

O.C.

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

Meeting No. 777

May 14, 1981

Austin, Texas

and

Meeting No. 778

June 11-12, 1981

El Paso, Texas

Meeting No. 777
(Special Meeting)

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

May 14, 1981

Austin, Texas

MEETING NO. 777
(Special Meeting)

THURSDAY, MAY 14, 1981.--At 2:30 p.m. on Thursday, May 14, 1981, in the Regents' Meeting Room on the ninth floor of Ashbel Smith Hall in Austin, Texas, Chairman Powell called to order the meeting of the Board of Regents of The University of Texas System with the attendance as set forth below. He stated that the purpose of the meeting was to receive and to consider the bids for the U. T. Austin Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000.

ATTENDANCE.--

Present

Chairman Powell, presiding ✓
Vice-Chairman Ely ✓
Regent (Mrs.) Milburn ✓
Regent Rhodes ✓
Regent Richards ✓

Absent

Regent (Mrs.) Blumberg ✓
Regent (Mrs.) Briscoe** ✓
Regent Hay ✓
Regent Newton ✓

FILE NO. I-5
DOCUMENT
REMARKS

Secretary Thedford

Chancellor Walker

When no bids were received for the sale of Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000, the Board at its meeting on April 10, 1981 authorized that a special meeting be called when the Bond Consultant thought that the bonds could be successfully marketed. In accordance therewith, Chairman Powell requested the Secretary to give notice of this meeting as set out on Pages 2-3.

*Regents Blumberg, Hay and Newton were excused from the meeting because of commitments that had been made prior to notice that this meeting would be held.

**Regent Briscoe was absent from the meeting due to a death in the family.



BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

BETTY ANNE THEBEFORD, SECRETARY
BOX 14
AUSTIN, TEXAS 78712

May 4, 1981

Vice-Chairman Sterling H. Fly, Jr.
Regent Jane Weinert Blumberg
Regent Janey Briscoe
Regent Jess Hay
Regent Beryl Buckley Milburn
Regent Jon P. Newton
Regent Tom B. Rhodes
Regent Howard N. Richards

Ladies and Gentlemen:

Though you have had previous notice of the meeting of the Board of Regents of The University of Texas System to be held at 2:30 p. m. on Thursday, May 14, 1981, in the Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall, Austin, Texas, I am setting out below the Official Notice of this meeting in accordance with the Regents' Rules and Regulations, Part One, Chapter I, Subsection 6.21. This Official Notice will be a part of the record of the May 14 meeting:

NOTICE OF SPECIAL MEETING OF THE BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM

NOTICE IS HEREBY GIVEN that Chairman Powell has called a Special Meeting of the Board of Regents of The University of Texas System to convene on Thursday, May 14, 1981, at 2:30 p. m. in the Regents' Meeting Room, Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, for the purpose of considering the following:

A. CALL TO ORDER

B. SPECIAL ORDERS

1. U. T. Board of Regents: (a) Resolution Authorizing the Issuance and Sale of Board of Regents of The University of Texas System. The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the Amount of \$5,750,000, (b) Designation of Paying Agent and (c) Award of Contract for Printing

- 2. U. T. Austin - Student Family Housing - Phase IA. Recommended Award of Contracts, Additional Appropriation Therefor and Plaque Inscription

NOT TO BE CONSIDERED IF BONDS ARE NOT SOLD

C. ADJOURNMENT

Secretary _____

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, MARRIED STUDENT HOUSING REVENUE BONDS, SERIES 1981, \$5,750,000: (1) RESOLUTION AUTHORIZING ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, MARRIED STUDENT HOUSING REVENUE BONDS, SERIES 1981, IN THE AMOUNT OF \$5,750,000 AND AWARDING THE SALE OF THE BONDS TO FIRST NATIONAL BANK IN DALLAS AND ASSOCIATES, DALLAS, TEXAS; (2) DESIGNATION OF NATIONAL BANK OF COMMERCE OF DALLAS, DALLAS, TEXAS, PAYING AGENT WITH CHEMICAL BANK, NEW YORK, NEW YORK, CO-PAYING AGENT; AND (3) AWARD OF CONTRACT TO PRINT THE BONDS TO HELMS PRINTING COMPANY, INC., DALLAS, TEXAS. --Chairman Powell called to the attention of the members of the Board the tabulation of bids for the sale of Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000, the designation of the paying agent, and award of contract for printing the bonds.

FILE NO. 1007
DOCUMENT
REMARKS

The following written Resolution (Pages 5 - 20) was duly introduced for the consideration of the Board and read in full. It was then duly moved by Regent Richards, seconded by Regent Rhodes, that said Resolution be adopted; and after due discussion, said motion, carrying with it the adoption of said Resolution, prevailed and carried by the following vote:

AYES: All members of said Board listed present on Page 1 voted "Aye."

NOES: None

The adoption of this Resolution authorized issuance of Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000, and awarded the sale of the bonds to First National Bank in Dallas and Associates, Dallas, Texas, at the price of par and accrued interest to the date of delivery plus a premium of \$182.75 (Page 20) at rates of interest reflected on Page 5. The effective interest rate is 11.1015%.

In response to Regent Richards inquiry as to how much this would raise the rent on married student housing at The University of Texas at Austin, Vice Chancellor Boyd estimated that the interest would increase the rental rate by about \$7.00 per month.

