

MATERIAL SUPPORTING THE AGENDA

Volume XXIIIc

April 1976 - August 1976

This volume contains the Material Supporting the Agenda furnished to each member of the Board of Regents prior to the meetings held on May 14, 1976 and July 9, 1976.

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, 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.



BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Material Supporting

Agenda

Meeting Date: **July 9, 1976**

Meeting No.: **741**

Name: *Official Copy*

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976
IN THE AMOUNT OF \$16,000,000

SALE OF THE BONDS.--As authorized, bids were called for and received until 11:00 A.M., CDT, on July 8, 1976, and then publicly opened and tabulated. A copy of the tabulation is attached.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor, that the Board of Regents adopt the resolution authorizing the issuance of the bonds and the sale to Continental Illinois National Bank and Trust Company of Chicago, at the price of par and accrued interest to date of delivery, plus a premium of \$13,440.00, at rates of interest shown on the tabulation.

DESIGNATION OF PAYING AGENCY.--Attached is a tabulation of the bids received and publicly opened and tabulated at 10:00 A.M., CDT, on July 8, 1976, in accordance with specifications previously furnished the qualified bidders (Texas banks with assets in excess of \$100,000,000).

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor, that the bid of National Bank of Commerce of Dallas, Dallas, Texas, to serve as paying agent for this issue be accepted. The bank will pay the Board of Regents \$1,000 for year 1976 plus \$560 per year each January 1 to date of maturity. The co-paying agents are Bankers Trust Company, New York, New York, and Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois.

AWARD OF CONTRACT FOR PRINTING THE BONDS.--Attached is a tabulation of the bids received and publicly opened and tabulated at 10:00 A.M., CDT, on July 8, 1976, in accordance with specifications previously furnished companies bidding on University issues in recent years.

It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands, joined by the Deputy Chancellor, that the bid of Hart Graphics and Office Centers, Inc., be accepted for printing bonds with lithographed borders, as set out in the specifications, for the sum of \$1,662.00, there being five interest rates.

\$16,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
 PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976

Bids Received
 July 8, 1976, at 11:00 A.M., CDT

ACCOUNT	COUPON RATE			INTEREST COST	
Continental Illinois National Bank and Trust Company of Chicago	19 <u>77</u> thru	<u>85</u>	<u>5.50</u> %	Gross	\$ <u> </u>
	19 <u>86</u>	<u>89</u>	<u>5.00</u>	Premium	<u>13,440.00</u>
	19 <u>90</u>	<u>92</u>	<u>5.20</u>	Net	<u>9,180,960.00</u>
	19 <u>93</u>	<u>94</u>	<u>5.30</u>	Effective Interest Rate	<u>5.07796</u>
	19 <u>95</u>	<u>96</u>	<u>4.50</u>		
Citibank, N.A. & Associates	19 <u>77</u> thru	<u>83</u>	<u>5.60</u> %	Gross	\$ <u> </u>
	19 <u>84</u>	<u>86</u>	<u>4.60</u>	Premium	<u>2,240.00</u>
	19 <u>87</u>	<u>88</u>	<u>4.75</u>	Net	<u>9,236,880.00</u>
	19 <u>89</u>	<u>91</u>	<u>5.00</u>	Effective Interest Rate	<u>5.1088</u>
	19 <u>92</u>	<u>96</u>	<u>5.25</u>		
First National Bank in Dallas	19 <u>77</u> thru	<u>89</u>	<u>5.00</u> %	Gross	\$ <u> </u>
	19 <u> </u>	<u>90</u>	<u>5.10</u>	Premium	<u>171.37</u>
	19 <u> </u>	<u>91</u>	<u>5.20</u>	Net	<u>9,333,908.63</u>
	19 <u>92</u>	<u>96</u>	<u>5.30</u>	Effective Interest Rate	<u>5.16256</u>
	19 <u> </u>	<u> </u>	<u> </u>		
Bache Halsey Stuart & Co.	19 <u>77</u> thru	<u>84</u>	<u>5.75</u> %	Gross	\$ <u> </u>
	19 <u>85</u>	<u>89</u>	<u>5.00</u>	Premium	<u>4,160.00</u>
	19 <u>90</u>	<u>92</u>	<u>5.25</u>	Net	<u>9,397,640.00</u>
	19 <u>93</u>	<u>94</u>	<u>5.50</u>	Effective Interest Rate	<u>5.1978</u>
	19 <u>95</u>	<u>96</u>	<u>4.75</u>		
	19 <u> </u> thru	<u> </u>	<u> </u> %	Gross	\$ <u> </u>
	19 <u> </u>	<u> </u>	<u> </u>	Premium	<u> </u>
	19 <u> </u>	<u> </u>	<u> </u>	Net	<u> </u>
	19 <u> </u>	<u> </u>	<u> </u>	Effective Interest Rate	<u> </u>
	19 <u> </u>	<u> </u>	<u> </u>		

BIDS FOR PAYING AGENCY

\$16,000,000

BOARD OF REGENTS OF THE UNIVERISTY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976

Tabulation of Bids Received
July 8, 1976 - 10:00 A.M., CDT

Bidder	Co-Paying Agents	Per Coupon Paid	Per Bond Paid
National Bank of Commerce of Dallas	NY: Bankers Trust Company Chi: Continental Illinois National Bank and Trust Company of Chicago	Pay Board of Regents \$1,000 for year 1976 plus \$560 per year each January 1 to date of maturity	
El Paso National Bank	NY: Manufacturers Hanover Trust Company Chi: Continental Illinois National Bank and Trust Company of Chicago	Pay Board of Regents \$12,000, payable \$600.00 a year for each year the bonds are outstanding	
The Citizens National Bank of Waco	NY: The Chase Manhattan Bank, N.A. Chi: Harris Trust and Savings Bank	Pay Board of Regents \$500.00 per year beginning July 1, 1977 and each July 1 thereafter	
The Austin National Bank	NY: Bankers Trust Co., New York Chi: First National Bank, Chicago, Ill.	Pay Board of Regents \$3,100.00	
First National Bank in Dallas	NY: Manufacturers Hanover Trust Chi: Northern Trust Company	Pay Board of Regents \$2,400.00	
Oak Cliff Bank & Trust Co.	NY: Manufacturers Hanover Trust Chi: Harris Trust and Savings Bank	Pay Board of Regents \$1,600.00	

BIDS FOR PAYING AGENCY

\$16,000,000

BOARD OF REGENTS OF THE UNIVERISTY OF TEXAS SYSTEM
 PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976

Tabulation of Bids Received
 July 8, 1976 - 10:00 A.M., CDT

Bidder	Co-Paying Agents	Per Coupon Paid	Per Bond Paid
Capital National Bank in Austin	NY: Manufacturers Hanover Trust Company Chi: First National Bank of Chicago	-0-	-0-
Bank of the Southwest, N.A.	NY: Bankers Trust Company Chi: Continental Illinois National Bank and Trust Company of Chicago	-0-	-0-
Republic National Bank of Dallas	NY: Citibank Chi: Harris Trust & Savings Bank	\$.075	\$.75
Mercantile National Bank at Dallas	NY: Manufacturers Hanover Trust Company Chi: Harris Trust and Savings Bank	.08	.75
Texas Commerce Bank National Association	NY: Bankers Trust Company Chi: Northern Trust Company	.075	2.00

BIDS FOR PRINTING BONDS

\$16,000,000

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM
 PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976

Tabulation of Bids Received
 July 8, 1976 - 10:00 A.M., CDT

Bidder	One Coupon Rate	Two Coupons Rate	Three Coupons Rate	Four Coupons Rate	Five Coupons Rate	Number of Working Days
Hart Graphics & Office Centers, Inc. 8000 Shoal Creek Blvd. Austin, Texas 78767	\$1,582.00	\$1,602.00	\$1,622.00	\$1,642.00	\$1,662.00	17
Helms Printing Company, Inc. 2710 Swiss Avenue Dallas, Texas 75204	\$2,050.00	\$2,067.50	\$2,085.00	\$2,102.50	\$2,140.00	15

BOARD OF REGENTS
of
THE UNIVERSITY OF TEXAS SYSTEM

CALENDAR

July 9, 1976

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

Friday, July 9, 1976. --The order of the meeting is set out below:

9:00 a. m. Meeting of the Board
To Consider Sale of Permanent
University Fund Bonds, New
Series 1976, \$16,000,000

9:10 a. m. Committee Meetings
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
Executive Session

Meeting of the Board

Offices:

Board of Regents	471-1377
Chancellor LeMaistre	471-1434
Deputy Chancellor Walker	471-1743

Hotels:

Sheraton-Crest	478-9611
Driskill Hotel	474-5911
Austin Hilton Inn	451-5757

Airlines:

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

Meeting of the Board

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

Chairman Shivers, Presiding

Date: July 9, 1976
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 HELD ON MAY 14, 1976
- C. SPECIAL ORDER

BOARD OF REGENTS: (a) RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976, \$16,000,000; (b) DESIGNATION OF PAYING AGENTS AND (c) AWARD OF CONTRACT FOR PRINTING BONDS

Background Information

Pursuant to authorization by the Board of Regents at its meeting on May 14, 1976, bids for Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1976, in the amount of \$16,000,000 will be considered by the Board of Regents at 9:00 a. m., C. D. T., on July 9, 1976, Room 212, Main Building, U. T. Austin, Austin, Texas. The proposed resolution authorizing the issuance of bonds and awarding the sale thereof is set out on Pages B of R - 2 through B of R - 19.

Bids have been called for printing bonds and for paying agents to be opened at 10:00 a. m., C. D. T., on Thursday, July 8, 1976, at Claudia Taylor Johnson Hall, 210 West Sixth Street, Austin, Texas; and bids for the sale of these bonds will be opened at the same place, Claudia Taylor Johnson Hall, on the same day, Thursday, July 8, 1976, at 11:00 a. m., C. D. T. The results will be presented to the Board of Regents at 9:00 a. m. on July 9, 1976.

Action Required

- a. Adoption of the Resolution set out on Pages B of R - 2 through B of R - 19. This Resolution was prepared by the Bond Counsel and authorizes the issuance and sale of bonds.
- b. Designation of paying agents.
- c. Award of contract for printing bonds.

p. 9, 10, 13 + 19

RESOLUTION

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976, IN THE AMOUNT OF \$16,000,000.

WHEREAS, the Board of Regents of The University of Texas System (hereinafter sometimes called the "Board") heretofore has authorized, issued, and delivered that issue of Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, said bonds having been authorized pursuant to the provisions of Section 18, Article VII of the Constitution of Texas; and

WHEREAS, said Refunding Bonds, Series 1958, are payable from and secured by a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, in the manner and to the extent provided in the resolution authorizing said Refunding Bonds, Series 1958; and

WHEREAS, the resolution adopted on July 23, 1958, authorizing the issuance of said Refunding Bonds, Series 1958, reserved the right and power in the Board to issue, under certain conditions, Additional Parity Bonds and Notes for the purposes and to the extent provided in the Amendment to Section 18, Article VII of the Texas Constitution, adopted by vote of the people of Texas on November 6, 1956, said Additional Parity Bonds and Notes to be on a parity with the aforesaid Refunding Bonds, Series 1958, and equally and ratably secured by and payable from a first lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as are said Refunding Bonds, Series 1958; and

WHEREAS, the Amendments to Section 18, Article VII of the Texas Constitution, adopted by vote of the people of Texas on November 6, 1956, and on November 8, 1966, provide that the Board is authorized to issue negotiable bonds and notes for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System, in a total amount not to exceed two-thirds (2/3) of Twenty per cent (20%) of the value of the Permanent University Fund exclusive of real estate at the time of any issuance thereof; and

WHEREAS, the Board heretofore has authorized, issued, sold and delivered its Permanent University Fund Bonds, Series 1959, dated July 1, 1959, Series 1960, dated July 1, 1960, Series 1961, dated July 1, 1961, Series 1962, dated July 1, 1962, Series 1963, dated July 1, 1963, Series 1964, dated July 1, 1964, Series 1965, dated July 1, 1965, and Series 1966, dated July 1, 1966, as installments or issues of such Additional Parity Bonds; and

WHEREAS, the Board has deemed it necessary and advisable that no more of said Additional Parity Bonds shall be issued because of the excessively restrictive Permanent University Fund investment covenants made in connection with all of the aforesaid Permanent University Fund Bonds heretofore issued; and

WHEREAS, the Board is required by law to keep said investment covenants in full force and effect as to all of the aforesaid Permanent University Fund Bonds heretofore issued and to affirm the first lien on and pledge accruing to said outstanding Permanent University Fund Bonds heretofore issued on the Interest of the University of Texas System in the income from the Permanent University Fund; and

WHEREAS, pursuant to a resolution adopted on June 16, 1967, the Board authorized, issued, sold and delivered an installment

or issue of negotiable bonds designated as the Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967 (hereinafter sometimes called the "New Series 1967 Bonds"), in the principal amount of \$14,000,000, payable from and secured by a lien on and pledge of the Interest of The University of Texas System in the Permanent University Fund, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the aforesaid outstanding Permanent University Fund Bonds; and

WHEREAS, in said resolution adopted on June 16, 1967, the Board set forth the terms and conditions under which additional bonds may be issued to be on a parity with the aforesaid New Series 1967 subordinate lien bonds, and the Board has issued its Permanent University Fund Bonds, New Series 1968, New Series 1969, New Series 1970, New Series 1971, New Series 1972, New Series 1973, New Series 1974 and New Series 1975, in accordance therewith; and

WHEREAS, the Board has determined to authorize, issue, sell and deliver an additional installment or issue of such subordinate lien parity New Series Bonds in the principal amount of \$16,000,000; and

WHEREAS, the Board hereby officially finds and determines that the value of the Permanent University Fund, exclusive of real estate is in excess of \$836,000,000:

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

1. Throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

The term "Permanent University Fund," "Permanent Fund," and "Fund" used interchangeably herein shall mean the Permanent University Fund as created by Article VII, Section 11 of the Constitution, further implemented by the provisions of Title 49, Chapter 1, of the Revised Civil Statutes of Texas, 1925, as amended and supplemented.

The expression "Interest of the University" in the Permanent University Fund shall mean all of the income to such Fund from grazing leases on University lands, and all of the other income from such Fund, after making provision for the payment of the University's proportion of the expenses of administering such Fund, excepting one-third of the income arising and accruing to The Texas A&M University from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined by Section 66.03, Texas Education Code.

The term "Resolution" as used herein and in the Bonds shall mean this resolution authorizing the Bonds.

The term "Bonds" or "New Series 1976 Bonds" shall mean the New Series 1976 Bonds authorized in this Resolution, unless the context clearly indicates otherwise.

The term "Old Series Outstanding Bonds" shall mean the outstanding bonds of the following issues:

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1959, dated July 1, 1959, originally issued in the amount of \$4,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1960, dated July 1, 1960, originally issued in the amount of \$5,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1961, dated July 1, 1961, originally issued in the amount of \$6,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1962, dated July 1, 1962, originally issued in the amount of \$5,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1963, dated July 1, 1963, originally issued in the amount of \$4,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1964, dated July 1, 1964, originally issued in the amount of \$4,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1965, dated July 1, 1965, originally issued in the amount of \$6,000,000.

Board of Regents of The University of Texas Permanent University Fund Bonds, Series 1966, dated July 1, 1966, originally issued in the amount of \$11,000,000.

The term "New Series Additional Parity Bonds and Notes" and "Additional Parity Bonds and Notes" shall mean the additional parity bonds and the additional parity notes permitted to be issued pursuant to Section 11 of the Resolution adopted on June 16, 1967, authorizing the issuance of the New Series 1967 Bonds.

The term "New Series Outstanding Bonds" shall mean the outstanding bonds of the following issues:

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1967, dated July 1, 1967, originally issued in the amount of \$14,000,000 pursuant to a resolution adopted on June 16, 1967.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1968, dated July 1, 1968, originally issued in the amount of \$15,000,000, pursuant to a resolution adopted on June 25, 1968.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1969, dated July 1, 1969, originally issued in the amount of \$7,000,000, pursuant to a resolution adopted on June 20, 1969.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1970, dated July 1, 1970, originally issued in the amount of \$7,500,000, pursuant to a resolution adopted on July 10, 1970.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1971, dated July 1, 1971, originally issued in the amount of \$9,000,000, pursuant to a resolution adopted on June 4, 1971.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1972, dated July 1, 1972, originally issued in the amount of \$9,000,000, pursuant to a resolution adopted on June 9, 1972.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1973, dated July 1, 1973, originally issued in the amount of \$11,000,000, pursuant to a resolution adopted on July 27, 1973.

Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1974, dated July 1, 1974, originally issued in the amount of \$11,000,000, pursuant to a resolution adopted on July 19, 1974.

Board of Regents of the University of Texas System Permanent University Fund Bonds, New Series 1975, dated July 1, 1975,

originally issued in the amount of \$14,000,000, pursuant to a resolution adopted on July 26, 1975.

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

2. That said Board's negotiable coupon bonds, to be designated the "Board of Regents of The University of Texas System Permanent University Fund Bonds, New Series 1976," are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas in the principal amount of \$16,000,000 for the purpose of constructing, equipping, or acquiring buildings or other permanent improvements for The University of Texas System, to the extent and in the manner provided by law.

3. That said bonds shall be dated July 1, 1976, shall be in the denomination of \$5,000 each, shall be numbered consecutively from 1 through 3,200, and shall mature serially on July 1 in each of the years, and in the amounts, respectively, as set forth in the following schedule:

\$640,000	1977/80
720,000	1981/84
800,000	1985/88
880,000	1989/92
960,000	1993/96

Said bonds may be redeemed prior to their scheduled maturities, at the option of said Board, on the dates stated, for the prices, and in the manner provided, in the FORM OF BOND set forth in this Resolution; and further, said bonds shall be registrable as to principal only, at the option of the owner, in the manner provided in said FORM OF BOND.

4. That the bonds scheduled to mature during the years, respectively, set forth below shall bear interest from their date,

until maturity or redemption, at the following rates, per annum:

maturities 19__ through 19__, _____%,

maturities 19__ through 19__, _____%,

maturities 19__ through 19__, _____%,

maturities 19__ through 19__, _____%,

maturities 19__ through 19__, _____%.

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

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

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

FORM OF BOND:

No. _____

\$5,000

UNITED STATES OF AMERICA
STATE OF TEXAS

BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM
PERMANENT UNIVERSITY FUND BOND, NEW SERIES 1976

ON JULY 1, 19____, the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM promises to pay to bearer, or if this bond be registered as to principal, then to the registered owner hereof, the principal amount of

FIVE THOUSAND DOLLARS

and to pay interest thereon, from the date hereof, at the rate of _____% per annum, evidenced by interest coupons payable JANUARY 1, 1977, and semiannually thereafter on each JULY 1 and JANUARY 1 while this bond is outstanding. The principal of this bond and the interest coupons appertaining hereto shall be payable to bearer, in lawful money of the United States of America, without exchange or collection charges to the bearer, upon presentation and surrender of this bond or proper interest coupon, at _____, Texas, or, at the option of the bearer, at _____, New York, New York, or _____, Chicago, Illinois, which places shall be the paying agents for this Series of bonds.

THIS BOND is one of a Series of negotiable coupon bonds dated JULY 1, 1976, issued in the principal amount of \$16,000,000 FOR THE PURPOSE OF CONSTRUCTING, EQUIPPING, OR ACQUIRING BUILDINGS OR OTHER PERMANENT IMPROVEMENTS FOR THE UNIVERSITY OF TEXAS SYSTEM, to the extent and in the manner provided by law, in accordance with the provisions of the Amendments to Section 18, Article VII of the Texas Constitution, adopted by a vote of the people of Texas on November 6, 1956, and on November 8, 1966.

ON JULY 1, 1986, OR ON ANY INTEREST PAYMENT DATE THEREAFTER, any outstanding bonds of this Series may be redeemed prior to their scheduled maturities, at the option of said Board, IN WHOLE, OR IN PART IN INVERSE NUMERICAL ORDER, for the price of par and accrued interest to the date fixed for redemption, plus a premium of 2% of the par value if redeemed on or prior to JANUARY 1, 1991, with such premium to be reduced on and after JULY 1, 1991, to 1%. At least thirty days before the date fixed for any

such redemption the Board shall cause a written notice of such redemption to be published at least once in a financial publication published in the City of New York, New York. By the date fixed for any such redemption, due provision shall be made with the paying agents for the payment of par and accrued interest to the date fixed for redemption of the Bonds to be redeemed, plus the required premium. If the written notice of redemption is published, and if due provision for such payment is made, all as provided above, the bonds, which are to be so redeemed, thereby automatically shall be redeemed prior to maturity, and they shall not bear interest after the date fixed for redemption, and shall not be regarded as being outstanding except for the purpose of being paid by the paying agents with the funds so provided for such payment.

IT IS HEREBY certified, recited and covenanted that this bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the issuance and delivery of this bond have been performed, existed and been done in accordance with law; and that the interest on and principal of this bond, and the Series of which it is a part, together with the other New Series Outstanding Bonds, are equally and ratably secured by and payable from a lien on and pledge of the Interest of The University of Texas System in the income from the Permanent University Fund, as such Interest is apportioned by Chapter 42 of the Acts of the Regular Session of the 42nd Legislature of Texas, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds (as such terms are defined in the Resolution authorizing this Series of bonds).

SAID BOARD has reserved the right, subject to the restrictions referred to in the Resolution authorizing this Series of bonds, to issue additional parity bonds and notes which also may be secured by and made payable from a lien on and pledge of the aforesaid Interest of The University of Texas System in the income from the Permanent University Fund, in the same manner and to the same extent as this Series of bonds.

THIS BOND, at the option of the owner hereof, is registrable as to principal only on the books of the Registrar. For such purpose the Comptroller of The University of Texas System shall be the Registrar. If registered, the fact of registration shall be noted on the back hereof and thereafter no transfer of this bond shall be valid unless made on the books of the Registrar at the instance of the registered owner and similarly noted hereon. Registration as to principal may be discharged by transfer to bearer, after which this bond again may be registered as before. The registration of this bond as to principal shall not affect or impair the negotiability of the interest coupons appertaining hereto, which shall continue to be negotiable by delivery merely. Subject to said provisions for the registration of this bond as to principal only, nothing contained herein shall affect or impair the negotiability of this bond, and this bond shall constitute a negotiable instrument within the meaning of the laws of the State of Texas.

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

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

Chairman

FORM OF REGISTRATION CERTIFICATE:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

Witness my signature and seal this

Comptroller of Public Accounts
of the State of Texas

FORM OF INTEREST COUPON:

No. _____ \$ _____

ON _____ 1, 19___,* THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM promises to pay to bearer the amount shown on this interest coupon, in lawful money of the United States of America, without exchange or collection charges to the bearer, unless due provision has been made for the redemption prior to maturity of the bond to which this interest coupon appertains, upon presentation and surrender of this interest coupon, at _____, Texas, or, at the option of the bearer, at _____, New York, New York, or at _____, Chicago, Illinois, said amount being interest due that day on the bond bearing the number hereinafter designated, of that issue of BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM PERMANENT UNIVERSITY FUND BONDS, NEW SERIES 1976, DATED JULY 1, 1976. BOND NO. _____.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM

Secretary

Chairman

*(Coupons maturing after July 1, 1986, shall contain the following additional clause:

unless the bond to which this coupon appertains has been called for redemption and due provision made to redeem same,)

FORM OF ENDORSEMENT FOR REGISTRATION AS TO PRINCIPAL:

ENDORSEMENT FOR REGISTRATION AS TO PRINCIPAL

(NO WRITING TO BE MADE HEREON EXCEPT BY THE REGISTRAR DESIGNATED FOR THIS ISSUE OF BONDS)

It is hereby certified that, at the request of the owner of the within bond, I have this day registered it as to principal in the name of such owner, as indicated in the registration blank below, on the books kept by me for such purpose. The principal of this bond shall be payable only to the registered owner hereof named in the registration blank below, or his legal representative, and this bond shall be transferable only on the books of the Registrar and by an appropriate notation in such registration blank. If the last transfer recorded on the books of the Registrar and in the registration blank below shall be to bearer, the principal of this bond shall be payable to bearer and it shall be in all respects negotiable. In no case shall negotiability of the interest coupons appertaining hereto be affected or impaired by any registration as to principal.

NAME OF REGISTERED OWNER

DATE OF REGISTRATION

SIGNATURE OF REGISTRAR

7. (a) It is hereby certified and recited that the Bonds authorized in this Resolution are Additional Parity Bonds permitted to be issued under Section 11 of the resolution of the Board adopted on June 16, 1967, authorizing the issuance of the New Series 1967 Bonds, and that all conditions and requirements of said Section 11 have been or will be met prior to the delivery of the New Series 1976 Bonds herein authorized. The New Series 1976 Bonds and the New Series Outstanding Bonds are and shall be on a parity and in all respects of equal dignity.

