

## MATERIAL SUPPORTING THE AGENDA

### Volume XXVIIb

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

February 28-29, 1980 and  
April 10-11, 1980

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

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

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

Yellow paper - Emergency items distributed at the meeting.

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

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



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**BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM**

Material Supporting

**Agenda**

Meeting Date:..... February 28-29, 1980

Meeting No.:..... 766

Name:

*Official Copy*

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**Part I**

**Open Session of Board of Regents  
System Administration Committee  
Academic and Developmental Affairs Committee  
Buildings and Grounds Committee**

BOARD OF REGENTS  
of  
THE UNIVERSITY OF TEXAS SYSTEM  
  
CALENDAR

Place: Prudential Building, 10th Floor  
Houston, Texas

Host Institution: The University of Texas System Cancer Center

Thursday, February 28, 1980

1:30 p. m. Meeting of the Board of Regents  
Meeting of the Buildings and Grounds Committee

Friday, February 29, 1980

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

To Consider Bids for Sale of:  
Board of Regents of The University of Texas  
System, The University of Texas at San Antonio  
Combined Fee Revenue Bonds, Series 1980, in  
the amount of \$8,500,000

Committee Meetings

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

Meeting of the Board of Regents

Telephone Numbers

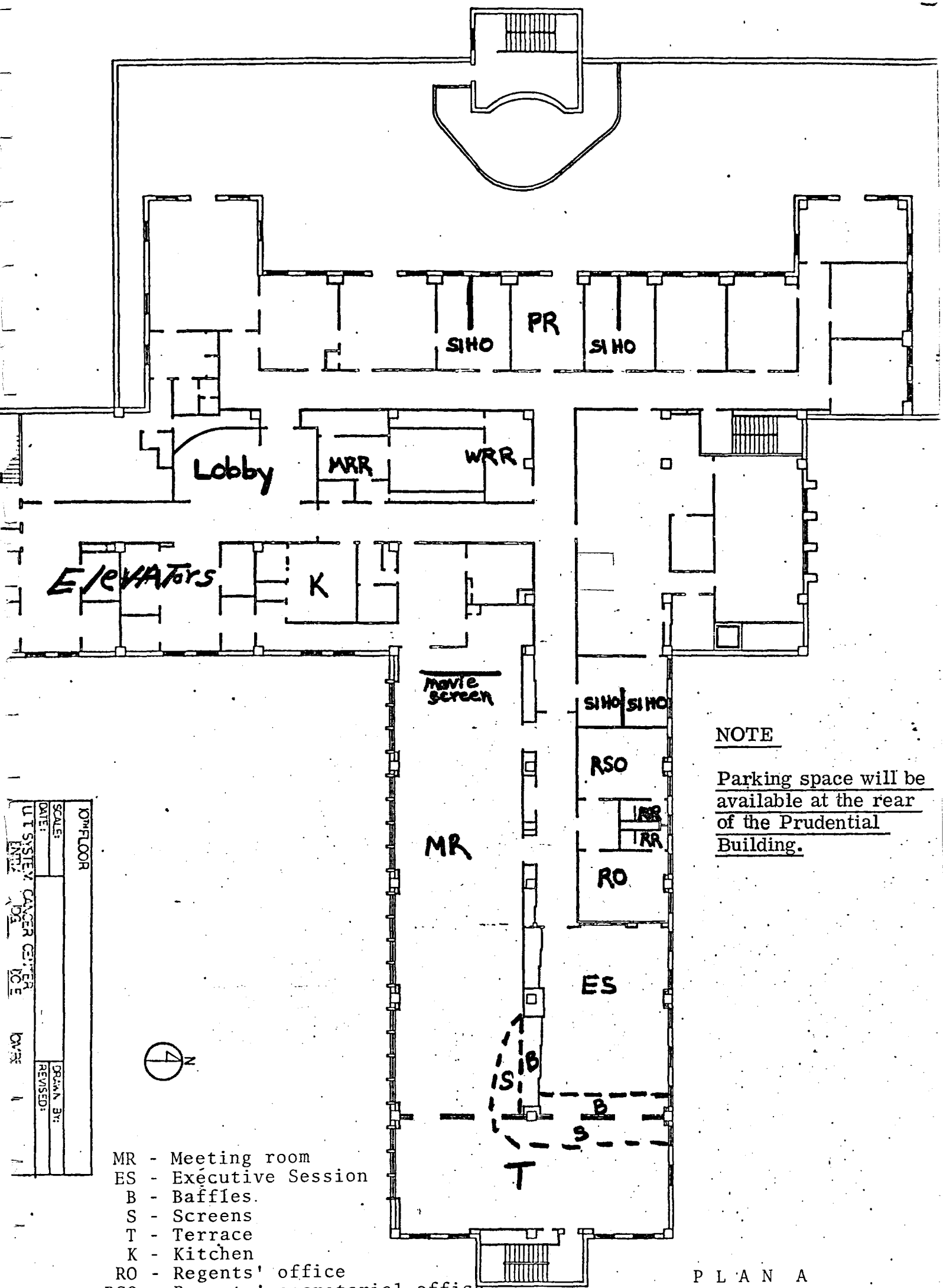
Meeting Room		(713) 792-2295
Regent Sterling		(713) 795-5342
President LeMaistre	(Residence 461-4063)	(713) 792-6000
President Bulger		(713) 792-4975

Hotels:

The Warwick	(713) 526-1991
Holiday Inn	(713) 797-1110
Tides II Motor Inn	(713) 522-2811

Airlines:

Continental	(713) 780-3344
Texas International	(713) 224-6833
Braniff International	(713) 621-3111
Southwest	(713) 237-1221



NOTE  
Parking space will be available at the rear of the Prudential Building.

DATE:	SCALE:	10TH FLOOR
REVISED:	DATE:	DATE:
DESIGNED BY:	DATE:	DATE:
DRAWN BY:	DATE:	DATE:
CHECKED BY:	DATE:	DATE:
DATE:	DATE:	DATE:

- MR - Meeting room
- ES - Executive Session
- B - Baffles
- S - Screens
- T - Terrace
- K - Kitchen
- RO - Regents' office
- RSO - Regents' secretarial office
- RR - Restrooms
- MRR - Public Men's restroom
- WRR - Public Women's restroom
- SIHO - System and Institutional heads office
- PR - Press room

P L A N A

10TH FLOOR, PRUDENTIAL BUILDING

# Meeting of the Board

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

Date: February 28, 1980  
Time: 1:30 p. m.  
Place: Prudential Building, 10th Floor  
Houston, Texas

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

Buildings and Grounds Committee. --To discuss and act on items listed on the agenda and any emergency or late items referred to the committee. Unless there are unfinished items, the Buildings and Grounds Committee will complete its meeting on Thursday, February 28.  
(See Pages B & G 1 - 34 .)

- D. RECESS TO RECONVENE AT 9:00 A.M. ON FRIDAY,  
FEBRUARY 29, 1980

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

Date: February 29, 1980

Time: 9:00 a. m.

Place: Prudential Building, 10th Floor  
Houston, Texas

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

E. RECONVENE

F. APPROVAL OF MINUTES OF REGENTS' MEETING HELD  
DECEMBER 6-7, 1979

G. INTRODUCTIONS

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT SAN ANTONIO  
COMBINED FEE REVENUE BONDS, SERIES 1980  
\$8,500,000

SALE OF THE BONDS.--As authorized bids were called for and received until 11:00 A.M., CST, on February 28, 1980, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended by the Executive Director for Investments and Trusts, joined by the Chancellor, The University of Texas System, that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to Rotan Mosle, Inc. and Associates for the sum of par plus accrued interest to date of delivery, at an effective interest rate of 8.940520.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 10:00 A.M., CST, on February 28, 1980, in accordance with specifications previously furnished the qualified bidders (Texas Banks with assets in excess of \$200,000,000).

It is recommended by the Executive Director for Investments and Trusts, joined by the Chancellor, The University of Texas System, that the bid of National Bank of Commerce of Dallas, Texas, to serve as Paying Agent for this issue be accepted. The bank will pay the Board of Regents \$1,500.00 and make no charges for payment of said coupons or bonds. Co-paying agent is Chemical Bank, New York.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 10:00 A.M., CST, February 28, 1980, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended by the Executive Director for Investments and Trusts, joined by the Chancellor, The University of Texas System, that the bid of Hart Graphics, Inc., Austin, Texas, be accepted for printing the bonds with lithographed borders, as set out in the specifications, for the sum of \$1,198.00, there being four interest rates.



TABULATION OF BIDS  
 \$8,500,000  
 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
 THE UNIVERSITY OF TEXAS AT SAN ANTONIO  
 COMBINED FEE REVENUE BONDS, SERIES 1980  
 Bids Opened Thursday, February 28, 1980, at 11:00 A.M., C.S.T.

ACCOUNT	COUPONS	INTEREST COST	EFFECTIVE RATE
Rotan Mosle, Inc. and Associates	1982 to 1989 9.50% 1990 1998 8.75% 1999 8.90% 2000 2004 9.00% _____ _____ _____	Gross: \$12,123,792.50 Less Prem: -0- Net: \$12,123,792.50	8.940520
First National Bank in Dallas and Associates	1982 to 1995 9.00% 1996 8.60% 1997 8.70% 1998 8.80% 1999 8.90% 2000 2004 9.00% _____ _____	Gross: \$12,129,255.00 Less Prem: 154.37 Net: 12,129,100.63	8.9444
Merrill Lynch White Weld Capital Markets Group and Associates	1982 to 1991 9.75% 1992 9.10% 1993 1996 8.50% 1997 1998 8.80% 1999 2000 9.00% 2001 2004 9.20% _____ _____	Gross: \$12,299,942.50 Less Prem: 317.70 Net: 12,299,624.80	9.0701
	_____ to _____ _____ _____ _____ _____ _____	Gross: _____ Less Prem: _____ Net: _____	
	_____ to _____ _____ _____ _____ _____ _____	Gross: _____ Less Prem: _____ Net: _____	
	_____ to _____ _____ _____ _____ _____ _____	Gross: _____ Less Prem: _____ Net: _____	





## H. SPECIAL ORDER

Board of Regents: (1) Resolution Authorizing the Issuance and Sale of Board of Regents of The University of Texas System, The University of Texas at San Antonio, Combined Fee Revenue Bonds, Series 1980, \$8,500,000, (2) Designation of Paying Agent and (3) Award of Contract for Printing.--

### BACKGROUND INFORMATION

Pursuant to authorization by the Board of Regents at its meeting on July 25 - 26, 1979, bids for Board of Regents of The University of Texas System, The University of Texas at San Antonio, Combined Fee Revenue Bonds, Series 1980, in the amount of \$8,500,000 will be considered by the Board of Regents at 9:00 A.M., C.S.T., on Friday, February 29, 1980, at the Prudential Building, 10th Floor, Houston, Texas.

Bids have been called for the paying agent and for printing the bonds to be opened at 10:00 A.M., C.S.T., on Thursday, February 28, 1980, at Claudia Taylor Johnson Hall, 210 West Sixth Street, Austin, Texas. Bids for the sale of these bonds will be opened at the same place, Claudia Taylor Johnson Hall, on the same day, Thursday, February 28, 1980, at 11:00 A.M., C.S.T. The results will be presented to the Board of Regents at 9:00 A.M. on February 29, 1980.

### RECOMMENDATIONS AND/OR ACTION REQUIRED

A tabulation of the bids for each of the following will be distributed at the meeting. After due consideration the following actions are required:

1. Adoption of the Resolution set out on Pages B of R 4 - 15
2. Designation of Paying Agent
3. Award of contract for printing bonds

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD  
OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE  
UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE  
REVENUE BONDS, SERIES 1980, \$8,500,000

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

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

Section 1. That the Board's negotiable, serial, coupon bonds to be designated "BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE REVENUE BONDS, SERIES 1980", are hereby authorized to be issued, sold, and delivered in the principal amount of \$8,500,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, ACTIVITIES, SERVICES, OPERATIONS, OR OTHER FACILITIES AT THE UNIVERSITY OF TEXAS AT SAN ANTONIO, UNDER AND IN STRICT CONFORMITY WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY CHAPTER 55 OF THE TEXAS EDUCATION CODE.

Section 2. That said bonds shall be dated MARCH 1, 1980, shall be numbered consecutively from 1 upward, shall be in the denomination of \$5,000 EACH, and shall mature and become due and payable serially on MARCH 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
1982	\$155,000	1994	\$355,000
1983	165,000	1995	380,000
1984	175,000	1996	410,000
1985	190,000	1997	440,000
1986	205,000	1998	470,000
1987	220,000	1999	505,000
1988	235,000	2000	545,000
1989	250,000	2001	580,000
1990	270,000	2002	625,000
1991	290,000	2003	670,000
1992	310,000	2004	720,000
1993	335,000		

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

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

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

Section 4. That said bonds and interest coupons shall be issued, shall be payable, may be redeemed prior to their scheduled maturities, shall have the characteristics, and shall be signed and executed (and said bonds shall be sealed), all as provided, and in the manner indicated, in the FORM OF BOND set forth in this Resolution.

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

FORM OF BOND

NO. \_\_\_\_\_ \$5,000

UNITED STATES OF AMERICA  
STATE OF TEXAS  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM  
THE UNIVERSITY OF TEXAS AT SAN ANTONIO,  
COMBINED FEE REVENUE BOND  
SERIES 1980

ON MARCH 1, 19\_\_, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT SAN ANTONIO promises to pay to bearer the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of \_\_\_\_% per annum, evidenced by interest coupons payable SEPTEMBER 1, 1980, and semiannually thereafter on each MARCH 1 and SEPTEMBER 1 while this bond is outstanding.

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

THIS BOND is one of a Series of negotiable, serial, coupon bonds, dated MARCH 1, 1980, issued in the principal amount of \$8,500,000, FOR THE PURPOSE OF PROVIDING FUNDS TO ACQUIRE, PURCHASE, CONSTRUCT, IMPROVE, ENLARGE, AND/OR EQUIP PROPERTY, BUILDINGS, STRUCTURES, ACTIVITIES, SERVICES, OPERATIONS, OR OTHER FACILITIES AT THE UNIVERSITY OF TEXAS AT SAN ANTONIO, UNDER AND IN STRICT CONFORMITY WITH THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, INCLUDING PARTICULARLY CHAPTER 55 OF THE TEXAS EDUCATION CODE.

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

1% if redeemed March 1, 1990, through September 1, 1991;  
3/4 of 1% if redeemed March 1, 1992, through September 1, 1992;  
1/2 of 1% if redeemed March 1, 1993, through September 1, 1993;  
1/4 of 1% if redeemed March 1, 1994, through September 1, 1994; and  
0% if redeemed March 1, 1995, or thereafter.

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

IT IS HEREBY certified, recited and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the issuance and delivery of this bond have been performed, existed, and been done in accordance with law; and that the interest on and principal of this bond and the Series of which it is a part, are secured by and payable from an irrevocable first lien on and pledge of the "Pledged Revenues", as defined in the Resolution authorizing this Series of Bonds (the "Bond Resolution"), which include certain student tuition fees designated as the "Tuition Fee", certain student general use fees designated as the "General Fee", and certain interest and investment income.

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

THE HOLDER hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation, or from any source whatsoever except the Pledged Revenues.

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

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

XXXXXX  
\_\_\_\_\_  
Chairman, Board of Regents  
The University of Texas  
System

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this

XXXXXX  
\_\_\_\_\_  
Comptroller of public accounts  
the State of Texas

FORM OF INTEREST COUPON:

NO. \_\_\_\_\_

\$ \_\_\_\_\_

ON \_\_\_\_\_ 1, 19\_\_\_\_

THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, FOR AND ON BEHALF OF THE UNIVERSITY OF TEXAS AT SAN ANTONIO, promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at the

said amount being interest due that day on the bond, bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, THE UNIVERSITY OF TEXAS AT SAN ANTONIO, COMBINED FEE REVENUE BONDS, SERIES 1980. The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation, or any source whatsoever except the Pledged Revenues described in the bond to which this coupon appertains. Bond No. \_\_\_\_\_.

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

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

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

The term "University" shall mean The University of Texas at San Antonio, in San Antonio, Texas.

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

The term "Bonds" or "Series 1980 Bonds" shall mean the Board of Regents of The University of Texas System, The University of Texas at San Antonio, Combined Fee Revenue Bonds, Series 1980, authorized to be issued by this Resolution.

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

The term "Tuition Fee" shall mean the gross collections of certain tuition fixed, charged, and collected from all tuition paying students enrolled at the University, out of and as part of the regular general tuition at the University, and allocated to the payment of the interest on and principal of the Bonds and any Additional Bonds, in the manner and to the extent provided in this Resolution, as authorized by Chapter 55 of the Education Code.

The term "General Fee" shall mean the gross collections of the general fee to be fixed, charged, and collected from all students (excepting any category of students now exempt from paying fees by the Education Code) enrolled at the University for the general use and availability of the University, in the manner and to the extent provided in this Resolution, and pledged to the payment of the Bonds and any Additional Bonds, as authorized by Chapter 55 of the Education Code.



The term "Pledged Revenues" shall mean collectively (a) the Tuition Fee, (b) the General Fee, (c) all interest and investment income derived from the deposit or investment of money credited to the Pledged Revenue Fund and the Interest and Sinking Fund maintained for the Bonds and any Additional Bonds, and (d) any additional revenues, income, receipts, or other resources, including, without limitation, any grants, donations, or income received or to be received from the United States Government, or any other public or private source, whether pursuant to an agreement or otherwise, which hereafter may, at the option of the Board, be pledged to the payment of the Bonds or the Additional Bonds.

Section 7. That the Bonds and any Additional Bonds and interest coupons appertaining thereto are and shall be secured by and payable from an irrevocable first lien on and pledge of the Pledged Revenues, and they shall constitute special obligations of the Board, payable solely from the Pledged Revenues, and such obligations shall not constitute a prohibited indebtedness of the University, the Board, or the State of Texas, and the holders of the Bonds and Additional Bonds and the coupons attached thereto shall never have the right to demand payment out of funds raised or to be raised by taxation.

Section 8. (a) That, in accordance with Chapter 55 of the Education Code, the Board hereby irrevocably assigns and pledges to the payment of the interest on and principal of the Bonds and any Additional Bonds, out of the tuition charges required or permitted by law to be imposed on each tuition paying student enrolled at the University, commencing with the regular fall semester in 1981, the Tuition Fee as follows:

- (i) \$0.42 per registered Semester Credit Hour, with a maximum aggregate of \$5.00, for each regular fall and spring semester for each enrolled student; and
- (ii) \$0.42 per registered Semester Credit Hour, with a maximum aggregate of \$2.50, for each term of each summer session for each enrolled student.

(b) That so long as any Bonds or Additional Bonds are outstanding, the Tuition Fee shall not be reduced, and the Board covenants and agrees to fix, charge, and collect the above Tuition Fee hereby assigned and pledged, and to credit same as received to the Pledged Revenue Fund, hereinafter created.

(c) That the Tuition Fee shall be deposited directly to the credit of the Pledged Revenue Fund commencing with the regular fall semester in 1981, and used to make part of the payments required to be made into the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

Section 9. (a) That the Board covenants and agrees to fix, levy, charge, and collect the General Fee from all students (excepting any category of students now exempt from paying fees by the Education Code) enrolled at the University at each regular fall and spring semester and at each term of each summer session, for the general use and availability of the University, in such amounts, without any limitation whatsoever, as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the

Interest and Sinking Fund in connection with the Bonds and any Additional Bonds.

(b) That effective with the 1979 regular fall semester a General Fee for the general use and availability of the University has been and is hereby fixed and confirmed, (excepting any student in a category now exempt from paying fees by the Education Code) enrolled at the University, as follows:

\$6.00 per registered Semester Credit Hour at each of the regular fall and spring semesters, and at each term of each summer session.

(c) That the General Fee shall be increased as and when required by this Resolution, and may be decreased so long as all Pledged Revenues are sufficient to provide the money for making all deposits required to be made to the credit of the Interest and Sinking Fund in connection with the Bonds and any Additional Bonds. All changes in such General Fee shall be made by resolution of the Board, but such procedure shall not constitute or be regarded as an amendment of this Resolution, but merely the carrying out of the provisions hereof.

(d) It is specifically found and determined by the Board: (i) that the Bonds are issued pursuant to Section 55.17 of the Education Code, to be secured by a pledge of an unlimited use fee (the General Fee); and (ii) that no bonds payable from or secured by any kind of use fees at the University previously have been issued, and no use fees at the University are encumbered or have been pledged in any manner except as provided in this Resolution; and (iii) that the estimated maximum amount per semester hour of the General Fee (based on current enrollment and conditions) during any future semester necessary to provide for the payment of the principal of and interest on the Bonds when due does not exceed \$6.00 per semester hour.

Section 10. That there is hereby created and established and there shall be maintained on the books of the Board a separate account to be entitled the "Pledged Revenue Fund". All Pledged Revenues shall be credited to the Pledged Revenue Fund, except the interest and investment income derived from the Interest and Sinking Fund.

Section 11. That to pay the principal of and interest on all outstanding Bonds and any Additional Bonds, as the same come due, there is hereby created and established, and there shall be maintained at an official depository of the Board (which must be a member of the Federal Deposit Insurance Corporation) a separate fund to be entitled the "Combined Fee Revenue Bonds Interest and Sinking Fund" (herein sometimes called the "Interest and Sinking Fund"); and there is hereby created and established and there shall be maintained as a separate account within the Interest and Sinking Fund a Debt Service Reserve (the "Debt Service Reserve") which may be used finally in retiring the last of the outstanding Bonds and any Additional Bonds, or for paying the principal of and interest on any outstanding Bonds and Additional Bonds, when and to the extent the amount in the Interest and Sinking Fund is otherwise insufficient for such purpose.

Section 12. Money in any Fund or account (including the Debt Service Reserve in the Interest and Sinking Fund) maintained pursuant to this Resolution may, at the option of the Board, be placed in time deposits or invested in direct obligations of, or obligations the principal of and interest on which are guaranteed by, the United States of America, and evidences of indebtedness of the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, or Federal National Mortgage Association; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund or account will be available at the proper time or times. Such investments shall be valued in terms of current market value as of the last day of February and August of each year. Interest and income derived from such deposits and investments shall be credited to the Fund or account from which the deposit or investment was made; provided that so long as the "Required Amount" in market value is on deposit in the Debt Service Reserve in the Interest and Sinking Fund, as hereinafter provided, such interest and income derived from the Debt Service Reserve shall be credited to the other part of the Interest and Sinking Fund and used for paying interest on the Bonds. All investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or Additional Bonds.

Section 13. (a) That immediately after the delivery of the Bonds all accrued interest and any premium received from the sale of the Bonds shall be deposited to the credit of the Interest and Sinking Fund.

(b) That on or before August 25, 1980, and semiannually on or before each February 25th and August 25 thereafter, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund the amounts as follows:

(1) an amount which, together with any other amounts then on deposit therein and available for such purpose, will be sufficient to pay the interest scheduled to come due on the Bonds on the next succeeding interest payment date; and

(2) such amounts, in approximately equal semiannual installments, commencing on or before August 25, 1981, as will be sufficient to pay the principal scheduled to mature and come due on the Bonds on the next succeeding March 1; and

(3) to the credit of the Debt Service Reserve, an amount equal to 1/10th of the average annual principal and interest requirements of the Bonds, provided that when and so long as the money and investments in the Debt Service Reserve are at least equal in market value to the amount of the average annual principal and interest requirement of the then outstanding Bonds (the "Required Amount") then no additional deposits are required to be made therein; provided that if the Debt Service Reserve is at any time, or should be depleted to, less than the Required Amount in market value, then semiannual deposits into the Debt Service Reserve shall be made and continued in an amount equal to 1/10th of the average annual principal and interest requirements of the then outstanding Bonds until the Debt Service Reserve contains or is restored to the Required Amount in market value.

Section 14. (a) That if on any occasion there shall not be sufficient Pledged Revenues to make the required deposits into the Interest and Sinking Fund, then such deficiency shall be made up as soon as possible from the next available Pledged Revenues, or from any other sources available for such purpose.

(b) Subject to making all deposits to the credit of the Interest and Sinking Fund, including the Debt Service Reserve therein, as required by this Resolution, or any resolution authorizing the issuance of Additional Bonds, the surplus Pledged Revenues may be used by the Board for any lawful purpose.

Section 15. That all money in all Funds established by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the Board, in principal amounts at all times not less than the amounts of money credited to such Funds, respectively.

Section 16. That whenever the total amount in the Interest and Sinking Fund, including the Debt Service Reserve therein, shall be equivalent to (1) the aggregate principal amount of all Bonds and Additional Bonds, if any, outstanding, plus (2) the aggregate amount of all unpaid interest coupons thereto appertaining unmaturred and maturred, no further payment need be made into the Interest and Sinking Fund. In determining the amount of Bonds or Additional Bonds outstanding, there shall be subtracted the amount of any Bonds or Additional Bonds which shall have been duly called for redemption and for which funds shall have been deposited with the paying agents sufficient for such redemption.

Section 17. That the Board shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "Additional Bonds") in any amounts, for any lawful purpose, including the refunding of any Bonds or Additional Bonds. Such Additional Bonds, if and when authorized, issued, and delivered in accordance with this Resolution, shall be secured and payable equally and ratably on a parity with the Bonds, and all other outstanding Additional Bonds, by an irrevocable first lien on and pledge of the Pledged Revenues.

Section 18. (a) Each resolution under which Additional Bonds are issued shall provide that the Interest and Sinking Fund established by this Resolution shall secure and be used to pay all Additional Bonds as well as the Bonds. However, each resolution under which Additional Bonds are issued shall specifically provide and require that, in addition to the amounts required by the provisions of this Resolution and the provisions of any other resolution or resolutions authorizing Additional Bonds to be deposited to the credit of the Interest and Sinking Fund, the Board shall transfer from the Pledged Revenues and deposit to the credit of the Interest and Sinking Fund at least such amounts as are required for the payment of all principal of and interest on said Additional Bonds then being issued, as the same comes due, and that the Board shall transfer from said Pledged Revenues and deposit to the credit of the Debt Service Reserve in the Interest and Sinking Fund at least such amounts as will, together with any other amounts already required to be deposited in the Debt Service Reserve in

connection with the Bonds and any Additional Bonds, be sufficient to cause the Debt Service Reserve to accumulate and contain within a period of not to exceed five years from the date of the then proposed Additional Bonds a total amount of money and investments at least equal in market value to the average annual principal and interest requirements of all Bonds and Additional Bonds scheduled to be outstanding after the issuance of the then proposed Additional Bonds.

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

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

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

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

(c) That the senior financial officer of the University signs a written certificate to the effect that during each University fiscal year while any Bonds or Additional Bonds are scheduled to be outstanding, beginning with the fiscal year next following the date of the then proposed Additional Bonds, the Pledged Revenues estimated to be received during each of said fiscal years, respectively, will be at least equal to 1.25 times the principal and interest requirements of all Bonds and Additional Bonds scheduled to be outstanding after the issuance of the then proposed Additional Bonds, during each of said Fiscal years, respectively.

Section 20. On or before the first day of September, 1980, and on or before the first day of each March and of each September thereafter while any of the Bonds and Additional Bonds, if any, are outstanding and unpaid, there shall be made available to the paying agents therefor, out of the Interest and Sinking Fund, money sufficient to pay such interest on and such principal of the Bonds and Additional Bonds, if any, as will accrue or mature on such September 1 or March 1. The paying agents shall totally destroy all paid Bonds and Additional Bonds, if any, and the coupons appertaining thereto, and shall furnish the Board with an appropriate certificate of destruction.

Section 21. The Board covenants and agrees that:

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

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

(c) It lawfully owns and is lawfully possessed of the lands upon which the existing campus, buildings, and facilities constituting the University are located, and has a good and indefeasible estate in such lands in fee simple, that it warrants that it has, and will defend, the title to all the aforesaid lands, and every part thereof and improvements thereon, for the benefit of the holders and owners of the Bonds and Additional Bonds against the claims and demands of all persons whomsoever, that it is lawfully qualified to pledge the Pledged Revenues to the payment of the Bonds and Additional Bonds in the manner prescribed herein, and has lawfully exercised such rights.

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

(e) That it will continuously and efficiently operate and maintain in good condition, and at a reasonable cost, the University and the facilities and services thereof, so long as any Bonds or Additional Bonds are outstanding.

(f) That while the Bonds or any Additional Bonds are outstanding and unpaid, the Board shall not additionally encumber the Pledged Revenues in any manner, except as permitted in this Resolution in connection with Additional

Bonds, unless said encumbrance is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Resolution.

(g) Proper books of record and account will be kept in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Pledged Revenues, and all books, documents, and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any bondholder.

(h) That each year while any of the Bonds or Additional Bonds are outstanding, an audit will be made of its books and accounts relating to the Pledged Revenues by the State Auditor of the State of Texas, or a certified public accountant, such audit to be based on the fiscal year of the University beginning on September 1 of each year and ending on August 31 of each year. As soon as practicable after the close of each such fiscal year, and when said audit has been completed and made available to the Board, a copy of such audit for the preceding fiscal year shall be mailed to the original purchaser of the Bonds, and to all other bondholders who shall so request in writing. Such annual audit reports shall be open to the inspection of the bondholders and their agents and representatives at all reasonable times.

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

Section 22. (a) That any Bond or Additional Bond shall be deemed to be paid, retired, and no longer outstanding within the meaning of this Resolution when payment of the principal of, redemption premium, if any, on such Bond or Additional Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption), or (ii) shall have been provided by irrevocably depositing with or making available to a Paying Agent therefor, in trust and irrevocably set aside exclusively for such payment (1) money sufficient to make such payment or (2) Government Obligations which mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to make such payment, and all necessary and proper fees, compensation, and expenses of such Paying Agent pertaining to the Bonds and Additional Bonds with respect to which such

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

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

(c) That for the purpose of this Section, the term "Government Obligations" shall mean direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, which may or may not be in book-entry form.

Section 23. That the Chairman of the Board is hereby authorized to have control of the Bonds and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds, said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate printed and endorsed on each of the Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of the Bonds.

Section 24. That the Bonds are hereby sold and shall be delivered to \_\_\_\_\_, for cash for the par value thereof and accrued interest thereon to date of delivery, plus a premium of \$ \_\_\_\_\_. It is hereby officially found, determined and declared that said Bonds have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Official Statement dated February 12, 1980, prepared and distributed in connection with the sale of said Bonds. Said Official Notice of Sale and Official Statement have been and are hereby approved by the Board. It is further officially found, determined, and declared that the statements and representations contained in said Official Notice of Sale and Official Statement are true and correct in all material respects, to the best knowledge and belief of the Board.



I. RECESS FOR COMPLETION OF COMMITTEE MEETINGS

1. System Administration Committee  
Committee Chairman Sterling
2. Academic and Developmental Affairs Committee  
Committee Chairman (Mrs.) Blumberg
3. Buildings and Grounds Committee (if business not completed  
Committee Chairman Law on Thursday)
4. Health Affairs Committee  
Committee Chairman Fly
5. Land and Investment Committee  
Committee Chairman Hay
6. Committee of the Whole  
Chairman Williams
  - a. Open Session
  - b. Executive Session.--The Board of Regents will retire to the Conference Room on the same floor (10th) and resolve into Executive Session of the Committee of the Whole pursuant to V. T. C. S., Article 6252-17, Sections 2(e), (f) and (g) to discuss:
    - (1) Pending or Contemplated Litigation - Section 2(e)
    - (2) Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f)
      - (a) PUF: Mineral Leases, West Texas Lands
      - (b) U. T. System: Purchase of Lots 9, 10, 11 and 12, Block 82, Austin, Travis County, Texas
      - (c) U. T. Austin: Valuation of Huntington Property in Samuel C. Bundick League, H. B. Littlefield Survey, Galveston, Texas, for Sale
      - (d) U. T. Austin: Valuation of Maverick Building at 317-319 Alamo Plaza, San Antonio, Texas, for Sale
      - (e) U. T. El Paso: Expansion of Sun Bowl and Acquisition of Adjacent Property
      - (f) U. T. San Antonio: Valuation of Property Associated with Lucher Center in San Antonio for Sale

- (g) University Cancer Center: Purchase of Lot 2, Block 4, Devonshire Place Addition, Houston, Texas, and Valuation of Lot 30, Block 74, Section 15, Tanglewood, Houston, Texas, for Sale
- (3) Personnel Matters [Section 2 (g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

U. T. El Paso: Report and Recommendation of Advisory Committee for Selection of Chief Administrative Officer (President)

# System Administration Committee

SYSTEM ADMINISTRATION COMMITTEE  
Committee Chairman Sterling

Date: February 29, 1980

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

Place: Prudential Building, Tenth Floor  
Houston, Texas

Page  
SAC

1. University Cancer Center (M. D. Anderson):  
Request to Authorize the Executor of the  
Estate of William B. Baylor to Sell Real  
Property in Terrell, Kaufman County, Texas  
(4-L&I-80) Below
  
2. U. T. Arlington, U. T. Austin, U. T. Dallas,  
Dallas Health Science Center (Dallas South-  
western Medical School and Dallas G.S.B.S.),  
Galveston Medical Branch and its Galveston  
Medical School, Houston Health Science Center  
(Public Health School, Houston G.S.B.S. and  
Houston Dental Branch), and University Cancer  
Center and its M. D. Anderson: Amendments to  
the 1978-79 and 1979-80 Budgets (3-B-80,  
4-B-80 and 5-B-80) 2

- 
1. University Cancer Center (M. D. Anderson): Request to Authorize the Executor of the Estate of William B. Baylor to Sell Real Property in Terrell, Kaufman County, Texas (4-L&I-80). --It is recommended by Executive Director Lobb and Chancellor Walker that the First National Bank in Dallas, Independent Executor of the Estate of William B. Baylor, Deceased, be granted authority to sell the decedent's home in Terrell, Kaufman County, Texas, which was appraised at \$100,000 for estate purposes, for a net cash price of \$100,000. The University Cancer Center owns an undivided one-third interest in the decedent's one-half interest in the home with Mrs. Baylor holding the remainder.

At its July 25-26, 1979 meeting, the Board of Regents accepted the bequest under the Will of Mr. Baylor and an offer of \$111,000 less realtor's fee for this property. However, the previous offer of \$111,000 did not materialize due to inability of the prospective purchaser to obtain financing.

2. U. T. Arlington, U. T. Austin, U. T. Dallas, Dallas Health Science Center (Dallas Southwestern Medical School and Dallas G.S.B.S.), Galveston Medical Branch and its Galveston Medical School, Houston Health Science Center (Public Health School, Houston G.S.B.S. and Houston Dental Branch), and University Cancer Center and its M. D. Anderson: Amendments to the 1978-79 and 1979-80 Budgets (3-B-80, 4-B-80 and 5-B-80).--

#### RECOMMENDATION

It is recommended by the appropriate chief administrative officers, concurred in by System Administration, that their respective 1978-79 and 1979-80 Operating Budgets be amended as indicated on the pages set out below:

- The University of Texas at Arlington, Page SAC - 3
- The University of Texas at Austin, Pages SAC 4 - 8
- The University of Texas at Dallas, Page SAC - 9
- The University of Texas Health Science Center at Dallas (Dallas Southwestern Medical School and Dallas G.S.B.S.), Page SAC - 10
- The University of Texas Medical Branch at Galveston and its Galveston Medical School, Page SAC - 11
- The University of Texas Health Science Center at Houston (Public Health School, Houston G.S.B.S. and Houston Dental Branch), Page SAC - 12
- The University of Texas System Cancer Center and its M. D. Anderson, Pages SAC 13 - 15

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

THE UNIVERSITY OF TEXAS AT ARLINGTON

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
10.	Unallocated Accounts Transfer of Funds  Amount of Transfer	From: Unappropriated Balance via Estimated Income \$108,000	To: Unallocated Maintenance and Operation \$108,000	11-1-79
		<u>Annual Salary</u> Rate	<u>Annual Salary</u> Rate	
11.	Auxiliary Enterprises - Intercollegiate Athletics - Football Head Football Coach Harold E. Elliott	\$ 25,000	\$ 30,000	1-1-80
12.	Assistant Football Coach Charles A. Key	\$ 16,750	\$ 19,750	1-1-80
13.	James R. Lindholm	\$ 14,750	\$ 18,250	1-1-80
14.	Larry Donaldson	\$ 13,250	\$ 17,250	1-1-80
	Source of Funds (Items 11-14): Intercollegiate Athletics - Unallocated Salaries			
15.	Auxiliary Enterprises - Intercollegiate Athletics - Volleyball Volleyball Coach Mary Ridgway	\$ 20,533	\$ 25,104	1-1-80
	Source of Funds: Intercollegiate Athletics Administration - Unallocated Salaries			
16.	Plant Funds Transfer of Funds  Amount of Transfer	From: Unappropriated Balance via Estimated Income - Educational and General Funds \$200,000	To: Unexpended Plant Funds - Equipment - Planetarium \$200,000	1-1-80

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THE UNIVERSITY OF TEXAS AT AUSTIN

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
127.	William F. Weldon Center for Electromechanics Salary Rate Source of Funds: Government Contract Funds-Payroll Clearing Account	Research Engineer \$ 38,000	Research Engineer \$ 48,000	11-1-79
128.	Auxiliary Enterprises - Intercollegiate Athletics for Men Transfer of Funds	From: Intercollegiate Athletics for Men - Unappropriated Balance	To: Major Renovation and Improvement Projects - Concession Stands, East Side Demolition \$ 15,000 Metal Building Units 50,000 Interior Finishing & Electrical 30,000 Sewers and Slabs 45,000 <u>\$140,000</u>	11-1-79
	Amount of Transfer	\$140,000		
129.	Richard T. Buffler Marine Science Institute - Galveston Salary Rate Source of Funds: Current Restricted Funds - Gulf Tectonic Project	Research Scientist \$ 24,856	Research Scientist \$ 30,000	12-1-79
130.	James A. Austin, Jr. Marine Science Institute - Galveston Salary Rate Source of Funds: Departmental Salaries	Research Scientist \$ 17,810	Research Scientist \$ 21,000	12-1-79

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THE UNIVERSITY OF TEXAS AT AUSTIN

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
131.	Clifford A. Frohlich Marine Science Institute - Galveston Salary Rate Source of Funds: U.S. Department of Commerce Grant	Research Scientist \$ 18,340	Research Scientist \$ 21,000	12-1-79
132.	Marine Science Institute - Galveston Transfer of Funds	From: Plant Funds - Balcones Research Center \$300,000 General Budget Funds: Unallocated Teaching and Research Equipment 250,000 Unallocated Teaching Equipment 50,000 <u>\$600,000</u>	To: Marine Science Institute - Galveston - Scientific Equipment, Ship Repairs and Maintenance - Plant Funds  \$600,000	12-1-79
	Amount of Transfer			
133.	Sandra Rosenbloom (Tenure) School of Architecture Academic Rate Source of Funds: Unallocated Faculty Salaries and U.S. Depart- ment of Transportation Grant	Associate Professor \$ 20,490	Associate Professor \$ 23,490	1-1-80

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THE UNIVERSITY OF TEXAS AT AUSTIN

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
134.	Steven W. Leslie (Tenure) College of Pharmacy	Associate Professor and Research Scientist (Faculty)	Associate Professor and Research Scientist (Faculty)	
	Academic Rate (9 mos.)	\$ 20,975	\$ 25,475	1-1-80
	Salary Rate (12 mos.)	\$ 27,967	\$ 33,966	1-1-80
	Source of Funds: Departmental Salaries and HEW Grant			

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Named Chairs and Professorships	Present Status			Proposed Status			Effective Dates
	State Funds	Chair or Professorship Funds	Total Salary 9mos.	State Funds	Chair or Professorship Funds	Total Salary 9mos.	
135. Ernest and Virginia Cockrell Chair in Engineering James R. Fair (Tenure)	\$ 21,000	\$ 21,000	\$ 42,000	\$ 24,000	\$ 21,000	\$ 45,000 <sup>(a)</sup>	1-16-80
136. Dean Rusk Chair in the Lyndon B. Johnson School of Public Affairs Sidney Weintraub (Tenure)	\$ 12,150	\$ 28,134	\$ 40,284	\$ 16,866	\$ 28,134	\$ 45,000 <sup>(a)</sup>	1-16-80
137. Ashbel Smith Professor - Chemistry; Assistant Director, Clayton Foundation Joanne M. Ravel (Tenure)	\$ 31,000	\$ ---	\$ 31,000	\$ 35,000 <sup>(a)</sup>	\$ ---	\$ 35,000	1-16-80

THE UNIVERSITY OF TEXAS AT AUSTIN  
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		State Funds	Chair or Professorship Funds	Total Salary 9mos.	State Funds	Chair or Professorship Funds	Total Salary 9mos.	
<u>Named Chairs and Professorships</u>								
138.	Fred M. Bullard Professor in Geology Stephen E. Clabaugh (Tenure)	\$ 31,000	\$ 5,000	\$ 36,000	\$ 35,000 <sup>(a)</sup>	\$ 5,000	\$ 40,000	1-16-80
139.	Wallace E. Pratt Professor in Geophysics Milo M. Backus (Tenure)	\$ 30,000	\$ 6,000	\$ 36,000	\$ 35,000 <sup>(a)</sup>	\$ 6,000	\$ 41,000	1-16-80
140.	John A. Wilson Professor in Vertebrate Paleontology E. L. Lundelius, Jr. (Tenure)	\$ 27,000	\$ 5,000	\$ 32,000	\$ 35,000 <sup>(a)</sup>	\$ 5,000	\$ 40,000	1-16-80
141.	H. B. "Hank" Harkins Professor of Constructive Capitalism; Associate Director, Institute for Constructive Capitalism Timothy W. Ruefli (Tenure)	\$ 30,500 <sup>(b)</sup>	\$ 3,500	\$ 34,000	\$ 35,000 <sup>(a)</sup>	\$ 3,500	\$ 38,500	1-16-80
142.	Price Waterhouse Auditing Professor Jack C. Robertson (Tenure)	\$ 29,200	\$ 7,000	\$ 36,200	\$ 35,000 <sup>(a)</sup>	\$ 7,000	\$ 42,000	1-16-80
143.	Jesse H. Jones Professor in Journalism Ernest A. Sharpe (Tenure)	\$ 28,000	\$ 5,000	\$ 33,000	\$ 35,000 <sup>(a)</sup>	\$ 5,000	\$ 40,000	1-16-80

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THE UNIVERSITY OF TEXAS AT AUSTIN  
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		State Funds	Chair or Professorship Funds	Total Salary 9mos	State Funds	Chair or Professorship Funds	Total Salary 9mos	
<u>Named Chairs and Professorships</u>								
144.	Henry Beckman Professor in Chemical Engineering Eugene H. Wissler (Tenure)	\$ 32,300	\$ 5,000	\$ 37,300	(a) \$ 35,000	\$ 5,000	\$ 40,000	1-16-80
145.	Halliburton Annual Professor Kenneth E. Gray (Tenure)	\$ 31,380	\$ 2,500	\$ 33,880	(a) \$ 35,000	\$ 2,500	\$ 37,500	1-16-80
Source of Funds (Items 135-143): Unallocated Faculty Salaries								
(a) Also, Academic Rate								
(b) Includes portion of salary paid by Institute for Constructive Capitalism from Current Restricted Funds								

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THE UNIVERSITY OF TEXAS AT DALLAS

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
1.	Callier Center for Communication Disorders Transfer of Funds	From: Unappropriated Balance via Estimated Callier Center Income: Dallas Independent School District \$215,802 Patient Fees 5,988 United Way 10,140 <u>\$231,930</u>	To: Callier Center - Educational Programs \$ 63,071 Deaf and Blind Program 152,731 Special Services 5,988 Technical Services 10,140 <u>\$231,930</u>	11-1-79
	Amount of Transfer			
2.	Geoffrey F. Shepherd Geological Information Library of Dallas Annual Salary Rate Source of Funds: Geological Information Library of Dallas - Interest on Endowment Account	Director \$ 17,500	Director \$ 22,000	1-1-80

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THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
10.	<u>Dallas Southwestern Medical School</u> Samuel M. McCann (Tenure) Physiology Professor and Chairman Source of Funds: Unallocated Salaries	\$ 52,800	---	\$ 52,800	\$ 60,000	---	\$ 60,000	12-1-79
11.	Rege S. Stewart <u>Psychiatry</u> Assistant Professor Source of Funds: Unallocated Salaries and MSRDP	\$ 32,600	---	\$ 32,600(3/4T)	\$ 34,500	\$ 17,000	\$ 51,500(F.T.)	12-1-79
12.	Herbert Buchsbaum (Tenure) Obstetrics and Gynecology Professor and Chief, Division of Gynecologic Oncology Source of Funds: Unallocated Salaries	\$ 54,950	\$ 22,550	\$ 77,500	\$ 56,650	\$ 28,350	\$ 85,000	1-1-80
13.	<u>Dallas Southwestern Medical School</u> <u>and Dallas G.S.B.S.</u> Amal Mukherjee Internal Medicine and Graduate Program in Physiology Instructor Source of Funds: Unallocated Salaries	\$ 18,200	\$ ---	\$ 18,200	\$ 21,200	\$ ---	\$ 21,200	1-1-80

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THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON

1978-79 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
38.	Pharmacy Transfer of Funds	From: Unappropriated Balance via Estimated Income	To: Pharmacy - Cost of Goods Sold	
	Amount of Transfer	\$1,000,000	\$1,000,000	8-31-79

1979-80 BUDGET

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>			<u>Proposed Status</u>			<u>Effective Dates</u>
		<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	<u>Salary Rate</u>	<u>Augmentation</u>	<u>Total Compensation</u>	
	Galveston Medical School Department of Internal Medicine							
8.	Associate Professor Jerry C. Daniels (Tenure)	\$ 36,000	\$ 12,000	\$ 48,000	\$ 37,800	\$ 13,200	\$ 51,000	1-1-80
9.	Assistant Professor Richard B. Pollard	\$ 36,400	\$ 6,600	\$ 43,000	\$ 38,200	\$ 7,800	\$ 46,000	1-1-80
10.	Joseph E. Burks	\$ 30,000	\$ 5,000	\$ 35,000	\$ 32,400	\$ 6,600	\$ 39,000	1-1-80
11.	Instructor John W. Polacheck	\$ 26,000	\$ 3,000	\$ 29,000	\$ 29,600	\$ 5,400	\$ 35,000	1-1-80

Source of Funds (Items 8-11):  
Unallocated Salaries and MSRDP

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON

1979-80 BUDGET

ITEM NO.	Explanation	Present Status	Proposed Status	Effective Dates
7.	<u>Houston School of Public Health</u> Barbara C. Tilley Biometry Salary Rate Source of Funds: DHEW Grant Funds	Faculty Associate (1/2T) \$ 17,500	Faculty Associate (3/4T) \$ 23,000	11-1-79
8.	<u>Houston Graduate School of Biomedical Sciences</u> Ranajit Chakraborty (Tenure) Demographic and Population Genetics Center Salary Rate	Associate Professor \$ 28,000	Associate Professor \$ 30,500	12-1-79
9.	<u>Houston Dental Branch</u> Jose A. Lomba Surgery Salary Rate	Professor \$ 36,800	Professor \$ 39,500	1-1-80

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THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER

1979-80 BUDGET

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
2.	Plant Funds Projects Transfer of Funds	From: Furnishings and Equipment Account - Expansion of M. D. Anderson Hospital (Project No. 703-78)	To: Construction Project - Renovation for Former Prudential Building Space	
	Amount of Transfer	\$ 600,000	\$ 600,000	11-1-79

SAC - 13

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>M. D. Anderson Hospital and Tumor Institute</u> Department of Internal Medicine Assistant Internist and Assistant Professor of Medicine							
3.	Manuel E. Moran	\$ 25,000	\$ 6,500	\$ 31,500	\$ 25,000	\$ 10,000	\$ 35,000	12-1-79
	Assistant Internist and Instructor in Medicine (Medical Breast Service)							
4.	Frank Schell	\$ 28,000	\$ 4,000	\$ 32,000	\$ 28,000	\$ 7,000	\$ 35,000	12-1-79
	Assistant Internist and Instructor in Medicine							
5.	Frederick B. Hagemester	\$ 22,000	\$ 10,000	\$ 32,000	\$ 23,400	\$ 11,600	\$ 35,000	12-1-79
6.	Christopher J. Logothetis	\$ 22,000	\$ 10,000	\$ 32,000	\$ 23,400	\$ 11,600	\$ 35,000	12-1-79
7.	Yugal K. Maheshwari	\$ 22,000	\$ 10,000	\$ 32,000	\$ 23,400	\$ 11,600	\$ 35,000	12-1-79
8.	Antonio Trindade	\$ 28,000	\$ 4,000	\$ 32,000	\$ 28,000	\$ 7,000	\$ 35,000	12-1-79



THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER  
(Continued)

1979-80 BUDGET

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
9.	Department of Laboratory Medicine Assistant Pathologist and Assistant Professor of Pathology Harold E. Fischer	\$ 26,000	\$ 5,000	\$ 31,000	\$ 26,000	\$ 9,000	\$ 35,000	12-1-79
10.	Department of Developmental Therapeutics Assistant Internist and Assistant Professor of Medicine Jean Latreille (60%T M.D. Anderson and 40%T Houston Health Science Center)	\$ 21,400	\$ 10,600	\$ 32,000	\$ 23,300	\$ 11,700	\$ 35,000	12-1-79
11.	Davie J. Stewart	\$ 21,400	\$ 10,600	\$ 32,000	\$ 23,300	\$ 11,700	\$ 35,000	12-1-79
12.	Dharmvir S. Verma	\$ 21,400	\$ 10,600	\$ 32,000	\$ 23,400	\$ 11,600	\$ 35,000	12-1-79
13.	Verena M. Hug	\$ 20,000	\$ 10,000	\$ 30,000	\$ 23,300	\$ 11,700	\$ 35,000	12-1-79
14.	Theera Umsawasdi	\$ 21,400	\$ 10,600	\$ 32,000	\$ 23,300	\$ 11,700	\$ 35,000	12-1-79
	Sources of Funds: Items No. 3 through No. 14: Reserve for Pro- fessional Salaries (\$3,150), PRS Reserve for Augmentation (\$18,225), Contract Funds (\$8,250)							
15.	Lillian M. Fuller (Tenure) Radiotherapy Radiotherapist and Associate Professor of Radiotherapy Sources of Funds: Reserve for Professional Salaries and PRS Reserve for Augmentation	\$ 39,000	\$ 18,000	\$ 57,000	\$ 41,000	\$ 21,000	\$ 62,000	12-1-79

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THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER  
(Continued)

1979-80 BUDGET

SAC - 15

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
16.	Sue E. Young Head and Neck Surgery Associate Surgeon (Ophthalmology) and Assistant Professor of Ophthalmology Source of Funds: Reserve for Professional Salaries and PRS Reserve for Augmentation	\$ 29,000	\$ 14,100	\$ 43,100	\$ 32,100	\$ 16,000	\$ 48,100	12-1-79
17.	Ayten Cangir Pediatrics Associate Pediatrician and Associate Professor of Pediatrics Sources of Funds: Reserve for Professional Salaries and PRS Reserve for Augmentation	\$ 29,500	\$ 13,500	\$ 43,000	\$ 32,000	\$ 16,000	\$ 48,000	12-1-79
Item No.	Explanation	Present Status			Proposed Status			Effective Dates
18.	Auxiliary Enterprises - Central Food Service Facility Transfer of Funds  Amount of Transfer	From: Unappropriated Balance - General Funds \$550,000			To: Central Food Service Facility  \$550,000			1-1-80

# Academic and Developmental Affairs Committee

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE  
Committee Chairman Blumberg

Date: February 29, 1980

Time: Following the Meeting of the System Administration Committee

Place: Prudential Building, Tenth Floor  
Houston, Texas

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3. U. T. Austin: Request for Approval to Require Professional Liability (Malpractice) Insurance for Pharmacy Students in Fifth-Year Clinical and/or Pharmacy Internship Courses (Catalog Change)	3
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1. U. T. System: Docket No. 8 of the Chancellor of the System. --

#### RECOMMENDATION

It is recommended that Docket No. 8 of the Chancellor of the System be approved.

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

2. U. T. Arlington: Request to Seek Permission from Coordinating Board to Establish a Department of Computer Science and Engineering (Catalog Change). --

#### RECOMMENDATION

President Nedderman and Chancellor Walker recommend that approval be given to establish a Department of Computer Science and Engineering within the College of Engineering at The University of Texas at Arlington. Funding for the new department will come from formula earnings.

#### BACKGROUND INFORMATION

The program in Computer Science and Engineering is currently administered through the Department of Industrial Engineering, but its size now warrants the establishment of a separate administrative structure. A Bachelor of Science degree in Computer Science and Engineering, a Master of Science, and courses related to the Ph.D. in Engineering are currently offered in the Computer Science and Engineering program.

The program is one of the largest in the College of Engineering, and the prospects for continued growth are excellent. There are currently 200 undergraduate and 148 postgraduate majors, as well as a large number of service students.

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

A copy of the proposal is on file in the Office of the Secretary.

3. U. T. Austin: Request for Approval to Require Professional Liability (Malpractice) Insurance for Pharmacy Students in Fifth-Year Clinical and/or Pharmacy Internship Courses (Catalog Change). --

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend approval to require professional liability insurance for pharmacy students in fifth-year clinical and/or pharmacy internship courses at U.T. Austin. Such insurance is necessary, since these

students are involved in patient care activities. Upon regental approval, this change will appear in the 1980-82 College of Pharmacy catalogue, and will read as follows:

All pharmacy students enrolling in fifth-year clinical and/or pharmacy internship courses will be required to show evidence of professional liability insurance coverage paid for the duration of the course or courses as a prerequisite to enrollment. The effective date of the policy must be on or before the first regular class period of the clinical and/or pharmacy internship course for which the student is enrolling.

#### BACKGROUND INFORMATION

At its October 20, 1972, meeting, the Board of Regents approved a request to require professional liability insurance for allied health and nursing students during their clinical training. At its December 7, 1979, meeting, the Board also approved a request to require students involved in patient care activities at all U.T. System health components to purchase professional liability insurance.

#### 4. U. T. Austin: Request to Appoint Hoechst-Roussel Professor of Pharmacy Beginning September 1, 1980.--

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend that Dr. James Doluisio, Dean of the College of Pharmacy, be appointed as the first holder of the Hoechst-Roussel Professorship in Pharmacy, effective September 1, 1980.

#### BACKGROUND INFORMATION

The criteria for selection to this professorship are academic leadership, national prominence in the profession, and scholarship. The Budget Council of the College of Pharmacy has nominated Dr. Doluisio in the belief that he is extremely worthy of this appointment. Dr. Doluisio has been a Professor of Pharmaceutics and Dean of the College since 1973.

Approval of this nomination is contingent upon regental approval of the establishment of the Hoechst-Roussel Professorship in Pharmacy presented in the current agenda of the Land and Investment Committee.\* Hoechst-Roussel Pharmaceuticals, Incorporated, has given \$59,000 to U.T. Austin for the establishment of this professorship and has pledged to complete its funding by 1981. Until that time, any income from the endowment will be used only as an expense supplement.

(\*See Item 9, Page L&I - 19 for recommendation to establish this Professorship.)

#### 5. U. T. Austin: Proposed Appointment of a Fellow in the B. M. "Mack" Rankin, Jr. Professorship of Petroleum Land Management in the College of Business Administration Effective September 1, 1980.--

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend that Mr. Nick Woodward, Lecturer in the Department of General Business, be appointed as the B. M. "Mack" Rankin, Jr. Fellow in Petroleum Land Management. Under the conditions of the B. M. "Mack" Rankin, Jr. Professorship in Petroleum Land Management

in the College of Business Administration, which was approved by the Board of Regents on October 12, 1979, an individual who does not hold the academic rank of Professor at the University but who is otherwise qualified may be considered as the B. M. "Mack" Rankin, Jr. Fellow in Petroleum Land Management. If approved by the Board, this appointment will become effective September 1, 1980.

#### BACKGROUND INFORMATION

Mr. Woodward coordinated the U.T. Austin Petroleum Land Management Program for six years, and it is considered to be the most outstanding in the United States. Graduates of the program are in demand, and Mr. Woodward has devoted much of his personal energy to place them. Additionally, because of his interest in the program and the quality of its graduates, he has been most effective in raising substantial scholarship funds for the petroleum land management students. The American Association of Petroleum Landmen presented Mr. Woodward a special award in 1974 recognizing his contributions to this program at U.T. Austin. This recommendation has the support of Dr. George Kozmetsky, Dean of the College of Business Administration.

The income from the endowment for this professorship has been designated as a salary and expense supplement. The amount that will be used for the salary stipend will be determined prior to the final preparation of the 1980-81 budget for the College of Business Administration and will be submitted for regental approval via the institutional budget.

6. U. T. Austin: Proposed Appointments Effective September 1, 1980 to the (a) H. B. (Burt) Harkins, Jr. Professorship of Petroleum Engineering, (b) C. W. Cook Professorship of Environmental Engineering, (c) J. C. Walter, Jr. Professorship of Engineering, and (d) Texas Atomic Energy Research Foundation Professorship in the College of Engineering.--

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend the following:

that Dr. Myron Dorfman be appointed to the H. B. (Burt) Harkins, Jr., Professorship of Petroleum Engineering;

that Dr. Joseph F. Malina be appointed to the C. W. Cook Professorship of Environmental Engineering;

that Dr. H. Grady Rylander, Jr., be appointed to the J. C. Walter, Jr., Professorship of Engineering; and

that Dr. Herbert H. Woodson be appointed to the Texas Atomic Energy Research Foundation Professorship in the College of Engineering. (See Item 16 , Page L&I - 22 for recommendation to establish this Professorship.)

In each case, the professorship designation will be accompanied by a \$7,000 salary supplement for the 1980-81 academic year. These recommendations have the support of Dr. Earnest F. Gloyna, Dean of the College of Engineering.

#### BACKGROUND INFORMATION

Dr. Dorfman is Chairman of the Department of Petroleum Engineering and Director of Geothermal Studies in the Center for Energy Studies. His scholarly research and publications have earned international recognition. The H. B. (Burt) Harkins, Jr., Professorship of Petroleum Engineering was established by the Board of Regents at its October 12, 1979 meeting.



Dr. Malina is Chairman of the Department of Civil Engineering and Director of the Environmental Health Engineering Laboratories. He has made a number of research contributions to the study of environmental health engineering. The current holder of this professorship is Dr. Gerard A. Rohlich. Since Dr. Rohlich will be 70 years old this summer and has requested modified service beginning September 1, 1980, and since it has been the policy of the College of Engineering to terminate appointments to professorships at the time the holders accept modified service, the Cook Professorship will be unfilled as of September 1, 1980. This professorship was approved by the Board of Regents at its October 23, 1970 meeting.

