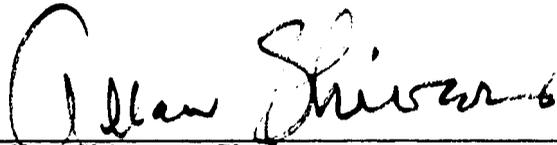


We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this meeting (April 6-7, 1978) to be reflected in the Minutes.

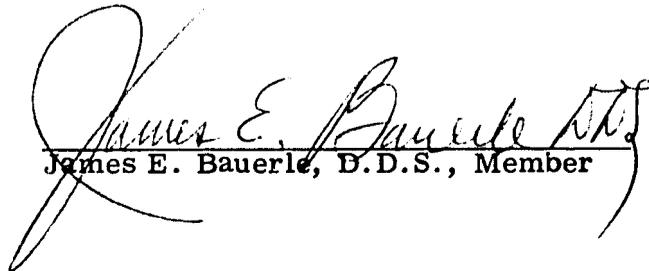
Signed this the 7th day of April A. D. 1978.



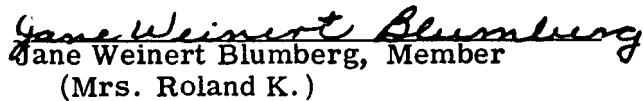
Allan Shivers, Chairman



Dan C. Williams, Vice-Chairman



James E. Bauerle, D.D.S., Member



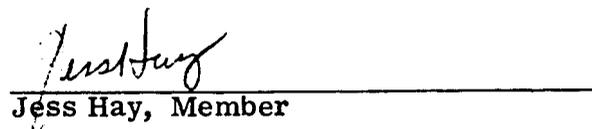
Jane Weinert Blumberg, Member  
(Mrs. Roland K.)



Edward Clark, Member



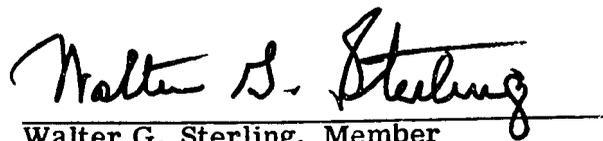
Sterling H. Fly, Jr., M.D., Member



Jess Hay, Member



Thos. H. Law, Member



Walter G. Sterling, Member

Meeting No. 753  
THE MINUTES OF THE BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS SYSTEM

Pages 1 - 161

April 6-7, 1978

Galveston, Texas

## MEETING NO. 753

THURSDAY, APRIL 6, 1978. --At 10:30 a. m. in the Caduceus Room on the sixth floor of the Administration Building at The University of Texas Medical Branch at Galveston, Galveston, Texas, Chairman Shivers called to order the meeting of the Board of Regents. He announced that the Board would recess for the meeting of the Buildings and Grounds Committee to be followed by a meeting of the Special Committee on Matters Relating to Brackenridge Tract and that the Board of Regents would reconvene as a Board at 9:00 a. m. on Friday, April 7, 1978.

[The Buildings and Grounds Committee meeting on the day prior to the regular meeting of the Board of Regents, attendance at which is voluntary, is held pursuant to the resolution adopted on September 16, 1977, providing for a meeting of the Buildings and Grounds Committee on the day preceding each meeting of the Board of Regents for an in-depth study of the recommendations. The resolution further provided that any formal action relating to the recommendations should be taken as in the past by the full Board and not by the Committee on the preceding day.]

FRIDAY, APRIL 7, 1978. --The members of the Board of Regents of The University of Texas System convened in regular session at 9:00 a. m. on Friday, April 7, 1978, in the Caduceus Room on the sixth floor of the Administration Building at The University of Texas Medical Branch at Galveston, Galveston, Texas, with the following in attendance and Chairman Shivers presiding:

## ATTENDANCE. --

Present

Chairman Shivers, presiding  
 Vice-Chairman Williams  
 Regent Bauerle  
 Regent (Mrs.) Blumberg  
 Regent Clark  
 Regent Fly  
 Regent Hay  
 Regent Law  
 Regent Sterling

Absent

Secretary Thedford

Chancellor LeMaistre  
 President Walker

Chairman Shivers called the meeting to order.

INTRODUCTION OF FACULTY AND STUDENT REPRESENTATIVES AND OTHER GUESTS, --Chairman Shivers called on the chief administrative officers of the component institutions to introduce their faculty and student representatives in attendance at the meeting.

Faculty Representatives

Student Representatives

U. T. Arlington\*

Dr. Edward Bellion  
Chairman, Faculty Senate

Mr. Tim Matheus  
President, Student Congress

U. T. Austin - President Rogers introduced:

Dr. Karl Galinsky\*\*  
Acting Chairman, Graduate  
Assembly

Ms. Judy Spalding  
Past President, Students' Association

U. T. Dallas - President Jordan introduced:

Dr. George Kimeldorf  
Speaker of the Faculty

U. T. Permian Basin - President Cardozier introduced:

Dr. Munro Shintani  
President, Faculty Senate

U. T. San Antonio - Acting President Wagener introduced:

Mr. Martin Hinojosa  
Vice President, Student Body

Mr. Gerald Flores  
Parliamentarian, Student Body

Dallas Health Science Center - President Sprague introduced:

Dr. Maurice Korman  
Chairman of Faculty Committee  
of Delegates

Mr. Darrell Wells  
4th Year Medical Student  
President, Senior Class

Galveston Medical Branch - President Levin introduced:

Dr. Diane Roberts  
Associate Professor and  
Chairman, Department of  
Allied Health Services  
School of Allied Health Sciences

Ms. Ceil Graham  
Physical Therapy Student  
School of Allied Health Sciences

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\*Dr. Nedderman was present at the Committee meeting on Thursday but because of pressing business at U. T. Arlington was excused from the meeting on Friday. Dr. Bellion in response to Chairman Shivers' request stood and was recognized as did Mr. Tim Matheus.

\*\*Because of inclement weather, Dr. Galinsky arrived late and was introduced upon his arrival.

Faculty Representatives

Student Representatives

Houston Health Science Center - Acting President Blocker introduced:

Dr. M. Alton Hodges  
Dean, School of Allied Health  
Sciences

Ms. Rebecca Waldorf  
School of Allied Health Sciences

San Antonio Health Science Center - President Harrison introduced:

Mrs. Delight Tillotson  
Nursing Faculty

Mr. Randy Rountree  
2nd Year Medical Student

University Cancer Center - President Clark introduced:

Clifton F. Mountain, M.D.  
Department of Surgery

Lawrence J. Heifetz, M.D.  
Fellow in Medicine

Tyler Health Center - Dr. Hurst introduced:

Dr. William T. Matlage  
Clinical Director

In addition to those that had been named as faculty and student representatives by the respective institutions, the following were also in attendance and presented at the meeting.

U. T. Austin

Dr. James P. Duncan  
Vice President for Student Affairs

Mr. Michael Perri  
Ms. Beth Frerking  
Mr. David Haug  
Mr. Steve Smith  
Mr. Gary McNeil  
Ms. Christy Hoppe  
Ms. Kathy Tally  
Mr. Mark Zion  
Mr. Mark Isensee

Galveston Medical Branch

George T. Bryan, M.D.  
Dean of School of Medicine

J. Palmer Saunders, M.D.  
Dean of Graduate School of Biomedical Sciences

Dr. Dorothy M. Damewood  
Dean of School of Nursing

Miss Chloe Floyd  
Program Director for Continuing Education,  
School of Nursing

Faculty RepresentativesStudent RepresentativesGalveston Medical Branch  
(continued)

Dr. Robert K. Bing  
Dean of School of Allied Health Sciences

William Bean, M.D.  
Director of Institute for Medical  
Humanities

John P. Porretto  
Office of the Director of Fiscal  
Services

Following these introductions, Chairman Shivers noted the large number of faculty and student representatives and on behalf of the Board of Regents said that the Regents were always delighted to have faculty and student representatives attend the meetings and that they were welcome at any time at any of the meetings.

WELCOME AND REPORT BY WILLIAM C. LEVIN, M.D., PRESIDENT OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON.-- President Levin welcomed the members of the Board of Regents and other guests to The University of Texas Medical Branch at Galveston for the first time in about five years.

Dr. Levin presented a most comprehensive report of the Galveston Medical School from its beginning until the present. He said that it was the oldest and largest medical school in the State of Texas and noted that in twelve years it would be one hundred years old. In this report he emphasized with historical background the part that the Sealy Smith family and The Sealy and Smith Foundation for the John Sealy Hospital, great benefactors of the medical school, had provided in the development of this great institution. In addition to the historical presentation and report on the programs, students, degrees, endowment funds and all programs and support thereof, he also set forth future building plans and the dreams of the institution in the form of programs, and finally enumerated the current and most evident deficiencies. In conclusion, he asserted that the primary objective is to provide the best in health care for the people of Texas.

Following his remarks a multi-media film delightfully set to music and originally prepared for the homecoming of ex-students of the medical school was viewed. (No report was filed.)

VOTE OF THANKS TO WILLIAM C. LEVIN, M.D., PRESIDENT OF THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON. --Regent Sterling moved that Dr. Levin, President of The University of Texas Medical Branch at Galveston, be given a vote of thanks for a fine presentation. Vice-Chairman Williams seconded the motion which prevailed unanimously.

BOARD OF REGENTS: APPROVAL OF MINUTES OF REGENTS' MEETINGS HELD ON FEBRUARY 9-10, 1978 (REGULAR MEETING) AND MARCH 3, 1978 (SPECIAL MEETING). --Upon motion of Regent Sterling, seconded by Regent Bauerle, the Minutes of the following meetings of the Board of Regents of The University of Texas System were approved without objection as circulated by Secretary Thedford. The official copies of these Minutes are recorded in the Permanent Minutes, Volume XXV, as indicated:

Regular Meeting held on February 9-10, 1978, on the campus of The University of Texas of the Permian Basin, Odessa, Texas (Pages 1917-2553 )

Special Meeting held on March 3, 1978, in the Regents' Meeting Room on the ninth floor of Ashbel Smith Hall, Austin, Texas (Pages 2554-2556 )

RECESS FOR COMMITTEE MEETINGS AND EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --Chairman Shivers announced that (1) the Board of Regents would recess ( 10:05 a. m. ) for meetings of the Standing Committees and (2) following the open session of the Committee of the Whole the Board would reassemble in the Conference Room, Suite 621, as a Committee of the Whole in Executive Session pursuant to Article 6252-17, Sections 2(e), (f) and (g), V.T.C.S. to discuss:

1. Pending or Contemplated Litigation - Section 2(e)
2. Land Acquisition and Negotiated Contracts - Section 2(f)
  - a. Report and Recommendation of Committee to Renegotiate Real Estate Note with Punta Gorda Isles, Inc.
  - b. Report of Special Committee on Brackenridge Tract Relating to Exchange of Leases with LCRA
3. Personnel Matters - Section 2(g)
  - a. Proposed Termination of Faculty and/or Staff Members at U. T. Austin and Houston Health Science Center
  - b. Houston Health Science Center: Selection of a President
  - c. Administrative Organization

RECONVENE.--At 3:35 p. m., when all committees had concluded their business, the Board of Regents reconvened.

## REPORTS OF STANDING COMMITTEES

Chairman Shivers called for the reports of the Standing Committees. All meetings had been conducted in open session in the Caduceus Room, 6th Floor, Administration Building on the Galveston Medical Branch campus except the Executive Session of the Committee of the Whole.

REPORT OF SYSTEM ADMINISTRATION COMMITTEE (Pages 7-19). -- The following report was submitted by Vice-Chairman Williams, Chairman of the System Administration Committee. He stated that all actions had been taken in open session, and the report was adopted without objection:

Report

Amendments to the 1977-78 Budget recommended in the following item were considered by the System Administration Committee this morning and were adopted without objection:

System Administration, U. T. Arlington, U. T. Austin, U. T. Dallas, U. T. El Paso, U. T. San Antonio, Galveston Medical Branch and its Galveston Medical School, Houston Health Science Center and its Houston Medical School and Houston Allied Health Sciences School, San Antonio Health Science Center and its San Antonio Medical School and Proposed Amendments to the 1977-78 Budgets (5-B-78 and 6-B-78). -- The appropriate chief administrative officers, concurred in by System Administration, recommend that their respective 1977-78 Operating Budget be amended as indicated on the pages set out below:

The University of Texas System Administration, Page 7  
 The University of Texas at Arlington, Page 7  
 The University of Texas at Austin, Pages 8-10  
 The University of Texas at Dallas, Page 11  
 The University of Texas at El Paso, Pages 11-12  
 The University of Texas at San Antonio, Page 12  
 The University of Texas Medical Branch at Galveston and its Galveston Medical School, Page 13  
 The University of Texas Health Science Center at Houston and its Houston Medical School and Houston Allied Health Sciences School, Pages 14-15  
 The University of Texas Health Science Center at San Antonio and its San Antonio Medical School, Pages 16-19

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

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Legal Expenses and Other Services Transfer of Funds	From: Available University Fund Unappropriated Balance	To: Legal Expenses and Other Services	
	Amount of Transfer	\$ 20,000	\$ 20,000	---

1977-78 BUDGET

THE UNIVERSITY OF TEXAS AT ARLINGTON

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
10.	Franklin N. Fallis (Non-tenure) Architecture and Environmental Design Academic Rate	Instructor (52%T) \$ 11,600	Instructor (F.T.) \$ 14,250	1/16-5/31
	Source of Funds: Unallocated Faculty Salaries			
11.	Auxiliary Enterprises - The Corral Transfer of Funds	From: The Corral Unappropriated Balance via Estimated Income	To: The Corral - Salaries and Wages \$ 18,056 Other Operating Expenses 35,891 Estimated Unexpended Balance 8/31/78 6,554 <u>\$ 60,501</u>	---
	Amount of Transfer	\$ 60,501		

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THE UNIVERSITY OF TEXAS AT AUSTIN

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
11.	Gerhard J. Fonken (Tenure) Office of the President and Chemistry	Executive Assistant to the President; Professor	Executive Assistant to the President; Professor	
	Administrative Rate (12 mos.)	\$ 42,000	\$ 44,667	1-1-78
	Academic Rate (9 mos.)	\$ 31,500	\$ 33,500	1-1-78
	Source of Funds:			
	Office of the President:			
	Administrative Salaries			
	Department of Chemistry:			
	Unallocated Faculty Salaries			

President Rogers states that: "For many years Dr. Gerhard J. Fonken has assumed extensive and important administrative duties without being properly compensated. This year he has proved invaluable as my Executive Assistant, and during this time he has handled many of the duties of the Vice President for Academic Affairs because of Dr. Hays' illness. More recently during my illness, the chief responsibility for keeping the office going fell on his shoulders even though many other people in the top administrative group pitched in to do their part. During all of this time Dr. Fonken has continued his work in the Department of Chemistry and has remained one of the most popular and effective teachers in that department."

12.	Auxiliary Enterprises - Division of Housing and Food Service - Kinsolving Dormitory			
	Transfer of Funds	From: Kinsolving Dormitory - Unappropriated Balance via Estimated Income	To: Kinsolving Dormitory - Other Expenses	
	Amount of Transfer	\$ 5,000	\$ 5,000	---

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THE UNIVERSITY OF TEXAS AT AUSTIN

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
13.	Auxiliary Enterprises - Inter-Collegiate Athletics for Men			
	Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance via Estimated Income	To: Intercollegiate Athletics for Men - Other Expenses	
	Amount of Transfer	\$ 5,420	\$ 5,420	---

Under NCAA rules, certain funds are retained by the Athletics Department for various purposes. \$4,820 of the transfer is an appropriation for scholarships relating to the Basic Equal Opportunity Grants. The other \$600 is for expenses of the tennis team participation in the first annual Cajun Tennis Classic on the University of Southwestern Louisiana campus. Funds were provided by the University of Southwestern Louisiana.

14.	Auxiliary Enterprises - Special Events Center			
	Transfer of Funds	From: Special Events Center - Estimated Income Event Revenue \$ 556,143 Rental Revenue <u>35,000</u>	To: Special Events Center - Classified Salaries \$ 32,000 Audience Ushers 30,000 Other Operating Expense 503,143 Unallocated Account <u>26,000</u>	
	Amount of Transfer	<u>\$ 591,143</u>	<u>\$ 591,143</u>	---

The transfer is to establish estimates of income for the remainder of the 1977-78 fiscal year and to budget operating expenses relating thereto. Events scheduled, along with their estimated income are listed below:

Harlem Globe Trotters	\$ 61,691
Lawrence Welk Show	97,652
Ice Capades Show	170,912
Ringling Brothers Circus	<u>225,888</u>
Total	<u>\$ 556,143</u>

MAR 7 1978

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Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<b>Auxiliary Enterprises - Intercollegiate Athletics for Men</b>				
		<u>Current Salary Rate</u>	<u>Proposed Salary Rate</u>	
15.	Head Football Coach Fred S. Akers	\$ 45,000	\$ 50,000	2/1/78
16.	Assistant Football Coach Willie L. Manley	\$ 27,500	\$ 31,000	2/1/78
17.	Robert L. Fuller	27,000	31,000	2/1/78
18.	Robert B. Warmack	24,500	28,000	2/1/78
19.	Charles W. Lee, Sr.	24,000	27,000	2/1/78
20.	Michael Parker	23,000	27,000	2/1/78
21.	David L. McWilliams	23,000	27,000	2/1/78
22.	Kenneth D. Dabbs	22,000	25,000	2/1/78
23.	Alan D. Lowry	19,000	25,000	2/1/78
24.	Assistant Athletics Director Billy M. Ellington	\$ 29,000	\$ 35,000	2/1/78
Source of Funds (Items 15-24): Allocation for Budget Adjustments				
25.	Auxiliary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men Unappropriated Balance	To: Intercollegiate Athletics for Men - Allocation for Budget Adjustments	
	Amount of Transfer	\$ 80,000	\$ 80,000	---
26.	U. T. History Project Transfer of Funds	From: Available University Fund Unappropriated Balance	To: U. T. History Project - Publication Costs	
	Amount of Transfer	\$ 20,000	\$ 20,000	---

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MAR 7 1978  
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THE UNIVERSITY OF TEXAS AT DALLAS

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	John D. Winningham Center for Space Studies  Salary Rate  Source of Funds: Contracts and Grants	Research Scientist  \$ 22,400	Research Scientist  \$ 26,400	3-1-78

THE UNIVERSITY OF TEXAS AT EL PASO

1977-78 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
4.	Dorothy A. Leach (Non-tenure) English Academic Rate  Source of Funds: Unallocated Faculty Salaries	Lecturer (3/4T - Fall) \$ 8,000	Lecturer (F.T. - Spring) \$ 12,000	1/16-5/31
5.	Patricia Burlingame (Non-tenure) English Academic Rate  Source of Funds: Unallocated Faculty Salaries	Lecturer (3/4T - Fall) \$ 8,000	Lecturer (F.T. - Spring) \$ 12,000	1/16-5/31
6.	Charles J. Estrada (Non-tenure) Philosophy Academic Rate  Source of Funds: Unallocated Faculty Salaries	Lecturer (1/2T - Fall) \$ 10,000	Lecturer (F.T. - Spring) \$ 13,000	1/16-5/31

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THE UNIVERSITY OF TEXAS AT EL PASO

1977-78 BUDGET

7.	Plant Funds Transfer of Funds	From: Unexpended Plant Funds - Unappropriated Balance	To: Plant Funds - Conversion of Facilities to the Metric System	---
	Amount of Transfer	\$ 22,000	\$ 22,000	---

THE UNIVERSITY OF TEXAS AT SAN ANTONIO

1977-78 BUDGET

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Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Unallocated Maintenance and Operation Transfer of Funds	From: Unappropriated Balance	To: Unallocated Maintenance and Operation	---
	Amount of Transfer	\$ 50,000	\$ 50,000	---
2.	Institute of Texan Cultures Transfer of Funds	From: Unappropriated Balance	To: Institute of Texan Cultures Unallocated Maintenance and Operation	---
	Amount of Transfer	\$ 14,772.47	\$ 14,772.47	---

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THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1977-78 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
23.	Auxiliary Enterprises - Capital Equipment Fund Transfer of Funds							
		From: Auxiliary Enterprises - Unappropriated Balances			To: Capital Equipment Fund			
	Amount of Transfer		\$ 173,310.85		\$ 173,310.85		---	
	This transfer will provide initial capital for the purchase of television sets for the Child Health Center and the John Sealy Hospital Tower.							
	<u>Galveston Medical School</u>							
24.	Kenton A. Brown (Non-tenure) Psychiatry and Behavioral Science Assistant Professor	\$ 27,000	\$ 10,000	\$ 37,000	\$ 27,000	\$ 13,000	\$ 40,000	2/1/78
	Source of Funds: MSRDP							
25.	Fred J. Wolma, Jr. (Tenure) Surgery Professor	\$ 45,000	\$ 22,500	\$ 67,500	\$ 46,608	\$ 23,292	\$ 69,900	2/1/78
	Source of Funds: Unallocated Faculty Salaries and MSRDP							

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1977-78 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.	Soad Bekheit-Saad (Non-tenure) Internal Medicine-Cardiology Assistant Professor  Source of Funds: Departmental Salaries and MSRDP	\$ 31,000	\$ 7,000	\$ 38,000	\$ 34,000	\$ 10,000	\$ 44,000	1-1-78
12.	Michael Floyd (Non-tenure) Internal Medicine-Nephrology Assistant Professor  Source of Funds: MSRDP	\$ 33,500	\$ 4,000	\$ 37,500	\$ 33,500	\$ 9,500	\$ 43,000	1-1-78
13.	Ian J. Butler (Non-tenure) Neurology Associate Professor  Source of Funds: Departmental Salaries and MSRDP	\$ 32,600	\$ 12,000	\$ 44,600	\$ 34,500	\$ 13,000	\$ 47,500	1-1-78
14.	Gage Van Horn (Tenure) Neurology Associate Professor  Source of Funds: MSRDP	\$ 37,800	\$ 12,000	\$ 49,800	\$ 37,800	\$ 14,300	\$ 52,000	1-1-78
15.	Vinod D. Deshmukh (Non-tenure) Neurology Assistant Professor  Source of Funds: MSRDP	\$ 31,500	\$ 12,000	\$ 43,500	\$ 31,500	\$ 15,000	\$ 46,500	1-1-78

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MAR 7 1978  
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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Houston Medical School (continued)</u>								
16.	Howard M. Marmell (Non-tenure) Neurology Assistant Professor Source of Funds: MSRDP	\$ 31,500	\$ 11,900	\$ 43,400	\$ 31,500	\$ 14,500	\$ 46,000	1-1-78
17.	Edward B. Metoyer Print Shop Print Shop Supervisor	\$ 14,868	---	\$ 14,868	\$ 17,004	---	\$ 17,004	2/1/78
18.	William S. Fields (Tenure) Neurology Professor and Chairman Source of Funds: MSRDP	\$ 47,000	\$ 17,000	\$ 64,000	\$ 47,000	\$ 19,000	\$ 66,000	2/1/78
<u>Houston School of Allied Health Sciences</u>								
19.	Hershal W. Bradshaw (Non-tenure) Nurse Anesthesia Education Assistant Professor and Director	\$ 26,500	---	\$ 26,500	\$ 30,000	---	\$ 30,000	2/1/78
20.	Sidney L. Barlow (Non-tenure) Nurse Anesthesia Education Instructor	\$ 22,000	---	\$ 22,000	\$ 27,000	---	\$ 27,000	2/1/78

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MAR 7 1978  
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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

1977-78 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
23.	Warren G. Harding (Tenure) Office of the President Director of Hospital Affairs, Professor of Health Care Administration, Executive Director Bexar County Hospital District	\$ 52,050	---	\$ 52,050	\$ 55,550	---	\$ 55,550	1-1-78
	Source of Funds: Bexar County Hospital District Contract							

At the meeting of the Budget & Finance Committee of the Board of Managers of the Bexar County Hospital District on Thursday, December 15, the Hospital portion of the salary for the Executive Director was increased \$3,500.00 effective January 1, 1978.

In accordance with the agreement between the Bexar County Hospital District and the Board of Regents of The University of Texas System dated April 1, 1974, the Hospital District will pay the University for Management Services.

San Antonio Medical School

24.	Ray J. Nichols (Tenure) Anesthesiology Professor and Acting Chairman	\$ 54,821	\$ 12,875	\$ 67,696	\$ 54,821	\$ 14,875	\$ 69,696	1-1-78
	Source of Funds: MSRDP							

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>San Antonio Medical School</u> (Continued)								
25.	Robert Hodgkinson (Tenure) Anesthesiology Associate Professor  Source of Funds: MSRDP	\$ 44,000	\$ 11,000	\$ 55,000	\$ 44,000	\$ 13,000	\$ 57,000	1-1-78
26.	Somayaji Ramamurthy (Non-tenure) Anesthesiology Associate Professor  Source of Funds: MSRDP	\$ 44,000	\$ 12,500	\$ 56,500	\$ 44,000	\$ 16,000	\$ 60,000	1-1-78
27.	Prema Durairaj (Non-tenure) Anesthesiology Assistant Professor  Source of Funds: VA Contract	\$ 32,000	\$ 16,000	\$ 48,000	\$ 34,000	\$ 16,000	\$ 50,000	1-1-78
28.	William C. Holmgreen (Non-tenure) Anesthesiology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 2,200	\$ 41,200	\$ 39,000	\$ 4,200	\$ 43,200	1-1-78
29.	Fritz M. G. Holmstrom (Tenure) Anesthesiology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 5,000	\$ 44,000	\$ 39,000	\$ 7,000	\$ 46,000	1-1-78

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MAR 7 1978 2573

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>San Antonio Medical School</u> (Continued)								
30.	Cyril M. Sliom (Non-tenure) Anesthesiology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 6,000	\$ 45,000	\$ 39,000	\$ 8,000	\$ 47,000	1-1-78
31.	Richard C. Wolff (Non-tenure) Anesthesiology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 11,000	\$ 50,000	\$ 39,000	\$ 13,000	\$ 52,000	1-1-78
32.	Marcos A. Zuazu (Non-tenure) Anesthesiology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 6,000	\$ 45,000	\$ 39,000	\$ 8,000	\$ 47,000	1-1-78
33.	Ronald S. Gibbs (Non-tenure) Obstetrics and Gynecology Assistant Professor  Source of Funds: MSRDP	\$ 39,000	\$ 3,400	\$ 42,400	\$ 39,000	\$ 5,400	\$ 44,400	1-1-78

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MAR 7 1978  
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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>San Antonio Medical School</u> (Continued)								
34.	Vernon S. Bishop (Tenure) Pharmacology and Graduate School Professor	\$ 41,500	---	\$ 41,500	\$ 45,500	---	\$ 45,500	1-1-78
	Source of Funds: Unallocated Salaries							

35. Auxiliary Enterprises - Bookstore  
and Vending Machines, Parking  
Facilities, and University Health  
Service

Transfer of Funds

From: Bookstore and Vending  
Machines - Unappro-  
priated Balance \$ 312,853  
Parking Facilities -  
Unappropriated Balance 23,343  
University Health Ser-  
vice - Unappropriated  
Balance 62,063

To: Bookstore and Vending  
Machines - Unallocated \$ 312,853  
Parking Facilities -  
Unallocated 23,343  
University Health Ser-  
vice - Unallocated 62,063

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 20-31 ).--Committee Chairman Sterling stated that all matters of the Academic and Developmental Affairs Committee were conducted in open session and had been approved without objection unless otherwise indicated. He filed the following report. There being no objection, the report was adopted:

Report

1. U. T. System: Docket No. 5 of the President of the System (Attachment No. 1) (Catalog Change).--Committee Chairman Sterling reported that no exception had been received to Docket No. 5 of the President of the System. At the meeting no objections were offered during the consideration of the Docket, and the Docket was unanimously approved in the form distributed by the Secretary. It is attached (Attachment No. 1) following Page 161 and made a part of these Minutes.

It was expressly authorized that any contracts or other documents or instruments approved therein had been or shall be executed by the appropriate official of the respective institution involved.

It was ordered that any item included in this Docket that normally is published in the catalogs of the various institutions be reflected in the next catalogs printed by the respective institutions.

2. U. T. Arlington: Authorization to Seek Permission from Coordinating Board to Reorganize College of Business Administration by Dividing Department of Business Administration into Four Departments (Department of Finance, Real Estate, Insurance and Law; Department of Management; Department of Marketing; and Department of System Analysis) (Catalog Change).--President Nedderman's written presentation requesting reorganization of the College of Business Administration at The University of Texas at Arlington into six departments rather than three pointed out that such structure would improve the organizational structure of the College and result in increased effectiveness of the College administration and at the same time would not require any additional space or equipment over that currently projected. If approved the total increase in costs would be approximately \$5,000 which would be covered in the formula generated funds for the program.

Based on President Nedderman's report and recommendation, concurred in by System Administration, the Academic and Developmental Affairs Committee authorized the Administration to seek permission from the Coordinating Board, Texas College and University System to reorganize the College of Business Administration at U. T. Arlington by dividing the Department of Business Administration (within the College) into four departments, to-wit:

Department of Finance, Real Estate, Insurance  
and Law  
Department of Management  
Department of Marketing  
Department of System Analysis

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These departments plus the Department of Accounting and the Department of Economics will make six departments in the College of Business Administration.

It was ordered that if this reorganization is approved by the Coordinating Board, the next appropriate catalog published at U. T. Arlington be amended to conform thereto.

3. U. T. Arlington: Authorization to Seek Permission from Coordinating Board to Abolish Department of Education in College of Liberal Arts and Create a Center for Professional Teacher Education (Catalog Change). -- Upon the recommendation of President Nedderman, concurred in by System Administration, authorization was granted to the Administration to seek permission from the Coordinating Board, Texas College and University System to abolish the Department of Education in the College of Liberal Arts at The University of Texas at Arlington and to create a Center for Professional Teacher Education to be administered independent of the existing colleges or schools.

In making this recommendation, the Administration pointed out that the Texas Education Agency in its certification standards requires close cooperation between the educational faculty and the faculty of the departments in which the students major.

If this request is approved by the Coordinating Board, the next appropriate catalog published will be amended to reflect the action.

4. U. T. Arlington: Student Union Fee (S.B. No. 892, 65th Leg., R.S., 1977) Effective with Fall Semester 1978 (Catalog Change). -- Under authority of Senate Bill No. 892, 65th Leg., R.S., 1977, and upon recommendation of President Nedderman, concurred in by System Administration, authorization was given to levy a Student Union Fee at The University of Texas at Arlington of \$1.25 per semester credit hour, not to exceed the statutory limit of \$15.00 for each regular semester or twelve-week summer session, and not to exceed \$7.50 for each six-week term of the summer session, effective with the Fall Semester 1978.

It was noted that a Student Union Advisory Committee had existed at U. T. Arlington for over five years and that this committee would continue in existence to make recommendations with respect to the use of this fee in accordance with the requirements of Senate Bill No. 892.

It was ordered that the next appropriate catalog published at U. T. Arlington be amended to reflect this fee.

5. U. T. Austin: Increase in Late Registration Fee (Catalog Change). -- Upon the recommendation of President Rogers, concurred in by System Administration, the service charge for late registration at The University of Texas at Austin was increased from \$5 to \$15 to be effective with the Fall Semester 1978. This increase will help to defray the higher processing cost necessary in the late registration procedure.

The next appropriate catalog published at U. T. Austin will be amended to reflect this increase in late registration fee.

