State and Municipal laws, ordinances, rules and regulations applicable to performance by Facility of its obligations under this Agreement, and all applicable accreditation requirements, and to certify such compliance to University or other entity when requested to do so by University.

(b) To permit the authority responsible for accreditation of University's curriculum to inspect such facilities,

services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

(c) To appoint a person to serve for Facility as liaison (Liaison) to the faculty and students engaged in the Program.

6. University hereby agrees;

(a) To furnish Facility with the names of all persons assigned by University to participate in any program at Facility, together with such other pertinent information which may be necessary for the Facility to determine the competence of the person to engage in activities at the Facility.

(b) To assign for participation in the Program only those persons (1) who have satisfactorily completed those portions of his/her curriculum which, according to Program Agreement, are prerequisite to such participation. University recognizes that Facility has a non-delegable duty to ascertain the qualifications of any persons assigned to a function in the Facility and therefore such assignments are subject to confirmation by Facility in the discharge of its quality assurance duty, and Facility reserves the right to withdraw all privileges from any persons assigned by University if in the opinion of the Facility said person fails to meet Facility's standards of quality of care and conduct.

(c) To designate a member of the University faculty to coordinate with Facility through its Liaison the learning assignment to be assumed by each student participating in the Program, and to furnish to Facility in writing the name of such faculty member.

7. All notices under this Agreement shall be provided to the party to be notified in writing, either by personal delivery or by United States mail. All notices under this Agreement shall be deemed given to a party when received by such party's designated representative.

8. All agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly

authorized representatives of the parties, and approved by the Board of Regents of The University of Texas System.

9. No oral representations of any officer, agent, or employee of Facility or The University of Texas System, or any of its component institutions, (including, but not limited to University), either before or after the effective date of this Agreement, shall affect or modify any obligations of either party hereunder or under any Program Agreement.

10. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assignees; provided, however, that no assignment by either party shall be effective without prior written approval of the other party. A delay in or failure of performance of either party shall not constitute default hereunder, or give rise to any claim for damages, if and to the extent such delay or failure is caused by occurrences beyond the control of either party.

11. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by Facility and University, and after such initial term, from year to year unless one party shall have given ninety (90) days prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such ninety (90) day notice period falls; or, (b) when all students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

12. University shall, to the extent authorized under the constitution and laws of the State of Texas, hold Facility harmless from liability resulting from University's acts or omissions within the terms of this Agreement; provided, however, University shall not hold Facility harmless from any claims, demands, or causes of action

arising in favor of any person or entity, growing out of, incident to, or resulting directly or indirectly from negligence (whether sole, joint, concurring or otherwise) of Facility, its officers, agents, representatives, or employees, or any person or entity not subject to University's supervision or control.

13. University agrees to maintain and keep in force Medical Malpractice insurance in an amount not less than that described in Letter dated March 12, 1980, from V. E. Thompson, as attached to this Agreement, and to notify Hospital in writing of any revisions in policies.

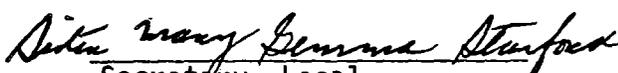
Executed by University and Facility on the day and year first above written, in duplicate copies, each of which shall be deemed an original.

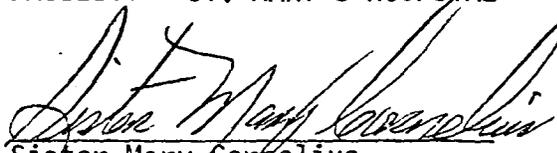
UNIVERSITY


William C. Levin, M. D.
President, UTMB

ATTEST:

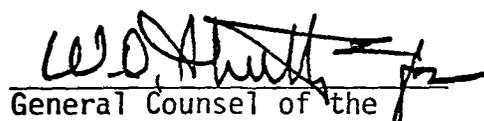
FACILITY - ST. MARY'S HOSPITAL


Sister Mary Emma Starford
Secretary, Local
Governing Board

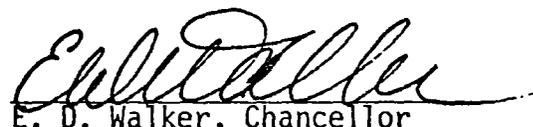

Sister Mary Cornelius
Administrator

FORM APPROVED:

CONTENT APPROVED:


General Counsel of the
System


Edward N. Brandt, Jr., M.D., Ph.D.
Vice Chancellor for Health Affairs
UT System


E. D. Walker, Chancellor
UT System

ATTEST:

THE BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM:

BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

Chairman, Board of Regents
UT System
DAN C. WILLIAMS, CHAIRMAN
Board of Regents of
The University of Texas System



THE UNIVERSITY OF TEXAS MEDICAL BRANCH
GALVESTON, TEXAS 77550

March 12, 1980

Administrator
St. Mary's Hospital
Galveston, Texas 77550

As requested, represented below is a schedule of insurance coverage provided through The University of Texas System Medical Malpractice Self-Insurance Plan and the State of Texas.

Coverage as described would be applicable to UTMB personnel providing services at off-campus facilities and acting within the scope of a properly executed Affiliation Agreement.

U. T. System Medical Malpractice Self-Insurance Plan

	<u>Per Claim</u>	<u>Annual Aggregate</u>
full-time staff	\$400,000	\$1,200,000
resident, intern, student	25,000	75,000

Additional Coverage Pursuant to Art. 6252-26 V.T.C.S.

All employees	\$100,000	\$300,000
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Sincerely,

V. E. Thompson
Executive Vice President for
Administration & Business Affairs

VET/mbh

EXHIBIT "A"

7. Houston Health Science Center: Proposed Affiliation Agreements with (a) Pasadena Independent School District, Pasadena, Texas, and (b) U. S. Public Health Service Hospital, Nassau Bay, Texas. --

RECOMMENDATION

President Bulger and Chancellor Walker recommend that approval be given to affiliation agreements by and between The University of Texas Health Science Center at Houston and the following facilities. The agreements were executed by the appropriate officials on the dates indicated below to be effective upon approval by the Board of Regents:

<u>Facility</u>	<u>Agreement Executed</u>
a. Pasadena Independent School District Pasadena, Texas	November 26, 1979
b. U. S. Public Health Service Hospital Nassau Bay, Texas	February 26, 1980

PURPOSE

Each of these agreements will benefit students in allied health and nursing.

8. San Antonio Health Science Center (San Antonio Dental School): Request to Seek Permission from Coordinating Board to Change Name of the Department of Diagnosis and Roentgenology to the Department of Dental Diagnostic Science (Catalog Change). --

RECOMMENDATION

President Harrison and Chancellor Walker recommend permission to submit to the Coordinating Board the proposal to change the name of the Department of Diagnosis and Roentgenology at the San Antonio Dental School to the Department of Dental Diagnostic Science.

BACKGROUND

Initially the present department was two departments, the Department of Oral Diagnosis and the Department of Roentgenology. These two departments were subsequently merged under the name Department of Diagnosis and Roentgenology. The scope of the responsibilities of this department would be more compatible with the name Dental Diagnostic Science, and there is a national trend to rename departments with similar teaching responsibilities to Department of Dental Diagnostic Science.

This request has been approved by the Dental School Faculty Council and the Health Science Center Executive Committee.

SECRETARY'S NOTE: If this recommendation is approved, the minute order will reflect that after the change is approved by the Coordinating Board, the next appropriate catalog published will be amended to conform.

9. San Antonio Health Science Center (San Antonio Medical School):
Proposed Amendment to Bylaws of Medical Service, Research
and Development Plan. --

RECOMMENDATION

President Harrison and Chancellor Walker recommend approval of an amendment to the MSRDP Bylaws to provide for a Chairman-Elect. This change will provide for greater continuity in the administration of the plan, and it has been approved by the Office of General Counsel. The proposed change is set out in congressional style.

The specific proposal is to amend the section on administration of the MSRDP Bylaws to read as follows:

"Administration: Shall be conducted by a MSRDP Advisory Board, hereafter called the Board. The Board shall be composed of the President of The University of Texas Health Science Center at San Antonio, the Dean of the Medical School, all clinical chairmen and three members at large. Under extenuating circumstances, the chairman of a clinical department, with the approval of the Board, may nominate a substitute from the MSRDP membership to represent him on the Board with vote. The Executive Vice President for Administration and Business Affairs and the Director of MSRDP of The University of Texas Health Science Center at San Antonio shall be ex-officio members without vote. One nomination for members at large shall be solicited from each member of the MSRDP; thereafter, the list of all of the candidates shall be submitted by circulated ballot to each member who must vote for three nominees. There shall be no more than one elected member from any one clinical department. No ballot will be accepted unless three separate nominees have been voted upon; the three nominees representing three separate departments who receive the greatest number of votes shall be elected. Elections will be held yearly at the general session during the week of commencement with Board members to take office the following September 1. If an elected member is unable to serve, the next eligible nominee shall take office. No elected member of the Board shall serve more than two full consecutive years. The Chairman-Elect of the Board shall be elected biennially from among the chairmen of the clinical departments by a plurality vote of the members of the Board. The person elected shall take office as Chairman-Elect on September 1 of the odd-numbered year following the person's election and shall serve in that capacity through August 31 of the following year. The Chairman-Elect shall become Chairman on September 1 of the even-numbered year following the election and shall serve for two years. The Chairman of the Board shall be a chairman of a clinical department and, except as provided below, shall have served the previous year as Chairman-Elect. Should a vacancy occur in the office of Chairman during the first year of the Chairman's term of office, an election will be held at a special meeting of the Board convened by the Secretary for that purpose to elect, from among the chairmen of the clinical departments, a new Chairman to serve during the remainder of the two-year term. The Chairman so elected will not be eligible

to serve again as Chairman for one intervening year following his term as Chairman. Should a vacancy occur in the office of Chairman during the second year of the Chairman's term of office, the Chairman-Elect shall immediately assume the office of Chairman and shall serve the remainder of that two-year term in addition to the two-year term to which the Chairman-Elect would have succeeded as Chairman-Elect. Should a vacancy occur in the Chairman-Elect position, election will be held at the next regular meeting of the Board to elect, from among the chairmen of the clinical departments, a new Chairman-Elect. (~~The Chairman-of-the-Board shall be elected annually from among the chairmen of the clinical departments by a plurality vote of the members of the Board.~~) The Secretary of the Board shall be the Director of MSRDP. The Board shall meet at least quarterly on call of the Chairman or on written petition of any three members of the Board. The Board shall act for MSRDP between annual general sessions and call special MSRDP meetings when necessary. Two-thirds of the members of the Board shall constitute a quorum with a majority of those present constituting a passing vote."

10. San Antonio Health Science Center (San Antonio Dental School).
Proposed Bylaws for the Dental Service, Research and Development Plan.--

RECOMMENDATION

President Harrison and Chancellor Walker recommend approval of the Dental Service Research and Development Plan (DSRDP) set out on Pages HAC 16-31. This Plan will apply to full-time faculty members of the School of Dentistry. All full-time faculty will be members of the DSRDP and will sign the participation agreement approved by the Board of Regents at their meeting on December 7, 1979. However, only those members of the full-time faculty actually engaged in the treatment of patients will be considered a participating member. Only participating members shall be entitled to participate in the deliberations of the Plan and be eligible for benefits therefrom.

The Plan provides for collection of fees for patient services to be deposited in an Institutional Trust Fund. From this fund, payment will be made for billing and collecting expenses and for funding fringe benefits and augmentation of participating faculty members. Other expenditures in accordance with The University of Texas System policy and as approved by the Chancellor will be permitted.

This Plan was developed by committee of the faculty after review of the MSRDP Plan and similar plans at other dental schools in the United States. Should it be approved, the Plan will become operational on September 1, 1980.

A similar plan is under development at the Houston Dental School and will be presented at a later meeting.

BYLAWS

**THE UNIVERSITY OF TEXAS DENTAL SCHOOL AT SAN ANTONIO
DENTAL SERVICE, RESEARCH, AND DEVELOPMENT PLAN**

BYLAWS

THE UNIVERSITY OF TEXAS DENTAL SCHOOL AT SAN ANTONIO

DENTAL SERVICE, RESEARCH, AND DEVELOPMENT PLAN

SECTION 1

PURPOSE

The purpose of The Dental Service, Research, and Development Plan (the "Plan") is to manage the professional income of faculty members of The University of Texas Dental School at San Antonio (the "School"). The Plan will safeguard the interests of its Membership in the proper continued growth in excellence of The University of Texas Dental School at San Antonio. The Plan will create an Institutional Trust Fund consisting of a Dental School Business Operation Fund (Business Operation Fund), a Dental School Development Fund (Development Fund), a Dental School Fringe Benefit Fund (Fringe Benefit Fund), and a Dental School Clinical Faculty Fund (Clinical Faculty Fund). The Business Operation Fund will provide for the administration and operational expenses of the Plan. The Development Fund will be expended in support of the programs of the Dental School as a whole. The Fringe Benefit Fund will provide for fringe benefits for the Participating Members of the Plan. A Clinical Faculty Fund will be established for the disbursement of funds to the clinical faculty of the Dental School in support of faculty compensation and other functions pertaining to teaching, research, and patient care activities.

SECTION 2

DEFINITIONS

2.1 TOTAL COMPENSATION FOR FACULTY

For purposes of this Plan, "Total Compensation" shall be defined as the total remuneration comprised of salary and augmentation paid to faculty members of the School. Total Compensation shall not be construed to include fringe benefits paid by the School for faculty members.

2.2 SALARY

For purposes of this Plan, "Salary" shall be defined as that part of Total Compensation paid by the School and may be paid from multiple fund sources, including general budget funds (state appropriations), gift funds, and contract and grant funds, subject to the approval of the Board of Regents of The University of Texas System upon recommendation of the administration each year.

2.3 AUGMENTATION

2.3.1 For purposes of the Plan, "Augmentation" shall be defined as that part of Total Compensation paid to a Member by the Plan.

2.3.2 Each Member's Augmentation shall be determined annually, subject to periodic review and adjustment, upon recommendation of his or her Department Chairman and the Dean of the Dental School, with approval of the President of The Health Science Center and the Chancellor in accordance with The University of Texas System Budget Rules and Procedures.

SECTION 3

ORGANIZATION OF THE PLAN

3.1 MEMBERSHIP

3.1.1 All full-time faculty will be Members of the Plan and subject to regulation as contained in the Participation Agreement (Exhibit A).

3.1.2 Any Member of the full-time faculty who is engaged in the treatment of patients and who renders a bill for such professional treatment will be considered a Participating Member.

3.1.3 All Participating Members shall be entitled to participate in the deliberations of the Plan, vote upon any business presented to the Membership by the Board, and be eligible for election to any committee of the Plan.

3.1.4 The Participating Member leaving the full-time faculty terminates his Membership in the Plan without recourse, and all professional fees and accounts receivable for services rendered prior to termination revert to the Plan.

3.2 MEETINGS OF MEMBERSHIP

- 3.2.1 The Membership shall meet in general session annually in July at a place designated by the Chairman of the Board of Directors. Notice of the Annual Meeting and agenda shall be distributed to each Member at least ten (10) working days prior to the meeting.
- 3.2.2 Special meetings may be called by the Board, Dean, President of The Health Science Center, Executive Director of the Plan, or upon written petition of one-half (1/2) of the Participating Members. Special meetings require the same notice as regular annual meetings.
- 3.2.3 The Chairman of the Board of Directors, or, in his absence, the Vice-Chairman, shall preside. The Secretary of the Board of Directors shall serve as the Secretary of the Plan.
- 3.2.4 One-half (1/2) of the Participating Membership shall constitute a quorum.
- 3.2.5 Each Participating Member shall have one (1) vote.
- 3.2.6 Except where otherwise specified within these **Bylaws**, a simple majority vote of the Participating Members present shall prevail.
- 3.2.7 Minutes of each meeting shall be prepared by the Secretary, published and circulated to each Member of the Board of Directors and shall be available to each Member upon request.
- 3.2.8 The rules of order for meetings shall be the current edition of Robert's Rules of Order.

3.3 EXECUTIVE DIRECTOR

- 3.3.1 The Executive Director of the Plan shall be the chief administrative officer of the Plan, responsible to the Dean, President of The Health Science Center and the Executive Vice-President for Administration and Business Affairs.
- 3.3.2 The Executive Director of the Plan is to be appointed annually by the Dean of the Dental School on July 1 for a period of one year and serves during that year at the pleasure of the Dean.
- 3.3.3 The Executive Director of the Plan shall perform such duties as

outlined in the **Bylaws** and other duties as assigned by the Dean of the Dental School.

3.4 BOARD OF DIRECTORS

- 3.4.1 The Board of Directors will assume its responsibilities annually on September 1.
- 3.4.2 The Board of Directors shall be composed as follows:
 - 3.4.2.1 President of The Health Science Center
 - 3.4.2.2 Executive Vice-President for Administration and Business Affairs of The Health Science Center
 - 3.4.2.3 Dean of the Dental School
 - 3.4.2.4 Clinic Coordinator of the Dental School
 - 3.4.2.5 Five Participating Members, no two of whom shall be from the same clinical department, elected at large during the annual meeting by the Participating Members of the Plan
 - 3.4.2.6 Two Members (clinical departments) elected from the Dental School Faculty Council after the five Participating Members-at-Large have been elected. The representatives from the Faculty Council cannot be from the same departments as the five Participating Members elected at large
 - 3.4.2.7 Executive Director of the Plan
- 3.4.3 The Board of Directors shall be advisory to the Dean of the Dental School and the President of The Health Science Center on all matters relating to the Plan.
- 3.4.4 The Board of Directors shall exercise full powers of the Membership, except that the Board may not alter the distribution of funds to the Development Fund, the Fringe Benefit Fund, or the Clinical Faculty Fund except as established by these **Bylaws**.
- 3.4.5 The Board of Directors may create standing and ad hoc committees from the Directors or from the Participating Membership to advise upon specific matters when necessary. Appointments to these committees shall be noted in the minutes of the Board of Directors.

- 3.4.6 The Board of Directors shall report its activities to the Membership at the Annual Meeting.
- 3.4.7 The Board shall meet quarterly, or more often, on call of the Chairman, the Dean of the Dental School, the President of The Health Science Center, or on the written permission of two-thirds (2/3) of the Members of the Board.
- 3.4.8 The Officers of the Board shall be a Chairman, a Vice-Chairman, and a Secretary.
- 3.4.9 The Officers shall be elected by the Board from its Membership annually at the first meeting of the Board of Directors.
- 3.4.10 The Chairman and Vice-Chairman shall not serve in the same office more than two (2) consecutive terms but are eligible for reelection after an intervening year. No two (2) elected officers shall be from the same clinical department.
- 3.4.11 The Terms of office shall be from September 1 following the Annual Meeting of the Membership to August 31 of the following year.
- 3.4.12 One-half (1/2) of the Board of Directors shall constitute a quorum.
- 3.4.13 Except where otherwise specified within these **Bylaws**, a simple majority of the Members present shall prevail.
- 3.4.14 If a vacancy is created on the Board of Directors, the Dean of the Dental School shall appoint a Participating Member to fill the remainder of the unexpired term.

3.5 BUSINESS OPERATIONS

- 3.5.1 The Executive Vice-President for Administration and Business Affairs of The Health Science Center will have ultimate responsibility for the fiscal integrity of the Plan.
- 3.5.2 A Business Office shall be maintained by the Plan for the administration of its affairs.
- 3.5.3 In accordance with appropriate procedures of The Health Science Center, administrative personnel and consultants may be employed or retained as recommended by the Board of Directors.

- 3.5.4 An annual operating budget for all income and expenditures of the Plan shall be prepared and approved in accordance with the Budget Rules and Procedures of the Board of Regents of The University of Texas System. An annual summary budget shall be submitted to the Board of Directors at the first meeting of each fiscal year.
- 3.5.5 Financial reports for the Plan shall be prepared by the Executive Director of the Plan and submitted to the Board of Directors at each regular meeting of the Board.
- 3.5.6 Professional income under the Plan will be accounted for and administered according to the policy and procedures of The University of Texas System with the approval of the Executive Vice-President for Administration and Business Affairs.
- 3.5.7 The cost of business operations and other expenses incurred in the generation of income shall be paid from the income of the Business Operation Fund (Section 4).
- 3.5.8 Professional income will be billed and collected by the Business Office of the School in accordance with procedures approved by the Executive Vice-President for Administration and Business Affairs.

SECTION 4

INSTITUTIONAL TRUST FUND

4.1 COMPOSITION

- 4.1.1 An Institutional Trust Fund shall be established for the receipt and disbursement of professional income derived from the treatment of patients under the management of the Plan.
- 4.1.2 The Institutional Trust Fund shall be composed of sections as follows:
- 4.1.2.1 Business Operation Fund
 - 4.1.2.2 Development Fund
 - 4.1.2.3 Fringe Benefit Fund
 - 4.1.2.4 Clinical Faculty Fund

4.1.3 The Institutional Trust Fund and the component sections shall be audited annually at the close of each fiscal year in accordance with the rules and regulations of The University of Texas System.

4.2 SOURCES OF INCOME

4.2.1 Pursuant to the Member's agreement (Exhibit A) with the School, each Member shall assign professional income derived from the treatment of patients to the Institutional Trust Fund.

4.2.2 Treatment of patients may be performed by part-time faculty at the discretion of the individual part-time faculty member, Plan and with the approval of the Dean of the Dental School and the President of The Health Science Center. Income derived from the treatment of patients will become the property of the Plan.

4.3 BUSINESS OPERATION FUND

4.3.1 The Business Operation Fund shall be expended for the conduct of general administration and business affairs of the Plan.

4.3.2 Additions to the Business Operation Fund shall result from a percentage distribution of gross income (net of refunds) deposited in the Institutional Trust Fund. Such percentage shall be established annually and revised periodically as deemed appropriate by the Board of Directors, subject to the Provisions of Section 3.5.1.

4.3.3 Expenditures and records of such expenditures shall be made in accordance with generally accepted accounting procedures consistent with the fiscal policies and procedures of The University of Texas System.

4.3.4 Net income is defined as gross income (less refunds) deposited in the Institutional Trust Fund less amounts budgeted for the Business Operation Fund.

4.4 DEVELOPMENT FUND

4.4.1 The Development Fund shall be expended to enhance and support programs of the Dental School as a whole.

4.4.2 Additions to the Development Fund shall result from a distribution of net income (as defined in 4.3.4). Such distribution shall be ten percent (10%) of net income.

4.4.3 Expenditures from the Development Fund shall be at the discretion of the Dean of the Dental School and the President of The Health Science Center with the advice of the Board of Directors. Such expenditures shall be made in accordance with generally accepted accounting procedures consistent with the fiscal policies and procedures of The University of Texas System.

4.5 FRINGE BENEFIT FUND

4.5.1 The Fringe Benefit Fund shall be expended for fringe benefits, including supplemental retirement benefits, for Participating Members of the Plan.

4.5.2 Additions to the Fringe Benefit Fund shall result from a distribution of net income (as defined in 4.3.4) deposited in the Institutional Trust Fund. Such distribution shall be a percentage determined annually by the Board.

4.5.3 Expenditures from the Fringe Benefit Fund shall be under the direction of the Board of Directors. Such expenditures shall be made in accordance with generally accepted accounting procedures consistent with the fiscal policies and procedures of The University of Texas System.

4.6 CLINICAL FACULTY FUND

4.6.1 A Clinical Faculty Fund shall be established. The Clinical Faculty Fund shall be expended in support of faculty compensation and functions related to teaching, research, and patient care activities.

4.6.2 Additions to the Clinical Faculty Fund shall result from a distribution of net income (as defined in 4.4.4) from the Institutional Trust Fund. Such distribution shall be the remaining balance of said net income after the distributions to the Development Fund and the Fringe Benefit Fund.

- 4.6.3 Expenditures from the Clinical Faculty Fund shall be in accordance with those items allowable per Section 4.7.4. Such expenditures shall be made in accordance with generally accepted accounting procedures consistent with the fiscal policies and procedures of The University of Texas System.
- 4.6.4 Expenditures allowable from the Clinical Faculty Fund may include the following:
- 4.6.4.1 Augmentation of Participating Members' salaries
 - 4.6.4.2 Salary for faculty and/or staff
 - 4.6.4.3 General maintenance, operation, and equipment for education, research, and patient care
 - 4.6.4.4 Ordinary and necessary business expenses incurred by the dentist in earning the professional fees charged by said dentist
 - 4.6.4.5 Reasonable travel and other expenses including registration fees and tuition incident to attendance at meetings and courses authorized by the Dental School or Department
 - 4.6.4.6 Travel in support of education, research, and patient care activities
 - 4.6.4.7 Professional legal fees not otherwise covered, subject to the policies and procedures of The University of Texas System.
 - 4.6.4.8 Professional society memberships
 - 4.6.4.9 Supplemental fringe benefits as approved by The University of Texas System
 - 4.6.4.10 Permanent equipment and facilities
 - 4.6.4.11 Expenses and consultant fees for guest speakers, including official entertainment
 - 4.6.4.12 Expenses incident to faculty or staff recruitment
 - 4.6.4.13 Funds for the establishment of a Lectureship, Professorship, or Chair
 - 4.6.4.14 Official Entertainment

SECTION 5

GENERAL PROVISIONS

5.1 ETHICS

The principles of ethics of the American Dental Association are accepted as the governing code of ethics for the Plan's Membership.

5.2 AGREEMENT

A suitable agreement (Exhibit A) for Members shall be executed between each full-time Faculty Member and the Dental School.

5.3 DISSOLUTION

5.3.1 The Plan may be dissolved by the Dean of the Dental School and the President of The Health Science Center.

5.3.2 Subsequent to dissolution, all monies residual in the Institutional Trust Fund shall be utilized to discharge obligations of the Plan with the balance to be used at the discretion of the Dean of the Dental School with approval of the President of The Health Science Center.

5.4 AMENDMENT OF BYLAWS

5.4.1 These **Bylaws** may be altered or amended by a two-thirds (2/3) vote of the Participating Membership present at any meeting of the Plan, provided the amendment shall have been offered at a previous meeting or written notice not less than thirty (30) days prior to the meeting.

5.4.2 Neither these **Bylaws** nor any amendments thereto shall be effective until they have been approved by the President of The Health Science Center and by the Board of Regents of The University of Texas System.