Upon motion of Vice-Chairman Fly, seconded by Regent Richards, the bid of National Bank of Commerce of Dallas, Dallas, Texas, to serve as Paying Agent with Chemical Bank, New York, New York, Co-Paying Agent for Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000 was unanimously accepted (Pages 6, 8). The bank will pay the Board of Regents \$575 to serve as paying agent.

The contract for printing the Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000 was unanimously awarded to Helms Printing Company, Inc., Dallas, Texas, upon motion of Regent Rhodes seconded by Regent Milburn. These bonds are to be printed according to specifications with lithographed borders for the sum of \$1,214, there being five interest rates.

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, MARRIED STUDENT HOUSING REVENUE BONDS, SERIES 1981, \$5,750,000

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

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

Section 1. That said Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, MARRIED STUDENT HOUSING REVENUE BONDS, SERIES 1981", are hereby authorized to be issued, sold, and delivered in the principal amount of \$5,750,000, FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT AND EQUIP, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN, 141 APARTMENTS TO HOUSE MARRIED STUDENTS ENROLLED IN THE UNIVERSITY OF TEXAS AT AUSTIN.

Section 2. That said bonds shall be dated MAY 1, 1981, shall be numbered consecutively from 1 THROUGH 1150, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on AUGUST 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEARS</u>	<u>AMOUNTS</u>	<u>YEARS</u>	<u>AMOUNTS</u>
1983	\$ 70,000	1996	\$215,000
1984	75,000	1997	235,000
1985	80,000	1998	255,000
1986	85,000	1999	280,000
1987	100,000	2000	305,000
1988	110,000	2001	335,000
1989	115,000	2002	365,000
1990	130,000	2003	400,000
1991	140,000	2004	415,000
1992	150,000	2005	450,000
1993	165,000	2006	450,000
1994	180,000	2007	450,000
1995	195,000		

Said bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, and in the manner provided, in the FORM OF BOND set forth in this Resolution.

Section 3. That said bonds scheduled to mature during the years, respectively, set forth below shall bear interest at the following rates per annum:

maturities 1983, 11.90%	maturities 1996, 11.90%
maturities 1984, 11.90%	maturities 1997, 10.50%
maturities 1985, 11.90%	maturities 1998, 10.60%
maturities 1986, 11.90%	maturities 1999, 10.30%
maturities 1987, 11.90%	maturities 2000, 10.30%
maturities 1988, 11.90%	maturities 2001, 11.00%
maturities 1989, 11.90%	maturities 2002, 11.00%
maturities 1990, 11.90%	maturities 2003, 11.00%
maturities 1991, 11.90%	maturities 2004, 11.00%
maturities 1992, 11.90%	maturities 2005, 11.00%
maturities 1993, 11.90%	maturities 2006, 11.00%
maturities 1994, 11.90%	maturities 2007, 11.00%
maturities 1995, 11.90%	

Said interest shall be evidenced by interest coupons which shall appertain to said bonds, and which shall be payable on the dates stated in the FORM OF BOND set forth in this Resolution.

Section 4. That said bonds, and the interest coupons appertaining thereto, shall be payable, shall have the characteristics, and shall be signed and executed (and said bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

Section 5. That the form of said bonds, including the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be printed and endorsed on each of said bonds, and the form of the aforesaid interest coupons which shall appertain and be attached inticially to each of said bonds, shall be, respectively, substantially as follows:

FORM OF BOND:

NO. _____ \$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
THE UNIVERSITY OF TEXAS AT AUSTIN
MARRIED STUDENT HOUSING REVENUE BOND
SERIES 1981

ON AUGUST 1, _____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____ % per annum, evidenced by interest coupons payable on AUGUST 1, 1981, and semiannually thereafter on each FEBRUARY 1 and AUGUST 1 while this bond is outstanding.

THE PRINCIPAL of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at the following, which shall constitute and be defined as the "Paying Agent" for this Series of bonds:

NATIONAL BANK OF COMMERCE OF DALLAS, DALLAS, TEXAS,
OR, AT THE OPTION OF THE BEARER, AT
CHEMICAL BANK, NEW YORK, NEW YORK.

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated MAY 1, 1981, issued in the principal amount of \$5,750,000, FOR THE PURPOSE OF PROVIDING FUNDS TO CONSTRUCT AND EQUIP, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT AUSTIN, 141 APARTMENTS TO HOUSE MARRIED STUDENTS ENROLLED IN THE UNIVERSITY OF TEXAS AT AUSTIN.

ON AUGUST 1, 1990, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, the outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART, for the principal amount thereof and accrued interest thereon to the date fixed for redemption, plus a premium on the principal amount of each such bond as follows:

13 1/2 redeemed August 1, 1990 through February 1, 1992;
 3, 4 of 13 1/2 redeemed August 1, 1992 through February 1, 1993;
 1, 2 of 13 1/2 redeemed August 1, 1993 through February 1, 1994;
 1, 4 of 13 1/2 redeemed August 1, 1994 through February 1, 1995;
 03 1/2 redeemed August 1, 1995, or thereafter.

At least thirty days prior to the date fixed for any such redemption said Board shall cause a written notice of such redemption to be published at least once in a financial publication published in The City of New York, New York, or in the City of Austin, Texas. By the date fixed for any such redemption due provision shall be made with the "Paying Agent" for the payment of the required redemption price. If such written notice of redemption is published and if due provision for such payment is made, all as provided above, the bonds which are to be so redeemed thereby automatically shall be redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the purpose of being paid by the "Paying Agent" with the funds so provided for such payment.

