

Austin, Texas
September 21, 1956
Meeting No. 556

On Friday, September 21, 1956, at 1:00 p. m., the Board of Regents of The University of Texas met as a Committee of the Whole in the President's Office with the following attendance:

Present

Absent

- Chairman Sealy
- Vice-Chairman Voyles
- Regent (Mrs.) Devall
- Regent Jeffers
- Regent Johnson
- Regent Lockwood
- Regent Minter
- Regent Oates
- Regent Sorrell
- President Wilson
- Secretary Thedford

Vice-President Casberg was called into the meeting.

MEDICAL AFFAIRS COMMITTEE

REPORT BY DOCTOR CASBERG ON ACTIVITIES SINCE JULY 1; BIENNIAL BUDGET REQUESTS, 1957-59, M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE. --Doctor Melvin A. Casberg, who assumed the position of Vice-President for Medical Affairs of The University of Texas on July 1, 1956, gave a report on his activities during the short period he had been connected with the University. He pointed out that he had visited the five medical institutions of the University and had had an opportunity to see the facilities available and to meet some of the faculty and staff members at each institution.

Doctor Casberg reported that in accordance with the request of the Executive Committee at its meeting June 23, he had carefully reviewed in the Biennial Budget Requests for 1957-59 each and every request for new positions at the M. D. Anderson Hospital and Tumor Institute. He stated that each new item requested is definitely needed and he recommended that they remain in the legislative request. (See Executive Committee Report, Page 21.)

Vice-President Casberg retired from the meeting.

TEXAS WESTERN COLLEGE

TV EDUCATIONAL CHANNEL, EL PASO. --Mr. Gordon McClendon, who had appeared before the Board of Regents at its meeting January 29, 1955, (Permanent Minutes, Volume II, Page 336) reiterated his request for a letter to the Federal Communications Commission stating that the Board of Regents of The University of Texas had no objections to using Channel 13 instead of Channel 7 for the Educational TV Channel in El Paso.

The Board went into this matter thoroughly with Mr. McClendon. President Wilson pointed out that the Board of Regents actually has no authority in the matter since the TV Educational Channel 7 belongs to the educational institutions of El Paso and further that the Superintendent of the El Paso Public Schools as Chairman of the State Educational Committee has as much interest in the channel as does The University of Texas.

As Mr. McClendon left the meeting, Chairman Sealy assured him that the Board was pleased to hear him at any time and they would ascertain the existing attitude of both the Texas Western College and the El Paso Public Schools toward this proposed change. Both of these institutions in January of 1955 were unwilling to recommend that the Board of Regents write the letter requested, and certainly the Board of Regents would not voluntarily relinquish this valuable property unless the citizens of El Paso wanted it relinquished.

ATTENDANCE. --Vice-President Boner, Vice-President Dolley, Vice-President Haskew, Vice-President Casberg, and Assistant to the President Cox came into the meeting.

COMMITTEE REPORTS

Chairman Sealy called on the chairmen of the standing committees for their respective reports.

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE; NUCLEAR REACTOR PROJECTS. --Mr. Sorrell presented to the Board a written report on Nuclear Reactor Projects that had been distributed to the Academic and Developmental Affairs Committee by Vice-President Haskew. In this report Vice-President Haskew pointed out that unfavorable action had been received from the Atomic Energy Commission on the joint proposal of the Texas Agricultural and Mechanical College, Rice Institute, the Welch Foundation, and The University of Texas for a Nuclear Reactor because as stated by the Atomic Energy Commission "there are no urgent AEC programmatic requirements for establishing a laboratory of the size and scope proposed." However, Vice-President Haskew stated that additional explorations are being made regarding this proposal.

Vice-President Haskew also called to the attention of the committee that he and Dean Woolrich had had strong encouragement from the Atomic Energy Commission to submit a request for funds to purchase teaching equipment, including a small reactor to be housed in the second new engineering building. This proposal is being formulated by the College of Engineering and the Departments of Physics and Chemistry and will be completed by November 1. (A copy of Vice-President Haskew's report is in the Secretary's Files, Vol. IV, Page 1)

REPORT OF SPECIAL COMMITTEE ON UNIVERSITY'S PARTICIPATION IN THE DROUTH RELIEF PROGRAM; APPROPRIATION, \$10,800.00. --Mr. Sorrell reported that the Special Committee on See Page 852 the University's Participation in the Drouth Relief Program, after much thought and study, recommends that a proposal of Mr. Kenneth Jehn, of the Department of Aeronautical Engineering, for a preliminary

study of physical climatology of weather modification in Texas be authorized and carried out under the direction of Doctor Vance E. Moyer in conjunction with two associates. (See Secretary's Files, Volume IV, /for^{p. 2} copy of proposal of Mr. Jehn.) If this study is not profitable in a weather modification way, it will be useful teaching information in meteorology.

To carry out this study, the committee further recommends that \$10,800.00 out of the Available Fund be appropriated for 1956-57 and be budgeted in the following manner:

Dr. Vance E. Moyer, Meteorologist, 1/4 time	\$ 1,800.00
Research Scientist I, full time	3,800.00
Laboratory Research Assistant, full time	2,500.00
Desk calculator	750.00
Travel	750.00
Supplies, drafting services, telephone, and miscellaneous	<u>1,200.00</u>
TOTAL	\$10,800.00

The committee recommends this appropriation with the request that Vice-President Haskew and others in the developmental services contact the several foundations in Texas for support of this project.

Adoption of Report. --Mr. Sorrell moved the adoption of this report and Vice-Chairman Voyles seconded the motion, which carried unanimously.

REPORT OF LAND AND INVESTMENT COMMITTEE. --Mr. Jeffers presented to the Committee of the Whole the following items that had been included in the mimeographed recommendations sent out from the Endowment Office to the Land and Investment Committee and which had been considered and revised by the Land and Investment Committee at its meeting of even date:

Water Exploration Permit No. 68, Public Service Board of City of El Paso, Texas, University Lands in Hudspeth County. --At its meeting on October 13, 1955, in El Paso, the Board of Regents expressed its favorable consideration of a proposal from the Public Service Board of the City of El Paso for water rights in Blocks A, B, C, D, E, and F, University Lands in Hudspeth County, comprising approximately 203,500 acres, and expressed its willingness to extend complete cooperation toward the accomplishing of the proposed development of further water resources for the City of El Paso on University Lands in Hudspeth County. The Endowment Officer was authorized to work with the Public Service Board in developing a concrete proposal for the water exploration permit to submit to the Board of Regents at its next meeting. However, prior to the next meeting of the Board of Regents on December 2 and 3, it was agreed by the Endowment Officer and the General Manager of the Public Service Board that the terms of a concrete proposal could not be worked out in time for consideration at that meeting.

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294.

In January, 1956, the Public Service Board presented to the Endowment Officer a form of proposal. The principal provisions of that

proposal, including revisions tentatively agreed to by the Public Service Board, are summarized as follows:

1. The Public Service Board offers the University \$5,000 for a water exploration contract with option to lease all or part of the lands described above.
2. The exploration period would extend for a period of four years, and at any time prior to the expiration of that period the Public Service Board would have the option to lease all or part, by sections or half-sections, of the lands covered for a period of twenty-five years for further exploration and production of water and for an additional twenty-five years for production. In other words, the water lease would be for a fixed period of fifty years, with no option to renew, unless it should be earlier released by the Public Service Board, with the obligation to begin production of water during the first twenty-five year period.
3. No additional payment would be made by the Public Service Board upon exercising the option ~~except~~^{except} for royalties or annual rentals.
4. During the term of the water lease, the lessee would, depending on production, pay either 10¢ per acre annual rental or the same amount per acre as minimum royalty. Water royalty would be at 2¢ per 1,000 gallons or an amount equal to 12-1/2% of the wholesale water rate charged by the lessee to its customers for each 1,000 gallons, whichever is greater.
5. The exploration contract and water lease would carry provisions satisfactory to the University regarding oil and gas leases and mineral rights and regarding damages to surface lessees.
6. All geological information acquired through exploration and production would be available to the University.
7. The exploration contract and water lease would carry provisions satisfactory to the University for leaving casing in wells drilled capable of some production but insufficient for production by the lessee and for availability of water to surface lessees and oil and gas lessees of the University.

After further conferences between the General Manager of the Public Service Board and the Endowment Officer, the Public Service Board points out that, though the water resources in question are not required to meet its needs in the immediate future, it is anxious for an agreement with the University to be determined so as to allow budgeting and planning of the exploration.

The Public Service Board estimates its exploration costs under such an agreement during the four-year period at approximately \$140,000. Its line to El Paso would be approximately forty miles in length and would

not be smaller than forty-eight inches. Booster stations would be required. If water is produced from around the 1600 foot level, a treatment plant will be required; and if it is from around 5,000 feet, added pumping costs would perhaps be in the neighborhood of treatment costs for the water from shallower levels.

The Public Service Board believes that its costs of production and transporting water from this area make it unwise to agree to higher royalties than those set out above and believes that the provision for royalty at 12-1/2% of its wholesale rate gives adequate protection to the University. That wholesale rate is at 11¢ per 1,000 gallons, and though increased rates would be expected if water is produced from the University Lands, the University staff doubts that the royalty provisions are satisfactory under a commitment for fifty-four years.

It is recommended that the Board of Regents authorize a four-year water exploration contract and option to lease during said period with the Public Service Board of El Paso, the consideration for the four-year period to be \$5,000, with minimum requirements set out as to exploration to be done during the period. It is further recommended that the option to lease will carry the provisions as set out above with Item No. 4 above to be amended as follows:

4. The Public Service Board will pay \$20,000 per year during the first 25-year period until production of water is actually commenced at which time the Public Service Board will pay royalty at the rate of 2¢ per 1000 gallons or an amount equal to 12-1/2% of the wholesale water rate charged by the lessee to its customers for each 1000 gallons, whichever is greater, with a minimum royalty of \$12,000 per month.

It is further recommended that the Chairman of the Board be authorized to execute such exploration contract and option to lease upon approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

Adoption of Report. --Mr. Jeffers moved the adoption of the foregoing report, which was seconded by Vice-Chairman Voyles and carried.

Huntington Lands--Offer for Purchase of 112 Acres, H. B. Littlefield Survey, Galveston County, Texas, by the American Oil Company. --The University has received from The American Oil Company, a subsidiary of the Standard Oil Company of Indiana, a firm offer for the purchase of a tract of approximately 112 acres out of the Huntington Lands at \$1,250 per acre cash, the University to retain one-half of the minerals fully participating in bonuses, rentals, and royalties, but with leasing rights in the purchaser. See Page 308.

The American Oil Company property adjoins this tract a distance of about 500 feet on the north. The tract fronts approximately 3,500 feet on State Highway 341 along the southeast side and has Texas City Terminal Railroad trackage available on the north side, as well as high-voltage power. Elevation averages about five feet above sea level.

A tract of twenty acres adjoining this one immediately on the west was sold by the University in 1954 to Products Pipeline Company for \$1,500

per acre, and seven acres out of the northeast corner was sold in 1955 to Community Public Service Company for \$2,000 per acre. A tract of fifty acres adjoining on the west was sold in 1952 to Texas City Chemicals, Inc., by the University for \$600 per acre, and fifty acres then to the west was bought by the same company in 1951 from the University for \$500 per acre.

The subject tract is considered one of the most desirable out of the remaining Huntington Lands. It was given a value of \$750 per acre in the appraisal of August, 1955, made by Vincent J. Schmitt, C. E. Woodall, and M. H. James.

It is recommended that the Board of Regents authorize the Endowment Officer to make a counter offer of \$1,500.00 per acre to The American Oil Company, such offer to be subject to acceptance within a forty-five day period from date of notification. In the event of acceptance of the counter offer, it is further recommended that the Chairman of the Board be authorized and directed to enter into a contract of sale covering the above property, and that upon the performance of such contract and upon receipt of said consideration, said Chairman, for and on behalf of the Board of Regents of The University of Texas, be further authorized and directed to execute, acknowledge and deliver a proper deed conveying the above property to The American Oil Company, a Texas Corporation, or its nominee.

Adoption of Report. --Mr. Jeffers moved the adoption of this report. Vice-Chairman Voyles seconded this motion, and the report was unanimously adopted.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE. --At the request of Mr. Lockwood, Doctor Truslow was called into the meeting and he discussed in detail the six proposed projects in the following report of the Buildings and Grounds Committee:

Approvals Requested by Doctor Truslow for Possible Remodeling and Buildings at Medical Branch. --Dr. Truslow presented certain information to the Buildings and Grounds Committee concerning remodeling work and additional buildings which he and the Faculty feel are badly needed at the Medical Branch. He explained that there were some possible outside sources of funds with which he would like to negotiate in order to ascertain what money might be available other than Available University Fund money. After giving background information concerning the proposed projects, he made the following specific recommendations, which were all approved by the Regents' Buildings and Grounds Committee:

1. Permit the officials of the Medical Branch to accept the offer of The Sealy and Smith Foundation to furnish the money to re-landscape and remodel in the very near future the ambulance entrance at a cost of from \$8,000.00 to \$10,000.00. It is anticipated that this work can be done within a period of three weeks to a month.
2. Permit Dr. Truslow to explore with The Sealy and Smith Foundation their interest in remodeling the Rebecca Sealy Nurses' Residence, particularly the air conditioning of the building, at an estimated cost of approximately

\$300,000.00 to \$400,000.00.

3. Accede to the request of The Sealy and Smith Foundation for the preparation of sketches on a new Out-Patient Department Building, which would be placed approximately where the Old John Sealy Hospital Main Building now is.
4. Approve the acceptance of the offer of The Sealy and Smith Foundation to have an Engineer employed by the Foundation examine the old John Sealy Hospital Main Building to ascertain whether it is ready for condemnation.
5. Permit Dr. Truslow to explore with the U. S. Public Health Service the possibility of securing funds under a law recently passed by the 91st Congress which makes funds available on a matching basis to medical schools for the construction of clinical and research laboratories, including animal quarters, attached to medical schools.
6. Permit Dr. Truslow to explore with Dr. Holle, State Commissioner of Health, on the possibility of funds which might be available under the Hill-Burton Act for the Out-Patient Clinic.

It was pointed out that the Committee was approving these recommendations with the understanding that Dr. Truslow was fully aware that all of them should be discussed further with the appropriate officials of Central Administration and should be cleared through channels according to the accepted University procedure. This would include bringing in the Consulting Architect at the appropriate points. It was also understood that no commitment of funds was being made at this time by the University.

It is recommended by the Regents' Buildings and Grounds Committee that the Board approve the recommendations of Dr. Truslow as set out above and approved by the Committee.

Adoption of Report. -- Upon motion of Mrs. Devall, seconded by Mr. Lockwood, the foregoing recommendations of the Buildings and Grounds Committee were unanimously adopted.

MEDICAL BRANCH

AUTHORIZATION, ENGINEER TO CHECK WATER PROBLEM, MEDICAL BRANCH. -- After Doctor Truslow had presented to the Board that there was an apparent electrolysis of the water main in the new areas and had requested permission to employ an appropriate engineer to give advice on the problem at a cost not to exceed more than \$500.00, the Board upon motion of Mrs. Devall, seconded by Mr. Lockwood, granted Doctor Truslow's request and approved an appropriation from the available funds of the Medical Branch to pay the engineer in an amount not to exceed \$500.00. See Page 986

ATTENDANCE. -- Doctor Truslow left the meeting, and Doctor Clark came in.

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE

APPOINTMENT OF BOARD OF VISITORS, UNIVERSITY CANCER FOUNDATION, M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE. -- At the request of President Wilson, Doctor Clark briefly presented identifying information relative to the proposed members of the Board of Visitors of the University Cancer Foundation that had been recommended by its Medical Board. Each member of the Board had been furnished this list of recommended members several days in advance of the meeting. In accordance with the terms of the resolution establishing the University Cancer Foundation, the Medical Board had recommended these individuals for membership and the Board of Regents, upon motion of Mr. Sorrell, duly seconded, approved each of the following as a member of the Board of Visitors effective September 1, 1956, and terminating at the period designated:

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<u>Name</u>	<u>Termination Date</u>
Mr. James E. Anderson	August 31, 1959
Mrs. Margaret Tobin	August 31, 1959
Mr. Warren Bellows	August 31, 1959
Mrs. Henry Bailey	August 31, 1959
Mr. Carroll D. Simmons	August 31, 1959
Mr. Dunbar Chambers	August 31, 1958(Deceased, October 1956)
Mr. J. M. Odom	August 31, 1957
Mr. Ben R. Barbee	August 31, 1957
Mr. Harmon Whittington	August 31, 1957
Mr. Edward Marcus	August 31, 1957
Mr. Prentiss Cobb Hale	August 31, 1957

RECESS. --The Committee of the Whole recessed at 5:00 p. m., Friday, and reconvened at 8:30 a. m., Saturday, September 22, with the same attendance as on Friday at 9:00 a. m.

MEDICAL BRANCH

REPORT OF THE SPECIAL HOUSING COMMITTEE, MEDICAL BRANCH. -- Doctor Truslow in a brief report for the Special Committee on Student Housing at the Medical Branch pointed out that the parietal rule would not have to be enforced for medical students in 1956-57. The three dormitories, an apartment building (known as Unit A) ~~and the three additional dormitories and combination cafeteria, lounge and housing building (known as Unit B)~~ both under HHFA Project Tex. 41-CH-11, are filled to capacity, with medical students, student nurses, student residents and interns, technicians, and people working in the medical center. These rooms are rented in accordance with the rental rate resolution adopted by the Board July 8, 1955. See Page 284.

There are 39 rooms in the combination cafeteria, lounge and housing building. It is Doctor Truslow's plan to use all except fifteen of these rooms for floor duty nurses.

CENTRAL ADMINISTRATION

ATTENDANCE. --Assistant to the President Cox came into the meeting.

REGULAR SESSION. --The Committee of the Whole resolved itself into regular session at 9:00 a. m.

ATTENDANCE. --There came into the meeting Vice-President Boner, Vice-President Casberg, Vice-President Dolley, Vice-President Haskew, and other administrative officials.

BLANKET SYSTEM-WIDE FIRE AND EXTENDED INSURANCE COVERAGE. --The next item considered was that of system-wide fire and extended insurance coverage. Comptroller Sparenberg called to the attention of the Board his recommendation, endorsed by the Insurance Audit and Inspection Company of Indianapolis - Insurance Consultants for the University - and concurred in by Vice-President Dolley and President Wilson, for award of system-wide fire and extended insurance coverage. Mimeographed material consisting of Comptroller Sparenberg's recommendation, New Invitation for Bids dated July 6, 1956, (including the Specifications, Summary of Estimated Replacement New and Depreciated Sound Insurable Values, and the Proposal Form) and Tabulation of Bids* under date of August 14, 1956, had been distributed to each member after his arrival in Austin. (A copy of the documents attached to the recommendation and the recommendation itself are in the Secretary's Files, Vol. IV,p.6)The official copies of the bids are filed in the Office of the Comptroller.

A general discussion ensued after which the Board, upon motion of Vice-Chairman Voyles, duly seconded, approved the recommendation of Comptroller Sparenberg that the Board of Regents make this award on the basis of Specific Bid (1), which is on the basis of system-wide blanket fire and extended coverage insurance, replacement new basis, on buildings and contents, subject to \$100,000.00 deductible each and every loss occurrence, amount \$132,973,800.00 with 90% coinsurance clause; and that the award be made to the Continental Casualty Company of Chicago, on the basis of their bid of \$122,100.00 for the three-year period. Mr. Sorrell voted "No."