EXHIBIT A
PARTICIPATION AGREEMENT

AGREEMENT FOR PARTICIPATION IN DENTAL SERVICE,
RESEARCH, AND DEVELOPMENT PLAN, THE UNIVERSITY OF TEXAS
AND ASSIGNMENT

For and in consideration of the employment as a faculty member by

_____, ("University"), "University" and
_____, ("Faculty Member") agree as follows:

Subject to availability to Plan funds, Faculty Member may receive such salary augmentation as may be determined pursuant to the Plan prior to the beginning of each fiscal year. "Salary augmentation" means money from the Plan allocated to Faculty Member.

The Faculty Member is a member of the Dental Service, Research, and Development Plan ("Plan") and agrees that he will comply fully with the By-Laws of the Plan currently in effect and as the By-Laws may be amended from time to time and will fully cooperate with the other members of the Plan and The University in carrying out the purposes of the Plan. The Faculty Member further agrees to abide by all rules, regulations, and departmental policies of The University. Said rules, regulations, and departmental policies are specifically made a part of this Agreement by reference.

In consideration of the Faculty Member's employment by The University and participation in the Plan, the Faculty Member thereby assigns to The University all fees charged or received by him for professional services gained from the treatment of patients during the period that Faculty Member is employed by The University, provided however that the Faculty Member does not assign salary paid to Faculty Member by The University and reimbursement paid by The University to Faculty Member for allowable expenses actually incurred in the scope and course of Faculty Member's employment with The University. Allowable expenses may not be withheld from professional fees received by Faculty Member. Faculty Member's assignment is irrevocable during the period of Faculty Member's employment with The University and extends to all professional service fees derived from the treatment of patients. All such fees for professional services received by or payable to the Faculty Member are the property of The University. The Faculty Member further agrees that all accounts receivable for professional services which are caused to be billed by the Faculty Member are hereby assigned to and are the property of The University, subject to the provision that The University shall not alter the fees charged by the Faculty Member. Title to

and the right to receive and possess such fees shall pass to The University immediately upon billing for or receipt of such fees, whichever shall first occur. The Faculty Member retains the right to alter or extinguish any charge for professional services at any time prior to billing for such services, except that Faculty Member may alter or extinguish such charges after billing and prior to collection (only) in cases where the initial charge resulted from an incorrect financial classification of patient.

The Faculty Member agrees to bill for professional services through the designated billing office of The University and will abide by all University rules and regulations regarding billing. The Faculty Member agrees that all monies for fees derived from the treatment of patients received by Faculty Member or Faculty Member's agent or billing office, whether cash, check, or other instrument, will be immediately turned over to the designated office of The University and that all checks made to the Faculty Member will be properly endorsed prior to delivery to the designated office. The Faculty Member understands that failure to immediately deliver all professional fees covered by this Agreement to the designated business office of The University may constitute an offense which subjects the Faculty Member to dismissal from employment of The University and prosecution under the Texas Penal Code and/or the United States Code.

Failure to immediately deliver fees derived from the treatment of patients received by the Faculty Member, Faculty Member's agent, or billing office, to the designated business office, the deposit of such fees into any account not authorized in writing by The University, or the retention of cash or checks received by the Faculty Member for such fees constitutes a breach of this Agreement and shall automatically render the Faculty Member ineligible to receive any benefit from the Plan.

Faculty Member understands that participation in the Plan, the terms of this Agreement and Assignment, and the By-Laws of the Plan are terms and conditions of employment with The University.

Faculty Member hereby authorizes The University and its agent or employees to examine any and all records made or kept by or under the authority of the Faculty Member, including patient ledgers, billing records, and dental records for purposes of auditing the collection and disposition of professional fees, and shall make such records available upon request of The University.

As a condition of the Faculty Member's participation in the Plan, Faculty Member shall be responsible for the payment of ordinary and necessary professional expenses incurred by him to the extent that he is not reimbursed by The University for such expenses pursuant to University regulations and the Plan.

If for any reason Faculty Member's employment with The University shall terminate, this Agreement and the Faculty Member's participation in the Plan shall terminate without recourse. All professional fees and accounts receivable for services rendered prior to termination of Faculty Member's employment with The University are subject to the terms of this Agreement regardless of when such fees may be billed or received prior to such termination date.

The term of this Agreement and Assignment shall be effective from the date of Faculty Member's employment with The University until terminated as herein above described.

DATE _____

CHAIRMAN, DEPARTMENT OF

FACULTY MEMBER

APPROVED:

DEAN

PRESIDENT

11. University Cancer Center (M. D. Anderson): Proposed Affiliation Agreement with Houston Baptist University, Houston, Texas.--

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend that approval be given to the affiliation agreement by and between The University of Texas System Cancer Center, M. D. Anderson Hospital and Tumor Institute, and Houston Baptist University, Houston, Texas. The agreement has been executed by the appropriate officials and is to be effective upon approval by the Board of Regents. This agreement is in the standard form with the University Cancer Center serving as the facility and Houston Baptist University as the school.

PURPOSE

This agreement will provide opportunities for students in the nursing program at Houston Baptist University.

12. University Cancer Center (M. D. Anderson): Proposed Appointment to the M. G. and Lillie A. Johnson Chair for Cancer Treatment and Research Effective June 1, 1980.--

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend the appointment of Richard H. Jesse, M.D., to the M. G. and Lillie A. Johnson Chair for Cancer Treatment and Research. This Chair is being considered for establishment on this agenda.* The proposed effective date of this appointment is June 1, 1980 and \$4,000 will be added to Dr. Jesse's compensation from the income for the Chair.

BACKGROUND INFORMATION

Dr. Richard H. Jesse is Professor of Surgery and Head of the Department of Head and Neck Surgery. His appointment to the M. G. and Lillie A. Johnson Chair for Cancer Treatment and Research has been recommended by a faculty committee.

Dr. Jesse has been a member of the staff at the University Cancer Center since July 1, 1958. He received his M.D. degree from The University of Nebraska College of Medicine in 1949 and completed a residency at The University of Nebraska Hospitals. He then served for two years as Chief of Surgery in the United States Air Force and spent two years in the private practice of medicine. Dr. Jesse is the author or co-author of more than seventy scientific papers and he is internationally recognized as a head and neck surgeon who has made many substantial contributions to improved techniques in this field. He has held important posts in a number of professional societies, including the Society of Head and Neck Surgeons, American Radium Society, and the American College of Surgeons.

(*See Item 18 , Page L&I - 46 for recommendation to establish this Chair.)

13. University Cancer Center (M. D. Anderson): Proposed Acceptance of Assets of the Blood Component Portion of the Institute of Hemotherapy, Houston, Texas.--

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend acceptance of the blood component portion of the resources and activities of the Institute of Hemotherapy, Houston, Texas, by the University Cancer Center. The Board of Directors of the Institute of Hemotherapy at their meeting on April 15, 1980, authorized this transfer. The proposal would include the transfer of assets of the Institute of Hemotherapy that relate to the blood services portion of that agency. The total value of equipment items is approximately \$168,000. The Board of Directors also requested the University Cancer Center to serve as the fiscal and management agency for the remaining functions of the Institute of Hemotherapy. The Board would continue to function for the purpose of education and research.

BACKGROUND INFORMATION

Most of the blood products used at the M.D. Anderson Hospital and Tumor Institute are acquired from the Institute of Hemotherapy.* This agency has developed an extensive and effective program relating to the acquisition of donated blood. It has been very successful in acquiring competent technical personnel to perform the many specialized functions required of the blood center and is operating in an efficient manner.

Acquisition of the assets, including donor lists, equipment, personnel, and supplies would provide an effective mechanism for the creation of a total blood center at the M.D. Anderson Hospital and Tumor Institute. Integration of existing facilities with the newly acquired facilities would be required but no net increase in cost is anticipated. Furthermore, this change would require the University Cancer Center to make some blood services available to Hermann Hospital on a regular basis and to other hospitals in the Center on an emergency, as available, basis with the users paying for the products and services according to contractual agreements that would be approved by the Board of Regents.

If this recommendation is approved, an orderly transfer of the blood service activities of the Institute of Hemotherapy will be made to the University Cancer Center, and contractual arrangements will be worked out with Hermann Hospital and other hospitals in the Center for the provision of services as indicated above.

14. San Antonio Health Science Center (San Antonio Nursing School): Request to Seek Permission from Coordinating Board to Establish a Nurse-Midwifery Program (Catalog Change).--

RECOMMENDATION

President Harrison and Chancellor Walker recommend permission to present to the Coordinating Board a Nurse-Midwifery Program for the School of Nursing. The program would include a certificate track as well as an option in the Master of Science in Nursing (MSN) program.

*The Institute of Hemotherapy is a nonprofit corporation, the purpose of which is to serve the institutions in the Texas Medical Center at Houston and their related hospitals.

The Nurse-Midwifery program would be open to students holding a baccalaureate degree in nursing. The certificate program would include 32 academic credits and the MSN, 50 credits. It is anticipated that students can complete the program in one calendar year for a certificate and in one calendar year plus one academic semester for an MSN degree. It is proposed that there would be eight certificate and eight MSN students admitted in each of the first two years and then twelve certificate and four MSN programs in subsequent years. The Bexar County Hospital would be used as a clinical site and a Nurse-Midwifery Service would be established to be jointly supervised by the Department of Obstetrics and Gynecology in the School of Medicine and the School of Nursing.

First year cost of the program is estimated to be \$247,400 with approximately \$30,000 of this cost to be paid by the Bexar County Hospital District. Subsequent years costs would rise at a rate of 12% per year.

BACKGROUND INFORMATION

The need for certified nurse-midwives is very large in the rural and inner city areas. There are relatively few certified nurse-midwives in the State of Texas and no other program available. A Nurse-Midwifery program would greatly assist health care providers by making available educated and capable individuals to assist in a normal delivery process. It is supported by the OB/Gyn Department in the San Antonio Health Science Center.

SECRETARY'S NOTE: If this recommendation is approved by the Board of Regents, the minute order will indicate that if approved by the Coordinating Board the next appropriate catalog published will be amended to reflect this action.

15. University Cancer Center: Proposed Amendments to the University Cancer Foundation Trust Instrument.--

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend approval of the amendments to the University Cancer Foundation Trust Instrument set out on pages HAC 35 - 48.

The proposed revision of the trust instrument corrects the name of the Institution to its present name, The University of Texas System Cancer Center. Furthermore, the trust instrument did not provide for the appointment of officers or an executive director, and a new article (Article IV) has been included for that purpose. This article preserves the tradition that the President of the University Cancer Center shall serve as the President and Chief Executive Officer of the Foundation. It also provides for the appointment of a vice president, treasurer, and an executive director.

The revisions have been approved by the Office of General Counsel.

BACKGROUND INFORMATION

At its meeting on November 21, 1957, the Board of Regents of The University of Texas System approved the creation of the University Cancer Foundation and the University Cancer Foundation Trust Instrument, which has governed the activities of the Foundation since its inception. Revisions were approved by the Board of Regents at its meeting on October 23, 1970.

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER
(M.-D.-Anderson-Hospital-and-Tumor-Institute-at-Houston)

THE UNIVERSITY CANCER FOUNDATION
TRUST INSTRUMENT

THE UNIVERSITY CANCER FOUNDATION
TRUST INSTRUMENT

The Board of Regents of The University of Texas System, as (F)trustees shall hold all properties, assets, funds, receipts, and the income thereof now owned or held by (t)The University Cancer Foundation or hereafter given to or acquired by (t)The University Cancer Foundation, for the following uses and purposes and subject to the following terms, provisions, and conditions(+). Where the name The University of Texas System Cancer Center (abbreviated University Cancer Center) appears herein, it shall be interpreted to include the M. D. Anderson Hospital and Tumor Institute at Houston as well as The University of Texas Science Park.

ARTICLE I
Name

1.1 This (F)trust shall be known and designated as "THE UNIVERSITY CANCER FOUNDATION."

ARTICLE II
Purposes of the Trust

2.1 This (F)trust is created and the trust estate shall be held, managed, operated, administered, invested and re-invested, and distributed exclusively and solely for, and in aid of, the following purposes:

- A. To organize and pursue educational functions in order to create and disseminate knowledge of health, especially as it pertains to neoplastic and allied diseases, to lay, professional, scientific, and ancillary professional persons, and students of our own and other pertinent populations.
- B. To promote, organize, conduct, support, and otherwise encourage medical and scientific investigation that may result in health benefits to mankind. Special emphasis shall be placed on research that may relieve humanity of the burden of neoplastic and allied diseases.
- C. To foster and promote the growth, progress, and development of research, education, and graduate study in medicine and its related fundamental sciences (;) at The University of Texas (M.-D.-Anderson-Hospital-and Tumor-Institute-at-Houston) System Cancer Center, hereinafter referred to as (~~"Anderson Hospital,"~~) the "University Cancer Center," and to encourage the making of gifts to (‡)The University Cancer Foundation by deed, grant, will, or otherwise(;) for purposes agreeable to the Board of Regents.

2.2 Anything to the contrary herein notwithstanding, all of the trust corpus and income shall be used exclusively for the benefit of (Anderson-Hospital) the University Cancer Center and its substations, and no part of the trust estate or the income therefrom shall ever inure to the benefit of any private individual, corporation, association, or other organization, or be used to influence or attempt to influence legislation(;) or carry on propaganda. This (F)trust shall never engage, directly or indirectly, in any type of political campaign. No part of its assets, properties, receipts, or income shall ever become a part of The University of Texas Permanent Fund or be subject to legislative appropriation.

2.3 If property shall be given to the (F)trustees for any limited purpose, which is nevertheless within the broad purposes for which this (F)trust is created, the (F)trustees shall accept and administer such property as a part of the trust estate for each such specified limited purpose.

ARTICLE III Trustees

3.1 The (F)trustees of the Foundation shall be members of the Board of Regents of The University of Texas System, acting

in their capacity as members of said Board of Regents. Any person ceasing to be a member of such Board of Regents shall automatically cease to be a (F)trustee of the Foundation, and any person who becomes a member of such Board of Regents shall, in this official capacity as a member of the Board of Regents, automatically become a (F)trustee of this Foundation.

3.2 The (F)trustees may alter or amend this instrument from time to time, provided that no alteration or amendment shall change the purposes of this (F)trust or divert its assets, properties, receipts, or income from (Andersen Hospital) the University Cancer Center or to purposes other than those expressed herein.

3.3 All references in this instrument to (F)trustees shall apply to those (F)trustees then acting, whether original or successor (F)trustees. No (F) trustee shall ever be required to give or provide any bond for the faithful performance of his duties(;) or for any other purpose.

ARTICLE IV Officers

4.1 The President of the University Cancer Center shall be the President and Chief Executive Officer of The University Cancer Foundation.

- 4.2 The Executive Vice President and Vice President for Administration and Finance of the University Cancer Center shall serve as Vice President and Treasurer, respectively, of The University Cancer Foundation.
- 4.3 The Executive Director of The University Cancer Foundation shall serve as Secretary and Chief Staff Officer of The University Cancer Foundation.
- 4.4 The officers shall supervise the day-to-day operations of The University Cancer Foundation, coordinate the activities of the Board of Visitors, and recommend actions to the trustees.

ARTICLE (IV)V
Supervision and Commitment of Foundation Properties

- (4)5.1 The President of (Anderson-Hospital) the University Cancer Center periodically shall make recommendation to the (F)trustees, through the Chancellor of The University of Texas System, relating to the supervision, use, and disposition of the assets, properties, funds, receipts, and income of this Foundation.
- (4)5.2 The (F)trustees may, in their discretion, transfer or commit to (Anderson-Hospital) the University Cancer Center, or to the President or any (Division) administrative

unit thereof(;) for supervision, use, and disposition, in keeping with policies established by(;) and subject to the approval of(;) the (F)trustees, all of the assets, properties, and receipts of this Foundation or any particular fund, property, gift, or receipt thereof.

ARTICLE (V)VI
Board of Visitors

(5)6.1 The Foundation shall also have a Board of Visitors composed of persons especially interested in the objectives of the Foundation and the activities of (Andersen Hospital) the University Cancer Center. The Board of Visitors shall have duties pertaining to public relations, securing gifts, grants, bequests, and donations and shall assist in furthering the (research-and-educational-functions) missions of (Andersen-Hospital) the University Cancer Center. The members of the Board of Visitors shall be appointed by the (F)trustees upon the recommendation of the President of (Andersen-Hospital) the University Cancer Center and for such terms as the (F)trustees may establish. The Board of Visitors, in addition to the duties enumerated herein (above), shall have such other duties as may be determined by the (F)trustees upon recommendation of the President of such institution.

(5)6.2 The President of (Anderson-Hospital) the University Cancer Center shall (~~ex-officio~~) be (a) an ex officio member of the Board of Visitors.

(5)6.3 The Board of Visitors shall have such officers, committees, and internal organization as (such) the Board shall determine from time to time, subject to the approval of the (F)trustees.

ARTICLE (VI)VII
Administration of the Trust and Miscellaneous Matters

(6)7.1 The situs of the administration of the (F)trust hereby created is fixed in Texas, and it is directed that in respect to the administration, construction, and validity of the (F)trust, wherever possible, the laws of the State of Texas shall control.

(6)7.2 This (F)trust shall continue until the final disposition by the (F)trustees of the entire trust estate. However, upon the termination of the (F)trust, the trust estate shall be distributed exclusively for the benefit of (Anderson-Hospital) the University Cancer Center.

(6)7.3 The (F)trustees, upon the recommendation of the President of (Anderson-Hospital) the University Cancer Center, shall allocate or apportion the revenues, receipts, or

proceeds of the (F)trust as to corpus and income and allocate or apportion the charges or disbursements, expenses, accruals, or losses of the (F)trust as to corpus or income, and the (F)trustees' determination need not necessarily be in accordance with the provisions of the Texas Trust Act.

(6)7.4 Whenever in this instrument the term "trust estate" is used, it shall comprise the entire corpus, as long as it remains in trust hereunder, and all other properties, real, personal, or mixed, however and whenever acquired, which may be included in or belong to the (F)trust and any income therefrom, including any accumulated income.

(6)7.5 To carry out the purposes of this (F)trust, and subject to limitations expressly stated herein, in addition to the authority, rights, privileges, and powers elsewhere herein conferred upon and vested in the (F)trustees(;) and those now or hereafter conferred by law, the (F)trustees shall also have the following authority, rights, privileges, and powers:

A. The (F)trustees shall have all the rights, privileges, powers, authorities, and discretions given to trustees of express trusts by the Texas Trust Act, as the same may exist from time to time, except those in direct conflict with the terms of this instrument.

- B. The (F)trustees are empowered to hold, manage, control, collect, administer, and use (including the power to hold any asset unproductive of income), invest and reinvest the property, real, personal, and mixed(;) now or hereafter belonging to or included in the trust estate, as long as the (F)trustees may deem retention to be in the best interests of the (F)trust, and to expend and use the corpus and income pursuant to the purposes of the (F)trust.
- C. The (F)trustees are empowered to sell (for cash or on credit or partly cash and partly credit), exchange, deliver, transfer, assign, grant, and convey, or otherwise dispose of, the whole or any part of the trust estate at or pursuant to public or private sale, free from the trust, and to lease (including but not limited to oil, gas and/or mineral leases), rent or loan the whole or any part of the trust estate, all upon such terms, for such duration, term of time, regardless of the duration of the trust, and for such consideration and for such purpose as the (F)trustees may deem advisable or proper; to construct, add to, repair, improve or demolish, in whole or in part, any improvements upon any property of the trust estate; to make, renew, extend, amend, acknowledge, and deliver contracts, deeds, liens, notes, or other

obligations, deeds of trust and other encumbrances and conveyances, leases (including but not limited to oil, gas and/or mineral leases) upon any or all of the trust estate, and any and all other instruments and papers with or containing such words, phrases, terms, conditions, warranties, and/or provisions and in such form as the (F)trustees may deem advisable or proper.

- D. The (F)trustees shall have the power to invest and reinvest the trust estate and the rents, proceeds, profits, and revenues therefrom in property of any description whatsoever, real, personal, or mixed (including but not limited to oil, gas, and mineral interests)(;) and to make and/or hold investments of any part of the trust estate in common or undivided interest with other persons, corporations, partnerships, or trusts. Such investment powers shall not be restricted to any class of investments which fiduciaries under any character of trust are or may hereafter be permitted to make by law or any regulation. However, anything to the contrary herein notwithstanding, no investment shall jeopardize the purposes herein set forth.
- E. The (F)trustees in person or by their attorney are authorized to institute, join in, maintain, defend, compromise, or settle any litigation or controversy

with respect to any part of the trust estate or in relation to any matter arising in connection therewith, regardless of the manner in which the litigation or controversy has arisen, whenever and as often as in the opinion of the (F)trustees it is for the best interests of the trust estate to do so.

F. The (F)trustees are empowered to employ and retain from time to time such attorneys, counsel, brokers, banks, investment counsel, or other agents or employees and to delegate to them such of the duties, rights, and powers of the (F)trustees (including the power to vote shares of stock) as the (F)trustees may deem necessary or advisable in handling and administering the (F)trust.

G. The (F)trustees, whenever and as often as the (F)trustees shall deem it advisable to do so, are empowered to make, or cause to be made, a partition of any property or interest(;) or any part thereof held in common or jointly by the (F)trustees under the trust or belonging to the trust estate with any other person, firm, association, corporation, or trustee, and to join with others in making(;) and to do, or cause to be done, any and all such acts and things deemed advisable by the (F)trustees in order to make and

effectuate(;) any and all such partitions; also, in any and all such partitions, in order to equalize differences, the (F)trustees are empowered to pay out of the trust estate, or receive, such sum of money or property as may be necessary or advisable for the purpose.

- H. In making distributions of any portion of the trust estate, the (F)trustees are empowered to make the same in cash or its equivalent or in any property or in undivided interests in any property belonging to or included in the trust estate or in any manner whatsoever which may then be deemed practicable by the (F)trustees, considering the purposes of the (F)trust.
- I. Generally and without being limited by the foregoing, the (F)trustees shall have, hold, manage, control, use, invest and reinvest, disburse, and dispose of the trust estate and the rents, revenues, proceeds, profits, and the income and accumulated income therefrom in their sole discretion in all things and under all circumstances and to the same extent as if the (F)trustees were the owners thereof in fee simple instead of in trust, subject only to such limitations as are contained herein(;) or the laws of the State of Texas. The (F)trustees shall have all such addi-

tional powers, rights, and privileges as may be reasonably necessary for faithful administration or effectuation of the trust, and this instrument shall always be construed in favor of the validity of any act or omission by or of the (F)trustees.

- J. The execution of this instrument by the Chairman of the Board of Regents of The University of Texas System, on behalf of the members of such Board and pursuant to appropriate Board action, shall constitute acceptance by the (F)trustees of this (F)trust.

Land and Investment Com.

LAND AND INVESTMENT COMMITTEE
Committee Chairman Hay

Date: May 30, 1980
Time: Following the Meeting of the Health Affairs Committee
Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

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I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund for March 1980 and Report on Oil and Gas Development as of March 31, 1980.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for March 31, 1980 and (b) Oil and Gas Development as of March 31, 1980, are submitted by the Executive Director for Investments and Trusts:

<u>Permanent University Fund</u>	<u>March 1980</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Pre-ceding Fiscal Year</u>	<u>Per Cent Change</u>
<u>Royalty</u>				
Oil	\$ 7,882,337.04	\$ 42,370,714.93	\$ 25,106,679.60	68.76%
Gas	3,221,615.59	20,657,318.33	16,753,687.77	23.30%
Sulphur	316,187.41	2,005,091.34	348,384.09	475.54%
Water	24,314.20	135,368.09	84,901.92	59.44%
Brine	4,339.94	22,829.36	19,745.87	15.62%
<u>Rental</u>				
Oil and Gas Leases	740,042.83	1,774,137.42	1,553,707.42	14.19%
Other	317.00	6,658.47	17,760.51	(62.51%)
<u>Sale of Sand, Gravel, Etc.</u>	1,536.00	20,368.61	13,998.10	45.51%
<u>Gain or (Loss) on Sale of Securities</u>	6,597.40	33,103.89	468.31	6968.80%
<u>Transfer from Special 1% Fee Fund</u>				
Board for Lease of University Lands	-0-	-0-	100,000.00	(100.00%)
Sub-Total	<u>\$12,197,287.41</u>	<u>\$ 67,025,590.44</u>	<u>\$ 43,999,333.59</u>	52.33%
<u>Bonuses</u>				
Oil and Gas Lease Sales	\$ -0-	\$ -0-	\$ 9,719,000.00	(100.00%)
Amendments and Extensions to Mineral Leases	-0-	252,310.42	490,276.43	(48.53%)
<u>Total Bonuses</u>	<u>\$ -0-</u>	<u>\$ 252,310.42</u>	<u>\$ 10,209,276.43</u>	(97.52%)
<u>TOTAL CLEARANCES</u>	<u>\$12,197,287.41</u>	<u>\$ 67,277,900.86</u>	<u>\$ 54,208,610.02</u>	24.11%

Oil and Gas Development - March 31, 1980
Acreage Under Lease - 957,784

Number of Producing Acres - 416,875

Number of Producing Leases - 1,795

B. LAND MATTERS

1. Easements and Surface Leases Nos. 5138-5179, Water Contracts Nos. 178-179, Amendment to Water Contract No. 89, Assignment of Surface Lease No. 3706, and Flexible Grazing Lease No. 37. It is recommended by the Vice Chancellor for Business Affairs that the following applications for easements and surface leases, water contracts, amendment to water contract, assignment of surface lease, and flexible grazing lease be approved. All have been approved as to content by the appropriate officials. Payment for each has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate effective August 1, 1979 (adopted June 1, 1979):

a. Easements and Surface Leases Nos. 5138-5179

No.	Company	Type of Permit	County	Location (Block #)	Distance or area	Period	Consideration
5138	Exxon Corporation (Renewal of 3981)	Surface Lease Salt Water Disposal	Ward	16	1 acre	6/1/80* 5/31/81	\$ 1,000.00
5139	BTA Oil Producers	Surface Lease Salt Water Disposal	Ward	16	1 acre	4/1/80* 3/31/81	1,500.00
5140	J. D. Kirkland (Renewal of 3142)	Surface Lease Residence	Crane	30	1 acre	7/1/80** 6/30/81	200.00 (Min)
5141	Frances Cruikshank (Renewal of 3070)	Surface Lease Service Station	Reagan	9	300' x 300'	3/1/80** 2/28/81	200.00 (Min)
5142	Phillips Pipe Line Company (Renewal of 3126)	Surface Lease Pump Station	Crockett	39	2 1/2 acres	6/1/80- 5/31/90	2,000.00 (Full)
5143	Christian Radio	Surface Lease Radio antenna site	Crane	30	50' x 1100'	5/1/80** 4/30/81	400.00
5144	El Paso Natural Gas Company (Renewal of 3067)	Surface Lease Microwave Station	Reagan	9	1.52 acres	9/1/80- 8/31/90	3,000.00 (Full)
5145	El Paso Natural Gas Company	Pipe Line Gas Line	Ward	19	694.273 rods 6-5/8 inch	3/1/80- 2/28/90	2,429.96
5146	El Paso Natural Gas Company	Pipe Line Gas Line	Reagan	58	251.52 rods 4 1/2 inch	3/1/80- 2/28/90	880.32

*Renewable from year to year, not to exceed a total of five (5) years.
 **Renewable from year to year, not to exceed a total of ten (10) years.

