

MATERIAL SUPPORTING THE AGENDA

Volume XXIIb

January - August 1974

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

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

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

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

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



THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting
Agenda

Meeting Date: June 14, 1974

Meeting No.: 722

Name: Official copy

CALENDAR
BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

June 14, 1974

Place: Main Building, Suite 212
The University of Texas at Austin
Austin, Texas

Friday, June 14, 1974

9:00 a. m. Meeting of the Board

System Administration Committee

Academic and Developmental Affairs
Committee

Buildings and Grounds Committee

Medical Affairs Committee

Land and Investment Committee

Committee of the Whole - Open Session

Committee of the Whole - Executive Session

Meeting of the Board

Lunch for Regents and Chancellors

Telephone Numbers

Offices:

Board of Regents	471-1265
Chancellor LeMaistre	471-1434
Chancellor Emeritus Ransom	471-1741
Deputy Chancellor Walker	471-1743
President Spurr	471-1233

Hotels:

Sheraton-Crest Inn	478-9611
Driskill Hotel	474-5911
Villa Capri Motor Hotel	476-6171

Airlines:

Braniff International	476-4631
Continental	477-6716
Texas International	477-6441

Meeting of the Board

Tom Lea's gift.
The portrait of Dr. Smith is a gift
of Tom Lea as a member of
Chancellor's Council in appreciation
to the U of Texas. A gift to the
Bd. for the Sal. Med. Branch

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

Chairman McNeese, Presiding

Date: June 14, 1974

Time: 9:00 a. m.

Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

- A. CALL TO ORDER
- B. APPROVAL OF MINUTES OF REGENTS' MEETING -
May 3, 1974
- C. PRESENTATION OF PORTRAIT OF ASHBEL SMITH
- D. RECESS FOR MEETINGS OF THE STANDING COMMITTEES
 - 1. System Administration - Committee Chairman
Williams
 - 2. Academic and Developmental Affairs - Com-
mittee Chairman (Mrs.) Johnson
 - 3. Buildings and Grounds - Committee Chairman
Erwin
 - 4. Medical Affairs - Committee Chairman Nelson
 - 5. Land and Investment - Committee Chairman
Garrett
 - 6. Committee of the Whole - Open Session
- E. COMMITTEE OF THE WHOLE - EXECUTIVE SESSION. --The
Board of Regents will resolve into Executive Session of the
Committee of the Whole under Section 2(g), H. B. No. 3, 63rd
Legislature, R. S., 1973, to consider personnel matters, to-wit:
 - 1. U. T. System: 1974-75 Operating Budgets
 - 2. U. T. Arlington: Personnel Matters

System Administration Committee

SYSTEM ADMINISTRATION COMMITTEE
Dan C. Williams, Chairman

Date: June 14, 1974
Time: 9:00 a. m.
Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

Page
SAC

1. U. T. Arlington, U. T. Austin, Galveston Medical Branch (Galveston Medical School) and San Antonio Health Science Center and its San Antonio Dental School: Amendments to the 1973-74 Budgets (7-B and 8-B-74) Below

REPORTS OF ITEMS SUBMITTED TO
SYSTEM ADMINISTRATION COMMITTEE

Since the last report of the System Administration Committee on May 3, 1974, the following recommendations of the Administration were circulated to the members of the System Administration Committee and no exceptions were registered. These recommendations are herewith submitted for formal approval by the System Administration Committee:

1. U. T. Arlington, U. T. Austin, Galveston Medical Branch (Galveston Medical School) and San Antonio Health Science Center and its San Antonio Dental School: Amendments to the 1973-74 Budgets (7-B and 8-B-74). --It is recommended by the appropriate chief administrative officers, concurred in by System Administration, that the following amendments to the 1973-74 budgets for The University of Texas at Arlington, The University of Texas at Austin, The University of Texas Medical Branch at Galveston (Galveston Medical School) and The University of Texas Health Science Center at San Antonio and its San Antonio Dental School be approved (Pages 2 - 8):

All rates are full time rates: salary rate indicates a 12 months' full time rate and academic rate indicates a 9 months' full time rate:

The University of Texas at Arlington

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
3.	Auxiliary Enterprises - Athletics - Special Activities			
	Transfer of Funds	From: Athletics - Special Activities - Unappropriated Balance via Estimated Income	To: Athletics - Special Activities - Maintenance and Operation	
	Amount of Transfer	\$ 6,400	\$ 6,400	---

To provide within the Athletics program funds for the operation of the scuba diving and ice skating programs during the spring and summer terms.

The University of Texas at Austin

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
16.	Auxiliary Enterprises - Intercollegiate Athletics			
	Transfer of Funds	From: Intercollegiate Athletics Unappropriated Balance via Estimated Income	To: Intercollegiate Athletics Operating Budget - NCAA Track Meet - \$36,900 American-Russian Meet - 36,600 Other Operating Expenses - 3,000	
	Amount of Transfer	\$ 76,500	<u>\$76,500</u>	---

The Athletics Council received approval for the establishment of a preliminary budget of \$500 for the NCAA Track and Field Championships scheduled for Austin June 6, 7, and 8, 1974.

The following is a complete income and expenditure budget that has been developed for this meet.

<u>Income</u>	
NCAA for expenses	\$35,000
NCAA facility allowance	5,000
Concessions	<u>3,000</u>
Total Income	<u>\$43,000</u>
<u>Expenditures</u>	
Printing and supplies	4,500
Postage	1,500
Telephone and telegraph	500
Coaches, officials, and press entertainment	4,000
Wages (clerical, ticket takers, trainers, ushers, ticket sellers, police)	7,900
Officials and committee expenses	2,150
Awards and mementos	4,500
Facility improvement and maintenance and cleanup	6,500
Photography	2,000

The University of Texas at Austin (Continued)

Laundry	250	
Programs	<u>3,600</u>	
Total Expenditures		37,400
Amount of Preliminary Budget already approved		<u>500</u>
Amount needed to cover expenditures		<u>\$36,900</u>

The Athletics Council received approval for the establishment of a preliminary budget of \$500 for the U.S.-U.S.S.R. Junior Track Meet scheduled for Austin June 26-29, 1974.

The following is a complete income and expenditure budget that has been developed for this meet.

<u>Income</u>		
A.A.U. for Expenses	\$37,000	
Share of Income after Expenses	4,000	
Concessions	<u>3,000</u>	
Total Income		<u>\$44,000</u>

<u>Expenditures</u>		
Printing and supplies	5,100	
Postage	1,000	
Telephone and telegraph	500	
Players, coaches, officials, and press hospitality	9,000	
Wages (clerical, ticket takers, trainers, ushers, ticket sellers, police)	3,750	
Directors, chairman, officials, and committee expense	4,000	
Awards and mementos	4,500	
Facilities improvement and maintenance	6,500	
Film and photography	1,000	
Laundry	250	
Transportation	1,000	
Equipment rental	<u>500</u>	
Total Expenditures		37,100
Amount of Preliminary Budget already approved		<u>500</u>
Amount needed to cover expenditures		<u>\$36,600</u>

The \$3,000 increase in Other Operating Expenses is related to the swimming team and the baseball team, as follows:

An additional \$1,000 is needed for hotel, meals, and travel for the swimming team and an additional \$2,000 is needed for hotel, meals, and travel for the baseball team.

In the case of swimming, the boys had to be provided with meal allowance for twelve days while in Austin for daily workouts between the Fall and Spring Semesters. This expense was not taken into consideration when the 1973-74 budget was prepared.

In the case of baseball, it wasn't known at the time the budget was prepared that Arkansas would be added to the schedule and that this would be the year the Texas team would be scheduled to go to Fayetteville; hence, the \$2,000 is to cover the expenses of this trip to Arkansas.

The University of Texas at Austin (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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17. Auxiliary Enterprises - Texas Union

Transfer of Funds	From: Texas Union Unappropriated Balance	To: Texas Union - Major Improvements and Repairs
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Amount of Transfer	\$ 9,950	\$ 9,950	---
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For capital expenditures related to the construction of "The General Store."

18. Auxiliary Enterprises - Texas Student Publications

Transfer of Funds	From: TSP Unappropriated Balance via Estimated Income	To: General Overhead- Wages \$ 4,200 Other Operating Expense 3,900 Cactus - Other Operating Expense <u>3,950</u>
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Amount of Transfer	\$ 12,050	<u>\$ 12,050</u>	---
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These funds are needed in the current expense budget for General Overhead in order to purchase additional typewriters, pay for site preparation for a new mini-computer expected to be installed in the TSP composing room, and to pay wages necessary for initial programming of the computer. Itemization is as follows:

Typewriters (2 for Pearl Office)	\$ 800
Refurbishing furniture	2,000
Computer-typesetting system:	
Wages	4,200
Site preparation	1,100

Cactus Yearbook - Other Operating Expenses: Printing - Increase of \$3,800 is requested to cover part of cost of 1973 Cactus which was charged against 1974 book; Supplies and Services - Increase of \$150 to allow for several miscellaneous expenses, such as awards for staffers, which were not originally planned.

19. Ernie D. Dotson
Intercollegiate Athletics

Assistant Basketball Coach	Assistant Basketball Coach
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Salary Rate	\$ 10,000	\$ 14,000	4/1/74
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Source of Funds:
Allocation for Budget Adjustments

20. Marc D. Adams
Intercollegiate Athletics

Assistant Basketball Coach	Assistant Basketball Coach
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Salary Rate	\$ 7,200	\$ 12,000	4/1/74
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Source of Funds:
Allocation for Budget Adjustments

With the approval of the appointment of Mr. M. Leon Black as basketball coach, consideration was given to his recommendation of his two assistant basketball coaches.

Coach Black recommended that Mr. Ernie Dale Dotson be reappointed effective April 1, at a salary of \$14,000 and that Mr. Marc Daniel Adams be appointed effective April 1, at a salary of \$12,000 per annum. Mr. Adams was considered

The University of Texas at Austin (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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only a temporary employee during the past six months; so this in effect is his first full-time professional appointment. Athletics Director Royal endorsed Coach Black's recommendation for these salary increases to be effective with the basketball coaches' new contract year.

21. William M. Miller
Intercollegiate
Athletics

Assistant Cross Country and Assistant Track Coach, Assistant Director of Texas Relays	Assistant Cross Country and Assistant Track Coach, Assistant Director of Texas Relays
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Salary Rate	\$ 10,900	\$ 13,000	5/1/74
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Source of Funds:
Allocation for Budget
Adjustments

It was called to the attention of the Athletics Council that William M. Miller, assistant cross country and assistant track coach and assistant director of the Texas Relays, who is currently receiving a salary of \$10,900 and who has been recommended for a salary of \$11,270 for 1974-75, is having to give consideration to withdrawing from coaching in order to secure a livelihood to support his family. Coach Miller has been on our track staff since 1971. He is a former Olympic champion and has achieved a record as coach of which the department is very pleased. Athletics Director Royal and Coach Cleburne Price recommend that his salary be increased to \$13,000 effective May 1.

22. Auxiliary Enterprises -
Intercollegiate
Athletics

Transfer of Funds	From: Intercollegiate Athletics - Unappropriated Balance	To: Intercollegiate Athletics - Operating Budget -	Conference Championship Awards	\$ 880
			NCAA Track Meet	4,500
			NCAA Baseball District VI Playoff and College World Series	16,000
			Other Expenses	<u>26,600</u>
Amount of Transfer	\$ 47,980			<u>\$47,980</u>

Conference Championship Awards (\$880) - To cover the cost of the Conference championship award to basketball lettermen, basketball coaches, and senior manager (16 total awardees). Conference championship award is a choice of either ring, plaque, or charm.

NCAA Track Meet (\$4,500) - Facility Improvement, Maintenance, and Cleanup. The present budget is \$6,500, and it has been determined an additional \$4,500 is needed.

NCAA Baseball District VI Playoff and College World Series (\$16,000) - For the baseball team's participation in the District VI Playoff and the College World Series, due to the team's winning the Conference championship. Expense categories include team expenses of \$14,200; game expenses of \$1,300; and publicity expenses of \$500.

Other Expenses (\$26,600) - \$1,000 needed for Baseball: Hotel, Meals, and Travel. The current budget is \$9,000. This item was increased once this year by \$2,000

The University of Texas at Austin (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
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as a result of the Arkansas game at Fayetteville being added to the schedule after the 1973-74 budget was submitted. However, plane rates and other costs were higher than anticipated, and the additional \$2,000 was insufficient for the Arkansas trip by \$1,000.

\$1,500 needed for Football: Hotel, Meals, and Travel. The current budget of \$51,500 is inadequate by \$1,500.

\$17,000 for Football: Program Expense. The current budget appropriation for this item is \$32,000, and an additional \$17,000 is needed to cover the printing costs of the program. Von Boeckmann-Jones went out of the printing business, and the new printer's bid was substantially higher, and color advertising was a major factor in the higher costs.

\$1,600 for Basketball: Game Expense. The current budget for this item is \$15,000. An additional \$1,600 is needed to cover the cost of the clean-up crew, security guards, electricians, and sound crew.

\$1,000 for Basketball: Photography and Publicity. The current budget is \$3,250. Because of the higher printing costs, the color press book and brochure exceeded the estimate by \$1,000.

\$4,500 for Repairs and Maintenance. The present budget is \$32,500. An additional \$4,500 is needed for the relocation and construction of the discus and javelin facilities.

23. Plant Funds

Transfer of Funds	From:	To:	
	Unappropriated Balance - General Funds	Plant Funds -	
		Balcones Research Center -	
		Incinerator for Waste Material	\$25,000
		McDonald Observatory -	
		Acquisition of Vehicle	23,000
Amount of Transfer	\$ 48,000		<u>\$48,000</u>

Balcones Research Center (\$25,000) - The disposal of waste materials from labs and departments is the responsibility of the Safety Section of Physical Plant. We have studied our needs in this area and what is available in the way of incinerators which will meet requirements of various agencies concerned with safety and environment, and it is recommended that we purchase and install a Model C-75 Consumat (as manufactured by Contex Systems, Inc.) complete with incinerator, mechanical loader, holding tank, injection system for liquid wastes, and all necessary controls.

At the present time, the Safety Section personnel are disposing of some waste products by burning in an open pit at BRC. We know that this is a temporary expedient and that we must move promptly to provide a means of disposal which will be acceptable to the Texas Air Control Board. The incinerator will be used to destroy animals from the various animal labs on campus and at BRC as well as for burning of waste liquids.

McDonald Observatory (\$23,000) - McDonald Observatory has leased a tank truck and a tractor since July of 1973 in order to supply supplementary water to the Observatory. Efforts to purchase a used tractor have been fruitless. We have located four new vehicles available from local dealers (Ford, GMC, International) which are quoted at about \$23,000 (\$23,000 to \$26,000).

It now appears that we cannot expect the new water system and an adequate water supply to be available for at least another year. In addition to needing a

The University of Texas at Austin (Continued)

tractor of this size for hauling water, the Observatory needs such a tractor for long term use. Periodically, we need to transport our bulldozer up on the mountain.

Therefore, it is recommended not to continue to lease the tractor for another year, but to purchase a new tractor.

The University of Texas Medical Branch at Galveston

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>Galveston Medical School</u>				
3.	Robert L. Suddith Human Biological Chemistry and Genetics	Postdoctoral Fellow	Postdoctoral Fellow	
	Salary Rate	\$ 8,000	\$ 10,400	5/1/74
	Source of Funds: HEW Grant			

Dr. Suddith came to The University of Texas Medical Branch as a Postdoctoral Fellow in the Department of Human Biological Chemistry and Genetics in September, 1973. Dr. Suddith has been paid \$8,000 per year from the Welch Foundation group, an amount which is not commensurate with his training and experience; however, the limitation of funds available from the Welch Foundation stipend has necessitated this situation.

At this time, permission is requested to change Dr. Suddith's source of salary from a stipend to a salary and to increase his compensation to \$10,400 per year effective May 1, 1974. A portion of this increase is to compensate Dr. Suddith for the loss of tax-exempt status due to the change from stipend to salary.

The University of Texas Health Science Center at San Antonio

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
15.	Auxiliary Enterprises - Bookstore			
	Transfer of Funds	From: Bookstore Un- appropriated Balance via Estimated Income	To: Bookstore - Book Purchases for Resale	
	Amount of Transfer	\$ 30,000	\$ 30,000	---

Additional sales volume is estimated at \$30,000. The related appropriation is for inventory of books and materials for resale.

16.	Auxiliary Enterprises - Bookstore			
	Transfer of Funds	From: Bookstore Unappropriated Balance via Estimated Income	To: Bookstore - Book Purchases for Resale	
	Amount of Transfer	\$ 80,000	\$ 80,000	---

Additional sales volume is estimated at \$80,000. The related appropriation is for inventory of books and materials for resale.

The University of Texas Health Science Center at San Antonio
(Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
<u>San Antonio Dental School</u>				
17.	Jose M. Garcia (Non-tenure) Dental Anatomy Salary Rate	Associate Professor \$ 24,000	Associate Professor \$ 27,000	5/1/74
	Source of Funds: Unallocated - Resident Instruction			

In the original 1973-74 budget, Dr. Garcia was listed at a salary rate of \$24,000, split 16% Dental Anatomy and 64% General Practice. This rate reflected no increase over the prior year. Subsequently, effective September 1, 1973, his status was changed to a "without salary" basis. It is recommended that effective May 1, 1974 he be reinstated on the payroll at an annual salary rate of \$27,000.

**Academic and Developmental Affairs
Committee**

RESPONSES TO DOCKET EXCEPTIONS

Chancellor's Docket No. 72

HOUSTON HEALTH SCIENCE CENTER

I. Docket, Page HH-7, Item 1 under General Administration

HOUSTON MEDICAL SCHOOL
GENERAL ADMINISTRATION
Office of the Dean

1. Appoint Dwight E. Hood as Manager-Medical Service, Research and Development Plan in the Medical School Office of the Dean at an annual salary rate of \$24,000, effective January 21, 1974. Funds needed are to come from the Medical School MSRDP Development Fund-Administrative and Professional Salaries. (RBC-237)

EXCEPTION COMMENT:

Is it not our policy to have only one MSRDP financial officer at each of the Health Science Centers?

RESPONSE:

It is our policy that there be only one chief business officer for MSRDP operations at each of the Health Science Centers. Since the MSRDP operations are essentially medical school based, these appointments are shown related to the budgets of the medical schools within the overall Health Science Center.

This docket item reflects the initial appointment of a manager for the Houston Medical School MSRDP with the source of funds for the salary to be MSRDP income.

II. Docket, Pages HH-8-9-10-11-12-13, Items 7, 10, 11, 19, 20, 21, 22, 25, 26, 27, 28, 31, 36, 37, 38, 39, 40, 41, 47, 49, 50, 51, 53, 54, 55, 56

Items related to the payment of house staff for teaching services rendered undergraduate students of the health professional school. In the above enumerations, items 21 and 22 (page HH-9) are not in the same category and were probably cited in error. These two are routine appointments as Research Associates in the Medical School program in Obstetrics and Gynecology.

EXCEPTION COMMENT:

All of these items appear to be House Staff of some variety. Is this in total agreement with the policy adopted by the Board of Regents, which will be reflected in the minutes, concerning the general policy and the House Staff positions in the Houston Health Science Center?

RESPONSE:

These docket items reflect the appointment of selected residents to part-time instructional status and provides payment from unallocated faculty salaries.

The teaching hospital remains fully and completely responsible for the salary of house staff related to their participation in programs of direct patient care. I have again personally reconfirmed this with Mr. Dan Kadrovach, Administrator, the Hermann Hospital. The salary provided by the hospital is total payment for patient care services rendered by these selected residents with teaching responsibilities. Selected residents are allowed to accept additional duties related to teaching of undergraduate medical students, and for those teaching services may receive, in addition to that resident's annual compensation for patient care services, a stipend not to exceed one-third of the total annual salary mutually agreed upon by the hospital and the Medical School.

These appointments are in agreement with the policy adopted by the Board of Regents on February 1, 1974 for the Houston Health Science Center.

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE
Mrs. Lyndon B. Johnson, Chairman

Date: June 14, 1974

Time: Following the meeting of the System Administration Committee

Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

	<u>Page</u> <u>A & D</u>
1. U. T. System: <u>Chancellor's Docket No. 72</u>	Below
2. U. T. Dallas: Recommendation to Establish Bachelor of Arts Degree Program in Visual Arts, Theatre, Philosophy, Classics, and Asian Studies and Bachelor of General Studies Degree Program for Implementation in 1975 and Bachelor of Arts Degree Program in Music for Implementation in 1976	2
3. U. T. Dallas: Recommendation to Establish Graduate Degree Programs in Industrial Biosciences, Political Economy and General Studies	3
4. U. T. Permian Basin: Recommendation to Establish Master's Degrees in Literature, History, Behavioral Science and Life Science and Master's Degree Concentrations in Educational Administration, Supervision and Reading	5
5. U. T. San Antonio: Recommendation to Establish Division of Special Programs in College of Multi-disciplinary Studies	6
6. U. T. San Antonio: Recommendation to Establish Bachelor's Degrees in Psychology and Criminal Justice and Master's Degree Concentrations in Special Education and Guidance and Counseling	6

DOCUMENTATION

1. U. T. System: Chancellor's Docket No. 72. --In compliance with the Regents' Rules and Regulations, Part One, Chapter I, Subdivision 8.64, Chancellor's Docket No. 72 was mailed by the Secretary to each member of the Board of Regents on May 17, 1974. The ballots are due in the Secretary's Office at the close of business on May 31, 1974. The Docket will be formally considered by the Academic and Developmental Affairs Committee with any exceptions appropriately referred and given detailed consideration.

Handwritten signature

2. U. T. Dallas: Recommendation to Establish Bachelor of Arts Degree Program in Visual Arts, Theatre, Philosophy, Classics, and Asian Studies and Bachelor of General Studies Degree Program for Implementation in 1975 and Bachelor of Arts Degree Program in Music for Implementation in 1976. --

Chancellor LeMaistre concurs in President Jordan's recommendation to establish Bachelor of Arts degree programs in the following areas at U.T. Dallas:

Visual Arts
Music
Theatre

Philosophy
Classics
Asian Studies

They also recommend approval of a Bachelor of General Studies degree program at U.T. Dallas.

The degrees in visual arts, music, theatre, and philosophy were originally proposed in the U.T. Dallas academic plan for implementation in 1977. Dr. Jordan requests earlier implementation to make full use of faculty who will be needed to teach supporting courses for other approved degrees. The music degree is to be implemented in 1976, the remainder in 1975 upon approval.

The Bachelor of General Studies, requested for implementation in 1975, is designed to provide a general ~~but~~ coordinated degree for mature persons who do not desire a specialized major.

Subsequent to Regental approval, the proposals will be submitted to the Coordinating Board for final authorization.