TABULATION OF BIDS*
FIRE AND EXTENDED COVERAGE INSURANCE
THE UNIVERSITY OF TEXAS SYSTEM
AUSTIN, TEXAS

10:00 a. m., C. S. T.
August 14, 1956

BIDDER (Insurance Company General Agent, if any Local Agent)	Three-Year Premium Costs			
	Specific Bid (1)	Specific Bid (1-a)	Specific Bid (2)	Specific Bid (2-a)
Continental Casualty Co., Chicago Munger and Moore, Dallas	\$122,100.00		\$ 93,376.32	

TABULATION OF BIDS (Continued)

BIDDER Insurance Company General Agent, if any Local Agent)	Three-Year Premium Costs			
	Specific Bid (1)	Specific Bid (1-a)	Specific Bid (2)	Specific Bid (2-a)
American Employers' Insurance Co., Boston Echlin-Irvin-Crowell and Co., El Paso Kemp Coldwell and Co., El Paso			\$175,000.00	
San Jacinto Insurance Co. (1) Nacogdoches and (2) Houston Julian E. Fruit, Houston Bintliff Insurance Agency, Houston ("5% of \$102,746,500")			7,000.00	
Houston Fire and Casualty Insurance Co., Fort Worth F. W. Offenhauser and Co., Texarkana ("50% of \$102,746,500")			64,125.00	
Gulf Insurance Co., Dallas Ellis Smith and Co., Dallas ("50% of \$102,746,500")			64,125.00	

(A)Admiral Fire Insurance Co., Houston 3%			\$ 4,200.00	
(B)American General Insurance Co., Houston 6%				\$ 8,400.00
(C)Atlantic Insurance Co., Dallas 14%			19,600.00	
(D)Commercial Standard Insurance Co., Fort Worth 12%			16,800.00	
Employers Casualty Co., Dallas 5%			7,000.00	
(E)General Insurance Corporation, Fort Worth 15%			21,000.00	
(F)Pan American Fire and Casualty Co., Houston 5%			7,000.00	
(G)San Jacinto Insurance Co. (1) Nacogdoches and (2) Houston 2%			2,800.00	
(H)Southwestern Fire and Casualty Co., Dallas 5%			7,000.00	

TABULATION OF BIDS (Continued)

BIDDER		Three-Year Premium Costs			
(Insurance Company General Agent, if any Local Agent)	Specific Bid (1)	Specific Bid (1-a)	Specific Bid (2)	Specific Bid (2-a)	
(I) Southwest General Insurance Co., (1) San Antonio and (2) Dallas	10%		\$ 14,000.00		
(J) Superior Insurance Co., Dallas	1%		1,400.00		
(K) Trinity-Universal Insurance Company, (1) San Antonio and (2) Dallas	15%		21,000.00		
(L) Western Fire and Indemnity Co., Lubbock	7%		9,800.00		
Totals for Information Only	100%		\$131,600.00	\$ 8,400.00	
(A) Bettes Insurance Agency, Houston		(G) Julian E. Fruit, Houston; Bintliff Insurance Agency, Houston			
(B) Barrow Co., Raymond Hulsey, C.H. Davidson Co., all of Austin		(H) Wynnewood Insurance Agency, Dallas			
(C) Thomas W. Hopkins and Son, Houston; Ellis, Smith and Co., Dallas; C. L. Dexter and Co., Dallas		(I) Bechtol and Parsons Insurance Service, Austin			
(D) Bettes Insurance Agency, Fort Worth		(J) King Insurance Agency, Austin			
(E) Agent to be designated by University		(K) Bechtol and Parsons Insurance Service, Austin			
(F) William Gammon Insurance, Austin		(L) The Sanford Agency, Lubbock			

BIDDER		Three-Year Premium Costs			
(Insurance Company General Agent, if any Local Agent)	Specific Bid (1)	Specific Bid (1-a)	Specific Bid (2)	Specific Bid (2-a)	
National Indemnity Co., Omaha C. C. Hill, Dallas Homer D. Owens, Austin	\$166,802.33	\$221,534.35	\$128,885.20	\$171,175.67	
Peerless Insurance Co., Keene, New Hampshire General Agent: Branch Office, Dallas Homer D. Owens, Austin	119,676.42	159,568.56	92,471.85	123,295.80	
General Insurance Co. of America, Seattle William Gammon Insurance Heidrick, Bowman and Wommack, both of Austin	219,407.00	291,811.00	155,147.00	206,345.00	
Deduct Usual 15% Dividend	32,911.05	43,771.65	23,272.05	30,951.75	
Estimated Net Premium Cost	186,495.95	248,039.35	131,874.95	175,393.25	

TABULATION OF BIDS (Continued)

BIDDER (Insurance Company General Agent, if any Local Agent)	Three-Year Premium Costs			
	Specific Bid (1)	Specific Bid (1-a)	Specific Bid (2)	Specific Bid (2-a)
First National Insurance Company of America, Seattle William Gammon Insurance, Austin Heidrick, Bowman and Wommack, Austin	\$186,496.00	\$248,039.00	\$131,875.00	\$175,393.00
(M)Insurance Co. of North America, Philadelphia (40%)				
(N)Federal Insurance Company, New York (40%)				
(N)Fire Association of Philadelphia (20%) (M)Joe Crow, Austin (N)The Robbins, Montgomery and Nieman Co., Austin	184,000.00		135,000.00	

COMPANIES NOT AUTHORIZED
BY BOARD OF INSURANCE
COMMISSIONERS TO DO
BUSINESS IN TEXAS

(12)Lloyds, London Cravens, Dargan and Co., Houston Baxter Jackson and Co., Corpus Christi	170,206.46	226,055.46	131,515.52	174,669.05
(13)Underwriters at Lloyds, London Julian E. Fruit, Houston Bintliff Insurance Agency, Houston Add 5% State Tax Total Bid	170,206.46 8,510.33 178,716.79	226,055.46 11,302.82 237,358.28	131,515.52 6,575.76 138,091.28	174,669.05 8,733.51 183,402.56
(14)Lloyds of London <u>(UNSIGNED - NOT ACCEPTABLE)</u> Cravens, Dargan and Co., Houston Ricker Insurance Agency, Austin	170,206.46	226,055.46	131,515.52	174,669.05

MAIN UNIVERSITY

APPROPRIATION, UNIVERSITY RESEARCH INSTITUTE, MAIN UNIVERSITY. --Upon recommendation of President Wilson and on motion of Mr. Sorrell, seconded by Mr. Johnson, the Board appropriated for 1956-57 \$25,000.00 from the Unappropriated Balance to be known as Special Research Fund in the University Research Institute for the purpose of making modest grants for facilitating faculty research and to be administered by the Graduate Dean with the counsel of the faculty and the undergraduate deans and with all recommendations processed through the Graduate Dean and the Vice-President of the Main University.

MEDICAL BRANCH

BLUE CROSS HOSPITAL INSURANCE FOR MEDICAL STUDENTS, MEDICAL BRANCH. --Pursuant to authorization at the meeting, June 1, 1956, regarding Blue Cross Insurance for students at the Medical Branch, President Wilson reported that it was the opinion of Assistant to the President Cox as well as Attorney Scott Gaines, who had previously advised the Medical Branch on this question, that compulsory Blue Cross Insurance for students at the Medical Branch cannot be legally provided.

CENTRAL ADMINISTRATION

APPROVAL OF MINUTES, JUNE 1, 1956. --The minutes for the regular meeting of the Board of Regents, June 1, 1956, with Page 69 revised, as distributed by the Secretary, were approved by the Board upon motion of Mr. Johnson, seconded by Doctor Oates.

APPROVAL OF MINUTES, AUGUST 6, 1956. --Upon a motion duly made and seconded, the Board approved the minutes for the called meeting August 6, 1956, as multigraphed and distributed by the Secretary.

APPROVAL OF DOCKET. --Before the consideration of the docket by the Board, President Wilson pointed out that Page W-7 had been revised since the multigraphed copies had been sent to each member of the Board and that he recommended the docket in the form now presented. Upon motion of Mrs. Devall, seconded by Vice-Chairman Voyles, the Board approved the Central Administration docket, dated September 12, 1956, as recommended by President Wilson, and to which President Wilson had attached and incorporated as part of his docket the dockets of the component institutions of The University of Texas; namely:

Main University and Extramural Divisions -	
submitted by Vice-President C. P. Boner	P. 72
Texas Western College -	
submitted by President Dysart E. Holcomb	P. 162
Medical Branch -	
submitted by Director John B. Truslow	P. 170
Dental Branch -	
submitted by Dean John V. Olson	P. 189

M. D. Anderson Hospital and Tumor Institute - submitted by Director R. Lee Clark, Jr.	P. 195
Southwestern Medical School - submitted by Dean A. J. Gill	P. 259
Postgraduate School of Medicine - submitted by Dean Grant Taylor	P. 273

(This docket is attached to and made a part of these minutes, Page 72.)

UNIVERSITY DEVELOPMENT BOARD APPOINTEES. --At the June 1, 1956, meeting and according to the policy adopted January 23, 1954, for the membership structure of the University Development Board, the Board of Regents considered successors to the members of the University Development Board whose terms were expiring August 31, 1956. Because the Regents had not scheduled a meeting prior to August 31, 1956, and because the appointments of Messrs. James Ralph Wood and J. A. Gooch expired at the end of the fiscal year, the Board, upon a motion duly made and seconded, adopted the following resolutions at the June meeting for inclusion in the minutes of September 21, 1956:

Mr. James Ralph Wood. --

WHEREAS, The University Development Board performs important services vital to the existence and progress of The University of Texas as one of the leading state universities in this country; and

WHEREAS, The Board of Regents of The University of Texas seeks for membership on the Development Board outstanding and influential Texas citizens who have demonstrated their interest in and loyalty to The University of Texas; and

WHEREAS, Mr. James Ralph Wood has served as a member of the Development Board, giving of his time to promote the accomplishment of the purposes and endeavors of the Development Board and has faithfully and ably performed his duties as a member of the Board; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas hereby adopts this resolution of appreciation to Mr. James Ralph Wood for his distinguished service to The University of Texas as a member of the Development Board.

Mr. Joe C. Thompson, 1956-1962. --

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WHEREAS, The University Development Board performs important services vital to the existence and progress of The University of Texas as one of the leading state universities in this country; and

WHEREAS, The Board of Regents of The University of Texas desires the services on the Development Board of outstanding and influential Texas citizens who have demonstrated their interest in and loyalty to The University of Texas; and

WHEREAS, Mr. Joe C. Thompson has gained recognition in his own community and throughout the State as a person of integrity and ability and has in many ways, on many occasions, rendered valuable and faithful service to The University of Texas; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas has this day selected and elected Mr. Joe C. Thompson as a member of the Development Board to serve a six-year term beginning September 1, 1956 and expiring August 31, 1962.

Mr. J. A. Gooch, 1956-1962. --

WHEREAS, The University Development Board performs important services vital to the existence and progress of The University of Texas as one of the leading state universities in this country; and

WHEREAS, The Board of Regents of The University of Texas desires the services on the Development Board of outstanding and influential Texas citizens who have demonstrated their interest in and loyalty to The University of Texas; and

WHEREAS, Mr. J. A. Gooch has gained recognition in his own community and throughout the State as a person of integrity and ability and has in many ways, on many occasions, rendered valuable and faithful service to The University of Texas; and

WHEREAS, Mr. Gooch has served with distinction on the Development Board for a period of two years; now therefore be it

RESOLVED, That the Board of Regents of The University of Texas has this day selected and elected Mr. J. A. Gooch as a member of the Development Board to serve a six-year term beginning September 1, 1956 and expiring August 31, 1962.

SCHEDULE OF MEETINGS, BOARD OF REGENTS, 1956-57; INVITATION, BOARD OF REGENTS, UNIVERSITY OF NEW MEXICO. --The Board (New Mexico scheduled its next regular meeting to be held in Austin on November 2 Regents and 3, 1956. It requested, pursuant to conversations Vice-Chairman could not Voyles had had with a member of the Board of Regents of the University come.) of New Mexico and the suggestion of the latter that a joint meeting might be mutually profitable, that an invitation be extended to the members of the Board of Regents and to the President of the University of New Mexico to join the Board at its meeting on November 3.

Also a regular meeting of the Board was scheduled in Austin on January 11 and 12, 1957.

MAIN UNIVERSITY AND TEXAS WESTERN COLLEGE

SMALL CLASS REPORT, SUMMER SESSION, 1956. --Upon a motion of Mrs. Devall, seconded by Vice-Chairman Voyles, the Board approved the following reports of President Wilson that had been prepared in accordance with House Bill 140, 54th Legislature, R. S., Article V, Section 18, Subsection "g" of the Special Provisions:

Main University. --A report of undergraduate classes with less than ten students in the first term and in the second term of the 1955-56 Summer Session and of graduate classes with less than five students in the first term of the 1955-56 Summer Session at the Main University.

Texas Western College. --A report of undergraduate classes having fewer than ten students in the first term and in the second term of the 1955-56 Summer Session and of graduate classes having fewer than five students in the second term of the 1955-56 Summer Session at the Texas Western College of The University of Texas.

(A copy of each of the above reports is in the Secretary's Files, Vol.IV.)
(pp. 19, 20, 21, 22)

LIMITATION ON COURSES OF STUDY (SUBSECTION "e", SECTION 18, ARTICLE V, H. B. 140, 54th LEGISLATURE, R. S.). --President Wilson reported that he had received letters from Vice-President C. P. Boner and President Dysart E. Holcomb certifying that the Main University and Texas Western College, respectively, had complied with the provision of Subsection "e", Section 18, Article V, H. B. 140, 54th Legislature, R. S. The Board upon a motion duly made and seconded approved the following certification to the State Comptroller:

Pursuant to the provisions of Subsection "e", Section 18, Article V, H. B. 140, 54th Legislature, R. S. the Board of Regents of The University of Texas, acting herein by and through Logan Wilson, President of The University of Texas, does certify that the Main University and Texas Western College of The University of Texas have fully complied with the provisions of said Subsection "e", Section 18, Article V, H. B. 140, 54th Legislature.

MAIN UNIVERSITY

RESTORATION, LITTLEFIELD HOUSE. --The Board discussed in a general manner the use of the Littlefield House after the ROTC Building is completed. The members took formal notice of a letter from Mrs. Margaret Megarity as to the use of the Littlefield House and expressed its intention to restore this house ultimately and to maintain it from an architectural standpoint in its present condition.

COMMITTEE REPORTS

The following reports of the Executive Committee were unanimously adopted upon a motion duly made and seconded:

REPORT OF EXECUTIVE COMMITTEE, JUNE 23, 1956. --The Executive Committee of the Board of Regents of The University of Texas met in President Wilson's office June 23, 1956, at 10 a. m. The following matters were considered and the actions reported were unanimously adopted by the Executive Committee at that meeting:

Contract with the City of Galveston. --President Wilson reported for the information of the committee and for final recording in the minutes that he had received a fully executed copy of the contract between the City of Galveston and the Board of Regents of The University of Texas for the care of the sick and indigent of the City and County of Galveston and that the official copy is filed in the Office of the Secretary of the Board of Regents. This contract was approved by the Board of Regents at its meeting April 6, 1956.

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Stadium Improvement Project, Texas Western College. --President Wilson gave a detailed report of the stadium improvement project at the Texas Western College that is now under way and outlined to the Executive Committee the procedure to be followed in the future; the committee ratified the action of President Wilson in his authorization to the contractor to proceed with the project, and indicated that regulations in such matters should be adhered to in the future, upon motion of Mr. Lockwood, seconded by Mr. Jeffers.

Huntington Lands: Proposal of J. C. French et al for Option to Purchase 150-Acre Tract. --At the request of President Wilson, Vice-President Dolley reported to the Executive Committee an offer from J. C. French, R. W. Ramey, and O. B. Scribner to pay \$6,000.00 for an option to purchase 150 acres for \$120,000.00 cash (\$800.00 per acre) out of the Huntington Lands, Galveston County, after it had been reported to these parties that their offer for an option to purchase 220 acres for \$120,000.00 cash (\$545.00 per acre) had been declined by the Board of Regents at its meeting on June 1, 1956; the new offer was discussed and considered by the Committee. Each member of the Committee had been furnished prior to the meeting with a joint letter from Vice-President Dolley and Endowment Officer Stewart setting out this offer and their recommendation.

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In line with the request set out in the letter from Endowment Officer Stewart and Vice-President Dolley, it was moved by Mr. Lockwood, seconded by Mr. Jeffers, and unanimously approved by the Committee that the Endowment Officer be authorized to notify Messrs.

French, et al, that the Committee will not recommend acceptance of their offer but will recommend to the Board of Regents at the September meeting acceptance of an offer to purchase for \$1,000 per acre cash a tract of from 120 to 150 acres lying along the Southern Pacific Railroad tracks, the size to be determined by the purchasers in making their offer, and to be laid out and determined in the same area and in the same manner as they propose in the offer being declined, the University to retain one-half of the minerals, fully participating as to bonuses, rentals and royalties but with leasing rights in the purchasers. Such proposal to recommend is conditioned on the offer at that price being delivered to the Endowment Office by August 31, 1956, with cashier's check in the amount of 5% of the purchase price as earnest money.

Little Campus Hutments, Main University. --President Wilson presented with his approval the recommendation of Business Manager Landrum, concurred in by Vice-President Boner, that the use of the Little Campus Hutments be discontinued as of August 31, 1957. The Executive Committee, upon motion of Mr. Lockwood, duly seconded, approved the recommendation of President Wilson.

Authorization for Application, Grant from the United States Public Health Service, M. D. Anderson Hospital and Tumor Institute. -- President Wilson presented to the Executive Committee of the Board of Regents, with his recommendation, the following resolution regarding a proposed construction application with the United States Public Health Service for funds to assist in the alterations and additions to the M. D. Anderson Hospital and Tumor Institute Building:

BE IT RESOLVED by the Board of Regents of The University of Texas that the action of President Logan Wilson in signing a Project Construction Application with the United States Public Health Service pursuant to the Federal Hospital Survey and Construction Act for a grant to be used in connection with the M. D. Anderson Hospital and Tumor Institute, Houston, Harris County, Texas, be and the same is hereby ratified and confirmed; and,

BE IT FURTHER RESOLVED that President Logan Wilson be and he is hereby authorized to take such other and further steps as may be necessary in processing this application, including authority to sign any contracts with the United States Public Health Service necessary in implementing the project or in making effective the grant thereunder.

The Executive Committee upon the recommendation of President Wilson and upon motion of Mr. Sorrell, seconded by Mr. Lockwood, adopted the foregoing resolution.

New Centrifugal Compressors to be Installed in Central Water Chilling Station, Main University, to service Kinsolving Dormitory and Main Building. --Vice President Dolley at the request of President Wilson presented the following recommendation of Comptroller Sparenberg that had been approved by Vice-President Dolley and concurred in by President Wilson, pointing out that one 1200 unit compressor will cost

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less to install and to operate and will be more efficient than two 600 unit compressors:

At the Regents' meeting held June 1, 1956, a report was made concerning the Additions to the Central Water Chilling Station Equipment to serve Kinsolving Dormitory.

Further study of the proposed additions indicates that it would be to the advantage of the University to include not only the work for Kinsolving Dormitory, but also the work necessary for the air conditioning of the Main Building, at this time. It is the opinion of the Engineers, Zumwalt and Vinther, the Comptroller's Office, and the Main University Physical Plant Staff that the use of one 1,200 ton centrifugal compressor installation for both buildings would cost less initially, as well as for yearly operation and maintenance, than the use of two 600 ton installations, one for each building.

At the Regents' meeting of April 6, 1956, the Board authorized setting up an appropriation of \$100,000.00 for 1956-57 for a new centrifugal compressor in the Central Water Chilling Station to service the Main Building. The Comptroller, with approval of the President's Office, has authorized Zumwalt and Vinther to proceed with the plans and specifications on the basis of the most economical arrangement, that is, using one 1,200 ton installation. The final plans and specifications will probably not be ready for approval prior to September 1, 1956, and, in any event, advertising for bids will take place after September 1, 1956. It is recommended that this action of the Comptroller be ratified and approved by the Executive Committee of the Board.