L & I - 5

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
5147	El Paso Natural Gas Company	Pipe Line Gas Line	Upton	3	230.909 rods 4-1/2/ inch	3/1/80- 2/28/90	\$ 808.18
5148	El Paso Natural Gas Company (Renewal of 3051)	Power Line Distribution	Reagan	9	89.964 rods single pole	9/1/80- 8/31/90	200.00 (Min)
5149	El Paso Natural Gas Company (Renewal of 3059)	Power Line Distribtuion	Hudspeth	"J"	432.164 rods single pole	7/1/80 6/30/90	432.16
5150	El Paso Natural Gas Company (Renewal of 3068)	Pipe Line Gas Line	Upton	3 & 58	356.909 rods 4-1/2 inch	9/1/80 8/31/90	1,070.73
5151	West Texas Utilities Company (Partial Renewal of 3147)	Power Line Distribution	Reagan & Upton	2,3,6,58	6,768.40 rods single pole	5/1/80- 4/30/90	6,720.70
5152	Gulf Oil Corporation (Renewal of 3144)	Pipe Line Gas Line	Winkler	21	94 rods 6 inch 101 rods 10 inch	5/1/80- 4/30/90	585.00
5153	Gulf Oil Corporation (Renewal of 3065)	Pipe Line Oil Line	Andrews	13	321.42 rods 1 & 2 inch	5/1/80- 4/30/90	964.26
5154	Mobil Oil Corporation (Renewal of 3137)	Surface Lease Tank site	Ward	16	0.145 acre	8/1/80- 7/31/90	2,000.00 (Full)
5155	Community Public Service (Renewal of 3156)	Power Line Distribution	Pecos	28	501.80 rods single pole	8/1/80- 7/31/90	501.80
5156	Apache Gas Corporation	Pipe Line Gas Line	Pecos	28	376.61 rods 4 inch	3/1/80- 2/29/90	1,318.14
5157	Oasis Pipe Line Company (Renewal of 3115)	Surface Lease Hydrocarbon Plant	Ward	16	8.61 acre	6/1/80- 5/31/90	3,444.00 (Full)
5158	Oasis Pipe Line Company (Renewal of 3116)	Pipe Line Gas Line	Ward	16	156.00 rods 4 inch	6/1/80- 5/31/90	468.00
5159	Oasis Pipe Line Company (Renewal of 3127)	Pipe Line Gas Line	Ward	16	110.73 rods 4 inch	6/1/80 5/31/90	332.19

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
5160	Delhi Gas Pipeline Corporation	Pipe Line Gas Line	Crockett	33	47.21 rods 4 inch	4/1/80- 3/31/90	\$ 200.00 (Min)
5161	Delhi Gas Pipeline Corporation	Pipe Line Gas Line	Crockett	33	380.61 rods 4 inch	4/1/80- 3/31/90	1,332.14
5162	Delhi Gas Pipeline Corporation	Pipe Line Gas Line	Crockett	33	69.76 rods 4 inch	4/1/80- 3/31/90	200.00 (Min)
5163	Texas Electric Service Company (Renewal of 3097)	Power Line Transmission Line	Andrews	13	1,515.88 rods H-Frame Con	6/1/80- 5/31/90	3,789.70
5164	Texas Electric Service Company	Power Line Distribution	Andrews Ward	4,5,13,17	373.61 rods single pole	4/1/80- 3/31/90	560.42
5165	Northern Natural Gas Company	Pipe Line Gas Line	Reagan	48	206.91 rods 4-1/2 inch	3/1/80- 2/28/90	724.19
5166	Great Plains Water Corporation (Renewal of 2878)	Pipe Line Water Line	Andrews	9	315.50 rods 6.91 inch	3/1/79- 2/28/89	946.50
5167	Great Plains Water Corporation (Renewal of 3023)	Pipe Line Water Line	Andrews	14	139.50 rods 16 inch	11/1/79- 10/31/89	558.00
5168	Great Plains Water Corporation (Renewal of 3033)	Pipe Line Water Line	Andrews	9 & 10	343.60 rods 13.33 inch 2,569.30 rods 9.22 inch 136.20 rods 5.14 inch	12/1/79- 11/30/89	9,490.94
5169	Great Plains Water Corporation (Renewal of 3063)	Pipe Line Water Line	Andrews	9 & 10	962.50 rods 6.14 inch	2/1/80- 1/31/90	2,887.50
5170	Atlantic Richfield Company (Renewal of 3158)	Pipe Line Oil Line	Andrews	13	160 rods 2-1/2 inch	8/1/80- 7/31/90	480.00

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
5171	Atlantic Richfield Company (Renewal of 3161)	Pipe Line Water Line	Andrews	9	520.24 rods 3-1/2 inch & 4-1/2 inch	8/1/80- 7/31/90	\$ 1,560.06
5172	Wilson Systems, Inc.	Surface Lease Salt Water Disposal	Ward	17	1 acre	5/1/80* 4/31/81	2,500.00
5173	Atlantic Richfield Co. (Renewal of 3939)	Surface Lease Salt Water Disposal	Andrews	9	5 acres	6/1/80* 5/31/81	1,000.00
5174	J. H. Casing Crew	Surface Lease Oil Field Equipment Yard	Reagan	11	225' x 250'	4/1/80** 3/31/81	700.00
5175	The Permian Corporation (Renewal of 3078)	Pipe Line Crude Oil Line	Reagan	11	193.75 rods 4-1/2 inch	4/1/80- 3/31/90	581.25
5176	J. L. Davis	Pipe Line Gas Line	Crockett & Reagan	47,49,50	3,304.24 rods 2 inch, 3 inch, & 4 inch	2/1/80- 1/31/90	11,564.84
5177	Petroleum Corporation of Texas (Renewal of 3079)	Surface Lease Water injection system tank battery	Crockett	50	3 acres	3/23/80- 3/22/90	2,000.00 (Full)
5178	El Paso Natural Gas Company	Pipe Line Gas Line	Crockett	39	193.394 rods 4-1/2 inch	4/1/80- 3/31/90	676.88
5179	El Paso Natural Gas Company	Pipe Line Gas Line	Crockett	39	107.879 rods 4-1/2 inch	4/1/80- 3/31/90	377.58

*Renewable from year to year, not to exceed a total of five (5) years.

**Renewable from year to year, not to exceed a total of ten (10) years.

b. Water Contracts Nos. 178 - 179

No.	Grantee	County	Location	Period	Consideration
178	Schneeman Bros.	Crockett	Block 50	4/1/80* 3/31/81	\$ 332.15
179	G. M. Hill dba Figure Two Water Company	Andrews	Blocks 13 & 14	1/1/80- 12/31/90	**

*Renewable from year to year, not to exceed a total of five (5) years.

**Royalty shall be 12-1/2% of the gross revenue for all water produced and sold for use on University land, and 25% for water produced and sold for use off University land.

c. Amendment to Water Contract No. 89

No.	Grantee	County	Location	Period	Consideration
89	El Paso County Water Authority	El Paso	Block L	3/5/80* 3/5/90	\$ 20,000.00

*Original Contract dated 3/5/70 was granted for a ten (10) year period with the option to renew for two additional ten (10) year periods. The Amendment eliminates the provision that adjusts the rental ~~and~~ rates based on the Consumer Price Index.

d. Assignment of Surface Lease No. 3706

No.	Assignor	Assignee	Type of Permit	County	Consideration
3706	Estela G. Barber (Formerly Estela G. Diaz)	Dell Valley Oil Company, Inc.	Surface Lease Service Station	Hudspeth	\$ 200.00

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e. Flexible Grazing Lease No. 37

No.	Lessee	Location		Acreage	Period	Minimum Annual Rental		Semi-Annual Rental
		County	Block			Minimum Rental Per Acre	Minimum Annual Rental	
37	Randal Hartman*	Pecos	18 & 20	1,789.40	7/1/80- 6/30/90	\$0.51	\$912.59	\$456.30

*It is recommended that lease number 1145 be cancelled in order that it be placed in the name of Randal Hartman, effective July 1, 1980.

The semi-annual rental for this lease will be based on the livestock market in accordance with Flexible Grazing Lease policies set forth and approved by The Board of Regents in June, 1979.

The consideration for the area under cultivation shall be based upon the average price per acre for each calendar year from July 1 through October 31 for top quality, baled alfalfa in Lea County, New Mexico as reported in the "Alfalfa Market News." Eighteen percent (18%) of this price per ton will be the annual rental per acre. This rental applies to all annual crops and alfalfa. The rental for perennial crops other than alfalfa will be negotiated.

2. Proposed Uranium (and Other Fissionable Minerals) Prospecting Permit No. 1 Covering Lands in Andrews, Dawson, Gaines and Martin Counties, Texas. --

RECOMMENDATION

Vice Chancellor Boyd and Chancellor Walker recommend that a uranium prospecting permit, with an option to lease, be granted to F. G. Woodside of Lubbock, Texas. A copy of the proposed permit and lease is set out on Pages L&I 12-37. The principal terms of the agreement are as follows:

1. This permit gives prospecting rights for uranium or other fissionable materials (but specifically excluding oil, gas, potash, sulphur, sodium sulfate, lignite and coal) on 7,680 acres out of University Lands Block 6, located in Andrews, Dawson, Gaines, and Martin counties. The term is for two (2) years for a consideration of \$1.00 per acre and \$1.00 per acre rental due at the beginning of the second year.
2. Permittee is required to drill at least three (3) test holes the first year to a depth of 200 feet. No test hole is to penetrate any formation known to be productive of oil or gas without our permission. All drilling and other prospecting work is subject to the University Lands Schedule of Damages. Permittee is also required to furnish a \$2,000.00 performance guarantee.
3. Permittee is granted the option to lease all or part of the permit lands in contiguous 1/4 sections under the following schedule:
 - 1st lease at \$100/acre - maximum 640 acres.
 - 2nd lease at \$300/acre - maximum 640 acres.
 - Subsequent leases at \$600/acre - all other remaining 1/4 sections.
4. The term of the lease is five (5) years, with optional extensions available by additional bonus considerations and other required development operations, for a possible total of twelve (12) years. Normal start-up time from exploration to first production is expected to take up to ten (10) years.
5. The royalty rates under the lease terms are based on a sliding scale based on the percentage ore grade: 5% royalty on the lowest grade to 15% royalty on the highest grade. The lease does not allow for deductions from royalty for transporting the ore, milling, or other production costs.
6. The lease requires lessee to furnish a \$50,000.00 performance bond. Several safeguards are included for the adequate payment of surface damages and for the restoration of the surface.

BACKGROUND INFORMATION

The Board of Regents on February 29, 1980, authorized the Acting Manager of University Lands - Oil, Gas and Mineral Interests to enter into negotiations for uranium prospecting permits with option to lease with interested parties on two parcels of land. This is the first permit that has been negotiated under this authority.

PERMIT NO. 1

URANIUM (AND OTHER FISSIONABLE MINERALS) PROSPECTING PERMIT

STATE OF TEXAS

COUNTIES OF GAINES, ANDREWS, DAWSON & MARTIN

||
||
|| SS

THIS AGREEMENT made and entered into this the _____ day of _____, 19____, between THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter called "UNIVERSITY" and F. G. WOODSIDE of Lubbock, Texas, hereinafter called "PERMITTEE", as follows:

I.

SUBJECT MATTER

University, acting pursuant to the powers granted it in Section 66.44 of The Texas Education Code of Texas, for the consideration described hereafter, grants to Permittee:

1. A prospecting permit on the terms set out below for the purpose of attempting to locate valuable deposits of uranium or other fissionable minerals (hereinafter called Uranium), but especially excluding oil, gas, potash, sulphur, sodium sulfate, lignite and coal, in, on, under and that may be produced from the lands in Andrews, Gaines, Dawson & Martin Counties, Texas, described in the attached Exhibit "A", which is made a part hereof for all purposes, hereafter called the "Permit Lands", and
2. The right to lease a portion of the lands on the terms set out below for the purpose of exploring for, mining, developing, producing and marketing such deposits. The Permit Lands and each section or part thereof included therein shall for all purposes of this agreement be deemed to contain the number of acres shown on Exhibit "A".

II.

PROSPECTING PERMIT

In consideration of the payment by Permittee of one dollar (\$1.00) for each acre of the Permit Land, totalling Seven Thousand Six Hundred Eighty and no/100 Dollars (\$7,680.00), receipt of which is acknowledged, University grants

to Permittee the sole and exclusive right to test and explore for deposits of Uranium (but especially excluding oil, gas, potash, sulphur, sodium sulfate, lignite and coal), in, on, under and that may be produced from the Permit Lands for a term of two years from this date.

A. RENTAL:

One year from the date hereof, Permittee will pay University One Dollar (\$1.00) per acre covered by this agreement by check or draft of Permittee payable to the University of Texas System and mailed to Director, University Lands Accounting Office, P. O. Box 579, Austin, Texas 78767, within thirty (30) days after said anniversary date.

B. PROSPECTING OPERATIONS:

1. Permittee may conduct such surface or aerial surveys as he desires, including use of plane table, alidade or other similar instrument, but no gravity meters, magnetometers, seismological or other geophysical instruments or equipment may be used.
2. Permittee may drill such core holes and wells as he elects on the Permit Lands. Permittee will drill at least three test holes on the Permit Lands within the first year hereof. Such test holes will be drilled at least to a depth of 200 ft. A lesser depth may be approved by the Manager of University Lands - Oil, Gas and Mineral Interests in the event that ore is encountered at a lesser depth. It is agreed and understood, however, that no core hole or well may be drilled into any formation known to be productive of oil or gas in the general area without permission of said Manager.
3. Permittee shall make a radioactivity survey of each core or drill hole from ground level to the total depth of the hole and deliver to University a full scale official log of such survey, certified as to authenticity, at its Midland, Texas, office not later than fifteen (15) days after the completion of such survey. Permittee shall include along with such radioactive survey a report of all water sands encountered, and an estimate of the amount of water, if any, in each hole.

4. If exploratory drilling is performed by core drill, Permittee shall preserve all cores until expiration of this Permit, and upon request therefor by University shall deliver to University within thirty (30) days after such request a "1/4 vertical cut" of such cores.
5. Permittee shall deliver to University at its Midland, Texas, office within thirty (30) days after the making thereof, a certified copy of all chemical analyses made or contracted for by Permittee during exploratory operations under this Permit.
6. University will keep all information supplied it by Permittee, including, without limitation, all cores, analyses, logs, and other exploratory data in strict confidence permitting only authorized personnel to have access thereto and will not release any part of the information until the expiration of this permit.

C. USE OF SURFACE:

Permittee is granted the right to such use of the surface of the Permit Lands as may be necessary or incident to the prospecting permit and the conducting of the prospecting operations permitted or required hereunder, including the right of ingress and egress to, along and across Permit Lands and the right of access over existing roads on the Permit Lands and University's adjacent and contiguous lands, the right to construct and maintain essential roads on the Permit Lands if existing roads are not adequate, the right to use, free of cost, nonpotable water (as used herein, the term nonpotable water means all water obtained from below the top of the Santa Rosa formation and which contains more than two thousand five hundred (2,500) parts per million total dissolved solids. Nonpotable water may not be taken from any formation from which oil or gas is being produced as determined by the Manager of University Lands - Oil, Gas and Mineral Interests), found and produced or impounded by Permittee on said land for its own operations thereon, except water from wells or tanks of lessor or its surface lessees, the right to install pumps, pipe lines, and utility lines and such other equipment as may be necessary for operations hereunder, without any additional costs of payments, except for payments

for surface damages as set out below; provided, however, that in exercising such rights, Permittee will not:

1. Locate its wells, pumps, pipe lines or other facilities in such manner as to interfere with the location of wells, pipe lines, or other facilities required in the development of said land for oil, gas and other minerals under existing or future oil, gas and mineral leases; or
2. Locate its wells at any location within 300 feet of any residence, water wells, surface tanks, or other improvements now located on the premises.

Permittee will plug all holes or wells drilled on the Permit Lands in the manner required by University, will fill and level all excavations and remove all debris from well sites within five (5) days after all tests on each well are concluded. Permittee will contact the Manager of University Lands - Oil, Gas and Mineral Interests, or his representative, at Midland, Texas, before commencing operations hereunder.

D. SURFACE DAMAGE:

In conducting operations on the Permit Lands and adjacent or contiguous University Lands used for roads, Permittee will pay surface damages to University in accordance with the schedule set forth in THE UNIVERSITY OF TEXAS LANDS SCHEDULE OF DAMAGES which is currently in effect. This schedule of maximum permitted charges, however, shall not in any way limit the liability of Permittee in any action at law for any damages inflicted upon the surface lessees by reason of acts of negligence, if any, committed by Permittee in its operations if Permittee is lawfully liable therefor.

E. BOND:

Within thirty (30) days after the date hereof Permittee will deposit Two Thousand Dollars (\$2,000.00) in cash with the University to guarantee performance of all obligations to University hereunder. This sum will be refunded to Permittee at the termination of this agreement without breach by Permittee.

F. SURRENDER CLAUSE:

Permittee may, at any time during the term hereof, execute a release or releases covering all or any part of the Permit Lands, and upon filing the same for record in the General Land Office, with the

Board of Regents of the University of Texas System and in the County or Counties where the released portion of the Permit Lands are located, be relieved of all future obligations with respect to the Permit Lands so released.

III.

RIGHT TO LEASE

At any time during the term of the prospecting permit, for bonus considerations hereinafter set out, Permittee is granted the exclusive right to select and lease all or any part of the Permit Lands, in increments of standard northeast, northwest, southeast, or southwest one-fourth (1/4) sections, under one or more leases under the terms and on the form of the attached Exhibit "B", which is made a part hereof for all purposes, provided that no lease shall cover more than one (1) section of land or the equivalent thereof. The leased area under each lease shall be contiguous and not a divided area.

Permittee shall give written notice or notices to University of the exercise of this right and the description of the lands to be leased. Such notices may be given at any time during the term of the prospecting permit but must be postmarked not later than the last day of said permit. Within thirty (30) days after receipt of such notices, University and Permittee shall execute the lease or leases called for in the notices, and the bonus consideration shall be paid.

The execution of a lease covering a portion of the Permit Lands shall terminate the prospecting permit as to the leased lands, and Permittee's obligations with respect to the leased lands shall be as stated in the lease. The prospecting permit will continue in force as to unleased portions of the Permit Land according to its terms.

IV.

BONUS CONSIDERATIONS

Upon exercise of Permittee's exclusive right to lease, the bonus considerations to be paid by Permittee to University shall be as follows:

ONE HUNDRED AND NO/100 DOLLARS (\$100.00) per acre for one or more of the first four (4) one-fourth (1/4) sections of the Permit Lands.

and

THREE HUNDRED AND NO/100 DOLLARS (\$300.00) per acre for one or more of the second four (4) one-fourth (1/4) sections of the Permit Lands.

and

SIX HUNDRED AND NO/100 DOLLARS (\$600.00) per acre for one or more of all other one-fourth (1/4) sections of the Permit Lands.

V.

MISCELLANEOUS

A. ASSIGNMENT:

Permittee may not assign this agreement or any rights hereunder in whole or in part without the prior written consent of University. Any assignments so made shall be recorded in the Counties in which the Permit Lands are located, and two certified copies thereof filed with University together with the required filing and assignment fees.

B. NOTICES:

All notices required hereunder (unless otherwise expressly provided to the contrary) shall be deemed to have been given if the same are reduced to writing and mailed by registered or certified mail by either party hereto to the other at the respective addresses of the parties shown below:

Vice Chancellor for Lands Management
The University of Texas System
Austin, Texas

F. G. Woodside
P. O. Box 10333
Lubbock, Texas 79408

Changes of address, if any, of either party hereto shall be forwarded to the other by registered or certified mail if and when any such change in address occurs.

C. LEGAL REPRESENTATIVES, SUCCESSORS, AND ASSIGNS:

This agreement shall be binding upon and inure to the benefits of the parties hereto, their respective heirs, successors, legal representatives, and assigns.

STATE OF TEXAS

¶

COUNTY OF LUBBOCK

¶

BEFORE ME, the undersigned authority, on this day personally appeared F. G. WOODSIDE, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the 17th day of

April, 1980.

Geraldine Y. Bowman
Geraldine Y. Bowman
Notary Public in and for Lubbock
County, Texas.

My Commission Expires:

June 6, 1980

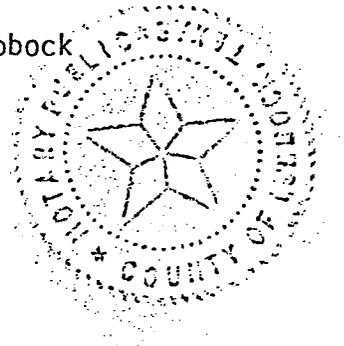


EXHIBIT "A"

To Prospecting Permit No. _____

Dated: _____

DESCRIBED LANDS

University of Texas Lands situate in the State of Texas

Dawson & Gaines County	Block 6	Section 1	640 acres
Gaines County	Block 6	Section 2	640 acres
Gaines & Andrews County	Block 6	Section 3	640 acres
	Block 6	Section 12	640 acres
Gaines, Andrews & Martin County	Block 6	Section 13	640 acres
Gaines, Andrews, Martin & Dawson County	Block 6	Section 14	640 acres
Martin County	Block 6	Section 15	640 acres
	Block 6	Section 28	640 acres
Martin & Andrews County	Block 6	Section 16	640 acres
	Block 6	Section 27	640 acres
Andrews County	Block 6	Section 17	640 acres
	Block 6	Section 26	640 acres

EXHIBIT "B"

To Prospecting Permit No. _____

Dated: _____

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

URANIUM MINING LEASE

This lease made and entered into this _____ day of _____, 19___, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, acting pursuant to Section 66.44 of the Texas Education Code of Texas, herein called "Lessor", and _____ of _____, herein called "Lessee", WITNESSETH:

1. Lessor, in consideration of the payment by lessee of the sum of _____ Dollars, the receipt of which is acknowledged, the rents and royalties to be paid, the covenants and conditions to be observed and performed by Lessee, does hereby demise, grant, lease and let exclusively unto the Lessee the land described below for five (5) years from the date hereof, said period being the primary term of this lease, and as long thereafter as uranium, vanadium or any other fissionable source material, together with any spatially associated minerals (for the purpose of this lease all such leased minerals and mineral deposits are hereinafter called Uranium), but specifically excluding oil, gas, other liquid hydrocarbons, sulphur, potash, sodium sulfate, lignite and coal, is mined and marketed in paying quantities therefrom, subject to such conditions as are hereinafter set out, for the sole and only purpose of prospecting, exploring for and mining, developing, producing, removing and marketing of Uranium that may be found and produced from the following described lands (hereinafter called Premises) comprising a part of the Permanent University Fund Lands, to wit:

Part	Section	Block	Survey	Acres	County
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

2. In the event that within the life of this lease and when specifically associated with Uranium mining operations, spatially associated minerals are recovered, these spatially associated minerals may be recovered and marketed by Lessee subject to such conditions hereinafter set out.

3. Before both initial and supplemental mineral producing operations are commenced, Lessee shall submit to the Manager of University Lands - Oil, Gas and Mineral Interests, for prior approval, plans and maps of proposed mining and reclamation programs. Such programs shall include descriptions of the nature, locations, and extent of the operations, the methods and equipment to be used, and a timetable of how such operations shall proceed. The mining and reclamation programs submitted shall be in compliance with all State and Federal laws, regulations, rules and requirements and all other damage and reclamation provisions hereinafter set out.

During the life of this lease, acceptable mining or production methods shall not include in situ leaching, heap leaching, solution or other "wet methods" without the specific review, consideration and written permission of the Manager of University Lands - Oil, Gas and Mineral Interests.

4. Lessee shall have the right to use, subject to the damage payment requirements hereinafter set out, so much of the surface of the Premises as may be reasonably necessary for the full exercise and enjoyment of the rights and interests hereby granted, including the right to construct and maintain thereon all necessary works, buildings, plants, roads, water lines, pipe lines, gathering lines, telephone and telegraph lines and power lines; the right to enter upon the Premises for the purposes of surveying, exploring, prospecting, drilling for, developing, mining, stockpiling, removing, shipping and marketing of Uranium; and also the right of ingress and egress and right-of-way to any point of operations under conditions of least injury to the occupant of the surface or the holder of any existing oil and gas lease or easement. It is expressly provided, however, that no operations under this lease shall in any way conflict with or cause damage to any valid operation or equipment installation under any existing oil and gas lease on the Premises, and the operations authorized hereunder shall not interfere with future orderly development of oil and gas or other minerals by lessees of the University when such development does not jeopardize the operations permitted hereunder.

Lessee shall also have the right to use, free of cost, nonpotable water found and produced by Lessee on the Premises for its own operations

thereon, except water from wells or tanks of Lessor or its other Lessees, and except such nonpotable water determined to contain commercial amounts of sodium sulfate or other minerals. As used herein, the term nonpotable water means all water obtained from below the top of the Santa Rosa formation and which contains more than two thousand five hundred (2,500) parts per million total dissolved solids. Nonpotable water may not be taken from any formation from which oil or gas is being produced as determined by the Manager of University Lands - Oil, Gas and Mineral Interests.

5. On or before one (1) year from the date of this lease, and on or before the same date of each of the following years during the primary term of this lease, the Lessee shall pay to Lessor, payable to The University of Texas System, and forwarded, unless otherwise notified by Lessor, to Director, University Lands Accounting Office, P. O. Box 579, Austin, Texas 78767, an annual advance rental of Two Dollars (\$2.00) per acre per year unless the royalties paid during the preceding year shall equal or exceed the amount of annual rental due in which event no annual rental will be due on the rental date immediately following such royalty payments. In the event of cessation of production after once obtained, the annual rental due shall be as provided for as in a non-producing lease as prescribed in this section for the remaining life of the appropriate term.