Dr. H. Grady Rylander, Jr., is Chairman of the Department of Mechanical Engineering and Director of the Center for Electromechanics. He has been on the U.T. Austin College of Engineering faculty since 1947, and has a national reputation for his work in the field of mechanical engineering. Dr. Rylander is the current holder of the Jack S. Josey Professorship in Energy Studies; however, his appointment to that professorship expires on August 31, 1980. The J. C. Walter, Jr., Professorship of Engineering was established by the Board of Regents at its December 7, 1979, meeting.

Dr. Herbert H. Woodson has served as Chairman of the U.T. Austin Electrical Engineering Department since 1971, and as the Director of the Center for Energy Studies since 1973. Additionally, he is Associate Director of the Fusion Research Center. His contributions in the field of energy conservation have received national recognition. Approval of this nomination is contingent upon regental approval of the establishment of the Texas Atomic Energy Research Foundation Professorship in the College of Engineering presented in the current agenda of the Land and Investment Committee. The Texas Atomic Energy Research Foundation desires the proceeds of the endowment to be used to support activities related to the fusion research program at the University. The Texas Atomic Energy Research Foundation has contributed \$25,000 toward the professorship and has pledged to contribute \$25,000 each year for the next three years. The Engineering Foundation has agreed to underwrite the stipend for the professorship until the endowment earns sufficient income to totally support it.

7. U. T. Austin: Proposed Appointment of Visiting Professors to the Edward Larocque Tinker Chair in Latin American Studies for Spring Semester 1981. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend that Dr. Haroldo de Campos, Dr. Elizabeth Jelin, and Dr. Carlos Estevam Martins be appointed as Edward Larocque Visiting Professors in Latin American Studies during the Spring Semester, 1981, to be supported by the Edward Larocque Tinker Chair in Latin American Studies. These recommendations have the support of the Tinker Selection Committee and the endorsement of Ms. Martha Muse of the Tinker Foundation.

BACKGROUND INFORMATION

Dr. de Campos is Professor of Theory of Literature and Brazilian Literature at Pontificia Universidade Católica in São Paulo, Brazil, and will teach in the Spanish-Portugese Department at U.T. Austin. Dr. Jelin is Director of the Center for Studies of State and Society in Buenos Aires, Argentina, and if appointed, will teach in U.T. Austin's Sociology Department. Dr. Martins is a Professor at the Institute of Philosophy of Human Sciences at São Paulo, Brazil's state university, and will teach in the Government Department. All of these individuals will also contribute substantially to Latin American scholarly activities throughout the University and the State of Texas if appointed.

Tinker Foundation funds are available to totally support all three appointments. In fact, the Tinker Foundation recommends the appointment of all three since the balance in the Tinker account is larger than considered desirable by the Tinker Foundation. The Edward Larocque Tinker Chair in Latin American Studies, approved by the Board of Regents on September 14, 1973, is expressly for supporting Visiting Professors in Latin American Studies.

8. U. T. Austin: Proposed Increase in Student Services Fee (Required) Including Reinstatement of Hospital Fee and Certain Student Services Fees (Optional) Effective 1980-81 (Catalog Change). --

RECOMMENDATION

President Flawn and Chancellor Walker recommend approval by the Board of Regents to increase the Student Services Fee (required) from \$59.28 to \$60.00 per semester for students carrying twelve credit hours or more and from \$4.94 to \$5.00 per credit hour for those carrying eleven hours or less.

President Flawn and Chancellor Walker also recommend reinstatement of the \$4.00 per semester hospitalization fee, with the hospitalization fee to be \$2.00 for a six weeks or less summer session, \$3.00 for a nine weeks summer session and \$4.00 for a twelve weeks summer session.

President Flawn and Chancellor Walker further recommend approval of the Student Services Fees (optional) as set out below:

STUDENT SERVICES FEES (OPTIONAL)  
1980-81 PROPOSALS

The recommended optional student fees for 1980-81, with any changes noted by indicating the 1979-80 rate in parentheses, are:

	<u>Academic Year</u>	<u>Spring Semester</u>
A. <u>Student Services Fee (Optional)</u>		
(1) Cultural Entertainment Committee	\$ 10.00	\$ 5.00
(2) Intercollegiate Athletics for Men and Women	36.00 (34.00)	13.00 (12.00)
(3) The <u>Cactus</u> Yearbook	13.65 (12.60)	
(4) <u>Peregrinus</u> Law School Yearbook	8.93 ( 8.40)	
(5) <u>UTmost</u> Magazine	3.50	
(6) Locker and shower (per semester)	.75	
(7) "C" Parking Permit for Automobile	10.00	
"C" permit for spring semester only		6.00
(8) "M" parking permit for Motorcycles	6.00	
"M" permit for spring semester only		4.00
(9) "D" parking permit (for disabled student)	10.00	
"D" permit for spring semester only		6.00
(10) "C," "M" or "D" permits for summer only	2.00	

B. Student Spouse Services Fee (Optional)

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

(1) Cultural Entertainment Committee	\$ 10.00	\$ 5.00
(2) Intercollegiate Athletics for Men and Women	48.00 (46.00)	17.00 (16.00)

The recommended \$36.00 fee for Men's and Women's Intercollegiate Athletics represents an increase of \$2.00, with \$18.00 each designated for Men's Athletics and Women's Athletics.

BACKGROUND INFORMATION

The Student Services Fee (required) will support the same programs as for last year, which are (1) Students' Attorney, (2) Student Health Center, (3) Recreational Sports, (4) Shuttle Bus, (5) The Daily Texan, (6) Student Activities Office, (7) Senior Cabinet, and (8) Ombudsman.

The hospitalization fee will be used only for hospital costs. Part of the Student Services Fee (required) will be used to assist in funding the outpatient clinic and other Health Center costs not directly attributable to the hospital.

These fee increases are required principally to meet inflationary costs and in most funded units represent no program expansion. Both of the recommended changes are supported by a 9-0 vote of the Student Services Fee Committee.

The Student Services Fee Committee also voted to approve the recommended Student Services fee (optional) by a 9-1 vote.

The Student Union Fee previously approved will be continued as follows: \$12.00 per long session semester, \$6.00 per six weeks or less summer session, \$9.00 per nine weeks summer session and \$12.00 per twelve weeks summer session.

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

9. U. T. Austin: Proposed Rates for University Residence Halls, University Apartments-Married Student Housing and Student Housing Units-Women's Cooperatives Effective 1980-81 Academic Year (Catalog Change). --

RECOMMENDATION

President Flawn and Chancellor Walker recommend that approval be given to the following rate schedule for University Residence Halls, University Apartments-Married Student Housing and Student Housing Units-Women's Cooperatives at The University of Texas at Austin for the 1980-81 academic year:

The University of Texas at Austin  
RATE SCHEDULE EFFECTIVE 1980-81  
University Residence Halls

	1979-80			1980-81 Proposed		
	<u>Room</u>	<u>Meals</u>	<u>Total</u>	<u>Room</u>	<u>Meals</u>	<u>Total</u>
<u>Double Rooms</u>						
Jester						
community bath	\$780	\$1040	\$1820	\$ 896	\$1200	\$2096
connecting bath	968	1040	2008	1112	1200	2312
Kinsolving						
community bath	780	1040	1820	896	1200	2096
connecting bath	968	1040	2008	1112	1200	2312
Blanton	780	1040	1820	896	1200	2096
Andrews, Carothers & Littlefield	516	1040	1556	592	1200	1792
Moore-Hill & Simkins	780		780	896		896
Brackenridge- Roberts-Prather	516		516	592		592
Andrews Room Only	516		516	592		592

1. These rates include a telephone in each room, bed linens furnished and laundered and twenty meals per week where meals are included.
2. Payment procedure will be as during the 1979-80 fiscal year with the \$5.00 late fee being added for an unpaid balance each month.

Other Rates

1. Single room rate and double rented as a single -- 1.667 times the double rate.
2. Summer Session rates -- long session per diem rate multiplied by number of days in summer session.

3. Guest rates:  
Overnight Guests -- \$2.00 per night.

Meal Guests

	<u>1979-80</u>	<u>1980-81 Proposed</u>
Breakfast	\$1.80	\$2.10
Lunch	2.70	3.10
Dinner	3.40	3.90
Sunday Noon	3.95	3.90

4. Short-term

Short-term rates are for individuals or groups assigned to vacant areas in regular student space for periods of a few days to several weeks. These rates include meal service, blanket, pillow, and bed linens.

Recommendations are as follows:

	<u>Daily Rate Per Person</u>		<u>Weekly Rate Per Person</u>	
	<u>Present</u>	<u>Recommended</u>	<u>Present</u>	<u>Recommended</u>
Meals	\$ 7.90	\$ 9.10	\$47.40	Eliminate
Double Room	5.85	6.75	35.10	Eliminate
	<u>\$13.75</u>	<u>\$15.85</u>	<u>\$82.50</u>	
Single Room <sup>1</sup>	\$ 8.75	\$10.10	\$52.50	Eliminate

<sup>1</sup>(1½ times the Double Rate)

Weekly Rates for Short-term will be eliminated.

5. Orientation Rate\* (See Next Page)

Orientation rates are for persons attending Summer Orientation assigned to space opened specifically for these groups. The rates include meal service, blanket, pillow, and bed linens.

Recommendations are as follows:

	<u>Daily Rate Per Person</u>	
	<u>Present</u>	<u>Recommended</u>
Meals	\$ 7.90	\$ 9.10
Double Room	6.50	7.50
	<u>\$14.40</u>	<u>\$16.60</u>
Single Room	\$ 9.75	\$11.25 (1½ times the Double Rate)

6. Conference Rates\* (See Next Page)

- a. Full Service - Space opened specifically for conference use each summer in connecting bath area. The rate includes expanded meal service, blanket, pillow, soap, daily towel and washcloth exchange, limited daily maid service, bed linens changed every fourth day, and meeting space.

Recommendations are as follows:

	<u>Daily Rate Per Person</u>	
	<u>Present</u>	<u>Recommended</u>
Meals	\$ 9.60	\$11.00
Double Room	9.90	11.50
	<u>\$19.50</u>	<u>\$22.50</u>
Single Room	\$14.85	\$17.25 (1½ times the Double Rate)

- b. Modified Service - A reduced conference rate for community bath space. Regular meal service is used and services are reduced.

Recommendations are as follows:

	<u>Daily Rate Per Person</u>	
	<u>Present</u>	<u>Recommended</u>
Meals	\$ 7.90	\$ 9.10
Double Room	8.25	9.50
	<u>\$16.15</u>	<u>\$18.60</u>
Single Room	\$12.40	\$14.25 (1½ times the Double Rate)

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

The University of Texas at Austin  
 RATE SCHEDULE EFFECTIVE 1980-81  
 University Apartments - Married Student Housing

	<u>Monthly Rate</u>	
	<u>1979-80</u>	<u>1980-81 Proposed</u>
Brackenridge-Deep Eddy (All units unfurnished)		
1 bedroom apartment	\$ 77	\$ 88
2 bedroom duplex	83	95
2 bedroom apartment	86	99
3 bedroom apartment	94	108
4 bedroom apartment	103	118
Mobile Home Lot	30	33
Colorado Apartments		
Unfurnished		
1 bedroom	124	136
2 bedroom	137	151
Furnished		
1 bedroom	137	151
2 bedroom	150	165
Gateway Apartments		
Unfurnished		
1 bedroom	124	136
2 bedroom	137	151
Furnished		
1 bedroom	137	151
2 bedroom	150	165

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

The University of Texas at Austin  
 RATE SCHEDULE EFFECTIVE 1980-81  
 Student Housing Units--Women's Cooperatives

Monthly Rental Paid to University

Number of students per co-op	Present Rates		Number of students per co-op	1980-81 Proposed Rates	
	Bldg. rent per stud.	Monthly rent paid to Univ.		Bldg. rent per stud.	Monthly rent paid to Univ.
NONAIR-COND.			NONAIR-COND.		
15 (6 co-ops)	\$28.50 mo.	\$427.50	15 (6 co-ops)	\$32.75 mo.	\$491.25
AIR-COND.			AIR-COND.		
17 (2 co-ops)	\$42.75 mo.	\$726.75	17 (2 co-ops)	\$49.15 mo.	\$835.55
19 (4 co-ops)	42.75 mo.	\$812.25	19 (4 co-ops)	\$49.15 mo.	\$933.85

**JUSTIFICATION**

The proposed rates are the result of an evaluation of increased fixed and operating costs since the rate revision for 1979-80 and projected increases for the 1980-81 fiscal year. The proposed increases reflect projected salary increases (including increases in the minimum wage), staff benefits (including longevity pay, the increase in Premium Sharing, and Premium Sharing for Retirees), utilities, raw food and general operating expenses.

The following summaries indicate the increases or changes proposed for 1980-81:

a. Residence Halls

With projected salaries, staff benefits and general operating expenses increasing the 1979-80 budgeted operating costs for 1980-81, the recommended rate increase for students and short-term room and meals in all residence halls is approximately 15%. Rental rates will include telephone, bed linens furnished and laundered, and twenty meals per week when meals are included. Projected Long Session and Summer occupancy along with past service reductions, the consolidation of graduating Seniors and the elimination of food service after the last final exam will assist in offsetting projected increases in raw food and general operating expenses.

It is recommended that the Summer Orientation room and meals rate be raised approximately 15%. This increase will adjust the Orientation rates to a level commensurate with the services provided.

It is recommended that the Summer Conference room and meals rates be raised approximately 15%. The conference rates recommended are base rates and may be adjusted based on length of stay and specific services requested by the conference group.

b. University Apartments - Married Student Housing

The recommended increase is approximately 15% for Brackenridge-Deep Eddy, 10% for Colorado and Gateway, and 10% for the Mobile Home Park. Colorado and Brackenridge-Deep Eddy rentals include water, wastewater and gas in the rate. Gateway, being a total electric unit, includes only water and wastewater in the rate. The Mobile Home Park also includes water and wastewater in the rate. The rate increases will be applied to salary, staff benefit, and general operating increases including the essential repairs of the older Brackenridge-Deep Eddy living units.

c. University Women's Cooperatives

The proposed monthly rate paid to the University by the twelve University Women's Cooperatives for building rental includes an approximate 15% increase for both air-conditioned and nonair-conditioned units. The rate increases will be applied to salary, staff benefit, and general operating increases including the essential repairs of the Cooperative living units. The Cooperatives pay certain utility costs directly to the City of Austin and Southern Union Gas Company.

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

10. U. T. Permian Basin: Proposed Appointment of a Fellow in the J. Conrad Dunagan Professorship of History.--

RECOMMENDATION

President Cardozier and Chancellor Walker recommend that Dr. Roger M. Olien, Associate Professor and Chairman of the Faculty of History, be named the J. Conrad Dunagan Fellow in History at The University of Texas of the Permian Basin.

Dr. Olien is an Associate Professor, and President Cardozier recommends that his appointment as J. Conrad Dunagan Fellow in History be in effect until Dr. Olien attains the rank of Professor or until the professorship is awarded to a faculty member of professorial rank. The appointment will become effective upon approval by the Regents with the holder's stipend and other support as suggested by Mr. Dunagan to be handled through the institution's budget.

BACKGROUND INFORMATION

Approval of this nomination is contingent upon regental approval of the establishment of the J. Conrad Dunagan Professorship of History presented in the current agenda of the Land and Investment Committee.\* The professorship will honor J. Conrad Dunagan, Chairman of the Board of the Permian Coca-Cola Bottling Company, and a strong supporter of U.T. Permian Basin. Mr. Dunagan, a native of Midland, Texas, established the Permian Honor Scholarship Foundation which provides scholarships to outstanding graduates of Permian Basin high schools to attend an area junior college for two years and U.T. Permian Basin for two years. He has also been instrumental in establishing a U.T. Permian Basin scholarship endowment fund.

Mr. Dunagan has indicated that in the future he is agreeable to appointing faculty to this professorship from social science disciplines other than history.

Dr. Olien is uniquely qualified to meet the donor's request that income from the professorship endowment be used to support research and writing on Permian Basin regional and business history since he is engaged in such research and will publish a book on the oil industry in the Permian Basin later this year.

(\*See Item 20 , Page L&I - 24 for recommendation to establish this Professorship.)



11. U. T. San Antonio: Proposed Library Collection Depository Agreement with The Sons of the Republic of Texas (SRT). --

RECOMMENDATION

President Wagener and Chancellor Walker recommend that approval be given to the proposed Library Collection Depository Agreement set out on Pages A&D 14-16 by and between the Board of Regents of The University of Texas System, for and on behalf of The University of Texas at San Antonio, and The Sons of the Republic of Texas (SRT). The agreement was executed by the appropriate officials on November 6, 1979, to be effective upon approval by the Board of Regents.

BACKGROUND INFORMATION

The Sons of the Republic of Texas is the owner of an extensive collection of books, pamphlets, documents and manuscripts relating to the history of Mexico and Texas. Currently this collection is housed in the rare books and special collections area of U.T. San Antonio. This agreement will allow the collection, which will be labeled "The Kathryn Stoner O'Connor Collection," to be used for research and scholastic purposes at the institution. The agreement has been reviewed and approved as to form by the Office of General Counsel.

Kathryn Stoner O'Connor was an outstanding contributor to the preservation of the heritage of Texas. For a number of years she directed and financed the restoration of Presidio La Bahia, and for her restoration efforts she was presented awards from the State of Texas, the Sons of the Republic of Texas, and a variety of organizations interested in historic preservation. Mrs. O'Connor, a lifelong resident of Victoria, Texas, was born on February 11, 1883, and died on February 8, 1979.

## DEPOSITORY AGREEMENT

This is an agreement between THE SONS OF THE REPUBLIC OF TEXAS ("SRT") and the Board of Regents of the University of Texas System, for and on behalf of THE UNIVERSITY OF TEXAS AT SAN ANTONIO ("University").

1. SRT is the owner of an extensive collection of books, pamphlets, documents and manuscripts relating to the history of Mexico and Texas ("the collection"), which is currently housed in the rare books and special collections area of University.

2. SRT wishes to retain title to the collection, but proposes that it be left with University as a depository for an indefinite period. University wishes to accept the collection on that basis, and, in consideration of the mutual benefits to each of the parties, they therefore agree to such an arrangement subject to the following terms and conditions:

- a. SRT hereby tenders, and University hereby accepts, the collection as "on loan" for an indefinite period.
- b. Title to the collection shall remain in SRT.
- c. University will furnish to SRT, at University's expense, one (1) microfilm copy of each item in the collection, and in addition will furnish to SRT, also at University's expense, one (1) microfilm copy of each of the items in the John Peace Collection at University, except those items that are copyrighted, unless permission is granted.
- d. The collection will be made available for research and scholastic purposes which are proper in University's judgment. If University desires to make the collection available for any other

purpose which it considers appropriate, it must first obtain SRT's approval.

- e. The collection shall be labeled "The Kathryn Stoner O'Connor Collection" and the labeling shall acknowledge that it has been loaned by SRT. University shall encourage any person who uses the collection in research leading to a published work to acknowledge SRT's role in making it available, but University shall have no obligation or duty to see that such credit is given. If the collection includes any materials which are under copyright and not within the public domain, University shall have no responsibility for violation of copyright by any individual or entity not subject to its direct control.
- f. University will exercise reasonable care in housing and protecting the collection, but shall have no liability for loss of or damage to the collection. SRT may, at its discretion and expense, obtain insurance thereon.
- g. SRT may cancel this agreement at any time by giving University written notice at least ninety (90) days prior to date of cancellation.
- h. This agreement shall not become effective until approved by the Board of Regents of The University of Texas System and by the Executive Committee of SRT.

SIGNED by the parties on the dates appearing below

their signatures.

THE SONS OF THE REPUBLIC  
OF TEXAS

THE UNIVERSITY OF TEXAS  
AT SAN ANTONIO

By: Sam W. Hays

By: James W. Wagener

its President General

its President

Dated: October 23, 1979

Dated: November 6, 1979

ATTEST:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

~~SECRETARY~~ ANNE THEDFORD, SECRETARY  
Board of Regents of

By: ~~DAN C. WILLIAMS, CHAIRMAN~~  
Board of Regents of

Dated: The University of Texas System

Dated: The University of Texas System

Approved as to Content:

Approved as to Form:

[Signature]  
Chancellor of The University  
of Texas System

[Signature]  
Office of General Counsel

12. U. T. Tyler: Recommendation to Designate Authorized Agents for Tax-Free Alcohol. --

RECOMMENDATION

It is recommended by President Stewart and Chancellor Walker that the Board of Regents approve the resolution set out below to designate the President and the Vice President for Fiscal Affairs of The University of Texas at Tyler as authorized agents for tax-free alcohol:

WHEREAS, The University of Texas at Tyler is carrying on instructional and research programs which require a continuing supply of alcohol for instructional, experimental and other scientific purposes:

THEREFORE, BE IT RESOLVED, That the Vice President for Fiscal Affairs and President of The University of Texas at Tyler be authorized to have charge of and be responsible for and apply for and sign the "Application and Withdrawal Permit to Procure Spirits Free of Tax" for The University of Texas at Tyler, and

BE IT FURTHER RESOLVED, That it shall be the duty of the Vice President for Fiscal Affairs or President to execute on behalf of The University of Texas at Tyler any and all documents required by the Alcohol and Tobacco Tax, Internal Revenue Service.

13. U. T. Tyler: Proposed Increase in Student Services Fee (Required) Effective 1980-81 Academic Year (Catalog Change). --

RECOMMENDATION

President Stewart and Chancellor Walker recommend that the Student Services Fee (Required) at The University of Texas at Tyler be increased from \$2.50 to \$4.00 per semester credit hour, up to a maximum of \$40.00 for any regular semester and a maximum of \$20.00 for each of the two summer sessions (5-1/2 weeks) to be effective for the academic year 1980-81.

BACKGROUND INFORMATION

The estimated support for each student service activity for 1980-81 and the comparable support this year from the \$2.50 per semester credit hour fee are given below:

	<u>Estimated 1979-80</u>	<u>Estimated 1980-81</u>
Recreational Activities	\$ .35	\$ .52
Health Services	.25	.32
Intramural Athletics	.30	.44
Artist and Lecture Series	.50	.72
Cultural Entertainment	.65	.96
Student Publications	.45	.64
Utility Allocations	<u>-0-</u>	<u>.40</u>
	\$2.50	\$4.00

While the increase in the fee, necessitated by increased costs, appears to be very large, two factors make the actual increase much smaller. First, there was a balance in student services fee money carried forward which amounted to \$.75 per student credit hour and this reserve has been budgeted to be spent in 1979-80. Therefore, the actual expenditure in 1979-80 for student services will be \$3.25 per student credit hour, not the \$2.50 listed. Second, the institution is for the first time required by the State Auditor to allocate an appropriate portion of the student services fee for utilities. Correcting for these two factors, the appropriate comparative totals, excluding utilities, are \$3.25 for 1979-80 and \$3.60 for 1980-81, a 10.8% increase.

The proposed increase has been considered by the U.T. Tyler Student Life Advisory Committee and has been endorsed by its student representatives. House Bill 1389, passed by the Sixty-Sixth Legislature, amended Section 54.503 of the Texas Education Code, to increase the permissive rate for a compulsory student services fee from a maximum of \$30.00 to a maximum of \$60.00 per semester or long summer session. As a result, the proposed increase is well within the limits set by the Legislature in its last legislative session. Specific budgetary allocations will be submitted with the regular budget for approval by the Board of Regents. If approved, the fee change will be incorporated into the U.T. Tyler catalogue for 1980-81.

Mr. Draw's ~~Statement~~ on Hogg.

# Buildings and Grounds Com.

BUILDINGS AND GROUNDS COMMITTEE  
Committee Chairman Law

Date: February 28, 1980 - If there are unfinished items, the Committee will reconvene on February 29, following the meeting of the Academic and Developmental Affairs Committee

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

Place: Prudential Building, 10th Floor  
Houston, Texas

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1. U. T. SYSTEM - ENERGY CONSERVATION PROGRAM (PROJECT NO. 101-357): INTERIM PROGRESS REPORT; REQUEST FOR AUTHORIZATION FOR CONTINUED PARTICIPATION IN FEDERAL AND STATE PROGRAMS AND ADDITIONAL APPROPRIATION THEREFOR.-- On June 1, 1979 the Board of Regents approved the implementation of the U. T. System Energy Management Plan (EMP), authorized an initial funding level of \$1 million for the first year and appropriated \$250,000 for specific energy conservation activities.

Major activities completed to date include:

- a. Energy Management Plan (Draft) has been implemented.
- b. Thirty-five U. T. System Energy Auditors have been trained and certified.
- c. Approximately 400 preliminary energy audits and 110 follow-on energy audits of facilities or buildings have been completed.
- d. Fourteen first-cycle federal grant applications (submitted by component institutions with U. T. System Administration approval) at a total estimated cost of \$1,670,000, of which approximately 50% would be federally funded.

Current and planned activities include:

- a. Completing and updating all energy consumption and cost data through FY 79/80 and completion of the remaining preliminary energy audits.
- b. Establishing a basic data management system for evaluation, modelling, metering, selecting conservation measures or projects and reporting.
- c. Preparing and submitting second-cycle federal grant applications which are expected to exceed the scope and cost of the initial cycle. This will involve use of professional consultants for additional technical assistance, design of conservation measures and modelling of buildings for current or reduced energy use.
- d. Developing and implementing design policies, guidelines and procedures for federally established building and systems energy performance standards now being established in law. These new standards will require significantly less annual energy use for new construction than is now common.

To insure meeting both existing and expected federal or state legislation and regulations for energy conservation, Chancellor Walker recommends that the Board:

- a. Authorize the continued expansion of the U. T. System energy conservation program to include additional consultants' services, equipment procurement and local energy conservation efforts
- b. Appropriate an additional \$250,000 from interest on Permanent University Fund Bond proceeds to provide the next increment of funding for the continuing energy conservation activities involved in this program.

2. U. T. ARLINGTON: RENOVATION OF SCIENCE BUILDING (PROJECT NO. 301-429) -  
PRESENTATION OF PRELIMINARY PLANS AND REQUEST TO PREPARE FINAL PLANS

RECOMMENDATIONS

President Nedderman and Chancellor Walker recommend that the Board:

- a. Approve the preliminary plans and specifications for Renovation of the Science Building at an estimated total project cost of \$3,377,484
- b. Authorize the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on July 25, 1979, preliminary plans and specifications for Renovation of the Science Building have been prepared by the Project Architect, Albert S. Komatsu & Associates, Fort Worth, Texas.

The 66th Legislature appropriated \$3,377,484 for renovation of this facility which houses the Chemistry and Physics Departments. This project includes updating the mechanical and electrical systems to meet current safety codes and design standards for scientific instruction and research. This renovated space, based on Fiscal Year 1978 experience, will continue to cost approximately \$2.39 per square foot for maintenance, operation and utilities.

3. U. T. AUSTIN - STUDENT FAMILY HOUSING UNITS (PREVIOUSLY DESIGNATED BRACKENRIDGE-DEEP EDDY APARTMENTS - HOUSING UNITS): REPORT OF FEASIBILITY STUDY; RECOMMENDATIONS FOR REPLACEMENT OF HOUSING BY PHASES; REQUEST FOR APPOINTMENT OF PROJECT ARCHITECT; AND PROPOSED APPROPRIATION THEREFOR. --

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Approve in principle, except for considering new construction at the Gateway site or recommendations concerning the mobile home park, the conclusions and recommendations contained in the feasibility study prepared by the Consulting Architect, Wilson-Stoeltje-Martin, Inc., for student family housing at U. T. Austin
- b. Approve in principle the phased demolition and replacement of existing student family housing on the Brackenridge and Deep Eddy sites phased in the order of 1a, (Brackenridge Duplexes), 2 (Brackenridge Apartments), and 1b (Deep Eddy Apartments), rather than the order suggested by the Consulting Architect
- c. Stop issuing new rental contracts for the duplex units in Phase 1a. Relocate residents remaining in duplex units as of August 31, 1980, to other University student family housing and proceed with demolition of the vacated units as quickly as possible thereafter
- d. Authorize project for Phase 1a including design and construction of the student family housing as contained in the feasibility study with further authorization to the Project Architect to proceed with the design and preparation of preliminary plans and specifications, which will be presented to the Board for approval at a future meeting. The estimated total cost of this phase of the project is \$8,900,000

- e. Appoint the firm of Wilson-Stoeltje-Martin, Inc., as project architect for U. T. Austin Student Family Housing
- f. Authorize additional phases of demolition and construction to proceed as outlined above when adequate financing has been arranged
- g. Approve in principle the search for project funding from the Federal College Housing Loans Program (Title IV) of the U. S. Department of Housing and Urban Development and from other available sources with the objective of developing the most attractive financing package possible
- h. Appropriate \$25,000 from Auxiliary Enterprises Unallocated Funds, Account 19-0784-0000/General Fee Fund, and Interest on Proceeds for fees for the feasibility study, the housing survey and other miscellaneous expenses
- i. Appropriate \$119,000 from Auxiliary Enterprises Unallocated Funds, Account 19-0784-0000/General Fee Fund, and Interest on Proceeds for fees, soil tests, surveys and miscellaneous expenses, up through preparation of preliminary plans and specifications for Phase Ia of Student Family Housing
- j. Authorize the Office of Facilities Planning and Construction to negotiate a design contract with the Project Architect for adapting the Phase Ia plans to the other phases of the project, said contract not to become operative until activated by the Board of Regents.

#### BACKGROUND INFORMATION

In accordance with authorization of the Board on October 11-12, 1979, the Consulting Architect, Wilson-Stoeltje-Martin, Inc., undertook the study of several considerations and evaluations for renovation or replacement of the Brackenridge/Deep Eddy Apartments with low cost, low rent housing. The study was coordinated with U. T. Austin Administration and with the Office of Facilities Planning and Construction.

The Consulting Architect gave a verbal report to the Board on December 6, 1979, concerning the status of the study. In January 1980, the Consulting Architect completed the study. This study has now been reviewed by U. T. Austin Administration and the Office of Facilities Planning and Construction, both of whom concur generally in the comments, conclusions and recommendations of the report.

A summary of the conclusions and recommendations contained in the report are outlined below:

a. Conclusions:

The structures and site utility systems at Brackenridge/Deep Eddy are in dire need of major renovation and repair if safe and decent housing is to be provided. The estimated cost of renovating these structures to acceptable standards easily exceeds half of their replacement cost or economic value and is simply not cost justified.

All site utilities, including gas, water, waste water and electric lines are in poor and, in some cases, hazardous condition. They are in need of total replacement.

Approximately one-third of the dwellings at Brackenridge have inadequate fire protection.

The Brackenridge/Deep Eddy sites are considered to be ideally suited for continued use for student family housing.

Based on economic value and present income, about 3 million dollars is the maximum sum that could be justified in rehabilitation, and renovating the structures at Brackenridge/Deep Eddy. However, this renovation would not make the structures safe or sanitary for a period in excess of 5 to 7 years.

b. Recommendations:

In order to minimize hardship and relocation problems, the phased removal and replacement of all housing units at Brackenridge/Deep Eddy is recommended as follows:

- 1) June 1980 - Phase 1a: Remove the existing duplexes at the Brackenridge location and replace with 230 low cost units.
- 2) June 1981 - Phase 1b: Remove the units at the Deep Eddy location and replace with 180 low cost units. Stop issuing new contracts at an appropriate date.
- 3) June 1982 - Phase 2: Remove the two-story units at the Brackenridge location and replace with 250 low cost units. Stop issuing new contracts at an appropriate date.

Consider construction of 45 new student apartments north of the existing Gateway Apartments, depending on need or demand.

Conclusions of U. T. Austin Administration and U. T. System:

- a. Renovation of the existing structures at the Brackenridge/Deep Eddy locations is neither practical nor economically justified.
- b. The need for student family housing at U. T. Austin can best be provided by the phased demolition of existing units and the construction of replacement units.
- c. It is desirable to reverse Phases 1b and 2, as provided in the feasibility study. If reversed, the Brackenridge site would have a mixture of old and new buildings for only a minimal period of time.
- d. Addition of units at the Gateway site, or dealing with the mobile home park at the Brackenridge site, is not recommended at this time.
- e. Funding from the Federal College Housing Loans Program (Title IV) is the most desirable source of funding because it carries an interest rate of 3% and would result in the lowest possible rental charge. Revenue bonds, based upon rental income, would carry an interest rate of approximately 7% and would result in higher rental rates. At this time, other sources of funding are, for all intents and purposes, non-existent.
- f. If federal financing were to be obtained, the resultant rental rates for new construction would likely be more attractive to student families. If more costly financing is necessary, the resulting rental rates, even with rent-levelling efforts, would probably be objectionable to student families presently in the Brackenridge/Deep Eddy Units but, these rates would be favorable when compared to the commercial market and would certainly be comparable to rentals charged by other institutions of higher education. Assuming continued inflation, these rates will become more attractive.
- g. If at all possible, demolition should proceed concurrently with design and financing, so that maximum salvage value can be obtained from the structures.

4. U. T. AUSTIN - BRACKENRIDGE TRACT (LEASED PROPERTY): RECOMMENDED APPROVAL OF EXTERIOR DESIGN OF PROPOSED OFFICE BUILDING FOR THE LOWER COLORADO RIVER AUTHORITY. --

RECOMMENDATIONS

Chancellor Walker recommends that the Board approve the exterior architectural design for the proposed office building to be constructed on a 3.33 acre tract on Lake Austin Boulevard leased to the Lower Colorado River Authority.

BACKGROUND INFORMATION

In April 1978 the Board approved a 50-year lease with the Lower Colorado River Authority on a 3.33 acre tract on Lake Austin Boulevard and their lease provides for the Board of Regents to review and approve the design of the office building to be constructed on this tract.

A review of the proposed architectural design has been made by the Office of Facilities Planning and Construction. The exterior design of the low-rise office building, consisting of earth tone brick, plaster, and bronze tinted glass, is conservative and orderly. Approval is recommended.

5. U. T. AUSTIN: PROPOSED OFFICIAL TEXAS HISTORICAL MARKER FOR THE LITTLEFIELD HOME. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend that the Board of Regents authorize the erection of an official Texas historical marker in the south yard of the Littlefield Home. The marker will be of the 18" x 24" category provided by the Texas Historical Commission and will be mounted on a post and legible to persons walking by the home on 24th Street. The recommended wording on the marker is as follows:

LITTLEFIELD HOME

George W. Littlefield (1842-1920) came to Texas with his family in 1850. He served in the Civil War with Terry's Texas Rangers, attaining the rank of Major. Following the war he became a cattleman and acquired ranches in New Mexico and the Texas Panhandle. He came to Austin in 1883 and engaged in banking. A Regent of The University of Texas (1911-1920), he contributed funds for new buildings, study grants and library collections. Littlefield built this Victorian residence in 1894. Designed by James W. Wahrenberger, the house features red brick and sandstone with blue granite columns.

Recorded Texas Historic Landmark - 1962

BACKGROUND INFORMATION

The Littlefield Home has been a recorded Texas Historic Landmark since 1962. A small State marker on the south side of the building has noted this status.

The proposed historical marker will be an appropriate recognition of the Littlefield Home and Major Littlefield. The marker will also encourage students and visitors to tour the restored public areas of the home.

The staff of the Texas Historical Commission prepared the recommended wording on the marker and the costs of preparing the marker will be met by the Development Board of U. T. Austin.

6. U. T. AUSTIN: REFURBISHMENT OF 1941 MUSIC BUILDING (EXCEPT RECITAL HALL) (PROJECT NO. 102-438): REQUEST FOR APPROVAL OF FINAL PLANS AND FOR AUTHORIZATION TO ADVERTISE FOR BIDS. --

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for Refurbishment of the 1941 Music Building at an estimated project cost of \$500,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.



### BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, final plans and specifications for Refurbishment of the 1941 Music Building have been prepared by the Project Architect, Wilson, Stoeltje, Martin, Inc., Austin, Texas. The scope of work includes: addition of an elevator, improvements for the physically handicapped, repainting, minor partition changes and various electrical improvements.

The project will be funded from Available University Fund.

7. U. T. AUSTIN - RENOVATION OF OUTDOOR SPORTS FACILITIES (PROJECT NO. 102-406) (CLARK FIELD SEGMENT AND WHITAKER FIELD EAST SEGMENT): PRESENTATION OF PRELIMINARY PLANS; REQUEST TO PREPARE FINAL PLANS AND ADDITIONAL APPROPRIATION THEREFOR. --

### RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Approve the preliminary plans and specifications for Renovation of the Outdoor Sports Facilities at an estimated total project cost of \$4,295,000
- b. Authorize the Project Architect to prepare final plans and specifications for consideration of the Board of Regents at a future meeting
- c. Appropriate additional funds in the amount of \$175,000 from interest on bond proceeds for fees and related project expenses through completion of final plans and specifications.

### BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, preliminary plans and specifications for Renovation of the Outdoor Sports Facilities have been prepared by the Project Architect, Beran and Shelmire, Dallas, Texas.

Clark Field facilities will include a multipurpose soccer/lacrosse field, basketball courts, handball/racquetball courts and a jogging track-fitness trail.

The Whitaker Field East site location will provide facilities for football, soccer, softball, tennis and archery.

Further consideration will be on a project by project basis as funds are available.

8. U. T. AUSTIN: ADDITION TO ROBERT A. WELCH HALL - COMPLETION OF PROJECT (PROJECT NO. 102-196) - FUME HOOD IMPROVEMENTS - RECOMMENDED AWARD OF CONTRACT TO CENTRAL MECHANICAL, INC., AUSTIN, TEXAS AND ADDITIONAL APPROPRIATION THEREFOR

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Award the construction contract for Fume Hood Improvements at Robert A. Welch Hall, to the lowest responsible bidder, Central Mechanical, Inc., Austin, Texas, in the amount of the base bid of \$469,588.60
- b. Authorize a revised total project cost of \$537,000 to cover the recommended contract award, fees and related project expenses
- c. Appropriate additional funds in the amount of \$502,000 from Available University Fund to provide for the total project cost.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, bids were called for and were received, opened and tabulated on January 22, 1980, as shown below for the Fume Hood Improvements for the Addition to Robert A. Welch Hall:

<u>Bidder</u>	<u>Base Bid</u>	<u>Bid Bond</u>
J. M. Boyer, Inc., Austin, Texas	\$555,100.00	5%
Central Mechanical, Inc., Austin, Texas	469,588.60	5%
Way Engineering Company, Inc., Austin, Texas	570,660.00	5%

The corrective work covered by the bids consists of 15 new fume hood exhaust systems, changes to 6 existing fume hood exhaust systems, and electrical and control modifications to some 107 existing fume hoods. At the time final plans and specifications were completed, the project engineer's cost estimate was approximately \$390,000. All three bids received exceed the project engineer's estimate by a substantial amount. However, the bids are considered to be a valid test of today's market.

The project engineer, E. G. Bloomquist and Associates, and the staff of OFPC have studied information provided by the two low bidders and find that the bids contain approximately \$20,000 more for fans and accessories than did the estimate. Likewise, transite pipe materials were increased about \$32,000, while the general construction cost was increased about \$20,000. Construction materials are continuing to escalate rapidly as are the costs of interim financing. All these circumstances combined are the principle causes for the total cost overrun.

The low bid submitted by Central Mechanical, Inc., is believed by the Office of Facilities Planning and Construction to be the most economical way of accomplishing this work at this time. The Project Engineer and OFPC recommend this contract award.

9. U. T. AUSTIN: TEMPORARY SURGE FACILITIES AT WOOLDRIDGE HALL (PROJECT NO. 102-439) - REQUEST FOR APPROVAL OF FINAL PLANS AND FOR AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for construction of the Temporary Surge Facilities at Wooldridge Hall at an estimated project cost of \$250,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, final plans and specifications for construction of the Temporary Surge Facilities at Wooldridge Hall have been prepared by the Project Architect, Pfluger & Polkinghorn, Austin, Texas. These facilities will be available for temporary use by the School of Architecture while Goldsmith Hall and Sutton Hall are vacated for renovation and improvement.

The project will be funded from Available University Fund.

10. U. T. EL PASO: COLLEGE OF BUSINESS ADMINISTRATION CLASSROOM AND OFFICE BUILDING (PROJECT NO. 201-421) - REQUEST FOR APPROVAL OF FINAL PLANS AND FOR AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Templeton and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for the College of Business Administration Classroom and Office Building at an estimated total project cost of \$6,800,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, final plans and specifications for construction of the College of Business Administration Classroom and Office Building have been prepared by the Project Architect, Fouts, Langford, Gomez, Moore, Inc., El Paso, Texas. This tri-level structure will provide classroom and lecture facilities, provisions for audio-visual and special teaching equipment, seminar rooms, student and staff lounges as well as space for the Bureau of Business and Economic Research, and the Center for Continuing Education. In addition, Administrative and Faculty offices for the Departments of Accounting, Business and Economics and Finance are also included.

This project will be funded from Permanent University Fund Bond proceeds.

11. U. T. EL PASO: RENOVATION OF MINER'S HALL (PROJECT NO. 201-434) - REQUEST FOR APPROVAL OF FINAL PLANS AND FOR AUTHORIZATION TO ADVERTISE FOR BIDS

RECOMMENDATIONS

President Templeton and Chancellor Walker recommend that the Board:

- a. Approve the final plans and specifications for Renovation of Miner's Hall at an estimated total project cost of \$705,000
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids which will be presented at a future Board meeting for consideration.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, final plans and specifications for Renovation of Miner's Hall have been prepared by the Project Architect, Foster, Henry, Henry and Thorpe, El Paso, Texas.

The 66th Legislature appropriated \$705,000 for renovation of this former three-story dormitory for use as a general classroom and office building.

12. U. T. EL PASO: EXPANSION OF UNION FACILITIES (PROJECT NO. 201-420) - REPORT OF NEGOTIATED CONTRACT DEDUCTIONS.--At its meeting on October 11 - 12, 1979, the Board awarded a construction contract to Groom Construction Company, El Paso, Texas, for construction of the Expansion of Union Facilities in the amount of \$4,110,000; and directed that a reduction in the contract price of at least \$210,000 be negotiated. The final contract price was to be reported to the Board.

Reductions in the amount of \$217,021 in the contract price have been negotiated and a change order in that amount has been processed as part of the contract. The revised contract amount after the change order deduction is \$3,892,979.

13. U. T. EL PASO: REQUEST TO WAIVE UNDERGROUND EASEMENT POLICY AND TO GRANT EL PASO ELECTRIC COMPANY AN EASEMENT FOR THE RELOCATION OF ELECTRICAL SERVICE TO PHYSICAL PLANT BUILDING; CANCELLATION OF EXISTING EASEMENT.--

RECOMMENDATION

President Templeton and Chancellor Walker recommend that the underground easement policy be waived and that an easement be granted to El Paso Electric Company for relocation of an existing overhead electric service to the Physical Plant Building.

BACKGROUND INFORMATION

To improve safety conditions in receiving deliveries at the loading dock of the U. T. El Paso Physical Plant Building, the El Paso Electric Company has agreed to relocate two service poles and associated anchor cables from the equipment yard. This change is being made at the request of U. T. El Paso Administration. The requested linear easement is located in Block 84, Alexander Addition, El Paso County, Texas. The proposed easement document is herewith provided. (Pages B & G 14-16 )

With the granting of this easement, the existing easement to El Paso Electric Service Company will be cancelled.

EASEMENT

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

That the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, of Travis County, Texas, in and for the mutual benefits to all parties to this Agreement, does hereby BARGAIN, SELL, and CONVEY unto the said EL PASO ELECTRIC COMPANY, its successors and assigns, an easement and right-of-way across the following described real estate situated in El Paso County, Texas, with the right to construct, operate, maintain, and repair its electrical lines along said easement for said purposes and including necessary poles and fixtures and authority for cutting and trimming all trees along the lines necessary to guy and brace poles to maintain the needed guy wires, together with the right of ingress and egress across which said easement is granted, being described as follows:

A portion of O'Bannon Street Closed and a portion of Block 84, Alexander Addition, located in the City of El Paso, Texas, as shown on Exhibit "A", attached hereto and made a part hereof.

TO HAVE AND TO HOLD the above-described easement, rights, and privileges unto the said EL PASO ELECTRIC COMPANY, its successors and assigns forever, so long as same are used for said purposes and when said easement is no longer needed to furnish electrical service, then all right, title, and interest in said easement shall revert to the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM.

EXECUTED this the \_\_\_\_\_ day of \_\_\_\_\_, 1980.

ATTEST:

THE BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

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

By: \_\_\_\_\_  
DAN C. WILLIAMS, Chairman  
Board of Regents of The  
University of Texas System

Approved as to Form:

Approved as to Content:

Frederick Shivers  
University Attorney

Joe E. Bayl, Jr.

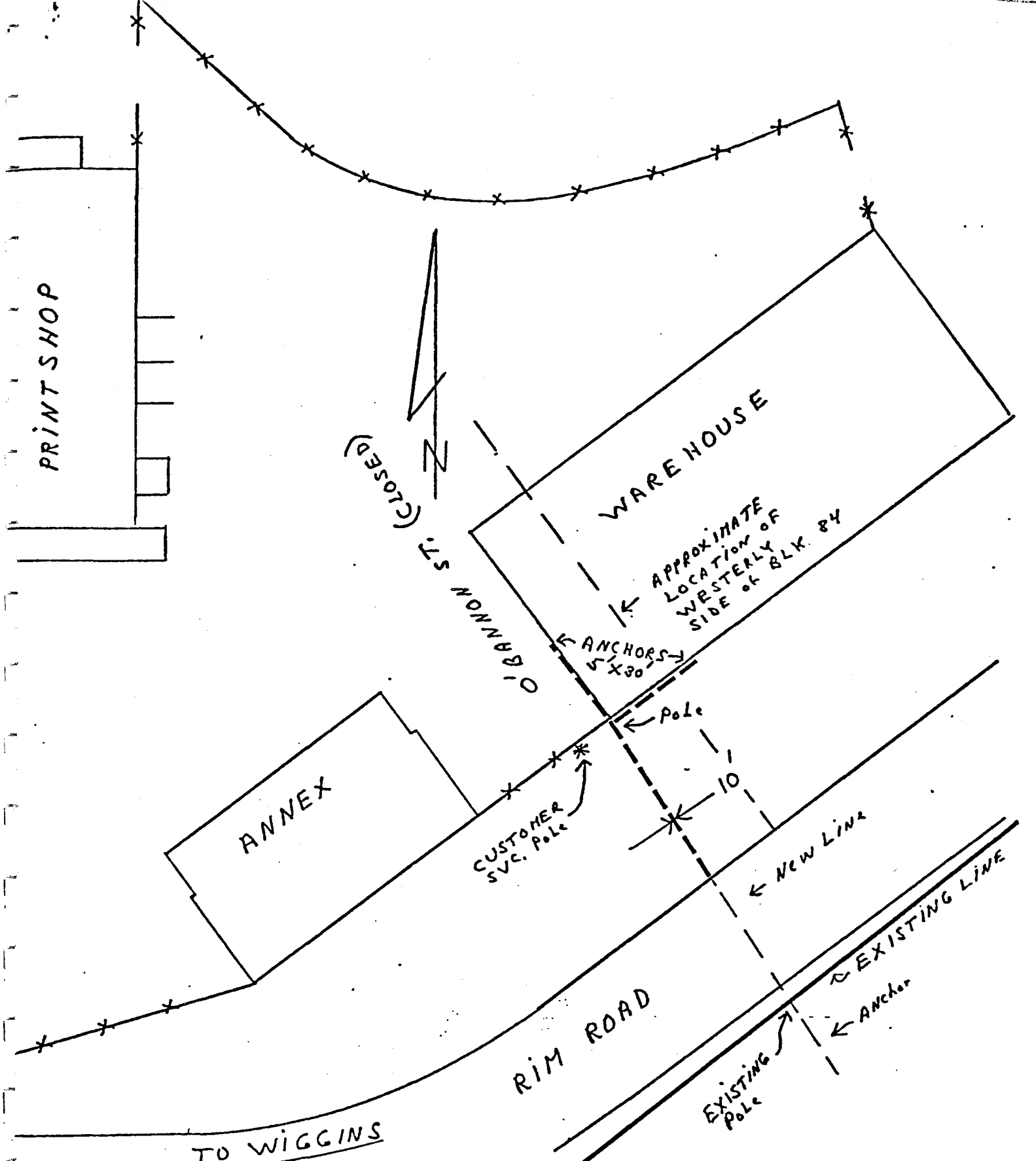
THE STATE OF TEXAS       §  
  §  
COUNTY OF DALLAS       §

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

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

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

My commission expires:  
\_\_\_\_\_



← TO WIGGINS  
**— LEGEND —**

--- PROPOSED E.P.E. CO. 10 ft. UTIL. ESMT.

GRANTORS INITIALS \_\_\_\_\_

EXHIBIT "A"

PROPOSED EASEMENT IN A PORTION OF O'BANNON STREET, CLOSED, AND A PORTION OF BLOCK 84, ALEXANDER ADDITION, EL PASO COUNTY, TEXAS	
EL PASO ELECTRIC CO. R.O.W.	
DATE 12-19-79	EST. NO.
SCALE NONE	79-7-1-00956

14. GALVESTON MEDICAL BRANCH: (GALVESTON HOSPITALS) - RENOVATION AND ADDITION TO GRAVES HOSPITAL (PROJECT NO. 601-377) - PHASE I RENOVATION FOR THE DEPARTMENT OF PSYCHIATRY AND BEHAVIORAL SCIENCES - REPORT OF NEGOTIATED CONTRACT DEDUCTIONS.--At its meeting on October 11 - 12, 1979, the Board awarded a construction contract to J. K. Ross Construction Company, Houston, Texas, for construction of the Phase I Renovation of Graves Hospital for the Department of Psychiatry and Behavioral Sciences in the amount of \$574,000, and directed that a reduction in the contract price of at least \$60,000 be negotiated. The final contract price was to be reported to the Board.

Reductions of \$62,825 in the contract price have been negotiated and a change order in that amount has been processed as part of the contract. The revised contract amount after the change order deduction is \$511,175.

15. GALVESTON MEDICAL BRANCH: (GALVESTON HOSPITALS) RENOVATION AND ADDITION TO GRAVES HOSPITAL (PROJECT NO. 601-377) - RECEIPT OF OFFER FROM THE LOWEST RESPONSIBLE BIDDER TO EXTEND DATE OF ORIGINAL BID PRICES TO MARCH 1 1980; REQUEST TO RECONSIDER DECEMBER 1979 BOARD ACTION TO REJECT ALL BIDS AND REDESIGN; RECOMMENDED COST REDUCTIONS AND AWARD OF CONTRACT FOR NEW ADDITION TO J. W. BATESON CONSTRUCTION COMPANY, INC., DALLAS, TEXAS AND ADDITIONAL APPROPRIATION THEREFOR

*Handwritten note:*  
 Kristina  
 call them  
 to get  
 the  
 offer

RECOMMENDATIONS

President Levin and Chancellor Walker recommend that the Board:

- a. Approve the conclusions, reached jointly by the Galveston Medical Branch Administration and the Office of Facilities Planning and Construction, that major redesign modifications would result in less effective patient care, operational inefficiencies and increased life-cycle costs
- b. Acknowledge and accept the offer of the lowest responsible bidder, J. W. Bateson Company, Inc., Dallas, Texas to extend its November 1979 bid prices to March 1, 1980
- c. Rescind the December 1979 Board action to reject all bids and require redesign of the authorized project entitled "Renovation and Addition to Graves Hospital"
- d. Award a construction contract for the new addition to Graves Hospital to the lowest responsible bidder, J. W. Bateson Company, Inc., Dallas, Texas in the amount of \$9,055,000 for the base bid and additive alternate No. 2 (5th Floor Shell), subject to execution of a change order, concurrent with execution of the contract, deleting certain work valued in excess of \$1,055,000, resulting in a revised contract sum not to exceed \$8,000,000
- e. Authorize a revised total project cost of \$9,207,000 and appropriate additional funds in the amount of \$2,976,340 from the sources listed below:

\$ 660,000	Gift Funds
2,316,340	Galveston Medical Branch Unexpended Plant Funds
<hr/>	
\$2,976,340	Total, Additional Appropriation
<u>6,230,660</u>	Previously Appropriated, Remaining Balance
<u>\$9,207,000</u>	Revised Total Project Cost



### BACKGROUND INFORMATION

At the December 6, 1979 meeting, the Board of Regents rejected all bids for the construction of an Addition to Graves Hospital (new construction) and authorized redesign of the project to reduce construction costs. In accordance with the Board's instructions, the Project Architect, Koetter, Tharp, Cowell and Bartlett in coordination with the Galveston Medical Branch and the Office of Facilities Planning and Construction proceeded to review the project plans for all possible cost reductions. The Galveston Medical Branch found that many of the suggested modifications either hampered various patient care programs, resulted in inefficient operations, or were not cost effective in the sense of life-cycle costing.

In January 1980, the project architect reported that the desired project scope of three finished floors, a shelled fourth and fifth floor plus penthouse could result in a lowered estimated construction cost of \$8,645,800 if bid prior to June 1980.

Using the prices bid by the lowest responsible bidder in November 1979, it now appears that the modified scope of work would cost approximately \$8,452,000. In addition, other acceptable cost reductions have been found to reduce the construction cost below \$8,000,000.

A letter has been received from the lowest responsible bidder, J. W. Bateson Company, Inc. offering to extend its November 1979 bid prices until March 1, 1980.

The Galveston Medical Branch Administration and the Office of Facilities Planning and Construction believe that it is in the best interest of the University to rescind the Board's action in December 1979 rejecting all bids and to make an award based upon the bids received.

ADDITION TO GRAVES HOSPITAL  
 THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON  
 Bids Received at 2:30 p.m., and Alternate Bids Received at 4:00 p.m., C.S.T., November 20, 1979  
 at The University of Texas Medical Branch at Galveston, Galveston, Texas

Bidder	Base Bid	Alt. #1 (Drilled Piers)	Alt. #2 (5th Level Shell)	Alt. #3 (5th Level Finish)	Alt. #4 (5th Level Lab. Furn.)	Alt. #5 (Bicycle Storage)	Alt. #6 (Prestress Slabs)	Alt. #7 (Multiflex Lab. Equip.)
J. W. Bateson Company, Inc., Dallas, Texas	\$8,444,000	+\$15,000	+\$611,000	+\$888,000	+\$71,000	+\$25,000	-\$27,000	+\$21,000
J. K. Ross Construction Company, Houston, Texas	9,134,000	- 20,000	No Bid	No Bid	No Bid	+ 28,000	No Change	No Bid

All bidders submitted a Bid Bond in the amount of 5% of the greatest amount bid.

16. GALVESTON MEDICAL BRANCH - EXPANSION OF THERMAL ENERGY DISTRIBUTION SYSTEM - REQUEST FOR PROJECT AUTHORIZATION; APPOINTMENT OF PROJECT ENGINEER TO PREPARE PRELIMINARY PLANS; AND APPROPRIATION FOR FEES

RECOMMENDATIONS

President Levin and Chancellor Walker recommend that the Board:

- a. Authorize an expansion of the thermal energy (chilled water and steam) distribution system
- b. Appoint Ray S. Burns & Associates, Houston, Texas to prepare preliminary plans, site surveys and cost estimate to be presented at a future Board meeting for consideration
- c. Appropriate \$6,500.00 from unexpended plant funds unappropriated balances for fees and related project expenses through completion of the preliminary plans and cost estimates.

BACKGROUND INFORMATION

The thermal energy distribution system (chilled water and steam) serving The University of Texas Medical Branch at Galveston must be expanded to meet the demands of projects authorized by the Board. To reduce costs, it is recommended that this expansion be accomplished under one contract rather than piecemeal through several general construction contracts.

There are three separate sections of the distribution system affected by new projects: 1) On the East side of the campus, the system must be expanded from the thermal energy plant to the Physical Plant Building. Provisions have already been made at the energy plant for this section of the system to be added. The lines will be designed to handle additional loads for future construction in this area; 2) On the Southwest side, it is recommended that the system be expanded from the Learning Center, now under construction, to the Pharmacology Building Addition. This portion of the system will be designed to serve only the Pharmacology Building; 3) On the Northwest side, it is recommended that the system be expanded from a point near the Ashbel Smith Building eastward to Eleventh Street. The existing system in this area is not adequate to serve the Graves Hospital Addition or the other buildings West of Eleventh Street presently on the system. This section will be designed to meet additional load requirements for future construction in the area as well as providing for a future extension to the Learning Center, thereby completing the loop.

All portions of the recommended expansion will be installed underground and will be an integral part of the master plan for thermal energy distribution.

17. GALVESTON MEDICAL BRANCH: AMBULATORY CARE CENTER - REQUEST TO GRANT UNDERGROUND EASEMENT TO HOUSTON LIGHTING AND POWER COMPANY FOR RELOCATION OF UNDERGROUND ELECTRICAL SERVICE IN NINTH STREET, TEXAS AVENUE AND DRIVEWAY ADJACENT TO THE ASHBEL SMITH BUILDING; CANCELLATION OF EXISTING EASEMENT

RECOMMENDATION

To clear the site for construction of the Ambulatory Care Center, President Levin and Chancellor Walker recommend that an underground easement be granted to Houston Lighting and Power Company for relocation of existing underground electrical service.

BACKGROUND INFORMATION

To clear the site for the Ambulatory Care Center, it has been necessary for Houston Lighting and Power Company to relocate an underground electric distribution line located in Ninth Street, Texas Avenue and the driveway adjacent to the Ashbel Smith Building. The requested ten (10) feet wide

linear easement is located in the Blocks 609 and 669 of the Michael B. Menard Survey, City of Galveston, Abstract No. 628 of the Deed Records of Galveston County, Texas. The Galveston Medical Branch Administration has requested a release from Houston Lighting and Power Company for the abandoned easement.

The proposed easement document is provided herewith. (Pages B&G 21-23 )

EASEMENT FOR UNDERGROUND ELECTRICAL LINE

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

THAT the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM (hereinafter referred to as "Grantor"), of Travis County, State of Texas, acting herein by and through its Chairman, duly authorized, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) cash and other good and valuable consideration to Grantor (receipt and sufficiency of which are hereby acknowledged) in hand paid by HOUSTON LIGHTING & POWER COMPANY (hereinafter referred to as "Grantee"), does by these presents GRANT, SELL, and CONVEY unto Grantee an underground easement for right-of-way for an electrical distribution system involving the following described lands, located in Galveston County, Texas, to-wit:

Blocks 609 and 669 of the City of Galveston, in the Michael B. Menard Survey, Abstract No. 628, and being a portion of the property described in mesne conveyances to herein Grantor, all of record in the Deed Records of Galveston County, Texas.