6. U. T. Austin: Authorization to Request Permission from Coordinating Board to Combine the College of Humanities, the College of Social and Behavioral Sciences and the Division of General and Comparative Studies into a Single College of Liberal Arts (Catalog Change). -- Upon the recommendation of President Rogers, concurred in by System Administration, authorization was granted to seek permission from the Coordinating Board, Texas College and University System to combine the College of Humanities, the College of Social and Behavioral Sciences and the Division of General and Comparative Studies at The University of Texas at Austin into a single unit to be called the College of Liberal Arts.

Chairman Shivers asked that it be made clear to the students and to their parents that the combining of these divisions would in no way affect the students' degrees.

If this proposal is approved by the Coordinating Board, the next appropriate catalog published at U. T. Austin thereafter will be amended to reflect the change.

7. U. T. Austin - Required and Optional Student Services Fees: Approval of Student Services Fee (Required), Hospital Fee, Medical Services Fee, Texas Union Fee, Special Student Union Fee, Student Services Fee (Optional) and Student Spouse Services Fee (Optional) for 1978-79 with Increases Only in Student Services Fee (Required) and in Student Services Fee (Optional) with Respect to Intercollegiate Athletics for Men and Women Only (Student and Spouse). -- Upon recommendation of President Rogers, concurred in by System Administration, and by unanimous vote the Schedule of Student Services Fees (Optional and Required) at The University of Texas at Austin set out on Pages 22-24 was approved effective 1978-79, and it was ordered that the first catalog published hereafter be amended to conform.

The Board of Regents had received messages by wire from both Representative Gonzalo Barrientos and Representative Mary Ann Bode urging opposition to the proposed increase in the required Student Services Fee. This matter was discussed in detail and Regent Law commented that this 3.4% increase in the Student Services Fee (Required) did not approach the rate of inflation.

**SCHEDULE OF STUDENT SERVICES FEES**  
Effective 1978-79

- a. Student Services Fee (Required). --  
The Student Services Fee (Required) at The University of Texas at Austin was set at \$2.40\* per semester credit hour with a maximum of \$28.80 per full time student per semester or summer session.

The Student Services Fee (Required) will support the following activities:

- (1) Students' Attorney
- (2) The Daily Texan
- (3) Recreational Sports
- (4) Health Center Supplement
- (5) Shuttle Bus
- (6) Students' Association
- (7) Senior Cabinet

Specific budgetary allocations will be submitted with the regular budget for Regental approval.

b. Other Student Fees (Required).

	Summer Session			Long- Session Semester
	6 weeks or less	9 weeks	12 weeks	
(1) Hospital Fee	\$2.00	\$ 3.00	\$ 4.00	\$ 4.00
(2) Medical Services Fee	7.50	11.25	15.00	15.00
(3) Texas Union Fee	3.50	7.00	7.00	7.00
(4) Special Student Union Fee	1.50	3.00	3.00	3.00

\*Increased.

This represents an increase of \$0.08 per semester credit hour.

Optional Fees

a. Student Services Fee (Optional). --

The following optional student services fees were approved on a nine months' basis unless otherwise noted:

	<u>Academic Year</u>	<u>Spring Semester</u>
(1) Intercollegiate Athletics for Men and Women	\$32.00*	\$11.00*
(2) Cultural Entertainment Committee	10.00	5.00
(3) Locker and Shower Fee (one semester)	.75	
(4) <u>The Cactus</u> Yearbook	10.50	
(5) <u>Peregrinus</u> Law School Yearbook	7.35	
(6) "C" Parking Permit for Automobile	10.00	
"C" Permit for Spring Semester		6.00
(7) "M" Parking Permit for Motorcycle	6.00	
"M" Permit for Spring Semester		4.00
(8) "D" Parking Permit for Disabled Student	10.00	
"D" Permit for Spring Semester		6.00
(9) "C", "M" or "D" Permits--summer only		2.00

- b. Student Spouse Services Fee (Optional). --  
 The Student Spouse Services Fee (Optional) which is for spouses of students, faculty and staff who wish to purchase these services was set as follows:

	<u>Academic Year</u>	<u>Spring Semester</u>
(1) Cultural Entertainment Committee	\$10.00	\$ 5.00
(2) Intercollegiate Athletics for Men and Women	44.00*	15.00*

\*Increased.

Of the \$32.00 fee, \$18.00 is designated for Men's Athletics and \$14.00 for Women's Athletics; the fee for the Spring Semester only for students and the spouse fees for students or faculty/staff will be allocated using the same ratio.

8. U. T. Austin: Rates for Residence Halls, University Apartments-Married Student Housing and Student Cooperative Units Effective 1978-79 Academic Year (Catalog Change). --In considering proposed rates for residence halls, University apartments - married student housing and student cooperative units at The University of Texas at Austin, it was noted that the rates were last revised in 1977-78. In order to meet increased operating and fixed costs, to avoid drastic reduction of services and to equalize the rates charged for certain facilities, President Rogers, concurred in by System Administration, recommended the rate schedule effective set out on Pages 24-27.
- President Rogers indicated that U. T. Austin had a very active Student Financial Aid Office and that if the rates are increased the amount of money available to needy students will also be increased accordingly.

After a detailed discussion ensued in which Regent Law said he had checked thoroughly the increase in the rates and the increase in inflation and that the increase in rates is reasonable and essential, the rate schedule effective 1978-79 was adopted without objection.

Rate Schedule Effective 1978-79

University Residence Halls

<u>Double Rooms</u>	<u>Long Session Rate</u>		
	<u>Room</u>	<u>Meals</u>	<u>Total</u>
Jester			
Community Bath	\$708	\$944	\$1652
Connecting Bath	880	944	1824
Kinsolving			
Community Bath	708	944	1652
Connecting Bath	880	944	1824
Blanton	708	944	1652
Andrews, Carothers and Littlefield	468	944	1412
Moore-Hill & Simkins	708		708

Brackenridge-Roberts-Prather 468 468

Andrews 468 468

a. These rates include a telephone in each room, biweekly room cleaning, bed linens furnished and laundered and twenty meals per week where meals are included.

b. Payment procedure will be as during the 1977-78 fiscal year.

Other Rates

a. Single room rate and double rented as a single--1.667 times the double rate.

b. Summer session rates--long session per diem rate multiplied by number of days in summer session.

c. Guest rates:  
Overnight Guests--\$1.00 per night.

Meal guests	
Breakfast	\$1.50
Lunch	2.25
Dinner	2.85
Sunday Noon	3.30

d. Short-term  
Short-term rates are for individuals or small groups assigned to vacant areas in regular student space for periods of a few days to several weeks. These rates include the student menu, blankets, pillow, bed linens and limited maid service.

	<u>Daily Rate</u> <u>Per Person</u>	<u>Weekly Rate</u> <u>Per Person</u>
Meals	\$ 6.60	\$39.60
Double Room	5.30	31.80
	<u>\$11.90</u>	<u>\$71.40</u>
Single Room	\$ 7.95	\$47.70

e. Orientation Rates\*  
Orientation rates are for freshmen attending Summer Orientation assigned to space opened specifically for these groups. The rates include the student menu, blankets, pillows, bed linens and limited maid service.

	<u>Daily Rate</u> <u>Per Person</u>
Meals	\$ 6.60
Double Room	6.50
	<u>\$13.10</u>
Single Room	\$ 9.75

## f. Conference Rates\*

- (1) Full Service - Opened specifically for conference use each summer in connecting bath space. The rate includes expanded menu, blanket, pillow, soap, daily towel and washcloth exchange, limited daily maid service, bed linens changed every three days, and meeting space.

	<u>Daily Rate</u> <u>Per Person</u>
Meals	\$ 8.00
Double Room	9.00
	<u>\$17.00</u>
Single Room	\$13.50 (1-1/2 times the double rate)

- (2) Modified Service - A reduced conference rate for community bath space. The regular student menu is used and services are reduced.

	<u>Daily Rate</u> <u>Per Person</u>
Meals	\$ 6.60
Double Room	7.50
	<u>\$14.10</u>
Single Room	\$11.25 (1-1/2 times the double rate)

\*The Orientation, Full and Modified Conference Rates are base rates. Adjustments in prices are made based on length of stay and specific services requested.

University Apartments - Married Student Housing

	<u>Monthly Rate</u>
Brackenridge-Deep Eddy (All units furnished)	
1 bedroom apartment	\$ 69
2 bedroom duplex	74
2 bedroom apartment	77
3 bedroom apartment	84
4 bedroom apartment	92
Mobile Home Lot	28
Colorado Apartments (Unfurnished)	
1 bedroom	115
2 bedroom	127
(Furnished)	
1 bedroom	127
2 bedroom	139

Gateway Apartments  
(Unfurnished)

1 bedroom 115  
2 bedroom 127

(Furnished)

1 bedroom 127  
2 bedroom 139

- a. Rates for Brackenridge-Deep Eddy and Colorado Apartments include gas and water. Rates for Mobile Home Park and Gateway Apartments include only water.
- b. The student pays the electric bill in all units.

Student Housing Units - Women's Cooperatives

Number of Students Per Co-Op	Rate	
	<u>Building Rent per Student</u>	<u>Monthly Rent Paid to University</u>
Nonair-Conditioned 15 (6 co-ops)	\$ 25.75	\$ 386.25
Air-Conditioned 17 (2 co-ops)	\$ 38.75	\$ 658.75
19 (4 co-ops)	\$ 38.75	\$ 746.25

It was ordered that the next catalog published at U. T. Austin be amended to conform to this authorization.

9. U. T. Austin: Authorization to Seek Permission from Coordinating Board to Offer a M.A. Degree in Oriental Languages, Literatures, and Cultures and a Ph.D. Degree in Middle Eastern Languages, Literatures, and Cultures (Hebrew, Arabic, Persian) (Catalog Change). --

Based on the written request of President Rogers in the Material Supporting the Agenda, concurred in by System Administration, the Academic and Developmental Affairs Committee authorized the Administration to seek permission from the Coordinating Board, Texas College and University System to offer a M.A. Degree in Oriental Languages, Literatures and Cultures and a Ph.D. Degree in Middle Eastern Languages, Literatures, and Cultures (Hebrew, Arabic, Persian) at The University of Texas at Austin. The programs will be supported with revenue generated by formula funding.

Committee Chairman Sterling pointed out that no other institution in the State of Texas offers these programs and that the programs are timely because of increased emphasis on international relations with the Middle Eastern, South Asian and Oriental countries. Also, there is a continued demand for graduates with advanced training in languages, literatures and cultures of these countries.

It was ordered that if these programs are approved by the Coordinating Board, the next appropriate catalog published at U. T. Austin be amended to conform.

10. U. T. Austin: Approval of Amendments to Constitution of Students' Association (Abolition of Student Government); Interim Authorization for President Rogers to Adopt Procedures for Filling Student Vacancies on Board of Directors of Texas Union; Nonvoting Ex Officio Position of Students' Association President on Texas Student Publications Board to Remain Vacant During Interim. --The Administration reported that the Students' Association at The University of Texas at Austin had voted favorably on a referendum whereby the following amendments to the Constitution of the Students' Association were adopted:

- a. Delete Article II (Organization), Article III (The Legislative Branch), Article IV (The Executive Branch) and Article V (The Judicial Branch)
- b. Add to Article VII (Amendments) the following:

"A new governing structure may be instituted by a majority of the students voting in the special election called by the Chairperson of the Election Commission upon petition by a number of students equaling thirty per cent (30%) of those voting in the last general election."

President Rogers had submitted recommendations to approve the amendments to the Constitution, to delegate interim authority to the President of U. T. Austin to adopt procedures for filling student vacancies on the Board of Directors of the Texas Union and to fill student vacancies on the U. T. Austin Athletics Council and to allow the nonvoting ex officio position of the Students' Association president on the Texas Student Publications Board to remain vacant during the interim period.

These recommendations were discussed in detail by the members of the Board of Regents.

Mr. David Haug (a member of the U. T. Austin student body), Miss Judy Spaulding (past President of the Students' Association) and Mr. Mark Isensee (Vice President of the Students' Association) spoke in favor of approving the amendments thereby abolishing the governing structure of the Students' Association.

Upon a motion duly made and seconded, the recommendations of President Rogers were approved effective immediately by the following vote:

AYES: Regent Bauerle  
Regent Fly  
Regent Law  
Regent Shivers  
Regent Sterling  
Regent Williams

NOES: Regent Blumberg  
Regent Clark  
Regent Hay

President Rogers assured the Board that during the interim period when no student government structure exists at U. T. Austin, her office would take care of the essential functions of the student government and make all necessary appointments after receiving recommendations from the various other student organizations on the campus. She indicated that she would bring to the September meeting of the Board of Regents the plan which is being used at that time.

In an effort to formalize a structure for student government, President Rogers said that Dr. James P. Duncan, Vice President for Student Affairs, and Dr. James C. Hurst, Dean of Students, had been and would continue to work with student groups on the campus.

11. U. T. Austin: Acceptance of Pledge and Establishment of the Peat, Marwick, Mitchell Professorship of Accounting in the College of Business Administration; Appointment of Dr. Glenn A. Welsch Initial Recipient. -- Upon the recommendation of President Rogers, concurred in by System Administration, a pledge from the Peat, Marwick, Mitchell Foundation to provide \$175,000 to The University of Texas at Austin over a ten-year period at an annual rate of \$17,500 to support the Peat, Marwick, Mitchell Professorship of Accounting in the College of Business Administration was accepted, and the professorship was established.

Further upon the recommendation of President Rogers and System Administration, Dr. Glenn A. Welsch was named the initial recipient of the newly established professorship effective September 1, 1978.

Committee Chairman Sterling commented that the professorship will provide a \$10,000 salary supplement and \$7,500 for fringe benefits and expense reimbursements; however, in this case while the pledge is a very significant one, the customary permanent endowment for professorships is not created.

12. U. T. Austin - Appointment of: (a) Dr. H. Grady Rylander to the Jack S. Josey Professorship in Energy Studies; (b) Dr. Victor Szebehely to the L. B. (Preach) Meaders Professorship in Engineering; (c) Dr. Jan Mossin to the Jack G. Taylor Professorship in Business; and (d) Professor Raynard M. Sommerfeld to the John Arch White Professorship in Business Administration. -- By separate motions and upon the recommendations of President Rogers in the Material Supporting the Agenda, concurred in by System Administration, appointments were made as follows to the respective endowed professorships at The University of Texas at Austin in accordance with the provisions of the establishment of the professorships:
- a. Dr. H. Grady Rylander, an outstanding engineer who has made significant engineering contributions in the energy area, was appointed to the Jack S. Josey Professorship in Energy Studies for the period September 1, 1978 - August 31, 1980.

The Jack S. Josey Professorship in Energy Studies, to be administered by the College of Engineering, the College of Natural Sciences and the College of Business Administration, has not yet been completed; however, the Engineering Foundation Advisory Council has pledged funds to provide a \$5,000 per year stipend to the appointee for each of the two years of this appointment.

- b. Dr. Victor Szebehely, an internationally distinguished authority in fluid mechanics and orbital mechanics, was appointed to the L. B. (Preach) Meaders Professorship in Engineering in the College of Engineering effective September 1, 1978.
  - c. Dr. Jan Mossin, currently Professor of Business Administration at the Norwegian School of Economics and Business Administration in Bergen, Norway, and a distinguished scholar with an international reputation and impeccable credentials, was appointed to the Jack G. Taylor Professorship in Business in the College of Business Administration for the academic year 1978-79.
  - d. Professor Raynard M. Sommerfeld, who has a national reputation as a scholar, teacher and researcher, was appointed to the John Arch White Professorship in Business Administration in the College of Business Administration effective September 1, 1978.
13. U. T. Austin (Marine Science Institute): Cooperative Agreement with National Oceanic and Atmospheric Administration Transferring Operational Authority of the Southeast Fisheries Center, Port Aransas Laboratory, from National Marine Fisheries Service to U. T. Austin. -- Upon recommendation of President Rogers, concurred in by System Administration, the Academic and Developmental Affairs Committee unanimously approved a Cooperative Agreement between The University of Texas at Austin and National Oceanic and Atmospheric Administration transferring operational authority of the Southeast Fisheries Center, Port Aransas Laboratory, from National Marine Fisheries Service to U. T. Austin effective immediately and covering a period of three years with a possible option for two more years. It is noted that all contingencies on the part of The University of Texas at Austin have been complied with. (A copy of the contract is in the Secretary's files.)

14. U. T. Dallas: Authorization to Seek Permission from Coordinating Board to: (a) Establish Ph.D. in Human Development and Communication Sciences and If Approved by Coordinating Board Drop Ph.D. in Communication Disorders and Withdraw Pending Request for Ph.D. Programs in Special Education and Human Development; Drop Authorization for B.S. in Occupational Therapy [School of Human Development]; (b) Conditionally Withdraw Ph.D. in Industrial Biosciences and Drop Authorization for B.S. in Dietetics and Nutrition [School of Natural Sciences and Mathematics]; and (c) Drop M.S. in Interdisciplinary Studies, B.A. in German and B.A. in Russian [School of Arts and Humanities] (Catalog Change). -- Upon the recommendation of President Jordan and System Administration, authorization was given to the Administration to seek permission from the Coordinating Board, Texas College and University System to implement the following changes in the academic program at The University of Texas at Dallas:

School of Human Development

- a. Add a Ph.D. in Human Development and Communication Sciences. If this is approved by the Coordinating Board drop existing Ph.D. in Communication Disorders and Ph.D. Programs in Special Education and Human Development now pending before the Coordinating Board
- b. Drop authorization for B.S. degree in Occupational Therapy

School of Natural Sciences and Mathematics

- a. Withdraw authorization for the Ph.D. in Industrial Biosciences if and when the Coordinating Board approves the pending joint Ph.D. in Applied Chemistry (joint with U. T. Arlington and Dallas Health Science Center)
- b. Drop authorization for the B.S. degree in Dietetics and Nutrition

School of Arts and Humanities

- a. Drop authorization for M.S. degree in Interdisciplinary Studies while retaining authorization for M.A. degree in Interdisciplinary Studies
- b. Drop authorization for B.A. degree in German and B.A. degree in Russian

It was ordered if the Coordinating Board approves these changes that the next catalog published by U. T. Dallas be amended to reflect the revised programs.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 32-49 ).-- Committee Chairman Bauerle filed the following report of the Buildings and Grounds Committee and stated that all items were considered in open session. The report was adopted without objection:

Report

Report of Committee Meeting on Thursday, April 6, 1978.--The Buildings and Grounds Committee met on Thursday, April 6, 1978, at 10:30 a.m. in the Caduceus Room on the sixth floor of the Administration Building at The University of Texas Medical Branch at Galveston with all members of the Board of Regents present (Page 1 ). The purpose of the meeting was for in-depth consideration and study of the various recommendations that had been proposed by the Administration and the evaluation thereof.

Mr. and Mrs. Robert Lee Moffett and Dr. George W. Weinstein, Chairman of the Department of Ophthalmology at The University of Texas Health Science Center at San Antonio, appeared before the Buildings and Grounds Committee. Mrs. Moffett, Chairman of the Eye Institute Committee of The Ophthalmic Research Foundation of San Antonio, Inc., was spokesman for the group. She distributed a "Proposal for an Eye Institute as a Major Addition to The University of Texas Health Science Center at San Antonio" and discussed the various avenues of approach. (A copy of this material is in the Secretary's files.)

At the Buildings and Grounds Committee meeting, each item on the Agenda was discussed and pertinent facts relating thereto will be incorporated in the report of the committee meeting on Friday, April 7, 1978, when the items were acted on.

Report of Committee Meeting on Friday, April 7, 1978.--The Buildings and Grounds Committee met on Friday, April 7, 1978, following the meeting of the Academic and Developmental Affairs Committee. Unless otherwise indicated, the following actions were approved unanimously in open session:

1. U. T. System - Ashbel Smith Hall - Completion of Fifth Floor: Contract Award to Royce Construction Company, Austin, Texas, and Additional Appropriation Therefor.--Upon the recommendation of the Administration and without objection, the Buildings and Grounds Committee:
  - a. Awarded a construction contract in the amount of \$122,497 for the Completion of the Fifth Floor of Ashbel Smith Hall, The University of Texas System, to the lowest responsible bidder, Royce Construction Company, Austin, Texas
  - b. Approved a revised total project cost of \$220,000 to cover the construction contract award, movable furnishings and equipment, air balancing, fees and miscellaneous expenses
  - c. Appropriated additional funds in the amount of \$205,000 from Permanent University Fund Bond proceeds to cover the total project cost, \$15,000 having been previously appropriated

This project provides for completion of approximately 5,760 square feet of shelled space to house the Comptroller's office of the U. T. System.

2. U. T. System - Police Academy - New Training Facility: Contract Award to Allied Contracting Co., Austin, Texas. -- Upon the recommendation of the Administration and without objection, the Buildings and Grounds Committee:
- a. Awarded the construction contract for the Police Academy - New Training Facility on the site of the former Nike Missile Base located adjacent to Bee Caves Road to the lowest responsible bidder, Allied Contracting Co., Austin, Texas, in the amount of the base bid of \$51,000
  - b. Approved a total project cost of \$55,000 to cover the building construction contract award, air balancing, fees and miscellaneous expenses

This project provides for approximately 1500 gross square feet of facilities for training and instruction at the Police Academy.

3. U. T. Arlington - Remodeling of College Hall: Report of Bid Opening and Status of Project. -- The Administration reported that bids were called for, received and tabulated for the Remodeling of College Hall at The University of Texas at Arlington on March 30, 1978. The bids were competitive but considerably in excess of the funds available for construction; however, it was determined that the final estimate was in error, particularly where mechanical and electrical work was concerned.

The Administration advised that the Office of Facilities Planning and Construction was in the process of having the plans and specifications revised to bring the cost of the project down and would either negotiate with the low responsible bidder to achieve an acceptable price for the work, or would rebid part or all of the work to accomplish the same objective. Recommendations will be brought to the Board of Regents for consideration at a future meeting.

4. U. T. Arlington - Special Events Center: (a) Approval of Preliminary Plans and Authorization to Submit to Coordinating Board; (b) Subject to Coordinating Board Approval (1) Authorization to Prepare Final Plans and (2) Additional Appropriation Therefor. -- Messrs. B. W. Crain, Jr., and Ralph Anderson of the firm of Wilson/Crain/Anderson/Reynolds, Houston, Texas, Project Architect, for the Special Events Center at The University of Texas at Arlington, presented in detail the preliminary plans and exhibited a model of the proposed facility. These plans provide for a Center with a seating capacity of approximately 10,000 for large gatherings including theatrical and entertainment productions, graduation ceremonies, rallies, convocations, banquets and certain athletic events.

Thereafter and upon the recommendation of President Nedderman and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the preliminary plans and outline specifications for the Special Events Center at U. T. Arlington at an estimated total project cost of \$13,600,000 and authorized submission of the project to the Coordinating Board, Texas College and University System

b. Subject to the approval of the Coordinating Board:

- (1) Authorized the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting
- (2) Appropriated \$402,000 from Unappropriated Plant Funds - Interest on Bond proceeds to cover fees and miscellaneous expenses through the preparation of final plans and specifications, \$125,000 having been previously appropriated

5. U. T. Arlington - Additional Parking Facilities: Authorization to Construct Two Parking Lots [(a) East of Pecan Street and North of Mitchell Street and (b) Border and Monroe Streets]; Authorization to Submit Project to Coordinating Board for Approval and to Prepare Final Plans, Advertise for Bids and Complete Project Subject to Coordinating Board Approval; and Appropriation Therefor. --Based on an analysis of the parking facilities at The University of Texas at Arlington and the need therefor and upon the recommendation of President Nedderman and System Administration, the Buildings and Grounds Committee without objection:

- a. Authorized the expansion of Parking Facilities at The University of Texas at Arlington by the construction of two parking lots at the locations listed below at an estimated total project cost of \$480,891 including lighting, irrigation systems, oak trees and ground cover
 

East of Pecan Street and North of  
Mitchell Street  
Border and Monroe Streets
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Subject to the approval of the Coordinating Board, authorized the preparation of final plans and specifications, advertisement for bids and completion of the project by the U. T. Arlington Physical Plant staff with its own forces or through contract services in consultation with the Office of Facilities Planning and Construction
- d. Appropriated \$480,891 for additional Parking Facilities from the following sources:
 

(1)	Parking Fees - Cash on Hand	\$100,000
(2)	Unappropriated Building Use Fees - Cash on Hand	200,000
(3)	Cash Proceeds - Ad Valorem Tax Fund	180,891

6. U. T. Austin - Jester Residence Hall - Renovations and Remodeling of Facilities for Student Athletes - Addition of Elevator, Unit "M": Award of Contract to B. L. McGee, Inc., Austin, Texas, and an Equipment Procurement Award to Esco Elevators, Inc., Fort Worth, Texas, with Additional Appropriation Therefor. --As a part of the Renovations and Remodeling of Unit "M" - Jester Residence Hall at The University of Texas at Austin for athletes and upon the recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection awarded a general construction contract for the elevator tower, machine room and related work in Unit "M" to the lowest responsible bidder, B. L. McGee, Inc., Austin, Texas, in the amount of \$57,000.

The committee further:

- a. Authorized a separate equipment procurement through acceptance of the favorable elevator bid and made an equipment purchase award for the Base Bid 3-B for the elevator, elevator equipment and related installation work to the lowest responsible elevator bidder, Esco Elevators, Inc., Fort Worth, Texas, in the amount of \$32,775
- b. Appropriated additional funds in the amount of \$29,775 from Interest on Bond proceeds to cover the procurement of the elevator equipment

7. U. T. Austin - Jester Residence Hall - Renovations and Remodeling of Facilities for Student Athletes - Renovations of Existing Rooms, Unit "M": Rejection of Base Bids 1-A, 1-B and 1-C (Improved Dormitory Bedrooms) and Phase 4 (Central Lounge Space); Authorization for U. T. Austin Physical Plant to Perform Bedroom Portion of the Work. -- The Administration reported that in connection with the Renovations and Remodeling of Facilities for Student Athletes - Renovations of Existing Rooms, Unit "M" in Jester Residence Hall at The University of Texas at Austin, competitive bids had been solicited for two scopes of remodeling work:

- a. Base Bids 1-A, 1-B and 1-C: Conversion of 123 dormitory bedrooms on Floors 3, 4 and 5 from double occupancy to single occupancy involving demolition in each room of one built-in studio bed, 2 built-in desks and 1 built-in chest of drawers and minor improvements including painting and new closet doors
- b. Base Bid 4: Construction of a Central Lounge Space of approximately 3,824 square feet in a centralized fourth floor location by conversion of 12 dormitory bedrooms through demolition of partitions, mechanical, electrical and plumbing modifications and new interior finishes to provide lounge, study and recreation areas to supplement the improved dormitory bedrooms for student athletes

Bids received for the proposed scope of renovation exceeded the available funding of \$99,000.

Upon recommendation of President Rogers and System Administration and without objection, the Buildings and Grounds Committee:

- a. Rejected all bids received on Base Bids 1-A, 1-B, and 1-C (Bedroom Renovations) and authorized the Bedroom Renovations work as a separate minor improvement project be accomplished by U. T. Austin Physical Plant Staff with their own forces or contract services at an estimated cost of \$70,000
- b. Rejected the only bid received for the construction of the Central Lounge Space on the Fourth Floor of Unit "M", Jester Hall, and deferred action for further study on this portion of the project

During the discussion of this item, it was pointed out that the U. T. Austin Physical Plant Staff could adequately handle the time element involved as well as the quality of work required for the project.

8. U. T. Austin - Jester Residence Hall - Renovations and Remodeling of Facilities for Student Athletes: Award of Contracts for Furniture and Furnishings to Abel Contract Furniture & Equipment Co., Inc., Austin, Texas; Bowling & Billiard Supplies, Inc., Houston, Texas; Corbin Radio-T.V. Service, Austin, Texas; E. G. Jenkins, Inc., Dallas, Texas; Rockford Furniture & Carpets, Inc., Austin, Texas; San Antonio Floor Finishers, Inc., San Antonio, Texas; and Taylor Bedding Mfg. Co., Taylor, Texas. -- In submitting its recommendations for contract awards for furniture and furnishings for the Renovations and Remodeling of Facilities (Unit "M") for Student Athletes at Jester Residence Hall at The University of Texas at Austin, the Administration advised: (a) the low bid for Base Proposal "J" (Carpet) was nonresponsive because it was a partial bid; hence the recommendation was to award the contract to the second low bidder and (b) no bids were received for Base Proposal "E" (Upholstery Work) and procurement was being recommended by means of a second solicitation of proposals.

Whereupon, the recommendation of President Rogers and System Administration that contracts be awarded for the furniture and furnishings for the Renovations and Remodeling of Facilities for Student Athletes at Jester Residence Hall at U. T. Austin to the lowest responsible bidders as set out below was approved:

Abel Contract Furniture  
& Equipment Co., Inc.  
Austin, Texas

Base Bid "D" (Lounge Furniture)      \$21,528.78

Base Bid "F" (Chairs & Tables)      20,499.00

Total Contract Award to Abel Contract Furniture & Equipment Co., Inc.      \$42,027.78

Bowling & Billiard Supplies, Inc.  
Houston, Texas

Base Bid "A" (Game Room Equip.)      6,023.85

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Corbin Radio-T.V. Service Austin, Texas	
Base Bid "B" (T.V. Equipment)	3,162.00
E. G. Jenkins, Inc. Dallas, Texas	
Base Bid "H" (Drapery)	8,255.00
Rockford Furniture & Carpets, Inc. Austin, Texas	
Base Bid "C" (Bedroom Furniture)	84,650.48
San Antonio Floor Finishers, Inc. San Antonio, Texas	
Base Bid "J" (Carpet)	51,989.00
Taylor Bedding Mfg. Co. Taylor, Texas	
Base Bid "G" (Mattresses)	<u>6,768.70</u>
GRAND TOTAL CONTRACT AWARD	<u><u>\$202,876.81</u></u>

The funds necessary to cover these contract awards had been previously appropriated for the project.

9. U. T. Austin - Sutton Hall - Remodeling of Level One for Use by School of Architecture: Contract Award to Williams Floor Covering, Lockhart, Texas, and Additional Appropriation Therefor. -- Upon recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection authorized:

- a. A construction contract for the Remodeling of Level One of Sutton Hall at The University of Texas at Austin for use by the School of Architecture to the lowest responsible bidder, Williams Floor Covering, Lockhart, Texas, as follows:

Base Bid	\$ 60,000
Additive Alternates:	
No. 1 Homosote Tackboard	1,042
No. 2 Vinyl Tackboard	3,254
No. 3 Darkroom Improvements	<u>2,000</u>
Total Contract Award	<u><u>\$ 66,296</u></u>

- b. A revised total project cost of \$97,000 to cover the construction contract award, movable furnishings and equipment, air balancing, fees and miscellaneous expenses
- c. Additional funds in the amount of \$92,000 from Interest on Bond proceeds to cover the total project cost, \$5,000 having been previously appropriated

This project provides for improving approximately 8,000 net square feet of surge space in Sutton Hall for instructional use.

In response to Regent Law's question regarding plans for utilization of the present Architecture Building, the Administration replied that a feasibility study is being prepared for presentation at the June meeting of the Board of Regents.

10. U. T. Austin - Transition Plan to Make All Campus Facilities Accessible for Handicapped (Sec. 504, Rehabilitation Act of 1973): Report; Approval of Concept and Scope (Three Phases Over a 3-Year Period); Authorization to Execute First Phase for 1977-78 and Appropriation Therefor. --System Administration had submitted in the Material Supporting the Agenda the following report with respect to a transition plan to make all campus facilities at The University of Texas at Austin accessible for the handicapped:

" Section 504 of the Rehabilitation Act of 1973 requires the preparation and implementation of a Transition Plan for making all campus facilities accessible to handicapped students, faculty, staff and visitors. These modifications must be accomplished by June 3, 1980.