(b) Pursuant to the provisions of the amendments to Section 18, Article VII, of the Texas Constitution, approved by vote of the people of Texas on November 6, 1956, and on November 8, 1966, the New Series 1976 Bonds, the New Series Outstanding Bonds, and any other New Series Additional Parity Bonds and Notes hereinafter issued, and the interest thereon, shall be and are hereby equally and ratably secured by and payable from a lien on and pledge of the Interest of the University in the income from the Permanent University Fund, as such Interest is defined in Section 1 of this Resolution, subject only and subordinate to the first lien on and pledge of said Interest heretofore created in connection with the Old Series Outstanding Bonds.

8. (a) The aforesaid resolution adopted June 16, 1967, authorizing the issuance of the New Series 1967 Bonds has provided that the Comptroller of Public Accounts of the State of Texas shall establish in the State Treasury a fund to be known as "Board of Regents of The University of Texas System New Series Permanent University Fund Interest and Sinking Fund" (hereinafter called the "Interest and Sinking Fund"). In addition to the moneys required to be transferred to the credit of the Interest and Sinking Fund in connection with the New Series Outstanding

Bonds, the Comptroller of Public Accounts of the State of Texas shall, for the benefit of the New Series 1976 Bonds, transfer to the Interest and Sinking Fund, out of The University of Texas System Available University Fund (the fund in the State Treasury to which is deposited the Interest of the University), on or before November 15, 1976, and semiannually thereafter on or before May 15 and November 15 of each year while the New Series 1976 Bonds, or interest thereon, are outstanding and unpaid, the amount of interest or principal and interest which will become due on the New Series 1976 Bonds on the January 1 or July 1 next following. It is hereby recognized that the amounts necessary for the payment of principal and interest on the Old Series Outstanding Bonds will have been transferred on or before May 1 and November 1 of each year from the aforesaid Available University Fund to the interest and sinking fund heretofore created for the benefit of the Old Series Outstanding Bonds.

(b) To the end that money will be available at the places of payment in ample time to pay the principal of and interest on the Bonds as such principal and interest respectively mature, on or before November 15, 1976, and semiannually thereafter on or before May 15 and November 15 of each year while any of the New Series 1976 Bonds, or interest thereon, are outstanding and unpaid, the Comptroller of The University of Texas System, or such officer as may hereafter be designated by the Board to perform the duties now vested in such officer, shall perform the following duties:

(1) Prepare and file with the Comptroller of Public Accounts of the State of Texas (hereinafter called the "Comptroller of Public Accounts") a voucher based on which the Comptroller of Public Accounts shall

draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest on the New Series 1976 Bonds (when both are scheduled to accrue and mature) which will become due on the January 1 or July 1 next following.

(2) In the event New Series 1976 Bonds shall have been called for redemption on January 1 or July 1 next following of any year, prepare and file with the Comptroller of Public Accounts a voucher based on which the Comptroller of Public Accounts shall draw a warrant against funds of The University of Texas System legally available for such purpose in an amount sufficient to redeem the New Series 1976 Bonds thus called.

(c) Whenever a voucher is so filed with the Comptroller of Public Accounts, he shall make the warrant based thereon payable to the order of the paying agent situated in the State of Texas, specified in Section 6 hereof, and shall deliver such warrant to such paying agent on or before the December 1 or June 1 next following.

(d) The paying agent situated in the State of Texas, designated in Section 6 hereof, shall, out of moneys remitted to it under the provisions of this Section 8 hereof, and not otherwise, make available at the other paying agents specified in Section 6 hereof, funds sufficient to pay such of the New Series 1976 Bonds (whether payable to the bearer or payable to the registered owner thereof) and such of the coupons as are presented for payment, and said paying agent situated in the State of Texas by accepting designation as such paying agent agrees and is obligated to perform such service.

(e) The paying agents shall totally destroy all paid New

Series 1976 Bonds and coupons, and shall furnish the Board with an appropriate certificate of destruction covering the New Series 1976 Bonds and coupons thus destroyed.

(f) The Board shall make provision with the paying agents for the rendition of a statement to The University of Texas System for any sums due such paying agents for services rendered in connection with the payment of the New Series 1976 Bonds and coupons by such paying agents, and the amount of such charges shall be paid by the Board from funds available for such purpose.

9. That all of the language, terms, provisions, covenants and agreements of Section 7 through 13, both inclusive, of the resolution adopted June 16, 1967, authorizing the issuance of the New Series 1967 Bonds are hereby referred to, adopted, and made applicable to the New Series 1976 Bonds authorized by this Resolution, for all purposes.

10. That after said New Series 1976 Bonds shall have been executed, it shall be the duty of the Chairman of the Board or some officer of the Board acting under his authority, to deliver said Bonds and all necessary records and proceedings to the Attorney General of Texas, for examination and approval by the Attorney General. After said bonds shall have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of said Bonds, the Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be printed and endorsed on each of said Bonds, and the seal of said Comptroller shall be impressed, or placed in facsimile, on each of said Bonds.

11. That said New Series 1976 Bonds are hereby sold and

shall be delivered to _____,
for the principal amount thereof and accrued interest to the date
of delivery, plus a premium of \$ _____.

12. That the Board certifies that based upon all facts, estimates and circumstances now known or reasonably expected to be in existence of the date the Bonds are delivered and paid for, the Board reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion of the Bonds to be an "arbitrage bond" under Section 103(d)(2) of the Internal Revenue Code of 1954, as amended, and the temporary and proposed regulations heretofore prescribed thereunder, including, without limitation, Sections 1.103-13 and 1.103-14 of the proposed regulations published in the Federal Register on May 3, 1973. Furthermore, all officers, employees and agents of the University are authorized and directed to provide certifications of facts, estimates and circumstances which are material to the reasonable expectations of the Board as of the date the Bonds are delivered and paid for, and any such certifications may be relied upon by counsel, by the owners or holders of the Bonds, or by any person interested in the exemption of interest on the Bonds from Federal income taxation. Moreover, the Board covenants that it shall make such use of the proceeds of the Bonds, regulate investments of proceeds of the Bonds, and take such other and further action as may be required so that the Bonds shall not be "arbitrage bonds" under Section 103(d) of the Internal Revenue Code of 1954, as amended, and regulations prescribed from time to time thereunder.

13. That the Official Notice of Sale, Official Statement and Official Bid Form relating to the Bonds and submitted to this Board are found to be correct and are hereby approved.

D. RECESS FOR MEETINGS OF COMMITTEES

1. System Administration Committee - Committee
Chairman Williams
2. Academic and Developmental Affairs Committee -
Committee Chairman (Mrs.) Johnson
3. Buildings and Grounds Committee - Committee
Chairman Bauerle
4. Medical Affairs Committee - Committee Chairman
Nelson
5. Land and Investment Committee - Committee
Chairman Clark
6. Committee of the Whole
 - a. Open Session
 - b. Executive Session. --The Board of Regents will resolve
into Executive Session of the Committee of the Whole
pursuant to Article 6252-17, Sections 2 (e) and (g),
V. T. C. S. for the discussion of:
 - (1) Contemplated and/or Pending Litigation
 - (2) U. T. System: 1976-77 Operating Budgets

System Administration Committee

SYSTEM ADMINISTRATION COMMITTEE
Committee Chairman Williams, Presiding

Date: July 9, 1976

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

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

	<u>Page</u> <u>SAC</u>
1. U. T. Arlington, U. T. Austin, Galveston Medical Branch and its Galveston Medical School, San Antonio Health Science Center and University Cancer Center (M. D. Anderson): Amendments to the 1975-76 Budgets (10-B-76)	Below
2. U. T. Austin: Amendment to 1976-77 Parking and Traffic Regulations and Information Thereabout (5-M-76)	7
3. U. T. Austin: Authorization to Purchase Collection and Appropriation Therefor (9-B-76)	7
4. Galveston Medical Branch: Remodeling of (a) Gail Borden Building, Fourth Floor, (b) Keiller Building, Second Floor and (c) Keiller Building, Basement (7-M-76)	7
5. University Cancer Center (M. D. Anderson) - Environmental Science Park, Buescher Division at Smithville - Initial Facility: Additional Laboratory Building Named (6-M-76)	8

Submitted for formal approval are the following recommendations of System Administration:

1. U. T. Arlington, U. T. Austin, Galveston Medical Branch and its Galveston Medical School, San Antonio Health Science Center and University Cancer Center (M. D. Anderson): Amendments to the 1975-76 Budgets (10-B-76). --It is recommended by the appropriate chief administrative officers, concurred in by System Administration, that the amendments to the 1975-76 Budgets for The University of Texas at Arlington, The University of Texas at Austin, The University of Texas Medical Branch at Galveston and its Galveston Medical School, The University of Texas Health Science Center at San Antonio and The University of Texas System Cancer Center (M. D. Anderson) (Pages SAC 2-6) be approved.

THE UNIVERSITY OF TEXAS AT ARLINGTON
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
7.	Auxiliary Enterprises - U. T. Arlington Tennis Center Transfer of Funds	From: U. T. Arlington Tennis Center Unappropriated Balance via Estimated Income	To: U. T. Arlington Tennis Center - Salaries \$ 2,286 Wages 3,850 Maintenance and Operation <u>3,020</u>	
	Amount of Transfer	\$ 9,156	<u>\$ 9,156</u>	---

THE UNIVERSITY OF TEXAS AT AUSTIN
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
35.	Marc D. Adams Intercollegiate Athletics for Men Salary Rate	Assistant Basketball Coach \$ 13,368	Assistant Basketball Coach \$ 15,368	4/1/76
	Source of Funds: Intercollegiate Athletics for Men - Allocation for Budget Adjustments			

THE UNIVERSITY OF TEXAS AT AUSTIN
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)
 (Continued)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
36.	Rare Plant Study Center Transfer of Funds	From: Available University Fund Unappropriated Balance (Allocation for Operations and Capital Improvements)	To: Rare Plant Study Center - Administrative and Professional Salaries \$ 12,000 Wages 6,000 Maintenance and Operation 1,200 Equipment 2,300 Travel 3,500	
	Amount of Transfer	\$ 25,000	<u>\$ 25,000</u>	---
37.	McDonald Observatory - Auxiliary Enterprise Transfer of Funds	From: McDonald Observatory Auxiliary Enterprise - Unappropriated Balance via Estimated Income	To: McDonald Observatory Auxiliary Enterprise - Operating Expenses	
	Amount of Transfer	\$ 8,512	\$ 8,512	---

THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
<u>Galveston Medical School</u>								
9.	Prapand Apisarnthanarax (Non-tenure) Dermatology Assistant Professor	\$ 29,700	\$ 9,600	\$ 39,300	\$ 32,000	\$ 13,000	\$ 45,000	6/1/76
	Source of Funds: Unallocated Salaries and MSRDP Funds							
<u>Galveston Medical Branch</u>								
10.	Hospitals, Staff Benefits, Plant Projects Transfer of Funds	From: Unappropriated Balance via Estimated Income			To: Medical Branch Hospitals \$ 2,600,000 Staff Benefit Reserves 800,000 Plant Fund Projects <u>2,436,000</u>			
	Amount of Transfer	\$ 5,836,000			<u>\$ 5,836,000</u>			

The hospital funds are required for continuing operations throughout this fiscal year. There has been an increase of approximately fifteen percent (15%) for both inpatient and outpatient activities and these additional funds are requested to supplement those departments in which the activity has increased.

The funds requested for Nursing Service are to pay for the employment of new nurses who were added to our staff, particularly the fifty-two (52) British nurses who were added to the budget during this fiscal year.

It is necessary to appropriate funds for the payment of accumulated sick leave to employees upon their termination of employment at the Galveston Medical Branch as provided for in the appropriation bill.

Funds allocated to various plant fund projects are in keeping with estimated funds needed to assist in the funding for the equipping of the new John Sealy Hospital and the new Learning Center.

THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
6.	Auxiliary Enterprises - Bookstore and Vending Machines			
	Transfer of Funds	From: Bookstore - Unappropriated Balance via Estimated Income	To: Bookstore - Purchases for Resale Unallocated	
			\$ 400,000	
			<u>39,732</u>	
	Amount of Transfer	\$ 439,732	<u>\$ 439,732</u>	---
7.	Auxiliary Enterprises - University Health Service			
	Transfer of Funds	From: University Health Service - Unappropriated Balance	To: University Health Service Student Outpatient Costs Unallocated	
			\$ 12,000	
			<u>27,464</u>	
	Amount of Transfer	\$ 39,464	<u>\$ 39,464</u>	---

THE UNIVERSITY OF TEXAS SYSTEM CANCER CENTER
 AMENDMENTS TO THE 1975-76 OPERATING BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

Item No.	Explanation	Present Status			Proposed Status			Effective Dates
		Salary Rate	Augmentation	Total Compensation	Salary Rate	Augmentation	Total Compensation	
	<u>M. D. Anderson</u>							
8.	Charles A. Hill (Non-tenure) Diagnostic Radiology Assistant Radiologist and Assistant Professor of Radiology	\$ 27,000	\$ 13,000	\$ 40,000	\$ 28,000	\$ 14,000	\$ 42,000	5/1/76
	Source of Funds: Reserve for Professional Salaries and Physicians Referral Service Augmentation Funds							

2. U. T. Austin: Amendment to 1976-77 Parking and Traffic Regulations and Information Thereabout (Permanent Minutes Page 3511) (5-M-76). --It is recommended by The University of Texas at Austin that the Parking and Traffic Regulations and Information for 1976-77 as reflected on Pages 3502-3514 be amended on Page 3511 by changing subparagraph (2) under "VI. Enforcement" to read as follows:

"(2) Court Appearance (CA) Tickets - Those issued by the University Police but constituting a summons to appear in either the municipal court or a justice court. Criminal penalties, as provided by law, may be imposed by either the municipal court or a justice court for violations of University parking and traffic regulations."

3. U. T. Austin: Authorization to Purchase Carlton Lake Collection and Appropriation Therefor (9-B-76). --It is recommended by President Rogers and concurred in by System Administration that the Carlton Lake Collection be purchased for the sum of \$280,000. This Collection consists largely of literature and art works from France. Mr. Lake as a part of his offer to sell this Collection proposes to give back to the University \$50,000 to start an endowment for the Humanities Research Collection and offers his services as a curator at a salary of \$1 per year.

To purchase this Collection it is recommended that \$280,000 be appropriated from the Available Fund.

4. Galveston Medical Branch: Remodeling of (a) Gail Borden Building, Fourth Floor, (b) Keiller Building, Second Floor and (c) Keiller Building, Basement (Request to Coordinating Board) (7-M-76). --To provide space at The University of Texas Medical Branch at Galveston for a specialized cancer center as designated by the National Institutes of Health, it is recommended that the Gail Borden Building be remodeled on the fourth floor, covering approximately 3,000 square feet, for needed laboratory and office space at an estimated total project cost of \$100,000 and that System Administration be instructed to submit this proposal to the Coordinating Board, Texas College and University System for approval. It is further recommended that the Galveston Medical Branch Administration and the Galveston Medical Branch Physical Plant Department with their own forces or through contract services, in consultation with the Office of Facilities Planning and Construction be authorized to complete the remodeled construction and equipping of this facility and that the total project cost be funded with available federal grant funds.

To provide space at The University of Texas Medical Branch at Galveston for expanded teaching and patient care needs, it is recommended that the Keiller Building be remodeled on the second floor, covering approximately 6,000 square feet, for an expanded laboratory facility for the Department of Pathology at an estimated total project cost of \$250,000 and that System Administration be instructed to submit this proposal to the Coordinating Board, Texas College and University System for approval. It is further recommended that the Galveston Medical Branch Administration and the Galveston Medical Branch Physical Plant

Department with their own forces or through contract services, in consultation with the Office of Facilities Planning and Construction be authorized to complete the remodeled construction and equipping of this facility and that the total project cost be funded with available federal grant funds.

To provide space at The University of Texas Medical Branch at Galveston for increased studies of the effects of environmental factors on the health of the public and of industrial workers by the Departments of Preventive Medicine and Community Health, it is recommended that the basement of the Keiller Building be remodeled for needed laboratories, covering approximately 2,030 square feet, at an estimated total project cost of \$90,000 and that System Administration be instructed to submit this proposal to the Coordinating Board, Texas College and University System for approval. It is further recommended that the Galveston Medical Branch Administration and the Galveston Medical Branch Physical Plant Department with their own forces or through contract services, in consultation with the Office of Facilities Planning and Construction be authorized to complete the remodeled construction and equipping of this facility and that the total project be funded through available research contracts and grants from industrial sources.

5. University Cancer Center (M. D. Anderson) - Environmental Science Park, Buescher Division at Smithville - Initial Facility: Additional Laboratory Building Named The Jesse H. Jones Research Laboratory Building (6-M-76). --It is recommended that the Additional Laboratory Building at the Initial Facility of the Environmental Science Park, Buescher Division at Smithville, of The University of Texas System Cancer Center (M. D. Anderson) be named "The Jesse H. Jones Research Laboratory Building" in honor of the late Jesse H. Jones, founder of Houston Endowment, Inc.

**Academic and Developmental Affairs
Committee**

ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE
Committee Chairman (Mrs.) Johnson, Presiding

Date: July 9, 1976
Time: Following the Meeting of the System Administration Committee
Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

	<u>Pages</u> <u>A & D</u>
1. U. T. System: Deputy Chancellor's Docket	Below
2. U. T. Austin and U. T. Dallas: Proposed Waiver of Claim by U. T. Austin and Acceptance of Bequest of Oscar Wilhelm, Deceased, by U. T. Dallas	Below
3. U. T. El Paso: Proposal to Revise Two Memoranda of Agreement with William Beaumont Army Medical Center	3

Documentation

1. U. T. System: Deputy Chancellor's Docket. --It is recommended that the Deputy Chancellor's Docket be approved.
2. U. T. Austin and U. T. Dallas: Proposed Waiver of Claim by U. T. Austin and Acceptance of Bequest of Oscar Wilhelm, Deceased, by U. T. Dallas. --

BACKGROUND INFORMATION

Mr. Oscar Wilhelm bequeathed his library to The University of Texas at Austin pursuant to his Will dated March 7, 1972. Subsequently, and during his lifetime it was determined that the library would be more useful to The University of Texas at Dallas since the materials Mr. Wilhelm desired to be a part of the library at Austin were already there. Two deliveries were made to The University of Texas at Dallas by him, one in October, 1974, and the second in August, 1975.

Republic National Bank of Dallas, Texas, as Co-Independent Executor of the Estate of Oscar Wilhelm, deceased, desires a waiver of any claim by The University of Texas at Austin that it could assert to such library.

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the joint recommendation of President Rogers and President Jordan that the bequest of Mr. Wilhelm to The University of Texas at Austin be declined and that the gift to The University of Texas at Dallas be in all things approved and affirmed, and that the Chairman of the Board of Regents be authorized to take any and all action necessary to consummate this transaction.

RECOMMENDATION OF PRESIDENTS ROGERS AND JORDAN:



THE UNIVERSITY OF TEXAS AT DALLAS

OFFICE OF THE PRESIDENT

10 June 1976

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

Dear Mr. Walker:

Through his will dated March 7, 1972, Oscar Wilhelm, a noted Dallas geologist, bequeathed his "technical library to The University of Texas at Austin, Texas for distribution to the libraries of its branches as they deem advisable". At a time subsequent to the execution of this Will, Mr. Wilhelm contacted The University of Texas at Austin Geology Department with a view toward beginning to give his technical library to the department while living. During those conversations, it was discovered that the materials Mr. Wilhelm wished to donate were duplicative of library materials already held in Austin.

Mr. Wilhelm then contacted G. F. Shepherd, President of the Geological Information Library of Dallas (an affiliate of The University of Texas at Dallas) to see whether or not the technical library would be useful to the University of Texas at Dallas and, if so, whether it could be given, during his lifetime, to the University of Texas at Dallas through GILD. On receiving a favorable response, Mr. Wilhelm, in fact, began to make such gifts. Mr. Wilhelm proposed to complete the gift of his technical library in two separate deliveries. The first delivery was in October, 1974; the second in August of 1975. Though delivered, the inventory and valuation of the August 1975 gift was not completed at the time Mr. Wilhelm died. Thus, pursuant to the operating arrangement between GILD and the University of Texas at Dallas, the second delivery was not acknowledged.

To avoid any possible technical difficulties, because of the lack of formal acknowledgment of receipt of the gift, the Republic National Bank of Dallas, co-independent executor of the estate, has requested a formal waiver of any claim to the technical library on behalf of The University of Texas at Austin.

In view of the above, President Rogers joins me in requesting that you join the two of us in recommending to the Board of Regents on July 9, 1976, that the Board formally decline (on behalf of The University of Texas at Austin) the bequest from the estate of Oscar Wilhelm and reaffirm its acceptance (on behalf of the University of Texas at Dallas) of the October 1974, and August, 1975 inter vivos deliveries of Oscar Wilhelm's technical library.

Sincerely yours,

A handwritten signature in cursive script, appearing to read 'Bruce Jordan', written in black ink.

3. U. T. El Paso: Proposal to Revise Two Memoranda of Agreement with William Beaumont Army Medical Center. --

PRESIDENT TEMPLETON'S RECOMMENDATION:

President Templeton recommends that the two existing Memoranda of Agreement on behalf of The University of Texas at El Paso and William Beaumont Army Medical Center for the use of the Center's facilities in the clinical training of students in the field of social work and the field of speech pathology and audiology executed on May 4, 1970 and June 26, 1972 respectively be replaced by the Memoranda of Agreement set out on Pages A & D 4-12 .

SYSTEM ADMINISTRATION'S RECOMMENDATIONS

One agreement provides for the use of the Center's facilities for the clinical training of students in the field of Social Work and the other in the field of speech pathology and audiology. No hold harmless clause was required by the medical facility. These two agreements are being revised to conform with a request by the Department of the Army that a disclaimer be appended to any and all publications resulting from activities associated with such agreements.

System Administration concurs in President Templeton's recommendation that the Board of Regents approve the two Memorandums of Agreement on behalf of The University of Texas at El Paso and William Beaumont Army Medical Center, and that the Chairman be authorized to execute these agreements on behalf of the Board of Regents.

Field of social work Agreement Pages A & D 4-8

Field of speech pathology and audiology Agreement Pages A & D 9-12

MEMORANDUM OF AGREEMENT

I. BACKGROUND

1. The Department of Sociology of the University of Texas at El Paso has established an approved professional program of special training in preparation for Social Work. The program requires clinical facilities where the student can obtain the clinical learning experience required in the curriculum.
2. The US Army medical facility, William Beaumont Army Medical Center, has the needed clinical facilities for social work trainees at the University of Texas at El Paso, to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas at El Paso for social work trainees to use the clinical facilities of the US Army medical facility, William Beaumont Army Medical Center, to obtain their clinical learning experience.
3. The US Army medical facility, William Beaumont Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to social work trainees of the University of Texas at El Paso. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of social workers.
4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for training purposes and will follow facility rules.
5. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2.

II. UNDERSTANDING

1. The US Army medical facility will --
 - a. Make available the clinical and related facilities needed for the clinical learning experience in social work by students enrolled in the basic professional social work program at the University of Texas at El Paso, and who are designated by the University of Texas at El Paso for such learning experience under the supervision of the University of Texas at El Paso.

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

c. Designate a Medical Service Corps officer to coordinate the trainee's clinical learning experience in the Social Work Service. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

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

e. Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with the responsibility for accreditation of the University of Texas at El Paso.

f. To provide the privilege of eating one meal per day in the hospital dining facility providing the rate is paid that is charged a civilian employee or guest.

2. The University of Texas at El Paso will --

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

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

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

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

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

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

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

III. TRAINING

The training term shall coincide with the academic year of the University of Texas at El Paso. This agreement may be terminated by either institution or an individual trainee by written notification to all concerned. Except under unusual conditions, such information will be submitted prior to the beginning of a particular training period.

EXECUTED by the parties on _____, 1976.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By _____

ATTEST:

James E. Finkbeiner, ms

By Charles C. Pixley
Charles C. Pixley, M.D.
Brigadier General, Medical Corps
Commanding
William Beaumont Army Medical Center

Approved as to Form:

Approved as to Content:

James Wadsworth
University Attorney

Clifford Belcher
Deputy Chancellor

James Samuel
Associate Deputy Chancellor for
Academic Affairs



DEPARTMENT OF THE ARMY
WILLIAM BEAUMONT ARMY MEDICAL CENTER
EL PASO, TEXAS 79920

NOTIFICATION OF ACCEPTANCE

We are glad to welcome you to the William Beaumont Army Medical Center in El Paso, Texas and to inform you that you have been selected to train at our facility from _____ through _____ or for a lesser period should this arrangement not prove satisfactory to you, your sponsoring institution or this treatment facility.

During the period of affiliation with our hospital, you are authorized to perform services as directed by the Chief, Social Work Service.