The easement herein granted is an unobstructed easement ten (10) feet wide, the location of the centerline of which is shown by a dot-dash symbol on Sketch No. 79-1468, prepared by Houston Lighting & Power Company, attached hereto as Exhibit "A" and made a part hereof.

Grantee, by the acceptance of this easement, agrees to construct its underground distribution system so as not to interfere with Grantor's use of the surface.

Grantee, or its agents, shall have the right to construct, repair, inspect, and maintain its underground electrical distribution system within said easement together with the right of ingress and egress for the purpose of constructing, repairing, inspecting, and maintaining said distribution system.

TO HAVE AND TO HOLD the above-described easement and rights unto said Grantee until said easements shall be abandoned.

IN WITNESS WHEREOF, Grantor has caused this instrument to be executed, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 1980.

ATTEST:

THE BOARD OF REGENTS OF  
THE UNIVERSITY OF TEXAS SYSTEM

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

By: \_\_\_\_\_  
DAN C. WILLIAMS, Chairman  
Board of Regents of The  
University of Texas System

Approved as to Form:

Approved as to Content:

Edward Shivers  
University Attorney

\_\_\_\_\_

THE STATE OF TEXAS     §  
                                   §  
COUNTY OF DALLAS     §

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

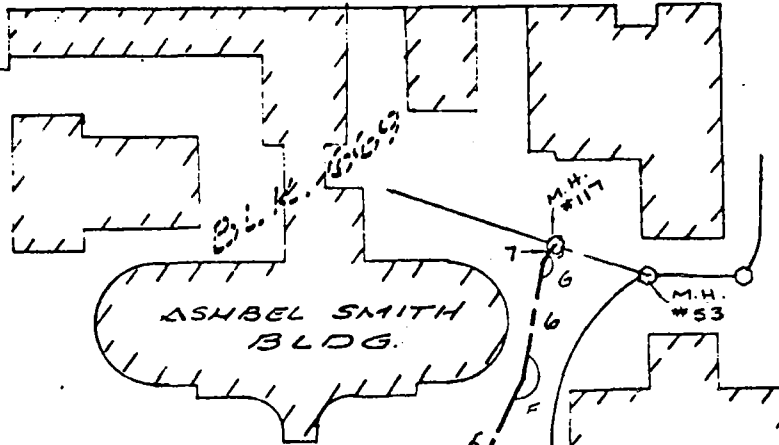
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this the \_\_\_\_\_ day of \_\_\_\_\_, A.D., 1980.

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

My commission expires:  
\_\_\_\_\_

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

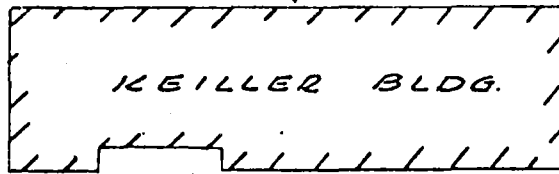
BLK. 670



10' EASEMENT

EXIST. LINE

TEXAS AVE



- 1. 98.60'
- 2. 14.14'
- 3. 63.32'
- 4. 93.28'
- 5. 72.53'
- 6. 57.24'
- 7. 10.48'
- 8. 44.35'
- 9. 72.92'
- 10. 71.77'
- 11. 70.23'
- 12. 30.31'

- A = 128° 25' 20"
- B = 113° 27' 30"
- C = 148° 23' 40"
- D = 151° 49' 00"
- E = 148° 01' 48"
- F = 155° 17' 40"
- G = 159° 01' 20"
- H = 7° 09' 50"
- I = 169° 24' 50"



15th St  
B & G - 23

BLK. 610

10th St

BLK. 609

# MICHAEL B. MENARD SUR. A-628

EXHIBIT "A"

UNOBSTRUCTED EASEMENT  
PROPERTY OWNERSHIP AS SHOWN  
GALVESTON COUNTY, TEXAS

HOUSTON LIGHTING & POWER CO.  
HOUSTON, TEXAS  
ENGINEERING DEPARTMENT

SCALE 1" = 100'  
LINE

Nov. 20, 1979

50 0 50 100 150

SCALE IN FEET

SKETCH NO. 79-1468.

NOTES

MAP NO 6839-01

ORDER NO 2 5465

DRAWN BY GUNTER, J.L.

REV 1

REV 2

18. Houston Health Science Center and University Cancer Center: Easement to Texas Medical Center Heating and Cooling Cooperative Association for Construction of an Electrical Substation Approved on December 7, 1979: Reported in Two Documents. -- An Easement was granted to the Texas Medical Center Heating and Cooling Cooperative Association on December 7, 1979 (Permanent Minutes, Volume XXVII, Pages 1011-1012). It is reported for the record and for the sake of administrative convenience that this Easement (originally approved for 90' x 300' but after survey 90' x 290') has been made of record in two documents. The first document (Pages B&G 24-28) covers a 90' x 180' tract which will be used shortly for construction of an electric substation. The second document (Pages B&G 29-33) covers a 90' x 110' tract which will be used for expansion of the electric substation in the future but which the University will continue to use for parking in the interim.

EASEMENT AGREEMENT

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

That the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, acting herein by and through its hereunto duly authorized officers (hereinafter called "Grantor"), for and in consideration of ONE DOLLAR (\$1.00) and other adequate consideration to Grantor paid by TEXAS MEDICAL CENTER CENTRAL HEATING AND COOLING SERVICES COOPERATIVE ASSOCIATION, an association organized as a non-profit corporation as provided in Article 4437r, Vernon's Texas Civil Statutes (hereinafter called "Grantee"), and pursuant to, subject to the conditions of, and in consideration of the covenants and agreements to be observed and performed by Grantee under that certain Agreement entered into as of April 9, 1968 (the "Subject Agreement"), between Texas Medical Center, Inc. and Houston Natural Gas Corporation (to whose rights and obligations under the Subject Agreement Grantee has succeeded), concerning the construction and operation of a central plant and the furnishing from such central plant of chilled water and steam service to those persons, firms or corporations owning, controlling or operating buildings or other facilities within the Texas Medical Center, Houston, Texas, and

taking such service under contract with Grantee, does hereby

GRANT and CONVEY unto Grantee:

The easement and right-of-way in, on, over and under that certain tract of land described in Exhibit A attached hereto and made a part hereof (hereinafter called the "Easement Tract"), for the purpose of constructing, reconstructing, operating, maintaining, repairing, altering, replacing, changing the size of and removing equipment, buildings, structures, enclosures, transformers, machinery, tanks, boilers, motors, pipes, burners and other apparatus constituting an electrical substation as a part of Grantee's plant for the chilling of water and producing of steam, which plant of Grantee is now located on land adjoining and adjacent to the Easement Tract.

As stated above, this Easement Deed is executed by Grantor and accepted by Grantee pursuant to, subject to all conditions of, and in consideration of all covenants and agreements to be observed and performed by Grantee under, the Subject Agreement. Without limiting the effect of the preceding sentence and without affecting the covenants contained in the Subject Agreement, Grantor and Grantee stipulate and agree as follows:

- (1) The grant herein made is for a term co-existent with the term of the Subject Agreement, and such term shall in no event extend beyond April 8, 2018, at midnight, unless extended by written agreement of Grantor and Grantee. Upon such termination either on April 8, 2018, at midnight, or earlier under the Subject Agreement or later under further agreement, the rights and estates hereby granted to Grantee shall automatically terminate and revert to Grantor, except that Grantee shall have the right to remove at its cost the facilities authorized hereunder from the Easement Tract within ninety (90) days after such termination. In the event that Grantee fails to remove such facilities within such 90-day period, such facilities shall become the property of Grantor.
- (2) The rights and estates granted to Grantee hereunder shall be transferable and assignable subject to the conditions prescribed in the Subject Agreement incident to the transfer or assignment of Grantee's rights under the Subject Agreement, but not otherwise.
- (3) All items of property placed on or about the Easement Tract by Grantee shall, during the term hereof, remain and constitute property of Grantee.



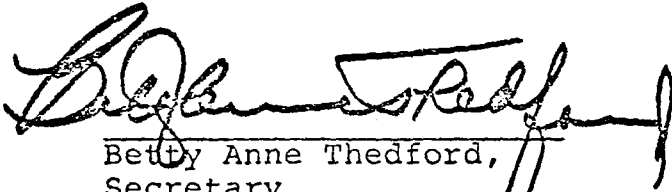
(4) Grantee covenants that no building, structure or enclosure shall be constructed, added to or modified on any part of the Easement Tract until plans and specifications (including landscape plans and screening details) therefor shall first have been submitted to and approved by Grantor (which approval shall not be unreasonably withheld), and that all construction or modification shall be in accordance with such approved plans and specifications. Grantee shall keep the Easement Tract in a neat condition and free of debris. Grantee shall have the right to fence the Easement Tract, or any portion or portions thereof, and to keep unauthorized persons off such premises. Grantee shall protect and save harmless Grantor from any loss, cost or expense asserted against Grantor by reason of any loss of life or injury to persons or damage to or destruction of property occurring on or from the Easement Tract or resulting from Grantee's operations.

(5) The terms "Grantor" and "Grantee" as used herein shall refer not only to the named parties but also to their respective successors and assigns (subject to the provisions of the Subject Agreement and hereof).

EXECUTED this 18<sup>th</sup> day of January,  
1979.

ATTEST:

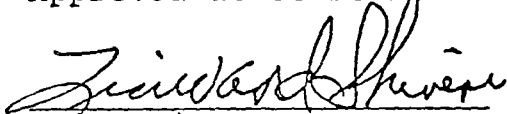
BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

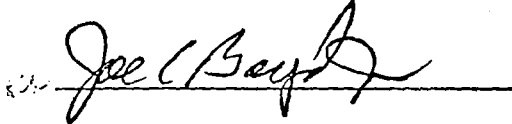
  
Betty Anne Thedford,  
Secretary  
Board of Regents of The  
University of Texas System

By:   
DAN C. WILLIAMS,  
Chairman

Approved as to Form:

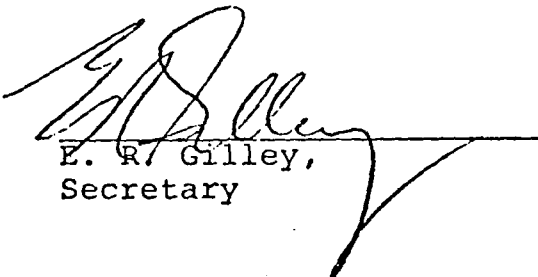
Approved as to Content:

  
University Attorney



ATTEST:

TEXAS MEDICAL CENTER CENTRAL  
HEATING AND COOLING SERVICES  
COOPERATIVE ASSOCIATION

  
E. R. Gilley,  
Secretary

By:   
RALPH S. KRISTOFERSON,  
President

THE STATE OF TEXAS §  
§  
COUNTY OF DALLAS §

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

18<sup>th</sup> day of January, 1979.  
86

Lanella Carter  
Notary Public in and for  
Dallas County, T E X A S

My Commission Expires:  
2/1/80.

THE STATE OF TEXAS §  
§  
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared RALPH S. KRISTOFERSON, President of TEXAS MEDICAL CENTER CENTRAL HEATING AND COOLING SERVICES COOPERATIVE ASSOCIATION, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

13<sup>th</sup> day of December, 1979.

Barbara Wausley  
Notary Public in and for  
Travis County, T E X A S

My Commission Expires:  
June 24, 1980.

FIELDNOTE DESCRIPTION of a tract or parcel of land containing 0.3719 acres, in the P. W. Rose Survey, Abstract No. 645, Harris County, Texas, being part of a 12.6191 acre tract conveyed to the Prudential Insurance Company from John F. Grant, et al, in a Deed recorded in Volume 2066, Page 83 of the Harris County Deed Records and is more particularly described as follows:

Commencing at a 3-inch galvanized iron pipe fence corner post, found in the Southerly right-of-way line of Holcombe Boulevard (110.00 feet wide), for the Northeasterly corner of the said 12.6191 acre tract conveyed to the Prudential Insurance Company from John F. Grant, et al, and the Northwesterly corner of an 18.1343 acre tract conveyed to John F. Grant from H. C. House in a Deed recorded in Volume 555, Page 506 of the Harris County Deed Records;

Thence, S 01° 06' 00" E, leaving the said Southerly right-of-way line of Holcombe Boulevard, along the Easterly line of the said 12.6191 acre tract and the Westerly line of the said 18.1343 acre tract, pass a 5/8-inch iron rod found at 0.80 feet, and for a total distance of 822.31 feet to a 5/8-inch iron rod set for corner and the POINT OF BEGINNING:

THENCE, S 01° 06' 00" E, continuing along the Easterly line of the said 12.6191 acre tract and the Westerly line of the said 18.1343 acre tract, for a distance of 180.00 feet to a 5/8-inch iron rod set for corner, said 5/8-inch iron rod being 60.00 feet, N 01° 06' 00" W, from a 5/8-inch iron rod set for the Southeasterly corner of the said 12.6191 acre tract and the Southwesterly corner of the said 18.1343 acre tract;

THENCE, S 88° 54' 00" W, leaving the said common line dividing the said 12.6191 acre tract from the said 18.1343 acre tract, for a distance of 90.00 feet to a 5/8-inch iron rod set for corner;

THENCE, N 01° 06' 00" W, for a distance of 180.00 feet to a 5/8-inch iron rod set for corner;

THENCE, N 88° 54' 00" E, for a distance of 90.00 feet to the POINT OF BEGINNING; CONTAINING within these metes and bounds 0.3719 acres (16,200 Square Feet) of land area.

EASEMENT AGREEMENT

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

That the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, acting herein by and through its hereunto duly authorized officers (hereinafter called "Grantor"), for and in consideration of ONE DOLLAR (\$1.00) and other adequate consideration to Grantor paid by TEXAS MEDICAL CENTER CENTRAL HEATING AND COOLING SERVICES COOPERATIVE ASSOCIATION, an association organized as a non-profit corporation as provided in Article 4437r, Vernon's Texas Civil Statutes (hereinafter called "Grantee"), and pursuant to, subject to the conditions of, and in consideration of the covenants and agreements to be observed and performed by Grantee under that certain Agreement entered into as of April 9, 1968 (the "Subject Agreement"), between Texas Medical Center, Inc. and Houston Natural Gas Corporation (to whose rights and obligations under the Subject Agreement Grantee has succeeded), concerning the construction and operation of a central plant and the furnishing from such central plant of chilled water and steam service to those persons, firms or corporations owning, controlling or operating buildings or other facilities within the Texas Medical Center, Houston, Texas, and taking such service under contract with Grantee, does hereby GRANT and CONVEY unto Grantee:

The easement and right-of-way in, on, over and under that certain tract of land described in Exhibit A attached hereto and made a part hereof (hereinafter called the "Easement Tract"), for the purpose of constructing, reconstructing, operating, maintaining, repairing, altering, replacing, changing the size of and removing equipment, structures, machinery, conduits, pipes, regulatory devices and other apparatus constituting an underground duct bank to transport power to Grantee's plant for the chilling of water and producing of steam, which plant of Grantee is now located on

land adjoining and adjacent to the Easement Tract, and for the purpose of constructing, reconstructing, operating, maintaining, repairing, altering, replacing, changing the size of and removing equipment, buildings, structures, enclosures, transformers, machinery, tanks, boilers, motors, pipes, burners and other apparatus as additions to or expansions of said plant of Grantee, as said plant may from time to time exist.

As stated above, this Easement Deed is executed by Grantor and accepted by Grantee pursuant to, subject to all conditions of, and in consideration of all covenants and agreements to be observed and performed by Grantee under, the Subject Agreement. Without limiting the effect of the preceding sentence and without affecting the covenants contained in the Subject Agreement, Grantor and Grantee stipulate and agree as follows:

- (1) The grant herein made is for a term co-existent with the term of the Subject Agreement, and such term shall in no event extend beyond April 8, 2018, at midnight, unless extended by written agreement of Grantor and Grantee. Upon such termination either on April 8, 2018, at midnight, or earlier under the Subject Agreement or later under further agreement, the rights and estates hereby granted to Grantee shall automatically terminate and revert to Grantor, except that Grantee shall have the right to remove at its cost the facilities authorized hereunder within ninety (90) days after such termination. In the event that Grantee fails to remove such facilities within such 90-day period, such facilities shall become the property of Grantor.
- (2) The rights and estates granted to Grantee hereunder shall be transferable and assignable subject to the conditions prescribed in the Subject Agreement incident to the transfer or assignment of Grantee's rights under the Subject Agreement, but not otherwise.
- (3) Grantor reserves the right to use the surface of the Easement Tract for the parking of vehicles while and only so long as the surface of the Easement Tract is not being used for any of the purposes of this easement and right-of-way, subject to the obligation of Grantor to discontinue such parking use upon written notice from Grantee of Grantee's intention to commence using the surface of the Easement Tract for one or more of the purposes of this easement and right-of-way. Grantor shall have no right to use the surface of the Easement Tract for parking purposes while

Grantee is using the surface of the Easement Tract for or in connection with the underground duct bank authorized hereunder (e.g., constructing or repairing the same) or for or in connection with additions to or expansions of said plant of Grantee. After Grantee commences to use the surface of the Easement Tract for additions to or expansions of said plant of Grantee, Grantee shall have the right to fence the Easement Tract, or any portion or portions thereof, and to keep unauthorized persons off such premises.

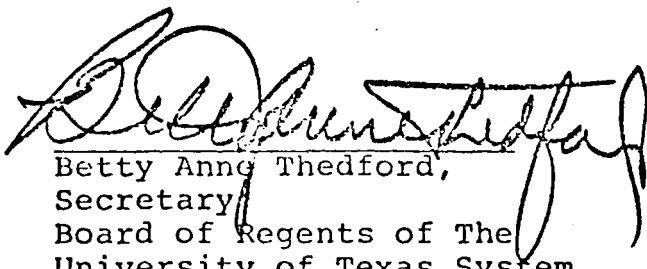
- (4) All items of property placed on or about the Easement Tract by Grantee shall, during the term hereof, remain and constitute property of Grantee.
- (5) Grantee covenants that no building, structure or enclosure shall be constructed, added to or modified on any part of the Easement Tract until plans and specifications (including landscape plans and screening details) therefor shall first have been submitted to and approved by Grantor (which approval shall not be unreasonably withheld), and that all construction or modification shall be in accordance with such approved plans and specifications. While the Easement Tract is not being used by Grantor for parking purposes pursuant to (3) above, Grantee shall keep the Easement Tract in a neat condition and free of debris. Grantee shall protect and save harmless Grantor from any loss, cost or expense asserted against Grantor by reason of any loss of life of or injury to persons or damage to or destruction of property occurring on or from the Easement Tract (except with respect to matters arising or resulting from Grantor's use of the Easement Tract for parking purposes pursuant to (3) above) or resulting from Grantee's operations.
- (6) The terms "Grantor" and "Grantee" as used herein shall refer not only to the named parties but also to their respective successors and assigns (subject to the provisions of the Subject Agreement and hereof).

EXECUTED this 18<sup>th</sup> day of January,


1979.

ATTEST:

BOARD OF REGENTS OF THE  
UNIVERSITY OF TEXAS SYSTEM

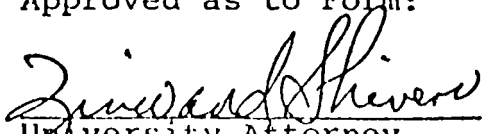
  
Betty Anne Thedford,  
Secretary  
Board of Regents of The  
University of Texas System

By:

  
DAN C. WILLIAMS,  
Chairman

Approved as to Form:

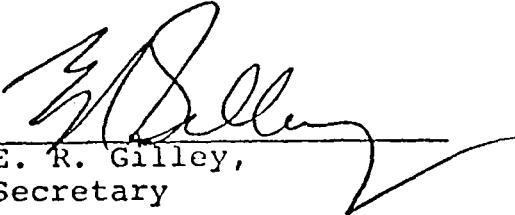
Approved as to Content:

  
University Attorney

ACK

ATTEST:

TEXAS MEDICAL CENTER CENTRAL  
HEATING AND COOLING SERVICES  
COOPERATIVE ASSOCIATION

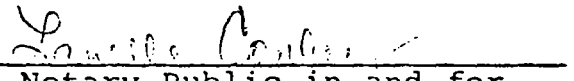
  
E. R. Gilley,  
Secretary

By:   
RALPH S. KRISTOFERSON,  
President

THE STATE OF TEXAS §  
  §  
COUNTY OF DALLAS §

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

18<sup>th</sup> day of November, 1979.

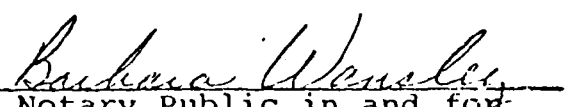
  
Notary Public in and for  
Dallas County, T E X A S

My Commission Expires:  
2/2/78.

THE STATE OF TEXAS §  
  §  
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared RALPH S. KRISTOFERSON, President of TEXAS MEDICAL CENTER CENTRAL HEATING AND COOLING SERVICES COOPERATIVE ASSOCIATION, a corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

13<sup>th</sup> day of December, 1979.

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

My Commission Expires:  
June 24, 1980.

FIELDNOTE DESCRIPITON of a tract or parcel of land containing 0.2273 Acres, in the P. W. Rose Survey, Abstract No. 645, Harris County, Texas, being part of a 12.6191 acre tract conveyed to the Prudential Insurance Company from John F. Grant, et al, in a Deed recorded in Volume 2066, Page 83 of the Harris County Deed Records, and is more particularly described as follows:

Commencing at a 3-inch galvanized iron pipe fence corner post, found in the Southerly right-of-way line of Holcombe Boulevard (110.00 feet wide), for the North-easterly corner of the said 12.6191 acre tract conveyed to the Prudential Insurance Company from John F. Grant, et al, and the Northwesterly corner of an 18.1343 acre tract conveyed to John F. Grant from H. C. House in a Deed recorded in Volume 555, Page 506 of the Harris County Deed Records;

Thence, S 01° 06' 00" E, leaving the said Southerly right-of-way line of Holcombe Boulevard, along the Easterly line of the said 12.6191 acre tract and the Westerly line of the said 18.1343 acre tract, pass a 5/8-inch iron rod found at 0.80 feet, and for a total distance of 712.31 feet to a 5/8-inch iron rod set for corner and the POINT OF BEGINNING;

THENCE, S 01° 06' 00" E, continuing along the Easterly line of the said 12.6191 acre tract and the Westerly line of the said 18.1343 acre tract, for a distance of 110.00 feet to a 5/8-inch iron rod set for corner, said 5/8-inch iron rod being 240.00 feet, N 01° 06' 00" W, from a 5/8-inch iron rod set for the Southeasterly corner of the said 12.6191 acre tract and the Southwesterly corner of the said 18.1343 acre tract;

THENCE, S 88° 54' 00" W, leaving the said common line dividing the said 12.6191 acre tract from the said 18.1343 acre tract, for a distance of 90.00 feet to a 5/8-inch iron rod set for corner;

THENCE, N 01° 06' 00" W, for a distance of 110.00 feet to a 5/8-inch iron rod set for corner;

THENCE, N 88° 54' 00" E, for a distance of 90.00 feet to the POINT OF BEGINNING; CONTAINING within these metes and bounds 0.2273 acres (9,900 Square Feet) of land area.



19. TYLER HEALTH CENTER: CHAPEL ADDITION (PROJECT NO. 801-412) - REPORT OF NEGOTIATED CONTRACT DEDUCTIONS.--At its meeting on October 11 - 12, 1979, the Board awarded a construction contract to Allen M. Campbell Company, General Contractors, Inc., Tyler, Texas, for construction of the Chapel Addition in the amount of \$382,400; and directed that a reduction in the contract price of at least \$5,000 be negotiated. The final figure was to be reported to the Board.

Reductions in the amount of \$10,000 in the contract price have been negotiated and a change order in that amount has been processed as part of the contract. The revised contract amount after the change order deduction is \$372,400.

O.C.

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEMS

February 28-29, 1980

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Documentation

20. U. T. ARLINGTON: SCHOOL OF NURSING, INCLUDING GENERAL CLASSROOM AND OFFICE FACILITIES (PROJECT NO. 301-292) - RECOMMENDED AWARD OF CONTRACT TO WALKER CONSTRUCTION COMPANY, FORT WORTH, TEXAS, AND ADDITIONAL APPROPRIATION THEREFOR

RECOMMENDATIONS

President Nedderman and Chancellor Walker recommend that the Board:

- a. Award a construction contract for the School of Nursing, Including General Classroom and Office Facilities to the lowest responsible bidder, Walker Construction Company, Fort Worth, Texas, as follows:

Base Bid	\$12,237,000
Add Alt. No. 1 (Bridges, 6th & 7th Floors)	<u>75,000</u>
Total Recommended Contract Award	<u>\$12,312,000</u>

- b. Approve a total project cost of \$14,200,000 to cover the recommended building construction contract award, movable furnishings and equipment, air balancing, landscaping, fees and related project expenses
- c. Appropriate additional funds in the amount of \$13,710,290 from the accounts listed below to provide for the total project cost, \$489,710 having been previously appropriated

<u>Acct. #</u>		
565	Unappropriated Plant Funds - Proceeds, Ad Valorem Tax	\$ 8,963,657.13
566	Unappropriated Plant Funds - Building Use Fees	500,000.00
567	Unappropriated Plant Funds - Interest on Local Funds	981,999.30
568	Unappropriated Plant Funds - Interest on Ad Valorem Tax Proceeds	994,143.64
569	Unappropriated Plant Funds - Interest on Combined Fee Bonds	634,795.01
578	Unappropriated Plant Funds - Constitutional Tax Bonds, Series 1976	33,635.71
59-975	Building Use Fees	400,000.00
61-200	Acquisition of Monitoring System	550,000.00
63-350	Landscaping Program	100,000.00
65-700	Project Allocation	318,466.32
65-850	Multi-Level Parking Garage	200,000.00
0175	Unappropriated E & G Income	<u>33,592.89</u>
	Total	<u>\$13,710,290.00</u>

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on October 11, 1979, bids were called for and were received, opened and tabulated on February 19, 1980, as shown below, for the School of Nursing, Including General Classroom and Office Facilities:

<u>Bidder</u>	<u>Base Bid</u>	<u>Alt. No. 1</u>	<u>Bid Bond</u>
B-F-W Construction Co., Inc., Temple, Texas	\$13,909,000	\$110,000	5%
J. A. Jones Construction Co., Dallas, Texas	14,100,700	120,000	5%
Texas Olson Construction Company, Dallas, Texas	13,837,000	92,000	5%
Walker Construction Company, Fort Worth, Texas	12,237,000	75,000	5%

The recommended contract award can be made within the previously authorized total project cost of \$14,200,000.

This project received the approval of the Coordinating Board, Texas College and University System on January 25, 1980.

21. U. T. AUSTIN: COLLEGE OF FINE ARTS AND PERFORMING ARTS CENTER - DRAINAGE IMPROVEMENTS (PROJECT NO. 102-201) - RECOMMENDED AWARD OF CONTRACT TO AUSTIN ENGINEERING CO., INC., AUSTIN, TEXAS

RECOMMENDATIONS

President Flawn and Chancellor Walker recommend that the Board award a construction contract for Drainage Improvements for the College of Fine Arts and Performing Arts Center to the lowest responsible bidder, Austin Engineering Co., Inc., Austin, Texas, in the amount of the base bid of \$394,000.

BACKGROUND INFORMATION

Construction of the College of Fine Arts and Performing Arts Center was authorized in April 1972, with the final construction contract for this complex being awarded in December of 1976. Present construction schedules indicate that completion of the project is anticipated in late 1980.

In 1979, exceptionally heavy rainfalls resulted in the flooding of a portion of the complex under construction. This planned drainage improvement project revises the underground drainage system to handle heavy rains such as those which caused the flooding. Bids for the drainage modifications were received, opened and tabulated on February 21, 1980, as shown below:

<u>Bidder</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Bid Bond</u>
Austin Engineering Co., Inc., Austin, Texas	\$394,000	\$252,000	5%
Clouse Construction Co., Odessa, Texas	460,000	250,000	5%
Jalco, Inc., Houston, Texas	678,000	344,000	5%
Zapata Warrior Construc- tors, A Division of Zapata Constructors, Inc., Houston, Texas	632,000	62,000	5%

The recommended contract award can be made within previously appropriated project funds.

22. U. T. AUSTIN: ROBERT A. WELCH HALL - RENOVATION OF INITIAL (1929) BUILDING (SEQUENCE I) (PROJECT NO. 102-407) - RECOMMENDED AWARD OF CONTRACTS FOR FURNITURE AND FURNISHINGS TO ABEL CONTRACT FURNITURE & EQUIPMENT CO., INC., AUSTIN, TEXAS; DELTA OFFICE SUPPLY COMPANY, HARLINGEN, TEXAS; ROCKFORD BUSINESS INTERIORS, AUSTIN, TEXAS; YOICHEM'S, CORPUS CHRISTI, TEXAS

RECOMMENDATIONS

It is recommended by President Flawn and Chancellor Walker that the Board award contracts to the following lowest responsible bidders:

Abel Contract Furniture & Equipment Company, Inc., Austin, Texas		
Base Proposal "B" (Miscellaneous Furnishings)	\$18,884.42	
Base Proposal "C" (Metal File Cabinets)	<u>6,089.52</u>	
Total Contract Award to Abel Contract Furniture & Equipment Co., Inc.		\$24,973.94
Delta Office Supply Company, Harlingen, Texas		
Base Proposal "D" (Stacking Chairs)		4,540.00
Rockford Business Interiors, Austin, Texas		
Base Proposal "A" (Refrigerators and Ice Machines)		28,562.17
Yochem's Corpus Christi, Texas		
Base Proposal "E" (Office Furniture)		<u>14,884.95</u>
GRAND TOTAL RECOMMENDED CONTRACT AWARDS		<u>\$72,961.06</u>

BACKGROUND INFORMATION

In accordance with Regents' authorization on December 7, 1979, bids were called for and were received, opened and tabulated on February 14, 1980, as shown on the attached sheet, for Furniture and Furnishings for Robert A. Welch Hall - Renovation of Initial (1929) Building (Sequence I).

The following comments are provided concerning three of the packages bid upon:

Base Proposal "A" (Explosion-proof refrigerators and ice machines). Only one bid was received primarily because of the unique nature of this specialty item. However, the one bid received is substantially less than the estimated cost of \$33,600. Therefore, it is recommended the University accept this bid.

Base Proposal "B" (Miscellaneous Furnishings). The lowest bid was non-responsive in that the bidder submitted quotations on only four out of the fifteen requested items. Award of Base Proposal "B" to the lowest responsive bidder is recommended.

Base Proposal "C" (Steel File Cabinets). Only one bid was received. A canvas of the other bidders indicated they were unable to obtain fair and competitive quotations from their suppliers. The bid received was substantially less than the estimated cost of \$7,367. Therefore, it is recommended that the University accept this bid.

The funds necessary to cover these contract awards are available in the Furniture and Equipment account.

FURNITURE AND FURNISHINGS FOR ROBERT A. WELCH HALL - RENOVATION OF INITIAL (1929) BUILDING (SEQUENCE I)

THE UNIVERSITY OF TEXAS AT AUSTIN, AUSTIN, TEXAS

Bids Received at 2:00 p.m., Central Standard Time, Thursday, February 14, 1980 at the  
Office of Facilities Planning and Construction, The University of Texas System, Austin, Texas

Bidder	Bid Bond	Base Proposal "A" (Refrigerators & Ice Machines)	Base Proposal "B" (Miscellaneous Furnishings)	Base Proposal "C" (Metal File Cabinets)	Base Proposal "D" (Stacking Chairs)	Base Proposal "E" (Office Furniture)
Abel Contract Furniture & Equipment Co., Inc. Austin, Texas	5%	No Bid	\$18,884.42	\$6,089.52	\$6,670.55	No Bid
Clegg/Austin Austin, Texas	5%	No Bid	Non-Responsive 7,804.02	No Bid	No Bid	\$15,139.14
Delta Office Supply Company Harlingen, Texas	B.B.	No Bid	No Bid	No Bid	4,540.00	15,370.00
Rockford Business Interiors Austin, Texas	5%	\$28,562.17	20,062.94	No Bid	6,695.93	No Bid
Stewart's Office Supply Company Dallas, Texas	5%	No Bid	No Bid	No Bid	5,138.46	15,532.60
Yochem's Corpus Christi, Texas	Cashier's Check \$800.00	No Bid	No Bid	No Bid	No Bid	14,884.95

B & G - 40

23. HOUSTON HEALTH SCIENCE CENTER: HOUSTON MEDICAL SCHOOL PHASE III - COMPLETION OF SITE DEVELOPMENT (PROJECT NO. 701-427) - RECOMMENDED AWARD OF CONTRACT TO LANDSCAPE DESIGN AND CONSTRUCTION, INC., DALLAS, TEXAS AND ADDITIONAL APPROPRIATION THEREFOR FOR TOTAL PROJECT FUNDING

RECOMMENDATIONS

President Bulger and Chancellor Walker recommend that the Board:

- a. Award the construction contract for the Completion of Site Development, Houston Medical School, Phase III, to the lowest responsible bidder, Landscape Design and Construction, Inc., Dallas, Texas, as follows:

Base Bid	\$404,791
Alt. No. 1 (add landscape planting and irrigation)	<u>60,290</u>
Total Recommended Contract Award	\$465,081

- b. Approve a revised total project cost of \$545,883 to cover the recommended construction contract award, landscaping, fees and related project expenses
- c. Appropriate additional funds in the amount of \$178,603 from Special Projects Unallocated Account No. 6-41800-905-000-10 to provide for the total project cost, \$367,280 having been previously appropriated.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents at its meeting on December 7, 1979, bids were called for and were received, opened and tabulated on February 5, 1980, as shown below, for the Completion of Site Development, Houston Medical School, Phase III.

<u>Bidder</u>	<u>Base Bid</u>	<u>Alt. Bid No. 1</u>	<u>Bid Bond</u>
Landscape Design and Construction, Inc., Dallas, Texas	\$404,791	\$60,290	5%
Mission Construction, Inc., Houston, Texas	548,000	70,000	5%
Peltier Bros. Construction, Houston, Texas	425,300	65,800	5%

The recommended contract award of \$465,081 is below the final cost estimate of \$479,411 prepared by the Project Landscape Architect, Corey A. Hoffpauir and Associates, Inc., Austin, Texas. Completion of this site development will provide a pedestrian mall, paved terraces, landscaping, outdoor amphitheatre, security lighting and additional flood protection measures adjacent to the Houston Medical School and the Texas Medical Center Library Building.



24. HOUSTON HEALTH SCIENCE CENTER AND UNIVERSITY CANCER CENTER - REMODELING OF PRUDENTIAL BUILDING - FACILITIES CONTROL AND MONITORING SYSTEM (PROJECT NO. 701-380): RECOMMENDATION TO REJECT BID, AND REQUEST FOR AUTHORIZATION TO REDUCE SCOPE, REDESIGN AND READVERTISE FOR BIDS. --

RECOMMENDATIONS

President Bulger, President LeMaistre and Chancellor Walker recommend that the Board:

- a. Reject the bid received from Burns Integrated Systems Corporation for the installation of a Fire Alarm, Fire Communication and Facilities Control and Monitoring System for the Prudential Building
- b. Authorize the division of the work into general electrical construction and electronic controls systems so that the work can be bid and awarded in either one or two parts, whichever is most advantageous to the University
- c. Authorize advertising for bids, the results of which will be reported to the Board at a later meeting.

BACKGROUND INFORMATION

At its meeting in October 1979, the Board rejected all bids for the controls systems for the Prudential Building and authorized a change in design concept to effect cost reductions and a call for new bids. Based upon information received from industry that substantial savings could be achieved by the changing of conduit materials, this project was redesigned, incorporating these ideas. Certain other equipment reconfigurations and relocations were also made to bring the project scope within funds available.

Bids were consequentially called for, received, opened and tabulated on February 1, 1980, as shown on the attached sheet.

Prior to bidding, five firms indicated an active interest in bidding and took out plans and specifications. However, only a single bidder, Burns Integrated Systems Corporation, actually submitted a bid. This bid was significantly in excess of the cost estimate and exceeds the funds available. It is felt that this lone bid does not accurately reflect the value of the work proposed.

Following the bid opening, a canvas of the market indicated that one prospective bidder did not choose to bid the entire scope of work, one could not complete a joint venture arrangement, one did not have time to prepare a bid and one already had a major workload. Further inquiries indicate that the conduit work cost can be further reduced.

It also may be advantageous to the University to rebid the work in two parts, the general electrical work and the electronic controls systems.

FIRE ALARM AND FACILITY CONTROL AND MONITORING SYSTEMS  
 The University of Texas Health Science Center at Houston and  
 The University of Texas System Cancer Center  
 Remodeling of Prudential Building, Houston, Texas  
 Bids Received at 11:00 a.m., Central Standard Time, February 1, 1980 at  
 The Prudential Building, Houston, Texas

<u>Bidder</u>	<u>Base Bid</u>	<u>Alt. 1 Chiller Control</u>	<u>Alt. 2 Electrical Usage</u>	<u>Alt. 3 Gas Usage</u>	<u>Alt. 4 Fire Sub Zones</u>	<u>Bid Bond</u>
Burns Integrated System Corporation, Dallas, Texas	\$674,791.00	\$21,978.00	\$4,990.00	\$6,599.00	\$65,627.00	5%

25. TYLER HEALTH CENTER: LANDSCAPING, IRRIGATION AND SITE DEVELOPMENT, PHASE I - (PROJECT NO. 801-441) - RECOMMENDED AWARD OF CONTRACT TO LANDSCAPE DESIGN AND CONSTRUCTION, INC., DALLAS, TEXAS AND ADDITIONAL APPROPRIATION THEREFOR

RECOMMENDATIONS

Director Hurst and Chancellor Walker recommend that the Board:

- a. Award a construction contract for Phase I of Landscaping, Irrigation and Site Development to the lowest responsible bidder, Landscape Design and Construction, Inc., Dallas, Texas, in the Base Bid amount of \$184,317
- b. Authorize a revised total project cost of \$197,500 to cover the recommended construction contract award, landscaping, fees and related expenses
- c. Appropriate additional funds in the amount of \$32,500 from Tyler Health Center Unexpended Plant Funds Account No. 636-9010-0300 to provide for the total project cost, \$165,000 having been previously appropriated.

BACKGROUND INFORMATION

In accordance with authorization of the Board of Regents on December 6, 1979, bids were called for and were received, opened and tabulated on February 12, 1980, as shown below:

<u>Bidder</u>	<u>Base Bid</u>	<u>Bidder's Bond</u>
Allen M. Campbell Company, Tyler, Texas	\$199,000	5%
Landscape Design & Construction, Dallas, Texas	184,317	5%
Randall & Blake, Inc. Dallas, Texas	267,700	5%
Crookham & Vessels Sherman, Texas	190,000	5%

This initial phase includes new entrance signs and landscape development, with irrigation for areas immediately adjacent to the Health Center's main buildings. The recommended contract award exceeds the final construction cost estimate of \$152,000. A cost breakdown of the low bid indicated that higher costs for plant materials in the Tyler area accounted for the cost overrun. There is no practical way to thin out the plant material without omitting entire sections of the planting. The institution does not desire to reduce the scope of the project.



**BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM**

Material Supporting

**Agenda**

Meeting Date:..... **February 28-29, 1980**.....

Meeting No.:..... **766**.....

Name:.....

*Official copy*

**Part II**

**Health Affairs Committee  
Land and Investment Committee  
Committee of the Whole  
Committee of the Whole - Executive Session  
Meeting of the Board**

# Health Affairs Committee

**HEALTH AFFAIRS COMMITTEE**  
**Committee Chairman Fly**

**Date:** February 29, 1980

**Time:** Following the meeting of the Academic and Developmental Affairs Committee (If the Buildings and Grounds Committee reconvenes on February 29, the Health Affairs Committee will meet thereafter.)

**Place:** Prudential Building, Tenth Floor  
Houston, Texas

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O.C.

Section 1 of Article IX of The University of Texas System Plan Professional Medical Malpractice Self-Insurance to read as follows:

Section 1. Rights of Participants. The Board may terminate the Plan at any time, or at any time or from time to time, may amend, alter or suspend the Plan in whole or in part, as to all persons eligible to participate hereunder, or any class or groups of such persons, provided such action shall not impair any rights accrued prior to the effective date of such termination, amendments, ~~[modifications,]~~ alterations or suspension. Any such termination, amendment, alteration or suspension shall be effective on the ~~[at-such]~~ date of ~~[as]~~ the Board action unless a later date is specified by ~~[may-determine,-but-not-earlier-than sixty-(60)-days-prior-to-the-date-on-which]~~ the Board ~~[shall-have given-notice-of-such-termination,-amendment,-alteration-or suspension-to-the-Administrator]~~. The Administrator shall promptly give notice of any such termination, amendment, alteration or suspension to all participants affected thereby.

Handed to  
Sec. at meeting  
B.A.S.



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

1. U. T. System: Proposed Amendment to Plan for Professional Medical Malpractice Self-Insurance (Article V, Section 3).--

RECOMMENDATION

Chancellor Walker recommends the following proposed addition of a paragraph c under Article V, Section 3 of the Professional Medical Malpractice Self-Insurance Plan.

"c. reasonable expenses incurred by a participant or former participant at the System's request in assisting the System in the investigation or defense of any claim or suit."

BACKGROUND INFORMATION

This section will authorize payment from the Plan for reasonable expenses incurred by those persons no longer in the Plan but who were at one time participants and who were sued under its provisions. It has the support of all institutional heads of the six health components.

**SECRETARY'S NOTE:** If this amendment is adopted, the Plan for Professional Medical Malpractice Self-Insurance as amended through February 29, 1980 will be as set out on Pages HAC 3a-3h.

THE UNIVERSITY OF TEXAS SYSTEM

PLAN FOR PROFESSIONAL MEDICAL  
MALPRACTICE SELF - INSURANCE

As Amended  
Effective March 1, 1980

Article I.

PURPOSE

The purpose of this Plan is to provide certain medical staff and medical students of The University of Texas System with medical professional malpractice liability indemnity from and against medical malpractice claims pursuant to the authority granted to the Board of Regents of The University of Texas System by Senate Bill 391, Acts of the Sixty-fifth Legislature, which Act became effective March 10, 1977.

Article II.

DEFINITIONS

This Plan shall be known as the Plan for Professional Medical Malpractice Self-Insurance, and, for convenience, is hereinafter referred to as the "Plan." Unless otherwise required by the context, the following terms shall control:

(a) "Medical staff members" shall mean: (1) medical doctors, oral surgeons, doctors of osteopathy, and podiatrists employed full-time by a medical school or hospital of the System; medical doctors employed full-time in health services at and by a general academic institution of the System; and interns, residents and fellows of such disciplines participating in a patient care program in the System; who are duly licensed and registered to practice their profession; and (2) medical students who are duly registered in a medical school of the System.

(b) "Participant" means any medical staff member qualifying for participation in this Plan as set forth in Article IV of this Plan. The coverage afforded applies separately to each participant against whom claim is made or suit is brought, except with respect to the limits of System's liability.

(c) "Medical malpractice claim" means an alleged cause of action (arising within the Plan territory) based upon treatment, lack of treatment, or other claimed departure from accepted standards of medical care which proximately result in injury to or death of the participant's patient; provided, however, that "Medical malpractice claim" shall not mean any cause of action or claim arising out of or incident to, whether directly or indirectly: (1) any unlawful or illegal act, error or omission of participant, unless participant had no reasonable cause to believe his conduct was unlawful or illegal; (2) any assumption of liability or indemnity obligation by participant under a contract or agreement; or (3) any act, error, or omission by an intern, resident or fellow occurring in any federal health care facility, including, but not limited to, any Veterans Administration Hospital, and any Public Health Service Hospital.

- (d) "System" means The University of Texas System.
- (e) "Board" means the Board of Regents of The University of Texas System.
- (f) "Fund" means the Medical Professional Liability Fund established by the Board.
- (g) "Administrator" means the Chancellor of The University of Texas System.
- (h) "General Counsel" means the Vice Chancellor and General Counsel of The University of Texas System.
- (i) "Damages" means all damages, including damages for death, which are payable because of injury to which the Plan applies, but does not include exemplary or punitive damages.
- (j) "Coverage" means the medical malpractice liability indemnity afforded participants by this Plan.
- (k) "Plan territory" means: (1) the United States of America, its territories or possessions, or Canada; or, (2) anywhere in the world for medical doctors, oral surgeons, doctors of osteopathy, or podiatrists, provided the original suit for damages is brought within the United States of America, its territories or possessions, or Canada.
- (l) "Annual period" means from April 1, 1977, through March 31, 1978, and each succeeding twelve-month period (from April 1 through March 31) or part thereof terminating with the termination of this Plan.

Whenever used in this Plan, masculine pronouns shall include both men and women unless the context indicates otherwise.

### Article III.

#### APPLICABILITY OF PLAN PROVISION

The coverage afforded by this Plan is subject to the particulars, terms, conditions and limitations (including, but not limited to limits of liability) of this Plan and the interpretation thereby by the Board or its authorized representative. Notwithstanding any other language of the Plan the coverage afforded by the Plan applies only to medical malpractice claims arising out of incidents, transactions or events occurring on or after April 1, 1977.

### Article IV.

#### CONDITIONS FOR PARTICIPATION

Each person who is a medical staff member on the effective date of the Plan, and each person who becomes a medical staff member thereafter, shall be a participant in the Plan provided, however, that (1) each medical student, as an additional condition of participation, must pay into the Fund a fee in such amount or amounts, and at such time or times, as may be required by the Board; and (2) a medical doctor employed full time in health services at and by a general academic institution of the System shall not become a participant unless and until (a) all medical doctors so employed by such institution elect to parti-

cipate in the Plan, (b) such institution files with the Administrator a written application, on behalf of such medical doctors, for participation in the Plan, and (c) such application is approved and accepted by the Administrator.

## Article V.

### COVERAGE OF PARTICIPANTS

Section 1. Payments on Behalf of Participants. The System will pay on behalf of each participant, from monies in the Fund, all sums which the participant shall become legally obligated to pay as damages because of a medical malpractice claim arising from the exercise of the participant's employment, duties or training with the System as a medical staff member, performed in the practice of his profession, including service by the participant as a member of a formal accreditation or similar professional board or committee of a hospital or professional society. A medical student shall be deemed to be "in the practice of his profession" during such time or times as he is participating (with prior approval of the medical school in which he is duly registered as a student) in a patient care program of a duly accredited medical school under the direct supervision of a faculty member of the school conducting such program, but only during such time or times.

Section 2. Defense of Lawsuits. The System shall have the right and duty to defend any suit seeking damages (as described in Section 1 of this Article V) against a participant even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient, but the System shall not be obligated to pay any claim or judgment or to defend any suit after the applicable limit of the System's liability has been exhausted by payment of judgments or settlements, or monies in the Fund have been exhausted.

Section 3. Supplementary Payments. The System will pay from the Fund, in addition to the applicable limit of liability:

(a) all expenses incurred by the System, all costs taxed against the participant in any suit defended by the System, and all interest on the entire amount of any judgment therein which accrues after entry of the judgment and before the System has paid or tendered or deposited in court that part of the judgment which does not exceed the limit of the System's liability thereon;

(b) premiums on appeal bonds required in any such suit, premiums on bonds to release attachments in any such suit for an amount not in excess of the applicable limit of liability of this Plan, but the System shall have no obligation to apply for or furnish any such bonds.

(c) reasonable expenses incurred by a participant or former participant at the System's request in assisting the System in the investigation or defense of any claim or suit.

## Article VI.

### LIMITS OF LIABILITY

The limit of liability stated in the schedule below as applicable to "each claim" is the limit of the System's liability for all damages because of each claim or suit covered by the Plan.

The limit of liability stated in the schedule below as "aggregate per participant" is, subject to the above provision respecting "each claim," the total limit of the System's liability under this Plan for all damages because of all medical malpractice claims against any one participant in any one annual period. The limit of liability stated in the schedule below as "annual aggregate" is, subject to the above provisions respecting "each claim: and "aggregate per participant," the total limit of the System's liability under this Plan for each annual period.

Limits of liability schedule:

Staff Physician	{ \$ 400,000 per claim \$ 1,200,000 aggregate per participant
Resident, Intern, Fellow or Student	{ \$ 25,000 per claim \$ 75,000 aggregate per participant
Annual Aggregate	\$ 4,000,000

Supplementary Limits of Liability Endorsement

Effective April 1, 1979, The University of Texas System Professional Medical Malpractice Self-Insurance Plan is amended in the following particulars:

With respect to the medical doctors, oral surgeons, doctors of osteopathy, and podiatrists employed by the Houston Health Science Center and the University Cancer Center, the limits of liability applicable to "each claim," under Article VI of the Plan shall be \$500,000 more than is applicable to Staff Physicians at other institutions and the "aggregate per participant," and "annual aggregate" under Article VI of the Plan shall be (for each such category of limits) \$1,000,000 more than those applicable to Staff Physicians at other institutions.

Article VII.

OTHER INSURANCE

Section 1. Primary Coverage. The coverage afforded by this Plan is primary coverage, except when expressly stated to apply in excess of or contingent upon the absence of other insurance. When this coverage is primary and the participant has other insurance which is stated to be applicable to the loss on an excess or contingent basis, the amount of the System's liability under this policy shall not be reduced by the existence of such other insurance.

Section 2. Other Insurance. When both this Plan and other insurance apply to the loss on the same basis, whether primary, excess or contingent, the System shall not be liable under this Plan for a greater proportion of the loss than that stated in the applicable contribution provision below:

(a) Contribution by Equal Shares. If all of such other valid and collectible insurance provides for contribution by equal shares, the System shall not be liable for a greater proportion of such loss than would be payable if such insurer contributes an equal share until the share of each insurer

equals the lowest applicable limit of liability under any one policy or the full amount of loss is paid, and with respect to any amount of loss not so paid, the remaining insurers then continue to contribute equal shares of the remaining amount of the loss until each such insurer has paid its limit in full or the full amount of the loss is paid.

(b) Contribution of Limits. If any of such other insurance does not provide for contribution of equal shares, the System shall not be liable for a greater proportion of such loss than the applicable limit of liability under this Plan for such loss bears to the total applicable limit of liability of all valid and collectible insurance against such loss.

## Article VIII.

### PARTICIPANT'S DUTIES IN THE EVENT OF OCCURRENCE, CLAIM OR SUIT

Section 1. Notice of Occurrence. Upon the participant's becoming aware of an occurrence or incident involving an injury or death, or an alleged injury or death, to which this Plan applies, or may apply, written notice containing particulars sufficient to identify the participant and also reasonably obtainable information with respect to the time, place and circumstances thereof, and the names and addresses of the patient and of available witnesses, shall be given by or for the applicant to the Administrator as soon as practicable.

Section 2. Notice of Claim or Suit. If claim is made or suit is brought against the participant, the participant shall immediately forward to the General Counsel every demand, notice, summons, or other process received by him or his representative, in accordance with administrative regulations for the Plan prescribed or approved by the Administrator.

Section 3. Cooperation by Participant. The participant shall cooperate with the System and, upon the System's request, assist in making settlements in the conduct of suits, and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the System because of injury with respect to which coverage is afforded under this Plan; and the participant shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses. The participant shall not, except at participant's own costs, voluntarily make any payment, assume any obligation or incur any expense.

## Article IX.

### MODIFICATION AND TERMINATION

Section 1. Rights of Participants. The Board may terminate the Plan at any time, or at any time or from time to time, may amend, alter or suspend the Plan in whole or in part, as to all persons eligible to participate hereunder, or any class or groups of such persons, provided such action shall not impair any rights accrued prior to the effective date of such termination, amendments, modifications, alterations or suspension. Any such termination, amendment, alteration or suspension shall be effective at such date as the Board may determine, but not earlier than sixty (60) days prior to the date on which the

*Amended*

Board shall have given notice of such termination, amendment, alteration or suspension to the Administrator. The Administrator shall promptly give notice of any such termination, alteration or suspension to all participants affected thereby.

Section 2. Termination in Event of Mandatory Participation in Other Indemnity or Insurance Programs. It is an express condition of the Plan that if the System is required by law, or by a collective bargaining or other agreement, to contribute toward another plan, program or scheme providing professional liability insurance or indemnity benefits for a class or group of medical staff members, this Plan will terminate forthwith as to such class or group of medical staff members.

Section 3. Termination Upon Cessation of Medical Staff Employment. This Plan shall apply to a participant only so long as such participant remains qualified to participate in this Plan, provided that cessation of such participation shall not impair any rights accrued under this Plan prior to the effective date of such cessation of qualification.

Section 4. Benefits Terminable. All coverage of a participant under this Plan shall cease at once if the participant engages in any business or performs any act which, in the sole judgment of the Board, is prejudicial to the interest of the System.

#### Article X.

##### ACTION AGAINST SYSTEM

Section 1. Conditions Precedent. No action shall lie against the System unless, as a condition precedent thereto, there shall have been full compliance with all of the terms of this Plan, nor until the amount of the participant's obligation to pay shall have been finally determined either by judgment against the participant after actual trial, or by written agreement of the claimant and the Administrator.

Section 2. Third-party Actions. Any person or organization, or the legal representative thereof, who has secured such judgment or written agreement shall thereafter be entitled to recover under this Plan to the extent of the coverage afforded by this Plan. No person or organization shall have any right under this Plan to join the System as a party to any action against the participant to determine the participant's liability, nor shall the System be impleaded by the participant or his legal representative. Bankruptcy or insolvency of the participant or the participant's estate shall not relieve the System of any of its obligations hereunder.

#### Article XI.

##### ADMINISTRATION OF PLAN

Section 1. Administration. The Plan shall be administered by the Administrator under direction of the Board.

Section 2. Administrative Regulations. The Administrator may from time to time prescribe regulations for the administration of this Plan provided that such regulations shall, in the opinion of the General Counsel, be consistent with the provisions of this Plan as it may be amended from time to time pursuant to Article IX of this Plan.

Section 3. Legal Interpretation. The text of this Plan shall control and the headings to the Articles, Sections, and paragraphs are for reference purposes only, and do not limit or extend the meaning of any of the Plan's provisions. The Plan shall be governed by and construed in accordance with the laws of the State of Texas. Any interpretation of the Plan by the General Counsel shall be conclusive as between the System and its employees and students, participating medical staff members, and retired or otherwise terminated participants, employees and students, and may be relied upon by the System and all parties in interest.

Section 4. Counsel and Settlement Authority. Authority to employ counsel, approve attorney fees and expenses, and approve settlement of all claims, including litigation, shall rest with the General Counsel, or his delegate, subject to concurrence or approval of the Administrator, as required by administrative regulations for the Plan.

## Article XII.

### GENERAL PROVISIONS

Section 1. Subrogation. In the event of any payment under this Plan, the System shall be subrogated to all of the participant's rights of recovery therefor against any person or organization, and the participant shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The participant shall do nothing after loss to prejudice such rights.

Section 2. Changes. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this Plan, or estop the System from asserting any right under the terms of this Plan; nor shall the terms of this Plan be waived or changed, except by written waiver or amendment duly approved by the Board.

Section 3. Entirety of Agreement. This Plan embodies all agreements existing between any and all persons and the System or any of its agents relating to this Plan and the coverage afforded hereunder.

Section 4. Assignment. It is a condition of this Plan, and all rights of each participant shall be subject thereto, that no right or interest of any participant under this Plan shall be assignable in whole or in part.

Section 5. Employment Non-Contractual. The System may terminate the employment, internship, residency, fellowship, or student-school relationship of any participant as freely and with the same effect as if this Plan were not in operation.

Section 6. Actions Against Participant. This Plan or its operation shall not in anywise affect any claim or cause of action by the System against a participant for indemnity or contribution arising out of or incident to any medical malpractice claim.

Section 7. Concealment or Misrepresentation. This Plan shall be void as to any participant, if, whether before or after a claim or cause of action is asserted, such participant has willfully concealed or misrepresented any material fact or circumstance concerning any claim or cause of action covered by this Plan, or otherwise concerning this Plan, or the subject thereof, or the interest of the participant therein, or in case of any fraud or false swearing by the participant relating thereto.



Section 8. Communications. All notices, reports, and statements given, made, delivered or transmitted to a participant shall be deemed duly given, made, delivered or transmitted when delivered to him, or when mailed by first-class mail, postage prepaid, and addressed to him at the address last appearing on the books of the System. A participant who changes his address shall forthwith give written notice to the System of such change. Written directions, notices and other communications from participants to the System shall be mailed by first-class mail, postage prepaid, or delivered as follows:

(a) If intended for the Administrator: The University of Texas System, Office of the Chancellor, O. Henry Hall, 601 Colorado Street, Austin, Texas 78701, Attention: Vice Chancellor and General Counsel;

(b) If intended for the General Counsel: Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas 78701, Attention: General Counsel, The University of Texas System.

Section 9. Effective Date. The Plan shall be effective April 1, 1977.

2. U. T. El Paso: Proposed Affiliation Agreements with (a) Big Bend Memorial Hospital, Alpine, Texas and (b) El Paso Center for Mental Health & Mental Retardation Services, El Paso, Texas.--

RECOMMENDATION

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

<u>Facility</u>	<u>Agreement Executed</u>
a. Big Bend Memorial Hospital, Alpine, Texas	January 11, 1980
b. El Paso Center for Mental Health & Mental Retardation Services, El Paso, Texas	January 11, 1980

PURPOSE

Each of these agreements will provide facilities for health care related educational experiences for students at U.T. El Paso.

3. U. T. El Paso: Proposed Affiliation Agreement with Lifemark Hospitals of Texas, Inc., d/b/a Southwestern General Hospital, El Paso, Texas.--

RECOMMENDATION

It is recommended by President Templeton and Chancellor Walker that approval be given to the following affiliation agreement (Pages HAC 5 - 11 ) by and between The University of Texas at El Paso and Lifemark Hospitals of Texas, Inc., d/b/a Southwestern General Hospital, El Paso, Texas. The agreement was executed by the appropriate officials on October 31, 1979, to be effective upon approval by the Board of Regents.

PURPOSE

This agreement will provide health care related educational experiences for students at U. T. El Paso.

HEALTH CARE

EDUCATIONAL EXPERIENCE PROGRAM

AFFILIATION AGREEMENT

THIS AGREEMENT made the 31 day of October, 1979, by and between The University of Texas at El Paso ("University"), a component institution of The University of Texas System ("System"), and Lifemark Hospitals of Texas, Inc., d/b/a Southwestern General Hospital ("Facility"), having its principal office at Greenway Plaza, 3800 Buffalo Speedway, Houston, Texas.