" During Fall 1977, the Administration of U. T. Austin developed a Transition Plan based on a detailed campus survey conducted by a team consisting of a Physical Plant Department Staff Architect and a member of the Dean of Students Staff who uses a wheelchair. The investigations reflect broad consultation with handicapped persons.

" The Transition Plan tabulates needed building improvements, exterior campus modifications and additional teaching aids and equipment requirements. Initial projected costs totaling \$1,660,000 for a three-year period have been estimated by the U. T. Austin Physical Plant Department and the Office of the Dean of Students. The improvements are based on compliance with the current American National Standards Institute (A.N.S.I.). These accessibility standards are currently being revised and it is conceivable that the proposed improvements will increase in both extent and cost before compliance is achieved.

" The Office of Facilities Planning and Construction and Vice President Landrum have reviewed the survey of needs and the building-by-building analysis and concur in the proposed modifications which need to be accomplished [Set out in Paragraph (a) below]....

" The scattered campus locations and varied nature of the improvements do not lend themselves for completion under one contract. The work can best be accomplished under the coordination services and the Administration of the U. T. Austin Physical Plant Department."

Upon the recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the concept and projected scope of the U. T. Austin Transition Plan (set out below) to achieve the campus accessibility requirements of Section 504 of the Rehabilitation Act of 1973 by June 1980 as proposed by the Office of Facilities Planning and Construction and Vice President Landrum:

	<u>1977-78 Request</u>	<u>1978-79 Anticipated Request</u>	<u>1979-80 Anticipated Request</u>
Building modifications, including architectural, engineering and super- visory services	\$300,000	\$715,000	\$475,000
Exterior campus modifications, including architectural, engineering and supervisory services	60,000	60,000	---
Teaching aids and equipment	<u>25,000</u>	<u>25,000</u>	---
	<u>\$385,000</u>	<u>\$800,000</u>	<u>\$475,000</u>

- b. Authorized execution of the first increment (1977-78) of the three phased improvements through all necessary action of U. T. Austin Administration and the Physical Plant Department with their own forces, additional outside professional architectural services and other contract services
- c. Appropriated \$385,000 from Account No. 63-1020-0000 - Allocation for Operations and Capital Improvements for the first increment of the campus improvements to be accomplished in 1977-78

During the discussion of this item, it was pointed out that most of the campuses had already complied with this law.

11. U. T. Austin - Addition to Robert A. Welch Hall: Contract Awards for Furniture and Furnishings to Hart Graphics and Office Centers, Austin, Texas; Paul Anderson Company, San Antonio, Texas; and Rockford Furniture & Carpets, Inc., Austin, Texas, and Additional Appropriation Therefor; Rejection of Base Bid "B" and Alternate No. 1 to Base Bid "B" and Readvertisement for Bids. --A detailed written report with respect to the bids received for the furniture and furnishings for the Addition to Robert A. Welch Hall at The University of Texas at Austin was submitted by the Administration.

Upon the recommendation of President Rogers, concurred in by System Administration, and without objection, the Buildings and Grounds Committee:

- a. Awarded contracts to the following lowest and best responsible bidders:

Hart Graphics and Office  
Centers, Austin, Texas

Alternate No. 1, Base Bid "A" (Desk Chairs)	\$ 13,229.90
Alternate No. 1, Base Bid "D" (Desks)	32,024.55
Base Bid "E" (Misc. Files, Stools)	<u>30,567.00</u>
Total Contract Award to Hart Graphics and Office Centers	\$ 75,821.45

Paul Anderson Company, San  
Antonio, Texas

Alternate No. 2, Base Bid "C" (Classroom Chairs)	\$ 10,158.00
Base Bid "F" (Lounge Furniture)	<u>2,070.00</u>
Total Contract Award to Paul Anderson Company	\$ 12,228.00

Rockford Furniture & Carpets,  
Inc., Austin, Texas

Base Bid "G" (Benches)	<u>\$ 3,869.46</u>
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Grand Total Contract Award \$ 91,918.91

- b. Rejected all bids received on Base Bid "B" (Visitors Chairs) and Alternate No. 1 to Base Bid "B", and authorized solicitation of new bids
- c. Appropriated an additional amount of \$74,000 from account number 63-1012-0000, Academic and Research Development (previously allocated from Available University Fund) to cover the awards outlined above

12. U. T. Austin - Marine Science Institute at Port Aransas - Waterfront Improvements: Approval of Final Plans with Authority to Submit to Coordinating Board and Authorization to Advertise for Bids Subsequent to Coordinating Board Approval. --Committee Chairman Bauerle reported that he, Mr. Landrum and Mr. Colvin had personally inspected the area involved in the Waterfront Improvements at the Marine Science Institute at Port Aransas of The University of Texas at Austin and heartily concurred in the recommendations presented.

After discussion, and upon the recommendation of F. H. Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the final plans and specifications for Waterfront Improvements at the Marine Science Institute at Port Aransas of The University of Texas at Austin at a total estimated project cost of \$350,000
- b. Authorized (1) submission of the project to the Coordinating Board, Texas College and University System and (2) subject to that approval, the Director of the Office of Facilities Planning and Construction to advertise for bids to be submitted to the Board of Regents for consideration at a future meeting

13. U. T. Austin - McDonald Observatory - Visitors Information Center: Approval of Site; Authorization for President Walker to Execute Multiple Use Agreement with Texas Department of Highways and Public Transportation; and Authorization for Project Architect to Prepare Preliminary Plans and Cost Estimate. --Committee Chairman Bauerle reported that about three weeks ago, he and Messrs. Landrum, Colvin and Kroll had gone to McDonald Observatory and personally inspected from all standpoints matters relating to the Visitors Information Center, namely: site, terrain, accessibility and existing roads. He emphasized that it is a worthwhile project badly needed.

Regent Law who had expressed concern at the last meeting of the Board stated that since that time he had talked to Dr. Harlan Smith, et al, and was satisfied that the proposal had merit and was needed.

After a general discussion and upon recommendation of President Rogers and System Administration, the Buildings and Grounds Committee without objection:

- a. Approved the construction of a Visitors Information Center for McDonald Observatory of The University of Texas at Austin within the right-of-way of Spur 78 (approximately halfway between the junction of Spur 78 and State Highway 118) at a total estimated project cost of \$250,000

- b. Authorized President Walker to execute a Multiple Use Agreement with the Texas Department of Highways and Public Transportation after such agreement had been approved as to content by Vice President Landrum and as to form by an attorney in the Office of the General Counsel
- c. Authorized the Project Architect, Dale E. Selzer Associates, Dallas, Texas, to prepare preliminary plans and cost estimate for the project to be presented to the Board of Regents at a future meeting

14. U. T. Dallas - Conference Center (Phase III): Contract Awards for Furniture and Furnishings to Abel Contract Furniture & Equipment Co., Inc., Austin, Texas, and Rockford Furniture & Carpets, Inc., Austin, Texas. --Upon the recommendation of President Jordan and System Administration, the Buildings and Grounds Committee without objection awarded contracts as set out below to the lowest responsible bidders for furniture and furnishings for the Phase III Conference Center at The University of Texas at Dallas:

Rockford Furniture & Carpets,  
Inc., Austin, Texas

Base Bid "A" (Metal Office Furniture) \$ 18,117.27

Base Bid "B" (Wood and Miscellaneous) 10,909.47

Base Bid "D" (Lounge Furniture) 15,607.61

Total Contract Award to Rockford Furniture & Carpets, Inc. \$ 44,634.35

Abel Contract Furniture & Equipment  
Co., Inc., Austin, Texas

Base Bid "C" (Conference Furniture) 35,867.00

Grand Total Contract Award \$ 80,501.35

The funds necessary to cover these contract awards are available in the Furniture and Equipment Account for this project.

15. U. T. Dallas - Student Union Building: Report of Feasibility Study; Authorization for Project; Approval of Site; Appointment of Fisher and Spillman Architects, Inc., Dallas, Texas, in Association with Haywood, Jordan, McCowan, Inc., San Antonio, Texas, Project Architect; and Appropriation Therefor. --

Mr. R. S. Kristoferson, Director of the Office of Facilities Planning and Construction, distributed at the meeting a feasibility study relating to the Student Union Building at The University of Texas at Dallas that had been prepared by Fisher and Spillman Architects, Inc., in association with Haywood, Jordan, McCowan, Inc., Consulting Architects, a copy of which is in the Secretary's files. The conclusions of this study with respect to the program requirements were presented orally.

Whereupon, the following recommendations of President Jordan and System Administration were approved:

- a. Approve the site location for a new Student Union Building on the U. T. Dallas campus on a tract of land south of the Founders Building and west of the McDermott Library adjacent to the existing physical education and recreation sports facilities
  - b. Approve an initial increment of phased construction at an estimated total project cost of \$2,000,000
  - c. Appoint the Consulting Architect, Fisher and Spillman Architects, Inc., Dallas, Texas, in association with Haywood, Jordan, McCowan, Inc., San Antonio, Texas, Project Architect with authorization to prepare preliminary plans to be presented to the Board of Regents at a future meeting
  - d. Appropriate \$17,000 from Unappropriated Plant Funds for fees and miscellaneous expenses through completion of preliminary plans
16. U. T. Dallas: Amended Easement with The Association for Graduate Education and Research (TAGER) in and to 1.88 Acre Tract Out of John C. Campbell Survey, Abstract No. 241, Collin County, Texas. -- Upon the recommendation of President Jordan and System Administration, the Chairman of the Board of Regents was authorized to execute a revised easement with The Association for Graduate Education and Research (TAGER) on behalf of The University of Texas at Dallas in and to that certain tract containing 1.88 acres, more or less, out of the John C. Campbell Survey, Abstract No. 241, Collin County, Texas.

It was pointed out that the site for the first phase of the Fine Arts Facility at U. T. Dallas (contract awarded July 29, 1977) encroaches on the 1967 easement previously granted to TAGER covering this tract and later subsumed by the Board of Regents in 1969 when U. T. Dallas was established.

17. U. T. El Paso - Repair, Rehabilitation and Additions to El Paso Centennial Museum: Approval of Final Plans and Authorization to Advertise for Bids. -- Upon the recommendation of President Templeton and System Administration, the final plans and specifications for the Repair, Rehabilitation and Additions to the El Paso Centennial Museum for The University of Texas at El Paso were approved as prepared by the Project Architect, Fouts Langford Gomez Moore, Inc., El Paso, Texas, within the estimated total project cost of \$735,500 previously appropriated.

Further, the Director of the Office of Facilities Planning and Construction was authorized to advertise for bids for the project to be submitted to the Board of Regents for consideration at a future meeting.

18. U. T. El Paso - Liberal Arts Building - Addition of Elevator to Meet Federal Requirements for Handicapped: Award of Contract to Prati & Prati General Contractors, Inc., El Paso, Texas (a Dual Acceptance). -- The Administration reported that the bid documents for the Addition of an Elevator to Meet Federal Requirements for Handicapped in the Liberal Arts Building at The University of Texas at El Paso had contained a restricted construction period of 150 days. On this basis, all three bidders submitted responsive proposals for the general construction and installation of the elevator; however, two bidders, Prati & Prati General Contractors, Inc., and John R. Lavis General Contractor, Inc., offered deductions of \$9,450 and \$10,000, respectively, for extending the required completion time beyond the specified 150 calendar days.

Based upon this fact, and upon the recommendation of President Templeton and System Administration, the Buildings and Grounds Committee without objection:

- a. Awarded a construction contract for the U. T. El Paso Improvements to the Liberal Arts Building (addition of elevator) to the lowest responsible bidder, Prati & Prati General Contractors, Inc., El Paso, Texas, whose bid is in the amount of \$84,392 for completion within 150 calendar days
- b. Approved the total project cost of \$100,000 for the Improvements to the Liberal Arts Building at U. T. El Paso to cover the construction contract award, fees and miscellaneous expenses

After the award of the contract to the lowest responsible bidder, the Committee accepted Prati & Prati's offer to do the work for the sum of \$74,942 if the construction time is lengthened to 240 calendar days as set out in a footnote in the bid document, and authorized the construction contract to be written for that sum and that number of days.

19. U. T. Permian Basin - Phase I Buildings (Laboratory Building) - Elevator to Meet Federal Requirements for Handicapped: Contract Award to J. W. Cooper Construction Co., Inc., Odessa, Texas. -- Upon the recommendation of President Cardozier and System Administration and without objection, the Buildings and Grounds Committee awarded a construction contract for the installation of a second elevator (to meet federal requirements for handicapped) in the Phase I Buildings (Laboratory Building) at The University of Texas of the Permian Basin to the lowest responsible bidder, J. W. Cooper Construction Co., Inc., Odessa, Texas, in the amount of \$99,500 which is within previously appropriated funds.

It was noted in reply to Regent Blumberg that the difference in price of the U. T. El Paso elevator and the U. T. Permian Basin elevator was due to the difference in construction.

20. Galveston Medical Branch (Galveston Hospitals) - John Sealy Hospital (Original Hospital) - Remodeling of Fifth Floor Space for Division of Cardiology: Approval of Project and Appropriation Therefor. -- The Administration reported that in accordance with the phased remodeling of the original John Sealy Hospital at The University of Texas Medical Branch at Galveston, such remodelings have been programmed by the Galveston Medical Branch and the Office of Facilities Planning and Construction with the production of design documents for each phase keyed to the schedule of dates on which areas become available for remodeling. Completion of the new John Sealy Hospital has been a controlling factor in this schedule.

Following this plan, the Administration advised that it is timely to remodel space to house the Division of Cardiology which has been housed in the Ziegler Hospital. This hospital is located on the authorized site for the Ambulatory Care Center and is scheduled to be demolished.

Upon the recommendation of President Levin and System Administration and without objection, the Buildings and Grounds Committee:

- a. Approved remodeling of 4,500 square feet of space on the fifth floor of the original John Sealy Hospital for the Division of Cardiology at an estimated total project cost of \$275,000 as part of the continuing remodeling of John Sealy Hospital
- b. Authorized execution of the remodeling improvements through all necessary actions of the Galveston Medical Branch Administration and the Physical Plant staff with their own forces or through contract services in consultation with the Office of Facilities Planning and Construction
- c. Appropriated \$275,000 from Medical Branch John Sealy Hospital Remodeling funds for the total project cost

21. Galveston Medical Branch (Galveston Hospitals) - John Sealy Hospital (Original Hospital) - Remodeling of East Wing of Seventh Floor for Department of Human Biological Chemistry: Authorization to Complete Minor Improvement Project and Funding Therefor. --As a part of the phased remodeling of the John Sealy Hospital, President Levin and System Administration recommended and the Buildings and Grounds Committee without objection:
- a. Approved the remodeling of approximately 1,100 square feet on the seventh floor of the original John Sealy Hospital for the Department of Human Biological Chemistry and Genetics, Division of Cell Biology, at an estimated total project cost not to exceed \$75,000
  - b. Authorized this minor improvement project and equipping of the facility through all necessary actions of the Galveston Medical Branch Administration and Physical Plant Department with their own forces or through contract services in consultation with the Office of Facilities Planning and Construction
  - c. Approved funding of the total project cost through all appropriate actions by expenditures from Federal Educational and Research Support Grants
22. Galveston Medical Branch (Galveston Hospitals) - Addition to John Sealy Hospital and Child Health Center: Authorization to Extend Pneumatic Linen System to Two New Facilities and Appropriation Therefor. --With respect to the construction of the John Sealy Hospital Addition and the Child Health Center at The University of Texas Medical Branch at Galveston, it was pointed out that at the time the general construction contracts were awarded for these facilities an alternate bid of \$350,000 for the installation of a pneumatic linen system was not awarded because it was considered to be too costly; however, the Administration reported that a new proposal had been submitted by Trans-Vac Systems, the subcontractor engaged by the general contractors for the installation of the pneumatic trash system, which called for an extension of the pneumatic linen system to the two facilities at a cost of \$150,000.

Whereupon, the following recommendations of President Levin and System Administration were approved without objection:

- a. Authorize continuing completion of the John Sealy Hospital Addition and the Child Health Center projects by the extension of the pneumatic linen system at a cost not to exceed \$150,000
- b. Authorize completion of the project design and award of a separate contract to Trans-Vac Systems by all necessary actions of the Galveston Medical Branch Administration and the Physical Plant Staff
- c. Appropriate \$150,000 from Medical Branch Project Allocation Fund for the total cost of this work

23. Galveston Medical Branch (Galveston Hospitals) - Remodeling of Unit-D Facility (Formerly known as the Faculty Housing and Dining Building) for the Department of Psychiatry: Approval of Project; Authorization to Submit to Coordinating Board and to Advertise for Bids and Complete Project Subject to Coordinating Board Approval; Appropriation Therefor. --In an effort to relocate programs of the Department of Psychiatry at The University of Texas Medical Branch at Galveston presently located in the Randall Pavilion (scheduled for demolition to provide a site for the new TDC Hospital) and to locate centrally other psychiatric faculty scattered around the campus, President Levin and System Administration recommended and the Buildings and Grounds Committee without objection:

- a. Approved remodeling of approximately 4,500 gross square feet of space on the first floor of the Unit-D Facility for the Department of Psychiatry at an estimated total project cost of \$175,000
- b. Authorized submission of the project to the Coordinating Board, Texas College and University System
- c. Subject to Coordinating Board approval authorized the preparation of final plans and specifications, advertisement for bids, and completion of the project by the Galveston Medical Branch Physical Plant staff with its own forces or through contract services in consultation with the Office of Facilities Planning and Construction
- d. Appropriated \$175,000 from the Galveston Medical Branch John Sealy Hospital Remodeling Account for the total cost of this work

24. Galveston Medical Branch (Galveston Hospitals) - Parking Facility and Electrical Vault for Ambulatory Care Center: Award of Contract to Thomas Construction Company, Inc., Houston, Texas. --Without objection and upon the recommendation of President Levin and System Administration, the Buildings and Grounds Committee:

- a. Awarded the construction contract for the Parking Facility and Electrical Vault for the Ambulatory Care Center at The University of Texas Medical Branch at Galveston to the lowest responsible bidder, Thomas Construction Company, Inc., Houston, Texas, as follows:

Base Bid	\$ 1,327,355
Additive Alternates	
1) Electrical Vault	134,271
2) Site Work	77,617
3) Two Elevators	<u>57,425</u>
Total Contract Award	<u>\$ 1,596,668</u>

- b. Authorized a total project cost of \$1,725,000 to cover the recommended building construction contract award, electrical vault, site work, fees and miscellaneous expenses

In the discussion regarding construction of the Parking Facility, Regent Blumberg expressed the desire that the architects come up with something other than multi level parking if at all possible. It was pointed out, however, that in this instance this particular parking garage is part of the entrance and the appearance is important.

25. San Antonio Health Science Center - Expansion (Phase II) - Award of Contracts for Furniture and Furnishings to Wittig's Office Furniture, San Antonio, Texas; Abel Contract Furniture & Equipment Co., Inc., Austin, Texas; Marshall Clegg/Associates, San Antonio, Texas; Rockford Furniture & Carpets, Inc., Austin, Texas; Bexar Floor Covering Company, San Antonio, Texas; and Educational & Institutional Cooperative Service, Dallas, Texas. -- Upon the recommendation of President Harrison and System Administration, the Buildings and Grounds Committee without objection awarded contracts as set out below to the lowest responsible bidders for furniture and furnishings for the Expansion (Phase II) of The University of Texas Health Science Center at San Antonio:

Wittig's Office Furniture,  
San Antonio, Texas

Base Bid "A" (Wood Desks & Furnishings)      \$ 121,559.50

Abel Contract Furniture &  
Equipment Co., Inc.,  
Austin, Texas

Base Bid "B" (Steel Items)      108,965.74

Marshall Clegg/Associates,  
San Antonio, Texas

Base Bid "C" (Office Panels)      \$ 5,776.05  
Base Bid "D" (Wood Desks)      4,184.00

Total Contract Award to  
Marshall Clegg/Associates      9,960.05

Rockford Furniture & Carpets,  
Inc., Austin, Texas

Base Bid "E" (Lounge Items)      11,404.07

Bexar Floor Covering Company  
San Antonio, Texas

Base Bid "G" (Carpet)      15,186.00

Educational & Institutional  
Cooperative Service, Inc.,  
Dallas, Texas

Base Bid "H" (Filing Cabinets)

76,322.84

Grand Total Contract Award

\$ 343,398.20

The funds necessary to cover these contract awards are available in the Furniture and Equipment Account for this project.

26. University Cancer Center (M. D. Anderson): Remodeling of Existing Building (Phase I): Award of Contract for Facility Control and Monitoring System to Burns Electronic Security Services, Inc., Houston, Texas. --In connection with the Remodeling of M. D. Anderson Hospital (Existing Building) (Phase I) at The University of Texas System Cancer Center, the project appropriation approved by the Board of Regents on April 15, 1977, included funds for automated, electronic systems for fire alarm, fire communications, security and environmental services. The Administration reported that to overcome the problem of sole source procurement, the University produced its own design for an owner-managed system and bids were called for on the integrated Facility Control and Monitoring System (FCMS).

Upon recommendation of President Clark and System Administration and without objection, the Buildings and Grounds Committee awarded the Facility Control and Monitoring System contract for this project to the lowest responsible bidder, Burns Electronic Security Services, Inc., Houston, Texas, in the amount of \$368,798.

It was noted that the funds necessary to cover this contract award are available within the project.

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REPORT OF HEALTH AFFAIRS COMMITTEE (Pages 50-77 ). --  
Committee Chairman Law stated that all actions of the Health Affairs  
Committee had been taken in open session and had been approved  
without objection unless otherwise indicated. He submitted the  
following report which was adopted without objection:

1. U. T. Arlington: Affiliation Agreement with Home Health Services of Dallas, Inc., Dallas, Texas. -- Upon the recommendation of President Nedderman concurred in by System Administration, an affiliation agreement between The University of Texas at Arlington and the Home Health Services of Dallas, Inc., Dallas, Texas, was authorized by unanimous vote effective immediately.

This agreement follows the format approved for affiliation agreements by the Board of Regents on December 16, 1977, and has been reviewed and approved by the Office of General Counsel.

The agreement permits additional educational facilities primarily for the nursing students.

2. U. T. Austin: Affiliation Agreements with Bexar County Hospital District, San Antonio, Texas, and the Texas Department of Mental Health and Mental Retardation, Austin, Texas. -- Upon recommendation of President Rogers, concurred in by System Administration, unanimous approval was given to the affiliation agreements between The University of Texas at Austin and the following facilities to be effective immediately:

- a. Bexar County Hospital District, San Antonio, Texas (Pages 51-56)
- b. Texas Department of Mental Health and Mental Retardation (Texas Research Institute of Mental Sciences), Austin, Texas (Pages 57-62)

These agreements follow the format of the model affiliation agreement approved by the Board of Regents on December 16, 1977, as a starting point but also contain sections which had been added by the facility. The Office of the General Counsel had approved the agreements and had determined that the sections added by the facility did not significantly change the legal responsibilities of the parties.

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HEALTH CARE  
EDUCATIONAL EXPERIENCE PROGRAM  
AFFILIATION AGREEMENT

THIS AGREEMENT made the 10 day of Feb., 1978, by and between The University of Texas at Austin ("University"), a component institution of The University of Texas System ("System"), and the Bexar County Hospital District ("Facility"), a political subdivision of the State of Texas having its principal office at San Antonio, State of Texas.

WITNESSETH:

WHEREAS, Facility now operates hospital facilities located at 4502 Medical Drive, in the City of San Antonio, State of Texas, and therein provides health care services for persons in need of such services; and University provides an academic program 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 personnel 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 believes that achievement of such goal can best be accomplished by affording health-care students the opportunity to participate in meaningful educational experiences as a 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 Facility 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 President of The University of Texas System and the Executive Director of the Facility.

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 President of The University of Texas System and the Executive Director of the Facility.

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; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and, in such connection, Facility shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

6. University hereby agrees:

(a) To furnish Facility with the names of the students assigned by University to participate in the program.

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(b) To assign for participation in the Program only those students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participation, all as determined by University in its sole discretion, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experience therein, without the prior written approval of University and Facility.

(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 the designated representative of the University and the Executive Director of the Facility.

8. All the 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 and the Board of Managers of the Facility.

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

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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 one hundred eighty (180) 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 one hundred eighty (180) 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.

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 OF TEXAS AT AUSTIN  
(UNIVERSITY)

By Lorana L. Rogers  
President

\_\_\_\_\_  
\_\_\_\_\_

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CONTENT APPROVED:

[Signature]  
President of the System

[Signature]  
Vice President for Academic  
Affairs

FORM APPROVED:

[Signature]  
General Counsel of the System

BEXAR COUNTY HOSPITAL DISTRICT  
(FACILITY)

ATTEST:

[Signature]  
Dorothy Sims  
Secretary

[Signature]  
Sam Madrid, Jr.  
Chairman of the Board of Managers

CONTENT APPROVED:

FORM APPROVED:

[Signature]  
Norris W. Yates, Jr.  
Assistant Criminal District  
Attorney

[Signature]  
Warren G. Harding  
Executive Director

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved  
by the Board of Regents of The University of Texas System on the  
\_\_\_\_\_ day of \_\_\_\_\_, 1978.

\_\_\_\_\_  
Secretary, Board of Regents  
The University of Texas System

FEB 10 1978 MAR 7 1978 2613

HEALTH CARE  
EDUCATIONAL EXPERIENCE PROGRAM  
AFFILIATION AGREEMENT

THIS AGREEMENT made the \_\_\_ day of \_\_\_\_\_, 1978, by and between the University of Texas at Austin ("University"), a component institution of the University of Texas System ("System"), and the Texas Research Institute of Mental Sciences of the Texas Department of Mental Health and Mental Retardation ("Facility"), a department of the State of Texas.

WITNESSETH:

WHEREAS, Facility now operates a research, service and training facility located at 1300 Moursund, in the City of Houston, State of Texas, and therein provides health care services for persons in need of such services; and University provides an academic program 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 personnel 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 believes that achievement of such goal can best be accomplished by affording health care students the opportunity to participate in meaningful educational experiences as a 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 Facility and University, during the term of this

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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 President 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 President 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; provided, however, that no person not having the prior written approval of University shall be appointed Liaison; and, in such connection, Facility shall furnish in writing to University (not later than thirty (30) days prior to the date the Liaison appointment is to become effective) the name and professional and academic credentials of the person proposed by Facility to be Liaison, and within ten days after receipt of same, University shall notify Facility of University's approval or disapproval of such person. In the event the Liaison becomes unacceptable to University after appointment, and University so notifies Facility in writing, Facility will appoint another person to serve as Liaison in accordance with the procedure stated in the first sentence of this sub-paragraph (c).

6. University hereby agrees:

(a) To furnish Facility with the names of the students assigned by University to participate in the Program.

(b) To assign for participation in the Program only those students (1) who have satisfactorily completed those portions of its curriculum which, according to Program Agreement, are prerequisite to such participation, all as determined by University in its sole discretion, and (2) who have entered into a written agreement with University and Facility that they will not publish any material relating to the Program, or their experience therein, without the prior written approval of University and Facility.

(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.

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(d) To abide by policies of Facility and the TIMMIR Rules of the Commissioner while using TRIMS facilities.

(e) To instruct its students and faculty to respect the confidential nature of all client-identifying information which they may obtain from clients and records of Facility. The confidentiality of such information is governed by Article 5547-87, V.T.C.S., and 42 C.F.R. Part 2. No information which would directly or indirectly identify a client of Facility may be disclosed by the students involved in this Affiliation Agreement without express prior approval by the Director of Facility.

(f) That Director of Facility shall have the right to be advised of the actual activities of the University's students and personnel as they participate in any program provided for under this agreement and to prohibit such activities when in his opinion such activities would not be in the best interest of Facility or of Facility's clients.

(g) To withdraw upon written request any student whose performance is unsatisfactory or whose conduct is unacceptable to Facility.

7. No student or personnel of University is to be considered an agent or employee of Facility but rather will be considered to be on Facility's premises for the purpose of teaching or acquiring health care skills.

8. 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.

9. All the 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.

10. No oral representation 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.

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11. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective successors and assigns; 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.

12. 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 one hundred eighty (180) 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 one hundred eighty (180) 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.

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

By Lorena R. Rogers  
President

CONTENT APPROVED:

Ed Walker  
President of the System

Ernest J. Jurek  
Vice President for Academic Affairs

FORM APPROVED:

W. D. Shultz  
General Counsel of the System

FACILITY

By Joseph C. Schooler  
Joseph C. Schooler, Ph.D., M.D.  
Director

ATTEST:

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the \_\_\_\_\_ day of \_\_\_\_\_, 197\_\_.

\_\_\_\_\_  
Secretary, Board of Regents  
The University of Texas System

3. U. T. San Antonio: Affiliation Agreement with San Antonio State Chest Hospital, San Antonio, Texas. -- Upon recommendation of Acting President Wagener, concurred in by System Administration, unanimous approval was given to an affiliation agreement between The University of Texas at San Antonio and San Antonio State Chest Hospital, San Antonio, Texas, to be effective immediately.

This agreement follows the format approved for affiliation agreements by the Board of Regents on December 16, 1977, and has been reviewed and approved by the Office of General Counsel.

4. Dallas Health Science Center (Dallas Southwestern Medical School): Authorization to Extend Affiliation Agreement with the Dallas County Hospital District, Dallas, Texas. -- Upon the recommendation of President Sprague, concurred in by System Administration, and without objection, the present expiration date of June 15, 1978 of the affiliation agreement between The University of Texas Southwestern Medical School at Dallas and the Dallas County Hospital District, Dallas, Texas, was extended to January 1, 1979.

This extension was granted in order to give both parties sufficient time to work out a new agreement to be submitted for approval within the period of this extension.

5. Galveston Medical Branch: Affiliation Agreement with Island Dialysis Center, Galveston, Texas. -- Upon recommendation of President Levin concurred in by System Administration and without objection, an affiliation agreement between the Island Dialysis Center, Galveston, Texas, and The University of Texas Medical Branch at Galveston was authorized effective immediately.

It was pointed out that the Galveston Medical Branch currently offers renal transplantation, home dialysis, acute in-hospital dialysis and back-up dialysis, but does not offer outpatient limited care dialysis. The Island Dialysis Center offers only this type of dialysis and was established for the end-stage renal disease patient who lives in this immediate area and who is not a suitable patient for transplant or home dialysis. The nephrology fellows, medicine house staff and students assigned to nephrology will receive a valuable part of their training experience through this affiliation.

This agreement follows the format approved for affiliation agreements by the Board of Regents on December 16, 1977, and has been reviewed and approved by the Office of General Counsel.

6. Galveston Medical Branch (Galveston Medical School): Increased Rates for Dormitories and Apartments (Catalog Change). -- The rental rates for dormitories and apartments at the Galveston Medical School of The University of Texas Medical Branch at Galveston to be effective September 1, 1978, were approved without objection as follows:

	<u>Monthly Rate</u>
<u>Dormitory</u>	
Semi-private Room	\$59.50
Private Room	\$87.50
<u>Apartment</u>	
Two Persons per Apartment	\$150.00
Three Persons per Apartment	\$175.00

The rates were last increased in September 1976. The new rates are in keeping with current operational costs of the dormitories and apartments.

It was ordered that the next appropriate catalog published at the Galveston Medical Branch be amended to conform to this action.

7. Galveston Medical Branch (Galveston Medical School): Frances Eastland Connally Professorship in Obstetrics and Gynecology Changed to Frances Eastland Connally Professorship in Gynecological Oncology. -- In accordance with the wishes of former Regent Frank Connally, Jr., and upon recommendation of President Levin and the Administration, the Frances Eastland Connally Professorship in Obstetrics and Gynecology (established December 11, 1964) at the Galveston Medical School of The University of Texas Medical Branch at Galveston was changed by unanimous vote to the Frances Eastland Connally Professorship in Gynecological Oncology.