Under the terms of this agreement, you will receive no monetary consideration and will not be entitled to the benefits which normally accrue to employees of the Department of the Army such as leave and retirement. You will be eligible to eat one meal per day in the hospital dining facility providing you pay the rate that is charged a civilian employee or guest.

You will receive medical and dental care as required for illness or injury contracted while on duty at a military installation. Normally you will not be charged for care. However, if hospitalized for injury or disease not related to employment, you will be charged for subsistence.

If the terms are agreeable to you, please sign the statement below and return in the enclosed envelope which requires no postage.

Sincerely,

WILLIAM J. TIFFANY JR, M.D.
Colonel, MC
Director, Medical Education

I agree to serve in this training affiliation indicated above in accordance with the conditions stated.

DATE: _____



MEMORANDUM OF AGREEMENT

I. Background

1. The University of Texas at El Paso, El Paso, Texas, has established an approved professional program of special training in preparation for graduate-level students in speech pathology and audiology. The program requires clinical facilities where the student can obtain the clinical learning experience required in the curriculum.
2. The US Army medical facility, William Beaumont Army Medical Center, has the needed clinical facilities for graduate-level students in speech pathology and audiology at the University of Texas, El Paso, Department of Drama and Speech, to obtain part of the clinical learning experience required. It is to the benefit of the University of Texas, El Paso for graduate-level students in speech pathology and audiology to use the clinical facilities of the US Army medical facility, William Beaumont Army Medical Center, to obtain their clinical learning experience.
3. The US Army medical facility, William Beaumont Army Medical Center, and the Department of the Army will benefit from making clinical facilities available to graduate-level students in speech pathology and audiology of the Department of Drama and Speech, University of Texas, El Paso. The Army will obtain the trainees' clinical learning experience while contributing to the educational preparation of a future supply of audiologist and speech pathologists.
4. Clinical trainees, during clinical training at the Army medical facility, will be under the jurisdiction of facility officials for training purposes and will follow facility rules.
5. The affiliation is controlled by and subject to title 5, US Code, section 5351-6, 8144, and 8331-2.

II. Understanding

1. The US Army medical facility will --
 - a. Make available the clinical and related facilities needed for the clinical learning experience in speech pathology and audiology by graduate level students enrolled in the basic professional speech pathology and audiology program at the University of Texas, El Paso, and who are designated by the University of Texas,

El Paso, for such learning experience under the supervision of the University of Texas, El Paso.

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

c. Designate a Medical Service Corps officer to coordinate the trainees' clinical learning experience in speech pathology and audiology. This will involve planning with faculty or staff members for the assignment of trainees to specific clinical cases and experiences, including their attendance at selected conferences, clinics, courses, and programs conducted under the direction of the facility.

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

e. Permit, on reasonable request, the inspection of clinical and related facilities by agencies charged with the responsibility for accreditation of the Department of Drama and Speech, at the University of Texas, El Paso.

f. Provide the privilege to utilize the hospital dining room provided the student pays for each meal at the rate set for civilian employees and guests.

2. The University of Texas, El Paso will --

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

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

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

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

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

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

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

III. Training

The training term shall be the same as the academic year of the University of Texas, El Paso. This agreement may be terminated by either institution or an individual trainee by written notification to all concerned. Except under unusual conditions, such information will be submitted prior to the beginning of a particular training period.

EXECUTED by the parties on _____, 1976.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

By _____

ATTEST:

James L. Baiken, Jr., MS

By Charles C. Pixley
Charles C. Pixley, M.D.
Brigadier General, Medical Corps
Commanding
William Beaumont Army Medical Center

Approved as to Form:

Approved as to Content:

James Wadsworth
University Attorney

Ed Walker
Deputy Chancellor

Richard Arnold
Associate Deputy Chancellor for
Academic Affairs

Buildings & Grounds Committee

BUILDINGS AND GROUNDS COMMITTEE
Committee Chairman Bauerle, Presiding

Date: July 9, 1976

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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1.

U. T. ARLINGTON: COLLEGE OF BUSINESS ADMINISTRATION BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the College of Business Administration Building at The University of Texas at Arlington. This inscription follows the standard pattern approved by the Board at the meeting held October 1, 1966.

COLLEGE OF BUSINESS ADMINISTRATION BUILDING
1975

BOARD OF REGENTS

Allan Shivers, Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D. D. S.
Edward Clark
Mrs. Lyndon B. Johnson
Thos. H. Law
A. G. McNeese, Jr.
Joe T. Nelson, M. D.
Walter G. Sterling

Charles A. LeMaistre, M. D.,
Chancellor, The University
of Texas System
Wendell H. Nedderman, President,
The University of Texas at
Arlington

Albert S. Komatsu and Associates,
Project Architect
Cadenhead Construction Company,
Inc., Contractor

2.

U. T. ARLINGTON: COLLEGE OF ENGINEERING LABORATORY BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the College of Engineering Laboratory Building at The University of Texas at Arlington. This inscription follows the standard pattern approved by the Board at the meeting held October 1, 1966.

COLLEGE OF ENGINEERING LABORATORY BUILDING
1975

BOARD OF REGENTS

Allan Shivers, Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D. D. S.
Edward Clark
Mrs. Lyndon B. Johnson
Thos. H. Law
A. G. McNeese, Jr.
Joe T. Nelson, M. D.
Walter G. Sterling

Charles A. LeMaistre, M. D.,
Chancellor, The University
of Texas System
Wendell H. Nedderman, President,
The University of Texas
at Arlington

Preston M. Geren and Associates,
Project Architect
Frank J. Rooney, Inc., Contractor

3.

U. T. ARLINGTON: GEOSCIENCE BUILDING - RECOMMENDED INSCRIPTION ON PLAQUE.--It is recommended that the inscription as set out below be approved for the plaque to be placed on the Geoscience Building at The University of Texas at Arlington. This inscription follows the standard pattern approved by the Board at the meeting held October 1, 1966.

GEOSCIENCE BUILDING
1975

BOARD OF REGENTS

Allan Shivers, Chairman
Dan C. Williams, Vice-Chairman
James E. Bauerle, D. D. S.
Edward Clark
Mrs. Lyndon B. Johnson
Thos. H. Law
A. G. McNeese, Jr.
Joe T. Nelson, M. D.
Walter G. Sterling

Charles A. LeMaistre, M. D.,
Chancellor, The University
of Texas System
Wendell H. Nedderman, President,
The University of Texas at
Arlington

Lawrence D. White Associates,
Inc., Project Architect
Frank J. Rooney, Inc., Contractor

4.

U. T. ARLINGTON: REMODELING OF COLLEGE HALL (PROJECT NO. 301-341) - REQUEST FOR AUTHORIZATION TO INCREASE PROJECT SCOPE AND APPROPRIATION THEREFOR.--At the Regents' meeting held December 12, 1975, authorization was given for the preparation of preliminary plans for the Remodeling of College Hall at The University of Texas at Arlington. Subsequently, the design concept and schematic plans prepared by the Project Architect, Willard Reavis, Arlington, Texas, have been completed, reviewed and considered responsive to the program requirements, in skillfully utilizing the existing building without massive demolition or complex structural changes often encountered in remodeling projects. Remodeling of the existing facility in the central campus location is considered to be more economically attractive than construction of a new facility at a greater cost.

The initial total project cost was estimated to be \$525,000.00. It was predicated on the assumption that the existing mechanical system was satisfactory and could be used without substantial modification. Studies during design, however, showed that the mechanical system has deteriorated to the extent that it should be replaced. Moreover, replacement of the system will permit installation of a modern, energy-efficient system which is more in keeping with the current standards of construction established by the University for heating and air conditioning systems. If a new mechanical system, built to current standards, is to be installed, it will be necessary to revise the estimated total project cost to \$695,000.00. It should be noted that installation of the improved mechanical system at this time will probably extend the useful life of the mechanical system by at least 20 years.

President Nedderman and System Administration recommend that the Board:

- a. Approve an increase in project scope for the Remodeling of College Hall at The University of Texas at Arlington to accommodate the necessary expanded requirements
- b. Authorize a total project cost of \$695,000.00 for the Remodeling of College Hall, with preparation of preliminary plans to be brought to the Board at a future meeting
- c. Appropriate \$6,275.00 from proceeds of Combined Fee Revenue Bonds for Fees and Miscellaneous Expenses through the preparation of preliminary plans and outline specifications, \$25,000.00 having been previously appropriated.

5.

U. T. ARLINGTON: CONFERENCE CENTER AND SPECIAL EVENTS CENTER - REQUEST FOR AUTHORIZATION FOR FEASIBILITY STUDY, APPOINTMENT OF CONSULTANT AND APPROPRIATION THEREFOR.--With a campus enrollment of 20,000 expected by 1985, the Long Range Planning Committee at The University of Texas at Arlington recommends that a Conference Center and Special Events Center be given top priority in the planning program.

Prior to recommending specific project authorizations, a detailed investigation and feasibility study should be prepared to define the required functions, project scope, campus site location and estimated cost.

President Nedderman and System Administration recommend that the Board:

- a. Authorize a feasibility study for a Conference Center and Special Events Center at The University of Texas at Arlington

CONFIDENTIAL

BUILDINGS AND GROUNDS COMMITTEE

SUPPLEMENTAL INFORMATION

July 9, 1976

U. T. ARLINGTON

- 5. Conference Center and Special Events Center:
Recommended Consultant Firms for Feasibility
Study (See Page B & G - 5.) Below

- 8. Remodeling of Trinity Hall: Recommended
Architectural Firms (See Page B & G -7.) Below

5. U. T. Arlington - Conference Center and Special Events
Center: List of Proposed Consultant Firms for Feasibility
Study. --

Wilson/Crain/Anderson/Reynolds	Houston, Texas
Fisher & Spillman Architects	Dallas, Texas
Kenneth Bentzen Associates	Houston, Texas
Beran & Shelmore	Dallas, Texas
Jarvis, Dobby, Jarvis	Dallas, Texas
Brester, M. Conner & Associates	Fort Worth, Texas

8. U. T. Arlington - Remodeling of Trinity Hall: List of Proposed
Architectural Firms. --

Sowden-Kelley-Barfield	Fort Worth, Texas
Maples Associates	Fort Worth, Texas
...	Fort Worth, Texas
...	Fort Worth, Texas
Paul Wharton & Associates	Arlington, Texas
Harper, Kemp, Glaze & Parker	Dallas, Texas

- will be*
- b. Appoint a consultant from a list to be submitted at the meeting, to work with a Planning Committee from The University of Texas at Arlington and the Office of Facilities Planning and Construction staff in preparing a feasibility study, with recommendations to be brought to a future Board meeting for consideration
 - c. Appropriate \$20,000.00 from Unappropriated Plant Funds - Combined Fee Revenue Bond Proceeds for feasibility study including fees and related expenses.

6. U. T. ARLINGTON: ENGINEERING BUILDING - REQUEST FOR AUTHORIZATION FOR AIR CONDITIONING IMPROVEMENTS AND FUNDING THEREFOR.--The air conditioning of the Engineering Building at The University of Texas at Arlington consists of an independent mechanical system which has resulted in high maintenance and repair costs in the last two years. The U. T. Arlington Physical Plant staff has estimated that connecting the building to the thermal plant for thermal services is less expensive than replacing two failing air conditioning units. Annual savings on electrical power will also be realized. The Office of Facilities Planning and Construction concurs in this evaluation and has provided the technical specifications for the proposed work. The thermal central Plant has ample capacity to accept this building load.

President Nedderman and System Administration recommend that the Board:

- a. Authorize air conditioning improvements for the Engineering Building at The University of Texas at Arlington by connection to the thermal plant for chilled water supply and return at an estimated construction cost of approximately \$40,000.00, not including demolition of the existing system
- b. Authorize the preparation of plans for the engineering design, advertisement for bids and completion of the project by the U. T. Arlington Physical Plant staff with its own forces or any required contract services, in consultation with the Office of Facilities Planning and Construction
- c. Approve the expenditure of funds in an amount not to exceed \$50,000.00 from U. T. Arlington Unexpended Plant Funds - Minor Improvement Account for the total project cost of the air conditioning improvements for the Engineering Building.

7. U. T. ARLINGTON: REMODELING OF HEREFORD STUDENT UNION BUILDING (PROJECT NO. 301-331) - PRESENTATION OF FINAL PLANS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.--In accordance with authorization given at the Regents' meeting held March 26, 1976, final plans and specifications have been prepared for the Remodeling of the Hereford Student Union Building at The University of Texas at Arlington by the Project Architect Jarvis Putty Jarvis, Inc., Dallas, Texas. These plans and specifications provide for the remodeling of approximately 132,000 gross square feet in the existing building plus new construction of approximately 6,000 gross square feet. This project will provide improved and expanded student services for an enrollment of approximately 15,500 students and the expected increases in the near future.

President Nedderman and System Administration recommend that the Board:

- a. Approve the final plans and specifications for the Remodeling of the Hereford Student Union Building at The University of Texas at Arlington, at an estimated total project cost of \$2,500,000.00
- b. Authorize the Office of Facilities Planning and Construction to advertise for bids after completion of final review. Bids will be presented to the Board for consideration at a future meeting.

8.

U. T. ARLINGTON: REMODELING OF TRINITY HALL - REQUEST FOR AUTHORIZATION FOR FEASIBILITY STUDY, APPOINTMENT OF PROJECT ARCHITECT AND APPROPRIATION THEREFOR.--Trinity Hall at The University of Texas at Arlington is an inadequate men's dormitory built in 1962, designed with forty-eight rooms situated along a narrow corridor. The dormitory appears to be of sound construction and adaptable for remodeling into a residence hall with a more inviting, comfortable environment for student housing and group living experiences.

Prior to recommending a specific project authorization, a detailed investigation and feasibility study should be prepared to define the required functions, project scope and estimated cost.

President Nedderman and System Administration recommend that the Board:

- a. Authorize a feasibility study for the remodeling of Trinity Hall at The University of Texas at Arlington
- b. Appoint a Project Architect from a list to be submitted at the meeting, to work with a Planning Committee from The University of Texas at Arlington and the Office of Facilities Planning and Construction staff in preparing a feasibility study, with recommendations to be brought to a future Board meeting for consideration
- c. Appropriate \$20,000.00 from Unappropriated Plant Funds for Fees and Related Expenses.

9.

U. T. ARLINGTON: UNIVERSITY BOOKSTORE (PROJECT NO. 301-332) - PRESENTATION OF FINAL PLANS, REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS, REQUEST FOR APPOINTMENT OF SPECIAL COMMITTEE FOR CONTRACT AWARD AND ADDITIONAL APPROPRIATION THEREFOR.--In accordance with authorization given at the Regents' meeting held February 13, 1976, final plans and specifications have been prepared by the Project Architect Lawrence D. White Associates, Inc., Fort Worth, Texas. These plans and specifications provide for a new bookstore of approximately 38,000 gross square feet to replace an inadequate facility currently located in the Hereford Student Union Building. Bids will be received early in September 1976.

President Nedderman and System Administration recommend that the Board:

- a. Approve the final plans and specifications for The University Bookstore at U. T. Arlington, at an estimated total project cost of \$1,200,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise and call for bids
- c. Appoint a special committee consisting of President Nedderman, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Regent Law, Committee Chairman Bauerle, and Chairman Shivers to award a construction contract for this project between meetings of the Board within available project funds, and
- d. Appropriate additional funds in the amount of \$1,152,000.00 from Combined Fee Revenue Bond Proceeds to cover the total project cost, \$48,000.00 having been previously appropriated.

- 7
10. U. T. ARLINGTON: ADDITIONAL PARKING FACILITIES (PROJECT NO. 301-258) - REQUEST FOR RATIFICATION OF AWARD OF CONTRACT TO SRO ASPHALT, INC., ARLINGTON, TEXAS.--In accordance with authorization given at the Regents' meeting held February 13, 1976, final plans and specifications for construction and restoration of five parking lots at The University of Texas at Arlington were prepared by the U. T. Arlington Physical Plant staff with the approval of the Office of Facilities Planning and Construction. After the April 1976 project approval of the Texas College and University System Coordinating Board, bids were called for and were received, opened and tabulated on May 25, 1976 as shown below for the construction of four of the five authorized parking lots on the U. T. Arlington campus:

Bidder	Base Bid
Antlers Construction, Inc. Arlington, Texas	\$176,918.00
Austin Road Company Fort Worth, Texas	169,914.00
Bo's Excavating, Grading & Asphalt Paving, Joshua, Texas	N/B
Circle Construction Company Grapevine, Texas	186,546.70
D. G. Ferguson, Excavating Contractors, Arlington, Texas	N/B
Gibbins & Good Construction, Fort Worth, Texas	N/B
Metro Industries, Hurst, Texas	N/B
SRO Asphalt, Inc., Arlington, Texas	131,000.00
Texas Bitulithic Company, Fort Worth, Texas	180,265.00
Uvalde Construction Company, Dallas, Texas	196,226.00
Walt Williams Construction Co., Inc., Fort Worth, Texas	N/B
Stripe-A-Zone, Grand Prairie, Texas	N/B
Metro Asphalt Company, Euless, Texas	161,032.00
Southwestern Contracting Company, Dallas, Texas	158,900.00
Sims Excavating Company, Dallas, Texas	N/B

With the concurrence of the Office of Facilities Planning and Construction, U. T. Arlington Administration has awarded a construction contract for the four parking lots to the low bidder, SRO Asphalt, Inc., Arlington, Texas in the amount of the low base bid which is well within the previously appropriated funds.

President Nedderman and System Administration recommend that the Board ratify the action taken by the U. T. Arlington Administration in awarding the construction contract to SRO Asphalt, Inc., Arlington, Texas for the low base bid in the amount of \$131,000.00.

Previously appropriated funds in the amount of \$253,000.00 are available for this contract award. After bids are taken in the future for the fifth authorized lot (South Cooper Parking), the contract award will be brought to the Board for ratification.

11. U. T. AUSTIN: WALLER CREEK IMPROVEMENTS - PHASE I-A (PROJECT NO. 102-343) - REPORT OF COMMITTEE AND REQUEST FOR RATIFICATION OF AWARD OF CONTRACT TO J. C. EVANS CONSTRUCTION COMPANY, INC.--In accordance with authorization given at the Regents' meeting held May 14, 1976, bids were called for and were received, opened and tabulated on June 17, 1976, as shown below for Waller Creek Improvements - Phase I-A at The University of Texas at Austin.

Bidder	Base Bid	Bidder's Bond
Joe Badgett Construction Co., Inc. Austin, Texas	\$243,181.00	5%
J. C. Evans Construction Co., Inc. Austin, Texas	217,500.00	5%
Thomas Hinderer Company, Austin, Texas	247,627.00	5%

The Special Committee, appointed at the May 14, 1976 Board meeting, consisting of President Rogers, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle and Board Chairman Shivers has awarded a construction contract within previously appropriated funds approved for this project to the low bidder, J. C. Evans Construction Company, Inc., Austin, Texas, for the Waller Creek Improvements - Phase I-A at The University of Texas at Austin in the amount of the base bid, \$217,500.00.

President Rogers and System Administration recommend that the Board:

- a. Ratify the action taken by the Committee in awarding the construction contract as outlined above for the Waller Creek Improvements - Phase I-A at The University of Texas at Austin
- b. Approve a total Project Cost of \$287,900.00 within previously appropriated Project Funds to cover the construction contract award, landscaping, fees and miscellaneous expenses.

12. U. T. DALLAS: PHYSICAL EDUCATION FACILITIES PHASE I (PROJECT NO. 302-310) - STATUS REPORT AND RECOMMENDED PROJECT FUNDING.--In accordance with authorization given at the March 26, 1976 Board meeting, bids were received in April 1976 for the Physical Education Facilities Phase I at The University of Texas at Dallas. Bid prices exceeded the original funding available for the desired project scope. Although negotiations with the low bidder were pursued with the view of reducing the work to bring the price within the authorized project cost and within the authority of the Special Committee to make an award, these efforts were unsuccessful. The bids expired before the Committee or the Board could act. It is therefore necessary to revise the final plans and the authorized total project cost.

President Jordan and System Administration recommend that the Board:

- a. Authorize a revised total project cost of \$600,000.00 for the Physical Education Facilities Phase I at The University of Texas at Dallas with an additional appropriation of \$350,000.00 from Building Use Fees, \$250,000.00 having been previously appropriated from Tuition Revenue Bond Proceeds
- b. Authorize preparation of revised final plans by the Office of Facilities Planning and Construction and advertisement for bids which will be considered by the Board at a future meeting.

13. U. T. DALLAS: THEATER BUILDING - MODIFICATIONS FOR ADDITIONAL THEATRICAL LIGHTING (PROJECT NO. 302-347) - REQUEST FOR APPOINTMENT OF A COMMITTEE TO AWARD CONSTRUCTION CONTRACT.--In accordance with authorization given at the Regents' meeting held March 26, 1976, final plans and specifications have been prepared for Modifications for Additional Theatrical Lighting in the Theater Building of Jonsson Center by the Project Architect Harwood K. Smith & Partners, Inc., Dallas, Texas. Bids have been called for and will be received at U. T. Dallas on July 27, 1976.

President Jordan and System Administration recommend the appointment of a committee consisting of President Jordan, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Regent Williams, Committee Chairman Bauerle and Board Chairman Shivers to award a construction contract for this project between meetings of the Board, within previously appropriated funds.

The committee action in awarding a contract will be reported to the Board for ratification at a future meeting.

14. U. T. EL PASO: LIBRARY ANNEX (PROJECT NO. 201-337) - PRESENTATION OF FINAL PLANS, REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS AND APPOINTMENT OF COMMITTEE TO AWARD CONSTRUCTION CONTRACT AND ADDITIONAL APPROPRIATION THEREFOR.--When the preliminary plans for the Library Annex at The University of Texas at El Paso were approved at the March 26, 1976 Regents' meeting, a scope increase was approved for a revised total project cost of \$1,053,000.00. Final plans and specifications have been prepared by the Project Architect, Davis and Whelchel, in accordance with that approval for the construction of the Library Annex. These plans and specifications provide for a building of approximately 30,000 gross square feet.

President Templeton and System Administration recommend that the Board:

- a. Approve the final plans and specifications for the Library Annex at The University of Texas at El Paso at the estimated total project cost of \$1,053,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids, subject to completion of final review
- c. Appoint a committee consisting of President Templeton, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle, and Board Chairman Shivers to award a construction contract between Board meetings within available project funds
- d. Appropriate an additional \$328,000.00 from Permanent University Fund Bond Proceeds since a specific appropriation fund source was not designated at the March 26, 1976 Board meeting.

A report of the committee action and ratification of the contract award will be brought to the Board at a future meeting.

15. U. T. EL PASO - SPECIAL EVENTS CENTER: REQUEST FOR APPOINTMENT OF COMMITTEE TO AWARD CONTRACT FOR FURNITURE AND FURNISHINGS (PROJECT NO. 201-278). --

Specifications for Furniture and Furnishings for the Special Events Center at The University of Texas at El Paso are being prepared by the Office of Facilities Planning and Construction, and bids will be called for and opened during the month of August, 1976. In order that a contract can be awarded prior to the October meeting of the Board of Regents, thereby allowing the successful bidder adequate lead time to complete installation in accordance with current time schedules, it is recommended by President Templeton and System Administration that a committee composed of President Templeton, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Bauerle and Chairman Shivers be appointed and authorized to award a contract for Furniture and Furnishings for the Special Events Center within the funds available.

16. U. T. EL PASO: EXPANSION OF UTILITY SYSTEM (SATELLITE THERMAL ENERGY PLANT) - STATUS REPORT; REQUEST FOR SPECIAL COMMITTEE TO AUTHORIZE APPROVAL OF FINAL PLANS, ADVERTISEMENT FOR BIDS, AND AWARD OF CONSTRUCTION CONTRACT; AND APPROPRIATION OF FUNDS.--

In June 1975 authorization was given by the Board of Regents for the construction of a North Campus Satellite Thermal Energy Plant to provide thermal services to the Special Events Center and other nearby buildings at The University of Texas at El Paso. A committee consisting of President Templeton, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle, and Board Chairman Shivers was appointed to review and approve an amendment to the existing contract with Lone Star Energy Company to provide these services. Subsequently, Lone Star Energy Company asserted that their obligation to provide thermal energy services was limited and did not extend to the North Campus area. Nevertheless, in September 1975, Lone Star Energy Company agreed to proceed expeditiously with the engineering design of the Satellite Plant pending resolution of the differing viewpoints. Since that time, extensive negotiations have failed to resolve the differences to the mutual satisfaction of Lone Star Energy Company and The University of Texas System.

In May 1976 Lone Star Energy Company was formally advised by The University of Texas System that it would assume the engineering design contract for the Satellite Plant and proceed with construction of the facility at the earliest time possible, with Lone Star Energy Company to be held responsible for all damages sustained.