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF THE PRESIDENT

May 16, 1974

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
601 Colorado St.
Austin, Texas 78701

Dear Dr. LeMaistre:

We have forwarded to Dr. Wagener the following proposals for undergraduate degree programs:

1. Visual Arts;
2. Music;
3. Philosophy;
4. Theatre;
5. Classics;
6. Asian Studies; and
7. General Studies.

You will recall that the programs in Art (now labeled Visual Arts), Music, Philosophy, and Theatre were contemplated in the Precis of the

U.T. SYSTEM - ACADEMIC AFFAIRS	
REC'D	MAY 17 1974
TO _____	FOR INFO AND RETURN
TO _____	PLEASE ADVISE ME
TO _____	PLEASE HANDLE

Academic Plan for The University of Texas at Dallas as approved by the Board of Regents on October 22, 1971 and by the Coordinating Board on April 21, 1972. The date then contemplated for implementation was Fall, 1977. However, subsequent planning has indicated that a very large number of support courses in these curricular areas will be required for majors in other areas. This situation will require the recruitment of substantial numbers of faculty in these curricular areas whether or not degrees are offered. Accordingly, we have decided to request approval to implement these programs in the Fall of 1975.

Cooperative ventures at the undergraduate level in Classics and Asian Studies are being planned by several TAGER institutions. The programs in Classics and Asian Studies, for which approval is hereby requested, are in furtherance of this venture. It is also true that the program in Classics is needed to provide appropriate service courses for several other undergraduate degrees. The program in Asian Studies is so designed that it will require no courses to be offered at The University of Texas at Dallas beyond those which would be offered as a result of the previously approved undergraduate degrees. The program in General Studies is an attempt to continue to meet the needs of the urban community surrounding the University. It, too, will require the addition of no new courses to be University curriculum.

I request that you join with me in recommending to the Board of Regents of The University of Texas System on June 14, 1974, that these proposals be approved and submitted to The Coordinating Board at its October program meeting.

Sincerely,



Bryce Jordan

cc: Dr. James Wagener

3. U. T. Dallas: Recommendation to Establish Graduate Degree Programs in Industrial Biosciences, Political Economy and General Studies. --

Chancellor LeMaistre concurs in President Jordan's recommendation to establish the following graduate degree programs at U.T. Dallas:

M.S. and Ph.D. in Industrial Biosciences
M.A. and Ph.D. in Political Economy
Master of General Studies

The program in industrial biosciences trains persons in the application of microbial processes to a wide range of fields such as food processing, fermentation, agriculture, and waste treatment. Approximately \$250,000 will be needed for equipment to start up this program. President Jordan reports that every effort will be made to raise this amount from industries to be served by the degree.

The interdisciplinary political economy program will deal with the impact of political decisions on public and private economic institutions and the impact of economic enterprises on political life. Candidates for this degree might deal with public policy problems such as the energy crisis, government regulations of business, and environmental control practices.

The Master of General Studies degree will provide mature students who hold undergraduate degrees an opportunity for advanced study of a broader range than the usual major allows.

Subsequent to Regental approval, these proposals will be submitted to the Coordinating Board for final authorization.



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF THE PRESIDENT

May 16, 1974

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Dear Dr. LeMaistre:

I am forwarding to you with this letter the following graduate level program proposals:

1. a program in Political Economy leading to the degrees of Master of Arts and Doctor of Philosophy;
2. a program in Industrial Biosciences leading to the degrees of Master of Science and Doctor of Philosophy; and
3. a program in General Studies leading to the degree of Master of General Studies.

Pursuant to our request and pursuant to The University of Texas System Guidelines, Dr. Wagener appointed evaluation teams for the programs in Political Economy and Industrial Biosciences. We initiated, on our own, a similar evaluation of the General Studies program. Dr. Wagener has received reports from each of these evaluation teams. The reports are extremely positive.

I request that you join with me in recommending to the Board of Regents of The University of Texas System on June 14, 1974, that these programs be approved and submitted to The Coordinating Board, Texas College and University System, at The Coordinating Board's October program meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Bryce Jordan', written in dark ink.

Bryce Jordan

BJ:cp

cc: Dr. James Wagener

4. U. T. Permian Basin: Recommendation to Establish Master's Degrees in Literature, History, Behavioral Science and Life Science and Master's Degree Concentrations in Educational Administration, Supervision and Reading. --

Chancellor LeMaistre concurs in President Amstead's recommendation to establish the following new Master's degree programs and Master's degree concentrations at U.T. Permian Basin:

1. Master of Arts in Literature
2. Master of Arts in History
3. Master of Arts in Behavioral Science
4. Master of Science in Life Science
5. Additional options to the present Master of Arts in Education in Educational Administration, Supervision and Reading

The present need for these programs is stated in President Amstead's letter which follows. Approval of them will supplement the core of programs approved in 1972 for U.T. Permian Basin by the Coordinating Board.

Subsequent to Regental approval, these proposals will be submitted to the Coordinating Board for final authorization.

THE UNIVERSITY OF TEXAS OF THE PERMIAN BASIN

Office of President B. H. Amstead
Odessa, Texas 79762

April 25, 1974

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
601 Colorado
Austin, Texas 78701

CHANCELLOR'S OFFICE U. of T.	
Acknowledged.....	File.....
APR 27 1974	
To.....	For Info and Return
To.....	Please Advise Me
To.....	Please Handle

Dear Dr. LeMaistre:

Enclosed for your consideration and that of the Board of Regents are four new master's degree programs and three additional options to the presently approved MA in education. New proposed degree programs are:

1. Master of Arts in Literature
2. Master of Arts in History
3. Master of Arts in Behavioral Science
4. Master of Science in Life Science

The University of Texas of the Permian Basin has been authorized by the Board of Regents and the Coordinating Board, Texas College and University System,

to offer the Master of Arts in Education with options in secondary education, elementary education, early childhood education, special education, and counseling. Enclosed are requests to add additional options to the MA in education in the following areas:

1. Educational Administration
2. Supervision
3. Reading

At the time initial degree program offerings were approved three years ago we were of the opinion that additional master's degrees were needed and so informed in our report to you, the Board of Regents and the Coordinating Board. Our faculty and administration have studied the needs for these proposed master's programs and additional options and are now persuaded that there is a clear need for offering each and that the University is prepared in terms of faculty and facilities to do so.

Sincerely,



B. H. Amstead

db
Enclosure

5. U. T. San Antonio: Recommendation to Establish Division of Special Programs in College of Multidisciplinary Studies. --

Chancellor LeMaistre concurs in President Flawn's recommendation to establish a Division of Special Programs in the College of Multidisciplinary Studies at U.T. San Antonio.

Some academic programs, such as the proposed Criminal Justice degree, do not fit into the usual disciplinary divisions but are too small to justify separate divisions and division directors. It is proposed that the Division of Special Programs be created to house such programs.

Subsequent to Regental approval, the proposal will **be submitted to the Coordinating Board for final authorization.**

6. U. T. San Antonio: Recommendation to Establish Bachelor's Degrees in Psychology and Criminal Justice and Master's Degree Concentrations in Special Education and Guidance and Counseling. --

Chancellor LeMaistre concurs in President Flawn's recommendation to establish the following undergraduate degree programs and Master's degree concentrations at U.T. San Antonio:

1. Bachelor of Arts in Psychology
2. Bachelor of Arts in Criminal Justice
3. Concentration in Educational Psychology/
Special Education under the present Master of Arts degree in Education (Areas limited

to Mental Retardation, Language and Learning Disabilities and the Emotionally Disturbed)

4. Concentration in Educational Psychology/
Guidance and Counseling under the present
Master of Arts degree in Education

The need for these programs is stated in President Flawn's letter which follows. Approval of these offerings will round out the core of programs that were originally contemplated for U. T. San Antonio.

Subsequent to Regental approval, these proposals will be submitted to the Coordinating Board for final authorization.



THE UNIVERSITY OF TEXAS AT SAN ANTONIO

4242 PIEDRAS DRIVE EAST, SUITE 250 SAN ANTONIO, TEXAS 78284
512-732-2141

OFFICE OF THE PRESIDENT

May 14, 1974

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Dear Dr. LeMaistre:

Enclosed with my recommendation for approval by the Board of Regents are the following proposed new degree programs and one organizational modification:

1. Master of Arts in Education with concentration in Educational Psychology/Special Education (Areas limited to Mental Retardation, Language and Learning Disabilities and the Emotionally Disturbed)
2. Master of Arts in Education with concentration in Educational Psychology/Guidance and Counseling
3. Bachelor of Arts in Psychology
4. Bachelor of Arts in Criminal Justice
5. Establish a Division of Special Programs in the College of Multidisciplinary Studies

Although the needs for each of the proposed degree programs and the new division are set out in the individual submissions, they are related to each other, and to other programs already authorized at UT San Antonio.

The Bachelor of Arts degree in psychology is a necessary social science component in a comprehensive urban university program; there is strong undergraduate student interest for courses and a degree in that field. A strong psychology program is needed to support our programs in education, marketing, sociology, anthropology, the allied health fields, personnel management, and the proposed criminal justice program.

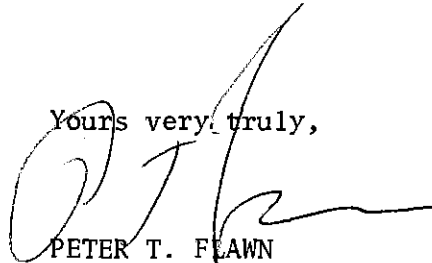
The criminal justice program is proposed to enable UTSA to respond to a clear community and regional need for an applied, problem-oriented program in this field. The two master's programs in education are responsive to local needs based on a year's experience. They were carefully selected as the most needed and appropriate from a number of fields suggested to UTSA. The organizational change will create a division needed to assist us in effectively administering interdisciplinary programs which should not have separate administrative units.

In total, these programs and this organizational change constitute what the Deans and administrators at UT San Antonio believe are the essential elements to round out the core of offerings at UTSA originally approved by the Coordinating Board in 1972.

If you or the Coordinating Board needs additional information on any of these proposals, please let us know.

With best regards, I am

Yours very truly,

A handwritten signature in black ink, appearing to read 'P. T. Flawn', with a long horizontal flourish extending to the right.

PETER T. FLAWN

/nw
attachments

Buildings and Grounds Committee

BUILDINGS AND GROUNDS COMMITTEE

Frank C. Erwin, Jr., Chairman

Date: June 14, 1974

Time: Following the meeting of the Academic and Developmental
Affairs Committee

Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

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U. T. AUSTIN

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3. College of Fine Arts and Performing Arts Center - Addition to Art Building and Remodeling of Existing Building: Report of Committee and Request for Ratification of Contract Award to B. L. McGee Construction Company and B. L. McGee, Inc., Joint Venture, Austin, Texas 4
4. College of Fine Arts and Performing Arts Center - Addition to Drama Building and Remodeling of Existing Building: Report of Committee and Request for Ratification of Contract Award to J. C. Evans Construction Company, Inc., Austin, Texas 4
5. Special Events Center: Report of Committee and Request for Ratification of Contract Awards to H. A. Lott, Inc., Dallas Stage Scenery Company, Inc., Hoffend and Sons, Inc., and Kliegl Brothers University Electric Stage Lighting Company, Inc. 6
6. Disch-Falk Field: Recommended Inscription for Plaque 7
7. Faculty Office Building and Center: Recommended Inscription for Plaque 7
8. Hal C. Weaver Power Plant: Report on Study of Possibilities for Expansion of Power Plant by Stone and Webster, New York City, Appointment of Project Engineer, and Authorization to Prepare Final Plans and Specifications 8

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9. Request for Authorization to Grant Underground Easement to Lone Star Gas Company 8

U. T. EL PASO

10. Request for Authorization to Dedicate a Parcel of Land Containing 87,330.4 square feet, as a Public Road to be Acquired by the City of El Paso, County of El Paso, Texas 9

DALLAS HEALTH SCIENCE CENTER

11. Dallas Southwestern Medical School - Faculty Center in Fred F. Florence Bioinformation Center: Request for Approval of Final Plans and Specifications and Authorization to Advertise for Bids 9

12. Dallas Southwestern Medical School - Cecil H. and Ida Green Science Building (Formerly Called Basic Sciences Teaching Unit and Four Lecture Rooms): Request for Authorization to Modify for Biohazard and Bioengineering Laboratories (Presently in Danciger Building); Appointment of Project Architect; Authority to Prepare Final Plans and Specifications and to Advertise for Bids 9

13. Dallas Southwestern Medical School - Hoblitzelle Building Air Conditioning System Redesign, Phases II, III, IV and V: Request to Award Contract to Burden Brothers, Inc., Dallas, Texas 10

HOUSTON HEALTH SCIENCE CENTER

14. Houston Dental Branch - Houston Dental Branch Building - Expansion of Animal Facilities: Request to Increase Scope 11

UNIVERSITY CANCER CENTER

15. M. D. Anderson - Environmental Science Park at Smithville - Completion of Metal Buildings: Presentation of Final Plans and Specifications and Request for Authorization to Advertise for Bids 12

DOCUMENTATION

1. U. T. ARLINGTON: AUTHORIZATION TO GRANT AN EASEMENT TO THE CITY OF ARLINGTON, TEXAS FOR UNDERGROUND PUBLIC UTILITIES.--In connection with the construction of a parking lot in the Swift School area of the campus, the City of Arlington, Texas has requested an easement for underground utilities fifteen feet (15') in width and approximately four hundred ninety six feet (496') in length, in, upon and across a tract or parcel of land in Tarrant County, Texas, described as in between Lot 1, Block 3 of the Kerby Addition and Lot 8, Block 6, of the Thurman Hill Addition and in the right-of-way of Athletic Drive. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Nedderman and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas Attorney.

2. U. T. AUSTIN: COMMUNICATION BUILDING (FORMERLY REFERRED TO AS SCHOOL OF COMMUNICATION BUILDING AND STUDENT PUBLICATIONS BUILDING) (PROJECT NO. 102-27) - REPORT OF REVISION OF ANNUAL INTEREST GRANT NO. 5-7-00401-0. --At the Regents' meeting held October 23, 1970, Annual Interest Grant No. 5-7-00401-0 for the Communication Building at The University of Texas at Austin in the annual amount of \$149,857.00 for a period of thirty years was accepted by the Board. This grant was for the purpose of paying the excess of interest over and above a 3% interest rate on \$5,000,000.00 of Combined Fee Revenue Bonds issued for U. T. Austin and allocated to the construction of the Communication Building.

The Annual Interest Grant amount of \$149,857.00 was calculated on the basis of the net interest cost of the winning bid without regard to the purchase of accrued interest to the date of bond delivery. The Department of Health, Education and Welfare has issued a "Notification of Reduction of Annual Interest Grant Commitment" which revises the annual amount to \$149,083.00 in order to reflect the lower net interest cost after the deduction of the accrued interest purchased.

It is recommended by President Spurr and System Administration that the Board accept the revised grant as outlined above.

3.

U. T. AUSTIN: COLLEGE OF FINE ARTS AND PERFORMING ARTS CENTER - ADDITION TO ART BUILDING AND REMODELING OF EXISTING BUILDING (PROJECT NO. 102-264) - REPORT OF COMMITTEE AND REQUEST FOR RATIFICATION OF CONTRACT AWARD TO B. L. MCGEE CONSTRUCTION COMPANY AND B. L. MCGEE, INC., JOINT VENTURE.--In accordance with authorization given at the Regents' Meeting held March 15, 1974, bids were called for and were received, opened and tabulated on May 14, 1974, as shown on the attached sheet for the Addition to the Art Building and Remodeling of the Existing Building at The University of Texas at Austin.

At the Regents' Meeting held on May 3, 1974, a Committee, consisting of President Spurr, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Erwin and Chairman McNeese, was appointed to award a contract for this project within the authorized funds previously appropriated for the Expansion of the College of Fine Arts at The University of Texas at Austin. In accordance with this authorization, the Committee has awarded a contract to the low bidder, B. L. McGee Construction Company and B. L. McGee, Inc., Joint Venture, Austin, Texas, as follows:

Base Bid	\$3,418,000.00
Add Alternate No. 1 (Replace Elevator)	<u>30,000.00</u>
Total Contract Award	<u>\$3,448,000.00</u>

Ratification is requested of the action taken by the Committee in awarding the contract as outlined above within funds previously appropriated.

4.

U. T. AUSTIN: COLLEGE OF FINE ARTS AND PERFORMING ARTS CENTER - ADDITION TO DRAMA BUILDING AND REMODELING OF EXISTING BUILDING (PROJECT NO. 102-268) - REPORT OF COMMITTEE AND REQUEST FOR RATIFICATION OF CONTRACT AWARD TO J. C. EVANS CONSTRUCTION COMPANY, INC.--In accordance with authorization given at the Regents' Meeting held March 15, 1974, bids were called for and were received, opened and tabulated on May 14, 1974, as shown on the attached sheet.

At the Regents' Meeting held on May 3, 1974, a Committee, consisting of President Spurr, Director Kristoferson, Deputy Chancellor Walker, Chairman Erwin and Chairman McNeese, was appointed to award a contract for this project within the authorized funds previously appropriated for the Expansion of the College of Fine Arts at The University of Texas at Austin. In accordance with this authorization, the Committee has awarded a contract to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas, as follows:

Base Bid	<u>\$4,500,500.00</u>
Total Contract Award	<u>\$4,500,500.00</u>

Ratification is requested of the action taken by the Committee in awarding the contract as outlined above within funds previously appropriated.

ADDITION TO ART BUILDING AND ADDITION TO DRAMA BUILDING, THE UNIVERSITY OF TEXAS AT AUSTIN

Bids Received at 2:00 P. M., May 14, 1974, at the Office of Facilities Planning and Construction, The University of Texas System, Austin, Texas

	Addition to Art Building Base Bid	Addition to Drama Building Base Bid	Combined Bid for Additions to Art and Drama Buildings	Add Alternates for Addition to Art Building		Bidder's Bond
				No. 1	No. 2	
Anken Construction Company, Inc., Manchaca, Texas	----	\$4,666,000	----	----	----	5%
J. C. Evans Construction Company, Inc., Austin, Texas	\$3,535,000	4,500,500	----	\$45,000	\$85,000	5%
Faulkner Construction Company, Austin, Texas	3,455,000	----	----	35,000	85,000	5%
B. L. McGee Construction Company and B. L. McGee, Inc., Joint Venture, Austin, Texas	3,418,000	4,574,000	----	30,000	90,000	5%
Southwestern Construction Company, Houston, Texas	----	----	9,325,625	68,000	96,000	5%

B & G - 5

5. Spec Events - Figure for
Theatrical Equipment, Bid No. 1,
Dallas Stage Scenery, should
read * 63,600.

5.

U. T. AUSTIN: SPECIAL EVENTS CENTER (PROJECT NO. 102-198) - REPORT OF COMMITTEE AND REQUEST FOR RATIFICATION OF CONTRACT AWARDS TO H. A. LOTT, INC., DALLAS STAGE SCENERY COMPANY, INC., HOFFEND AND SONS, INC., AND KLIEGL BROTHERS UNIVERSITY ELECTRIC STAGE LIGHTING COMPANY, INC.--At the Regents' Meeting held on May 3, 1974, an analysis was made of the bids received on April 23, 1974, for the General Construction and Theatrical Equipment for the Special Events Center at The University of Texas at Austin. The Office of Facilities Planning and Construction and the Project Architect have conducted negotiations with the low bidders to effect reductions in costs of the General Construction and the Theatrical Equipment. Under further authorization given by the Board at the May 3, 1974 meeting, the Committee, consisting of Chairman McNeese, Committee Chairman Erwin, Deputy Chancellor Walker, Assistant Deputy Chancellor Landrum and Director Kristoferson, has awarded contracts to the low bidders as follows:

A. General Construction:

H. A. Lott, Inc., Houston, Texas	
Base Bid	\$ 33,160,000
Less Negotiated Reductions	<u>4,350,684</u>
General Construction, Total Contract Award	\$ <u>28,809,316</u>

B. Theatrical Equipment:

Bid No. 1	
Dallas Stage Scenery Company, Inc., Dallas, Texas	\$ 96,076
Less Negotiated Reductions	<u>31,500</u>
Total Contract Award	\$ <u>64,576 64,576</u>
Bid No. 2	
Hoffend and Sons, Inc., Rochester, New York	\$ 181,188
Less Negotiated Reductions	<u>43,823</u>
Total Contract Award	\$ <u>137,365</u>
Bid No. 3	
Kliegl Brothers University Electric Stage Lighting Company, Inc., Long Island City, New York	\$ 289,248
Less Negotiated Reductions	<u>40,844</u>
Total Contract Award	\$ <u>248,404</u>

Handwritten mark

The action taken by the Committee in awarding the contracts as outlined above is presented for ratification by the Board within funds which have been appropriated.

6.

U. T. AUSTIN: DISCH-FALK FIELD - RECOMMENDED INSCRIPTION FOR PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed at Disch-Falk Field at The University of Texas at Austin. This inscription follows the standard pattern approved by the Board of Regents at the meeting held October 1, 1966.

DISCH-FALK FIELD
1973

BOARD OF REGENTS

A. G. McNeese, Jr., Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D. D. S.
Edward Clark
Frank C. Erwin, Jr.
Jenkins Garrett
Mrs. Lyndon B. Johnson
Joe T. Nelson, M. D.
Allan Shivers

Charles A. LeMaistre, M. D.,
Chancellor, The University
of Texas System
Stephen H. Spurr, President,
The University of Texas
at Austin

John E. Breen, Chairman,
Faculty Building Advisory
Committee, The University
of Texas at Austin

Marmon and Mok Associates,
Project Architect
J. C. Evans Construction
Company, Inc., Contractor

7.

U. T. AUSTIN: FACULTY OFFICE BUILDING AND CENTER - RECOMMENDED INSCRIPTION FOR PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Faculty Office Building and Center at The University of Texas at Austin. This inscription follows the standard pattern approved by the Board of Regents at the meeting held October 1, 1966

FACULTY OFFICE BUILDING AND CENTER
1973

A. G. McNeese, Jr., Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D. D. S.
Edward Clark
Frank C. Erwin, Jr.
Jenkins Garrett
Mrs. Lyndon B. Johnson
Joe T. Nelson, M. D.
Allan Shivers

Charles A. LeMaistre, M. D.,
Chancellor, The University
of Texas System
Stephen H. Spurr, President,
The University of Texas
at Austin

William H. Wade, Chairman,
Faculty Building Advisory
Committee, The University
of Texas at Austin

Jessen Associates, Inc.,
Project Architect
Anken Construction Company,
Inc., Contractor

8. U. T. AUSTIN - HAL C. WEAVER POWER PLANT: REPORT ON STUDY OF POSSIBILITIES FOR EXPANSION OF POWER PLANT BY STONE AND WEBSTER, NEW YORK CITY, APPOINTMENT OF PROJECT ENGINEER, AND AUTHORIZATION TO PREPARE FINAL PLANS AND SPECIFICATIONS. -- To supply the electrical needs for the new projects on the campus of The University of Texas at Austin, including the Graduate School of Business, Addition to the Chemistry Building, College of Education, Social Science and Humanities Library, 50 Meter Indoor Pool, Special Events Center and the College of Fine Arts and Performing Arts Center, additional electrical energy must be purchased or generated. Studies have been made by Stone and Webster Management Consultants, Inc., of New York City to determine the least expensive method to provide the electrical services, and they have found that the most economical method is to install a 30 megawatt generator in the Hal C. Weaver Plant. The existing building space, switch gear, foundation and available steam generating capacity will support the proposed installation. **The total estimated project cost for the installation of the generator and auxiliary equipment is \$4,500,000.**

President Spurr and System Administration recommend that the Board appoint an Engineer from a list to be furnished at the time of the meeting to prepare final plans for approval of the Board at a later meeting.