W I T N E S S E T H:

WHEREAS, Facility now operates health care facilities located at 1221 North Cotton, in the City of El Paso, State of Texas, and therein provides health care services for persons in need of such services; and University provides an academic program with respect to health care; and

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

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

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

NOW, THEREFORE, in consideration of the premises and of the benefits derived

and to be derived therefrom and from the program or programs established and implemented by said parties, University and Facility agree that any program agreed to by and between Facility and University, during the term of this Agreement, for purposes of achieving the above described objectives of said parties (hereinafter called "Educational Experience Program," or "Program"), shall be covered by and subject to the following terms and conditions:

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

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

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

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

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

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

requested to do so by University.

B. To permit the authority responsible for accreditation of University's curriculum to inspect such facilities, services and other things provided by Facility pursuant to this Agreement as are necessary for accreditation evaluation.

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

6. University hereby agrees:

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

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

C. To designate a member of the University faculty to coordinate

with Facility through its Liaison the learning assignment to be assumed by each student participating in the Program, and to furnish to Facility in writing the name of such faculty member.

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

8. All the agreements between the parties on the subject matter hereof have been reduced to writing herein. No amendments to this Agreement shall be valid unless in writing and signed by the duly authorized representatives of the parties, and approved by the Board of Regents of The University of Texas System.

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

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

11. This Agreement shall not become effective unless and until approved by the Board of Regents of The University of Texas System. If so approved, this Agreement shall become effective on the date of such approval, and shall continue in effect for an initial term ending one (1) year after the date and year of execution by Facility and University, and after such initial term, from year to year unless one party shall have given one hundred eighty (180)

days' prior written notice to the other party of intention to terminate this Agreement. If such notice is given, this Agreement shall terminate: (a) at the end of the term of this Agreement during which the last day of such one hundred eighty (180) day notice period falls; or, (b) when all students enrolled in the Program at the end of the term of this Agreement have completed their respective courses of study under the Program; whichever event last occurs.

12. University shall, to the extent authorized under the constitution and laws of the State of Texas, hold Facility harmless from all liability and expense resulting from University's employee's or agent's acts or omissions within the terms of this Agreement; provided, however, University shall not hold Facility harmless from such liability or expense resulting directly or indirectly from negligence (whether sole, joint, concurring or otherwise) of any person or entity not subject to University's supervision or control.

13. No officer, agent, employee, representative, independent contractor, nurse, faculty member, or student of University shall for any purpose be

deemed to be the employee or borrowed servant of Facility, except where the employer/employee relationship between such person and Facility is expressly established by a writing to that effect signed by Facility.

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

ATTEST:

[Signature]  
(Title) Ethen assn

THE UNIVERSITY OF TEXAS AT EL PASO

By [Signature]  
A. B. Templeton, President

Form Approved  
[Signature]  
Legal Dept.

ATTEST:

[Signature]  
(Title) Assistant Secretary

LIFEMARK HOSPITALS OF TEXAS, INC.  
d/b/a SOUTHWESTERN GENERAL HOSPITAL

By [Signature]  
(Title)

FORM APPROVED:

[Signature]  
General Counsel of the System

CONTENT APPROVED:

[Signature]  
Vice Chancellor for Academic Affairs

[Signature]  
Chancellor

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

CERTIFICATE OF APPROVAL

I hereby certify that the foregoing Agreement was approved by the Board of Regents of The University of Texas System on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

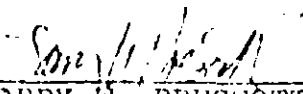
Secretary, Board of Regents  
The University of Texas System  
**BETTY ANNE THIEDFORD**



CERTIFICATE

I, the undersigned Assistant Secretary of Lifemark Hospitals of Texas, Inc., dba Southwestern General Hospital, hereby certify that Paul M. Frison is authorized to execute and to bind the company to the terms of the company's agreement with the University of Texas at El Paso entitled "Health Care Educational Experience Program Affiliation Agreement" and that Mr. Frison's execution of the agreement in his capacity as President of the company is a binding act and deed of Lifemark Hospitals of Texas, Inc.

Executed this 20th day of December, 1979.

  
\_\_\_\_\_  
LARRY W. PRESCOTT  
Assistant Secretary

LIFEMARK HOSPITALS OF TEXAS, INC.  
dba Southwestern General Hospital

4. U. T. San Antonio: Proposed Affiliation Agreement with the Austin Independent School District, Austin, Texas.--

RECOMMENDATION

President Wagener and Chancellor Walker recommend that approval be given to the affiliation agreement by and between The University of Texas at San Antonio and the Austin Independent School District, Austin, Texas. The agreement is in the standard form and was executed by the appropriate officials on June 13, 1979, to be effective upon approval by the Board of Regents.

PURPOSE

The agreement will provide facilities for health care related educational experiences for students at U.T. San Antonio.

5. U. T. Tyler: Proposed Affiliation Agreements with (a) Tyler-Smith County Health Department, Tyler, Texas; (b) Stewart Blood Center, Inc., Tyler, Texas; (c) Mother Frances Hospital, Tyler, Texas; (d) East Texas Hospital Foundation d/b/a Medical Center Hospital, Tyler, Texas; and (e) Schlesinger Home Health Service Agency, Tyler, Texas.--

RECOMMENDATION

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

<u>Facility</u>	<u>Agreement Executed</u>
a. Tyler-Smith County Health Department, Tyler, Texas	December 4, 1979
b. Stewart Blood Center, Inc., Tyler, Texas	December 14, 1979
c. Mother Frances Hospital, Tyler, Texas	December 14, 1979
d. East Texas Hospital Foundation d/b/a Medical Center Hospital, Tyler, Texas	December 21, 1979
e. Schlesinger Home Health Service Agency, Tyler, Texas	January 9, 1980

PURPOSE

Each of these agreements will provide facilities for health care related educational experiences for students at U.T. Tyler.

6. Dallas Health Science Center (Dallas Allied Health Sciences School):  
Request to Seek Permission from Coordinating Board to Establish a  
Post-Baccalaureate Certificate Program in Blood Bank Technology  
(Catalog Change). --

#### RECOMMENDATION

President Sprague and Chancellor Walker request permission to submit to the Coordinating Board a proposal for the establishment of a post-baccalaureate certificate program in Blood Bank Technology at the Dallas Allied Health Sciences School. A program in Blood Bank Technology is currently administered by Parkland Memorial Hospital. However, Parkland no longer wishes to administer the academic aspects of the program, and the essence of this proposal is that the administration of this program be transferred to the School of Allied Health Sciences. The program is accredited by the Committee on Allied Health Education and Accreditation of the American Medical Association.

#### BACKGROUND INFORMATION

The program is one year in duration, and the students admitted will have a baccalaureate degree with a major in biological or physical sciences with acceptable clinical laboratory experience. The majority of the students will have a degree in medical technology.

The program will admit four students per year. The clinical facilities will continue to be provided by Parkland Memorial Hospital. First-year cost for the program is estimated to be \$33,128.

Increased knowledge of immunologic aspects of blood banking has led to a need for further education for those persons serving as technologists in blood banks. The proposed program consists of didactic, laboratory and clinical components. Following successful completion of the curriculum, the student will have the technical expertise and theoretical understanding required to work as a member of the health-care team in a transfusion service or to function as a supervisor or technical consultant. Graduates of the program will be eligible to sit for the certification examination for specialist in blood banking given by the Board of Registry of the American Society of Clinical Pathologists. Of the nineteen graduates from the Parkland Memorial Hospital Program in the past five years, eighteen are currently employed at the supervisory level. Nine of these graduates are in the north central Texas region.

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

A copy of the proposal is on file in the Office of the Secretary.

7. Galveston Medical Branch: Proposed Affiliation Agreements with (a) Memorial Hospital System, Houston, Texas; (b) Rehabilitation Services of Columbus, Inc., Columbus, Georgia; and (c) Hermann Hospital, Houston, Texas.--

#### RECOMMENDATION

President Levin and Chancellor Walker recommend that approval be given to affiliation agreements by and between The University of Texas Medical Branch at Galveston and the following facilities. These agreements have been executed by the appropriate officials and are to be effective upon approval by the Board of Regents:

##### Facility

- a. Memorial Hospital System  
Houston, Texas

This agreement will benefit nursing and allied health students.

- b. Rehabilitation Services of Columbus, Inc.  
Columbus, Georgia

This agreement offers the potential for clinical exposure to several unique areas of physical therapy practice, including sports medicine, cardiac rehabilitation and electrophysiological testing.

- c. Hermann Hospital  
Houston, Texas

This agreement will benefit students in the Departments of Occupational Therapy, Physical Therapy and Medical Record Administration in the Galveston Allied Health Sciences School.

8. Galveston Medical Branch (Galveston Graduate School of Biomedical Sciences): Request to Seek Permission from Coordinating Board to Establish a Ph.D. Program in Neuroscience (Catalog Change).--

#### RECOMMENDATION

President Levin and Chancellor Walker recommend permission to submit to the Coordinating Board a proposed Ph.D. Program in Neuroscience to be administered by the Galveston Graduate School of Biomedical Sciences.

#### BACKGROUND INFORMATION

The field of neuroscience is concerned with understanding the structure and function of the normal and abnormal nervous system. It is interdisciplinary as reflected by the association of scientists in a number of disciplines including anatomy, physiology, chemistry, pharmacology, and behavior. Furthermore, neuroscientists employ experimental approaches drawn from several disciplines. Research in the field of neuroscience is of such importance that twelve of its leading practitioners have received Nobel Prizes since 1962.

Because of the importance of neuroscience and because of the need for interdisciplinary endeavors, many universities and medical schools are forming neuroscience units or departments. This is particularly striking in medical schools where the need is to correlate basic and clinical disciplines. Thus it seems clear that a neuroscience program which is free standing and includes basic and clinical scientists would be a valuable and important addition to the Galveston Graduate School of Biomedical Sciences.

The potential for an excellent program at the University of Texas Medical Branch is outstanding. There are over thirty-five faculty members on the campus who work in various disciplines of the neural and behavioral sciences. These faculty are in nine different basic science and clinical departments and in the Marine Biomedical Institute. Graduate work in **neuroscience has been offered as a component** of the graduate program in physiology and biophysics, and courses are available.

It is not the intent to change significantly the total number of doctoral degrees awarded at the Galveston Graduate School of Biomedical Sciences. Indeed this proposal seeks simply to differentiate the interdisciplinary neuroscientist from the traditional physiologist or other disciplines and to add students in such areas as behavioral sciences and neurochemistry.

Since the faculty for this program has already been hired and research is underway, no additional cost is anticipated from approval of this program.

**SECRETARY'S NOTE:** If this recommendation is approved, the minute order will indicate that after the program is approved by the Coordinating Board the next appropriate catalog published will be so amended.

A copy of the proposal is on file in the Office of the Secretary.

9. Galveston Medical Branch: Request for Approval of Revised Bylaws and Rules and Regulations of the Medical Staff of the Hospitals. --

RECOMMENDATION

President Levin and Chancellor Walker recommend the approval of the revision of the Bylaws and Rules and Regulations of the Medical Staff of The University of Texas Medical Branch at Galveston. The Bylaws have been reviewed and approved by the Office of General Counsel. (See Pages HAC 17-86.)

BACKGROUND

These are revised Bylaws and Rules and Regulations of The University of Texas Medical Branch at Galveston, a general teaching hospital organized to provide service to patients, educate health professionals and provide an opportunity to develop new knowledge in the health care area.

The revisions of the Bylaws clarify the responsibilities, duties and obligations of the medical staff and bring them into conformity with applicable provisions of the Regents' Rules and Regulations, the Medical Service, Research and Development Plan and the Joint Commission on the Accreditation of Hospitals. The Joint Commission on the Accreditation of Hospitals recommended that these bylaws be approved by the Board of Regents of The University of Texas System.

As enumerated in Dr. Levin's letter, the major changes assist in providing a more detailed description in regard to responsibilities of members, officers, and committees of the hospital. There is a major change in the procedures for appointment and reappointment by the inclusion of a Credentials Committee to review these activities. These two changes were made at the recommendation of the Joint Commission on Accreditation of Hospitals. Other changes of substantial nature are as follows (by Article from the new document):

Article I - "Name" is unchanged.

Article II - "Purposes" is changed to "Purposes and Responsibilities" and details the general responsibilities of Medical Staff members as, for instance, in quality assurance activities and in providing an educational environment in the patient care setting.

Article III - "Medical Staff Membership" is much more detailed and includes the formation of a Credentials Committee responsible for reviewing and recommending appointments and reappointments to the Executive Committee.

Article IV - "Categories of the Medical Staff" replaces Article VII of the 1978 Bylaws and is more detailed in its listing of the qualifications, prerogatives, and responsibilities of each membership category.

Article V - "Health Professional Affiliates" is unchanged.

Article VI - "Procedure for Appointment and Reappointment" replaces Article III in the 1978 Bylaws. It expands on the process and describes the rights of the applicant should an adverse decision be made.

Article VII - "Determination of Clinical Privileges" is a new section which details the process by which privileges are requested, delineated, and granted.

Article VIII - "Corrective Action", Article IX, "Interviews, Hearings and Appellate Review" and Article X, "Fair Hearing Plan" replaces Articles IV, V, and VI of the 1978 document and are essentially unchanged except for clarification of rights consistent with current legal opinions related to such matters.

Article XI - "Staff Departments" contains a more detailed listing of the functions of the clinical departments than Article IX of the 1978 document which it replaces.

Article XII - "Officers" and Article XIII "Committees" is an expanded version of Article X, "Officers and Committees" of the 1978 document. Article XII contains a more detailed description of the election procedures and responsibilities of each officer and contains a section on the procedure for removal of officers. Article XIII includes a description of the Credentials Committee and the Operating Room Committee which have been added to the current list of committees.

Article XIV - "Meetings" is more detailed than Article XI of the 1978 document which it replaces and includes a section on committee and departmental meetings.

Article XV - "Confidentiality, Immunity, and Release" is a new article which describes the authorization of the hospital to solicit information bearing on the professional ability of the applicant seeking appointment, privileging, etc., the confidentiality of information, and immunity from liability for reviewing information, etc.

Article XVI - "General Provisions" is a new section describing requirements for staff and departmental rules and regulations, requirements for professional liability, insurance, and staff dues.

Article XVII - "Adoption and Amendment of Bylaws" replaces Article XIII, "Amendments" of the 1978 document and is a more detailed description of this process.

BYLAWS AND RULES AND REGULATIONS  
OF THE MEDICAL STAFF  
OF  
THE UNIVERSITY OF TEXAS MEDICAL BRANCH  
AT GALVESTON  
(Revised December 11, 1979)

BYLAWS AND RULES AND REGULATIONS  
OF THE MEDICAL STAFF  
OF  
THE UNIVERSITY OF TEXAS MEDICAL BRANCH  
AT GALVESTON

(Revised December 11, 1979)

PREAMBLE

WHEREAS, The University of Texas Medical Branch at Galveston is a general teaching hospital organized under the laws of the State of Texas; and

WHEREAS, it is recognized that the role of such an institution includes:

- . the rendering of a high quality of professional service to patients in accordance with the precepts of modern scientific medicine,
- . the participation in education of physicians (students, interns, residents and fellows) and other health professionals,
- . the acquisition of new and refinement of old scientific knowledge that will ultimately improve the quality of patient care,
- . the maintenance of a high degree of competence by the individual practitioner,
- . the participation in upgrading of health care provision throughout the State and Nation by programs of continuing education; and

WHEREAS, it is recognized that these roles may be best accomplished by a coordinated action;

THEREFORE, the physicians authorized to practice hereby organize themselves into a Medical Staff in conformity with these Bylaws, which supersedes all previous Bylaws, Rules and Regulations.



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RULES AND REGULATIONS OF THE MEDICAL STAFF

ARTICLE I

NAME

The name of this organization shall be the Medical Staff of The University of Texas Medical Branch Hospitals.

ARTICLE II

PURPOSES AND RESPONSIBILITIES

Sec. 1. Purposes. The purposes of the Medical Staff are:

- 1.1 To be the formal organizational structure through which
  - 1.11 The benefits of membership on the staff may be obtained by individual practitioners.
  - 1.12 The obligations of staff membership may be fulfilled.
- 1.2 To serve as the primary means for accountability to the Board of Regents or its representative for the appropriateness of the professional performance and ethical conduct of its members.
- 1.3. To assure that the patient care in the hospital and clinics is maintained at a high level of quality and efficiency.
- 1.4 To provide a means through which the Medical Staff may participate in the hospital's policy making and planning process.
- 1.5 To participate in the education and certification of physicians in training (students, interns, residents, and fellows).
- 1.6 To participate in the education of other health professionals.
- 1.7 To participate in programs of continuing medical education, both internal and external.
- 1.8 To ensure that the level of medical knowledge is improved by the application of scientific inquisitiveness conducted in an atmosphere of ethical consideration.

Sec. 2 Responsibilities. The responsibilities of the Medical Staff are:

- 2.1 To review the quality and appropriateness of patient care rendered by all practitioners and other health professionals authorized to practice in the hospital through the following measures:
  - 2.11 A credentials program, including mechanisms for appointment and reappointment and the matching of clinical privileges to be exercised or of specified services to be performed with the verified credentials and current demonstrated performance of the applicant, staff member, or affiliate.
  - 2.12 A continuing education program, fashioned at least in part on the needs demonstrated through the patient care audit and other quality maintenance programs and shall include certification in basic life support (CPR).
  - 2.13 A utilization review program designed, in part, to allocate medical and health services on the basis of specific determinations of the medical needs of patients.
  - 2.14 An organizational structure that allows continuous monitoring of patient care practices.
  - 2.15 Retrospective review and evaluation of the quality of patient care through a valid and reliable patient care audit procedure.
- 2.2 To recommend action with respect to appointments, re-appointments, staff category, departmental and service assignments, clinical privileges, specified services for affiliates, and corrective measures to the representative of the Board of Regents.
- 2.3 To review the quality and efficiency of care rendered to patients through regular reports and recommendations concerning the implementation, operation, and results of the patient care audit and other quality maintenance activities.
- 2.4 To provide an educational environment wherein physicians (students, interns, residents, fellows) and other health professionals may have the opportunity to become highly skilled in their particular discipline and where other physicians and health professionals may return for continuing education.



- 2.5 To provide an environment whereby the acquisition of new knowledge and the refinement of old knowledge is enhanced, thus leading to a better quality of patient care.
- 2.6 To develop, administer, and seek compliance with these Bylaws, the Rules and Regulations of the staff, and other patient care related hospital policies.
- 2.7 To assist in identifying community health needs and in setting appropriate institutional goals and implementing programs to meet those needs.
- 2.8 To exercise the authority granted by these Bylaws and by the regulations of the Board of Regents as necessary to adequately fulfill the foregoing responsibilities.

### ARTICLE III

#### MEDICAL STAFF MEMBERSHIP

- Sec. 1. Nature of Medical Staff Membership. Membership on the Medical Staff of The University of Texas Medical Branch Hospitals is a privilege which shall be extended only to professionally competent physicians and dentists who continuously meet the qualifications, standards, and requirements set forth in these Bylaws. Appointment to and membership on the staff shall confer on the appointee or member only such clinical privileges and prerogatives as have been granted by the Board of Regents in accordance with these Bylaws.
- Sec. 2. Basic Qualifications for Membership.
  - 2.1 Only physicians and dentists licensed to practice in the State of Texas who:
    - 2.11 Document their experience, background, training, demonstrated ability, and upon request of the Medical Executive Committee or of the Board of Regents, physical and mental health status, with sufficient adequacy to demonstrate to the Medical Staff and the Board of Regents that any patient treated by them will receive care of the professionally recognized level of quality and efficiency; and
    - 2.12 Adhere strictly to the ethics of their respective professions, work cooperatively with others, and are willing to participate in the discharge of staff responsibilities. Medical Staff members may not receive from or pay to another physician, directly

or indirectly, any part of a fee received for professional services. All professional fees received shall be subject to the Rules and Regulations of the Board of Regents of The University of Texas System and the Bylaws of the Medical Service, Research, and Development Plan.

2.13 Is a member in good standing of the Full Time or Clinical Faculty of The University of Texas Medical Branch.

2.14 Is qualified for membership in their local county medical or dental society.

2.2 Effect of Other Affiliations. No physician or dentist is automatically entitled to membership on the Medical Staff or to the exercise of particular clinical privileges merely because he is licensed to practice in this or in any other state, or because he is a member of any professional organization, or because he is certified by any clinical board, or because he had, or presently has, staff membership or privileges at another health care facility or in another practice setting.

2.3 Nondiscrimination. Medical Staff membership or particular clinical privileges shall not be denied on the basis of sex, age, race, creed, color, or national origin. The fundamental criteria for Medical Staff membership or clinical privileges shall be directly related to the delivery of quality patient care in the hospital, professional ability and judgment, and community need.

2.4 Administrative and Medico-Administrative Officers. A physician, dentist, podiatrist, or psychologist employed by the hospital in a purely administrative capacity with no clinical duties or privileges need not be a member of the Medical Staff. A medico-administrative officer with clinical responsibilities must be a member of the Medical Staff. The Medical Staff membership and clinical privileges of any medico-administrative officer shall not be contingent upon his continued occupation of that administrative position, unless otherwise provided in his employment contract.

Sec. 3. Basic Responsibilities of Staff Membership. Each member of the Medical Staff shall:

3.1 Provide his patients with high quality and efficient medical care.

3.2 Be involved in the educational process as it relates to students, interns, residents, fellows, or other health professionals.

- 3.3 Abide by the Medical Staff Bylaws, the Bylaws of the Medical Service, Research, and Development Plan; the Regents' Rules and Regulations; and all other standards, policies and rules of the hospital.
- 3.4 Discharge such staff, department, service, committee, and hospital functions for which he is responsible by appointment, election, or otherwise.
- 3.5 Prepare and complete in timely manner the medical and other required records for all patients he admits or in any way provides care to in the hospital.
- 3.6 Abide by the Code of Ethics of his profession.

Sec. 4. Duration of Appointment.

- 4.1 Duration and Renewal of Initial and Modified Appointments. All initial appointments and modifications of appointments pursuant to Art. VI, Sec. 6, shall be for a period extending to the end of the current medical staff year, January 31. Renewals of provisional appointments shall be for a period of six (6) months.
- 4.2 Reappointments. Reappointments to any category of the Medical Staff shall be for a period of not more than two (2) years, except that staff members who are at reappointment time, or will become at any time during the reappointment period, seventy (70) years of age, shall be reappointed for not more than one (1) year.

Sec. 5. Provisional Status.

- 5.1 Initial Appointments. Except as otherwise determined by the Board of Regents, all initial appointments to any category of the staff shall be considered provisional for a period of three months.
- 5.2 Application for Membership. The correct procedure is for the applicant to submit an application in writing to the appropriate Departmental Chairman requesting a faculty and staff appointment. The application shall state the applicant's qualifications, references, and agreement to abide by the Medical Staff Bylaws and Rules and Regulations. Each application must be endorsed by the Departmental Chairman and approved by the Credentials Committee and the Executive Committee, and all appointments to the Medical Staff are to be submitted to the Board of Regents of The University of Texas System for final approval.
- 5.3 Modification of Staff Category and Clinical Privileges. The Medical Executive Committee may recommend to the Board of Regents a change in the staff category of a current staff member, or the granting of additional

privileges to a current staff member, pursuant to Art. VI, Sec. 6, may be made provisional in accordance with procedures similar to those outlined in Art. V, Sec. 1, for initial appointments.

- 5.4 Renewals. Provisional status may not be renewed for more than two (2) six months periods. If the provisional appointee fails within that period to furnish the certifications required, his staff membership or particular clinical privileges, as applicable, shall automatically terminate. The appointee so affected shall be given special notice of such termination and shall be entitled to the procedural rights afforded in Article IX.

Sec. 6. Leave of Absence.

- 6.1 Leave Status. A staff member may obtain a voluntary leave of absence from the Medical Staff by submitting written notice to the Medical Executive Committee and the Medical Director, stating the exact period of time of the leave, which may not exceed two (2) years. During the period of a leave, the staff member's privileges and prerogatives shall be suspended.

- 6.2 Termination of Leave. At least forty-five (45) days prior to the termination of the leave, or at any earlier time, the staff member may request reinstatement of his privileges and prerogatives by submitting a written notice to that effect to the Medical Director for transmittal to the Medical Executive Committee. The staff member shall submit a written summary of his relevant activities during the leave, if the Medical Executive Committee or the Board of Regents so requests.

The Medical Executive Committee shall make a recommendation to the Board of Regents concerning the reinstatement of the member's privileges and prerogatives. Failure of the member on leave of absence to timely request reinstatement or to provide a requested summary of activities may result in automatic termination of staff membership, privileges and prerogatives. A staff member so terminated shall have the option of requesting a hearing on the termination of his staff privileges or making a new application for an initial appointment to the Medical Staff.

ARTICLE IV

CATEGORIES OF THE MEDICAL STAFF

- Sec. 1. Categories. The staff shall be divided into Active, Associate, Consulting, Courtesy, Honorary, and House categories.

Sec. 2. Active Staff.

2.1 Qualifications. The Active Staff shall consist of physicians and dentists, each of whom:

2.11 Meets the basic qualifications set forth in Art. III, Sec. 2.1.

2.12 Is located closely enough to the hospital to assure that efficient and continuous care is provided to his patients.

2.13 Regularly admits patients to, or is otherwise regularly involved in the care of patients in the hospitals.

2.2 Prerogatives. The prerogatives of an Active Staff member shall be to:

2.21 Admit patients to any of the U.T.M.B. Hospitals with the following exception:

2.211 A dentist member may initiate admission provided it is demonstrated, at the time of admission, that a physician member of the Medical Staff has assumed responsibility for the basic medical appraisal of the patient and for the care of any medical problem that may be present or may arise during hospitalization.

2.22 Exercise such clinical privileges as are granted to him pursuant to Article VII.

2.23 Vote on all matters presented at general and special meetings of the Medical Staff and hospital committees of which he is a member.

2.24 Hold office in the staff organization and in the department, service, and committees of which he is a member.

2.3 Responsibilities. Each member of the Active Staff shall:

2.31 Meet the basic responsibilities set forth in Art. III, Sec. 3.

2.32 Retain responsibility within his area of professional competence for the daily care and supervision of each patient in the hospital for whom he is providing services, or arrange, in writing, a suitable alternative for such care and supervision.

2.33 Actively participate in the patient care audit and other quality assurance activities required of the staff, in supervising provisional appointees of his

same profession, and in discharging such other staff functions as may from time to time be required.

2.34 Satisfy the requirements set forth in Article XIII for attendance at meetings of the staff and of the department, service, and committees of which he is a member.

Sec. 3. Associate Staff.

3.1 Qualifications. The Associate Staff shall consist of physicians, each of whom:

3.11 Is eligible for advancement to Active Staff membership and will, in the ordinary course of events, be advanced to Active Staff status after serving not more than two (2) years on the Associate Staff.

3.12 Meets the qualifications specified in Art. IV, Sec. 2.1 for members of the Active Staff.

3.2 Prerogatives. The prerogatives of an Associate Staff member shall be to:

3.21 Admit patients to the hospital under the same conditions as specified for Active Staff members.

3.22 Exercise such clinical privileges as are granted to him pursuant to Article VII.

3.23 Vote on all matters presented at meetings of the department, service, and committees of which he is a member.

Associate Staff members shall not be eligible to hold office in the Medical Staff organization.

3.3 Responsibilities. Each member of the Associate Staff shall be required to discharge the same responsibilities as those specified for members of the Active Staff. Failure to fulfill those responsibilities shall be grounds for denial of advancement to Active Staff status.

Sec. 4. Consulting Staff.

4.1 Qualifications. The Consulting Staff shall consist of members of the faculty, each of whom:

4.11 Holds the rank of instructor or above, and because of background, health related discipline, type of practice, lack of medical and/or dental licensure, do not qualify for Medical Staff membership as an Active or Courtesy member.

4.2 Prerogatives. The prerogatives of a Consulting Staff member shall be to:

4.21 Be called as consultants by members of the Active Staff in regard to patients on whom their special skills may be useful.

4.22 Attend meetings of the staff and the department and service of which he is a member and any staff or hospital education program and may be appointed on standing or special committees.

Consulting Staff members shall not be eligible to vote or hold elective office.

4.3 Responsibilities. Each member of the Consulting Staff shall be required to discharge the basic responsibilities specified in Article III, Section 3; however, they shall not be privileged to admit patients to The University of Texas Medical Branch Hospitals at Galveston or assume medical responsibility of any hospitalized patient.

Sec. 5. Courtesy Staff.

5.1 Qualifications. The Courtesy Staff shall consist of physicians, each of whom:

5.11 Meets the basic qualifications set forth in Art. III, Sec. 2.1.

5.12 Is located closely enough to the hospital, or otherwise arranges, to provide continuous care to his patients.

5.13 Admits not more than twelve (12) patients per year to the hospital.

5.14 Is a member of the Active or Associate Staff of another hospital where he actively participates in a patient care audit program and other quality maintenance activities similar to those required of the Active Staff of this hospital.

5.2 Prerogatives. The prerogatives of a Courtesy Staff member shall be to:

5.21 Admit patients to the hospital within the limitations and under the same conditions as specified for Active Staff members. At time of full hospital occupancy or of shortage of hospital beds or other facilities, as determined by the Medical Director, the admitting privileges of Courtesy Staff members shall be subordinate to those of Active and Associate Staff members.

5.22 Exercise such clinical privileges as are granted to him pursuant to Article VII.

5.23 Attend meetings of the staff and the department and service of which he is a member and any staff or hospital education program.

Courtesy Staff members shall not be eligible to vote or to hold office in the Medical Staff organization.

5.3 Responsibilities. Each member of the Courtesy Staff shall be required to discharge the basic responsibilities specified in Art. III, Sec. 3, and further, shall retain responsibility within his area of professional competence for the care and supervision of each patient in the hospital for whom he is providing services, or arrange a suitable alternative for such care and supervision.

Sec. 6. Honorary Staff.

6.1 Qualifications. The Honorary Staff shall consist of physicians and dentists, each of whom:

6.11 Are recognized for their outstanding reputations, their noteworthy contributions to the health and medical sciences, or their previous long standing service to the hospital.

6.12 If granted clinical privileges, meets the basic qualifications set forth previously.

6.13 Is located closely enough to the hospital, or otherwise arranges, to provide continuous care to his patients.

6.2 Prerogatives. The prerogatives of a Honorary Staff member shall be to:

6.21 Admit patients to the hospital and to exercise clinical privileges on an exceptional basis. This exception shall be granted by the Medical Executive Committee. When such an exception is granted, the Honorary Staff member may admit patients to the hospital within the limitations provided for Active members, and may exercise such clinical privileges as are granted to him pursuant to Article VII.

6.22 To attend staff and department and service meetings and any staff or hospital education meeting.

Honorary Staff members shall not be eligible to vote or to hold office in the Medical Staff organization.

6.3 Responsibilities. Each member of the Honorary Staff shall be required to discharge the basic responsibilities



specified for staff memberships to satisfy the requirements set forth for attendance at meetings of the department and service of which he is a member; and to retain responsibility within his area of professional competence for the care and supervision of each patient in the hospital for whom he is providing services, or arrange a suitable alternative for such care and supervision.

Sec. 7. House Staff.

7.1 Qualifications. The House Staff shall consist of Interns, Residents, and Clinical Fellows regularly appointed to the Medical Branch Hospitals at Galveston.

7.11 Meets the basic qualifications of Art. III, Sec. 2.12 and 2.13; however, House Staff members will be excluded from the usual process of appointment, re-appointment, and privileges.

7.2 Prerogatives. The prerogatives of a House Staff member shall be to:

7.21 Participate in the management of the health care of patients under the supervision of the Active, Associate, Courtesy, and Honorary Staff.

7.22 Attend meetings of the staff and the department and service of which he is a member and any staff or hospital education program.

7.23 Serve on committees of the Medical Staff.

7.24 The prerogative of the House Staff to write orders on patients does not preclude the writing of orders by the physician of record.

House Staff members shall not be eligible to vote or to hold office.

7.3 Responsibilities. Each member of the House Staff shall be required to discharge the basic responsibilities specified for staff membership and to satisfy the requirements set forth for attendance at meetings of the department and service of which he is a member. Failure of the member of the House Staff to perform his assigned duties or to abide by the Rules and Regulations of the Hospital Staff shall be reported to his departmental chairman, the House Staff Committee, and then to the Executive Committee. The Executive Committee shall recommend appropriate disciplinary action to the Medical Director.

Sec. 8. Limitations of Prerogatives. The prerogatives set forth under each staff category are general in nature and may be subject to limitation by special conditions attached to a physician's or dentist's staff membership, by other sections of these By-laws, or by other policies of the hospital.

## ARTICLE V

### HEALTH PROFESSIONAL AFFILIATES OR THE ALLIED STAFF

- Sec. 1. Health Professional Affiliates. Health Professional Affiliates consist of those individuals who participate in the diagnostic evaluation and therapy of patients under the direction of a duly licensed physician or dentist. The Health Professional Affiliates shall not be required to pay dues and are not eligible to vote or hold office.
- Sec. 2. Mechanism for Appointment.
- 2.1 Each application for appointment to the Allied Staff shall be in writing, submitted on the prescribed Personnel Department application form and signed by the applicant.
- 2.2 The application for membership on the Allied Staff shall be considered in the same manner as outlined in Article III, Section 5. Requests for clinical privileges for which the applicant wishes to be considered must be submitted by both the applicant as well as the person by whom the supervisory role will be accomplished.

## ARTICLE VI

### PROCEDURES FOR APPOINTMENT AND REAPPOINTMENT

- Sec. 1. General Procedure. The Medical Staff, through its designated departments, services, committees, and officers, shall investigate and consider each application for appointment or re-appointment to the staff and each request for modification of staff membership status and shall adopt and transmit recommendations thereon to the representative of the Board of Regents.
- Sec. 2. Application for Initial Appointment.
- 2.1 Application Form. Each application for appointment to the Staff shall be in writing, submitted on the prescribed form, and signed by the applicant.
- 2.2 Content. The application form shall include:
- 2.21 Acknowledgment and Agreement. A statement that the applicant has received and read the Bylaws, Rules and Regulations of the Medical Staff and that he agrees to be bound by the terms thereon if he is granted membership and/or clinical privileges, and

to be bound by the terms thereon in all matters relating to consideration of his application without regard to whether or not he is granted membership and/or clinical privileges.

- 2.22 Qualifications. Detailed information concerning the applicant's qualifications, including information in satisfaction of the basic qualifications and of any additional qualifications specified in these Bylaws for the particular staff category to which the applicant requests appointment.
- 2.23 Requests: Specific requests stating the staff category, department, service, and clinical privileges for which the applicant wishes to be considered.
- 2.24 References: The names of at least three persons who have worked with the applicant and observed his professional performance within the past five years and who can provide information as to the applicant's clinical ability, ethical character, and ability to work with others.
- 2.25 Professional Sanctions: Information as to whether the applicant's membership status and/or clinical privileges have ever been revoked, suspended, reduced, or not renewed at any other hospital or health care institution, and the applicant shall be able to display:
- 2.251 Membership/fellowship in local, state, or national professional organizations;
  - 2.252 Specialty board certification;
  - 2.253 License to practice his profession within the appropriate jurisdiction;
  - 2.254 A current copy of his Drug Enforcement Agency (DEA) certificate if he is to be able to utilize covered drugs and medications.
- 2.26 Professional Liability Insurance: A statement that the applicant carries at least the minimum amount of professional liability insurance coverage as determined by the Board of Regents.
- 2.27 Administrative Remedies: A statement whereby the practitioner agrees that, when an adverse ruling is made with respect to his staff membership, staff status, and/or clinical privileges, he will exhaust the administrative remedies afforded by these Bylaws before resorting to formal legal action.

Sec. 3. Effect of Application. By applying for appointment to the Medical Staff, the applicant:

- 3.1. Signifies his willingness to appear for interviews in regard to his application.
- 3.2 Authorizes hospital representatives to consult with others who have been associated with him and/or who may have information bearing on his competence and qualifications.
- 3.3 Consents to the inspection by hospital representatives of all records and documents that may be material to an evaluation of his professional qualifications and ability to carry out the clinical privileges he requests, as well as of his professional ethical qualifications for staff membership.
- 3.4 Releases from any liability all hospital representatives for their acts performed in good faith and without malice in connection with evaluating the applicant and his credentials.
- 3.5 Releases from any liability all individuals and organizations who provide information, including otherwise privileged or confidential information, to hospital representatives in good faith and without malice concerning the applicant's ability, professional ethics, character, physical and mental health, emotional stability, and other qualifications for staff appointment and clinical privileges.
- 3.6 Authorizes and consents to hospital representatives providing other hospitals, medical associations, licensing boards, and other organizations concerned with provider performance and the quality and efficiency of patient care with any information relevant to such matters the hospital may have concerning him, and releases hospital representatives from liability for so doing, provided that such furnishing of information is done in good faith and without malice.

For purposes of this Section, the term "hospital representative" includes representative of the Board of Regents, its directors and committees, the Medical Director, all Medical Staff members, departments and committees which have responsibility for collecting or evaluating the applicant's credentials or acting upon his applications, and any authorized representative of any of the foregoing.

Sec. 4. Processing the Application.

- 4.1 Applicant's Burden. The applicant shall have the burden of producing adequate information for a proper evaluation of his experience, background, training, or demonstrated ability. Upon request of the Medical Executive Committee or the representative of the Board of Regents, the applicant shall produce information concerning his physical or mental health status. The applicant shall

have the burden of resolving any doubts about any of his basic qualifications.

- 4.2 Verification of Information. The applicant shall deliver a completed application to the chairman of the department in which he has a clinical appointment, who shall, in timely fashion, seek to collect or verify the references, licensure, and other qualification evidence submitted, and shall promptly notify the applicant of any non-success in such collection or verification efforts.
- 4.3 Department Action. The chairman of each department shall review the application and supporting documentation, conduct a personal interview with the applicant, and transmit to the Credentials Committee on the prescribed form a written report and recommendations as to staff appointment, and if appointment is recommended, as to staff category and department and service affiliations, clinical privileges to be granted, and any special conditions to be attached to the appointment.
- 4.4 Credentials Committee Action. The Credentials Committee shall review the application, the supporting documentation, the department chairman's report and recommendations, and such other information available to it that may be relevant to consideration of the applicant's qualifications for the staff category, department and service affiliation, and clinical privileges requested. The Credentials Committee shall then transmit to the Medical Executive Committee on the prescribed form a written report and recommendations as to staff appointment and, if appointment is recommended, as to staff category, clinical privileges to be granted, and any special conditions to be attached to the appointment. The committee may also recommend that the Medical Executive Committee defer action on the application. The reason for each recommendation shall be stated and supported by reference to the completed application and all other documentation considered by the committee, all of which shall be transmitted with the report. Any minority views shall also be reduced to writing, supported by reasons and references, and transmitted with the majority report.
- 4.5 Medical Executive Committee Action. At its next regular meeting after receipt of the Credentials Committee report and recommendations, the Medical Executive Committee shall consider the report and such other relevant information available to it. The committee shall then forward this, through the Medical Director, to the President for transmittal to the Board of Regents, a written report and recommendations on the prescribed form as to staff appointment and, if appointment is recommended, as to staff category and department and service affiliations, clinical privileges to be granted, and any special conditions to be attached to the appointment. The

committee may also defer action on the application. The reasons for each recommendation shall be stated and supported by reference to the completed application and all other documentation considered by the committee, all of which shall be transmitted with the report. Any minority views shall also be reduced to writing, supported by reasons and references, and transmitted with the majority report.

4.6 Effect of Medical Executive Committee Action.

4.61 Deferral. Action by the Medical Executive Committee to defer the application for further consideration must be followed up within sixty (60) days with a subsequent recommendation for provisional appointment with specified clinical privileges or for rejection for staff membership.

4.62 Favorable Recommendation. When the recommendation of the Medical Executive Committee is favorable to the applicant, the Medical Director shall forward this to the President for his endorsement and transmittal to the Board of Regents. All supporting documentation includes the application form and its accompanying information and the reports and recommendations of the department chairmen and of the Credentials Committee.

4.63 Adverse Recommendation. When the recommendation of the Medical Executive Committee or the credentials committee is adverse to the applicant, the Medical Director shall immediately inform the practitioner by written notice, and the practitioner shall be entitled to the procedural rights provided by Articles IX and X of these Bylaws. The Dean of Medicine shall also be notified.

4.7 Board of Regents Action.

4.71 Favorable Medical Executive Committee Recommendation. The Board of Regents may adopt or reject a favorable recommendation of the Medical Executive Committee or the Board of Regents may refer the application back to the Medical Executive Committee for further consideration, stating the reasons for referring the matter back to the Committee and setting a time limit within which a subsequent recommendation shall be made. If the action taken by the Board of Regents is adverse to the applicant, the Medical Director shall immediately inform the practitioner by written notice, and the practitioner shall be entitled to the procedural rights provided by Articles IX and X of these Bylaws.

4.72 After Procedural Rights. In the case of an adverse Medical Executive Committee recommendation, the Board of Regents shall take final action in the matter only after the applicant has exhausted or

has waived his procedural rights as provided in Article IX. Action thus taken shall be the conclusive decision of the Board of Regents, except that the Board of Regents may defer final determination by referring the matter back for further reconsideration. Any such referral back shall state the reasons therefor, shall set a time limit within which a subsequent recommendation to the Board of Regents shall be made, and may include a directive that an additional hearing be conducted to clarify issues which are in doubt. After receipt of such subsequent recommendation and of new evidence in the matter, if any, the Board of Regents shall make a final decision either to appoint the applicant to the staff or to reject him for staff membership.

4.8 Conflict Resolution. Whenever the Board of Regent's proposed decision will be contrary to the Medical Executive Committee's recommendation, the Board shall submit the matter to a joint conference of equal numbers of Executive Committee members and Board of Regents members for review and recommendation before making its final decision and giving notice of final decision.

4.9 Notice of Final Decision.

4.91 Notice of the Board of Regent's final decision shall be given, through the President, to the chairmen of the Medical Executive and the Credentials Committees, the Dean of Medicine, and the chairman of each department, and the chief of each service concerned. The applicant shall be notified by means of a special notice.

4.92 A decision and notice to appoint shall include:

4.921 The staff category to which the applicant is appointed;

4.922 The department and service to which he is assigned;

4.923 The clinical privileges he may exercise; and

4.924 Any special conditions attached to the appointment.

4.10 Reapplication after Adverse Appointment Decision. An applicant who has received a final adverse decision regarding appointment shall not be reconsidered for a period of one (1) year. Reapplication shall be processed as an initial application, and the applicant shall submit such additional information as the staff or the Board of Regents may require in demonstration that

the basis for the earlier adverse action no longer exists.

4.11 Time Periods for Processing. Applications for staff appointments shall be considered in a timely and good faith manner by all individuals and groups required by those Bylaws to act thereon and, except for good cause, shall be processed within the time periods specified in this Section. The department chairman and the Credentials Committee shall act on an application within sixty (60) days after receiving it from the Medical Director. The Medical Executive Committee shall review the application and make its recommendation to the Board of Regents within sixty (60) days after receiving the Credentials Committee report. The Board of Regents or the appropriate committee thereof shall then take final action on the application at its next regular meeting.

Sec. 5. Reappointment Process.

5.1 Information Form for Reappointment. The Medical Director shall, at least ninety (90) days prior to the expiration date of the present staff appointment of each Medical Staff member, provide such Medical Staff member with an interval information form for use in considering re-appointment. Each staff member who desires reappointment shall, at least sixty (60) days prior to such expiration date, send his interval information form to his department chairman. Failure, without good cause, to so return the form shall result in automatic termination of membership at the expiration of the member's current term.

5.2 Department Action. The appropriate department chairmen shall review the information and the staff member's file, and shall transmit to the Credentials Committee his report and recommendation that appointment be renewed, renewed with modified staff category, department/service affiliation and/or clinical privileges, or terminated. A chairman may also recommend that the Medical Executive Committee defer action.

5.3 Credentials Committee Action. The Credentials Committee shall review each information form and all other pertinent information available on each member being considered for reappointment, including the recommendation of each department in which the staff member has requested privileges, and shall transmit to the Medical Executive Committee its report and recommendation that appointment be either renewed, renewed with modified staff category, department/service affiliation and/or clinical privileges, or terminated. The committee may also recommend that the Medical Executive Committee defer action. Any minority views shall also be reduced



to writing and transmitted with the majority report.

5.4 Medical Executive Committee Action. The Medical Executive Committee shall review each information form and all other relevant information available to it and shall forward to the President for transmittal to the Board of Regents its report and recommendation that appointment be either renewed, renewed with modified staff category, department/service affiliation, and/or clinical privileges, or terminated. The committee may also defer action. Any minority views shall also be reduced to writing and transmitted with the majority report.

5.5 Basis for Recommendations. Each recommendation concerning the reappointment of a staff member and the clinical privileges to be granted upon reappointment shall be based upon such member's professional ability and clinical judgment in the treatment of patients, his professional ethics, his discharge of staff obligations, his compliance with the Medical Staff Bylaws, Rules and Regulations, his cooperation with other practitioners and with patients, and other matters bearing on his ability and willingness to contribute to good patient care practices in the hospital.

5.6 Time Periods for Processing. Transmittal of the interval information form to a staff member and his return of it shall be carried out within ninety (90) days. Thereafter and except for good cause, each person, department and committee required by these Bylaws to act thereon shall complete such action in timely fashion such that all reports and recommendations concerning the reappointment of a staff member shall have been transmitted to the Medical Executive Committee for its consideration and action and to the Board of Regents for its action, all prior to the expiration date of the staff membership of the member being considered for reappointment.

Sec. 6. Requests for Modification of Appointment. A staff member may, either in connection with reappointment or at any other time, request modification of his staff category, department/service assignment, or clinical privileges by submitting a written application to the Medical Director. Such application shall be processed in substantially the same manner as for reappointment.

## ARTICLE VII

### DETERMINATION OF CLINICAL PRIVILEGES

- Sec. 1. Exercise of Privileges. Every practitioner or other professional providing direct clinical services at this hospital by virtue of Medical Staff membership or otherwise shall, in connection with such practice, be entitled to exercise only those clinical privileges or specified services specifically granted to him by the Board of Regents.
- Sec. 2. Delineation of Privileges in General
- 2.1 Requests. Each application for appointment and reappointment to the Medical Staff must contain a request for the specific clinical privileges desired by the applicant. A request by a staff member for a modification of privileges must be supported by documentation of training and/or experience supportive of the request.
- 2.2 Basis for Privileges Determinations. Requests for clinical privileges shall be evaluated on the basis of the practitioner's education, training, experience, and demonstrated ability and judgment. The basis for privileges determination to be made in connection with periodic reappointment or otherwise shall include observed clinical performance and the documented results of the patient care audit and other quality maintenance activities required by these Bylaws to be conducted at the hospital. Privileges determinations shall also be based on pertinent information concerning clinical performance obtained from other sources, especially other institutions and health care setting where a practitioner exercises clinical privileges. This information shall be added to and maintained in the Medical Staff file established for a staff member.
- 2.3 Procedure. All requests for clinical privileges shall be processed pursuant to the procedures outlined in Article VI.
- Sec. 3. Special Conditions for Dental Privileges. Requests for clinical privileges from dentists shall be processed in the same manner as specified in general. Surgical procedures performed by dentists shall be under the overall supervision of the Chief of Surgery. All dental patients shall receive the same basic medical appraisal as patients admitted to other surgical services. A physician member of the Medical Staff shall be responsible for the care of any medical problem that may be present at the time of admission or that may arise during hospitalization and shall determine the risk and effect of the proposed surgical procedure on the total health status of the patient.

Sec. 4. Special Conditions for Health Professional Affiliate Services. Requests to perform specified patient care services from health professional affiliates shall be processed in the same manner as specified above. A health professional affiliate may, subject to any licensure requirements or other legal limitations, exercise independent judgment within the areas of his professional competence, and may participate directly in the medical management of patients under the supervision of a physician who has been accorded privileges to provide such care and who has ultimate responsibility for the patient's care.

Sec. 5. Temporary Privileges.

5.1 Circumstances. Upon the written concurrence of the chairman of the department where the privileges will be exercised and of the chairman of the Medical Executive Committee, the Medical Director may grant temporary privileges in the following circumstances:

5.11 Pendency of Application. After receipt of an application for staff appointment, including a request for specific temporary privileges, and in accordance with the conditions specified in this section, an appropriately licensed applicant may be granted temporary privileges for an initial period of sixty (60) days, with subsequent renewals not to exceed the pendency of the application. In exercising such privileges, the applicant shall act under the supervision of the chairman of the department to which he is assigned.

5.12 Care of Specific Patients. Upon receipt of a written request, an appropriately licensed practitioner who is not an applicant for membership (as for example, a visiting professor) may be granted temporary privileges for the care of one or more specific patients. Such privileges shall be restricted to the treatment of not more than ten (10) patients in any one year by any practitioner, after which such practitioner shall be required to apply for membership on the Medical Staff before being allowed to attend additional patients.

5.2 Conditions. Temporary privileges shall be granted only when the information available reasonably supports a favorable determination regarding the requesting practitioner's qualifications, ability, and judgment to exercise the privileges requested, and only after the practitioner has satisfied the requirement regarding professional liability insurance. During a practitioner's period of temporary privileges granted for pendency of application, the patients of such practitioner shall only be admitted upon dual admission with a member of the Active Staff. Special requirements of consultation and reporting may be imposed by the chairman of the department responsible for supervision of a practitioner granted

temporary privileges. Before temporary privileges are granted, the practitioner must acknowledge in writing that he has received and read the Medical Staff Bylaws, Rules and Regulations, and that he agrees to be bound by the terms thereof in all matters relating to his temporary privileges.

5.3 Termination. On the discovery of any information or the occurrence of any event of a professionally questionable nature about a practitioner's qualifications or ability to exercise any or all of the temporary privileges granted, the Medical Director may, after consultation with the department chairman responsible for supervision or the chairman of the Medical Executive Committee, terminate any or all of such practitioner's temporary privileges, provided that where the life or well being of a patient is determined to be endangered by continued treatment by the practitioner, the termination may be effected by any person entitled to impose summary suspensions under Article VIII. In the event of any such termination, the practitioner's patients then in the hospital shall be assigned to another practitioner by the department chairman responsible for supervision. The wishes of the patient shall be considered, where feasible, in choosing a substitute practitioner.

5.4 Rights of the Practitioner. A practitioner shall not be entitled to the procedural rights afforded by Article IX and X because of his inability to obtain temporary privileges or because of any termination or suspension of temporary privileges.

Sec. 6. Emergency Privileges. For the purposes of this Section, an "emergency" is defined as a condition in which serious or permanent harm would result to a patient or in which the life of a patient is in immediate danger and any delay in administering treatment would add to that danger. In the case of an emergency, any practitioner, to the degree permitted by his license and regardless of department, staff status, or clinical privileges, shall be permitted to do, and shall be assisted by hospital personnel in doing, everything possible to save the life of a patient or to save a patient from serious harm.

## ARTICLE VIII

### CORRECTIVE ACTION

Sec. 1. Routine Corrective Action

1.1 Criteria for Initiation. Whenever the activities or professional conduct of any practitioner with clinical privileges are (or are reasonably probable of being)

1.46 Recommending suspension or revocation of staff membership.

1.5 Procedural Rights. Any action by the Medical Executive Committee which is adverse to the practitioner shall entitle him to the procedural rights provided in Article IX and X of these Bylaws.

Sec. 2. Summary Suspension

2.1 Criteria and Initiation. Whenever a practitioner has acted in willful disregard for these Bylaws or other written policies, or whenever his conduct requires that immediate action be taken to protect the life of any patient or to reduce the substantial likelihood of immediate injury or damage to the health or safety of any patient, employee or other person present in the hospital, the chairman of a department, the chief of service, or the Executive Committee of the Medical Staff shall have the authority to summarily suspend the Medical Staff membership status or all or any portion of the clinical privileges of said practitioner. Such summary suspension shall become effective immediately upon imposition, for a period not to exceed thirty (30) days, and the Medical Director shall immediately inform the practitioner by written notice.

2.2 Medical Executive Committee Action. As soon as possible after such summary suspension, a meeting of the Medical Executive Committee shall be convened to review and consider the action taken. The Medical Executive Committee may recommend modification, continuation, or termination of the terms of the summary suspension.

2.3 Procedural Rights. Unless the Medical Executive Committee reviews the summary suspension within ten (10) days and recommends to the President of The University of Texas Medical Branch at Galveston that the summary suspension be withdrawn and that the practitioner be reinstated in full, the practitioner shall be entitled to the procedural rights as provided in Articles IX and X of these Bylaws. The terms of the summary suspension as sustained or modified by the Medical Executive Committee shall remain in effect for thirty (30) days or until a hearing is held in conformance with Articles IX and X of these Bylaws.

Sec. 3. Automatic Suspension

3.1 License. A staff member or affiliate whose license, certificate, or other legal credential authorizing him to practice in this State is revoked or suspended shall immediately and automatically be suspended from practicing in the hospital

3.2 Drug Enforcement Agency (DEA) Number. A staff member whose DEA number is revoked or suspended shall immediately

detrimental to patient safety, to the delivery of quality patient care, or disruptive to hospital operations, corrective action may be initiated by any officer of the Medical Staff, by the chairman of any standing committee of the Medical Staff, by the Medical Director, or by the representative of the Board of Regents.

- 1.2 Requests and Notices. All requests for corrective action shall be in writing, submitted to the Medical Executive Committee, and supported by reference to the specific activities or conduct which constitute the grounds for the request. The chairman of the Medical Executive Committee shall promptly notify the Medical Director in writing of all requests for corrective action received by the committee and shall continue to keep him fully informed of all action taken in conjunction therewith.
- 1.3 Investigation by a Department. The Medical Executive Committee shall forward the request for corrective action to the chairman of the department in which the questioned activities or conduct occurred. The chairman of such department shall immediately investigate the matter or appoint an ad hoc committee to investigate it. Within fifteen (15) days after the receipt of the request, the department chairman or the ad hoc committee shall forward a written report of the investigation to the Medical Executive Committee.
  - 1.31 If a request for corrective action is initiated against a departmental chairman, the Chief of Staff shall immediately investigate the matter or appoint an ad hoc committee to investigate it. Within fifteen (15) days after the receipt of the request, the Chief of Staff shall forward a written report of the investigation to the Medical Executive Committee. The Dean of Medicine shall be notified.
- 1.4 Medical Executive Committee Action. Within thirty (30) days following receipt of the department report, the Medical Executive Committee shall take action upon the request. Such action may include, without limitation:
  - 1.41 Rejecting the request for corrective action.
  - 1.42 Issuing a warning, a letter of admonition, or a letter of reprimand.
  - 1.43 Recommending terms of probation or requirements of consultation.
  - 1.44 Recommending reduction, suspension or revocation of clinical privileges.
  - 1.45 Recommending reduction of staff category or limitation of any staff prerogatives directly related to patient care.

and automatically be divested of his right to prescribe medications covered by such number. As soon as possible after such automatic suspension, the Medical Executive Committee shall convene to review and consider the facts under which the DEA number was revoked or suspended. The Medical Executive Committee may then take such further corrective action as is appropriate to the facts disclosed in its investigation.

- 3.3 Failure to Satisfy Special Appearance Requirement. A practitioner who fails to satisfy the requirements of making a special appearance shall immediately and automatically be suspended from exercising all or such portion of his clinical privileges in accordance with the provisions of said Section.
- 3.4 Medical Records. An automatic suspension shall, after warning of delinquency, be imposed for failure to complete medical records in timely fashion. Such suspension shall take the form of withdrawal of a practitioner's admitting prerogative or consulting privileges and of his clinical privileges and shall be effective until all delinquent medical records are completed. For the purpose of enforcing this section, justified reasons for delay in completing medical records shall include:
- 3.41 That the attending physician or any other individual contributing to the record is ill, on vacation, on administrative leave, or otherwise unavailable for a period of time.
- 3.42 That a practitioner has dictated reports and is waiting for hospital personnel to transcribe them.
- 3.5 Procedural Rights. A practitioner under automatic suspension for any reason shall be entitled to the procedural rights provided in Article IX and X.
- 3.6 Actions Against Medico-Administrative Appointees. Practitioners who also hold administrative appointment in the hospital are, with respect to those administrative appointments, subject to the usual and customary administrative processes of The University of Texas Medical Branch. In the event of disciplinary action based upon a question of medical competence, separate and apart from administrative duties, the practitioner may request a review and hearing by delegates from the Medical Staff, Administration, and the Board of Regents of The University of Texas System, with this hearing being for the purpose of determining medical competence to supervise the professional activities and practitioners under the appointee's direction.

## ARTICLE IX

### INTERVIEWS, HEARINGS, AND APPELLATE REVIEW

- Sec. 1. Interviews. When the Medical Executive Committee is considering the initiation of an adverse recommendation concerning a practitioner, he will be given an opportunity for an interview. The failure of the practitioner to agree to an interview does not constitute a waiver of his right to a hearing on any adverse action taken by the Medical Executive Committee pursuant to the procedure set forth in Articles IX and X of these Bylaws.
- Sec. 2. Hearings and Appellate Review.
- 2.1 Adverse Medical Executive Committee Recommendation. Whenever a practitioner is notified in writing of an adverse recommendation of the Medical Executive Committee, he shall be entitled to request a hearing before an ad hoc hearing committee of the Medical Staff in accordance with the procedures set forth in Article X of these Bylaws. If the recommendation of the Medical Executive Committee following such hearing is adverse to the practitioner, he shall be entitled to appeal the decision to the Board of Regents in accordance with the procedures set forth in Article X of these Bylaws.
- 2.2 Adverse Board of Regents Decision. Whenever a practitioner receives written notice of an adverse decision by the Board of Regents taken either contrary to a favorable recommendation by the Medical Executive Committee under circumstances where no right to a hearing existed, or on the initiative of the Board of Regents without benefit of a prior recommendation by the Medical Executive Committee, said practitioner shall be entitled to request a hearing by an ad hoc hearing committee appointed by the Board of Regents in conformance with the procedures outlined in Article X of these Bylaws. If the hearing results in a decision adverse to the practitioner, he shall be entitled to appeal the decision to the Board of Regents in accordance with the procedures set forth in Article X of these Bylaws.
- 2.3 Exceptions. Neither the issuance of a warning, a letter of admonition, or a letter of reprimand, nor the denial, termination or reduction of temporary privileges, nor any other actions except those specified in Section 1.1 of Article X (Fair Hearing Plan) which are deemed adverse to the practitioner shall give rise to a right of hearing or appellate review.



ARTICLE X

FAIR HEARING PLAN

Sec. 1. Initiation of Hearing.