This name change more accurately reflects the intent of the Professorship.

8. Galveston Medical Branch (School of Allied Health Sciences): Authorization to Seek Permission from Coordinating Board to Establish Baccalaureate Program in Cytotechnology (Catalog Change). -- Upon recommendation of President Levin, concurred in by System Administration, and without objection, authorization was given to seek permission from the Coordinating Board, Texas College and University System to establish a Baccalaureate Program in Cytotechnology at The University of Texas Medical Branch at Galveston. This proposed program will be part of the Department of Medical Technology of the School of Allied Health Sciences.

This plan if approved would provide for the acceptance of students after completion of sixty undergraduate hours and would be two years in length; it would help meet the need for well trained Cytotechnologists.

If this program is approved by the Coordinating Board, the next appropriate catalog published will be amended to reflect this action.

9. Galveston Medical Branch (School of Nursing): Authorization to Seek Permission from Coordinating Board to Establish Certificate Program to Prepare Emergency Nurse Practitioners (Catalog Change). -- Upon recommendation of President Levin, concurred in by System Administration, and without objection, authorization was given to seek permission from the Coordinating Board, Texas College and University System to establish a Certificate Program to prepare emergency nurse practitioners for the School of Nursing at The University of Texas Medical Branch at Galveston.

This educational program if approved would be conducted in cooperation with the School of Medicine and would prepare nurses to function in an expanded role in the emergency department of the hospital.

If the establishment of this program is approved by the Coordinating Board, it was ordered that the first appropriate catalog published be amended to conform.

10. Houston Health Science Center: Affiliation Agreements with (a) Hermann Park Manor, Houston, Texas; (b) Spring Branch Independent School District, Houston, Texas; (c) Klein Independent School District, Spring, Texas; (d) Alief Independent School District, Alief, Texas; (e) Associated Speech and Language Services, Houston, Texas; (f) The Briarwood School, Houston, Texas; (g) Memorial Hall School, Houston, Texas; (h) Medical Center Del Oro Hospital, Houston, Texas. -- Upon recommendation by Acting President Blocker concurred in by System Administration, unanimous approval was given to the affiliation agreements between The University of Texas Health Science Center at Houston and the following facilities to be effective immediately. All the agreements follow the format approved for affiliation agreements by the Board of Regents at its December 16, 1977 meeting.

- a. Hermann Park Manor, Houston, Texas
- b. Spring Branch Independent School District, Houston, Texas

These agreements will benefit the educational program for nursing students.

- c. Klein Independent School District, Spring, Texas
- d. Alief Independent School District, Alief, Texas

These agreements will permit additional educational facilities primarily for the nursing students.

- e. Associated Speech and Language Services  
Houston, Texas
- f. The Briarwood School, Houston, Texas
- g. Memorial Hall School, Houston, Texas
- h. Medical Center Del Oro Hospital, Houston, Texas

These agreements will be of benefit primarily to students in Speech and Hearing Institute.

11. Houston Health Science Center (School of Allied Health Sciences):  
Affiliation Agreement with Hermann Hospital, Houston, Texas. --  
Upon recommendation of Acting President Blocker concurred in by System Administration, unanimous approval was given to an affiliation agreement between The University of Texas Health Science Center at Houston for and on behalf of the School of Allied Sciences and Hermann Hospital, Houston, Texas, effective immediately.

This agreement follows the format approved for affiliation agreements by the Board of Regents at the December 16, 1977 meeting.

12. San Antonio Health Science Center: Affiliation Agreement with  
Morningside Manor, Inc., San Antonio, Texas. -- Upon recommendation of President Harrison concurred in by System Administration and by unanimous vote, authorization was given to an affiliation agreement between The University of Texas Health Science Center at San Antonio and Morningside Manor, Inc., San Antonio, Texas.

This agreement follows the format approved for affiliation agreements by the Board of Regents on December 16, 1977, and has been reviewed and approved by the Office of General Counsel.

13. San Antonio Health Science Center (San Antonio Medical School):  
Affiliation Agreements with Brooke Army Medical Center. --  
Upon recommendation of President Harrison concurred in by System Administration and without objection, authorization was given to affiliation agreements to be effective immediately between Brooke Army Medical Center, San Antonio, Texas, and The University of Texas Health Science Center at San Antonio, for the education of:

- a. Medical students in the Brooke Army Medical Center (Pages 66-69)
- b. Health Science Center resident physicians at the Brooke Army Medical Center (Pages 70-73)
- c. Brooke Army resident physicians at the San Antonio Health Science Center (Pages 74-77)

These agreements follow the standard United States Army format. Committee Chairman Law commented that the form used by the U. S. Army is not satisfactory for our purposes.

MAR 7 1978 2622

MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The \_\_\_\_\_ Administrators \_\_\_\_\_ of the School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ have established an approved professional program of special training in preparation for doctor of medicine \_\_\_\_\_. The program requires clinical facilities where the medical student \_\_\_\_\_ can obtain the clinical learning experience required in the curriculum.

2. The US Army medical facility, Brooke Army Medical Center, has the needed clinical facilities for medical student \_\_\_\_\_ trainees at The School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ for medical student \_\_\_\_\_ trainees to use the clinical facilities of the US Army medical facility, Brooke Army Medical Center, to obtain their clinical learning experience.

3. The US Army medical facility, Brooke Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to medical student \_\_\_\_\_ trainees of the School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of doctors of medicine \_\_\_\_\_.

4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for training purposes and will follow facility rules.

5. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2.

MAR 7 1978 2623

II. UNDERSTANDING

1. The US Army medical facility will--

a. Make available the clinical and related facilities needed for the clinical learning experience in medicine by students enrolled in the basic professional medical student program at The School of Medicine of the Univ of TX Health Science Center at San Antonio, and who are designated by the School of Medicine of the University of Texas Health Science Center at San Antonio for such learning experience under the supervision of the School of Medicine of the University of Texas Health Science Center at San Antonio

b. Arrange clinical learning experience schedules that will not conflict with those of the educational institutions.

c. Designate an Medical Corps officer to coordinate the trainees' clinical learning experience in the applicable service at Brooke Army Med Ctr. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide, whenever possible, in connection with the trainee's clinical learning experience, reasonable classroom, conference room, office, and storage space for participating trainees and their faculty or staff supervisors, if assigned, and, if feasible, dressing and locker room space.

e. Permit, on reasonable request, the inspection of clinical and related facilities for agencies charged with the responsibility for accreditation of the School of Medicine of the University of Texas Health Science Center at San Antonio.

2. The School of Medicine of the University of Texas Health Science Center at San Antonio will--

a. Provide the Commanding Officer of the facility with the number of trainees to be assigned, the dates and hours they will be assigned, and the clinical service to which they will be assigned, by the beginning of each training period.

b. Where indicated and upon mutual agreement, provide faculty or staff members to assume the responsibility for instruction and supervision of the trainees' clinical learning experiences.

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c. Have the faculty or staff member, if any, coordinate with designated Medical Corps officer, the assignment that will be assumed by the trainees while participating in their clinical learning experience, and their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide and maintain the personal records and reports necessary for conducting the trainees' clinical learning experience.

e. Enforce rules and regulations governing trainees that are mutually agreed on by the non-Federal institution and the facility.

f. Be responsible for health examinations and such other medical examinations and protective measures as the facility and non-Federal institution mutually find to be necessary.

g. Prohibit the publication by the trainees and faculty or staff members of any material relative to their clinical learning experience that has not been reviewed by the Army medical facility in order to assure that no classified information is inadvertently published, that infringement of patients' right to privacy is avoided, and that accuracy with respect to military procedures is complete. Any article written by a trainee which has been based on information acquired through his clinical learning experience must clearly reflect that DA does not endorse the article, even where a review has been made prior to publication. This is accomplished by requiring a disclaimer paragraph to appear with each such article written: "The opinion and conclusions presented herein are those of the author and do not necessarily represent the views of the Army medical facility the Department of the Army or any other governmental agency."

MAR 7 1978

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III. TRAINING

The training term shall be from July to June. This agreement may be terminated by either institution or an individual trainee by written notification to all concerned. Except under unusual conditions, such information will be submitted prior to the beginning of a particular training period.

BROOKE ARMY MEDICAL CENTER

22 February 1978

(Date)



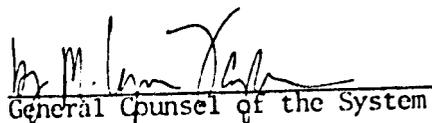
(Signature and Title)

FLOYD W. BAKER, M.D.  
Brigadier General, MC  
Commanding

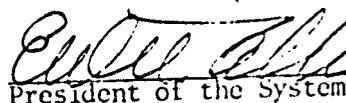
(Date)

(Signature and Title)

APPROVED AS TO FORM:

  
General Counsel of the System

APPROVED AS TO CONTENT:

  
President of the System  
Vice President of Health Affairs

MAR 7 1978

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MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The \_\_\_\_\_ Administrators \_\_\_\_\_ of the School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ have established an approved professional program of special training in preparation for postgraduate medical education \_\_\_\_\_. The program requires clinical facilities where the medical resident \_\_\_\_\_ can obtain the clinical learning experience required in the curriculum.

2. The US Army medical facility, Brooke Army Medical Center, has the needed clinical facilities for medical resident \_\_\_\_\_ trainees at The School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ to obtain part of the clinical learning experience required. It is to the benefit of the School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_ for medical resident \_\_\_\_\_ trainees to use the clinical facilities of the US Army medical facility, Brooke Army Medical Center, to obtain their clinical learning experience.

3. The US Army medical facility, Brooke Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to medical resident \_\_\_\_\_ trainees of the School of Medicine of the University of Texas Health Science Center at San Antonio \_\_\_\_\_. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of physicians in various medical specialties \_\_\_\_\_.

4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for training purposes and will follow facility rules.

5. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2.

MAR 7 1978 2627

II. UNDERSTANDING

1. The US Army medical facility will--

a. Make available the clinical and related facilities needed for the clinical learning experience in various medical specialties by medical residents enrolled in the basic professional postgraduate medical education program at The School of Medicine of the University of TX Health Science Center at San Antonio, and who are designated by the School of Medicine of the University of Texas Health Science Center at San Antonio for such learning experience under the supervision of the School of Medicine of the University of Texas Health Science Center at San Antonio.

b. Arrange clinical learning experience schedules that will not conflict with those of the educational institutions.

c. Designate an Medical Corps officer to coordinate the trainees' clinical learning experience in the appropriate service at Brooke Army Med Ctr. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide, whenever possible, in connection with the trainee's clinical learning experience, reasonable classroom, conference room, office, and storage space for participating trainees and their faculty or staff supervisors, if assigned, and, if feasible, dressing and locker room space.

e. Permit, on reasonable request, the inspection of clinical and related facilities for agencies charged with the responsibility for accreditation of the School of Medicine of the University of Texas Health Science Center at San Antonio.

2. The School of Medicine of the University of Texas Health Science Center at San Antonio will--

a. Provide the Commanding Officer of the facility with the number of trainees to be assigned, the dates and hours they will be assigned, and the clinical service to which they will be assigned, by the beginning of each training period.

b. Where indicated and upon mutual agreement, provide faculty or staff members to assume the responsibility for instruction and supervision of the trainees' clinical learning experiences.

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c. Have the faculty or staff member, if any, coordinate with designated Medical Corps officer, the assignment that will be assumed by the trainees while participating in their clinical learning experience, and their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

d. Provide and maintain the personal records and reports necessary for conducting the trainees' clinical learning experience.

e. Enforce rules and regulations governing trainees that are mutually agreed on by the non-Federal institution and the facility.

f. Be responsible for health examinations and such other medical examinations and protective measures as the facility and non-Federal institution mutually find to be necessary.

g. Prohibit the publication by the trainees and faculty or staff members of any material relative to their clinical learning experience that has not been reviewed by the Army medical facility in order to assure that no classified information is inadvertently published, that infringement of patients' right to privacy is avoided, and that accuracy with respect to military procedures is complete. Any article written by a trainee which has been based on information acquired through his clinical learning experience must clearly reflect that DA does not endorse the article, even where a review has been made prior to publication. This is accomplished by requiring a disclaimer paragraph to appear with each such article written: "The opinion and conclusions presented herein are those of the author and do not necessarily represent the views of the Army medical facility the Department of the Army or any other governmental agency."

III. TRAINING

The training term shall be from July to June. This agreement may be terminated by either insitution or an individual trainee by written notification to all concerned. Except under unusal conditions, such information will be submitted prior to the beginning of a particular training period.

BROOKE ARMY MEDICAL CENTER

22 February 1978

(Date)



(Signature and Title)

FLOYD W. BAKER, M.D.  
Brigadier General, MC  
Commanding

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature and Title)

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:



General Counsel of the System



President of the System

  
Vice President for Health Affairs

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GRATUITOUS AGREEMENT

(AGREEMENT NO. DADA11-77-G-0002)  
Installation code

THIS AGREEMENT entered into on the \_\_\_\_\_ day of \_\_\_\_\_ between the United States of America, hereinafter called the "Government" represented by the contracting officer of Brooke Army Medical Center, and The School of Medicine of the University of Texas Health Science Center at San Antonio, hereinafter sometimes referred to as the "School," the parties intend that the School shall provide resident training to be given on a gratuitous basis to Government personnel at the School.

The School of Medicine of the University of Texas Health Science Center at San Antonio and the Government on behalf of Brooke Army Medical Center do hereby agree as follows:

1. Brooke Army Medical Center conducts fully accredited residency training programs in various medical specialties. The School of Medicine of the University of Texas Health Science Center at San Antonio trains residents in various medical specialties. Under this agreement, Brooke Army Medical Center will assign to The School of Medicine of the University of Texas Health Science Center at San Antonio military residents for training in various medical specialties for varying periods to supplement the existing Brooke Army Medical Center training programs.

2. In consideration of the premises and of the mutual advantages accruing to the parties hereto, this agreement sets forth the duties and responsibilities of all parties, both that of the Civilian Institution and that of the Government personnel.

3. The School of Medicine of the University of Texas Health Science Center at San Antonio agrees to assure compliance with licensure requirements as set forth by the medical licensing authorities of the State of Texas for the participation of military residents in the aforesaid residency training programs in various medical specialties.

4. It is understood and agreed that on the premises of this agreement, no agent, servant, or employee of The School of Medicine of the University of Texas Health Science Center at San Antonio shall, for any purpose,

be deemed an agent, servant, or employee of the United States Government or be permitted to perform services of any kind on behalf of the United States Government.

5. It is understood and agreed that the education to be furnished military residents in connection with this agreement is gratuitous and voluntary and will be accomplished without cost to the United States Government. The military resident is prohibited from receiving any payment or contribution, including such forms of compensation as meals, quarters or personal laundry, etc., other than his pay and allowances as a commissioned officer of the Army of the United States.

6. It is further understood and agreed that the military residency training programs in various medical specialties at The School of Medicine of the University of Texas Health Science Center at San Antonio will be under the immediate supervision and guidance of the appropriate specialty chairman at The School of Medicine of the University of Texas Health Science Center at San Antonio, the members of the hospital staff who are qualified and have expressed an interest in this program, and the chief of the appropriate specialty department/service at Brooke Army Medical Center.

7. All military residents will be under official orders assigning them to duty at The School of Medicine of the University of Texas Health Science Center at San Antonio for a specified period of time. Each resident so assigned will first report to the appropriate authority at The School of Medicine of the University of Texas Health Science Center at San Antonio for appropriate instructions. All residents will be placed under the professional supervision of the appropriate specialty chairman at The School of Medicine of the University of Texas Health Science Center at San Antonio. This official will be responsible for:

- a. The quality of training offered the residents at all times.
- b. The furnishing of a final written report of evaluation and performance of each resident at the termination of his assignment. All such reports shall be directed to the attention of the chief of the appropriate specialty department/service, Brooke Army Medical Center.

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8. The duties and responsibilities of each resident participating in this affiliation will be:

a. The work-up, evaluation, and management of patients assigned to him by members of the appropriate specialty staff, The School of Medicine of the University of Texas Health Science Center at San Antonio.

b. The quality and completeness of clinical records on patients under his care.

c. The regular attendance at and participation in all scheduled clinics and any other appropriate teaching conference at The School of Medicine of the University of Texas Health Science Center at San Antonio.

d. The assistance at or performance of special procedures as assigned by and under the supervision of qualified members of the appropriate specialty staff, The School of Medicine of the University of Texas Health Science Center at San Antonio.

e. The consistent performance of duties at maximum capacity.

9. The chief, appropriate specialty department/service, Brooke Army Medical Center, will support this training program as indicated and appropriate.

10. It is understood and agreed that the parties of this agreement may revise or modify this agreement by written amendment hereto, provided such revision or modification is mutually agreed upon.

11. This agreement shall commence on the date of execution and shall continue until terminated.

12. The Government will review this agreement annually before the anniversary of its effective date for the purpose of incorporating changes required by statutes, Executive Orders or the Armed Services Procurement Regulation; such changes will be evidenced by a modification to this agreement or by a superseding agreement. If the parties fail to agree on such change, the Government may terminate this agreement.

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13. Either party may terminate this agreement by giving thirty (30) days' advance written notice of the effective date of termination.

IN WITNESS WHEREOF, the parties hereunto have executed this agreement this \_\_\_\_\_ day of \_\_\_\_\_.

BY: \_\_\_\_\_

THE UNITED STATES OF AMERICA

BY: Franklin C. Heim  
Name (Contracting Officer)

FRANKLIN C. HEIM  
Captain, MSC  
Chief, Purchasing and Contracting Branch

APPROVED AS TO FORM:

[Signature]  
General Counsel of the System

APPROVED AS TO CONTENT:

[Signature]  
President of the System

[Signature]  
Vice President for Health Affairs

REPORT OF LAND AND INVESTMENT COMMITTEE (Pages 77-85). -- Committee Chairman Clark submitted the following report of the Land and Investment Committee. He stated that all items were approved unanimously in open session unless otherwise indicated. The report was adopted without objection:

Though the Chairman of the Board of Regents has authority to execute any document authorized by the Board, either the Executive Director for Investments, Trusts and Lands or the President of the System may execute, unless otherwise indicated in the report, all necessary instruments authorized in this report when each has been approved as to form by an attorney in the Office of General Counsel and as to content by the appropriate official. These instruments relate to real estate or mineral interests held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any Trust and Special Fund.

I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund for January and February 1978 and Report on Oil and Gas Development as of February 28, 1978. -- The following reports with respect to (a) certain monies cleared to the Permanent University Fund for January and February 1978 and (b) Oil and Gas Development as of February 28, 1978, were received from the Executive Director for Investments, Trusts and Lands and made a part of this Committee's report:

<u>Permanent University Fund</u>	<u>January 1978</u>	<u>February 1978</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year</u>
Royalty				
Oil	\$3,363,502.83	\$3,204,926.06	\$18,899,074.25	\$19,061,202.58
Gas - Regular	3,644,318.73	3,144,415.50	17,361,313.39	12,393,882.46
- F.P.C.		( 236.27)	225.96	72,799.99
- Market Value Settlements		243,513.23	1,100,310.74	3,981,658.82
- In Kind Settlements		132,378.29	374,443.49	772,151.35
Water	7,276.62	( 5,652.19)	84,721.29	77,570.30
Salt Brine	3,995.18	2,938.61	21,979.30	14,179.69
Sulphur	60,773.01	77,292.16	348,115.52	589,503.03
Rental				
Oil and Gas Leases	479.04	626.80	532,903.58	589,326.19
Other	1,041.47	200.00	2,097.93	6,633.39
Miscellaneous	18,023.49	166,035.38	343,329.07	383,472.70
	<u>\$7,099,410.37</u>	<u>\$6,966,437.57</u>	<u>\$39,068,514.52</u>	<u>\$37,942,380.50</u>
Bonuses, Oil and Gas Lease Sales	-0-	-0-	17,869,500.00	-0-
Total, Permanent University Fund	<u>\$7,099,410.37</u>	<u>\$6,966,437.57</u>	<u>\$56,938,014.52</u>	<u>\$37,942,380.50</u>

Oil and Gas Development - February 28, 1978  
Acreage Under Lease - 1,058,993

Number of Producing Acres - 367,434

Number of Producing Leases - 1,607

B. LAND MATTERS

1. Easements and Surface Leases Nos. 4549-4590; Material Source Permits Nos. 546-551, and Grazing Lease No. 1180. --Easements and Surface Leases Nos. 4549-4590, Material Source Permits Nos. 546-551, and Grazing Lease No. 1180 were approved as set out below. All have been approved as to content by the appropriate officials. Payment has been received unless otherwise indicated, and the documents are on the University's standard forms and are at the standard rates that became effective February 1, 1977:

a. Easements and Surface Leases Nos. 4549-4590

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4549	H. D. Oden, Inc. (renewal of 2543)	Pipe Line	Crockett	50	243 rds. 2 inch	1/1/78- 12/31/87	\$ 607.50
4550	Pioneer Natural Gas Company (renewal of 2357)	Pipe Line	Andrews	5	409 rds. 2 inch	4/1/77- 3/31/87	1,022.50
4551	Pioneer Natural Gas Company and Odessa Natural Corporation (renewal of 2411)	Pipe Line	Ector	35	378 rds. 20 inch	5/1/77- 4/30/87	1,323.00
4552	Big Bend Telephone Co., Inc. (renewal of 2605)	Telephone Line	Pecos	19, 180½	687 rds. single pole	5/1/78- 4/30/88	687.00
4553	Southwest Texas Electric Cooperative, Inc.	Power Line	Reagan	49	186.4242 rds. single pole	1/1/78- 12/31/87	186.42
4554	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47	434.3030 rds. single pole	1/1/78 12/31/87	434.30
4555	Southwest Texas Electric Cooperative, Inc.	Power Line	Irion	40	512.4242 rds. single pole	1/1/78- 12/31/87	512.42
4556	Southwest Texas Electric Cooperative, Inc.	Power Line	Reagan	48, 49	347.9394 rds. single pole	1/1/78- 12/31/87	347.94

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Land Matters - Continued --

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4557	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47	147.5758 rds. single pole	1/1/78- 12/31/87	\$ 150.00 (min.)
4558	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47	441.2121 rds. single pole	1/1/78- 12/31/87	441.21
4559	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	30	118.1818 rds. single pole	1/1/78- 12/31/87	150.00 (min.)
4560	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	47	106.9697 rds. single pole	1/1/78- 12/31/87	150.00 (min.)
4561	Southwest Texas Electric Cooperative, Inc.	Power Line	Reagan	49	82.5455 rds. single pole	1/1/78- 12/31/87	150.00 (min.)
4562	Phillips Petroleum Company	Pipe Line	Martin, Andrews	6, 5, 4, 7, 11, 14, 9	852.18 rds. 3½ inch 1,260.97 rds. 4½ inch 1,720.00 rds. 6-5/8 inch	12/1/77- 11/30/87	11,499.45
4563	Phillips Petroleum Company	Surface Lease (booster station)	Andrews	5	1 acre	12/1/77- 11/30/87	1,500.00 (full)
4564	Gulf Oil Corporation (renewal of 2646)	Pipe Line	Crane	30	265.3 rds. 4 inch	6/1/78- 5/31/88	663.25
4565	Phillips Petroleum Company (renewal of 2444)	Pipe Line	Crane, Upton	30	1,993.8 rds. various size	5/1/77- 4/30/87	5,168.00
4566	El Paso Natural Gas Company (renewal of 2637)	Pipe Line	Hudspeth	B, F, E, D, H & J	6,766.885 rds. 30 inch	6/1/78- 5/31/88	23,684.10

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Land Matters - Continued --

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4567	Natural Gas Pipeline Company of America (renewal of 2613)	Pipe Line	Ward, Winkler	17, 18, 21	5,865 rds. 30 inch	5/1/78- 4/30/88	\$20,527.50
4568	Texas-New Mexico Pipe Line Company (renewal of 2563)	Pipe Line	Andrews	12, 13, 14	5,876 rds. various sizes	4/1/78- 3/31/88	14,690.00
4569	Mobil Oil Corporation (renewal of 2577)	Pipe Line	Crane	31	1,605.09 rds. 6-5/8 inch 303.03 rds. 4-1/2 inch	3/1/78- 2/28/88	4,770.30
4570	Southwest Texas Electric Cooperative, Inc. (renewal of 2551)	Power Line	Reagan, Crockett	49, 50	788.42 rds. single pole	1/1/78- 12/31/87	788.42
4571	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	50, 47	139.8788 rds. single pole	2/1/78- 1/31/88	150.00 (min.)
4572	Southwest Texas Electric Cooperative, Inc.	Power Line	Crockett	50	146.3636 rds. single pole	2/1/78- 1/31/88	150.00 (min.)
4573	Phillips Petroleum Company	Pipe Line	Martin	6	62.12 rds. 3-1/2 inch	1/1/78- 12/31/87	186.36
4574	J. L. Davis	Pipe Line	Reagan	58	159.39 rds. 2-3/8 inch	3/1/77- 2/28/87	478.17
4575	D. L. Bishop (renewal of 2500)	Pipe Line	Reagan	49	203 rds. 2-3/8 inch	10/1/77- 9/30/87	507.50
4576	Texas-New Mexico Pipe Line Company (renewal of 2632)	Pipe Line	Crockett	46	352 rds. 4-1/2 inch	6/1/78- 5/31/88	880.00

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Land Matters - Continued --

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4577	Wylie D. Freeman	Surface Lease (residence)	Andrews	13	2 acres	12/1/77-11/30/78*	\$ 150.00 (annual)
4578	Bill LaQuey (renewal of 2537)	Surface Lease (residence)	Crane	31	.01 acres	1/1/78-12/31/78*	150.00 (annual)
4579	Ranchers Feed Yard, Inc. (renewal of 2580)	Surface Lease (Feed yard)	Pecos	27	28.9 acres	5/1/78-4/30/79	1,011.50 (annual)
4580	The Permian Corporation (renewal of 2622)	Surface Lease (Tank storage station)	Upton	3	.92 acres	5/1/78-4/30/88	1,500.00 (full)
4581	The Permian Corporation (renewal of 2623)	Surface lease (Truck station site)	Reagan	2	.92 acres	5/1/78-4/30/88	1,500.00 (full)
4582	The Permian Corporation (renewal of 2621)	Pipe Line	Upton, Reagan	2, 3	4,972.8 rds. 3 and 4 inch	5/1/78-4/30/88	12,432.00
4583	Mobil Pipe Line Company (renewal of 2615)	Pipe Line	Andrews	4	22.18 rds. 4-1/2 inch	4/1/78-3/31/88	150.00 (min.)
4584	Atlantic Richfield Company (renewal of 2583)	Pipe Line	Crockett	29	57 rds. 2-1/2 inch	4/1/78-3/31/88	150.00 (min.)
4585	Gulf Refining Company (renewal of 2800)	Pipe Line	Crane	31	409.73 rds. various size	4/1/78-3/31/88	1,024.33
4586	Phillips Petroleum Company (renewal of 2573 & 2584)	Pipe Line	Crane	30	126.8 rds. 3-1/2 inch 583.4 rds. 4-1/2 inch	1/1/78-12/31/87	1,775.50

\*Renewable from year to year, but not to exceed a period of ten years.

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Land Matters - Continued --

No.	Company	Type of Permit	County Ward	Location (Block #)	Distance or Area	Period	Consideration
4587	Revel W. Leveridge III	Surface Lease (service station and cafe)	Ward	16	3.7 acres	5/1/78- 4/30/79*	\$ 900.00 (annual)
4588	Larco Gas Corporation (renewal of 2546)	Pipe Line	Pecos	27, 28, 165 J. Campbell Survey	627.73 rds. 4 inch	1/1/78- 12/31/87	1,569.33
4589	Larco Gas Corporation (renewal of 2448)	Pipe Line	Pecos	28	529 rds. 3-1/2 inch	12/1/77- 11/30/87	1,322.50
4590	Andrews County	Highway Right of Way	Andrews	13	31.8657 acres	As long as needed for highway purposes	None

b. Material Source Permits Nos. 546 - 551

No.	Grantee	County	Location	Quantity	Consideration
546	Jones Bros. Rental Equipment Co. Inc.	Crane	Block 30	43,986 cubic yards caliche	\$ 6,597.90
547	George R. Bentley Construction Company	Crane	Block 31	426 cubic yards caliche	150.00 (min.)
548	Lone Star Gas Company of Texas, Inc.	Ward, Winkler	Blocks 18, 21	2,610 cubic yards caliche	913.50
549	Well Service Co. of Crane	Crane	Block 30	200 cubic yards caliche	150.00 (min.)
550	Jones Bros. Rental Equipment Co. Inc.	Crane	Block 30	28,304 cubic yards caliche 43,261 cubic yards borrow	7,273.87

\*Renewable from year to year, but not to exceed a period of ten years.

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Land Matters - Continued --

No.	Grantee	County	Location	Quantity	Consideration
551	Evert McDougal, Jr. dba Evert McDougal Construction	Crane	Block 30	8,112 cubic yards caliche	\$ 2,839.20

c. Grazing Lease No. 1180

No.	Lessee	County	Block	Acreage	First Five Years		Second Five Years	
					January 1, 1978 - December 31, 1982		January 1, 1983 - December 31, 1987	
					Grazing Per Acre	Annual Rental	Grazing Per Acre	Annual Rental
1180	Henry Kammerdiener	Cooke	E/2 League 76	80	\$1.25	\$100.00	\$1.88	\$150.00

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II. TRUST AND SPECIAL FUNDS

GIFTS, BEQUESTS AND ESTATES

U. T. El Paso: Establishment of John G. Comer Memorial Nursing Scholarship Fund. -- Upon the recommendation of the Administration and without objection, the John G. Comer Memorial Nursing Scholarship Fund was established at The University of Texas at El Paso with \$14,233.83 out of gifts previously given by Mrs. Sue Elizabeth Comer, widow of John G. Comer, and other members of the family. The income from this fund will be used for scholarships in Nursing at U. T. El Paso.

III. OTHER MATTERS

Report on Securities Transactions for Permanent University Fund and Trust and Special Funds for Months of December 1977 and January 1978. -- The Report of Securities Transactions for the Permanent University Fund and Trust and Special Funds for the months of December 1977 and January 1978 submitted by the Office of Investments, Trusts and Lands, was mailed to each Regent by Secretary Thedford on March 13, 1978. No comments were received, and it is attached (Attachment No. 2) following Page HT-3 of Attachment No. 1 and made a part of these Minutes.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

Vice-Chairman Williams, also Vice-Chairman of the Board for Lease of University Lands, reported that the Board for Lease of University Lands would hold its 68th Public Auction of Oil and Gas Leases in Midland, Texas, on September 13, 1978.