In no event are any rentals or extension fees paid to Lessor during the life of this lease to be construed to constitute advance royalties or prepayment of any royalties accruing during the life of this lease.

6. If at the expiration of the primary term Uranium has not been mined and marketed in paying quantities from the Premises, this lease shall terminate; provided, however, the term or life of this lease may be extended under one or more of the following conditions:

(a) If at the expiration of the primary term Uranium has not been mined and marketed in paying quantities from the Premises, Lessee may continue this lease in full force and effect for a secondary term of three (3) years and as long thereafter as Uranium is mined and marketed in paying quantities from the Premises by paying to Lessor, on or before said expiration date, payable as above, an annual advance rental of Five Dollars (\$5.00) per acre per year, subject to preceding royalties and cessation of production as stated in Article 5 above.

(b) If at the expiration of the secondary term Uranium has not been mined and marketed in paying quantities from the Premises, Lessee may continue this lease in full force and effect for a tertiary term of two (2) years and as long thereafter as Uranium is mined and marketed in paying quantities from the Premises by paying to Lessor, on or before said expiration date, payable as above, an annual advance rental of Ten Dollars (\$10.00) per acre per year, subject to preceding royalties and cessation of production as stated in Article 5 above.

(c) If at the expiration of the tertiary term Uranium has not been mined and marketed in paying quantities from the Premises but drilling or other visible exploration or development operations are being conducted thereon in good faith and in a good and workmanlike manner, Lessee may, subject to confirmation and approval of such operations by the Manager of University Lands - Oil, Gas and Mineral Interests, on or before the expiration date of the tertiary term, file written application to Lessor for an extension of this lease for a period of one (1) year, such application to be accompanied by a payment of Fifty Dollars (\$50.00) per acre for each acre in the lease, and Lessor shall, in writing, extend this lease for a period of one (1) year from and after the expiration of the tertiary term and so long thereafter as Uranium is mined and marketed in paying quantities from the Premises.

(d) If at the expiration of the first one (1) year extended period Uranium has not been mined and marketed in paying quantities from the Premises but drilling or other visible exploration or development operations are being conducted thereon in good faith and in a good and workmanlike manner, Lessee may, subject to confirmation and approval of such operations by the Manager of University Lands - Oil, Gas and Mineral Interests, make written application to Lessor, on or before the expiration date of the initial extended period of one (1) year for an additional extension of one (1) year, such application to be accompanied by payment of Fifty Dollars (\$50.00) per acre for each acre in the lease, and Lessor shall, in writing, extend this lease for an additional period of one (1) year from and after the expiration of the initial extended period of one (1) year, and so long thereafter as Uranium is mined and marketed in paying quantities from the Premises.

(e) In the event mining and marketing of Uranium from the Premises after once initiated, shall cease for any cause other than periods of force

majeure as provided herein within one hundred and twenty (120) days before the expiration of a designated term of this lease or at any time or times thereafter, this lease shall not terminate if the Lessee, within one hundred and twenty (120) days after such cessation commences and pursues correction of the cessation cause or commences additional mining, development, producing or reworking operations; then this lease shall remain in full force and effect as long as any of the aforementioned operations continue in good faith and in a good and workmanlike manner without interruptions totaling more than one hundred and twenty (120) days during any of these operations, and if any operations result in the renewal of the ceased mining and marketing, then this lease shall remain in full force and effect so long as Uranium is mined and marketed therefrom in paying quantities.

7. During the life of this lease, all royalty payments that may be due shall be made payable to The University of Texas System, on or before the last day of each succeeding month, for the month in which the Uranium was sold. Such payments shall be forwarded, unless otherwise notified by Lessor, to Director, University Lands Accounting Office, P. O. Box 579, Austin, Texas 78767. Such payments shall be accompanied by a sworn statement of the amount, in standard terms of measurement, of all finished products or processed Uranium or minerals produced, of all ores produced, the percent of the Uranium or minerals contained in such ores, the percent of associated constituents such as molybdenum, lime, etc., the amount of such Uranium, ores, minerals or materials sold, the identification of the purchaser, and the value received and any such other information or specific data that might be deemed necessary by Lessor or Lessee to substantiate such payments.

(a) Rates for all royalties due and payable by Lessee to Lessor for Uranium bearing materials produced hereunder shall be determined from the following schedule. The ore grade shall be determined by the sampling, blending and assay procedures, along with any other necessary procedures, complying with the highest industry standards and the standards and requirements stipulated herein.

Ore Grade	Royalty
.19% and below	5%
.20% - .39%	10%
.40% - .59%	11%
.60% - .79%	12%
.80% - .99%	13%
1.00% and above	15%

(b) As a production royalty for processed Uranium bearing material produced from the premises as ore and processed in Lessee's facilities or in a custom mill or facility for Lessee's account, Lessee agrees to pay to Lessor, as royalty, that royalty percentage so designated by the schedule in Article 7.(a) as related to the ore grade prior to processing, of the gross proceeds received by Lessee OR of the highest price paid in the area OR of the prevailing gross market value, foreign or domestic, at the date of such sale, whichever is greatest, for Uranium Oxide, dry U_3O_8 , yellowcake or any other Uranium bearing material so processed from said ore and sold. Provided, however, in no event shall the royalty due Lessor be less than Two Dollars (\$2.00) per pound of yellowcake or like form of material so processed and sold.

(c) As a production royalty for Uranium bearing material produced as ore and sold by Lessee as raw crude ore, Lessee agrees to pay to Lessor, as royalty, that royalty percentage so designated by the schedule in Article 7.(a), of the gross market value of the Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material so contained within the ore as determined by specific assays or chemical analyses and calculated by weight and considered for these purposes to have the same status and considerations as Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material that has been processed to yellowcake form in preparation for market sale. Gross market value as herein stated shall be determined by the gross proceeds per pound that were received by Lessee at the most recent sale of such processed or yellowcake form material OR by the highest price paid in the area OR by the prevailing gross market value, foreign or domestic, at the date of such sale, whichever is greatest. Provided, however, in no event shall the royalty due Lessor be less than Two Dollars (\$2.00) per pound of yellowcake or a like form material so determined to be contained within any raw crude ore, solution or partially processed material.

(d) As a production royalty for Uranium bearing material produced as ore and sold by Lessee as a partially processed material, Lessee agrees to pay to Lessor, as royalty, that royalty percentage so designated by the schedule in Article 7.(a) as related to the ore grade prior to partial processing, of the gross market value of the Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material so contained within the partially processed ore as determined by specific assays or chemical analyses and calculated by weight and considered for these purposes to have the same status and considerations as Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material that has been processed

to yellowcake form in preparation for market sale. Gross market value definition and minimum royalty requirement shall be as stated in 7.(c) above.

(e) In the event of Lessor's approval and Lessee's initiation of in situ leaching of ore, Lessee shall determine, as accurately as possible, the grade of ore to be mined by establishing the grade and thickness of mineable ore penetrated by each bore hole so drilled or cored for the purpose of conducting in situ leaching operations. This determination shall be done in a manner to be approved by the Manager of University Lands - Oil, Gas and Mineral Interests prior to the commencing of such operations.

As a production royalty for Uranium bearing material produced by in situ leaching, and sold as a solution or in an unprocessed form, Lessee agrees to pay to Lessor, as royalty, that royalty percentage so designated by the schedule in Article 7.(a) as related to the averaged determined ore grades of mineable intervals being leached, of the gross market value of the Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material contained within the solution so sold as determined by specific assays or chemical analyses and calculated by weight and considered for these purposes to have the same status and considerations as Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material that has been processed to yellowcake form in preparation for market sale; and when any Uranium bearing solution or other unprocessed form is processed in Lessee's facilities or in a custom mill or facility for Lessee's account, Lessee agrees to pay to Lessor, as royalty, that royalty percentage so designated by the schedule in Article 7.(a) as related to the averaged determined ore grades of mineable intervals being leached, of the gross proceeds received by Lessee OR of the highest price paid in the area OR of the prevailing gross market value, foreign or domestic, at the date of such sale, whichever is greatest, for Uranium Oxide, dry U_3O_8 , yellowcake or any other Uranium bearing material so processed and sold. Gross market value definition and minimum royalty requirement shall be as stated in 7.(c) above.

(f) In the event of Lessee's initiation of recovery operations deemed by Lessor to be other than primary in nature (secondary recovery by leaching of residue or tailings piles, etc.), Lessee agrees to pay to Lessor, as a production royalty for Uranium bearing material produced by such operations, five percent (5%) of the gross market value, when sold as a solution or other unprocessed form, of the Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material so contained within the solution or other unprocessed form as

determined by specific assays or chemical analyses and calculated by weight and considered for these purposes to have the same status and considerations as Uranium Oxide, dry U_3O_8 , yellowcake or other Uranium bearing material that has been processed to yellowcake form in preparation for market sale; and when such Uranium bearing solution or other unprocessed form is processed in Lessee's facilities or in a custom mill or facility for Lessee's account, Lessee agrees to pay to Lessor, as royalty, five percent (5%) of the gross proceeds received by Lessee OR of the highest price paid in the area OR of the prevailing gross market value, foreign or domestic, at the date of such sale, whichever is greatest, for Uranium Oxide, dry U_3O_8 , yellowcake or any other Uranium bearing material so processed and sold. Gross market value definition and minimum royalty requirement shall be as stated in 7.(c) above.

(g) In the event that during normal Uranium recovery operations Lessee recovers and markets valuable spatially associated minerals, Lessee shall pay to Lessor a royalty of eight percent (8%) of the gross value of the output of such minerals at the point of shipment to market. Such gross value shall be equal to the highest price paid, without penalties or deductions, for like products of like quality within the same area or the price actually paid to Lessee, or the posted price, whichever is greatest.

(h) No royalty, other than duly required royalty in kind, shall be payable for any Uranium and/or spatially associated minerals mined or produced hereunder until the same are first sold by Lessee, except that for Uranium and/or spatially associated minerals used by Lessee on or off the Premises shall require an annual royalty to be paid at the same percent otherwise payable hereunder.

(i) All royalties due under this lease shall be without deduction, either directly or indirectly, for any cost or expenses incurred for mining, milling, treating, separating, precipitating, drying, reducing, upgrading, rendering marketable, packaging, transporting or any other cost of producing, processing and marketing Uranium in any form.

(j) As additional royalty, Lessee shall pay to Lessor, twenty percent (20%) of any and all exploratory or development allowances or bonus payments for any production, initial or otherwise, paid to Lessee by any agency or authority, governmental or otherwise, as to the Premises or as to

any such Uranium, ores, or materials mined or extracted and sold from said property provided that payment or royalty on such allowances or bonuses is not contrary to law or governmental regulation. This clause shall not apply to any advance payments under contracts made by Lessee for advance sales of future production.

(k) All residue or tailings remaining after the initial processing or milling of the crude ores mined from the Premises shall be the property of Lessee but with Lessor reserving as royalty the amounts which are previously stipulated herein to be paid for all Uranium, ores, minerals, materials or other constituents that might be sold, marketed or extracted from such residue or tailings; provided that if any such residue or tailings remain on any of the Premises for a period of more than one year after the effective date of termination of the Lease for that portion of the Premises containing the residue or tailings, all such tailings shall then be the sole and exclusive property of Lessor. Such relinquishment or termination of lease and relinquishment of residue and tailings shall not be interpreted in any way as removing any obligation of Lessee to comply, at his own expense, with any and all reclamation responsibilities that may be pending or that may be required by any State or Federal agency or authority either before or after such relinquishment.

(l) Lessor may, at its option, upon not less than sixty (60) days notice to Lessee, require at any time or from time to time, that payment of any or all royalties accruing to Lessor under the terms of this lease be made in kind.

(m) Lessor reserves a continuing option to purchase at any time and from time to time, at the market price prevailing in the area on the date of purchase, all or part of the Uranium, ores, minerals or materials, processed or unprocessed, that will be produced from the Premises.

(n) Lessee shall, or shall have processor or mill operator to continually sample the ore, and the samples taken from the ore shall be taken so as to obtain the most totally representative sample. The total sample from each ore lot shall not be less than one pound per each four tons of dry ore. The total sample from each lot of ore shall then be blended in accordance with customary industry practice before said total sample is reduced to the volume customarily used to determine content of the ore (assay).

Upon request, the Lessee shall furnish or shall cause the ore processor or mill operator to furnish Lessor, on or before each monthly

royalty settlement, an ore sample of equal volume as that used by the processor for assay (but not less than 220 net grams) from each ore lot, ready for assay properly identified by lot and date. Lessee shall also be furnished and keep an identical sample to be used for umpire analysis if necessary.

Lessor may report to Lessee annually or more frequently, any variations in analyses greater than .005% for uranium content, .05% for molybdenum content and .05% for lime content. If the variance is greater than the above stated percentages, then the sample retained by Lessee shall be delivered to a mutually agreeable laboratory for umpire analysis. If the umpire analysis falls between the Lessor's assay and the processor's assay, the umpire analysis shall become final and shall be used for adjustment purposes and the party whose assay is farther from the umpire analysis shall bear the cost of the umpire analysis. If the umpire analysis does not fall between Lessor's assay and the processor's assay, the assay which is nearest to the umpire assay shall become final, and the party whose assay shall not prevail shall bear the cost of the umpire analysis. If the umpire analysis is equally distant from the assay of both parties, then the cost of the umpire analysis shall be borne in equal proportions. Royalty adjustments shall be made within thirty (30) days.

In the event of Lessor's approval and Lessee's initiation of solution mining of ore, Lessee shall employ measuring methods which accurately reflect production of Uranium or minerals from the Premises. Lessor shall have the right to inspect, monitor, and approve any meters or other devices or measurement used by Lessee.

Should Lessor fail to report any variances within sixty (60) days from the end of a twelve-month period, the anniversary date of which shall be the receipt of the first royalty settlement, then it shall be considered that all royalty settlements made during such twelve-month period are final.

(o) Lessee may commingle ore from the leased premises with other ore. Before commingling, Lessee shall weigh and sample the ore and assay the samples as provided in Article 7 (n) above. Lessee shall keep records showing weights, moisture content, and ore grade in order to substantiate payments made in accordance with the above stated royalty provisions.

In the event Lessee commingles uranium bearing or other valuable mineral bearing solutions with like solutions produced from other lands, Lessee shall determine production attributable to and recovered from the Premises

prior to commingling. At least once per twenty-four (24) hour period at a point or points prior to commingling, Lessee shall measure volume and mineral content of the solution by periodic sampling.

8. Lessee agrees to make a radioactivity survey (Gamma Ray-Neutron or equivalent) from surface to total depth of each core hole and/or drill hole, whether such penetration was for Uranium evaluation or other purposes. It is agreed and understood, however, that no penetration may be made into any formation known to be productive of oil or gas in the general area without the permission of the Manager of University Lands - Oil, Gas and Mineral Interests.

9. Lessee agrees to furnish Lessor, before commencing any operations hereunder, a good and sufficient bond in an amount of Fifty Thousand Dollars (\$50,000.00) with surety acceptable to Lessor, conditioned upon the faithful performance by Lessee of all and singular, the terms and conditions of this lease, and keep such bond in force and effect so long as Lessee's operations shall continue under the terms hereof.

10. In further consideration of this lease, Lessee agrees and covenants as follows:

(a) To contact the Manager of University Lands - Oil, Gas and Mineral Interests, Midland, Texas, before commencing any operations hereunder.

(b) To furnish the Manager of University Lands - Oil, Gas and Mineral Interests with the following information:

(1) A chemical analysis of the water produced from any well within sixty (60) days after completion of such well, and thereafter, from time to time and upon request, additional chemical analyses of such water.

(2) Two full scale copies of each electric or radioactivity survey made of the bore-hole sections, certified as to authenticity and location, within fifteen (15) days after the completion of such survey. Lessee shall include along with such survey a report of all water sands encountered and an estimate of the amount of water, if any, in each hole.

(3) A "1/4 vertical cut" of all cores, upon request, within thirty (30) days after such request.

(4) A cut of any bore-hole samples, upon request, within thirty (30) days after such request.

(5) A copy of all analyses made or contracted for by Lessee of any cores or samples of any minerals, within thirty (30) days of the making thereof.

(6) A bona fide copy of any log, report, or other data or information compiled as the result of Lessee's making any geological survey on the premises within thirty (30) days after the making thereof.

(7) A map or maps, submitted annually, showing all prospecting and development work done on the Premises, all buildings, structures and workings placed thereon, all roads constructed and all water wells drilled thereon during the preceding twelve (12) months, together with all related information.

(8) A copy of each and every form or report filed with any State or Federal Agency.

(c) To conduct all operations hereunder in a manner consistent with good and economical practice with due regard for good land management, avoidance of unnecessary damage or waste, and in a reasonable manner as regards the rights of other University lessees.

(d) To prosecute the operations called for herein with reasonable diligence, skill and care in such manner as to achieve and maintain maximum production of the Uranium from the Premises consistent with good mining practice, the size of the deposit, and sound economy.

(e) To comply with all requirements of State and Federal laws applicable to the conduct of mining operations.

(f) To allow Lessor or the authorized representative thereof, at all reasonable times, to enter upon the Premises, and into all parts of the mine for the purposes of inspection, drilling, sampling and mapping.

(g) To keep proper records of (1) development work and drilling performed; (2) weights of Uranium and ores mined and sold; (3) assay data pertaining thereto; (4) payments received for sale of Uranium and other minerals; and (5) costs of transportation of Uranium and other minerals to the point of delivery. Lessee shall furnish a true copy of such information to Lessor quarterly, within twenty (20) days after the close of each calendar quarter of each year during the life of this lease, such report to be made to the Vice Chancellor for Lands Management, Austin, Texas, or such other office as may be designated by Lessor in writing.

(h) To permit Lessor or authorized representatives thereof to inspect Lessee's maps and assay records relating to the Premises and all other records specified in Items 1, 2, 3, 4 and 5 of subparagraph (g) above.

(i) To protect and indemnify Lessor against any claims arising in connection with the activities of the Lessee under this lease.

(j) To post in a conspicuous place on the Premises a legible notice which shall state that neither Lessor, The University of Texas System, nor the State of Texas, is or shall be held responsible for any accidents, damages to property, injuries to persons, or for debts or other liabilities incurred as a result of operations by Lessee.

(k) To store or impound all nonpotable water in water-tight tanks or lined surface pits so as to prevent the pollution of potable surface or subsurface waters. All surface pits shall be sealed with an impervious material, and be constructed and maintained in such a manner that will prevent any leakage, seepage, or other escape of deleterious substances.

(l) To construct such fences, barricades, etc., as will adequately protect persons or livestock from injury.

(m) To fill and level all pits, trenches, and other excavations that are dug for purposes other than ore production (mud pits, sampling, drainage, etc.) whenever same are abandoned or the use thereof is discontinued.

(n) To plug all holes or wells drilled on the lands in the manner required by Lessor so as to prevent any contamination of subsurface waters.

11. In all cases, the authority of a manager or agent to act for Lessee herein must be filed with Lessor.

12. Any lease or easement not pertaining to or in conflict with the operation of this lease may be issued by Lessor.

13. If Lessee shall fail or refuse to make the payment of any sum due under the provisions of this lease, either as rental or as royalty on the production, within thirty (30) days after the due date thereof; or if Lessee or his authorized agent should make any false report or false return concerning production, royalty, exploration or mining operations, or should fail or render any reports required to be filed or that may be requested by Lessor as provided herein; or if Lessee should fail to perform any of the operational obligations specified herein, or should refuse the proper authority access to the property, the mine, or the records pertaining thereto; or if any of the material terms of this lease are violated by Lessee, this lease shall be subject to forfeiture by Lessor by an order entered upon the minutes of the Board of Regents of The University of Texas System reciting the facts constituting the default and declaring the forfeiture. In the event Lessor considers that Lessee has not complied with the obligations contained in this Agreement, Lessor shall notify Lessee in writing of its intention to declare a forfeiture hereof, set-

ting forth the particular default relied upon. Lessee shall then have sixty (60) days after receipt of such notice in which to remedy, or commence to remedy and pursue diligently, such default or to deny the existence of same. Nothing herein contained shall prejudice the rights of Lessor to seek a judicial determination of this Agreement in the event Lessee denies the existence of a default or fails to remedy or commence to remedy the same as provided herein. In case of violations by the Lessee of the provisions of this Lease, the remedy by forfeiture shall not be the exclusive remedy, but a suit for damages or specific performance, or both, may be filed by the Lessor. Upon application made by Lessee within thirty (30) days after declaration of forfeiture and proper showing by Lessee, this lease may, at the discretion of Lessor and upon such terms as it may prescribe, be reinstated.

14. Lessor shall have a first lien upon all Uranium, ores and minerals produced from the Premises and upon all machinery, equipment and appliances, telephone lines, power transmission lines, or other property situated on the Premises, owned by Lessee and used in the production and handling of Uranium, ores and minerals produced therefrom, to secure any amount due from Lessee herein and to secure performance of any of the provisions contained in this lease contract.

15. If this lease shall be forfeited or terminated for any cause, Lessee shall not, in any event, remove any part of the Uranium, ores, minerals, material, equipment, appliances or property owned by Lessee and used by him in operations under this lease without the written consent of Lessor.

16. Lessee agrees to record this lease promptly, at his own cost and expense, in the county or counties in which Premises are located, not more than sixty (60) days after receipt thereof from Lessor and to notify Lessor, by affidavit, of such recording within fifteen (15) days thereafter.

17. Assignment of this lease in whole or in part may be made only with the written consent of Lessor. Any assignment of this lease, approved by Lessor, shall be filed by Lessee for record in the county or counties in which said Premises are located within sixty (60) days after receipt by Lessee of Lessor's approval; and two certified copies of such recorded assignment shall be filed with Lessor, at Austin, Texas, within sixty (60) days after such recording, accompanied by any required filing or assignment fees.

18. Lessee may, at any time during the term hereof, relinquish all or any part of the Premises in multiples of standard quarter sections by re-

ording an instrument or instruments of relinquishment in the county or counties in which the land may be situated; and two certified copies of such relinquishment shall be filed with Lessor at Austin, Texas, accompanied by any required filing fees. Any such relinquishment shall relieve Lessee of all future obligations with respect to the released land with the exception of reclamation obligations set forth elsewhere in this instrument, but shall not relieve Lessee of any past due obligations accrued thereon nor impair Lessor's lien herein provided for.

19. Should Lessee be prevented from complying with any expressed or implied covenant of this lease, from conducting operations on the Premises, or from producing Uranium therefrom, by reason of war, rebellion, riots, strikes, acts of God or any law, rule, order or regulation of any governmental body or agency, or any other cause (such as unavailability of parts), whether similar or dissimilar, beyond the reasonable control of Lessee, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable for damages for failure to comply therewith; and the term of this lease shall be extended while and so long as Lessee is prevented by any such cause from conducting operations on or producing Uranium from the leased Premises; provided, however, that nothing herein shall be construed to suspend the payment of rentals or extension fees.

20. Damage and Reclamation Clause

- (a) In addition to the requirements of Section 3 contained herein, Lessee agrees that in conducting its operations on the Premises Lessee will pay, to University, surface damages in accordance with the schedule set forth in THE UNIVERSITY OF TEXAS LANDS SCHEDULE OF DAMAGES which is currently in effect. This schedule of maximum permitted charges, however, shall not in any way limit the liability of Lessee in any action at law for any damages inflicted upon the surface lessees by reason of acts of negligence, if any, committed by Lessee in its operations if Lessee is lawfully liable therefor.
- (b) In the event Lessee engages in solution mining, in situ mining, or other primary "wet methods", where the surface is not disturbed beyond normal drilling and equipping operations, Lessee shall pay to University as damages, the sum of Two Hundred Dollars (\$200.00) per acre for the use of each acre of the

Premises included within the confines of a drilling pattern for such operations by Lessee.

- (c) In the event Lessee engages in surface mining, or any mining method other than in solution mining, in situ mining or other primary "wet methods", Lessee shall pay to University, as damages, 125% of the current market value or the sum of Five Hundred Dollars (\$500.00) per acre, whichever is greater, for each acre of the Premises included within the surface confines of any open pit, shaft, stockpile, waste dump, tailing pile, or road.
- (d) Lessee shall pay to University, as damages, the fair market value or, at Lessee's option, make replacement of any fence, building, road, livestock, or other personal property of University (or University's surface lessees) that may be damaged or destroyed in the course of Lessee's exercise of the rights granted Lessee herein contained in this lease.
- (e) Lessee shall, regardless of the method of mining utilized, conduct all operations on the Premises in compliance with applicable laws and with rules and orders of regulatory agencies having jurisdiction (including the Texas Railroad Commission), including those for protection of the environment, prevention of water pollution, and reclamation of the mined land.
- (f) In the event that surface mining operations are undertaken by Lessee, subject to Section 3 contained herein, Lessee specifically agrees that due care will be exercised and operational plans will include a program to set aside and save the topsoil of the land being mined to the extent that it is practical to do so. The topsoil being so saved and set aside will, as much as possible, be done so in such a manner that both Lessee and University will have a reasonable expectation that upon closing of mining operations the topsoil can be replaced and the land restored to its original condition as much as possible.

21. The covenants, conditions, and agreement's contained herein shall extend to and be binding upon the heirs, executors, administrators, successors, or assigns of the parties herein.

EXECUTED by the parties as of the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Vice Chancellor Lands Management
LESSOR

F. G. Woodside LESSEE

Approved as to Form:

Approved as to Content:

University Attorney

Manager of University Lands
Oil, Gas and Mineral Interests

THE STATE OF TEXAS |

COUNTY OF TRAVIS |

BEFORE ME, the undersigned authority on this day personally appeared _____, Vice Chancellor for Lands Management, of the University of Texas System, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act and deed of the Board of Regents of The University of Texas System, and that he executed the same as the act and deed of such Board for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, A.D., 1980.

Notary Public in and for Travis County,
Texas

THE STATE OF TEXAS |

COUNTY OF _____ |

BEFORE ME, the undersigned authority, on this day personally appeared F. G. Woodside, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, A.D., 1980.

Notary Public in and for _____
County, Texas.