1.1 Recommendation or Actions.

The following recommendations or actions shall, if deemed adverse, entitle the practitioner affected thereby to a hearing:

- 1.11 Denial of initial staff appointment.
- 1.12 Denial of reappointment.
- 1.13 Suspension of staff membership.
- 1.14 Revocation of staff membership.
- 1.15 Denial of requested advancement in staff category.
- 1.16 Reduction in staff category.
- 1.17 Limitation of admitting prerogatives.
- 1.18 Denial of requested department and service affiliation.
- 1.19 Denial of requested clinical privileges.
- 1.20 Reduction in clinical privileges.
- 1.21 Suspension of clinical privileges.
- 1.22 Revocation of clinical privileges.
- 1.23 Terms of probation.
- 1.24 Requirement of consultation.

1.2 When Deemed Adverse. A recommendation or action listed above shall be deemed adverse action only when it has been recommended by the Medical Executive Committee, or by the Board of Regents under the circumstances specified in Section 2.2 of Article IX of these Bylaws.

1.3 Notice of Adverse Recommendation or Action. Whenever adverse action, as herein defined, has been taken against a practitioner, he shall be given written notice of such action.

1.4 Request for Hearing. A practitioner shall have thirty (30) days following his receipt of notice to file a written request for a hearing. Such request shall be delivered to the Assistant Vice President for Hospital Affairs either in person or by certified or registered mail.

1.5 Waiver by Failure to Request a Hearing. A practitioner who fails to request a hearing within the specified time, waives any right to such hearing and to any appellate review to which he might otherwise have been entitled. Such waiver in connection with an adverse recommendation by the Medical Executive Committee shall constitute acceptance of that recommendation, which shall thereupon become and remain effective pending the final decision of the Board of Regents. The Board of Regents shall consider the committee's recommendation at its next regular meeting following waiver. In its deliberation, the Board of Regents shall review all the

information and material considered by the committee and may consider all other relevant information received from any source. The Board of Regents' action on the matter shall constitute its final decision.

The Assistant Vice President for Hospital Affairs shall promptly send the practitioner special notice informing him of each action taken and shall notify the Chief of Staff, the President of The University of Texas Medical Branch, and the Medical Director, of each such action.

Sec. 2. Hearing Prerequisites.

- 2.1 Notice of Time and Place for Hearing. Upon receipt of a timely request for hearing, the Assistant Vice President for Hospital Affairs shall deliver said request to the Chief of the Medical Staff who shall schedule and arrange for a hearing. The hearing date shall be not less than ten (10) days nor more than forty-five (45) days from the date of receipt of the request for hearing by the Assistant Vice President for Hospital Affairs. At least ten (10) days prior to the scheduled hearing, the Assistant Vice President for Hospital Affairs shall send the practitioner written notice of the time, place and date of the hearing; a brief statement of charges; a list of witnesses to be called; and a list of exhibits or documents to be introduced at the hearing. When a practitioner who is currently under suspension timely requests a hearing, it should be scheduled as soon as arrangements may reasonably be made, but not later than fourteen (14) days from the date of receipt of the request for hearing by the Assistant Vice President for Hospital Affairs.
- 2.2 Statement of Charges. The notice of hearing shall contain a concise statement of the practitioner's alleged acts or omissions, a list by number of the specific or representative patient records in question and/or the other reasons or subject matter forming the basis for the adverse recommendation or action which is the subject of the hearing.
- 2.3 Appointment of Hearing Committee.
  - 2.31 By Medical Staff. A hearing occasioned by a Medical Executive Committee recommendation shall be conducted by a hearing committee appointed by the Chief of Staff of the Medical Staff and composed of five members of the Medical Staff. One of the members so appointed shall be designated chairman.
  - 2.32 Service on Hearing Committee. A Medical Staff member shall not be disqualified from serving on a hearing committee merely because he has heard of the case or has some knowledge of the allegations involved. However, a member of the Medical Staff

who participated in the initial investigation of the matter at issue or who cannot consider the issues before the hearing committee with good faith objectivity and render a decision based solely upon the evidence presented at the hearing should disqualify himself.

Sec. 3. Hearing Procedure.

- 3.1 Personal Presence. The personal presence of the practitioner who requested the hearing shall be required. A practitioner who fails without good cause to appear and proceed at such hearing shall be deemed to have waived his rights in the same manner and with the same consequence as provided by Section 1.5 of Article X entitled "Waiver by Failure to Request a Hearing."
- 3.2 Presiding Officer. The chairman of the hearing committee shall be the presiding officer and shall be responsible for maintaining decorum and shall assure that all participants in the hearing have a reasonable opportunity to present relevant evidence. The presiding officer shall determine the order of procedure during the hearing and rule on matters of law, procedure and the admissibility of evidence.
- 3.3 Representation. The practitioner requesting the hearing shall be entitled to be represented at the hearing by an attorney, or by a member in good standing of the Medical Staff or by a member of his local professional society. When the practitioner is not represented by an attorney, the Medical Executive Committee shall appoint one of its members to represent it at the hearing, to present the facts in support of its adverse recommendation or action, and to examine witnesses. When either party is represented by an attorney, the provisions of Section 8.2 of Article X of these Bylaws shall govern the hearing.
- 3.4 Rights of Parties. During a hearing, each of the parties shall have the right to:
  - 3.41 Call and examine witnesses.
  - 3.42 Introduce exhibits.
  - 3.43 Cross-examine any witness on any matter relevant to the issues.
  - 3.44 Impeach any witness.
  - 3.45 Rebut any evidence.
  - 3.46 Request that the record of the hearing be made by use of a court reporter or an electronic recording unit.

If the practitioner who requested the hearing does not testify in his own behalf, he may be called and examined as if under cross-examination.

- 3.5 Procedure and Evidence. The hearing need not be conducted according to the strict rules of evidence which

govern civil trials, but instead, any relevant matter upon which responsible persons would customarily rely in the conduct of business affairs may be the subject of inquiry through the testimony of witnesses or introduction of documentary evidence. All oral testimony shall be sworn testimony with the oath or affirmation to be administered by the court reporter or notary public to the witness. Either party may submit memoranda concerning contested issues of law or fact to the presiding officer either prior to the hearing or at its conclusion.

- 3.6 Official Notice. In reaching a decision, the hearing committee may take official notice either before or after submission of the matter for decision, of any generally accepted technical or scientific matter relating to the issues under consideration and of any facts that may be judicially noticed by the courts of the state where the hearing is held. Parties present at the hearing shall be informed of the matters to be noticed and those matters shall be noted in the hearing record. Any party shall be given opportunity, on timely request, to request that a matter be officially noticed and to refute the officially noticed matters by evidence or by written or oral presentation of authority, the manner of such refutation to be determined by the hearing committee.
- 3.7 Burden of Proof. The practitioner who requested the hearing shall have the burden of proving by a preponderance of the evidence that the adverse recommendation or action lacks any factual basis and that the action is arbitrary, capricious or unreasonable.
- 3.8 Record of Hearing. A record of the hearing shall be kept that is of sufficient accuracy to assure that an informed and valid judgment can be made by any group that may later be called upon to review the record and render a recommendation or decision in the matter. The hearing committee may select the method to be used for making the record, such as court reporter, electronic recording unit, detailed transcription, or minutes of the proceedings. A practitioner electing an alternate method shall bear the primary cost thereof.
- 3.9 Postponement. Requests for postponement of a hearing shall be granted by the hearing committee only upon a showing of good cause.
- 3.10 Recesses and Adjournment. The hearing committee may recess the hearing and reconvene the same without additional notice for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon conclusion of the presentation of oral and written evidence, the hearing shall be closed. The hearing committee shall thereupon, at a time convenient to itself, conduct its deliberations outside the presence of the parties. Upon the

conclusion of its deliberations, the hearing shall be declared finally adjourned.

Sec. 4. Hearing Committee Report and Further Action.

4.1 Hearing Committee Report. Within ten days after final adjournment of the hearing, the hearing committee shall make a written report of its findings and recommendations in the matter and shall forward the same, together with the hearing record and all other documentation considered by it, to the Executive Committee. All findings and recommendations by the hearing committee shall be supported by reference to the hearing record and the other documentation considered by it.

4.2 Action on Hearing Committee Report. Within forty days after receipt of the report of the hearing committee, the Medical Executive Committee shall consider the same and affirm, modify or reverse its recommendation of action in the matter. It shall transmit the result, together with the hearing record, the report of the hearing committee and all other documentation considered, to the Assistant Vice President for Hospital Affairs.

4.3 Notice and Effect of Result.

4.31 Notice. The Assistant Vice President for Hospital Affairs, shall send a copy of the result to the practitioner by special notice, to the Chief of Staff, Medical Director, and to the President of The University of Texas Medical Branch.

4.32 Effect of Favorable Result.

4.321 Adopted by the Medical Staff Committee. If the Medical Executive Committee's result is favorable to the practitioner, the matter shall be deemed resolved at that point, unless the President of The University of Texas Medical Branch at Galveston chooses to appeal the decision to the Board of Regents. Otherwise, the Assistant Vice President for Hospital Affairs shall promptly send the practitioner written notice informing him of the favorable decision.

4.33 Effect of Adverse Result. If the result of the Medical Executive Committee continues to be adverse to the practitioner, the special notice shall inform the practitioner of his right to request an appellate review by the Board of Regents.

Sec. 5. Initiation and Prerequisites of Appellate Review.

5.1 Request for Appellate Review. A party shall have fourteen (14) days following his receipt of a notice

to file a written request for an appellate review. Such request shall be delivered to the Assistant Vice President for Hospital Affairs either in person or by certified or registered mail and may include a request for a copy of the report and record of the hearing committee and all other material, favorable or unfavorable, that was considered in making the adverse action or result.

- 5.2 Waiver by Failure to Request Appellate Review. A practitioner who fails to request an appellate review within fourteen (14) days and in the manner specified waives any right to such review.
- 5.3 Notice of Time and Place for Appellate Review. Upon receipt of a timely request for appellate review, the Assistant Vice President for Hospital Affairs shall deliver such request to the representative of the Board of Regents of The University of Texas System. The Board of Regents, by a majority of the total membership, will approve, reject or amend the findings or recommendations of the Medical Staff at their next regularly scheduled meeting. Written notice of the time, place and date of the review by the Board of Regents shall be mailed to the practitioner or his attorney by the Secretary of the Board of Regents.

Sec. 6. Appellate Review Procedure.

- 6.1 Nature of Proceedings. The Board of Regents will conduct the appellate review based upon the record of the hearing before the hearing committee, the committee's report, and all subsequent results and actions thereon.
- 6.2 Written Statements. The party seeking the review shall submit a brief written statement detailing the findings of fact, conclusions, and procedural matters which are contested and stating his reasons for such disagreement. This written statement shall be submitted to the Secretary of the Board of Regents at least ten (10) days prior to the scheduled date of the appellate review.
- 6.3 Oral Statement. The appellate review body, in its sole discretion, may allow the parties or their representatives to personally appear and make oral statements in favor of their positions. Any party or representative so appearing shall be required to answer questions put to him by any member of the appellate review body.
- 6.4 Consideration of New or Additional Matters. New or additional matters or evidence not raised or presented during the original hearing or in the hearing report and not otherwise reflected in the record shall be introduced at the appellate review only under unusual circumstances. The appellate review body, in its sole

discretion, shall determine whether such matters or evidence shall be considered or accepted.

Sec. 7. Final Decision of the Board of Regents of The University of Texas System.

7.1 Board of Regents Action. After the conclusion of the appellate review, the Secretary of the Board of Regents will notify in writing the practitioner and the President of The University of Texas Medical Branch at Galveston of the final decision of the Board of Regents.

Sec. 8. General Provisions.

8.1 Attorneys. If the affected practitioner desires to be represented by an attorney at the hearing or at the appellate review by the Board of Regents, his request for said hearing or appellate review must so state. When the practitioner is represented by an attorney, the President of The University of Texas Medical Branch at Galveston shall request the Office of General Counsel of The University of Texas System to provide a System attorney to represent the administration at the hearing or appellate review.

8.2 Waiver. At any time after receipt of special notice of an adverse recommendation, action or result, a practitioner fails to make a required request or appearance or otherwise fails to comply with this Fair Hearing Plan, he shall be deemed to have consented to such adverse recommendations, action or result and to have voluntarily waived all rights to which he might otherwise have been entitled under the Medical Staff Bylaws then in effect or under this Fair Hearing Plan with respect to the matter involved.

8.3 Number of Reviews. Notwithstanding any other provisions of the Medical Staff Bylaws of this Plan, no practitioner shall be entitled as a right to more than one evidentiary hearing and appellate review with respect to an adverse recommendation or action.

8.4 Release. By requesting a hearing or appellate review under this Fair Hearing Plan, a practitioner agrees to be bound by the provisions of the Medical Staff Bylaws in all matters relating thereto.

8.5 Amendment. This Fair Hearing Plan may be amended or repealed, in whole or in part, by a resolution of the Medical Executive Committee recommended to and adopted by the Board of Regents, subject always to the bylaws of the respective bodies.

## ARTICLE XI

### STAFF DEPARTMENTS

Sec. 1. Organization of Staff Departments. Each department shall be organized as a separate part of the Medical Staff and shall have a chairman who is appointed by the Dean of Medicine and has the authority, duties, and responsibilities as specified in Article XII.

Sec. 2. Designation.

Current Departments. The current departments are: Anesthesiology, Dermatology, Family Medicine, Internal Medicine, Neurology, Obstetrics and Gynecology, Ophthalmology, Otolaryngology, Pathology, Pediatrics, Psychiatry, Radiology, Surgery.

Sec. 3. Functions of Departments.

3.1 Patient Care. One of the responsibilities delegated to each department is to implement and conduct specific review and evaluation activities that contribute to the preservation and improvement of the quality and efficiency of patient care provided by that department and its members. To carry out this responsibility, each department shall:

3.11 Conduct retrospective patient care audits for the purpose of analyzing, reviewing and evaluating the quality of care within the department. The number of such audits to be conducted during the year shall be as determined by the Medical Executive Committee, but shall not be less than the number required by the Joint Commission on Accreditation of Hospitals, or, if higher, the number required by law. Each department shall review all clinical work performed under its jurisdiction whether or not any particular practitioner whose work is subject to such review is a member of that department. Family practitioners shall be subject to review by each department in which they exercise clinical privileges and shall also be subject to such reviews as the Department of Family Medicine may conduct.

3.12 Establish guidelines for the granting of clinical privileges within the department and submit the recommendations required under Articles VI and VII regarding the specific privileges each staff member or applicant may exercise and the specified services that each health professional affiliate may provide.



- 3.13 Conduct or participate in, and make recommendations regarding the need for, continuing education programs pertinent to changes in the state-of-the-art and to findings or review and evaluation activities.
- 3.14 Monitor, on a continuing and concurrent basis, adherence to:
  - 3.141 Staff and hospital policies and procedures;
  - 3.142 Requirements for alternate coverage and for consultations;
  - 3.143 Sound principles of clinical practice;
  - 3.144 Fire and other regulations designed to promote patient safety.
- 3.15 Coordinate the patient care provided by the department's members with nursing and ancillary patient care services and with administrative support services.
- 3.16 Foster an atmosphere of professional decorum within the department appropriate to the healing arts.
- 3.17 Submit written reports to the Medical Executive Committee on a regularly scheduled basis concerning:
  - 3.171 Findings of the department's review and evaluation activities, actions taken thereon, and the results of such action;
  - 3.172 Recommendations for maintaining and improving the quality of care provided in the department and the hospital; and
  - 3.173 Such other matters as may be requested from time to time by the Medical Executive Committee.
- 3.18 Hold departmental meetings at least monthly for the purpose of receiving, reviewing and considering patient care audit findings and the result of the department's other review, evaluation and education activities and of performing or receiving reports on other department and staff functions. A record of these meetings specifying corrective action for patient care problems shall be maintained.
- 3.19 Establish such committees or other mechanisms as are necessary and desirable to properly perform the functions assigned to it.

- 3.2 Education. Another essential responsibility of the departments is to provide a suitable environment for the education of medical students, interns, residents, fellows, and other health professionals. In order to perform this function the departments will coordinate their efforts under the direction and guidance of the Dean of the Medical Faculty and his designees.

## ARTICLE XII

### OFFICERS

#### Sec. 1. Officers of the Staff.

##### 1.1 Identification. The officers of the staff shall be:

1.11 Chief of Staff

1.12 Chief of Staff Elect

1.13 Immediate Past Chief of Staff

1.14 Secretary-Treasurer

1.2 Qualifications. Officers must be members of the Active Staff at the time of nomination and election and must remain members in good standing during their term of office. Failure to maintain such status shall immediately create a vacancy in the office involved. The Chief of Staff and Chief of Staff Elect must be physicians, dentists, podiatrists, or psychologists with demonstrated competence in their fields of practice and demonstrated qualifications on the basis of experience and ability to direct the medico-administrative aspects of hospital and staff activities. The Chief of Staff Elect shall not be eligible again for election to that post until he has ceased to hold any office listed above for a period of one (1) year.

##### 1.3 Nominations.

1.31 By Nominating Committee. The Nominating Committee shall convene two (2) months prior to the annual meeting, and shall submit to the Secretary of the staff, one or more qualified nominees for each office. In addition, the Nominating Committee shall submit the names of four (4) members at large for election by the Medical Staff. The names of such nominees shall be reported to the staff at least thirty (30) days prior to the annual meeting.

- 1.32 By Petition. Nominations may also be made by petition signed by at least ten percent of the members of the Active Staff and filed with the Secretary of the staff at least fifteen (15) days prior to the annual meeting. As soon thereafter as reasonably possible, the names of these additional nominees shall be reported to the staff.
- 1.33 By Other Means. If, before the election, all of the individuals nominated for an office shall refuse, be disqualified from, or otherwise be unable to accept nomination, then the Nominating Committee shall submit one or more substitute nominees at the annual meeting, and nominations shall be accepted from the floor.
- 1.34 Nominations from the Floor. Nominations from the floor may be made by any member of the Active Medical Staff.
- 1.4 Election. Officers shall be elected at the annual meeting of the staff in each odd numbered year. Only staff members accorded the prerogative to vote for general staff officers under Article IV shall be eligible to vote. Voting shall be by secret written ballot, and voting by proxy shall not be permitted. A nominee shall be elected upon receiving a majority of the valid votes cast. If no candidate for the office receives a majority vote on the first ballot, a runoff election shall be held promptly between the two candidates receiving the highest number of votes.
- 1.5 Exceptions. The Chief of Staff Elect shall, upon the completion of his term of office in that position, immediately succeed to the office of Chief of Staff and then to the office of immediate past Chief of Staff.
- 1.6 Terms of Elected Office. Each officer shall serve a two year term, commencing on the day after the Medical Staff annual meeting. Each officer shall serve until the end of his term and until a successor is elected.
- 1.7 Vacancies in Elected Office. Vacancies in offices, other than those of immediate past Chief of Staff, Chief of Staff, and Chief of Staff Elect, shall be filled by the Medical Executive Committee. If there is a vacancy in the office of Chief of Staff, the Chief of Staff Elect shall serve out the remaining term. A vacancy in the office of Chief of Staff Elect shall be filled by a special election conducted as reasonably soon after the vacancy occurs as possible following the general mechanism outlined.

1.8 Removal of Officers.

- 1.81 Whenever an officer willfully disregards these Bylaws or other hospital policies, or fails to carry out the duties of that office, he may be removed from duty by the majority action of the Medical Executive Committee and with the concurrence of the Medical Director and the President.
- 1.82 Should the Chief of Staff be removed from office, the Chief of Staff Elect shall serve out the remaining term. Should the Chief of Staff Elect be removed from office, the position shall be filled by a special election conducted as soon as possible.
- 1.83 Should any other officers be removed, the position shall be filled by appointment by the Medical Executive Committee.

1.9 Duties of Elected Officers.

- 1.91 Chief of Staff. The Chief of Staff shall serve as the principal elected official of the medical staff and as chairman of the Executive Committee. He relates to the Medical Director and the President of The University of Texas Medical Branch Hospitals and as such shall be involved in the following:
- 1.911 Aid in coordinating the activities and concerns of the hospital administration and of the nursing and other patient care services with those of the Medical Staff.
- 1.912 Be accountable to the representative of the Board of Regents in conjunction with the Medical Executive Committee and the Medical Director for the quality and efficiency of clinical services and performance within the hospital and for the effectiveness of the patient care audit and other quality maintenance functions delegated to the staff.
- 1.913 Develop and implement, in cooperation with the Medical Director and the department chairmen, methods for credentials review and for delineation of privileges, continuing education programs, utilization review, concurrent monitoring of practice, and retrospective patient care audits.
- 1.914 Appoint the Medical Staff representative to Medical Staff and hospital management committees and designate chairmen of the Medical Staff Committees.

- 1.915 Communicate and represent the opinions, policies, concerns, needs, and grievances of the Medical Staff to the representative of the Board of Regents, the Medical Director, and other officials of the staff.
- 1.916 Be responsible for the enforcement of Medical Staff Bylaws, Rules and Regulations, for implementation of sanctions where these are indicated, and for the Medical Staff's compliance with procedural safeguards in all instances where corrective action has been requested against a practitioner.
- 1.917 Call, preside at, and be responsible for the agenda of all general meetings of the Medical Staff.
- 1.918 Serve as chairman of the Medical Executive Committee, as an ex-officio member of the Patient Care Audit and Utilization Review Committees, as a Medical Staff representative to the Joint Advisory Committee, and as an ex-officio member without vote on all other staff committees.
- 1.92 Chief of Staff Elect. The Chief of Staff Elect shall be chairman of the Credentials Committee, a member of the Medical Executive Committee and a Medical Staff representative to the Joint Advisory Committee. In the temporary absence of the Chief of Staff, he shall assume all the duties and have the authority of the Chief of Staff. He shall perform such additional duties as may be assigned to him by the Chief of Staff, the Medical Executive Committee, or the representative of the Board of Regents.
- 1.93 Immediate Past Chief of Staff. The Immediate Past Chief of Staff shall be a member of the Medical Executive Committee, a Medical Staff representative to the Joint Advisory Committee, and chairman of the Accreditation and Bylaws Committee and shall perform such other advisory duties as are assigned to him by the Chief of Staff, the Medical Executive Committee, or the representative of the Board of Regents.
- 1.94 Secretary-Treasurer. The Secretary-Treasurer shall be a member of the Medical Executive Committee. His duties shall be to:
- 1.941 Give proper notice of all staff meetings on order of the appropriate authority.

- 1.942 Prepare accurate and complete minutes for all meetings.
- 1.943 Supervise the collection and accounting for any funds that may be collected in the form of staff dues, assessments, or application fees.
- 1.944 Perform such other duties as ordinarily pertain to his office.

Sec. 2. Other Officials of the Staff.

2.1 Department Chairman.

2.11 Duties. Each chairman shall:

- 2.111 Be responsible and accountable to the Medical Executive Committee for the effective conduct of that department's patient care activities, including performance evaluation and other quality maintenance functions delegated to his department.
- 2.112 Develop and implement departmental programs, in cooperation with the Chief of Staff and Medical Director for credentials review and privileges delineation, continuing medical education, utilization review, concurrent monitoring of practice, and retrospective patient care audit.
- 2.113 Be a member of the Medical Executive Committee, give guidance on the overall medical policies of the hospital, and make specific recommendations and suggestions regarding his own department.
- 2.114 Maintain continuing review of the professional performance of all practitioners with clinical privileges and of all affiliates with specified services in the department and report regularly thereon to the Medical Executive Committee.
- 2.115 Transmit to the appropriate authorities as required by Articles VI through VIII, his department's recommendations concerning appointment and classification, reappointment, delineation of clinical privileges or specified services, and corrective action with respect to practitioners in his department.
- 2.116 Appoint such committees as are necessary to conduct the functions of the department and designate a chairman for each.

- 2.117 Enforce the hospital and Medical Staff Bylaws, rules, policies, and regulations within the department, including initiating corrective action and investigation of clinical performance and ordering required consultations.
- 2.118 Implement within the department actions taken by the Medical Executive Committee.
- 2.119 Participate in every phase of administration of the department through mutual cooperation with the hospital administration in matters affecting patient care, including personnel, supplies, special regulations, standing orders, and techniques.
- 2.120 Perform such other duties commensurate with his office as may from time to time be reasonably requested of him by the Chief of Staff, the Medical Executive Committee, or the Board of Regents.

Sec. 3. Additional Officers. The representative of the Board of Regents may appoint additional practitioners to medico-administrative positions within the hospital (e.g., Chiefs of Services, Medical Director, Director of Medical Education, Academic Chiefs, etc.) to perform such duties as prescribed by the Medical Executive Committee and the Board of Regents, or as defined by amendment to these Bylaws. To the extent that any such officer performs any clinical function, he must become and remain a member of the staff. In all events, he must be subject to these Bylaws and to the other policies of the hospital.

#### ARTICLE XIII

##### COMMITTEES

Sec. 1. Committees. Committees shall be standing and special. All committee chairmen, other than the Executive Committee, the Joint Advisory Committee, the Credentials Committee, the O.R. Committee, and the Accreditation and Bylaws Committee shall be appointed by the Chief of Staff. Chairmen of committees will serve for a maximum of two (2) years and must be members of the Active Staff. The Medical Staff members of the committees shall be appointed by the Chief of Staff and the administrative staff members shall be appointed by the Assistant Vice President for Hospital Affairs. The Chief of Staff, Medical Director, and the Assistant Vice President for Hospital Affairs, or his representative, will serve on all committees as ex-officio members. All committees shall maintain a permanent record of their meetings, and the

Assistant Vice President for Hospital Affairs will maintain a file of all such minutes on behalf of the Medical Staff. All standing and special committees will report through minutes of each meeting, including any recommendation, to the Executive Committee of the Medical Staff. All committees shall meet as frequently as necessary to discharge their responsibilities, but at least quarterly.

1.2 Executive Committee. The Executive Committee shall consist of the Chief of Staff as chairman, the Chief of Staff Elect, the Secretary-Treasurer, the past Chief of Staff, the chairmen of the clinical departments, and four members elected at large from the Active Staff at the annual meeting. The ex-officio members shall include the President, Dean of Medicine, Medical Director, Vice President for Business and Hospital Affairs, and the chairmen of all standing committees.

1.21 Duties. The duties of the Medical Executive Committee shall be to:

- 1.211 Receive and act upon reports and recommendations from the departments, committees and officers of the staff concerning patient care, the patient care audit, and other quality maintenance activities and the discharge of their delegated administrative responsibilities.
- 1.212 Coordinate the activities of and policies adopted by the staff, departments and committees.
- 1.213 Recommend to the Board of Regents' representative all matters relating to appointments, reappointments, staff category, department and service assignments, clinical privileges, specified services, and corrective action.
- 1.214 Account to the Board of Regents through its representative and to the Staff for the overall quality and efficiency of care rendered to patients in the hospital.
- 1.215 Initiate and pursue corrective action, when warranted, in accordance with Article VIII.
- 1.216 Make recommendations on medico-administrative and hospital management matters.
- 1.217 Inform the Medical Staff of the accreditation program and the accreditation status of the hospital.
- 1.218 Participate in identifying community health needs and in setting hospital goals and implementing programs to meet those needs.



1.219 Represent and act on behalf of the staff, subject to such limitations as may be imposed by these Bylaws.

1.22 Meetings. The Medical Executive Committee shall meet at least once a month and maintain a permanent record of its proceedings and actions.

1.3 Joint Advisory Committee. The Joint Advisory Committee shall consist of the Vice President for Business and Hospital Affairs as chairman, the Chief of Staff, the Chief of Staff Elect, the President, the Dean of Medicine, the Medical Director, and the chairmen of all clinical departments. This shall be a liaison committee between the Medical Staff and the Hospital Administration. It shall meet at least once a month; minutes shall be recorded and reported to the Medical Staff by the Vice President for Business and Hospital Affairs at each meeting.

1.4 Credentials Committee. The Credentials Committee shall consist of the Chief of Staff Elect as chairman; one member other than the clinical chairman from each of the departments of Internal Medicine, Psychiatry, Obstetrics and Gynecology, Pediatrics, Surgery; one member at large, and a member of the House Staff. The committee shall meet regularly and submit reports monthly to the Medical Executive Committee.

1.41 Duties. The duties involved in coordinating and reviewing credentials investigations and recommendations are to:

1.411 Review and evaluate the qualifications of each applicant for initial appointment, reappointment, or modification of appointment and for clinical privileges, and in connection therewith to obtain and consider the recommendations of the appropriate departments.

1.412 Review and evaluate the qualifications of each health professional affiliate applying to perform specified services, and in connection therewith to obtain and consider the recommendations of the department.

1.413 Submit a report, in accordance with Article III to the Medical Executive Committee on the qualifications of each applicant for staff membership or particular clinical privileges and of each affiliate for specified services. Such report shall include recommendations with respect to appointment, staff category, department and service affiliation, clinical privileges or specified services, and special conditions attached thereto.

1.414 Investigate, review and report on matters, including the clinical or ethical conduct of any practitioner, assigned or referred to it by:

1.4141 The Chief of Staff

1.4142 The Medical Executive Committee

1.4143 Those responsible for the patient care audit or utilization functions.

1.5 Medical Record and Review Committee. The Medical Record and Review Committee shall consist of members of the Active and Associate Medical Staff appointed by the Chief of Staff. Included in this group will be one member from each of the Departments of Medicine, Psychiatry, Obstetrics and Gynecology, Pediatrics, Surgery, one member at large, and a member of the House Staff. Each shall serve for a period of two (2) years.

Ex-officio members shall include the Chief Medical Record Administrator or his representative and the Director of Nursing or his representative. The committee shall meet at least once a month and report its activities in writing to the Executive Committee. Reports shall be kept in a confidential administrative file.

1.51 Duties. The duties involved in maintaining patient medical records that are complete, timely and clinically pertinent are to:

1.511 Review and evaluate medical records to determine that they:

1.5111 Properly describe the condition and progress of the patient, the therapy provided, the results thereof, and the identification of responsibility for all actions taken;

1.5112 Are sufficiently complete at all times so as to facilitate continuity of care and communication between all those providing patient care services in the hospitals;

1.5113 Meet the standards of patient care usefulness and of historical validity required by the staff and by acknowledged authorities, including the Joint Commission on Accreditation of Hospitals; and

1.5114 Are adequate, in form and content, to permit patient care audit and other quality maintenance activities to be performed.

1.5115 Review staff and hospital policies, rules and regulations relating to medical records, including medical records completion, and availability and recommend methods of endorsement thereof and changes therein.

1.5116 Act upon recommendations from the Medical Executive Committee and the departments or other committees responsible for patient care audit and other quality maintenance and monitoring functions.

1.6 Tissue Audit Committee. The Tissue Audit Committee shall consist of members of the Active and Associate Medical Staff appointed by the Chief of Staff, and to include a pathologist, a surgeon, a gynecologist, a physician from a non-surgical department, and one member from the surgical House Staff. The Tissue Audit Committee shall study and report to the Executive Committee of the Medical Staff on the agreement or disagreement of the preoperative, postoperative, and pathological diagnoses, and on whether the surgical procedures undertaken in the hospital were justified or not. This study will also include those procedures in which no tissue was removed.

1.7 Pharmacy and Therapeutics Committee. The Pharmacy and Therapeutics Committee shall consist of members of the Active and Associate Staff and House Staff, the Chief Pharmacist, and the Director of Nursing shall be an ex-officio member.

1.71 Duties. The duties involved in developing and maintaining surveillance over drug utilization policies and practices are to:

1.711 Assist in the formulation of broad professional policies regarding the evaluation, appraisal, selection, use, safety procedures, and all other clinical matters relating to drugs in the hospital.

1.712 Advise the Medical Staff and the hospital's pharmaceutical department on matters pertaining to the choice of available drugs.

1.713 Make recommendations concerning drugs to be stocked on the nursing unit floors and by other services.

1.714 Develop and review periodically a formulary or drug list for use in the hospital.

1.715 Evaluate clinical data concerning new drugs or preparations requested for use in the hospital.

1.716 Establish standards concerning the use and control of recognized drugs.

The committee will maintain a permanent record of all activities relating to the pharmacy and therapeutics function and submit periodic reports and recommendations to the Medical Executive Committee concerning drug utilization policies and practices in the hospital.

1.8 Patient Care and Utilization Committee. The Patient Care and Utilization Committee shall be delegated in two parts. Those aspects relating to the day to day activities within the department shall be handled by separate individual Departmental Care and Utilization Committees, while those aspects relating to overall functioning of the hospital shall be delegated to the Hospital Committee.

1.81 Departmental Patient Care and Utilization Committee. Each clinical department will establish such a committee, composed of Active Staff members from its own department. They shall be responsible for:

1.811 Evaluating the medical care of patients on their respective services while said patients are hospitalized.

1.812 Reviewing the length of hospital stay according to the written policies established by the department, the institution and its parent hospital committee.

1.813 Reviewing mechanism for the establishment of criterion for the proper use and abuse of laboratory tests, radiological examinations, professional services, drugs, blood products, and biologicals and other services provided by the hospital.

1.814 Applying such established criterion to effect a maximum efficiency in the use of available medical facilities at reasonable, economical costs.

1.815 Establishing liaison with other departmental subcommittees and hospital committees relating to patient care functions and procedures within their department.

The departmental chairman will designate a committee chairman and appoint a suitable number of members to the Departmental Patient Care and Utilization Committee. Each member will serve for a two (2) year term.

Each departmental committee shall have a minimum membership of one (1) member of the Active Staff. Additional medical members of the Active, Associate, and House Staff shall be added to each departmental committee on either the basis of hospital beds allocated to the service or related to number of significant procedures performed by the service. For clinical departments having hospital beds, at least one member shall be appointed for each forty (40) beds; for those not having hospital beds, their committee will have a minimum membership of two (2) medical staff persons (e.g., OB/GYN Newborn Nursery - 120 beds divided by 40 = three members; Anesthesiology - 9000 procedures = minimum two (2) members).

Each departmental committee will meet monthly, keep minutes, and report in writing to the departmental chairman with copies to the chairman of the Hospital Patient Care and Utilization Committee and to the Chief of Staff.

1.82 Hospital Patient Care and Utilization Committee.

This committee will be composed of nine (9) members of the Active or Associate Medical Staff and will include the five chairmen of the Departmental Patient Care and Utilization Committees from Medicine, Surgery, Obstetrics and Gynecology, Pediatrics, and Psychiatry, plus one appointed by the Assistant Vice President for Hospital Affairs and one at large member appointed by the Chief of Staff from among the other chairmen of the remaining Departmental Patient Care and Utilization Committees and one member of the House Staff. In addition, several Hospital Administration and ad hoc committees have responsibility for functions that are vital to optimal patient care and utilization. The Nursing Director and chairmen of these committees, specifically, the Blood Transfusion, Diagnostic Laboratory, and General Intensive Care Unit will be appointed by the Chief of Staff as ex-officio members of the Hospital Patient Care and Utilization Committee. To these the Chief of Staff may add other ex-officio members as deemed necessary.

The Hospital Committee shall meet monthly, keep minutes, and the chairman will report to the Executive Committee of the Medical Staff. The parent Hospital Patient Care and Utilization Committee shall be responsible for:

1.821 The supervision and coordination of the activities of the Departmental Patient Care and Utilization Committees.

1.822 The resolution of any problems or conflicts that arise among the departmental committees.

1.823 The development of policies and recommendations to the Executive Committee of the Medical Staff with relation to the Hospitals Patient Care and Utilization needs.

1.9 House Staff Committee. The House Staff Committee shall consist of one (1) member from each clinical department and one member of the House Staff from each of the clinical departments, only three of whom shall be voting members. It shall maintain close liaison with all of the program directors of all approved residencies of The University of Texas Medical Branch Hospitals at Galveston. It shall concern itself primarily with interdepartmental or interservice aspects of the House Staff program and assist the Hospital Administration in matters of education, discipline, and development of policies relative to the House Staff.

1.10 Cancer Committee. The Cancer Committee shall consist of members of the Active and Associate Medical Staff appointed by the Chief of Staff, to include the Medical Director of the Tumor Registry, a surgeon, a gynecologist, an internist, a pediatrician, a radiologist especially concerned with radiation therapy, and a member of the House Staff. The Director of Nursing or his designee shall be an ex-officio member of this committee. The Cancer Committee shall act as an advisory group to plan, supervise, and appraise the cancer activities of the hospital.

1.11 Emergency Room Advisory Committee. The Emergency Room Advisory Committee shall consist of not less than seven permanent and three ex-officio members. Permanent members shall include an active or associate member of the Medical Staff from the clinical departments of Medicine, Surgery, Pediatrics, Obstetrics and Gynecology, Psychiatry, Pathology, Radiology, and three House Staff members and the Emergency Room Director. The director of disaster preparedness and the Director of Nursing or his designee shall be an ex-officio member of this committee. The committee shall meet at least once a month and shall act as advisor to the Director of the Emergency Room and report to the Executive Committee of the Medical Staff. The committee shall be responsible for the recommendation of policy relative to patient care and teaching programs in the Emergency Room. The committee shall have the responsibility of reporting any deficiencies to the departmental chairman concerned, to the Executive Committee of the Medical Staff, and to the Medical

Director. Members of the committee may also assist in the development of the disaster plans and the periodic rehearsals of them.

1.12 Medical Audit Committee. The Medical Audit Committee shall consist of seven members of the Active or Associate Medical Staff, with representatives from the Medical Record and Nursing Departments as ex-officio members. This committee shall oversee the implementation and functioning of activities associated with professional standards review and the development and maintenance of standards of practice through an audit function. Responsibilities of the committee include:

1.121 Adopt, subject to the approval of the Medical Executive Committee and the Board of Regents, specific programs and procedures for reviewing, evaluating, and maintaining the quality, efficiency, and cost containment of patient care within the hospital, including at least mechanisms for:

1.1211 Establishing objective criteria;

1.1212 Measuring actual practice against the criteria;

1.1213 Analyzing practice variations from criteria by peers;

1.1214 Taking appropriate action to correct identified problems;

1.1215 Following up on action taken; and

1.1216 Reporting the findings and results of the audit activity to the Medical Staff and the Board of Regents.

1.122 Review and act upon, on a regular basis, factors affecting the quality and efficiency of patient care provided in the hospital.

1.123 Coordinate the findings and results of department, committee and staff audit procedures; hospital utilization review activities; provision of continuing medical education; medical record completeness, timeliness, and clinical pertinence; and other staff activities designed to monitor patient care practices.

The committee shall report monthly to the Medical Executive Committee on the overall quality and efficiency of medical care provided in the hospital and on the department, committee, and staff patient care audit, utilization review, and other quality maintenance and monitoring activities.

1.13 Accreditation and Bylaws Committee. The Accreditation and Bylaws Committee shall consist of at least five (5) members of the Active Medical Staff, with the chairman of the committee being the past Chief of Staff. The committee's primary function will be to assure that the Standards of the Joint Commission on Accreditation of Hospitals are maintained, specifically in regard to practices of the Medical Staff. The committee shall review the Bylaws and Rules and Regulations of the Medical Staff at least annually and recommend changes to the Executive Committee. Recommendations for changes in the Bylaws and Rules and Regulations may be submitted to this committee for consideration and presentation to the Executive Committee.

1.14 Operating Room Committee. The Operating Room Committee shall be composed of the chairman and four other members of the Department of Surgery, the chairmen of Anesthesiology, Obstetrics and Gynecology, Ophthalmology, and Otolaryngology, and the Director of Nursing Service. The chairman of the Department of Surgery shall be chairman of this committee. The primary purpose of the committee will be to formulate and recommend operating room policy to Administration and to the Executive Committee of the Medical Staff.

1.15 Special Committees. Special committees shall be appointed from time to time as may be required to carry out properly the duties of the Medical Staff. Such committees shall confine their work to the purpose for which they were appointed and shall report to the full Medical Staff. They shall not have power of action unless such is specifically granted by the motion which created the committee.

Sec. 2. Medical Staff Representation on Other Committees. Members of the Medical Staff may be assigned to serve on other hospital or medical school committees. Appointment to such committees may be made by the Chief of Staff, President, Dean of Medicine, Medical Director, or the Vice President for Hospital and Business Affairs. Committees to which medical staff members will be assigned include the Clinical Medical Directors Committee, Ionizing Radiation Committee, Intensive Care Committee, Laboratory Advisory Committee, Transfusion Committee, Infection Control Committee, Resuscitation Committee, Quality Assurance Committee, Hospital Safety Committee, and the Medical Advisory Committee for Physical Therapy and Occupational Therapy.



ARTICLE XIV

MEETINGS

Sec. 1. General Staff Meetings.

- 1.1 Regular Meetings. A regular annual staff meeting shall be held in the first quarter of each year.
- 1.2 Order of Business and Agenda. The order of business at the annual meeting shall be determined by the Chief of Staff. The agenda shall include at least:
  - 1.21 Acceptance of the minutes of the last regular and all special meetings held since the last regular meeting.
  - 1.22 Administrative reports from the Medical Director, the Chief of Staff, departments, and committees.
  - 1.23 The election of officers, when required by these Bylaws.
  - 1.24 Reports by responsible officers, committees, and departments on the overall results of patient care audit and other quality maintenance activities of the staff and on the fulfillment of the other required staff functions.
  - 1.25 Recommendations for improving patient care within the hospital.
  - 1.26 New business.
- 1.3 Special Meetings. Special meetings of the Medical Staff may be called at any time by the Board of Regents, the Chief of the Medical Staff, the Medical Executive Committee, or not less than thirty percent of the members of the Active Staff and shall be held at the time and place designated in the meeting notice. No business shall be transacted at any special meeting except that stated in the meeting notice.

Sec. 2. Committee and Department Meetings.

- 2.1 Regular Meetings. Committees and departments may, by resolution, provide the time for holding regular meetings and no notice other than such resolution shall then be required. There shall be at least monthly departmental or major clinical service meetings for the review of care and treatment of patients served by the departments. A record shall be maintained which shall include resultant recommendations, conclusions, and action instituted.

2.2 Special Meetings. A special meeting of any committee or department may be called by, or at the request of, the chairman thereof, the representative of the Board of Regents, the Chief of the Medical Staff, or by one third of the group's current members. No business shall be transacted at any special meeting except that stated in the meeting notice.

Sec. 3. Notice of Meetings. Written or printed notice stating the place, day, and hour of any general staff meeting, of any special meeting, or of any regular committee or department meeting not held pursuant to resolution shall be delivered either personally or by mail to each person entitled to be present thereat not less than two days nor more than ten days before the date of such meeting. Notice of department or committee meetings may be given orally. If mailed, the notice of the meeting shall be deemed delivered forty-eight hours after deposited.

Sec. 4. Quorum.

4.1 General Staff Meetings. The presence of fifty-one percent of the voting members of the Active Medical Staff at any regular or special meeting shall constitute a quorum for the purposes of amendment to these Bylaws. The presence of thirty percent of such members shall constitute a quorum for the transaction of all other business. Unless contested from the floor, it shall be considered that a quorum is present.

4.2 Department and Committee Meetings. Fifty percent of the voting members of a department or committee, but not less than two members, shall constitute a quorum at any meeting of such department or committee.

Sec. 5. Manner of Action. Except as otherwise specified, the action of a majority of the members present and voting at a meeting at which a quorum is present shall be the action of the group. Action may be taken without a meeting by a department or committee by a writing setting forth the action so taken, signed by each member entitled to vote thereat.

Sec. 6. Minutes. Minutes of all meetings shall be prepared by the secretary of the meeting and shall include a record of attendance and the vote taken on each matter. Copies of such minutes shall be signed by the presiding officer, approved by the attendees, forwarded to the Medical Executive Committee, and made available to the staff. A permanent file of the minutes of each meeting shall be maintained.

Sec. 7. Attendance Requirements.

7.1 Regular Attendance. Each member of a staff category required to attend meetings under Article IV shall be required to attend:

7.11 The annual Medical Staff meeting.

7.12 At least fifty percent of all other Medical Staff meetings duly convened pursuant to these Bylaws.

7.13 At least fifty percent of all meetings of each department, service, and committee of which he is a member.

7.2 Absence from Meetings. Any member who is compelled to be absent from any Medical Staff, department, service, or committee meeting shall promptly provide, in writing to the regular presiding officer thereof, the reason for such absence. Unless excused for good cause, failure to meet the attendance requirements shall be grounds for any of the corrective actions specified in Article VIII, and including, in addition, removal from such department, service, or committee. Reinstatement of a staff member whose membership has been revoked because of absence from meetings, shall be made only on application, and any such application shall be processed in the same manner as an application for initial appointment.

7.3 Special Appearance. A practitioner whose patient's clinical course of treatment is scheduled for discussion at a regular department, service, or committee meeting shall be so notified. The chairman of the meeting shall give the practitioner at least five days advance written notice of the time and place of the meeting. Whenever apparent or suspected deviation from standard clinical practice is involved, special notice shall be given and shall include a statement of the issue involved and that the practitioner's appearance is mandatory. Failure of a practitioner to appear at any meeting with respect to which he was given such special notice shall, unless excused by the Medical Executive Committee upon a showing of good cause, result in an automatic suspension of all or such portion of the practitioner's clinical privileges as the Medical Executive Committee may direct. Such suspension shall remain in effect until the matter is resolved by subsequent action of the Medical Executive Committee, or of the Board of Regents, or through corrective action, if necessary.

#### ARTICLE XV

#### CONFIDENTIALITY, IMMUNITY, AND RELEASE

Sec. 1. Special Definitions. For the purpose of this Article, the following definitions shall apply:

- 1.1 Information means record of proceedings, minutes, records, reports, memoranda, statements, recommendations, data and other disclosures whether in written or oral form relating to any of the subject matter specified.
- 1.2 Malice means the dissemination of a knowing falsehood or of information with a disregard for whether or not it is true or false.
- 1.3 Practitioner means a staff member or applicant or a health professional affiliate.
- 1.4 Representative means the Board of Regents and any member or committee thereof; a Medical Director, a Medical Staff organization and any member, officer, department or committee thereof; and any individual authorized by any of the foregoing to perform specific information gathering or disseminating functions.
- 1.5 Third Parties means both individuals and organizations providing information to any representative.

Sec. 2. Authorizations and Conditions. By applying for, or exercising, clinical privileges or providing specified patient care services within this hospital, a practitioner:

- 2.1 Authorizes representatives of the hospital and Medical Staff to solicit, provide, and act upon information bearing on his professional ability and qualifications.
- 2.2 Agrees to be bound by the provisions of this Article and to waive all legal claims against any representative who acts in accordance with the provisions of this Article.
- 2.3 Acknowledges that the provisions of this Article are express conditions to his application for, or acceptance of, staff membership, or his exercise of clinical privileges or provision of specified patient services at this hospital.

Sec. 3. Confidentiality of Information. Information with respect to any practitioner submitted, collected or prepared by any representative of this or any other health care facility or organization or Medical Staff for the purpose of achieving and maintaining quality patient care, reducing morbidity and mortality, or contributing to clinical research shall, to the fullest extent permitted by law, be confidential and shall not be disseminated to anyone other than a representative nor used in any way except as provided herein. Such confidentiality shall also extend to information of like kind that may be provided by third parties. This information shall not become part of any particular patient's file or of the general hospital records.

Sec. 4. Immunity from Liability.

- 4.1 For Action Taken. No representative of the hospital or Medical Staff shall be liable in any judicial proceeding for damages or other relief for any action taken or statement or recommendation made within the scope of his duties as a representative, if such representative acts in good faith and without malice after a reasonable effort under the circumstances to ascertain the truthfulness of the facts and in the reasonable belief that the action, statement, or recommendation is warranted by such facts. Regardless of the provisions of state law, truth shall be an absolute defense in all circumstances.
- 4.2 For Providing Information. No representative of the hospital or Medical Staff and no third party shall be liable in any judicial proceeding for damages or other relief by reason of providing information, including otherwise privileged or confidential information, to a representative of this hospital or Medical Staff or to any other hospital, organization of health professionals, or other health-related organization concerning a practitioner or affiliate who is or has been an applicant to or member of the staff or who did or does exercise clinical privileges or provide specified services at this hospital provided that such representative or third party acts in good faith and without malice.

Sec. 5. Activities and Information Covered.

- 5.1 Activities. The confidentiality provided by this Article shall be subject to the applicable provisions of the Texas Open Records Act, Article 6252-17a, V.T.C.S. and shall apply to all acts, communications, reports, recommendations, or disclosures performed or made in connection with this or any other health-related institution's or organization's activities concerning, but not limited to:
- 5.11 Applications for appointment, clinical privileges, or specified services.
- 5.12 Periodic reappraisals for reappointment, clinical privileges, or specified services.
- 5.13 Corrective action.
- 5.14 Hearings and appellate reviews.
- 5.15 Patient care audits.
- 5.16 Utilization reviews.
- 5.17 Other hospital, department, service or committee activities related to monitoring and maintaining quality patient care and appropriate professional conduct.

*Number*

5.2 Information. The acts, communications, reports, recommendations, disclosures, and other information referred to in this Article may relate to a practitioner's professional qualifications, clinical ability, judgment, character, physical and mental health, emotional stability, professional ethics, or any other matter that might directly or indirectly affect patient care.

Sec. 6. Releases. Each practitioner shall, upon request of the hospital, execute general and specific releases in accordance with the tenor and import of this Article, subject to such requirements, including those of good faith, absence of malice and the exercise of a reasonable effort to ascertain truthfulness as may be applicable under the laws of this State. Execution of such release shall not be deemed a prerequisite to the effectiveness of this Article.

Sec. 7. Cumulative Effect. Provisions in these Bylaws and in application forms relating to authorizations, confidentiality of information, and immunities from liability shall be in addition to other protections provided by law and not in limitation thereof.

## ARTICLE XVI

### GENERAL PROVISIONS

Sec. 1. Staff Rules and Regulations. Subject to approval by the representative of the Board of Regents, the Medical Staff shall adopt such rules and regulations as may be necessary to implement more specifically the general principles found within these Bylaws. These shall relate to the proper conduct of Medical Staff organizational activities as well as embody the level of practice that is to be required of each staff member or affiliate in the hospital. Such rules and regulations shall be a part of these Bylaws, except that they may be amended or repealed at any regular meeting at which a quorum is present and without previous notice, or at any special meeting on notice, by a two-thirds vote of those present and eligible to vote. Such changes shall become effective when approved by the Board of Regents.

Sec. 2. Departmental Rules and Regulations. Subject to the approval of the Medical Executive Committee and the representative of the Board of Regents, each department shall formulate its own rules and regulations for the conduct of its patient care and educational affairs and the discharge of its responsibilities. Such rules and regulations shall not be inconsistent with these Bylaws, the general Rules and Regulations of the Medical Staff, or other policies of the hospital.

- Sec. 3. Professional Liability Insurance. Each practitioner granted clinical privileges in the hospital shall maintain in force professional liability insurance in not less than the minimum amounts as from time to time may be determined by resolutions of the Medical Executive Committee and of the Board of Regents, or provide other proof of financial responsibility in such manner as the Board of Regents may from time to time establish. Subject to the approval of the Board of Regents, the Medical Executive Committee may, for good cause shown by a practitioner, waive this requirement with regard to such practitioner provided that any such waiver is not granted or withheld on an arbitrary, discriminatory, or capricious basis. The minimum amount of required coverage established pursuant to this provision shall not exceed the amount of professional liability insurance carried by the hospital.
- Sec. 4. Staff Dues. Subject to the approval of the Board of Regents, the Medical Executive Committee shall have the power to set the amount of annual dues for each category of staff membership. The payment of annual dues is expected of each member of the Active and Associate Staff. Nonpayment of dues by a certain predetermined date will be noted by the Secretary/Treasurer and the member notified. Continued noncompliance will be brought to the attention of the Medical Executive Committee. After due notification, the delinquent member may be suspended from the Medical Staff.
- Sec. 5. Forms. Application forms and any other prescribed forms required by these Bylaws for use in connection with staff appointments, reappointments, delineation of clinical privileges, corrective action, notices, recommendations, reports, and other matters, shall be adopted after considering the advice of the Medical Executive Committee.
- Sec. 6. Construction of Terms and Headings. Words used in these Bylaws shall be read as the masculine or feminine gender and as the singular or plural, as the context requires. The captions or headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision of these Bylaws.
- Sec. 7. Transmittal of Reports. Reports and other information which these Bylaws require the Medical Staff to transmit to the Board of Regents shall be deemed so transmitted when delivered, unless otherwise specified, to the Medical Director.

## ARTICLE XVII

### ADOPTION AND AMENDMENT OF BYLAWS

- Sec. 1. Medical Staff Responsibility and Authority. The Medical Staff shall have the initial responsibility and delegated

authority to formulate, adopt, and recommend to the Board of Regents, Medical Staff Bylaws and Amendments thereto which shall be effective when approved by the Board of Regents. Such responsibility and authority shall be exercised in good faith and in a reasonable, timely and responsible manner, reflecting the interests of providing patient care of the quality characteristic of an academic medical center maintaining a harmony of purpose and effort with the Board of Regents and with the community.

Sec. 2. Methodology. Medical Staff Bylaws may be adopted, amended, or repealed by the following combined action:

2.1 Medical Staff. The affirmative vote of a majority of the staff members eligible to vote on this matter who are present at a meeting at which a quorum is present, provided at least ten days written notice, accompanied by the proposed Bylaws and/or alterations, has been given of the intention to take such action; and

2.2 Board of Regents. The affirmative vote of a majority of the Board of Regents. Provided, however, that in the event that the staff shall fail to exercise its responsibility and authority, and after notice from the Board of Regents to such effect, including a reasonable period of time for response, the Board of Regents may resort to its own initiative in formulating or amending Medical Staff Bylaws. In such event, staff recommendations and views shall be carefully considered by the Board of Regents during its deliberations and in its actions.

ADOPTED by the Medical Staff on \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
President of the Staff

\_\_\_\_\_  
Secretary of the Staff

APPROVED by the Board of Regents on \_\_\_\_\_, 19\_\_\_\_.

\_\_\_\_\_  
Secretary of the Board



## RULES AND REGULATIONS OF THE MEDICAL STAFF

1. Except in emergency, no patient shall be admitted to The University of Texas Medical Branch Hospitals at Galveston until after a provisional diagnosis has been stated and recorded on the admission record and the consent of the proper service obtained. In case of emergency, the provisional diagnosis shall be stated by the attending physician as soon after admission as possible.
2. For every patient admitted, the responsible physician must be a member of the Active, Associate, Courtesy or Honorary staff and his/her name shall be listed on the medical record.
3. Physicians admitting patients to the hospital shall be held responsible for giving such information as may be necessary to insure protection of other patients from those who are a source of danger from any cause whatever. All patients shall be attended by members of the Active, Associate, Courtesy, or Honorary Medical Staff and shall be assigned to the service concerned with treatment of the condition or disease which necessitated admission.
4. Each member of the Medical Staff, when absent from the city or unavailable, shall name a member of the Medical Staff who may be called to attend his patients in emergency. The responsible physician shall, in these instances, be expected to indicate the name of his replacement in a conspicuous place in the medical record. In case of failure to name such an associate, the Chief of Staff or the Departmental Chairman shall have authority to call another member of the staff, should he consider it necessary.
5. No patient shall be discharged from the hospital except on order by the attending physician or a member of the House Staff designated to act for him except as specified in the Hospital Policy & Procedural Manual.
6. The physician in charge shall be responsible for overseeing the preparation of a complete medical record for each patient. This record shall include identification data, chief complaint, present illness, review of system, past history, family history, physical examination, and admission note by the attending physician, special reports, such as consultations, clinical laboratory reports, x-ray and others, provisional diagnosis, medical or surgical treatment, tissue reports, progress notes at least every other day by the attending physician or designated person, final diagnosis, condition on discharge, followup and autopsy reports when available. At time of completion, each medical record shall be signed by the attending physician. The maximum period of time allowed for the completion of the medical record before it becomes delinquent will be determined by the Executive Committee of the Medical Staff on recommendation from the Medical Records Committee. No medical record shall be filed unless it is complete, except on the order of the Medical Record Committee. All medical records with patients' charts should be originals and should be signed. This includes reports from the various laboratory services. In any case in which a referral is required, the referral card designating the referring physician shall be filed in the office of Hospital Administration.

7. All orders for treatment of patients shall be in writing and signed by the physician. Verbal orders may be initiated only in emergency situations by members of the Medical Staff and must be countersigned by the physician within twenty-four hours after initiation. Verbal orders may only be accepted by registered nurses as specified in the Department of Nursing Policy and Procedure Manual. Standing orders will not be recognized.
8. A complete history and physical examination shall, in all cases, be written on the chart within twenty-four hours after admission of the patient. The Medical Record Committee shall report deviations from this rule to the Executive Committee.
9. When such histories and physical examinations and preoperative diagnoses are not recorded before the scheduled time of operation, the operation shall be cancelled, unless the attending surgeon states in writing that the case is one of emergency and that delay will be detrimental to the patient. In such a case, it is understood that the attending surgeon shall complete the record as soon as possible.
10. No surgery is to be done without appropriate legal consent, except in emergency, where the consent cannot be obtained. In such cases, consultation should be sought. Except in cases of emergency, or by special arrangement, a patient for operation shall be admitted not later than three o'clock the day previous to operation.
11. All operations performed shall be fully described in writing and signed by the attending surgeon and made a permanent part of the medical record. It is the responsibility of the physician in charge of the patient to see that all tissues removed at operation shall be properly sent to the hospital pathologist, who shall make such examination as he may consider necessary to arrive at a diagnosis. Specific exceptions to this requirement include such items as the placenta from an uncomplicated pregnancy and the foreskin from a circumcision. Other exceptions must be clearly outlined in subsequent Rules and Regulations. All tissue that is submitted to pathology shall be accompanied by properly executed request slips.
12. All records are the property of the Medical Branch Hospitals and shall not be removed from the premises of the Medical Branch except in accordance with a court order, subpoena or statute. Information in charts is confidential and may not be divulged to any person without proper authority. In case of readmission of a patient, all previous records shall be available for the use of the attending physician. This rule shall apply whether the patient is staff or private and whether he is or is not attended by the same physician.
13. Symbols and abbreviations may only be used that have been approved by the Executive Committee upon the recommendation of the Medical Record Committee. A list of approved abbreviations and symbols shall be available at each patient care unit and is appended to these Rules and Regulations. The list shall be reviewed and revised by the Medical Record Committee on an annual basis.

14. An appropriate medical record shall be kept on every patient receiving emergency service and be incorporated in the patient's hospital record, if such exists. Records shall include:
  - a. Adequate patient identification, or the reason why not obtainable.
  - b. The time and means of arrival.
  - c. Pertinent history of the illness or injury, including details relative to the first aid or emergency care given to the patient prior to his arrival at the hospital.
  - d. Diagnostic and therapeutic orders.
  - e. Reports of procedures, tests, and results.
  - f. Clinical observations.
  - g. Condition of patient on discharge or transfer.
  - h. Final disposition, including instructions given to the patient and/or his family relative to necessary followup care.