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COMMITTEE OF THE WHOLE  
(Pages 88 - 103 )

The following report of the Committee of the Whole, all action of which had been taken in open session, was filed by Chairman Shivers and unan-  
imously adopted:

BOARD OF REGENTS - REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENT TO CHAPTER VI, SECTION 6 (USE OF SPECIAL USE FACILITIES). -- Upon recommendation of System Administration, Subsection 6.63 of Section 6 of Chapter VI of Part One of the Regents' Rules and Regulations (Use of Special Use Facilities) was amended to read as follows:

- 6.63 As a lower priority, the institutional rules and regulations may provide for reservation and use of Special Use Facilities by non-University individuals, groups, associations or corporations, without the necessity of joint sponsorship by the institution. The institution shall establish rates to be charged for the use of the facility that will, at a minimum, insure recovery of that part of the operating cost of the facility attributable directly or indirectly to such non-University use. If the non-University user charges those attending an event any admission or registration fee, or accepts donations from those in attendance, the institution shall require the user to make a complete account of all funds collected and of the actual cost of the event. If the funds collected exceed the actual cost of the event, the non-University user shall be required to remit such excess funds to the institution as an additional charge for the use of the Special Use Facility.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, \$21,000,000, NEW SERIES 1978: AUTHORIZATION TO ISSUE; APPOINTMENT OF VINSON & ELKINS, HOUSTON, TEXAS, BOND COUNSEL, AND APPROPRIATION FOR MISCELLANEOUS EXPENSES RELATING THERETO. -- Upon the recommendation of Executive Director for Investments, Trusts and Lands Lobb and President Walker, and without objection authorization was given:

1. To issue Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1978, in the maximum amount of \$21,000,000
2. To advertise for bids
  - a. for the sale of the bonds at the Regents' next meeting on June 9, 1978
  - b. for the paying agency
  - c. for printing of the bonds

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3. To appropriate \$25,000 to establish an account - "Miscellaneous Costs - Permanent University Fund Bonds, New Series 1978" - for the purpose of paying bond counsel fees, printing of the bonds, postage and other costs of the issue; funds for this appropriation will be paid out of bond proceeds

The firm of Vinson & Elkins, Houston, Texas, was named Bond Counsel.

Efforts will be coordinated with the officials of Texas A&M since the Board of Regents of Texas A&M University plan also to issue Permanent University Fund Bonds at that time.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT ARLINGTON STATE AD VALOREM TAX BONDS, SERIES 1978: AUTHORIZATION TO ISSUE; APPOINTMENT OF VINSON & ELKINS, HOUSTON, TEXAS, BOND COUNSEL; AND APPROPRIATION FOR MISCELLANEOUS EXPENSES RELATING THERETO.--Upon the recommendation of the Administration and without objection, authorization was given:

1. To issue Board of Regents of The University of Texas System, The University of Texas at Arlington State Ad Valorem Tax Bonds, Series 1978, in the maximum amount of \$33,000,000 to provide funds for constructing and initially equipping buildings or other permanent improvements at U. T. Arlington
2. To advertise for bids
  - a. for the sale of the bonds at the Regents' next meeting on June 9, 1978
  - b. for the paying agency
  - c. for printing of the bonds
3. To appropriate \$45,000 to establish an account "Miscellaneous Costs - State Ad Valorem Tax Bonds, Series 1978" - for the purpose of paying the fees for Bond Counsel, printing of the bonds and other miscellaneous costs of the issue; funds for this appropriation will be paid out of bond proceeds.

The firm of Vinson & Elkins, Houston, Texas, was named Bond Counsel.

These bonds will be secured by a pledge of U. T. Arlington's portion of the continuing ad valorem tax on all of the taxable property in the State of Texas levied at the rate of 10¢ per \$100 valuation which is allocated among the several institutions eligible under Section 17, Article VII of the Constitution of Texas by the Comptroller of Public Accounts.

DEPOSITORY BANKS (SPECIAL) - U. T. DALLAS, U. T. PERMIAN BASIN AND U. T. SAN ANTONIO: RESOLUTION DESIGNATING SPECIAL DEPOSITORY BANKS FOR RECEIVING AND KEEPING FUNDS ARISING FROM LOCAL INCOME REQUIRED BY LAW TO BE DEPOSITED IN STATE TREASURY (SECTION 51.008, TEXAS EDUCATION CODE).--  
 Upon motion duly made and seconded and without objection, the following resolution was adopted designating special depository banks to receive funds arising from local income at The University of Texas at Dallas, The University of Texas of the Permian Basin and The University of Texas at San Antonio required by law to be deposited in the State Treasury:

Resolution

Under the provisions of Section 51.008 of the Texas Education Code and Section 11b, Article IV, H.B. 510, 65th Legislature, Regular Session, the Board of Regents of The University of Texas System designate the following special depository banks to receive from the State Treasury those institutional receipts arising from local income of educational activities which are required to be deposited in the State Treasury by the following named institutions:

For The University of Texas at Dallas (Fund 238):

First National Bank in Dallas, Dallas, Texas  
 National Bank of Commerce, Dallas, Texas  
 Richardson Heights Bank and Trust, Richardson,  
 Texas

For The University of Texas of the Permian Basin  
 (Fund 251):

American Bank, Odessa, Texas  
 The First National Bank, Odessa, Texas

For The University of Texas at San Antonio (Fund 249):

National Bank of Commerce, San Antonio, Texas  
 Frost National Bank, San Antonio, Texas  
 Bank of San Antonio, San Antonio, Texas

This designation of the above named banks shall be effective as of April 7, 1978.

In order that sufficient collateral may be maintained by the above designated special depository banks, consistent with the requirements of the State Depository Board to cover balances of all institutional funds deposited therein by the State Treasurer; and in order that a maximum amount of such funds may be maintained on time deposit by the State Depository Board consistent with the operating requirements of such funds and with the requirements of the State Depository Board, the Board of Regents hereby authorizes the Vice President for Business Affairs, or the Comptroller, of The University

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of Texas System to perform any and all acts and to prepare any and all notices necessary to properly notify the State Treasurer of:

1. Desired allocation of deposits between the designated banks.
2. The amounts of deposits anticipated in different periods of the year in each designated bank (in order that adequate collateral may be required of the banks).
3. The amounts of cash available for time deposits from time to time at given intervals of the year, and the interest rates and maturities for such deposits.
4. The desired withdrawals or redeposit of such funds.

U. T. AUSTIN: EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 31. (17) FOR APPOINTMENT OF DR. WILLIAM OWENS VISITING PROFESSOR OF ENGLISH (PAST RETIREMENT AGE). -- Upon the recommendation of President Rogers, concurred in by System Administration, and without objection an exception was made to the Regents' Rules and Regulations, Part One, Chapter III, Section 31. (17), and approval was given to the appointment of Dr. William Owens as Visiting Professor of English at The University of Texas at Austin for the first summer session of 1978. Professor Owens is past retirement age.

Professor Owens, Professor Emeritus from Columbia University and a distinguished scholar, will teach a graduate course in creative writing dealing with Southwestern writing.

U. T. AUSTIN - DENIAL OF REQUEST FOR SIXTH AND SEVENTH YEAR LEAVE OF ABSENCE FOR PROFESSOR MILLARD H. RUUD. -- By a unanimous vote, the recommendation of President Rogers, concurred in by System Administration, to make an exception to Part One, Chapter III, Section 16 of the Regents' Rules and Regulations and to grant a sixth and seventh year leave of absence without pay from The University of Texas at Austin to Professor Millard H. Ruud to permit him to continue to serve as Executive Director of the Association of American Law Schools was denied.

President Rogers was instructed to notify Dean Smith of this action who in turn would notify Professor Ruud.

Regent Law pointed out that there was no question about Professor Ruud's having a prestigious position with the Association of American Law Schools for which he had had a five-year leave of absence. If he desires to continue in this position without a leave of absence and later wishes to come back to the University School of Law and Dean Smith wants him to return, there should be no problem.

U. T. AUSTIN: RESOLUTION OF COMMENDATION TO THE 1978 LONGHORN BASKETBALL TEAM. -- Upon recommendation of President Rogers, concurred in by System Administration, the following resolution of commendation to the 1978 Longhorn Basketball Team at The University of Texas at Austin was adopted by unanimous vote:

RESOLUTION

WHEREAS, The 1978 Longhorn Basketball Team, through skill, determination, hard work, individual and team effort, completed the season with a winning record equal to the highest in the history of The University and went on to become Co-Champions of the Southwest Conference and Champions of the National Invitation Tournament, the first post-season national championship for any Southwest Conference basketball team, and

WHEREAS, This athletic achievement was brought about under the leadership of Coach Abe Lemons, whose wit, hard work and professional skill earned him designation as Co-Coach of the Year by the National Association of Basketball Coaches, and

WHEREAS, Jim Krivacs and Ron Baxter were named Co-Most Valuable Players of the National Invitation Tournament, the first time in twenty five years that two players have been given this honor, and

WHEREAS, Ron Baxter and John Moore were selected as All Southwest Conference Players, and

WHEREAS, The entire Longhorn Basketball Team has demonstrated those qualities of character, sportmanship and teamwork which represent the highest ideals in intercollegiate sports,

NOW, THEREFORE, BE IT RESOLVED, That the Board of Regents of The University of Texas System this 7th day of April, 1978, does express its appreciation for the excellence manifested in the performance of the 1978 Longhorn Basketball Team, the leadership and inspiration of Coach Lemons and his staff, and the notable recognition brought to the University by those who played the game of basketball with distinction.

U. T. EL PASO: RESOLUTION OF COMMENDATION TO TRACK TEAM (THE MINERS) AND COACHES. -- Upon the recommendation of President Templeton, concurred in by System Administration, the Board of Regents unanimously adopted the following resolution commending the track team (the Miners) and coaches at The University of Texas at El Paso:

RESOLUTION

WHEREAS, On March 11, 1978, in Detroit, Michigan, The University of Texas at El Paso Track Team -- the Miners -- became the first ever to win four NCAA National Indoor Track Team Championships. The Miners now hold the National Indoor Championships for 1978, 1976, 1975, and 1974, in addition to having finished a close second in 1977, losing by 1/2 point to Washington State University, and

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WHEREAS, The Miners ended the 1978 national meet with 44 points, placing in all but one of nine events entered, and

WHEREAS, Outstanding individual Miner performances included: James Munyala's sub-four minute Mile finish for first place; Olympian Rudolfo Gomez's second place finish in the Three Mile run, which also bested the previous meet record by four full seconds; a second-place finish for shot-putter Hans Alstrom; third place for Jerome Hutchins in the Triple Jump and Peter Lemashon's incredible 1.48.2 anchor leg in the winning Two Mile Relay, and

WHEREAS, Overall, U. T. El Paso's Track Team now holds 19 Western Athletic Championships and 8 NCAA National Championships, an unsurpassed accomplishment which deserves the recognition of the Board of Regents and The University of Texas System,

NOW, THEREFORE, BE IT RESOLVED, That the Board of Regents of The University of Texas System this 7th day of April, 1978, does express its appreciation and congratulations for the excellence manifested in the performance of the 1978 Miner Track Team and to the leadership and inspiration given by Head Coach Ted Banks and Assistant Ted McLaughlin. The athletes and staff have brought notable recognition to themselves and to the University.

GALVESTON MEDICAL BRANCH: EXCEPTION TO REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 5.32 (NEP-OTISM) TO PERMIT PART-TIME EMPLOYMENT OF MRS. LILLIAN TRABER. -- Upon the recommendation of President Levin, concurred in by System Administration, the Committee of the Whole unanimously authorized an exception to Part One, Chapter III, Section 5.32 of the Regents' Rules and Regulations, and approved part-time employment of Mrs. Lillian Traber as a Research Technician in the Integrated Functional Laboratory at the Galveston Medical School of The University of Texas Medical Branch at Galveston. Mrs. Traber is the wife of Dr. Dan Traber, Director of the Integrated Functional Laboratory and Professor in the departments of Anesthesiology and Physiology.

The evaluation of Mrs. Traber's performance and decisions as to salary, rank and working conditions will be the responsibility of the Dean of Medicine upon the recommendation of the laboratory supervisor.

GALVESTON MEDICAL BRANCH: EXTENSION OF AGREEMENT WITH HOFFMANN-LA ROCHE, INC., A NEW JERSEY PHARMACEUTICAL COMPANY, NUTLEY, NEW JERSEY (ORIGINALLY EFFECTIVE DECEMBER 20, 1974). -- Upon recommendation of President Levin, concurred in by System Administration, unanimous approval was given to a letter agreement extending until April 30, 1978, the termination date of the original collaboration agreement (effective December 20, 1974) relating to thymosin between the Board of Regents of The University of Texas System for and on behalf of The University of Texas Medical Branch at Galveston and Hoffmann-La Roche, Inc., a New Jersey pharmaceutical company, Nutley, New Jersey. This letter agreement provides support in consideration of such extension in the amount of \$34,500. The purpose of such extension is to have the date of agreement termination coincide with the date on which the Principal Investigator, Dr. Allan Goldstein, terminates his employment with the Galveston Medical Branch.

HOUSTON HEALTH SCIENCE CENTER (SCHOOL OF ALLIED HEALTH SCIENCES): AUTHORIZATION FOR DR. MARTYN HOTVEDT TO SERVE AS CONSULTANT TO PUBLIC SCHOOL SYSTEMS IN TEXAS [REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 13.11 (OUTSIDE EMPLOYMENT)]. -- Upon recommendation of Acting President Blocker, concurred in by System Administration, and without objection, authorization was given for Dr. Martyn Hotvedt, Assistant Professor (without tenure) in the School of Allied Health Sciences at The University of Texas Health Science Center at Houston, to serve as consultant to the public school systems of Texas. It is estimated that Dr. Hotvedt will spend approximately 10 days per year in these duties and the consultant fees are estimated to be approximately \$1,500 per year.

This appointment is of benefit and interest to the University and to the State of Texas and creates no conflict with Dr. Hotvedt's position with the Houston Health Science Center. It is in compliance with Regents' Rules and Regulations, Part One, Chapter III, Section 13.11.

HOUSTON HEALTH SCIENCE CENTER (DIVISION OF CONTINUING EDUCATION): AUTHORIZATION FOR DR. SAM A. NIXON TO CONTINUE AS MEMBER OF STATE RURAL MEDICAL EDUCATION BOARD [REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 13.10 (OUTSIDE EMPLOYMENT)]. -- Upon the recommendation of Acting President Blocker, concurred in by System Administration, and without objection, authorization was given for Dr. Sam. A. Nixon, Director of the Division of Continuing Education at The University of Texas Health Science Center at Houston, to continue as a member of the State Rural Medical Education Board. Dr. Nixon was appointed by Governor Dolph Briscoe to a term on this Board ending in 1983 and was elected Chairman of the Board by its membership. As Chairman of the State Rural Medical Education Board, Dr. Nixon will be required to attend several meetings a year. He will not receive a salary but will be reimbursed for his travel expenses.

This appointment is of benefit and interest to the University and to the State of Texas and creates no conflict with Dr. Nixon's position with the Houston Health Science Center. It is in compliance with Regents' Rules and Regulations, Part One, Chapter III, Section 13.10.

UNIVERSITY CANCER CENTER: RESOLUTION AUTHORIZING REPLACEMENT OF LOST BOND NUMBER 896, BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE ENDOWMENT AND HOSPITAL REVENUE BONDS, SERIES 1972. -- Upon recommendation of the Administration, the following resolution was unanimously adopted:

Resolution

Authorizing the Issuance of a \$5,000 Replacement Bond to Replace Bond Number 896 of Board of Regents of The University of Texas System, The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, Endowment and Hospital Revenue Bonds, Series 1972, and Resolving Other Matters Relating to the Subject

WHEREAS, The Board of Regents of The University of Texas System by resolution adopted on September 11, 1972, authorized the issuance of and sold its Board of Regents of The

University of Texas System, The University of Texas M. L. Anderson Hospital and Tumor Institute at Houston, Endowment and Hospital Revenue Bonds, Series 1972, in the aggregate principal amount of \$16,000,000, dated August 1, 1972; and

WHEREAS, One bond of the above described Series of bonds, to-wit:

Bond Number 896 in the denomination of \$5,000 and bearing interest at the rate of 5.20% per annum, payable semiannually on each August 1 and February 1 (Interest Coupon No. 9 and subsequent coupons appertaining thereto unpaid), and maturing August 1, 1985

is outstanding and unpaid; and

WHEREAS, An affidavit in due form verified by Wallace M. Giddings, affiant and owner of said Bond Number 896, to the effect that said Bond Number 896, in the amount of \$5,000, was destroyed, has been received and is on file in the offices of the Board of Regents, and such affidavit has been accepted by the Board of Regents as sufficient evidence that the above described security has been lost within the meaning of Article 715a of the Revised Civil Statutes of Texas, and a certified copy of such affidavit is attached hereto as a permanent part hereof; and

WHEREAS, The loss occurred prior to Coupon Number 9 coming due on February 1, 1977, and therefore neither said coupon nor any subsequent coupons have been presented for payment; and

WHEREAS, The owner of said bond and appurtenant coupons desires that a replacement bond be issued to replace the aforesaid lost bond and appurtenant coupons; and

WHEREAS, By Acts 1965, of the 59th Legislature, of the State of Texas, Chapter 334, commonly known as Article 715a of the Revised Civil Statutes of Texas, the Board of Regents is authorized to issue a bond to replace any bond theretofore lawfully issued which is outstanding and which has been destroyed, lost or stolen, provided that such replacement bond may be issued only upon indemnification satisfactory to the issuer and upon an affidavit or other form of evidence satisfactory to the issuer establishing proof of ownership and the circumstances of the loss, theft or destruction of the bond for which a replacement bond is being sought; and

WHEREAS, Lost Instrument Bond, Bond No. TX-260923 dated January 19, 1978, as amended February 15, 1978, with Merchants Mutual Bonding Company as Surety, has been received and is on file in the office of the Board of Regents and such Lost Instrument Bond is acceptable to the Board of Regents as sufficient indemnity under the provisions of Article 715a of the Revised Civil Statutes of Texas, and a certified copy of such Lost Instrument Bond, Bond No. TX-260923 is attached hereto as a permanent part hereof.

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

Section 1. That there is hereby authorized to be issued a replacement bond to replace Bond Number 896 of Board of Regents of The University of Texas System, The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, Endowment and Hospital Revenue Bonds, Series 1972. Said replacement bond and the interest coupons appertaining thereto shall be in the same form and in all respects of like tenor and effect as said Bond Number 896 and the interest coupons appertaining thereto, except that such replacement bond and the interest coupons appertaining thereto shall be signed manually, or in facsimile, as provided by law, by the proper officials holding office at the time of the issuance, and that Interest Coupon Number 9 and subsequent interest coupons shall be attached to said replacement bond.

Section 2. That said replacement bond shall be dated August 1, 1972, which is the date of the lost bond.

Section 3. That said replacement bond and all interest coupons appertaining thereto shall have the letter "R" preceding the Bond Number and following the Interest Coupon Number.

Section 4. That after said replacement bond has been executed, it shall be the duty of the Chairman of the Board of Regents of The University of Texas System or some officer, employee or attorney of the Board of Regents acting through authority from him, to deliver said replacement bond to the Attorney General of Texas for examination and approval. After approval by the Attorney General of Texas, said replacement bond shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. The replacement bond thus registered shall remain in the custody of the Chairman of the Board of Regents, or subject to his order, until the delivery thereof to the owner of the original bond being replaced thereby.

Section 5. That the Comptroller of Public Accounts of the State of Texas is hereby authorized and directed to register the replacement bond in the same manner as the original bond was registered, giving it the same registration number as the original bond, except that such number shall be preceded by the letter "R." The Comptroller shall date his registration certificate as of the date of registration of the replacement bond.

Section 6. That all provisions of the resolution adopted by the Board of Regents on the 11th day of September, 1972, authorizing the Series of Bonds of which said lost bond is a part and which are not in conflict with this resolution are hereby adopted by reference and shall be a part of this resolution.

Section 7. That the preparation and adoption of this resolution by the Board of Regents and the performance of each and every, all and singular, the acts ordered hereby and all acts or expenditures incidental thereto shall be at no cost to the Board of Regents of The University of Texas System and shall be borne entirely and be the sole liability of the owner of said above described lost security who has requested the issuance of a replacement security as provided herein.

MAR 7 1978 2651

STATE OF TEXAS:

COUNTY OF WILLIAMSON:

Wallace M. Giddings, being first duly sworn, affiant and says:  
That he resides at 1302 Catherine Court, in the City of Georgetown, and  
State of Texas 78626;

That he is the lawful and exclusive owner of certain securities  
more particularly described as follows:

\$5,000.00 BOARD OF REGENTS, UNIVERSITY OF TEXAS SYSTEM M.D. ANDERSON HOSPITAL  
AND TUMOR INSTITUTE ENDOWMENT AND HOSPITAL REVENUE BONDS - Series 1972,  
5, 20%, Bond #896 with coupons attached.

That said securities were not endorsed or assigned, either on  
back of the securities or by separate assignment;

That neither said securities nor the rights of this affiant have,  
in whole or in part, been sold, transferred, assigned, pledged or  
otherwise disposed of, and that no one other than this affiant has any  
right, title or interest in said securities or any part thereof;

That this affiant is entitled to full and exclusive possession  
of all of said securities;

That said securities were lost, stolen or destroyed on or about  
October 15, 1976, under the following circumstances:

I had standing instructions with E.F. Hutton, Austin, TX, to hold  
all securities. A new broker misunderstood this and had the bond mailed  
to my home. It along with countless other pieces of mail, in similiar  
brown envelopes was discarded by my maid. I feel confident that it was ultimately  
destroyed.

That this affidavit is made for the purpose of inducing the Board  
of Regents, University of Texas System to issue and deliver said affiant  
new or duplicate securities in lieu of those stated to have been lost  
or destroyed, or to deliver to said affiant the securities and/or cash  
for which the securities described above have become exchangeable, or  
to pay to said affiant the amount due thereon, without surrender of  
said securities; and in case such original securities should at any  
time hereafter come into the possession or control of the undersigned,  
this affiant hereby agrees to surrender the original securities immediately  
to the said Board of Regents;

That the preparation and adoption of proceedings of the Board of  
Regents, University of Texas Systems, and the proceedings of the said  
Board of Regents and the Trustees of the M.D. Anderson Hospital and  
Tumor Institute and the performance of each and every, all and singular,  
the acts with respect thereto and all acts and expenditures incidental  
thereto shall be at no cost to the said Board of Regents or the  
M.D. Anderson Hospital and Tumor Institute and shall be borne entirely  
and be the sole liability of affiant.

It is understood that the word "securities" herein referred to  
shall mean one or more than one particular instrument or document as  
above described.

Wallace M. Giddings

Subscribed and sworn to before me this 3rd  
day of February A.D. 1978.

Peggy W. Smith

Notary Public

My commission expires Nov 16 1979.

MAR 7 1978 2652

5-A-048

Merchants



Mutual BONDING CO.

6000 N. LAMAR • SUITE 200 • AUSTIN, TEXAS 78752

ENDORSEMENT

It is hereby understood and agreed that Bond No. TX-260923

Wallace M. Giddings, Board of Regents, U.T. System M.D. Anderson Hospital  
Tower

in the MERCHANTS MUTUAL BONDING COMPANY, is increased from:

Bond Amount:

\$5,000.00

to:

Bond Amount:

\$8,000.00

All terms and conditions of said bond, except as above changed, to remain the same.

Signed, sealed and dated this 15th day of February, 1978

MERCHANTS MUTUAL BONDING COMPANY

By Robert E. Cave  
Robert E. Cave Attorney-in-fact

DC/mas

MAR 7 1978 2653

# MERCHANTS MUTUAL BONDING COMPANY DES MOINES, IOWA

3-A-11a

## POWER OF ATTORNEY

Know All Men By These Presents, that the MERCHANTS MUTUAL BONDING COMPANY, a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint

Robert D. Cave  
of Austin and State of Texas its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety:

Any and all bonds or undertakings, provided that no bond or undertaking executed under this authority shall exceed in amount the sum of FIFTY THOUSAND (\$50,000) DOLLARS.

and to bind the MERCHANTS MUTUAL BONDING COMPANY thereby as fully and to the same extent as if such bond or undertaking was signed by the duly authorized officers of the MERCHANTS MUTUAL BONDING COMPANY, and all the acts of said Attorney, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following By-Law adopted by the Board of Directors of the MERCHANTS MUTUAL BONDING COMPANY.

ARTICLE 2. SECTION 5A. - "The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

In Witness Whereof, MERCHANTS MUTUAL BONDING COMPANY has caused these presents to be signed by its President and Secretary, and its corporate seal to be hereto affixed, this 1st day of January A.D., 1978  
MERCHANTS MUTUAL BONDING COMPANY

Attest:

*Emily Wheeler*  
Emily Wheeler, Secretary

By *W.W. Warner*  
President



STATE OF IOWA }  
COUNTY OF POLK } ss.

On this 1st day of January, 19 78, before me appeared W.W. Warner and Emily Wheeler, to me personally known, who being by me duly sworn did say that they are President and Secretary respectively of the MERCHANTS MUTUAL BONDING COMPANY, the corporation described in the foregoing instrument, and that the Seal affixed to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of its Board of Directors.

In Testimony Whereof, I have hereunto set my hand and affixed by Official Seal, at the City of Des Moines, Iowa the day and year first above written.



*H.D. Stiles*  
Notary Public, Polk County, Iowa  
My Commission Expires

9-30-78

STATE OF IOWA }  
COUNTY OF POLK } ss.

I, Emily Wheeler, secretary of the MERCHANTS MUTUAL BONDING COMPANY, do hereby certify that the above and foregoing is a true and correct copy of the POWER OF ATTORNEY, of the MERCHANTS MUTUAL BONDING COMPANY, which is still in force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company, at this 15th day of February 19. 78

*Emily Wheeler*



This power of attorney expires is continuous

MAR 7 1978

2654  
~~26057~~

LOST INSTRUMENT BOND

Bond No. TX-260923

That Wallace M. Giddings  
herein called the Principal, and MERCHANTS MUTUAL BONDING COMPANY, a corporation  
under the laws of the State of Iowa, are held and firmly bound unto  
Board of Regents, U.T. System, M. D. Anderson Hospital & Tumor Institute  
herein called the obligee in the sum of Five Thousand and no/100-----

----- (5,000.00) DOLLARS  
lawful money of the United States of America, to be paid to the said Obligee  
by certain attorney, successors or assigns, to which payment, well and truly to  
be made, we do bind ourselves, and each of us, and each of our heirs,  
executors and administrators, and successors jointly and severally, firmly  
by these presents. Sealed with our seals and dated the 19th day of  
January in the year of our Lord one thousand nine hundred and  
Seventy -Eight (19 78).

WHEREAS, The said Board of Regents, U.T. System, M.D. Anderson Hospital &  
Tumor Institute  
issued to and in the name of Wallace M. Giddings

certain Endowment & Hospital Revenue Bonds herein called the "Instrument"  
Series 1972, #896  
dated October, 1976 for Five thousand and no/  
100----- (\$5,000.00)

and the said Principal alleges that said instrument has been lost or destroyed.

AND WHEREAS, the said Principal has applied to the said Obligee for a new  
instrument, and the said Obligee is willing to issue a new instrument, in  
lieu of the said instrument lost or destroyed, as aforesaid, upon the execu-  
tion of a Bond of Indemnity against any and all loss or damage which may  
arise to the said Obligee from the use of the said instrument so lost or  
destroyed, or from the issue of said new instrument; and the said Merchants  
Mutual Bonding Company has agreed to become the Surety  
of the said Principal in the amount of the penal sum mentioned in the above  
obligation.

NOW THE CONDITION OF THIS OBLIGATION IS SUCH, That if the above bounden  
Principal, heirs, executors, and administrators, shall and do, from time  
to time, and at all times hereafter, well and sufficiently indemnify, same  
and keep harmless the said Obligee, heirs, executors, and administrators,  
successors and assigns, from and against any use of the said instrument herein-  
before particularly described, and from and against all claims, demands, suits,  
actions, payments, loss, damage, cost and expense to which the said Obligee,  
heirs, executors, and administrators, successors or assigns, shall or may be  
subjected by reason of or growing out of the loss or destruction of said  
instrument, as above recited, and by reason of or growing out of the issue  
of the said new instrument in lieu of the said instrument so lost or destroyed;  
and if the above bounden Principal, heirs, executors or administrators shall;  
and do surrender or deliver to the said Obligee the said lost instrument, if  
found, then this obligation is to be void; otherwise to be and remain in full  
force and virtue.

Wallace M. Giddings  
Principal

MERCHANTS MUTUAL BONDING COMPANY  
Surety

Nell H. Peterson  
By: Nell H. Peterson Atty-In-Fact

MAR 7 1978 2655

5-A-112

# MERCHANTS MUTUAL BONDING COMPANY DES MOINES, IOWA

## POWER OF ATTORNEY

Know All Men By These Presents, that the MERCHANTS MUTUAL BONDING COMPANY, a corporation duly organized under the laws of the State of Iowa, and having its principal office in the City of Des Moines, County of Polk, State of Iowa, hath made, constituted and appointed, and does by these presents make, constitute and appoint

Jack H. Puryear and/or Lirry A. Lerche and/or Nell H. Peterson  
Austin Texas its true and lawful Attorney-in-Fact, with full power and authority hereby conferred in its name, place and stead, to sign, execute, acknowledge and deliver in its behalf as surety:

any and all Bonds or undertakings, provided that no bond or undertaking executed under this authority shall exceed in amount the sum of THREE HUNDRED THOUSAND (\$300,000.00) DOLLARS

do bind the MERCHANTS MUTUAL BONDING COMPANY thereby as fully and to the same extent as if such bond or undertaking were signed by the duly authorized officers of the MERCHANTS MUTUAL BONDING COMPANY, and all the acts of said Attorney, pursuant to the authority herein given, are hereby ratified and confirmed.

This Power-of-Attorney is made and executed pursuant to and by authority of the following By-Law adopted by the Board of Directors of the MERCHANTS MUTUAL BONDING COMPANY.

ARTICLE 2, SECTION 8A.—"The Chairman of the Board or President or any Vice President or Secretary shall have power and authority to appoint Attorneys-in-Fact, and to authorize them to execute on behalf of the Company, and attach the Seal of the Company thereto, bonds and undertakings, recognizances, contracts of indemnity and other writings obligatory in the nature thereof."

In Witness Whereof, MERCHANTS MUTUAL BONDING COMPANY has caused these presents to be signed by its President and Secretary and its corporate seal to be hereto affixed, this 15th day of July A.D. 19 77

MERCHANTS MUTUAL BONDING COMPANY

*Emily Clark*  
Emily Clark, Secretary

By



STATE OF IOWA  
COUNTY OF POLK

On this 15th day of July, 19 77, before me appeared W. W. Werner and Emily Clark, to me personally known, who being by me duly sworn did say that they are President and Secretary respectively of the MERCHANTS MUTUAL BONDING COMPANY, the corporation described in the foregoing instrument, and that the seal attached to the said instrument is the Corporate Seal of the said Corporation and that the said instrument was signed and sealed in behalf of said Corporation by authority of the Board of Directors.

I, Notary Public, do hereby certify that I have hereunto set my hand and affixed my Official Seal, at the City of Des Moines, Iowa the day and first above written.



*D. Stiles*  
Notary Public, Polk County, Iowa  
My Commission Expires 5/30/78

STATE OF IOWA  
COUNTY OF POLK

I, Emily Clark, secretary of the MERCHANTS MUTUAL BONDING COMPANY, do hereby certify that the above and foregoing is a true and correct copy of a POWER OF ATTORNEY executed by said MERCHANTS MUTUAL BONDING COMPANY, which is still in force and effect.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the Company, at 19th day of January 19 78



December 31, 1978

This power of attorney expires.....