The Executive Committee, upon motion of Mr. Lockwood, seconded by Mr. Jeffers, approved and ratified the foregoing recommendations.

Approval of Final Plans and Specifications for Additions and Alterations to M. D. Anderson Hospital and Tumor Institute Building. -- President Wilson presented the following recommendations concerning the approval of final plans and specifications for additions and alterations to M. D. Anderson Hospital and Tumor Institute Building that had been submitted by Comptroller Sparenberg and approved by Vice-President Dolley:

At the meeting of the Board of Regents June 1, 1956, the Executive Committee was authorized to approve the final plans and specifications above indicated, when complete. The final plans and specifications dated June 15, 1956, prepared by MacKie and Kamrath, Architects, have now been distributed and a copy of each set was received in the Office of the Comptroller Saturday, June 16, 1956. The plans and specifications have been checked as far as possible in the time available by Mr. William B. Saunders, Architect in the Office of the Comptroller, Doctor R. Lee Clark, Jr.

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and Mr. Joe E. Boyd, Jr., of the M. D. Anderson Hospital and Tumor Institute, and others. It is recommended, and so concurred in by Doctor Clark and Mr. Boyd, that you give final approval of these plans and specifications at your meeting June 23, 1956, so that the Comptroller may start advertising for bids on the project as soon as possible; however, your attention is called to the matters listed below:

1. It is obvious that the plans and specifications include a lot of mechanical, plumbing, and electrical work, including air conditioning, which is not a part of the new projects but represents redesigning, replacing, and remodeling unsatisfactory work done in these areas during the original construction of the building. Mr. Saunders has estimated that somewhere between \$50,000.00 and \$75,000.00 of this kind of work is included in these plans and specifications.

2. Though several relatively minor changes in the plans and specifications as originally presented shall be worked out with MacKie and Kamrath, your specific approval of this proposed change in the specifications is requested:

Change the wording of the "Notice to Bidders" to indicate that the approval of both the Architects and the Owner will be required, prior to the signing of the contract, on the subcontractors listed by the successful bidder on the proposal form, for Plumbing, Electrical, Air Conditioning, and Casework.

It is further recommended that you adopt the following formal resolution:

RESOLVED, that the Executive Committee of the Board of Regents of The University of Texas, in accordance with authority given by the entire Board of Regents, hereby gives approval to the final plans and specifications dated June 15, 1956, prepared by MacKie and Kamrath, Architects, entitled "Additions to The University of Texas M. D. Anderson Hospital and Tumor Institute."

After the Executive Committee had thoroughly considered these recommendations, a copy of which had been presented to each member, it adopted the recommendations including the resolution set out above, upon motion of Mr. Lockwood, seconded by Mr. Jeffers.

Biennial Budget Requests, 1957-59. -- The Biennial Budget Requests for 1957-59 as submitted by the heads of the various component institutions of The University of Texas, at the request of President Wilson, were presented by Vice-President Dolley together with an analysis of the budget variances for each institution and a summary of the State General Revenue Funds and Educational and General Funds. The Executive Committee considered these budgets in the light of the

Biennial Budget Policies approved by the Executive Committee March 17, 1956, and reflected in the Permanent Minutes, Vol. III, Page 550.

1. The University of Texas Dental Branch Biennial Budget Requests, 1957-59. -- Upon recommendation of President Wilson and Vice-President Dolley, the Biennial Budget Requests for 1957-59 of The University of Texas Dental Branch were approved in the form as submitted by Dean Olson since they complied in every respect with the policies adopted by the Board.

2. The University of Texas Southwestern Medical School Biennial Budget Requests, 1957-59. -- Upon recommendation of President Wilson and Vice-President Dolley and upon motion of Mr. Lockwood, seconded by Mr. Jeffers, the Biennial Budget Requests for 1957-59 of The University of Texas Southwestern Medical School were approved with the following change to be implemented:

Request an increase in the salary of the dean in accordance with the policy adopted for institutional heads.

3. The University of Texas M. D. Anderson Hospital and Tumor Institute Biennial Budget Requests, 1957-59. -- Upon the recommendation of President Wilson and Vice-President Dolley, and upon motion of Mr. Sorrell, seconded by Mr. Jeffers, the Biennial Budget Requests for 1957-59 of The University of Texas M. D. Anderson Hospital and Tumor Institute were approved as submitted with the proviso that Vice-President Casberg carefully review each and every request for new positions and report through President Wilson to the full Board at the November meeting the number of new positions and the amount by which these recommendations might be reduced.

4. The University of Texas Postgraduate School of Medicine Biennial Budget Requests, 1957-59. -- Upon recommendation of President Wilson, the Executive Committee approved the Biennial Budget Requests for 1957-59 of The University of Texas Postgraduate School of Medicine as submitted with the following changes:

a. Change "Dean" to show no salary for 1957-58 and 1958-59 from General funds and to include a footnote to state that the salary of the Dean is paid from Grant funds.

b. Remove Grant funds from all schedules in the legislative submission and reflect only Educational and General funds in the Biennial Requests.

c. Change the title of photographer to a more appropriate one for the work done as "Technical Assistant."

d. Include in the justifications a fee schedule.

5. Texas Western College of The University of Texas Biennial Budget Requests for 1957-59. --Upon motion of Mr. Lockwood, seconded by Mr. Jeffers, based on the recommendation of President Wilson and Vice-President Dolley, the Biennial Budget Requests for 1957-59 of the Texas Western College of The University of Texas were approved by the Executive Committee as submitted subject to the following changes in order to comply with the Biennial Budget Policies adopted by the Board:

a. Request salary of President to be restated in accordance with policy adopted for institutional heads.

b. Reduce increase in appropriation for Summer School from \$85,000 to \$30,000.

c. Reduce administrative salary increases from 12.5% to 10% in accordance with Biennial Budget Policies.

d. Reduce increase in Maintenance and Operation from \$50,982 to circa \$30,000.

e. Reduce increase for Special Equipment from \$145,050 to circa \$125,000 for the first year of the biennium and reduce increase for the second year by \$20,000.

6. Central Administration, Available University Fund, Main University, and Texas Memorial Museum Biennial Budget Requests, 1957-59. --Upon motion of Mr. Lockwood, seconded by Mr. Sorrell, the Executive Committee approved as submitted the Biennial Budget Requests for 1957-59 of Central Administration, Available University Fund, Main University, and the Texas Memorial Museum. (See Page 647)

7. The University of Texas Medical Branch Biennial Budget Requests, 1957-59. --Mr. Jeffers moved the approval of The University of Texas Medical Branch Biennial Requests for 1957-59 as submitted with the following exceptions in the:

a. School of Medicine
Increase salary of director in accordance with the policy adopted for institutional heads.

b. Hospitals

- (1) Reduce Maintenance and Operations to a 10% increase.
- (2) Reduce "new positions" in a sufficient amount to bring the total increase in the hospital budget below the figure of \$500,000.

Mr. Lockwood seconded this motion which carried.

(Each member of the Board was furnished with a multigraphed copy of this report ten days before the September meeting.)

REPORT OF INTERIM ACTIONS (INDIVIDUAL VOTE BY MAIL). --

The following items have been presented by President Wilson to the Executive Committee since the last meeting of the Board. Each item has been approved by the Committee by individual vote by mail:

Authorization for Employment of Collection Agency, Medical Branch. --

Upon the recommendation of Doctor Truslow, concurred in by President Wilson, the Executive Committee approved the employment of Southern Adjustment Company of Houston by The University of Texas Medical Branch to collect accounts receivable for the year 1952-53 with the understanding that all collection letters will be reviewed and cleared at the Medical Branch before permission is given to the company to canvass the various accounts and that The University of Texas Medical Branch will advise the collection agency that no suit may be filed on any delinquent account without prior specific authorization, since any such suit would require the approval and joinder of the Attorney General.

Organizational Changes, Medical Branch. --The Executive Committee, upon the recommendation of Doctor Truslow, as presented and concurred in by President Wilson, approved the following two major organizational changes at The University of Texas Medical Branch:

1. Transfer the Office of the Business Manager from the area of the Administrator of Hospitals and Director of Facilities to a status directly accountable to the Director. (This will in effect amend the chart in the Permanent Minutes, Volume II, Page 254.)
2. Transfer the supervision of physical plant operations to the Office of the Business Manager. (This will amend the chart in the Permanent Minutes, Volume II, Page 730, and will amend item 5 in the Permanent Minutes, Volume III, Page 51.)

Faculty Legislation: Changes in Master in Business Administration Degree, Plans I and II, and Master in Professional Accounting Degree. -- Upon recommendation of the Graduate Legislative Council, as presented and concurred in by President Wilson, the Executive Committee approved the following changes in the requirements for a:

1. Master in Business Administration Degree, Plan I:

- a. Insert in the Graduate Catalogue, No. 5413, Page 39, under Prerequisites, before the last two sentences, the following:

Students lacking undergraduate credit in Management may be allowed to take Management 381 to count as graduate credit and also to absolve the undergraduate requirement of a course in Management but not to count as undergraduate semester hour credit. Students lacking undergraduate credit in Marketing may be allowed to take Marketing 381 to count as graduate credit and also to absolve the undergraduate requirement of a course in Marketing but not to count as undergraduate semester hour credit.

- b. Under Requirements, substitute for the sentence in paragraph one (which now reads "Thirty semester hours of senior and graduate courses in business administration, of which at least twelve must be in courses of graduate rank, including Business Administration 698 and one course of the seminar type.") the following new requirement:

Thirty semester hours of senior and graduate courses in business administration, including Business Administration 698 and two graduate seminar courses.

2. Master in Business Administration Degree, Plan II:

This plan is designed for students preparing for careers in business or the operating phases of government, as well as for members of the Armed Services.

Prerequisites -- Same as for Plan I.

Requirements -- For the degree of Master in Business Administration under this plan, the

requirements are:

Thirty-six hours of graduate and senior courses in business administration approved by the department in which the student does his major work and by the Graduate Adviser. Of these thirty-six hours the student will be required to take (unless waived by the Graduate Adviser) twelve hours as follows:

1. Administrative Policy
2. Business and Public Policy
3. Business Research and Controls I
4. Business Research and Controls II

All candidates for this degree will be required to submit a bound professional report, to be approved by a committee appointed by the Dean of the Graduate School. The student will also be required to have at least one seminar course (two are recommended).

The grade requirements are the same as that of the Graduate School.

Required routine, including application for degree. --
The general routine is the same as that for Plan I.
A degree plan must be filed with the Graduate Adviser.

3. Master in Professional Accounting:

Amend the Graduate Catalogue, No. 5413, Pages 51-52, by substituting the following for all requirements:

Prerequisites:--An applicant for this degree must hold a bachelor's degree from The University of Texas, or an equivalent degree from an approved institution, and must have credit for the following:

a. At least 60 semester hours of course work outside the College of Business Administration, including at least 6 semester hours in each of the following areas:

- (1) principles of economics
- (2) other social sciences
- (3) physical or natural sciences
- (4) mathematics
- (5) language arts or fine arts

with 6 or more semester hours in one of these areas at the junior or senior level;

b. At least 24 semester hours of course work in business administration exclusive of accounting and including some work in business law, statistics, finance, marketing, business organization, and business communication; and

c. At least 15 semester hours of accounting, including elementary and intermediate principles and elementary cost accounting.

Requirements:--A total of 30 semester hours is required for the degree of Master of Professional Accounting, as follows:

a. 24 semester hours of accounting at the senior or graduate level, including Accounting 381 and Accounting 390.

b. 6 semester hours of courses in fields related to accounting. Three of these hours must be at the graduate level; the other must be at the senior or graduate level.

c. Successful completion of nine months' full-time internship in public or private accounting. The proposed internship must be approved in advance of employment by a member of the graduate accounting faculty and the department chairman. A report of this experience must be approved by the employer and the graduate professor and must give evidence of rotation in jobs and broad training. Applicants presenting 24 semester hours of advanced accounting as undergraduates may receive up to 4 semester hours' credit for this training.

d. Satisfactory performance in an oral examination covering course work and internship training, to be taken before the beginning of the final examination period of the term or semester in which the degree is to be conferred.

A degree plan must be filed with the Graduate Adviser.

(Each member of the Board was furnished with a multigraphed copy of this report ten days before the September meeting.)

REPORT OF INTERIM ACTIONS (INDIVIDUAL VOTE BY TELEPHONE; LATER CONFIRMED BY MAIL). --The Executive Committee by individual vote by long distance telephone authorized Cliff Courts designated as a dormitory available to Negro men students and after its demolition authorized San Jacinto Dormitory G available. (See Docket Item M-45.) (P. 127)

REPORT OF LAND AND INVESTMENT COMMITTEE (MISCELLANEOUS MATTERS). --Mr. Jeffers, Chairman of the Land and Investment Committee, presented the following report: (See Page 57 adoption.)

PERMANENT UNIVERSITY FUND--INVESTMENT MATTERS. --

REPORT OF PURCHASES OF SECURITIES. --The following purchases of securities have been made for the Permanent University Fund since the report of June 1, 1956. We ask that the Board ratify and approve these transactions.

UNITED STATES GOVERNMENT BONDS PURCHASED

<u>Issue</u>	<u>Par Value</u>	<u>Purchase Price</u>	<u>Yield Basis*</u>	<u>Principal Cost</u>	<u>Date of Delivery</u>
3% U. S. Treas., due 2/15/95	\$ 300,000	99.875000	3.00%	\$ 299,625.00	6/ 6/56
Ditto	800,000	99.937500	3.00	799,500.00	6/22/56
Ditto	2,000,000	99.750000	3.01	1,995,000.00	7/ 2/56
Ditto	2,000,000	99.906250	3.00	1,998,125.00	7/ 3/56
Ditto	1,000,000	99.906250	3.00	999,062.50	7/ 3/56
Ditto	1,000,000	99.937500	3.00	999,375.00	7/ 5/56
Ditto	1,000,000	99.890625	3.00	998,906.25	7/ 5/56
Ditto	1,000,000	99.906250	3.00	999,062.50	7/ 9/56
Ditto	1,000,000	99.906250	3.00	999,062.50	7/ 9/56
Ditto	1,000,000	99.656250	3.02	996,562.50	7/10/56
Ditto	1,000,000	99.687500	3.01	996,875.00	7/10/56
Ditto	1,000,000	99.531250	3.03	995,312.50	7/11/56
Ditto	1,000,000	99.500000	3.03	995,000.00	7/11/56
Ditto	1,000,000	99.406250	3.03	994,062.50	7/12/56
Ditto	1,000,000	99.375000	3.03	993,750.00	7/12/56
Ditto	900,000	99.218750	3.04	892,968.75	7/16/56
Ditto	900,000	99.203125	3.04	892,828.13	7/16/56
Ditto	900,000	98.406250	3.07	885,656.25	7/23/56
Ditto	500,000	97.468750	3.11	487,343.75	8/ 1/56
Ditto	900,000	95.937500	3.18	863,437.50	8/20/56
Ditto	600,000	95.187500	3.22	571,125.00	9/ 5/56
Totals	<u>\$20,800,000</u>			<u>\$20,652,640.63</u>	

*Yield to maturity.

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TEXAS MUNICIPAL BONDS PURCHASED

	Par Value	Purchase Price	Yield Basis*	Principal Cost	Date of Delivery
City of San Marcos, St. Imp. 3-1/4% Bonds, 6/1/84-86/76	\$44,000	100.00	3.25%	\$44,000.00	7/19/56
City of Jacksonville, Wks. & Swr. Sys. Bonds, 3-1/4%, 11/15/81-85/75	40,000	100.00	3.25	40,000.00	8/17/56
Totals	<u>\$84,000</u>			<u>\$84,000.00</u>	

*Yield to option.

PERMANENT UNIVERSITY FUND--LAND MATTERS. --

LEASES AND EASEMENTS. --The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. All are at the standard rate unless otherwise stated, are on the University's standard forms, and have been approved as to form by the University Land and Trust Attorney and as to content by the University Endowment Officer. The Land and Investment Committee asks that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

PIPE LINE EASEMENT NO. 822, PERMIAN BASIN PIPELINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Permian Basin Pipeline Company covers 3,428.20 rods of 16-inch natural gas line at \$1.50 per rod in Sections 12, 13, 14, 15, 20, 21, 22, 23, 28, 29, 30, and 31, Block 4; and Sections 3, 4, 5, 7, and 8, Block 5, University Lands in Andrews County, Texas, for a ten-year period beginning May 1, 1956, and ending April 30, 1966. The full consideration in the amount of \$5,142.30 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 823, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers 136.7 rods of 4-inch gas line at \$0.25 per rod in Sections 28 and 33, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning November 1, 1954, and ending October 31, 1964. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 824, PHILLIPS PETROLEUM COMPANY, ECTOR COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers 276.9 rods of 10-inch line at \$1.00 per rod and 189.6 rods of 4-inch line at \$0.25 per rod in Section 1, Block 35, University Lands in Ector County, Texas, for a ten-year period beginning May 1, 1956, and ending April 30, 1966. The full consideration in the amount of \$324.30 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 825, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 181.8 rods of 6-inch gas line at \$0.50 per rod in Sections 27 and 34, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning April 9, 1956, and ending April 8, 1966. The full consideration in the amount of \$90.90 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 826, EL PASO NATURAL GAS COMPANY, UPTON COUNTY, TEXAS. -- This application for a pipe line easement to El Paso Natural Gas Company covers 20.727 rods of 4-1/2-inch gas line at \$0.50 per rod in Section 4, Block 3, University Lands in Upton County, Texas, for a ten-year period beginning July 1, 1956, and ending June 30, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 827, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Pipe Line Company covers 116.2 rods of 2-inch gas line at \$0.25 per rod in Section 3, Block 5, University Lands in Andrews County, Texas, for a ten-year period beginning December 1, 1955, and ending November 30, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

STORAGE TANK EASEMENT NO. 828, CITIES SERVICE OIL COMPANY, ANDREWS COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 495, EXPIRED JULY 31, 1956). -- This application for a storage tank easement to Cities Service Oil Company covers a site used for two storage tanks, located on Section 13, Block 13, and Section 14, Block 14, University Lands in Andrews County, Texas, for a one-year period beginning August 1, 1956, with the option of extending and renewing the lease from year to year, but not to exceed a total of five years from August 1, 1956, by payment in advance of the annual rental of \$50.00. The purpose of the storage tanks is to permit the company to run oil from a lease not on University Lands to these tanks located on University Lands, these tanks also being used in connection with the company's oil and gas leases No. 28618 and No. 28634 on University Lands. The full consideration for the first year's rental beginning August 1, 1956, in the amount of \$50.00 has been tendered with the application.

CALICHE PERMIT NO. 95, NEW-MEX CONSTRUCTION COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a caliche permit to New-Mex Construction Company provides for the removal of 856 cubic yards of caliche from Section 19, Block 13, University Lands in Andrews County, Texas, at the rate of 25¢ per cubic yard. The full consideration in the amount of \$214.00 has been tendered with the application.

CALICHE PERMIT NO. 96, T. B. TRIPP & SONS, ECTOR COUNTY, TEXAS. -- This application for a caliche permit to T. B. Tripp & Sons provides for the removal of 680 cubic yards of caliche from Section 6, Block 35, University Lands in Ector County, Texas, at the rate of \$0.25 per cubic yard. The full consideration in the amount of \$170.00 has been tendered with the application.

CALICHE PERMIT NO. 97, FRANK MONTGOMERY, ANDREWS COUNTY, TEXAS. --This application for a caliche permit to Frank Montgomery provides for the removal of 688 cubic yards of caliche from Block 11, University Lands in Andrews County, Texas, at the rate of \$0.25 per cubic yard. The full consideration in the amount of \$172.00 has been tendered with the application.