9. U. T. DALLAS: AUTHORIZATION TO GRANT AN UNDERGROUND EASEMENT TO LONE STAR GAS COMPANY.--At the time of acquisition of the U. T. Dallas site, Martin Road, a dedicated street in the City of Richardson, was the eastern boundary of the U. T. Dallas campus. Through an exchange of land among the City of Richardson, The University of Texas at Dallas and Ray B. Blanchard, a portion of the eastern boundary line of the U. T. Dallas Campus became an extension of Floyd Road. In the process, a portion of Martin Road was abandoned and became a part of the U. T. Dallas campus. Consequently, a portion of Lone Star Gas Company's distribution pipelines, which had previously been in the Martin Road dedication, is now on The University of Texas at Dallas campus.

Lone Star Gas Company requests an easement ten feet (10') in width and approximately five hundred sixty four feet (564') in length, through and under a tract or parcel of land situated in the State of Texas, County of Dallas, and being out of that certain 1.0416 acre tract of land out of the J. W. Curtis Survey, Abstract No. 345 as conveyed to the Board of Regents of The University of Texas System by Ray B. Blanchard by deed recorded in Volume 72096, Page 001, Deed Records of Dallas County, Texas. The easement is more fully described in the easement document which will be available for examination at the Board meeting.

It is recommended by President Jordan and System Administration that approval be given by the Board for such an easement to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas Attorney.

10. U. T. EL PASO: AUTHORIZATION TO DEDICATE A PARCEL OF LAND CONTAINING 87,330.4 SQUARE FEET, AS A PUBLIC ROAD TO BE ACQUIRED BY THE CITY OF EL PASO, COUNTY OF EL PASO, TEXAS.--With the construction of the new Special Events Center at The University of Texas at El Paso, it will be necessary to relocate a portion of Sun Bowl Road. The City of El Paso, Texas, has requested a dedication to the public, for street right-of-way purposes, a parcel of land containing approximately 87,330.4 square feet. A copy of the field notes and survey will be available for examination at the Board meeting.

It is recommended by President Templeton and System Administration that approval be given by the Board for a dedication to the public for street right-of-way purposes to be executed by the Chairman of the Board after approval as to content by Deputy Chancellor Walker and as to legal form by a University of Texas attorney.

11. **DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL): FACULTY CENTER IN FRED F. FLORENCE BIOINFORMATION CENTER (PROJECT NO. 303-241) - REQUEST FOR APPROVAL OF FINAL PLANS AND SPECIFICATIONS AND AUTHORIZATION TO ADVERTISE FOR BIDS.** --In accordance with authorization given at the Regents' meeting held February 1, 1974, final plans and specifications have been prepared for the Faculty Center within the Fred F. Florence Bioinformation Center at the Dallas Southwestern Medical School at The University of Texas Health Science Center at Dallas by the Project Architect, The Oglesby Group, Inc.

These plans and specifications provide for interior construction completion of approximately 10,000 gross square feet of shelled space at an estimated total project cost of \$310,000.00, which has previously been appropriated.

President Sprague and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$310,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids subject to final review.

12. **DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL) - CECIL H. AND IDA GREEN SCIENCE BUILDING (FORMERLY CALLED BASIC SCIENCES TEACHING UNIT AND FOUR LECTURE ROOMS): REQUEST FOR AUTHORIZATION TO MODIFY FOR BIOHAZARD AND BIOENGINEERING LABORATORIES (PRESENTLY IN DANCIGER BUILDING); APPOINTMENT OF PROJECT ARCHITECT; AUTHORITY TO PREPARE FINAL PLANS AND SPECIFICATIONS AND TO ADVERTISE FOR BIDS.** -- Construction of the Phase I Buildings, including the Cecil H. and Ida Green Science Building (formerly called the Basic Sciences Teaching Unit and Four Lecture Rooms) at The University of Texas Health Science Center at Dallas for the Dallas Southwestern Medical School is nearing completion with occupancy taking place as areas or buildings are completed. This work should continue as scheduled to avoid delays or costly late changes.

The National Cancer Institute has indicated recently that future cancer research contracts or grants will require, as a prerequisite, special Biohazard containment laboratories for protection of research personnel and other activities. In addition, with the Phase I facilities now becoming available, it is highly desirable to relocate the existing Bioengineering Laboratory from the Danciger Building to the basic science teaching unit buildings for programmatic proximity to Biophysics. This relocation will provide area in the Danciger Building for urgently needed expansion of Radiology.

To permit the uninterrupted completion of the Phase I Buildings, yet provide a Biohazard containment laboratory and for the relocation of the Bioengineering laboratory, a separate project is expedient. The estimated total project cost is \$75,000,00, which can be funded from available project contingency funds in the Basic Science Teaching Unit project.

Dr. Sprague and System Administration recommend that the Board:

- a. Authorize the modifications to the Cecil H. and Ida Green Science Building for Biohazard and Bio-engineering Laboratories at an estimated total project cost of \$75,000 to be funded from funds previously appropriated for the project
- b. Appoint Fisher and Spillman, Inc., Dallas, Texas, Project Architect with authorization to prepare final plans and specifications
- c. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids, to be presented to the Board at a future meeting.

13. **DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL): HOBLITZELLE BUILDING AIR CONDITIONING SYSTEM REDESIGN, PHASES II, III, IV, AND V (PROJECT NO. 303-172) - REQUEST TO AWARD CONTRACT TO BURDEN BROTHERS, INC., DALLAS, TEXAS.--In accordance with authorization given at the Regents' Meeting held March 15, 1974, bids were called for and were received, opened and tabulated on May 7, 1974, as shown below, for the Renovation of the Air Conditioning System and Animal Facilities in the Hoblitzelle Building at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas:**

Bidder	Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4
Brandt Engineering Company, Inc., Dallas, Texas	\$273,639	\$529,300	\$942,820	\$756,500
Burden Brothers, Inc., Dallas, Texas	243,000	460,000	500,000	480,000
Weatherby-Godbe Construction Company, Inc., Dallas, Texas	291,000	364,000	551,000	556,000

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid

copy to be referred to the Board

This project provides for a new air conditioning system in the entire building except for certain window units already installed under the first phase of work. It also provides for a complete renovation of the animal facility on the eighth floor.

The low bidder, Burden Brothers, Inc., committed an administrative oversight when it failed to acknowledge on the bid form receipt of Addenda 1, 2 and 3 to the bid documents. Burden Brothers, Inc., has subsequently certified that Addenda 1, 2 and 3 had been received and that its bid was in fact based upon the three addenda as well as the basic bid documents. This latter information is supported by evidence submitted by the Engineer who has knowledge that the addenda were in Burden Brothers' hands before bid opening. Based upon these facts, University counsel finds that the Burden Brothers, Inc. bid is responsive to the invitation for bids and recommends that the Board of Regents waive the administrative formality involved in failing to acknowledge the three addenda and recommends that the award be made to the apparent low bidder, Burden Brothers, Inc.

Accordingly, President Sprague and System Administration recommend that the Board:

- a. Award the construction contract for the Renovation of the Air Conditioning System in the Hoblitzelle Building to the low bidder, Burden Brothers, Inc., Dallas, Texas, as follows, subject to the approval of federal granting agencies:

Bid No. 1 (Phase II)	\$ 243,000.00
Bid No. 2 (Phase III)	460,000.00
Bid No. 3 (Phase IV)	500,000.00
Bid No. 4 (Phase V)	<u>480,000.00</u>
Total Recommended Contract Award	<u>\$1,683,000.00</u>

- b. Authorize a total project cost of \$1,831,020.00, which has been previously appropriated, to cover the recommended construction contract award, air balancing, fees and miscellaneous expenses.

✓ 4. HOUSTON HEALTH SCIENCE CENTER (HOUSTON DENTAL BRANCH): HOUSTON DENTAL BRANCH BUILDING - EXPANSION OF ANIMAL FACILITIES (PROJECT NO. 702-287) - REQUEST TO INCREASE SCOPE. --At the Regents' meeting held March 15, 1974, the preliminary plans and outline specifications were approved for the expansion of the animal facilities on the fifth floor of the Houston Dental Branch Building of The University of Texas Health Science Center at Houston. Concurrently, authorization was given to include reroofing the entire building. The estimated total project cost, including reroofing, is \$485,000.00, which has been appropriated.

During the process of detailed design, the Project Architect and the Office of Facilities Planning and Construction have verified substantial cost increases over the June 1973 cost estimate due to escalation of prices for materials, equipment and labor. Cost escalation amounts to approximately \$75,000.00. Increased structural strength to support heavier floor loadings would cost about \$35,000.00, for a total increased cost of \$110,000.00. In addition, the Houston Dental Branch Administration proposes that further building modifications be accomplished concurrently as follows:

- a. Increased space of approximately 2300 square feet for new mechanical equipment, storage areas for animal bedding and support facilities, a research-conference area and additional costs for building finishes at an estimated construction cost of \$215,000.00
- b. Provision for an after-hours Library entrance by modifying the West entrance lobby to permit access when remainder of building is closed, at an estimated construction cost of \$80,000.00
- c. Installation of a standby emergency system, including an emergency generator, at an estimated construction cost of \$35,000.00 to insure emergency operation of air handling units to animal areas, one elevator and necessary corridor and exit lights.

President Berry and System Administration recommend that the Board authorize an increase in scope for the project as outlined above at a revised estimated total project cost of \$975,000.00, which includes escalation costs, increased scope, fees and miscellaneous expenses. The funds are appropriated for the project.

15.

UNIVERSITY CANCER CENTER (M. D. ANDERSON)- ENVIRONMENTAL SCIENCE PARK AT SMITHVILLE (PROJECT NO. 703-218) - COMPLETION OF METAL BUILDINGS: PRESENTATION OF FINAL PLANS AND SPECIFICATIONS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS. --In accordance with authorization given at the Regents' Meeting held March 15, 1974, final plans and specifications have been prepared for the completion of the Two Metal Buildings at the Environmental Science Park at Smithville by the Project Engineer, Zumwalt and Vinther. These plans and specifications provide for finishing existing metal building space for laboratory purposes at an estimated total project cost of \$575,000.00.

President Clark and System Administration recommend that the Board:

- a. Approve the final plans and specifications at an estimated total project cost of \$575,000.00.
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids to be brought to the Board for consideration at a later meeting.

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEMS

June 14, 1974

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16. U. T. ARLINGTON: LANDSCAPING OF SWIFT SCHOOL SITE AND UNDEVELOPED AREA THEREABOUT TO BE SITE OF RECREATIONAL FACILITIES (PROJECT NO. 301-273) AND CONSTRUCTION OF ADDITIONAL PARKING FACILITIES (PROJECT NO. 301-258) - REQUEST TO AWARD CONTRACT TO WALKER CONSTRUCTION COMPANY, FORT WORTH, TEXAS.--In accordance with authorization given at the Regents' Meeting held May 3, 1974, bids were called for and were received, opened and tabulated on May 30, 1974, as shown below for the Landscaping of the Swift School Site and Additional Parking Facilities at The University of Texas at Arlington:

Bidder	Base Bid "A"	Base Bid "B"	Combination Bid for "A" and "B"	Add Alternate No. 1
Lew Hammer, Inc., Denver, Colorado	\$547,000	\$1,029,000	\$1,517,370	\$115,000
North Park Construction, Inc., Dallas, Texas	----	----	1,431,000	101,000
Walker Construction Company, Fort Worth, Texas	417,000	1,068,000	1,393,000	88,000
Ed A. Wilson, Inc., Fort Worth, Texas	424,576	1,266,844	1,691,420	114,000

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid

The recommended contract award covers the Landscape and Recreational Improvements in the Swift School Area and Additional Parking Facilities for 847 cars. Since the low bid would result in a total project cost in excess of that previously authorized, negotiations were successfully accomplished with the low bidder to reduce the construction cost by eliminations and substitutions which will not appreciably alter the quality of the project. The proposed contract award is within funds previously appropriated, \$1,000,000.00 for the Landscaping (Project No. 301-273) and \$500,000.00 for Parking Lots (Project No. 301-258).

President Nedderman and System Administration recommend that the Board:

- a. Award the construction contract for Landscaping of Swift School Site and Undeveloped Area Thereabout to be Site of Recreation Facilities and Additional Parking Facilities to the low bidder, Walker Construction Company, Fort Worth, Texas, as follows:

Combined Base Bid	\$1,393,000.00
Less Negotiated Reductions	<u>119,410.00</u>
Total Recommended Contract Award	<u>\$1,273,590.00</u>

- b. Authorize a total project cost of \$1,379,462.00 to cover the recommended construction contract award, landscaping, fees and miscellaneous expenses
- c. Authorize the transfer of \$379,462.00 from Project No. 301-258 to Project No. 301-273 to accomplish the above award.

17.

U. T. ARLINGTON: EXTENSION OF UTILITIES DISTRIBUTION SYSTEM FOR ACTIVITIES BUILDING (PROJECT NO. 301-236) - REQUEST TO AWARD CONTRACT TO EMPIRE MECHANICAL CONTRACTORS, INC., FORT WORTH, TEXAS.--In accordance with authorization given at the Regents' Meeting held May 3, 1974, bids were called for and were received, opened and tabulated on June 4, 1974, as shown below, for the Extension of Utilities Distribution System for Activities Building at The University of Texas at Arlington:

Bidder	Base Bid	Bidder's Bond
Empire Mechanical Contractors, Inc., Fort Worth, Texas	\$374,000	5%

This project provides for 340 feet of tunnel containing chilled water and steam piping and 830 feet of electrical duct bank, all connecting to existing utilities on the Campus and extended to serve the Activities Building.

Although only one bid was received, it is approximately \$80,000.00 under the Engineer's final estimate. Empire Mechanical Contractors is presently constructing the same type of tunnels in adjacent areas on the Campus and is the mechanical subcontractor on the Activities Building. Their work is excellent.

President Nedderman and System Administration recommend that the Board:

- a. Award the construction contract in the amount of \$374,000.00 for the Extension of Utilities Distribution System for Activities Building to Empire Mechanical Contractors, Inc., Fort Worth, Texas
- b. Authorize a total project cost of \$481,440.00, which has been previously appropriated, to cover the recommended construction contract award, fees and miscellaneous expenses.

18.

U. T. ARLINGTON: FINE ARTS BUILDING - AWARD OF CONTRACTS FOR LIBRARY EQUIPMENT AND MUSIC CASEWORK TO CENTRAL DISTRIBUTING COMPANY, SAN ANTONIO, TEXAS, AND LATO SALES COMPANY, DALLAS, TEXAS.--Specifications for Library Equipment and Music Casework for the Fine Arts Building at The University of Texas at Arlington were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on June 5, 1974, as shown below:

Bidder	Base Bid "A"	Base Bid "B"	Time of Completion	Bidder's Bond
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	No Bid	\$151,863.38	1-10-75 - "B"	5%
Central Distributing Company, San Antonio, Texas	\$4,429.38	74,801.19	11-15-74 - "A" 11-22-74 - "B"	5%
Lato Sales Company, Dallas, Texas	No Bid	61,312.00	12-30-74 - "B"	5%
Sperry Remington Library Bureau, Division of Sperry Rand Corporation, Herkimer, New York	5,279.00	No Bid	12-11-74 - "A"	5%

It is recommended by President Nedderman and System Administration that award of contracts be made to the low bidders, as follows:

Base Bid "A" (Library Equipment) Central Distributing Company, San Antonio, Texas	\$ 4,429.38
Base Bid "B" (Music Casework) Lato Sales Company, Dallas, Texas	<u>61,312.00</u>
Total Recommended Contract Awards	<u>\$65,741.38</u>

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

19.

U. T. EL PASO: REMODELING OF HOLLIDAY HALL (PROJECT NO. 201-207) - REQUEST TO AWARD CONTRACT TO GULDEMANN CONSTRUCTION AND ENGINEERING, INC., EL PASO, TEXAS.--In accordance with authorization given at the Regents' Meeting held June 1, 1973, bids were called for and were received, opened and tabulated on June 4, 1974, as shown below for the Remodeling of Holliday Hall at The University of Texas at El Paso:

Bidder	Base Bid	Add Alt. No. 1	Bidder's Bond
Arcon Construction Company, El Paso, Texas	\$420,734	\$12,500	5%
Guldemann Construction and Engineering, Inc., El Paso, Texas	416,500	10,500	5%
Hines-Boyd General Contractors, Inc., El Paso, Texas	434,000	7,000	5%
John R. Lavis General Contractor, Inc., El Paso, Texas	451,560	15,900	5%
McCracken Construction Company, Inc., El Paso, Texas	455,373	6,281	5%
MATCO Construction Company, Inc., El Paso, Texas	435,000	21,390	5%

This remodeling project provides for approximately 20,000 gross square feet of facilities for Physical Education and Athletic Programs at The University of Texas at El Paso. The proposed contract award is within the estimated total project cost of \$580,000.00, which has been previously appropriated.

President Templeton and System Administration recommend that the Board:

- a. Award the construction contract for Remodeling of Holliday Hall to the low bidder, Guldemann Construction and Engineering, Inc., El Paso, Texas, as follows:

Base Bid	\$416,500.00
Add Alternate No. 1 (Exterior Stucco)	<u>10,500.00</u>
Total Recommended Contract Award	<u>\$427,000.00</u>

- b. Approve a total project cost of \$580,000.00, which is within previously appropriated funds, to cover the recommended construction contract award, movable furnishings and equipment, air balancing, fees and miscellaneous expenses.

20.

U. T. EL PASO: REMODELING OF MAGOFFIN AUDITORIUM - REQUEST FOR AWARD OF CONTRACT FOR FURNITURE AND FURNISHINGS TO NORTON BROTHERS, INC., EL PASO, TEXAS.--Specifications for Furniture and Furnishings for Magoffin Auditorium at The University of Texas at El Paso were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on June 5, 1974, as shown below:

Bidder	Base Bid "A"	Bidder's Bond
Abel Contract Furniture and Equipment Company, Inc., Austin, Texas	\$7,182.06	5%
Dallas Office Supply - A Division of Clarke and Courts, Inc., Dallas, Texas	7,170.80	5%
Norton Brothers, Inc., El Paso, Texas	5,599.00	5%
Rockford Furniture Associates, Austin, Texas	8,467.50	5%

It is recommended by President Templeton and System Administration that award of a contract in the amount of \$5,599.00 be made to the low bidder, Norton Brothers, Inc., El Paso, Texas.

The funds necessary to cover this recommended contract award are available in the Furniture and Equipment account for the project.

21. U. T. SAN ANTONIO - HUMANITIES-BUSINESS BUILDING, SCIENCE-EDUCATION BUILDING AND ARTS BUILDING (THREE OF SEVEN PHASE I BUILDINGS): RECOMMENDATION TO AWARD CONTRACT FOR FURNITURE AND FURNISHINGS TO CENTRAL DISTRIBUTING COMPANY, SAN ANTONIO, TEXAS. --Specifications for Furniture and Furnishings for Humanities-Business Building, Science-Education Building and Arts Building at The University of Texas at San Antonio were prepared by the Office of Facilities Planning and Construction and bids called for. These bids were received, opened, and tabulated on June 1974, as shown below:

Bidder	Base Bid "A"	Add Alt. No. 1 to "A"	Base Bid "B"	Base Bid "C"	Alt. No. 1 to "C"
American Desk Manufacturing Company, Temple, Texas	No Bid	No Bid	No Bid	\$147,324.53	- \$1,545.60
American Seating Company, Richardson, Texas	No Bid	No Bid	No Bid	177,786.08	+ 1,505.28
Central Distri- buting Company, San Antonio, Texas	\$9,360.52	\$429.20	\$21,105.55	142,491.81	+ 1,384.32
J. F. Clark Com- pany, Dallas, Texas	No Bid	No Bid	No Bid	146,489.00	+ 537.60

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid

It is recommended by President Flawn and System Administration that award of a contract be made to Central Distributing Company, San Antonio, Texas, the only bidder on Base Proposals "A" and "B" and the low bidder on Base Proposal "C", as follows:

Base Bid "A" (Foldaway Seating)	\$ 9,360.52
Add Alternate No. 1 to "A" (Substitution in Upholstery)	429.20
Base Bid "B" (Telescoping Platform)	21,105.55
Base Bid "C" (Auditorium/Classroom Seating)	142,491.81
Add Alternate No. 1 to "C" (Furnish chairs with plastic back)	<u>1,384.32</u>
Total Recommended Contract Award to Central Distributing Company	<u>\$174,771.40</u>

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

22.

DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL): CAMPUS TRANSVERSE ROADWORK (PROJECT NO. 303-229) - REQUEST TO AWARD CONTRACT TO TEXAS BITULITHIC COMPANY, DALLAS, Texas. --In accordance with authorization given at the Regents' Meeting held June 1, 1973, bids were called for and were received, opened and tabulated on May 28, 1974, as shown below, for Transverse Roadwork at The University of Texas Health Science Center at Dallas:

	W. H. Simmons Company Richardson, Texas	Texas Bitulithic Company Dallas, Texas	Uvalde Construction Company Dallas, Texas
Base Bid	\$178,000.00	\$102,082.00	\$101,383.00
Add Alts.:			
No. 1	3,800.00	3,648.75	3,996.00
No. 2	14,000.00	13,486.00	14,771.00
No. 3	15,000.00	14,700.00	15,732.00
No. 4	3,000.00	1,898.00	1,897.00
No. 5	15,000.00	9,555.00	13,910.00
Bidder's Bond	5%	5%	5%

This project provides for approximately 1500 linear feet of Campus roadwork connecting the Inner-Campus Drive with a new ingress-egress point on Inwood Road. The proposed contract award is within previously appropriated funds (Project Nos. 303-109 and 303-229). President Sprague and System Administration recommend that the Board:

- a. Award the construction contract for the Transverse Roadwork to the low bidder, Texas Bitulithic Company, Dallas, Texas, as follows:

is to take alternates

Base Bid	\$102,082.00
Add Alternates:	
No. 3 (Lighting)	14,700.00
No. 4 (Connection to Callier)	1,898.00
No. 5 (Water Line)	<u>9,555.00</u>
Total Recommended Contract Award	<u>\$128,235.00</u>

- b. Authorize a total project cost of \$166,000.00, which has been previously appropriated, to cover the recommended construction contract award, fees and miscellaneous expenses.

23.

DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL):
 BASIC SCIENCE RESEARCH BUILDING - REMODELING OF GROUND FLOOR SPACE
 FOR DEPARTMENT OF PSYCHIATRY (PROJECT NO. 303-295) - REQUEST TO
 AWARD CONTRACT TO METROPOLITAN CONSTRUCTION COMPANY, DUNCANVILLE,
 TEXAS.--In accordance with authorization given at the Regents'
 Meeting held May 3, 1974, bids were called for and were received,
 opened and tabulated on June 11, 1974, as shown below for the
 Remodeling of Ground Floor Space for the Department of Psychiatry
 at the Dallas Southwestern Medical School in The University of
 Texas Health Science Center at Dallas:

Bidder	Base Bid	Bidder's Bond or Cashier's Check
B. G. Chick and Company, Inc., Euless, Texas	\$146,973.00	B. B. 5%
Howard U. Freeman, Inc., Irving, Texas	163,167.00	B. B. 5%
Joe Funk Construction Engineers, Inc., Dallas, Texas	168,300.00	B. B. 5%
Gallagher Construction Company, DeSoto, Texas	168,000.00	B. B. 5%
Lee-Emmert, Richardson, Texas	156,692.00	B. B. 5%
M D I, Inc. General Con- tractors, Dallas, Texas	145,000.00	B. B.
Metropolitan Construction Company, Duncanville, Texas	114,826.00	C. C. \$5,750.00
Weatherby-Godbe Construc- tion Company, Inc., Dallas, Texas	145,427.00	B. B. 5%

This project provides for approximately 4,000 gross square feet of facilities for the Department of Psychiatry. The proposed contract award is within previously appropriated funds for the project.

President Sprague and System Administration recommend that the Board:

- a. Award the construction contract for the Remodeling of Ground Floor Space for the Department of Psychiatry in the amount of \$114,826.00 to the low bidder, Metropolitan Construction Company, Duncanville, Texas
- b. Approve a total project cost of \$145,000.00 to cover the recommended construction contract award, carpet, air balancing, fees and miscellaneous expenses.

Additional AP preparation and Action delayed until July 1974 meeting

24. DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL): HARRY S. MOSS CLINICAL SCIENCE BUILDING (PROJECT NO. 303-114) - REPORT OF BIDDING AND INVESTIGATIONS ON PROJECT COST REDUCTIONS; In July 1970, the Board of Regents authorized the design of a Clinical Science Building, including animal facilities, at an estimated cost of \$12,000,000.00. This project at the Dallas Southwestern Medical School is required to provide facilities for an entering class of 200 medical students. Subsequent developments, including project scope increases for animal facilities, two endeavors to obtain health construction grants and a final drastic reduction in project scope delayed this project. In March 1973 a reduced project was authorized by the Board. Final plans and specifications were approved in December 1973 at an estimated total project cost of \$9,300,000.00. Bid-taking was again deferred in anticipation of possible grant funding. Finally, bids were called for and were received, opened and tabulated on June 4, 1974. A tabulation of bids follows:

	LaRoe Building Company, Inc. Terrell, Texas	Manhattan Construction Company Dallas, Texas	Avery Mays Construction Company Dallas, Texas	Frank J. Rooney, Inc. Dallas, Texas
Base Bid	\$11,444,000	\$11,486,400	\$11,949,000	\$11,537,000
Alternates:				
No. 1 - Add	306,000	350,000	300,000	306,000
No. 2 - Add	77,000	70,000	77,700	81,000
No. 3 - Add	45,000	53,000	53,000	45,000
No. 4 - Deduct	50,000	53,000	65,000	57,000
No. 5 - Add	55,000	45,000	45,000	48,000
No. 6 - Add	3,000	2,800	3,000	4,500
No. 7 - Deduct	39,000	39,000	39,000	40,000
Bidder's Bond	5%	5%	5%	5%

An analysis of the bids from the four general contractors indicates close competition and a reasonable test of the market. The low bid exceeded the final construction cost estimate by approximately 33%. The increased construction cost is attributed to continued inflation, removal of price controls, material shortages and labor uncertainties.

Since the bids received were substantially higher than the final construction cost estimate, System Administration requested representatives from the Office of Facilities Planning and Construction and the Project Architects, Fisher and Spillman and Preston M. Geren and Associates, to meet with the apparent low bidder, LaRoe Building Company, Inc., of Terrell, Texas, to investigate cost reductions. A possible program reduction was discussed with President Sprague.

Results of the cost reduction investigations to date are as follows:

- a. Without substantially affecting the academic program a scope reduction in the approximate amount of \$193,295.00 will require a total project cost of \$12,842,536.00.
- b. A drastic reduction of program scope by shell-ing in one-half of the building in floors three through eight at a reduction of approximately \$2,412,162.00 will require a total project cost of \$10,580,000.00.

Funds appropriated from Permanent University Fund Bond proceeds will finance a total project cost of \$9,300,000.00. Additional funds in the amount of \$3,542,536.00 will be needed to finance a total project cost of \$12,842,536.00 (minor reductions). Additional funds in the amount of \$1,280,000.00 will be needed to finance a total project cost of \$10,580,000.00 (major reductions).

System Administration recommends that the Board:

- a. Not make a contract award at this time since the bids received and contract reductions can be considered at the July 19 Board meeting
- b. Consider the award of a contract at the July 19 Board meeting for the amount now appropriated plus gifts or institutional funds made available at that time, or consider the rejection of bids.

25. GALVESTON MEDICAL BRANCH: REJECTION OF BIDS FOR TENNIS COURTS AND PUTTING GREENS.--In accordance with authorization given at the Regents' Meeting held December 7, 1973, the Physical Plant staff of The University of Texas Medical Branch at Galveston prepared plans and specifications for Six Tennis Courts and Putting Greens and bids were called for. These bids were received, opened, and tabulated on May 30, 1974, as shown below:

	Don Tarpey Construction Company Texas City, Texas	Texas Gulf Construction Company Houston, Texas
Base Bid	\$205,000.00	\$246,000.00
Add Alternates:		
No. 1	55,910.00	57,000.00
No. 2	15,580.00	16,000.00
No. 3	17,231.00	30,000.00
No. 4	23,195.00	30,000.00
Time of Completion	220 cal. days	150 cal. days

The estimated total project cost which was authorized by the Board was \$150,000.00. Since the low bid is considerably in excess of this amount, it is recommended by President Blocker and System Administration that the bids be rejected and the plans and specifications revised in order to reduce the scope of the project.

8. Expansion of Generating Capacity in Hal C. Weaver Power Plant

Power Systems Engineering ↙
H. B. Zachery
Stone & Webster
Brown & Root
B. Segall & Associates
Bernard Johnson Associates

↘ Houston ↘
San Antonio —
New York —
Houston —
Austin —
Houston

Medical Affairs Committee

MEDICAL AFFAIRS COMMITTEE
Joe T. Nelson, M.D., Chairman

Date: June 14, 1974

Time: Following the meeting of the Buildings and Grounds Committee

Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

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MED

1. Dallas Health Science Center (Dallas Allied Health Sciences School): Proposed Affiliation Agreements for Clinical Training of Allied Health Students with: 1
 - a. Senior Citizens of Greater Dallas
 - b. John Buist Chester Hospital, Dallas
 - c. Pilot Home for Girls, Dallas
 - d. Dallas County Juvenile Department
 - e. Easter Seal Society for Crippled Children and Adults of Tarrant County

2. Galveston Medical Branch (Galveston Allied Health Sciences School): Proposed Affiliation Agreements for the Clinical Training of Allied Health Students with: 3
 - a. Medical Center Hospital, Tyler
 - b. Citizens Memorial Hospital, Victoria.

DOCUMENTATION

1. Dallas Health Science Center (Dallas Allied Health Sciences School): Proposed Affiliation Agreements for Clinical Training of Allied Health Students with Senior Citizens of Greater Dallas, John Buist Chester Hospital, Pilot Home for Girls and Dallas County Juvenile Department, Each of Dallas, Texas, and Easter Seal Society for Crippled Children and Adults of Tarrant County of Fort Worth, Texas. --

Chancellor LaMaistre concurs in the recommendation of President Sprague that the affiliation agreements for the clinical training of allied health students at The University of Texas Health Science Center at Dallas listed below be approved and that the Chairman be authorized to execute the agreements. The agreements are the same as the model agreement approved by the Board on March 6, 1970, and have received appropriate approvals as to form and content by System Administration officials. This request for advance approval of these agreements conforms

to the action taken by the Board of Regents on July 30, 1971, in amending the processing procedure previously approved on March 6, 1970.

<u>Clinical Facility</u>	<u>Location</u>	<u>Specialty</u>
Senior Citizens of Greater Dallas	Dallas	Rehabilitation Science
John Buist Chester Hospital	Dallas	Dietetics
Easter Seal Society for Crippled Children and Adults of Tarrant County	Fort Worth	Physical Therapy
Pilot Home for Girls	Dallas	Rehabilitation Science
Dallas County Juvenile Department	Dallas	Rehabilitation Science

The academic justifications for these agreements are set forth below.

The Senior Citizens of Greater Dallas is a recognized public agency providing a wide variety of services for the aged. This organization has agreed to serve as a supervised clinical training facility for some of our Rehabilitation Science students. Its use will not only make available valuable experiences in this important area but will also enable us to expand our educational effort.

The John Buist Chester Hospital of Dallas is a small private hospital having about 75 beds and an outpatient clinic. It is important to the Dietetic Internship Program because it provides supervised clinical practice in the small hospital. This is valuable because it is in direct contrast to the far more specialized tasks carried on in the large hospitals. The American Dietetic Association suggests that a portion of the internship be devoted to this type of experience.

The Easter Seal Society for Crippled Children and Adults of Tarrant County will provide a clinical facility for the preparation of physical therapists. In addition to providing categorical training in physical therapy procedures for the unique problems of the crippled, it will allow the expansion of our program from 30 to 36 students. It will also provide an additional skilled clinical instructor at no cost to the program.

The Pilot Home for Girls in Dallas is a Half-Way House for mentally retarded girls. It is a County supported agency and will be utilized as a clinical training site for Rehabilitation Science students, some of whom will eventually gain employment in this area of rehabilitation. It is important to the program in that it helps us provide a broad range of experiences for the students.

The Dallas County Juvenile Department not only works with young people in trouble with the law but also those from broken homes, those abandoned, and those maladjusted because of some disability or disadvantage. The Department will provide supervised clinical training for Rehabilitation Science students and is important to the program because it will aid in providing a broader range of experiences for the students.

2. Galveston Medical Branch (Galveston Allied Health Sciences School): Proposed Affiliation Agreements for the Clinical Training of Allied Health Students with Medical Center Hospital, Tyler, Texas, and Citizens Memorial Hospital, Victoria, Texas.--

Chancellor LeMaistre concurs in the recommendation of President Blocker that the affiliation agreements for the clinical training of allied health students at The University of Texas Medical Branch at Galveston listed below be approved and that the Chairman be authorized to execute the agreements. The agreements are the same as the model agreement approved by the Board on March 6, 1970, and have received appropriate approvals as to form and content by System Administration officials. This request for advance approval of these agreements conforms to the action taken by the Board of Regents on July 30, 1971, in amending the processing procedure previously approved on March 6, 1970.

<u>Clinical Facility</u>	<u>Location</u>	<u>Specialty</u>
Medical Center Hospital	Tyler	Medical Record Administration
Citizens Memorial Hospital	Victoria	Medical Record Administration

The academic justification for these agreements has been supplied by Dean Bing and is set forth below.

Medical Center Hospital, Tyler, Texas, and Citizens Memorial Hospital, Victoria, Texas. It is anticipated that both hospitals will provide the types of clinical work experiences necessary for depth and variety. These experiences, as you know, are a most important and essential phase of the education and training of Medical Record Administration students.

Land and Investment Committee

LAND AND INVESTMENT COMMITTEE

Date: June 14, 1974
Time: Following the meeting of the Medical Affairs Committee
Place: Main Building, Suite 212, Austin, Texas

I. Permanent University Fund

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L & I

A. Investment Matters

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 - c. Material Source Permits Nos. 447 through 450 6
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 - e. Grazing Leases Nos. 1176 through 1178 7
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I. PERMANENT UNIVERSITY FUND

A. INVESTMENT MATTERS

Report on Clearance of Monies to Permanent University Fund and Available University Fund.--The Auditor, Auditing Oil and Gas Production reports the following with respect to monies cleared by the General Land Office to the Permanent University Fund and Available University Fund for the current fiscal year through April 1974:

<u>Permanent University Fund</u>	<u>April, 1974</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
Royalty			
Oil	\$2,284,844.25	\$14,331,037.10	\$10,098,294.24
Gas - Regular	727,280.45	3,418,197.60	2,521,947.20
- F. P. C.	1.47	20.20	27,315.12
Water	15,525.46	92,058.10	87,302.08
Salt Brine	1,575.09	13,802.82	9,232.96
Rental on Mineral Leases	17,709.20	234,751.78	296,698.16
Rental on Water Contracts	- 0 -	38,843.51	9,360.96
Rental on Brine Contracts	- 0 -	200.00	66.64
Amendments and Extensions of Mineral Leases	- 0 -	73,680.52	620,550.88
	<u>3,046,935.92</u>	<u>18,202,591.63</u>	<u>13,670,768.24</u>
Bonuses, Mineral Lease Sales, (actual)	- 0 -	11,124,800.00	6,035,200.00
Total, Permanent University Fund	<u>3,046,935.92</u>	<u>29,327,391.63</u>	<u>19,705,968.24</u>
 <u>Available University Fund</u>			
Rental on Easements	6,309.71	162,060.77	75,763.68
Interest on Easements and Royalty	752.84	2,465.45	3,497.92
Correction Fees-Easements	- 0 -	- 0 -	- 0 -
Transfer and Relinquishment Fees	1,317.73	4,161.07	2,524.56
Total, Available University Fund	<u>8,380.28</u>	<u>168,687.29</u>	<u>81,786.16</u>
Total, Permanent and Available University Funds	<u>\$3,055,316.20</u>	<u>\$29,496,078.92</u>	<u>\$19,787,754.40</u>
 <u>Oil and Gas Development - April 30, 1974</u>			
Acreage Under Lease	671,957		
Number of Producing Acres	324,147		
Number of Producing Leases	1,434		

B. LAND MATTERS

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the following applications for easements and surface leases, assignment of easements, material source permits, water contracts and grazing leases on University Lands be approved. All have been approved as to content by the appropriate officials.

Easements and Surface Leases Nos. 3728-3749

Payment has been received in advance unless otherwise indicated on each of the easements and surface leases which are on the University's standard forms and are at the standard rates.

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3728	Texas-New Mexico Pipe Line Company (renewal of 1844)	Pipe Line	Crockett	46	175 rds. 4½ inch	7/1/74- 6/30/84	\$ 131.25
3729	Jim's Service Company	Surface Lease (well servicing yard site)	Reagan	11	340' x 180'	4/1/74- 3/31/75*	350.00 (annually)
3730	Dorchester Gas Producing Company	Pipe Line	Reagan	9	880 rds. 2 inch	4/1/74- 3/31/84	660.00
3731	Shell Pipe Line Corporation	Surface Lease (cathodic protection unit site)	Crockett	14	less than ½ acre	4/15/74- 4/14/84	75.00 (full)
3732	Shell Pipe Line Corporation	Surface Lease (cathodic protection unit site)	Crockett	14	less than ½ acre	4/15/74- 4/14/84	75.00 (full)
3733	Rheinhardt Trust**	Surface Lease (business site)	Reagan	11	200' x 400'	6/1/74- 5/31/75*	1,000.00 (annually)

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

**Lease No. 2801 originally made in favor of Pool Company is being cancelled as of May 31, 1974.

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3734	Texas Electric Service Company (renewal of 1878)	Power Line	Crane	31	693.81 rds. single pole	6/1/74-5/31/84	\$ 485.66
3735	Amoco Production Company (renewal of 1897)	Surface Lease (salt water disposal site)	Andrews	3	0.92 acre	6/1/74-5/31/75*	400.00 (annually)
3736	Delhi Gas Pipeline Corporation	Pipe Line	Ward	17	1,198.78 rds. 6-5/8 inch	4/1/74-3/31/84	1,798.17
3737	Delhi Gas Pipeline Corporation	Pipe Line	Ward	18	890.36 rds. 8-5/8 inch	4/1/74-3/31/84	1,335.54
3738	Delhi Gas Pipeline Corporation	Pipe Line	Ward	18	317.88 rds. 8-5/8 inch	4/1/74-3/31/84	476.82
3739	Delhi Gas Pipeline Corporation	Pipe Line	Ward	17, 18	246.42 rds. 6-5/8 inch	4/1/74-3/31/84	369.63
3740	Gulf Oil Corporation (renewal of 1937)	Pipe Line	Crane	30	234.8 rds. 2 inch	9/1/74-8/31/84	176.10
3741	Crown Central Pipe Line Company (renewal of 1914)	Pipe Line	Winkler, Ward	17, 18, 21	5,217 rds. 6-5/8 inch	8/1/74-7/31/84	7,826.00
3742	Amoco Production Company (renewal of 1898)	Pipe Line	Andrews	3, 8	294 rds. 3½ inch	6/1/74-5/31/84	220.50

*Renewable from year to year, but not to exceed a period of five years

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
3743	Oasis Pipe Line Company	Pipe Line	Winkler	21	634.67 rds. 6 inch	5/1/74- 4/30/84	\$ 952.00
3744	Basin Tank Rental Company	Surface Lease (trucking yard site)	Reagan	11	140' x 200'	5/1/74- 4/30/75*	200.00 (annually)
3745	Texaco, Inc.	Pipe Line	Andrews	8	516.24 rds. 3 inch	6/1/74- 5/31/84	387.18
3746	El Paso Natural Gas Company (renewal of 1957)	Pipe Line	Andrews	1	87.273 rds. 4½ inch	12/1/74- 11/30/84	75.00 (min.)
3747	El Paso Natural Gas Company (renewal of 1958)	Pipe Line	Crockett	29	2.360 rds. 4½ inch	12/1/74- 11/30/84	75.00 (min.)
3748	El Paso Natural Gas Company (renewal of 1976)	Pipe Line	Upton	3	2.57 rds. 4½ inch	12/1/74- 11/30/84	75.00 (min.)
3749	Texaco, Inc.	Surface Lease (salt water disposal site)	Andrews	8	one acre	6/1/74- 5/31/75**	400.00 (annually)

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

**Renewable from year to year, but not to exceed a period of five years

Land Matters - Continued--

Assignment of Easements Nos. 1988, 2272, 2345, 2779, 3150 and 3328

<u>Nos.</u>	<u>Assignor</u>	<u>Assignee</u>	<u>Type of Permit</u>	<u>County</u>	<u>Consideration</u>
1988, 2272, 2345, 2779, 3150, 3328	Northwest Production Company	Pecos Company	Pipe Lines	Reagan and Crockett	\$ 450.00*

*Assignment Fee

Material Source Permits Nos. 447-450

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>	<u>Quantity</u>	<u>Consideration</u>
447	Lewallen and Wilson Construction Company	Winkler	Block 21	120 cubic yards caliche	\$ 75.00
448	Sylvistia Sims	Ward	Block 18	1,000 cubic yards crushed caliche	1,000.00
449	H. L. Roberts	Ward	Block 16	500 cubic yards crushed rock	500.00
450	Strain Brothers, Inc.	Pecos	Block 24	937,718 cubic yards borrow	37,508.72

Water Contract No. 150

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>	<u>Period</u>	<u>Consideration</u>
150	Atlantic Richfield Company (renewal of 39 and 40)	Crane	Block 31	8/1/74-7/31/79	**

**\$2,080 annual rental with royalty of ten cents (10¢) per each 1,000 gallons of water produced, but in no event shall the royalty be less than ten cents (10¢) per acre per month (\$208/month). Lessee may not use any water produced under this contract for irrigation or waterflooding.

Land Matters - Continued--

Grazing Leases Nos. 1176-1178

The following grazing leases are for the respective five-year terms as indicated with the right to extend for an additional five-year period at rental shown provided the Lessees carry out the range conservation and/or ranch improvement and practices specified in Exhibit B of the leases which shall be certified by the University Land Agent. The leases are on the University's standard forms with semi-annual payment of rental on January 1 and July 1 of each year in the amounts set out in the leases.

No.	Lessee	Location		Acreage	First Five Years			Second Five Years		
		County	Block		Per Acre		Semi-Annual Rental	Per Acre		Semi-Annual Rental
					G*	H*		G*	H*	
1176 ^a	Blake Bonham and Fulton Stephens	Lamar	Tracts 1-6	513.6	\$2.50	\$0.50	\$770.40	\$3.25	\$0.75	\$1,027.20
1177 ^b	Frank Owen	El Paso	L	5,073.21	0.05	0.02	177.56	0.07	0.02	228.30
1178 ^c	Jess Burner, Jr.	El Paso	L	5,668.44	0.05	0.02	198.40	0.07	0.02	255.08

*G Grazing Rental

*H Hunting Rental

^aTerm 1/1/74 to 12/31/78 and 1/1/79 to 12/31/83

^bTerm 1/1/75 to 12/31/79 and 1/1/80 to 12/31/84

^cTerm 1/1/75 to 12/31/79 and 1/1/80 to 12/31/84

2. PUF: Proposed Easement No. 3750 (a Renewal of Easement No. 549 and Increase of Acreage) to the Commissioner's Court of Reagan County, Texas, for Airport Purposes. --By instrument dated December 6, 1952, the Board of Regents of The University of Texas System did lease to the Commissioner's Court of Reagan County, Texas, 197.2 acres, more or less, out of Section 7, Block 11, University Lands, Reagan County, Texas, for a term of twenty years for airport purposes (Easement No. 549). No charge was made to the Commissioner's Court. Reagan County performs a lot of free work on University Lands, such as maintaining fire guards, roads, leveling old caliche pits and building fences along heavily traveled roads on University property. The Commissioner's Court of Reagan County has now requested that the acreage to be included in said airport lease be enlarged to embrace 227.55 acres of land out of Sections 6 and 7, Block 11, University Lands, Reagan County, Texas, for an additional twenty-year period commencing December 1, 1972. The University Land Agent and the Associate Deputy Chancellor for Investments, Trusts and Lands recommend that Surface Lease No. 3750 be granted to the Commissioner's Court of Reagan County for airport purposes upon the terms indicated.

II. TRUST AND SPECIAL FUNDS

REAL ESTATE MATTERS

1. U. T. Austin - Hogg Foundation: Will C. Hogg Memorial Fund (Varner Property) - Recommendation for Joinder in Oil and Gas Lease to Murphy H. Baxter on 25 Acres, Hogg Subdivision, Brazoria County. --Mr. Murphy H. Baxter of Houston proposes an oil and gas lease to him on 25 acres described as Lots 8, 26, 27, 30, and 31, Hogg Subdivision, West Columbia, Brazoria County, Texas, these minerals being owned 5/12ths by Mrs. Alice Nicholson Hanszen and 7/12ths by Miss Ima Hogg and the Hogg Foundation. In her 1958 conveyance of minerals under these lots and acreage adjoining or in close proximity, Miss Hogg reserved to herself the minerals below depths then producing. Those producing depths agreed on at the time were 1,550 feet for Lot 8 and 3,728 feet for the other four lots.

The proposed lease is for a primary term of 3 years, bonus of \$50 per acre, annual delay rental of \$50 per acre, and 1/6th royalty. By agreement with Miss Hogg, bonus and delay rentals on the 7/12th interest will be divided equally between her and the Hogg Foundation.