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

- a. Approve the action of assuming the design contract for the North Campus Satellite Thermal Energy Plant at The University of Texas at El Paso
- b. Authorize the previously appointed Special Committee consisting of President Templeton, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle and Board Chairman Shivers to approve the final plans and specifications, to authorize advertising for bids and to award a construction contract for the North Campus Satellite Thermal Energy Plant at The University of Texas at El Paso campus
- c. Appropriate \$1,400,000.00 as an advance from proceeds from Permanent University Bonds for the Expansion of the Utility System at The University of Texas at El Paso.

Any committee action to award a construction contract will be brought to a future meeting of the Board for ratification.

17. DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL):
 EXPANSION OF PARKING LOT #4 (PROJECT NO. 303-348) - REPORT OF
 COMMITTEE AND REQUEST FOR RATIFICATION OF AWARD OF CONTRACT TO
 METRO ASPHALT COMPANY, EULESS, TEXAS.--In accordance with authoriza-
 tion given at the Regents' meeting held March 26, 1976, bids were
 called for and were received, opened and tabulated on June 15, 1976,
 as shown below for the Expansion of Parking Lot #4 at the Dallas
 Health Science Center.

Bidder	Base Bid	Add Alt. #1	Bidder's Bond
Circle Construction Co., Abilene, Texas	\$156,484.00	\$770.00	5%
Marriott Excavating, Inc., Dallas, Texas	136,846.00	75.00	5%
Metro Asphalt Company Eules, Texas	129,832.05	600.00	5%
Metro Industries, Hurst, Texas	147,421.69	627.00	5%
Southwestern Contrac- ting Company, Dallas, Texas	171,559.05	616.50	5%
Texas Bitulithic Co., Dallas, Texas	148,094.00	810.00	5%
Uvalde Constr. Co., Dallas, Texas	139,950.00	643.00	5%

The Special Committee, appointed at the May 14, 1976 Board meeting, consisting of President Sprague, Director Kristoferson, Associate Deputy Chancellor Landrum, Deputy Chancellor Walker, Committee Chairman Bauerle and Board Chairman Shivers has awarded a construction contract within previously appropriated funds approved for this project to the low bidder, Metro Asphalt Company, Eules, Texas, for the Expansion of Parking Lot #4 at the Dallas Health Science Center as follows:

Base Bid	\$129,832.05
Add Alternate No. 1 (Striping)	<u>600.00</u>
Total Contract Award	<u>\$130,432.05</u>

President Sprague and System Administration recommend that the Board:

- a. Ratify the action taken by the Committee in awarding the construction contract as outlined above the Expansion of Parking Lot #4 at the Dallas Health Science Center
- b. Approve a total Project Cost of \$185,000.00 previously appropriated to cover the construction contract award, fees and miscellaneous expenses.

✓ 18.

GALVESTON MEDICAL BRANCH (GALVESTON HOSPITALS): ADDITIONS TO JOHN SEALY HOSPITAL (PROJECT NO. 601-066) - RECOMMENDATION FOR IMPROVED VINYL FLOORING AND ADDITIONAL APPROPRIATION THEREFOR.--When the construction contract for the Additions to John Sealy Hospital at the Galveston Medical Branch was approved by the Board in February 1974, vinyl tile was specified for the floors of patient care areas and other spaces having high traffic use. Subsequent investigations have revealed that the installation of Mipolam Sheet Vinyl flooring, a new product on the market, would reduce housekeeping maintenance costs involved in cleaning, buffing and waxing by about forty cents per square foot per year, or approximately \$100,000.00 annually. Sheet vinyl has added advantages, such as heat-welded joints and integral color which minimizes signs of wear. Galveston Medical Branch recommends installation of Mipolam Sheet Vinyl leading to maintenance economies and an improved aseptic environment in patient care areas.

President Levin and System Administration recommend that the Board appropriate \$220,000.00 from Medical Branch Unexpended Plant Funds to improve the quality of floor coverings in the contract for construction of the Additions to John Sealy Hospital.

✓ 19.

HOUSTON HEALTH SCIENCE CENTER: HOUSTON MEDICAL SCHOOL (PHASE II AND PHASE III), SCHOOL OF PUBLIC HEALTH (PHASE II), AND SPEECH AND HEARING INSTITUTE - RECOMMENDED CONTRACT WITH HOUSTON NATURAL GAS CORPORATION FOR THERMAL ENERGY SERVICES TO SERVE FOUR NEW FACILITIES.--At the Regents' meeting held May 6, 1967 authorization was given for contracting for thermal energy services (chilled water and steam) from a thermal energy plant to be established by the Texas Medical Center in Houston which would serve various units in the Center. At Board meetings held in April 1971 and October 1971, initial contracts with Houston Natural Gas Corporation were authorized for providing thermal energy services, from the thermal energy plant owned and operated by Houston Natural Gas, to the Phase I School of Public Health Building and the Phase I of the Houston Medical School. Subsequent expansion of these facilities and acquisition of the Speech and Hearing Institute now requires a revised contract with Houston Natural Gas Corporation for thermal energy services.

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

- a. Authorize the Director of the Office of Facilities Planning and Construction to initiate all required actions with Houston Natural Gas Corporation for the preparation of a contract to provide thermal energy services for the Houston Medical School, Phases I, II and III; School of Public Health, Phases I and II; and the Speech and Hearing Institute
- b. Authorize execution of a contract with Houston Natural Gas Corporation by Board Chairman Shivers after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.

At a future Board meeting the contract for thermal energy services will be presented for ratification.

20. HOUSTON HEALTH SCIENCE CENTER: SPEECH AND HEARING SERVICE BUILDING - REQUEST FOR AUTHORIZATION FOR INTERCONNECTION OF STEAM AND CHILLED WATER LINES AND FUNDING THEREFOR.--The Houston Health Science Center Administration has determined that the Speech and Hearing Service Building can be more effectively and economically served with steam and chilled water through a connection with existing lines in the existing Speech and Hearing Research Building, which is already connected to the Central Plant of The Texas Medical Center.

President Berry and System Administration recommend that the Board:

- a. Approve installation of steam and chilled water lines between the Service and Research Buildings of the Speech and Hearing Center at an estimated cost of \$20,000.00
- b. Authorize the preparation of final plans and specifications, advertisement for bids and completion of the project by the Houston Health Science Center Administration and Physical Plant Department with its own forces or through required contract services, in consultation with the Office of Facilities Planning and Construction
- c. Approve funding for the project through expenditure of an amount not to exceed \$20,000.00 from General Budget Funds.

21. HOUSTON HEALTH SCIENCE CENTER: (HOUSTON MEDICAL SCHOOL, PHASES I, II AND III) - REQUEST FOR AUTHORIZATION TO GRANT AN EASEMENT TO HOUSTON LIGHTING AND POWER COMPANY FOR UNDERGROUND ELECTRICAL SERVICE.--In order to provide underground electrical service to the Houston Medical School Building (Phases I, II and III) the Houston Lighting and Power Company has requested an underground easement, ten (10) feet in width across and through that certain tract or parcel of land in the P. W. Rose Survey, Abstract No. 645, more fully described and duly recorded in the deed records of Harris County, Texas. The proposed easement is more fully described in the easement document which will be available for examination at the Board meeting.

President Berry and System Administration recommend that authorization 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 form by a University attorney.

22. SAN ANTONIO HEALTH SCIENCE CENTER: EXPANSION OF PHYSICAL PLANT BUILDINGS NOS. 1 AND 2 (PROJECT NO. 402-338) - PRESENTATION OF FINAL PLANS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.-- In accordance with authorization given at the Regents' meeting held May 14, 1976, final plans and specifications have been prepared for the Expansion of Physical Plant Buildings Nos. 1 and 2 at The San Antonio Health Science Center by the Project Architects Phelps & Simmons & Garza and Bartlett Cocke & Associates, Inc., San Antonio, Texas. These plans and specifications provide for a building of approximately 45,000 gross square feet.

President Harrison and System Administration recommend that the Board:

- a. Approve the final plans and specifications for the Expansion of Physical Plant Buildings Nos. 1 and 2 at the San Antonio Health Science Center, at an estimated total project cost of \$2,100,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids, subject to completion of final review.

Bidding results will be brought to the Board at a future meeting.

23.

SAN ANTONIO HEALTH SCIENCE CENTER: CENTRAL SERVICE FACILITY - REQUEST FOR PROJECT AUTHORIZATION AND PREPARATION OF FINAL PLANS; APPOINTMENT OF PROJECT ARCHITECT; AND APPROPRIATION THEREFOR.--The University of Texas Health Science Center at San Antonio has experienced rapid growth in its service department functions, particularly the Central Duplicating and Central Photocopying operations. The Institution recommends construction of a Central Service Facility of approximately 8,000 square feet to be located between Parking Lot "C" and Physical Plant Building No. 2 near Merton Minter Boulevard and the service road. The Office of Facilities Planning and Construction has studied the proposed project and concurs in the need for it and in its proposed location.

President Harrison and System Administration recommend that the Board:

- a. Authorize a Central Service Facility of approximately 8,000 square feet at an estimated total project cost of \$500,000.00 which is outlined as follows:

For normal general construction and mechanical costs: 8,000 s.f. @ \$40/sf =	\$320,000.00
Extra structural foundation work for floor loading to take care of heavy equipment and storage: 8,000 s.f. @ \$8/sf =	<u>64,000.00</u>
Estimated Total Construction Cost at \$48/sf =	\$384,000.00
Equipment, Fees and Other Related Expenses	<u>116,000.00</u>
Estimated Total Project Cost	<u><u>\$500,000.00</u></u>

- b. Appoint Phelps & Simmons & Garza and Bartlett Cocke and Associates, Inc., Associated Architects, San Antonio, Texas, with authorization for the preparation of final plans and specifications to be presented to the Board at a future meeting
- c. Appropriate \$500,000.00 from San Antonio Health Science Center Unexpended Plant Funds Account No. 636-9200-9000 for necessary topographic and foundation surveys, miscellaneous expenses, fees and completion of the project.

24.

SAN ANTONIO HEALTH SCIENCE CENTER: EXPANSION OF PARKING LOT "C" - REQUEST FOR AUTHORIZATION, PREPARATION OF FINAL PLANS, ADVERTISEMENT FOR BIDS AND COMPLETION OF PROJECT, AND APPROPRIATION THEREFOR.--The growth of the Faculty, Staff and Student Body of The San Antonio Health Science Center justifies expansion of surface parking at this time. Additional facilities are especially needed in connection with the Nursing School and the Dental School. The Institution and the Office of Facilities Planning and Construction propose an extension of the present Parking Lot "C" from its south boundary toward Louis Pasteur Drive.

It is estimated that an additional 350 cars can be accommodated. Lighting, Landscaping and Irrigation Systems would be included in the project. The San Antonio Health Science Center Physical Plant Department has the capability, in consultation with and approval of the Office of Facilities Planning and Construction, of producing final plans and specifications for bidding.

President Harrison and System Administration recommend that the Board:

- a. Authorize the Expansion of Parking Lot "C" at an estimated total project cost of \$250,000.00
- b. Authorize preparation of final plans and specifications, advertisement for bids, and completion of the project by the San Antonio Physical Plant staff, either with its own forces or through contract services, with the approval of the Office of Facilities Planning and Construction
- c. Appropriate \$250,000.00 from San Antonio Health Science Center Unexpended Plant Funds Account No. 636-9200-9100 for necessary topographic surveys, miscellaneous expenses, and construction of the project.

The construction contract award will be brought to the Board for ratification at a future meeting.

Historical Report on Parking

OFFICE OF FACILITIES PLANNING AND CONSTRUCTION

INTER-OFFICE MEMORANDUM

DATE June 14, 1976

TO: Miss Thedford

FROM: OFPC Design Division - H. Conrad Kroll

SUBJECT: ADDITIONAL INFORMATION REQUESTED ON JULY 9, 1976 **FOR**
ITEM - SAN ANTONIO HEALTH SCIENCE CENTER: EXPANSION OF
PARKING LOT "C" AND CLARIFICATION ON ALL PARKING LOTS

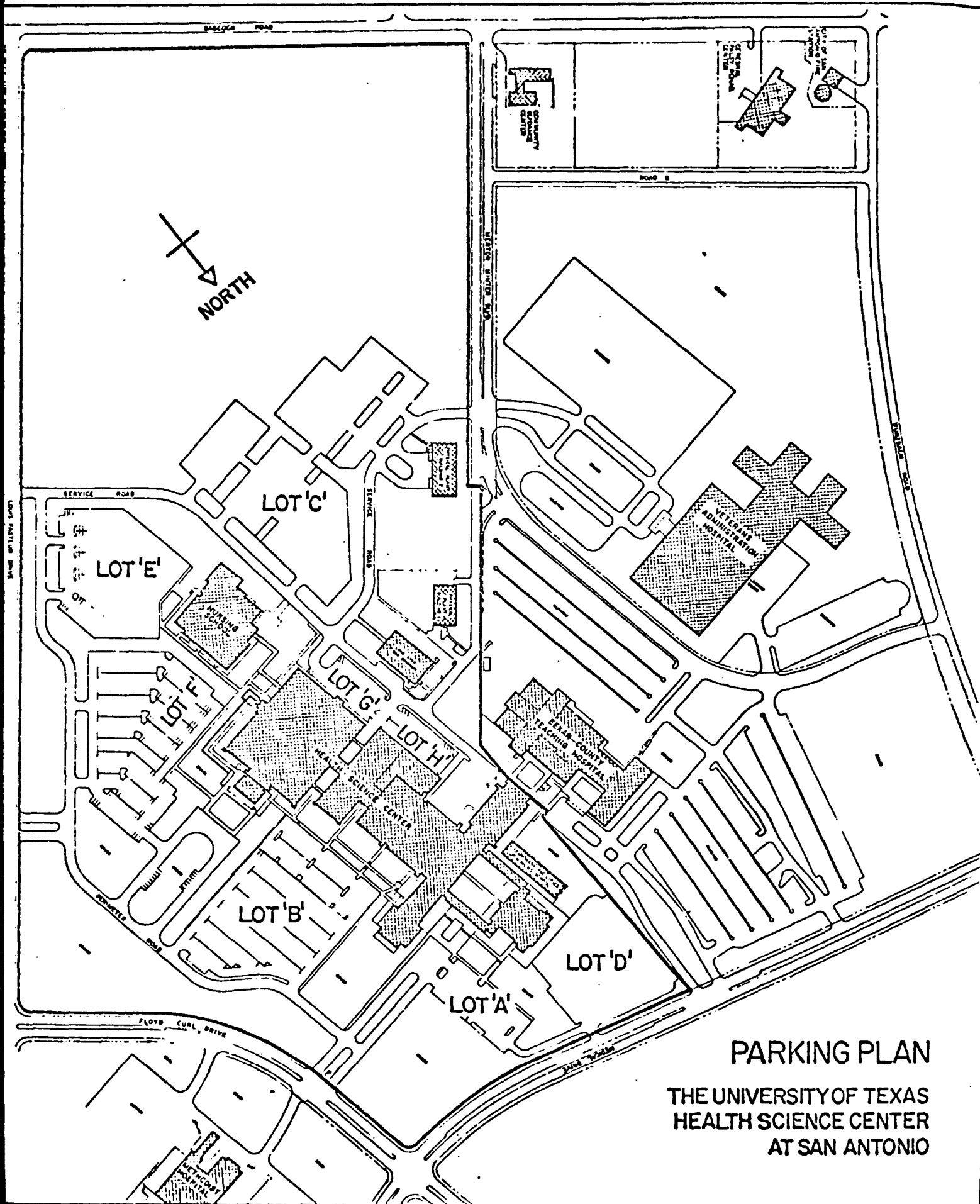
In response to your inquiry on Friday, June 11, 1976, additional information is herewith provided on subject item.

1. The attached campus parking plan of SAHSC indicates eight (8) lots, "A" - "H" existing now. The expansion of Lot "C" is a proposed new project adding approximately 350 parking spaces toward Louis Pasteur Drive.
2. In answer to your inquiry about location of Parking Lot 3 approved at the Sept. 12, 1970 BOR meeting, OFPC research indicates that this is Lot "D" as shown on the attached map. SAHSC now uses letters "A" - "H" to indicate parking lots.
3. History of parking lot authorization is as follows:
 - Lots "A" & "B" - Part of SA Medical School site development in original Project
 - Lots "C", "F", "G" and "H" - Authorization as part of Dental School Project
 - Lot "D" - Authorized as Parking Lot #3, September 12, 1970 BOR meeting, Item #19 B&G minutes, p. 23
 - Lot "E" - Authorized with Nursing School Project

4. SAHSC Parking Lot Capacity: Total spaces = 2,176

Lot "A":	98
Lot "B":	440
Lot "C":	554
Lot "D":	270
Lot "E":	298
Lot "F":	395
Lot "G":	67
Lot "H":	<u>54</u>

2,176 total existing spaces



July 9, 1976

25.

UNIVERSITY CANCER CENTER (M. D. ANDERSON): REQUEST FOR APPOINTMENT OF COMMITTEE TO AWARD FURNITURE CONTRACTS FOR LUTHERAN HOSPITAL AND CLINIC ADDITION (PROJECT NO. 703-78).--Specifications for the Lutheran Hospital Addition have been assembled by the Office of Facilities Planning and Construction and bids will be called for and opened during the month of July 1976. Major contracts for Furniture and Furnishings for the Clinic Addition have already been awarded in accordance with authorization given at the May 14, 1976 Regents' meeting. In order that remaining contracts can be awarded prior to the October meeting of the Board of Regents, thereby allowing successful bidders adequate lead time to complete installation in accordance with current time schedules, it is recommended by President Clark and System Administration that a committee composed of President Clark, Director Kristoferson, Deputy Chancellor Walker, Committee Chairman Bauerle and Board Chairman Shivers be appointed and authorized to award contracts for Furniture and Furnishings for the Lutheran Hospital and Clinic Addition within the funds available.

26.

UNIVERSITY CANCER CENTER (M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE): REMODELING OF PRESENT BUILDING (PROJECT NO. 703-291) - PRESENTATION OF FINAL PLANS AND REQUEST FOR AUTHORIZATION TO ADVERTISE FOR BIDS.-- In accordance with authorization given at the Regents' meeting held May 14, 1976 final plans and specifications for phased remodeling of a portion of M. D. Anderson Hospital and Tumor Institute at The University Cancer Center in Houston have been prepared by the Project Architect, Kenneth Bentsen and Associates, Houston, Texas.

As the Lutheran Hospital (M. G. & Lillie A. Johnson Building) and Outpatient Clinic near completion, occupancy of these new facilities permits vacation of certain portions of the present building which can be made available for phased remodeling.

To minimize the difficulties inherent in remodeling projects while still allowing useful but restricted occupancy, the project remodeling initially was planned to consist of four phases. Subsequent studies have shown that only one suitable construction work site and access can be made available for this project. Accordingly, two phases of construction must be compressed into an initial phase of larger scope than was originally planned.

President Clark and System Administration recommend that the Board:

- a. Approve the final plans and specifications for the remodeling of the present building of M. D. Anderson Hospital and Tumor Institute at The University Cancer Center subject to final review by the Office of Facilities Planning and Construction at an estimated total project cost of \$12,000,000.00
- b. Authorize the Director of the Office of Facilities Planning and Construction to advertise for bids for the various phases of remodeling at such times as best suit the institution and the project.

Recommendations for contract award, and requests for ratification of negotiations to accomplish additional phases of work, if any, will be brought to future meetings of the Board for consideration.

27.

UNIVERSITY CANCER CENTER: LUTHERAN HOSPITAL (M. G. & LILLIE A. JOHNSON BUILDING) AND OUTPATIENT CLINIC EXPANSION AND M. D. ANDERSON CANCER RESEARCH ADDITION, 6TH AND 7TH FLOORS - RECOMMENDED CONTRACT WITH HOUSTON NATURAL GAS CORPORATION FOR THERMAL ENERGY SERVICES TO SERVE THREE NEW FACILITIES.--In accordance with the May 6, 1967 Board authorization for contracting for thermal energy services (chilled water and steam) from the thermal energy plant owned and operated by Houston Natural Gas, which serves the Texas Medical Center, it is now timely for execution of a contract with Houston Natural Gas Corporation for providing thermal services to The University Cancer Center for the new Lutheran Hospital (M. G. & Lillie A. Johnson Building) and Outpatient Clinic as well as the new Cancer Research Addition, 6th and 7th Floor of the M. D. Anderson Hospital and Tumor Institute.

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

- a. Authorize the Director of the Office of Facilities Planning and Construction to initiate all required actions with Houston Natural Gas Corporation for the preparation of a contract to provide thermal energy services for the Lutheran Hospital (M. G. & Lillie A. Johnson Building) and Outpatient Clinic and the Cancer Research Addition, 6th and 7th Floors, of the M. D. Anderson Hospital and Tumor Institute
- b. Authorize execution of a contract with Houston Natural Gas Corporation by Board Chairman Shivers after approval as to content by Deputy Chancellor Walker and as to legal form by a University Attorney.

The contract for thermal energy services will be presented for ratification at a future Board meeting.

28.

U. T. SYSTEM: ASHBEL SMITH HALL - COMPLETION OF SIXTH FLOOR (PROJECT NO. 101-352) - PRESENTATION OF PRELIMINARY PLANS, REQUEST FOR AUTHORIZATION TO PREPARE FINAL PLANS AND ADVERTISE FOR BIDS AND ADDITIONAL APPROPRIATION THEREFOR.--In accordance with authorization given at the Regents' meeting held March 26, 1976, preliminary plans and outline specifications for the completion of the unfinished shelled space on the Sixth Floor of Ashbel Smith Hall have been prepared by the Office of Facilities Planning and Construction. The completion of this floor is needed for expansion of the Office of the General Counsel of The University of Texas System.

Accordingly, System Administration recommends that the Board:

- a. Approve the preliminary plans and outline specifications for the completion of the Sixth Floor of Ashbel Smith Hall at an estimated total project cost of \$295,000.00
- b. Authorize the Office of Facilities Planning and Construction to expedite the project schedule through preparation of final plans and specifications and advertisement for bids which will be presented to the Board at a future meeting
- c. Appropriate \$12,000.00 from Permanent University Fund Bond Proceeds for fees and miscellaneous expenses through the preparation of final plans and specifications, \$5,000.00 having been previously appropriated from Permanent University Fund Bond Proceeds.

29.

U. T. SYSTEM: SIX ACADEMIC COMPONENTS - REPORT ON LONG RANGE CAMPUS DEVELOPMENT PLANS.--In compliance with the requirements and regulations of the Texas College and University System Coordinating Board, a Long Range Campus Development Plan has been prepared for each of the Six Academic Components of The University of Texas System by the Office of Facilities Planning and Construction in consultation with the Administrative Officers of each institution. The Campus Development Plan has been coordinated with the Role and Scope Document prepared by the Academic Institution. Each submittal includes anticipated campus improvements which have been projected for approximately five years. The Long Range Campus Development Plan will be amended periodically when changes and additions are justified. The submittal of the updated Campus Development Plan is an essential requirement in all future considerations of degree programs and curriculum changes proposed by each Academic Institution for review and approval of the Coordinating Board. Copies of the material to be submitted will be available at the Board meeting.

Accordingly, System Administration recommends that the Board approve the submission of Long Range Campus Development Plans for the Six Academic Components of The University of Texas System to the Coordinating Board of the Texas College and University System.

30. U. T. ARLINGTON: REQUEST FOR AUTHORIZATION TO PARTICIPATE IN BORDER STREET WIDENING WITH THE CITY OF ARLINGTON, RECOMMENDED PROPERTY PURCHASE AND APPROPRIATION THEREFOR.--Officials of The University of Texas at Arlington and of the City of Arlington have, over the past several months, been negotiating details concerning the widening of Border Street. Part of the stretch of street to be widened, as much as lies between Davis and Pecan Streets, is within the legislatively authorized boundaries of The University of Texas at Arlington. The University already owns a majority of the properties on the south side of Border Street, but needs to acquire some remaining properties to block out its holdings.

The negotiations with the City are based upon the premise that the University will provide the right-of-way on the south side of Border Street and the City, in return, will pave and subsequently abandon certain streets. This arrangement is considered to be mutually beneficial.

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

- a. Authorize continued negotiations between the City of Arlington and U. T. Arlington Administration to achieve mutually beneficial arrangements concerning the widening of Border Street
- b. Authorize U. T. Arlington Administration, in consultation with the Office of General Counsel, to proceed with all appropriate actions to acquire the remaining property along the south side of Border Street within the legislatively authorized campus boundaries
- c. Appropriate \$500,000.00 from Unappropriated Plant Funds, Interest on Bond Proceeds, for the purchase of this land and for related expenses.

At a future meeting, after the required documents have been completed, the Board will be asked to grant a right-of-way to the City of Arlington for the widening of Border Street.