CALICHE PERMIT NO. 98, PARKER AND PARKER, INC., ANDREWS COUNTY, TEXAS. --This application for a caliche permit to Parker and Parker, Inc., provides for the removal of 476 cubic yards of caliche from Block 11, University Lands in Andrews County, Texas, at the rate of \$0.25 per cubic yard. The full consideration in the amount of \$119.00 has been tendered with the application.

WATER LEASE CONTRACT NO. 66, RALPH LOWE, ANDREWS COUNTY, TEXAS (RENEWAL OF WATER LEASE CONTRACT NO. 63, EXPIRED NOVEMBER 30, 1955). --This application for a water lease contract to Ralph Lowe of Midland, Texas, giving him permission to produce and sell water from water wells on Block 12, University Lands in Andrews County, Texas, provides for payment to the University of royalties at the rate of 12-1/2% for all water sold for drilling oil wells on University Lands and at the rate of 20% on water furnished for drilling oil wells on non-University lands. The lease is for a period of two years beginning December 1, 1955, and ending November 30, 1957, subject to cancellation by either party on sixty days' notice. The lease also provides for a minimum charge of \$2,500.00 for all water furnished to a drilling rig while prospecting for oil above the depth of 7500 feet and for each day water is furnished to wells drilling below 7500 feet a minimum charge of \$25.00 per day.

WATER LEASE CONTRACT NO. 67, R. B. FERGUSON AND ROBBIE FERGUSON, JR., REAGAN COUNTY, TEXAS. --This application for a water lease contract to R. B. Ferguson and Robbie Ferguson, Jr., will grant the right of delivering and selling water produced by the lessees from their well or wells located in the Northwest 1/4 of Section 16, Block 48, University Lands in Reagan County, Texas, on which the lessees operate a grazing lease granted by the University. Consideration for the contract is at the rate of \$0.10 for each 1,000 gallons of all water sold and delivered. The lease is for a period of two years beginning July 1, 1956, and ending June 30, 1958.

PIPE LINE EASEMENT NO. 801, HUMBLE PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS - CORRECTION OF AMOUNT DUE FOR TEN-YEAR PERIOD. --Easement 801 was granted by the Board on June 1, 1956, the full consideration for the ten-year period being incorrectly reported to the Board as \$50.00. The correct consideration for the ten-year period for 265.33 rods of 4-inch line at \$0.25 per rod is \$66.33 and was tendered in this amount by the company.

PIPE LINE EASEMENT NO. 807, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS - AMENDMENT TO SHOW PAYMENT OF FULL CONSIDERATION FOR TWENTY-FIVE YEAR PERIOD. --Easement No. 807 was granted on June 1, 1956, with the Board's condition that the company agree to pay the full consideration for the twenty-five year period in advance. The company agreed to the Board's condition and tendered the balance of the twenty-five year consideration, the

total consideration for the twenty-five year period being \$10,000.00. An amendment has been prepared to the original instrument to show this full payment, the remaining terms of the easement being as submitted on June 1, 1956.

PIPE LINE EASEMENT NO. 821, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS - AMENDMENT TO PROVIDE ASSIGNMENT FOR MORTGAGE PURPOSES. --El Paso Natural Gas has requested that Easement No. 821, granted by the Board on June 1, 1956, be amended so as to include a provision for assignment for mortgage purposes which was inadvertently omitted by the company at the time the easement was submitted to the Board of Regents. The assignment provision clause to amend the easement has been previously added when requested as Paragraph No. 11-A to the University's standard pipe line easement form as quoted below:

(11-A) But it is agreed that the second party may assign and transfer its rights and liabilities under this contract only to a corporation with which it may be merged or consolidated or which shall have acquired substantially all of its properties and franchises; provided, however, that the foregoing shall not operate to prevent the assignment of this contract to the Trustee under any mortgage placed upon the property of the company, or to prevent the Trustee or any receiver from using this contract in such way as to secure the benefits thereof to the holders of the bonds secured by said mortgage, in either of which events this contract shall inure to the benefit of and be as binding upon the respective successors and assigns of the parties as upon the parties themselves; provided that in the event of any such assignment or transfer, due notice shall be given, in writing, to the Party of the First Part.

It is recommended that Easement No. 821 be amended so as to include the assignment provisions as quoted above.

PIPE LINE EASEMENT NO. 829, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 178.8 rods of 4-inch oil pipe line at \$0.25 per rod in Section 31, Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning December 2, 1955, and ending December 1, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 830, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 188.4 rods of 4-inch oil pipe line at \$0.25 per rod in Section 36, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning July 13, 1955, and ending July 12, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 831, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 112.8 rods of 4-inch oil pipe line at \$0.25 per rod in Section 7, Block 10, and Section 12, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning April 26, 1956, and ending April 25, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 832, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 106.1 rods of 4-inch oil pipe line at \$0.25 per rod in Section 36, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning February 11, 1955, and ending February 10, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 833, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 105.6 rods of 4-inch oil pipe line at \$0.25 per rod in Section 36, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning July 29, 1955, and ending July 28, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 834, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 163.6 rods of 4-inch oil pipe line at \$0.25 per rod in Section 31, Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning March 17, 1956, and ending March 16, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 835, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 160.6 rods of 4-inch oil pipe line at \$0.25 per rod in Section 31, Block 9, and Section 36, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning December 2, 1955, and ending December 1, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 836, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 156 rods of 4-inch oil pipe line at \$0.25 per rod in Section 26, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning March 15, 1956, and ending March 14, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 837, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers 448 rods of 4-inch line at \$0.25 per rod in Section 36, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning August 1, 1956, and ending July 31, 1966. The full consideration in the amount of \$112.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 838, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Petroleum Company covers 115 rods of 4-inch gathering line at \$0.25 per rod in Section 36, Block 12, University Lands in Andrews County, Texas, for a ten-year period beginning December 9, 1955, and ending December 8, 1965. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 839, PHILLIPS PETROLEUM COMPANY, CRANE COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers a total of 1700.8 rods of line in Sections 33, 34, 38, 39, 40, 45, 46 and 47, Block 30, University Lands in Crane County, Texas, as follows: 322.5 rods of 20-inch line at \$1.50 per rod, 301 rods of 16-inch line at \$1.50 per rod, 328.9 rods of 12-inch line at \$1.50 per rod, 175.8 rods of 8-inch line at \$1.00 per rod, 66.6 rods of 7-inch line at \$1.00 per rod, 181.8 rods of 6-inch line at \$0.50 per rod, and 324.2 rods of 4-inch line at \$0.25 per rod. This easement is to be for a ten-year period beginning September 9, 1955, and ending September 8, 1965. The full consideration in the amount of \$1,842.95 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 840, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 66.8 rods of 8-inch gas discharge line at \$1.00 per rod and 48.5 rods of 3-inch fuel line at \$0.25 per rod in Section 31, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning May 10, 1956, and ending May 9, 1966. The full consideration in the amount of \$78.92 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 841, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 181.82 rods of 6-5/8-inch gas line at \$0.75 per rod in Sections 27 and 34, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning April 12, 1956, and ending April 11, 1966. The full consideration in the amount of \$136.37 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 842, PHILLIPS PETROLEUM COMPANY, REAGAN AND UPTON COUNTIES, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 2177.80 rods of 2-inch gasoline line at \$0.25 per rod in Sections 11, 12, 14, 15, 22, 27, 28, and 33, Block 2, and Sections 16 and 17, Block 58, University Lands in Upton and Reagan Counties, Texas, for a ten-year period beginning February 7, 1955, and ending February 6, 1965. The full consideration in the amount of \$544.45 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 843, TEXAS-NEW MEXICO PIPE LINE COMPANY, DAWSON AND GAINES COUNTIES, TEXAS. -- This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 230.2 rods of 4-1/2-inch oil pipe line at \$0.50 per rod and 205.8 rods of 6-5/8-inch oil pipe line at \$0.75 per rod in Section 1, Block 6, Dawson and Gaines Counties, Texas, for a ten-year period beginning August 1, 1956, and ending July 31, 1966. The full consideration in the amount of \$269.45 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 844, TEXAS-NEW MEXICO PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Texas-New Mexico Pipe Line Company covers 729.4 rods of 4-1/2-inch oil pipeline at \$0.50 per rod and 467.33 rods of 6-5/8-inch oil pipe line at \$0.75 per rod in Section 25, Block 5; Sections 22, 34, and 35, Block 6; Section 23, Block 12; and Sections 4, 5,

and 8, Block 14, University Lands in Andrews County, Texas, for a ten-year period beginning August 1, 1956, and ending July 31, 1966. The full consideration in the amount of \$715.20 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 845, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to El Paso Natural Gas Company covers 272.412 rods of 4-1/2-inch gas gathering pipe line at \$0.50 per rod in Sections 16 and 21, Block 1, and Sections 13 and 15, Block 9, University Lands in Andrews County, Texas, for a ten-year period beginning August 1, 1956, and ending July 31, 1966. The full consideration in the amount of \$136.21 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 846, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 1062.6 rods of 2-3/8-inch line at \$0.25 per rod in Sections 1, 2, 3, 9, and 10, Block 11, University Lands in Andrews County, Texas, for a ten-year period beginning December 20, 1955, and ending December 19, 1965. The full consideration in the amount of \$265.65 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 847, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 218 rods of 4-inch line at \$0.25 per rod in Section 17, Block 12, University Lands in Andrews County, Texas, for a ten-year period beginning February 16, 1956, and ending February 15, 1966. The full consideration in the amount of \$54.50 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 848, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 112.2 rods of 4-inch line at \$0.25 per rod in Section 26, Block 12, University Lands in Andrews County, Texas, for a ten-year period beginning March 19, 1956, and ending March 18, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 849, PHILLIPS PETROLEUM COMPANY, CRANE AND UPTON COUNTIES, TEXAS. -- This application for a pipe line easement to Phillips Petroleum Company covers 525.7 rods of 10-inch line at \$1.00 per rod and 78.8 rods of 3-inch line at \$0.25 per rod in Sections 47 and 48, Block 30, University Lands in Crane and Upton Counties, Texas, for a ten-year period beginning August 1, 1956, and ending July 31, 1966. The full consideration in the amount of \$545.40 for the ten-year period has been tendered with the application.

COMMUNITY CENTER SITE EASEMENT NO. 850, SHEFFIELD INDEPENDENT SCHOOL DISTRICT, PECOS COUNTY, TEXAS (SUPERSEDES GRAZING LEASE NO. 571 TO BAKERSFIELD BAPTIST CHURCH, EXPIRED 4/30/56). -- In 1946, the Board of Regents approved the petition from the residents of the Taylor-Link Oil Field for a church site for the Bakersfield Baptist Church, such site to be 210 feet by 210 feet, containing one acre, more or less, in the NE/4 of the SW/4 of Section 31, Block 16, University Lands in Pecos County, Texas, and a lease (designated as

Grazing Lease No. 571) was granted for a ten-year period beginning May 1, 1946, and ending April 30, 1956, no consideration being involved in the lease. Recently, the Baptist Church has permitted the Sheffield Independent School District to use the improvements on the site as a community center, church services having been discontinued on a regular basis. An application has now been received for a ten-year easement on the same site to the Sheffield Independent School District for use as a community center, the easement to begin on May 1, 1956, and to end on April 30, 1966, with no consideration involved in the easement. It is recommended that the Board grant the easement and authorize the Chairman to execute the instrument involved upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

CHURCH SITE EASEMENT NO. 851, PENWELL UNION CHURCH, ECTOR COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 156, EXPIRED 9/30/51). --In 1941, the Board of Regents granted a ten-year easement to the Penwell Union Church on a plot of ground 150 feet by 250 feet out of Section 1, Block 35, University Lands in Ector County, Texas, for the purpose of building a church on the site, no consideration being involved in the easement. The Penwell Union Church is continuing to use the site and has requested that a renewal be granted for a period of ten years beginning October 1, 1951, and ending September 30, 1961, the rental to be \$10.00 for the ten-year period, payable in advance. It is recommended that the Board grant the easement and authorize the Chairman to execute the instrument involved upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

UNDERGROUND STORAGE TANK EASEMENT NO. 774, H & D GAS COMPANY, INC., WARD COUNTY, TEXAS - WITHDRAWAL BY COMPANY. --On April 6, 1956, the Board of Regents approved an application for an underground storage tank easement to H & D Gas Company, Inc., of Midland, Texas, covering a plot 1500 feet by 700 feet out of Section 42, Block 18, University Lands in Ward County, Texas, for a period of fifteen years, beginning May 1, 1956, and ending April 30, 1971, with an option to renew for an additional term of ten years on negotiated terms, at an annual rental of \$1,000, payable annually in advance. Subsequent to this approval, the company has withdrawn its application. It is recommended that the Board accept the withdrawal.

GAP FILLER SITE AND ROAD ACCESS EASEMENT NO. 762, UNITED STATES GOVERNMENT, DEPARTMENT OF THE ARMY, HUDSPETH COUNTY, TEXAS. --On February 3, 1956, the Board of Regents approved an application for a gap filler site and road access easement for use by the United States Air Force in Sections 19 and 24, Blocks J and K, University Lands in Hudspeth County, Texas, the approved easement to be for a twenty-five year period from February 1, 1956, with annual rental of \$25.00 payable annually in arrears. Subsequent to this approval, the University was advised by the Government that regulations would not permit use of the ground by the Air Force on an easement basis and that condemnation proceedings were being instituted. Upon protest of the University, the matter was explored further by the Corps of Engineers, U. S. Army, Albuquerque District, from which office the original application had been initiated, with the result that reconsideration was given by the Government to an easement from the University on

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revised terms with the site and road access descriptions to remain as approved originally, the site containing 0.32 of an acre, more or less, for an air force installation site, and the road access right-of-way containing 4.78 acres, more or less. The revised proposal is for an easement for a period of twenty-five years, beginning February 1, 1956, and ending January 31, 1981, the easement to remain in force thereafter from year to year without further notice but in no event to extend beyond January 31, 2006, rental to be \$25.00 for the 25-year period ending January 31, 1981, and \$25.00 for the 25-year period ending January 31, 2006, payment to be made at the beginning of each 25-year period. It is recommended that the Board accept the revised proposal as submitted and that the Chairman of the Board be authorized to execute the instrument upon approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

PIPE LINE EASEMENT NO. 852, GULF REFINING COMPANY, CRANE COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 278, EXPIRED 2/29/56). --This application for a pipe line easement to Gulf Refining Company covers 2595 rods of 4-inch line at \$0.25 per rod (681 rods provided for in Easement No. 278 plus additional lines in same area), in Sections 22, 27, 33, 45, 35, 38, 39, 46, and 47, Block 30, University Lands in Crane County, Texas, for a ten-year period beginning March 1, 1956, and ending February 28, 1966. The full consideration in the amount of \$648.75 has been tendered with the application.

PIPE LINE EASEMENT NO. 853, THE TEXAS COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to The Texas Company covers 160 rods of 4-inch line at \$0.25 per rod in Section 22, Block 12, University Lands in Andrews County, Texas, for a ten-year period beginning November 1, 1956, and ending October 31, 1966. The full minimum consideration in the amount of \$50.00 has been tendered with the application. (Renewal of Easement No. 290)

PIPE LINE EASEMENT NO. 854, PASOTEX PIPE LINE COMPANY, CROCKETT AND UPTON COUNTIES, TEXAS (RENEWAL OF EASEMENT NO. 286, EXPIRING 9/30/56). --This application for a pipe line easement to Pasotex Pipe Line Company covers 1,431.33 rods of 10-3/4-inch oil line at \$1.00 per rod across University Lands in Sections 12, 13, 14, and 17, Block 14, Crockett County, Texas, and Section 18, Block 14, Crockett and Upton Counties, Texas, for a ten-year period beginning October 1, 1956, and ending September 30, 1966. The full consideration in the amount of \$1,431.33 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 855, PASOTEX PIPE LINE COMPANY, WARD COUNTY, TEXAS (RENEWAL OF EASEMENT NO. 291, EXPIRING 10/31/56). --This application for a pipe line easement to Pasotex Pipe Line Company covers 150.8 rods of 3-inch line at \$0.25 per rod in Section 3, Block 16, University Lands in Ward County, Texas, for a ten-year period beginning November 1, 1956, and ending October 31, 1966. The full minimum consideration in the amount of \$50.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 856, GULF REFINING COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Gulf Refining Company covers 3,385 rods of 8-inch pipe line at \$1.00 per rod in Sections 29, 30, 32, 33, 39, 40, 46, and 47, Block 13; and Sections 5, 6, 8, 9, 15, 16, and 22, Block 1, University Lands in Andrews County, Texas.

for a ten-year period beginning September 1, 1956, and ending August 31, 1966. The full consideration in the amount of \$3,385.00 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 857, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 173.8 rods of 4-1/2-inch line at \$0.50 per rod in Sections 1 and 2, Block 8, University Lands in Andrews County, Texas, for a ten-year period beginning May 11, 1956, and ending May 10, 1966. The full consideration in the amount of \$86.90 for the ten-year period has been tendered with the application.

PIPE LINE EASEMENT NO. 858, PHILLIPS PIPE LINE COMPANY, ANDREWS COUNTY, TEXAS. --This application for a pipe line easement to Phillips Pipe Line Company covers 465.34 rods of 4-inch gathering line at \$0.25 per rod in Section 25, Block 11, and Section 30, Block 10, University Lands in Andrews County, Texas, for a ten-year period beginning February 2, 1956, and ending February 1, 1966. The full consideration in the amount of \$116.34 for the ten-year period has been tendered with the application.

BOOSTER STATION SITE EASEMENT NO. 760, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY, TEXAS - CORRECTION OF DESCRIPTION OF SITE. --On February 3, 1956, the Board of Regents approved a Booster Station Site Easement to Phillips Petroleum Company covering a 20-acre tract in the W/2 of Section 31, Block 9, University Lands in Andrews County, Texas, for use as a booster plant site, the description of the site being erroneously designated by the company in the instrument submitted in February in two directional calls. The company has now submitted an amendment to correct the site description, the two directional calls of N. 15° 19' E. and S. 74° 45' E. being corrected to N. 15° 19' W. and S. 74° 45' W. It is recommended that the Board accept the corrected description and authorize the Chairman to execute the amendment upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney. The company has tendered a \$1.00 filing fee in connection with the amendment.

ASSIGNMENT OF BUSINESS SITE EASEMENT NO. 582, FROM J. R. BEWICK TO R. H. (BOBBY) REES, REAGAN COUNTY, TEXAS. --In September, 1953, the Board of Regents granted a business site easement to J. R. Bewick covering a trucking lot 200 feet square on F. M. Highway No. 33, University Lands in Reagan County, Texas, for a one-year period from August 1, 1953, to July 31, 1954, with an option to renew from year-to-year for a total period not exceeding 10 years from August 1, 1953, upon payment by the Lessee of the annual rental of \$150.00 in advance. Application has now been made for assignment of the easement to R. H. (Bobby) Rees, a \$25.00 assignment fee and a \$1.00 filing fee having been tendered with the application. It is recommended that this assignment be approved by the Board and the Chairman authorized to execute the instrument upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

HIGHWAY RIGHT-OF-WAY EASEMENT NO. 859, WARD COUNTY, TEXAS, UNIVERSITY LANDS IN WARD COUNTY. --The University received on September 17 a request from the Commissioners' Court of Ward County, Texas, for an easement for road and drainage purposes

100 feet wide and 41,278 feet in length across parts of Blocks 17 and 18, University Lands in Ward County, for the purpose of constructing Ward County Road No. 4A2. No consideration is involved. It is recommended that the Board of Regents grant this easement, subject to approval of the grazing lessee and arrangements for fencing, cattle guards and watering satisfactory to University Land Agent Compton.