Mrs. Hanszen and Miss Hogg have accepted the proposal; and the Associate Deputy Chancellor for Investments, Trusts and Lands recommends that the Board of Regents authorize joinder in the lease under the terms set out above.

2. Galveston Medical Branch - Proposed Extension of Agreement Between the Board of Regents of The University of Texas System and Mitchell Development Corporation of the Southwest Relating to Sale of 7,602.557 Acres, Montgomery County, Texas (The Sealy and Smith Foundation). --In connection with the sale of approximately 7,602.557 acres of land situated in Montgomery County, Texas, which was given to the Board of Regents of The University of Texas System by The Sealy & Smith Foundation for the John Sealy Hospital, the Board entered into an earnest money contract dated January 30, 1973, with the Mitchell Development Corporation of the Southwest which contained the following covenant:

"Buyer agrees within four (4) years from the date of the conveyance of the Property to Buyer to expend at least One Million and no/100 (\$1,000,000) Dollars for on-site improvements to the Property, and Buyer further agrees that not more than ten (10%) percent of such sum may be allocated to overhead expenses of Buyer."

Such property was conveyed by the Board to the Mitchell Development Corporation of the Southwest by Deed dated March 12, 1973, but the above quoted covenant survived the closing since it pertains to expenditures for on-site improvements during the term of the Note and Deed of Trust.

The Mitchell Development Corporation of the Southwest is in the process of making extensive land-use studies for such property and have requested an extension of time of an additional two years within which it would be obligated to spend the \$1,000,000 consideration for on-site improvements. The Mitchell Development Corporation of the Southwest and the University Staff are of the opinion that this request for additional time is justified for the following reasons:

1. Additional time is needed to study the impact of the energy crisis upon the development of land in this area, including the subject property; and
2. Additional time is required in order to make certain that adequate plans are prepared for development of this land in accordance with its highest and best use.

The Associate Deputy Chancellor for Investments, Trusts and Lands recommends the approval of the Extension Agreement and that the Chairman of the Board be authorized to execute the appropriate Extension Agreement.

III. OTHER MATTERS

PUF and Trust and Special Funds: Report of Securities Transactions for the Months of March and April 1974. --In accordance with present procedure, the reports of securities transactions for the Permanent University Fund and Trust and Special Funds for March and April were mailed May 23, 1974, by Secretary Thedford to the members of the Board of Regents. If any questions regarding these reports have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

*Charles
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1973
Shankman*

Committee of the Whole

COMMITTEE OF THE WHOLE
Chairman McNeese, Presiding

Date: June 14, 1974
Time: Following the meeting of the Land and Investment Committee
Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

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I. SPECIAL ITEMS

A. Board of Regents

1. Regents' Rules and Regulations, Part One: Recommended Amendments to Chapter III, Section 1. --

Chancellor LeMaistre concurs in the recommendation of President Spurr that the Regents' Rules and Regulations, Part One, Chapter III, Section 1, be amended to permit the general academic institutions to use clinical faculty titles where it is appropriate to do so.

President Spurr's letter of April 12, 1974, set forth below, cites the illustration of the College of Pharmacy in which clinical faculty are used in the same manner as in the biomedical components.

Specifically, the recommendation is to amend Subdivision 1.84(c) of Subsection 1.8 of Section 1 of Part One of Chapter III of the Regents' Rules and Regulations.

- (c) Clinical Professor, Clinical Associate Professor, Clinical Assistant Professor, and Clinical Instructor. These titles may be used by [in] the [biomedical] components to designate regular part-time service on the faculty while involved in a health professions clinical experience program and for which the incumbent may or **may not receive compensation.**

THE UNIVERSITY OF TEXAS AT AUSTIN
OFFICE OF THE PRESIDENT
AUSTIN, TEXAS 78712

President

April 12, 1974

CHANCELLOR'S OFFICE U. of T.	
Acknowledged.....	File.....
APR 15 1974	
To.....	For Info and Return
To.....	Please Advise Me
To.....	Please Handle

Charles A. LeMaistre, M.D.
Chancellor
The University of Texas at Austin

Dear Mickey:

Our College of Pharmacy is using professionals in its clinical program in the same manner that adjunct faculty are utilized in the Medical Schools in their clinical programs. May I ask, therefore, that consideration be given to authorizing UT Austin to utilize the titles, "clinical assistant professor", "clinical instructor" and other compatible ranks in our College of Pharmacy under the same safeguards and procedures that are used in the granting of other academic ranks.

Sincerely yours,

Stephen H. Spurr

SHS:gp

cc: Dr. Stanley R. Ross
Dr. James T. Doluisio

2. Regents' Rules and Regulations, Part One: Recommended Amendments to Chapter VI, Section 6, Subsection 6.12, Subdivision (7) and Subsection 6.13. --

As additional exceptions to the general prohibition against solicitation in the buildings and on the grounds of the component institutions of The University of Texas System, the following two amendments to the Rules and Regulations are recommended.

Amend Subdivision (7) of Subsection 6.12 of Section 6 of Chapter VI of Part One of the Regents' Rules and Regulations to read as follows:

(7) The collection of membership fees or dues by registered student, faculty, or staff organizations at meetings of such organizations scheduled in accordance with the facilities use regulations of any component institution.

Handwritten signature

Amend Subsection 6.13 of Section 6 of Chapter VI of Part One of the Regents' Rules and Regulations to read as follows:

6.13 No solicitation shall be conducted on the grounds, sidewalks, or streets on the campus of any component institution of The University of Texas System, except by the agents, servants, or employees of that institution acting in the course and scope of their agency or employment, or by the Student's Association of that institution, or by a registered student, faculty, or staff organization at that institution.

LAW OFFICES

CLARK, THOMAS, DENIUS, WINTERS & SHAPIRO

12TH FLOOR CAPITAL NATIONAL BANK BUILDING

AUSTIN, TEXAS

P. O. Box 1148-78767
512-472-8442

MEMORANDUM

June 14, 1974

TO: Mr. E. D. Walker
Deputy Chancellor for Administration
The University of Texas System

FROM: Edward Clark

RE: Proposed Amendment to TEI Shuttle Bus Contract

You have received from Mr. Mike Hudson a memorandum which concludes that the Constitution of this State does not preclude the amendment of the shuttle bus contract to provide additional compensation to TEI. Two reported decisions are cited in the memorandum. The first is City of Beaumont v. Fertitta, 415 S.W.2d 902 (1967), where the Court, with regard to a constitutional prohibition comparable with that controlling the University of Texas, pointed out that (415 S.W.2d 906):

"Concerning this provision of the Constitution, we said in State v. City of Austin, 160 Tex. 348, 331 S.W.2d 737, at page 742 (1960):

"'After the occurrence of events which under the law then existing give rise to an obligation on the part of an individual or corporation to the state, the Legislature has no power to release or diminish the obligation without consideration. (Emphasis ours [the Court's])

"The 1933 amendment lowering the amount of rentals to be paid is without consideration and is invalid. It simply substituted a payment of \$5,000 annually from 1933 to 1938 for the ten-year period from 1928 to 1938. A definite value of \$130,000 for the property had been fixed in the 1928 lease. Six per

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cent of that value, or \$7,800, was the fixed annual rental for that ten-year period. A substitution of \$5,000 annually for the definite rental agreed to be paid for the years 1933 to 1938. For this partial release there is no consideration provided. Therefore the 1933 amendment is invalid by reason of the above constitutional provision."

There is obvious comparability between raising a price for services and lowering a rental charge, but the same case further holds that another amendment of the same contract was valid because supported by additional consideration. The presumption is made that the University would receive additional consideration upon the basis of a contract amendment which:

- "a. requires the contractor to document that he is purchasing fuel from the cheapest supplier;
- "b. requires documentation of the actual cost of fuel purchased by contractor;
- "c. allows for an additional per hour charge to compensate for the excess fuel costs above the base rate of 27.0 cents per gallon;
- "d. provides for reimbursement for excess fuel costs beginning with February 1974, when the fuel costs rose to such an excessively high level that the contractor could no longer perform under the contract;
- "e. provides that if the fuel price shall ever drop below the base rate of 27.0 cents per gallon, the charges will revert to the original contract price of \$7.58 per hour."

Whether the additional requirements imposed upon TEI would be of any real benefit - consideration - to the University of Texas seems highly debatable. Moreover, the final provision for return to the original contract price

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in the event that there is a drop in the price of gasoline is highly indicative of a major - if not only - purpose to award additional compensation to TEI because it entered into a contract which it no longer considers beneficial. If a Court were to conclude that that is the case, it would have no alternative other than to hold the amendment in violation of Article III, Section 44 and other provisions in the Texas Constitution dealing with gifts, grants, gratuities or releases of indebtedness by the State.

The other decision cited is Hicks v. Smith, 330 S.W.2d 641 (Tex. Civ. App., Fort Worth, 1959, writ refused, n.r.e.). The holding there is that if unforeseen difficulties justifying a party's rescission of a contract exists, there is sufficient consideration for a promise of additional payment. The holding does not appear applicable to the problem under consideration for two reasons. The contract there was between private parties, and an increase in gasoline prices would not appear to be an adequate ground for rescission of a contract.

Much more nearly in point here is the recent decision in City of Austin v. Cotten, No. B-4053, Opinion delivered March 20, 1974, rehearing denied June 12, 1974. The Opinion is not yet officially reported but is printed in the The Texas Supreme Court Journal, Vol. 17, p. 246. The respondent there, a consulting engineer, had in the trial court recovered judgment for an additional fee allegedly owed to him because the work which he performed under a contract with the City far exceeded in cost the estimate upon which his contract fee was based. The Court of Civil Appeals affirmed, but the Supreme Court reversed and held, in effect, that the respondent was entitled to no more than the amount provided for by the contract. Reformation or rescission was there sought on the ground of mutual mistake. The Supreme Court recognized that the contract price had been based upon an estimate which was the best guess of any of the contracting parties. It pointed out, however, that:

"Obviously it was a mistaken guess. However, an error in predicting a future fact known to be uncertain is not the kind of mistake which will relieve a party from a contract. Houston & T.C.R. Co. v. McCarty, 94 Tex. 298, 60 S.W.

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429 (1901); Crandall v. Moss 252 S.W.2d 491, 494 (Tex. Civ. App. 1952, writ ref'd n.r.e.); Walton v. Steffens, 170 S.W.2d 534 (Tex. Civ. App. 1942, writ ref'd w.o.m.).

"The Restatement of Contracts says:

"'Where the parties know there is doubt in regard to a certain matter and contract on that assumption, the contract is not rendered voidable because one is disappointed in the hope that the facts accord with his wishes.' Restatement of Contracts, § 502, comment f (1932)."

It can similarly be assumed that at the time the University and TEI entered into the shuttle bus contract, all parties assumed that the price of gasoline would remain relatively stable. That too was a mistaken guess. The parties, however, contracted for a fixed price. The risk of price increase was, therefore, placed upon TEI. That is the manner in which the Supreme Court construed the contract there before it, writing:

"Rather, we rely upon the undisputed fact that, in this case, the parties bargained on the assumption and realization that the 'future fact,' the ultimate total cost of the project, was uncertain. Recognizing this uncertainty, the parties contracted against the possibility of mistake, deliberately placing the risk of mistake upon Cotten."

The University's contract with TEI is fixed fee - not cost plus. In the reported case, the Court held that:

"No reason is perceived why the City would have insisted that plaintiff's proposal be qualified by a stated maximum fee except that the City foresaw that construction costs might exceed the estimate and was unwilling to assume the risk of higher engineer's fees. As stated in Williston on Contracts, 'The courts have recognized that where a party has agreed to be bound

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regardless of any mistake that may be made and "assumes the risk of every chance occurrence," there will be neither reformation nor rescission.' 13 Jaeger, Williston on Contracts, § 1543A at 85 (3d Ed. 1970)."

In response to the contractor's contention to the effect that the additional fee was justified because of difficulties and complications encountered in the work, the Supreme Court held that:

"Many of the complications to which Cotten testified were the very problems plaintiff was hired to solve. He testified in detail concerning the difficulties he encountered in designing the project. These difficulties, however, related to 'drainage systems and structures, curbs, walks, approaches, turn-outs, provisions for lighting and traffic control, landscaping' and other 'appurtenances necessary' to construct an arterial street which the contract called for. Thus all of the work he did was included within the contract description of what he promised to do for the fee provided in the contract.

"The judgments of the courts below are reversed, and the cause is remanded to the trial court for the entry of a judgment in accordance with this opinion."

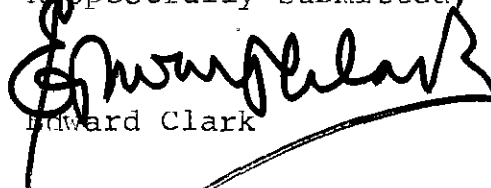
It would appear to be equally true that TEI would, in substance, do under the amendment only that which it agreed to do under the original contract. The Supreme Court Opinion is supported by numerous earlier decisions discussed therein and unquestionably constitutes authority for the proposition that TEI could not successfully bring even an authorized action against the University of Texas for additional recovery. It logically follows, therefore, that since the University could not be forced to pay more than its contract price for the bus

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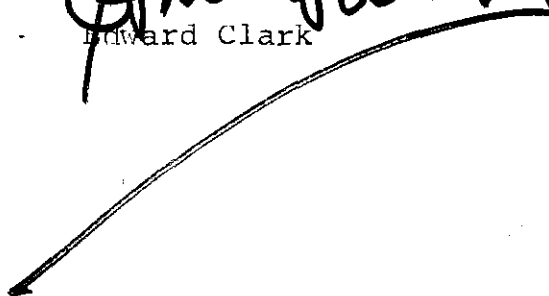
service rendered, the University's entering into an agreement to make additional compensation would be an unconstitutional gift or payment to TEI.

Respectfully submitted,


Edward Clark

EC:sfb

cc: Mr. Burnell Waldrep
Mr. Mike Hudson



B. U. T. Austin

*ditto
memos
include*

3. Amendment to Contract with Transportation Enterprises, Inc.
(Shuttle Bus Service). --

By contract of June 22, 1973, the Board of Regents, acting on behalf of The University of Texas at Austin awarded the U. T. Austin shuttle bus service to Transportation Enterprises, Inc. The University agreed to pay \$7.58 per operating hour over the three-year period of the contract for this service.

Due to the unexpected and dramatic rise in the cost of diesel fuel, brought about by the energy crisis, the contractor has asked for a fuel cost adjustment.

Deputy Chancellor Walker and the U. T. Austin Administration recommend approval and execution of the enclosed contract amendment*, which has been agreed to by Transportation Enterprises, Inc.

The contract amendment will accomplish the following:

- a. requires the contractor to document that he is purchasing fuel from the cheapest supplier;
- b. requires documentation of the actual cost of fuel purchased by contractor;
- c. allows for an additional per hour charge to compensate for the excess fuel costs above the base rate of 27.0 cents per gallon.
- d. provides for reimbursement for excess fuel costs beginning with February 1974, when the fuel costs rose to such an excessively high level that the contractor could no longer perform under the contract.
- e. provides that if the fuel price shall ever drop below the base rate of 27.0 cents per gallon, the charges will revert to the original contract price of \$7.58 per hour.

* Contract amendment set out on Pages 5 - 7.

AMENDMENT

THE STATE OF TEXAS I
 I
COUNTY OF TRAVIS I
 I

WHEREAS, by Contract and Agreement dated June 22, 1973 by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas at Austin, herein referred to as "UNIVERSITY", and TRANSPORTATION ENTERPRISES, INC., herein referred to as "CONTRACTOR", the parties agree that CONTRACTOR will provide a shuttle bus service for The University of Texas at Austin in return for the consideration set out in that agreement; and,

WHEREAS, it is the desire of both parties to amend the agreement to contain the following terms:

NOW, THEREFORE, and in consideration of the mutual covenants contained herein the parties agree as follows:

I.

Paragraph III of said contract is amended by adding sections (g), (h), and (i) as follows:

(g) Contractor agrees to furnish the Vice-President for Business Affairs of the UNIVERSITY time sheets for each day's operation, showing bus numbers, routes served and total time of route operation.

(h) CONTRACTOR agrees to furnish UNIVERSITY, monthly bids from at least two known fuel suppliers, other than the supplier from whom fuel is purchased. The bids will be submitted with the monthly itemized statement, and will include all fuel used on the shuttle bus service during the billing month.

(i) CONTRACTOR agrees to furnish copies of all invoices and monthly billing statements from supplier for fuel purchased during the billing month, showing actual cost and any fuel rate adjustments from supplier. These statements will accompany the monthly billing statement.

II.

Paragraphs V (b) and (c) of said contract are amended by deleting Paragraphs V (b) and (c) and substituting in lieu thereof the following:

(b) A charge shall be made by the hour for each bus, which includes the provision of a driver and all other items CONTRACTOR is to furnish pursuant to the terms of this agreement, as amended. The basic charge shall be at the rate of seven and 58/100 (\$7.58) dollars per operating hour during the regular and summer semesters. There shall be an additional Excess Fuel Cost charge computed as follows:

(1) The base fuel price of 27.0 cents/gallon will be subtracted from the average weighted fuel price per gallon for the month. That remaining excess fuel price will then be multiplied by the conversion rate of 2.237 gallons per hour to obtain the Excess Fuel Cost per hour of service.

(2) To obtain the average weighted fuel price for the billing month, the inventory (gallons of diesel fuel) on hand at the end of the previous month will be multiplied by the last purchase price for that month. This beginning inventory cost will be added to the total cost for all fuel purchases made during the billing month. From this total, the diesel fuel inventory at the end of the billing month multiplied by the last purchase price for the billing month, will be subtracted. The resulting net cost of fuel used during the billing month will be divided by the total gallons used to obtain the weighted fuel price per gallon.

(c) There shall be separate statements and payments for the basic charge, at \$7.58 per hour, and the Excess Fuel Cost charge as computed above. Payments shall be made on the 10th day of each month following the preceding month's operations, and payments shall be made only after receipt of itemized statements.

III.

Paragraph V of said contract is further amended to add sections (d), (e), and (f) as follows:

(d) Excess Fuel Cost charges shall be paid by UNIVERSITY beginning with the month of February, 1974 and continuing, as computed above, for the duration of this agreement as amended.

(e) Should the average weighted fuel price for any month drop below the Base Fuel Price, there will be no payment for Excess Fuel Costs and total charges will include only the basic hourly rate of \$7.58 per hour.

(f) In the event the monthly billing statement is not provided prior to payment by UNIVERSITY for the billing month, UNIVERSITY will adjust payment for the next succeeding month's operation to account for any differences between fuel prices billed and those actually paid by CONTRACTOR.

IV.

Except as amended herein the Shuttle Bus Service Contract by and between the Board of Regents of The University of Texas System and Transportation Enterprises, Inc., dated June 22, 1973, shall remain in full force and effect.

EXECUTED THIS _____ day of _____, 1974

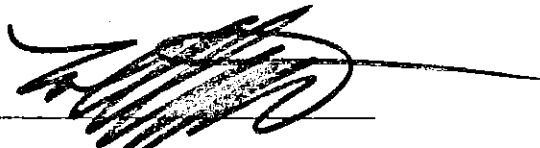
ATTEST:

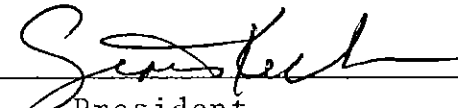
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

By _____
A. G. McNeese, Jr.
Chairman

ATTEST:

TRANSPORTATION ENTERPRISES, INC.



By 
President

4. Request to Authorize Execution of Agreement with Electric Power Research Institute which Provides for Joint Ownership of Any Resulting Patents. --

President Spurr requests authorization to execute a proposed agreement between U. T. Austin and the Electrical Power Research Institute ("EPRI") whereby EPRI proposes to support certain research in methods of producing electrical energy for commercial use from fusion reaction. The proposed agreement is the result of several months of negotiation and now appears to be satisfactory for performing the work at U. T. Austin under the direction of Dr. William E. Drummond. However, the provisions of the Inventions and Patent article of the agreement are such as to require prior approval of the Board of Regents. Briefly, these provisions state:

1. The University and EPRI will jointly own any inventions or discoveries made in performance of the work under the agreement, on the basis of joint patent applications.
2. Each party is free to grant non-exclusive licenses under the patents.
3. The University will comply with Atomic Energy Act of 1954 regarding inventions and discoveries, when applicable.
4. Approval will be secured by each party from the other before release for publication of information which may affect patent interests.

Because of the importance of this research project and because the patent provisions are much more favorable than those desired by many private sponsors, System Administration joins in Dr. Spurr's recommendation that authorization be granted for U. T. Austin to enter into the agreement, **including the aforementioned patent provisions.**

5. Request to Authorize Execution of Agreement with American Gas Association which Provides for Possible Grant of Patent Rights. --

President Spurr requests authorization to execute a proposed agreement between U. T. Austin and the American Gas Association ("A.G.A.") whereby A.G.A. proposes to support certain research in the more effective use of gas, specifically by funding a research project for the studying of the rate of entropy production of systems of chemical reactions and its application as a measure of the efficiency of chemical processes. The proposed agreement is the result of several months of negotiation and now appears to be satisfactory for performing the work at U. T. Austin under the direction of Professor R. S. Schechter.

The patent provisions of the proposed agreement require that complete information must be furnished A.G.A. on any invention conceived during the course of the research, and that A.G.A. shall have the right to determine whether or not a patent application shall be filed and to determine the disposition of the invention and title to any patents that may be obtained. This provision is agreeable to Professor Schechter and U. T. Austin administration, but because it could possibly require assignment of exclusive patent rights to other than the inventor, **requires prior Board of Regents approval.**

Because of the importance of this research project for energy utilization, System Administration joins in Dr. Spurr's recommendation that authorization be granted for U. T. Austin to enter into the agreement, including the aforementioned patent provisions.



THE UNIVERSITY OF TEXAS AT AUSTIN
OFFICE OF THE PRESIDENT
AUSTIN, TEXAS 78712

President

May 22, 1974

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
O. Henry Hall 401
Austin, Texas

Dear Chancellor LeMaistre:

The attached memo from Vice-President Colvin contains a recommendation for approval of a proposed agreement between U. T. Austin and the American Gas Association. We have been in negotiations during the past few months to arrive at a mutually acceptable final agreement.

The proposed agreement now appears to be satisfactory for performing the work in our Department of Chemical Engineering, under the direction of Professor R. S. Schechter. However, since the patent provisions do not follow exactly the current policy as set forth in the Regents Rules, authority to execute the agreement must be approved by the Regents Committee established for such matters.

In accordance with previous similar cases, I request that the Committee review the subject contract and grant authority for the agreement to be executed by U. T. Austin in the routine manner with subsequent reporting via the docket.

Mr. Burnell Waldrep, University Attorney, is familiar with the details of this case and has concurred in this request.