A patient who leaves against medical advice shall be documented. Each patient's medical record shall be authenticated by the practitioner who is responsible for its clinical accuracy.

15. Ordinarily, any of those medications included in the Formulary of The University of Texas Medical Branch, or approved by the hospital Pharmacy and Therapeutics Committee, will be considered as acceptable. (A staff member may request the Pharmacy and Therapeutics Committee to consider the addition or deletion of medications to the hospital Formulary). Members of the staff shall abide by the rules and regulations set forth in the Formulary.
16. At the annual meeting of the Medical Staff, the Assistant Vice President for Hospital Affairs shall submit a report of the professional work of the hospitals for the previous year. This report shall show the number of patients discharged by service, the number of deaths, hospital infections, autopsies, and consultations. Total discharges shall also be listed according to results of treatment and average length of stay. An analysis report of the adjunct departments will complete the report.
17. Every member of the Medical Staff shall make every effort to secure autopsies whenever possible. Autopsies shall be performed only when properly authorized. All autopsies shall be performed by a pathologist on the Medical Staff or by a physician to whom he may delegate the duty.
18. A request for consultation which is not answered, within a reasonable length of time, by the staff member to whom it is requested shall be called to the attention of the Chief of Staff.
19. The terms "attending physician," "physician," "physician in charge," or "responsible physician" for the purposes of the Medical Staff Bylaws and Rules and Regulations shall refer to the doctor of medicine who is a member of this hospital Medical Staff, and the term "medical record" as it is used in the Rules and Regulations will refer to the hospital chart.

20. Members of the Medical Staff shall participate in internal or external disaster situations or drills as specified by the Hospital Disaster Preparedness Committee in its manual.
21. A patient admitted for dental care is a dual responsibility involving the dentist and a physician member of the Medical Staff. The physician shall be responsible for performing an admission history and physical examination and an evaluation of the overall medical risk. The dentist is responsible for that part of the history and physical examination relating to dentistry. The physician shall be responsible for the care of any medical problem that may be present on admission or that may develop during the course of the admission.
22. Physician Assistants, Professional Nurse Practitioners, and other health care professionals not employed by The University of Texas Medical Branch, shall be members of the Allied Staff. Such health professional affiliates shall be members of the Medical Staff and processed through the usual Medical Staff channels.
23. Rules and Regulations may be amended, deleted, or added at any regular meeting of the Medical Staff or a special meeting called for that purpose and shall become effective if approved by two-thirds vote of those voting, a quorum being present, and subject to approval of the Board of Regents.

10. Houston Health Science Center: Proposed Affiliation Agreement with Deer Park Independent School District, Deer Park, Texas.--

**RECOMMENDATION**

President Bulger and Chancellor Walker recommend that approval be given to an affiliation agreement by and between The University of Texas Health Science Center at Houston and Deer Park Independent School District, Deer Park, Texas. The agreement was executed by the appropriate officials on January 15, 1980, to be effective upon approval by the Board of Regents.

**PURPOSE**

This agreement will provide additional clinical facilities for allied health students.

11. San Antonio Health Science Center (San Antonio Medical School, San Antonio Dental School, San Antonio G.S.B.S., San Antonio Allied Health Sciences School and San Antonio Nursing School): Request to Establish \$25.00 Late Registration Charge Effective Fall Semester 1980 (Catalog Change).--

**RECOMMENDATION**

President Harrison and Chancellor Walker recommend approval of a nonrefundable late registration charge in the amount of \$25.00 to be assessed students who register after the close of the official registration period. This charge is intended to cover the costs of extra services associated with late registration and will make the provisions for late registration uniform among the various schools on the San Antonio Health Science Center campus.

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

12. San Antonio Health Science Center (San Antonio Allied Health Sciences School): Request to Seek Permission from Coordinating Board to Establish Certificate Programs for the Preparation of Basic and Advanced Emergency Medical Technicians (EMT)(Catalog Change).--

**RECOMMENDATION**

President Harrison and Chancellor Walker recommend approval to submit a proposal for Certificate Programs for the preparation of Basic and Advanced Emergency Medical Technicians (EMT) to the Coordinating Board.

**BACKGROUND INFORMATION**

These programs will be conducted at the School of Allied Health Sciences using faculty from the other schools as well. The EMT-Basic Program consists of 80 classroom hours and 40 hours of clinical training while the EMT-Advanced Program includes 308 formal training hours and 232 hours of practical experience. A high school diploma is required for admission to the EMT-Advanced. The curriculum meets the standards defined by the State Department of Health and persons successfully completing it may take the examination for certification.

These programs are needed to supply qualified people to serve South Texas. The projected enrollment is 160 per year in EMT-Basic (4 classes of 40 each) and 80 per year in EMT-Advanced (2 classes of 40 each).

State funding will be required with the first year level being \$213,000. The recurring costs will be \$188,000 per year with appropriate adjustments for inflation. The course of study for the EMT-Basic will result in the award of three semester hours credit and twelve semester hours credit for the EMT-Advanced.

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

A copy of the proposal is on file in the Office of the Secretary.

13. University Cancer Center (M. D. Anderson): Proposed Affiliation Agreement with Texas Woman's University (T.W.U. -Houston Center), Denton, Texas. --

#### RECOMMENDATION

It is recommended by President LeMaistre and Chancellor Walker that approval be given to an affiliation agreement by and between The University of Texas System Cancer Center, M. D. Anderson Hospital and Tumor Institute, Houston, Texas, and Texas Woman's University, Denton, Texas, on behalf of T.W.U. -Houston Center. This agreement is in the same format and uses the same wording as the standard form approved by the Board of Regents at the December 16, 1977 meeting with the University Cancer Center serving as the facility. The agreement has been executed by the appropriate officials and is to be effective upon approval by the Board of Regents.

#### PURPOSE

This agreement will permit physical therapy students of the Houston Center, Texas Woman's University, Denton, Texas, to receive a portion of their education at the University Cancer Center.

## Land and Investment Com.

LAND AND INVESTMENT COMMITTEE  
Committee Chairman Hay

Date: February 29, 1980  
Time: Following the Meeting of the Health Affairs Committee  
Place: Prudential Building, 10th Floor  
Houston, Texas

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I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund for November and December 1979 and Report on Oil and Gas Development as of December 31, 1979.--The following reports with respect to (a) certain monies cleared to the Permanent University Fund for November and December 1979 and (b) Oil and Gas Development as of December 31, 1979, are submitted by the Executive Director for Investments and Trusts:

<u>Permanent University Fund</u>	<u>November, 1979</u>	<u>December, 1979</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Pre-ceding Fiscal Year</u>	<u>Per Cent Change</u>
Royalty					
Oil	\$4,626,909.21	\$5,725,544.37	\$22,084,506.23	\$14,016,576.16	57.56%
Gas	2,978,475.59	2,840,312.14	11,813,976.39	8,950,050.03	32.00%
Sulphur	307,389.04	264,194.40	993,626.53	167,995.80	491.46%
Water	8,830.83	1,963.27	42,326.48	54,008.92	(21.63%)
Brine	3,566.38	2,418.17	9,884.39	10,934.56	( 8.69%)
Rental					
Oil and Gas Leases	404,795.29	(1,846.82)	999,135.04	1,147,437.83	(12.92%)
Other	100.00	100.00	3,080.00	4,880.00	36.89%
Sale of Sand, Gravel, Etc.	-0-	4,419.47	11,996.88	12,287.40	2.36%
Gain or (Loss) on Sale of Securities	11,567.07	8,308.71	241,393.94	101,357.92	138.15%
Transfer from Special 1% Fee Fund					
Board for Lease of University Lands	-0-	-0-	-0-	-0-	-0-
Sub-Total	<u>\$8,341,633.41</u>	<u>\$8,845,413.71</u>	<u>\$36,199,925.88</u>	<u>\$24,465,528.62</u>	47.96%
Bonuses					
Oil and Gas Lease Sales	\$ -0-	\$ -0-	\$ -0-	\$ 9,719,000.00	(100.00%)
Amendments and Extensions to Mineral Leases	180,120.53	7,647.08	278,551.14	419,613.00	( 33.62%)
Total Bonuses	<u>\$ 180,120.53</u>	<u>\$ 7,647.08</u>	<u>\$ 278,551.14</u>	<u>\$10,138,613.00</u>	( 97.25%)
<b>TOTAL CLEARANCES</b>	<u><u>\$8,521,753.94</u></u>	<u><u>\$8,853,060.79</u></u>	<u><u>\$36,478,477.02</u></u>	<u><u>\$34,604,141.62</u></u>	5.42%

Oil and Gas Development - December 31, 1979  
Acreage Under Lease - 959,132

Number of Producing Acres - 408,119

Number of Producing Leases - 1,764

B. LAND MATTERS

Easements and Surface Leases Nos. 5075-5115, Material Source Permits Nos. 584-586, Assignment of Easement No. 3873, and Flexible Grazing Leases Nos. 12-36. It is recommended by the Vice Chancellor for Lands Management that the following applications for easements and surface leases, material source permits, assignment of easement, and flexible grazing leases be approved. All have been approved as to content by the appropriate officials. Payment for each has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate effective August 1, 1979 (adopted June 1, 1979):

1. Easements and Surface Leases Nos. 5075-5115

L & I - 7

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
5075	General Telephone Company of the Southwest	Telephone Line (Buried Cable)	Reagan	2,58	612 rds.	12/1/79-11/30/89	\$ 1,224.00
5076	West Texas Utilities Company (Renewal of 3057)	Power Line	Reagan	2,1 & 8	1,921.49 rds. Single Pole	12/1/79-11/30/89	2,214.74
5077	Community Public Service Company (Renewal of 3157)	Power Line	Pecos	27,28	476 rds. Single Pole	2/1/80-1/31/90	476.00
5078	Texas Electric Service Company (Renewal of 3036 and 3037)	Power Line	Andrews, Crane	1,4,9,10, 12, & 31	3,949.86 rds. Single Pole	1/1/80-12/31/89	3,949.86
5079	D & S Towers	Surface Lease (Radio Tower)	Crockett	29	310' x 600'	1/1/80-12/31/89	5,000.00 (Full)
5080	CRA, Inc.	Surface Lease (Compressor Station)	Schleicher	53	1 acre	10/15/79-10/14/89	2,000.00 (Full)
5081	CRA, Inc.	Pipe Line	Schleicher	53	277.64 rds. 4-1/2 inch	10/1/79-9/30/89	971.74
5082	Texas-New Mexico Pipe Line Company (Renewal of 3013)	Pipe Line	Andrews	14	152.50 rds. 4-1/2 inch	11/1/79-10/31/89	457.50
5083	Texas-New Mexico Pipe Line Company (Renewal of 3026)	Pipe Line	Andrews	13	31.2 rds. 4-1/2 inch	11/1/79-10/31/89	200.00 (Min.)

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
5084	Texas-New Mexico Pipe Line Company (Renewal of 3039)	Pipe Line	Andrews	14,13	246.00 rds. 4-1/2 inch	12/1/79- 11/30/89	\$ 738.00
5085	Oasis Pipe Line Company	Pipe Line	Winkler	21	41.09 rds. 4 inch	11/1/79- 10/31/89	200.00 (Min.)
5086	Lo-Vaca Gathering Company (Renewal of 3081)	Pipe Line	Ward	16	282.85 rds. 4-1/2 inch	4/1/80- 3/31/90	848.55
5087	Lo-Vaca Gathering Company (Renewal of 3082)	Pipe Line	Ward	16	583.45 rds. 4-1/2 inch	4/1/80- 3/31/90	1,750.35
5088	Lo-Vaca Gathering Company (Renewal of 3098)	Pipe Line	Ward	16	381.70 rds. 6-5/8 inch	4/1/80- 3/31/90	1,145.10
5089	El Paso Natural Gas Company (Renewal of 3124)	Pipe Line	Reagan	58,1, & 2	523.88 rds. 4-1/2 inch	6/1/80- 5/31/90	1,571.64
5090	Whalen Corporation	Pipe Line	Andrews	13	183.10 rds. 4-1/2 inch	11/1/79- 10/31/89	640.85
5091	Phillips Pipe Line Company (Renewal of 3073)	Surface Lease (Meter Site)	Andrews	13	50' x 50'	1/16/80- 1/15/90	2,000.00 (Full)
5092	Phillips Pipe Line Company (Renewal of 3072)	Pipe Line	Andrews	5	19.2 rds. 4-1/2 inch	3/1/80- 2/28/90	200.00 (Min.)
5093	Phillips Petroleum Company	Pipe Line	Andrews	10	284.91 rds. 4-1/2 inch	9/1/79- 8/31/89	997.19
5094	The Permian Corporation (Renewal of 3886)	Surface Lease (Salt Water Disposal)	Pecos	165	2 acres	12/1/79-* 11/30/80	2,500.00
5095	El Paso Natural Gas Company	Pipe Line	Upton	3	222.97 rds. 4-1/2 inch	1/1/80- 12/31/89	780.40

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

No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
5096	El Paso Natural Gas Company	Pipe Line	Upton	3	262.18 rds. 4-1/2 inch	1/1/80- 12/31/89	\$ 917.63
5097	Conoco, Inc. (Renewal of 3043)	Pipe Line	Crane	30	80.67 rds. 2 inch	2/1/80- 1/31/90	242.01
5098	Gordon Stanford	Surface Lease (Road Sign Site)	Ward	16	40' x 300'	2/1/80-* 1/31/81	200.00 (Min.)
5099	General Telephone Company of the Southwest	Telephone Line (Aerial)	Reagan	48	112.25 rds.	1/1/80- 12/31/89	200.00 (Min.)
5100	Delhi Gas Pipeline Corporation (Renewal of 3095)	Pipe Line	Pecos	20	29.5 rds. 4-1/2 inch	4/1/80- 3/31/90	200.00 (Min.)
5101	Texaco, Inc. (Renewal of 3050)	Pipe Line	Ector	35	241.0 rds. 6 inch	3/1/80- 2/28/90	723.00
5102	Texaco, Inc. (Renewal of 3104)	Pipe Line	Ector	35	340.0 rds. 4 inch	1/1/80- 12/31/89	1,020.00
5103	Mobil Pipe Line Company	Pipe Line	Andrews	4	187.64 rds. 4-1/2 inch	12/1/79- 11/30/89	656.74
5104	Mobil Pipe Line Company (Renewal of 3041)	Pipe Line	Ward	16	1,420.16 rds. 4-1/2 inch	2/1/80- 1/31/90	4,260.48
5105	Mobil Pipe Line Company (Renewal of 3074)	Pipe Line	Ward	16	145.88 rds. 4-1/2 inch	4/1/80- 3/31/90	437.64
5106	BTA Oil Producers	Surface Lease (Salt Water Disposal)	Martin	6	1 acre	1/1/80-** 12/31/81	1,000.00

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

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



No.	Company	Type of Permit	County	Location (Block #)	Distance or Area	Period	Consideration
5107	Exxon Pipeline Company (Renewal of 2928)	Pipe Line	Reagan	11	1,635.84 rds. 18 inch	1/1/80- 12/31/89	\$ 6,543.36
5108	Exxon Pipeline Company (Renewal of 3022)	Pipe Line	Reagan, Crockett & Schleicher	49,48,47,44, 41,39,55,54 & 57	12,028.12 rds. 18 inch	1/1/80- 12/31/89	48,112.48
5109	Cities Service Company	Pipe Line	Crockett	32	290.40 rds. 3-1/2 inch	1/1/80- 12/31/89	1,016.40
5110	Southern Union Gas Company, A Division of Southern Union Company (Renewal of 3086)	Pipe Line	Pecos	16 & 17	2,251.00 rds. Various Size Under 6 inch	1/1/80- 12/31/89	6,753.00
5111	Atlantic Richfield Company (Renewal of 695)	Surface Lease (Gas Plant)	Crane	31	60.009 acres	3/1/80- 2/28/90	24,003.60 (Full)
5112	Santa Fe Pipeline Company (Renewal of 3083)	Pipe Line	Andrews	1	572.00 rds. 12-3/4 inch	4/1/80- 3/31/90	2,288.00
5113	Santa Fe Pipeline Company (Renewal of 3091)	Pipe Line	Andrews	1	1,374.00 rds. 10-3/4 inch	4/1/80- 3/31/90	4,122.00
5114	Santa Fe Pipeline Company (Renewal of 3092)	Pipe Line	Andrews	1	1,290.00 rds. 9-5/8 inch	4/1/80- 3/31/90	3,870.00
5115	Santa Fe Pipeline Company (Renewal of 3093)	Pipe Line	Andrews	14	925.00 rds. 8-5/8 inch	4/1/80- 3/31/90	2,775.00

2. Material Source Permits Nos. 584-586

No.	Grantee	County	Location	Quantity	Consideration
584	Seidel, Inc.	Reagan	Block 11	504 cubic yards - caliche	\$ 252.00
585	M&P Construction Co., Inc.	Crane	Block 30	400 cubic yards - caliche	200.00
586	Seidel, Inc.	Upton	Block 4	616 cubic yards - crushed base material	616.00

3. Assignment of Easement No. 3873

No.	Assignor	Assignee	Type of Permit	County	Consideration
3873	John H. Marchbanks	S.L. Abbott & wife, Arline Abbott	Surface Lease	El Paso	\$ 200.00

4. Flexible Grazing Leases Nos. 12-36

L & I - 11  
 The following grazing leases are for ten year terms in accordance with the Flexible Grazing Lease Policies adopted by the Board of Regents at its June, 1979, meeting provided that the lessee carries out the range conservation and/or ranch improvement practices specified in said lease which shall be certified by the Manager of University Lands--Surface Interests. These leases are on the University's standard form with semiannual payment of rental on January 1 and July 1 of each year.

No.	Lessee	Location		Acreage	Period	Minimum Rental Per Acre	Minimum Annual Rental	Semi-Annual Rental
		County	Block					
12	J. D. Strauss (Renewal of 1) *	Crockett, Reagan	48,49	6,159.60	1/1/80- 12/31/89	\$ 1.15	\$ 7,083.54	\$ 3,541.77
13	S. F. Henderson (Renewal of 2) *	Andrews	11	9,661.67	1/1/80- 12/31/89	.33	3,188.35	1,594.18
14	Dale Blackstock (Renewal of 3) *	Ward	16	2,385.69	1/1/80- 12/31/89	.30	715.71	357.86

\* Actual semi-annual rental paid for the period of 1/1/80-6/30/80 in accordance with the Flexible Grazing Lease Policies based upon the current price per animal unit and the stocking rate applicable to each lease for the above leases was \$84,779.61 (total for leases one through nine).

It is recommended that lease numbers one through nine be cancelled in order that all leases from twelve through twenty will be on the new Flexible Lease forms.

L &amp; I - 12

No.	Lessee	Location		Acreage	Period	Minimum Rental Per Acre	Minimum Annual Rental	Semi- Annual Rental
		County	Block					
15	Gene Irwin & Max E. Ramsey (Renewal of 4) *	Andrews	13,14	13,429.20	1/1/80- 12/31/89	\$ .34	\$ 4,565.93	\$ 2,282.97
16	H. Clay Warnock (Renewal of 5) *	Irion, Crockett, Schleicher	52	5,777.60	1/1/80- 12/31/89	1.25	7,222.00	3,611.00
17	The Diamond "A" Cattle Co. (Renewal of 6) *	Hudspeth	A,B,C	102,394.30	1/1/80- 12/31/89	.22	22,526.75	11,263.38
18	Louis Brooks (Renewal of 7) *	Crockett, Schleicher	52,54 & 55	7,288.50	1/1/80- 12/31/89	1.25	9,110.63	4,555.32
19	Burch Woodward (Renewal of 8) *	Terrell	37	11,863.00	1/1/80- 12/31/89	.50	5,931.50	2,965.75
20	S. F. Henderson (Renewal of 9) *	Ector, Crane	35	5,528.62	1/1/80- 12/31/89	.27	1,492.73	746.37
21	Duane Ratliff (Renewal of 1048 and 1066)	Andrews	11,12	32,634.43	1/1/80- 12/31/89	.30	9,790.33	4,895.17
22	George Bunger, Jr. (Renewal of 1049 and 1060)	Crockett	31	16,996.17	1/1/80- 12/31/89	.93	15,806.44	7,903.22
23	Freda Nutt Hanks (Renewal of 1050)	Pecos	19	1,282.70	1/1/80- 12/31/89	.43	551.56	275.78
24	Lillain & Eugene St. Clair (Renewal of 1051 and 1084)	Crockett	38,39 & 55	9,707.60	1/1/80- 12/31/89	.75	7,280.70	3,640.35
25	James A. McMullan (Renewal of 1052)	Crockett	33	2,402.60	1/1/80- 12/31/89	.93	2,234.42	1,117.21

\* Actual semi-annual rental paid for the period of 1/1/80-6/30/80 in accordance with Flexible Grazing Lease Policies based upon the current price per animal unit and the stocking rate applicable to each lease for the above leases was \$84,779.61 (total for leases one through nine).

It is recommended that lease numbers one through nine be cancelled in order that all leases from twelve through twenty will be on the new Flexible Lease forms.

No.	Lessee	Location		Acreage	Period	Minimum Rental Per Acre	Minimum Annual Rental	Semi- Annual Rental
		County	Block					
26	Susan Falvey Brooks, Clifton B. Brooks, Larry C. Brooks, Joe David Brooks, & William White Brooks (Renewal of 1053)	Crockett	46,51	23,119.50	1/1/80- 12/31/89	\$ .78	\$18,033.21	\$ 9,016.61
27	Bluford A. Thornton (Renewal of 1054)	Ward	16	18,620.70	1/1/80- 12/31/89	.24	4,468.97	2,234.49
28	Blevins McKenzie (Renewal of 1055 and 1161)	Pecos	21,22,23, 24, & 25	18,409.09	1/1/80- 12/31/89	.43	7,915.91	3,957.96
29	Dorothy H. & Joe S. Pierce, III (Renewal of 1056)	Crockett	32,33	2,740.00	1/1/80- 12/31/89	.93	2,548.20	1,274.10
30	Jack Wilkins (Renewal of 1057)	Crockett	33	2,783.70	1/1/80- 12/31/89	.93	2,588.84	1,294.42
31	Gene & Betty Perry (Renewal of 1058)	Crockett	33	2,941.30	1/1/80- 12/31/89	.93	2,735.41	1,367.71
32	John Lee Henderson, Jr. & Helen Henderson West (Renewal of 1059)	Crockett	33	2,455.80	1/1/80- 12/31/89	.93	2,283.89	1,141.95
33	Mike Clayton & Vivian Clayton (Renewal of 1061)	Crockett	31,32	8,960.88	1/1/80- 12/31/89	.93	8,333.62	4,166.81
34	L. B. & Bruce T. McKenzie (Renewal of 1062)	Pecos	19	10,471.27	1/1/80- 12/31/89	.43	4,502.65	2,251.33
35	J. W. Henderson, III (Renewal of 1063)	Crockett	31,32	4,265.34	1/1/80- 12/31/89	.93	3,966.77	1,983.39
36	John Milton Puckett (Renewal of 1095) *	Pecos	27 and 165 James Campbell Sur.	4,560.60	1/1/80- 12/31/89	.36	1,641.82	820.91

\* Recommendation of cancellation prior to expiration of Lease #1095 (12/31/80) was requested by Dow Puckett to be renewed into Flexible Grazing Lease #36.

## II. TRUST AND SPECIAL FUNDS

### A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Austin: Recommendation to Establish Professorship of Marketing Administration in the Graduate School of Business. --

#### Recommendation

Chancellor Walker reports that The Business School Foundation (an external foundation) has expressed the desire that the Sam Barshop Professorship of Marketing Administration be established in the Graduate School of Business at The University of Texas at Austin. President Flawn and Chancellor Walker recommend that this professorship to be funded by The Business School Foundation be established in accordance with the Regents' Rules and Regulations. The funds for the professorship will be held in The Business School Foundation and administered per the agreement with the Foundation.

#### Background Information

Mr. Sam Barshop, Chairman and President of La Quinta Motor Inns, Inc., has pledged to provide \$50,000 in 1980 and \$50,000 in 1981 to The Business School Foundation to establish the Sam Barshop Professorship of Marketing Administration in the College of Business Administration. Mr. James L. Bayless, President of the Board of Trustees of The Business School Foundation, has accepted the professorship under the terms and conditions of the Sam Barshop Professorship agreement.

Mr. Barshop, a 1951 graduate of the College of Business Administration, serves as Chairman of The Business Administration Foundation Advisory Council.

2. U. T. Austin: Recommendation to Accept Bequest and to Establish (a) Endowment for Biochemical Nutrition in the Clayton Foundation Biochemical Institute and (b) Fund for the Advancement, by Education and Research, of Nutrition. --

#### Recommendation

President Flawn and Chancellor Walker recommend acceptance of a bequest from the Estate of Olive Lyle Brown and establishment of The Roger J. Williams Endowment for Biochemical Nutrition in the Clayton Foundation Biochemical Institute, Department of Chemistry at U. T. Austin for the study of individual nutritional needs and general biochemical nutrition research. An initial distribution of \$75,000 has been received with an additional \$15,000 anticipated upon final settlement of the estate.

Olive Lyle Brown's sister, Euphemia Brown Demmin was appointed executrix of the estate with power to select a beneficiary and in doing so set out the following guidelines for use of the bequest:

"It is Mrs. Demmin's desire that the expressions contained in that letter from Dr. Williams be followed implicitly, that all of the funds will be used by the Roger J. Williams\* Endowment for Biochemical Nutrition, to be administered by the Clayton Foundation Biochemical Institute, that the fund will be known as the "Olive Lyle Brown Fund for the Advancement, by Education and Research, of Nutrition", that at least \$50,000 of the money will be allotted to Professor William

Shive for his use in expediting the development of his technique of studying individual nutritional needs by experimenting with the lymphocytes from the individuals involved and that the balance of the money will be expended as decided by a committee composed of Dr. Williams, Professor William Shive and Professor Lester Reed, Director of the Biochemical Institute."

The committee named above recommends that \$10,000 of the bequest be used to establish an endowment fund entitled The Roger J. Williams Endowment for Biochemical Nutrition with balance of the bequest to be held in current restricted funds entitled The Olive Lyle Brown Fund for the Advancement, by Education and Research, of Nutrition. A report will be submitted to the Board upon receipt of the final distribution from the executrix.

Background Information

Olive Lyle Brown died leaving a holographic will in French as to disposition of her estate and appointed her sister, Euphemia Brown Demmin as executrix with the power to select a beneficiary. Mrs. Demmin's selection was based on the long association with her deceased sister and knew that one of her greatest charitable interests was work in connection with the advancement, by education and research, of nutrition, and that she was particularly interested in the administration of such work by the Clayton Foundation Biochemical Institute in accordance with the purposes expressed in the books on nutrition published by Roger J. Williams.

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\*Dr. Williams' letter is set out below.

November 20, 1979

Mrs. Frederic A. Demmin  
1918 El Parque  
Colorado Springs, Colorado 80907

Dear Mrs. Demmin:

A Roger J. Williams Endowment for Biochemical Nutrition, to be administered by the Clayton Foundation Biochemical Institute in accordance with the purposes expressed in the books on nutrition published by Roger J. Williams has been approved by the Development Board of The University of Texas.

Provided you agree, the funds from the Olive Brown <sup>Lyle</sup> estate will be placed in this Endowment and designated as the "Olive Brown Fund for the Advancement, by Education and Research, of Nutrition." It is understood by all parties concerned that at least \$50,000 of this Fund will be allotted to Professor William Shive for his use in expediting the development of his technique of studying individual nutritional needs by experimenting with the lymphocytes from the individuals involved. This is perhaps not couched in legal language, but I believe the meaning will be clear to your attorney.

Thank you for your great interest and wishing you the very best,  
I am

Sincerely yours,



Roger J. Williams

3. U. T. Austin - Robert T. Clark, Jr., Scholarship Fund:  
Proposal to Dissolve and to Transfer Funds to Department  
of Germanic Languages Various Donors/Variou Purposes  
Account. --

Recommendation

President Flawn and Chancellor Walker recommend that the endowed Robert T. Clark, Jr., Scholarship Fund be dissolved and accumulated funds in the amount of \$2,368.59 be transferred to the Department of Germanic Languages Various Donors/Variou Purposes current restricted account which will be invested in certificates of deposit. Interest from the fund will provide an annual Robert T. Clark Achievement Award for Graduate Study which will retain the donor's original purposes.

Background Information

This fund was established by Dr. Clark's wife with a gift of land which was accepted at the Board of Regents meeting held July 29, 1977.

The donor established this fund with the gift of land and a promise to make additional contributions or a provision in her will to complete the funding of the required \$10,000. On the death of the donor it was discovered that the University was not included as a beneficiary and there is no indication that the funding will ever be completed as the estate has been completely settled and liquidated.

NOTE: As a matter of information, the Deed of Gift provides "As a part of the consideration of this gift Grantee agrees to establish a scholarship fund at The University of Texas at Austin to be known as the 'Robert T. Clark, Jr. Scholarship Fund', to be awarded each year to one or more students majoring in Germanic languages."

4. U. T. Austin: Recommendation to Establish Chair in  
Engineering in the College of Engineering. --

RECOMMENDATION

President Flawn and Chancellor Walker recommend establishment of The Dula and Ernest Cockrell, Sr. Chair in Engineering in the College of Engineering at U. T. Austin. Funding in the amount of \$400,000 for the new chair will be taken from the Cockrell Family Professorial Chair Fund in Engineering.

BACKGROUND INFORMATION

System Administration received on January 4, 1980, the annual income distribution for 1979, in the amount of \$900,000 from the Cockrell Foundation which is to be divided equally between the Ernest Cockrell, Jr. Scholarship Fund and the Cockrell Family Professorial Chair Fund in Engineering. The Ernest and Virginia Cockrell Chair in Engineering was the first chair funded through the Cockrell Foundation and was established by the Board of Regents on February 9, 1979. After establishment of the proposed second chair, there will be a balance of \$175,771.41 in the Cockrell Family Professorial Chair Fund in Engineering. This balance will be held and applied to funding of a third chair at a later date.

This chair is being funded and established under terms of an agreement with the Cockrell Foundation as accepted by the Board of Regents on December 31, 1974.

5. U. T. Austin: Recommendation to Accept Gift and Pledge and to Establish Two Endowed Presidential Scholarships. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance from Mr. and Mrs. C. W. Cook, Austin, Texas, of 103 shares of General Foods Corporation common stock valued at \$3,500 plus approximately \$11,500 from corporate matching grants available from General Foods Corporation, Whirlpool Corporation, Shell Oil Company and AMF Incorporated and the residue of a trust with estimated value of \$35,000 for a total of \$50,000 and establishment of the Frances Crain Cook Endowed Presidential Scholarship open to students from any field of study and the C. W. Cook Endowed Presidential Scholarship to be awarded within the College of Engineering to students involved in energy production.

Background Information

In December 1979, the donor made a gift of 58 shares of General Foods Corporation common stock valued at approximately \$2,000. This gift is to be matched through educational grants by General Foods Corporation, Whirlpool Corporation, Shell Oil Company and AMF Incorporated, for a total gift of approximately \$7,500. Mr. and Mrs. Cook duplicated this transaction early in 1980, with an additional 45 shares of General Foods Corporation common stock providing an additional \$7,500 and will transfer the assets from the \$35,000 trust by January 27, 1980, to complete their pledge of \$50,000.

Mr. C. W. Cook, a graduate of the College of Engineering at U. T. Austin, has received the Ex-Students' Distinguished Alumnus Award and the College of Engineering's Distinguished Graduate Award. Mrs. Cook graduated from the University with a degree in secondary education.

6. U. T. Austin: Recommendation to Accept Gift and to Establish Engineering Library Endowment in the College of Engineering. --

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of a gift of \$100,000 from Dresser Industries, Inc., and the establishment of the Dresser Engineering Library Endowment fund in the College of Engineering at U. T. Austin. Earnings from the endowment will be used to purchase books and other literature by the U. T. Library as recommended by the Engineering Librarian and a College of Engineering Library Committee. These purchases must be approved by the Dean of the College of Engineering. The funds may be redesignated to a named professorship should the Engineering Library cease to exist or not receive funding commensurate with other libraries in operation at U. T. Austin. Materials purchased with endowment income will be identified with the words "John J. McKetta Collection - Donated by Dresser Industries, Inc."

An appropriate recognition of this gift will be provided by U. T. Austin.

Background Information

The donor has made this generous gift in support of the College of Engineering and the Engineering faculty and staff whom they hold in high esteem.



7. U. T. Austin: Recommendation to Establish Energy and Mineral Resources Fund in the Department of Geological Sciences. --

Recommendation

President Flawn and Chancellor Walker recommend establishment of the Energy and Mineral Resources Fund in the Department of Geological Sciences at U. T. Austin. Funding will be provided through requested transfers of \$10,000 from funds now in the income account of the Alexander Deussen Professorship of Energy Resources and \$1,956.51 from the income account plus future earnings until further notice from the Leonidas T. Barrow Professorship in Mineral Resources. The Alexander Deussen Professorship of Energy Resources will be vacant for the academic year 1979-80, following the retirement of Dr. Samuel P. Ellison, Jr. Income accruing to the Deussen Professorship during the academic year 1979-80 will be sufficient to provide for the encumbrance for the new appointee to the Deussen Professorship on September 1, 1980. Dr. Peter Flawn, current recipient of the Barrow Professorship, has said that while serving as President, he will decline to accept the salary increment provided by the Barrow Professorship. The earnings from the Energy and Mineral Resources Fund are specifically designed to provide professional support for the program in energy and mineral resources in the Department of Geological Sciences and will be available for use by the recipients of the Deussen and Barrow Professorships.

Background Information

The Alexander Deussen Professorship of Energy Resources was established by the Board of Regents on July 21, 1972, with funding from various donors as docketed by U. T. Austin. The Professorship is vacant for the 1979-80 academic year. Dr. Amos Salvador was appointed by the Board of Regents on December 7, 1979, to hold this Professorship effective September 1, 1980.

The Leonidas T. Barrow Professorship in Mineral Resources was established by the Board of Regents on August 4, 1978, with \$50,000 funded from various donors and \$50,000 pledged by Mrs. L. T. Barrow and her son, Tom. Dr. Peter T. Flawn is the current Barrow Professor.

8. U. T. Austin - Recommendation to Establish Endowment Funds in College of Business Administration: (a) Graduate School Student-Faculty Excellence Fund and (b) Institute for Constructive Capitalism Fund. --

Recommendation

President Flawn and Chancellor Walker recommend the establishment of endowment funds in the College of Business Administration: (a) Graduate School Student-Faculty Excellence Fund to be funded at a level of \$413,100.27 and the Institute for Constructive Capitalism Fund to be funded at a level of \$422,250.97. These monies totaling \$835,351.24 were received from various donors and reported in the U. T. Austin docket during the past several years.

Background Information

The Dean of the College of Business Administration, Faculty/Staff and College of Business Administration Foundation Members have carried out an intensive fund raising campaign over the past several years which resulted in accumulated monies of \$835,351.24

plus pledges. Verbal assurance was given to each of the donors that their gifts to these programs would be treated as endowments and only income generated from the investment would be expended in support of the various projects and activities within the College of Business Administration.

Accumulated monies to date have been reported in the U. T. Austin docket. Receipts of outstanding pledges will also be docketed.

9. U. T. Austin: Recommendation to Accept Gift and Pledge and to Establish Professorship of Pharmacy; Proposed Naming of a Laboratory in New Pharmacy Building. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of a \$59,000 cash gift and a pledge of \$41,000 to be paid by 1981, from Hoechst-Roussel Pharmaceuticals, Inc., and establishment of the Hoechst-Roussel Professorship of Pharmacy and naming of a laboratory in the New Pharmacy Building the Hoechst-Roussel Pharmaceutical Laboratory. Unrestricted contributions and research grants received over and above the donation required for establishing the Hoechst-Roussel Professorship, make this special designation an appropriate tribute.

Background Information

Hoechst-Roussel Pharmaceuticals, Inc., is an old established German based firm with U. S. operations through its American subsidiary. The firm has been very active in research and development of new drugs and related items.

Dean Doluisio has served as a consultant for the Hoechst-Roussel medical department since 1970. This relationship not only has allowed Dean Doluisio to remain active in research, but has resulted in generous research grants and unrestricted fund gifts to the College of Pharmacy by Hoechst-Roussel. The unrestricted funds have aided in the development of student and faculty activities and the research funds have been an important factor in development of the research program.

10. U. T. Austin: Recommendation to Accept Gift and to Establish Professorship in the Foundations of Economics in the Department of Economics. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of 3,000 shares of Gulf Energy and Development Corporation common stock valued at \$106,875 from Mr. and Mrs. Radcliffe (Sue) Killam and establishment of the Sue Killam Professorship in the Foundations of Economics in the Department of Economics. The holder of the professorship is to be an economist who is concerned with the foundations of knowledge and has shown a devotion to the higher values of Western political and economic freedom. Appointments will be subject to annual review.

Background Information

The donors are both Arts and Sciences graduates of U. T. Austin and presently reside in Laredo, Texas. Mrs. Killam has served the Arts and Sciences Foundation Advisory Council since 1964.

11. U. T. Austin: Recommendation to Accept Gift and to Establish Fund in Sedimentary Geology in the Department of Geological Sciences. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of 400 shares of Mesa Petroleum Company common stock valued at \$22,800 from Mr. Jack K. Larsen and establishment of The Mesa Petroleum Company Fund in Sedimentary Geology in the Department of Geological Sciences at U. T. Austin. In addition, Mesa Petroleum Company has indicated they plan to make a \$5,000 contribution to the fund in the near future. Income from the endowment fund will be used to provide excellence in the sedimentary geology program at all levels in the Department of Geological Sciences at U. T. Austin.

Background Information

The donor, who is a member of the Geology Foundation Advisory Council, graduated with a degree in Geology from U. T. Austin in 1940. Mr. Larsen is Vice President for Exploration of Mesa Petroleum Company.

12. U. T. Austin: Recommendation to Accept Gift and to Establish Endowed Presidential Scholarship in Business Journalism in College of Communication. --

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of a gift from Mr. Frank Morrow of 520 shares of Freeport Minerals Company common stock valued at approximately \$25,000 and establishment of the Frank Morrow Endowed Presidential Scholarship in Business Journalism in the College of Communication. The purpose of the Scholarship is "the development in Bachelor of Journalism degree candidates of an understanding of the economics and principles of general business and the value of a healthy business structure to the United States and her people." The Scholarship Committee of the Department of Journalism will have responsibility for administering the program.

Background Information

The donor, who owns the Western Vending Company of El Paso, Texas, received a Bachelor of Journalism degree with high honors from U. T. Austin in 1936.

13. U. T. Austin: Recommendation to Establish Professorship of Finance and Management in the Graduate School of Business. --

Recommendation

Chancellor Walker reports that The Business School Foundation (an external foundation) has expressed the desire that The Foster Parker Professorship of Finance and Management be established in the Graduate School of Business at The University of Texas at Austin. President Flawn and Chancellor Walker recommend that this professorship to be funded by The Business School Foundation be established in accordance with the Regents' Rules and Regulations. The funds for the professorship will be held in The Business School Foundation and administered per the agreement with the Foundation.

### Background Information

The professorship will honor the late Foster Parker, a prominent business executive, an honored citizen of Texas, and a distinguished alumnus of the College of Business Administration.

The Business School Foundation has received \$18,400 in cash and a pledge of \$25,000 from the Scurlock Foundation of which \$8,334 has been received and a pledge of \$100,000 from Mr. Parker's son, Robert F. Parker, to be paid over a three-year period, starting the year that the Professorship is established.

14. U. T. Austin: Recommendation (a) to Dissolve the Raoul Daniel Rene "Daddy" Cline Memorial Endowment Fund, the W. F. Gidley Appreciation Endowment Fund and the Pharmaceutical Foundation Various Donors Fund and (b) to Establish the Endowed Pharmaceutical Foundation Building Fund. --

### Recommendation

President Flawn and Chancellor Walker recommend the dissolution of the Raoul Daniel Rene "Daddy" Cline Memorial Endowment Fund, the W. F. Gidley Appreciation Endowment Fund and the Pharmaceutical Foundation Various Donors Fund and the establishment of the Pharmaceutical Foundation Building Fund to be funded by the combined balances of \$15,008.29 from the three endowment funds being dissolved. Income from the new endowment fund will be used to support teaching positions. There will be appropriate recognition in the new Pharmacy Building for Dr. Cline and Mr. Gidley to assure the perpetual nature of the original endowments.

### Background Information

The three endowment funds being recommended for dissolution were established by the Pharmaceutical Foundation which has recommended this action as the members of the Foundation have declared that they have no intention of contributing further to the funds in their current status. The combining of the monies from the dissolved funds will meet the \$10,000 minimum requirement for an endowment and the Foundation will support the new endowment fund with additional funding.

15. U. T. Austin: Recommendation to Accept Gift and to Establish Fellowship Fund in Lyndon B. Johnson School of Public Affairs. --

### Recommendation

President Flawn and Chancellor Walker recommend acceptance of a \$10,000 cash gift from Dr. Emmette S. Redford and establishment of the Emmette S. Redford Fellowship Fund in the Lyndon B. Johnson School of Public Affairs at U. T. Austin. Income from the fund is to be used for fellowships to students of outstanding merit who also have need for financial assistance for study in the Lyndon B. Johnson School of Public Affairs. After 25 years the income may be used either temporarily or permanently for other purposes if it is determined by the appropriate authorities responsible for the School's programs that such use will contribute more effectively than fellowship grants to advancement of the study of public affairs in the Lyndon B. Johnson School of Public Affairs. The income may be used for fellowships for study of public affairs in any other school, college or division of The University of Texas at Austin if the Lyndon B. Johnson School of Public Affairs ceases to exist.

### Background Information

The donor received a BA degree in 1927 and an MA degree in 1928 from U. T. Austin. Dr. Redford received a Ph.D. from Harvard in 1933 and that year returned to U. T. Austin where he currently holds the title of Ashbel Smith Professor. The annual Redford Prize for Public Policy Research in the Department of Government and The Emmette S. Redford Award for Outstanding Research in the LBJ School of Public Affairs were established in his honor.

16. U. T. Austin: Recommendation to Accept Gift and Pledge and to Establish Professorship in the College of Engineering. --

#### Recommendation

President Flawn and Chancellor Walker recommend acceptance of a \$25,000 gift from the Texas Atomic Energy Research Foundation and a \$75,000 pledge to be paid \$25,000 annually over the next three years and establishment of the Texas Atomic Energy Research Foundation Professorship in the College of Engineering. Income from the endowment will be used to support activities related to the fusion research program at U. T. Austin. The Engineering Foundation has agreed to underwrite the stipend for the professorship until the endowment earns sufficient income to totally support the stipend.

#### Background Information

The Texas Atomic Energy Research Foundation is a private foundation in the State of Texas supported by the various electric power companies of Texas. The primary purpose of the foundation is a collective effort for the benefit of all in the area of atomic research.

The University of Texas is currently receiving approximately \$400,000 annually for the TAERF Tokamak research program in the area of physics and engineering.

17. U. T. Austin: Recommendation to Establish Fund in School of Nursing. --

#### Recommendation

President Flawn and Chancellor Walker recommend establishment of the Myrtle and Earl Walker Fund in the School of Nursing at U. T. Austin to be funded by gifts from various donors in excess of \$16,000 presently held in a current restricted account. Income from the fund is to be used for unrestricted purposes in the School of Nursing.

#### Background Information

Recently friends of Mr. Earl Walker, Vice Chairman of the School of Nursing Advisory Council and President of Carr Lane Manufacturing Company have honored him and his wife by providing funding for the "Myrtle and Earl Walker Fund" in the School of Nursing at U. T. Austin. The fund may eventually grow to a professorship, but until the required \$100,000 is reached, the Walkers have requested that the income from the fund be used for unrestricted purposes in the School of Nursing.

Gifts for this fund have been reported in the docket of U. T. Austin.

18. U. T. Austin - Lloyd M. Bentsen, Jr., Professorship in Public Affairs: Recommendation to Accept Additional Gifts and to Change Professorship to the Lloyd M. Bentsen, Jr. Chair in Government/Business Relations in the Lyndon B. Johnson School of Public Affairs. --

Recommendation

President Flawn and Chancellor Walker recommend the acceptance of additional gifts and request that the Lloyd M. Bentsen, Jr. Professorship in Public Affairs be changed to the Lloyd M. Bentsen, Jr. Chair in Government/Business Relations in the Lyndon B. Johnson School of Public Affairs at U. T. Austin.

Recent fund raising efforts have resulted in a \$150,000 gift from the Moody Foundation and a contribution from the Lyndon B. Johnson Foundation of \$110,000. The addition of these two gifts and \$55,000 in pledges for the Chair to the fund for the endowment of the professorship will total in excess of the \$500,000 required to fund a chair.

Background Information

The establishment of the Lloyd M. Bentsen, Jr. Professorship in Public Affairs in the Lyndon B. Johnson School of Public Affairs was approved by the Board of Regents at their meeting of June 1, 1973. Since that date, Dean Rostow and others working with Senator Bentsen initiated a campaign to raise the additional funds required to establish a chair and this request is the culmination of everyone's efforts.

19. U. T. El Paso: Recommendation to Accept Gift and to Establish Endowed Geology Library Memorial Fund.--

Recommendation

President Templeton and Chancellor Walker recommend acceptance of a gift of \$5,000 from Mr. Bowman A. Livingston, Jr., which combined with previous gifts of \$5,221.50 from various donors brings the total funds available to \$10,221.50 and the establishment of the Dr. Howard E. Quinn Geology Library Memorial Fund. Income from this fund will be used for acquisition of books and materials on Geological subjects for the campus library.

Background Information

The donor is a 1962 graduate of U. T. El Paso and former student of Dr. Quinn. Dr. Quinn, for forty years, was associated with the College of Mines, Texas Western College, and U. T. El Paso as Geology Professor and Chairman of the Geology Department. He died at the age of 80 in 1976 and the fund was established by former students and friends with the agreement to establish a separate endowment account when the fund exceeded the \$10,000 minimum endowment requirement. Dr. Quinn's wife, Mary, survives and is also a former faculty member of U. T. El Paso.

20. U. T. Permian Basin: Recommendation to Accept Gift and to Establish Professorship of History.--

Recommendation

President Cardozier and Chancellor Walker recommend acceptance of a gift of \$100,000 from Mr. J. Conrad Dunagan of ~~Midland~~ *Monahan* Texas, for establishment of the first endowed professorship at U. T. Permian Basin entitled the J. Conrad Dunagan Professorship of History.

Income from the separately invested endowment fund will be used to support research and writing on regional and business history in the Permian area. It is specifically requested that copies of historical data accumulated, regardless of media type be deposited in the Permian Archives which are maintained by the U. T. Permian Basin and the Permian Historical Society.

Any funds not paid out during any year for the purposes of the endowment or earmarked for future use shall be added back to the endowment fund.

Background Information

Mr. Dunagan attended U. T. Austin and has been a very strong supporter of U. T. Permian Basin from its beginning. He has made a number of gifts to the University including a gift accepted by the Board of Regents March 30, 1979, for the establishment of a scholarship endowment fund in the amount of \$100,000.

21. Dallas Health Science Center (Dallas Southwestern Medical School): Recommendation to Accept Trust Agreement and to Establish Fund through Southwestern Medical Foundation. --

Recommendation

President Sprague and Chancellor Walker recommend the acceptance of The David Bruton, Jr., Fund Trust Agreement submitted to the Southwestern Medical Foundation and the establishment of The David Bruton, Jr., Fund at the Dallas Health Science Center to be funded by the Southwestern Medical Foundation.

[Southwestern Medical Foundation reports that the David Bruton, Jr., Fund will be supported by income from a 0.901 acre tract of land in Dallas County, Texas, valued at \$235,000 which has been given to the Southwestern Medical Foundation of Dallas, Texas, for the benefit of The University of Texas Southwestern Medical School at Dallas by Mr. David Bruton, Jr. The land is under a fifteen (15) year ground lease to Wendy's International commencing in 1979, at an annual rate of \$20,018 for the first five (5) years, \$23,021 for the second five (5) years and \$26,024 for the third five (5) years.]

The income will be used for teaching, research and related expenses of the Department of Ophthalmology until such time as the income from the fund is sufficient to establish a chair as outlined in the agreement.

Background Information

Southwestern Medical Foundation reports that:

- a. Mr. David Bruton, Jr., deceased, a resident of Lewisville, Texas, made the donation of land prior to his death on December 30, 1979. He was a very successful entrepreneur and realtor in the Dallas area for over half a century.
- b. The donor made an initial contribution of this land valued at \$235,000 with a pledge of additional funds in the amount of \$265,000 to be paid by December 31, 1983. The trust agreement provides that upon completion of the funding or if the income is sufficient, a chair named The David Bruton, Jr., Chair of Ophthalmology will be established and supported by income from the fund.
- c. The donor advised Foundation personnel that a provision would be made in his Will to complete the funding should his death occur before he completed his pledge. Should this provision materialize, a subsequent recommendation for establishment of a chair will be submitted for consideration by the Board of Regents.



22. Galveston Medical Branch: Recommendation to Accept Bequest and to Establish: (a) Endowment Fund for Research in Cardiology and (b) Endowment Fund for Research in the Prevention and Treatment of Cancer. --

RECOMMENDATION

President Levin and Chancellor Walker recommend acceptance of a bequest of \$200,000 from the Estate of Mrs. Guion Pool Keating, deceased, of Big Spring, Texas, and establishment of two \$100,000 endowments titled The Guion Pool Keating Endowment Fund for Research in Cardiology and The Guion Pool Keating Endowment Fund for Research in the Prevention and Treatment of Cancer at the Galveston Medical Branch. Income from each endowment is to be used to provide research for controlling and eliminating heart disease and prevention and treatment of cancer.

BACKGROUND INFORMATION

The deceased was an elementary school teacher in Big Spring, Texas, for many years. She had a keen interest in disease control and was very much interested in the support of the medical profession. The Galveston Medical Branch has been so honored by Mrs. Keating in recognition of the excellent medical education she felt was afforded one of the young men she had as a pupil.

Under provisions of the Last Will and Testament of Guion Pool Keating, deceased, the bulk of her estate passes to those charitable, non-profit organizations which may be selected by the Executrix, Reba Baker, and which will qualify under provisions of the Internal Revenue Code.

23. Galveston Medical Branch: Recommendation to Accept Gift and to Establish Lectureship in General Surgery (Exception to Regents' Rules and Regulations). --

Recommendation

President Levin and Chancellor Walker recommend the acceptance of a gift of \$10,000 from Mr. Peter M. Moore of Galveston, Texas, and Dr. Stephen W. Moore of Wallington, Pennsylvania, for the Endowment of a Lectureship in General Surgery at the Galveston Medical Branch entitled "Ruth E. and Robert M. Moore Lectureship in General Surgery." In recognition of this gift, it is further requested that an exception be made to the Regents' Rules and Regulations, Part Two, Chapter I, Section 4.44 and that this lectureship be funded with \$10,000.

The lectureship was initiated in March, 1974, with a \$200.00 donation when minimum requirement was \$10,000, plus an additional \$2,000 to print and distribute a brochure describing the lectureship. The investment income will be used for support of an annual lecturer in the designated specialty at the Galveston Medical Branch.

Background Information

The donors are the sons of Dr. Robert Milo and Mrs. Ruth E. Moore, deceased. Dr. Moore was emeritus professor of surgery at the Galveston Medical Branch at the time of his death in 1977. Mrs. Moore was prominent in nursing and civic organization in Galveston until her death in 1974.

24. Galveston Medical Branch: Recommendation to Accept Pledge to Provide Complete Revision of the Mechanical System in the Old John Sealy Hospital and the Old Children's Hospital. --

Recommendation

President Levin and Chancellor Walker recommend acceptance of a pledge from The Sealy & Smith Foundation in the amount of \$6.3 million to be paid at the rate of \$1.5 million for each of the years 1980 through 1983, and \$300,000 for 1984. The funds will be used to provide complete revision of the mechanical system in the old John Sealy Hospital and the old Children's Hospital.

Background Information

Authorization for this remodeling project was granted by the Board of Regents at their December 10, 1976, meeting subject to availability of funds. This grant is in excess of the original project estimate of \$3.3 million which has been adjusted to reflect current market costs estimated to be \$6.3 million.

25. Galveston Medical Branch (Galveston Medical School) and San Antonio Health Science Center (San Antonio Medical School): Recommendation for Sharing of Income from Hambrock-McGanity Awards in Obstetrics and Gynecology Endowment Fund. --

Recommendation

Presidents Levin and Harrison and Chancellor Walker joined by the donors, Dr. William J. and Mrs. Mary K. McGanity, recommend that the income from the Hambrock-McGanity Awards in Obstetrics and Gynecology endowment fund be distributed equally between Galveston Medical Branch and San Antonio Health Science Center. Dr. and Mrs. McGanity have made additional contributions to each of the components which will be combined with the current endowment fund balance of \$11,000 for a new balance of \$27,600. The donors have requested the income be used to support scholarship awards to medical students achieving excellence in the field of obstetrics and gynecology at each of the components. The additional contributions were reported in the respective component docket.

Background Information

The initial endowment fund was accepted by the Board of Regents at their meeting of December 1, 1978, for utilization at the Galveston Medical Branch with the understanding that at a future date a separate account or combination of the initial account would be made to benefit San Antonio Health Science Center as well as Galveston Medical Branch.

William J. McGanity, M. D., is professor and Chairman of the Department of Obstetrics and Gynecology at the Galveston Medical Branch.

26. San Antonio Health Science Center - John and Sally Linman Scholarship Fund in Memory of Draga Diana Kurzner and Dr. John O. Firth: Recommendation to Correct Name of Scholarship Fund. --

Recommendation

President Harrison and Chancellor Walker recommend correction of the name of a scholarship fund from the John and Sally Linman Scholarship Fund to the Mrs. Draga Diana Kurzner and Dr. John O. Firth Memorial Scholarship Fund at San Antonio Health Science Center.

Background Information

The Board of Regents on March 30, 1979, accepted a gift of \$4,000 and pledge of \$10,000 from Drs. John and Sally Linman and established a named scholarship fund. The fund was being established in memory of her mother, Draga Diana Kurzner, and his grandfather, Dr. John O. Firth. Therefore a name correction is being requested to comply with the donors' original intent.

B. REAL ESTATE MATTERS

1. U. T. System - Hogg Foundation - Thomas E. Hogg Fund and Will C. Hogg Fund: Proposed Joinder in Oil and Gas Lease on 198.5 Acres in Stephen F. Austin 3-1/6 Leagues, Abstract 2, Wharton County, Texas. --

Recommendation

Executive Director Lobb and Chancellor Walker recommend that we join with others and grant an oil and gas lease to Houston Domestic Oil Co. on 198.5 acres situated in the Stephen F. Austin 3-1/6 Leagues, Abstract 2, Wharton County, Texas, at the following terms:

1. Primary term of two years
2. Cash bonus of \$50 per acre
3. Royalty rate of 22-1/2% but in no case less than \$10 per acre each year after first producing well is completed
4. \$10 per acre annual delay rental

Background Information

The interest of the Board of Regents amounts to 10.94% or 21.7 mineral acres in the Thomas E. Hogg Fund and Will C. Hogg Fund and 7.8% or 15.7 mineral acres as Trustees for the Ima Hogg Foundation.

All other interests have approved this lease.

2. Galveston Medical Branch (Galveston Medical School) - Estate of Paul R. Stalnaker, M.D.: Proposed Oil and Gas Lease Covering Undivided Interest of 3.4433 Net Mineral Acres Out of 51.65 Acres, David Wade Survey, Wharton County, Texas.--

Recommendation

Executive Director Lobb and Chancellor Walker recommend the granting of an oil and gas lease to Campbell Energy Corporation, Vidalia, Louisiana, covering the University's undivided interest of 3.4433 net mineral acres out of a tract of 51.65 acres, David Wade Survey, Wharton County, Texas. The proposed lease is for a term of five years and provides for one-fifth (1/5th) royalty, \$10 per acre annual delay rental and a bonus of \$50 per acre.

Background Information

The subject property was acquired as part of a bequest under the terms of the will of Paul R. Stalnaker, M.D., who died in 1964. The terms of the will of Dr. Stalnaker were reported to the Board of Regents May 3, 1974.

Dr. Stalnaker's niece who owns .86 acres and Trustees of the Zeta Chapter of the Phi Chi Medical Fraternity at Galveston who own 3.4433 acres are going to sign at the same royalty rate as approved by the Board of Regents. Holders of the balance of 43.9034 acres including Dr. Stalnaker's daughters and grandchildren have signed for 1/6th royalty.

The tract of 51.65 acres is surrounded on all sides by leases and the lessee has stated that 1/5th royalty is as high as they will pay.

3. University Cancer Center - Walter C. and Jane M. Hill  
Bequest: Request for Authority to Sell Two Unimproved  
Lots in San Leon, Galveston County, Texas (Lots 25 and  
26, Block 147).--

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend that the Board of Regents authorize the sale of two unimproved lots in San Leon, Galveston County, Texas, at a price not less than \$800.00. The lots are identified as Lots 25, and 26, Block 147, in San Leon, Texas.

BACKGROUND INFORMATION

This property was acquired in 1975 through a bequest from Mr. Walter C. and Mrs. Jane M. Hill and had a value of approximately \$600.00 at that time. These lots are very low with water standing on the front of the property. There is no running water or sewer lines to this area and there has been very little development of other property in the immediate area.

4. University Cancer Center (M. D. Anderson): Recommendation to Accept Gift of Three Parcels of Land in Kendall County, Texas (Portions of Lots 4B, 4C and 5A, Mountain Spring Farms Subdivision, Boerne, Texas) and Request to Sell Land and to Add Proceeds to Existing Endowment Fund.--

Recommendation

President LeMaistre and Chancellor Walker recommend the acceptance of a gift from Kenneth D. and Janet M. Muller of three parcels of land\*in the Mountain Spring Farms subdivision of Boerne, Texas, appraised at \$57,500, and that authorization to sell the property at or above the appraised value less realtor's commission be granted. The proceeds from the sale are to be added to the existing Kenneth D. and Janet M. Muller Fund for Cancer Research and Education.

Background Information

The donors have made several gifts to various University components and have established five endowments including the Kenneth D. and Janet M. Muller Fund for Cancer Research and Education which had a balance of \$73,708.40 on December 31, 1979.

The proceeds from this additional gift will increase the fund balance to an excess of \$100,000 and it has been noted that the donors wish to possibly convert this fund to a professorship. A formal request will be submitted at a later date for action by the Board of Regents relating to the professorship in accordance with the donors' wishes.

