

MATERIAL SUPPORTING THE AGENDA

Volume XXIIb

January - August 1974

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

February 1, 1974  
March 15, 1974  
May 3, 1974  
June 14, 1974  
July 19, 1974  
AUGUST 19, 1974 - SPECIAL MEETING

The material is divided according to the Standing Committees and the meetings that were held and is submitted on three different colors, namely:

- (1) white paper - for the documentation of all items that were presented before the deadline date
- (2) blue paper - all items submitted to the Executive Session of the Committee of the Whole and distributed only to the Regents, Chancellor, Chancellor Emeritus, and Deputy Chancellor
- (3) yellow paper - emergency items distributed at the meeting.

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 maybe some people get copies and some do not get copies. If the Secretary were furnished a copy, then that material goes in the appropriate subject folder.



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THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting

# Agenda

Meeting Date: August 19, 1974

**SPECIAL**

Meeting No.: 724

Name: \_\_\_\_\_

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THIS MATERIAL WAS NOT  
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REGENTS ASSEMBLED.

MATERIAL SUPPORTING AGENDA

for

SPECIAL MEETING

Date: August 19, 1974

Time: 12 Noon

Place: Main Building 212  
U. T. Austin

1. U. T. System - Recommendation for Issuance of Revenue Bonds for the Construction of Facilities at Various Component Institutions of The University of Texas System.--In order to provide a portion of the funds necessary to complete certain construction projects which have been authorized for the various component institutions of The University of Texas System, the Staff has for the past several months been completing studies for the issuance of such revenue bonds as may be permitted by existing constitutional and legislative bond authority, taking into consideration the existing fee rates and collections and current market conditions and without the increase in any existing student fees or charges. The Board of Regents at its meeting held on July 19, 1974, authorized the employment of the firm of McCall, Parkhurst & Horton, as Bond Counsel, and Mr. Sam Maclin, as Bond Consultant, to work with a Special Committee of the Board and the Staff in connection with the various issues.

It is recommended by System Administration that the following actions be taken:

1. U. T. Austin - It is recommended that the Board of Regents authorize the sale of \$6,000,000 Board of Regents of The University of Texas System, The University of Texas at Austin Building Revenue Bonds, Series 1974-A. These bonds will be issued as additional parity bonds to the \$53,000,000 Building Revenue Bonds, Series 1974, which were sold at the December 7, 1973, meeting of the Board of Regents. The principal and interest of these bonds will be paid out of the following revenues:

Until December 1, 1979, interest and principal will be paid out of the Available University Fund. After December 1, 1979, interest and principal will be paid out of the Available University Fund, or out of any additional revenues, income, receipts or other resources lawfully available to the Board of Regents, or out of the proceeds of a "special fee" to be collected from all students enrolled at U. T. Austin.

The total debt service requirements for the Series 1974 and Series 1974-A Bonds to be paid out of the Available University Fund is estimated not to exceed the annual sum of \$4,250,000, which has been previously authorized.

2. U. T. Austin - It is recommended that the Board of Regents authorize the sale of \$4,500,000 Board of Regents of The University of Texas System, The University of Texas at Austin Combined Fee Revenue Bonds, Series 1974. These bonds will be issued as additional parity bonds to The University of Texas at Austin Combined Fee Revenue Bonds, Series 1970, Series 1971, Series 1972 and Series 1973, which have heretofore been issued by the Board and which are secured by a pledge of the Building Use Fee (Skiles Act) which is collected from each tuition paying student enrolled at U. T. Austin as a part of the tuition and the General Fee which is collected from each student enrolled at U. T. Austin. The issuance of these bonds will not require an increase in the student Building Use Fees which have heretofore been authorized by the Board.
3. U. T. System - It is recommended that the Board of Regents authorize the sale of \$33,000,000 Board of Regents of The University of Texas System General Tuition Revenue Bonds, New Series 1974. Of the proceeds from the sale of such General Tuition Revenue Bonds, \$8,000,000 will be used to refund the \$8,000,000 Board of Regents of The University of Texas System General Tuition Revenue Bonds, New Series 1973, and \$2,750,000 will be used to fully fund the Reserve Fund required to be established in connection with the \$117,000,000 Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1971, Series 1972 and Series 1972-A, which have previously been issued by the Board. The remaining \$22,250,000 will permit the construction at Houston Medical School, U. T. San Antonio, U. T. Permian Basin and U. T. Dallas of facilities that are needed in order for these institutions to perform the educational roles authorized and directed by statute. With the issuance of the \$33,000,000 General Tuition Revenue Bonds, New Series 1974, the Board of Regents will have issued the maximum number of General Tuition Revenue Bonds permitted by the terms of Section 55.17, Texas Education Code.
4. U. T. Arlington - It is recommended that the Board of Regents authorize the sale of \$1,300,000 Board of Regents of The University of Texas System, The University of Texas at Arlington Combined Fee Revenue Bonds, Series 1974. These bonds will be issued as additional parity bonds to The University of Texas at Arlington Combined Fee Revenue Bonds, Series 1971, Series 1971-A, Series 1973 and Series 1973-A, which have heretofore been issued by the Board and which are secured by a pledge of the Building Use Fee (Skiles Act) which is collected from each tuition paying student enrolled at U. T. Arlington as a part of the tuition and the General Fee which is collected from each student enrolled at U. T. Arlington. The issuance of these bonds will not require an increase in the student Building Use Fees which have heretofore been authorized by the Board.
5. U. T. El Paso - It is recommended that the Board of Regents authorize the sale of \$1,500,000 Board of Regents of The Uni-