Yours sincerely,

Robert D. Mitchell
for
Stephen H. Spurr

SHS:GRB:ms

Attachment

MEMORANDUM
FROM
VICE-PRESIDENT FOR BUSINESS AFFAIRS

TO: Dr. Stephen H. Spurr
President


DATE: May 22, 1974

Subject: APPROVAL OF CONTRACT BETWEEN U. T. AUSTIN
AND THE AMERICAN GAS ASSOCIATION OF
ARLINGTON, VIRGINIA

Professor R. S. Schechter of our Department of Chemical Engineering has obtained the sponsorship of the American Gas Association for Project BR 106-1, "Entropy Production of Systems of Chemical Reactions." The contract has been negotiated during the past few months to a proposed final agreement which is acceptable to both parties. We are now ready to execute the contract so that Professor Schechter can proceed with the work.

However, the provisions on inventions and patents will require special approval since they are not in keeping with our current policy as set forth in the Regents Rules. Mr. Burnell Waldrep, University Attorney, has stated that the conditions are acceptable but will require approval of the Regents' Committee established for such purposes. In fact, I am informed that the patent provisions are those which are contained in all our grants from the Department of Health, Education, and Welfare. Therefore, there is precedent for accepting the same provisions in a contract with the American Gas Association.

In view of the urgency of finalizing this agreement, I recommend that the Chancellor be requested to obtain Regents' Committee review and approval of the proposed agreement and authority for U. T. Austin to execute the final contract in the routine manner.


James H. Colvin

JHC:GRB:ms

C. U. T. San Antonio and University Cancer Center

6. Recommendation for Sale of Land in Kendall County, Texas (Gift from Ken Muller). --

At the December 7, 1973, meeting, the Board of Regents accepted the gift of 108.5 acres (corrected by survey to 105.676 acres) of land located some 4 miles northwest of Boerne from Ken Muller and wife of San Antonio and Boerne. The University was designated in the gift to act as trustee with sole discretion as to disposition and management for the following beneficiaries and their respective undivided interests:

The University of Texas M. D. Anderson and Tumor Inst. at Houston	40%
The University of Texas at San Antonio	25%
St. Luke Hospital for the Texas Heart Institute	25%
The National Council of Alcoholism - San Antonio, Area	10%

An offer to purchase this tract has been received from Mr. Phillip M. Timmons of San Antonio DBA as T. M. Investments, Inc., on the following terms:

- (1) Purchase price - \$185,000
- (2) Down Payment - 20% - \$37,000
- (3) Balance of \$148,000 evidenced by a note and deed of trust
- (4) **Note term is twenty-three years at 9% interest - first three years interest only followed by level semi-annual payments of principal and interest with no prepayment penalties.**

This sale price would represent approximately the appraised value at date of gift and in view of both the needs of the beneficiaries and the unsettled conditions in the speculative land markets, the staff recommends acceptance of the offer.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the sale on the terms set forth be authorized and that the net sale proceeds be distributed among the beneficiary institutions as set out above.

D. Dallas Health Science Center

7. Dallas Southwestern Medical School: Request for Authority to Petition Department of Health, Education and Welfare with Respect to Certain Patent Applications on Behalf of Dr. Sami I. Said. --

Dr. Sami I. Said, M.D., Professor of Internal Medicine and Pharmacology at the Dallas Southwestern Medical School, has been negotiating for the prospective development of inventions made by Dr. Said and three colleagues under a research grant funded by the Department of Health, Education and Welfare while Dr. Said and his colleagues were on the faculty of another institution. The inventions involved cover various aspects of Vasoactive Intestinal Peptide (V.I.P.) and the prospective pharmaceutical developer is Merck and Company, Inc. of Rahway, New Jersey.

Government regulations require that the Government control disposition of patent applications for inventions resulting from work under government grants. One of the procedures which is acceptable to the Department of Health, Education and Welfare is for the patent applications to be assigned to the University, which may then negotiate with a pharmaceutical manufacturer for the testing and development of the product for commercial and consumer use. This will involve the University filing a petition, in accordance with DHEW regulations, whereby DHEW would authorize the patent rights to be assigned to the University and would further authorize the University to negotiate with a pharmaceutical manufacturer for limited licensing of the patent rights.

The Dallas Health Science Center Administration recommends that the petition be filed with DHEW, and if the petition is granted, the University be authorized to enter into negotiation with Merck and Company, Inc. System Administration concurs in this recommendation, with the further recommendation that Deputy Chancellor E. D. Walker be authorized to act for The University of Texas System in the negotiations with DHEW and any subsequent negotiations with the prospective developer. It is understood that there will be no expenditure of University funds in initiating the patent or product development, and that the terms of any prospective agreement for patenting and licensing will be reported to the Board for approval.

JOHN W. MCGULLOUGH
200 UNIVERSITY BLVD.
GALVESTON, TEXAS 77550

*Chairman
McNeese*

June 4, 1974

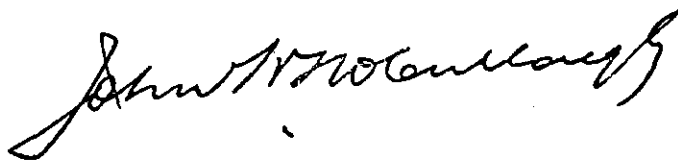
Mr. A. G. McNeese, Jr., Chairman
Board of Regents
The University of Texas
Austin, Texas

Dear Mr. McNeese:

Please convey to the Board my deep appreciation of their action in presenting me the Santa Rita Award June 2, 1974. It is a great honor, not to be forgotten, and I hope you and your associates realize how much it means to me, a wonderful climax so to speak, of a rather long career.

With kindest personal regards, I am,

Sincerely,



JWMcC:blw

II. RATIFICATION (AFFILIATION AGREEMENTS)

System Nursing School

8. Affiliation Agreements with Visiting Nurse Association of Houston, Board of Health, Texas State Department of Health and Saint Joseph Hospital, Fort Worth. --

Chancellor LeMaistre concurs in the recommendation of President Willman that the affiliation agreements listed below be ratified and that the Chairman be authorized to execute these agreements.

The agreements conform to the model agreement approved by the Board on September 12, 1970 and have been approved both as to form and content by appropriate administrative officials.

Visiting Nurse Association of Houston
Board of Health, Texas State Department of Health
St. Joseph Hospital, Fort Worth

III. ITEMS FOR THE RECORD. --The following items will be reported for the record in the Minutes of the Regents' meeting of June 14, 1974:

- A. Resolution in Memory of Mrs. John Leddy Jones. --The Board of Regents adopted on May 3, 1974, a resolution in memory of Mrs. John Leddy Jones. This resolution was withheld from the Minutes of the May 3 meeting and will be reported in the Minutes of this meeting.
- B. Presentation of Santa Rita Award to Cecil H. Green, Dallas, and to John W. McCullough, Galveston. --It was reported that in accordance with previous authorization of the Board of Regents of The University of Texas System the Santa Rita Award has been presented to the Honorable Cecil H. Green, Dallas, Texas, and to the Honorable John W. McCullough, Galveston, Texas.

Chancellor LeMaistre (substituting for Vice-Chairman Williams who was out of the country) on behalf of the Board of Regents presented the Santa Rita Award to the Honorable Cecil H. Green on May 18, 1974, at the Commencement Exercises of The University of Texas at Dallas.

Regent Frank C. Erwin, Jr., on behalf of the Board of Regents presented the Santa Rita Award to the Honorable John W. McCullough on June 2, 1974, at the Commencement Exercises of The University of Texas Medical Branch at Galveston.

The remarks of Chancellor LeMaistre and Regent Erwin in presenting these awards will be incorporated in the Minutes of the meeting on June 14.

MEMORIAL RESOLUTION TO ERIN BAIN JONES (MRS. JOHN LEDDY JONES). --The following resolution was presented by Vice-Chairman Williams at the Regents' meeting on May 3, 1974, and was adopted by unanimous vote. It is reported here as an item for the record:

WHEREAS, The Board of Regents of The University of Texas System records with profound sorrow the untimely death of a cherished friend of the University, Mrs. John Leddy Jones, on April 30, 1974, and wishes to honor her memory; and

WHEREAS, Erin Bain Jones was a person of extraordinary qualities. Her great intelligence and wide-ranging interests, combined with enthusiasm and empathy, guided her philanthropic purposes. She served with distinction on many University of Texas boards and councils and gave generously of herself and her resources to support academic programs throughout the University System; and

WHEREAS, Erin Jones was a devoted ex-student of The University of Texas and, by her splendid example, inspired others to give of themselves and their possessions to the University;

NOW, THEREFORE, BE IT RESOLVED: That the Members of the Board of Regents acknowledge with deep affection, respect, and appreciation Erin Jones' devotion to the University, her magnificent record of benefactions and the wonderful influence that she was in the University and in the State;

BE IT FURTHER RESOLVED, That the Board of Regents joins with her family and friends in mourning her death, that this resolution be spread on the minutes and that appropriate copies be sent to Mrs. Jones' family.

IV. SCHEDULED MEETINGS AND EVENTS. --Below is a schedule of meetings and events including the following meetings of the Board of Regents that have been previously scheduled:

July 19, 1974, in Austin
September 20, 1974, in Austin

Chairman McNeese recommends that meetings also be scheduled for:

November 1, 1974
December 6, 1974

1974

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30													

1973-74 Holiday Schedule

July 4	Independence Day
Aug. 27	Lyndon Baines Johnson's Birthday
<u>1974</u>	
June 14	Following Regents' meeting - meeting of Board for Lease of University Lands
Aug. 18	U. T. San Antonio - Commencement Dallas Allied Health Sciences School - Commencement
Aug. 23	Galveston Allied Health Sciences School - Commencement
Oct. 18	Noon - Stag Luncheon, Ex-Students' Association and separate Ladies Luncheon 4:00 p. m. - Dedication of Ernest Cockrell, Jr. Hall, Austin 7:00 p. m. - Ex-Students' Association Distinguished Alumni Awards presentation and reception
<u>1975</u>	
	Dedication Phase I Building Program - Dallas Health Science Center

1974 Football Games

Texas vs.

Sept. 14, 7:00 p. m.	Boston College at Boston
Sept. 21, 7:00 p. m.	Wyoming at Austin
Sept. 28, 12:50 noon	Texas Tech at Lubbock
Oct. 5, 7:00 p. m.	Washington at Austin
Oct. 12, 2:00 p. m.	Oklahoma at Dallas
Oct. 19, 12 noon or 2:50 p. m. *	Arkansas at Austin
Oct. 26, 7:30 p. m.	Rice at Houston
Nov. 2, 2:00 p. m.	SMU at Austin
Nov. 9, Afternoon Game **	Baylor at Waco
Nov. 16, Afternoon Game **	TCU at Fort Worth
Nov. 29, 12 noon or 3:05 p. m.	Texas A&M at Austin

* Time indefinite - depends on baseball series - will not know until after O. U. game

** Time indefinite



THE UNIVERSITY OF TEXAS SYSTEM

Office of the Chancellor

601 COLORADO STREET, AUSTIN, TEXAS 78701

June 12, 1974

The Honorable Allan Shivers
300 Austin National Bank Building
Austin, Texas 78701

Dear Governor Shivers:

The amendments suggested by Dr. Lanier Cox were:

(A) Page 3, 5.32, line two of section:

System Patent Office: To assist the institutional Patent Committees [as-well-as] to provide technical advice to individual [research] faculty and staff members in patent matters, and to coordinate details in respect to patent procedures, a System Patent Office shall be established.

(B) Page 5, 5.533, line five of section - delete period and add:

In those instances where it is possible to negotiate System-wide patent agreements with the Federal agencies and thereby obtain more favorable treatment for the inventor and the University, every effort will be made to do so [.] after consultation with the institutional Patent Committees and the Chief Administrative Officers.

It is requested that:

- (1) The new patent policy be adopted in principle,
- (2) the Chief Administrative Officers in consultation with faculty review the new patent policy, and
- (3) that the new patent policy be presented for adoption at the September meeting of the Board of Regents.

Sincerely yours,

ORIGINAL SIGNED BY
CHARLES A. LE MAISTRE, M.D.
Charles A. LeMaistre, M.D.
Chancellor

CAL:mlt

cc: Miss Betty Anne Thedford

*Lacks Documentation
in Com.*

COMMITTEE OF THE WHOLE

EMERGENCY ITEMS

June 14, 1974

	<u>Page</u> <u>C of W</u>
9. Board of Regents: Report of Special Regental Committee, Proposed New Patent Policy, and Amendment to Regents <u>Rules and Regulations</u> , Part Two, Chapter V, <u>Section 5</u>	Below
10. U. T. System: Proposed Airplane Lease between The University of Texas System and The University of Texas Foundation, Inc.	24
11. U. T. System: Request for Appointment of Regental-Administrative Committee for Negotiations with Appropriate Agencies Regarding Reimbursement Procedures under Title XVIII and Title XIX of the Social Security Amendments <i>and with State Health Board</i>	28
12. U. T. System: Recommendations Regarding Procedures for Commencement	28

DOCUMENTATION

9. Board of Regents: Report of Regental Committee, Proposed New Patent Policy, and Amendment to Regents' Rules and Regulations, Part Two, Chapter V, Section 5. --

The Special Committee to consider patent matters (Regent Shivers, Chairman, and Regents Clark, Erwin and Nelson) met on June 7, 1974 to consider a proposed new patent policy for adoption by the Board of Regents. This proposed new policy (with explanatory notes and other background material) had previously been submitted to the Special Committee by Deputy Chancellor Walker and Chancellor LeMaistre, in accordance with the directive of the Special Committee at the December 7, 1973 Board meeting.

Chancellor LeMaistre, Deputy Chancellor Walker, and other officers of System Administration met with the Special Committee on June 7. After reviewing the material and listening to oral presentations, the members of the Special Committee unanimously approved the proposed new patent policy, and directed that it be presented to the full Board for consideration at its June 14, 1974 meeting, with the Special Committee's recommendation for adoption.

The proposed new policy, which if adopted will become Section 5 of Chapter V, Part Two, of the Rules and Regulations follows, together with a copy of the existing patent policy which is now Subsection 2.4:

Sec. 5. Patent Policy.

5.1 Statement of Basic Philosophy and Objectives.

While the discovery of patentable processes or inventions is not the primary objective of the University's scholarly research, for any such discoveries made, it is the objective of the Board of Regents to provide a patent policy which will serve to define the rights and obligations of the University, the inventor, and the sponsor whenever an invention occurs, and will permit the timely disclosure of any patentable discoveries, whether by patent, publication or both. The policy is further intended to protect the respective interests of all concerned by ensuring that the benefits of patents accrue to the inventor, to the University and to sponsors of specific research, in varying degrees of protection, monetary return and recognition, as circumstances justify or require.

5.2 General Policy.

5.21 The patent policy as adopted shall apply to all persons employed by the component institutions of The University of Texas System, and to postdoctoral and predoctoral fellows.

5.22 It is the intent of this policy to permit staff members maximum freedom in respect to their findings, consistent with their obligations to the University. Any staff member who, as a result of his University researches makes a discovery, other than on certain government or other sponsored research projects, should retain the ultimate right to decide how it is to be made public - by publication, by patenting, or both.

- 5.23 Property rights in inventions will be based on the degree of University support, as hereinafter specified.
- 5.24 The University will provide patent review and management services, either by its own staff, through a related Foundation, or by other means.
- 5.25 It is a basic policy of the University not to grant, approve or permit the issuance of an exclusive right to or license under any patent developed in connection with University research or employment. Any departure from this basic principle must be recommended through channels hereinafter prescribed and be approved by the Chancellor and the Board of Regents, or in accordance with procedures hereinafter prescribed.

5.3 Institutional Patent Committees and System Patent Office.

- 5.31 Patent Committees: To help administer the patent policy at each component institution and to make recommendations to Chief Administrative Officers for further referral to the Chancellor and Board of Regents (in those cases when action by the Chancellor and/or the Board of Regents is required) institutional Patent Committees shall be established as directed by the Chancellor.
- 5.32 System Patent Office: To assist the institutional Patent Committees as well as individual research faculty and staff members in patent matters, and to coordinate details in respect to patent procedures, a System Patent Office shall be established.

5.4 Classification of Discoveries by Source of Research Support.

- 5.41 The patentable idea has developed as a result of the individual's efforts on his own time, with no direct University support or use of University facilities.

5.42 The patentable idea has resulted from research performed by the individual on University time, with support by State funds, and/or using University facilities.

5.43 The patentable idea has resulted from research supported by a grant or contract with the Federal Government or an agency thereof.

5.44 The patentable idea has resulted from research supported by private foundations, commercial concerns, or industry.

5.5 Property Rights and Obligations:

5.51 Patentable ideas developed on an individual's own time and without University support (5.41 above) are the exclusive property of the inventor, and the University has no interest in any patent obtained, and no claim to any profits resulting therefrom.

Should the inventor choose to offer his invention to the University, the institutional Patent Committee shall recommend as to whether University should apply for a patent. If the Patent Committee recommends and the invention is accepted for patent by the University, the procedures to be followed and the rights of the parties shall be those set out in Subsection 5.52 following.

5.52 Patentable ideas resulting from research performed on University time, with support by State funds, or using University facilities (5.42 above).

5.521 The inventor may choose to publish the details of his research and not to patent.

5.522 Before or after publishing, if the inventor decides to patent ideas resulting from research done on University time, with support by State funds, or using University facilities, he shall submit such ideas to the Patent Committee for determination of the University's interest.

- 5.523 If the Patent Committee recommends that the University not seek to patent, the inventor shall be notified within ninety (90) days of the date of submission that he is free to seek a patent in his own name. The University shall not have any further obligation or duties and the inventor is free to obtain and exploit a patent. (In some instances, the Committee may elect to impose certain limitations or obligations, dependent upon the degree of University support.)
- 5.524 If the University decides to patent, it shall proceed either through its own efforts or those of a patent agent to obtain and manage the patent. The division of royalties or other income shall be 25% to the inventor and 75% to the University, patenting and licensing costs first being recaptured.
- 5.53 Patentable ideas resulting from research supported by a grant or contract with the Federal Government or an agency thereof (5.43 above).
- 5.531 Administrative approval of application requests to, and acceptance of grants or contracts with, the Federal Government, or any agency thereof, implies a definite decision that the value to the University of receiving the grant or performing the contract outweighs the impact of any resulting change in the basic patent policy of the University.
- 5.532 The patent policy of the University is subject to and thus amended and superseded by the specific terms pertaining to patent rights included in Federal grants and contracts, to the extent of any conflict.
- 5.533 In those instances where it is possible to negotiate System-wide patent agreements with the Federal agencies and thereby obtain more favorable treatment for the inventor and the University, every effort will be made to do so.

- 5.54 Patentable ideas resulting from research supported by a grant or contract with non-governmental foundations, commercial concerns, and industry (5.44 above).
- 5.541 The University of Texas System recognizes the academic advantages which can come from close scientific cooperation between the research staffs of the University and the research staffs of foundations and industry.
- 5.542 To protect the personal achievements of its staff members and to meet its obligation to the State and its citizens who provide basic fiscal support, the policy is not to enter into arrangements with private foundations and industry whereby such outside interests receive either rights of ownership or exclusive licenses to inventions of staff members of the University.
- 5.543 On the other hand, the contributions of the non-university participant in joint research efforts may in all equity require special arrangements granting exclusive information prior to publication or patent application, royalty-free license, or perhaps exclusive license for some limited period of time.
- 5.544 The extent of contributions of funds and other services, including unique knowledge, shall be the considerations in determining the equities in joint research arrangements with industry.
- 5.545 All arrangements or contracts giving an industrial participant any special advantage shall be approved in advance by the institutional Patent Committee and recommended through the Chief Administrative Officer to the Chancellor. Any agreement altering the basic patent policy of The University of Texas as set out in the preceding sections shall have the advance

approval of the Patent Committee, the Chief Administrative Officer, the Chancellor and the Board of Regents.

5.6 University Income from Patents.

The portion of the net income the University retains from royalty or other patent-related income shall be used first to defray the expenses of the System Patent Office, if any, and thereafter, as approved by the Board of Regents, for research or educational purposes at the component institutions where the invention originated.

5.7 Implementation of Revised Patent Policy.

5.71 All members of the faculty and staff of the components of the University System shall be advised of the patent policy and agree to abide by its terms.

5.72 A Patent Procedures Manual shall be developed to provide more detail as to procedures to be followed under the various provisions of this policy.

Analysis of Proposed Changes in Patent Policy

In summary, the proposed policy classifies the property rights in patentable ideas or inventions resulting from employees' research on the basis of the various sources of research support, and specifies the administrative procedures applicable to each. This differs from the existing policy, which states that the title to the patent shall belong to the employee "where no specific contract to the contrary has been approved by the Board of Regents",

and the employee's ownership is subject only to sharing a modest portion of any royalties with the University. The existing policy also permits the granting of nonexclusive licenses to private donors who have made contributions to research which result in patentable inventions, but does not specify the administrative channels by which this may be done.

The proposed policy provides that:

1. Exclusive rights and title remain with the employee when patentable ideas are developed on the employee's own time and without University support.
2. When University (state funds) support is involved, the decision as to whether to publish or patent, or both remains with the inventor. Should the inventor desire that a patent be obtained, the policy provides for certain review processes to determine if patenting is feasible, and further provides that the University shall obtain the patent, either through its own efforts or through a patent agent, with title being held by the University (or a related foundation).
3. In the event patentable ideas result from research with Federal government support, the rights of the parties shall be in accordance with the terms of the government grants or contracts supporting the research. The policy thus contemplates that acceptance of such contracts and grants is in the University as well as the public interest. However, it is also contemplated that the University Administration will negotiate for as favorable patent rights as can be obtained, in those instances where such negotiation is permitted.
4. When research support is contributed from commercial concerns or other private sources, the basic policy is not to grant exclusive rights of ownership or exclusive licenses to those contributors. However, dependent upon the importance of the contributed support and subject to prior reviews and endorsements through specified

institutional and System Administration channels, recommendations may be made to the Board of Regents to grant additional rights to private contributors.

The proposed policy provides for a Patent Office as a focal point to assist research faculty and staff on patent matters, and to administer the policy on a day-to-day basis. At the option of the University, the services of the Research Corporation (a non-profit foundation with which the University has a contract) may continue to be used.

It is believed the proposed patent policy will facilitate handling of patent matters under the conditions existing at the present time for both government and privately sponsored research, and could possibly result in increased income to the University for research and educational purposes.

Current Patent Policy

(Regents' Rules and Regulations, Part Two, Chapter V, Section 2, Subsection 2.4)

- 2.4 Patent Policy. --Where no specific contract to the contrary has been approved by the Board of Regents, the following policy applies to patents obtained by employees of The University of Texas System:
- 2.41 The title to the patent for a discovery or invention by an employee shall belong to the employee subject to the following provisions:
 - 2.411 When total net royalties, or other compensations, are less than \$1,000, no payment to The University of Texas System is required.
 - 2.412 When net royalties, or other compensations, amount to more than \$1,000 but less than \$5,000, 10 percent of the excess of such royalties or other compensations over \$1,000 shall be paid to The University of Texas System.
 - 2.413 When net royalties, or other compensations, amount to more than \$5,000, the royalty or other compensation paid The University of Texas System will be 10 percent on the amount above \$1,000 but less than \$5,000, and 20 percent on all amounts of \$5,000 or more.
 - 2.414 Where contributions have been made to research projects by private donors, nonexclusive licenses on all inventions or discoveries resulting from such research may be issued on a reasonable basis without discrimination in favor of or against those making contributions in aid of the research.