TRUST AND SPECIAL FUNDS--INVESTMENT MATTERS--

REPORT OF PURCHASES AND SALES OF SECURITIES. --The following purchases and sales of securities have been made for the Trust and Special Funds since the report of June 1, 1956. We ask that the Board ratify and approve these transactions:

PURCHASES

Date	Security	Principal Cost
5/28/56	\$40,000 par value U. S. 2-7/8% Treasury Notes of Series A-1958, due 6/15/58, purchased at 100:2 Net (100.0625) to yield 2.85% to maturity. Accrued interest paid to 5/29/56 (Temporary Investment - Interscholastic League Fund - Football Account)	\$40,025.00
6/12/56	\$8,000 par value U. S. 3% Treasury Bonds of 1995, due 2/15/95, purchased at 100:2 Net (100.0625) to yield 3.00% to maturity. Accrued interest paid to 6/13/56 (W. J. McDonald Observatory Fund)	8,005.00
	\$40,000 par value U. S. 2-1/2% Treasury Bonds of 1961, due 11/15/61, purchased at 98 Net to yield 2.90% to maturity. Accrued interest paid to 6/13/56	39,200.00
	\$40,000 par value U. S. 2-7/8% Treasury Notes of Series A-1958, due 6/15/58 purchased at 100:2 Net (100.0625) to yield 2.84% to maturity. Accrued interest paid to 6/13/56 (Temporary Investment - Ford Foundation Grant for School of Law)	40,025.00
	\$100,000 par value U. S. 2-7/8% Treasury Notes of Series A-1958, due 6/15/58, purchased at 100:2 Net (100.0625) to yield 2.84% to maturity. Accrued interest paid to 6/13/56 (Temporary Investment - Hogg Foundation: W. C. Hogg Memorial Fund - Varner Properties - Unappropriated Income)	100,062.50

PURCHASES (Continued)

Date	Security	Principal Cost
6/12/56	\$15,000 par value U. S. 3% Treasury Bonds of 1995, due 2/15/95, purchased at 100:2 Net (100.0625) to yield 3.00% to maturity. Accrued interest paid to 6/13/56	15,009.38
	\$5,000 par value General Electric Company 3-1/2% Debentures due 5/1/76, purchased at 102-5/8 Net to yield 3.32% to maturity. Accrued interest paid to 6/18/56	\$ 5,131.25
	\$5,000 par value Southern California Edison Company 1st & Refunding 3-5/8% Series G Bonds, due 4/15/81, purchased at 102 Net to yield 3.51% to maturity. Accrued interest paid to 6/18/56	5,100.00
	100 Shares Colgate-Palmolive Company Common Stock, purchased at 55-1/2 per share	5,590.55
	100 Shares Pacific Lighting Corporation Common Stock, purchased at 38-1/2 per share	3,884.25
	100 Shares Union Pacific Railroad Company Common Stock, purchased at 35-1/2, when issued, per share (Funds Grouped for Investment)	3,582.75
	100 Shares American Smelting & Refining Company Common Stock, purchased at 51-1/2 per share	5,190.15
	100 Shares Consolidated Edison Company of New York, Inc., Common Stock purchased at 46-1/2 per share	4,688.25
	100 Shares Norfolk & Western Railway Company Common Stock, purchased at 65 per share (Hogg Foundation: W. C. Hogg Estate Fund)	6,541.50
6/18/56	\$8,000 par value Commercial Bank 2% Certificate of Deposit, due in 12 months, purchased from The Austin National Bank in Austin, Texas (Temporary Investment - Ford Foundation Grant for School of Law)	8,000.00
6/22/56	\$11,000 par value U. S. 3% Treasury Bonds of 1995, due 2/15/95, purchased at 99:30 Net (99.9375) to yield 3.00% to maturity. Accrued interest paid to 6/25/56 (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	10,993.13

9-21-56

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PURCHASES (Continued)

Date	Security	Principal Cost
8/23/56	\$10,000 par value U. S. 2-3/8% Treasury Bonds due 6/15/58, purchased at 98-11/32 Net (98.34375) to yield 3.32% to maturity. Accrued interest paid to 8/24/56 (Archer M. Huntington Museum Fund)	\$9,834.38
	\$6,000 par value U. S. 3% Treasury Bonds due 2/15/95, purchased at 95-14/32 Net (95.4375) to yield 3.21% to maturity. Accrued interest paid to 8/24/56 (The W. J. McDonald Observatory Fund)	5,726.25
	\$5,000 par value Ditto (Student Property Deposit Scholarship Fund)	4,771.88
	200 Shares The Detroit Edison Company Capital Stock, purchased at 34-1/2 per share (Hogg Foundation: W. C. Hogg Estate Fund)	6,964.50

SALES

Date	Security	Net Proceeds
6/21/56	750 Rights for Pacific Gas and Electric Company Common Stock (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 167.80
	285 Rights Ditto (Funds Grouped for Investment)	63.77
	100 Rights Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	22.38
7/11/56	85 Shares Reed Roller Bit Company Common Stock, sold at 27-3/8 per share (Sharp Fund - Pioneers in Texas Oil)	2,293.70

SALES (Continued)

Date	Security	Net Proceeds
7/23/56	940 Rights to subscribe to Rare Metals Corporation of America Capital Stock based on holdings of El Paso Natural Gas Company Common Stock (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 67.58
	200 Rights Ditto (Hogg Foundation: Varner Properties)	14.38
	300 Rights Ditto (Funds Grouped for Investment)	21.57
	100 Rights Ditto (Wilbur S. Davidson Educational Fund)	7.19
	140 Rights Ditto (Will C. Hogg Memorial Scholarships Endowment)	10.06
	15 Rights Ditto (Will Rogers Memorial Scholarship Fund)	1.08
	200 Rights Ditto (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	14.38
8/28/56	200 Rights for The Detroit Edison Company 3-3/4% Convertible Debentures, due September 14, 1971 (Hogg Foundation: W. C. Hogg Estate Fund)	74.13
	400 Rights Ditto (Hogg Foundation: Varner Properties)	148.24
	100 Rights Ditto (Funds Grouped for Investment)	37.06
	100 Rights Ditto (Will Rogers Memorial Scholarship Fund)	37.06

TRUST AND SPECIAL FUNDS--BEQUEST AND ESTATE MATTERS--

ESTATE OF DWIGHT D. BOOK, DECEASED - REPORT ON SETTLEMENT OF WILL CONTEST, PRESENT STATUS OF ESTATE, AND REQUEST FOR APPROVAL OF ATTORNEYS' FEES. --As reported to the Board of Regents on June 1, 1956, Dwight D. Book of San Antonio died on October 27, 1955, leaving a will and codicil under which his residue Estate was left in trust with San Antonio Loan and Trust Company, also named as Independent Executor, with the balance, after payments of a total of \$700 per month to two ladies during their lives and specific bequest of his home and its contents, "to be paid to The University of Texas for Scholarships." As further reported, a will contest had been filed by certain heirs, and the law firm of

Denman, Franklin & Denman had contacted the University staff, suggesting approval of employment by the Executor of associate counsel for the contest proceedings.

Mr. Gilbert Denman, Jr., of the firm of Denman, Franklin & Denman, has recently reported to the staff that after prolonged trial of the matter in the Probate Court of Bexar County this summer and approach by opposing counsel for settlement, the Independent Executor, San Antonio Loan and Trust Company, settled the matter by payment of \$60,000 in cash from the Estate to the contesting heirs, accompanied by transfer to those heirs of certain of the contents of the home by the person to whom the home and contents were devised. The will has now been probated, and the Independent Executor is proceeding with administration.

The assets of the Estate as of September 5, 1956, are reflected in the following statement furnished by Mr. Denman, this being after payment of the will contest settlement but before payment of attorneys' fees, executor's fees, succession taxes, and miscellaneous claims and costs of administration:

Cash	- Principal	\$46,625.13	
	Income	<u>21,441.11</u>	\$ 68,066.24
Stocks	- 600 Shares - General Electric		27,825.00
Real Estate	- Lots in N. C. B. 106, Nos. 100 to 110 W. Houston, San Antonio, Texas		280,500.00
	- Lots 5, 8 and 11, Block 76, Public Land Survey, Mustang Island, Nueces County		<u>6,000.00</u>
	Total		<u>\$382,391.24</u>

The San Antonio property, known as the Book Building, produces gross rental of approximately \$33,000 annually. Net cash income might be in the neighborhood of \$20,000 annually, but appropriate depreciation reserve is yet to be determined by the Trustee after consulting the University.

Mr. Denman has pointed out that this will contest involved none of Mr. Book's heirs on his father's side who apparently are scattered throughout the United States, and that the will is still subject to attack by those heirs until the period of limitation runs. None of those heirs has been heard from.

Mr. Carl Wright Johnson of San Antonio was associate counsel with Denman, Franklin & Denman in the will contest matter. Mr. Denman reports that his firm and Mr. Johnson have agreed on a proposed fee of \$15,000 for his firm and \$15,000 for Mr. Johnson to be paid by the Executor. Due to the fact that Mr. Denman is a director of the San Antonio Loan and Trust Company, the Independent Executor and Trustee, and further that his firm is counsel for that institution, he has requested that the Board of Regents approve payment of these legal fees by the Executor. Mr. Denman points out that the fee to his firm includes all services from date of Mr. Book's

death to the present and will further cover preparation of the succession tax returns and routine matters during the administration of the Estate. Additional charges would be made for work on real estate leases and the like.

It is recommended that the Board of Regents authorize the Endowment Officer to notify Mr. Denman and the Executor that the Board approves payment of the proposed legal fees in the total amount of \$30,000.

ESTATE OF DeROSSETTE THOMAS, DECEASED - REPORT ON STATUS OF ESTATE, RATIFICATION OF SALE OF PROPERTY AT 419 PATTERSON AVENUE (ALAMO HEIGHTS), SAN ANTONIO, TEXAS, AND RATIFICATION OF SELECTION OF ANCILLARY ADMINISTRATOR WITH WILL ANNEXED IN THE STATE OF ARIZONA. --It was reported to the Board of Regents on June 1, 1956, that administration by the Executors had been completed except for details of turning over the Estate to the University, the Executors having stated that they desired to make such delivery soon. However, upon further consideration, the Executors decided to retain the cash on hand and to continue collection of rents on any Texas property until there was further assurance of no additional succession tax or income tax liability. They have kept in close touch with the University on all matters. They have agreed to make payments for repairs and remodeling on the Guidance Center property in San Antonio upon request from the Endowment Officer and within the limits authorized by the Board of Regents on June 1, 1956. See Page 420.

On June 1, 1956, the Board of Regents authorized the sale of the vacant residential property at 419 Patterson Avenue (Alamo Heights), San Antonio, at a price to net the University not less than \$8,000 cash. After extended efforts by officials of the Guidance Center in San Antonio in cooperation with the Endowment Office and the Executors of the Estate, an offer of \$8,550.00 cash was received from Mr. and Mrs. Henry S. Windes for this property. The sale is now in the process of being closed. Sales commission to Alamo Heights Realty Company will be \$427.50, and title policy fee to Security Title Company will be \$86.50, leaving \$8,036.00 net to the Estate. This sale was approved as provided in the authorization made by the Board of Regents on June 1, and Chairman Sealy has joined in a deed with the Executors of the Estate. Therefore, it is recommended that the Board of Regents adopt the following resolution confirming and ratifying this sale:

WHEREAS, at a regular meeting, being meeting No. 554 of the Board of Regents of The University of Texas, held in Austin, Texas, on June 1, 1956, among other things, in connection with the Estate of Miss DeRossette Thomas, deceased, the Board authorized sale of the property at 419 Patterson Avenue, San Antonio (Alamo Heights), Texas, described as Lot Abstract 4950 (49-50), Block Cert. 11, C. B. 4024, in the City of San Antonio (Alamo Heights), Bexar County, Texas, for a price to net the University not less than \$8,000 cash, such sale to be approved by the Chairman of the Land and Investment Committee, the Vice-President for Fiscal Affairs, and the Endowment Officer, and authorize upon these conditions the execution of a deed to the purchaser by the Chairman of the Board

of Regents after approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney"; and

WHEREAS, Henry S. Windes and wife, Cathryn L. Windes, of San Antonio, Texas, made an offer to purchase the above property for the sum of \$8,550.00, and which offer was duly approved and accepted and a deed duly executed and delivered for and in behalf of the Board of Regents of The University of Texas, as Trustee of the DeRossette Thomas Fund for Mental Hygiene, in accordance with the above resolution:

BE IT RESOLVED, That the above sale and conveyance of said property is hereby in all things duly accepted, approved, confirmed, and ratified.

It is expected that the check for the proceeds will be made payable jointly to the Executors of the Estate and to the University, and it appears that the Executors wish to receive this cash and account for it with cash already on hand. Therefore, it is further recommended that the Board of Regents approve any necessary endorsements by the Endowment Officer for payment of the net proceeds of the sale into the hands of the Executors.

As further authorized by the Board of Regents on June 1, 1956, the Land and Trust Attorney and the Endowment Officer have joined with the Executors of the Estate in requesting the Arizona Trust Company of Tucson, who served as agent for Miss Thomas in handling the one piece of real estate in that city, to serve as Ancillary Administrator with Will Annexed for the necessary probate proceedings in Arizona. It is recommended that the Board of Regents approve such request.

MEDICAL BRANCH - ESTATE OF A. C. McLAUGHLIN, DECEASED, COLORADO PORTION, REPORT ON PROGRESS IN TRANSFER OF ESTATE TO THE UNIVERSITY AND CONFERENCE OF THE STAFF WITH MR. STUART W. McLAUGHLIN IN RANGELY, COLORADO. -- Referring to the report to the Board of Regents on June 1, 1956, regarding prospective closing of the administration on the Colorado portion of the McLaughlin Estate, the University was later notified that the Order of Final Settlement and Distribution was entered in the County Court of Rio Blanco County, Colorado, on May 21, 1956. As authorized by the Board of Regents on June 1, Chairman Sealy has executed on behalf of the Board a receipt covering the Estate coming to the University and consent to the release and discharge of the Administrator and his surety, this being dated July 15, 1956. This receipt has been delivered to the Colorado attorneys and will be filed with the County Court in the near future, after which an order will be entered, discharging the Administrator and his surety. The Colorado attorneys have deferred filing the receipt until one of the oil companies is satisfied on minor requirements regarding payments to the University. Chairman Sealy has also executed most of the division orders necessary for the royalty and working interest payments to be made to the University. The others should be ready for signature shortly.

See P. 483

On August 15 to 17, 1956, Vice-President for Fiscal Affairs Dolley, Land and Trust Attorney Gaines, and Endowment Officer Stewart conferred with the University's Colorado attorneys, Holme, Roberts, More & Owen, in Denver, and with Mr. Stuart W. McLaughlin at Rangely, regarding legal problems and tax questions connected with the University's interests, arrangements for necessary papers and records for the University's files, handling of working interests, and possible conversion or disposition of all or part of these interests, particularly the working interests.

On December 10, 1954, the Board of Regents approved a plan anticipated to avoid the hazards and responsibilities of holding working interests and to avoid possible Federal income tax liabilities. Under this plan, all but the straight royalty interests were to be converted into "net profits royalty" interests or rearranged with Mr. Stuart McLaughlin, perhaps with participation by other members of his family. These arrangements were considered as tentative both by the University and by Mr. McLaughlin and the extended administration on the Estate, due principally to the Colorado Inheritance Tax matter, has delayed further work on the tentative plan.

Mr. McLaughlin has repeated his interest in submitting an offer, in which other members of his family probably would participate, for the purchase of all or any parts of the University's interests, along with an alternative proposal for conversion of any of the interests which the Board of Regents should decide not to sell. The staff expressed the opinion to Mr. McLaughlin that the Board of Regents would be glad to give thorough consideration to any proposal he may wish to submit, and he expects to have to the University around November 1, 1956, a proposal along the lines indicated.

Mr. McLaughlin conveyed to the University his appreciation of its trust responsibilities under his father's will, his desire to assist the University in every way until its plans regarding these interests could be determined, and his definite feeling that the University is under no obligation to favor him or other members of his family on a matter of disposition or conversion of any of the interests. He indicated assurance that his brother and sister feel as he does.

The Endowment Officer has requested a current market value appraisal of the Colorado interests by Dr. Clark F. Barb, recognized authority of Golden, Colorado, who appraised the interests as of the date of A. C. McLaughlin's death, January 6, 1952, for the Administrator.

Holme, Roberts, More & Owen has been requested to advise the University on Federal income tax and State of Colorado tax questions relating to these interests and on other legal questions relating to the rights and responsibilities of the University under certain of the interests.

**TEXAS WESTERN COLLEGE - ESTATE OF BERTHA M. FULLER,
DECEASED - PROPOSED RETURN OF PROMISSORY NOTE SIGNED
BY THE HEIRS, GIVEN TO COVER CASH BEQUEST, TO THE SIGNERS. --**

On October 13, 1955, the Board of Regents approved an arrangement under which a note signed by the three children of Mrs. Bertha M. Fuller was accepted to cover a cash bequest under her will to Texas Western College in the amount of \$2,500, this being for the purpose of allowing the

family to retain ownership of a farm in New Mexico which otherwise would have to be sold to pay claims and cash bequests. Though the papers carry no such conditions, it was understood that this plan could not be carried to completion without extensive refinancing of mortgage indebtedness. The representatives of the Estate have now notified President Holcomb that such refinancing cannot be arranged, and that the farm must be sold. Therefore, they are requesting that the promissory note dated August 31, 1955, in the amount of \$2,500 due on or before December 31, 1957, bearing interest at 6% from date, secured by the New Mexico real estate, and signed by C. M. Ferguson, individually and as Attorney in Fact for James D. Ferguson and Mary Jane Rogers, be returned to the signers for cancellation. The cash bequest would then be paid in due course of administration when and if funds are available.

It is recommended that the Board of Regents authorize President Holcomb to return the note to the signers upon approval of papers and procedure by the Land and Trust Attorney and the Endowment Officer to insure that the cash bequest is restored to its status prior to acceptance of the note.

TRUST AND SPECIAL FUNDS--REAL ESTATE MATTERS--

HOGG FOUNDATION: THOMAS E. HOGG ESTATE - RATIFICATION OF DIVISION ORDERS NOS. 7253 AND 7254 TO ESSO STANDARD OIL COMPANY, DOLPH PARRO AND SOUTH COAST CORPORATION FARMS, CHARENTON FIELD, ST. MARY PARISH, LOUISIANA. -- Pursuant to authorization granted by the Board, the Endowment Officer executed Division Orders Nos. 7253 and 7254 to Esso Standard Oil Company, covering oil purchased from Fifteen Oil Company's Dolph Parro Farm and South Coast Corporation Farm, respectively, Charenton Field, St. Mary Parish, Louisiana, with respect to royalty interest therein payable to Mrs. Margaret Wells Hogg as Testamentary Usufructuary during her lifetime and after her death to the Hogg Foundation: W. C. Hogg Memorial Fund as Naked Owner. It is recommended that the Board of Regents ratify and approve this action.