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\*Portions of Lots 4B, 4C and 5A

5. U. T. El Paso - Frank B. Cotton Estate: Proposed Sealed Bid Sale of Oil and Gas Leases on Approximately 24,000 Acres in Hudspeth County, Texas.--

Recommendation

Pursuant to authorization granted at the meeting on July 26, 1979, as amended at the meeting on October 12, 1979, sealed bids were solicited for the sale of Oil and Gas Leases on Land in Hudspeth County, Texas, and will be opened at 11:00 a. m. on February 26, 1980. The results of the bids and a recommendation will be presented at the meeting.

III. OTHER MATTERS

PUF and Trust and Special Funds: Report of Securities Transactions for Months of October, November and December 1979.--  
In accordance with present procedure, the report of securities transactions for the Permanent University Fund and Trust and Special Funds for the months of October, November and December 1979 was mailed on January 30, 1980, by Secretary Thedford to the members of the Board of Regents. If any questions regarding this material have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

IV. GIFTS, BEQUESTS AND ESTATES (Continued from Page 28 )

Dallas Health Science Center (Dallas Southwestern Medical School): Recommendation to Accept Bequest of Residuary Estate in the Form of a Testamentary Trust and to Enter into an Agreement with Republic National Bank of Dallas as Trustee of the Trust.--

Recommendation

President Sprague and Chancellor Walker recommend the acceptance of a bequest valued at \$245,000 under the will of Melba R. Williams, deceased, in the form of a Testamentary Trust and to enter into an agreement\* with Republic National Bank of Dallas, Texas, as Trustee of the Trust as prescribed by the terms of the will. The following excerpt governs the Trustee's distribution of monies from the trust:

"The Trustee shall use such portion of the income and/or principal as it determines to be appropriate and advisable to provide from time to time a medical school scholarship or scholarships for a deserving (sic) student or students at the UNIVERSITY OF TEXAS HEALTH AND (sic) SCIENCE CENTER AT DALLAS, SOUTHWESTERN MEDICAL SCHOOL. The funds so provided may cover not only tuition and books but also room and board and the like. The Trustee shall have absolute discretion in determining the amounts, times and conditions of such payments. The selection of any such deserving student or students shall be, at the request of the Trustee, made by the president of the aforesaid institution or by such person or persons as he may designate from time to time."

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\*Agreement set out on Pages L & I 33-49 .

### Background Information

Melba R. Williams, a resident of Dallas, Texas, died on March 25, 1977, leaving her residuary estate to fund a testamentary trust with the Republic National Bank of Dallas named as Trustee. The creation of the trust was to provide a source of income to be used for the care and maintenance of her husband until his death and then for the purpose previously outlined. Mr. Williams predeceased his wife, therefore, the trust exists solely for the benefit of the Southwestern Medical School at Dallas.

The Republic National Bank as executor and trustee has submitted an application to the Internal Revenue Service for a determination that the Trust is an exempt organization. Prior to issuing a favorable determination letter, the Internal Revenue Service has requested that the Trustee and the Board of Regents for the benefit of Southwestern Medical School at Dallas, enter into an agreement to accept the trust and abide by the terms of the will of Melba R. Williams.

The Internal Revenue wishes to close this file as soon as possible and indications are that it would be to the best interest of all concerned not to delay this item.

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### FOUNDATION MATTERS

#### Ima Hogg Foundation: Agenda. --

##### Recommendation

It is recommended that the members of the Board of Regents as Trustees of the Ima Hogg Foundation meet briefly at the meeting of the Board of Regents on February 29, 1980, for action on the following Agenda:

1. Approval of Minutes of the preceding meeting held on October 12, 1979. Copies were distributed earlier.
2. Assistant Secretary-Treasurer Lobb recommends granting an oil and gas lease to Houston Domestic Oil Company on 198.5 acres located in the Stephen F. Austin 3-1/6 leagues, Abstract 2, Wharton County, Texas, for a two year term; \$50 per acre bonus; 22.5% royalty; and \$10 per acre annual delay rental.

The Ima Hogg Foundation holds 5/16 of 1/4 of the minerals under this tract or about 7.8%. The Thomas E. Hogg Fund and Will C. Hogg Fund hold 7/16 of 1/4 of the minerals or about 10.9%. All other interests have approved the lease.

## AGREEMENT

This Agreement (the "Agreement") is made and executed at Dallas, Dallas County, Texas, on this \_\_\_\_\_ day of \_\_\_\_\_, 1980, by and between REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, in its capacity as Trustee of a testamentary trust created under the Last Will and Testament of Melba R. Williams, Deceased, (the "Bank") and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM for the use and benefit of The University of Texas Health Science Center at Dallas, The University of Texas Southwestern Medical School at Dallas, (the "School").

### WITNESSETH:

#### I.

The Bank is the Trustee under a trust (the "Trust") created under Section III of the Last Will and Testament of Melba R. Williams, Deceased, duly probated in the Probate Court of Dallas County, Texas on April 11, 1977, in Cause No. 77-1046-P/2 (the "Will"). The School is the primary beneficiary of the Trust. A true and correct copy of the Will is attached as Exhibit "A".

#### II.

The Bank hereby agrees to distribute to the School all or any portion of the income of the Trust at such times and in such amounts as the School shall request from time to time. The School agrees to use such income for a medical school scholarship or scholarships for a deserving student or students as provided by the terms and provisions of the Trust.



III.

This Agreement shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IV.

This Agreement may be amended or modified only by written instrument signed by each party.

IN WITNESS WHEREOF, REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, has subscribed its name hereto by \_\_\_\_\_, its duly authorized officer, and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM for The University of Texas Health Science Center at Dallas, has subscribed its name hereto by Dan C. Williams, its duly authorized officer.

REPUBLIC NATIONAL BANK OF DALLAS,  
Dallas, Texas

By \_\_\_\_\_  
\_\_\_\_\_(Title)

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM BY AND ON BEHALF OF THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS

ATTEST:

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

By \_\_\_\_\_  
\_\_\_\_\_(Title)

Approved as to form

\_\_\_\_\_

Approved as to content

\_\_\_\_\_

THE STATE OF TEXAS    Y  
                                  Y  
COUNTY OF DALLAS    Y

BEFORE ME, the undersigned authority, on this day personally appeared \_\_\_\_\_ of REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of the said REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, a banking institution, for the purposes and considerations therein expressed and in the capacity therein stated.

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

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

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

THE STATE OF TEXAS    Y  
                                  Y  
COUNTY OF TRAVIS    Y

BEFORE ME, the undersigned authority, a Notary Public in and for said County and State, on this day personally appeared \_\_\_\_\_, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same as the act and deed of the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM by and on behalf of The University of Texas Health Science Center at Dallas for the purposes and consideration therein expressed, and in the capacity therein stated.

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

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

My commission Expires:  
\_\_\_\_\_

LAST WILL AND TESTAMENT

OF

MELBA R. WILLIAMS

\*\*\*\*\*

THE STATE OF TEXAS )  
COUNTY OF DALLAS )

KNOW ALL MEN BY THESE PRESENTS:

That I, MELBA R. WILLIAMS, of Dallas County, Texas, being of sound and disposing mind and memory, do make, declare and publish this my Last Will and Testament, hereby revoking all other Wills and Codicils by me heretofore made.

SECTION I.

I direct that my just debts which are due and payable and funeral expenses be paid in full as soon as convenient. I direct that all federal and state estate and inheritance taxes imposed upon my estate (and as used above the term "my estate" shall include any assets included in my estate for federal estate tax purposes), or any beneficiary thereof, be paid in full as soon as convenient out of the residue of my estate hereinafter bequeathed by this Will. However, my Executor, hereinafter named, notwithstanding the foregoing, is specifically given the right to borrow money and to renew and extend in any form that the said Executor deems best any debt or charge existing at the time of my death which, in the judgment of said Executor, seems for the best interest

of my estate and the beneficiaries thereof. In like manner, my Executor may arrange for payment of all federal and state estate and inheritance taxes imposed on my estate or any beneficiary thereof upon such terms and conditions as it deems for the best interest of my estate, and all such taxes and any interest charges for financing of the same shall be considered and treated as costs and expenses of administering my estate.

## SECTION II.

I give, devise and bequeath all of my interest in the following items to my husband, JOE B. WILLIAMS, if he survives me, outright and without condition

All automobiles, jewelry, silverware and silverplate, clothing and similar articles of personal adornment, household goods, household furnishings, paintings, objects of art, and all other similar items of tangible personal property, or, in the event my said husband does not survive me as aforesaid, then I give and bequeath all of said items in equal shares to my living sisters in as fair a manner as possible provided, that if, in the opinion of my Executor, it would be in the best interests of my legatee or legatees to sell any of such items it may do so in its sole and absolute discretion and distribute the proceeds from the items so sold as a part of the residue of my estate. Any division, sale and/or distribution made by my Executor shall be binding and conclusive upon all of my legatees and other persons whomsoever. If any person entitled to receive any property under this Section

Page Two

shall be under any disability, in the sole and absolute discretion of the Executor, then such property may be held by the Trustee, hereinafter provided for, and either delivered to such person at any subsequent time or delivered to my other legatees provided for in this Section II or sold with the proceeds passing to the residue, all in the sole and absolute discretion of my Executor.

### SECTION III.

I give, devise and bequeath all the rest, residue and remainder of my estate (consisting of all property, real, personal or mixed, of whatsoever kind, wheresoever located, and whensoever acquired, which I may own or have a right to at the time of my death, or over which I may hold a power of appointment) to REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, its successors or successor as trustees, IN TRUST, however, as Trustee, for the uses and on the conditions as hereinafter set forth in Section IV.

### SECTION IV.

The trust provided for in Section III herein shall be governed by the following provisions:

#### A. Distribution of Income and Principal.

Until this trust is terminated as herein provided, the Trustee shall have the discretionary power to pay all or any portion of the net income (and/or principal) to, or apply for the benefit of, my husband, JOE B. WILLIAMS, to provide for his care, maintenance, comfort, welfare, support and health, in such amounts and at such times as the Trustee, in its uncontrolled discretion, deems necessary or desirable. My Trustee shall be liberal in the exercise of its discretion as aforesaid, it being my

desire and intention that my said husband shall be cared for in every way with the greatest comfort and kindness. The Trustee may use sums in any way as aforesaid, in its sole and absolute discretion, for my said husband with out any obligations whatsoever to the remainder beneficiaries of this trust.

B. Death of Husband.

In the event my aforesaid husband predeceases me, or in the event he survives me and then dies, the Trustee shall, at the death of my said husband or at my death, whichever last occurs, distribute and pay over the sum of Five Thousand Dollars (\$5,000) to each of my sisters who is then living. My sisters are ELEANOR HOPKINS and MAMIE RHEA LUCKEY. The balance of the trust assets shall be held in trust by the Trustee for the following purposes:

The Trustee shall use such portion of the income and/or principal as it determines to be appropriate and advisable to provide from time to time a medical school scholarship or scholarships for a deterving student or students at the UNIVERSITY OF TEXAS HEALTH AND SCIENCE CENTER AT DALLAS, SOUTHWESTERN MEDICAL SCHOOL. The funds so provided may cover not only tuition and books but also room and board and the like. The Trustee shall have absolute discretion in determining the amounts, times and conditions of such payments. The selection of any such deserving student or students shall be, at the request of the Trustee, made by the president of the aforesaid institution or by such person or persons as he may designate from time to time.

At any time when the Trustee deems same to be advisable because of the size of the trust corpus, or otherwise, it may terminate this educational trust and turn the funds over, free and clear of trust, to the aforesaid UNIVERSITY OF TEXAS HEALTH AND SCIENCE CENTER AT DALLAS, SOUTHWESTERN MEDICAL SCHOOL, in which event, the trust shall terminate and the Trustee shall have no further responsibilities. In the event of such delivery of funds the funds so delivered shall be used by the aforesaid institution for its general purposes in such fashion as the administrators of such institution may determine.

SECTION V.

All of the provisions of this Section V are applicable to the trust provided for in Section III herein.

A. Anticipation of Income or Principal.

No money or property (either principal or income) payable or distributable under the provisions of this trust shall be pledged, assigned, transferred, sold, or in any manner whatsoever anticipated, charged or encumbered by any of the beneficiaries hereunder or be in any manner liable in the possession of the Trustee for the debts, contracts, obligations, or engagements of such beneficiaries, voluntary or involuntary, or for any claims, legal or equitable, against any beneficiary.

B. Disability.

During the disability of any beneficiary hereunder, the payments of income and/or principal herein provided to be made to him may, in the discretion of the Trustee, be paid to the person having custody of such beneficiary, and such custodian shall not be obliged to qualify as trustee or guardian but may be required to make such account of said payment as the said Trustee may request. If the said Trustee, however, shall at any time or times be of the opinion that any said distributions about to be made, or being made, to a custodian of a beneficiary hereunder should instead continue to be held for such beneficiary, then the said Trustee may refrain from making such distributions, or discontinue such distributions, as the case may be, and may itself continue to hold the assets in trust for such beneficiary and make and/or preserve any or all future payments and distributions for the use and benefit of such beneficiary until such disability is removed.

C. Trustee Administrative Provision.

1. Trustee's Bond, Fees and Resignation.

No original or successor trustee of the trust governed by this Will shall be required to give bond or other security. Any corporate trustee shall be entitled to reasonable fees commensurate with its

duties and responsibilities, taking into account the value and nature of the trust fund and the time and work involved. Each original, substitute or successor trustee may resign as trustee at any time after sixty (60) days written notice to the then living current income beneficiary or beneficiaries; provided that such resigning trustee shall appoint a successor corporate trustee having trust powers with a capital and surplus of at least Five Million Dollars (\$5,000,000).

2. Trustee Reorganization.

Any corporation which shall succeed to all or the greater part of the assets of any corporate trustee by purchase, merger, consolidation or otherwise, shall succeed to all the rights, duties, and functions of such corporate trustee, as trustee under this trust.

3. Trustee Exoneration.

Upon the appointment of a successor trustee, the original trustee shall, upon delivery of the assets, books and records of this trust estate to the successor, be relieved of all further liabilities, responsibilities, and duties under this trust, and shall be completely exonerated from all liabilities for its acts as trustee from the beginning of the administration of the trust to the date of transfer of such assets, books and records. Any successor trustee shall be under no duty to require an accounting from any prior trustee.

SECTION VI.

Except as otherwise provided herein, the Trustee of the trust provided for in Section III herein, its substitute or successor trustees, with respect to the assets and property from time to time comprising the particular trust herein created in respect to which such Trustee is acting in such capacity or capacities, shall have and exercise the following rights, powers and privileges, and shall be subject to the following conditions, duties, provisions and limitations:



A. General Investment and Management Powers.

The Trustee for any consideration or purpose which it shall deem proper, may sell, exchange, alter, mortgage, pledge, or otherwise dispose of, the investments of any trust estate; make loans with or without interest; engage in and carry on any business or undertaking, and enter into any partnership (either as a general or limited partner) with any person, firm, or corporation and any trustee under any other trust; borrow any sum or sums believed by the Trustee to be necessary or desirable at any time and from time to time for the purpose of making any principal payment or distribution, or for any other purpose which in the opinion of the Trustee shall be proper and for the best interests of the several beneficiaries of the respective trusts; execute obligations, negotiable and nonnegotiable; join in by deposit, pledge, or otherwise, any plan of reorganization or readjustment of any corporation or other means of protecting or dealing with any investments of the trust estate, and vest in a protective committee or committees or other legal entities such power as in the opinion of the Trustee may be desirable; assume the payment of or extend and renew any indebtedness incurred by the Trustee then acting or any prior trustee; sell for cash or credit or for part cash or part credit all or any part of the property of the particular trust; sue and be sued; settle, compromise, or abandon all claims or demands in favor of or against any trust estate; waive or release rights of any kind; appoint, remove, and act through agents, managers and employees and confer upon them such power and authority as the Trustee deems necessary or desirable; vote shares of stock in person or by proxy, with or without power of substitution, and exercise and perform any and all rights, privileges and powers inuring to the holder of any stock or securities comprising at any time a part of any trust estate; pay all reasonable expenses; execute and deliver any deeds, conveyance leases, assignments, contracts, or written instruments of any character appropriate to any of the powers or duties of the Trustee.

B. Additional General Investment and Management Powers.

Any property from time to time constituting any part of the corpus of any trust estate shall be deemed a proper trust investment, and the Trustee shall be under no obligation to dispose of or convey any such property. It may invest and reinvest all funds available for

investment or reinvestment from time to time, or at such times as it may deem advisable, in such investments as it shall in its discretion deem proper and for the best interest of the particular trust estate. The Trustee, except as herein otherwise specifically provided, shall have as wide latitude in the selection, retention, and making of investments as an individual would have in investing or retaining his own funds, and in the selection of corporations in which or from which stock may be acquired the Trustee shall have as wide latitude as an individual would have in selecting the corporations in which or from which he would acquire stock, and this right to acquire stock in any corporation whatsoever shall include, but not be limited to, any corporation in which any trustee is a stockholder and/or director. In like manner, except as otherwise specifically provided herein, the Trustee may buy property of any character from or sell property of any character to any person or corporation whatsoever, and the Trustee shall not be limited to or be bound or governed by Articles Thirteen, Fourteen or Forty-Six of the Texas Trust Act, nor by any other laws, statutes or regulations of the State of Texas nor by any other state or country, respecting investments by trustees except to the extent that any such laws, statutes or regulations cannot be waived by Settlor.

C. Real Estate Powers.

The Trustee is authorized to improve any real estate comprising a part of the trust estates; to demolish any buildings, in whole or in part, and to erect buildings; to lease real estate or personal property on such terms and conditions and for such length of time (including ninety-nine (99) years or more) as the Trustee shall think fit, even though such lease may extend beyond the term of the trusts; to foreclose, extend, renew, assign, release or partially release, and discharge mortgages or other liens. The Trustee may also operate any business, and do all things, make all purchases and sales, and take all the actions as are usual and customary in connection therewith.

D. Register Property in Name of Nominee.

The Trustee may hold any and all stocks, bonds, notes, mortgages or other property, real or personal, in bearer form, in the name of any trustee, in the name of any other person, partnership, or corporation or in the name of a nominee, with or without disclosing of the fiduciary relationship, and the Trustee's liability shall not be increased or decreased thereby.

E. Establish and Maintain Reserves.

The Trustee may, out of rents, profits or other income received, set up reasonable and fair reserves for taxes, assessments, insurance premiums, repairs, improvements, depreciation, depletion, obsolescence, and general maintenance of buildings or other property.

F. Liability of Disinterested Party.

No person, firm, or corporation, dealing with the Trustee with reference to any of the trust property, if acting in good faith, shall be required to ascertain the authority of the Trustee nor to see to the performance of the trusts, nor be responsible in any way for the proper application of funds or property paid or delivered to the Trustee for the account of the trusts; but, if acting in good faith, may deal with the Trustee as though it was the unconditional owner.

G. Power to Determine Income and Corpus.

Stock dividends and capital gains shall be treated as principal. Except as herein provided, the Trustee shall have full power to determine in all questionable cases, the manner in which expenses are to be borne, and in which receipts are to be credited as between corpus and income, and also to determine what shall constitute corpus. In determining such matters, the Trustee may give consideration to the provisions of Articles Twenty-Six to Thirty-Six, inclusive, of the Texas Trust Act, but shall not be bound by such provisions.

H. Powers as to Particular Assets.

If at any time any trust estate existing hereunder shall consist in whole or in part of assets located in a jurisdiction in which the Trustee then acting hereunder is not authorized to or is unwilling to act, then the said Trustee then acting hereunder may appoint a trustee for the jurisdiction in which the said Trustee is not authorized or is unwilling to act, and may confer upon such other trustee power to act with reference to such assets to such extent and in such manner as set forth in the instrument of appointment, and such other trustee shall remit all net income or proceeds of sales of such assets to the Trustee then acting hereunder.

I. Texas Trust Act.

The Trustee shall have and exercise and shall be subject to and governed by the rights, powers, duties, provisions, conditions, limitations, liabilities, and responsibilities set forth in the Texas Trust Act, except where and to the extent that the same may be inconsistent with and in conflict with any of the provisions of this Will, in which latter event, the provisions of this Will shall govern.

J. Action of Trustee Binding.

In each case where discretionary power is vested in the Trustee, its express or implied decision or action in the exercise thereof shall be final and conclusive and be binding upon all beneficiaries hereunder and upon all persons whomsoever.

K. Fiduciaries May Deal With Each Other.

The Trustee, the representative of my estate, or of the estate of my husband, JOE B. WILLIAMS, and the trustees under any other trust created by me, or my said husband, either by agreement or by will, may deal with each other as freely as with strangers notwithstanding that one or more of such fiduciaries may be the same person (or corporation). They may acquire by purchase, exchange, or otherwise, property, real or personal, tangible or intangible, from each other under and make loans to each other in accordance with the same powers as are given herein to the Trustee in the making and retention of investments.

SECTION VII.

My husband, JOE B. WILLIAMS, should probably have a guardian of the person and guardian of the estate appointed for him after my death. I suggest that REPUBLIC NATIONAL BANK OF DALLAS be appointed as guardian of his estate and that my sister, ELEANOR HOPKINS, of Austin, Texas, be appointed as guardian of his person.

SECTION VIII.

I constitute and appoint REPUBLIC NATIONAL BANK OF DALLAS, Dallas, Texas, as my sole Independent Executor, without bond, of this my Last Will and Testament.

Whether or not my estate is indebted to any person, I give unto my Executor, from the date of the granting of Letters Testamentary, until my estate has been entirely distributed, the same rights, powers, authority, privileges and discretion with reference to the control, management and disposition of my estate that are given to a trustee under the Texas Trust Act, in addition to all other powers given to independent executors by law and by this Will.

I authorize my Executor to distribute my estate whenever after my death it thinks it advisable to do so, and my Executor is authorized to make such distributions in cash, or in kind, or partly in cash and partly in kind, and it is further authorized to distribute my estate subject to any and all indebtedness incurred by me or by my Executor, which, in the opinion of my Executor, need not first be paid, and subject to any or all mortgages, deeds of trust, or other liens created by me or by my Executor. In making distribution, my Executor may make a partial distribution or distributions to any devisee or legatee hereof from time to time as it may think advisable.

I direct that no action be had in the Probate Court respecting my estate other than to probate this Will and to make, return and record an inventory

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and appraisement of my estate and a list of claims. I also direct that the executorship of my estate be terminated as soon as practicable.

Any corporate executor shall receive a reasonable fee for its service as executor, but not less than its customary minimum fee.

Any successor-executor is authorized and directed to accept from any prior executor the assets delivered by such prior executor on the basis of the accounting therefor as submitted by such prior executor without requiring an audit or other independent accounting of the acts of such prior executor, and any successor executor shall have no duty, responsibility, obligation or liability whatsoever for the acts or omissions of any prior executor.

This I make and publish as my Last Will and Testament, hereunto subscribing my name in the presence of Gene Emery and Harold J. Rely, who have, at my request and in my presence and in the presence of each other, also subscribed their names hereto as attesting witnesses, all on this 17<sup>th</sup> day of August, 1974.

Melba R. Williams  
MELBA R. WILLIAMS, Testatrix

We, the undersigned persons, of lawful age, have on this day, at the request of MELBA R. WILLIAMS, witnessed her signature to this instrument which she declared to be her Last Will and Testament in the presence of each of us, and we have, at the same time in her presence and in the presence of each other, subscribed our names hereto as attesting witnesses, and we and each of us declare that we believe MELBA R. WILLIAMS to be of sound mind and memory.

4654 Fairfax

Dallas, Texas  
Address

Gene Emery  
WITNESS

4200 Republic Bank Tower

Dallas, Texas  
Address

Daniel J. Kelly  
WITNESS

THE STATE OF TEXAS )

COUNTY OF DALLAS )

BEFORE ME, the undersigned authority, on this day personally appeared MELBA R. WILLIAMS, Rene Emery and Daniel G. Riley known to me to be the Testatrix and the witnesses, respectively, whose names are subscribed to the foregoing instrument in their respective capacities, and all of said persons being by me duly sworn, the said MELBA R. WILLIAMS, Testatrix, declared to me and to the witnesses, in my presence, that said instrument is her Last Will and Testament, and that she had willingly made and executed it as her free act and deed for the purposes therein expressed; and the said witnesses, each on his oath, stated to me, in the presence and hearing of the said Testatrix, that the Testatrix had declared to them that said instrument is her Last Will and Testament, and that she executed the same as such and wanted each of them to sign it as a witness; and upon their oaths each witness stated further that they did sign the same as witnesses, in the presence of the said Testatrix and at her request; and that she was at the time over eighteen (18) years of age and was of sound mind; and that each of said witnesses was then at least fourteen (14) years of age.

Melba R. Williams  
MELBA R. WILLIAMS, Testatrix

Rene Emery  
WITNESS

Daniel G. Riley  
WITNESS

SUBSCRIBED AND ACKNOWLEDGED before me by the said MELBA R. WILLIAMS, Testatrix, and SUBSCRIBED AND SWORN to before me by the said Rene Emery and Daniel G. Riley, witnesses, this the 15 day of August, 1974.



Sue Ellis  
Notary Public in and for SUE ELLIS  
Dallas County, Texas.



U. T. El Paso (Frank B. Cotton Estate) - Recommendation to Accept High Bids for Oil and Gas Leases on Twenty-nine Tracts Containing a Total of 17,829.5 Acres and to Reject Seven High Bids on Seven Tracts Containing a Total of 4,480 Acres in Hudspeth County, Texas.--As authorized at the October 12, 1979, and December 7, 1979, meetings of the Board of Regents, sealed bids were opened and tabulated at 10:00 A.M. on February 26, 1980, and it is recommended by the Chancellor and the Executive Director for Investments and Trusts that the sale to the high bidder as listed below be approved and that bids be rejected as listed below:

Sale to High Bidder

<u>TRACT NO.</u>	<u>BLOCK</u>	<u>ACRES</u>	<u>HIGH BIDDER</u>	<u>AMOUNT</u>
1	3	474.5	Border Exploration Company	\$ 19,544.66
5	3	640	Conoco Inc.	34,400.00
7	3	640	Conoco Inc.	34,400.00
9	3	640	Conoco Inc.	34,400.00
19	3	640	Conoco Inc.	34,400.00
21	3	640	Conoco Inc.	34,400.00
23	3	640	Conoco Inc.	34,400.00
27	3	640	Border Exploration Company	26,361.60
29	3	640	Conoco Inc.	24,096.00
33	3	640	Conoco Inc.	34,400.00
35	3	640	Conoco Inc.	34,400.00
37	3	640	Conoco Inc.	34,400.00
39	3	640	Conoco Inc.	34,400.00
41	3	640	Conoco Inc.	24,096.00
43	3	640	Conoco Inc.	24,096.00
45	3	640	Conoco Inc.	24,096.00
47	3	640	Conoco Inc.	34,400.00
49	3	640	Conoco Inc.	34,400.00
55	3	640	Conoco Inc.	34,400.00
57	3	640	Texaco, Inc., A Delaware Corporation	35,201.15
59	3	640	Border Exploration Company	26,361.60
61	3	640	Texaco, Inc., A Delaware Corporation	35,201.15
63	3	640	Conoco Inc.	34,400.00
69	3	640	Texaco, Inc., A Delaware Corporation	35,201.15
5	5	263.5	Conoco Inc.	12,634.83
7	5	617	Conoco Inc.	29,585.15
1	5	640	Conoco Inc.	30,688.00
3	5	640	Conoco Inc.	30,688.00
-	5	474.5	Border Exploration Company	19,544.66
		<u>17,829.5</u>		<u>\$878,995.95</u>

<u>Bidder</u>	<u>Number of Tracts Purchased</u>	<u>Total Acres</u>	<u>Total Bonus</u>	<u>Per Acre Average Price</u>
Border Exploration Co.	4	2,229.0	\$ 91,812.52	\$41.19
Conoco Inc.	22	13,680.5	681,579.98	53.75
Texaco, Inc.	3	1,920.0	105,603.45	55.00
	<u>29</u>	<u>17,829.5</u>	<u>\$878,995.95</u>	<u>\$49.30</u>

Recommended Rejected Bids

<u>TRACT NO.</u>	<u>BLOCK</u>	<u>ACRES</u>	<u>HIGH BIDDER</u>	<u>AMOUNT</u>
3	3	640	Border Exploration Company	\$ 7,539.20
11	3	640	Border Exploration Company	7,539.20
13	3	640	Border Exploration Company	7,539.20
15	3	640	Border Exploration Company	7,539.20
17	3	640	Border Exploration Company	7,539.20
25	3	640	Border Exploration Company	7,539.20
31	3	640	Border Exploration Company	7,539.20
		<u>4,480</u>		<u>\$52,774.40</u>

<u>Bidder</u>	<u>Number of Tracts Rejected</u>	<u>Total Acres</u>	<u>Total Bonus</u>	<u>Per Acre Average Price</u>
Border Exploration Co.	7	4,480	\$52,774.40	\$11.78

No Bids Received

<u>TRACT NO.</u>	<u>BLOCK</u>	<u>ACRES</u>
51	3	97.5
53	3	385.5
65	3	498.0
67	3	570.75
		<u>1,551.75</u>

TABULATION OF BIDS

THE UNIVERSITY OF TEXAS SYSTEM TRUST LANDS  
 COTTON ESTATE - HUDSPETH COUNTY  
 OIL AND GAS LEASES  
 10:00 A.M., Tuesday, February 26, 1980

MARGINAL NUMBER	BIDDER	TRACT	TOTAL BONUS
1	Border Exploration Company	1	\$19,544.66
2	Border Exploration Company	3	7,539.20
3	Conoco Inc. Texaco, Inc., A Delaware Corporation Border Exploration Company	5	34,400.00 33,921.15 26,361.60
4	Border Exploration Company Conoco Inc.	7	26,361.60 34,400.00
5	Conoco Inc. Border Exploration Company	9	34,400.00 26,361.60
6	Border Exploration Company	11	7,539.20
7	Border Exploration Company	13	7,539.20
8	Border Exploration Company	15	7,539.20
9	Border Exploration Company	17	7,539.20
10	Conoco Inc. Border Exploration Company	19	34,400.00 7,539.20
11	Conoco Inc. Border Exploration Company	21	34,400.00 7,539.20
12	Border Exploration Company Conoco Inc.	23	7,539.20 34,400.00
13	Border Exploration Company	25	7,539.20
14	Border Exploration Company	27	26,361.60
15	Conoco Inc. Border Exploration Company	29	24,096.00 7,539.20
16	Border Exploration Company	31	7,539.20
17	Conoco Inc. Border Exploration Company	33	34,400.00 7,539.20
18	Conoco Inc. Border Exploration Company	35	34,400.00 7,539.20
19	Border Exploration Company Conoco Inc.	37	7,539.20 34,400.00
20	Conoco Inc.	39	34,400.00
21	Conoco Inc. Border Exploration Company	41	24,096.00 7,539.20

MARGINAL NUMBER	BIDDER	TRACT	TOTAL BONUS
22	Conoco Inc. Border Exploration Company	43	\$24,096.00 7,539.20
23	Conoco Inc. Border Exploration Company	45	24,096.00 7,539.20
24	Conoco Inc. Border Exploration Company	47	34,400.00 7,539.20
25	Conoco Inc. Border Exploration Company	49	34,400.00 7,539.20
26	Pass - No Bid	51	
27	Pass - No Bid	53	
28	Border Exploration Company Conoco Inc.	55	7,539.20 34,400.00
29	Border Exploration Company Texaco, Inc., A Delaware Corporation	57	7,539.20 35,201.15
30	Border Exploration Company	59	26,361.60
31	Texaco, Inc., A Delaware Corporation Border Exploration Company	61	35,201.15 26,361.60
32	Conoco Inc.	63	34,400.00
33	Pass - No Bid	65	
34	Pass - No Bid	67	
35	Border Exploration Company Texaco, Inc., A Delaware Corporation	69	26,361.60 35,201.15
36	Border Exploration Company Conoco Inc.	5	3,104.03 12,634.83
37	Border Exploration Company Conoco Inc.	7	7,268.26 29,585.15
38	Conoco Inc. Border Exploration Company	1	30,688.00 7,539.20
39	Conoco Inc. Border Exploration Company	3	30,688.00 7,539.20
40	Border Exploration Company	-	19,544.66

b. Amendments to Paragraph 2.21 and Paragraph 2.22 of Subsection 2.2:

2.21 The Executive Director for Development, the Executive Director for Lands Management, the Assistant Chancellor for Planning and the Executive Assistant to the Chancellor are administrative officers of the System, and each such officer directly reports to and is responsible to the Chancellor. *No Change*

2.22 The [~~Manager of University Lands --- Oil, Gas and Mineral Interests, the Manager of University Lands -- Surface Interests, and the~~] General Attorney and Associate General Counsel is an [are] administrative officer[s] of the System[;] and [each such officer] directly reports to and is responsible to the Vice Chancellor [~~for Lands Management~~] and General Counsel.

c. Proposed new Paragraph 2.25 of Subsection 2.2:

2.25 The Manager of University Lands - Oil, Gas, and Mineral Interests and the Manager of University Lands - Surface Interests are administrative officers of the System and directly report to the ~~Executive Director~~ for Lands Management.

*Vice Chancellor*

2. Proposed amendments to Part One, Chapter II, Section 3:

a. Amendments to Subparagraphs of Paragraph 3.46 of Subsection 3.4:

3.46 Executive Director for Investments and Trusts.  
Subject to delegation by the Vice Chancellor for Business Affairs, the Executive Director for Investments and Trusts implements, when they are approved by the Board, policies and actions with respect to:

3.461 Investing, managing, and administering of all endowment funds belonging to the System and its component institutions, including the Permanent University Fund and all trusts and special funds.

3.462 Issuing, managing and paying all bonds and other evidences of indebtedness issued by the Board for System and its component institutions.

3.463 Presenting to the Board through the Chancellor periodic reports of the status and prospect of funds for which he has responsibility and that will be available for expenditure by the System and its component institutions.

[3.464 --- ~~Directing the management of all transactions relative to real estate interests owned or controlled by the Board of Regents, except University (Permanent University Fund) Lands.~~]

3.464 [3.465] Consulting with the Executive Associate for Economic Affairs with respect to the development of long-range plans for the development and management of the economic resources of the System and its component institutions.

# Committee of the Whole

COMMITTEE OF THE WHOLE  
Presiding: Chairman Williams

Date: February 29, 1980  
Time: Following the Meeting of the Land and Investment Committee  
Place: Prudential Building, 10th Floor  
Houston, Texas

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I. SPECIAL ITEMS

A. BOARD OF REGENTS

1. Proposed Amendment to Regents' Rules and Regulations, Part One, Chapter III, Section 1.83(h) Concerning the Use of Clinical Titles. --

RECOMMENDATION

Chancellor Walker recommends approval of an addition to Section 1.83(h), Chapter III, Part One of the Regents' Rules and Regulations to allow the use of clinical titles in schools and colleges with health-related clinical programs within the general academic institutions in the U. T. System. The addition is underlined and reads as follows:

- (h) In the health components, and in the general academic institutions with health-related clinical programs, persons appointed to full-time positions for the primary purpose of patient care and other service activities, with only incidental teaching or research duties, shall be given one of the following titles:

BACKGROUND INFORMATION

At the present time, Section 1.83(h) allows only the U. T. System health components the use of clinical titles for faculty members. A minor amendment in this section was approved at the last Board of Regents' meeting. Subsequent to that action, Dr. Flawn pointed out that faculty members in a number of departments and schools in the general academic institutions, such as Pharmacy and Nursing, are in positions involving patients and health-related teaching and research duties, and clinical titles should be available for use in these departments and schools. This amendment has been approved by the Council of Academic Institutions.

2. Proposed Amendments to Regents' Rules and Regulations, Part Two, Chapter V (Patent Policy): Change in Section 2.4524 and Addition of Sections 2.4534 and 2.4545. --

RECOMMENDATION

It is recommended by Chancellor Walker and the Office of General Counsel that Part Two, Chapter V of the Regents' Rules and Regulations (Patent Policy) be amended by:

- (a) Adding the following language to Section 2.4524:

If the System decides to patent and assert and exploit its interest, it shall proceed either through its own efforts or those of a patent agent to obtain and manage the patent. It shall be mandatory for all employees, academic and non-academic, to assign inventions and patents to the System when the patentable inventions fall within Section 2.452.

The division of royalties or other income, patenting and licensing costs first being recaptured, shall be as follows:

0-\$5,000/75% to Inventor  
25% to System  
5,000-10,000/50% to Inventor  
50% to System  
above-10,000/25% to Inventor  
75% to System

The division of royalties and other income from patents managed by a patent agent will be controlled by the System's

agreement with such agent, as approved by the Board. Any other deviation from this rule requires the prior approval of the Board.

(b) Adding Section 2.4534:

2.4534 Employees of the System whose patentable ideas result from a grant or contract with the Federal Government, or any agency thereof, or with a nonprofit foundation or by private gift to the System shall make such assignment of inventions or patents as is necessary in each case in order that the System may discharge its obligation, express or implied, under the particular agreement.

(c) Adding Section 2.4545:

2.4545 Employees of the System whose patentable ideas result from research supported by a grant or contract with commercial concerns or industry shall make such assignment of inventions or patents as is necessary in each case in order that the System may discharge its obligations, express or implied, under the particular agreement.

BACKGROUND INFORMATION

This first change is necessary in order to correctly reflect the legal ownership of the invention or patent in the System when the System, in fact, has funded all aspects of the research. Recent problems have shown the importance of having this mandatory obligation expressly stated in the policy.

The second and third additions are necessary in order for the System to make sure it will be able to carry out its obligations under grants or agreements with granting agencies or firms.

## B. U. T. SYSTEM

3. Proposed 1980-81 Personnel Pay Plan. --(This proposed plan was mailed to you on January 24, 1980.)

### RECOMMENDATION

The Presidents of all component institutions and Chancellor Walker recommend that the proposed System-wide 1980-81 Personnel Pay Plan be adopted.

### BACKGROUND INFORMATION

The proposed 1980-81 System-wide Personnel Pay Plan reflects the recommendations of each of the component institutions. These recommendations are supported by extensive studies which have been conducted by the respective institutional personnel offices and have the concurrence of the Business Officer of the institution.

The institutional recommendations represent the individual pay ranges to be utilized at their institution and contribute to the composite System-wide ranges which result.

Adjustments generally provide for an increase of 5.1% with exceptions for limited classifications. Two institutions, however, have adjusted salary ranges of 8.5%. These are The University of Texas System Cancer Center and The University of Texas Medical Branch at Galveston.

It is felt that the recommended changes reflected in the Personnel Pay Plan are necessary for the University to maintain a competitive position, fairly compensate our employees providing equality with State pay rates, and attract qualified applicants in the current market.

4. Panhellenic Housing: Proposed Revised Model Ground Lease (Long-term Leases with Fraternities and Sororities). --

### Recommendation

President Nedderman and Chancellor Walker recommend that a revised form of Ground Lease Agreement\*be approved for use in making long-term leases of System and Component real property to local chapters of fraternities and sororities wishing to build chapter houses thereon. However, in many cases it may be necessary for the Board to approve modifications in the proposed Ground Lease Form to permit the necessary financing of improvements on the property.

### Background Information

Several fraternities and sororities which have local chapters at The University of Texas at Arlington have expressed interest in building houses on campus land to be leased from the System. It is contemplated that local chapters at other component institutions may also wish to build. From discussions with some of their representatives and with prospective mortgage lenders, it is believed that a complete revision of the currently approved form of Ground Lease Agreement would be in order. Further, the mortgage lender in each case may make its own requirements for financing, and each particular chapter may request certain modifications in its lease. This document was prepared by the Office of General Counsel.

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\*Proposed Agreement set out on Pages C of W 6 - 18 .

THE STATE OF TEXAS       §  
                                  §  
COUNTY OF TARRANT       §

GROUND LEASE AGREEMENT

This GROUND LEASE AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for the use and benefit of The University of Texas at Arlington, located in the City of Arlington, Texas, hereinafter referred to as "LESSOR", and \_\_\_\_\_, a private corporation duly incorporated under and existing by virtue of the laws of the State of Texas, with its principal place of business located in the City of Arlington, Texas, hereinafter referred to as "LESSEE";

W I T N E S S E T H :

1. Lease of Premises: LESSOR, for and in consideration of the rents, covenants, and promises herein contained to be kept, performed, and observed by LESSEE, does hereby lease and demise to LESSEE, and LESSEE does hereby rent and accept from LESSOR, that real property, referred to hereinafter as "leased premises" and more particularly described in Exhibit "A", attached hereto and made a part hereof for all purposes; to have and to hold the leased premises, together with all rights, privileges, easements, appurtenances, and immunities belonging to or in any way appertaining thereto.

2. Lease Term: This lease shall be for a term and period of fifty (50) years, commencing on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, subject, however, to earlier termination as hereinafter provided. LESSEE shall have the option to extend this lease for two (2) additional periods of twenty (20) years each after the end of the primary period. If LESSEE shall hold over after the expiration or termination of the lease term, such tenancy shall be from month to month, on the terms, covenants, and conditions of this lease. At any time between the end of the twelfth month and the beginning of

the twenty-fourth month hereof, LESSEE shall have the option of terminating this lease by giving notice in writing to LESSOR as hereinafter provided at least thirty (30) days prior to the date of termination. In that event, rental shall be prorated to date of termination.

3. Consideration: LESSEE agrees to pay LESSOR, as rental for the use and occupancy of the leased premises, the total sum of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), payable in equal annual installments of \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_) each, in advance, to LESSOR, on the first day of January of each year during the term of this lease; provided, however, that the first of said annual payments shall be made by LESSEE to LESSOR simultaneously with the execution and delivery of this lease. At the end of the thirtieth year of the term, the rental shall be adjusted in accordance with the United States Revised Consumer Price Index (All Urban Consumers). The figure reflected by such Index, as of the effective date of this lease (or the nearest date thereto for which such figure is available), shall be taken as a base, and the lease rate as initially established herein shall be adjusted upward according to the increase, if any, reflected by such indicator. The adjusted rate, as thus fixed, shall obtain for the ensuing five-year period. Thereafter, for as long as this lease shall remain in force, whether during the remainder of the initial period or during an extension by exercise of option, the rental shall be adjusted in a like manner for each five-year period. In no event shall the rental rate be reduced below the amount of the rate in effect for the next preceding period. All installments of rent hereunder, when and as the same become due and payable, shall be paid to the LESSOR, at its business office in Arlington, Texas, or at such other place as it may from time to time designate in writing, for the term of this lease. Rent installments unpaid on the date due shall bear interest at the rate of \_\_\_\_\_ percent ( %) per annum commencing on the date after such installment was due.

4. Further Payments: LESSEE shall pay or cause to be paid any and all charges for electricity, gas, water, and any and all other utilities used on the leased premises throughout the term of this lease. LESSEE shall also pay and discharge all taxes, general and special assessments, and other governmental charges of every description which, during the term of this lease, may be levied on or assessed against the leased premises, including all interests therein and improvements on property thereon. In addition, LESSEE shall at all times keep the premises and any improvements thereon insured against loss or damage, with such insurance companies as LESSEE shall select and LESSOR shall approve, in amounts not less than the full replacement value of such improvements. LESSEE shall also provide, at its own expense and keep in force during the term of this lease, with such insurance companies as LESSEE shall select and LESSOR shall approve, liability insurance protecting LESSOR and LESSEE, in amounts to be proposed by LESSEE and approved by LESSOR, against any liability to employees of LESSEE or any other persons, arising out of the occupation and use of the leased premises. Similar liability and property damage insurance shall be obtained by LESSEE, with such insurance companies as LESSEE shall select and LESSOR shall approve, for any demolition, excavation, and construction work, when in progress on the premises. LESSEE shall furnish LESSOR with copies of all insurance policies required by this Agreement. LESSOR shall not be liable for any loss, damage, or injury of any kind or character to any person or property arising from LESSEE's use of the leased premises or any part thereof. LESSEE hereby agrees to indemnify and hold LESSOR entirely free and harmless from all liability for any loss, damage, or injury to persons or property during the lease term, and from all costs and expenses arising therefrom.

5. Use of Premises: LESSEE shall have the right to use the leased premises, and any improvements thereon, solely for the purpose of a fraternity or sorority chapter house and not for any other purpose, except in the event of foreclosure by mortgagee, as

hereinafter provided. LESSEE's use and occupancy shall be limited to the active members and the alumni of the existing \_\_\_\_\_ Chapter of LESSEE, to the guests of members of said Chapter and, during the summer months only, to any person who shall at such time of occupancy be duly enrolled and in attendance as a student at LESSOR's educational institution at Arlington, Texas.

6. Construction; Maintenance; Repair: (A) LESSEE shall have the right, at any time and from time to time during the term of this lease, to erect, maintain, alter, reconstruct, build, and replace any improvements on the leased premises, subject to the following general conditions: (1) The cost of any such improvements shall be borne and paid for solely by LESSEE; (2) The building to be constructed on the leased premises shall be of a principal size of a minimum of 3,000 square feet and shall be capable of being remodeled to a minimum of 8,000 square feet; (3) The leased premises shall, at all times, be kept free of mechanic's and materialman's liens and, should any such liens attach to the property, LESSEE shall promptly give notice thereof in writing to LESSOR, and LESSEE shall take all steps which are necessary to have such liens removed and to protect the subject property from loss because of such liens. Should LESSEE fail to diligently take such actions, LESSOR may, but shall not be obligated to, itself take whatever action it deems necessary, and any and all expense and payments necessitated therefor shall be promptly reimbursed by LESSEE; and, (4) LESSOR shall be notified in advance of the time for commencement of any construction work.

(B) No structure or other improvement shall be constructed or maintained upon the leased premises without prior written approval thereof by LESSOR, which approval shall not be unreasonably withheld. LESSEE shall, at its own expense, cause to be prepared all plans and specifications for any new construction or improvements and same shall be submitted to LESSOR for approval. Promptly

following receipt thereof, LESSOR shall review and either approve the plans or require changes to be made in conformity with the restrictions and limitations imposed by this lease. LESSOR's approval of plans and specifications refer to reasonable conformity thereof to the LESSEE's general architectural plan for the leased premises, said plan to be developed in consultation with and subject to approval by LESSOR; provided, however, LESSOR's approval shall not be any assumption of liability or responsibility for such plans and specifications or for any construction, use, or activity thereunder. LESSEE shall, at its sole cost and expense, keep and maintain all buildings and improvements on the leased premises in a good state of appearance and repair, reasonable wear and tear excepted, for and during the term of this lease. In the event the buildings or improvements on the leased premises are in any manner damaged, regardless of the extent thereof, LESSEE shall forthwith proceed with plans for repair and shall, in any event, within one year commence the actual work of repair, reconstruction, or replacement and proceed with the same with reasonable diligence to restore such improvements to substantially the same condition as existed prior to the damage, subject to the provisions of Paragraph Thirteen below.

(C) (I) LESSEE shall have the right to mortgage its leasehold estate hereunder for the purpose of securing financing for the construction of improvements, without the necessity of securing LESSOR's prior approval. However, LESSEE shall give LESSOR prompt notice of the details of such financing arrangements, as to both interim and permanent lending, including without limitation, the name of each lender, the amount and terms of repayment of each loan, the rate of interest to be charged on each loan, and shall furnish certified or conformed copies of each document which affixes or purports to affix any sort of lien upon the leasehold estate.

(II) LESSOR agrees, when notified in the form and manner hereinafter set forth of the existence of a mortgagee of the lease-



hold estate, to give notice to such mortgagee of any event of default of the LESSEE under the terms and provisions of this lease agreement. This obligation shall extend to each assignee of or successor to the mortgagee's interest, provided that proper notice of such assignment or transfer of interest has been given to LESSOR under the notice provisions herein; and, provided further that LESSOR's obligation shall be limited to the giving of one such notice only, that being to the last such assignee or successor in interest of whom LESSOR has been given proper notice.

Mortgagee, its successor or assign, shall have sixty (60) days after the date of the notice of default in which to cure the default, without forfeiture of the leasehold estate; if not so cured, this lease shall automatically terminate as of 11:59 P.M. on the sixtieth day after the date notice is given. Should mortgagee, its successor or assign, cure the event of default within the time provided, there shall be no interruption of the period hereof. Should mortgagee, its successor or assign, enter upon the leased premises and take possession of the improvements, it shall thereafter be deemed to be the Lessee, subject to all the terms and provisions of this lease, until such time as it shall sublease or assign the premises in accordance with Paragraph Eight hereof.

(III) Nothing in this Agreement shall ever be construed as allowing a subordination of LESSOR's interest and estate to any interest of LESSEE, or to any mortgagee of the leasehold estate, it being understood that LESSOR's interest shall, at all times, remain paramount. This shall not prevent any mortgagee from exercising any and all rights which it may have, by law or by agreement with LESSEE, against the leasehold estate or against any separate property of LESSEE.

7. Ownership of Improvements: It is expressly understood and agreed that any and all buildings, improvements, fixtures, machinery, and equipment of whatsoever nature at any time constructed, placed, or maintained on the leased premises shall be

the property of LESSEE during the remaining term of this lease; however, once finally erected, they may not be removed except upon written agreement of LESSOR. Upon termination hereof, all such improvements shall become the property of LESSOR.

8. Assignment; Sublease; Encumbrances: If, at any time during the term of this lease, LESSEE shall, for good cause, terminate its fraternity or sorority chapter activities on the leased premises or, should LESSEE's mortgagee, upon default, enter upon the premises and succeed to LESSEE's position hereunder, then in either event the party in possession shall have the right, without LESSOR's prior consent, but only after proper notice to LESSOR, to sublease or assign the leasehold estate, with improvements, to an individual, entity, or group falling within one of the following classifications:

- A. A chapter of a fraternity or sorority which has been admitted to the campus of The University of Texas at Arlington;
- B. A student or group of students of The University of Texas at Arlington who are in good academic standing (such assignment or sublease to continue in effect only for so long as student or students maintain good academic standing); and,
- C. A member or members of the faculty or staff of The University of Texas at Arlington.

Should the LESSEE or mortgagee in possession desire to sublease or assign the leasehold estate to a person or entity other than the one falling within the classes enumerated above, it shall be necessary that it first secure the written consent of LESSOR. Failure to comply with the provisions of this Paragraph shall be considered an event of default.

9. Compliance with Law: All buildings, fixtures, and improvements presently existing, or to be constructed or reconstructed on the leased premises, and all uses by LESSEE thereon, shall be in compliance with any and all valid and applicable laws, regulations, and ordinances of any governmental authority having jurisdiction over the leased premises. In the event of any violations of this provision, upon due notice to LESSEE in writing, LESSOR may then proceed forthwith to adjudge and determine that LESSEE is in violation of such laws, rules, and regulations and, upon such determination, LESSOR may thereafter either suspend LESSEE's right to use and occupy the leased premises, pursuant to such terms and conditions as LESSOR may require, or LESSOR may terminate this lease in accordance with its terms.

10. Termination Upon Default: Should LESSEE default in the performance of any covenant, condition, or agreement in this lease, including any violation set forth in Paragraph Nine above, and should such default not be corrected within sixty (60) days after notice to LESSEE or its mortgagee of such default, from LESSOR, this lease shall thereupon cease and end as if said termination day were the date fixed by this lease for expiration of the term herein. Any termination shall not relieve LESSEE from the payment of any sum that shall then be due and payable to LESSOR hereunder, or any claims for damages then or theretofore accruing against LESSEE hereunder. Any such termination shall not prevent LESSOR from enforcing the payment of any sums or claims for damages by any remedy provided by law, or from recovering damages from LESSEE for any default hereunder. All rights, options, and remedies of LESSOR contained in this lease shall be construed to be and shall be cumulative, and no one of them shall be exclusive of the other. LESSOR shall accordingly have the right to pursue any one or all of such remedies or any other remedy or relief which may be provided by law, whether or not stated in this lease. No waiver by LESSOR of a breach of

any of these covenants, conditions, or restrictions shall be construed to be, nor shall any such waiver be held to be, a waiver of any succeeding or preceding breach of the same or any other covenant, condition, or restriction herein contained.

11. Warranties and Options: LESSOR warrants and represents that it is the owner, as a matter of law, of the leased premises, subject to the covenants, conditions, restrictions, easements, and other matters of record. LESSOR covenants and agrees that LESSEE, on prompt payment of the rent and other charges herein provided, and upon observing and keeping the covenants, conditions, and terms of this lease, shall lawfully and quietly hold, occupy, and enjoy the leased premises during the term of this lease. LESSEE shall have continual access to the leased premises by existing and or by replacement thoroughfares.

12. Limitation on Indebtedness; Purchase by Lessor: Should LESSEE elect to mortgage its leasehold estate for the purpose of financing construction, as provided in Paragraph Six (C)(I) above, the aggregate amount of all liens and encumbrances against such leasehold estate and improvements, whether voluntary or involuntary, shall never exceed seventy percent (70%) of the actual construction cost of such improvements.

If, at any time during the term of this lease, LESSEE should cease to exist as a local chapter of its fraternity or sorority, and should it not desire to assign or sublease its interest as provided in Paragraph Eight hereof, LESSOR may, but shall never be obligated to, purchase LESSEE's leasehold estate and the improvements thereon. The purchase price shall be the lesser of seventy percent (70%) of the actual then current fair market value of said improvements as determined by an appraiser holding the designation M.A.I. or its then equivalent, less any liens which may then exist against such property. LESSOR may either purchase such estate subject to said indebtedness or, liquidate such balance at closing, net of any prepayment penalties, at its option.

13. Condemnation: In the event any part of the leased premises shall at any time during the term hereof be taken by condemnation, LESSEE may, at its option, by written notice to LESSOR and to LESSEE's mortgagee within sixty (60) days following a final judgment of condemnation, terminate this lease without further liability to LESSOR. That part of the final judgment or award of damages for such condemnation, which is attributable to the real property, shall be allocated and paid over to LESSOR, with the remainder to be allocated and paid over to LESSEE and its mortgagee.

14. Purchase by Lessee: Should LESSOR at any time during the term of this lease desire to sell the subject property, LESSEE shall be given a right of first refusal to purchase such property for its then current fair market value, as determined by an appraiser holding the designation M.A.I. or its then equivalent. This right, however, shall only prevail to the extent permitted by law.

15. General Protective Provisions: LESSEE shall permit LESSOR to enter on the leased premises for inspection purposes, for determination of LESSEE's compliance with this lease, or for showing the premises to prospective lessees or purchasers. In the event the undertaking herein contained is delayed by reason of force majeure, which shall be and include any circumstances beyond LESSEE's control or the control of any party obligated or permitted under the terms hereof to do or perform the same, each such party shall be excused from doing or performing the same during the period of such delay. The relationship between LESSOR and LESSEE, at all times, shall remain solely that of landlord and tenant, as defined by this lease and applicable rules, regulations, and provisions declaring LESSOR's authority, and this lease shall not be a partnership, joint venture, or other undertaking.

16. Miscellaneous: This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and, where permitted by this Agreement, assignees and sublessees.

This Agreement shall be construed under and in accordance with the laws of the State of Texas, and all obligations of the parties established hereunder are performable in Tarrant County, Texas. In the event one or more provisions herein contained shall be held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any other portion of this Agreement. This Agreement is the sole and only agreement of the parties hereto and supersedes any prior undertakings or agreements between the parties. No amendment, modification, or alteration of the terms of this lease agreement shall be binding unless the same be in writing, dated subsequent to the date hereof and duly executed by the parties hereto. The rights and remedies provided by this lease agreement are cumulative, and the use of any one right or remedy by either party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are granted hereunder in addition to any and all other rights the parties may have as a matter of law. In the event of breach of any of the terms of this Agreement, whereby the party not in default employs attorneys to protect or enforce its rights hereunder, then the defaulting party agrees to pay the other party such reasonable attorney's fees and expenses so incurred by the other party, subject to court approval. It is further stipulated that time is of the essence under this Agreement. LESSOR shall, from time to time, execute and deliver to LESSEE such other documents as LESSEE may reasonably request, approving, ratifying, and continuing this lease and the leasehold estate hereby established, and shall certify that same is in full force and effect, provided that if any default on the part of LESSEE does exist, LESSOR shall specify in said certificate each such default.

17. Notices: All notices, demands, or requests from a party to another may be personally delivered or sent by mail, certified or registered, postage prepaid, to the addresses stated

in this paragraph, and shall be deemed to have been given at the time of personal delivery or at the time of mailing. All notices to LESSOR shall be given to LESSOR at \_\_\_\_\_, or at such other address as LESSOR may request in writing. All notices to LESSEE shall be given to LESSEE at \_\_\_\_\_, or at such other address as LESSEE may request in writing.

THIS LEASE has been duly executed by the parties, as stated below, to be effective on the date and year first above written.

LESSOR:

ATTEST:

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

\_\_\_\_\_

By: \_\_\_\_\_  
Chairman

Approved as to Content:

Approved as to Form:

\_\_\_\_\_  
Chancellor

\_\_\_\_\_  
University Attorney

LESSEE:

ATTEST:

\_\_\_\_\_

By: \_\_\_\_\_





plus pledges. Verbal assurance was given to each of the donors that their gifts to these programs would be treated as endowments and only income generated from the investment would be expended in support of the various projects and activities within the College of Business Administration.

Accumulated monies to date have been reported in the U. T. Austin docket. Receipts of outstanding pledges will also be docketed.

9. U. T. Austin: Recommendation to Accept Gift and Pledge and to Establish Professorship of Pharmacy; Proposed Naming of a Laboratory in New Pharmacy Building. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of a \$59,000 cash gift and a pledge of \$41,000 to be paid by 1981, from Hoechst-Roussel Pharmaceuticals, Inc., and establishment of the Hoechst-Roussel Professorship of Pharmacy and naming of a laboratory in the New Pharmacy Building the Hoechst-Roussel Pharmaceutical Laboratory. Unrestricted contributions and research grants received over and above the donation required for establishing the Hoechst-Roussel Professorship, make this special designation an appropriate tribute.

Background Information

Hoechst-Roussel Pharmaceuticals, Inc., is an old established German based firm with U. S. operations through its American subsidiary. The firm has been very active in research and development of new drugs and related items.

Dean Doluisio has served as a consultant for the Hoechst-Roussel medical department since 1970. This relationship not only has allowed Dean Doluisio to remain active in research, but has resulted in generous research grants and unrestricted fund gifts to the College of Pharmacy by Hoechst-Roussel. The unrestricted funds have aided in the development of student and faculty activities and the research funds have been an important factor in development of the research program.