(NOTE: This basic policy was adopted by the Board of Regents March, 1945, although there have since been minor editorial modifications.)

10. U. T. System: Proposed Airplane Lease between The University of Texas System and The University of Texas Foundation, Inc. --
Pursuant to authorization of the Board of Regents at its meeting on May 3, 1974, Regent Shivers and Deputy Chancellor Walker have renegotiated the lease between the Board of Regents of The University of Texas System and The University of Texas Foundation, Inc., for the lease of a King Aire A-100 turbo prop airplane, manufacturer's serial number B-91, effective immediately and extending through August 31, 1979, with an option to renew for a period of 5 years. Below is a copy of the proposed agreement:

AIRCRAFT LEASE AGREEMENT

This lease agreement between The University of Texas Foundation, Inc., a Texas non-profit corporation of Austin, Travis County, Texas, hereinafter called Lessor, and the Board of Regents of The University of Texas System, hereinafter called Lessee, WITNESSETH:

For and in consideration of the mutual promises, conditions, and obligations expressed herein, Lessor and Lessee agree as follows:

1. Property Leased. Lessor hereby leases to Lessee for the sole use and benefit of The University of Texas System one passenger aircraft described as a Beechcraft King Aire A-100 turbo-prop, manufacturer's serial number B-91, with all equipment and accessories attached thereto or used in connection therewith.

2. Lease Term; Rental; Renewal; Cancellation. The term of this lease shall be for the period beginning with the execution of this agreement and extending through August 31, 1979. Rental for the leased aircraft shall be Fifty (\$50.00) Dollars per month payable by Lessee to Lessor on or before the tenth (10th) day of each successive month beginning with the month following the execution of this agreement. Lessee shall have the option to renew this lease for a period of Five (5) Years by giving notice to Lessor on or before

July 31, 1979. Lessor or Lessee shall have the right to cancel this lease agreement upon at least Thirty (30) Days written notice to the other party.

3. Location of Aircraft. Lessee shall maintain the leased aircraft in Austin, Travis County, Texas, at Browning Aerial Service or such other private aircraft facility as may be mutually agreed upon in writing by Lessor and Lessee. Lessor or its duly authorized agent or representative shall have the right to inspect the leased aircraft at any reasonable time, either on land or aloft.

4. Maintenance; Repair; and Operation. Lessee covenants and agrees to maintain and keep the leased aircraft and all components thereof in good order and repair, in accordance with the requirements of the Federal Aviation Agency or any other governmental authority, and within a reasonable time replace in or on such aircraft any and all parts, equipment, appliances, instruments or accessories which may be worn out, lost, destroyed or otherwise rendered unsatisfactory or unavailable for use in or on aircraft, which replacements shall be in good operating condition and have a value, utility and quality at least equal to that which the property replaced had and shall be free and clear of all liens and encumbrances at the time affixed to the aircraft. Lessee shall be responsible for all major overhaul on the leased aircraft whenever deemed necessary and as may be required by the Federal Aviation Agency or any other governmental authority during the term of this lease, and all engine overhaul, inspection, and maintenance service. All cost and expenses for operation, maintenance and repair of the leased aircraft shall be paid by Lessee.

5. Pilots. Lessee covenants and agrees to permit the leased aircraft to be operated only by pilots who are duly licensed and hold current, effective certificates issued

by the appropriate regulatory agency. Pilots employed to operate the leased aircraft shall be the employees and servants of Lessee and shall be paid by Lessee. Their flight experience shall conform to the minimums set forth in the insurance policy.

6. Taxes; Licenses; Permits; Fees. Lessee covenants and agrees to pay all taxes and fees levied or imposed by any national, state, or local law or any airport authority during the term of this lease. Lessee further covenants and agrees to obtain and pay for all licenses and permits required by any national, state, or local law or any airport authority in connection with the operation of the leased aircraft during the term of this lease.

7. Insurance. (a) During the term of the lease or any extension thereof, Lessee covenants and agrees, at its own expense, to keep the leased aircraft insured with companies acceptable to Lessor against the following losses and hazards arising out of or in connection with the operation of the leased aircraft:

(1). loss or damage to the hull in the amount of \$525,000.00, whereby the Lessor is the payee in event of damage, and whereby Lessor and Lessee share equally in the recovery in the event of total loss of the hull.

(2). personal injury, death or property damage in the amount of \$20,000,000.00, with admitted liability of \$50,000.00 per seat and naming both Lessor and Lessee as insureds.

(b) The amount of hull insurance set out in ¶7(a)(1) above shall be reduced in subsequent years in such amounts as will reflect the depreciated value of the aircraft.

(c) Lessor shall have the right to inspect such policies at reasonable times and to demand proof of payment of premiums.

8. Restrictions. Lessee covenants and agrees that leased aircraft shall not be operated at any time during the existence of any known defect which makes such aircraft unsafe for operation or when in the opinion of the pilot existing weather conditions make operation of the aircraft unsafe. Lessee shall be solely responsible for all fines, penalties, or forfeitures arising out of the violation of any national, state, or local law or regulation.

9. Return of Aircraft. Lessee covenants and agrees to return the leased aircraft at the expiration of this lease to the Lessor, at such place as shall be designated by Lessor, in the same operating order, repair, condition and appearance as when received, excepting only for reasonable wear and tear, and damage by any cause covered by collectible insurance.

IN WITNESS WHEREOF, Lessor and Lessee have signed and executed this lease for the consideration expressed herein this _____ day of _____, 1974.

ATTEST: THE UNIVERSITY OF TEXAS FOUNDATION, INC.
LESSOR

By: _____
Secretary

By: _____
Gene M. Woodfin, President

ATTEST: THE BOARD OF REGENTS OF THE UNIVERSITY
OF TEXAS SYSTEM
LESSEE

By: _____
Secretary

By: _____
A. G. McNeese, Jr., Chairman

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

By: _____
University
Attorney

By: _____
Deputy Chancellor for
Administration

11. U. T. System: Request for Appointment of Regental-Administrative Committee for Negotiations with Appropriate Agencies Regarding Reimbursement Procedures under Title XVIII and Title XIX of the Social Security Amendments. --It is recommended that Chairman McNeese appoint a Regental-Administrative Committee to negotiate with appropriate agencies regarding the reimbursement procedures under Title XVIII and Title XIX of the Amendments to the Social Security Act. *and 5 other state dept. of health.*
12. U. T. System: Recommendations Regarding Procedures for Commencement. --

Panel

Executive Session

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION
(Pursuant to Sec. 2(g), H.B. No. 3,
63rd Leg., R.S., 1973)

Date: June 14, 1974

Time: Following the Meeting of the Committee of the Whole - Open Session

Place: Main Building, Room 209
U. T. Austin
Austin, Texas

	<u>Page No.</u>
1. U. T. System: 1974-75 Operating Budgets	Below
2. U. T. Arlington: Personnel Matters	4

-
1. U. T. System: 1974-75 Operating Budgets. --The 1974-75 Operating Budgets for The University of Texas System will be mailed under separate cover no later than Monday, June 3, 1974. The budgets to be adopted are as follows. Each includes auxiliary enterprises, government contracts and grants and current restricted funds as applicable:

System Administration and Available University Fund

The University of Texas at Arlington

The University of Texas at Austin

The University of Texas at Dallas

The University of Texas at El Paso - \$170M

The University of Texas of the Permian Basin

The University of Texas at San Antonio

The University of Texas Health Science Center at Dallas

Medical Service Research and Development Plan

The University of Texas Medical Branch at Galveston

Medical Service Research and Development Plan

The University of Texas Health Science Center at Houston—

Medical Service Research and Development Plan

The University of Texas Health Science Center at San Antonio

Medical Service Research and Development Plan

The University of Texas System Cancer Center

Physicians Referral Service

The University of Texas System School of Nursing

On June 5, 1974, a copy of the letter set out on Pages 2 and 3 was mailed to each of you with respect to the proposed 1974-75 Operating Budgets.



THE UNIVERSITY OF TEXAS SYSTEM

Office of the Chancellor

601 COLORADO STREET, AUSTIN, TEXAS 78701

June 5, 1974

MEMORANDUM TO MEMBERS OF THE BOARD OF REGENTS

Mr. McNeese, Chairman
Mr. Williams, Vice-Chairman
Dr. Bauerle
Ambassador Clark
Mr. Erwin
Mr. Garrett
Mrs. Johnson
Dr. Nelson
Governor Shivers

SUBJECT: The University of Texas System Operating Budgets for Fiscal Year 1974-75

At the December 7, 1973, Board Meeting, the policies for writing the 1974-75 operating budgets were considered and approved. Copies of these 1974-75 (proposed) operating budgets have been sent to you. Certain aspects relating to procedure, as well as content, are brought to your attention. The initial drafts prepared by the institutions were reviewed in detail with System Administration and with the Chief Administrative Officer of the institution concerned. Changes or modifications, as appropriate, were incorporated in these proposed budgets.

As for salaries, the General Appropriations Bill provided funds and required that an across-the-board salary increase of 3.4 percent be granted to all faculty and staff personnel. Additional funds for three institutions (Arlington, Austin, and El Paso) are made available through the Coordinating Board for the purpose of granting an additional 3.4 percent salary increase to faculty currently being paid at academic rates less than \$15,000. From other funds available, all institutions were able to grant selective merit increases in addition to the "across-the-board, cost-of-living" increases.

This budget, being for the second year in the biennium, includes not only the 1974-75 direct appropriations but also a number of "reappropriation of unexpended balances" items. Examples of these "reappropriations" are Faculty and Instructional Salaries, Major Repair and Rehabilitation items, and specific line items so indicated, particularly in the new institutions. Using these reappropriations as well as other institutional balances, a number of the institutions were able to draft budget recommendations in excess of "current income."

Relating to U. T. Austin, a new schedule is included in your budget summary material on Page 9a which shows a reallocation of the Available University Fund to specific academic-type cost elements. This change in policy not only is reflected in this allocation, but it is also intended that expenditures should follow this allocation, and the accounts have been so restructured.

In the Auxiliary Enterprises budgets for the Student Services Fees item, certain adjustments must be made. At U. T. Austin the new rate structure for Optional Student Services Fees included in the Special Regents' Committee report (which is on the agenda for the June 14th meeting) will need to be incorporated into this budget. At the other institutions the Required Student Services Fees rate of \$2.50 a credit hour based on a full-time student equivalent of twelve hours also needs to be incorporated in the budgets. It is recommended that the Auxiliary Enterprises budgets be approved subject to conforming the Student Services Fees to these new rates, and possibly for further refinement now or at a later date based on a revised Attorney General's opinion now pending.

In the "Budget Summaries and Supplemental Data" binder, the following information has been assembled for your review:

- Tab 1 - Budget Summaries Comparing Income and Expenditures with the Prior Year
- Tab 2 - Average Faculty Salaries by Institution by Rank Compared with the Prior Year
- Tab 3 - Salaries of Chief Administrative Officers Compared with the Prior Year
- Tab 4 - Supplemental Data (as Applicable) by Institution, including:
 - a. Salary Rate Increases of \$2,000 or More
 - b. New Tenure Appointments and Promotions within Tenure Ranks
 - c. Second Year Leaves of Absence
 - d. Nepotism Cases
 - e. Faculty and Staff Over Prescribed Age Limit

It is recommended that these Operating Budgets for 1974-75 be approved subject to conforming the Student Services Fee items to the amended rate structure.



E. D. Walker
Deputy Chancellor
for Administration

APPROVED:



Charles A. LeMaistre, M.D.
Chancellor

cc: Secretary, Board of Regents

2. U. T. Arlington: Personnel Matters Relating to the Removal of Tenure. --

In accordance with Part One, Chapter III, Section 6, Subsection 6.3 of the Regents' Rules and Regulations, a Hearing Committee has determined that certain charges set forth against Dr. Ronald C. Engle have been substantiated and proved and has unanimously recommended that the tenure of Dr. Engle be terminated.

A record of the full proceedings of the Hearing Committee of The University of Texas at Arlington was mailed by Secretary Thedford to each member of the Board on June 4, 1974.

It is requested that the Board consider the recommendation of the Hearing Committee in accordance with the Regents' Rules and Regulations, Part One, Chapter III, Section 6, Subsection 6.34, as set forth below.

6.34 The Board of Regents, by a majority of the total membership, will approve, reject, or amend such findings, recommendation, and suggestions, if any, or will recommit the report to the same tribunal for hearing additional evidence and reconsidering its findings, recommendation, and suggestions, if any. Reasons for approval, rejection, or amendment of such findings, recommendations, or suggestions will be stated in writing and communicated to the accused.

Office of the President

May 13, 1974

CHANCELLOR'S OFFICE U. of T.	
Acknowledged.....	File.....
MAY 15 1974	
To.....	for Info and Return
To.....	Please Advise Me
To.....	Please Handle

Dr. Charles A. LeMaistre
Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Dear Dr. LeMaistre:

Attached hereto is copy of a letter dated May 13, 1974, addressed to the Board of Regents relative to the termination of a tenured faculty member, Dr. Ronald C. Engle. The purpose of this letter is to request that this be placed on the agenda of the June 14, 1974, meeting of the Board of Regents.

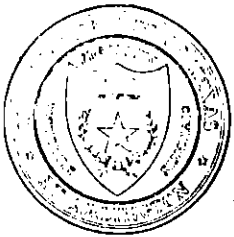
Very truly yours,



W. H. Nedderman
President

WHN:kp
enclosure

cc: Mr. W. O. Shultz



The University of Texas at Arlington
Arlington, Texas 76019

May 13, 1974

The Board of Regents
The University of Texas System
Austin, Texas 78712

Dear Members of the Board of Regents:

The members of The University of Texas at Arlington Hearing Committee in regard to the case of Dr. Ronald C. Engle, after hearing two days (May 9 and 10, 1974) of testimony and presentation of evidence and argumentation on both sides, find unanimously that the charges specified by President Wendell H. Nedderman in his letter to Dr. Engle dated April 5, 1974,* have been substantiated and proved.

It is the unanimous recommendation of members of this Hearing Committee, therefore, that Dr. Ronald C. Engle's tenure be terminated.

The proceedings of this duly-appointed Hearing Committee were conducted under pertinent portions of the Regents' Rules and Regulations.

Very truly yours,

Maurice I. Carlson
Maurice I. Carlson, Chairman

Paul M. Hayashi
Paul Hayashi

Kenneth Philp
Kenneth Philp

Tseng Huang
Tseng Huang

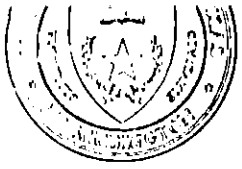
Bennie Williams
Bennie Williams

William B. McCrady
William McCrady

Carroll L. Wright
Carroll Wright

An Equal Opportunities/Affirmative Action Employer

* Page 5.



Office of the President

April 5, 1974

Dr. Ronald C. Engle
312 W. Border St., #113
Arlington, Texas 76010

Dear Dr. Engle:

This is to inform you that the Inquiry Committee dealing with your case has submitted its recommendation.

I had determined that sufficient reasons existed for inquiring into the existence of reasonable cause for termination of your term as a tenured faculty member. The Inquiry Committee has reached the unanimous conclusion that sufficient evidence exists to warrant a hearing before a Hearing Committee as specified by Regents' Rules.

You are charged with incompetent performance and behavior in the classroom and on the campus which is detrimental to your department and to the University. This includes the problem of alcoholism which has seriously deteriorated your capability of satisfactory performance as a faculty member, coming to class in a condition described as intoxicated, failure to meet classes, failure to give final exams as scheduled, and other general conduct in the classroom which has constituted a dereliction of duty and a source of embarrassment to your students and your colleagues.

You are entitled to a Hearing under Regents' Rules. I urge you to study the Regents' Rules and the Handbook of Operating Procedures and to obtain legal counsel as you see fit.

Please contact my office within the next two weeks to arrange a mutually agreeable date for the Hearing. You will be notified of the names of the persons who will appear as witnesses on behalf of the University and of the substance of their testimony. You will also be entitled to a legal representative of your choice at the Hearing. You will be entitled to present such evidence as you choose and to cross-examine such witnesses as appear against you.

Very truly yours,

W. H. Nedderman
President

WHN:kp

cc: Vice-President Baker
Dean Green
W. O. Shultz, System Law Office

COMMITTEE OF THE WHOLE

EXECUTIVE SESSION

EMERGENCY ITEMS

(Pursuant to Sections 2(e) and (g),
H.B. No. 3, 63rd Legislature, R.S., 1973)

June 14, 1974

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3. U. T. System: Exceptions to Chancellor's Docket (Referred by Academic and Developmental Affairs Committee)	11
4. Dallas Southwestern Medical School - Hoblitzelle Building Air Conditioning System Redesign, Phases II, III, IV and V: Request to Award Contract to Burden Brothers, Inc., Dallas, Texas (Referred by Buildings and Grounds Committee)	11
5. Dallas Health Science Center (Dallas Southwestern Medical School) - Cary Building Remodeling: Review and Recommendations on Possible Litigation Regarding Contract Award	13
6. U. T. San Antonio: Report and Recommendation on Possible Litigation Regarding Construction Completion	14

7. Hoblitzelle Bldg.

2. U. T. Arlington: Personnel Matters - Additional Material. --

UNIVERSITY OF TEXAS SYSTEM BOARD OF REGENTS
UNIVERSITY OF TEXAS AT ARLINGTON

IN THE MATTER OF	Y
THE TERMINATION OF	Y
DR. RONALD C. ENGLE	Y

ATTORNEY APPEARANCES:

Mr. W. O. Schultz
The University of Texas at Austin
Austin, Texas 78712

Counsel for the University of Texas System

Mr. Marvin Collins
702 Burk Burnett Building
Fort Worth, Texas 76102

Counsel for Dr. Ronald C. Engle

REPLY BRIEF

LAW OFFICES OF DON GLADDEN
702 Burk Burnett Building
Fort Worth, Texas 76102

June 12, 1974

TO THE HONORABLE UNIVERSITY OF TEXAS SYSTEM BOARD OF REGENTS:

In points 1, 2, and 3 of the Brief of the accused faculty member, the impartiality of the tribunal below is challenged on the basis that a committee member - Dr. McCrady - had already formed such an opinion as to the guilt of the accused that he could be impartial only if he heard evidence from the other side to counteract that opinion. Pages 23 through 27 of the Brief of the university attorney contain a partial response to those contentions.

The response completely ignores and does not discuss the contention of the accused faculty member in Point II of his Brief that the presence of the committee member who had made up his mind before the hearing improperly lays the burden of proof upon the accused in contravention to Section 9-303 of the Handbook of Operating Procedures of the University of Texas at Arlington. The absence of a response strongly suggests that there simply is no colorable answer, adequate or otherwise.

The contentions actually made by the university attorney are amply answered by a moments reflection of each member of this Board.

Is there any member of this Board who would willingly be judged by a trier of fact, judge or jury, who has stated openly before a hearing that he has formed such an opinion as to the guilt of the accused that he would have to see evidence from the other side to counteract his opinion before he could be impartial? If, as a

member of this Board, a Regent feels that he would be unwilling to have this type of person pass judgment upon himself, then he should not permit such a biased judge to pass upon the guilt or innocence of a tenured faculty member of the University of Texas System.

RESPECTFULLY SUBMITTED,

LAW OFFICES OF DON GLADDEN
702 Burk Burnett Building
Fort Worth, Texas 76102

By: Marvin Collins
MARVIN COLLINS

CERTIFICATE OF SERVICE

I have, this the 12th day of June, 1974, served a copy of this Reply Brief upon Mr. W. O. Schultz, Counsel for the University of Texas System, by placing a copy of said brief in the United States mail, postage prepaid.

Marvin Collins
MARVIN COLLINS

3. U. T. System: Exceptions to Chancellor's Docket. --The exceptions and the responses to Chancellor's Docket No. 72 are in your personal folder. The Regent making the exceptions has requested that these be discussed further.
4. Dallas Southwestern Medical School - Hoblitzelle Building Air Conditioning System Redesign, Phases II, III, IV and V: Request to Award Contract to Burden Brothers, Inc., Dallas, Texas (Project No. 303-172). --In accordance with authorization given at the Regents' Meeting held March 15, 1974, bids were called for and were received, opened and tabulated on May 7, 1974, as shown below, for the Renovation of the Air Conditioning System and Animal Facilities in the Hoblitzelle Building at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas:

Bidder	Bid No. 1	Bid No. 2	Bid No. 3	Bid No. 4
Brandt Engineering Company, Inc., Dallas, Texas	\$273,639	\$529,300	\$942,820	\$756,500
Burden Brothers, Inc., Dallas, Texas	243,000	460,000	500,000	480,000
Weatherby-Godbe Construction Company, Inc., Dallas, Texas	291,000	364,000	551,000	556,000

Each bidder submitted with his bid a bidder's bond in the amount of 5% of the greatest amount bid

This project provides for a new air conditioning system in the entire building except for certain window units already installed under the first phase of work. It also provides for a complete renovation of the animal facility on the eighth floor.

The low bidder, Burden Brothers, Inc., committed an administrative oversight when it failed to acknowledge on the bid form receipt of Addenda 1, 2 and 3 to the bid documents. Burden Brothers, Inc., has subsequently certified that Addenda 1, 2 and 3 had been received and that its bid was in fact based upon the three addenda as well as the basic bid documents. This latter information is supported by evidence submitted by the Engineer who has knowledge that the addenda were in Burden Brothers' hands before bid opening. Based upon these facts, University counsel finds that the Burden Brothers, Inc. bid is responsive to the invitation for bids and recommends that the Board of Regents waive the administrative formality involved in failing to acknowledge the three addenda and recommends that the award be made to the apparent low bidder, Burden Brothers, Inc.

Accordingly, President Sprague and System Administration recommend that the Board:

- a. Award the construction contract for the Renovation of the Air Conditioning System in the Hoblitzelle Building to the low bidder, Burden Brothers, Inc., Dallas, Texas, as follows, subject to the approval of federal granting agencies:

Bid No. 1 (Phase II)	\$ 243,000.00
Bid No. 2 (Phase III)	460,000.00
Bid No. 3 (Phase IV)	500,000.00
Bid No. 4 (Phase V)	<u>480,000.00</u>
Total Recommended Contract Award	<u>\$1,683,000.00</u>

- b. Authorize a total project cost of \$1,831,020.00, which has been previously appropriated, to cover the recommended construction contract award, air balancing, fees and miscellaneous expenses.

Letter from attorney of Weatherby-Godbe Construction Co., Inc., attached.