IT IS HEREBY certified, recited, and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, and other outstanding parity revenue bonds, are secured by and payable from an irrevocable first lien on and pledge of certain married student housing revenues, all debt service subsidy grants from the United States Government in connection with the married student housing bonds, all interest income derived from the investment of the Gross Revenue Fund, the Interest and Redemption Fund, and the Reserve Fund maintained for the benefit of the bonds and other outstanding parity revenue bonds, and other revenues collectively defined as "Pledged Revenues" and specifically described in the Resolution authorizing this Series of bonds.

SAID BOARD has reserved the right, subject to the restrictions stated in said Resolution authorizing this Series of bonds, to issue additional parity revenue bonds which also may be secured by and made payable from an irrevocable first lien on and pledge of the aforesaid Pledged Revenues.

THE HOLDER HEREOF shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, this bond and the interest coupons appertaining hereto have been signed with the facsimile signature of the Chairman of said Board and countersigned with the facsimile signature of the Secretary of said Board, and the official seal of said Board has been duly impressed, or placed in facsimile, on this bond.

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

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

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General

of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXXXXXX
Comptroller of Public Accounts
of the State of Texas

FORM OF INTEREST COUPON:

NO. _____ \$ _____
ON _____ 1, _____

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of THE UNIVERSITY OF TEXAS AT AUSTIN, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the NATIONAL BANK OF COMMERCE OF DALLAS, DALLAS, TEXAS, OR, AT THE OPTION OF THE BEARER, AT CHEMICAL BANK, NEW YORK, NEW YORK, said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT AUSTIN, MARRIED STUDENT HOUSING REVENUE BONDS, SERIES 1981, DATED MAY 1, 1981. The holder hereof shall never have the right to demand payment of this obligation out of funds raised or to be raised by taxation. Bond No. _____.

XXXXXXXXXX
Secretary, Board of Regents Chairman, Board of Regents

Section 6. That as hereinafter used in this Resolution the following terms shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

The term "Board" shall mean the Board of Regents of The University of Texas System.

The term "University" shall mean The University of Texas at Austin, Austin, Texas.

The term "Series 1981 Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1981, authorized by this Resolution.

The term "Bonds" shall mean collectively the Series 1981 Bonds and the Board of Regents of The University of Texas System, The University of Texas at Austin, Married Student Housing Revenue Bonds, Series 1971, dated August 1, 1971 (the "Series 1971 Bonds").

The term "1971 Bond Resolution" shall mean the resolution adopted by the Board on July 30, 1971, authorizing the Series 1971 Bonds.

The term "Additional Bonds" shall mean the additional parity revenue bonds permitted to be authorized in this Resolution.

The term "1971 Project" shall mean the 200 apartments known as Gateway Apartments, at 1624 West 6th Street, Austin, Texas, for married students enrolled in The University of Texas at Austin, which were constructed and equipped with the proceeds from the sale of the Series 1971 Bonds.

The term "1981 Project" shall mean collectively (i) the 141 married student apartments to be constructed and equipped on Lake Austin Boulevard in Austin, Texas, with the proceeds from the Series 1981 Bonds, and (ii) the 37 new married student apartments to be constructed and equipped adjacent to the apartments described in (i) with University cash funds now on hand and available for such purpose.

The term "Encumbered Facilities" shall mean and include the existing Colorado Apartments for married students enrolled in The University of Texas at Austin, located at 2500 Lake Austin Boulevard, Austin, Texas, or thereabouts, and consisting of 48 one-bedroom units and 152 two-bedroom units, together with all additions and improvements thereto, and replacements thereof, hereafter constructed or acquired.

The term "Encumbered Facilities Bonds" shall mean the Board of Regents of The University of Texas Student Housing Revenue Bonds of 1963, the proceeds from the sale of which were used to construct and equip the Encumbered Facilities, and which are payable from and secured by a first lien on and pledge of the Net Revenues of the Encumbered Facilities.

The term "Encumbered Facilities Surplus Revenues" shall mean the Net Revenues of the Encumbered Facilities, after deducting therefrom all principal, interest, debt service, reserve and Repair Account payments and deposits required in connection with the Encumbered Facilities Bonds by Sections 16 and 17 of the resolution authorizing the Encumbered Facilities Bonds; which Encumbered Facilities Surplus Revenues are available to be deposited as provided in this Resolution in accordance with Section 19 of the resolution authorizing the Encumbered Facilities Bonds.

The term "Married Student Housing System" shall consist of and include the following:

- (a) the 1971 Project.
- (b) the 1981 Project.
- (c) the Encumbered Facilities after the Encumbered Facilities Bonds shall have been retired.
- (d) any facilities at any time hereafter added to the Married Student Housing System.
- (e) all buildings, facilities and services of all of the foregoing, together with all improvements and additions thereto and replacements thereof.

The term "Gross Revenues", when used with reference to any facility or facilities, shall mean all of the revenues and income of every nature derived from the operation and ownership thereof, with the exception of vending machine revenues, if any.

The term "Current Expenses", when used with reference to any facility or facilities, shall mean all necessary operating

expenses, current maintenance charges, expenses of reasonable upkeep and repairs, properly allocated share of charges for insurance and all other expenses incident to the operation and maintenance thereof, but shall exclude depreciation and all general administrative expenses of the University.

The term "Net Revenues", when used with reference to any facility or facilities, shall mean all Gross Revenues derived therefrom, after deduction of the Current Expenses thereof.