31. U. T. ARLINGTON: REMODELING OF LIFE SCIENCE BUILDING (PROJECT NO. 301-299) - REQUEST FOR AUTHORIZATION TO INCREASE PROJECT SCOPE AND ADDITIONAL APPROPRIATION THEREFOR.--At the Regents' meeting held March 15, 1974, authorization was given for the preparation of preliminary plans for the Remodeling of Life Science Building at The University of Texas at Arlington. Subsequently, the design concept and schematic plans prepared by the Project Architect, Albert S. Komatsu and Associates, Fort Worth, Texas, have been completed, reviewed and are considered to be responsive to the program requirements, skillfully using the existing building without massive demolition or complex structural changes often encountered in remodeling projects. Remodeling of the existing facility to implement the reassignment of space will make it functional for expanded programs in Science, Biology and Psychology planned for the immediate future.

When the project for Remodeling the Life Science Building was authorized by the Board at its March 1974 meeting, the total project cost was estimated to be \$800,000.00. An Architect was not appointed until the December 1975 Board meeting. The original estimated total project cost is not adequate to cover the cost of the project as now formulated for the following reasons:

- a. General construction costs have escalated approximately 25% since the project was authorized, and are likely to escalate another 5% before bids are taken

- b. Laboratory casework prices in the same time span have increased by 25%. In addition, the quantity of laboratory casework and the mechanical systems to serve the casework has increased substantially since the cost estimate was prepared, based upon actual detailed requirements submitted by the department involved, as compared with the assumed quantities of casework included in the estimate prepared by U. T. Arlington Administration
- c. An electron microscope laboratory has been added to the scope of the project. The cost of the equipment to be installed in the laboratory is included in the total project cost, as well as the construction for the laboratory and its supporting equipment.

The Architect has just completed the schematic stage of design and reports that, in his estimation, the total project cost for the scope of work desired by the users is \$1,600,000.00. The Architect has been instructed to hold up on any additional design effort pending clarification of scope and budget. It is necessary at this time either to cut back on the scope of the project or to add funds to the project budget.

President Nedderman believes that too limited a scope and budget was set for the project when it was initiated two and a half years ago. In addition, inflation has had an appreciable effect. He recommends that both the previously authorized scope and the total project cost be increased.

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

- a. Approve an increase in project scope of the remodeling of Life Science Building at The University of Texas at Arlington to facilitate the program requirements
- b. Authorize a total project cost of \$1,600,000.00 for the Remodeling of Life Science Building with the preparation of preliminary plans to be brought to the Board at a future meeting
- c. Appropriate additional funds in the amount of \$800,000.00 from Unappropriated Unexpended Plant Funds - Combined Fee Revenue Bond Proceeds, \$800,000.00 having been previously appropriated.

BUILDINGS AND GROUNDS COMMITTEE

EMERGENCY ITEMS

July 9, 1976

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32. U. T. AUSTIN: NORTH SECTOR EXPANSION OF CHILLED WATER DISTRIBUTION SYSTEM (PROJECT NO. 102-346) - RECOMMENDED AWARD OF CONTRACT TO J. M. BOYER, INC., AUSTIN, TEXAS--In accordance with authorization given at the Regents' meeting held February 13, 1976, bids were called for and were received, opened and tabulated on June 29, 1976, as shown on the attached sheet, for the North Sector Expansion of Chilled Water Distribution System at The University of Texas at Austin. This project provides for construction of additional supply and return pipelines to chilling station No. 4 to improve the chilled water distribution system in the central campus area. The recommended contract award can be made within previously appropriated funds.

President Rogers and System Administration recommend that the Board:

- a. Award the construction contract for the North Sector Expansion of Chilled Water Distribution System at The University of Texas at Austin to the low bidder J. M. Boyer, Inc., Austin, Texas as follows:

Base Bid	\$249,498.00
Additive Alternates:	
No. 1 (Construct Concrete Retaining Walls)	57,000.00
No. 2 (Surface Retaining Walls with Brick)	8,000.00
No. 3 (Construction of 16" Domestic Water Line)	<u>28,000.00</u>
Total Recommended Contract Award	<u>\$342,498.00</u>

- b. Authorize a revised total project cost of \$379,500.00 (originally approved at \$459,500.00) to cover the recommended utilities construction contract award, fees and miscellaneous expenses within previously appropriated funds.

Bids Received at 2:00 P.M., June 29, 1976, in the Office of Facilities Planning and Construction
 The University of Texas System, Austin, Texas

Bidder	Base Bid	Add Alternates			Bidder's Bond
		No. 1	No. 2	No. 3	
Air Conditioning, Inc., Austin, Texas	\$292,000.00	\$49,000.00	\$5,000.00	\$30,000.00	5%
J. M. Boyer, Inc., Austin, Texas	249,498.00	57,000.00	8,000.00	28,000.00	5%
J. C. Evans Construction Co., Inc., Austin, Texas	314,000.00	58,000.00	7,500.00	30,000.00	5%
Thomas Hinderer Company Austin, Texas	289,435.00	40,838.00	8,000.00	26,964.00	5%

B & G - 25

33. U. T. PERMIAN BASIN: STUDENT HOUSING (TEMPORARY) - SITE DEVELOPMENT (PROJECT NO. 501-312) - RECOMMENDED AWARD OF CONTRACT FOR COMPLETION OF LAUNDRY BUILDING TO RONDEL CONSTRUCTION COMPANY, MIDLAND, TEXAS, AND FUNDING THEREFOR.--At the May 14, 1976 Regents' meeting bidding results were reported to the Board and a construction contract award to Cottingham Construction Company, Inc., of Odessa, Texas, was approved for the Site Development for Mobile Student Housing at The University of Texas of the Permian Basin. The approved Site Development Contract Award included the sum of \$8,700.00 for the foundation and underground utilities for a Laundry Building. Reprocurement was authorized for the construction of the remainder of the building at a more acceptable price. Accordingly, bids were called for and were received, opened and tabulated on June 24, 1976 as shown below for the completion of the Laundry Building in the Site Development of the Temporary Student Housing for The University of Texas of the Permian Basin.

Bidder	Base Bid	Bid Bond
Rondel Construction Company, Midland, Texas	\$40,054.00	5%
Carter Construction & Roofing, Inc., Odessa, Texas	\$53,145.50	None

Plans were distributed to interested construction firms during the advertised bid period. Heavy work loads in the area reduced active bidder interest. The low bid was within the construction estimate of the Office of Facilities Planning and Construction.

President Cardozier and System Administration recommend that the Board:

- a. Award the construction contract for the completion of the Laundry Building for the Site Development for Mobile Student Housing at The University of Texas of the Permian Basin to the low bidder, Rondel Construction Company, Midland, Texas, in the amount of the base bid of \$40,054.00
- b. Approve expenditure of \$44,300.00 for construction contract award and related expenses for the completion of the Laundry Building from funding previously authorized for the purchase and installation of Mobile Home Units.

34. DALLAS HEALTH SCIENCE CENTER (DALLAS SOUTHWESTERN MEDICAL SCHOOL) REMODELING OF EDWARD H. CARY BASIC SCIENCE HALL (PROJECT NO. 303-102) - RECOMMENDED AWARD OF CONTRACT TO THE MCCALLY COMPANY, INC., DALLAS, TEXAS.--In accordance with authorization given at the Regents' meeting held May 14, 1976, bids were called for and were received, opened and tabulated on June 29, 1976, as shown on the attached sheet, for the Remodeling of Edward H. Cary Basic Science Hall at the Dallas Health Science Center.

This project provides for remodeling approximately 72,000 gross square feet of facilities. The recommended contract award can be made within previously appropriated funds.

President Sprague and System Administration recommend that the Board:

- a. Award the construction contract for Remodeling of Edward H. Cary Basic Science Hall at The Dallas Health Science Center to the low bidder, The McCally Construction Company, Inc., Dallas, Texas as follows:

Base Bid	\$1,808,800.00
Additive Alternates	
No. 1 (Acid-Resisting Tops)	1,000.00
No. 2 (Vacuum Pumping Facility)	9,000.00
No. 3 (Additional Construction, Level 1)	37,000.00
No. 4 (Additional Construction, Level 2)	<u>39,000.00</u>
Total Recommended Contract Award	<u>\$1,894,800.00</u>

- b. Approve a total project cost of \$2,500,000.00 to cover the recommended construction contract award, movable furnishings and equipment, air balancing, Central Data Acquisition System, fees and miscellaneous expenses.

Bids Received at 2:00 P.M., June 29, 1976, at The University of Texas Health Science Center
at Dallas, Dallas, Texas

Bidder	Base Bid	Alt. No. 1	Add Alternates			Bidder's Bond
			Alt. No. 2	Alt. No. 3	Alt. No. 4	
✓ Wm. S. Baker, Inc., Dallas, Texas	\$2,067,138.00	\$ +3,900.00	\$ 8,884.00	\$ 53,642.00	\$ 43,646.00	5%
✓ Burden Brothers, Inc., Dallas, Texas	2,234,000.00	+4,400.00	8,400.00	77,400.00	59,000.00	5%
✓ Cecil Carr Constr. Co., Dallas, Texas	1,885,000.00	+5,000.00	8,500.00	61,000.00	65,800.00	5%
Joe Funk Constr. Engrs., Dallas, Texas	2,100,000.00	-4,000.00	8,000.00	57,000.00	60,000.00	5%
Gamco Constructors, Inc., Dallas, Texas	2,273,800.00	-4,000.00	10,000.00	69,000.00	49,000.00	5%
Hyatt Cheek Builders-Engineers, Company, Dallas, Texas	2,223,705.00	No Change	10,000.00	53,630.00	48,620.00	5%
Kugler-Morris, Dallas, Texas	2,195,000.00	+4,000.00	9,600.00	60,000.00	50,000.00	5%
The McCally Company, Inc., Dallas, Texas	1,808,800.00	+1,000.00	9,000.00	37,000.00	39,000.00	5%

B & G - 28

35. SAN ANTONIO HEALTH SCIENCE CENTER (SAN ANTONIO MEDICAL SCHOOL AND SAN ANTONIO DENTAL SCHOOL) - EXPANSION (PHASES I, II AND III) (PROJECT NO. 402-288) - RECOMMENDED AWARD OF CONTRACT TO THOMAS CONSTRUCTION COMPANY, INC. OF MISSOURI, HOUSTON, TEXAS--In accordance with authorization given at the Regents' meeting held May 14, 1976, bids were called for and were received, opened and tabulated on June 30, 1976, as shown below for the Expansion of The University of Texas Health Science Center at San Antonio.

Bidder	Base Bid	Bidder's Bond
Frank Briscoe Company, Inc., Newark, New Jersey	\$11,795,000.00	5%
Browning Construction Company, San Antonio, Texas	11,848,000.00	5%
J. A. Jones Construction Company, Dallas, Texas	11,888,000.00	5%
C. H. Leavell & Company, Dallas, Texas	11,620,000.00	5%
Lyda, Inc., San Antonio, Texas	11,945,000.00	5%
B. L. McGee, Inc. and B. L. McGee Construction Company, Joint Venture, Austin, Texas	11,245,000.00	5%
Robert E. McKee, Inc., El Paso, Texas	11,830,000.00	5%
G. W. Mitchell & Sons, Inc., San Antonio, Texas	11,082,000.00	5%
Spaw-Glass Inc., Houston, Texas	12,149,000.00	5%
Thomas Construction Company, Inc. of Missouri, Houston, Texas	10,694,000.00	5%
Zapata Warrior Constructors, A Division of Zapata Constructors, Inc., Houston, Texas	11,782,000.00	5%

This project provides for an addition of approximately 176,000 gross square feet of facilities to accommodate an entering class of 200 medical students. The proposed construction contract award and related project costs can be accommodated within previously authorized funds.

President Harrison and System Administration recommend that the Board award the construction contract for the Expansion of The University of Texas Health Science Center at San Antonio to the low bidder, Thomas Construction Company, Inc. of Missouri, Houston, Texas in the amount of the base bid of \$10,694,000.00.

Handwritten signature and initials, possibly 'K. Allen' and 'W. N.', with a large flourish extending to the right.

Medical Affairs Committee

MEDICAL AFFAIRS COMMITTEE
Committee Chairman Nelson, Presiding

Date: July 9, 1976

Time: Following the Meeting of the Buildings and Grounds Committee

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

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f. Therapeutic Intervention Program School, Houston, Texas	
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1. U. T. System: Proposed Malpractice Insurance for Medical Students. --

RECOMMENDATION OF HEALTH AFFAIRS COMMITTEE:

Chairman V. E. Thompson, of the Professional Liability Insurance Committee for The University of Texas System, has negotiated a proposed contract with the Hartford Insurance Group to provide malpractice insurance coverage for medical students within the medical units of the System in amounts of \$25,000/\$75,000. This coverage will be added to the System malpractice insurance policy. The Health Affairs Committee has recommended a premium of \$25.00 per year for each medical student.

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of the Health Affairs Committee that all medical students be furnished malpractice coverage by and through the existing malpractice insurance policy for System at a premium rate of \$25.00 per medical student, the cost of which shall be borne by each medical student.

SECRETARY'S NOTE: If this item is adopted, it is authorized that the first catalog published thereafter by each institution be amended to conform.

2. U. T. System: Report of Committee on Model Affiliation Agreement with Clinical Health Facilities for Training of Nursing Students. --

SYSTEM ADMINISTRATION'S REPORT OF COMMITTEE:

In accordance with Board authority as stated in the Minutes of the Board of Regents' meeting, May 14, 1976, page 98, Regent Nelson as Chairman of the Medical Affairs Committee, Deputy Chancellor Walker, General Counsel Fitzpatrick, and the Deans of the six nursing schools met in Austin, Texas, on June 14, 1976, as a committee to review affiliation agreements and other matters.

After considerable review and discussion, the committee chaired by Regent Nelson recommends to the Board that the existing model affiliation agreement for clinical health facilities of nursing students be retained.

SECRETARY'S NOTE: The existing model affiliation agreement approved by this Committee is the affiliation agreement as amended on September 12, 1975. Since the existing model affiliation agreement was not changed by the Committee, the four proposed affiliation agreements deferred at the last meeting will be resubmitted in another item.

3. U. T. Arlington: Psychiatric Institute of Fort Worth, Fort Worth Galveston Medical Branch: Galveston County Health District, Galveston Houston Health Science Center: Houston Northwest Medical Center, Cambio House, Planned Parenthood Center of Houston, Therapeutic Intervention Program School, Briarwood School, Holly Hall, Christian Home for the Aged, Texas Research Institute for Mental Sciences and Riverside General Hospital, all of Houston, Texas: Proposed Affiliation Agreements for Training of Nursing Students. --The Committee appointed at the Regents' meeting on May 14 reviewed the following affiliation agreements. System Administration concurs that these agreements for the training of nursing students based on the model affiliation agreement recommended in the previous item be approved. These agreements contain the standard hold harmless clause:

<u>Institution</u>	<u>Facility</u>
U. T. Arlington	Psychiatric Institute of Fort Worth Fort Worth, Texas
Galveston Medical Branch	Galveston County Health District Galveston, Texas
Houston Health Science Center	Houston Northwest Medical Center Cambio House Planned Parenthood Center of Houston Therapeutic Intervention Program School Briarwood School Holly Hall Christian Home for the Aged Texas Research Institute for Mental Sciences Riverside General Hospital, all of Houston, Texas

4. Dallas Health Science Center: Proposed Redesignation of Department of Environmental and Community Health (Medicine) to Department of Family Practice and Community Medicine. --

RECOMMENDATION OF PRESIDENT SPRAGUE:

President Sprague concurs in the recommendation of the Chairman of the Department of Environmental and Community Health and Dean Frederick Bonte that the Department of Environmental and Community Health be redesignated the Department of Family Practice and Community Medicine at the Dallas Southwestern Medical School of The University of Texas Health Science Center at Dallas.

JUSTIFICATION:

This redesignation recommended by the Department Chairman, Medical School Dean, and President Sprague more accurately describes the responsibilities and activities in family practice, rural health care delivery, distribution of primary care physicians, and other related programs.

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Sprague, and with Board approval, this proposal will be transmitted to the Coordinating Board for consideration.

5. Dallas Health Science Center (Dallas Allied Health Sciences School): Proposed Affiliation Agreements with City of Dallas Employee Assistance Program--Counseling Division, Personnel Department, Dallas, Texas; Los Barrios Unidos Community Clinic, Dallas, Texas; Richardson General Hospital, Richardson, Texas; Salvation Army, Dallas, Texas; U. S. Department of Labor, Office of Handicapped Workers, Dallas, Texas; United States Probation Department, U. S. District Court, North District, Dallas, Texas; and Senter Park Senior Citizen Center, Irving, Texas (Clinical Training in Rehabilitation Science and Health Care Administration for Allied Health Science Students). --

PRESIDENT SPRAGUE'S RECOMMENDATION:

Dear Mr. Walker:

Enclosed herein are signed sets of Clinical Agreements (7) that I am forwarding to your office for review. These agreements will contribute training opportunities for our students in both Rehabilitation Science and Health Care Administration.

Rehabilitation Science

City of Dallas Employee Assistance Program--
Counseling Division, Personnel Department, Dallas
Los Barrios Unidos Community Clinic, Dallas
Richardson General Hospital, Richardson
Salvation Army, Dallas
U. S. Department of Labor, Office of Handicapped
Workers, Dallas
United States Probation Department, U. S. District
Court, North District of Texas

Chapman
Rehabilitation
Rehabilitation

Health Care Administration

\ Senter Park Senior Citizen Center, Irving

Nutritional

I would appreciate your and the Board of Regents' favorable consideration of these agreements.

Sincerely,

Charles C. Sprague
Charles C. Sprague, M.D.
President

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Sprague that the seven affiliation agreements based on the model be approved by the Board of Regents.

6. Galveston Medical Branch (Marine Biomedical Institute): Proposed Name for 1969 Hatteras 41 Vessel (Gift from B. C. Walls). --

PRESIDENT LEVIN'S RECOMMENDATION:

OFFICE OF THE PRESIDENT
PHONE: (713) 785-1902

April 13, 1976

DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
APR 14 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please handle

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

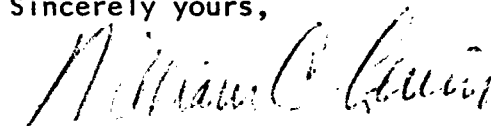
Dear Mr. Walker:

I am enclosing a Xerox copy of the letter which I received from Dr. Stewart Wolf, recommending that the new Hatteras research vessel recently given to the Marine Biomedical Institute of The University of Texas Medical Branch at Galveston be named the VIRGINIA BLOCKER.

I should like to indicate my concurrence with Dr. Wolf's recommendation and ask that this recommendation be placed on the agenda for the July 9, 1976 meeting of the Board of Regents for their consideration.

I recognize that this is an exceptional request, but it is my opinion that this recommendation is well justified by the circumstances.

Sincerely yours,


William C. Levin, M. D.
President

WCL:gh
Encl.

SYSTEM ADMINISTRATION'S CONCURRENCE:

System Administration concurs in the recommendation of President Levin in the proposal to name the new Hatteras research vessel of the Marine Biomedical Institute the VIRGINIA BLOCKER.

There is no specific Regents' rule or regulation with application to this proposal. Regents' Rules and Regulations, Part One, Chapter VIII, Section 1 relates to naming of Buildings and Other Facilities and provides the basis for exception by the Board.

7. Galveston Medical Branch (Galveston Allied Health Sciences School): Proposed Affiliation Agreements with Fort Worth Children's Hospital, Fort Worth, Texas; Sharpstown General Hospital Inc., Houston, Texas; Doctors Hospital, Houston, Texas; and Charity Hospital of Louisiana, Vocational Rehabilitation Institute, New Orleans, Louisiana (Clinical Training of Allied Health Science Students). --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Each of the four facilities listed below provide clinical training for allied health science students as noted. The standard hold harmless clause as stated in Section (5) was required by each facility.

- a. Ft. Worth Children's Hospital, Fort Worth, Texas--
Clinical education and training for Medical Record Administration students.
- b. Sharpstown General Hospital Inc., Houston, Texas--
Clinical education and training for Medical Record Administration students.
- c. Doctors Hospital, Houston, Texas--
Clinical education and training for Medical Record Administration students.
- d. Charity Hospital of Louisiana, Vocational Rehabilitation Institute, New Orleans, Louisiana--
Clinical education training in vocational rehabilitation.

System Administration concurs in the recommendation of President Levin, set out below, that the four model affiliation agreements listed above be approved by the Board of Regents.

PRESIDENT LEVIN'S RECOMMENDATION:

President Levin recommends the following affiliation agreements between the Board of Regents and the facilities listed for the training of allied health sciences students:

- a. Ft. Worth Children's Hospital, Fort Worth, Texas
- b. Sharpstown General Hospital Inc., Houston, Texas
- c. Doctors Hospital, Houston, Texas

President Levin stated:

"It is anticipated that these 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."

- d. Charity Hospital of Louisiana, Vocational Rehabilitation Institute, New Orleans, Louisiana

This agreement was submitted by Dr. Levin with the following statement:

"We are very pleased with the prospects of adding another quality facility to our Clinical Education Program. The variety of learning experiences and quality of the Clinical instructor available through the personnel of this facility will certainly enhance the opportunities for preparation of our students to meet the challenges of better patient care."

8. Galveston Medical Branch: Request to Transfer the Joseph and Blanche Seinsheimer Foundation to The University of Texas Medical Branch at Galveston.--

On December 2, 1960, Edythe E. Seinsheimer entered into that certain Trust Indenture with The United States National Bank of Galveston as Trustee which created The Joseph and Blanche Seinsheimer Foundation relating to assistance for worthy and needy young women in nursing and to provide funds for any charitable research or educational purposes within the State of Texas.

The Bank has resigned as Trustee and it is the desire of the Board of Directors consisting of Dr. William C. Levin, Edna Seinsheimer Levin and J. F. Seinsheimer that the Board of Regents of The University of Texas System be designated as Trustee under the Trust and that the Board of Directors, as provided in the Trust, shall consist of the President of The University of Texas Medical Branch at Galveston, the Executive Dean and the Academic Deans of the Schools at The University of Texas Medical Branch at Galveston.

System Administration concurs in the request of the Board of Directors of The Joseph and Blanche Seinsheimer Foundation that the Foundation be transferred to the Board of Regents of The University of Texas System and in the recommendation that the Board of Directors shall consist of the President of The University of Texas Medical Branch at Galveston, the Executive Dean and the Academic Deans of the Schools at The University of Texas Medical Branch at Galveston.

It is further recommended that the Attorney General be requested to take such action as deemed appropriate to accomplish this transfer.

9. Houston Health Science Center: Proposed Memorandum of Understanding with Veterans Administration Hospital, Houston, Texas, for Clinical Training of Nursing Students. --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Proposed Memorandum of Understanding with Veterans Administration Hospital, Houston, Texas, will provide clinical experience for nursing students in the care of acutely and chronically ill patients. This proposed agreement is the same as approved by the Board of Regents on March 15, 1974, with the Audie L. Murphy VA Hospital in San Antonio.

This agreement does not contain the standard hold harmless clause.

System Administration concurs in the recommendation of President Willman that the Memorandum of Understanding be approved by the Board of Regents.

Agreements with Veterans Administration have not provided for standard hold harmless clause in the past.

PRESIDENT WILLMAN'S RECOMMENDATION:

OFFICE OF THE PRESIDENT / SYSTEM SCHOOL OF NURSING


MEMORANDUM

March 17, 1976

To: Mr. E. D. Walker
Deputy Chancellor

DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
MAR 17 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please handle

Attached are three copies of a Memorandum of Understanding with two copies of attachments with the Veterans Administration Hospital in Houston. This agreement is the same as that executed with the Audie Murphy VA Hospital in San Antonio and approved by the Regents on March 15, 1974. The Houston facility will provide clinical experience for both undergraduate and graduate students in the nursing care of acutely and chronically ill patients.


Marilyn D. Willman, R.N., Ph.D.
President

MDW/bk
attachments

The proposed agreement follows on Pages MED 10-16.

THE STATE OF TEXAS X

COUNTY OF TRAVIS X

This MEMORANDUM OF UNDERSTANDING is executed on _____, 1976, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas System School of Nursing, hereinafter sometimes referred to as "University" in this document and the Veterans Administration Hospital, Houston, Texas, hereinafter sometimes referred to as "Facility" in this agreement, WITNESSETH:

It is mutually agreed by the University and the Facility, that practical experience for students in the graduate nursing program will be provided at the Facility.

The faculty of the University will assume responsibility for the selection and assignment of students to the learning experiences. There will be close planning between the Facility and the University faculty members prior to the learning experiences and continuous with them, including scheduling and work assignments. While in the Facility, students will conduct themselves in accordance with the rules and regulations of the Veterans Administration.