HOGG FOUNDATION: THOMAS E. HOGG ESTATE - RATIFICATION OF DIVISION ORDER NO. 7257 TO ESSO STANDARD OIL COMPANY, LAMSON AND BENNETT'S SOUTH COAST CORPORATION FARM, CHARENTON FIELD, ST. MARY PARISH, LOUISIANA. -- Pursuant to authorization granted by the Board, the Endowment Officer executed Division Order No. 7257 to Esso Standard Oil Company, covering oil run from Lamson & Bennett's South Coast Corporation Farm, Charenton Field, St. Mary Parish, Louisiana, with respect to royalty interest therein payable to Mrs. Margaret Wells Hogg as Testamentary Usufructuary during her lifetime and after her death to the Hogg Foundation: W. C. Hogg Memorial Fund as Naked Owner. It is recommended that the Board of Regents ratify and approve this action.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - RATIFICATION OF DIVISION ORDER NO. 146201 TO MAGNOLIA PETROLEUM COMPANY, J. W. WINKLEY - FRANK KOEHLER LEASE, DILLARD COOPER SURVEY, CALDWELL COUNTY, TEXAS. --Pursuant to authorization granted by the Board, the Endowment Officer executed Division Order No. 146201 to Magnolia Petroleum Company for oil run from the J. W. Winkley - Frank Koehler Lease, on 23-1/2 acres, more or less, Dillard Cooper Survey, Caldwell County, Texas, the University's interest being 1/128 of 1/8 in the minerals for the W. C. Hogg Estate Fund. It is recommended that the Board of Regents ratify and approve this action.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - RATIFICATION OF DIVISION ORDER NO. 142116 TO MAGNOLIA PETROLEUM COMPANY, IRVING SHEFTS - F. M. BRANYON "B" LEASE, R. J. MILLER LEAGUE, CALDWELL COUNTY, TEXAS. --Pursuant to authorization granted by the Board, the Endowment Officer executed Division Order No. 142116 to Magnolia Petroleum Company for oil run from the Irving Shefts - F. M. Branyon "B" Lease on the west 20 acres of the 25.2-acre tract, R. J. Miller League, Caldwell County, Texas, the University's interest being 1/4 of 3/72 of 1/8 in the minerals for the W. C. Hogg Estate Fund. It is recommended that the Board of Regents ratify and approve this action.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - PROPOSED MINERAL LEASE TO HUMBLE OIL AND REFINING COMPANY, FAULK AND TEAGARDEN SUBDIVISION, HARDIN COUNTY, TEXAS (EXTENSION OF MINERAL LEASE TO V. I. GRISHAM). --In 1951, the Board granted a mineral lease to V. I. Grisham, covering 23-1/3 acres of land in Hardin County, Texas, situated in the Henry Faulk and A. L. Teagarden Survey, Abstract No. 773, for a five-year primary term which expires September 22, 1956. The lease was subsequently assigned to Humble Oil & Refining Company. Mr. M. L. McLeod, representing Humble Oil & Refining Company, has submitted a proposal for a new lease on the tract for a five-year period beginning September 22, 1956, the new lease to carry a cash bonus of \$25 per acre, royalties of 1/8 on oil and gas, \$1.00 per long ton on sulphur and a delay rental of \$5.00 per acre, payable annually in the absence of production or drilling operations. The cash bonus in the amount of \$583.25 has been tendered with the proposal. It is recommended that the Board of Regents approve the new lease on the tract and authorize the Chairman to execute the lease upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - PROPOSED MINERAL LEASE TO J. H. BAUGH AND JIMMIE S. BAUGH, MURDOCK MINERAL PROPERTY, OUACHITA COUNTY, ARKANSAS. --Mr. A. G. Allison, representing J. H. Baugh and Jimmie S. Baugh, has submitted a proposed mineral lease on all of that part of Lot No. 1 in the NW/4 of Section 3, Township 16 South, Range 15 West, lying North of Smackover Creek, Ouachita County, Arkansas, containing 23.52 acres, more or less. The lease would be for a primary term of five years and would carry a bonus of \$25 per mineral acre, the University's interest being 1/4 of 1/4, the University's share of the bonus on the lease being \$36.75. The lease also carries a delay lease rental clause that a lump sum of \$29.40 will be deposited in the First City National Bank of Houston, Texas, in order to renew the lease each year in the absence of drilling operations or production, with 1/8 royalty to be paid on all oil and gas produced and saved. It is recommended that the Board of Regents

approve the new lease on the tract and authorize the Chairman to execute the lease upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - PROPOSED MINERAL LEASE TO HOUSTON GULF SULPHUR COMPANY, OLD HUMBLE OIL FIELD, HARRIS COUNTY, TEXAS (EXTENSION OF MINERAL LEASE GRANTED TO J. LINTON ROBERTSON, JR., IN 1954). --In 1954, the Board granted a mineral lease to J. Linton Robertson, Jr., agent for the Olympia Oil and Gas Co., Ltd., as Lessee, on land situated in the Old Humble Oil Field, North Harris County, Texas, the University's interest for the W. C. Hogg Estate Fund being an undivided 108/1728 of the minerals. This lease was primarily for sulphur exploration although it was the intention of the lessee to find and produce oil and gas in paying commercial quantities. The lease was for a primary term of six months and so long thereafter as drilling operations or production should be maintained. The lease was maintained in effect by drilling operations until April 23, 1956, by Houston Gulf Sulphur Company. The company has now submitted a request for a 90-day extension of the lease in order to further explore the possibility of obtaining commercial sulphur from the Humble Dome, the extension to commence with the date of the last acknowledgment of any of the parties lessor to the extension and so long thereafter as either (1) oil, gas, sulphur or other mineral is produced under the provisions of the lease in paying and commercial quantities, or (2) drilling or re-working operations are conducted. The original lease dated September 30, 1954, will remain in full force and effect upon the terms and conditions therein provided. It is recommended that the Board of Regents approve the 90-day extension of the lease on the tract and authorize the Chairman to execute the extension agreement upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

BRACKENRIDGE TRACT - PROPOSED RENEWAL OF COMMERCIAL LEASE NO. 231 TO MR. AND MRS. A. A. LAWRENCE AT 3710 LAKE AUSTIN BOULEVARD, AUSTIN, TEXAS. --For sometime, Mr. and Mrs. A. A. Lawrence have been granted a year-to-year ground lease on a tract 50 feet by 130 feet out of the Brackenridge Lands located at 3710 Lake Austin Boulevard on which the lessees have maintained improvements necessary for the operation of a confectionery and grocery and for their residence. It is proposed that the commercial lease to Mr. and Mrs. Lawrence be renewed for another year, beginning September 1, 1956, at an annual rental of \$300.00, payable monthly in advance at the rate of \$25.00 per month. At the expiration of this lease, it is expected that a study of the possible uses of the site will indicate whether or not a renewal can be granted to the present lessees for another year or possibly for a five-year period with cancellation privileges. It is recommended that the renewal of the present lease for one year be granted by the Board and the Chairman authorized to execute the lease upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

See Page 57.

TEXAS WESTERN COLLEGE - PROPOSED RENEWAL OF GRAZING LEASE TO MOODY BENNETT, COTTON ESTATE PROPERTY, HUDSPETH COUNTY, TEXAS. --Mr. Moody Bennett had under grazing lease which expired May 31, 1956, 16,911 acres of Cotton Estate Lands in Hudspeth County, Texas. The original lease called for rental of 8¢ per acre per year, payable semiannually. In December, 1955, the Board granted a 50% reduction to Mr. Bennett for the last year of his lease term because of drought conditions prevailing. Business Manager Smith of Texas Western College has recommended that Mr. Bennett's lease be renewed for a period of one year beginning June 1, 1956, and ending May 31, 1957, at five cents per acre. In view of the fact that the Cotton Estate Lands in Hudspeth County consist of checker-boarded sections and that Mr. Moody either owns or has leased the adjacent lands, Mr. Smith advises that the University does not have much choice in the matter of leasing this particular acreage but is of the opinion that we should not grant Mr. Bennett a lease for more than one year at the low rental rate of five cents per acre. It is recommended that the renewal of Mr. Bennett's grazing lease be granted by the Board for one year and the Chairman authorized to execute the lease upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

TEXAS WESTERN COLLEGE - POWER LINE EASEMENT, MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY AND EL PASO ELECTRIC COMPANY, COTTON ESTATE PROPERTY, NOYES-RAND SURVEY, EL PASO COUNTY, TEXAS. --Business Manager Smith of Texas Western College has submitted a proposed power line easement to be issued jointly to Mountain States Telephone and Telegraph Company and El Paso Electric Company along 375.2 feet of the east line of the Cotton Estate Property in the Noyes-Rand Survey, El Paso County, Texas, for the construction of a pole line carrying telephone and electric service to the one-acre site occupied by the American Telephone and Telegraph Company, said site having been purchased from the University out of the 140-acre tract by the American Telephone and Telegraph Company for the purpose of erecting a tower for their transmission system. There will be only one pole on the Cotton Estate tract. President Holcomb concurs with Mr. Smith's recommendation that the easement be granted for a nominal consideration of \$1.00, it being their opinion that the availability of telephone and electric service will enhance rather than detract from the value of the Cotton Estate tract of 139 acres remaining. It is recommended that the Board grant the easement as requested and authorize the Chairman to execute the instrument upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

HOGG FOUNDATION: W. C. HOGG ESTATE FUND - MINERAL LEASE TO W. J. MECHURA, AS AGENT FOR FRANCIS A. CALLERY, S. F. AUSTIN 3-1/6 LEAGUE, WHARTON COUNTY, TEXAS. --Mr. Wm. B. Ferguson has submitted a proposed mineral lease to W. J. Mechura, as agent for Francis A. Callery, on 169.02 acres out of the S. F. Austin 3-1/6 League, Wharton County, Texas, the University's interest for the W. C. Hogg Estate Fund being 1/4 of 1/4 of the oil, gas, and other minerals. Bonus is at the rate of \$50 per mineral acre, the University's share being \$528.19. Annual delay rental is at \$10 per mineral acre, or \$105.64 for the University. The lease is for a primary term of two years and as long thereafter as production or drilling is maintained,

with base royalty at 1/4 of oil and gas produced and saved. It is recommended that the Board approve joinder in the proposed lease and authorize the Chairman to execute the instrument upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney.

THE WILLIAM JAMES BATTLE FELLOWSHIP IN GREEK - RATIFICATION OF PURCHASE FOR MAIN UNIVERSITY OF PROPERTY AT 2506 WHITIS AVENUE, AUSTIN, TEXAS. -- The following is a report dated August 8, 1956, to the Land and Investment Committee from the committee appointed by the Board of Regents on June 1, 1956, to determine the fair value of the property at 2506 Whitis Avenue:

On June 1, 1956, the Board of Regents authorized the acquisition for the Main University of the property at 2506 Whitis Avenue from this fellowship account at a fair value to be determined by the undersigned committee and the transfer to the fellowship account of the determined fair value, first from Account No. 74845, Brackenridge Lands Rentals - Property at 2500 Whitis Avenue and the remainder from Account No. 74840, Brackenridge Lands Rentals.

The property is described as Lot 10 and the South 30 feet of Lot 9, Block 2, Subdivision of Outlots 15, 16, and 17, Division D, City of Austin, and is improved with a two-story residence about 60 years old and a garage, both of frame construction. The property fronts 78 feet on Whitis Avenue and extends 130 feet in depth.

The Inventory and Appraisalment on Dr. Battle's estate executed by North Millican and Ted Wendtland, both real estate men in Austin, and filed in the Probate Court early this year, shows a value of \$35,000 for this property. An independent appraisal by Ben E. King sets out data on sales of other property in the general neighborhood that indicate a possibility of a fair value somewhat in excess of \$35,000 for this property.

After thorough consideration of all available information pertaining to valuation of the property, we have determined the fair value to be \$36,000. Therefore, we request that the Board of Regents approve acquisition of subject property for the Main University as of August 31, 1956, and payment to The William James Battle Fellowship in Greek of \$36,000, first from Account No. 74845, Brackenridge Lands Rentals - Property at 2500 Whitis, with a present balance of

approximately \$6,593.00, and the remainder from Account No. 74840, Brackenridge Lands Rentals, with a present balance of approximately \$31,722.00.

Respectfully submitted

(Signed) J. C. Dolley
Vice President for Fiscal Affairs

(Signed) H. J. Leon
Chairman, Department of Classical
Languages

(Signed) Wm. W. Stewart
Endowment Officer

As further authorized by the Board of Regents on June 1, 1956, Chairman Sealy has executed a deed on behalf of the Board of Regents as Trustee of The William James Battle Fellowship in Greek, conveying the property to the State of Texas for the use and benefit of the Main University, and the transfer has been made as of August 31, 1956, as recommended in the committee report set out above.

It is recommended that the Board of Regents ratify and approve this transfer.

W. J. McDONALD OBSERVATORY FUND (ESTATE PROPERTY) - WITHDRAWAL OF OFFER TO PURCHASE PICKERING PROPERTY, LAMAR COUNTY, TEXAS, BY J. M. HOWARD. --The Board of Regents on June 1, 1956, authorized the sale to J. M. Howard of the Pickering Property in Lamar County, surveyed at 125.393 acres, for \$7,000 cash, his offer, this amount being accompanied by earnest money in the amount of \$350.00 and being contingent upon arrangements for financing. Since that time, Mr. Howard has been in communication with the Endowment Officer regarding his efforts for financing and on September 5 gave notice that he would have to abandon the purchase due to inability to financing it. The Endowment Officer is convinced that Mr. Howard has acted in good faith, and it is recommended that the Board of Regents revoke its resolution of June 1, 1956, authorizing the sale, and authorize the Endowment Officer to return the earnest money.

HUNTINGTON LANDS - OFFER FOR PURCHASE OF 120 ACRES, SAMUEL C. BUNDICK LEAGUE, GALVESTON COUNTY, TEXAS, BY J. C. FRENCH ET AL - (RELATES TO ACTION OF THE EXECUTIVE COMMITTEE ON JUNE 23, 1956). --The Executive Committee of the Board of Regents on June 23, 1956, authorized the Endowment Officer to notify J. C. French, R. W. Ramey, and O. B. Scribner that the Committee would not recommend acceptance of their proposal for an option to purchase 150 acres of the Huntington Lands in the Samuel C. Bundick League, Galveston County, for \$120,000 (\$800 per acre), but would

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recommend to the Board of Regents at its September meeting acceptance of an offer to purchase a tract of from 120 acres to 150 acres at a price of \$1,000 per acre cash, such proposal to recommend being conditioned on the purchasers' having to the Endowment Officer by August 31, 1956, their firm proposal for such purchase together with earnest money in the amount of 5% of the purchase price. The prospective purchasers have met this condition with a firm offer and earnest money for purchase of a tract of 120 acres at \$1,000 cash per acre, and the Land and Investment Committee wishes to join the Executive Committee in recommending the acceptance of such offer and wishes to recommend further the adoption of the following resolution authorizing the sale:

WHEREAS, by deed dated October 7, 1927, Archer M. Huntington conveyed to the Board of Regents of The University of Texas, in trust, all of the land owned by him in Galveston County, Texas, including the hereinafter described tract of land, for the use and benefit of a museum to be established in connection with The University of Texas, granting said Board of Regents full power and authority to use said land for said purpose, or to sell and convey it upon such terms and conditions as the Board of Regents should deem fit, and to use the proceeds from said sale or sales for the benefit of the museum above mentioned, said deed being recorded in Volume 415, pages 144-45, of the Deed Records of Galveston, County, Texas, to which reference is here made for all purposes; and

WHEREAS, R. W. Ramey and James C. French, both of Harris County, Texas, and O. B. Scribner of Galveston County, Texas, have made an offer to purchase a tract of 120 acres of said above land out of the Samuel C. Bundick League, Abstract No. 7, described as follows:

Beginning at a point on the Northwesterly right-of-way line of State Highway No. 146, said point bearing N. 20° 43' E., a distance of 200' from a point where the Northeasterly line of the right-of-way line of the T. & N. O. R. R. Co's right-of-way intersects the Northwesterly right-of-way line of said Highway, said point being also the most Easterly corner of that certain tract conveyed to Southwestern Bell Telephone Company by the Board of Regents of The University of Texas, by deed dated October 5, 1948, and recorded in Vol. 795, pages 227-229, in the office of the County Clerk of Galveston County, Texas;

Thence from said beginning point N. 39° 08' W., along the Northeasterly line of said Telephone Company Tract, a distance of 200' to a point for corner, said point being the most Northerly corner of said Telephone Company Tract;

Thence S. $20^{\circ} 43'$ W., along the Northwesterly line of said Telephone Company Tract, a distance of 200' to a point for corner, said point being the most West-erly corner of said Telephone Company Tract and on the Northeasterly line of said T. & N. O. R. R. Com-pany's right-of-way;

Thence N. $39^{\circ} 08'$ W., along the Northeasterly line of said R. R., a distance of 4377.9' to the point of curvature of a curve to the right, the radius of which is 612.18' and whose central angle is $90^{\circ} 58'$;

Thence continuing along said curve to the right, a dis-tance of 971.94' to the point of tangency of said curve, said point being 50' perpendicular distant Southeasterly from the center line of the Texas City Terminal Rail-way Company's right-of-way;

Thence N. $51^{\circ} 50'$ E., along said right-of-way, a dis-tance of 211.26' to a point for corner where said right-of-way intersects the North line of the Samuel C. Bun-dick League and the South line of the H. B. Littlefield Survey;

Thence N. $89^{\circ} 58'$ E., along the North line of said Bundick League, same being the South Line of said Littlefield Survey, a distance of 347.48' to a point for corner;

Thence S. $39^{\circ} 08'$ E., a distance of 4326.36' to a point for corner on the Northwesterly line of said State High-way No. 146;

Thence S. $20^{\circ} 43'$ W., along said Highway, a distance of 1076.03' to the place of beginning and containing 120 acres of land, more or less.

WHEREAS, said offer was duly accepted by the Board of Regents, as such trustee, with a reservation of one-half (1/2) of the min-erals by the seller, with leasing rights, however, to be in pur-chaser:

RESOLVED, That the Chairman of the Board of Regents of The University of Texas be and he is hereby authorized and directed to enter into a contract of sale covering the above property, and that upon the performance of such contract and upon receipt of said consideration said Chairman for and on behalf of the Board of Regents of The University of Texas, as Trustee of the Archer M. Huntington Museum Fund, is further authorized and directed to execute, acknowledge and deliver a proper deed conveying the above property to R. W. Ramey, James C. French, and O. B. Scribner, or their nominee.

HOGG FOUNDATION: VARNER PROPERTIES - DEMOLITION OF IMPROVEMENTS AND PROPOSED PARKING LOT LEASE ON SENS LEASEHOLD PROPERTY, HOUSTON, TEXAS. --Pursuant to authorization by the Board of Regents on October 13, 1955, the Vice-President for Fiscal Affairs and the Endowment Officer arranged with those who have succeeded to the rights of the lessor under the 99-year lease, under which the University is successor lessee, for escrow deposit of securities and permission to remove the old improvements in accordance with the terms of the lease. As further authorized by the Board, Chairman Sealy has executed such escrow agreement on behalf of the Board of Regents as Trustee of the Hogg Foundation: W. C. Hogg Memorial Fund, dated February 16, 1956. The instrument was executed by Mrs. Lynette Schneider Autrey, joined by her husband, H. S. Autrey, and by Elma Schneider as Lessors and by Texas National Bank of Houston as Escrow Agent. Under this agreement, the University has deposited with the Escrow Agent \$56,000 par value U. S. Treasury 2-3/8% Bonds, due June 15, 1958, to secure performance of the improvement obligations under the lease.

After 90 days' notice to the tenants to vacate, the University advertised for bids for wrecking and salvage of the improvements. Bids were opened on June 20, 1956, the following being received:

Dincans Wrecking Company	-	\$3,251.00
Bunker Hill Brick Company	-	3,159.75
A. E. and J. H. Graham	-	1.00
Olshan Demolishing Company	-	307.00
Handley House Wrecking Company	-	1,750.00 *

*Payment by University to Bidder

As further authorized by the Board of Regents, the Vice-President for Fiscal Affairs and the Endowment Officer executed a contract for the demolition work with the high bidder, Dincans Wrecking Company, and received their payment of \$3,251.00. The contract provides for completion by October 1, 1956.