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. System Administration - Pooled Income Fund for Use by Component Institutions: Report on Acceptance of Declaration of Trust by Internal Revenue Service. --

Report

The Board of Regents approved the concept and draft of the Declaration of Trust for a pooled income fund and authorized the staff to proceed with the establishment of same at the meeting of October 20, 1978. The Declaration of Trust was submitted to the Internal Revenue Service through outside Tax Counsel. Numerous telephone conversations and written communications passed between the System Tax Counsel and the Internal Revenue Service at Washington, D.C., resulting in minor changes and rewording of the Declaration of Trust to conform the instrument to the Internal Revenue Code and regulation requirements.

A copy of the final instrument, as approved by the Internal Revenue Service and as executed by the Chairman, is on file in the Office of the Secretary to the Board.

2. U. T. Austin: Recommendation to Accept Gift and Pledge to the Engineering Foundation from an Anonymous Donor (No Publicity). --

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of a gift of \$600,000 and a pledge of \$100,000 from an anonymous donor to be used by the Engineering Foundation for support of various programs of the College of Engineering. A recommendation for usage of these funds will be presented to the Board of Regents at a later date.

NO PUBLICITY

3. U. T. Austin: Recommendation to Accept Bequest Under Terms of the Will of Doris Holmes Blake, Deceased. --

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of a bequest under the terms of the will of Doris Holmes Blake, deceased. The value of the bequest is approximately \$100,000. Terms of the will follow:

"I will the paintings I made of myself and my husband, S. F. Blake, to be stored in the room where his plant collections are stored at the University of Texas. I also will to the University of Texas my husband's diaries and his book of poetry."

"I will the rest of the money 1/2 to go to the Gray Herbarium at Harvard and half of the (word marked out) Museum of Comparative Zoology. The rest to the Blake room at the University of Texas, Austin, Texas."

Recommendations for specific use of the funds will be submitted for the Board's consideration accompanied by a final report at a later date.

Background Information

Sidney Fey Blake (1892-1959) was an internationally known plant scientist who specialized in the sunflower family. Following his death, his personal plant collection and botanical reprints were purchased by the Texas Research Foundation. Upon dissolution of the latter, these materials came to The University of Texas at Austin, where they are currently housed in the Plant Resources Center.

Mrs. Doris Holmes Blake died December 3, 1978. Shortly before her death she saw fit to donate to The University of Texas at Austin additional books, letters and manuscripts relating to Dr. S. F. Blake. These are currently housed in the C. L. Lundell Rare Book Collection, Humanities Research Center. Mrs. Blake was an internationally known entomologist, having worked in this area for nearly half a century at the Smithsonian Institute.

Mrs. Blake's will is ambiguous and open to interpretation. Determination is being made for use of the bequest in the area of plant science at U. T. Austin. Harvard University challenged the division of the residuary estate but has agreed to accept equal division of the residuary estate after consultation with the Office of General Counsel.

4. U. T. Austin - Estate of Olive Lyle Brown: Report on Receipt of Final Estate Distribution. --

Report

U. T. Austin reports that the final distribution in the amount of \$19,539.41 from the estate of Olive Lyle Brown has been received bringing the total bequest to \$94,539.41. The final distribution has been deposited to **The Olive Lyle Brown Fund** for the Advancement, by Education and Research, of Nutrition as authorized by the Board of Regents at the meeting of February 29, 1980.

5. U. T. Austin - Bequest from Former Regent (Mrs.) I. D. Fairchild, Deceased: Final Report and Recommendation to Establish the Marguerite Fairchild Endowment Fund in the College of Fine Arts. --

Recommendation

President Flawn and Chancellor Walker report receipt of \$17,000 from the I. D. and Marguerite Fairchild Educational, Religious, Charitable and Civic Foundation of Lufkin, Texas, organized through the will of Mrs. I. D. Fairchild, deceased, and recommend the establishment of the Marguerite Fairchild Endowment Fund in the College of Fine Arts at U. T. Austin. Annual distributions of approximately \$17,000 will be made to the University. It is requested that the income be added to the endowment fund until \$100,000 is reached and the Marguerite Fairchild Professorship established. It is further requested that when the fund reaches \$400,000 the Professorship be changed to the Marguerite Fairchild Chair as Mrs. Fairchild's will and the codicils were written before January 1975 and qualify as an exemption from Regents' Rules and Regulations, Part Two, Chapter I, Section 4.41. Future distributions will be reported in the component docket.

Background Information

Mrs. Fairchild served on the Board of Regents from January 1935 to February 1945 and was instrumental in establishing the College of Fine Arts.

The bequest from Mrs. Fairchild was accepted by the Board of Regents October 24, 1975. Final judgment in the Estate of Mrs. I. D. Fairchild, deceased, was made May 13, 1977, and the I. D. and Marguerite Fairchild Educational, Religious, Charitable and Civic Foundation was organized by the Independent Co-Executors, John Henderson and Persis Shearer. The Foundation now holds and manages real estate interests with an appraised value in 1974 of \$646,269 for equal benefit of the Fine Arts Department of U. T. Austin and for charitable, religious, educational or civic purposes in Angelina County, Texas. Assuming annual income distributions to the University of \$17,000 plus investment income, funding for the professorship should be reached in 1984.

6. U. T. Austin: Recommendation to Accept Gift and to Establish Two Endowed Presidential Scholarships.--

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of a \$50,000 gift from the Texas Alpha Educational Foundation of Pi Beta Phi and the establishment of the Texas Alpha Educational Foundation of Pi Beta Phi Endowed Presidential Scholarships at U. T. Austin. Income from the endowment will be used to grant two scholarships annually. The only restriction on the scholarships is that the recipients must be graduates of Texas high schools.

Background Information

The Board of Directors of the Texas Alpha Educational Foundation of Pi Beta Phi by vote elected to endow two Presidential Scholarships at U. T. Austin.

7. U. T. Austin (College of Business Administration) - Jack G. Taylor Professorship in Business: Recommendation to Change Terms.--

Recommendation

President Flawn and Chancellor Walker recommend the terms of the Jack G. Taylor Professorship in Business be changed per Mr. Taylor's request to read as follows:

"any member of the faculty of the Graduate School of Business who holds the title of Professor or Visiting Professor and who has demonstrated competence in any of the business or academic fields taught in the College of Business or Graduate School of Business or who has an outstanding reputation for his research in any area of business, is eligible to be appointed as the Jack G. Taylor Professor. The individual selected will hold the title of The Jack G. Taylor Professor and will receive all benefits therefrom, preferably for a period of not less than three years and not more than six years."

Conditions relating to the Professorship shall be retained.

Mr. Taylor's request broadens the field from investment research to any of the business or academic fields taught in the College of Business Administration or Graduate School of Business and extends the minimum period of appointment from two years to three years.

Background Information

The Jack G. Taylor Professorship in Business in the College of Business Administration was established by the Board of Regents at the March 15, 1974, meeting. Mr. Taylor originally established the Professorship to promote excellence in the teaching field of investment and money management. Now, he would like to broaden the criteria so that any outstanding Professor or Visiting Professor in the College of Business Administration and the Graduate School of Business can be appointed to the Taylor Professorship.

8. U. T. Austin: Recommendation to Establish Professorship in Accounting in the Graduate School of Business.--

Recommendation

Chancellor Walker reports that The Business School Foundation (an external foundation) has expressed the desire that the Glenn A. Welsch Professorship in Accounting be established in the Graduate School of Business at The University of Texas at Austin. President Flawn and Chancellor Walker recommend that this professorship to be funded by The Business School Foundation be established in accordance with the Regents' Rules and Regulations. The funds for the professorship will be held in The Business School Foundation and administered per the agreement with the Foundation.

Background Information

The Professorship has been funded by friends and admirers of Professor Glenn A. Welsch who is a well-known accounting educator. His textbooks on budgeting, financial accounting, and managerial accounting are used throughout the world and in over 1,000 colleges and universities in the United States. Professor Welsch received a Ph.D. from The University of Texas at Austin and has been on the faculty since 1951.

The Business School Foundation has gifts from various donors totaling \$54,272.41 and pledges of \$55,587.27 for a total of \$109,859.68. They expect to receive additional gifts and pledges for this professorship.

9. U. T. Austin: Recommendation to Accept Donations and to Establish Exhibitions Endowment Fund for the University Art Museum.--

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of \$41,970 from various donors and the establishment of the Exhibitions Endowment Fund for the University Art Museum at U. T. Austin. Income from this endowment will be used to support art exhibitions at the University Art Museum. The Fine Arts Foundation Advisory Council has set a goal of \$100,000 for the endowment of this fund.

Background Information

The funds were received in response to the preview which the Fine Arts Foundation Advisory Council sponsored at the Meredith Long and Company gallery in Houston, Texas, on March 6, 1980.

10. U. T. Austin, U. T. Dallas, Dallas Health Science Center (Dallas Southwestern Medical School) and University Cancer Center - Report on David Bruton, Jr. Charitable Trust and Completion of Funding for The David Bruton, Jr. Chair in Ophthalmology at the Dallas Southwestern Medical School. --

REPORT

A charitable trust indenture executed by David Bruton, Jr., on December 20, 1979, allows discretionary bequests to eight charitable donees, including four component institutions of The University of Texas System [U. T. Austin, U. T. Dallas, Dallas Health Science Center (Dallas Southwestern Medical School), University Cancer Center]. The Trust was to be funded by one-half of a residuary estate consisting of 46,000 shares of Bruton Properties, Inc., stock and other unliquidated properties. Original Trustees named are First National Bank in Dallas, R. H. Stewart III, John P. Thompson, Dr. Charles A. LeMaistre, T. L. Wynne, Jr., Dr. John Lynn, and Darrell K. Royal. Each year for a 15-year term, the Trustees may pay 8% of the net value of the trust to one or more permitted donees in amounts left to the Trustees' sole discretion. Upon termination, the trust corpus is to be distributed to descendants of Mr. Bruton.

After Mr. Bruton, Jr.'s death on December 30, 1979, a controversy developed and suit was filed by the co-executors of the Bruton Estate against Bruton Properties, Inc., and others to determine the proper valuation for repurchase of Bruton Properties, Inc., stock held by the Estate. The charitable Trustees named above joined in the suit as plaintiffs and, pursuant to statute, the Attorney General of Texas represented the interests of the charitable beneficiaries, including The University of Texas components. The co-executors sought current market value of \$180.00 per share; the corporation urged repurchase at book value of \$8.00 per share.

A final order entered March 13, 1980 by the 191st Judicial District Court of Dallas County, Texas approved a compromise repurchase plan at \$142.00 per share, for a total price of \$5,637,735.00. The corporate trustee estimates the value of the entire residuary estate including the funds received from the repurchased stock to be \$6.0 - \$6.5 million with a charitable trust corpus of \$3.0 - \$3.25 million. Distribution of the estate following liquidation is expected in August of 1980.

Another result of the favorable settlement is that the Bruton, Jr. Estate will be adequate, upon final settlement, to complete funding of the David Bruton, Jr. Chair in Ophthalmology. By instrument dated November 27, 1979, Mr. Bruton, Jr., previously had established the David Bruton, Jr. Fund at The University of Texas Health Science Center at Dallas (accepted by the Board of Regents on February 29, 1980) with a Chair in Ophthalmology to be established upon completion of funding. A codicil in Mr. Bruton, Jr.'s Will provides for the completion of funding for the chair.

11. U. T. Tyler: Recommendation to Accept Gift and to Establish Fund for Excellence in English and Literature. --

Recommendation

President Stewart and Chancellor Walker recommend acceptance of a \$4,170 cash gift from Mrs. Laura Greer Ruggles-Gates which is to be combined with her previous gift of \$5,830 for a total of \$10,000 and the establishment of the Sam R. Greer and Laura Greer Ruggles-Gates Fund for Excellence in English and Literature at U. T. Tyler. These cash contributions and provisions in the will of Mrs. Ruggles-Gates will provide a minimum of \$40,000 for endowment purposes. Income from the endowment will be used to encourage and reward productive scholarship, research, and inquiry, as well as to provide scholarly opportunities for the advanced study of English and literature as follows:

1. Awards to undergraduate and graduate students for English research projects or study
2. Lectures on topics of interest in the study of English and literature.

Background Information

The initial contribution of \$5,830 was reported to the Board of Regents at the February 29, 1980, meeting.

Mrs. Laura Greer Ruggles-Gates, philanthropist and friend of U. T. Tyler, is devoted to the progress and financial health of the city of Tyler. Mr. Sam R. Greer, deceased, was very active in the Texas banking industry. He is the past president of The Peoples National Bank of Tyler, Texas, and was organizer of two banks in Pittsburg, Texas, in 1894.

12. Galveston Medical Branch: Recommendation to Accept Gift and (a) Establish Memorial Lectureship in Ophthalmology and (b) Endow Two Adjoining Seats in Auditorium of Learning Center. --

Recommendation

President Levin and Chancellor Walker recommend the acceptance of a gift of stock valued at \$27,387.50 from Dr. Edgar J. Poth for the following purposes:

\$25,000 - \$23,000 for endowment of a new lectureship, to be entitled "Gaynelle Robertson Memorial Lectureship in Ophthalmology;" \$2,000 to be returned to the Galveston Medical Branch to provide funds for the printing and distribution of a brochure to announce the lectureship.

\$ 2,000 - To be returned to the Galveston Medical Branch for endowment of two adjoining seats in the auditorium of the Learning Center honoring Dr. Robertson and Dr. Poth.

Residual monies to be returned to the Galveston Medical Branch for institutional support as may be designated by President Levin.

Background Information

Dr. Edgar J. Poth and Dr. Gaynelle Robertson (Poth) have served on the Galveston Medical Branch faculty for years. Dr. Edgar Poth is the first Ashbel Smith Professor of Surgery. Dr. Gaynelle Robertson (Poth), Emeritus Professor in Ophthalmology, died April 5, 1980, after a long illness. Both have been active supporters of the Galveston Medical Branch.

13. Galveston Medical Branch - Gaynelle Robertson (Poth), Deceased, Bequest: Recommendation to Accept Bequest as Trustees of the Robertson-Poth Charitable Remainder Unitrust Number Two and Request for Approval for Chairman of Board of Regents to Act as Independent Executor of Last Will and Testament of Gaynelle Robertson (Poth). --

RECOMMENDATION

President Levin and Chancellor Walker recommend (1) that the members of the Board, acting in their capacities as Trustees of the Robertson-Poth Charitable Remainder Trust Number Two, accept the bequest of the residuary estate of Gaynelle Robertson (Poth), deceased, and (2) that the Board of Regents authorize the Chairman of the Board of Regents, in his official capacity (and his successors in office), to act as Independent Executor of the Last Will and Testament of Gaynelle Robertson (Poth).

BACKGROUND INFORMATION

The Robertson-Poth Charitable Remainder Trust Number Two was established on December 1, 1978, by Edgar J. Poth, and wife, Gaynelle Robertson (Poth), naming the Board of Regents as Trustees. It appeared on the Regents' February 9, 1979 agenda. On the death of Dr. Edgar J. Poth, the corpus of the Robertson-Poth Charitable Remainder Trust Number Two will be transferred to the Robertson-Poth Foundation, which Foundation provides support for research and publication in ophthalmology at the Galveston Medical Branch.

Gaynelle Robertson (Poth) died on April 5, 1980. Her Last Will and Testament directs that her residuary estate pass to the Trustees of the Robertson-Poth Charitable Remainder Trust Number Two to be administered and distributed in accordance with the terms and conditions thereof. Her Will also appoints the Chairman of the Board of Regents of The University of Texas System, and his successors in office, as Independent Executor of her estate.

14. Galveston Medical Branch - Allan C. Shields Lectureship in Primary Medical Care: Report of Receipt of Final Payment for Required Funding. --

Report

President Levin and Chancellor Walker report receipt of \$12,000 from Mrs. Allan C. Shields for the completion of required funding of \$20,000 for the Allan C. Shields Lectureship in Primary Medical Care at Galveston Medical Branch. Payments of \$6,000 each were received from Mrs. Shields in December 1978 and March 1980 and have been added to the initial gift of \$8,000 for a final funding level of \$20,000.

Background Information

The acceptance of the initial gift and pledge from Mrs. Allan C. Shields for the establishment of the lectureship was approved by the Board of Regents at their meeting of April 15, 1977. The lectureship was established in memory of Dr. Allan C. Shields who practiced in Victoria, Texas.

15. Houston Health Science Center and University Cancer Center (M. D. Anderson): Recommendation to Accept Bequest Under Terms of the Will of Helen Y. Sherwood. --

Recommendation

Presidents Bulger and LeMaistre and Chancellor Walker recommend the acceptance of a bequest under the terms of the will of Helen Y. Sherwood of 75% of her residuary estate. The total residuary estate is estimated to be \$200,000. Terms of the will provide the following:

"I give, devise and bequeath all of the rest, residue and remainder of my interest in any property which I own at the time of my death (including lapsed and void bequests and devises) in equal shares to (a) the University of Texas Cancer Center System, M. D. Anderson Hospital and Tumor Institute, for the exclusive purpose of providing for cancer research; (b) to the Board of Regents of the University of Texas System, University of Texas Health Science Center, Houston, Texas, for the exclusive purpose of providing for research in arthritic diseases; (c) to the Board of Regents of the University of Texas System, Department of Medicine, University of Texas Health Science Center at Houston, for the exclusive purpose of providing for research in cardiovascular diseases; (d) to the Retina Research Foundation, Houston, Texas, Alice R. McPherson, President."

Recommendations for establishment of specific funds will be submitted for the Board's consideration accompanied by a final report at a later date.

Background Information

Helen Y. Sherwood died on October 17, 1979, in Houston, Texas. These bequests were made in hopes of discovering treatments and cures for various diseases. The Houston National Bank, Houston, Texas, is the Independent Executor of the Estate of Mrs. Sherwood.

16. University Cancer Center (M. D. Anderson): Recommendation to Accept Bequest Under Terms of the Will of Doloras Baumgard, Deceased, of Nederland, Texas, and Request for Dr. R. Lee Clark, Jr., to Serve as Independent Executor of Estate. --

Recommendation

President LeMaistre and Chancellor Walker recommend the acceptance of a bequest under the terms of the will of Doloras Baumgard, deceased, of Nederland, Texas, estimated to be in excess of \$70,000 to be used for cancer research. It is further requested that permission be granted for Dr. R. Lee Clark, Jr., to serve as independent executor of this estate as stipulated by the will of the deceased. A specific purpose and use of this bequest will be submitted for the Board's consideration at a later date.

Background Information

Mrs. Doloras Baumgard of Nederland, Texas, died April 23, 1980. She willed her entire estate to M. D. Anderson to be used for cancer research in reflection of her interest in the treatment and control of cancer.

17. University Cancer Center (M. D. Anderson): Recommendation to Establish Endowed Fund with Contributions from the Ben Decherd Family. --

Recommendation

President LeMaistre and Chancellor Walker recommend the establishment of the Clifton D. Howe Fund at M. D. Anderson Hospital in honor of Dr. Howe, member of the M. D. Anderson Hospital staff. Contributions by the Ben Decherd Family in the amount of \$23,280.74 which includes a recent gift in excess of \$16,000 from Mr. and Mrs. David Herndon, daughter and son-in-law of the Decherd's, are available for the initial funding of this endowment. Mrs. Ben Decherd of Dallas, Texas, has indicated that she is contemplating a major donation in addition to the previous contributions for support of an endowed program such as a lectureship, fellowship, professorship or chair. Additional contributions and designation of the specific type of endowment will be presented for the Board's consideration at a later date.

Background Information

Mr. Ben Decherd, deceased, received treatment for lung cancer at M. D. Anderson Hospital during which time the family became acquainted with Dr. Howe and interested in his work and research. The Decherd Family started contributions in 1972, which have been held in a designated fund entitled the Clifton D. Howe Fund at M. D. Anderson Hospital.

Prior contributions have been reported on the docket of M. D. Anderson.

18. University Cancer Center (M. D. Anderson): Recommendation to Accept Pledge and to Establish Chair for Cancer Treatment and Research. --

Recommendation

President LeMaistre and Chancellor Walker recommend the acceptance of a \$200,000 pledge from the M. G. and Lillie A. Johnson Foundation and the transfer of \$400,000 from The University Cancer Foundation - Anderson Clinical Faculty Professorship Fund for a total fund level of \$600,000 and the establishment of the M. G. and Lillie A. Johnson Chair for Cancer Treatment and Research.

The M. G. and Lillie A. Johnson Foundation has pledged \$200,000 to be paid in installments of \$100,000 in July 1980, and July 1981, to be used for funding of the M. G. and Lillie A. Johnson Professorship for Cancer Treatment and Research. President LeMaistre and Chancellor Walker request that this professorship be upgraded to a chair.

The \$400,000 supplementation is being recommended in recognition of the significant support received from Mr. and Mrs. Johnson for the various programs of M. D. Anderson including the development of the Lutheran Pavilion. It is anticipated that additional gifts might be made in the future, either from the foundation or other sources to support this chair. If this should occur, it is recommended that any such funds contributed be returned to the Anderson Clinical Faculty Professorship Fund to offset amounts advanced.

Background Information

Mr. and Mrs. Marshall (Lillie) Johnson in conjunction with the M. G. and Lillie A. Johnson Foundation have made substantial gifts to M. D. Anderson including the following:

- a) Gift of 53,534 acres of land located in Florida as reported to the Board at the meeting of March 14, 1969. The land was sold in 1972 for \$15,995,257 with the proceeds (cash and \$13,500,257 notes) pledged for issue of M. D. Anderson Endowment and Hospital Revenue Bonds, Series 1972.
- b) Gift of 1,458 acres of land located in Florida as reported to the Board at the meeting of July 25, 1975, with an estimated value on date of gift in excess of \$700,000 and still held by the University.

Although Marshall Johnson is deceased, Mrs. Lillie A. Johnson continues to remain active in the various programs at M. D. Anderson through her position as an honorary member of the Board of Visitors of The University of Texas Cancer Foundation.

B. REAL ESTATE MATTERS

1. U. T. Austin (Department of Geological Sciences): Proposed Lease of West Half of an Estimated 1.65 Acre Tract in Port O'Connor, Calhoun County, Texas.--

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend surface lease to Weeks Operating Co. of the west half of an estimated 1.65 acre tract out of the Roy Kiesling 12.43 acres in the Santago Gonzales League, in Port O'Connor, Calhoun County, Texas. This tract is used for docking facilities with Weeks Oil Company having previously obtained rights to non-exclusive use of these facilities. Weeks Oil Company has agreed to use the east half of the dock facilities with the owners of the surface having leasing rights to the west half. Proposed lease terms are as follows:

1. The lease shall be for surface only for a two year period beginning 8-1-80.
2. The monthly rental shall be \$800 payable the first of each month for the up coming month.
3. The lease is subject to cancellation by lessor on six months notice in the event of sale of property.
4. Lessee shall maintain the facilities and make timely repairs to the property necessitated by physical deterioration of the dock facilities resulting from use.
5. This lease is non-assignable without approval of the Board of Regents, and subject to prior rights granted to Weeks Oil Company.
6. On any early cancellation by Lessee, the Lessee is liable for payment for the unexpired term of the lease.
7. The Lessors shall be held harmless for any accidents or events resulting in death, injuries or property damage resulting from use of the premises.

8. Upon termination of lease, Lessee agrees to return premises to owners in as good condition as at the commencement of the lease.
9. In event of vacating of the premises by Weeks Oil Company on the east half of the dock facilities during the lease term granted to Weeks Operating Company, Weeks Operating Company is granted the option to lease the east half on the same terms that are in effect on the west half for the unexpired period of its lease.

The Board of Regents ownership is approximately 76% in this tract and it will receive only this portion of the monthly rental.

Background Information

The Board of Regents accepted a gift from an anonymous donor of approximately 76% of the surface on an estimated 1.65 acres used for dock facilities at Port O'Connor, Texas, at its December 7, 1979, meeting. Weeks Oil Company holds non-exclusive rights to use the dock as long as production continues from wells in Matagorda Bay acquired from Camden Oil Co. who purchased same from Goldston Oil Company, but have agreed to use only the east half.

2. U. T. Austin - Tom Slick Memorial Trust: Proposed Oil and Gas Lease on Land in McClain County, Oklahoma. --

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend the granting of an oil and gas lease to An-Son Corporation of Oklahoma City, Oklahoma, covering the University's undivided 00.4748% of 60 acres (.28488 net mineral acres) with legal description as follows:

Northwest Quarter of the Northeast Quarter, and the East Half of the Northeast Quarter of the Northwest Quarter of Section 21, Township 7 North, Range 4 West, and containing 60 acres, more or less, McClain County, Oklahoma.

The terms of the lease provide for a five (5) year paid up lease, 3/16 royalty, \$75 per acre bonus and \$1 per acre delay rental. Other interest owners have signed at 1/8 royalty.

Background Information

This mineral interest is part of the assets of the Tom Slick Memorial Trust at U. T. Austin which was accepted by the Board at the July 21, 1972, meeting. Income from the trust is used to support the Distinguished Visiting Tom Slick Professorship of World Peace at the Lyndon B. Johnson School of Public Affairs.

3. U. T. El Paso - Frank B. Cotton Estate: Recommendation to Advertise for Sealed Bids for Oil and Gas Leases on Land in Hudspeth and Culberson Counties, Texas. --

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend that authority be granted to advertise for sealed bids for oil and gas leases on approximately 12,500 acres in Culberson County and 4,480 acres in Hudspeth County, a part of the Frank B. Cotton Estate held by the Board of Regents for the benefit of

U. T. El Paso. Leases will be offered on section sized blocks with a 1/5 royalty, five year term and \$5 per acre annual delay rental. Bidding will be on bonus only. The bid opening is tentatively set for October 21, 1980, and will be reported to the Board of Regents for approval at its October 23-24 meeting or at a subsequent meeting if the offering is delayed.

4. U. T. El Paso -Josephine Clardy Fox Estate: (a) Recommendation to Rescind April 11, 1980 Authorization to Assign Two Ground Leases Covering 5306/5308 and 5310 El Paso Drive, El Paso, Texas, to S.W.D., Inc., San Diego, California, and (b) Request for Authorization to Amend and Assign Lease Covering 5310 El Paso Drive to Third Party. --

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend that the permission given by the Board at its April 11, 1980, meeting for the assignment by West Properties to S.W.D., Inc., of two leases on Fox Estate property in El Paso be withdrawn due to the provision for increased rental not being acceptable to S.W.D. In lieu of that permission, it is recommended that the Board authorize assignment of the lease, dated October 18, 1971, ~~and amended March 14, 1972,~~ covering premises known as 5310 El Paso Drive and 22,958.07* square feet of ground, to New Vistas, Inc. New Vistas, Inc., plans to purchase the building situated on the property.