The Facility will retain full responsibility for the care of patients and will maintain administrative and professional supervision of students insofar as their presence affects the operation of the Facility and/or the direct or indirect care of patients.

Students will receive a thorough orientation to the hospital setting; and faculty members and Facility personnel will evaluate the students' performance by mutual consultation and according to the guidelines outlined in the curriculum published by the University.

The criteria contained in M-3, Part II, will apply in carrying out the provisions of this agreement.

The University does not and will not discriminate against any employee or applicant for employment or registration in the course of study because of race, color, creed, sex, or national origin.

An annual review of program and policies will be made.

This Memorandum of Understanding may be terminated by either party upon notice to the other six months in advance of the next training experience.

EXECUTED by the parties on the day and year first above written.

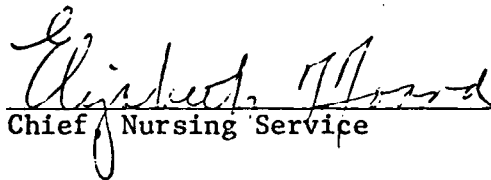
ATTEST

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

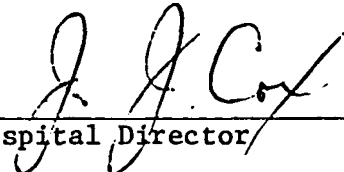
_____ By _____

ATTEST:

CLINICAL TEACHING FACILITY



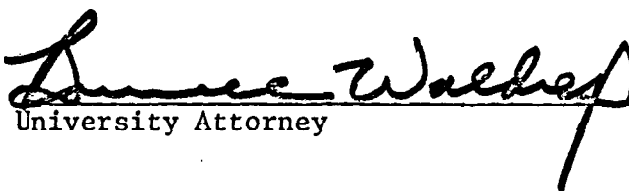
Chief Nursing Service

By 

Hospital Director

Approved as to Form:

Approved as to Content:



University Attorney



Deputy Chancellor

Associate Deputy Chancellor
for Health Affairs

PART II

STATEMENT OF UNDERSTANDING FOR CLINICAL PRACTICE EXPERIENCE BETWEEN THE VETERANS ADMINISTRATION HOSPITAL AND SCHOOLS OF NURSING

1975 - 1976

The following Statement of Understanding Between the Veterans Administration Hospital, Houston, Texas and the Schools of Nursing provides for the utilization of clinical facilities in the hospital by nursing students registered for clinical practice experience in nursing.

I. PLAN FOR CLINICAL PRACTICE EXPERIENCE

Clinical practice experience in nursing will provide an opportunity for the application of basic principles and skills in nursing practice to individual patients and groups of patients in the hospital; provide for individual needs and interest of the nursing students; and provide opportunity to observe cooperative relationships with other health and welfare agencies in the community.

II. SCHOOLS OF NURSING RESPONSIBILITIES

The School of Nursing will:

- a. Send students, who are registered in the School of Nursing for appointment without compensation at Veterans Administration Hospital, 2002 Holcombe Boulevard, Houston, Texas, 77211, for the purpose of obtaining selected learnings in the clinical experience.
- b. Recognize and accept direct responsibility and control for the planning, scheduling and conducting of these educational programs through its faculty members who accompany the nursing students.
- c. Select, in cooperation with the Associate Chief, Nursing Service for Education, of the Veterans Administration Hospital, nursing units which seem to offer the most desirable learning clinical practices for students in relation to the objectives of the programs in which they are enrolled.

- d. Be responsible for making clinical practice assignments with head nurse coordination and in accordance with the medical diagnosis and plan of therapy in harmony with the established policies and procedure of the Veterans Administration Hospital.
- e. The Nursing School will provide the Associate Chief, Nursing Service for Education with names for personnel action and schedules of clinical experiences one week prior to basic student assignments. All statements of health for nursing students will be forwarded to the ACNSE one week prior to the students entrance on duty EOD date.

The Senior Faculty concerned with Graduate Study Students will confer with the Associate Chief, Nursing Service for Education, on the last day of registration for each semester concerning their assignments to the Veterans Administration Hospital.

- f. Notify the Associate Chief, Nursing Service for Education, of any non-citizen nursing students who will be affiliating at the Veterans Administration Hospital. For a non-citizen nursing student, Director's approval is required for without-compensation basis under 38 USC-213. Application forms VA 10-2850A, duplicate are to be completed approximately two weeks prior to entering clinical experience for without-compensation appointments.
- g. Members of the School of Nursing faculty who are assigned to accompany nursing students will submit a completed application form, VA Form 10-2850A, for without-compensation appointment to the Veterans Administration Hospital at least one month prior to beginning. WOC Faculty Members who are no longer at the Veterans Administration Hospital should resign as soon as possible from their VA position.
- h. Provide members of the Veterans Administration Hospital Nursing Service with responsibility for nursing students a clinical appointment to the faculty of the University School of Nursing, without salary, providing they meet the criteria established by the university for such appointment. Provide for participation of The Veterans Administration Hospital Nursing Service personnel in planning, organizing, administering and evaluating of the programs of clinical experience for students through appropriate committee appointments.

III. HOSPITAL RESPONSIBILITIES

The Veterans Administration Hospital will:

- a. Provide for nursing students without-compensation appointments to the Veterans Administration Hospital for the purpose of clinical practice experience.
- b. Provide overall control and supervision of nursing students when assigned to the care and treatment of Veterans Administration patients who are the responsibility of the Veterans Administration. (As without-compensation employees, under the supervision of Veterans Administration personnel, the students are considered "employees of government as such term is used in the Federal Tort Claims Act" and therefore are covered under the provisions of 38 USC 4116A supporting personnel in furnishing medical care and treatment.)
- c. Provide a without-compensation appointment for faculty after recommendation by the Dean's Committee according to the DM&S Supplement, MP-5, Part II, Chapter 2, Paragraph 2.19, b (1).
- d. Provide orientation of assigned faculty members and assist them in orienting nursing students to the Veterans Administration Nursing Service.
- e. Without-compensation, instructors will be responsible to the Associate Chief, Nursing Service for Education, for all activities relating to student coordination of the educational program needs.
- f. Retain the privilege of discontinuing the clinical practice experience for any student who in the opinion of the Veterans Administration Hospital may be a hazard to the patients.

IV. MUTUAL ARRANGEMENTS BETWEEN THE SCHOOLS OF NURSING AND THE HOSPITAL

The Schools of Nursing and the Veterans Administration Hospital will:

- a. Agree on an annual basis on the maximum number of students to be assigned to given nursing units together with the dates of assignments.

- b. Hold one annual meeting, to be attended by designated representatives of the Veterans Administration Hospital and the Schools of Nursing for evaluating the operation of the program for the past and planning the program for the following year. This meeting will be held on the 2nd Tuesday in April of each year.
- c. Encourage continuing evaluation conferences which include the instructors, students, head nurses, and staff nurses, with formal evaluation conference at the end of each period of clinical practice experience.
- d. Develop clinical practice experience agreements and statements of understanding jointly, in writing. These agreements and statements are to be reviewed and updated annually for the mutual satisfaction of both parties. A new agreement will be initiated when changes and revisions in D&S policies are considered necessary by the School of Nursing or by the Veterans Administration. This agreement may be terminated at any time by either the University or the Hospital by submitting notice of such intent in writing.

V. APPOINTMENT PROCEDURES

Students and school faculty will be accepted on a "without compensation basis" in accordance with D&S Supplement, MP-5, Part II, Chapter 2, Paragraph 2.19.

- a. VA Form 10-2850A, Application for Employment, Professional Nurse is required for registered professional nurses who are faculty members.
- b. Qualifications and Health Benefits for all WOC appointments:
 - (1) A non-citizen who is a bona fide student in a school of nursing or other school programs conducted in affiliation with the VA may be appointed on approval of the Hospital Director under 38 USC-213.

- (2) A statement from the affiliating school of nursing or agency to the effect that each student or faculty member is in good health with report of recent chest x-ray may be accepted in lieu of the physical examination. The chest X-ray examination made during the preceding six months must be furnished and certified by a qualified roentgenologist. Intermediate strength (5TU) Mantoux tuberculin tests are required for all students and faculty unless previous, positive reaction is verified in writing. Skin tests are required at one year intervals if reaction is negative. (MP 5, Pt. I, Chapter 792, Paragraph 15).

STUDENT PHYSICAL STATEMENTS WILL BE ACCEPTED FROM THE
SCHOOL NO LATER THAN ONE WEEK PRIOR TO THE STUDENTS
ENTRANCE ON DUTY (E.O.D.) DATE.

- (3) Student employees and faculty members are subject to the provisions of Chapter 81, Title 5, United States Code, for disability or death as a result of personal injury arising out of an in the course of training or incurred in the performance of duties in connection with that training.
- (4) The Veterans Administration assumes no responsibility for the medical care and hospitalization of the nursing students and faculty members with the exception of emergency or minor medical treatment as provided for VA employees. (MP-5, Pt. I, Chapter 792)
- (5) The appointment of any student whose performance is determined unsatisfactory will be terminated. Suitability for reappointment will be determined by the VA Hospital Director.
- (6) A nursing student or faculty member, if pregnant, is required to submit a statement from her physician indicating his permission for her continued clinical practice experience. Students and/or faculty will not be appointed to the Veterans Administration Hospital if pregnancy exceeds 7 1/2 months prior to termination of their appointment.
- (7) Nursing students or faculty who are pregnant or have a diagnosis of diabetes will require the VA Chief of Staff approval for assignment in Tuberculosis Service for Clinical Experience.

10. Houston Health Science Center: Proposed Affiliation Agreement with Texas Heart Institute, Houston, Texas. --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Berry that the following affiliation agreement between the Board of Regents of The University of Texas System and the Texas Heart Institute be in all things approved. This proposed agreement is a revision of the agreement approved by the Board of Regents on September 12, 1975, which was not executed. This agreement, which provides a working relationship between the two institutions in the treatment of cardiovascular disease, contains the "hold harmless clause" previously approved.

The proposed agreement follows on Pages MED 18-22.

PRESIDENT BERRY'S RECOMMENDATION:

P. O. Box 20036
1100 Holcombe Boulevard
Houston, Texas 77025
(713) 792-4975

May 26, 1976
Charles A. Berry, M.D., M.P.H.
President

Dr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado
Austin, Texas 78701

PROPERTY OF THE UNIVERSITY OF TEXAS SYSTEM	
Acknowledged.....	File.....
MAY 27 1976	
To.....	for info & return
To.....	Please advise me.
To.....	Please return

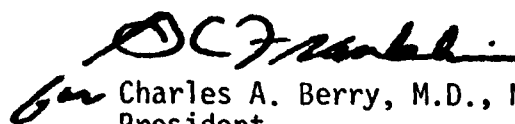
Dear Dr. Walker:

As I expressed to you during our conversation last Friday, Dr. Peterson, Dr. Tuttle, Dr. Dudrick, Mr. Franklin and I met with Dr. Denton Cooley, Mr. Newell France--Administrator of Texas Children's Hospital, St. Luke's Hospital, and the Texas Heart Institute, and Dr. Robert J. Hall--Medical Director of Texas Heart Institute, concerning the proposed affiliation agreement between the Houston Health Science Center (Medical School) and the Texas Heart Institute. It is my understanding that the boards of all three entities (both hospitals and the Texas Heart Institute) are in agreement with the terms as now stated, after having made minor revisions in the original wording. I am enclosing a copy of the agreement as approved by the Board of Regents which has been marked to reflect the wording changes.

I do not believe any of the changes are substantive, but rather are for purposes of clarification. Accordingly, I am hopeful that you and Governor Shivers will consider it appropriate to execute the agreement without further action from the Board of Regents.

After signing, if you would prefer to return all four copies of the agreement to me for further processing, I will be happy to deliver them to the Texas Heart Institute for signing. If there is any further information needed with regard to this matter, please let me hear from you.

Sincerely,


Charles A. Berry, M.D., M.P.H.
President

AFFILIATION AGREEMENT

THE STATE OF TEXAS |

COUNTY OF HARRIS |

THIS AGREEMENT made and entered into this _____ day of _____, 1976, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes called "University", and the TEXAS HEART INSTITUTE of Houston, hereinafter sometimes called "Institute",

WITNESSETH:

WHEREAS, during the past few decades advances in treatment of cardiovascular disease have been more significant and rapid than in any other previous period of history, and the pace continues to accelerate; and

WHEREAS, in recognition of contemporary trends and likely future requirements, University and Institute agree on the desirability of establishing a closer working relationship between the two institutions, who share a common commitment to offer the people of Texas, the Southwest, and the world a program of excellence in clinical care of patients with cardiovascular disease combined with a program for research and education in this dynamic medical field.

NOW THEREFORE, with these objectives in mind and with an intent to develop both institutions to the maximum extent consistent with the interests of each, University and Institute hereby agree as follows:

1. Extent of Affiliation at the Departmental Level. The purpose of this agreement is to establish a broad framework of institutional policy to facilitate cooperation at the department level. It is agreed that the initiative for establishing any departmental affiliation and working relationships will be vested in the respective department heads of the several departments of University and corresponding chiefs of the

Divisions of Institute. It is further understood that individual departments of University may or may not establish affiliations with Institute, depending upon their needs and circumstances and subject to appropriate action by the respective governing bodies.

2. Provision for Faculty Appointments for Institute Staff Members.

Both parties agree that academic status is a strong inducement for attracting qualified individuals for teaching positions at Institute and that academic appointment made by University for individuals at Institute shall be made by Board of Institute upon recommendation of the University, and the Medical Director of Institute after due consultation with Chief of Division and Medical Executive Committee of Institute. Academic appointments will be nominated by the Institute or University and will be granted after mutual agreement on an individual basis subject to the approval of the person by University and satisfactory arrangements covering the financial obligations (if any) accompanying such appointments. The alternatives for obtaining appointments are:

(1) Unqualified Tenure Appointments:

Guarantee by Institute for all future salary cost for any tenure appointments by University. Under this arrangement a contract negotiated between the individual physician and the institute, with the approval of the University, whereby the Institute will guarantee to pay to University the salary in accordance with the terms of the contract for new personnel granted tenure in case their positions are terminated at Institute. These payments would continue as long as University is required to maintain these personnel, not to exceed the term of the original contract.

(2) Qualified Tenure Appointments:

Guarantee by Institute of the future salary costs for a limited term tenure appointment of a period of time to be agreed upon following termination or discontinuation

of an institute position. Under this agreement the faculty member would receive a tenure guarantee covering a period of time to be agreed upon between the Institute and physician. In the event his position shall be terminated by the Institute prior to the end of such period and, at the time of such termination, the physician occupies a full-time faculty position at the University, then he would be entitled to receive his salary from the Institute for the remainder of the period originally agreed upon.

(3) Institute Staff without Compensation:

Rules and procedures established by Institute will be used in appointment of medical staff of Institute without teaching assignment, faculty designation, or compensation through University.

(4) Institute Staff with Partial Compensation and/or University Faculty Appointment:

Mutual agreement between Institute and University is required for appointment in either category in this section with definition of faculty title, duties, amount of compensation (if any), and term of appointment (annual unless otherwise agreed upon).

3. Compensation Arrangements for Full-Time Faculty. Physicians employed full time by University who are accepted for full-time activity by and at Institute appointments, will be subject to The University of Texas System policy regarding salary plan. Fees earned in excess of the maximum allowed will be placed in a trust fund under the direction of the Board of Regents of The University of Texas System and used to develop medical education and research programs at Institute. These funds should not be committed on a continuing basis for the salaries of additional full-time personnel.

4. Joint Sponsorship of Research Activities. Institute will provide research facilities for physicians who are geographically full time on its campus. Research projects at Institute may be jointly sponsored by University. In such cases there will be prior agreement as to the extent of the responsibility of each institution in the administration of research funds, provision of staff and facilities and ownership of equipment purchased with research funds.

5. Indemnification. Insofar as the University is authorized by the Constitution and laws of the State of Texas, the University agrees to hold the Institute harmless from and against any and all liability resulting from the use of the Institute by the University. The University does not agree to hold the Institute harmless for the gross or willful negligence of the Institute, its officers, employees, or agents, or the actions of a third party over which the University has no supervision, control or jurisdiction.

6. Provision for Review of Relationship. Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contacts at the departmental level. At least annually and more frequently, if necessary, a group representing each institution should meet to review and discuss overall relationships and policies and other matters of common concern.

It is agreed that the Board of Trustees of Institute, acting for its institution, shall retain all jurisdictional powers incident to separate ownership, including the power to determine the general and fiscal policy of the institution, selection of the directing head of the Institute and the determination of the acceptability and desirability of members of the Professional Staff of the Institute.

All admissions of patients, the direction of administration, supervision of the Institute, including the appointment of the Medical Staff, shall be at all times retained by the Board of Trustees of Institute within its constituted authority.

If any aspect of this agreement becomes unsatisfactory, a joint committee shall be responsible for discussing and resolving the questions involved. If a change in the agreement is necessary, the committee shall make recommendations to the authorities in each institution. If problems develop which are sufficiently serious and cannot be resolved, either party shall have the right to terminate this agreement upon not less than six (6) months written notice. The effective date of such dissolution shall be mutually agreed upon with adequate time to allow each institution to make the necessary arrangements in an orderly manner.

This agreement shall be for a term of ten (10) years from and after its effective date, and may be terminated at any time upon mutual consent of the parties. It may also be amended in writing to include such provisions as the parties may agree upon.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

ATTEST:

TEXAS HEART INSTITUTE

Secretary

By _____
Chairman, Board of Trustees

Approved as to Form:

Approved as to Content:



University Attorney



Deputy Chancellor

Associate Deputy Chancellor
for Health Affairs

11. Houston Health Science Center: Proposed Affiliation Agreement with St. Joseph Hospital, Houston, Texas, to Provide Clinical Facilities for Nursing Students. --

This proposed Affiliation Agreement will provide clinical facilities for nursing students at St. Joseph Hospital, Houston, Texas. (Pages MED 24-30)

This proposed agreement differs from the model affiliation agreement for nursing. This agreement resulted from negotiation with the hospital and does not contain the standard hold harmless clause.

System Administration concurs in the recommendation of Dean Otto that this affiliation agreement be approved by the Board of Regents.

University Attorney is currently negotiating the indemnification clause.

DEAN OTTO'S RECOMMENDATION:

June 4, 1976

Marilyn D. Willman, Ph.D.
President
The University of Texas
System School of Nursing
201 West Seventh Street
Austin, Texas 78701

Dear President Willman:

Enclosed is the final original copy and three (3) xeroxed copies of the contract for clinical affiliation at St. Joseph Hospital. As you will note, this copy differs considerably from the standard affiliation agreement used by The University of Texas System School of Nursing. The hospital received the standard form at the outset of our negotiation. The enclosed copy is the result of this negotiation and it has been reviewed and signed by the hospital attorney. It is my understanding that a similar contract is utilized by the hospital and another baccalaureate nursing program.

The hospital administration is most anxious for this contract to be fully negotiated by the respective parties prior to the assignment of students in the hospital facility. However, they are permitting our students to be assigned in the facility during the first summer semester. Mrs. Doris Collins, Director of Nursing Education, has been apprised of the existing situation with the clinical affiliation agreement form.

If this final copy of the contract signed by St. Joseph Hospital is acceptable to the Board of Regents, they have requested that a signed copy be returned to them so that all negotiations will be in order. The copies should be returned to Mrs. Doris Collins, Director of Nursing Education, St. Joseph Hospital, 1919 LaBranch, Houston, Texas 77002.

Sincerely,



(Miss) Dorothy Otto, Acting Dean

NURSING EDUCATION AFFILIATION AGREEMENT

This Agreement is executed as of _____, 1976, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of the UNIVERSITY OF TEXAS NURSING SCHOOL (system-wide), hereinafter sometimes referred to as "UNIVERSITY", in this Agreement, and ST. JOSEPH HOSPITAL, a Division of the Sisters of Charity of Houston, hereinafter sometimes referred to as "FACILITY" in this Agreement, WITNESSETH:

WHEREAS, it is agreed by the parties hereof be of mutual interest and advantage that the students and faculty of the UNIVERSITY be given the opportunity to utilize the FACILITY as a practice laboratory and for educational purposes:

NOW, THEREFORE, for and in consideration of the foregoing, and in further consideration of mutual benefits, the parties to this Agreement agree as follows:

I. ARRANGEMENTS FOR FACILITIES AND COURSES:

- A. The FACILITY will permit students of UNIVERSITY to undertake nursing practice education under the direct supervision and responsibility of qualified and sufficient FACULTY of the UNIVERSITY. The individual FACULTY members will be responsible to the nurse or liaison person designated by the FACILITY for the nursing activities of students.
- B. The number and distribution of students between the divisions of the FACILITY will be mutually agreed upon between the UNIVERSITY and the FACILITY at the beginning of each semester.
- C. The period of assignment shall be during regular UNIVERSITY sessions, except in the instance of special arrangements, such as for workshop participants.
- D. The UNIVERSITY will provide the FACILITY with the names of the students who are entitled to use the resources of the FACILITY under the terms of this Agreement. That is, eight weeks prior to actual assignments; the roster of students,

clinical practice assignments, scheduled rotations, and resume of course objectives will be sent to the Director, Nursing Education Department, St. Joseph Hospital.

- E. Representatives of the UNIVERSITY and the FACILITY shall meet as often as necessary at the HOSPITAL to study the nursing program and terms of this Agreement and make such changes and suggestions as are needed.
- F. UNIVERSITY personnel, faculty, and students will be subject to the rules and regulations established by the FACILITY for the Division of the FACILITY to which they are assigned.

II. ELIGIBLE STUDENTS:

The FACILITY will accept from the UNIVERSITY only students who are qualified academically. A student shall be eligible for assignment in the FACILITY if, but only if, she or he shall meet and continue to meet each of the following qualifications in addition to academic qualifications:

- A. Medical Qualifications. The FACILITY shall have been furnished with:
 - 1. A signed statement that each student's current (within the year) health record contains the results of a tuberculin test and/or an X-ray of his/her chest (if tuberculin test is positive) and that required immunizations are up to date.
 - 2. Satisfactory evidence that the student has no contagious infection (routine nasal culture and treatment, if needed, will be conducted for the student by the FACILITY).
 - 3. Evidence that a student with a known medical condition is receiving appropriate medical care and has been cleared by a physician to study in the FACILITY.

- B. The FACILITY will charge the UNIVERSITY no fees for nursing practice opportunity afforded students.
- C. Students will be responsible for their own meals, laundry, parking, and transportation to and from the FACILITY.
- D. The FACILITY will not be charged for services, if any, performed by the UNIVERSITY personnel or students.
- E. Performance Qualifications. The FACILITY may request the UNIVERSITY to withdraw any student whose conduct, work, or medical condition may have a detrimental effect on its nursing staff or its patients, whereupon the UNIVERSITY will take appropriate action. Furthermore, the UNIVERSITY may withdraw any student whose progress, achievement, or adjustment, does not justify his continuance with the UNIVERSITY.
- F. Liability Insurance. As a condition to permitting any staff, FACULTY, or student of the UNIVERSITY on its premises, the FACILITY requires that the UNIVERSITY furnish the FACILITY with evidence that students and FACULTY have current liability insurance of not less than \$100,000 per incident and \$50,000 per person, such certificate naming the FACILITY as an additional insured, to be kept current while such person is assigned to the FACILITY. Should the UNIVERSITY default in furnishing such certificates as to any student or FACULTY, then to the extent that is legally permissible for the UNIVERSITY to do so, the UNIVERSITY agrees to indemnify and hold the FACILITY harmless of, from, and against any claims, demands, or causes of action asserted or instituted against the FACILITY arising out of any acts of such student or FACULTY who does not carry any such insurance.

III. INSTRUCTION:

The UNIVERSITY shall provide qualified FACULTY of sufficient number to provide supervision of students assigned to clinical experiences and program planning

and presentation. The salaries and expenses of any instructors, supervisors, or other employees of the UNIVERSITY will be paid by the UNIVERSITY. The UNIVERSITY agrees that members of its FACULTY will serve as consultants and on committees of the FACILITY when requested by the FACILITY.

The FACILITY further agrees as follows:

1. To maintain the criteria for accreditation as established by the Joint Commission on Accreditation of Hospitals, or other appropriate accrediting agency.
2. To provide to the UNIVERSITY the necessary space or facilities for conference and classroom areas as available.

IV. PATIENT CARE:

The FACILITY shall remain in charge of all patient care. Students shall not be used for Hospital staffing, but shall be responsible as students to the UNIVERSITY which shall remain responsible to the FACILITY for the conduct of the program at St. Joseph Hospital.

V. ORIENTATION:

The FACILITY will provide and the UNIVERSITY will cause FACULTY members to attend an orientation program prior to student assignment. The UNIVERSITY will require its FACULTY to orient new students at the beginning of each semester. Orientation shall include familiarization with relevant hospital policies, procedures, and facilities.