The term "Pledged Revenues" shall mean and include the following:

- (a) the Gross Revenues of the Married Student Housing System.
- (b) the Encumbered Facilities Surplus Revenues.
- (c) all debt service subsidy grants or other grants, donations, or income received or to be received from the United States Government in connection with the Bonds.
- (d) all interest and investment income derived from the deposit or investment of money credited to the Gross Revenue Fund, the Interest and Redemption Fund, and the Reserve Fund maintained for the Bonds and any Additional Bonds.
- (e) any additional revenues, fees, income, receipts, or other resources, including without limitation, any grants, subsidies, donations, or income received or to be received from the United States of America, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may be pledged to the payment of the Bonds or any Additional Bonds.

The term "Net Pledged Revenues" shall mean the Pledged Revenues after deduction of the Current Expenses of the Married Student Housing System and the Current Expenses of any other facilities whose Gross Revenues hereafter may be pledged to the Bonds or Additional Bonds.

Section 7. (a) That the Bonds (collectively defined as the Series 1971 Bonds and the Series 1981 Bonds) and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, and the Pledged Revenues are further pledged to the establishment and maintenance of the Interest and Redemption Fund, the Reserve Fund, and the Operation and Maintenance Fund as provided in this Resolution.

(b) That Sections 8 through 27 of this Resolution substantially restate and are cumulative of and supplemental to Sections 8 through 27 of the 1971 Bond Resolution, and are equally applicable to both the Series 1971 Bonds and the Series 1981 Bonds, collectively called the "Bonds", and state the cumulative requirements with respect thereto; provided that Section 24(b) of the 1971 Bond Resolution has been modified to eliminate the future applicability of any exception to the requirements stated in Section 24(b) of this Resolution, and certain additional covenants are made with respect to future procedures.

Section 8. It is certified and provided that the Gross Revenues of the Encumbered Facilities are available to secure the Bonds and any Additional Bonds, subject only to, and effective upon, the retirement of the Encumbered Facilities Bonds. It is hereby covenanted, agreed, and provided that immediately upon the retirement of the last of the outstanding Encumbered Facilities Bonds, the Encumbered Facilities automatically shall become a part of the Married Student Housing System for all purposes, and thereupon the Gross Revenues of the Married Student Housing System shall include all Gross Revenues of the Encumbered Facilities, and the aforesaid first lien on and pledge of the Gross Revenues of the Married Student Housing System automatically shall be extended to include the Gross Revenues of the Encumbered Facilities.

Section 9. That the Bonds and Additional Bonds and interest thereon shall constitute special obligations of the Board, payable solely from the Pledged Revenues, and such obligations shall not constitute a prohibited indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons appertaining thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 10. That there is hereby created and ordered to be established at an official depository of the Board, a separate account to be entitled the "Married Student Housing System Gross Revenue Fund" (hereinafter sometimes called the "Gross Revenue Fund"). Commencing immediately all Gross Revenues of the Married Student Housing System and all gross collections of all debt service subsidy grants or other grants, donations, or income received or to be received from the United States Government in connection with the Bonds and any Additional Bonds shall be deposited upon receipt to the credit of the Gross Revenue Fund; provided, however, that such grants, donations, or income from the United States Government shall not be deposited into the Gross Revenue Fund or any other fund created or established pursuant to this Resolution, if such deposit or application would result in interest on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

Section 11. That to pay the principal of and interest on all outstanding Bonds and Additional Bonds, as the same come due, there is hereby created and ordered to be established at an official depository of the Board, a separate fund to be entitled the "Married Student Housing System Interest and Redemption Fund" (hereinafter sometimes called the "Interest and Redemption Fund").

Section 12. That there is hereby created and ordered to be established at an official depository of the Board a separate fund to be known as the "Married Student Housing System Reserve Fund" (hereinafter sometimes called the "Reserve Fund"). The Reserve Fund shall be used finally in retiring the last of the outstanding Bonds and Additional Bonds, or for paying principal of and interest on any outstanding Bonds and Additional Bonds, when and to the extent the amount in the Interest and Redemption Fund is otherwise insufficient for such purpose.

Section 13. That to pay the Current Expenses of the Married Student Housing System, there is hereby created and ordered to be established at an official depository of the Board, a separate fund to be entitled the "Married Student Housing System Operation and Maintenance Fund" (hereinafter sometimes called the "Operation and Maintenance Fund").

Section 14. That upon delivery of the Series 1981 Bonds, all accrued interest and any premium received from the proceeds from the sale and delivery of the Series 1981 Bonds shall be deposited when received to the credit of the Interest and Redemption Fund, together with such additional amount from such proceeds as will be sufficient, together with said accrued interest and premium, if any, to pay the interest coming due on the Series 1981 Bonds through August 1, 1982.

Section 15. That the Board shall cause the following amounts to be deposited from the Gross Revenues and the Encumbered Facilities Surplus Revenues, to the credit of the Interest and Redemption Fund, at the following times:

- (1) On or before the 15th day of each month such amounts, in approximately equal monthly installments, as will be sufficient, together with any other sums available in the Interest and Redemption Fund, to pay the interest coming due on the Bonds on the next interest payment date.
- (2) On or before the 15th day of each month such amounts, in approximately equal monthly installments, as will be sufficient to pay the next maturing principal of the Bonds.