10. U. T. Austin: Recommendation to Accept Gift and to Establish Professorship in the Foundations of Economics in the Department of Economics. --

Recommendation

President Flawn and Chancellor Walker recommend acceptance of 3,000 shares of Gulf Energy and Development Corporation common stock valued at \$106,875 from Mr. and Mrs. Radcliffe (Sue) Killam and establishment of the Sue Killam Professorship in the Foundations of Economics in the Department of Economics. The holder of the professorship is to be an economist who is concerned with the foundations of knowledge and has shown a devotion to the higher values of Western political and economic freedom. Appointments will be subject to annual review.

Background Information

The donors are both Arts and Sciences graduates of U. T. Austin and presently reside in Laredo, Texas. Mrs. Killam has served the Arts and Sciences Foundation Advisory Council since 1964.

end December 31, 1980. The Board of Governors of the Federal Reserve System has offered this appointment to Professor Crum and he will be compensated at a rate of \$100 for each monthly meeting.

#### BACKGROUND INFORMATION

Dr. Crum's position as a Director will not represent a conflict of interest with his regular professorial duties, and will in fact enhance the quality of his teaching in the area of banking and financial institutions. This recommendation is in accordance with approval requirements for positions of honor, trust, or profit provided in Article 6252-9a of Vernon's Civil Statutes and Sections 13.(10) and 13.(11), Chapter III, Part One of the Regents' Rules and Regulations.

7. Request for Approval of Fourth Year Leave of Absence (Academic Year 1980-81) Without Pay for Individual to Serve as Secretary of Labor (Exception to Regents' Rules and Regulations, Part One, Chapter III, Section 16). --

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend approval of a fourth year of leave of absence for Professor Ray Marshall, who currently serves as Secretary of Labor. He has been on leave for the past three academic years and has requested an extension. This request involves granting an exception to the Regents' Rules and Regulations, Part One, Chapter III, Section 16.

#### BACKGROUND INFORMATION

Professor Marshall is in a position to render significant service to the United States by serving as a member of the Cabinet. Additionally, his service brings distinction and recognition to The University of Texas at Austin throughout the country, and justifies approval of an additional year of absence. This recommendation has the support of Dr. Robert King, Dean of the College of Liberal Arts, and Dr. James W. McKie, Chairman of the Department of Economics.

8. Request for Approval of Patent Provisions in Agreements with (a) Lilly Research Laboratories, a Division of Eli Lilly and Company; (b) Dow Chemical Company; (c) Control Data Corporation; and (d) Gulf Research and Development Company (Regents' Rules and Regulations, Part Two, Chapter V, Section 2.4544). --

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend that approval be given to patent provisions in agreements between The University of Texas at Austin and the following:

- (a) Lilly Research Laboratories, a Division of Eli Lilly and Company, wherein Eli Lilly and Company will have an option to acquire an exclusive license with respect to each metabolic product isolated and sent to them for pharmacological or biological testing. Suitable licensing arrangements will be negotiated at the time Eli Lilly and Company decides to exercise each option;
- (b) Dow Chemical Company, wherein Dow Chemical Company will be provided an exclusive license to any patents that might develop during research in the field of Polymer-Bound Complex

Catalysts for Hydroformylation, Oxygen Activation and Activation of Carbon-Hydrogen Bonds in return for which the Dow Chemical Company will pay a royalty to the University;

- (c) Control Data Corporation, wherein Control Data Corporation will be provided with a non-exclusive royalty-free license to any patents that might be developed in the field of data processing during the contract period; and
- (d) Gulf Research and Development Company, wherein Gulf Research and Development Company will receive a non-exclusive royalty-free license for any patents discovered during research on "Core Research and Uranium Stabilization Studies Relating to Uranium Solution Mining Restoration Research."

#### BACKGROUND INFORMATION

These patent provisions have been approved by the U.T. Austin Institutional Patent Committee, and have been reviewed and approved by the Office of General Counsel, pursuant to Part Two, Chapter V, Section 2.4544 of the Regents' Rules and Regulations. These agreements, upon regental approval, will be reported in a subsequent docket.

#### 9. Proposed Appointments to Board of Trustees of the Southwest Texas Public Broadcasting Council (KLRN/KLRU)(Formerly Referred to as Southwest Texas Area Educational Television Council). --

#### RECOMMENDATION

President Flawn and Chancellor Walker recommend approval of the following appointments to the Board of Trustees of the Southwest Texas Public Broadcasting Council (KLRN/KLRU):

Dr. Henry A. Anderson, Department of Journalism, U.T. Austin, for a three year term expiring in January, 1983;

Dr. Linda Golden, Marketing Administration, U.T. Austin, for a three year term expiring in January, 1983;

Dr. Lorrin Kennamer, Dean of the College of Education, U.T. Austin, for a three year term expiring in January, 1983; and

Dr. Lanier Cox, Department of General Business, U.T. Austin, for a two year term expiring January, 1982.

#### BACKGROUND INFORMATION

Dr. Anderson is the director of the broadcast journalism sequence in the Department of Journalism and will be working closely with the internship program that is a part of the new contractual relationship with the Southwest Texas Public Broadcasting Council. Dr. Golden is an Associate Professor in Marketing Administration and her academic interests include the study of the effects of television on children. Dr. Kennamer's position as Dean of the College of Education involves responsibilities related to the functions performed by educational television. Dr. Cox's general interest in the area of communications, coupled with his professorial duties in business administration and his legal training, would enhance his service as a Trustee.

D. GALVESTON MEDICAL BRANCH

10. Report for the Record and Acceptance of Gift from John S. Dunn, Sr., Houston, Texas, for Restoration of Ashbel Smith Building (Old Red). --Regent Walter G. Sterling on December 28, 1979, accepted on behalf of the Board of Regents of The University of Texas System a check in the amount of \$25,000 from John S. Dunn, Sr., of Houston, Texas. This check represents payment of the fourth installment of a pledge by Mr. Dunn of \$100,000 to apply on the restoration of the Ashbel Smith Building (Old Red) at The University of Texas Medical Branch at Galveston.

It is recommended that this gift be accepted and sincere appreciation be expressed to Mr. Dunn for his continuing interest in the University.

E. GALVESTON MEDICAL BRANCH, HOUSTON HEALTH SCIENCE CENTER AND UNIVERSITY CANCER CENTER

11. Central Food Service Facility: Request (a) to Approve a Plan for a Modified Purpose; (b) to Dispose of Equipment Unneeded by Modified Purpose; and (c) to Reduce Operating Costs to Lowest Possible Level Pending Implementation of Modified Purpose. --

RECOMMENDATION

President LeMaistre and Chancellor Walker recommend a modified purpose for the Central Food Service Facility at The University of Texas System Cancer Center in Houston and request authority to negotiate approval of this modified purpose with the appropriate state and federal agencies. The role and scope of the facility would be changed from that of a central food processing and preparation plant to a much-needed facility related to an expanded research capability in cancer prevention and disease control. It is further recommended that the existing plant be shut down and put into protective storage to save on operating costs and that President LeMaistre, subject to the approval of Chancellor Walker, be authorized to make the most effective use of existing equipment and, further, be authorized to sell, dispose of, or transfer equipment unneeded by the modified purpose of the facility, in accordance with the provisions of the Regents' Rules and Regulations.

Presidents Bulger and Levin concur in this recommendation.

BACKGROUND INFORMATION AND JUSTIFICATION

President LeMaistre reports a compelling need at the U. T. Cancer Center for additional research space related to expanded programs in cancer prevention and disease control as well as for the potential manufacture of research pharmaceutical and chemotherapeutic agents. It has become apparent to all concerned with the project that converting the food service facility to this modified use would respond to a more immediate need and would be justified on an economic basis.

Since the concept of the Food Service Facility was originally approved by the Regents in 1971, several factors combine to diminish the validity of the original rationale of the project:

First, changing nutritional concepts in hospitals now require a much broader variety of food and preparation than a single processing plant is capable of producing economically on a centralized basis. To further complicate matters, each participating institution -- the Cancer Center, Hermann Hospital, and the Medical Branch at Galveston -- has its own additional special nutritional requirements.

Second, escalating energy costs have rendered the basic concept of limited-quantity quick-frozen foods less economical. In Houston, for example, electricity costs have increased by 500 percent since 1972 and natural gas costs have increased by 1,100 percent. The Central Food Service Facility would require substantial use of energy to prepare the food, to process it, to freeze it, to store it, to transport it, to unfreeze it and to heat it. It is evident that what made economic sense nine years ago in this situation -- at a time of cheap energy -- makes far less economic sense today.

## II. DEVELOPMENT MATTERS

### A. U. T. DALLAS

1. School of Management and Administration Advisory Council: Proposed Nominees Thereto (NO PUBLICITY). --

#### RECOMMENDATION

President Jordan and Chancellor Walker recommend that the two individuals listed below be approved as nominees to the School of Management and Administration Advisory Council at The University of Texas at Dallas for terms as indicated:

For one year term ending 1980

Mr. Richard I. Galland, Dallas, vacancy from unfilled term

Business: Chairman of the Board, American Petrofina Company

For three year term ending 1982

Mr. Bryan Smith, Dallas, vacancy from unfilled term  
Business: General Director, Texas Instruments Incorporated

In accordance with usual procedures, no publicity will be given to these nominations until acceptances are received and reported for the record at a subsequent meeting of the Board of Regents.

### B. INSTITUTE OF TEXAN CULTURES

2. Development Board: Acceptance of Membership. --On December 7, 1979, Mr. Jack Blanton of Houston, Texas was approved for membership on the Development Board of The University of Texas Institute of Texan Cultures at San Antonio for a term to expire on August 31, 1981. Mr. Blanton's acceptance of the membership is herewith reported for the record.

### C. HOUSTON HEALTH SCIENCE CENTER

3. Development Board: Acceptance of Membership. --On October 12, 1979, Mr. Walter M. Mischer, Jr. of Houston was approved for membership on The University of Texas Health Science Center at Houston Development Board for a term to expire on August 31, 1980. Mr. Mischer's acceptance of the membership is herewith reported for the record.

III. SCHEDULED MEETINGS AND EVENTS. -- Below is a schedule of meetings and events that have been reported to the Office of the Secretary:

Board of Regents' Meetings

May 8-9, 1980, to be held in Arlington  
 July 10-11, 1980, to be held in Port Aransas

Holidays

April 4 (one-half day)  
 May 26  
 June 19  
 July 4

Other Events

March 27-29 Galveston  
 Medical Branch  
 Homecoming  
 (Tentatively  
 Scheduled)

October 17 U. T. Austin  
 Awards to Distinguished Alumni

See following page for 1980  
 U. T. Austin football schedule.  
 This office has not yet received  
 the football schedules for U. T.  
 Arlington and U. T. El Paso.

# 1980

JANUARY							JULY													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
			1	2	3	4	5				1	2	3	4	5					
6	7	8	9	10	11	12	6	7	8	9	10	11	12							
13	14	15	16	17	18	19	13	14	15	16	17	18	19							
20	21	22	23	24	25	26	20	21	22	23	24	25	26							
27	28	29	30	31			27	28	29	30	31									
FEBRUARY							AUGUST													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
						1	2							1	2					
3	4	5	6	7	8	9	3	4	5	6	7	8	9							
10	11	12	13	14	15	16	10	11	12	13	14	15	16							
17	18	19	20	21	22	23	17	18	19	20	21	22	23							
24	25	26	27	28	29		24	25	26	27	28	29	30							
							31													
MARCH							SEPTEMBER													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
						1				1	2	3	4	5	6					
2	3	4	5	6	7	8	7	8	9	10	11	12	13							
9	10	11	12	13	14	15	14	15	16	17	18	19	20							
16	17	18	19	20	21	22	21	22	23	24	25	26	27							
23	24	25	26	27	28	29	28	29	30											
30	31																			
APRIL							OCTOBER													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
			1	2	3	4	5				1	2	3	4						
6	7	8	9	10	11	12	5	6	7	8	9	10	11							
13	14	15	16	17	18	19	12	13	14	15	16	17	18							
20	21	22	23	24	25	26	19	20	21	22	23	24	25							
27	28	29	30				26	27	28	29	30	31								
MAY							NOVEMBER													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
					1	2	3							1						
4	5	6	7	8	9	10	2	3	4	5	6	7	8							
11	12	13	14	15	16	17	9	10	11	12	13	14	15							
18	19	20	21	22	23	24	16	17	18	19	20	21	22							
25	26	27	28	29	30	31	23	24	25	26	27	28	29							
							30													
JUNE							DECEMBER													
S	M	T	W	T	F	S	S	M	T	W	T	F	S							
						1	2	3	4	5	6				1	2	3	4	5	6
8	9	10	11	12	13	14	7	8	9	10	11	12	13							
15	16	17	18	19	20	21	14	15	16	17	18	19	20							
22	23	24	25	26	27	28	21	22	23	24	25	26	27							
29	30						28	29	30	31										

1980 Football Schedule for U. T. Austin

September 20	7:00 p. m.	Utah State	at Austin
September 27	7:00 p. m.	Oregon State	at Austin
October 4	*	Rice	at Houston
October 11	*	Oklahoma	at Dallas
October 18	1:00 p. m.	Arkansas	at Austin
October 25	1:00 p. m.	SMU	at Austin
November 1	*	Texas Tech	at Lubbock
November 8	1:00 p. m.	Houston	at Austin
November 15	*	TCU	at Fort Worth
November 22	*	Baylor	at Waco
November 29	1:00 p. m.	A&M	at Austin

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\*Time not definitely designated.

O.C.

COMMITTEE OF THE WHOLE

EMERGENCY ITEMS

February 28-29, 1980

Page  
C of W

I. SPECIAL ITEMS (continued)

A. BOARD OF REGENTS

12. Proposed Amendments to Regents' Rules and Regulations, Part One, Chapter II, Sections 2 and 3, Chapter VI, Sections 6 and 7, and Part Two, Chapter IX, Section 1

Below

B. U. T. SYSTEM

13. Proposed Resolution in Response to Governor Clements' Request for Reduction of Number of State Employees

35

III. SCHEDULED MEETINGS (continued)

36

Documentation

I. SPECIAL ITEMS (continued)

A. BOARD OF REGENTS

12. Proposed Amendments to Regents' Rules and Regulations, Part One, Chapter II, Sections 2 and 3, Chapter VI, Sections 6 and 7, and Part Two, Chapter IX, Section 1. --

RECOMMENDATION

To effect a redistribution of duties between the functions of General Counsel and Lands Management, Chancellor Walker proposes the establishment of a new Office of Lands Management separate from the Office of General Counsel. The recommended amendments to Regents' Rules and Regulations, Part One, Chapter II, Sections 2 and 3 (including addition of a new subsection 3.7) required to effect this reorganization are presented below in congressional style. Editorial changes in Part One, Chapter VI, Section 6, and Part Two, Chapter IX, Section 1 of Regents' Rules and Regulations required as a result of the other proposed amendments are also presented for consideration.

1. Proposed amendments to Part One, Chapter II, Section 2:

a. Amendment to Paragraph 2.12 of Subsection 2.1:

2.12 Vice Chancellors.

The other executive officers of the System are the Vice Chancellor for Academic Affairs, the Vice Chancellor for Administration, the Vice Chancellor for Business Affairs, the Vice Chancellor for Health Affairs, and the ~~Vice~~ Chancellor [for Lands Management] and General Counsel. Each Vice Chancellor directly reports to and is responsible to the Chancellor.

*and VC [unclear] name*



b. Amendments to Paragraph 2.21 and Paragraph 2.22 of Subsection 2.2:

2.21 The Executive Director for Development, the Executive Director for Lands Management, the Assistant Chancellor for Planning and the Executive Assistant to the Chancellor are administrative officers of the System, and each such officer directly reports to and is responsible to the Chancellor.

*Change*

2.22 The ~~[Manager of University Lands --- Oil, Gas and Mineral Interests, the Manager of University Lands -- Surface Interests, and the]~~ General Attorney and Associate General Counsel is an ~~[are]~~ administrative officer~~[s]~~ of the System~~[,]~~ and ~~[each such officer]~~ directly reports to and is responsible to the Vice Chancellor ~~[for Lands Management]~~ and General Counsel.

c. Proposed new Paragraph 2.25 of Subsection 2.2:

2.25 The Manager of University Lands - Oil, Gas, and Mineral Interests and the Manager of University Lands - Surface Interests are administrative officers of the System and directly report to the ~~Executive Director~~ for Lands Management.

*Vice Chancellor*

2. Proposed amendments to Part One, Chapter II, Section 3:

a. Amendments to Subparagraphs of Paragraph 3.46 of Subsection 3.4:

3.46 Executive Director for Investments and Trusts. Subject to delegation by the Vice Chancellor for Business Affairs, the Executive Director for Investments and Trusts implements, when they are approved by the Board, policies and actions with respect to:

3.461 Investing, managing, and administering of all endowment funds belonging to the System and its component institutions, including the Permanent University Fund and all trusts and special funds.

3.462 Issuing, managing and paying all bonds and other evidences of indebtedness issued by the Board for System and its component institutions.

3.463 Presenting to the Board through the Chancellor periodic reports of the status and prospect of funds for which he has responsibility and that will be available for expenditure by the System and its component institutions.

~~[3.464 --- Directing the management of all transactions relative to real estate interests owned or controlled by the Board of Regents, except University (Permanent University Fund) lands.]~~

3.464 . ~~[3.465]~~ Consulting with the Executive Associate for Economic Affairs with respect to the development of long-range plans for the development and management of the economic resources of the System and its component institutions.

b. Amendment to title of Subsection 3.6:

3.6 Officers in the Office of ~~[Bands-Management-and the-Office-of]~~ General Counsel.

c. Amendments to Paragraph 3.61 - 3.61(16) of Subsection 3.6:

3.61 Vice Chancellor ~~[for-Bands-Management]~~ and General Counsel.

Subject to delegation by the Chancellor, the Vice Chancellor ~~[for-Bands-Management]~~ and General Counsel is responsible for (a) ~~[providing-direction-and management-of-the-husbandry,utilization,and-sale of-University-(Permanent-University-Fund)-bands,--(b)]~~ providing all legal services required by the System and its personnel to insure the proper protection and advancement of its interests; and (b) ~~[(e)]~~ maintaining the ~~[such]~~ management, supervision, and delivery of legal services at a high level of effectiveness. The major duties of the Vice Chancellor ~~[for-Bands-Management]~~ and General Counsel include:

3.611 Directing and managing ~~[the-management-and supervision-of]~~ all legal personnel and legal affairs of the System, its units and its component institutions.

~~[3.612--Directing-the-personnel,operations,activities and-transactions-of-the-System-(except-accounting-and-auditing)-with-respect-to-the-surface of-University-(Permanent-University-Fund)-bands.]~~

~~[3.613--Directing-the-personnel,operations,activities and-transactions-of-the-System-(except-accounting-and-auditing)-with-respect-to-oil,gas-and mineral-exploration-and-production-on-the-University-(Permanent-University-Fund)-bands.]~~

~~[3.614--Working-closely-with-the-Board-for-lease-of University-bands-in-the-discharge-of-its-duties and-responsibilities.]~~

~~[3.615--Directing-and-managing-the-operation-of-the following-budgeted-activities-which-are-part-of the-Office-of-Bands-Management,--Board-for-lease-University-bands,--University-bands---Geology-and Surveying,--Oil-Field-Supervision-and-Geophysical Exploration,--and-University-bands---Surface Leasing.]~~

3.612 ~~[3.616]~~ Providing advice, counsel and legal interpretations to System officials and personnel concerning legal matters affecting System operations.

3.613 ~~[3.617]~~ Directing the Office of General Counsel ~~[(e)]~~ personnel with respect to work priorities and assignments, standards of performance, and career development, delegating to staff members responsibility for particular legal and ~~[(e)]~~ administrative tasks; and coordinating and controlling ~~[(e)]~~ budget and personnel levels.

- 3.614 [3-618] Directing and managing (within applicable limits of authority) all litigation and administrative agency hearings; authorizing and approving the institution of legal proceedings; evaluating, directing and approving action and procedures relative to prosecution or defense of pending litigation and administrative proceedings; employing outside counsel; and authorizing and approving settlement or appeal of litigation.
- 3.615 [3-619] Advising, counseling, and disseminating information to affected System units relative to the nature, evaluation, progress, and results of litigation, administrative proceedings, and other legal matters, and making recommendations to System officials and other personnel as to future operations and objectives.
- 3.616 [3-61(10)] Approving as to form all contracts and agreements and all amendments to the Regents' Rules and Regulations; and approving as to form all Institutional Handbooks of Operating Procedures, whether finally approved or not, and all amendments to such Handbooks.
- 3.617 [3-61(11)] Drafting all legislation that has been approved by the Board or requested by any System officer for submission to the Board for approval and providing legal counsel on pending legislation.
- 3.618 [3-61(12)] Identifying and evaluating administrative and functional problems and directing or recommending, as appropriate, course of action for solution.
- 3.619 [3-61(13)] Representing the System before legal, educational and governmental groups and associations.
- 3.61(10) [3-61(14)] Acting as administrator of the System Plan for Professional Medical Malpractice Self-Insurance and System Patent Officer.
- 3.61(11) [3-61(15)] Working in cooperation with the Attorney General of the State of Texas, State Agency legal counsel and outside counsel.
- 3.61(12) [3-61(16)] Assuming responsibility for any other legal, administrative or operational matters delegated by the Chancellor.

d. Paragraphs 3.62 and 3.63 of Subsection 3.6 are to be moved to new Subsection 3.7 and proposed amendments will be presented below.

e. Amendments to Paragraph 3.64 of Subsection 3.6:

- 3.62 [3-64] General Attorney and Associate General Counsel. Subject to delegation by, and within limits of authority set by the Vice Chancellor [~~for Bands Management~~] and General Counsel, the General Attorney and Associate General Counsel [~~provides direct management and supervision of personnel and activities of the Office of General Counsel (OGC), and~~] is responsible for the following duties:

[~~3-641--Managing and supervising the activities of the OGC with respect to the System Patent Office, the System Plan for Professional Medical Malpractice Self-Insurance and legal services for the System, including counsel and advice, litigation and litigation management, preparation and approval of documents, administrative hearings and their management, and preparation and analysis of legislation.~~]

- 3.621 [3-642] Organizing, directing, guiding, setting objectives and standards for, and assigning and evaluating work of all [06E] personnel assigned by the Vice Chancellor and General Counsel [reporting] to him.
- 3.622 [3-643] Identifying and evaluating administrative and functional problems and recommending to the Vice Chancellor and General Counsel a course of action for their solution.
- 3.623 [3-644] Reporting regularly to the Vice Chancellor and General Counsel all legal and other [06E] activities and developments of significance to [06E-07] System interests, together with his recommendations [thereto-if-any].
- 3.624 [3-645] Assisting the Vice Chancellor and General Counsel and assuming responsibility as assigned or delegated by the Vice Chancellor and General Counsel with regard to the:  
~~[Substituting-for-the-General-Counsel-as assigned,-assuming-responsibility-for-any-other legal-or-administrative-matter-delegated-by-the General-Counsel-with-respect-to-the-responsibilities-and-activities-of-the-06E-]~~
- [3-646] provision of [Providing] legal counsel and advice to System officers, and their staffs, with respect to legal matters arising from System operations; [-]
- [3-647] litigation and litigation management and administrative hearings and their management; [Representing-the-System in-court-and-before-administrative boards-and-tribunals-]
- [3-648] preparation, analysis, [Preparing, analyzing,] and giving of legal approval to agreements, contracts and various legal documents and instruments; amendments to Regents' Rules and Regulations; and approval as to form all institutional Handbooks of Operating Procedures, and all amendments thereto; and[-]
- [3-649] review, analysis [Reviewing,-analyzing] and provision of [providing] legal counsel on pending and enacted legislation and governmental regulations, and drafting proposed legislation and regulations.
- 3.625 Managing and supervising the activities of the System Patent Office.
- 3.626 Managing and supervising the activities of the Office of General Counsel with regard to the System Plan for Medical Malpractice Self-Insurance.

f. Proposed new Subsection 3.7 of Section 3:

(1) New title of Subsection:

3.7 Officers in the Office of Lands Management.

(2) New Paragraph 3.71 to Subsection 3.7:

3.71 Executive Director for Lands Management.

Subject to delegation by the Chancellor, the Executive Director for Lands Management provides direction and management for all transactions relative to Permanent University Fund Lands (hereafter sometimes referred to as "University Lands"), trust lands, and other non-campus real estate interests owned or controlled by the Board of Regents. In the exercise of those responsibilities, the Executive Director for Lands Management:

3.711 Works closely with the Board for Lease of University Lands in the discharge of its duties and responsibilities.

3.712 Works closely with the chief administrative officer of a component institution of the System and his delegates with regard to the management of trust lands and other non-campus real estate interests held by the Board of Regents for and on behalf of a particular institution.

3.713 Works closely with the Executive Director for Investments and Trusts with regard to the management of trust lands other than University Lands.

3.714 Directs and manages the operation of the following budgeted activities which are part of the Office of Lands Management:

Board for Lease - University Lands;  
University Lands - Geology and Survey;  
Oil Field Supervision and Geophysical Exploration;  
University Lands Accounting Office; and  
University Lands - Surface Leasing.

(3) Amendments to Paragraphs 3.62 and 3.63 as Paragraphs 3.72 and 3.73 of Subsection 3.7:

3.72 [3-62] Manager of University Lands - Oil, Gas and Mineral Interests.

Subject to delegation by the Executive Director [Vice Chancellor] for Lands Management [and General Counsel], the Manager of University Lands - Oil, Gas and Mineral Interests is responsible for providing field supervision of System operations, activities and transactions involving oil, gas and mineral development and production on the University Lands. Within limits of authority set by the Executive Director for Lands Management [said Vice-Chancellor], the [such] Manager's regular duties include:

3.721 [3-621] Making recommendations to the Board for Lease of University Lands, and the Board of Regents, as appropriate, for periodic oil and gas lease sales of University Lands, and for unitization, pooling and other transactions involving oil and gas leasehold and royalty interests and other mineral interests in University Lands, after such recommendations have been approved by the Executive Director [Vice-Chancellor] for Lands Management.

3.722 [3-622] Organizing, directing, guiding, setting objectives and standards for, and assigning and evaluating the work of all personnel reporting to him.

*Vice Chancellor of the Board*

3.723 [3-623] Reviewing periodically the terms and conditions of forms and transactions involving oil and gas interests in University Lands, and making recommendations with respect thereto to the ~~Executive Director [Vice-Chancellor]~~ *Vice Chancellor* for Lands Management ~~and the Board for Lease~~

3.724 [3-624] Reporting regularly to the ~~Executive Director [Vice-Chancellor]~~ *Vice Chancellor* for Lands Management (all activities, developments and problems which could significantly affect System interests and University Lands, together with his recommendations with respect thereto.

3.725 [3-625] Working closely with the Board for Lease of University Lands in the discharge of its duties and responsibilities.

3.726 [3-626] Coordinating with the Manager of University Lands - Surface Interests in the discharge of their duties and responsibilities.

3.73[3-63] Manager of University Lands - Surface Interests. Subject to delegation by the ~~Executive Director [Vice Chancellor]~~ *Vice Chancellor* for Lands Management [~~and General Counsel~~], the Manager of University Lands - Surface Interests is responsible for providing field supervision of System operations, activities, and transactions pertaining to surface interests, water rights and oil and gas field operations in or on University Lands. Within limits of authority set by said ~~Executive Director for Lands Management [Vice-Chancellor]~~ *Vice Chancellor*, the ~~[such]~~ Manager's regular duties include:

3.731 [3-631] Making recommendations to the Board with respect to all transactions involving surface interests in University Lands, including research projects, right-of-way easements, agricultural, grazing and other surface use leases, and geophysical permits, ~~after such recommendations have been approved by the Executive Director [Vice-Chancellor] for Lands Management.~~

3.732 [3-632] Organizing, directing, guiding, setting objectives and standards for, and assigning and evaluating the work of all personnel reporting to him.

3.733 [3-633] Reviewing periodically the terms and conditions of forms and transactions involving surface interests in University Lands, and making recommendations with respect thereto to the ~~Executive Director [Vice-Chancellor]~~ *Vice Chancellor* for Lands Management.

3.734 [3-634] Reporting regularly to the ~~Executive Director [Vice-Chancellor]~~ *Vice Chancellor* for Lands Management all activities, developments and problems which could significantly affect System interests in University Lands, together with his recommendations with respect thereto.

3.735 [3-635] Working closely with federal and state agencies in connection with research and development projects and activities, involving utilization and husbandry of University Lands, of mutual interest to the System and such agencies.

3.736 [3-636] Coordinating with the Manager of University Lands - Oil, Gas and Mineral Interests in the discharge of their respective duties and responsibilities, and acts as oil and gas fields supervisor.

g. Renumber present Subsection 3.7 of Section 3:

3.8[3-7] Councils of System Administration.

3.81[3-71] The Council of Academic Institutions.

The Council of Academic Institutions is composed of the Chancellor, the Vice Chancellor for Academic Affairs, and the chief administrative officers of the general academic institutions of the System. The Chancellor shall serve as the Council's permanent chairman and shall conduct regular meetings to review common problems of planning, development, and operation of the several institutions represented. The Vice Chancellor for Academic Affairs shall be the permanent vice-chairman.

3.82[3-72] The Council of Health Institutions.

The Council of Health Institutions is composed of the Chancellor, the Vice Chancellor for Health Affairs, and the chief administrative officers of the component institutions of the System concerned directly with health affairs. The Chancellor acts as the Council's permanent chairman and shall conduct regular meetings to review common problems of planning, development, and operation of the several institutions represented. The Vice Chancellor for Health Affairs shall be the permanent vice-chairman.

3.83[3-73] The Business Management Council.

The Business Management Council advises the Chancellor in the areas of budgeting, business management, data processing, physical plant operations, planning, construction, and accounting systems development. The Council is composed of the chief business officers of the component institutions and the Vice Chancellor for Business Affairs (the Chairman), who prepares the agenda.

3. Editorial changes as required in Part One, Chapter VI, Sections 6, Subsection 6.4, Paragraph (b) and Section 7, Subsection 7.2:

a. Paragraph (b) of Subsection 6.4 of Section 6:

(b) For the purpose of Subection (a), an "institutional representative" is:

- Re Army*
- (1) any member of the Board of the System;
  - (2) any administrative officer of the System, including the Chancellor, the Executive Assistant to the Chancellor, the Assistant Chancellor for Planning, the Executive Director for Development, the Vice Chancellor for Academic Affairs, the Vice Chancellor for Administration, the Vice Chancellor for Business Affairs, the Vice Chancellor for Health Affairs, the Vice Chancellor [~~for Lands-Management~~] and General Counsel, the Executive Director for Investments and Trusts, the Executive Director for Lands Management, the Comptroller, the Director of Facilities Planning and Construction, the Budget Director, the General Attorney and Associate General Counsel, the Director of Police, the System Personnel Director, the Director for Special Services, and the Director of Accounting;
  - (3) any administrative officer of the component institution, including the institutional head, any assistant to the institutional head, any vice president, any Dean of Students, and any associate or assistant dean of students; and
  - (4) any attorney, peace officer, or security officer of the System or the institution.

b. Subsection 7.24 of Section 7:

7.24 Registered student organizations, faculty or staff organizations, University-owned dormitories, and Student Government may be permitted the use of System-owned facilities to present off-campus speakers on campus pursuant to the facilities' use regulations promulgated by the component institution and subject to the requirement that each component institution must submit to the System Administration for approval as a part of its institutional Handbook of Operating Procedures a copy of all applicable facilities' use regulations, and no facilities' use regulation shall have any force or effect until it has been approved by the Chancellor and the Vice Chancellor [~~for-Lands-Management~~] and General Counsel.

4. Editorial changes as required in Part Two, Chapter IX, Section 1, Subsections 1.2 and 1.3:

1.2 Authority to Assign and Transfer Securities held by the PUF and the Board.--The Chancellor, the Vice Chancellor for Business Affairs, the Executive Director for Investments and Trusts, and the Trust Officers [~~and-the-Real-Estate-Officer~~] may each assign and transfer any and all securities of any description whatever, and execute any and all documents necessary to the consummation of any sale, assignment, or transfer of any securities registered in the name of the PUF or the Board, or in any other form of registration of such securities held for the account of the PUF or the Board in whatever manner, including all fiduciary capacities, and including those registered in the names of trusts or foundations managed and controlled by said Board.

1.3 Authority to Execute Instruments Relating to Land and Mineral Interests. -- The Chairman of the Board, the Vice-Chairman, the Chancellor, the Vice Chancellor for Business Affairs, and the Executive Director [~~Vice-Chancellor~~] for Lands Management are each authorized to execute conveyances, deeds, surface and/or mineral leases, easements, rights-of-way, oil and gas division orders, and transfer orders, geophysical and material source permits, water contracts, pooling and unitization agreements and any other instruments as may be necessary or appropriate from time to time, relating to the handling, management, control and disposition of any real estate or mineral interest held or controlled by the Board as a part of the PUF or as a part of any trust or special fund [~~and-with-the-Executive-Director-for-Investments-and-Trusts-authorized-to-sign-such-instruments-relating-to-Trust-and-Special-Funds-lands~~].

Handwritten initials: S, P, H, A, B



B. U. T. SYSTEM

13. Proposed Resolution in Response to Governor Clements' Request for Reduction of Number of State Employees. --  
In response to Governor Clements' request that the Board of Regents adopt a resolution calling for a 5% reduction in the actual number of full-time equivalent employees in the System measured from January 31, 1979, it is recommended that the following be adopted:

RESOLUTION  
OF  
THE BOARD OF REGENTS  
THE UNIVERSITY OF TEXAS SYSTEM

WHEREAS, Governor William P. Clements, Jr., has established as a high priority of his administration increasing the efficiency and effectiveness of Texas State government;

WHEREAS, Both Governor Clements and the Texas Legislature have called for major reductions in the number of State employees;

WHEREAS, It is in the best interests of the taxpayer and the recipient of State services that more efficient and effective government be established;

WHEREAS, Sound management practices can often provide the same or an increased level of service with a reduced number of personnel; and

WHEREAS, More effective management may result from restricting the dependence on numbers of personnel; now, therefore, be it

RESOLVED, That the Board of Regents of The University of Texas System hereby establishes a goal calling for a reduction in the number of employees in the institutions of The University of Texas System by August 31, 1980, to the maximum extent possible, consistent with the legislative mandate for increasing enrollments at two medical schools, legislative authorization for increasing outpatient and inpatient services in three hospitals, adjusting for changes in enrollment, and continuing to maintain excellence in educational programs and patient care; and calls for continued review thereafter for further reduction of employees, all reductions being related to the number of employees on the payroll on January 31, 1979; be it further

RESOLVED, That the Board of Regents of The University of Texas System hereby establishes a goal for limiting the number of seasonal and/or contractual employees to the lowest possible level in any calendar month beginning February 1, 1980, compared to the corresponding calendar month in 1978, consistent with requirements to maintain quality in all programs; and, be it further

RESOLVED, That the Board of Regents of The University of Texas System actively supports the Texas State Government Effectiveness Program.

Adopted this 29th day of February 1980.

III. SCHEDULED MEETINGS. --Chairman Williams recommends that:

- (a) the meeting scheduled on May 8-9 be changed to April 10-11 in Arlington
- (b) a meeting be scheduled on May 29-30 in Galveston

The previously scheduled meeting on July 10-11 in Port Aransas will not be changed.

*Substitute  
motion by  
Regent Hay  
2/28/80  
BAS*

B. U. T. SYSTEM

13. Proposed Resolution in Response to Governor Clements' Request for Reduction of Number of State Employees.--  
In response to Governor Clements' request that the Board of Regents adopt a resolution calling for a 5% reduction in the actual number of full-time equivalent employees in the System measured from January 31, 1979, it is recommended that the following be adopted:

RESOLUTION  
OF  
THE BOARD OF REGENTS  
THE UNIVERSITY OF TEXAS SYSTEM

WHEREAS, Governor William P. Clements, Jr., has established as a high priority of his administration increasing the efficiency and effectiveness of Texas State government;

WHEREAS, Both Governor Clements and the Texas Legislature have called for major reductions in the number of State employees;

WHEREAS, it is in the best interests of the taxpayer and the recipient of State services that more efficient and effective government be established;

WHEREAS, sound management practices can often provide the same or an increased level of service with a reduced number of personnel;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents of The University of Texas System hereby reaffirms as one of its fundamental policies the objective of delivering its constitutionally and legislatively mandated services in the most efficient and cost effective manner possible.

FURTHER RESOLVED, that the Board of Regents of The University of Texas System hereby directs the Chancellor of the System to conduct an in-depth review of the System's operations and of the operations at each of the System's component institutions for the purposes of:

- 1) evaluating the efficiency and cost effectiveness of those operations as now constituted and as related to:
  - a) the commitment of the Board of Regents to the maintenance of excellence in all of its educational and research programs;
  - b) the legislative mandate for increasing enrollments at two of the System's medical schools;

- c) the legislative authorization and directive to increase outpatient and inpatient services at three hospitals served by components of the System, and the commitment of the Board of Regents to the maintenance of excellence in patient care at each of its health science centers;
  - d) changes in enrollment, past, present and projected, at each of the System's component institutions; and
  - e) the constitutional mandate that the Board of Regents maintain The University of Texas at Austin as a "University of the First Class;" and
- 2) reducing, to the maximum extent possible (consistent with the evaluation contemplated by section 1 above), the number of employees of The University of Texas System and of the System's component institutions by August 31, 1980.

FURTHER RESOLVED, that the Chancellor of The University of Texas System shall report the results of his review of the System's operations and his plan for increasing the efficiency and cost effectiveness of those operations to the Board of Regents at the meeting thereof scheduled to be held on June 10-11 1980.

FURTHER RESOLVED, that the Board of Regents of The University of Texas System actively supports the Texas State Government Effectiveness Program, and hereby directs the Chancellor and the Chief Administrative Officers of the System's component institutions to embrace the spirit of that program and to vigorously pursue, within the context of their respective responsibilities, the objective of delivering the System's constitutionally and legislatively mandated services in the most efficient and cost effective manner possible.

Adopted this 29th day of February, 1980.

# Executive Session of the Board

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION  
Pursuant to Vernon's Texas Civil Statutes,  
Article 6252-17, Sections 2(e), (f) and (g)

Date: February 29, 1980  
Time: Following the Open Session of the Committee of the Whole  
Place: Conference Room, 10th Floor, Prudential Building  
Houston, Texas

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## Documentation

1. Pending or Contemplated Litigation - Section 2(e).--
2. Land Acquisition, Purchase, Exchange, Lease or Value of Real Property and Negotiated Contracts for Prospective Gifts or Donations - Section 2(f).--
  - a. PUF: Mineral Leases, West Texas Lands (Uranium Prospecting Permits).--

### RECOMMENDATION

Chancellor Walker recommends that the Acting Manager of University Lands - Oil, Gas and Mineral Interests, be authorized to negotiate for the sale of a uranium prospecting permit, with option to lease, on a 13,600 acre tract of University Lands, and an additional uranium prospecting permit, with option to lease, on a 7,680 acre tract of University Lands, subject to final approval of such transactions by the Board upon recommendation by the Chancellor.

### BACKGROUND INFORMATION

It is believed that the System has an adequate data-base and capability to negotiate uranium transactions involving University Lands. Further, acreage leased can be better restricted by negotiations, can be retained for possibly better future sales. In addition, because of the grade of the ore, it is believed that prospectors should be selected, in part, on the basis of uranium prospecting expertise.

There is also concern that a public offering of uranium leases would attract trespassers, resulting in additional costs for land, cattle and other property protection.

At this time, two parties have expressed serious interest in purchasing a uranium prospecting permit, with option to lease, on the tracts indicated. Negotiations with these parties have been suspended pending Board consideration of the above recommendation.

**Below is a communication from the Acting Manager of  
University Lands - Oil, Gas and Mineral Interests:**

Mr. James T. Fitzpatrick  
Vice Chancellor for Lands Management  
The University of Texas System  
201 West Seventh Street  
Austin, Texas 78701

Re: Pending Uranium Prospecting Permits

Dear Mr. Fitzpatrick:

Pursuant to our recent telephone conversation concerning possible uranium mining on University Lands, I submit the following resume of current activities and recommendations:

1. Energy Reserves Group, Golden Colorado - made initial contact with this office over 2 years ago, inquiring into possibility of obtaining uranium leases in Andrews County. Energy Reserves was advised by Jim Zimmerman to propose a prospecting permit on 13,600 acres with an option to lease. They were given sample forms to follow and assured by Jim Zimmerman again that the Board of Regents preferred negotiated arrangements by this office over a public lease sale. We advised Energy Reserves by

phone recently that we were suspending any further negotiations until we received clear direction on whether to negotiate or hold a public sale.

2. Kerr-McGee - no further correspondence since their initial contact and our request for additional information over one year ago. I must assume they are no longer interested.
3. F. G. Woodside, Lubbock, Texas - has pursued the prospect of developing uranium mining on University Lands the most diligently. He, too, was advised by Zimmerman that the Board preferred a negotiated deal instead of a lease sale so he has proceeded on that premise. After months of negotiations, both this office and Mr. Woodside were almost agreed on terms of a prospecting permit covering 7,680 acres in Andrews County with an option to lease. This prospect area does not overlap with the Energy Reserves prospect. It was at this point that you advised me that the Board had indeed not decided to go for negotiating as opposed to competitive bid sales. Understandably, Mr. Woodside was quite perturbed at this news as he had hoped to do some exploratory work in Andrews County during the winter months while equipment is not in such heavy demand in the less temperate western mining states.

After considerable discussion with people involved with the mining industry I believe that it would be advantageous for University Lands to negotiate rather than hold a public lease sale. The first thing in our favor is that we employ a geologist in this office who worked for an internationally known mining company for several years and was, so to speak, on the other side of the fence in mining exploration efforts. It has been a great help to be able to anticipate some companies' inclinations as well as limitations.

Most people seem inclined to offer better royalty rates if negotiated because they are more willing to give their best shot if they know they can tie up the deal rather than help establish a base for fixing minimum terms for an advertised sale. The people involved in the subject deals have been negotiated up to what appears to be the maximum royalty rate they can live with and is certainly a better deal for the royalty owner than other existing leases that we have had the opportunity to examine.

Also, by negotiations, the area of original leases can be kept to a minimum so that we will have premium adjacent acreage for further sales in the event a commercial mining venture is developed.

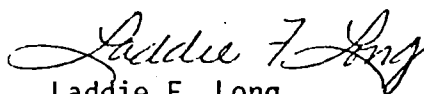
Lastly, the announcement of a pending uranium lease sale would be comparable to announcing discovery of gold. I have no doubt that every professional and amateur prospector who owns a Geiger counter and hears of the potential strike will consider trying to check it out in the hope of making a fast killing. The amount of trespassing and other problems created for surface lessees would be difficult to predict but it would certainly be a factor worthy of consideration. We have every reason at this time to believe we are dealing with a very low grade of ore and probably not worthy of creating a full scale stampede. A negotiated initial venture would tend to be restricted to clients with expertise and therefore more likely to produce tangible results to the University. Actually, both Energy Reserves and Mr. Woodside have developed plans for preliminary evaluation programs.

I recommend that the Board of Regents consider at its next meeting whether to hold a lease sale for uranium or to instruct this office to negotiate through the use of a prospecting permit with an option to lease. As I have stated, I am in favor of the latter method because I believe it would be more advantageous to the University.



I am sending under separate cover a copy of the prospecting permit that has been under consideration by Mr. Woodside.

Yours very truly,



Laddie F. Long  
Acting Manager of University Lands  
Oil, Gas and Mineral Interests

LFL:ch

- b. U. T. Austin: Valuation of Huntington Property in Samuel C. Bundick League, H.B. Littlefield Survey, Galveston, Texas, for Sale.--

Recommendation

Executive Director Lobb and Chancellor Walker recommend that authority be given to negotiate the sale to Malone Company of about 32 acres of land in the Samuel C. Bundick League, the H. B. Littlefield Survey, Galveston County, Texas, at a price not less than \$5,000 per acre. This plot is located directly west of the Monsanto and Malone property and north of the property under option to Pelican Terminal Corporation. All the mineral estate now owned by the University will be retained.

Background Information

By deed dated October 7, 1927, Mr. Archer M. Huntington conveyed approximately 4,367 acres in the Samuel C. Bundick League and the H. B. Littlefield Survey, Galveston County, Texas, to the Board of Regents. Subsequent sales have reduced the surface ownership to approximately 1,525 acres. The most recent sales, both in 1978, were 450 acres at \$3,000 per acre to Gulf Coast Waste Disposal Authority and 85 acres at \$4,000 per acre to Malone Company.

At the March 30, 1979, Board of Regents meeting sale of the remaining 1,525 acres of land in the Huntington Tract was approved by the Board of Regents at a price not less than \$3,400 per acre. The elevation of the property is low and portions are inundated throughout most of the year. Because of its low elevation and its proximity to the bay, the land is a breeding ground for various types of marine wildlife. Therefore, prior approval of several State and Federal environmental agencies is required before the land may be used or developed. Two organizations to whom the 1,525 acres were to be sold, CAM and Northville Industries Corporation, both needed environmental permits for use of the land from various Governmental agencies. The proposed sale to CAM has fallen through and Northville Industries interests, now transferred to Pelican Terminal Corporation, has an existing option to purchase approximately 540 acres at a price of \$4,500 per acre. This option expires on 6/30/80. The Board of Regents has received a total of \$80,000 for the two six month options to Pelican Terminal Company.

c. U. T. Austin: Valuation of Maverick Building at 317-319 Alamo Plaza, San Antonio, Texas, for Sale.--

Recommendation

President Flawn and Chancellor Walker recommend that sealed bids be taken on property located at 317-319 Alamo Plaza, San Antonio, Texas, and be reported back to the Board for approval at a subsequent meeting. The subject property contains a land area of about 5,200 square feet on which stands an old three-story building. The first floor of the building covers almost the entire site and the upper two floors each contain approximately 4,000 square feet. The building is old and in need of repair. All, or substantially all, the value of the property is in the land.

Background Information

The building as noted comprises a three-story commercial building with partial basement containing in all, two commercial units. The unit at 317 Alamo Plaza is occupied by Tawil's Babyland. The Unit at 319 Alamo Plaza is occupied by National Shirt Shops. The basement and second and third floors at 317 Alamo Plaza are blocked off and not used. The unit at 319 utilizes the basement and first floor only. Both tenants are on a month-to-month lease for a rental of \$650 per month. The landlord is responsible for ownership expenses such as insurance and maintenance.

The area within which this property is located has been designated a historical district, thus providing special tax incentives and advantageous financing to persons who wish to restore the property. Construction is now underway on a contra-flow bus lane on Alamo Plaza, directly in front of this property. The project has been funded almost entirely by the State and Federal Governments and involves the installation of new sidewalks, lighting, benches, shelters, landscaping, etc. About three blocks south of the property a new 500-room Marriott Hotel is under construction. One block west of our property a future Hyatt Regency Hotel is planned and to the north and east of the property a multi-story car parking facility is planned.

A copy of the appraisal made in July 1979 will be available at the meeting.

d. U. T. San Antonio: Valuation of Property Associated with Lutcher Center in San Antonio for Sale.--

RECOMMENDATION

President Wagener and Chancellor Walker recommend that the Board of Regents authorize the sale of some of the property associated with the Lutcher Center with the proceeds to be used for repair of the Main House. It is their intention later to recommend that the Board of Regents authorize development of a Permanent Endowment through solicitation of gifts to insure proper repair and maintenance of the Lutcher Center in the future.

### BACKGROUND INFORMATION

The Main House needs extensive repair and funding is not available. The property to be sold is approximately four acres located immediately North of Ivy Lane and consists of two separate tracts of land.

Some provision should be made for the continued repair and maintenance of the Lutcher Center.

- e. University Cancer Center: Purchase of Lot 2, Block 4, Devonshire Place Addition, Houston, Texas (President's Home) and Valuation of Lot 30, Block 74, Section 15, Tanglewood, Houston, Texas, for Sale (Currently President's Home). --

### RECOMMENDATION

President LeMaistre and Chancellor Walker recommend that the Board of Regents:

1. Authorize the acquisition of property described as Lot 2, Block 4, Devonshire Place Addition, Houston, Harris County, Texas, at a cost of \$575,000 to be used as the President's home.
2. Authorize the sale of property at 811 Briar Ridge, Houston, Harris County, Texas, which is currently used as the President's home.

### BACKGROUND INFORMATION

The property to be purchased is located at 7010 Staffordshire Street and contains 3.604 acres. This property is located adjacent to the Texas Medical Center and has an appraised value of \$623,000.00. The owner of the property, Dr. John P. McGovern, has offered to sell the property to the University Cancer Center for \$575,000.00.

The improvements on this property are ideal for the home of the President of the University Cancer Center and it is located approximately three city blocks from the University Cancer Center main building. The improvements consist of a main house, of approximately 4,000 square feet, a three car garage, a caretaker's (or guest) house, maid's quarters, bath house, various storage and shop areas, swimming pool, and extensive paved patios. The improvements are twenty years old and have been well maintained. Work required to make the property habitable for the President's family will be minimal and will relate principally to painting, new draperies and new carpeting.

A copy of the appraisal report will be available at the meeting.



THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER

M. D. Anderson Hospital and Tumor Institute  
Texas Medical Center Houston, Texas 77030

Office of the President

December 28, 1979

Chancellor E. D. Walker  
The University of Texas System  
601 Colorado Street  
Austin, Texas 78701

Dear Chancellor Walker:

I have recently discussed with you the acquisition of 3.604 acres of real estate with improvements adjacent to the Texas Medical Center, further described as Lot 2, Block 4, Devonshire Place Addition, Houston, Harris County, Texas. The address of this property is 7010 Staffordshire Street. As you are aware, this property is less than one city block south of Holcombe Boulevard and immediately adjacent, on the east side, to Braes Bayou. Property at 1800 Holcombe Boulevard, immediately across the bayou is already owned by the System Cancer Center.

You have been provided with a formal appraisal of the subject property which was made as of July 2, 1979, at which time this property was appraised at the value of \$623,000. Since that time, property only one lot removed from the subject property has sold at a price in excess of \$10 per square foot. The previous sale of this property in May of 1978 was at \$5 per square foot. Based on this transaction, we feel that the present value of this property is substantially in excess of the July appraisal. The property has been offered to the System Cancer Center by the owner, Dr. John P. McGovern, for the amount of \$575,000.

The improvements on this property are ideal for the home of the President of the System Cancer Center and it is located approximately three city blocks from the System Cancer Center main building. The improvements consist of a main house, of approximately 4,000 square feet, a three car garage, a caretaker's (or guest) house, maid's quarters, bath house, various storage and shop areas, swimming pool, and extensive paved patios. The improvements are twenty years old and have been well maintained. Work required to make the property habitable for the president's family will be minimal and will relate principally to painting, new draperies, and new carpeting.

Authorization is requested to purchase the property at 7010 Staffordshire for the sum of \$575,000 and that funds be appropriated from account 106751, Plant Funds Unexpended - Unappropriated Balance, for this purchase. Authorization is further requested to dispose of the present president's home at 811 Briar Ridge in Houston and that the proceeds from this sale be credited back to account 106751 to offset the cost of the new property. A current appraisal is being obtained for this property and a copy will be forwarded to your attention when received.

If additional information is needed regarding this recommendation, please advise me.

Sincerely yours,

*Charles LeMaistre*

Charles A. LeMaistre, M.D.  
President

CAL:bf

C: Mr. Joe E. Boyd, Jr.  
Mr. Linward Shivers

f. U. T. System: Purchase of Lots 9, 10, 11 and 12, Block 82, Austin, Travis County, Texas (Hamline Property). --

g. U. T. El Paso: Expansion of Sun Bowl and Acquisition of Adjacent Property. --

3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline or Dismissal of Officers or Employees. --

U. T. El Paso: Report and Recommendation of Advisory Committee for Selection of Chief Administrative Officer (President). --

EMERGENCY ITEMS

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

- f. U. T. System: Purchase of Lots 9, 10, 11 and 12, Block 82, Austin, Travis County, Texas. --

RECOMMENDATION

Chancellor Walker recommends that the Board of Regents authorize The University of Texas System to purchase Lots 9, 10, 11, and 12, Block 82, in the City of Austin, from Hamline University and U. T. Austin Marine Science Institute, co-owners of this property for a total price of \$587,000. The purchase price is to be allocated per the following ownership proration:

Hamline University	\$480,000
U. T. Austin Marine Science Institute	<u>107,000</u>
Total	<u>\$587,000</u>

It is further recommended that Permanent University Fund Bond Proceeds in the amount of \$587,000 be appropriated for this property acquisition:

BACKGROUND INFORMATION

This acquisition was approved by the Coordinating Board, Texas College and University System, at its meeting in January, 1980.

The trustees of Hamline University have approved the sale of their interests in this property to The University of Texas System at the price stated above. Authorization was given by the Board of Regents on October 12, 1979, to negotiate with Hamline University for purchase of this property. At that time, it was reported to the Board that Hamline University had a 75% interest in the property and U. T. Austin Marine Science Institute had a 25% interest. The official documents received subsequently indicated that Hamline University had 100% interest in Lots 11 and 12, with Hamline University and U. T. Austin having equal interests in Lots 9 and 10.

- g. U. T. El Paso: Expansion of Sun Bowl and Acquisition of Adjacent Property. -- Proposal will either be distributed at the meeting or mailed to you later.
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

U. T. El Paso: Report and Recommendation of Advisory Committee for Selection of Chief Administrative Officer (President). -- Proposal will be distributed at the meeting.

## COMMITTEE OF THE WHOLE - EXECUTIVE SESSION

### EMERGENCY ITEM

#### 8. U. T. El Paso: Expansion of Sun Bowl and Acquisition of Adjacent Property. --

##### RECOMMENDATION

Chancellor Walker recommends that System Administration be authorized to continue negotiations with the Commissioners' Court of El Paso County to the effect that, in return for the Board of Regents exercising the Legislative authority granted it to expend such Permanent University Fund Bond Proceeds or other funds, as may be necessary, to construct alterations and additions to the Sun Bowl Stadium at U. T. El Paso, the County of El Paso would reconvey to the Board of Regents fee title to approximately 56 acres of land surrounding the Sun Bowl on which future development of the U. T. El Paso campus could occur.

##### BACKGROUND INFORMATION

The Sun Bowl Stadium, located at The University of Texas at El Paso, has its origin in Senate Bill No. 12, Acts 57th Legislature, Regular Session, 1961, Chapter 13, Page 23.

That Act authorized the Board of Regents to select a tract of land not exceeding 65 acres on the campus of The University of Texas at El Paso (then Texas Western College) and to convey such tract to the County of El Paso as a site upon which the County of El Paso would construct a stadium, parking areas, access roads, and related facilities, all at the expense of the County. The Act further directed that the deed provide for title to the land to revert to the Board of Regents should the stadium be permanently abandoned.

There was further provision in the Act for a lease to be executed between the County of El Paso and the Board of Regents whereby the Board of Regents would lease the completed facility from the County of El Paso for a consideration of One Dollar per year with the proviso that the County of El Paso would have the use of the stadium for staging the annual Sun Bowl activities.

Pursuant to this Act, some 62.88 acres of land were conveyed to the County of El Paso on June 26, 1961, and simultaneously with the execution of the deed, a lease agreement between the Board of Regents and the County of El Paso was entered into. Under the terms of this lease, the property conveyed to the County of El Paso by the Board of Regents together with the improvements constructed thereon by the County of El Paso, were leased back to the Board of Regents for a primary period of 99 years with an option for renewal of a second 99-year period.

The 66th Legislature has authorized the Board of Regents of The University of Texas System to construct certain improvements to the Sun Bowl. It is contemplated that these improvements would increase the seating capacity of the stadium by approximately 20,000 seats. As partial consideration for the expenditure of the funds necessary to increase the seating capacity, it was determined that the County of El Paso would be approached to see if they were amenable to conveying to the Board of Regents their interest in the 62.88 acres, with the exception of premises constituting the stadium, in exchange for the construction of the increased stadium seating by the Board of Regents. Thus the Board of Regents would regain title to all the land previously conveyed to the County except a tract of land which comprises the stadium proper. The Board of Regents would retain its current 99-year lease of the stadium, subject to renewal for an additional 99 years under the same terms and conditions.

This land may be needed in the future for construction of additional educational facilities for U. T. El Paso.

# Meeting of the Board



(continued)

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

Date: February 29, 1980

Time: Following Completion of All Committee Meetings

Place: Prudential Building, 10th Floor  
Houston, Texas

A. - I. (Pages B of R )

J. RECONVENE

K. REPORTS OF STANDING COMMITTEES

1. System Administration Committee  
by Committee Chairman Sterling
2. Academic and Developmental Affairs Committee  
by Committee Chairman (Mrs.) Blumberg
3. Buildings and Grounds Committee  
by Committee Chairman Law
4. Health Affairs Committee  
by Committee Chairman Fly
5. Land and Investment Committee  
by Committee Chairman Hay

L. REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS

M. REPORTS OF SPECIAL COMMITTEES, IF ANY

N. REPORT OF COMMITTEE OF THE WHOLE - OPEN SESSION  
by Chairman Williams

O. CONSIDERATION OF THE ITEMS REFERRED TO EXECUTIVE  
SESSION OF THE COMMITTEE OF THE WHOLE. --Chairman  
Williams will report the items discussed in the Executive Session of  
the Committee of the Whole pursuant to V. T. C. S., Article 6252-17,  
Sections 2(e), (f) and (g) and ask for action thereon, if any:

1. Pending or Contemplated Litigation - Section 2(e)
2. Land Acquisition, Purchase, Exchange, Lease or Value of  
Real Property and Negotiated Contracts for Prospective  
Gifts or Donations - Section 2 (f)
  - a. PUF: Mineral Leases, West Texas Lands
  - b. U. T. System: Purchase of Lots 9, 10, 11 and 12,  
Block 82, Austin, Travis County, Texas
  - c. U. T. Austin: Valuation of Huntington Property in  
Samuel C. Bundick League, H. B. Littlefield Survey,  
Galveston, Texas, for Sale

- d. U. T. Austin: Valuation of Maverick Building at 317-319 Alamo Plaza, San Antonio, Texas, for Sale
  - e. U. T. El Paso: Expansion of Sun Bowl and Acquisition of Adjacent Property
  - f. U. T. San Antonio: Valuation of Property Associated with Lucher Center in San Antonio for Sale
  - g. University Cancer Center: Purchase of Lot 2, Block 4, Devonshire Place Addition, Houston, Texas, and Valuation of Lot 30, Block 74, Section 15, Tanglewood, Houston, Texas, for Sale
3. Personnel Matters [Section 2(g)] Relating to Appointment, Employment, Evaluation, Assignment, Duties, Discipline, or Dismissal of Officers or Employees

U. T. El Paso: Report and Recommendation of Advisory Committee for Selection of Chief Administrative Officer (President)

P. ADJOURNMENT