VI. INDEPENDENT CONTRACTOR RELATIONSHIPS.

It is recognized and agreed between the parties hereto that the facilities provided by the FACILITY or used by the students and FACULTY of the UNIVERSITY hereunder, are provided for use by the students for clinical experience and training experience which is a prescribed part of the curriculum of instruction of the UNIVERSITY for the qualification of students as Registered Nurses. Any services provided by students and FACULTY hereunder, as part of the clinical experience or training at the HOSPITAL, will be provided to the FACILITY by and on behalf of the UNIVERSITY as independent contractors and not as an agent or employee of St. Joseph Hospital. Neither the UNIVERSITY, staff, FACULTY, nor students

shall be eligible for employee benefits of the FACILITY as such are not Hospital employees but are staff, FACULTY, or students of the UNIVERSITY and as such do not perform substantial services for the HOSPITAL.

VII. NOTICES:

Notices or communications required or permitted to be given under this Agreement shall be given to the respective parties by certified mail at the following addresses unless otherwise designated in writing:

UNIVERSITY

University of Texas
School of Nursing
Austin, Texas 78752

FACILITY:

Administrator
St. Joseph Hospital
1919 LaBranch
Houston, Texas 77002

and

Butler, Binion, Rice, Cook &
Knapp
Hospital Counsel
1100 Esperson Buildings
Houston, Texas 77002

VIII. MISCELLANEOUS:

8.1 Binding Effect. This Agreement shall be binding upon FACILITY and UNIVERSITY as of the date of its execution in accordance with its terms.

8.2 Article and Other Headings. The article and other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

8.3 Governing Law. This Agreement has been executed and delivered in, and shall be construed and enforced in accordance with the laws of the State of Texas.

8.4 Assignment. No assignment of this Agreement or the rights and obligations thereunder shall be

made without prior written consent of the other party hereto, provided that this Agreement shall automatically be assigned to and inure to the benefit of any successor corporation or other organization operating the FACILITY.

8.5 Amendment. This Agreement may be amended only by an instrument in writing signed by both parties in the manner provided in Section 8.6.

8.6 Execution. This Agreement and amendments thereto shall be executed in four (4) counterparts:
(a) on behalf of the UNIVERSITY by its Regents and
(b) on behalf of the FACILITY by its Administrator and appropriate Associate and Assistant Administrators and approved as to form by the Hospital Counsel.

Each counterpart shall be deemed an original but all counterparts together shall constitute one and the same instrument.

This Agreement shall become effective as of the date hereof for a term of one (1) year and at the end of such period shall be automatically renewed annually under like terms thereafter; provided, however, this Agreement may be terminated at any time for cause and/or for violations of the terms hereof. Furthermore, either party may terminate this Agreement upon ninety (90) days' written notice given in accordance with Section VII, hereof.

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

ST. JOSEPH HOSPITAL

Chairman

Administrator

Associate Administrator
Operations

Assistant Administrator
Nursing

APPROVED AS TO FORM:

University Attorney

Executive Director Education

APPROVED AS TO CONTENT:

E. Walker

APPROVED AS TO FORM:

BUTLER, BINION, RICE, COOK &
KNAPP

BY: _____
Hospital Counsel

✓

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=

12. Houston Health Science Center: Proposed Affiliation Agreement with Shriners Hospitals for Crippled Children of Texas (Houston Unit), Houston, Texas, to Provide Clinical Facilities for Nursing Students. --

This proposed Affiliation Agreement will provide clinical facilities for nursing students to work with crippled children in the Shriners Hospital for Crippled Children.

Modifications to the model affiliation agreement for nursing were made by the Chicago office of Shriners Hospitals. This proposed agreement does not contain the standard hold harmless clause.

System Administration concurs in the recommendation of Dean Otto that this proposed affiliation agreement be approved by the Board of Regents.

This contract is to be negotiated so as to include our model hold harmless clause.

The proposed agreement is on Pages MED 32-34.

DEAN OTTO'S RECOMMENDATION:

SCHOOL OF NURSING AT HOUSTON
1100 Holcombe Boulevard
Texas Medical Center
Houston, Texas 77030

SYSTEM SCHOOL OF NURSING
Austin Galveston
El Paso Houston
Fort Worth San Antonio

June 4, 1976

Marilyn D. Willman, Ph.D.
President
The University of Texas
System School of Nursing
201 West Seventh Street
Austin, Texas 78701

Dear President Willman:

Enclosed are four signed copies of the Affiliation Agreement sent via Dean Elizabeth Jones in April 1975 to Shriners Hospitals for Crippled Children, Houston Unit. The delay in their return was due to administrative changes within the hospital. You will note that this is the original Affiliation Agreement and does not contain the "hold harmless clause". Other modifications made by the facility are identified in item number (5) which relates to liability and malpractice insurance coverage and item (8) which has been reworded from the original document. These modifications were made by Mr. Paul Ibach in the Chicago office of the respective organization.

If the enclosed Affiliation Agreement receives Regental approval, a signed copy should be forwarded to Mrs. Eleanor J. Ross, Administrator, Shriners Hospitals for Crippled Children, Houston Unit, 1402 Outer Belt Drive, Houston, Texas 77030.

Sincerely,



(Miss) Dorothy Otto
Acting Dean

AFFILIATION AGREEMENT

THE STATE OF TEXAS)
)
COUNTY OF TRAVIS)

This AGREEMENT is executed on April 26, 1976 between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas Nursing School (System-wide), hereinafter sometimes referred to as "University" in this agreement, and SHRINERS HOSPITALS FOR CRIPPLED CHILDREN OF TEXAS (Houston Unit), hereafter sometimes referred to as "Facility" in this agreement, WITNESSETH:

WHEREAS, it is agreed by the parties hereof be of mutual interest and advantage that the students and faculty of the University be given the opportunity to utilize the Facility as a practice laboratory and for educational purposes:

NOW, THEREFORE, for and in consideration of the foregoing, and in further consideration of the mutual benefits, the parties to this agreement agree as follows:

(1) The facility will permit students of the University to practice nursing under the direct supervision and responsibility of the faculty of the University. The individual faculty members will be responsible to the nurse or liaison person designated by the Facility for the nursing activities of students.

(2) The number and distribution of students between the divisions of the Facility will be mutually agreed upon between the University and the Facility at the beginning of each semester.

(3) The period of assignment shall be during regular University academic sessions, except in the instance of special arrangements, such as for workshop participants.

(4) The University will provide the Facility with the names of the students who are entitled to use the resources of the Facility under the terms of this agreement.

(5) The University will arrange for liability and malpractice insurance coverage for its faculty members and students assigned to the Facility.

(6) Representatives of the University and the Facility shall meet as often as necessary to study the nursing program and terms of this agreement and make such suggestions and changes as are needed.

(7) University personnel, faculty, and students will be subject to the rules and regulations established by the Facility for the division of the Facility to which they are assigned:

- (A) the Facility will charge the University no fees for nursing practice opportunity afforded students;
- (B) students will be responsible for their own meals, laundry, and transportation to and from the Facility;
- (C) the University will be responsible for the students' health needs while in the performance of this agreement; and
- (D) the Facility will not be charged for services performed by University personnel or students.

(8) Only insofar as it is authorized by law to do so, the University agrees to hold the Facility harmless from and against any and all liability for personal injury, including injury resulting in death, or damage to property, or both, resulting directly or indirectly from the use by the University of the Facility, and agrees to reimburse the Facility for all reasonable expenses, including attorney's fees, incurred by the Facility in defending any such claim or claims.

(9) The salaries and expenses of any instructors, supervisors, or other employees of the University will be paid by the University. The University agrees that members of its faculty will serve as consultants and on committees of the Facility when requested by the Facility. It is understood between the parties that under no circumstances is any member of the University's student body or faculty to be considered an agent or employee of the Facility.

(10) The Facility further agrees as follows:

- (A) to maintain the criteria for accreditation as established by the Joint Commission on Accreditation of Hospitals, or other appropriate accrediting agency;

- (B) to provide to the University the necessary space or facilities for conference and classroom areas for student teaching, as available;
- (C) to provide lounge and locker space for students of the University, as available;
- (D) to allow students and faculty members of the University to utilize the Facility's eating facilities at the students' and faculty's sole expense; and
- (E) to plan jointly with all programs involved, when the resources are utilized as a clinical laboratory by nursing groups other than the University.

(11) This agreement is for a term of one year, and thereafter from year to year unless terminated by either party upon giving six months advance written notice to the other party by certified mail.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

ATTEST:

SHRINERS HOSPITALS FOR CRIPPLED
CHILDREN OF TEXAS (Houston Unit)

[Handwritten Signature]

SECRETARY

By *[Handwritten Signature]*

PRESIDENT

APPROVED as to Form

APPROVED as to Content:

[Handwritten Signature]

University Attorney

[Handwritten Signature]

Deputy Chancellor for Administration

Assistant to the Chancellor for
Health Affairs

Noted

13. Houston Health Science Center: Request for Approval of Outside Employment. --

PRESIDENT BERRY'S RECOMMENDATION:

Dr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado Street
Austin, Texas 78701

DEPUTY CHANCELLOR'S OFFICE	
U. T. SYSTEM	
Acknowledged.....	File.....
JUN 9 1976	
To.....	for info & return
To.....	for action & return
To.....	for info & return

Dear Dr. Walker:

I am forwarding the attached correspondence on Dr. Chiyeko Tsuchitani of our Graduate School of Biomedical Sciences, which indicates that she has been invited to serve as a special consultant to the Director of the National Institute of Health, regarding the National Institute of Neurological and Communicative Disorders and Stroke. The invitation which has been directed to Dr. Tsuchitani by Dr. Tower indicates that the rate of compensation is \$100 per day for the time spent at meetings. Usually, three meetings per year are held. Also, included are transportation costs plus reimbursement for subsistence and expenses by the "lodging plus" method.

I am very pleased to endorse this appointment and I am forwarding it for your approval. I request that you forward it to the Board of Regents for action in accordance with Part one, Chapter III, Section 13.11 of the Rules and Regulations of the Board of Regents.

I appreciate your help in this matter.

Sincerely,

Charles A. Berry M.D.

Charles A. Berry, M.D.
President

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Dr. Chiyeko Tsuchitani has been invited to serve as a special consultant to the Director of the National Institute of Health, with this consulting usually involving three meetings per year.

System Administration concurs in the recommendation of President Berry that Dr. Tsuchitani be approved for this outside employment in accordance with Regents' Rules and Regulations.

The presentation is in compliance with the Regents' Rules and Regulations, Part One, Chapter III, Subsection 13.11 as set out below:

- 13.11 Before a member of the faculty or staff may accept an offer to serve in other nonelective offices or positions of honor, trust, or profit with the State of Texas or the United States, the member of the faculty or staff must obtain from the appropriate administrative officials and the Board of Regents a finding that the requirements of this section have been fulfilled, including the expected additional compensation to be received from such service. The finding of the Board of Regents shall be recorded in the official minutes of the meeting of the Board at which approval was granted.

14. San Antonio Health Science Center: Request for Approval of Outside Employment. --

PRESIDENT HARRISON'S RECOMMENDATION:

June 8, 1976

Mr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado Street
Austin, TX 78701

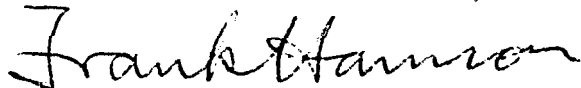
DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
JUN 9 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please reply

Dear Mr. Walker:

Dr. Eleanor A. Young, Assistant Professor, Division of Gastroenterology, Department of Medicine, has been asked to serve as Consultant to the Surgeon General's Office of the Army in nutrition, beginning April, 1976. This is a continuing appointment without a definite termination date. For actual days of service under this appointment, Dr. Young will receive an honorarium not to exceed \$100 a day.

Please let me know if you need any additional information concerning this matter.

Sincerely yours,



Frank Harrison
President

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Dr. Eleanor A. Young has been invited to serve as a consultant in nutrition to the Surgeon General of the Department of the Army.

System Administration concurs in the recommendation of President Harrison that Dr. Young be approved for this outside employment in accordance with Regents' Rules and Regulations.

SECRETARY'S NOTE:

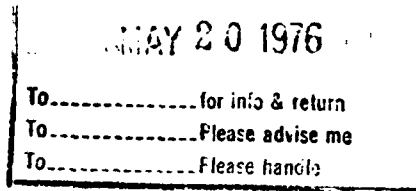
This recommendation is in compliance with the Regents' Rules and Regulations, Part One, Chapter III, Subsection 13.11 as quoted in the previous item.

15. San Antonio Health Science Center: Proposed Revised Affiliation Agreement with Wilford Hall USAF Medical Center, Lackland Air Force Base, Texas. --

PRESIDENT HARRISON'S RECOMMENDATION:

May 19, 1976

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



Dear Mr. Walker:

Attached are an original and two copies of a proposed revised affiliation agreement between The University of Texas Health Science Center at San Antonio and Wilford Hall USAF Medical Center (AFSC), Lackland Air Force Base, Texas.

The original agreement with Wilford Hall USAF Medical Center has been in effect since December 15, 1967, and the relationship has been a mutually beneficial one. The proposed revision broadens the scope of the agreement to include faculty and students in health professions other than medicine in keeping with the role and scope of the Health Science Center.

The only other change in the agreement is the inclusion of a hold harmless clause requested by the Air Force and approved by the Office of the University General Counsel. This provision is stated as item seven in the document.

I request your concurrence in recommending the agreement to the Regents for approval.

Sincerely yours,

Frank Harrison
President

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Harrison that the revised affiliation agreement on behalf of The University of Texas Health Science Center at San Antonio and the Wilford Hall USAF Medical Center at Lackland Air Force Base, Texas, be approved, and that the Chairman be authorized to execute this on behalf of the Board of Regents.

The agreement as set out on Pages MED 38-42 contains the revised hold harmless clause as required by the USAF.

AFFILIATION AGREEMENT

STATE OF TEXAS

COUNTY OF BEXAR

This AGREEMENT is executed on the _____, 19____, between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, for and on behalf of The University of Texas Health Science Center at San Antonio, hereinafter sometimes referred to as UTHSCSA, and the DEPARTMENT OF THE AIR FORCE, WILFORD HALL USAF MEDICAL CENTER (AFSC), LACKLAND AIR FORCE BASE, TEXAS, hereinafter sometimes referred to as WHMC,

WITNESSETH:

WHEREAS, The University of Texas Health Science Center at San Antonio and the Wilford Hall USAF Medical Center, in the interests of the advancement of patient care, research, training skills and medical knowledge, agree to share certain facilities and resources for the mutual advantage of each party within the guidelines and terms and conditions hereinafter set out:

NOW, THEREFORE; KNOW ALL MEN BY THESE PRESENTS:

That the Board of Regents, The University of Texas System, and the Department of the Air Force, Wilford Hall USAF Medical Center, do hereby agree as follows:

1. The Commander, Wilford Hall USAF Medical Center, and the President of The University of Texas Health Science Center at San Antonio mutually agree to the interchange of the health professions staff and faculty of the institutions as consultants and teachers. Assignments are to be scheduled to avoid interference with the regular duties of the hospital staff and faculty. Position, rank and duties will be specified individually by the services and departments concerned, with the offices of the Director of Education of WHMC and the Deans of the UTHSCSA Schools effecting coordination. No monetary or other compensation is to be given or accepted by either party.
2. The Commander, Wilford Hall USAF Medical Center, and the President of The University of Texas Health Science Center at San Antonio mutually agree to the interchange of students, interns, and residents in the health professions for training purposes. The rules covering these responsibilities and duties are predicated on the understanding that such periods of rotation are established to provide specifically for additional

instruction and training of health professions students and training of those Air Force personnel giving such instruction. It is further understood and agreed by all concerned that administration of such affiliated programs will be at all times under the immediate supervision and guidance of the Director of Medical Education in the case of the assignment to Wilford Hall USAF Medical Center and of the Dean of the appropriate school of UTHSCSA in the case of assignment to that institution. It is agreed that health professions students, interns, and residents may utilize training facilities, observe clinical procedures and perform assigned training duties under terms to be subsequently defined and specified and agreed to by both parties. When health professions students, interns, and residents of UTHSCSA are assigned to WHMC, any hospital beds or patients assigned under these particular memoranda will be under the control and supervision of the chief of the applicable service of WHMC. These will be subject to the same USAF regulations and hospital requirements as other cases treated by the Wilford Hall USAF Medical Center. When health professions students, interns and residents of WHMC are assigned to the UTHSCSA or its affiliated hospitals, any hospital beds or patients assigned under these particular memoranda will be under the control and supervision of the chief of the applicable service. These will be subject to the same regulations and hospital requirements as other cases treated on the appropriate service.

3. The Commander, Wilford Hall USAF Medical Center, agrees to make available to students of the various UTHSCSA Schools the training facilities and talents of the hospital teaching staff to the maximum extent permitted by Air Force regulations. The students may utilize these training facilities, observe clinical procedures and perform assigned training duties at no additional cost to the United States Government provided they do not interfere with the use of such facilities. WHMC assumes no responsibility for making available or continuing to make available any given facilities. Although the practical aspects of the training are to be given at this Medical Center, the Air Force Medical Service assumes no responsibility for the level of accomplishment attained.

4. The Commander, Wilford Hall USAF Medical Center, agrees to make available the research staff and appropriate necessary research equipment which will further such mutually agreed cooperative studies as defined and specified in the respective memoranda. Any WHMC beds or patients assigned under these particular studies will be under the control and supervision of the chief of the applicable service of Wilford Hall USAF Medical Center and will be subject to the same USAF regulations and Medical Center requirements as other studies and research projects carried on by WHMC. UTHSCSA agrees to make available its research facilities, staff, and equipment in such cooperative studies as deemed appropriate by the Deans of the UTHSCSA Schools.

5. The necessity for assignment of employees or intermittent exchange of staff personnel for cooperative research projects between UTHSCSA and WHMC will be jointly determined by those primarily responsible for the respective research projects, i.e., the designated representative of UTHSCSA, the Director of Education, or the Director of the Aerospace Medical Laboratory (Clinical), WHMC, subject to review and approval by the WHMC Commander.

6. No student, agent, servant or employee of UTHSCSA shall for any purpose be deemed an agent, servant or employee of the United States Air Force or permitted to perform any service for the United States outside the scope of this agreement. UTHSCSA representatives will at all times remain as agents, servants and employees of UTHSCSA. UTHSCSA will be solely responsible for the control and discipline of the assigned students, other agents, servants or employees of the UTHSCSA having any part in said training and shall be responsible for their compliance with all rules, regulations and requirements of WHMC and of the United States Air Force.

7. The United States, its agents and employees will in no way be liable for any injury that may occur to a student or faculty member while engaged in this program. Insofar as authorized by law to do, UTHSCSA agrees to indemnify and hold harmless the United States, its agents and employees against any and all liabilities for personal injury, including injury resulting in death or damage to property, or both, resulting

directly or indirectly from the use by the civilian institution or its designated trainees of Wilford Hall USAF Medical Center, and agrees to reimburse the United States Government in defending any such claim.

Such liability shall include, but shall not be limited to, any and all liability for any injury occurring to or caused by a student or faculty member while involved in the performance of duties under this program.

8. It is further understood that the education to be furnished military personnel under an agreed upon rotation of individual residents will be accomplished without cost to the United States Government other than the normal pay and allowances of the commissioned military officer while receiving such education. The Air Force trainees are prohibited from receiving any payment from sources other than the United States Government, whether in the form of pay and allowances, including meals, quarters and personal laundry. Any costs or expenses accruing to the educational work performed at UTHSCSA will be borne by that institution.

9. Where WHMC health care professionals enroll in a regular or scheduled academic program for credit, a certificate or a degree, applicable tuition and fees will apply. Applicants to academic programs must meet academic requirements of the UTHSCSA and must be acceptable to the department concerned.

10. This agreement shall commence on the date of execution and may be terminated when either party to this agreement issues to the other party a written notice of termination 30 days prior to the desired termination date.

EXECUTED by the parties on the day and year first above written:

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Secretary

By: _____

Chairman

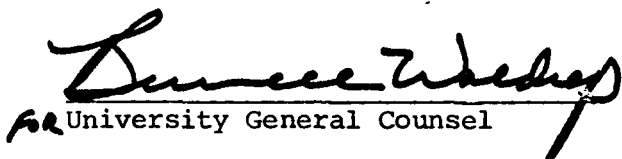
WILFORD HALL USAF MEDICAL CENTER
LACKLAND AIR FORCE BASE, TEXAS

By: _____

Paul W. Myers, Maj. Gen., USAF, MC

Approved as to Form:

Approved as to Content:


for University General Counsel


Deputy Chancellor

16. University Cancer Center: Proposed Amendment to the President's Regulations of the Executive Council of Physicians Referral Service. --

PRESIDENT CLARK'S RECOMMENDATION:



THE UNIVERSITY OF TEXAS SYSTEM
CANCER CENTER

Texas Medical Center Houston, Texas 77025



R. Lee Clark, M.D.
President

May 27, 1976

Mr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado
Austin, Texas 78701

DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
JUN 2 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please handle

Dear Mr. Walker:

The following changes to THE PRESIDENT'S REGULATIONS,* The University of Texas, M. D. Anderson Hospital and Tumor Institute, were recommended for approval by the Executive Council of the Physicians Referral Service at its meeting on November 11, 1975.

The part of this section for which change is recommended reads as follows:

"Disbursements from such accounts shall be made upon order of the President, in keeping with policies established by the Board of Regents and after consultation with, and upon the recommendation of the Executive Council of the Physicians Referral Service which shall be composed of the President as Chairman, the Executive Vice President and Director as Vice Chairman and seven (7) members of the Physicians Referral Service. As vacancies occur, new members will be elected by the existing membership of the Executive Council as constituted at the date of approval of the revised President's Regulations. Members shall serve from the date of election to age seventy (70), if active."

To carry into effect the changes that are desired concerning the membership constitution of the Executive Council, the following amendment to the President's Regulations, Article 5, Section D-3, is

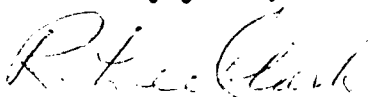
*Approved by the Board of Regents of The University of Texas System at its meeting of October 23, 1970. This action revised the original document, entitled "The Director's Regulations" which was approved by the Board of Regents November 21, 1957, and amended by the Board of Regents on June 12, 1959 and December 10, 1960.

proposed for approval by the Board of Regents of The University of Texas System:

"Disbursements from such accounts shall be made upon order of the President, in keeping with policies established by the Board of Regents and after consultation with and upon the recommendation of the Executive Council of the Physicians Referral Service. The Executive Council of the Physicians Referral Service shall be composed of the President as Chairman, the Executive Vice President and Director as Vice Chairman, and nine (9) members of the Physicians Referral Service. As vacancies occur, new members will be elected by the then existing membership of the Executive Council. Such new members shall be elected from members of the Physicians Referral Service having not less than four (4) years of experience at Anderson Hospital, except that such service requirement may be reduced to two (2) years of experience at Anderson Hospital in exceptional circumstances as determined in the sole discretion of the Executive Council. Members shall serve from the date of election to age sixty-five (65), and such Members may be continued in service on a year-to-year basis thereafter to age seventy (70) by the affirmative action of the Executive Council, so long as the Member shall then continue to be administratively active in the affairs of Anderson Hospital."

It is requested that Board of Regents approval be requested at their next meeting.

Sincerely yours,



R. Lee Clark, M.D.
President

SYSTEM ADMINISTRATION'S RECOMMENDATION:

At its meeting on November 11, 1975, the Executive Council of the Physicians Referral Service authorized an increase in the membership of the Executive Council of the Physicians Referral Service from 7 members to 9 members, with each member having not less than 4 years of experience at M. D. Anderson Hospital, with discretion vested in the Executive Council to reduce the number of years to 2 in exceptional cases. The Council also authorized the date of service be changed from age 65 to age 70, with such service on a year to year basis in the interim period if the member is administratively active in the affairs of the M. D. Anderson Hospital.

President Clark, therefore, recommends that Article 5, Section D-3 of the President's Regulations of the Executive Council of Physicians Referral Service be amended so as to reflect these changes, and System Administration concurs in such recommendation.

17. University Cancer Center: Proposed Affiliation Agreement Including Lease with The Rio Grande Radiation Treatment and Cancer Research Foundation, Inc., McAllen, Texas.--

PRESIDENT CLARK'S RECOMMENDATION:

President Clark has submitted the proposed affiliation agreement on Pages MED 46-51 between The Rio Grande Radiation Treatment and Cancer Research Foundation, Inc., McAllen, Texas, and the Board of Regents of The University of Texas System on behalf of The University of Texas System Cancer Center.