DEVELOPMENT MATTERS.--The following item relating to development matters was received and in all things ratified and confirmed without objection:

U. T. San Antonio: Membership of College of Business Advisory Council.--The initial membership of the College of Business Advisory Council at The University of Texas at San Antonio was reported for the record on September 16, 1977. This Council has now met and drawn for terms as set forth below. The authorized membership of this Advisory Council is 25:

	<u>Term Expires</u>
Mr. Jesse A. Baker, San Antonio	1979
Colonel Victor J. Ferrari, San Antonio	1979
Dr. Lyman R. Fink, San Antonio	1979
Mrs. Katherine N. Folbre, San Antonio	1980
Mr. Gordon N. George, San Antonio	1979
Mr. Alex H. Halff, San Antonio	1978
Mr. Marvin M. Kline, San Antonio	1980
Mr. Quincy Lee, San Antonio	1980
Mr. Steven Q. Lee, San Antonio	1979
Mr. Byron L. LeFlore, San Antonio	1980
Mr. Harold E. O'Kelley, San Antonio	1980
Mr. Charles G. Orsinger, San Antonio	1978
Mr. James C. Phelps, San Antonio	1979
General John W. Roberts, San Antonio	1978
Miss M. Sue Schoolfield, San Antonio	1979
Mr. Robert H. Seal, San Antonio	1979
Mr. C. Linden Sledge, San Antonio	1980
Mr. James W. Windlinger, San Antonio	1980

7 Unfilled terms

REPORT OF DEGREE PROGRAMS AND ACADEMIC REQUESTS APPROVED BY COORDINATING BOARD FOR IMPLEMENTATION OR WITHDRAWN BY SYSTEM ADMINISTRATION DURING 1976-77. --In order that the permanent record will accurately reflect those degree programs and academic requests approved by the Coordinating Board, Texas College and University System or those withdrawn by System Administration since the last report on October 1, 1976, Secretary Thedford reports for 1976-77 (1) those degree programs approved by the Coordinating Board for implementation together with the date of implementation by the respective institution; (2) name changes approved by the Board of Regents and Coordinating Board; and (3) requests approved by the Board of Regents and sent to the Coordinating Board but later withdrawn by System Administration:

Implementation

1. Approved by Coordinating Board for implementation as reflected in letters from Coordinating Board:

U. T. Arlington

B.F.A. with Major in Drama  
 M.S. in Nursing  
 Master of Engineering Degrees in Aerospace Engineering,  
 Electrical Engineering, Industrial Engineering and  
 Mechanical Engineering

U. T. Austin

Bachelor of Social Work Degree Program  
 B.A. in Asian Studies

U. T. Dallas

B.A. in American Studies Sept. 1978

U. T. El Paso

B.S. in Computer Science  
 B.A. in Anthropology  
 M.S. in Nursing  
 M.A. in Linguistics  
 M.A./M.S. in Interdisciplinary Studies (approved  
 by the Board of Regents as Master of Liberal Arts)

U. T. San Antonio

Bachelor of Music Sept. 1977  
 B.A. in American Studies (approved by Board of  
 Regents as B.A. in American Culture Studies) Sept. 1977

Galveston Medical Branch

M.S. in Nursing 1977

Houston Health Science Center

M.S. in Nursing  
Baccalaureate program in Nuclear Medicine Technology  
Baccalaureate program in Community Nutrition Dietetics

[School of Allied Health Sciences]  
Certificate program for Respiratory Therapy  
(upper division) and B.S. in Respiratory  
Therapy (upper division)  
Certificate program for Nurse Anesthetists

2. Name changes approved by the Board  
of Regents and the Coordinating Board:

U. T. Austin

Graduate School of Social Work changed to  
School of Social Work  
Department of Health, Physical Education  
and Recreation changed to Department  
of Physical and Health Education

U. T. El Paso

School of Nursing changed to College  
of Nursing

U. T. San Antonio

Division of Management changed to  
Division of Management and  
Marketing

Dallas Health Science Center

Health Care Administration Program  
changed to Gerontology Services  
Administration Program

3. Requests approved by the Board of Regents  
and sent to Coordinating Board but withdrawn  
by System Administration:

U. T. Arlington

M.A. in Music

U. T. San Antonio

B.A. in Art History and Criticism

Houston Health Science Center

M.S. in Biomedical Communication

(The institutional heads have been asked to furnish this office with  
the date of implementation of the foregoing approved programs.  
These dates will be incorporated in the record.)

SCHEDULED MEETINGS.--Due to conflicting engagements of some of the members of the Board of Regents, the meeting (Budget Meeting) previously scheduled on June 8-9, 1978, was changed to June 6-7, 1978, in Austin, with the possibility of going back to June 8-9 if the Board of Regents of The Texas A&M University cannot arrange its schedule for the same dates so that the bond issues of the two institutions may be coordinated. (Since the meeting on April 7, it has been determined that The Texas A&M University cannot rearrange its schedule to meet on June 6-7; hence, the Board meeting will remain as originally scheduled on June 8-9, 1978.)

#### COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

Chairman Shivers reported that following the meeting of the Committee of the Whole in Open Session, the Committee of the Whole convened in Executive Session in Suite 621 on the sixth floor of the Administration Building at the Galveston Medical Branch pursuant to Article 6252-17, Sections 2(e), (f) and (g), V.T.C.S. He reported that in Executive Session the committee had: (1) received reports from (a) the Special Committee to Renegotiate Real Estate Note with Punta Gorda Isles, Inc. and (b) the Special Committee on Brackenridge Tract Relating to Exchange of Leases with LCRA; (2) heard appeals with respect to termination of employment of Dr. Gunnar Gjerstad and Mr. Gunter Richter (U. T. Austin) and Dr. Susan H. Houston (Houston Health Science Center); and (3) discussed Administrative Reorganization of the U. T. System.

#### Action of the Board Following Executive Session (Pages 103-161)

REPORT OF COMMITTEE TO RENEGOTIATE REAL ESTATE NOTE WITH PUNTA GORDA ISLES, INC. (AMENDMENT TO MORTGAGE RELEASE, FULL AND COMPLETE RELEASE, NOTE, AND PARTIAL RELEASE OF MORTGAGE).--The following report was presented by Committee Chairman Clark and adopted without objection upon a motion duly made and seconded:

Report of the Special Punta Gorda Ad-Hoc Committee to the Board of Regents of The University of Texas System - April 6, 1978 (Pages 103-158)

RE: Status of Punta Gorda Isles, Inc. Note Agreement Rearrangement.

At its December 16, 1977 meeting, the Board of Regents approved certain System Administration recommendations (with express Special Committee approval) with respect to rearrangement of the Punta Gorda Isles, Inc. note agreement in order to settle the dispute between the parties.

On December 16, the System General Counsel advised Texas Counsel for Punta Gorda (Mr. Morris Atlas) that the Board of Regents would agree to the rearrangement upon the basis approved by the Board, subject to final approval of details, documentation, etc., by both parties.

Mr. Atlas advised on December 20th that Punta Gorda Isles, Inc. has agreed to our proposal.

On December 21, in accordance with the December 16 Board action, the Houston law firm of Fulbright & Jaworski was engaged to handle documentation and other aspects of the transaction, and was authorized to employ Florida counsel in such connection.

Details of the transaction have been negotiated with Punta Gorda by System Administration and your Ad-Hoc Committee, and documentation finalized.

If the Board of Regents of The University of Texas System, acting in that capacity, and in the capacity of Trustees of the University Cancer Foundation, approves the transaction as negotiated and documented, the transaction will be closed on April 10, 1978.

A synopsis of the rearrangement transaction as so negotiated and documented is as follows:

1. PGI will execute a new note, dated April 10, 1978, in the principal amount of \$16,340,575.44, with an interest rate of nine percent (9%), running from date of the note until maturity. The principal amount stated equals the original principal amount of \$13,500,257.52, plus capitalized interest of \$2,840,317.92.
2. On the date of closing, PGI will pay the System an amount determined by multiplying \$1,300,000 (the amount due on June 20, 1978 under the existing arrangement) by a fraction, the numerator of which is the number of days expiring from June 20, 1977, and the denominator of which is 360. This payment has been calculated to be \$1,061,666.67.
3. On the anniversary date of the closing in 1979, 1980 and 1981, interest payments will be made by PGI to the System.
4. On the anniversary date of closing in the years 1982/1996, equal, annual installments of principal and interest will be paid by PGI, to be applied first to interest and the balance to principal.
5. The schedule of payments would be as set forth in the attached memorandum from Tom Smith dated March 29, 1978.
6. PGI may sell tracts of 500 acres of land, or more, and receive partial releases of liens as to such tracts, provided that the System received from PGI a principal payment in an amount which will be the greater of (a) \$350.00 per acre of the released tract, or (b) the gross selling price of such tract, less reasonable closing costs, sales expenses and commissions (the aggregate of which may not exceed 25% of the gross price) for such tract. In addition, at the time of such principal payment, PGI will pay all interest accrued and unpaid on that portion of the principal.

The original transaction contemplated development for residential purposes, but conditions prevailed which eroded support for a forecast of immediate or near-term development of the mortgaged property for such purposes. Credit available to mortgagor under the

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terms of a revolving credit agreement with a Chicago bank has been restricted to uses other than development of the mortgaged property or mortgage payments on same. The issuance of improvement bonds involved in residential development became doubtful. These matters were brought to the attention of System Administration and your Ad-Hoc Committee, and have been considered by them.

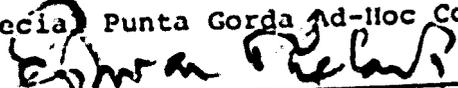
In addition, a serious dispute arose as to the proper meaning of the release clause in the original transaction. This dispute is involved in the current litigation pending in Florida between the parties. Other points are at issue in such lawsuit, which in counsel's opinion are probably not of material significance. However, while the ultimate outcome of the pending litigation, or any foreclosure proceeding, cannot be determined at this time, it is counsel's opinion that the court's final determination of the proper interpretation of the release clause could have a serious impact on the security interest of the Board of Regents and Board of Trustees. Moreover, any such litigation could take as long as four years to conclude.

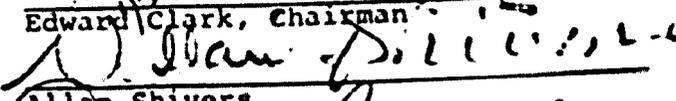
It should be noted, as well, that under the original transaction, the land only stands for the debt. There is no personal liability resting on Punta Gorda Isles, Inc. Moreover, the only suggestions made by third parties for sale of the Board's interest (no firm offers have been made) have been significantly below the proceeds which can result from the proposed rearrangement.

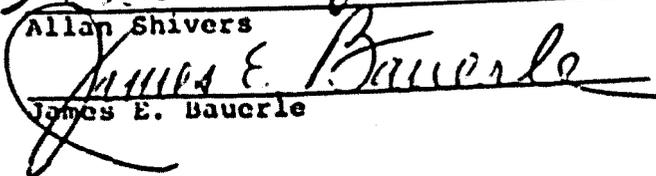
Accordingly, System Administration and your Ad-Hoc Committee asks the Board, in the capacity indicated above, to consider the foregoing, as well as other matters about which they care to inquire.

If the Board determines that the proposed rearrangement, as negotiated and reflected by the documents attached hereto, is the best way to realize the maximum proceeds from the sale of the Endowment Land over the term of those Bonds heretofore issued to which such land is pledged, and otherwise is in the best interests of the holders of such Bonds and The University of Texas System, then it is recommended that the Board of Regents, in each indicated capacity, approve the rearrangement and the enclosed documents effective April 10, 1978, and authorize the execution of such documents and other documents necessary to effectuate and close the subject transaction, by the Chairman of each of said Boards (or, by any other member of said Boards in case of the Chairman's absence or unavailability), subject to approval as to content by the President of the System, and approval as to form by the General Counsel of the System, and further subject to approval of the closing transaction and documents by the General Counsel.

Special Punta Gorda Ad-Hoc Committee

  
Edward Clark, Chairman

  
Allan Shivers

  
James E. Baucarle

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THE UNIVERSITY OF TEXAS SYSTEM  
Office of Investments, Trusts and Lands  
210 WEST SIXTH, AUSTIN, TEXAS 78701

March 29, 1978

512/471-5781

MEMORANDUM

To: Mr. Tom Stockton  
From: Tom E. Smith *TES*  
Re: Punta Gorda Note & Mortgage Rearrangement

Pursuant to your request, I have prepared the following schedule of principal and interest payments which would be due under the terms of the proposed rearrangement.

Original Principal	\$13,500,257.52
Accrued Interest through April 10, 1978	3,901,984.59
Total Debt at April 10, 1978	17,402,242.11
Payment on April 10, 1978 (\$1,300,000 x 294/360)	1,061,666.67
Principal Balance of New Note Dated April 10, 1978	16,340,575.44

<u>Due April 10</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance After Payment</u>
1979	\$1,470,651.79	\$1,470,651.79		\$16,340,575.44
1980	1,470,651.79	1,470,651.79		16,340,575.44
1981	1,470,651.79	1,470,651.79		16,340,575.44
1982	2,027,195.45	1,470,651.79	\$556,543.66	15,784,031.78
1983	2,027,195.45	1,420,562.86	606,632.59	15,177,399.19
1984	2,027,195.45	1,365,965.93	661,299.52	14,516,099.67
1985	2,027,195.45	1,306,448.97	720,746.48	13,795,353.19
1986	2,027,195.45	1,241,581.79	785,613.66	13,009,739.53
1987	2,027,195.45	1,170,876.56	856,318.89	12,153,420.64
1988	2,027,195.45	1,093,807.86	933,387.59	11,220,033.05
1989	2,027,195.45	1,009,802.97	1,017,392.48	10,202,640.57
1990	2,027,195.45	918,237.65	1,108,957.80	9,093,682.77
1991	2,027,195.45	818,431.45	1,208,764.00	7,884,918.77
1992	2,027,195.45	709,642.69	1,317,552.76	6,567,366.01
1993	2,027,195.45	591,062.94	1,436,132.51	5,131,233.50
1994	2,027,195.45	461,811.02	1,565,384.43	3,565,849.07
1995	2,027,195.45	320,926.42	1,706,269.03	1,859,580.04
1996	2,026,942.24	167,362.20	1,859,580.04	

Please advise if I may provide any additional information.

dj

Xc: Mr. W. L. Lobb

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AMENDMENT TO MORTGAGE

THE STATE OF FLORIDA  
COUNTIES OF CHARLOTTE,  
DESOTO AND HIGHLANDS

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This Agreement made as of the 10th day of April, 1978, by and between Allan Shivers, Dan C. Williams, James E. Bauerle, D.D.S., Edward Clark, Sterling H. Fly, Jr., M.D., Jess Hay, Jane Weinert Blumberg, Thos. H. Law, and Walter G. Sterling and their successors in office, as constituting the Board of Regents of The University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970, of 210 West 6th Street, Austin, Texas, 78701 (the "Boards") and Punta Gorda Isles, Inc., a Florida corporation acting herein by and through its duly authorized officers and having its principal place of business at 1625 W. Marion Ave., Punta Gorda, Florida, 33950 ("PGI");

W I T N E S S E T H :

WHEREAS, by deed dated June 20, 1972 the Boards conveyed to PGI those certain tracts or parcels of land (the "Property") situated in Charlotte, DeSoto and Highlands Counties, Florida and described in Exhibit A attached hereto and made a part hereof for all purposes, for a total consideration of \$15,495,000.00, a portion of which was represented by that certain promissory note of even date therewith executed by PGI payable to the order of the Boards in the original principal amount of \$13,000,000.00;

WHEREAS, a subsequent survey of the Property disclosed that the same contains 53,051.9 acres of land, more or less, and in accordance with an agreement between the Boards and PGI, the purchase price for the Property was

increased by \$500,257.52, represented by that certain promissory note dated June 20, 1972 executed by PGI payable to the order of the Boards in the original principal amount of \$500,257.52;

WHEREAS, said \$13,000,000.00 note and said \$500,257.52 note (together called the "1972 Notes") are secured by a vendor's lien (the "Vendor's Lien") retained in said June 20, 1972 deed from the Boards conveying the Property to PGI, recorded in OR Book 392, Page 132, Records of Charlotte County, Florida; OR Book 83, Page 206, Records of DeSoto County, Florida; and OR Book 406, Page 979, Records of Highlands County, Florida;

WHEREAS, the 1972 Notes are additionally secured by that certain mortgage (the "Mortgage") covering the Property, recorded in OR Book 392, Page 143, Records of Charlotte County, Florida; OR Book 83, Page 541, Records of DeSoto County, Florida; and OR Book 408, Page 388, Records of Highlands County, Florida, to which Mortgage reference is here made for all purposes;

WHEREAS, the terms of the 1972 Notes were modified and rearranged by that certain promissory note dated July 16, 1976 (the "1976 Note") executed by PGI payable to the order of the Boards in the original principal amount of \$13,500,257.52, which 1976 Note is secured by the Mortgage and the Vendor's Lien;

WHEREAS, the Mortgage was amended by agreement dated July 16, 1976, by and between the Boards and PGI which deleted from the Mortgage the 1972 Notes and substituted therefor the 1976 Note, which amendment is recorded in OR Book 535, Page 973, Records of Charlotte County, Florida; OR Book 124, Page 320, Records of DeSoto County, Florida; and OR Book 526, Page 731, Records of Highlands County, Florida; and

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WHEREAS, the Boards and PGI desire to further amend the Mortgage to reflect a further renewal, extension, rearrangement and modification of the terms of the 1976 Note and to amend certain hereinafter identified provisions of the Mortgage.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT, for and in consideration of Ten Dollars (\$10.00) and in consideration of the premises and the covenants and conditions contained in the Mortgage, as amended, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confessed, the Mortgage, as previously amended, is further amended by substituting the promissory note set forth in Exhibit B attached hereto and made a part hereof for all purposes (which promissory note, including all renewals, amendments, modifications, extensions and replacements thereof, is hereinafter referred to as the "1978 Note") for the 1976 Note set forth in said prior amendment to the Mortgage.

The 1978 Note has been executed in renewal, extension, rearrangement and modification of the 1976 Note.

For the consideration stated above, PGI and the Boards stipulate, covenant and agree that the Mortgage is further amended in the following respects, to-wit:

(a) Paragraph 2 on Page 4 of the Mortgage -- the interest rate referred to in the last line of said paragraph is increased from six percent (6%) per annum to nine percent (9%) per annum. There is added to said paragraph the following sentence, to-wit: "Not later than April 15th of each calendar year, Mortgagor shall furnish to Mortgagee evidence of the payment prior to delinquency of all ad valorem taxes and assessments levied against said property during the preceding calendar year."

(b) Paragraph 3 on Page 4 of the Mortgage -- the interest rate referred to in the last sentence of said paragraph is increased from six percent (6%) per annum to nine percent (9%) per annum.

(c) Paragraph 6 on Page 5 of the Mortgage is deleted and the following is inserted in lieu thereof:

"6. If any of said sums of money herein referred to or due under the terms of said promissory note be not promptly and fully paid within thirty (30) days next after the same severally become due and payable, or if each and every of the stipulations, agreements, conditions and covenants of the above stated promissory note and of this Mortgage, or either of them, are not duly performed, complied with and abided by, the holder of said promissory note may, at its option, declare the same to be due and payable forthwith or at any time thereafter, anything in said promissory note or herein to the contrary notwithstanding."

(d) Paragraph 7 on Page 5 of the Mortgage is deleted, but the succeeding paragraphs of the Mortgage are not renumbered.

(e) Paragraph 8 set forth on Pages 5, 6 and 7 of the Mortgage is deleted and the following is inserted in lieu thereof:

"8. So long as there is no default under this Mortgage or under the indebtedness secured hereby, Mortgagor, at its sole cost and expense, may, from time to time, receive partial releases of the liens securing the above described promissory note as to

portions ("Release Tracts") of the above described real property containing not less than 500 acres of land provided the Mortgagee shall have received for application on the principal of the above described promissory note a sum of money equal to the greater of (i) \$350.00 per acre for each acre of land within a Release Tract, or (ii) 100% of the gross selling price (as determined by Mortgagee from the sales contract hereinafter required to be provided) of any Release Tract conveyed by Mortgagor to a bona fide third party not related to, controlled in whole or in part by, not owned in whole or in part by, not owning any interest in and not employed by Mortgagor or any entity in which Mortgagor owns any interest, less closing costs, sales expenses, and sales commissions, not to exceed in the aggregate 25% of said gross selling price. In addition to and simultaneously with any principal prepayment made to obtain a partial release, Mortgagor shall also pay to the holder of said note for application thereon all interest then accrued and unpaid on that portion of the principal of said note prepaid to obtain such partial release. Mortgagor shall not be entitled to any credit toward the release price of a Release Tract for any sums of money paid either in June 1972 upon Mortgagor's acquisition of the above described property or on prior renewals and extensions of the above described promissory note. All principal payments and principal prepayments made on the above described promissory note which are not applied toward partial releases at the time such payments are made shall accrue to and be applied as part of the sums required to secure future partial releases in accordance with the terms hereof.

"At such time as the Mortgagor requests its first partial release hereunder, Mortgagor shall designate 10,000 acres of land (the "First Release Area") within the above described property from which the First Release Tract shall be released. The designation of the First Release Area shall be subject to the approval of Mortgagee, but such approval shall not be withheld so long as the First Release Area is configured in a manner which, in the fair and reasonable judgment of Mortgagee, will not unreasonably impair the fair market value of security for the above described note and will not preclude the orderly designation of future Release Areas. Until such time as Mortgagor shall have partially released seventy-five percent (75%) of the gross acreage within the First Release Area, Mortgagor may not obtain partial releases from any other portion of the above described properties. Thereafter, Mortgagor may designate a Second Release Area containing not less than 10,000 acres of land, which designation shall be subject to Mortgagee's approval and the foregoing requirements applicable to the First Release Area. Mortgagor may obtain partial releases only out of the First and Second Release Areas until such time as ninety percent (90%) of gross acreage in the First Release Area and seventy-five percent (75%) of the gross acreage in the Second Release Area have been partially released. Subsequent Release Areas containing not less than 10,000 acres of land (except the Last Release Area which may contain less than 10,000 acres provided it contains all property then subject

to this Mortgage) may be designated with Mortgagee's approval as aforesaid and releases obtained therefrom only after Mortgagor shall have partially released at least seventy-five percent (75%) of the gross acreage in the most recently designated Release Area and ninety percent (90%) of the gross acreage in all other Release Areas previously designated.

"All costs of obtaining partial releases shall be borne by Mortgagor and each request for a partial release or designation of a Release Area shall be in writing and shall be accompanied by (i) a survey plat depicting the above described property, the applicable partial release area, any tract(s) of land theretofore released and the tract of land then requested to be released, (ii) a metes and bounds description of the land then requested to be partially released or Release Area being designated, (iii) a calculation of the gross acreage contained in the land for which the partial release is requested or the Release Area being designated, all prepared by a Florida registered land surveyor selected by the Mortgagor. Further, each such request made with respect to a Release Tract being sold to a third party shall be accompanied by a fully executed sales contract for such Release Tract. Each partial release instrument and Release Area designation shall be prepared by the Mortgagor and shall be in a form acceptable to counsel for the Mortgagee.

"No partial release shall be granted which will have the effect of denying unreleased portions of the property remaining subject to the liens of this Mortgage access to dedicated streets or public roads.

"At any time and from time to time, Mortgagee, at its expense, shall have the right to cause the real property from time to time subject to this Mortgage to be appraised by a knowledgeable and experienced real estate appraiser of Mortgagee's choice.

"When the principal and interest on the above described promissory note have been paid in full, the Mortgagee shall, at the expense of Mortgagor, execute and deliver to the Mortgagor or its assigns, a full release of all liens held by the Mortgagee against the above described property."

(f) Paragraph 11 on Page 7 of the Mortgage is deleted and the following is inserted in lieu thereof:

"11. Mortgagor covenants and agrees to timely pay all installments of principal and interest from time to time coming due on that certain promissory note dated December 1, 1962 (the "Prior Note") payable to the order of Connecticut Mutual Life Insurance Company, which indebtedness Mortgagor assumes and agrees to pay. Likewise, Mortgagor will comply with all terms and provisions of that certain mortgage in favor of Connecticut Mutual Life Insurance Company recorded in O.R. Book 144, Page 637, Records of Charlotte County, Florida; O.R. Book 16, Page 640, Records of DeSoto County, Florida, and O.R. Book 161, Page 160, Records of Highlands County, Florida. The said Mortgage was modified by agreement between the Mortgagor and Connecticut Mutual Life Insurance Com-

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pany dated June 7, 1973 recorded in O.R. Book 424, Page 460, Records of Charlotte County, Florida; O.R. Book 95, Page 151, Records of DeSoto County, Florida, and O.R. Book 438, Page 76, Records of Highlands County, Florida. The above referenced mortgage securing the Prior Note and the above referenced modification thereto are hereinafter together referred to as the "Prior Mortgage". Within thirty (30) days after the date any payment of principal or interest or both is due on the Prior Note, Mortgagor agrees to furnish Mortgagee satisfactory evidence of the timely payment of the same. Any default under the terms and provisions of the Prior Note or the Prior Mortgage shall, at the option of the Mortgagee, constitute a default hereunder and under the indebtedness secured hereby. Further, in the event of any default under the Prior Note or the Prior Mortgage, the Mortgagee may, at its option, but without any obligation to do so, declare the indebtedness secured hereby immediately due and payable. Further, in the event of such default, the Mortgagee may, at its option, but without any obligation to do so, pay off and discharge any indebtedness or part thereof secured by the Prior Mortgage, and upon payment of any such amount shall be subrogated to the liens and rights of the holder of such prior lien indebtedness to the extent of the amount so paid. All such amounts paid, together with reasonable expenses incurred in connection therewith, shall be secured by the liens of this Mortgage, which liens shall be cumulative of all liens and rights to which the Mortgagee may become subrogated. The amount so expended shall be due and

payable from Mortgagor upon demand and shall bear interest from the date same are incurred until paid at the rate of nine percent (9%) per annum. In addition to the foregoing, upon the occurrence of any default under the Prior Note or the Prior Mortgage, Mortgagee shall be entitled to all legal remedies provided in the Prior Note and Prior Mortgage for default thereunder, including, without limitation, the cancellation and foreclosure of the liens of the Prior Mortgage."

(g) The following paragraph is added to the Mortgage and is numbered in accordance with the original paragraph numbering sequence of the Mortgage, to-wit:

"12. Without the prior written consent of the holder of the indebtedness secured hereby, which consent shall not be unreasonably withheld, Mortgagor agrees that it shall not extend the maturity of, alter the repayment schedule of, increase the interest rate or defer any payments under or seek further or future advances of funds under the Prior Note or the Prior Mortgage. The consent of Mortgagee shall not be required to a prepayment of all or a portion of the Prior Note or to a partial release of the liens of the Prior Mortgage as the same affect a Release Tract which is being contemporaneously released from the liens of this Mortgage and said vendor's lien.

(h) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"13. Without the prior written consent of Mortgagee, Mortgagor shall not mortgage or otherwise create or suffer to exist or be created any liens against the above described property which would purport to be superior to the liens of this Mortgage other than the lien of the Prior Mortgage. Mortgagor agrees to take all action from time to time deemed necessary by Mortgagee to protect the priority of the lien of this Mortgage.

(i) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"14. The terms, provisions, covenants and agreements of the parties to this Mortgage shall be binding upon and inure to the benefit of the parties and their respective successors and assigns."

(j) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"15. At any reasonable time and from time to time, Mortgagee's agents may, but shall not be obligated to, enter any portion of the above described property for purposes of inspecting the condition of said property and for other lawful purposes.

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Prior to any such entry Mortgagee shall give Mortgagor notice of same. No entry by Mortgagee shall render Mortgagee guilty of trespass, nor constitute Mortgagee a mortgagee in possession and nor be construed to make Mortgagee liable for the condition of said property or for matters and conditions disclosed by any such inspection."

(k) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"17. Mortgagor will promptly and faithfully comply with, conform to and obey all present and future laws, ordinances, rules, regulations and requirements of every duly constituted governmental authority or agency having jurisdiction, or similar body exercising similar functions, which may be applicable to Mortgagor or to the above described Property or to the use or manner of use, occupancy, possession, operation, maintenance, alteration or repair of the above described Property. Likewise, Mortgagor will not use the above described Property or allow the same to be used or occupied for any unlawful purpose or in violation of any permit or certificate, or any law, ordinance, regulation or restrictive covenant, covering or affecting the use or occupancy thereof, or suffer any act to be done or any condition to exist on the above described property which may be dangerous or which may constitute a public or private nuisance. Mortgagor will indemnify and hold harmless Mortgagee from and against all claims, demands, liabilities, costs,

expenses, causes of action and damages which may now or hereafter be asserted against Mortgagee by reason of any act or omission of Mortgagor, its agents, employees or invitees."

(1) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"18. Any breach by Mortgagor of any of its covenants and agreements herein set forth or set forth in the above described promissory note shall constitute a default under this Mortgage and said Note. In addition, the occurrence of any of the following events shall constitute a default hereunder and under said Note, to-wit:

(i) If Mortgagor shall (a) voluntarily be adjudicated a bankrupt or insolvent; (b) seek or consent to the appointment of a receiver or trustee for itself or for all or any part of its property; (c) file a petition seeking relief under the bankruptcy or similar laws of the United States or any state or any competent jurisdiction; (d) make a general assignment for the benefit of creditors; or (e) admit in writing its inability to pay its debts as they mature.

(ii) If a court of competent jurisdiction shall enter an order, judgment or decree appointing, without the consent of Mortgagor, a receiver or trustee for the Mortgagor or for all or any part of

the property of Mortgagor or approving a petition filed against Mortgagor seeking relief under the bankruptcy or similar laws of the United States or any state or other competent jurisdiction, and such order, judgment or decree shall remain in force undischarged or unstayed for a period of sixty (60) days after entry.

(iii) If Mortgagor shall dissolve or liquidate without the prior written consent of Mortgagee.

(iv) If the holder of any mortgage, deed of trust, deed to secure debt or other lien on the above described property (without hereby implying Mortgagee's consent to any such mortgage, deed of trust, deed to secure debt or other lien except for the Prior Mortgage) institutes foreclosure or other proceedings for the enforcement of any of its remedies thereunder."

(m) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"19. Mortgagor assigns, transfers and sets over to Mortgagee all rights of Mortgagor to any award or payment in respect of any taking of the above described property as a result of, or by agreement in lieu of, the exercise of the right of condemnation or eminent domain or any payment of damages arising by virtue of governmental ac-

tion not resulting in a taking of any portion of the above described property. Mortgagor agrees to file and prosecute in good faith and with due diligence its claim or claims for any such award or payment and to cause the same to be collected and paid over to Mortgagee and Mortgagee is authorized to collect and receive for any such award and payment without obligation to question the amount thereof. Mortgagee may participate in any such proceedings and Mortgagor agrees to cooperate as necessary to permit such participation. Any proceeds received by Mortgagee incident to any such taking or damage shall be applied as follows: (i) to reimburse Mortgagee for all costs and expenses, including reasonable attorney's fees, incurred in connection with the taking; (ii) to the payment of accrued and unpaid interest on the above described promissory note; (iii) to the prepayment of the unpaid principal balance of said note; and (iv) the balance, if any, will be paid to Mortgagor.

(n) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"20. Mortgagor, upon the reasonable request of Mortgagee, will execute, acknowledge and deliver such further instruments and do such further acts as may be necessary, desirable or practicable to carry out more effectively the purpose of the Mortgage, and to subject to the lien thereof any property intended by the terms of the Mortgage as originally executed by Mortgagor to be covered thereby.