THOMPSON, KNIGHT, SIMMONS & BULLION
ATTORNEYS AND COUNSELORS
REPUBLIC NATIONAL BANK BUILDING
DALLAS, TEXAS 75201

June 4, 1974

TELEPHONE
AREA CODE 214
741-4721
CABLE TOMTEX

The Board of Regents
The University of Texas System
Box N
Austin, Texas 78712

Re: Hoblitzelle Building Renovation
The University of Texas System
Health Science Center at Dallas

To The Honorable Chairman and
Members of The Board of Regents:

We represent Weatherby-Godbe Construction Co., Inc., one of the bidders on the Hoblitzelle Building Renovation at the University of Texas System Health Science Center at Dallas. At the recent opening of sealed bids, Burden Brothers, Inc. (hereinafter called "Burden") was the apparent low bidder, while Weatherby-Godbe Construction Co., Inc. (hereinafter called "Weatherby-Godbe") was the apparent second low bidder. The Burden bid, however, failed to acknowledge receipt of the three addenda to the specifications which had been published by the engineer. For such reason, we believe that the Board of Regents is required by law and by equitable considerations to reject the Burden bid, and to award the contract to Weatherby-Godbe as having submitted the low bid responsive to the specified bidding procedures.

In support of our position, and for your consideration in determining the contract award, your attention is respectfully directed to the following points, which will be discussed in more detail below:

(1) TEX. EDUCATION CODE ANN. § 65.34 (1972), which pertains to the duties and conduct of the Board of Regents, provides that "[a]ll contracts for the construction or erection of permanent improvements shall be absolutely void unless ... the bids are considered and

The Board of Regents
The University of Texas System
June 4, 1974
Page Two

awards made to the lowest responsible bidder ...". This statutory provision is the controlling law for the award of a contract in this case.

(2) Burden is not the "lowest responsible bidder," because its bid is incomplete and unresponsive to the specifications by reason of its failure to acknowledge receipt, and thus inclusion in the work bid upon, of the addenda to the specifications.

(3) The work called for in the addenda is of a substantial nature, with an attendant cost of performance of many thousands of dollars. Similarly, the requirement that each bid expressly acknowledge receipt of the addenda is a material and substantial requisite of the bidding procedure which may not lawfully be waived.

Preliminarily, the provisions of the specifications relating to bidding for the Hoblitzelle Building job should be reviewed. In this regard, (1) the Notice to Bidders provides that "[n]o bid may be changed, amended, or modified by telegram or otherwise after the same has been submitted or filed in response to this notice"; (2) the Information to Bidders provides that "[a]ny interpretations made [to the specifications] will be in the form of an addendum to the specifications which will be forwarded to all bidders and its receipt by the bidder shall be acknowledged on the bid form"; (3) the Information to Bidders further provides that "... no bids will be considered that are qualified with ... irregularities of any kind which in the owner's opinion may disqualify the bidder"; and (4) each individual addendum states prominently on its face that "[t]he following items of clarification, change, correction or addition shall be incorporated into the drawings and specifications for this project," followed by the admonition: "Acknowledge receipt of this addendum by notation in the proposal form". The proposal form, while beginning with a general reference to all of the bidding documents, then goes on to provide blank spaces for three different categories of information which the bidder is required expressly to furnish. The first of such categories is the price for the work proposed to be done; the second is the acknowledgment of receipt of the addenda; and the third is the signature of the party submitting the bid. In our view, a failure to make an entry in any one of the three sets of blanks is a disqualifying event.

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There are many authoritative reasons why the view just expressed should be made the position of the Board of Regents. For example, within the construction industry, the American Institute of Architects defines in its Glossary the following terms:

Low Bid: Bid stating the lowest bid price, including selected alternates, and complying with all bidding requirements. [Emphasis added.]

Lowest Responsive Bid: The lowest bid which is responsive to and complies with the bidding requirements. [Emphasis added.]

Bidding Requirements: Those documents providing information and establishing procedures and conditions for the submission of bids. They consist of the notice to bidders or advertisement for bids, instructions to bidders, invitation to bid, and sample forms. See also Bidding Documents.

Bidding Documents: The advertisement or importation to bid, instructions to bidders, the bid form and the proposed contract documents including any addenda issued prior to receipt of bids. [Emphasis added.]

It is clear even from a review of these simple definitions that (1) the addenda to the specifications are an integral part of the bidding documents, and (2) a bidder must comply with the bidding requirements. In this instance, by failing to acknowledge receipt of the addenda Burden did not comply, and thus cannot be considered to have submitted the lowest responsible bid.

Obviously the question arises as to whether the defect in the Burden bid is immaterial and thus subject to waiver. Research reveals no reported opinions by appellate courts in Texas on this point, but there are from courts of other jurisdictions numerous decisions which are pertinent.

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The test of materiality, and thus inapplicability of waiver, is whether or not the defect or irregularity in his bid gives a bidder a substantial advantage or benefit not enjoyed by other bidders. Gostovich v. West Richland, 75 Wash. 2d 583, 452 P.2d 737 (1969).

It is easy to demonstrate that Burden's failure to acknowledge receipt of the addenda places it in such an advantageous position. First, while it is not suggested that Burden would desire to do so, it could refuse to sign a contract which included work called for in the addenda, claiming that its bid had not included such work. If the foregoing event occurred, Burden's surety could then deny liability on the bid bond, claiming that its obligation did not cover a requirement to contract as to different work from that included in the proposal of its principal. Weatherby-Godbe and other bidders who submitted proper and complete bids, on the other hand, are unquestionably bound to contract upon receiving an award of the job, including all work covered in the addenda which they acknowledged; and their sureties are firmly bound by the penal provisions of their bonds in the event of default by their principals. The materiality test referred to above was applied in a case in which a bidder had failed to sign his bid. The bidder contended that the missing signature was a mere informality, and that the school board had the legal obligation to accept its bid as being the lowest responsible bid. The court held:

"To be binding the specifications required that it be signed, and, since the bid was that of a corporate bidder, it must have been signed by the corporation's authorized officers. The omission or irregularity was not a mere technicality which could be waived. It was a substantial requirement, one called for in the bid specifications." [Emphasis supplied.]

A.A.B. Electric, Inc. v. Stevenson Pub. Sch. Dist.
No. 303, 491 P.2d 684 (Wash.App., 1971).

Like the requirement for a signature, the requirement to acknowledge receipt of addenda is called for in the bid specifications for the Hoblitzelle Building job. Nor can the information omitted by Burden in its bid be supplied later

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in any form whatsoever, according to the terms of the Notice to Bidders. Such requirement must be applied regardless of whether the omission was purposeful or accidental, or whether the bidder acted in bad faith or with good intentions. A similar result is reached judicially, for it has been held that --

"[o]ne purpose of the statute is to make certain that general contractors shall be on an equal basis.... [A]fter the time for filing has expired, a general contractor is bound by his bid as filed, and no form of testimony, written or oral, can be received to prove that the bid had some meaning not ascertainable on its face."

Gifford v. Commissioner of Public Health, 105 N.E.2d 476 (Mass. 1952).

The mandate of the competitive bidding statute is that the conditions and specifications must apply equally to all prospective bidders.

"Otherwise, there is no common standard of competition. Every element which enters into the competitive scheme should be required equally for all and should not be left to the volition of the individual aspirant to follow or to disregard and thus to estimate his bid on a basis different from that afforded the other contenders.... So it follows that all bids must comply with the terms imposed, and any material departure therefrom invalidates a nonconforming bid as well as any contract based upon it. If this were not the rule, the mandate for equality among bidders would be illusory and the advantages of competition would be lost."

Hillside Township v. Sternin, 25 N.J. 317, 136 A.2d 265 (1957).

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The law is clear that bids must meet the terms of the notice and other requirements for bidding. "The significance of the expression 'lowest bidder' is not restricted to the amount of the bid; it means also that the bid conforms with the specifications". Sternin, supra, 136 A.2d at 269. Thus, any material departure stands in the way of a valid contract, and the defaulting party cannot be classed as a bidder at all, owing to the fact that the bidding requirements are generally considered by the judiciary to be mandatory or jurisdictional. It follows that a substantial noncompliance, such as exists in Burden's failure to acknowledge the addenda, cannot be waived by the Board of Regents; because if such a waiver occurred the bidders would no longer stand on a basis of equality, and the advantages of competitive bidding as required by the statute would be lost.

Additionally, an attempt by the Board of Regents to waive the bidding requirement for acknowledgment of the addenda would be a most unfortunate precedent. That is, acceptance of the apparent low bid of Burden - in favor of the low responsive bid of Weatherby-Godbe for the construction of this particular job would mean all future bidding would be subjected to the uncertainty created by the bidders' reliance upon their ability to submit ambiguous bids and then to expect award of a contract thereon. Speaking to this type of situation, the Supreme Court of New Jersey stated:

"Manifestly, if an aspirant for the contract knew that ... [one of the bidding requirements] would not be required of him his competitive position would be improved over those vying with him. On its face that state of affairs is inimical to the public interest. The fact that the waiver is attended by good faith on both sides and is not harmful in the particular situation is not sufficient to justify it. If erosion of the policy is to be avoided, even in such a state of affairs, the municipality cannot be permitted to breathe validity into an invalid bid by waiver. In this field it is better to leave the door tightly closed than to permit it to be ajar, thus necessitating forevermore in such

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cases speculation as to whether or not it was purposely left that way. . . . Only by this approach can the desirable protection be afforded to the taxpayer; only in this way can perfect equality be maintained among bidders."

Sternin, supra, 136 A.2d at 269-70.

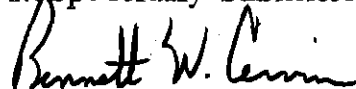
Clearly, if one bidder is relieved from conforming to the conditions which impose some duty upon him or which lay the ground for holding him to a strict performance of his contract, that bidder is not contracting in fair competition with those bidders who propose to be bound by all the conditions. In fact, the presence of the addenda to the Hoblitzelle specifications may have deterred some potential bidders from bidding. Had they known that there might be waived the requirement to acknowledge receipt of the addenda so as to make certain their obligation to perform the work specified therein, their bids might have been submitted.

The joint American Institute of Architects/Associated General Contractors of America publication "Recommended Guide For Bidding Procedures And Contract Awards" states that the owner of a project has a right to expect that the accepted contractor will deliver, in full compliance with the contract documents, without misunderstanding or unexpected costs, a building adequate for its intended purpose. Among such contract documents are the addenda. Assurance that the bidder has furnished his bid on work covered in the addenda as well as in the remaining plans and specifications is as essential to the validity of the bid as is the furnishing of a price for each part of the work, or the signing of the bid. In that such essential information, when missing, may not be supplied after the opening of the bid by private understanding between the bidder and the owner, or otherwise, the Burden bid is fatally defective, and must be rejected. Only by taking such action can the Board of Regents assure compliance with the Texas competitive bidding statute in its paramount aims: (1) that the bidders bid upon the same thing; (2) that the public knows clearly what the bidder must give and the public body receive; and (3) that the consideration therefor be plainly stated.

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For the reasons stated above, the Board of Regents is urged to reject the Burden bid as being incomplete, unresponsive, and defective; and to accept the Weatherby-Godbe bid as the lowest responsible bid properly submitted.

Respectfully submitted,


Bennett W. Cervin

BWC/jt

cc: Mr. E. D. Walker
Deputy Chancellor for Administration
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Mr. Frank Erwin, Chairman
Building and Grounds Committee of the Board of Regents
The University of Texas System
825 Brown Building
Austin, Texas 78701

Mr. Graves Landrum
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Col. Ralph Kristoferson
Office of Facilities Planning & Construction
The University of Texas System
610 West 6th Street
Austin, Texas 78701

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cc: Mr. Burnell Waldrep
The University of Texas System
601 Colorado Street
Austin, Texas 78701

Mr. James R. Godbe, Sr.
Weatherby-Godbe Construction Co., Inc.
5415 Maple Avenue, Suite 320
Dallas, Texas 75235

Mr. Edmund G. Peterson
Weatherby-Godbe Construction Co., Inc.
5415 Maple Avenue, Suite 320
Dallas, Texas 75235

5. DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL):
REMODELING OF CARY BUILDING (PHASES B AND C) (PROJECT NO. 303-102) -
REJECTION OF BIDS.--In accordance with authorization given at the
Regents' Meeting held March 15, 1974, bids were called for and were
received, opened, and tabulated on April 30, 1974, as shown on the
attached sheet, for the Remodeling of Cary Building (Phases B and C)
at the Dallas Medical School in The University of Texas Health Science
Center at Dallas. This project provides for further remodeling in
the Cary Building of approximately 61,000 gross square feet of
facilities for the Departments of Pathology, Pediatrics and Internal
Medicine at the Dallas Medical School in The University of Texas
Health Science Center at Dallas.

President Sprague and System Administration recommend that the
Board reconsider the previous recommendation made by the Admin-
istration that the Board award a construction contract.

Further study by Office of Facilities Planning and Construction,
President Sprague and System Administration indicate that it is
in the best interest of the University to make certain plan
revisions or phasing of construction and readvertise for bids.

It is recommended that the Board:

- a. Reject all bids received on April 30, 1974
- b. Authorize Administration to make the necessary
revision in plans or phasing of construction
and readvertise for bids to be reviewed by the
Board at the September meeting, if possible
- c. Authorize a total project cost of \$1,733,713.00
for which funds have been previously appropriated.

RENOVATION OF PORTIONS OF THE CARY SCIENCE BUILDING
THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT DALLAS, DALLAS, TEXAS

Bids Received at 2:00 P. M., April 30, 1974, at the Office of Facilities
Planning and Construction, The University of Texas System, Austin, Texas

Bidder	Base Bid Phase "B"	Base Bid Phase "C"	Combined Base Bid Phases "B" & "C"	Alternates			Add Alternate No. 2	Bidder's Bond
				No. 1 "B"	No. 1 "C"	No. 1 "B" & "C"		
Howard U. Freeman, Inc., Irving, Texas	\$1,158,946	\$585,048	\$1,654,167	+\$13,643	+\$2,712	+\$16,355	\$15,000	5%
Kugler-Morris, General Contractors, Inc., Dallas, Texas	1,030,000	640,000	1,588,000	- 13,732	- 2,730	- 16,462	9,100	5%
Lee-Emmert, A Corporation, Richardson, Texas	1,093,569	579,656	1,574,943	- 13,500	- 2,500	- 16,000	14,250	5%
O'Rourke Construction Com- pany, Dallas, Texas	1,086,000	672,000	1,679,000	- 13,600	- 2,700	- 16,300	9,100	5%
Weatherby-Godbe Construc- tion Company, Inc., Dallas, Texas	1,034,000	594,000	1,448,000	- 7,000	- 1,500	- 8,500	14,272	5%

Meeting of the Board

F. RECONVENE IN OPEN SESSION. --

1. **Reports of Standing Committees**
 - a. **System Administration Committee by Committee Chairman Williams**
 - b. **Academic and Developmental Affairs Committee by Committee Chairman (Mrs.) Johnson**
 - c. **Buildings and Grounds Committee by Committee Chairman Erwin**
 - d. **Medical Affairs Committee by Committee Chairman Nelson**
 - e. **Land and Investment Committee by Committee Chairman Garrett**
 - f. **Board for Lease of University Lands by Regent Garrett (Vice-Chairman of the Board for Lease)**
2. **Reports of Special Committees**

Report of Regental-Administrative Committee to Establish Dollar Fees for Student Services Fee (Optional) for 1974-75 at U. T. Austin
3. **Committee of the Whole - Consideration of Executive Session Items**
 - a. **U. T. System: 1974-75 Operating Budgets**
 - b. **U. T. Arlington: Personnel Matters**
4. **Report of the Committee of the Whole**

3

G. ADJOURNMENT

File No. A-4



BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

May 16, 1974

BETTY ANNE THEDFORD, SECRETARY
BOX N
AUSTIN, TEXAS 78712

*Put in
MSAD*

MAIN BUILDING 212
U. T. AUSTIN CAMPUS

To: Mrs. Lyndon B. Johnson
From: Betty Anne Thedford
Subject: Preregistration - U. T. Austin

In compliance with your request regarding the checkoff of optional student services fees in preregistration at The University of Texas at Austin, I have been given the following information:

23,898 students picked up preregistration materials

21,774 of these checked at least one or more of the optional fees

2,006 rejected all of the optional fees of student services

Several 100 cards remain in the computer since they were not properly completed; hence, the figures do not total in the above paragraph.

Below is a breakdown of those who checked the optional fees:

Daily Texan	15,767
Cultural Entertainment	11,217
Student Government	10,263
Athletics Events	
-Men	12,674
-Women	6,492

T:lm1

Report of Regental-Administrative Committee to Establish Dollar Fees for Student Services Fee (Optional) for 1974-75 at The University of Texas at Austin. --At the Regents' meeting on March 15, 1974, U. T. Austin was instructed to develop recommendations for the dollar amounts of the fees necessary to fund the activities included in the optional fee category.

Chairman McNeese was authorized to appoint a Regental-Administrative committee to establish the individual fees to be collected at the beginning of the 1974 Fall Semester for the optional activities. Pursuant thereto, Chairman McNeese named the following committee:

Regent Erwin, Chairman
Deputy Chancellor Walker
President Spurr

Below is a report of that committee with recommendation that the report be adopted and the actions therein ratified:

The Committee met in open meeting at 3:00 p. m. on April 12, 1974, in the Regents' Room with all three members of the Committee present. In addition thereto, were representatives from the Board of Operating Trustees of Student Publications of The University of Texas at Austin, Mr. Lloyd Edmonds, General Manager of Student Publications, Dr. Michael L. Moore, President of Board of Operating Trustees of Student Publications, Mr. Sidney G. Singer, Associate Professor of Journalism at U. T. Austin, and Mr. Frank Fleming, newly elected President of Students' Association.

As instructed, President Spurr had developed the dollar amounts of the fees necessary to fund the activities in the optional fee category and at this meeting recommended the following:

1. That a voluntary student services fee of \$34 for the entire academic year be offered to all students registered for the fall semester and \$14.35 for those students registered only for the second semester to be detailed as follows:

	Academic Year	2nd Semester only
Cultural Entertainment Committee	\$ 10.00	\$ 5.00
Intercollegiate Athletics for Men	16.00	5.35
Intercollegiate Athletics for Women	2.00	1.00
Student Government (includes Students' Association, Election Commission, Senior Cabinet & Student Councils)	2.70	1.35
The Daily Texan	3.30	1.65
	\$ 34.00	\$ 14.35

With respect to items included under the general term of Student Government, President Spurr related:

"I have previously approved a budget of \$19,424 for the Students' Association, and \$1,897 for the Election Commission. In addition, we currently pay the salary of one secretary who works for the Students' Association at a level of \$6,900. The total approved budget of the Students' Association and the Election Commission, therefore, is \$28,221. I have also approved a budget for the Senior Cabinet and College Councils of \$11,490. I recommend that income received by the voluntary fee for Student Government

be split 70 percent to the Students' Association and Election Commission, and 30 percent to the Senior Cabinet and College Councils, this being the ratio of the budgets approved. If the income from the voluntary fee falls short of the approved budget, I will provide additional funding up to the level of the approved budgets. If, on the other hand, voluntary fees exceed the approved budgets, the additional funds over the budget will be placed in reserve for use either to fund additional budget items approved by the President and the Board of Regents or to be carried over to the following year. "

2. That the optional spouse fee for Intercollegiate Athletics for Men be established at \$28 for the academic year and \$9.35 for the second semester only, that the optional spouse fee for Intercollegiate Athletics for Women be established at \$2 for the academic year and \$1 for the second semester only, and that the optional spouse fee for Cultural Entertainment Committee be \$10 for the academic year and \$5 for the second semester only.
3. That the first option given to a student would be to pay the total voluntary student services fee and those students who do not wish to pay the entire total voluntary student services fee be given the option to exclude any items they wish and that they be billed and pay only for those items they do not check off.
4. That Intercollegiate Athletics for Men and Intercollegiate Athletics for Women be listed separately but that only a single box be provided for the exclusion of these two items, thus in effect coupling the two units as a single choice for students.

However, upon motion of Deputy Chancellor Walker, seconded by Regent Erwin, the recommendation that Intercollegiate Athletics for Men and Intercollegiate Athletics for Women be listed separately with only a single box provided for the exclusion of these two items was amended to read:

4. That Intercollegiate Athletics for Men and Intercollegiate Athletics for Women be listed separately and that a box be provided for each of the two items, thus in effect giving the student a choice of either or both.

President Spurr voted "No" on the amendment.

In addition to carrying out mandates of the Board of Regents by setting the amounts for the optional fees, the meeting had been called also in response to the request of members of the Board of Operating Trustees of Student Publications at The University of Texas at Austin. Prior to taking action on The Daily Texan fee, Dr. Michael Moore, President of the Board of Operating Trustees, Mr. Lloyd Edmonds, General Manager of Student Publications, and Mr. Sidney G. Singer, Associate Professor of Journalism, each appeared before the Committee and requested the Committee to reconsider the Regents' decision and make The Daily Texan fee mandatory or provide guaranteed funding. However, Committee Chairman Erwin told them that the Committee had no authority to reconsider the question of whether or not The Daily Texan is to have a mandatory fee for the next year but only to determine the amount of optional fees that shall be printed

on the registration materials. After hearing the financial picture presented by Mr. Edmonds, it was the consensus of the Committee that The Daily Texan was assured funds to operate at its present level for the next 16 months.

Mr. Frank Fleming inquired if it were not possible to again look at those items on the mandatory fee list and make some changes. To which, Committee Chairman Erwin reiterated that the Committee had no authority to reconsider the question of mandatory fees for the next year but only to determine the amount of optional fees that shall be printed on the registration materials.

During the course of the discussion of the Texan's financial picture by Mr. Edmonds, it was the consensus of the Committee that with no voluntary funds whatever next year the Texan could continue to publish its editions with no significant change for the next 16 months until September 1, 1975. During that 16 month period, the Attorney General's opinion will be received, the optional fee for the Texan will have one year's experience, and full consideration of future funding for the Texan can be given by the Board after receiving all student and administrative suggestions relative to that matter.

There being no further discussion of the proposed fees, the recommendations of President Spurr, as amended, were adopted as set out below with the understanding (1) that Intercollegiate Athletics for Men and Intercollegiate Athletics for Women would be listed separately and a box provided for each of the two items and (2) that the form for paying the fees will provide the opportunity for paying for The Cactus, for gym lockers, and for parking:

	Academic	2nd Semester
<u>Student Services Fee (Optional)</u>	<u>Year</u>	<u>only</u>
Cultural Entertainment Committee	\$ 10.00	\$ 5.00
Intercollegiate Athletics for Men	16.00	5.35
Intercollegiate Athletics for Women	2.00	1.00
Student Government (includes Students' Association, Election Commission, Senior Cabinet & Student Councils)	2.70	1.35
The Daily Texan	3.30	1.65
	<u>\$ 34.00</u>	<u>\$ 14.35</u>
<u>Student Spouse Services Fee (Optional)</u>	<u>Academic</u>	<u>2nd Semester</u>
	<u>Year</u>	<u>only</u>
Intercollegiate Athletics for Men	\$ 28.00	\$ 9.35
Intercollegiate Athletics for Women	2.00	1.00
Cultural Entertainment Committee	10.00	5.00