Section 16. That immediately after the delivery of the Series 1981 Bonds the Board shall cause to be deposited (from funds now on hand and available for such purpose) to the credit of the Reserve Fund an amount which when added to the balance now on hand in such Fund will be sufficient to cause the aggregate amount in the Reserve Fund to be equal in market value to the average annual principal and interest requirements on all then outstanding Bonds (the "Required Reserve Amount"). No further deposits need be made unless and until the Reserve Fund should be reduced below the Required Reserve Amount in market value, in which case monthly deposits equal to 1/60th of the average annual principal and interest requirements on all then outstanding Bonds shall be made and continued on or before the 15th day of each month until the Reserve Fund is restored to the Required Reserve Amount in market value. It is further covenanted that when and so long as the Reserve Fund contains the Required Reserve Amount in market value all interest and income derived from the deposit or investment of the Reserve Fund shall, as soon as practicable after it has been credited to the Reserve Fund as required by Section 20, be deposited to the credit of the Interest and Redemption Fund.

Section 17. If on any occasion there shall not be sufficient money in the Gross Revenue Fund or money from the Encumbered Facilities Surplus Revenues to make the required deposits into the Interest and Redemption Fund or the Reserve Fund, then such deficiency shall be made up as soon as possible from the next available moneys in the Gross Revenue Fund, the next available Encumbered Facilities Surplus Revenues, or from other sources available to the Board.

Section 18. That immediately after each monthly deposit of the required amount from the Gross Revenue Fund and the Encumbered Facilities Surplus Revenues to the credit of the Interest and Redemption Fund and the Reserve Fund, the Board shall cause the balance in said Gross Revenue Fund and any balance of available Encumbered Facilities Surplus Revenues to be deposited to the credit of the Operation and Maintenance Fund. Said Operation and Maintenance Fund shall be used for paying the Current Expenses of the Married Student

Housing System. It is specifically provided, however, that the deposits required to be made into the Interest and Redemption Fund and the Reserve Fund shall have priority over those to be made into the Operation and Maintenance Fund, and no deposit shall ever be made into the Operation and Maintenance Fund unless the Interest and Redemption Fund and the Reserve Fund contain the aggregate amounts then required to be on deposit therein. All money in the Operation and Maintenance Fund in excess of that required to pay the Current Expenses of the Married Student Housing System may be used by the Board for any lawful purpose.

Section 19. That all money in all Funds created by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the University, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 20. Money in any Fund or Account established pursuant to this Resolution may, at the option of the Board, be placed in time deposits or invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, and evidences of indebtedness of the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, or Federal National Mortgage Association; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund from which the deposit or investment was made. Such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 21. That whenever the total amount in the Interest and Redemption Fund, and the Reserve Fund, shall be equivalent to (1) the aggregate principal amount of Bonds and Additional Bonds, if any, outstanding, plus (2) the aggregate amount of all unpaid interest coupons thereto appertaining unexpired and matured, no further payment need be made into the Interest and Redemption Fund. In determining the amount of Bonds or Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents sufficient for such redemption.

Section 22. That the Board shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose, including the purpose of refunding of any bonds or other obligations of the Board. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be secured and payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, by an irrevocable first lien on and pledge of the Pledged Revenues.

Section 23. (a) Each resolution under which Additional Bonds are issued shall provide that the Interest and Redemption Fund and the Reserve Fund established by this Resolution shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall provide and require that, in

addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Redemption Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Redemption Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the Reserve Fund at least such amounts, in approximately equal monthly installments, as will, together with any other amounts already required to be deposited in the Reserve Fund in connection with the Bonds and any other outstanding Additional Bonds, be sufficient to cause the Reserve Fund to accumulate and contain within a period of not to exceed sixty months after the date of said Additional Bonds then being issued, a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of such proposed Additional Bonds, the then outstanding Bonds, and any then outstanding Additional Bonds (excluding any Bonds or Additional Bonds then being refunded).

(b) The principal of all Additional Bonds must be scheduled to be paid or mature on August 1 of the years in which such principal is scheduled to be paid or mature; and all interest thereon must be payable on February 1 and August 1.

Section 24. Additional Bonds shall be issued only in accordance with this Resolution, but notwithstanding any provisions of this Resolution to the contrary, no installment, Series, or issue of Additional Bonds shall be issued or delivered unless:

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

(b) The State Auditor of the State of Texas, or a certified public accountant, signs a written certificate to the effect that, during either the University's fiscal year, or the twelve calendar month period next preceding the date of execution of such certificate, the Net Pledged Revenues were at least equal to 1.25 times the average annual principal and interest requirements of all Bonds and Additional Bonds then outstanding.

(c) The senior financial officer of the University signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds, including the proposed Additional Bonds, are scheduled to be outstanding, beginning with either the fiscal year next following the date of the then proposed Additional Bonds, or the fiscal year next following the estimated date of completion of the facilities, if any, to be acquired or constructed through the issuance of such Additional Bonds, the Net Pledged Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the average annual principal and interest requirements of all then outstanding Bonds and Additional Bonds (excluding any Bonds or Additional Bonds then being refunded), and the then proposed Additional Bonds.