Mortgagor's failure to honor such request shall constitute a default hereunder and under the indebtedness secured hereby. Mortgagor, at its expense, will cause this Mortgage and all supplements and amendments thereto to be recorded and filed, and rerecorded and refiled in such manner and in such places as Mortgagee shall reasonably request, and will pay all recording, filing, rerecording, refiling taxes, fees and other charges to the maximum extent permitted by applicable law. In case any one or more of the terms, provisions, covenants or agreements contained in the Mortgage shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms and provision of the Mortgage shall be in no way affected, prejudiced or disturbed thereby. This Mortgage may not be changed, waived, discharged or terminated orally, but only by an instrument or instruments in writing, signed by the party against which enforcement of the change, waiver, discharge or termination is asserted. Any failure by Mortgagee to insist upon strict performance by Mortgagor or any of the terms, provisions, covenants and agreements of this Mortgage or of the above described promissory note shall not be deemed to be a waiver of any of such terms or provisions, and Mortgagee shall have the right thereafter to insist upon strict performance by Mortgagor of any and all of them.

(o) The following paragraph is added to the Mortgage and is numbered in accordance with the original numbering sequence of the Mortgage, to-wit:

"21. In the event of a default under this Mortgage or under the indebtedness secured hereby shall occur and be continuing, and after the expiration of the thirty (30) day grace period provided herein and in said note, Mortgagee may, at its option, exercise any, some or all of the following remedies, to-wit:

"(i) Declare the unpaid portion of the indebtedness secured hereby to be immediately due and payable, without further notice or demand (each of which hereby is expressly waived by Mortgagor), whereupon said indebtedness shall become immediately due and payable anything in said note or in this Mortgage to the contrary notwithstanding.

"(ii) Mortgagee, with or without entry, personally or by its agents or attorneys, insofar as applicable, may:

"(a) sell the property subject to this Mortgage and all estate, right, title and interest, claim and demand therein, and right of redemption thereof, to the extent permitted by and pursuant to the procedures provided by law, at one or more sales, and at such time and place upon such terms and after such notice thereof as may be required or permitted by law; or

"(b) institute proceedings for the complete foreclosure of this Mortgage;  
or

"(c) institute proceedings to collect any delinquent installments or installments of the indebtedness secured hereby without accelerating the due date of the whole of said indebtedness by proceeding with foreclosure of this Mortgage with respect to any such delinquent installments or installments only and any sale of the property subject to this Mortgage under a foreclosure proceeding under this subparagraph (c) shall be subject to and shall not affect the unmatured part of said indebtedness and this Mortgage shall be and continue as a lien on the property then subject to this Mortgage as security for the unmature portion of said indebtedness; or

"(d) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in said note or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as Mortgagee shall elect; or

"(e) enforce this Mortgage in any other manner permitted under applicable law.

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"(iii) Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, Mortgagee, without further notice or publication, may make such sale at the time and place to which the same shall be so adjourned. Upon the completion of any sale or sales made by the Mortgagee under or by virtue of this Paragraph 21, the Mortgagee, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument or instruments, without representation or warranty expressed or implied, conveying, assigning and transferring all estate, right, title and interest in and to the property and rights sold subject to all matters which would affect title to the property and rights sold. Mortgagee is hereby appointed the true and lawful attorney irrevocable of the Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Mortgaged Property and rights so sold and for that purpose the Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one

or more persons with like power, the Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Mortgagor, if so requested by the Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to the Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of the Mortgagee, for the purpose, and as may be designated in such request. Any such sale or sales made under or by virtue of this Paragraph 21, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever at law or in equity, of the Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against the Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under the Mortgagor, to the maximum extent permitted by applicable law.

"(iv) Apply to the court in which a proceeding is pending for the enforcement of this Mortgage to have a receiver appointed to enter upon and take possession of the property then subject to this Mort-

gage, collect the rents, royalties, delay rentals, bonuses, income and profits therefrom and apply the same as the court may direct; such receiver to have all of the rights and powers permitted under applicable law. The right to the appointment of such receiver shall be a matter of strict right without regard to the value or the occupancy of said property or the solvency or insolvency of Mortgagor. The expenses, including receiver's fee, counsel's fees, costs and agent's commission incurred pursuant to the powers herein contained shall be secured hereby.

"(v) Exercise any other remedy now or hereafter existing in equity, at law, by virtue of statute or otherwise."

"Any real estate or any interest or estate therein sold pursuant to any court order obtained by virtue of this Mortgage, or pursuant to any other judicial proceedings under this Mortgage, or pursuant to any right of Mortgagee to sell said property, may be sold in one parcel, as an entirety, or in such parcels, and in such manner or order as Mortgagee, in its sole discretion, may elect, to the maximum extent permitted by applicable law.

"The rights and remedies of Mortgagee as provided in said Note and in this Mortgage shall be cumulative and concurrent and may be pursued separately, successively or together against Mortgagor, or said property, or any one or more of them, at the sole discretion of Mortgagee, and may be

exercised as often as occasion therefor shall arise, all to the maximum extent permitted by applicable law. If Mortgagee elects to proceed under one right or remedy under this Mortgage or said note, Mortgagee may at any time cease proceeding under such right or remedy and proceed under any other right or remedy under this Mortgage or said Note. The failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

"Upon any sale made under or by virtue of this Paragraph 21, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, Mortgagee may bid for and acquire the property so sold and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness secured hereby the amount of Mortgagee's bid.

"Mortgagor hereby waives and releases, to the maximum extent permitted by applicable law:

"(i) all benefit that might accrue to Mortgagor by virtue of any present or future law exempting the property subject to this Mortgage, or any part of the proceeds arising from any sale thereof, from attachment, levy or sale on execution, or providing for any appraisal, valuation, stay of execution, exemption from civil process, redemption or extension of time for payment, and

"(ii) unless specifically required herein, all notices of Mortgagor's default or of Mortgagee's election to exercise, or Mortgagee's actual exercise, of any option or remedy under said note or this Mortgage, and

"(iii) any right to have the property subject to this Mortgage marshalled;

provided that if such waiver by Mortgagor affects or extends the time for sale of said property, affects Mortgagee's rights to enforce this Mortgage or affects Mortgagor's right to redeem, Mortgagee shall have the right to elect to accept or reject the waiver of such right by Mortgagor, and such election may be made by Mortgagee at the time of or at any time prior to the entry of a decree or judgment of foreclosure in the court in which this Mortgage is being foreclosed.

"In case Mortgagee shall have proceeded to enforce any right under said note or this Mortgage and such proceedings shall have been discontinued or abandoned for any reason, then in every such case Mortgagor and Mortgagee shall be restored to their former positions and the rights, remedies and powers of Mortgagee shall continue as if no such proceedings had been taken.

"The proceeds of any foreclosure sale of all or any portion of the property subject to this Mortgage shall be applied as follows:

"(i) first, to the payment of receiver's fees and expenses, to the payment of Mortgagee's attorney's fees and other

legal expenses and to the payment of costs and expenses of Mortgagee in connection with proceedings under this Paragraph 21;

"(ii) second, to the payment of any sums (other than principal and interest on the indebtedness secured hereby) which Mortgagee has agreed to pay under the terms of this Mortgage;

"(iii) third, to the payment of accrued and unpaid interest on said note;

"(iv) fourth, to the payment of the unpaid principal balance of said note; and

"(v) the balance, if any, to Mortgagor; provided that if the sale is pursuant to Mortgagee's right to conduct an installment foreclosure, the proceeds of such sale shall be applied first to the payment of Mortgagee's attorney's fees and other legal expenses in connection with such proceedings, and, second, to the delinquent installment or installments of the indebtedness involved in the proceeding giving rise to such sale."

(p) Exhibit A is deleted from the Mortgage.

All references in the foregoing subparagraphs (a) through (p), both inclusive, to "promissory note", "note", "above described promissory note" or words of similar import shall mean and refer to the 1978 Note.

PGI and the Boards agree that the indebtedness evidenced by the 1972 Notes and the indebtedness evidenced by the 1976 Note have been renewed, extended, rearranged and modified and that such indebtednesses are now evidenced by and payable in accordance with the terms of the 1978 Note as

hereinabove set forth. Further, for the purpose of securing a payment of the 1978 Note and for divers good and valuable consideration, and also in consideration of the aggregate sum payable under the 1978 Note, the receipt and sufficiency of which are acknowledged and confessed, PGI, as Mortgagor, does GRANT, BARGAIN, SELL, ALIEN, REMISE, RELEASE, CONVEY AND CONFIRM unto the Boards, as Mortgagee, in fee simple, the Property, of which PGI is now siezed and possessed, and in actual possession, together with all and singular, the rights, privileges, hereditaments and appurtenances in any-wise incident or appertaining to the Property, including, without limitation, all improvements and fixtures now existing or hereafter placed thereon and all income, profits, rents, issues, condemnation awards, royalties, delay rentals and bonuses from the Property and said improvements and fixtures.

The transfer of the income, profits, rents, issues, condemnation awards, royalties, delay rentals and bonuses from the Property and said improvements and fixtures is specific in nature and irrevocable while the indebtedness secured hereby remains unpaid. So long as no default exists under this Mortgage, but not otherwise, Mortgagor may collect and retain the currently accruing income, profits, rents, issues, condemnation awards, royalties, delay rentals and bonuses. In the event of any default hereunder, and after the passage of any applicable grace period, the Mortgagee may, personally or through an agent, take or have such agent take, possession and control of the above described land, premises, buildings and improvements or any part thereof, and receive and collect

all income, profits, rents, issues, condemnation awards, royalties, delay rentals and bonuses theretofore accrued and unpaid to Mortgagee or thereafter accruing therefrom so long as any of the indebtedness secured hereby remains unpaid or until foreclosure of the lien hereof, applying so much thereof as may be collected prior to the sale of the Property under foreclosure, first to the expenses incident to such possession, control and collection and second to the payment of the items in the order referred to in Paragraph 21 of the Mortgage.

In furtherance of the foregoing, Mortgagor ratifies and confirms all mortgages, liens, assignments and encumbrances existing under the Mortgage and covenants and agrees that the Mortgage and the Vendor's Lien are continued in full force and effect for the purpose of securing all the indebtedness described in the Mortgage, including, without limitation, all indebtedness evidenced by the 1972 Notes, the 1976 Note and the 1978 Note. The terms and provisions of the Vendor's Lien, 1978 Note and the Mortgage, as amended hereby, are recognized by the parties to be controlling in the event of any apparent conflict with prior agreements of the parties with respect to all properties of PGI now subject to the Vendor's Lien and the liens of the Mortgage, as amended. Mortgagor agrees that the Property as described in Exhibit A hereto is subject to the Vendor's Lien and the lien of the Mortgage, as amended.

Mortgagor acknowledges that the unpaid principal balance of the 1978 Note is \$16,340,575.44, that Mortgagor has no claims or offsets against said unpaid principal

sum and that Mortgagee has fully performed all the covenants and obligations to be performed by Mortgagee with respect to the 1978 Note or the property securing payment thereof.

EXECUTED as of the 10th day of April, 1978.

PUNTA GORDA ISLES, INC.

ATTEST:

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

"PGI"

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Allan Shivers, Chairman of the Board of Regents of The University of Texas System, and as such, Chairman of the Trustees of the University Cancer Foundation

"BOARDS"

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

STATE OF FLORIDA §  
  §  
COUNTY OF CHARLOTTE §

I HEREBY CERTIFY that on this \_\_\_\_ day of April, 1978, before me personally appeared \_\_\_\_\_ and \_\_\_\_\_, as President and Secretary, respectively, of PUNTA GORDA ISLES, INC., a Florida corporation, to me personally known, this day acknowledged before me that they executed the foregoing instrument and they acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned, and they affix thereto the official seal of said corporation.

WITNESS my signature and official seal at Punta Gorda, Florida, said County, and State, the date and year last aforesaid.

\_\_\_\_\_  
Notary Public - State of Florida

My Commission Expires:

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STATE OF TEXAS §  
                                  §  
COUNTY OF \_\_\_\_\_ §

I HEREBY CERTIFY that on this \_\_\_\_\_ day of April, 1978, before me personally appeared ALLAN SHIVERS, as Chairman of the Board of Regents of The University Texas System and as Chairman of the Board of Trustees of the University Cancer Foundation as created by The Agreement dated November 7, 1957, of Houston, Texas, as amended instrument dated October 30, 1970, to me known to be the person described in and who executed the foregoing instrument and he acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned.

WITNESS my signature and official seal at \_\_\_\_\_, Texas, said County and State, the date and year last aforesaid.

\_\_\_\_\_  
Notary Public in and for  
County, Texas

My Commission Expires:  
  
\_\_\_\_\_

EXHIBIT ATract 1 - Lands situated in Charlotte County, Florida:

- (a) Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, and 24, all in Township 40 South, Range 27 East.
- (b) N1/2, N1/2 of SE1/4, SE1/4 of SE1/4, NE1/4 of SW1/4 of Section 1, and NE1/4, SW1/4, N1/2 of NW1/4 and SE1/4 of NW1/4 of Section 2, all in Township 40 South, Range 26 East.

Tract 2 - Lands situated in DeSoto County, Florida:

- (a) Sections 1, 2, 3, 4, and 5, all of Section 6, excepting therefrom (i) E1/2 of NE1/4 of NW1/4 of NE1/4; (ii) W1/2 of SE1/4 of NE1/4 of NW1/4, and (iii) W1/2 of NE1/4 of NW1/4 of NW1/4; Sections 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, 32, 33, 34, 35, and 36, all in Township 39 South, Range 27 East.
- (b) S1/2 of Section 13, Sections 24 and 25, S1/2 of Section 32, Sections 33, 34, 35, and 36, all in Township 39 South, Range 26 East.
- (c) The East 100 feet of Sections 1, 12, 13, 24, 25, and 36, all in Township 38 South, Range 27 East.
- (d) A strip of land 100 feet in width lying West of, parallel and adjacent to the East line of Section 36, Township 37 South, Range 27 East and extending from the South line of said Section 36 Northward 79-1/2 feet, more or less, to the South right-of-way line of State Road 70.

Tract 3 - Lands situated in Highlands County, Florida:

W1/2 of Section 5, Sections 6 and 7, W1/2 of Section 8, Sections 16, 18, 19, 21, and 28, S1/2 and N1/2 of NE1/4 of Section 29, and Sections 30, 31, 32, and 33, all in Township 39 South, Range 28 East.

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\$16,340,575.44

Austin, Texas

as of April 10, 1978

FOR VALUE RECEIVED, and in installments as herein provided, PUNTA GORDA ISLES, INC., a Florida corporation acting by and through its duly authorized officers (the "Maker"), promises to pay in lawful money of the United States of America to

Allan Shivers, Dan C. Williams, James E. Baucrle, D.D.S., Edward Clark, Sterling H. Fly, Jr., M.D., Thos. H. Law, Jess Hay, Jane Weinert Blumberg, and Walter G. Sterling,

and their successors in office, as constituting the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Payee"),

or order, at 210 West Sixth Street, Austin, Travis County, Texas, 78701,

(i) the principal sum of SIXTEEN MILLION THREE HUNDRED FORTY THOUSAND FIVE HUNDRED SEVENTY-FIVE AND 44/100 DOLLARS (\$16,340,575.44) and (ii) with interest thereon, or on so much thereof as is outstanding from time to time, from the date hereof until maturity at the rate of nine percent (9%) per annum. The Maker further promises to pay, in like money, interest on all past due principal and accrued interest from maturity until paid at the maximum lawful rate then applicable.

This Note is payable in eighteen (18) successive installments as follows: (i) installments of interest, at the rate aforesaid, only in the amount of all interest then accrued or unpaid on the unpaid principal balance hereof shall be due and payable on the 10th day of April in 1979, 1980 and 1981; and (ii) commencing April 10, 1982, this Note shall be payable in fifteen (15) equal, successive, annual installments of principal and interest in the amount of \$2,027,195.45 each, to be applied first to accrued and unpaid interest hereon and the balance to principal, with each such annual installment being due and payable on the 10th day of April of each year through and including April 10, 1996, upon which date all unpaid principal and accrued interest on this Note shall be finally due and payable.

The Maker shall have the privilege of prepaying this Note in full or in part at any time and from time to time without notice or prepayment penalty. All principal prepayment sums received by the Payee or other holder hereof shall be applied hereon in accordance with the amortization schedule for this Note attached hereto and made a part hereof for all purposes to reduce, in the direct order of their maturities, the regular installments of principal shown in said amortization. Interest shall cease accruing on principal prepayments commencing on the day following the date of such prepayment. In no event shall the interest portion of any regular installment due on this Note exceed the interest then accrued and unpaid hereon. In the event the principal portion of any regular installment on this Note has been prepaid in full, only the interest then accrued and unpaid hereon shall be due and payable on the due date for such regular installment, but if the principal portion of such regular installment has been only partially prepaid, such regular installment hereon shall be

equal to the unpaid portion of the applicable principal installment then due (as determined from said amortization schedule) plus all interest then accrued and unpaid hereon.

This Note is given as part of the consideration and purchase price of the real property described in that certain deed dated June 9, 1972 from the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation to the Maker covering tracts of land in Charlotte, DeSoto and Highlands Counties, Florida, in which deed, as recorded in OR Book 392, Page 132, Records of Charlotte County, Florida; OR Book 83, Page 206, Records of DeSoto County, Florida; and OR Book 406, Page 929, Records of Highlands County, Florida, the express vendor's lien (the "Vendor's Lien") is retained in favor of the Grantor named therein, being the Payee hereunder. The payment hereof is additionally secured by that certain mortgage (the "Mortgage") dated June 9, 1972 recorded in OR Book 392, Page 143, Records of Charlotte County, Florida; OR Book 83, Page 541, Records of DeSoto County, Florida; and OR Book 408, Page 388, Records of Highlands County, Florida, to which Mortgage reference is here made for further description of the property covered thereby. By agreement dated July 16, 1976, the Mortgage was amended to substitute the hereinafter defined 1976 Note for the hereinafter defined 1972 Note and said 1976 agreement is recorded in OR Book 535, Page 973, Records of Charlotte County, Florida; OR Book 124, Page 320, Records of DeSoto County, Florida; and OR Book 526, Page 731, Records of Highlands County, Florida. By agreement of even date herewith, the Mortgage has been further amended.

To the full extent hereof, this Note represents a renewal, extension and rearrangement of the unpaid principal balance and all accrued interest on that certain promissory note dated July 16, 1976, (the "1976 Note") executed by the Maker payable to the order of the Payee in the original principal amount of \$13,500,257.52, which note is secured by the Vendor's Lien and the Mortgage. The 1976 Note was given in a renewal, extension and rearrangement of those certain two (2) promissory notes each dated June 9, 1972 (the "1972 Notes"), executed by the Maker to the Payee in the original principal amounts of \$13,000,000.00 and \$500,257.52, respectively. The Maker covenants and agrees that all liens heretofore existing to secure the 1972 Notes and the 1976 Note are renewed and extended to secure the payment of this Note.

This Note shall become immediately due and payable at the option of the Payee or other holder hereof, without presentment or demand or any notice to the Maker, upon default in the payment of any installment hereon when due and after the expiration of the grace period provided below, or upon default under the terms of the Mortgage, as amended.

If this Note is collected by suit, through probate or bankruptcy court, or by any other judicial proceedings, or if this Note is not paid at maturity, howsoever such maturity may be brought about, and is placed in the hands of an attorney for collection, then the Maker promises to pay an additional sum of money equal to all costs of collection and a reasonable attorney's fees.

Subject to its rights under the grace provisions provided below, the Maker (i) waives demand, presentment for payment, notice of nonpayment, protest, notice of protest and all other notice, filing of suit, homestead exemptions and diligence in collecting this Note or enforcing any of the security herefor, and (ii) consents to any extension or postponement of time of payment of this Note and to any other indulgence with respect hereto without notice.

The payments of principal or interest or both made hereon shall not be subject to any right of set-off, reduction or recoupment for any cause whatsoever. None of the provisions of this Note and none of the Payee's rights or remedies hereunder or under the Mortgage on account of any past or future defaults shall be deemed to have been waived by Payee's acceptance of any past due amount or by any indulgence or forbearance granted by Payee to the Maker. Failure to exercise any option which Payee may have under the terms of this Note shall not constitute a waiver thereof in the event of a subsequent right to exercise such option. This Note may not be changed orally, but only by agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

The Maker shall be liable upon the indebtedness evidenced by this Note and for all sums to accrue or to become payable hereon and all amounts covenanted to be paid by it under the Mortgage to the full extent (but only to the extent) of the security for the payment of this Note including, without limitation, all land, properties, rights and estates described in the Mortgage, as amended. NOTWITHSTANDING ANY PROVISION OF THIS NOTE APPARENTLY TO THE CONTRARY, THIS NOTE IS SECURED BY THE MORTGAGE, AS AMENDED, AND BY THE VENDOR'S LIEN, AND THE MORTGAGEE UNDER THE MORTGAGE, AS AMENDED, AND THE HOLDER OF THIS NOTE WILL LOOK SOLELY TO THE LAND, PROPERTIES, RIGHTS AND ESTATES DESCRIBED IN THE MORTGAGE, AS AMENDED, AS THE SECURITY FOR PAYMENT OF THIS NOTE AND THE SATISFACTION OF THE MORTGAGE, AS AMENDED.

The Maker, its successors or assigns, as owner of property subject to liens securing this Note, shall have a period of thirty (30) days from and after the date any installment of principal or interest or both is due hereon within which to pay such installment, together with interest on such installment at the maximum lawful rate from its due date until paid, and if said installment and interest thereon are paid within said thirty-day period, no default shall exist hereunder by virtue of the late payment of such installment. If such installment and interest as aforesaid are not paid within said thirty-day period, a default shall exist under this Note and under the Mortgage, as amended. The Maker, for itself, its successors and assigns, hereby waives all notice that said thirty-day period may have commenced to have run with respect to any installment due hereon.

Notwithstanding any provision of this Note or the Mortgage, in no event shall the aggregate of the interest on this Note or any other amounts which would under principles of applicable law be deemed "interest", ever exceed the maximum amount of interest which, under said law, could be lawfully charged on the principal balance of this Note from time to time remaining unpaid. In this connection, it is expressly stipulated and agreed that it is the intention of the Payee and the Maker in the execution and delivery of this Note to contractually limit the maximum amounts payable by the Maker under this Note or the Mortgage which would be deemed "interest" under applicable law to the maximum amount of interest which would be permitted under such law. In furtherance thereof, it is stipulated and agreed that none of the terms of this Note or the Mortgage, as amended, shall ever be construed to create a contract to pay for the use, forbearance or detention of money, interest at a rate in excess of the maximum interest rate permitted to be charged under applicable law; neither the Maker nor any other parties now or hereafter

becoming liable for the payment of this Note shall ever be liable for interest in excess of the maximum interest that could be charged lawfully under applicable law; and the provisions of this paragraph shall be deemed to govern the maximum rate and amount of interest which may be paid under this Note and shall control over all other provisions of this Note and the Mortgage, as amended, which might be in apparent conflict herewith.

Specifically and without limiting the generality of the foregoing, it is expressly provided that:

(i) If and when any installment of interest calculated under the provisions of this Note shall become due and the aggregate amount thereof, when added to the aggregate amount of any other amounts which constitute interest on the indebtedness evidenced hereby and have been theretofore paid hereon, would be in excess of the maximum rate of interest permitted by applicable law, in light of all payments or prepayments theretofore made on said indebtedness and presuming this Note will be paid to its stated maturity date, then the aggregate amount of such interest installment shall be automatically reduced to the maximum sum, if any, which could lawfully be paid as interest on this Note on such date under such circumstances; and

(ii) In the event of voluntary prepayment of this Note or payment prior to the normal maturity date thereof resulting from acceleration of maturity of this Note, if the aggregate amounts of interest accruing after maturity, and plus any other amounts which constitute interest on said indebtedness would, in the aggregate, if paid on the indebtedness (if calculated in accordance with provisions other than this paragraph) exceed the maximum amount of interest which, under applicable law, could lawfully be charged on the unpaid principal balance of this indebtedness from time to time remaining unpaid from the date hereof to the date of such payment hereof, then in such event the amount of such excess shall not be payable or due (if not previously paid) or (if and to the extent paid) shall be credited toward the payment of principal on this indebtedness so as to reduce the amount of the final payment of principal due on this indebtedness; and

(iii) If under any circumstances the aggregate amounts paid on the indebtedness evidenced by this Note prior to and incident to final payment thereof include any amounts which under applicable law would be deemed interest and which would exceed the maximum amount of interest which, under applicable law, could lawfully have been collected on this indebtedness, Maker and Payee stipulate that such payment and collection will have been and will be deemed to have been the result of mathematical error on the part of both Maker and Payee, and the party receiving such excess payment shall promptly refund the amount of such excess (to the extent only of the excess of such interest payments above the maximum amount which could lawfully have been collected and retained under applicable law) upon discovery of such error by the party receiving such

payment or notice thereof from the party making such payment.

PUNTA GORDA ISLES, INC.

By \_\_\_\_\_, President

ATTEST:

\_\_\_\_\_, Secretary

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## EXHIBIT A

<u>Due April 10</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance After Payment</u>
1979	\$1,470,651.79	\$1,470,651.79		\$16,340,575.44
1980	1,470,651.79	1,470,651.79		16,340,575.44
1981	1,470,651.79	1,470,651.79		16,340,575.44
1982	2,027,195.45	1,470,651.79	\$556,543.66	15,784,031.78
1983	2,027,195.45	1,420,562.86	606,632.59	15,177,399.19
1984	2,027,195.45	1,365,965.93	661,299.52	14,516,099.67
1985	2,027,195.45	1,306,448.97	720,746.48	13,795,353.19
1986	2,027,195.45	1,241,581.79	785,613.66	13,009,739.53
1987	2,027,195.45	1,170,876.56	856,318.89	12,153,420.64
1988	2,027,195.45	1,093,807.86	933,387.59	11,220,033.05
1989	2,027,195.45	1,009,802.97	1,017,392.48	10,202,640.57
1990	2,027,195.45	918,237.65	1,108,957.80	9,093,682.77
1991	2,027,195.45	818,431.45	1,208,764.00	7,884,918.77
1992	2,027,195.45	709,642.69	1,317,552.76	6,567,366.01
1993	2,027,195.45	591,062.94	1,436,132.51	5,131,233.50
1994	2,027,195.45	461,811.02	1,565,384.43	3,565,849.07
1995	2,027,195.45	320,926.42	1,706,269.03	1,859,580.04
1996	2,026,942.24	167,362.20	1,859,580.04	

R E L E A S E

KNOW ALL MEN BY THESE PRESENTS that Allan Shivers, Dan C. Williams, James E. Bauerle, D.D.S., Edward Clark, Sterling H. Fly, Jr., M.D., Jess Hay, Jane Weinert Blumberg, Thos. H. Law, and Walter G. Sterling, and their successors in office, as constituting the Board of Regents of The University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Boards"), of 210 West 6th Street, Austin, Texas, for and in consideration of Ten and No/100 Dollars (\$10.00) and the renewal, extension, modification and rearrangement of the terms for the repayment of that certain promissory note dated July 16, 1976 (the "1976 Note"), in the original principal amount of \$13,500,257.52 executed by Punta Gorda Isles, Inc., a Florida corporation ("PGI"), the receipt and sufficiency of which consideration are hereby acknowledged and confessed, for themselves, their officers, successors and assigns, have REMISED, RELEASED AND FOREVER DISCHARGED, and do hereby REMISE, RELEASE AND FOREVER DISCHARGE PGI, its successors, assigns, officers, directors, stockholders, employees, and agents, and all other persons, firms, corporations and other legal entities for whose acts or omissions PGI was, is or may be liable, of and from any and all claims, demands, liabilities and causes of action, of every nature whatsoever, which have existed, may now exist or which may exist in the future, arising out of or in any way resulting from the execution, implementation or provisions of any one or more of the following instruments (collectively called the "Agreements"), (i) that certain Purchase Agreement dated March 14, 1972 (the "Purchase Agreement"), by and between PGI, as Purchaser, and the Boards, as Seller, relating to certain lands in Charlotte, DeSoto and Highlands Counties,

Florida (the "Property"), (ii) that certain promissory note dated June 20, 1972, executed by PGI payable to the order of the Boards in the original principal amount of \$13,000,000.00, (iii) except as amended, that certain mortgage (the "Mortgage") dated June 20, 1972 executed by PGI, as Mortgagor, in favor of the Boards, as Mortgagee, covering the Property and recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida, (iv) the 1976 Note, (v) that certain Amendment to Mortgage dated July 16, 1976, by and between the Boards, as First Party, and PGI, as Second Party, recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida, and (vi) any other agreements, whether oral or written, entered into prior to the effective date hereof by and between PGI and the Boards, or by and between the authorized representatives of either of them, and relating to the sale, purchase, development or resale of the Property or partial release of liens against the Property.

The Boards acknowledge that all agreements of the Boards and PGI with respect to the Property are now embodied in (i) that certain promissory note dated as of April 10, 1978 (the "1978 Note") executed by PGI payable to the order of the Boards in the original principal amount of \$16,340,575.44, (ii) the Mortgage, as amended by Amendment to Mortgage dated as of April 10, 1978 (the "1978 Amendment"), and (iii) that certain deed dated June 20, 1972, from the Boards to PGI conveying the Property.

The Boards acknowledge that this release is executed and delivered as an integral part of the compromise and settlement of that certain action styled "Punta Gorda Isles, Inc. vs. Allan Shivers, et al, Civil Action No. 77-34-CIV-FT. MY.-K" lately pending in the United States District Court for the Middle District of Florida, Fort Meyers Division, having been removed from the Circuit Court for the 20th Judicial Circuit

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of the State of Florida in and for Charlotte County, Florida,  
wherein such case was docketed as Civil Action No. 77-357.

The Boards and their undersigned chairman by his  
signature below represent to PGI that the execution and de-  
livery of this Release have been duly authorized by the Boards  
and that the Boards are duly empowered by the laws of the  
State of Texas to authorize the execution and delivery of  
this Release.

WITNESS our execution at Galveston, Texas, this  
\_\_\_\_\_ day of April, 1978 to be effective as of April 10, 1978.

BOARD OF REGENTS OF THE UNIVERSITY  
OF TEXAS SYSTEM, AND TRUSTEES OF  
THE UNIVERSITY CANCER FOUNDATION

By \_\_\_\_\_  
Allan Shivers, Chairman

THE STATE OF TEXAS       §  
                                  §  
COUNTY OF GALVESTON   §

I HEREBY CERTIFY that on this \_\_\_\_\_ day of April,  
1978, before me personally appeared ALLAN SHIVERS, as Chair-  
man of the Board of Regents of The University of Texas System  
and as Chairman of the Board of Trustees of the University  
Cancer Foundation as created by The Agreement dated November 7,  
1957, of Houston, Texas, as amended instrument dated October 30,  
1970, to me known to be the person described in and who executed  
the foregoing instrument and he acknowledged the execution there-  
of to be his free act and deed as such officer for the uses and  
purposes therein mentioned.

WITNESS my signature and official seal at Galveston,  
Texas, said County and State, the date and year last aforesaid.