versity of Texas System, The University of Texas at El Paso Combined Fee Revenue Bonds, Series 1974. These bonds will be issued as additional parity bonds to The University of Texas at El Paso Combined Fee Revenue Bonds, Series 1970, Series 1971 and Series 1973, which have heretofore been issued by the Board and which are secured by a pledge of the Building Use Fee (Skiles Act) which is collected from each tuition paying student enrolled at U. T. El Paso as a part of the tuition and the General Fee which is collected from each student enrolled at U. T. El Paso. The issuance of these bonds will not require an increase in the student Building Use Fees which have heretofore been authorized by the Board.

It is further recommended by System Administration, the Bond Counsel and the Bond Consultant that the bond issues described in paragraphs 1 and 3, above, be advertised for sale at the September 20, 1974, meeting of the Board of Regents; and that the bond issues described in paragraphs 2, 4 and 5, above, be advertised for sale at the November 1, 1974, meeting of the Board of Regents.

OFFICE OF THE CHANCELLOR  
AGENDA ITEM FOR BOARD OF REGENTS' MEETING

Date of Meeting: August 19, 1974  
To Be Considered By: Committee of the Whole - Open Session Committee  
System Components Concerned: U. T. Austin

Subject: Authorization of Award of Construction Contract in 1974 for the Addition to Robert A. Welch Hall (Project No. 102-196); Increase Authorized Project Cost to \$20,000,000.00; and Direct Delay of Award of Construction Contracts for All of the Fine Arts Complex (Project Nos. 102-265; 102-266; 102-267; 102-269 and 102-271).

Recommendation: (The recommendation should be followed by a description of appropriate background information and reference to any applicable previous Minute Order.)

In accordance with authorization given at a meeting of the Board on December 7, 1973, final plans and specifications for the Fine Arts Library and Administration Building, the Music Building and Recital Hall, the Opera Laboratory Theater, the Drama Workshop, the Concert Hall, and the necessary site development for the Fine Arts Complex are being completed by the Project Architect. The original estimated total project cost for the construction of these buildings was \$25,580,981. The revised project cost estimate, including escalation, is \$38,850,648.

Also, in accordance with authorization given at the meeting of the Board on February 1, 1974, final plans and specifications for the Addition to Robert A. Welch Hall at The University of Texas at Austin are being completed by the Project Architect. This project provides approximately 246,000 gross square feet of additional chemistry expansion and undergraduate teaching facilities consisting of lecture halls, classrooms and support facilities. A total project cost of \$20,000,000 is the current estimate, including escalation, whereas the original authorized total project was only \$15,080,000.

Construction contracts for both of these projects are scheduled to be awarded prior to December 31, 1974. However, contract awards in the past few months for the Social Science and Humanities Library, Art Building Addition, Drama Building Addition and the Special Events Center indicate that the escalated costs indicated above probably represent a floor rather than a ceiling.

Original + 1 xc to Secretary to the Board of Regents

xcs: Dr. LeMaistre  
Dr. Ransom  
Mr. Walker  
Dr. Knisely  
Mr. Landrum  
Mr. Dilly  
Mr. Quinn

Date: 8-15-74  
GWL:la

After reserving the funds for the essential projects that have been previously authorized by the Board of Regents, including principally the Animal Resources Center and the Printing and Press Building, it is obvious that construction contracts can be awarded in 1974 for the addition to Welch Hall or for approximately \$20,000,000 of the Fine Arts Complex, but not for both. More particularly, if a contract for the construction of the Welch Hall addition is awarded in 1974, the construction of all of the Fine Arts Complex will have to be delayed until funds can be accumulated at some future time. Conversely, if a contract for the construction of a portion of the Fine Arts Complex, having a project cost of approximately \$20,000,000 is awarded in 1974, the construction of the balance of the Fine Arts Complex and the construction of the addition to Welch Hall will have to be delayed until funds can be accumulated at some future time.

Chancellor LeMaistre forwards to the Board with his approval the recommendation of the UT Austin Faculty Building Committee and the recommendation of President Spurr that the Board of Regents:

1. Authorize a revised total project cost of \$20,000,000 for the addition of Robert A. Welch Hall at The University of Texas at Austin and approve the award in 1974 of a construction contract for this building, provided it is within the authorized funds.
2. Defer the construction of the units in the Fine Arts Complex until funding is available.