Section 25. On or before the first day of August, 1981, and on or before the first day of each February and of each August thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Redemption Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such August 1 or February 1. The paying agents shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 26. The Board covenants and agrees that:

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

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

(c) It lawfully owns and is lawfully possessed of the lands upon which the Married Student Housing System and the Encumbered Facilities are located and will be located, and has a good and indefeasible estate in such lands in fee simple, that the 1981 Project will be constructed, equipped and completed in accordance with the plans and specifications heretofore approved and adopted, that it warrants that it has, and will defend, the title to all the aforesaid lands and facilities, and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues pledged hereunder to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

(d) It will from time to time and before the same become delinquent pay and discharge all taxes, assessments, and governmental charges, if any, which shall be lawfully imposed upon it, or the Married Student Housing System and the Encumbered Facilities, that it will pay all lawful claims for rents, royalties, labor, materials, and supplies which if unpaid might by law become a lien or charge upon the Married Student Housing System or the Encumbered Facilities, the lien of which would be prior to or interfere with the liens hereof, so that the priority of the liens granted hereunder shall be fully preserved in the manner provided herein, and that it will not create or suffer to be created any mechanic's, laborer's, materialman's or other lien or charge which might or could be prior to the liens hereof, or do or suffer any matter or thing whereby the liens hereof might or could be impaired; provided, however, that no such tax,

assessment, or charge, and that no such claims which might be used as the basis of a mechanic's, laborer's, materialman's or other lien or charge, shall be required to be paid so long as the validity of the same shall be contested in good faith by the Board.

(e) It will not do or suffer any act or thing whereby the Married Student Housing System or Encumbered Facilities might or could be impaired, and that it will at all times maintain, preserve, and keep the real and tangible property of the Student Housing System and the Encumbered Facilities and every part thereof in good condition, repair, and working order and operate, maintain, preserve, and keep, efficiently and at reasonable cost, all buildings, structures, and equipment pertaining thereto and every part and parcel thereof in good condition, repair, and working order.

(f) That while the Bonds or Additional Bonds, if any, are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Resolution in connection with Additional Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) That while the Bonds or Additional Bonds, if any, are outstanding and unpaid, the Board shall not sell, convey, mortgage, or in any manner transfer title to, or lease, or otherwise dispose of any property constituting part of the Married Student Housing System or the Encumbered Facilities, except that whenever the Board deems it necessary to dispose of any furnishings and equipment, it may sell or otherwise dispose of such furnishings and equipment when it has made arrangements to replace the same or provide substitutes therefor.

(h) That at all times hereafter the Board shall procure boiler explosion insurance on all boilers servicing the Married Student Housing System and the Encumbered Facilities in an amount not less than \$50,000 against loss suffered by reason of a boiler explosion. Further, at all times hereafter the Board shall procure fire and extended coverage insurance on the Married Student Housing System and the Encumbered Facilities. The foregoing boiler explosion and fire and extended coverage insurance shall be in amounts at least sufficient to provide for full recovery to the extent that the damage does not exceed 80% of full insurable value. Such insurance shall be carried with a reliable insurance company or companies. In lieu of providing fire and extended coverage insurance as required above, the Board may, at its option, provide the equivalent of such insurance under its general System-wide Fire and Extended Coverage Insurance policy, subject to a deductible provision which is reasonable in amount, provided the Board establishes and maintains a special account containing funds which are at least sufficient to offset said deductible amount and which are immediately available for such purpose. Upon the happening of any loss or damage covered by such insurance from one or more of said causes, the Board shall make due proof of loss and shall do all things necessary or desirable to cause the insuring companies to make payment in full directly to the Board. The proceeds of insurance covering such property, together with any other funds necessary and available for such purpose, shall be used forthwith by the Board for repairing the property damaged or replacing the property destroyed; provided, however, that if said insurance proceeds and other funds are insufficient for such

purpose, then said insurance proceeds pertaining to the Encumbered Facilities shall be used as provided in the resolution authorizing the Encumbered Facilities Bonds, and said insurance proceeds pertaining to the Married Student Housing System shall be used promptly as follows:

(1) for the redemption prior to maturity of the Bonds and Additional Bonds, if any, ratably in the proportion that the outstanding principal of each Series or issue of Bonds or Additional Bonds bears to the total outstanding principal of all Bonds and Additional Bonds; provided that if on any such occasion the principal of any such Series or issue is not subject to redemption, it shall not be regarded as outstanding in making the foregoing computation; or

(2) if none of the outstanding Bonds or Additional Bonds is subject to redemption, then for the purchase on the open market and retirement of said Bonds and Additional Bonds, in the same proportion as prescribed in the foregoing clause (1), to the extent practicable; provided that the purchase price for any such Bond or Additional Bonds shall not exceed the redemption price of such Bond or Additional Bond on the first date upon which it becomes subject to redemption; or

(3) to the extent that the foregoing clauses (1) and (2) cannot be complied with at the time, the insurance proceeds, or the remainder thereof, shall be deposited in a special and separate trust fund, at an official depository of the Board, to be designated the Insurance Account. The Insurance Account shall be held until such time as the foregoing clauses (1) and/or (2) can be complied with, or until other funds become available which, together with the Insurance Account, will be sufficient to make the repairs or replacements originally required, whichever of said events occurs first.

(i) At all times when the Reserve Fund does not contain the maximum aggregate amount required to be on deposit therein, the Board shall procure and maintain use and occupancy insurance on all the facilities, buildings, and structures of the Married Student Housing System, and the Encumbered Facilities to the extent obtainable, in an amount sufficient to enable the Board to deposit into the Interest and Redemption Fund and the Reserve Fund, out of the proceeds of such insurance, an amount equal to the sums that are required to be deposited into said Funds from the Pledged Revenues during the time the Student Housing System or Encumbered Facilities are wholly or partially unusable, as a result of loss of use or occupancy caused by the perils covered by fire and extended coverage insurance.

(j) The annual audit hereinafter required shall contain a section commenting on whether or not the Board has complied with the requirements of this Section with respect to the maintenance of insurance, and listing all policies carried, and whether or not all insurance premiums upon the insurance policies to which reference is hereinbefore made have been paid.