Such authorization to assign is to be conditioned on (1) continued liability under the terms of the lease by West Properties, Inc., as to portion assigned and in addition by Mr. R. Ken Carpenter of Midland, individually, (2) amendment of the lease as to the portion assigned to provide for appraisal of the ground every 5 years beginning October 1, 1981, rather than every 10 years as now provided by the lease, and (3) annual rental for the next ensuing rental period of 14-1/2% of appraised value rather than 9% as presently provided.

Background Information

This lease dated October 18, 1971, and effective October 1, 1971, was made by the Board to Lloyd E. Innerarity covering 22,958.07 square feet of ground for 10 years with three 10 year options to the lessee to renew at annual rental of 9% of appraised value. Annual rental for the first 10 year period was \$3,000. By amendment dated March 14, 1972, an adjoining tract of 7,260.79 square feet was placed under the lease and total annual rental increased to \$3,960. Later in 1972, Mr. Innerarity, with the Board's permission, assigned the lease to West Properties, Inc., of Midland, who constructed on the premises a concrete block building, with sprayed stucco front, containing approximately 7,200 square feet of rental space. The building becomes property of the University upon termination of the lease; and the lease provides that, with each appraisal of the ground, annual rental during the next ensuing period shall not be less than the preceding period.

*This figure represents the correct acreage.

5. Galveston Medical Branch - Agnes Thelma Anderson Fund:
Proposed Oil and Gas Lease on Land in Maysville Addition
of Dayton, Liberty County, Texas. --

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend the granting of an oil and gas lease to Mitchell Energy Corporation of Houston, Texas, covering the University's undivided 3/8 interest of the minerals under a 143.32 acre tract with legal description as follows:

One hundred forty-three and thirty-two one-hundredths (143.32) acres, more or less, being the East one-half of Lot 53, all of Lot Nos. 55, 56, 60, 61 and the West 1/2 of Lot No. 63 of the Maysville Addition to the town of Dayton, in Liberty County, Texas, as described in deed from Agnes Anderson, et al to Bill Daniel, dated March 12, 1955, and recorded in Vol. 419, Page 446 of the Liberty County Deed Records, to which reference is made for all purposes.

The primary term of the lease is two years with 1/4 royalty, \$75 per acre bonus and \$5 per acre delay rental. Other interests have signed for a 1/5 royalty rate.

Background Information

Agnes Thelma Anderson, a resident of Houston, but formerly of Galveston, died in April, 1973, leaving her estate to the Galveston Medical Branch. The estate was reported to and accepted by the Board of Regents at the meeting of July 27, 1973.

III. OTHER MATTERS

PUF and Trust and Special Funds: Report of Securities Transactions for Months of February and March 1980. --In accordance with present procedure, the Report of Securities Transactions for the Permanent University Fund and Trust and Special Fund for the months of February and March 1980 was mailed on April 30, 1980 by Secretary Thedford to the members of the Board of Regents. If any questions regarding this material have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

Committee of the Whole

COMMITTEE OF THE WHOLE
Presiding: Chairman Williams

Date: May 30, 1980
Time: Following the Meeting of the Land and Investment Committee
Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

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Foundation, College of Communication Founda- tion, College of Education Foundation, College of Engineering Foundation, College of Fine Arts Foundation, Geology Foundation, Graduate School Foundation, Graduate School of Library Science Foundation, Pharmaceutical Foundation, School of Social Work Foundation, McDonald Observatory and Department of Astronomy, School of Nursing and Marine Science Institute Advisory Councils; <u>U. T. Dallas</u> : Development Board, School of Management and Administration, Callier Center for Communication Disorders, School of General Studies, School of Arts and Humanities and School of Social Sciences Advisory Councils;	27
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I. SPECIAL ITEMS

A. BOARD OF REGENTS

1. Permanent University Fund Bonds, New Series 1980: Recommendation for (a) Sale of Issue; (b) Appointment of Bond Counsel; and (c) Establishment of Account for Miscellaneous Costs.--

RECOMMENDATION

It is recommended by the Executive Director for Investments and Trusts and Chancellor Walker that Permanent University Fund Bonds, New Series 1980, be issued in an amount up to \$26,000,000; that the firm of McCall, Parkhurst and Horton be named as bond counsel; and that the Office of Investments and Trusts be authorized to advertise for bids for the sale of the bonds, paying agency and printing to be submitted to the Board of Regents at its next meeting. The Texas A&M University System will sell bonds at the same time and details concerning the board sale are being coordinated with them.

It is further recommended that an account be established in the amount of \$32,000 for Miscellaneous Costs - Permanent University Fund Bonds, New Series 1980, for the purpose of paying bond counsel fees, printing of the bonds, rating agency fees, postage and other costs of the issue, all to be paid out of bond proceeds.

B. U. T. SYSTEM

2. Depository Banks: Proposed Amendment to Depository Roster.--

RECOMMENDATION

Vice Chancellor Boyd and Chancellor Walker recommend that the Board of Regents approve the request of the Texas Commerce Medical Bank, 6545 South Main, Houston, Texas, to be added to the list of System Depository Banks.

Vice Chancellor Boyd and Chancellor Walker recommend that the Board of Regents not approve the request of University National Bank, Babcock at 1604, San Antonio, Texas, to be added to the list of System Depository Banks.

BACKGROUND INFORMATION

The Texas Commerce Medical Bank is currently the only bank active in providing Federally Insured Loans to the students of the Houston Health Science Center. It will be a definite advantage to have this source of student aid increased. Other banking services that can directly benefit the Houston Health Science Center are the use of the night depository, Visa or Master Charge collections and convenience for exchange of currency.

Additional banking services are not needed in the San Antonio area at this time. There are currently six banks in San Antonio on the System depository list; however, only three banks are being used to furnish the necessary banking services for The University of Texas Components in San Antonio.

3. Request to Renew System-Wide Boiler and Machinery Insurance Policy with Hartford Insurance Company for Period September 1, 1979 to September 1, 1982.--

Recommendation

Vice Chancellor Boyd and Chancellor Walker recommend that The University of Texas System Boiler and Machinery Insurance Policy with the Hartford Insurance Company be renewed for the period September 1, 1979 to September 1, 1982. This policy is a continuation of the policy approved by the Board of Regents on September 16, 1977. The basic policy conditions, coverages and dividends remain the same. The total three-year premium is \$199,761.

Background Information

The University of Texas has for many years carried Boiler and Machinery Insurance with The Hartford Steam Boiler and Insurance Company, which in turn has served as the engineering, inspection and servicing company for the University at no additional cost over State of Texas Manual rates. This has been a highly satisfactory arrangement especially with regard to the engineering and inspection service provided, since this company has engineers and inspectors with National Board certification in all areas of the State where University of Texas institutions are located. To our knowledge, no other company authorized to do business in the State of Texas possesses this capability.

The institutional and public risks of this size and magnitude are not highly desired in the normal boiler and machinery market. One possible exception exists in this regard in that one of the Factory Mutual Companies expressed an interest in this market, but emphasized their desire to combine this coverage with the University's Fire and Extended Coverage policy, a combination that would all but eliminate competition from other insurance carriers due to the total risk involved.

Because of the above circumstances, Hartford's continued excellent services, and the nature of the University's facilities, as well as a continuing review of the market in total, this policy has not been bid since the early 1960's.

C. U. T. AUSTIN

4. (a) Recommendation to Accept Gift and to Establish Engineering Library Fund and (b) Proposed Exception to Regents' Rules and Regulations to Name Engineering Library. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of 1700 shares of Exxon Corporation common stock valued at \$97,431.25 from Mr. Richard W. McKinney and establishment of the Richard W. McKinney Engineering Library Fund in the College of Engineering at U. T. Austin. Income from the endowment will be used to support library activities such as the purchase of books and other literature as recommended by the Engineering Librarian and the Engineering Library Committee and approved by the Dean, College of Engineering, for as long as the engineering library exists and receives University funding proportionate to the level received by other University libraries or the College of Engineering has a greater need for the endowment funds. In recognition of this gift, it is further requested that an exception be made to the Regents' Rules and Regulations, Part One, Chapter VIII and that this library be named the Richard W. McKinney Engineering Library. The donor has requested that proceeds from sale of the stock be invested in high-yield fixed income securities with appropriate call protection.

Background Information

The donor attended The University of Texas at Austin from 1919 to 1924 where he studied Engineering and Business Administration prior to forming a contracting business in 1927. In 1929, Mr. McKinney helped form a construction company called McKinney and Parmley. In 1931, he bought out his partner and continued the firm under the name of R. W. McKinney Construction Company, currently one of the oldest firms still bidding under the same name and the same management. In 1940 the donor joined with his brother and founded McKinney Drilling Company which has offices in eleven states and England. The donor is and has been very active in professional organizations as well as civic, religious and University activities.

5. Proposed Appointments to Board of Trustees of the Southwest Texas Public Broadcasting Council. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend the following:

- (1) That Mrs. Shirley Bird Perry be appointed to the Board of Trustees of the Southwest Texas Public Broadcasting Council to complete the unexpired portion of Dean Oscar Brockett's term which ends January, 1981. Dean Brockett will be leaving U.T. Austin in the Summer of 1980 to accept a position at The University of Southern California, and has resigned as a Trustee on the Council. If approved by the Board of Regents, Mrs. Perry's appointment will be effective immediately.
- (2) That Mrs. Perry, and Mr. Harry Middleton, be appointed to terms on the Board of Trustees of the Southwest Texas Public Broadcasting Council which will extend from January, 1981 through January, 1984. Mr. Middleton is proposed to replace Dr. Wayne Danielson, whose term is scheduled to expire in January, 1981.

BACKGROUND INFORMATION

Mrs. Perry is currently Assistant to the President and Coordinator of Centennial Program Activities. Mr. Middleton is Director of the Lyndon B. Johnson Library and Museum. If appointed, both of these individuals will make valuable contributions to the work of the Southwest Texas Public Broadcasting Council Board of Trustees.

6. Trammell Crow Family Foundation: (a) Proposed Appointment of University Representative to Board of Directors and (b) Request for Delegation of Authority to President of U. T. Austin to Make Annual Appointments to Foundation. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend that the Board of Regents approve the appointment of Mrs. Harry H. Ransom to represent the University on the Board of Directors of the Trammell Crow Family Foundation for a one-year term.

Chancellor Walker also recommends that the Board of Regents delegate the authority to make future annual appointments to the Board of Directors of the Trammell Crow Family Foundation to the President of U. T. Austin.

BACKGROUND INFORMATION

Mr. and Mrs. Trammell Crow of Dallas have recently established a foundation to be known as the Trammell Crow Family Foundation. In the Articles of Incorporation, it is stipulated that 15% of the Foundation's distributions shall be made to the Board of Regents of The University of Texas System to be used for the acquisition and care of rare books, manuscripts and artifacts, as a part of the University's library at Austin, Texas.

The Articles of Incorporation also require that the University be represented on the Board of Directors by one member. Mr. and Mrs. Crow, therefore, have asked Mrs. Harry H. Ransom to represent The University of Texas. They have since been advised by counsel that the University should endorse this appointment.

7. Marine Science Institute: Report on Acquisition of Property in Port Aransas, Nueces County, Texas (Wilson's Cottages - Lots 34, 35, 36, 37 and 50 Brumley Addition). --

In accordance with Board of Regents' authorization on June 1, 1979, the Wilson Cottages (Lots 34, 35, 36, 37 and 50, Brumley Addition) in Port Aransas, Nueces County, Texas, were purchased by The University of Texas at Austin at a cost of \$198,000.

The land area contained in this site is 28,436 square feet. A main house and five cottages are located on the property which are to be used for housing graduate students and visiting faculty at the Marine Science Institute.

2.2
1
D. DALLAS HEALTH SCIENCE CENTER, GALVESTON MEDICAL BRANCH, HOUSTON HEALTH SCIENCE CENTER, SAN ANTONIO HEALTH SCIENCE CENTER, UNIVERSITY CANCER CENTER AND TYLER HEALTH CENTER

8. Policy on Medical Faculty Compensation. --

RECOMMENDATION

Chancellor Walker recommends the following restructuring of compensation for medical faculty:

- 1) maintain the current maximum state fund level adjusted appropriately each year for inflation;
- 2) define the maximum salary level to be equal to the current maximum compensation; and
- 3) permit augmentation up to 25% of salary, ~~not to exceed the maximum salary level.~~

BACKGROUND INFORMATION

An ad hoc committee was appointed by Vice Chancellor Brandt to study compensation of the medical faculties of the Health Institutions. Data was obtained from the most recent national survey. In addition, members of the committee visited fifteen Health Science Centers to verify the national data and to obtain additional information.

This ad hoc committee adopted the following principles:

- 1) medical faculty salary levels in The University of Texas System should be competitive with peer institutions and should aspire to be at the 80th percentile of national compensation levels;
- 2) this goal should be accomplished without excess demand for state appropriated dollars; *and adjust appropriately for inflation*
- 3) the compensation of individual faculty members should be based on the overall contribution to the institution; and
- 4) faculty compensation should be in a format that permits maximum efficiency in utilization of all available sources of funds.

The data from the study indicated that compensation levels for medical faculty were not competitive with peer institutions. As a consequence, the above recommendations were made by the ad hoc committee and have the agreement of all six chief administrative officers.

E. SAN ANTONIO HEALTH SCIENCE CENTER

9. Recommendation to Accept Donation of a Sculpture and Request for Authorization to Install on Campus. --

RECOMMENDATION

President Harrison and Chancellor Walker recommend that the Board:

- a. Accept the donation of a sculpture from the San Antonio Medical Foundation
- b. Authorize locating this sculpture on the northeast corner of the San Antonio Health Science Center campus as a permanent and public memorial
- c. Authorize the San Antonio Health Science Center Administration and the Physical Plant Division to take all necessary actions to assist in the installation of the sculpture including night lighting.

BACKGROUND INFORMATION

President Harrison has received notification from the San Antonio Medical Foundation of its desire to donate a sculpture to the San Antonio Health Science Center as a public memorial honoring the many individuals and business contributors who have provided over one million dollars toward the purchase of some 600 acres of land which now comprise most of the South Texas Medical Center.

In the San Antonio Medical Foundation letter to President Harrison, Trustee W. L. Matthews described the proposed location for the sculpture as follows:

"As the Health Science Center is the focus of the South Texas Medical Center and the area at the corner of Medical and Floyd Curl Drives is the most logical and prominent location in the Center, the Foundation desires to locate the sculpture on that area of The University of Texas Health Science Center property. The Foundation is advised that, in order to have the sculpture located on U. T. System property, it must be approved by the Board of Regents."

This proposed donation by the San Antonio Medical Foundation has the full support of President Harrison and his staff. The public art work submitted by Richard Harrell Rogers is described as follows:

"Tetrahelix" is a public scale sculpture consisting of four identical cylinders fabricated from 1/4" thick aluminum twenty feet in length and thirty-one inches in diameter. Both ends of each cylinder will be beveled at thirty degrees with a sixty degree rotation from each other. These cylinders will be mitered together and welded to form a tetrahedral volume balanced on one edge and supported by an underground structure anchored in concrete.

"Seen from four of its six major axes, it will appear as an equilateral triangle. Two of these axes will have the triangle point down and two will have the point up. Its other two major axes will appear as a parallelogram and an hourglass form. It will sit directly on the grass with no apparent visible support. The dimensions will be twenty feet by twenty feet by fourteen feet high."

F. UNIVERSITY CANCER CENTER

10. Request for Authorization to Acquire Property in Bastrop County, Texas, Adjacent to Science Park (Smithville Acreage). --

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend that the Board of Regents authorize the acquisition of 16.640 acres in Bastrop County, Texas, at a cost of \$2,500.00 per acre.

BACKGROUND INFORMATION

The Board of Regents authorized purchase of 78.413 acres of land in Bastrop County adjacent to the Science Park on February 9, 1979. An additional three tracts are available immediately adjacent to the property already acquired. This property is needed for residential development for the faculty and staff of the University Cancer Center, and the individual tracts will be made available for sale to these personnel in accordance with the plan that will be submitted for approval at a later date. The sale price will be set at a level to recover all costs involved in acquisition and development of the property.

The cost of the purchase of this property will be paid from Unrestricted Gift Funds.

G. TYLER HEALTH CENTER

11. Recommendation Relating to Role and Scope. --

RECOMMENDATION

After a review of The University of Texas Health Center at Tyler, Chancellor Walker recommends the following:

- a. endorsement of need to change the mission of The University of Texas Health Center at Tyler to no longer limit it to chest disease;
- b. support of legislative efforts to give the Board of Regents increased authority to define the mission for the future of the Tyler Health Center;
- c. the formation of a planning committee to review and recommend remodeling necessary for other services; and
- d. the development of a legislative budget request to implement a change in mission.

BACKGROUND INFORMATION

Vice Chancellor Brandt reported that in a study of the Tyler Health Center the current educational, research and patient care programs had been reviewed and an attempt had been made to define the potential for educational activities and how to achieve that potential in an effort to make recommendations for an appropriate role for the Tyler Health Center in the U. T. System and in the state health care delivery system.

This study reflected a decreasing need for the Tyler Health Center hospital beds for patients with pulmonary diseases. However, the study did reflect that there is a need for public beds in other areas, such as rehabilitation medicine.

From the study, it is suggested that the legislation transferring the East Texas Chest Hospital to the Board of Regents of The University of Texas System be modified to change the mission of the Tyler Health Center so that it no longer limits it only to chest disease but gives the Board of Regents greater authority in defining the mission of its future. Such action will permit greater cost effectiveness, improved utilization of the Health Center and result in greater service to the people of the State of Texas and the students of the U. T. System.

II. DEVELOPMENT MATTERS

A. U. T. DALLAS

1. School of Management and Administration Advisory Council: Acceptance of Membership. --On February 29, 1980, Mr. Bryan Smith of Dallas and Mr. Richard I. Galland of Dallas were approved for membership on the Advisory Council for the School of Management and Administration at The University of Texas at Dallas for terms to expire in 1982 and 1983 respectively. Their acceptances of membership are herewith reported for the record.

B. U. T. SYSTEM

2. Proposed Nominees to Development Boards and Advisory Councils. --
U. T. Arlington: Development Board, Graduate School of Social Work, College of Business Administration and School of Nursing Advisory Councils;
U. T. Austin: Development Board, School of Architecture Foundation, Arts and Sciences Foundation, College of Business Administration Foundation, College of Communication Foundation, College of Education Foundation, College of Engineering Foundation, College of Fine Arts Foundation, Geology Foundation, Graduate School Foundation, Graduate School of Library Science Foundation, Pharmaceutical Foundation, School of Social Work Foundation, McDonald Observatory and Department of Astronomy, School of Nursing and Marine Science Institute Advisory Councils;
U. T. Dallas: Development Board, School of Management and Administration, Callier Center for Communication Disorders, School of General Studies, School of Arts and Humanities and School of Social Sciences Advisory Councils;
U. T. El Paso: Development Board;
U. T. Permian Basin: Development Board;
U. T. San Antonio: Development Board and College of Business Advisory Council;
U. T. Tyler: Development Board;
Institute of Texan Cultures: Development Board;
Dallas Health Science Center: Development Board;
Galveston Medical Branch: Development Board;
Houston Health Science Center: Development Board;
San Antonio Health Science Center: Development Board;
University Cancer Center: Board of Visitors of University Cancer Foundation; and
Tyler Health Center: Development Board. --Chancellor Walker concurs with the recommendation of the appropriate chief administrative officer that the Board of Regents approve the appointments to the several development boards and advisory councils set forth on the following pages (C of W 13 - 41), and that where indicated approval be given for an increase in the authorized membership. Terms on the development boards and advisory councils expire regularly on August 31 of each year.

THE UNIVERSITY OF TEXAS AT ARLINGTON

Recommended Appointments to Membership

1. Development Board

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For three year terms ending 1983

- Mr. Richard Greene, Arlington, Business: President, Arlington Savings Association
- Mr. John T. Stuart, Dallas, Business: Executive Vice President, Republic National Bank of Dallas
- Mr. Sam Woodson, Fort Worth, Business: President and Chief Executive Officer, Coca Cola Bottling Company

c. New Appointments

For three year terms ending 1983

- Mr. G. Allen, Arlington, to replace Mr. Tom Taylor. Business: Owner, Randol Mill Pharmacy
- Mr. Bill Bowerman, Arlington, vacancy from unfilled term. Business: President, Oil State Rubber Company
- Mr. John Dixson, Dallas, to replace Mr. Robert Thornton, Jr. Business: Chairman of the Board, "E" Systems
- Mr. C. W. Mayfield, Arlington, vacancy from unfilled term. Business: President, Mayfield Building Supply Company, Inc.
- Mr. Danny Smith, Arlington, to replace Mr. H. R. Poynter. Business: President, Arlington Bank of Commerce

d. Unfilled Terms

One

Terms Expire

To be Determined
as Filled

2. Graduate School of Social Work Advisory Council

a. Membership

Authorized 26 Recommended 26

b. Reappointments

For three year terms ending 1983

- Mr. Larry Eason, Fort Worth, Business: Executive Director, Child Study Center
- Mr. Pete Hinojosa, Fort Worth, Business: Executive Administrator, HUD

U. T. Arlington (Cont'd.)

c. New Appointments

For two year terms ending 1982

- Mr. Kenneth S. Baum, Fort Worth, vacancy from unfilled term. Business: Conatser and Associates, Inc.
- Mrs. Josephine Beckwith, Fort Worth, vacancy from unfilled term. Business: Retired
- Mrs. Claud Boothman, Dallas, vacancy from unfilled term. Business: Civic Leader
- Mr. James Chambers, III, Dallas, vacancy from unfilled term. Business: President, Greenville Avenue Bank & Trust
- Mrs. Billie Farrar, Arlington, vacancy from unfilled term. Business: President, Farrar Real Estate

For three year terms ending 1983

- Mrs. Mamie Ewing, Arlington, vacancy from unfilled term. Business: Director, Region VI, Texas Department of Human Resources
- Mr. Bob Ray Sanders, Dallas, vacancy from unfilled term. Business: Columnist, Fort Worth Star Telegram and Channel 13TV, KERA Radio
- Mr. Eddie Sandoval, Hurst, vacancy from unfilled term. Business: Counselor, Tarrant County Junior College, Northeast Campus
- Mr. Lee Smith, Dallas, vacancy from unfilled term. Business: Attorney
- Reverend Gene Thompson, Fort Worth, vacancy from unfilled term. Business: Community Minister, Broadway Baptist Church

d. Unfilled Terms

Terms Expire

One

1982

3. College of Business Administration Advisory Council

a. Membership

Authorized 30

Recommended 30

b. Reappointments

For three year terms ending 1983

- Mr. Albert H. Cloud, Jr., Dallas, Business: Partner, Peat, Marwick, Mitchell & Co.
- Mr. Charles Ferguson, Dallas, Business: Partner, Lifson, Wilson, Ferguson & Winick
- Mr. Leonard E. Huber, Dallas, Business: Executive Vice President, First International Bancshares, Inc.
- Mr. E. M. Rosenthal, Fort Worth, Business: President, Standard Meat Company
- Mr. Doyle Smith, Arlington, Business: Vice President, GSW Development Corporation
- Mr. J. B. Thomas, Fort Worth, Business: Consultant

U. T. Arlington (Cont'd.)

c. New Appointments

For three year terms ending 1983

- Mr. George Clark, Dallas, to replace Mr. Joseph Grant.
Business: President, Mercantile National Bank
- Mr. Steven K. Cochran, Dallas, to replace Mr. Don Guth.
Business: Attorney, Rain, Harrell, Emery, Young & Doke
- Mr. Robert L. Crandall, Dallas, to replace Mr. Charles A. James.
Business: Senior Vice President, American Airlines
- Mr. Talmadge E. Foster, Dallas, to replace Mr. Carl Sewell.
Business: Partner, Arthur Andersen & Co.
- Mr. James R. Perry, Fort Worth, to replace Mr. John Justin.
Business: President, First National Bank of Fort Worth
- Mr. Ronald G. Steinhart, Dallas, to replace Mr. Herb Leitz.
Business: President, Valley View Bank
- Mr. Warren Woodward, Dallas, to replace Mr. A. Patrick McEvoy.
Business: President, Linbeck Construction Corporation

d. Unfilled Terms

Term Expires

One	1982
Two	1983

4. School of Nursing Advisory Council

a. Membership

Authorized	<u>16</u>	Recommended	<u>16</u>
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b. Reappointments

For three year terms ending 1983

- Mr. Dan Dipert, Arlington, Business: Owner-Manager, Dan Dipert Travel Service
- Mr. Robert W. Gerrard, Fort Worth, Business: Chairman of the Board, Continental National Bank
- Mrs. Kay Buck McDermott, Fort Worth, Business: Associated with Raymond Buck Foundation
- Mrs. Byron Searcy, Fort Worth, Business: Housewife and past President of Junior League

c. New Appointments

For three year terms ending 1983

- Mr. Ron Smith, Fort Worth, to replace Reverend R. W. Jablonowski. Business: Administrator, Harris-Methodist Hospital

d. Unfilled Terms

Term Expires

One	1982
One	1983

THE UNIVERSITY OF TEXAS AT AUSTIN

Recommended Appointments to Membership

1. Development Board

a. Membership

Authorized 26

Recommended 27

b. Reappointments

For three year terms ending 1983

Mr. Rex G. Baker, Jr., Houston, Business: Attorney
Captain Alan L. Bean, Houston, Business: Retired U. S. Navy
Senator Lloyd M. Bentsen, Jr., Washington D. C., Business:
U. S. Senator
Mr. L. L. Colbert, Naples, Florida, Business: Retired
Executive of Chrysler Corporation
Mr. C. W. Cook, Austin, Business: Retired Executive of General
Foods Corporation
Mr. B. W. Crain, Jr., Longview, Business: Architect, Wilson/
Crain/Anderson/Reynolds
Mr. A. Baker Duncan, San Antonio, Business: Investment Banker
Mr. Hayden W. Head, Corpus Christi, Business: Attorney, Head,
Kendrick & Head
Mr. Wales H. Madden, Jr., Amarillo, Business: Attorney
Mr. V. F. Neuhaus, McAllen, Business: Investments

c. New Appointments

For three year term ending 1983

Mr. Larry E. Temple, Austin, vacancy due to increased
membership, Business: Attorney

d. Unfilled Terms

None

2. School of Architecture Foundation Advisory Council

a. Membership

Authorized 25

Recommended 25

b. Reappointments

For three year terms ending 1983

Mr. Howard R. Barr, Austin, Business: Architect
Mr. Robert W. Cutler, Salado, Business: Architect
Mr. Norcell D. Haywood, San Antonio, Business: Architect,
Haywood, Jordan, McCowan, Inc.
Mr. Karl F. Kamrath, Houston, Business: Architect
Mr. Edward Mok, San Antonio, Business: Architect, Marmon & Mok