In order to provide for adequate information to the bidders and to assure the University maximum precaution in the demolition of these old buildings, Cameron Fairchild & Associates, architects of Houston, were employed to prepare specifications, assist in opening of bids, and perform limited supervision during the demolition. They have been paid \$477.55 for the major part of their services, and final payment is expected to be between \$100 and \$200.

Several responsible parking lot operators in Houston have been invited to submit proposals for a three-year parking lot lease to be effective around October 1, 1956, the lessee to surface the lot as necessary for such operations, and the lease to be subject to cancellation after the first year on 60 days' notice by the University in the event it desires to use the property for anything other than open parking. The only proposal received from a prospect with satisfactory responsibility is from Classified Parking System who operates an adjoining lot. Guaranteed rental is \$150 per month for the first year, \$175 per month for the second year, and \$200 per month for the third year. In addition, they offer to pay 40% of any excess above gross receipt of \$6,000 annually.

It is recommended that the Board of Regents ratify the Escrow Agreement dated February 16, 1956, and the Demolition Contract dated June 22, 1956, approve the employment of Cameron Fairchild & Associates, and authorize a parking lot lease on the terms set out above, further authorizing the Chairman to execute such lease upon approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION: W. C. HOGG MEMORIAL FUND - REPORT ON STATUS OF EXPECTED ACQUISITION OF PROPERTY ON CONGRESS AVENUE, AUSTIN, TEXAS, BY STATE OF TEXAS BUILDING COMMISSION. --On April 6, 1956, the Board of Regents accepted from Miss Ima Hogg as a gift to the Hogg Foundation: W. C. Hogg Memorial Fund the remainder interest in the property fronting 128 feet on Congress Avenue from East Thirteenth Street to East Fourteenth Street and extending back 53-1/3 feet in depth, the life estate being held by Miss Mary Fitzhugh (Dot) Thornton. As reported at the time of the gift, this property is within the area to be acquired by the State through the Texas State Building Commission for the erection of a State Office Building and Supreme Court Building. Though the original plan of the Commission called for possession of this piece of property by August 15, 1956, they have had some delays, and the University, as of September 10, has not been contacted by the negotiator for the Commission regarding acquisition of its interest. However, the Commission has furnished the University its appraised value of the property. The State appraisal and the values furnished the University by a recognized Austin appraiser are set out as follows:

See Page 417.

	<u>State Appraisal</u>	<u>Appraisal for University</u>
Life Interest (Miss Thornton)	\$23,575.00	\$23,200.00
University's Remainder Interest	30,825.00	36,450.00
Interest of Lessee and Sub-Lesseees	<u>39,000.00</u>	<u>34,350.00</u>
Totals	<u>\$93,400.00</u>	<u>\$94,000.00</u>

When contacted by the negotiator for the Building Commission, the University staff will attempt to arrive at a figure for its interest that can be recommended to the Board of Regents and that will be acceptable to the Commission.

HUNTINGTON LANDS - PROPOSAL FROM GALVESTON COUNTY MOSQUITO CONTROL DISTRICT FOR LEASE FOR BUILDING AND AIRSTRIP. --Judge Theodore R. Robinson, County Judge of Galveston County, and Dr. Don W. Micks, Entymologist for the Galveston County Mosquito Control District and Associate Professor of Medical Entymology at the Medical Branch, conferred with the Endowment Officer and the Land and Trust Attorney on September 11 regarding a long-term lease or possible purchase of a tract of approximately 3-1/2 acres of the Huntington Lands in the area south of State Highway 146, for the construction of a building and airstrip to be used by the Mosquito Control District. They wish to survey the area and submit a proposal for consideration at a later date.

TRUST AND SPECIAL FUNDS--REVENUE BOND FINANCING MATTER--

TEXAS WESTERN COLLEGE - LOAN AGREEMENT FOR PROJECT TEX. 41-CH-56(S), EXPANSION AND MODIFICATION OF STUDENT UNION BUILDING, EL PASO, TEXAS. --Pursuant to authorization of the Board of Regents on June 1, 1956, Business Manager Smith of Texas Western College filed on July 21, 1956, a preliminary loan application with the Housing and Home Finance Agency for assistance in the amount of \$580,000 to finance the modification and expansion of the Student Union Building at Texas Western College, El Paso, Texas. Mr. Smith has now been informed by HHFA that the preliminary application has been approved in the amount requested, it being understood that such loan commitment will be for a period of thirty years with interest at 2-7/8%, with a provision that if at the time bonds should be offered for sale any bidder or bidders other than the Government should offer to purchase one or more blocks or all of such bonds at an interest cost of not more than the Government's bid of 2-7/8%, such bonds would be sold to such bidder or bidders.

See Page 742.

Accordingly, in order to expedite the processing of necessary papers, it is recommended that the following resolution be adopted by the Board of Regents which will authorize the Chairman of the Board to execute the loan agreement when it has been finally approved and submitted by the Housing and Home Finance Agency upon its approval as to content by the Endowment Officer and as to form by the Land and Trust Attorney:

RESOLUTION AUTHORIZING THE EXECUTION
OF A LOAN AGREEMENT WITH THE
UNITED STATES OF AMERICA

PROJECT NO.: TEX. 41-CH-56(S)

WHEREAS, there has been filed with the Housing and Home Finance Agency, in behalf of Texas Western College of The University of Texas (herein called the "Borrower"), an application for aid in financing the modification and expansion of the Student Union Building at El Paso, Texas, under the provisions of Title IV of the Housing Act of 1950, as amended in 1955, and it is contemplated that the Administrator of the Housing and Home Finance Agency will approve such application and a loan in the amount of not to exceed \$580,000 at 2-7/8% for a thirty-year period in connection with the proposed modification and expansion program; and

WHEREAS, it is deemed advisable that a representative of the Borrower be authorized to enter into an agreement on behalf of the Borrower;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the Borrower that Tom Sealy, Chairman, be and he is hereby authorized and directed to approve and execute on behalf of the Borrower the Loan Agreement which may be tendered by the United States of America, acting by and through the Administrator of the Housing and Home Finance Agency, and to take such further action as is necessary to provide the project.

It is further recommended that Business Manager Smith be authorized to prepare and file with the Housing and Home Finance Agency such other materials as may be required by the HHFA in connection with the final application for a loan agreement, such material to be subject to the approval of the Vice-President for Fiscal Affairs, Comptroller, and Endowment Officer.

TRUST AND SPECIAL FUNDS--SPECIAL REAL ESTATE MATTER. --

BRACKENRIDGE TRACT - AUTHORIZATION FOR REMOVAL OF ALL TREES NECESSARY TO PERMIT MOVING HOUSES IN CONNECTION WITH TERMINATION OF RESIDENCE GROUND SITE LEASES. --On June 1, 1956, the Board of Regents instructed the staff to renew the one-year residence ground site leases on the Brackenridge Tract for another year to expire August 31, 1957, with notice to the tenants that no further renewals would be made and that the premises must be vacated by August 31, 1957. See Page 307.

Some tenants are already moving, and it is necessary for some trees to be cut to allow moving the houses. On October 24, 1930, the Board voted "that no pecan or oak trees should be cut from the campus without the direct action of the Board of Regents."

It is recommended that the Board of Regents authorize the Endowment Officer to arrange for the removal of any trees on that part of the Brackenridge Tract on which the subject residences are located as may be necessary to allow removal of the houses without undue expense to the owners. Removal of any such trees will be upon recommendation by the Director of Physical Plant, and the work will be done by his staff without charge to the tenants.

Adoption of Report. --Mr. Jeffers moved the adoption of the foregoing report which was seconded by Mr. Sorrell and unanimously adopted.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE. --Mr. Lockwood read the following report of the Buildings and Grounds Committee:

RATIFICATION OF AWARD OF CONTRACT ON FINISH HARDWARE FOR R. O. T. C. BUILDING, MAIN UNIVERSITY. --The General Contract for the construction of the R. O. T. C. Building carried an allowance of \$11,000.00 for the Finish Hardware in the building. After advertising, bids were received in the Office of the Comptroller on August 1, 1956, for this finish hardware, as listed below: See P. 489

Austin Hardware Company, Austin, Texas \$8,600.00
Calcasieu Lumber Company, Austin, Texas 8,101.50

Since the low bid was within the allowance, a contract was awarded to the low bidder, Calcasieu Lumber Company, in the amount of \$8,101.50, and a contract has been entered into between that company and the General Contractor, Southeastern Construction Company. It is recommended that the action of Comptroller Sparenberg in awarding this contract be ratified and approved by the Board.

AUTHORIZATION FOR CONSTRUCTION OF NEW POWER PLANT OFFICES, MAIN UNIVERSITY. --In connection with the Expansion of the Power Plant at the Main University previously authorized, it will be necessary to change the location of the offices which are now in the southwest corner of the present Power Plant building to the north end of this building. This change will involve closing in an area on the north side of the building which has been partially open, and will not involve any addition to the total area of the building. It has been estimated that the construction of these new offices, etc., will cost \$15,000.00. Plans for these offices, plus a laboratory room and a storage room, have been prepared by the Main University Physical Plant staff, and it is contemplated that all the work involved will be performed by this staff. The plans have been approved by the Comptroller's Office. See Page 60.

It is, therefore, recommended that these plans be approved by the Board and authorization given to proceed with the work involved, the total cost of the work not to exceed the \$15,000.00 estimated. It is further recommended that an account in this amount be set up to be entitled "Construction of Power Plant Offices, Laboratory, and Storage Room," the money needed to come from Account No. 91120 - Expansion of Power Plant.

IMPROVEMENTS AT UNIVERSITY JUNIOR HIGH SCHOOL, MAIN UNIVERSITY. --In June of this year, a fire inspection report was received from Mr. W. L. Heaton, Fire Marshal of the City of Austin, which contained certain fire-safety recommendations with reference to University Junior High School at the Main University. These recommendations included the following:

1. Provide a fire escape from the south end of the Library area on second floor.
2. Provide a fire escape from the boys' gymnasium, south side.
3. Re-locate boilers and incinerator in a separate, fire-resistive building.

See P. 489

It is agreed that these recommendations are good ones and should be carried out as soon as money is available for this purpose. In fact, earlier recommendations by the Main University Physical Plant staff included a sum of \$60,000.00 for the year 1957-58 for improvements at University Junior High School, which included approximately the same recommendations made previously by Fire Marshal Heaton. It is believed now, however, that these improvements should be made as quickly as possible, particularly in view of the extra load the building must carry for some time, due to the Allan Junior High School fire.

The sum of \$61,400.00 was appropriated out of Available University Fund some time ago for Replacing Expansion Devices in Underground Steam and Water Systems; this amount has never been spent, since it was deemed advisable to complete the plans for the expansion of the power plant before beginning this particular work in the underground systems. It is, therefore, recommended that Account No. 91020 - Replacing Expansion Devices in Underground Steam and Water Systems in

the amount of \$61,400.00 be lapsed to the Available University Fund Unappropriated Balance, and that out of this unappropriated balance the sum of \$60,000.00 be appropriated to an account to be entitled "Improvements at University Junior High School." It is contemplated that this amount of money not only will cover the recommendations made by Fire Marshal Heaton but will also cover the purchase of new steam generating equipment and a new incinerator to be housed in the separate building to be constructed.

It is further recommended that authorization be given to the Physical Plant staff to proceed with the preparation of plans and specifications on the projects listed above, with authority to Comptroller Sparenberg to approve these plans and specifications and to advertise for bids. After receipt of bids, they will be presented to the Board for award of contracts.

MAJOR REPAIRS TO ROOFS OF GREGORY GYMNASIUM, SUTTON HALL, PEARCE HALL, ENGINEERING BUILDING SHOPS, AND HOGG AUDITORIUM, MAIN UNIVERSITY. --At the Regents' Meeting held April 6, 1956, an appropriation of \$231,000.00 for Major Repairs and Rehabilitation Projects at the Main University was approved, with the understanding that the projects involved were to be itemized later. Preliminary plans and outline specifications have now been prepared by the Main University Physical Plant staff for the Replacement of the Gregory Gymnasium roof and the replacement of the Sutton Hall roof, at estimated costs of \$60,000.00 and \$45,000.00 respectively. It is recommended that the Board approve these preliminary plans and outline specifications and authorize the preparation of detailed plans and specifications by the Main University Physical Plant staff, with authority to Comptroller Sparenberg to approve these detailed plans and specifications and advertise for bids thereon. It is contemplated that the bids will be presented to the Board of Regents for award of contracts at a later meeting, and it is recommended that no specific amounts of money for these projects be appropriated until the bids have been received and the exact costs are known.

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714, 853,
855

It is further recommended that authorization be given to the Main University Physical Plant staff to proceed with plans and specifications for the projects listed below, to be paid out of the \$231,000.00 appropriation referred to above, and that specific appropriations be set up in the amounts indicated:

Project	Estimated Cost
Replacement of Pearce Hall Roof	\$20,000.00
Replacement of Engineering Building Shops Roof	13,100.00
Replacement of Hogg Auditorium Roof	6,500.00

Since the Pearce Hall project has an estimated cost of \$20,000.00, it is contemplated that this project will be handled through the Comptroller's Office, and it is recommended that Comptroller Sparenberg be given authority to approve the plans and specifications after they have been prepared and to advertise for bids, with the bids to be presented to the Board for award of a contract.

Since the last two listed projects have an estimated cost of less than \$20,000.00 each, it is recommended that the Main University Business Manager be authorized to approve the plans and specifications after they have been prepared and to advertise for bids and award contracts on these projects.

APPROVAL OF SPECIFICATIONS FOR NEW POWER GENERATING EQUIPMENT FOR EXPANSION OF POWER PLANT AT MAIN UNIVERSITY. -- As a part of the Expansion of the Power Plant at the Main University, certain power generating equipment must be purchased. Specifications for this equipment have been prepared by the Main University Physical Plant staff, and it is recommended that the Board approve these specifications and authorize Comptroller Sparenberg to advertise for bids, the bids to be presented to the Board for award of a contract at the next meeting. The estimated cost of this new power generating equipment, including turbogenerator, condenser, pumps, other accessory and auxiliary equipment, and installation, is \$525,000.00, and it is recommended that this amount be set up out of the \$1,500,000.00 originally appropriated for Expansion of Power Plant by the Board at the meeting held July 8, 1955, (included in Available University Fund Budget for 1955-56). See P. 286

RATIFICATION AND APPROVAL OF REQUISITIONS FOR CERTAIN MATERIALS IN CONNECTION WITH EXPANSION OF POWER PLANT AT MAIN UNIVERSITY. -- In connection with the expansion of Power Plant facilities at the Main University for which an appropriation of \$1,500,000.00 was approved by the Board at an earlier meeting, it is necessary that certain equipment be purchased. Some of this equipment must of necessity be purchased from General Electric Company, since it is to be used with other equipment from this same manufacturer. This includes material and labor to convert eleven existing General Electric circuit breakers and additional switchgear to be interconnected with existing General Electric switchgear. Two purchase orders covering this material have been issued in the amounts of \$22,000.00 and \$74,752.28 respectively. See P. 286

Bids were taken on six current limiting reactors needed, and the low bid was received from General Electric Company in the amount of \$19,808.00, and a purchase order has been issued to this company to cover this equipment.

It is recommended that the action taken by Comptroller Sparenberg in signing the requisitions covering the above purchase orders be ratified and approved by the Board, with the understanding that the money needed to cover these purchase orders comes from the \$1,500,000.00 appropriation referred to above.

AUTHORIZATION TO CONSULTING ARCHITECT TO PROCEED WITH PRELIMINARY PLANS FOR ADDITION TO POWER PLANT BUILDING AT MAIN UNIVERSITY. -- One approval by the Board at an earlier meeting and recommendations for this meeting, if approved, for expenditures out of the \$1,500,000.00 appropriation for the Expansion of the Power Plant at the Main University will bring the total of approved appropriations and expenditures out of this appropriation to approximately \$687,000. It is also expected that specifications for the steam generating equipment will be ready to present to the Board for approval at the next meeting, after which, approvals for all the major expenditures out of this appropriation will have been obtained except for the addition to the building itself. It is felt that it is now time to begin work on the preliminary plans See P. 286.

for this addition, which is estimated to cost \$255,000.00.

It is therefore recommended that Comptroller Sparenberg be authorized to notify the Consulting Architect, Page, Southerland, and Page, to proceed with preparation of preliminary plans for this project, and it is further recommended that an appropriation in the amount of \$255,000.00 be set up in an account entitled "Addition to Power Plant Building," the money to come from Account No. 91120, Expansion of Power Plant.

AUTHORIZATIONS TO CONSULTING ARCHITECT, ET AL, TO PROCEED WITH PLANS ON PROJECTS FOR WHICH APPROPRIATIONS HAVE ALREADY BEEN SET UP FOR 1956-57, MAIN UNIVERSITY. -- At the Regents' Meeting held April 6, 1956, appropriations for various building projects were approved to be set up from the Available University Fund at September 1, 1956. On certain of these projects, it is deemed advisable to begin working on plans, and the following recommendations relating to these projects are made:

New Engineering Building. -- It is recommended that Comptroller Sparenberg be given authority to instruct the Consulting Architect, Page, Southerland, and Page, to proceed with preparation of preliminary plans on the new Engineering Building. The appropriation for this building is \$1,250,000.00; the Faculty Building Committee has recommended that \$250,000.00 be added to this appropriation in 1957-58, but this additional appropriation has not yet, of course, been approved by the Board. After completion of these preliminary plans and approval by the Main University Faculty Building Committee and the proper administrative officials of the University, they will be presented to the Board for consideration and approval.

See Page 858

TV Addition to Radio House. -- When the appropriation for this addition was approved, Consulting Architect Mark Lemmon was contacted to see whether he desired to prepare the preliminary plans for this project. Since it was a relatively small one, the total appropriation being \$75,000.00, the Consulting Architect stated that he did not wish to prepare these preliminary plans. It is, therefore, recommended that the Physical Plant staff of the Main University be authorized to proceed with preparation of preliminary plans for this project, to be presented to the Board for consideration and approval after approval of the Faculty Building Committee and the proper University officials.

Completion of Unfinished Areas on Third and Fourth Floors of Experimental Science Building (East End). -- This project involves to a large extent the installation of built-in laboratory furniture and equipment and utilities therefor. Since a relatively small amount of construction work is included in this project, it is not deemed necessary to have the assistance of the Consulting Architect in connection therewith. It is therefore recommended that the Physical Plant staff of the Main University be authorized to proceed with the preparation of preliminary plans only for this project, the

See Page 855

appropriation for which is \$200,000.00. After these preliminary plans have been completed and approved by the Main University Faculty Building Committee and the proper administrative officials of the University, they will be presented to the Board for consideration and approval. It is contemplated that an Associate Architect will be chosen later to prepare the working drawings and specifications.

RATIFICATION OF AWARD OF CONTRACT FOR TAYLOR "T" ROOM AT MAIN UNIVERSITY. --Pursuant to authorization given by the Board of Regents at the meeting held April 6, 1956, bids were called for and received in the Office of the Comptroller on September 11, 1956, as shown on Page 71. Consideration of the bids by the Comptroller and members of the Physical Plant staff of the Main University showed that by acceptance of several of the alternates included in the bids, the amount of the contract award could be brought within the amount of money available for the project. It is contemplated that the balance in Account No. 66940 after award of this contract will be used either by issuance of change orders to the contract or by reimbursement to the Main University Physical Plant Budget for work performed, in order to replace in part the work omitted by reason of acceptance of the deductive alternates listed below.