(k) Proper books of record and account will be kept in which full, true, and correct entries will be made of all activities and transactions relating to the Pledged Revenues

and all books, documents, and vouchers relating to the properties, business, and affairs of the Married Student Housing System and the Encumbered Facilities shall at all reasonable times be made available for inspection upon request by the holders of not less than 25% of the outstanding Bonds and Additional Bonds.

(l) That each year while any of the Bonds or Additional Bonds, if any, are outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or a certified Public Accountant, such audit to be based on the fiscal year of the University. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original purchasers of the Bonds, and to all bondholders who shall so request. Such annual audit reports shall be open to the inspection of all bondholders and their agents and representatives at all reasonable times.

(m) That the Board will in no event refund or otherwise refinance any of the Existing Facilities Bonds in any manner, except to the extent necessary to prevent any unavoidable immediate default in the payment of principal or interest, or except to lower the interest rates thereon without changing any of the maturities thereof.

(n) The Board covenants that while the Encumbered Facilities Bonds are outstanding, it will comply with the various covenants and obligations contained in the resolution authorizing such bonds; and that when said bonds are no longer outstanding and the present liens and pledges in connection therewith have been extinguished, the Encumbered Facilities shall become a part of the Married Student Housing System.

(o) The Board will establish and maintain so long as any of the Bonds or Additional Bonds are outstanding, such parietal rules, rental rates, and charges for the use of the Married Student Housing System as are necessary to assure the maximum practicable occupancy and use of the same and all of the facilities and services afforded thereby, and to produce Gross Revenues of the Married Student Housing System sufficient to pay all Current Expenses thereof, and sufficient, together with other Pledged Revenues, to make all payments and deposits required to be made into the Interest and Redemption Fund and the Reserve Fund in connection with all Bonds and Additional Bonds.

Section 27. (a) That the Board hereby establishes and covenants to enforce, so long as any Bonds or Additional Bonds, if any, are outstanding or unpaid, the following parietal rules and regulations so as to assure maximum practicable occupancy and use of the space, facilities, and services afforded by the Married Student Housing System.

(1) That in the event more space, facilities, or services should become available at the Married Student Housing System than are required by persons applying for such space, facilities, or services, the officers of the University are hereby directed to give preferences and priority to the use of the Married Student Housing System, resulting to the extent practicable in the occupancy and use of all the space, facilities, and services of the Married Student Housing System, even if such preference results in the non-use of all or a part of any other space, facilities, or services

available at or to the University, or to the students enrolled in the University, which may be suitable or useable for the same purposes as the Married Student Housing System.

(2) That to the extent that any surplus space, facilities, or services shall ever become available in the Married Student Housing System while any of the Bonds or Additional Bonds remain outstanding and unpaid, it shall be the duty of the officers of the University to enforce a rule requiring occupancy and use of the Married Student Housing System to the maximum extent practicable, and this provision shall be considered as a rule for guidance of said officers.

(3) That the officers of the University are hereby directed to utilize and to cause the utilization of the Married Student Housing System in such manner as it will yield the maximum Net Revenues reasonably obtainable therefrom, so that all required deposits into the Interest and Redemption Fund and the Reserve Fund shall be promptly made.

(4) That these parietal rules shall be amended from time to time as the conditions arise so as to meet changing conditions, better to assure the fulfillment of this pledge; and these parietal rules shall be subject and subordinate to all valid existing parietal rules at the University.

(b) That rentals, rates, and charges for the use of the services and facilities of the Married Student Housing System shall be established and maintained in accordance with the covenants contained in this Resolution.

Section 28. That there is hereby created, and the Board shall establish with an official depository of the Board a separate construction account (herein called the "1981 Project Account") into which shall be deposited all of the proceeds from the sale of the Bonds, except accrued interest, any premium, and an additional amount which, together with said accrued interest and any premium, will be sufficient to pay the interest coming due on the Series 1981 Bonds through August 1, 1982, which shall be deposited in the Interest and Redemption Fund. In addition, the Board also shall deposit into the 1981 Project Account, from University cash funds now on hand and available for such purpose, an amount of money which when added to the Series 1981 Bonds proceeds therein will be sufficient to pay all costs of constructing and equipping the 1981 Project. Moneys in the 1981 Project Account shall be expended for paying the cost of constructing and equipping the 1981 Project, on estimates approved by the Consulting Engineer for the 1981 Project and vouchers approved by the person or persons charged by the Board with supervision of the 1981 Project. Money in the 1981 Project Account not scheduled for immediate Project purposes may be placed in time deposits or be invested as permitted for other Funds and Accounts established pursuant to this Resolution; provided, however, that all such deposits and investments shall be made in such manner that the money required for 1981 Project purposes will be available at the proper times. All interest accruing from such deposits or investments shall be deposited upon receipt, in the 1981 Project Account. After completion of the 1981 Project, the balance, if any, in the 1981 Project Account derived from Series 1981 Bond proceeds shall be transferred and deposited to the credit of the Interest and Redemption Fund.

Section 29. That the Board covenants that it will not permit to be deposited to the credit of any of the Funds created by this Resolution, or applied to the payment of the

principal of or interest on the Bonds or any Additional Bonds, any proceeds from any applicable grant, subsidy, donation, or income received from the United States Government, whether pursuant to agreement or otherwise, if such deposit or application would result in interest payable on the Bonds or Additional Bonds being includable in whole or in part in gross income for Federal income tax purposes.