U. T. Austin (Cont'd.)

c. New Appointments

For two year terms ending 1982

Mr. Bartlett Cocke, Jr., San Antonio, vacancy from unfilled term.
Business: Bartlett Cocke Jr. Construction Company

Mr. Roy E. Kimsey, Midland, vacancy from unfilled term.
Business: Independent Oil Operator

For three year terms ending 1983

Mr. B. Boykin Bartlett, Houston, to replace Mr. A. William Modrall,
Jr. Business: Architect, Koetter, Tharp, Cowell & Bartlett

Mr. B. W. Crain, Jr., Longview, to replace Mr. Joseph E. Blanton.
Business: Architect, Wilson/Crain/Anderson/Reynolds

Mr. Robert D. Garland, Jr., El Paso, to replace Mr. George C.
Pearl. Business: Architect, Garland and Hilles

d. Unfilled Terms

None

3. Arts and Sciences Foundation Advisory Council

a. Membership

Authorized 36

Recommended 36

b. Reappointments

For three year terms ending 1983

Mr. Thomas D. Anderson, Houston, Business: Attorney, Anderson,
Brown, Orn, Pressler & Jones

Mr. R. Gordon Appleman, Fort Worth, Business: Attorney, Bird &
Appleman

Mrs. John S. Cargile, San Angelo, Business: Civic Leader

Mr. Kenneth D. Carr, Austin, Business: Real Estate Developer

Mrs. Amon G. Carter, Jr., Fort Worth, Business: Civic Leader

Mr. James D. Dannenbaum, Houston, Business: President,
Dannenbaum Engineering Corporation

Miss Nancy E. Lake, Tyler, Business: Vice President, Lake Ronel
Oil Company

Mrs. Wales H. Madden, Jr., Amarillo, Business: Civic Leader

Mrs. Alice K. Reynolds Meyer, San Antonio, Business: Civic Leader

Mr. Sterling W. Steves, Fort Worth, Business: Attorney

Mrs. Theodore H. Strauss, Dallas, Business: Civic Leader

Mrs. Larry E. Temple, Austin, Business: Civic Leader

Mr. Sam P. Woodson, Jr., Fort Worth, Business: President, Coca
Cola Bottling Company of Fort Worth

Mrs. James C. Wynne, Jr., Tyler, Business: Civic Leader

c. New Appointments

None

d. Unfilled Terms

Terms Expire

Two

1981

One

1983

U. T. Austin (Cont'd.)

4. College of Business Administration Foundation Advisory Council

a. Membership

Authorized 35

Recommended 35

b. Reappointments

For three year terms ending 1983

- Mr. Sam Barshop, San Antonio, Business: Chairman of the Board, La Quinta Motor Inns, Inc.
- Mr. Edwin M. Gale, Beaumont, Business: Private Investor
- Mr. H. B. (Hank) Harkins, Alice, Business: Chairman of the Board, Harkins and Company
- Mr. Alex H. Massad, New York, New York, Business: Executive Vice President, Mobil Oil Corporation
- Mr. Robert F. Parker, Houston, Business: Partner and Vice President, Fayez Sarofim and Company.
- Mr. Daniel B. Stuart, Dallas, Business: Chairman, National Sharedata Corporation
- Mr. C. C. (Pete) Sublett, Houston, Business: Pete Sublett and Company
- Mr. Jack G. Taylor, Austin, Business: Private Investor
- Mr. Jere W. Thompson, Dallas, Business: President, The Southland Corporation
- Mr. Michael B. Wisenbaker, Midland, Business: Independent Oil Operator

c. New Appointments

For one year terms ending 1981

The Honorable Dolph Briscoe, Jr., Uvalde, to replace Mrs. Anne Phillips. Business: Rancher

For three year terms ending 1983

- Mr. Robert M. Duffey, Jr., Brownsville, to replace Mr. William D. Kennedy. Business: Chairman and Chief Executive Officer, Pan American Bank
- Mr. W. Baker McAdams, Houston, to replace Mr. Robert W. Goodman. Business: Partner, Arthur Andersen & Company

d. Unfilled Terms

None

U. T. Austin (Cont'd.)

5. College of Communication Foundation Advisory Council

a. Membership

Authorized 25

Recommended 30

b. Reappointments

For three year terms ending 1983

Mr. Pat M. Baskin, Midland, Business: Attorney, Legg, Saxe & Baskin

Mr. George Christian, Austin, Business: President, George Christian & Associates

Mr. Roderick K. Keitz, Dallas, Business: President, K & H Productions

Mr. Robert G. Marbut, San Antonio, Business: President, Harte-Hanks Communications, Incorporated

Mr. Al M. Natkin, New York, New York, Business: Coordinator Environmental Affairs, Science & Technology Department, Exxon Corporation

c. New Appointments

For one year terms ending 1981

Mr. Thomas W. Johnson, Los Angeles, California, to replace Mr. Tom J. Simmons. Business: President and Chief Operating Officer, Los Angeles Times

For two year terms ending 1982

Mr. Ronald Johnson, Houston, vacancy from unfilled term. Business: Manager, Public Affairs, Exploration & Production, Shell Oil Company

Mr. Walter Cronkite, New York, New York, vacancy from unfilled term. Business: Managing Editor of CBS Evening News, CBS Television Network Division, CBS, Incorporated

For three year terms ending 1983

Dr. Patricia Cole (Ph.D.), Austin, to replace Dr. Paul Burns. Business: Co-Director of the Austin Speech, Language, and Hearing Center

Mr. Richard J. V. Johnson, Houston, to replace Mr. William Berger. Business: President, Houston Chronicle

d. Unfilled Terms

Terms Expire

Five

To be determined when filled

U. T. Austin (Cont'd.)

6. College of Education Foundation Advisory Council

a. Membership

Authorized 14

Recommended 14

b. Reappointments

For three year terms ending 1983

Dr. Albert B. Martin, Amarillo, Business: Retired President of Amarillo College

Dr. Jerome F. Weynand, San Antonio, Business: President of San Antonio College

c. New Appointments

For one year terms ending 1981

Mr. Ruben Hinojosa, Mercedes, vacancy from unfilled term.
Business: Vice-President, H & H Meat Products Company, Inc.

d. Unfilled Terms

None

7. College of Engineering Foundation Advisory Council

a. Membership

Authorized 35

Recommended 40

b. Reappointments

For three year terms ending 1983

Mr. Horace T. Chilton, Jr., Atlanta, Georgia, Business: President and Chief Executive Officer, Colonial Pipeline Company

Mr. B. J. Lancaster, Dallas, Business: President, ARCO Oil & Gas Company

Mr. James R. Lesch, Houston, Business: President and Chief Executive Officer, Hughes Tool Company

Mr. R. L. Mitchell, New York, New York, Business: Executive Vice-President, Celanese Corporation

Mr. R. J. O'Brien, Houston, Business: Vice-President, Operations, Shell Oil Company

Mr. J. C. Walter, Jr., Houston, Business: Chairman of the Board, Houston Oil & Minerals Corporation

Mr. Everett B. Yelton, Jr., Wilmington, Delaware, Business: Vice President - Petrochemicals, E. I. duPont de Nemours & Co., Inc.

U. T. Austin (Cont'd.)

c. New Appointments

For three year terms ending 1983

- *Mr. Fred C. Ackman, Houston, to replace Mr. Fred P. Bergeron.
Business: Executive Vice President, Exxon Company, U.S.A.
- *Mr. R. L. Adams, Houston, to replace Mr. Everett Jacob.
Business: Executive Vice President, CONOCO Incorporated
- *Mr. Louis A. Beecherl, Dallas, to replace Mr. E. L. Paramore.
Business: Private Investor
- *Mr. I. Jon Brumley, Fort Worth, to replace Mr. F. E. Reese.
Business: President and Chief Executive Officer, Southland Royalty Company
- *Mr. Glen Burroughs, Dallas, to replace Mr. W. T. Slick, Jr.
Business: President, Sun Oil Company (Delaware)
- *Mr. T. Brockett Hudson, Houston, to replace Mr. R. Earle Wright.
Business: Private Investor
- Mr. Robert L. Kirk, Dallas, vacancy from increased membership.
Business: President and Chief Executive Officer, Vought Corp.
- Mr. Robert L. Parker, Jr., Tulsa, Oklahoma, vacancy from increased membership. Business: President and Chief Operating Officer, Parker Drilling Company
- Mr. Travis H. Petty, Houston, vacancy from increased membership.
Business: Chairman and Chief Executive Officer, El Paso Co.
- Mr. Don A. Rikard, Midland, Michigan, vacancy from increased membership. Business: Vice President - Operations, Dow Chemical U.S.A.
- Dr. Roland W. Schmitt (Ph.D.), Schenectady, New York, vacancy from increased membership. Business: Vice President, Corporate Research and Development, General Electric Company

d. Unfilled Terms

None

***Transferred to "Senior Active" status following six years on the Advisory Council. This category of membership has all of the privileges of regular membership except voting, and is awarded in recognition of distinguished service on the Advisory Council.**

8. College of Fine Arts Foundation Advisory Council

a. Membership

Authorized 30

Recommended 30

b. Reappointments

For three year terms ending 1983

- Mrs. Marietta **Moody Brooks**, Austin, Business: Civic Leader
- Mrs. Fred Thomson Couper, Jr., Houston, Business: Civic Leader
- Mrs. B. W. Crain, Jr., Longview, Business: Civic Leader
- Mrs. Trammell Crow, Dallas, Business: Civic Leader
- Miss Nina Cullinan, Houston, Business: Civic Leader
- Mrs. Amy Freeman Lee, San Antonio, Business: Civic Leader & Artist

U. T. Austin (Cont'd.)

c. New Appointments

For three year term ending 1983

Mrs. E. R. Hudson, Jr., Fort Worth, vacancy from unfilled term. Business: Civic Leader

d. Unfilled Terms	<u>Terms Expire</u>
One	1982

9. Geology Foundation Advisory Council

a. Membership

Authorized 36

Recommended 36

b. Reappointments

For three year terms ending 1983

Mr. Eugene L. Ames, Jr., San Antonio, Business: President, Venus Oil Company

Mr. L. Decker Dawson, Midland, Business: President, Dawson Geophysical Company

Mr. John A. Jackson, Dallas, Business: President, Katie Petroleum Company

Mr. Ken G. Martin, Metairie, Louisiana, Business: President, Martin Exploration Company

Mr. Fred L. Oliver, Dallas, Business: President, Greenbrier Operating Company

Mr. Edwin Van den Bark, Bartlesville, Oklahoma, Business: Vice President - Exploration & Production, Phillips Petroleum Co.

c. New Appointments

For three year terms ending 1983

Mr. Howard R. Lowe, Coupeville, Washington, to replace Mr. W. Kenley Clark. Business: Independent Geologist

Mr. Judd H. Oualline, Houston, to replace Dr. George R. Gibson. Business: Vice President and General Manager, Getty Oil Co.

Mr. Philip T. Oxley, Houston, to replace Mr. Holland C. McCarver. Business: Executive Vice President, Tenneco Oil Company

Mr. Don B. Sheffield, Houston, to replace Mr. Joseph F. Moss. Business: President and General Manager, Exploration Services Division, Geosource, Incorporated

d. Unfilled Terms	<u>Terms Expire</u>
One	1982
One	1983

10. Graduate School Foundation Advisory Council

(This advisory council is in the process of initial organization; nominees not being presented at this time.)

U. T. Austin (Cont'd.)

11. Graduate School of Library Science Foundation Advisory Council

a. Membership

Authorized 9

Recommended 9

b. Reappointments

None

c. New Appointments

For three year terms ending 1983

Ms. Betty Anderson, Lubbock, to replace Dr. Dorman H. Winfrey.
Business: Civic Leader

Dr. Mary Boyvey (Ph.D.), Austin, to replace Mr. David M.
Henington. Business: Media Library Program Director,
Texas Education Agency

Ms. Connie Moore, Austin, to replace Mrs. Phyllis S. Burson.
Business: Civic Leader

d. Unfilled Terms

Terms Expire

Two

1981

Two

1982

12. Pharmaceutical Foundation Advisory Council

a. Membership

Authorized 25

Recommended 25

b. Reappointments

For three year terms ending 1983

Mr. Harlus F. Barber, Laredo, Business: Manager, Central
Drug Company

Mr. Robert A. Gude, Fort Worth, Business: Owner of community
pharmacies

Mr. Lonnie F. Hollingsworth, Lubbock, Business: Owner of
community pharmacies

Mr. C. R. Sublett, Dallas, Business: Retired Executive of Eli Lilly
& Company

Mr. Paul F. Trantham, Sr., Fort Worth, Business: Owner of
community pharmacies

Mr. William R. Whitten, Port Aransas, Business: Retired chain
pharmacy owner

c. New Appointments

For three year terms ending 1983

Mr. Leo F. Godley, Fort Worth, to replace Mr. Lonnie J. Yarbrough.
Business: Hospital Pharmacist

d. Unfilled Terms

None

U. T. Austin (Cont'd.)

13. School of Social Work Foundation Advisory Council

a. Membership

Authorized 21

Recommended 21

b. Reappointments

For three year terms ending 1983

- Mr. Tom Backus, Austin, Business: Director of Site Operations, International Business Machines
- Mr. Ernest M. Briones, Corpus Christi, Business: Deputy City Manager; Director of Planning and Urban Development, City of Corpus Christi
- Dr. Wayne H. Holtzman, Austin, Business: President, The Hogg Foundation for Mental Health
- Mrs. Carole A. Pinkett, Baytown, Business: Resources Staffing and Skills Training Head, Exxon Company, U.S.A.
- Mr. Victor W. Ravel, Austin, Business: Attorney and Management Consultant

c. New Appointments

For three year terms ending 1983

- Mrs. Ruth H. Fred, Houston, to replace Mr. Glendon Johnson. Business: Former Executive Director, Jewish Family Service of Houston

d. Unfilled Terms

Term Expires

one

1982

14. McDonald Observatory and Department of Astronomy Advisory Council

a. Membership

Authorized 29

Recommended 29

b. Reappointments

For three year terms ending 1983

- Dr. Roland K. Blumberg, Seguin, Business: Independent Oil Producer and Investments
- Mr. Marion T. Key, Lubbock, Business: Attorney, Key, Carr, Evans & Fouts
- Mr. Joe J. King, Houston, Business: Consultant, Engineering and Business Management
- Mr. Wales H. Madden, Jr., Amarillo, Business: Attorney
- Mr. R. W. McKinney, Nacogdoches, Business: McKinney Construction Company
- The Honorable W. E. Snelson, Midland, Business: State Senator
- Mr. Josiah Wheat, Woodville, Business: Attorney, Wheat, Stafford & Kinney
- The Honorable John Wildenthal, Houston, Business: Municipal Court Judge

U. T. Austin (Cont'd.)

c. New Appointments

For one year terms ending 1981

Mr. Harold E. O'Kelley, San Antonio, to replace Mr. Thomas E. Rodman. Business: Chairman, President, and Chief Executive Officer, Datapoint Corporation

For two year terms ending 1982

Mr. Curtis B. Ames, Houston, vacancy from unfilled term. Business: Chairman, Fish Engineering & Construction, Inc.

For three year terms ending 1983

Mr. William B. Blakemore II, Midland, to replace Dr. H. F. Connally, Jr. Business: Rancher

Mr. Ike Sewell, Chicago, Illinois, to replace Mr. S. T. Harris. Business: Investments

Dr. Robert V. West, Jr. (Ph.D.), San Antonio, to replace Mr. Peter J. Rempe. Business: Chairman and Chief Executive Officer, Tesoro Petroleum Corporation

d. Unfilled Terms

Terms Expire

Two

1981

15. School of Nursing Advisory Council

a. Membership

Authorized 15

Recommended 15

b. Reappointments

For three year terms ending 1983

Mr. David T. Davenport, Austin, Business: Vice-President, Austin National Bank

Max E. Johnson, M. D., San Antonio, Business: Physician

Mr. Earl E. Walker, St. Louis, Missouri, Business: President, Carr Lane Manufacturing Company

c. New Appointments

For three year terms ending 1983

Miss Catherine A. Bane, Houston, to replace Judge Thomas M. Reavley. Business: Retired nurse

Mrs. Robert B. Wallace, Corpus Christi, vacancy from unfilled term. Business: Civic Leader

d. Unfilled Terms

Terms Expire

One

1981

One

1982

U. T. Austin (Cont'd.)

16. Marine Science Institute Advisory Council

a. Membership

Authorized 35

Recommended 35

b. Reappointments

For three year terms ending 1983

Mrs. John B. Armstrong, Kingsville, Business: Rancher
Mr. Perry R. Bass, Fort Worth, Business: Private Investor
Mr. Louis Castelli, Dallas, Business: Manager, Exploration Services
Center, Mobil Oil Exploration & Producing Services
Mr. Leroy G. Denman, San Antonio, Business: Attorney, Denman,
Franklin & Denman
Mr. Edward H. Harte, Corpus Christi, Business: Publisher,
Corpus Christi Caller-Times
Mr. George C. Hixon, San Antonio, Business: President, Hixon
Development Company
Mr. John C. Holmgreen, San Antonio, Business: President, Alamo
Iron Works
Mrs. Walter W. McAllister, Jr., San Antonio, Business: Civic
Leader
Mr. Frank W. McBee, Austin, Business: President, Tracor, Inc.
Mr. Arthur A. Seeligson, San Antonio, Business: Rancher
Mr. Don E. Weber, Corpus Christi, Business: Private Investor

c. New Appointments

For two year terms ending 1982

Mr. John C. Beasley, Beeville, vacancy from unfilled term.
Business: Attorney
Mr. George S. Hawn, Port Aransas, vacancy from unfilled term.
Business: Independent Oil Operator
Charles W. Bailey, M. D., Houston, vacancy from unfilled term.
Business: Surgeon

d. Unfilled Terms

Term Expires

One

1983

THE UNIVERSITY OF TEXAS AT DALLAS
Recommended Appointments to Membership

1. Development Board

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. A. Earl Cullum, Jr., Dallas, Business: Owner, A. Earl Cullum & Associates (Broadcast Engineers)

Mr. Jack B. Jackson, Richardson, Business: Chairman of the Board, Citizens Bank

Mr. George W. Jalonick IV, Dallas, Business: President, Adam Whitney, Inc.

Mr. Mike A. Myers, Dallas, Business: Myers Financial Corporation

Mrs. Theodore H. Strauss, Dallas, Business: Vice President, Bozell & Jacobs

Mr. Jere W. Thompson, Dallas, Business: President, The Southland Corporation

Mr. Warren G. Woodward, Dallas, Business: President, Linbeck Construction Company

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

Mr. Dan M. Krausse, Dallas, vacancy from unfilled term.
Business: President, Earth Resources Company

For three year terms ending 1983

Mrs. W. Lee Sinclair, Dallas, to replace Mr. Jack Krueger.
Business: investments

Dr. Marco Padalino, Ph.D., Richardson, vacancy from unfilled term.
Business: Vice President, Mead Office Systems.

d. Unfilled Terms

None

U. T. Dallas (Cont'd.)

2. Advisory Council for the School of Management and Administration

a. Membership

Authorized 25 Recommended 34

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. James G. Blanchette, Jr., Dallas, Business: Attorney,
Blanchette & James
Mr. Richard I. Galland, Dallas, Business: Chairman
of the Board, American Petrofina Company
Dr. Kal A. Lifson, Dallas, Business: Chairman, Lifson,
Herrmann, Blackmarr and Harris, Inc.
Miss Mary McDermott, Dallas, Business: Investments
Mr. Frank A. Rossi, Dallas, Business: Managing Partner,
Arthur Andersen & Co.

c. New Appointments

For one year terms ending 1981

Mr. David R. Tacke, Dallas, vacancy from increased
membership. Business: Senior Group Vice President,
Electronics Group, E-Systems, Inc.
Ms. Linda A. Wertheimer, Dallas, vacancy from increased
membership. Business: Attorney, Jackson, Walker,
Winstead, Cantwell & Miller

For two year terms ending 1982

Mr. S. Finley Ewing, Dallas, vacancy from increased membership.
Business: President, Ewing Buick
Mr. Morton H. Meyerson, Dallas, vacancy from increased
membership. Business: President, Electronic Data
Systems Corp.
Mr. Richard F. Mitchell, Dallas, vacancy from increased
membership. Business: Senior Vice President--Finance,
Zale Corporation.

For three year terms ending 1983

Mr. John H. Bunten, Dallas, to replace Mr. James A. Clark.
Business: Executive Vice President, Republic National
Bank of Dallas
Mr. James B. Gardner, Dallas, to replace Mr. John F. Eulich.
Business: Vice Chairman, Mercantile National
Bank at Dallas
Mr. Thomas G. Plaskett, Dallas, to replace Mr. George W.
Sullivan. Business: Senior Vice President--Finance, American
Airlines
Mr. Allan J. Tomlinson, Dallas, vacancy from increased member-
ship. Business: President, Diamond-Shamrock
Mr. D. Hugh Williams, Dallas, vacancy from increased member-
ship. Business: Executive Vice President--Administration,
First National Bank in Dallas

U. T. Dallas (Cont'd.)

d. Unfilled Terms	<u>Terms Expires</u>
one	1982
one	1983

3. Advisory Council for the Callier Center for Communication Disorders

a. Membership

Authorized 26 Recommended 30

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Dr. Willis Adcock (Ph.D.), Dallas, Business: Vice President,
Texas Instruments

Mr. J. E. Jonsson, Dallas, Business: retired

Mr. Pat Y. Spillman, Dallas, Business: Partner, Fisher &
Spillman Architects Incorporated.

c. New Appointments

For one year terms ending 1981

Mr. David H. Monnich, Dallas, vacancy from unfilled term.
Business: Chairman of the Board, Beta Products

For two year terms ending 1982

Mr. W. H. Bowen, Dallas, vacancy from unfilled term.
Business: Vice President--Customer Services, Southwestern
Bell Telephone Company

Mr. A. I. Davies, Dallas, vacancy from unfilled term.
Business: retired

For three year terms ending 1983

Mr. Jerry S. Farrington, Dallas, to replace Dr. Milton K.
Curry, Jr. Business: President, Dallas Power & Light
Company

Mr. Sol Goodell, Dallas, to replace Dr. Aris A. Mallas, Jr.
Business: Attorney, Thompson, Knight, Simmons & Bullion

Mr. Lee J. Guittar, Jr., Dallas, vacancy from increased member-
ship. Business: Publisher, Dallas Times Herald

Mr. W. Gordon Hobgood, Dallas, vacancy from increased member-
ship. Business: Executive Vice President, First National Bank
in Dallas

Mr. Ray Hutchison, Dallas, vacancy from increased membership.
Business: Attorney, self-employed

Mr. William Schilling, Dallas, vacancy from increased membership.
Business: Managing Partner, Peat, Marwick, Mitchell & Co.

d. Unfilled Terms

None

U. T. Dallas (Cont'd.)

4. Advisory Council for the School of General Studies

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Ms. Anne Blocker, Dallas, Business: President, La Mancha Group
Mr. Roy E. Dulak, Dallas, Business: Retired
Mr. Kenneth P. Johnson, Dallas, Business: Executive Editor, Dallas Times Herald
Mr. David Kaplan, Richardson, Business: Owner, Sun Rexall Drugs
Reverend W. B. J. Martin, Dallas, Business: Minister, First Community United Church of Christ
Mr. Ernest H. Randall, Jr., Richardson, Business: Vice President, Vantage Companies
Reverend Louis Saunders, Dallas, Business: Retired
Mrs. Julius Wolfram, Dallas, Business: College Placement Counselor, Greenhill School

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

Ms. Barbara Brown, Dallas, vacancy from unfilled term.
Business: Attorney, Exxon Company USA
Mr. C. J. Webster, Addison, vacancy from unfilled term.
Business: City Manager, City of Addison

For three year terms ending 1983

Mr. Ernest Haywood, Dallas, to replace Mr. Clyde Clark.
Business: Attorney, Office of General Counsel, HEW

d. Unfilled Terms

None

U. T. Dallas (Cont'd.)

5. Advisory Council for the School of Arts and Humanities

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. Jac Alder, Dallas, Business: Producer-Director,
Theatre Three

Mr. A. C. Greene, Dallas, Business: Writer

Mr. S. Roger Horchow, Dallas, Business: Owner, The
Horchow Collection

Mrs. Lewis W. Shaw, Dallas, Business: Member, Board of
Directors, New Arts Theatre

Mr. Henry Taylor, Dallas, Business: Owner, Taylors
Books

Mr. Addison Wilson III, Dallas, Business: Attorney,
Law Office of Addison Wilson III

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. Plato Karayanis, Dallas, to replace Mr. Lon Tinkle.
Business: General Director, Dallas Civic Opera Company

Mr. Carl Yeckel, Dallas, to replace Mr. Mike Shapiro.
Business: Managing Director, Carl B. and Florence E.
King Foundation

d. Unfilled Terms

None

6. Advisory Council for the School of Social Sciences

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

U. T. Dallas (Cont'd.)

For three year terms ending 1983

- Ms. Betty Jo Christian, Washington, D.C., Business: Attorney, Steptoe & Johnson
- Ms. Lee Clark, Dallas, Business: Vice President, Program Development and Production, Channel 13--KERA TV
- Mr. Al Erwin, Freeport, Texas, Business: Public Affairs Staff, Dow Chemical U.S.A.
- Mr. Rodger Meier, Dallas, Business: Owner, Rodger Meier Cadillac
- Charles B. Mullins, M.D., Dallas, Business: Chief Executive Officer, Parkland Hospital
- Mr. Richard F. Smith, Dallas, Business: Attorney, Gardere, Wynne & Jaffe

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

None

d. Unfilled Terms

Terms Expires

one	1981
two	1982
two	1983

THE UNIVERSITY OF TEXAS AT EL PASO
Recommended Appointments to Membership

Development Board

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For three year terms ending 1983:

Dr. Eugenio A. Aguilar, Jr., D.D.S., El Paso,
Business: Dentist
Mr. Charles H. Foster, El Paso, Business:
President, Foster-Schwartz Development Corp.
Mr. Dennis H. Lane, El Paso, Business: Former
Chairman of the Board, El Paso Electric Company
Mr. C. H. Leavell, El Paso, Business:
Chairman of the Board, C. H. Leavell Company
Mr. George G. Matkin, El Paso, Business: Chairman
of the Board, The State National Bank of El Paso
Mr. W. H. Orme-Johnson, Jr., El Paso, Business:
Former President, El Paso Machine and Steel Works
Mr. Jose G. Santos, El Paso, Business: Owner,
El Rancho Mart
Mr. Edward F. Schwartz, El Paso, Business: Vice
President, Popular Dry Goods Company, Inc.

c. New Appointments

For two year terms ending 1982

Mr. Lindsay B. Holt, El Paso, to replace
Mr. Marion S. Bell. Business: President,
Architectural Products Company, Inc.
Mr. M. E. (Jim) Neessen, El Paso, to replace
Mr. Robert E. Goodman. Business: Chairman
of the Board, Rudolph Chevrolet, Inc.

d. Unfilled Terms

None

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

Recommended Appointments to Membership

Development Board

a. Membership

Authorized: 25

Recommended: 25

b. Reappointments

For one year terms ending 1981

none

For two year terms ending 1982

none

For three year terms ending 1983

Mr. William B. Blakemore II, Midland, Business:
Independent Oil Operator & Rancher

Mr. J. Conrad Dunagan, Monahans, Business: Chairman
of the Board, Permian Coca Cola Co.