On the basis of authorization given by the Board at the April meeting, Comptroller Sparenberg has awarded a contract to the low bidder, Moore Construction Company, Austin, Texas, as follows:

Base Bid		\$34,267.00
Deduct Alternate No. 3	\$6,800.00	
Deduct Alternate No. 4	3,100.00	
Deduct Alternate No. 5	1,100.00	
Deduct Alternate No. 6	1,200.00	
Deduct Alternate No. 7	<u>575.00</u>	<u>12,775.00</u>
Total Contract Award		<u>\$21,492.00</u>

It is recommended that the action taken by the Comptroller as reported above be ratified and approved by the Board.

ACCEPTANCE OF THREE DORMITORIES AND CAFETERIA, LOUNGE, AND FACULTY HOUSING BUILDING AT MEDICAL BRANCH (INCLUDING ADDITION TO POWER PLANT). --On September 7, 1956, a final inspection was held at the Medical Branch on Unit B of Project Tex. 41-CH-11. Those making the final inspection were:

Messrs. Charles H. Sparenberg and William B. Saunders, representing Central Administration and the Comptroller's Office

Dr. John B. Truslow, Messrs. E. D. Walker, Reuel S. Purvis, Hollis Hisey, Mauryce S. Samford, and Elmer T. Stephens, representing the Medical Branch

Messrs. Cameron Fairchild, Sidney L. Martin, and Von Woglom of Cameron Fairchild and Associates, Associate Architect

Mr. Charles H. Oehler, Architect's Superintendent
on the Project

Mr. Frank D. Kean, representing Mr. Mark Lemmon,
Consulting Architect

Messrs. John Hart and E. F. Kinser of Dale S. Cooper
and Associates, Mechanical Engineers for the Architect

Mr. M. C. Tullis of Southwestern Construction Company,
General Contractor

Mr. John Phillips, et al, of Straus-Frank Company,
Mechanical Contractor

After the inspection trip, a "punch list" was compiled by the Architect of all items requiring attention before final payment should be made. It is hoped that the "punch list" will be completed by September 14, 1956, and the University is tentatively planning to accept the buildings and assume responsibility therefor on Monday, September 17, 1956.

It is recommended that approval be given to acceptance of the buildings and that final payment to all Contractors be authorized, when the Associate Architect certifies that all items on the "punch list" have been satisfactorily taken care of and completed.

REPORT ON FINAL ACCEPTANCE AND FINAL PAYMENT ON ADMINISTRATION BUILDING AT TEXAS WESTERN COLLEGE. --At the Regents' Meeting held June 1, 1956, a Special Committee, consisting of President Holcomb, President Wilson, Vice-President Dolley, and Comptroller Sparenberg, was appointed to make final acceptance of the Administration Building at Texas Western College and approve final payment therefor. On June 18, 1956, the following inspection party made a final inspection of this building:

Mr. Charles H. Sparenberg, Comptroller, The University of Texas

Messrs. A. A. Smith, R. C. Fisk, and J. M. Whitaker,
of the Texas Western College Building Committee for this
building

Messrs. F. V. Davis and J. L. Huff, representing Davis
and Foster, Architect on the building

Messrs. William D. Morgan and Ed Thompson, representing
J. E. Morgan and Sons, General Contractor

Mr. Elbert Crowe, Crowe Plumbing and Heating Company

Mr. Bob Leahy, Minneapolis-Honeywell Regulator Company

The building was found to be in good order except for a number of relatively minor items on which a "punch list" was prepared by the Architect. The Special Committee approved final acceptance of the building and final payment therefor as soon as the Architect certified that the items on the

"punch list" had been completed. Copies of this Committee's report are on file in the Office of the Secretary of the Board of Regents, the President's Office, and the Comptroller's Office.

Under date of August 13, 1956, after certification by the Architect that the deficient items had all been corrected, a voucher covering final payment was drawn.

CORNERSTONE ON THE NEW ADMINISTRATION BUILDING AT TEXAS WESTERN COLLEGE. -- There is located in the front vestibule or entry of the new Administration Building at Texas Western College a stone plaque or "cornerstone", which has not been approved by the Board of Regents in accordance with the usual procedure. The following is an exact listing of the names and titles shown on this stone plaque:

Center Caption:

Administration Building
Texas Western College
of The University of Texas

First column under center caption:

Dysart E. Holcomb
President
Texas Western College

J. E. Morgan and Sons
Contractor

Second column under center caption:

Board of Regents
Tom Sealy - Chairman
Claude W. Voyles
L. S. Oates
Leroy Jeffers
Lee Lockwood
J. R. Sorrell
Merton M. Minter
Mrs. Charles Devall
J. Lee Johnson III
Logan Wilson
President
The University of Texas

Third column under center caption:

Building Committee
J. M. Whitaker - Chairman
E. M. Thomas A. A. Smith
C. A. Puckett R. C. Fisk

Davis and Foster
Architects and Engineers

A. D. - 1956

At the request of President Logan Wilson, Dr. Holcomb has recommended that the listing of names, titles, etc., on the cornerstone now in place in the new Administration Building at Texas Western College be approved at the September, 1956 meeting by the Regents' Buildings and Grounds Committee and the Board of Regents.

AWARD OF CONTRACT ON ADDITIONS AND ALTERATIONS TO M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE BUILDING. --At the See Page 853 special meeting of the Board of Regents held August 6, 1956, the Board approved the recommendation and report of the Executive Committee of the Board, based on recommendations of the proper administrative officers of the University, that all bids received on July 31, 1956, for the proposed Additions and Alterations to the M. D. Anderson Hospital and Tumor Institute Building, be rejected, and that the Comptroller be authorized to advertise again for bids on this project, to be received and opened approximately one week before the meeting of the Board of Regents in September, 1956. At this same meeting the Board approved additional appropriations for this project from various sources, as shown by the minutes of the special meeting of August 6, 1956.

In accordance with the authority granted, bids were called for and duly opened and tabulated on Tuesday, September 18, 1956, as shown on Page 70.

As shown by the minutes of August 6, 1956, the appropriations recommended and approved are based on a revised estimate of \$793,000.00 for the construction contract or contracts. After carefully considering the bids received, it is the recommendation of MacKie and Kamrath, Architects on this project, Mr. Boyd and Dr. Clark of M. D. Anderson Hospital and Tumor Institute, Comptroller Sparenberg, Vice-President Dolley, and President Wilson, that the contract award be made to the low bidder, Thad Dederick Construction Company, Inc., of Houston, Texas, as follows:

Base Bid	\$664,000.00
Add:	
Alternate No. 1	52,000.00
Alternate No. 2	15,000.00
Alternate No. 3	48,000.00
Alternate No. 4	12,500.00
Alternate No. 5	<u>800.00</u>
Total Contract Award	\$792,300.00

In accordance with the specifications and the notice to bidders, this work is to be awarded under one general contract. The subcontractors selected by the Thad Dederick Construction Company, Inc., as shown by the required proposal form, which subcontractors may not be changed without the approval of the Architect and the University, are as follows:

Plumbing: Gregory-Edwards, Inc., Houston, Texas
 Electrical: Whitaker Electric Company, Houston, Texas
 Air Conditioning: Gregory-Edwards, Inc., Houston, Texas
 Casework: Jamestown Metal Products Company, Jamestown,
 New York

As indicated by the Regents' Minutes of August 6, 1956, the project construction application had been filed with the U. S. Public Health Service through the Texas State Department of Health, and approved by the U. S. Public Health Service, under which the Federal share of estimated costs would be \$388,500.00; the same minutes also indicated that there was a possibility that Federal funds allotted to this project by the U. S. Public Health Service might be increased to a full fifty per cent of the total cost of the project as revised. Subject to final approval by the Regional Medical Director, Region VII, of the U. S. Public Health Service at Dallas, Texas, the proper officials of the Texas State Department of Health, including Mr. Herman Bohn, Engineer, and Dr. Dean F. Winn, Director, of the Hospital Survey and Construction Division, and Dr. Henry A. Holle, Commissioner of Health, have approved the filing of a revised project application, under which the Federal share of the estimated costs of this project would be increased by \$96,500.00 to a total of \$485,000.00. The amount of Federal funds allotted to this project finally approved by U. S. Public Health Service in excess of \$388,500.00 will cut down by the same amount the funds appropriated to this project from the Unappropriated Surplus of Current General Funds of M. D. Anderson Hospital and Tumor Institute.

In accordance with the action taken by the Board on the first project application, it is recommended that President Logan Wilson be authorized to sign revised project application forms and/or amendments, plans, specifications, and any other documents required of The University of Texas by the Texas State Department of Health and the U. S. Public Health Service.

The revised project application to the U. S. Public Health Service may be summarized as follows:

Construction Contracts	\$792,300.00
Construction Contingency	<u>17,700.00</u>
Subtotal	810,000.00
Group I Equipment not in construction contracts	75,000.00
Groups II and III Equipment	36,400.00
Architect's Fees	<u>48,600.00</u>
Total Estimated Cost of Construction and Equipment	<u>\$970,000.00</u>

Sources of Funds for Total Estimated Cost of Construction and Equipment:

Federal Share of Estimated Costs	\$485,000.00
Applicant's Share of Costs:	
Unappropriated Surplus - Current General Funds (This is the amount already appropriated from this source less the \$96,500.00 reduction explained above)	\$317,202.00
Unexpended Plant Funds Already Appropriated	49,484.79

Current Restricted Funds - Account
No. 6810 - "Various Donors for
Building and Equipment":

Amounts Already Appropriated \$123,008.21

Decrease in this Source
Recommended herein 4,695.00

118,313.21

485,000.00

Total Estimated Funds Required, as above \$970,000.00

It is further recommended that the sources of funds and appropriations approved for this project at the special meeting of August 6, 1956, be adjusted to conform to the revised summary above shown.

EASEMENT TO EL PASO ELECTRIC COMPANY AND MOUNTAIN STATES TELEPHONE AND TELEGRAPH COMPANY ACROSS CERTAIN PROPERTY LOCATED ON THE CAMPUS OF TEXAS WESTERN COLLEGE. --At the Regents' meeting held June 27, 1953, an easement across certain property on the Campus of Texas Western College was granted to the El Paso Electric Company and the Mountain States Telephone and Telegraph Company for erection and maintenance of poles, wires, etc. An easement to supersede this earlier one has now been presented by the same companies, which involves primarily two changes over the existing easement.

The electric company is requesting an easement at this time which would permit a six foot overhang of cross-arms onto certain property of Texas Western College. President Holcomb has stated that the particular location of these poles would not affect most of the property involved, since the poles are located in a dedicated alley and there are no plans for locating future buildings or other facilities adjacent to the alley in such a manner that they would be affected by these cross-arms.

The second change in the new easement involves including certain property therein which was recently acquired by Texas Western College from the City of El Paso and on which poles have been located for a number of years. This easement will merely correct the records as to ownership.

President Holcomb has recommended, in which recommendation Comptroller Sparenberg concurs, that this easement be approved by the Board and that Chairman Sealy be authorized to sign the instrument, which has been approved as to form by the University Land Attorney.

UNION BUILDING EXPANSION AT MAIN UNIVERSITY. --At the Regents' meeting held June 1, 1956, authorization was given to Endowment Officer Stewart to prepare and file with the Housing and Home Finance Agency a preliminary application, to be approved by Vice-President Dolley and Comptroller Sparenberg, for a Loan Commitment not to exceed \$2,000,000 for Expansion of the Union Building at the Main University, after approval by the Board of the preliminary plans and cost estimates for this expansion. At this same meeting, it was also agreed by the Board that all negotiations regarding the Texas Union Expansion would be approved only subject to

See Page
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adequate planning for the inclusion of facilities for Law school students.

Various plans have been drawn by the staff of the Main University Supervising Architect and the Comptroller's Office for both the expansion of the present building and a building to serve the Law school students, et al; these plans have been studied by the Union Building Committee and the Faculty Building Committee. After thorough consideration of all the problems involved in this expansion, the Faculty Building Committee has approved the preliminary plans for expansion of the present building as prepared for the Union Building Committee by the staff of the Main University Supervising Architect, Sheets Nos. 1 through 5, dated September 19, 1956.

The latest cost estimate on this project (present Union Building only), including movable furniture and equipment, is \$2, 356, 437. 00. The recommended sources of funds for this amount are as follows:

Bond Issue (H. H. F. A. at 2.875%)	\$1, 900, 000. 00
Transfer from Account No. 4350 - Division of Housing and Food Services - Major Repairs, Remodeling and Replacement, and Operating Reserve Fund	250, 000. 00
Sale of University Club Building	40, 000. 00
Transfer from Account No. 52800 - Texas Union General Account (\$5.00 fee collected during construction)	<u>166, 437. 00</u>
Total	<u>\$2, 356, 437. 00</u>

It is recommended that the Board approve the preliminary plans as approved by the Faculty Building Committee and the cost estimates as shown above; it is understood that any further authorization needed for the filing of the preliminary application with H. H. F. A. will be handled through the Land and Investment Committee.

The Faculty Building Committee has approved the general type of floor plan for the annex to serve the Law School students, et al, as prepared by Mr. William B. Saunders, Architect in the Comptroller's Office, Sheets Nos. 1 through 4, dated September 14, 1956. At the moment four possible sites, all east of San Jacinto Boulevard, are under consideration for this annex, as listed below, and the Committee wishes to defer final recommendation of a site until some further study can be given to the matter:

1. Area east of Simkins Hall and west of the main Defense Research Laboratory buildings.
2. Corner just east of the Memorial Museum and north of 24th Street.
3. Corner just east of the Memorial Museum and south of 24th Street.
4. Area just west of the University Tea House, the annex to be built as an extension of the Tea House.

The latest cost estimate for this annex, including all furniture and equipment, is \$90, 790. 00, and it is recommended that the Board approve the general type of the floor plan for this annex as approved by the Faculty

Building Committee and the cost estimate therefor, with the recommendation for a site to be presented to the Board at a later date from the four mentioned above. No recommendation as to sources of funds for the East Side Union Annex is presented by this committee at this time, but it is contemplated that these funds will be provided by a gift campaign to be sponsored by the Ex-Students and Dads' Associations.

All approvals on these projects are given with the understanding that no money will be used from the Available University Fund for the expansion of the present Union Building and/or the Annex to serve Law School students, et al.

Adoption of Report. --Mrs. Devall moved the adoption of the report of the Buildings and Grounds Committee. This motion was duly seconded and carried.

CENTRAL ADMINISTRATION

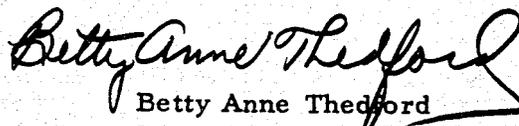
CONSULTING ARCHITECT'S CONTRACT, PAGE, SOUTHERLAND, AND PAGE. --Prior to the meeting, Comptroller Sparenberg had furnished each member of the Board with a copy of a proposed agreement between the Board of Regents of The University of Texas, Owner, and Page, Southerland, and Page, Consulting Architect, together with a letter pointing out the revisions that had been made in the first draft. This agreement had been approved as to content by Vice-President Dolley and as to form by Judge Scott Gaines. A copy of the letter and of the agreement is in the Secretary's Files, Vol. IV, and the executed copy of the agreement is in the files of the Office of the Secretary of the Board of Regents.

Upon a motion duly made and seconded, the Board approved the agreement as submitted and authorized the Chairman to sign this agreement.

MAIN UNIVERSITY

MC DONALD OBSERVATORY. --The Board requested President Wilson to instruct the Director of McDonald Observatory that signs regarding visiting hours should be posted on the main highway by Balmorhea and at the western point of entry from the main highway giving the necessary information to prospective visitors; that the visiting hours should be extended; and that a courteous and informed person should be in the building to conduct the tours. See P. 276.

ADJOURNMENT. --The Board adjourned at 11:00 a. m.


Betty Anne Theford
Secretary

TABULATION OF BIDS FOR THE UNIVERSITY OF TEXAS
"ADDITIONS TO THE M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE"
IN THE TEXAS MEDICAL CENTER, HOUSTON TEXAS

Tabulated September 18, 1956, at 10:00 a.m.

General Contractors &
Sub-Contractors***

1. Southwestern Construction Co. - Bond 5% % - 15 - Extras or Deductions on C. O.
 P* Humphrey Plumbing Co. AC* Gregory-Edwards
 E* Murray Electric Co. C* Jamestown Metal**
2. Fisher Construction Co. - Bond 5% % 10 Extras and Deductions on C. O.
 P Humphrey Plumbing Co. AC Gregory-Edwards
 E Pfeiffer or Murray C Jamestown Metal**
3. Dederick Construction Co. - Bond 5% % - 10 - on C. O.
 P Gregory-Edwards AC Gregory-Edwards
 E Whittaker Electric Co. C Jamestown Metal**
4. Albert Meyerson Co. - Bond 5% % - 15 - on C. O.
 P Humphrey Plumbing Co. AC Gregory-Edwards
 E Pfeiffer or Murray C Jamestown Metal**
5. Farnsworth & Chambers Co., Inc. - Bond 5% % - 10 - on C. O.
 P Humphrey Plumbing Co. AC Gregory-Edwards
 E Pfeiffer Electric Co. C H. W. Garrett Co.
6. Linbeck Construction Corp. - Bond 5% % - 15 - on C. O.
 P Humphrey Plumbing Co. AC Gregory-Edwards
 E Pfeiffer or Murray C Jamestown Metal**
7. Texas Gulf Construction Co., Inc. - Bond 5% % - 15 - on C. O.
 P Joe E. Johnson Plumbing AC Joe E. Johnston Plumbing
 E Murray Electric Co. C Jamestown Metal**

Base Bid	Alt. No. 1	Alt. No. 2	Alt. No. 3	Alt. No. 4	Alt. No. 5	Total
1. 701,500	456,000	417,500	446,000	412,000	41,000	834,000
2. 777,000	452,000	424,700	448,000	413,000	4870	915,570
3. 664,000	452,000	415,000	448,000	412,500	4800	792,300
4. 694,200	441,900	416,600	446,700	412,150	4700	812,250
5. 729,000	453,000	417,000	457,000	412,650	41,000	869,650
6. 666,600	453,300	416,000	447,000	412,000	4800	795,700
7. 739,400	455,200	417,500	447,500	413,000	4950	873,550

* P-Plumbing, E-Electrical, AC-Air Conditioning, C-Casework

** Jamestown, New York

*** All of Houston unless otherwise indicated by two asterisks (**).

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TABULATION OF BIDS
TAYLOR "T" ROOM FOR THE COLLEGE OF ENGINEERING
BASEMENT OF ENGINEERING BUILDING
THE UNIVERSITY OF TEXAS

Tabulated September 11, 1956, at 10:30 a.m.

<u>Bidder</u>	<u>Bidder's Bond</u>	<u>Base Bid</u>	<u>Working Days</u>
1. John Broad Construction Co.	5%	\$40,783	100
2. C. and H. Construction Co., Inc.	5%	39,581	75
3. A. H. Edburg	5%	43,095	110
4. Lewis Hamilton General Contractor	5%	35,310	60
5. Moore Construction Company	5%	34,267	75
6. Frank R. Rundell	\$2,500	36,194	110

	<u>Alt. No. 1</u>	<u>Alt. No. 2</u>	<u>Alt. No. 3</u>	<u>Alt. No. 4</u>	<u>Alt. No. 5</u>	<u>Alt. No. 6</u>	<u>Alt. No. 7</u>
1.	-5,061	7,270	-7,300	-3,100	-1,100	-1,200	- 500
2.	-4,943	7,350	-7,220	-2,998	-1,595	-1,037	- 540
3.	-4,046	6,884	-8,500	-2,980	-1,456	-1,389	- 590
4.	-3,691	7,091	-7,356	-3,110	-1,200	- 831	- 634
5.	-2,619	7,433	-6,800	-3,100	-1,100	-1,200	- 575
6.	-5,184	7,872	-7,456	-3,110	-1,100	-1,200	-1,115