\_\_\_\_\_  
Notary Public in and for  
County,  
T E X A S

My Commission Expires:  
\_\_\_\_\_

PULL AND COMPLETE RELEASE

THE STATE OF TEXAS           §  
                                      §       KNOW ALL MEN BY THESE PRESENTS:  
COUNTY OF TRAVIS           §

That PUNTA GORDA ISLES, INC., a Florida corporation acting herein by and through its duly authorized officers ("PGI"), for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) and the renewal, extension, modification and rearrangement of the terms for the repayment of the unpaid principal balance and all accrued and unpaid interest on that certain promissory note dated July 16, 1976 (the "1976 Note"), in the original principal amount of \$13,500,257.52 executed by PGI to Allan Shivers, Dan C. Williams, James E. Bauerle, D.D.S., Edward Clark, Claudia Alta Johnson, Thomas H. Law, A. G. McNeese, Jr., Joe T. Nelson, M.D., and Walter G. Sterling, and their successors in office, as constituting the Board of Regents of The University of Texas System and as Trustees of the University Cancer Foundation as created by trust agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Boards"), the receipt and sufficiency of which consideration are acknowledged and confessed, has RELEASED, ACQUITTED AND FOREVER DISCHARGED, and by these presents does for itself, its officers, directors, shareholders, successors and assigns, RELEASE, ACQUIT AND FOREVER DISCHARGE the Boards, the above named members of the Boards, individually and in their representative capacities, their respective successors in office, individually and as members of the Boards, and all other persons, firms, corporations and other legal entities who may be liable or against whom liability could be asserted, from any and all claims, demands, liabilities, damages, costs and causes of action, known or unknown, of whatsoever nature or kind which may have accrued or may ever accrue to PGI, its

officers, directors, employees and shareholders under and by virtue of the terms and provisions of any one or more of the following (the "Agreements"), to-wit: (i) that certain Purchase Agreement dated March 14, 1972 (the "Purchase Agreement"), by and between PGI, as Purchaser, and the Boards, as Seller, relating to certain lands in Charlotte, DeSoto and Highlands Counties, Florida (the "Property"), (ii) that certain promissory note dated June 20, 1972 executed by PGI payable to the order of the Boards in the original principal amount of \$13,000,000.00, (iii) that certain mortgage (the "Mortgage") dated June 20, 1972 executed by PGI, as Mortgagor, in favor of the Boards, as Mortgagee, covering the Property and recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida, (iv) the 1976 Note, (v) that certain Amendment To Mortgage dated July 16, 1976 by and between the Boards, as First Party, and PGI, as Second Party, recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida, (vi) any other agreements, whether oral, written, express or implied in fact or in law, entered into prior to the date hereof by and between PGI and the Boards, or by and between the authorized representatives of either of them, and relating to the sale, purchase, development or resale of the Property or partial release of liens against the Property, and (vii) any acts or omissions of PGI or the Boards or by the officers, authorized representatives, employees and agents of either of them with respect to the Property, the Agreements, the Mortgage, all amendments to the Mortgage or the sale, purchase, development or resale of the Property.

PGI acknowledges that all agreements of the Boards and PGI with respect to the Property are now embodied in (i) that certain promissory note dated as of April 10, 1978 (the "1978 Note") executed by PGI payable to the order of the Board in the original principal amount of \$16,340,575.44 (ii) the

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Mortgage, as amended by Amendment to Mortgage dated as of April 10, 1978 (the "1978 Amendment"), and (iii) that certain deed dated June 20, 1972, from the Board to PGI conveying the Property. Nothing contained herein shall be deemed to have released the Boards from its warranty of title made in said deed to PGI.

It is understood and agreed that the aforesaid consideration is in full compromise and settlement of all claims, demands, liabilities, damages and causes of action asserted or that could be or could have been asserted by PGI, its directors, officers and shareholders (i) in that certain law suit styled Punta Gorda Isles, Inc. vs. Allan Shivers, et al, Civil Action No. 77-34-CIV-FT.MY.-K pending in the United States District Court for the Middle District of Florida, Fort Meyers Division (previously filed under Case No. 77-357 in the Circuit Court for the 20th Judicial Circuit of the State of Florida in and for Charlotte County, Florida) and (ii) in that certain law suit styled Punta Gorda Isles, Inc. vs. Allan Shivers, et al, Case No. 76-344 in the Circuit Court for the 20th Judicial Circuit of the State of Florida in and for Charlotte County, Florida. Contemporaneously with the execution hereof, PGI shall cause an order of dismissal with prejudice against PGI to be entered in said Civil Action No. 77-34-CIV-FT.MY.-K, with the court costs, if any, taxed against PGI and to cause to be released those certain Notices of Lis Pendens recorded in OR Book \_\_\_\_\_, Page \_\_\_\_\_, Records of Charlotte County, Florida; OR Book 123, Page 181, Records of DeSoto County, Florida, and OR Book 522, Page 814, Records of Highlands County, Florida. PGI hereby authorizes their attorneys of record in the above referenced proceedings to execute and deliver to Boards such instruments as may be necessary to give effect to the compromise and settlement of said litigation as herein agreed.

As part of the consideration for this release, PGI warrants and represents to the Boards and all other parties

released hereby that: (i) PGI has all requisite authority from its Board of Directors to execute this release and to enter into a renewal, extension, modification and rearrangement of the 1978 Note and the liens securing the same as more fully set forth in the 1978 Note and the 1978 Amendment; (ii) PGI has not assigned, pledged or otherwise in any manner sold, encumbered or transferred any right, title, interest or claim which PGI may have against the Boards or the other parties released hereby arising under or by virtue of the Agreements, (iii) that the liens securing the 1978 Note are valid and enforceable second liens against the Property, and (iv) that no defaults exist under the Mortgage, as amended by the 1978 Amendment, or under the first mortgage in favor of Connecticut Mutual Life Insurance Company affecting the Property.

Additionally, and in consideration of the foregoing, PGI, for itself, its successors and assigns, agrees to indemnify and hold harmless the Boards and each and all other parties released hereby from and against any and all acts and omissions of PGI, its officers, agents, employees, assigns, or either of them, and any and all claims, demands, liabilities, damages, costs and causes of action of whatsoever nature or kind now or hereafter asserted by any person, firm, corporation or other legal entity claiming by, through or under PGI, its officers, agents, employees, assigns, or either of them.

It is understood and agreed that the aforementioned consideration is accepted by PGI in full satisfaction of any and all claims, demands, liabilities, damages, costs and causes of action now existing or hereafter occurring to PGI, its officers, directors, shareholders and successors in interest under the Agreements or under or by virtue of the business transactions described therein or contemplated

thereby. This release is given in compromise and settle-  
ment of a disputed claim and in order that the parties  
released hereby may buy their peace, and is not to be con-  
strued as an admission of liability on the part of the  
parties hereby released or anyone else.

PGI warrants and represents that before executing  
this release it has been fully informed of its terms,  
contents, conditions and effects; that in granting this  
release, no promise or representation of any kind has been  
made to PGI, its officers, directors or employees by the  
parties released hereby or anyone acting for them; and that  
PGI has had the benefit of the advice its own counsel in  
making this settlement.

EXECUTED as of the 10th day of April, 1978.

PUNTA GORDA ISLES, INC.

ATTEST:

\_\_\_\_\_  
Secretary

By \_\_\_\_\_  
President

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

STATE OF FLORIDA §  
  §  
COUNTY OF CHARLOTTE §

I HEREBY CERTIFY that on this \_\_\_\_\_ day of April,  
1978, before me personally appeared \_\_\_\_\_  
and \_\_\_\_\_, as President and Secretary,  
respectively, of PUNTA GORDA ISLES, INC., a Florida corpora-  
tion, to me personally known, this day acknowledged before  
me that they executed the foregoing instrument and they  
acknowledged the execution thereof to be their free act and  
deed as such officers for the uses and purposes therein men-  
tioned, and they affix thereto the official seal of said  
corporation.

WITNESS my signature and official seal at Punta Gorda,  
Florida, said County, and State, the date and year last aforesaid.

\_\_\_\_\_  
Notary Public - State of Florida

My Commission Expires:

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\$16,340,575.44

Austin, Texas

as of April 10, 1978

FOR VALUE RECEIVED, and in installments as herein provided, PUNTA GORDA ISLES, INC., a Florida corporation acting by and through its duly authorized officers (the "Maker"), promises to pay in lawful money of the United States of America to

Allan Shivers, Dan C. Williams, James E. Bauerle, D.D.S., Edward Clark, Sterling H. Fly, Jr., M.D., Thos. H. Law, Jess Hay, Jane Weinert Blumberg, and Walter G. Sterling,

and their successors in office, as constituting the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Payee"),

or order, at 210 West Sixth Street, Austin, Travis County, Texas, 78701,

(i) the principal sum of SIXTEEN MILLION THREE HUNDRED FORTY THOUSAND FIVE HUNDRED SEVENTY-FIVE AND 44/100 DOLLARS (\$16,340,575.44) and (ii) with interest thereon, or on so much thereof as is outstanding from time to time, from the date hereof until maturity at the rate of nine percent (9%) per annum. The Maker further promises to pay, in like money, interest on all past due principal and accrued interest from maturity until paid at the maximum lawful rate then applicable.

This Note is payable in eighteen (18) successive installments as follows: (i) installments of interest, at the rate aforesaid, only in the amount of all interest then accrued or unpaid on the unpaid principal balance hereof shall be due and payable on the 10th day of April in 1979, 1980 and 1981; and (ii) commencing April 10, 1982, this Note shall be payable in fifteen (15) equal, successive, annual installments of principal and interest in the amount of \$2,027,195.45 each, to be applied first to accrued and unpaid interest hereon and the balance to principal, with each such annual installment being due and payable on the 10th day of April of each year through and including April 10, 1996, upon which date all unpaid principal and accrued interest on this Note shall be finally due and payable.

The Maker shall have the privilege of prepaying this Note in full or in part at any time and from time to time without notice or prepayment penalty. All principal prepayment sums received by the Payee or other holder hereof shall be applied hereon in accordance with the amortization schedule for this Note attached hereto and made a part hereof for all purposes to reduce, in the direct order of their maturities, the regular installments of principal shown in said amortization. Interest shall cease accruing on principal prepayments commencing on the day following the date of such prepayment. In no event shall the interest portion of any regular installment due on this Note exceed the interest then accrued and unpaid hereon. In the event the principal portion of any regular installment on this Note has been prepaid in full, only the interest then accrued and unpaid hereon shall be due and payable on the due date for such regular installment, but if the principal portion of such regular installment has been only partially prepaid, such regular installment hereon shall be

equal to the unpaid portion of the applicable principal installment then due (as determined from said amortization schedule) plus all interest then accrued and unpaid hereon.

This Note is given as part of the consideration and purchase price of the real property described in that certain deed dated June 9, 1972 from the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation to the Maker covering tracts of land in Charlotte, DeSoto and Highlands Counties, Florida, in which deed, as recorded in OR Book 392, Page 132, Records of Charlotte County, Florida; OR Book 83, Page 206, Records of DeSoto County, Florida; and OR Book 406, Page 929, Records of Highlands County, Florida, the express vendor's lien (the "Vendor's Lien") is retained in favor of the Grantor named therein, being the Payee hereunder. The payment hereof is additionally secured by that certain mortgage (the "Mortgage") dated June 9, 1972 recorded in OR Book 392, Page 143, Records of Charlotte County, Florida; OR Book 83, Page 541, Records of DeSoto County, Florida; and OR Book 408, Page 388, Records of Highlands County, Florida, to which Mortgage reference is here made for further description of the property covered thereby. By agreement dated July 16, 1976, the Mortgage was amended to substitute the hereinafter defined 1976 Note for the hereinafter defined 1972 Note and said 1976 agreement is recorded in OR Book 535, Page 973, Records of Charlotte County, Florida; OR Book 124, Page 320, Records of DeSoto County, Florida; and OR Book 526, Page 731, Records of Highlands County, Florida. By agreement of even date herewith, the Mortgage has been further amended.

To the full extent hereof, this Note represents a renewal, extension and rearrangement of the unpaid principal balance and all accrued interest on that certain promissory note dated July 16, 1976, (the "1976 Note") executed by the Maker payable to the order of the Payee in the original principal amount of \$13,500,257.52, which note is secured by the Vendor's Lien and the Mortgage. The 1976 Note was given in a renewal, extension and rearrangement of those certain two (2) promissory notes each dated June 9, 1972 (the "1972 Notes"), executed by the Maker to the Payee in the original principal amounts of \$13,000,000.00 and \$500,257.52, respectively. The Maker covenants and agrees that all liens heretofore existing to secure the 1972 Notes and the 1976 Note are renewed and extended to secure the payment of this Note.

This Note shall become immediately due and payable at the option of the Payee or other holder hereof, without presentment or demand or any notice to the Maker, upon default in the payment of any installment hereon when due and after the expiration of the grace period provided below, or upon default under the terms of the Mortgage, as amended.

If this Note is collected by suit, through probate or bankruptcy court, or by any other judicial proceedings, or if this Note is not paid at maturity, howsoever such maturity may be brought about, and is placed in the hands of an attorney for collection, then the Maker promises to pay an additional sum of money equal to all costs of collection and a reasonable attorney's fees.

Subject to its rights under the grace provisions provided below, the Maker (i) waives demand, presentment for payment, notice of nonpayment, protest, notice of protest and all other notice, filing of suit, homestead exemptions and diligence in collecting this Note or enforcing any of the security herefor, and (ii) consents to any extension or postponement of time of payment of this Note and to any other indulgence with respect hereto without notice.

The payments of principal or interest or both made hereon shall not be subject to any right of set-off, reduction or recoupment for any cause whatsoever. None of the provisions of this Note and none of the Payee's rights or remedies hereunder or under the Mortgage on account of any past or future defaults shall be deemed to have been waived by Payee's acceptance of any past due amount or by any indulgence or forbearance granted by Payee to the Maker. Failure to exercise any option which Payee may have under the terms of this Note shall not constitute a waiver thereof in the event of a subsequent right to exercise such option. This Note may not be changed orally, but only by agreement in writing, signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

The Maker shall be liable upon the indebtedness evidenced by this Note and for all sums to accrue or to become payable hereon and all amounts covenanted to be paid by it under the Mortgage to the full extent (but only to the extent) of the security for the payment of this Note including, without limitation, all land, properties, rights and estates described in the Mortgage, as amended. NOTWITHSTANDING ANY PROVISION OF THIS NOTE APPARENTLY TO THE CONTRARY, THIS NOTE IS SECURED BY THE MORTGAGE, AS AMENDED, AND BY THE VENDOR'S LIEN, AND THE MORTGAGEE UNDER THE MORTGAGE, AS AMENDED, AND THE HOLDER OF THIS NOTE WILL LOOK SOLELY TO THE LAND, PROPERTIES, RIGHTS AND ESTATES DESCRIBED IN THE MORTGAGE, AS AMENDED, AS THE SECURITY FOR PAYMENT OF THIS NOTE AND THE SATISFACTION OF THE MORTGAGE, AS AMENDED.

The Maker, its successors or assigns, as owner of property subject to liens securing this Note, shall have a period of thirty (30) days from and after the date any installment of principal or interest or both is due hereon within which to pay such installment, together with interest on such installment at the maximum lawful rate from its due date until paid, and if said installment and interest thereon are paid within said thirty-day period, no default shall exist hereunder by virtue of the late payment of such installment. If such installment and interest as aforesaid are not paid within said thirty-day period, a default shall exist under this Note and under the Mortgage, as amended. The Maker, for itself, its successors and assigns, hereby waives all notice that said thirty-day period may have commenced to have run with respect to any installment due hereon.

Notwithstanding any provision of this Note or the Mortgage, in no event shall the aggregate of the interest on this Note or any other amounts which would under principles of applicable law be deemed "interest", ever exceed the maximum amount of interest which, under said law, could be lawfully charged on the principal balance of this Note from time to time remaining unpaid. In this connection, it is expressly stipulated and agreed that it is the intention of the Payee and the Maker in the execution and delivery of this Note to contractually limit the maximum amounts payable by the Maker under this Note or the Mortgage which would be deemed "interest" under applicable law to the maximum amount of interest which would be permitted under such law. In furtherance thereof, it is stipulated and agreed that none of the terms of this Note or the Mortgage, as amended, shall ever be construed to create a contract to pay for the use, forbearance or detention of money, interest at a rate in excess of the maximum interest rate permitted to be charged under applicable law; neither the Maker nor any other parties now or hereafter

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becoming liable for the payment of this Note shall ever be liable for interest in excess of the maximum interest that could be charged lawfully under applicable law; and the provisions of this paragraph shall be deemed to govern the maximum rate and amount of interest which may be paid under this Note and shall control over all other provisions of this Note and the Mortgage, as amended, which might be in apparent conflict herewith.

Specifically and without limiting the generality of the foregoing, it is expressly provided that:

(i) If and when any installment of interest calculated under the provisions of this Note shall become due and the aggregate amount thereof, when added to the aggregate amount of any other amounts which constitute interest on the indebtedness evidenced hereby and have been theretofore paid hereon, would be in excess of the maximum rate of interest permitted by applicable law, in light of all payments or prepayments theretofore made on said indebtedness and presuming this Note will be paid to its stated maturity date, then the aggregate amount of such interest installment shall be automatically reduced to the maximum sum, if any, which could lawfully be paid as interest on this Note on such date under such circumstances; and

(ii) In the event of voluntary prepayment of this Note or payment prior to the normal maturity date thereof resulting from acceleration of maturity of this Note, if the aggregate amounts of interest accruing after maturity, and plus any other amounts which constitute interest on said indebtedness would, in the aggregate, if paid on the indebtedness (if calculated in accordance with provisions other than this paragraph) exceed the maximum amount of interest which, under applicable law, could lawfully be charged on the unpaid principal balance of this indebtedness from time to time remaining unpaid from the date hereof to the date of such payment hereof, then in such event the amount of such excess shall not be payable or due (if not previously paid) or (if and to the extent paid) shall be credited toward the payment of principal on this indebtedness so as to reduce the amount of the final payment of principal due on this indebtedness; and

(iii) If under any circumstances the aggregate amounts paid on the indebtedness evidenced by this Note prior to and incident to final payment thereof include any amounts which under applicable law would be deemed interest and which would exceed the maximum amount of interest which, under applicable law, could lawfully have been collected on this indebtedness, Maker and Payee stipulate that such payment and collection will have been and will be deemed to have been the result of mathematical error on the part of both Maker and Payee, and the party receiving such excess payment shall promptly refund the amount of such excess (to the extent only of the excess of such interest payments above the maximum amount which could lawfully have been collected and retained under applicable law) upon discovery of such error by the party receiving such

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payment or notice thereof from the party making  
such payment.

PUNTA GORDA ISLES, INC.

By \_\_\_\_\_, President

ATTEST:

\_\_\_\_\_, Secretary

PAGE FIVE OF A FIVE PAGE NOTE

## EXHIBIT A

<u>Due April 10</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Balance After Payment</u>
1979	\$1,470,651.79	\$1,470,651.79		\$16,340,575.44
1980	1,470,651.79	1,470,651.79		16,340,575.44
1981	1,470,651.79	1,470,651.79		16,340,575.44
1982	2,027,195.45	1,470,651.79	\$556,543.66	15,784,031.78
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1989	2,027,195.45	1,009,802.97	1,017,392.48	10,202,640.57
1990	2,027,195.45	918,237.65	1,108,957.80	9,093,682.77
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1992	2,027,195.45	709,642.69	1,317,552.76	6,567,366.01
1993	2,027,195.45	591,062.94	1,436,132.51	5,131,233.50
1994	2,027,195.45	461,811.02	1,565,384.43	3,565,849.07
1995	2,027,195.45	320,926.42	1,706,269.03	1,859,580.04
1996	2,026,942.24	167,362.20	1,859,580.04	

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PARTIAL RELEASE OF MORTGAGE

THE STATE OF FLORIDA

§

COUNTY OF \_\_\_\_\_

§

§

WHEREAS, PUNTA GORDA ISLES, INC., a Florida corporation ("PGI"), by Indenture of Mortgage dated June 20, 1972, recorded in O.R. Book 392, Page 143, Records of Charlotte County, Florida; O.R. Book 83, Page 541, Records of DeSoto County, Florida; and O.R. Book 408, Page 388, Records of Highlands County, Florida, (which Indenture of Mortgage, together with all amendments thereto is hereinafter referred to as the "Mortgage") granted and conveyed unto John Peace, Frank N. Ikard, Frank C. Irwin, Jr., Jenkins Garrett, Claudia Taylor Johnson, Joe M. Kilgore, A. G. McNeese, Jr., Joe T. Nelson, M.D., and Dan C. Wwilliams, and their successors in office, as constituting the Board of Regents of the University of Texas System and as Trustees of the University Cancer Foundation as created by Trust Agreement dated November 7, 1957, as amended by instrument dated October 30, 1970 (the "Boards");

WHEREAS, the Mortgage has been amended by agreements by and between PGI and the Boards dated July 16, 1976 and as of April 10, 1978, recorded in the Official Records of Charlotte, DeSoto and Highlands Counties, Florida;

WHEREAS, the Mortgage, now secures the payment of that certain promissory note dated as of April 10, 1978, executed by PGI, payable to the order of the Boards in the original principal amount of \$16,340,575.44, which indebtedness is more particularly described in the above referenced Mortgage amendment dated as of April 10, 1978;

WHEREAS, the Note is additionally secured by a vendor's lien (the "Vendor's Lien") retained in Deed from the

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Boards to PGI dated June 20, 1972, recorded in O.R. Book 392, Page 132, Records of Charlotte County, Florida; O.R. Book 83, Page 206, Records of DeSoto County, Florida, and O.R. Book 406, Page 929, Records of Highlands County, Florida; and

WHEREAS, PGI is entitled to partial releases of the liens of the Mortgage and the Vendor's Lien as more fully provided in the Mortgage and PGI has satisfied the requirements of the Mortgage so as to entitle PGI to a partial release of liens of the Mortgage, and the Vendor's Lien as to the lands described in Exhibit A hereto.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

THAT the Boards, for and in consideration of the premises and the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration cash in hand paid by PGI to the Boards at the execution hereof, the receipt and sufficiency of which consideration are acknowledged and confessed, do REMISE, RELEASE, QUITCLAIM, EXONERATE, AND DISCHARGE from the lien and operation of the Mortgage and the Vendor's Lien unto PGI, its successors and assigns, all that certain piece, parcel and tract of land, being a part of the premises conveyed by the Mortgage, more particularly described in Exhibit A attached hereto and made a part hereof for all purposes.

TO HAVE AND TO HOLD the property described in Exhibit A hereto, with the appurtenances, unto PGI, its successors and assigns, FOREVER FREED, EXONERATED AND DISCHARGED of and from the liens of the Mortgage and Vendor's Lien and every part thereof.

This instrument constitutes a partial release only, and the execution and delivery hereof shall not in any way affect, diminish or impair any liens, mortgages, encumbrances or security interests created under or by virtue of the Mortgage or the Vendor's Lien except to the extent that the same

cover and relate to the lands described in Exhibit A attached hereto. To the extent that the Mortgage and the Vendor's Lien cover and affect any properties other than the lands described in Exhibit A hereto or lands heretofore partially released by instrument executed by the Boards and of record in the county or counties where such lands are situated, the Mortgage and the Vendor's Lien are continued in full force and effect as fully and for all purposes as if this instrument were not executed and delivered.

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, AND TRUSTEES OF THE UNIVERSITY CANCER FOUNDATION

By \_\_\_\_\_  
Its Duly Authorized Officer or Representative

THE STATE OF TEXAS           §  
  §  
COUNTY OF \_\_\_\_\_       §

I HEREBY CERTIFY that on this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_, before me personally appeared \_\_\_\_\_ as Duly Authorized Officer or Representative of the Board of Regents of The University of Texas System, and Trustees of the University Cancer Foundation as created by The Agreement dated November 7, 1957, of Houston, Texas, as amended instrument dated October 30, 1970, to me known to be the person described in and who executed the foregoing instrument and he acknowledged the execution thereof to be his free act and deed as such officer for the uses and purposes therein mentioned.

WITNESS my signature and official seal at \_\_\_\_\_, Texas, said County and State, the date and year last aforesaid.

\_\_\_\_\_  
Notary Public in and for  
County,  
T E X A S

My Commission Expires:  
\_\_\_\_\_

**REPORT OF SPECIAL COMMITTEE ON MATTERS RELATING TO BRACKENRIDGE TRACT: AUTHORIZATION TO EXCHANGE 50-YEAR LEASE ON 3.33 ACRE TRACT FOR 50-YEAR LEASE ON 49.5 ACRE TRACT NEAR MANSFIELD DAM OWNED BY LOWER COLORADO RIVER AUTHORITY.** --Chairman Shivers reported that the Special Committee on Matters Relating to Brackenridge Tract had met at 2:00 p. m. on Thursday, April 6, 1978, in the Caduceus Room on the sixth floor of the Administration Building at The University of Texas Medical Branch at Galveston, and had approved an exchange of leases with the Lower Colorado River Authority as set out below. All members of the committee were present: namely, Regent Shivers (Chairman), Regent Clark and Regent Law:

50-Year Lease from the University to the Lower Colorado River Authority on a 3.33 acre tract of land out of the Brackenridge Tract between Lake Austin Boulevard and the Municipal Golf Course and immediately across the street from LCRA's present building for the construction of an office building, in exchange for a

50-Year Lease from the Lower Colorado River Authority to the University on a 49.5 acre tract of land owned by LCRA at Mansfield Dam and which property is the same property the University has been using for the past several years (without easement) for an Underwater Sound Laboratory.

The 50-year lease to LCRA is to provide that the Board of Regents have the opportunity to approve the plans of the building to be constructed on the 3.33 acre tract.

System Administration was instructed to proceed with the final negotiations for this exchange of leases and to submit the final documents to the Board of Regents for approval at a subsequent meeting.

Upon motion duly made and seconded, this report was in all things ratified and approved.

**BOARD OF REGENTS (U. T. AUSTIN): HEARING ON APPEAL - TERMINATION OF MR. GUNTER RICHTER [REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 6.3].** --On March 17, 1978, each member of the Board of Regents was mailed a copy of the written appeal and transcript with respect to the decision of a Hearing Tribunal to terminate the employment of Mr. Gunter Richter, Teaching Assistant in Government at The University of Texas at Austin.

Mr. Richter appeared with his attorney, Mr. William C. Davidson, Jr., during the hearing on the appeal in the Executive Session of the Committee of the Whole.

It was moved by Regent Sterling, seconded by Regent Law, and unanimously approved that the decision of the Hearing Tribunal which had been concurred in by President Rogers and President Walker be upheld and that the termination of employment of Mr. Richter be effective at the end of the day, April 7, 1978.

This appeal had been filed in accordance with the provisions of the Regents' Rules and Regulations, Part One, Chapter III, Section 6.3.

**BOARD OF REGENTS (U. T. AUSTIN): HEARING ON APPEAL - TERMINATION OF DR. GUNNAR GJERSTAD [REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 6.3].** -- A written appeal and a transcript with respect to the decision of the Hearing Tribunal to terminate the employment of Dr. Gunnar Gjerstad, Associate Professor with tenure in the College of Pharmacy at The University of Texas at Austin had been mailed to each member of the Board of Regents on March 17, 1978.

Neither Dr. Gjerstad nor his legal counsel appeared when the appeal was considered in the Executive Session of the Committee of the Whole; however, Dr. James T. Doluisio, Dean of the College of Pharmacy, appeared on behalf of the Administration.

It was moved by Regent Sterling, seconded by Regent Law, and unanimously approved that the decision of the Hearing Tribunal which had been concurred in by President Rogers and President Walker be upheld and that the termination of employment of Dr. Gjerstad be effective at the end of the day, April 7, 1978.

This appeal had been filed in accordance with the provisions of the Regents' Rules and Regulations, Part One, Chapter III, Section 6.3.

**BOARD OF REGENTS (HOUSTON HEALTH SCIENCE CENTER): HEARING ON APPEAL - TERMINATION OF DR. SUSAN H. HOUSTON [REGENTS' RULES AND REGULATIONS, PART ONE, CHAPTER III, SECTION 6.3].** -- There were mailed to the members of the Board of Regents on March 17, 1978, a written appeal and a transcript with respect to the decision of a Hearing Tribunal to terminate the employment of Dr. Susan H. Houston, Associate Professor with tenure at the Speech and Hearing Institute of The University of Texas Health Science Center at Houston.

Dr. Houston appeared with her legal counsel, Mr. Larry Watts and Mr. Albert Low, during the hearing on the appeal in the Executive Session of the Committee of the Whole.

It was moved by Regent Sterling, seconded by Regent Law, and unanimously approved that the decision of the Hearing Tribunal which had been concurred in by Acting President Blocker and President Walker be upheld and that the termination of employment of Dr. Houston be effective at the end of the day, April 7, 1978.

This appeal had been filed in accordance with the provisions of the Regents' Rules and Regulations, Part One, Chapter III, Section 6.3.

**U. T. SYSTEM: DECISION TO EMPLOY OUTSIDE CONSULTANTS TO STUDY ADMINISTRATIVE ORGANIZATION; E. DON WALKER NAMED PRESIDENT AND ACTING CHANCELLOR EFFECTIVE WHEN CHANCELLOR LE MAISTRE ASSUMES PRESIDENCY, UNIVERSITY CANCER CENTER.** -- Chairman Shivers relayed that the Board had decided to employ outside consultants to study the administrative organization of The University of Texas System. When Chancellor LeMaistre (President-elect of The University of Texas System Cancer Center) assumes the presidency of the Cancer Center and during the study by the consultants, Mr. E. Don Walker will retain the title of President and will become Acting Chancellor. He will be required to move into the Bauer House when it is vacated by Chancellor LeMaistre and conduct such official activities of the System as are appropriate at that location.

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UNIVERSITY CANCER CENTER: COMMITTEE APPOINTED TO ACQUIRE RESIDENCE FOR PRESIDENT.-- Upon motion of Regent Clark, seconded by Vice-Chairman Williams, the Chairman of the Board of Regents was authorized to name a committee to approve the selection of a house for the President of The University of Texas System Cancer Center and to do all things necessary to consummate the purchase thereof, including authorization to Chairman Shivers to execute all necessary documents.

Chairman Shivers named the following committee: Regent Shivers (Chairman), Regent Hay and Regent Sterling.

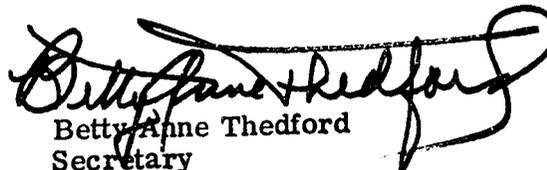
OTHER MATTERS

GALVESTON MEDICAL BRANCH: GIFT FROM THE SEALY & SMITH FOUNDATION TO ESTABLISH JOHN SEALY CHAIR IN PEDIATRICS.-- Chairman Shivers remarked that those present at the dedication of the Addition to the John Sealy Hospital and the Child Health Center on Thursday had heard the presentation by Mr. Ballinger Mills, President of the Board of Directors of The Sealy & Smith Foundation for the John Sealy Hospital, to the Board of Regents of a check for \$500,000 to establish the John Sealy Chair in Pediatrics at The University of Texas Medical Branch at Galveston.

Upon a motion duly made and seconded, this gift was accepted with deep appreciation, and the Secretary was instructed that there be prepared a resolution of appreciation to The Sealy & Smith Foundation, including formal acceptance, not only for this and past gifts but for those special things that this institution will receive in the future under the provisions of The Sealy & Smith Foundation for the John Sealy Hospital. (The resolution will be incorporated in the Minutes of the June meeting.)

U. T. AUSTIN - SCHOOL OF LAW: GIFT FROM CHARLES SAPP TO ESTABLISH LIDDELL, SAPP, ZIVLEY & BROWN PROFESSORSHIP IN BANKING, FINANCIAL, COMMERCIAL AND CORPORATE LAW.-- Upon a motion duly made and seconded, a gift through the Law School Foundation from Charles Sapp of 9,500 shares of common stock of Southwest Chemical Services Incorporated was accepted in accordance with the letter agreement for the establishment in the School of Law at The University of Texas at Austin an endowed professorship to be known as the Liddell, Sapp, Zivley & Brown Professorship in Banking, Financial, Commercial and Corporate Law. The Board expressed thanks and deep appreciation to Mr. Sapp.

ADJOURNMENT.-- The meeting was duly adjourned at 3:45 p. m.

  
Betty Anne Thedford  
Secretary

April 17, 1978