Mr. Louis Rochester, Odessa, Business: Chairman
of the Board, Murphy & Rochester, Inc.

Mrs. Richard C. Slack, Pecos, Business: Housewife
and Civic Leader

c. New Appointments

For one year terms ending 1981

none

For two year terms ending 1982

none

For three year terms ending 1983

J. D. Cone, M. D., Odessa, to replace Mr. Johnny R.
Warren. Business: Private physician

Mr. W. O. Shafer, Odessa, to replace Mr. E. M.
Schur. Business: Attorney, Shafer, Gilliland,
Davis, Bunton, & McCollum

d. Unfilled Terms

Term Expires

5

To be determined as filled

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

Recommended Appointments to Membership

1. Development Board

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. Hugh K. Foster, San Antonio, Business:
President, Midland Investment Company

Mr. Houston H. Harte, San Antonio, Business:
Chairman of the Board, Harte-Hanks Communications, Inc.

Mrs. B. K. Johnson, San Antonio and La Pryor,
Business: Civic Leader

Mr. Bernard L. Lifshutz, San Antonio, Business:
President, Texas Home Improvements, Inc. and President, Berlee Lumber Company, Inc.

Mr. B. J. "Red" McCombs, San Antonio, Business:
Owner, Hemphill-McCombs Ford

Gen. Robert F. McDermott, (Ret.), San Antonio, Business:
President, United Services Automobile Association

Mr. C. Linden Sledge, San Antonio, Business:
President, Frost National Bank

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. Louis H. Stumberg, San Antonio, to replace Mrs. Lutcher Brown. Business:
Director, R. J. Reynolds Foods, Inc.

d. Unfilled Terms

1

Term Expires

1981

U. T. San Antonio (Cont'd.)

2. College of Business Advisory Council

a. Membership

Authorized 25 Recommended 25

b. Reappointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mrs. Katherine N. Folbre, San Antonio,
Business: Management and Marketing
Consultant

Mr. George F. Golder, San Antonio, Busi-
ness: Partner, Peat, Marwick, Mitchell
& Company

Mr. Marvin M. Kline, San Antonio, Business:
President, Rosow & Kline Realtors

Mr. Byron L. LeFlore, San Antonio, Busi-
ness: President, Bexar County National
Bank of San Antonio

Mr. Harold E. O'Kelley, San Antonio, Busi-
ness: President, Datapoint Corporation

c. New Appointments

For one year terms ending 1981

None

For two year terms ending 1982

None

For three year terms ending 1983

Mr. William E. Greehey, San Antonio, to
replace Mr. Quincy Lee. Business: **Pres-
ident and Chief Executive Officer, Valero
Energy Corporation**

Mrs. Mazie Sale Hill, San Antonio, to re-
place Gen. John W. Roberts. Business:
Owner, Mazie Sale Hill Realtors

Mr. James R. Walker, San Antonio, to re-
place Mr. C. Linden Sledge. Business:
General Manager-Residence, Southwestern
Bell Telephone Company

d. Unfilled Terms

Term Expires

1

1981

THE UNIVERSITY OF TEXAS AT TYLER

Development Board (No Development Board requested. However, The University of Texas at Tyler Educational Foundation, an external foundation, is active in private fund development on behalf of this component.)

THE UNIVERSITY OF TEXAS INSTITUTE OF TEXAN CULTURES AT SAN ANTONIO

Recommended Appointments to Membership

Development Board

a. Membership

Authorized 25 Recommended 26

b. Reappointments

For three year terms ending 1983

Mr. Morris Atlas, McAllen, Business: Attorney,
Atlas, Hall, Schwarz, Mills, Gurwitz & Bland
Mr. J. P. Bryan, Jr., Houston, Business: Regional
Director of Corporate Finance, E. F. Hutton
Mr. Jenkins Garrett, Fort Worth, Business: Attorney,
Garrett & Stahala
Mr. Max Mandel, Laredo, Business: Banker
Mr. R. W. "Dick" McKinney, Nacogdoches, Business: Independent
Highway Contractor, Owner, McKinney Contracting
Mr. David A. Witts, Dallas, Business: Attorney, Witts,
Vanberg & Wilson

c. New Appointments

For three year terms ending 1983

Mr. Henry M. Bell, Jr., Tyler, Vacancy from Unfilled Term,
Business: President and Chairman of the Board, Citizens
First National Bank of Tyler
Mr. Neal A. Hawthorn, Longview, Vacancy from Unfilled Term,
Business: Executive Vice President and General Counsel,
R. Lacy, Inc.
Mr. Reagan Houston, III, San Antonio, Vacancy from Unfilled Term,
Business: Chairman of the Board, Alamo National Bank
**Dan C. Peavy, Jr., D.D.S., San Antonio, Vacancy from
Unfilled Term, Business: Private Practice Orthodontics**
**Mrs. Walter G. Sterling, Houston, Vacancy from Increased
Membership, Business: Civic Leader**

d. Unfilled Terms

None

THE UNIVERSITY OF TEXAS
HEALTH SCIENCE CENTER AT DALLAS

Development Board (Southwestern Medical Foundation serves in this capacity)

Note: Nominees not subject to regental approval, so no material is included in this presentation.

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

Recommended Appointments to Membership

Development Board

a. Membership

Authorized 40 Recommended 40

b. Reappointments

For three year terms ending 1983

W. Tom Arnold, M.D., Houston, Business: Internist
George P. Bachman, M.D., Seguin, Business: Family Practitioner
Mrs. William H. Bauer, La Ward, Business: Housewife and Civic Leader
Kleberg Eckhardt, M.D., Corpus Christi, Business: Internist
Edward Egbert, M.D., El Paso, Business: Allergist
Mr. Lawrence E. Ethridge, Jr., Corpus Christi, Business: Independent Oilman
Mr. Edwin M. Gale, Beaumont, Business: President, Warren refrigerators
Carlos D. Godinez, M.D., McAllen, Business: Family Practitioner
Walter F. Hasskarl, M.D., Brenham, Business: General Surgeon
Mr. Harris Kempner, Galveston, Business: Kempner Foundation
Thomas M. McMillan, M.D., Honolulu, Business: Psychiatrist
Mr. A. G. McNeese, Jr., Houston, Business: Banker
David C. Miesch, M.D., Paris, Business: Internist
Mr. Ballinger Mills, Galveston, Business: Attorney
Mr. W. L. Moody, IV, Galveston, Business: Moody Foundation
Raleigh R. Ross, M.D., Austin, Business: Thoracic Surgeon
William Seybold, M.D., Houston, Business: General Surgeon
Mr. James C. Storm, Corpus Christi, Business: Independent Oilman
Mr. Carmage Walls, Houston, Business: Publisher
Mr. Sam P. Woodson, Jr., Fort Worth, Business: Managing Director, T.J. Brown and C.A. Lupton Foundation, Inc.

c. New Appointments

For three year terms ending 1983

Clyde Thomas, M.D., Big Spring, vacancy from unfilled term.
Business: General Surgeon

d. Unfilled Terms

None

THE UNIVERSITY OF TEXAS
HEALTH SCIENCE CENTER AT HOUSTON
Recommended Appointments to Membership

Development Board

a. Membership

Authorized 53 Recommended 53

b. Reappointments

For three year terms ending 1983

Mr. John Cater, Houston, Business: President
Bank of the Southwest

Mr. Jack Currie, Houston, Business: Chairman of
the Board, Rotan Mosle, Inc.

Mr. A. J. Gallerano, Houston, Business: Vice
President, General Counsel and Secretary,
National Convenience Stores

Mr. Collins Hill, Jr., Houston, Business:
Investments

Mr. Allan C. King, Houston, Business: Goldking
Production Co.

Mr. Ben Love, Houston, Business: Chairman;
President and Chief Executive Officer of Texas
Commerce Bancshares, Inc.

Mrs. A. G. McNeese, Jr., Houston, Business:
Housewife and Civic Leader

**Mr. Walter M. Mischer, Jr., Houston, Business:
Vice President, Mischer Corporation**

Mrs. W. R. (Randy) Smith, Houston, Business:
Housewife and Civic Leader

Mr. Robert Stewart, Jr., Houston, Business: Vice
Chairman, Bank of the Southwest

Mrs. Bernice Weingarten Welch, Houston, Business:
Housewife and Civic Leader

Mr. William M. Wheless, III, Houston, Business:
Partner, Peddie-Wheless & Co.

Mr. Gene M. Woodfin, Houston, Business: Chairman
of the Board, Marathon Manufacturing Co.

Mrs. Gus S. Wortham, Houston, Business: Housewife
and Civic Leader

Houston Health Science Center (Cont'd.)

c. New Appointments

For three year terms ending 1983

Mr. Murphy Baxter, Houston, to replace Mr. Leslie L. Appelt. Business: Independent Oil and Gas Producer

Mr. Roy M. Huffington, Houston, to replace Mr. John T. Jones, Jr. Business: Roy M. Huffington, Inc.

d. Unfilled Terms

Term Expires

Two
One

1982
1983

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER
AT SAN ANTONIO

RECOMMENDED APPOINTMENTS TO MEMBERSHIP

Development Board

a. Membership

Authorized 25

Recommended 25

b. Reappointments

For three year terms ending 1983

Mr. Glenn Biggs, San Antonio, Business: Chairman of the Board, First National Bank

Mr. G. (Jim) Hasslocher, San Antonio, Business: President, Frontier Enterprises

Mrs. John (Ruby) Peace, San Antonio, Business: Investor

Mr. Robert H. Seal, San Antonio, Business: President, National Bank of Commerce

Mrs. John (Nell) Steen, San Antonio, Business: Civic Leader

Mr. H. B. Zachry, San Antonio, Business: Chairman of the Board, H. B. Zachry Company

c. New Appointments (Vacancies from Unfilled Terms)

For one year terms ending 1981

Mr. Alfred W. Negley, San Antonio, Business: President, Texas Tex-Pack Express, Inc.

Mrs. Joe (Jocie) Straus, San Antonio, Business: Community Leader

For two year terms ending 1982

Mr. Charles C. Butt, Corpus Christi, Business: Chairman of the Board, HEB Corporation

Mrs. Irene Wischer, San Antonio, Business: President, Paladin Pipeline Co.

For three year terms ending 1983

General Robert F. McDermott, San Antonio, Business: President, USAA

Mr. Sam Barshop, San Antonio, Business: President, LaQuinta Motor Inns

d. Unfilled Terms

None

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER

Recommended Appointments to Membership

University Cancer Foundation Board of Visitors

a. Membership

Authorized 25 Recommended 26

b. Reappointments

For three year terms ending 1983

Mr. Max E. Banks, Amarillo, Business:
President, Baker & Taylor Drilling Company
Mr. Charles C. Butt, Corpus Christi, Business:
President, H.E. Butt Grocery Company
Mr. Ernest Deal, Houston, Business:
President, Fannin Bank
Mr. Leroy G. Denman, Jr., San Antonio, Business:
Attorney, Denman, Franklin & Denman
Mr. Lenoir M. Josey, Houston, Business:
Vice President, Lenoir M. Josey, Inc.

c. New appointments

For three year terms ending 1983

Mr. John H. Duncan, Houston, to succeed Mr. Roy H. Cullen. Business: Chairman of the Board, Gulf Consolidated Services, Inc.
Mrs. J. Hugh Liedtke, Houston, to succeed Mr. P. H. Robinson who will be appointed to the Honorary Board. Business: Homemaker
Mr. William F. Roden, Midland, to succeed Mr. Charles H. Leavell who will be appointed to the Honorary Board. Business: President, HNG Oil Company
Mr. Nat S. Rogers, Houston, to succeed Mr. Richard Merrill. Business: President, First City Bancorporation of Texas, Inc.
Mrs. Walter G. Sterling, Houston, vacancy due to increased membership. Business: Civic Leader

d. Unfilled Terms

None

THE UNIVERSITY OF TEXAS HEALTH CENTER AT TYLER

Development Board (Texas Chest Foundation serves in this capacity)

Note: Nominees not subject to regental approval, so no material is included in this presentation.

III. SCHEDULED MEETINGS AND EVENTS. -- Below is a schedule of meetings and events that have been reported to the Office of the Secretary:

Board of Regents' Meetings

July 10-11, 1980, Port Aransas
 September 4-5, 1980, Richardson (U. T. Dallas)
 October 23-24, 1980, Austin
 December 11-12, 1980, Austin

Holidays

June 19
 July 4

Other Events

October 24 U. T. Austin
 Awards to Distinguished Alumni

Commencement 1980

May 31 San Antonio Health Science Center
 June 7 Dallas Health Science Center
 Houston Health Science Center
 August 8 U. T. Tyler (Summer)
 August 22 Galveston Medical Branch
 (Allied Health Sciences School)

1980

JULY

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

OCTOBER

S	M	T	W	T	F	S
						1
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9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

MAY

S	M	T	W	T	F	S
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16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

NOVEMBER

S	M	T	W	T	F	S
						1
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23	24	25	26	27	28	29
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JUNE

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DECEMBER

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

See Page C of W - 43 for 1980 Football Schedules:

- U. T. Arlington
- U. T. Austin
- U. T. El Paso

1980 Football Schedule for U. T. Arlington

September 6	7:30 p. m.	North Texas State	at Maverick Stadium
September 13	7:30 p. m.	Northwestern Louisiana	at Natchitoches
September 27	7:30 p. m.	SMU	at Texas Stadium
October 4	7:30 p. m.	Drake (Parents Day)	at Maverick Stadium
October 11	7:30 p. m.	West Texas State	at Maverick Stadium
October 18	7:30 p. m.	New Mexico State	at Maverick Stadium
October 25	7:30 p. m.	*Louisiana Tech	at Ruston
November 1	7:30 p. m.	*McNeese State	at Lake Charles
November 8	2:00 p. m.	*Southwestern Louisiana**	at Maverick Stadium
November 15	7:30 p. m.	*Arkansas State	at Maverick Stadium
November 22	7:30 p. m.	*Lamar	at Beaumont

*Southland Conference game

**Homecoming

1980 Football Schedule for U. T. Austin

September 1	8:10 p. m.	Arkansas	at Austin
September 20	7:00 p. m.	Utah State	at Austin
September 27	7:00 p. m.	Oregon State	at Austin
October 4	7:30 p. m.	Rice	at Houston
October 11	2:00 p. m.	Oklahoma	at Dallas
October 25	1:00 p. m.	SMU	at Austin
November 1	2:00 p. m.	Texas Tech	at Lubbock
November 8	1:00 p. m.	Houston	at Austin
November 15	2:00 p. m.	TCU	at Fort Worth
November 22	2:00 p. m.	Baylor	at Waco
November 29	1:00 p. m.	A&M	at Austin

1980 Football Schedule for U. T. El Paso

September 6	7:30 p. m.	Texas Tech	at Lubbock
September 13	7:30 p. m.	New Mexico State	at Las Cruces
September 20	7:30 p. m.	North Texas State	at El Paso
September 27	7:30 p. m.	Univ. of the Pacific	at Stockton
October 4	7:30 p. m.	Univ. of Hawaii	at Honolulu
October 11	7:30 p. m.	Univ. of Utah	at El Paso
October 18	7:30 p. m.	Univ. of Nevada-Las Vegas	at Las Vegas
October 25	7:30 p. m.	Univ. of New Mexico	at El Paso*
November 1	1:30 p. m.	Brigham Young University	at Provo
November 8	1:00 p. m.	Colorado State	at Fort Collins
November 15	7:30 p. m.	San Diego State	at El Paso
November 22	7:30 p. m.	Univ. of Wyoming	at El Paso

*Homecoming



BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

BETTY ANNE THEDFORD, SECRETARY
BOX N
AUSTIN, TEXAS 78712

May 21, 1980

TO MEMBERS OF THE BOARD OF REGENTS

Chairman Dan C. Williams
Vice-Chairman Thos. H. Law
Regent Jane Weinert Blumberg
Regent Sterling H. Fly, Jr.
Regent Jess Hay
Regent Jon P. Newton
Regent James L. Powell
Regent Howard N. Richards
Regent Walter G. Sterling

Committee of the Whole - Open (Pages C of W 12-41)
Item Relating to Proposed Nominees to Development
Boards and Advisory Councils

Dear Mrs. Blumberg and Gentlemen:

The following changes in the recommended appointments to membership on the various U. T. System development boards and advisory councils have been made since the original recommendations were submitted to you:

U. T. Austin: Development Board (Page C of W - 16)

Membership increased to 27
Added Mr. Larry E. Temple, Austin, for a three year term
ending 1983

U. T. Austin: College of Engineering Foundation Advisory Council
(Pages C of W 20-21)

Please check the footnote that has been added.

U. T. Austin: College of Fine Arts Foundation Advisory Council
(Pages C of W 21-22)

Added Mrs. E. R. Hudson, Jr., Fort Worth, for a three
year term ending 1983

Institute of Texan Cultures: Development Board (Page C of W - 37)

Membership increased to 26
Added (1) Dan C. Peavy, Jr., D.D.S., San Antonio, and
(2) Mrs. Walter G. Sterling, Houston, for three year
terms ending 1983

Houston Health Science Center: Development Board (Page C of W - 39)

Added Mr. Walter M. Mischer, Jr., Houston, for three year term ending 1983

University Cancer Center: University Cancer Foundation Board of Visitors (Page C of W - 41)

Membership increased to 26
Added Mrs. Walter G. Sterling, Houston, for a three year term ending 1983

Sincerely yours,

Betty Anne Thedford

T:mg

COMMITTEE OF THE WHOLE

SUPPLEMENTAL

May 29-30, 1980

Page C of W - 9

E. San Antonio Health Science Center

9. Recommendation to Accept Donation of a Sculpture and Request for Authorization to Install on Campus (Withdrawn). --
This item has been withdrawn from the agenda.

Page C of W - 12

B. U. T. System

2. Proposed Nominees to Development Boards and Advisory Councils. --The names of the nominees are not to be read aloud, and there is no publicity until their acceptances are received.

ADDITIONAL ITEM

A. U. T. EL PASO*

12. Proposed Purchase of Land (Park) Adjacent to Campus from City of El Paso. --

RECOMMENDATION

President Templeton and Chancellor Walker recommend that the Board of Regents approve the purchase of approximately 95 acres located in the Hart Pre-Emption Survey Number Two which is adjacent to the U. T. El Paso campus at a cost of \$467,000.00 payable from Permanent University Fund Bond Proceeds.

BACKGROUND INFORMATION

This land is owned by the City of El Paso and is known as Charley Davis Park. The land will provide area for future campus expansion while also providing an important buffer from incompatible development on the North perimeter of the campus.

*There is a possibility that this item may be referred to the Executive Session.

Executive Session of the Board

COMMITTEE OF THE WHOLE

EXECUTIVE SESSION

Date: May 30, 1980

Time: Following the Open Meeting of the Committee of the Whole

Place: Conference Room, Suite 621
Administration Building
Galveston Medical Branch

1. Pending or Contemplated Litigation - Section 2(e)
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)

Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

COMMITTEE OF THE WHOLE

EXECUTIVE SESSION

SUPPLEMENTAL

Date: May 30, 1980

Time: Following the Open Meeting of the Committee of the Whole

Place: Conference Room, Suite 621
Administration Building
Galveston Medical Branch

	<u>Page</u>
1. Pending or Contemplated Litigation - Section 2(e)	Below
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)	
a. Dallas Health Science Center: Proposed Purchase of Building Adjacent to Campus	Below
b. University Cancer Center: Request for Authorization to Negotiate for Acquisition of Land in Houston, Harris County, Texas	2
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees	2

Documentation

1. Pending or Contemplated Litigation - Section 2(e). --
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f). --
 - a. Dallas Health Science Center: Proposed Purchase of Building Adjacent to Campus. --

RECOMMENDATION

President Sprague and Chancellor Walker recommend that the Board of Regents authorize the purchase of property located at 4600 Harry Hines Boulevard in Dallas, Texas, at a cost of \$2,800,000 to be paid from Unexpended Plant Funds. The purchase is subject to approval by the Coordinating Board.

BACKGROUND INFORMATION

This building, if acquired, will be used to house service departments and the School of Allied Health Sciences permitting the centralization of some activities presently housed in leased spaces off campus. The property is presently owned by the General Automotive Parts Corporation (NAPA) and is located approximately 0.6 miles East of the Health Science Center. The site includes 113,200 square feet with a three-story building containing 91,500 gross square feet of warehouse space and 18,600 gross square feet of office space. The site provides 149 parking spaces with easy access to Harry Hines Boulevard.

Inspectors from the Office of Facilities, Planning and Construction report the building to be of good quality.

- b. University Cancer Center: Request for Authorization to Negotiate for Acquisition of Land in Houston, Harris County, Texas.--

RECOMMENDATION

President Bulger, President LeMaistre and Chancellor Walker recommend that the Board of Regents give authorization for negotiation for the purchase of approximately five acres of land in Houston, Harris County, Texas, within the appraised price.

BACKGROUND INFORMATION

The land is located South of Old Spanish Trail. Acquisition of this land will provide an access to Old Spanish Trail from the approximately 100 acres of land the Board of Regents obtained from the Hermann Hospital Estate in 1970.

The Texas Medical Center owns the property immediately North of Old Spanish Trail and with the acquisition of this land, in conjunction with the Medical Center land, a critical corridor of access can be obtained to the Texas Medical Center where The University of Texas Institutions' primary buildings are located. With this additional access to existing University of Texas land, the Ambulatory Care Center for the Houston Medical School can be located in this area and can be constructed at a much reduced cost in comparison with construction cost in the Texas Medical Center. This acquisition will also permit better access to research and service facilities of the University Cancer Center.

3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees.--

- ~~SECRET~~
27. Dallas Health Science Center - Ambulatory Care Center: Request to Change Location and to Halt Preparation of Final Plans and Specifications for Alterations and Adaptation to New Location, and for Authorization to Negotiate for Exchange of Property.--At the time the Ambulatory Care Center (ACC) plans were approved by the Board of Regents, it was stated that the Parkland Memorial Hospital Administration and Board of Managers were anxious to have their new outpatient facility juxtaposed to the ACC if at all possible. Such juxtaposition would result in increased ease of patients and faculty to move back and forth, opportunities for sharing certain expensive items of equipment and improved efficiency of operation. At that time the Hospital had not yet appointed the architects for its project but subsequently Fisher and Spillman, in addition to Harwood K. Smith, were appointed for the total Hospital expansion program with Fisher and Spillman assigned the outpatient clinic. This is the same firm of Architects the Board of Regents appointed for ACC.

The preliminary plans for Dallas Health Science Center ACC have been approved, and the Architects are working on the final plans.

A joint committee from the Hospital and the Health Science Center, along with the architects, have come up with a plan where the above-mentioned objective could be accomplished with the two buildings independent but connected floor by floor.

The proposed plan would necessitate a change in the location of ACC, with minimal design changes and some additional construction costs in connecting the two buildings. There would also be some exchange of land of essentially the same amount provided by each institution. There would be an anticipated delay in the date of completion of the project of two-four months.

The proposed changes would result in an increase in the estimated construction cost of \$1,000,000 and in the total project cost of \$1,300,000.

It is recommended by President Sprague and Chancellor Walker that the Architects, Fisher and Spillman, be requested to halt the final plans in progress and to make alterations and adjustments to the plans for location of ACC juxtapose to Parkland's outpatient facility and to authorize negotiations with Parkland Hospital to exchange land so that the ACC could be juxtapose to Parkland's outpatient facility.

Meeting of the Board

(continued)

MEETING OF THE BOARD OF REGENTS
THE UNIVERSITY OF TEXAS SYSTEM

Date: May 30, 1980
Time: Following Completion of All Committee Meetings
Place: Caduceus Room
6th Floor, Administration Building
Galveston Medical Branch

A-I. (Pages B of R 1 - 26)

J. RECONVENE

K. REPORTS OF STANDING COMMITTEES

1. System Administration Committee
by Committee Chairman Sterling
2. Academic and Developmental Affairs Committee
by Committee Chairman (Mrs.) Blumberg
3. Buildings and Grounds Committee
by Committee Chairman Law
4. Health Affairs Committee
by Committee Chairman Fly
5. Land and Investment Committee
by Committee Chairman Hay

L. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

M. REPORTS OF SPECIAL COMMITTEES, IF ANY

N. REPORT OF COMMITTEE OF THE WHOLE - OPEN SESSION

O. CONSIDERATION OF THE ITEMS REFERRED TO EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --Chairman Williams will report the items discussed in the Executive Session of the Committee of the Whole pursuant to V. T. C. S., Article 6252-17, Sections 2(e), (f) and (g) and ask for action thereon, if any:

1. Pending or Contemplated Litigation - Section 2(e)
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

P. OTHER MATTERS

Q. ADJOURNMENT