Section 30. That the Board covenants that it will comply with all of the terms and conditions of any and all grant or subsidy agreements applicable to the Bonds or Additional Bonds entered into between the Board and the Department of Housing and Urban Development or any other governmental agency in connection with any debt service subsidy grant; and the Board will take all action necessary to enforce said terms and conditions.

Section 31. That the Board covenants to and with the purchasers of the Series 1981 Bonds that it will make no use of the proceeds of the Series 1981 Bonds at any time throughout the term of this issue of Series 1981 Bonds which, if such use had been reasonably expected on the date of delivery of the Series 1981 Bonds to and payment for the Series 1981 Bonds by the purchasers, would have caused the Series 1981 Bonds to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, or any regulations or rulings pertaining thereto; and by this covenant the Board is obligated to comply with the requirements of the aforesaid Section 103(c) and all applicable and pertinent Department of the Treasury regulations relating to arbitrage bonds. The Board further covenants that the proceeds of the Series 1981 Bonds will not otherwise be used directly or indirectly so as to cause all or any part of the Series 1981 Bonds to be or become arbitrage bonds within the meaning of the aforesaid Section 103(c), or any regulations or rulings pertaining thereto.

Section 32. That the Chairman of the Board is hereby authorized to have control of the Series 1981 Bonds and all necessary records and proceedings pertaining thereto pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Series 1981 Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Series 1981 Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Series 1981 Bonds.

Section 33. That the Series 1981 Bonds are hereby sold and shall be delivered to First National Bank in Dallas and Associates, for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$182.75. It is hereby officially found, determined, and declared that the Series 1981 Bonds have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale* and Official Statement dated March 5, 1981, prepared and distributed in connection with the sale of the Series 1981 Bonds. Said Official Notice of Sale and Official Statement have been and are hereby approved by the Board. It is further officially found, determined, and declared that the statements and representations contained in said Official Notice of Sale and Official Statement are true and correct in all material respects, to the best knowledge and belief of the Board.

* Official Notice of Sale is inserted following this page in the Official Copy of the Minutes.

U. T. AUSTIN - STUDENT FAMILY HOUSING - PHASE IA: AWARD OF CONTRACTS TO CONSTRUCTION MODULES, INC., SAN ANTONIO, TEXAS, AND MAUFRAIS BROTHERS, INC., AUSTIN, TEXAS: ADDITIONAL APPROPRIATION THEREFOR, AND PLAQUE INSCRIPTION.

FILE NO. 200
DOCUMENT
REMARKS

Though the bids for the construction of Student Family Housing - Phase IA at The University of Texas at Austin had been received and tabulated on March 19, 1981, the Board at its meeting on April 10, 1981, deferred award of construction contracts for Phase IA until such time as the U. T. Austin Married Student Housing Revenue Bonds, Series 1981, in the amount of \$5,750,000, could be sold.

The Board having authorized the sale of the bonds as reflected on Pages 3-4, upon motion of Regent Richards, seconded by Vice-Chairman Fly, with Regent Milburn abstaining:

- a. Awarded construction contracts for Student Family Housing - Phase IA at U. T. Austin to the lowest responsible bidders as set out below:

Construction Modules, Inc.,
San Antonio, Texas

Base Bid "A" - Modules	\$5,551,800
Alternate No. 4 - Ceiling Fans	<u>64,980</u>

Total Contract Award to Construction Modules, Inc. \$5,616,780

Maufrais Brothers, Inc.,
Austin, Texas

Base Bid "B" - General Construction	\$2,545,000
Alternate No. 1 - Laundry Buildings	140,000
Alternate No. 2 - Parking Areas	60,000
Alternate No. 3 - Street Lighting	<u>85,000</u>

Total Contract Award to Maufrais Brothers, Inc. \$2,830,000

Total Contract Awards \$8,446,780

- b. Authorized a revised total project cost of \$9,573,000 to cover the construction contract awards, movable furnishings and equipment, landscaping, fees and related project expenses
- c. Appropriated additional funds in the amount of \$5,750,000 from the sale of Married Student Housing Revenue Bonds, Series 1981, \$2,389,000 from Pooled Interest on Bond Proceeds and \$1,000,000 from Auxiliary Enterprise Unallocated Balances to fund the total project
- d. Approved the inscription set forth on Page 22 for the plaque to be placed on the Student Family Housing - Phase IA [This inscription follows the standard pattern approved by the Board on June 1, 1979.]

STUDENT FAMILY HOUSING - PHASE IA

1981

BOARD OF REGENTS

James L. Powell ✓ Chairman
Sterling H. Fly, Jr. ✓ Vice-Chairman
Jane Weinert Blumberg ✓
 (Mrs. Roland K.)
Janey Briscoe ✓
 (Mrs. Dolph)
Jess Hay ✓
Beryl Buckley Milburn ✓
Jon P. Newton ✓
Tom B. Rhodes ✓
Howard N. Richards ✓

E. D. Walker
 Chancellor, The University
 of Texas System
 Peter T. Flawn
 President, The University
 of Texas at Austin

Wilson Stoeltje Martin, Inc.
 Project Architect

Construction Modules, Inc.
 Modules
 Maufrais Brothers, Inc.
 General Construction
 Contractors

ADJOURNMENT.--The business for which this meeting had been called
 having been completed, the meeting was duly adjourned at 2:45 p. m.

Betty Anne Thedford

May 15, 1981