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Rio Grande Radiation Treatment and Cancer Research Foundation, Inc., is constructing a building to house the Radiation Treatment Center in McAllen, Texas, to serve the people of the Rio Grande Valley. Completion of construction and installation of equipment is anticipated on or about October 1, 1976.

This Foundation is the responsible community agent for the development, operation, and growth of an oncology center of the first class for the people of the Rio Grande Valley.

System Administration concurs in the recommendation of President Clark and Vice President Boyd that the University Cancer Center be authorized to work with the Foundation in the operation of the Rio Grande Radiation Treatment Center and that the Chairman of the Board of Regents be authorized to approve the following Affiliation Agreement and the Lease between the Board of Regents of The University of Texas System, for and on behalf of the University Cancer Center, and the Rio Grande Radiation Treatment and Cancer Research Foundation, Inc., of McAllen, Texas.

AFFILIATION AGREEMENT

THE STATE OF TEXAS X
 X
COUNTY OF HIDALGO X

This Agreement made and entered into this _____ day of _____, 1976, by and between THE RIO GRANDE RADIATION TREATMENT AND CANCER RESEARCH FOUNDATION, INC. of McAllen, Texas, hereinafter sometimes called "Foundation", and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, a state agency duly authorized to execute this contract for and primarily in behalf of The University of Texas System Cancer Center, hereinafter sometimes called "Cancer Center",

WITNESSETH:

WHEREAS, Foundation is the responsible community agent for the development, operation, and growth of an oncology center of the first class for the people of the Rio Grande Valley and owner of the Rio Grande Radiation Treatment Center located at 501 North Ware in McAllen, Texas; and

WHEREAS, the building to house the Radiation Treatment Center is now under construction and it is contemplated that it will be completed and all equipment installed on or about October 1, 1976; and

WHEREAS, Foundation desires the Rio Grande Radiation Treatment Center to be operated as a model radiation treatment and cancer research center for the benefit of the citizens of South Texas; and

WHEREAS, Foundation and Cancer Center agree on the desirability of establishing a closer working relationship between the two institutions which share a common commitment to offer the people of the Rio Grande Valley a program of excellence in cancer treatment, education, and research and a desire to

coordinate all medical care resources for the benefit of improved patient care; and

WHEREAS, Foundation and Cancer Center agree to the objective of expansion of this facility into a comprehensive oncology center; and

WHEREAS, Foundation believes Cancer Center by reason of its experience and personnel is best qualified to operate the Rio Grande Radiation Treatment Center to achieve these objectives:

NOW, THEREFORE, Foundation and Cancer Center in consideration of the mutual benefits agree as follows:

1. Foundation agrees to complete such facilities for the Rio Grande Radiation Treatment Center including the purchase and installation of radiation therapy equipment and when completed does hereby agree to lease the same to Cancer Center for a period of four (4) years from and after date of completion under the following terms and conditions:
 2. Cancer Center will staff and operate the facility.
 - 2.1 Cancer Center will pay all operation expenses, including personnel, supplies, utilities, and maintenance.
 - 2.2 Cancer Center will establish an operating fund account, drawing upon the same to reimburse Cancer Center for all salary and other costs relating to personnel employed for the Rio Grande Radiation Treatment Center prior to the start of operations and to meet current operational expenses. The Cancer Center will deposit into such operating fund all receipts from institutional operation.
 - 2.3 Foundation will, upon completion of such facilities and the opening for business of the Cancer Center therein, deliver the sum of \$150,000 to

the Cancer Center's operational fund to be used for operating expenses as provided for in this Agreement.

- 2.4 Foundation agrees to underwrite all institutional operating losses, if any, for four years, and if the balance in the operational fund is less than \$150,000 at the beginning of a subsequent fiscal year, Foundation will transfer funds to the Cancer Center in the amount necessary to increase the balance to \$150,000.
- 2.5 Cancer Center will establish a capital improvements fund for building improvements, equipment, and development of a general oncology program as jointly agreed upon and will deposit into this account any monies received for institutional charges which cumulatively exceed the funds advanced for operation annually.
- 2.6 Foundation will reimburse Cancer Center for all salary and other costs related to personnel employed for the Rio Grande Radiation Treatment Center prior to start of operations.
- 2.7 Foundation will pay all taxes.
- 2.8 Cancer Center will submit an audit of all funds annually.
- 2.9 At the expiration of this Agreement, the facilities shall be returned by Cancer Center to Foundation in as good condition as when received less ordinary wear and tear and acts of God.
- 2.10 Cancer Center, in consultation with Foundation, will promulgate guidelines for determination of payment status of any person to receive treatment at the facility.

- 2.11 Cancer Center, in consultation with Foundation, will determine the institutional charges to be made to any person receiving treatment on the equipment of the facility, the facility getting priority payment as jointly agreed upon.
- 2.12 Physicians Referral Service of the Cancer Center will determine the professional charges for physician services rendered to any person receiving treatment at the facility by The University of Texas M. D. Anderson Hospital staff and shall consult with Foundation and any other professional staff having privileges regarding their professional charges.
- 2.13 Cancer Center will submit bills for and collect institutional charges.
- 2.14 Physicians Referral Service of the Cancer Center will submit bills for and collect professional fees for the Cancer Center professional staff.
- 2.15 Cancer Center will maintain books of account which reflect the transactions of operating the facility, such records being available for inspection by the Foundation, its officers or duly authorized agents.
- 2.16 This Agreement shall commence on the date of the official acceptance of the facility by the Cancer Center and shall continue for four (4) years thereafter, and shall be automatically renewed for an additional term unless sooner terminated as hereinafter provided.
3. Cancer Center will permit all qualified radiotherapists in the area to use the radiation treatment facility, pursuant to appropriate rules, upon recommendation of

the medical staff for staff privileges and approval of such privileges by Foundation, qualified radiotherapists referred to herein being defined as:

- A. Those local radiologists certified in Radiology or Therapeutic Radiology now actively doing radiotherapy for privileges to perform radiation therapy with similar equipment.
 - B. Radiologists moving into the area for purposes of performing radiation therapy in the future shall be certified by the American Board of Radiology in Radiology with primary practice in Radiation Therapy or certified by the American Board of Radiology in Therapeutic Radiology.
4. Cancer Center agrees to abide by and conform to all nondiscriminatory policies.
 5. Both parties agree that a productive and harmonious relationship between the two institutions depends upon maintaining effective channels of communication. The parties anticipate that routine matters will be handled and decided mutually through continuous contracts between the Cancer Center Staff and Foundation. At least annually, and more frequently if necessary, a group representing each institution shall review and discuss overall relationships and policies and other matters of common concern.
 6. In the event the operation of such Rio Grande Radiation Treatment Center is not satisfactory to either party, it may give written notice of termination of this Agreement to the other party. Within thirty (30) days after receipt of such notice, the parties hereto will attempt to renegotiate this contract so as to satisfy both parties, but if it cannot be accomplished

and negotiations fail, then this contract will automatically terminate one hundred and eighty (180) days from the date of such original written notice of termination. All training and patient obligations shall have been fulfilled before such termination is consummated.

EXECUTED this the _____ day of _____, 1976.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

ATTEST:

RIO GRANDE RADIATION TREATMENT
AND CANCER RESEARCH FOUNDATION, INC.

Secretary

By _____

Approved as to Content:


Deputy Chancellor

Approved as to Form:

University Attorney

Land & Investment Committee

LAND AND INVESTMENT COMMITTEE
Committee Chairman Clark, Presiding

Date: July 9, 1976
Time: Following the Meeting of the Medical Affairs Committee
Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

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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 Director, Auditing Oil and Gas Production reports the following with respect to certain monies cleared to the Permanent University Fund and Available University Fund for the current fiscal year through May 1976:

<u>Permanent University Fund</u>	<u>April 1976</u>	<u>May 1976</u>	<u>Cumulative This Fiscal Year</u>	<u>Cumulative Preceding Fiscal Year (Averaged)</u>
<u>Royalty</u>				
Oil	\$1,800,947.96	\$2,708,452.01	\$26,951,658.53	\$22,295,941.56
Gas - Regular	1,596,878.24	2,132,001.91	17,130,028.04	12,844,420.92
- F.P.C.	- 0 -	- 0 -	341,044.62	104,687.73
- Market Value Settlements	690,638.02	612,372.42	5,639,756.72	7,463,469.60
- In Kind Settlements	225,666.80	247,131.10	2,049,342.60	410,383.98
Water	17,587.81	9,924.55	105,647.02	119,488.14
Salt Brine	1,291.37	1,907.24	17,036.83	16,360.11
Sulphur	64,842.85	68,739.81	227,820.19	- 0 -
Rental on Oil & Gas Leases	11,805.80	672.44	287,730.18	523,417.14
Rental on Water Contracts	10,000.00	- 0 -	10,997.96	21,347.19
Rental on Brine Contracts	- 0 -	- 0 -	100.00	375.03
Rental on Sulphur Contracts	- 0 -	- 0 -	15,360.00	11,520.00
Amendments and Extensions of Mineral Leases	- 0 -	- 0 -	74,354.83	170,298.18
	<u>4,419,658.85</u>	<u>5,781,201.48</u>	<u>52,850,877.52</u>	<u>43,981,709.58</u>
Bonuses, Oil & Gas Lease Sales, (actual)	- 0 -	- 0 -	9,687,500.00	7,816,000.00
Total, Permanent University Fund	<u>4,419,658.85</u>	<u>5,781,201.48</u>	<u>62,538,377.52</u>	<u>51,797,709.58</u>
<u>Available University Fund</u>				
Rental on Easements	4,746.55	82,905.08	310,063.94	168,824.07
Interest on Easements and Royalty	364.42	280.50	2,717.26	14,800.68
Correction Fees - Easements	- 0 -	100.00	261.55	74.97
Transfer and Relinquishment Fees	530.16	702.20	3,216.12	4,585.50
Total, Available University Fund	<u>5,641.13</u>	<u>83,987.78</u>	<u>316,258.87</u>	<u>188,285.22</u>
Total, Permanent and Available University Funds	<u>\$4,425,299.98</u>	<u>\$5,865,189.26</u>	<u>\$62,854,636.39</u>	<u>\$51,985,994.80</u>

Oil and Gas Development - May 31, 1976

Acreege Under Lease - 810,720

Number of Producing Acres - 345,479

Number of Producing Leases - 1,528

B. LAND MATTERS

1. Easements and Surface Leases Nos. 4158-4178, Assignment of Surface Lease No. 473 as Amended by Easement No. 545, Material Source Permits Nos. 510-513 and Water Contract No. 160.--It is recommended by the Associate Deputy Chancellor for Investments, Trusts and Lands that the following applications for easements, surface leases, assignment of surface lease, material source permits and water contract be approved. All have been approved as to content by the appropriate officials. Payment for each has been received in advance unless otherwise indicated, and each document is on the University's standard form and is at the standard rate:

a. Easements and Surface Leases Nos. 4158 - 4178

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4158	Three Bar Underground Storage Corporation	Cavern Storage Contract	Andrews	11	19.937 acres	9/1/76-8/31/77*	\$ 5,000.00** (annually)
4159	Texas Electric Service Company (renewal of 2224)	Power Line	Crane	30, 31	2,883.03 rds. single pole	6/1/76-5/31/86	2,594.72
4160	Community Public Service Company	Power Line	Ward	16	201.1 rds. single pole	4/1/76-3/31/86	180.99
4161	Exxon Pipeline Company (renewal of 2200 and 2202)	Pipe Line	Crane	30	343.70 rds. 4½ inch	5/1/76-4/30/86	343.70
4162	Exxon Pipeline Company (renewal of 2204)	Pipe Line	Crane	30	191.64 rds. 4½ inch	5/1/76-4/30/86	191.64
4163	Southwest Texas Electric Coop., Inc.	Power Line	Crockett	14	213.73 rds. single pole	5/1/76-4/30/86	192.36

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

**Rental is \$2,500.00 per cavern per year. Lessee has paid \$5,000.00 for two caverns.

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4164	Southwest Texas Electric Coop., Inc.	Power Line	Crockett	14	44.9 rds. single pole	5/1/76- 4/30/86	\$ 100.00 (min.)
4165	Community Public Service Company (renewal of 2267)	Power Line	Ward, Winkler	18, 20 21	4,845.94 rds. single pole	8/1/76- 7/31/86	4,361.35
4166	Rio Grande Electric Coop., Inc. (renewal of 2248)	Power Line	Hudspeth	G	376.4 rds. single pole	6/1/76- 5/31/86	338.76
4167	Commissioners' Court of Pecos County, Texas	Highway Right-of-Way	Pecos	26	15.61 acres	As long as needed for highway purposes	1.00 (full)
4168	Rio Grande Electric Cooperative, Inc.	Power Line	Hudspeth	G, H	1,534.24 rds. single pole	7/1/76- 6/30/86	1,380.82
4169	Texas-New Mexico Pipe Line Company (renewal of 2257)	Pipe Line	Gaines, Dawson	6	202.26 rds. 4½ inch 205.80 rds. 6-5/8 inch	8/1/76- 7/31/86	562.41
4170	Cap Rock Electric Cooperative, Inc. (renewal of 2288)	Power Line	Reagan	10	661 rds. single pole	9/1/76- 8/31/86	594.90
4171	Texas-New Mexico Pipe Line Company (renewal of 2246)	Pipe Line	Andrews	12, 14	199.1 rds. 4½ inch 467.33 rds. 6-5/8 inch	8/1/76- 7/31/86	1,016.93

Land Matters - Continued--

No.	Company	Type of Permit	County	Location (Block#)	Distance or Area	Period	Consideration
4172	Mapco, Inc.	Pipe Line	Andrews	1	1,330.06 rds. 6-5/8 inch	5/1/76- 4/30/86	\$ 2,327.61
4173	Texas Electric Service Company (renewal of 2188)	Power Line	Andrews	12, 13	1,340.17 rds. single pole	6/1/76- 5/31/86	1,206.15
4174	R. L. Grider	Surface Lease (storage yard site)	Ward	16	300' x 230'	5/1/76- 4/30/77*	300.00 (annually)
4175	Big Bend Telephone Company, Inc.	Surface Lease (passive reflector site)	Pecos	25	0.573 acre	6/1/76- 5/31/86	1,750.00 (full)
4176	El Paso Natural Gas Company	Surface Lease (cathodic protection unit site)	Hudspeth	G	0.678 acre	5/1/76- 4/30/86	100.00 (full)
4177	El Paso Natural Gas Company	Surface Lease (cathodic protection unit site)	Hudspeth	L	0.663 acre	5/1/76- 4/30/86	100.00 (full)
4178	El Paso Natural Gas Company	Surface Lease (cathodic protection unit site)	Hudspeth	G	0.747 acre	5/1/76- 4/30/86	100.00 (full)

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

Land Matters - Continued--

b. Assignment of Surface Lease No. 473 as Amended by Easement No. 545

No.	Assignor	Assignee	Type of Permit	County	Consideration
473	Amoco Production Company and Exxon Corporation	Arrow Butane- Propane Company	Surface Lease (underground storage)	Andrews	\$ 100.00*

*Assignment Fee

c. Material Source Permits Nos. 510 - 513

No.	Grantee	County	Location	Quantity	Consideration
510	Gilvin-Terrill, Inc.	El Paso	Block L	8,500 cubic yards borrow	\$ 425.00
511	Clayton Brothers Construction Company	Crane	Block 30	1,100 cubic yards caliche	330.00
512	McLain Truck Service, Inc.	Ward	Block 16	900 cubic yards caliche	270.00
513	Evert McDougal, Jr., Trucking	Crane	Block 30	300 cubic yards caliche	100.00

Land Matters - Continued--

d. Water Contract No. 160

No.	Grantee	County	Location	Period	Consideration
160	Gulf Oil Corporation (renewal of 137)	Crane	Block 30	5/4/76 - 5/4/81	\$ 100.00*

*Annual rental is \$100.00, to be paid in advance; royalty is 12¢ per 1,000 gallons of water produced, with a minimum of \$200.00 per year.

LAND AND INVESTMENT COMMITTEE

I.

B.

3. Tabulation of Bids for Salvage and/or Disposal of 12 Buildings on Old Pyote Air Force Base Property - Page L & I - 10

SALVAGE - PYOTE AIR FORCE BASE WAREHOUSES, WARD COUNTY
July 8, 1976 - 10:00 A.M.

BIDDER	BID
B & A Pipe & Supply Gail Rt. Box 139, Snyder Highway Big Spring, Texas 79720	U. T. to Pay to Them \$4,000.00
R. Wayne Leveridge Leveridge Contracting 2810 Duniven Circle Amarillo, Texas 79109	U. T. to Pay to Them \$10,000.00
Southwest-Rathgeber Company 2304 Cypress Point West Austin, Texas 78746	U. T. to Pay to Them \$37,444.70
Waterman Incorporated 520 Wheller, S. E. Albuquerque, New Mexico 87102	U. T. to Pay to Them \$39,000.00
Traylor Lander 10788 Bushire Dr. Dallas, Texas 75229	U. T. to Pay to Them \$58,000.00
Q. S. Franks Wrecking Co. 5001 E. 1st Street Austin, Texas 78701	U. T. to Pay to Them \$62,799.00
Ellis Construction Services P. O. Box 1057 Pearland, Texas 77581	U. T. to Pay to Them \$129,000.00

~~2.~~ Permanent University Fund - Recommendation for Granting Potash and Allied Mineral Prospecting Permit No. 9, and Option to Lease, to John R. Wilcox.--A proposal has been received from Mr. John R. Wilcox for a permit to prospect for potassium, sodium, phosphorous and other minerals of similar occurrence and their salts and compounds (excluding oil, gas and sulphur) and an option to lease covering 13,335.9 acres in Sections 20, 21, 28, 29, Block 1, Reagan County; Sections 1, 2, 11, 12, Block 6, Reagan County, Sections 3, 4, 9, 10, Block 4, Upton County; Sections 27, 28, 33, 34, Block 5, Crockett County; and Sections 29, 30, 31, 32, Block 6, Crockett County. The permit will be for a period of two years commencing on May 20, 1976, and ending on May 19, 1978, upon the payment of total consideration of \$4,667.57. Permittee must drill at least one test hole through the Salado formation or its geological equivalent.

*Approved
Just finalized*

Permittee may exercise the option to lease any portion of the permit area at any time during the two-year permit period upon the payment of a bonus consideration of \$5 per acre. Each area covered by a lease must be contiguous and shall not cover more than four sections of land. The principal terms of the Lease Agreement are as follows:

Primary Term - 10 years.

Royalty - 6.25% of the gross value of the minerals produced. Beginning with the fourth year of the lease term, Lessee must pay a minimum royalty based on a gross value of not less than \$50,000.

Rental - \$1.00 per acre for the first five years and \$2.00 per acre thereafter.

Development Obligation - Lessee must expend at least \$30,000 on each lease during the first three years, including at least \$10,000 in the first year. Lessee shall furnish and maintain a bond on each lease in the amount of \$50,000 to insure compliance with all lease terms.

The Associate Deputy Chancellor for Investments, Trusts and Lands joined by the Geologist in Charge recommends that the prospecting permit with option to lease upon the above terms be granted to John R. Wilcox.

~~3.~~ Permanent University Fund - Recommendation for the Salvage and/or Removal of Twelve Buildings Located on the Old Pyote Air Force Base Property, Ward County, Texas. --As authorized by the Board of Regents at its meeting on May 14, 1976, the staff has prepared bid and outline specifications for the salvage and/or removal of twelve buildings (formerly reported as eleven buildings): three hangars, one fire station and eight warehouses, with a total square footage of 186,875 square feet, located on the Old Pyote Air Force Base property, Ward County, Texas. As advertised in newspapers of large circulation in the State of Texas and the Southwest Edition of the WALL STREET JOURNAL bids have been called for and will be opened at 10 a. m., C. D. T., on July 8, 1976, in the Office of Investments, Trusts and Lands at 210 West Sixth Street, Austin, Texas; and the tabulation of the bids received and a recommendation in connection therewith will be distributed at the meeting.

Three buildings remain: a brick boiler house, a large hangar and a brick building that was formerly connected with the bombing operations of Old Pyote Air Force Base.

II. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

- ✓ 1. U. T. Austin - Recommendation to Accept Funds from Dads' Association and to Establish the W. D. Blunk Endowed Presidential Scholarship. --It is recommended by the Administration that \$25,000 contributed by members of the Executive Committee of The University of Texas Dads' Association in memory of the late W. D. Blunk be accepted for the Endowed Presidential Scholarship Fund at The University of Texas at Austin and that there be established in accordance with the wishes of the Executive Committee the W. D. Blunk Endowed Presidential Scholarship.
- ✓ 2. U. T. Austin - Recommendation for Establishment of Graduate School of Library Science Development Fund.--The Administration recommends approval of the establishment of the Graduate School of Library Science Development Fund as an account in the Common Trust Fund in the amount of \$11,100 with the income to be used for programs or projects important to the development of the School. These funds were raised by GSLS Alumni Association in recognition of the 25th anniversary of the School.
- ✓ 3. U. T. Austin - Recommendation for Acceptance of Funds and the Establishment of Carroll C. Miller Endowed Presidential Scholarship in Honor of Robert A. Janosky.--The Administration recommends acceptance of \$29,672.61 and the use of these funds to establish the Carroll C. Miller Endowed Presidential Scholarship in honor of Robert A. Janosky with income to be used for scholarships for students in geological sciences at U. T. Austin with preferences to those from South Texas, Corpus Christi and Del Mar College. This fund was started with Del Mar College in 1955 by Mr. Carroll C. Miller with income to be used to provide scholarships for students finishing their second year at Del Mar to study geological sciences at some other college or university. Mr. Thomas O. Miller, son of the donor and Executor of his Estate, has arranged with Del Mar for transfer of the fund to the Board of Regents for scholarships at U. T. Austin.
- ✓ 4. U. T. Austin - Recommendation for Establishment of Music Education Endowment Fund.--The Administration joins the Chairman of the Music Department and the Dean of the College of Fine Arts in recommending the establishment of the Music Education Endowment Fund by transfer of \$40,000 from the Music Camps and Contests Current Restricted Fund. Income from the endowment will be used for U. T. Austin Music Department development.
- ✓ 5. U. T. Austin - Report on Receipt of Bequest Under the Will of Wilhelmina P. Robertson for The Wilhelmina P. Robertson Scholarship Fund.--The Regents on November 1, 1974, accepted the bequest under the Will of Wilhelmina P. Robertson of 4/5ths of her residuary estate with the income to be used for scholarships at U. T. Austin. Republic National Bank of Dallas, Independent Executor, has now completed administration and distribution of the estate. The University has received a total of \$275,510.82 of which \$219,765.82 is invested in the Common Trust Fund and the remainder being present value of securities temporarily held separate from the Common Trust Fund.

I cannot imagine
what happened
with respect to
the naming of
the Research Vessel
at Halvestone —
—

6. Galveston Medical Branch - Recommendation for Establishment of Donald A. Rappoport Memorial Fund. --The Administration recommends that \$10,000, \$5,000 of which was donated by Mrs. Donald A. Rappoport and the remainder by friends, associates, and former students of Dr. Rappoport, be used to establish the Donald A. Rappoport Memorial Fund with income to be used for student related expenditures in the Department of Pediatrics of Galveston Medical School. Dr. Rappoport was a member of the Pediatrics Faculty for 12 years prior to his death in 1972.

7. University Cancer Center (M. D. Anderson) - Recommendation for Acceptance and Use of Bequest Under the Will of Mrs. Fannie G. Leo, Deceased.--The Administration recommends acceptance of the bequest by Mrs. Fannie G. Leo of Austin of approximately one-fourth of her residuary estate and the use of these funds for cancer research at M. D. Anderson. Mrs. Leo died in January, 1975; and the bequest amounting to \$57,094.08 was paid in early June, 1976, by Austin National Bank, Independent Executor of the Estate. The Will provides that this goes to "M. D. Anderson Hospital and Tumor Clinic, Houston, Texas" without any restriction or expression as to use. Mrs. Leo's husband, John Henry Leo, had been a patient at M. D. Anderson prior to his death in 1963.

B. REAL ESTATE MATTERS

1. U. T. Austin - Hogg Foundation - Will C. Hogg Memorial Fund: Recommendation for Sale of Tract of Land at Allen Parkway and Waugh Drive, City of Houston, to American General Life Insurance Company.--The Administration recommends sale to American General Life Insurance Company of approximately 24,215 square feet of ground in the Stanley Sub-division of the John Austin Survey for \$7 per square foot (\$169,505) cash, this being a piece off the back side of a tract of 254,534 square feet (5.8433 acres) at Allen Parkway and Waugh Drive which American General has under long-term lease from the Board of Regents. The first offer was at \$5 per square foot; but American General has now agreed to pay \$7, and there will be no rental reduction or other changes in their obligations under the lease. An appraisal in February by a leading MAI of Houston gives a "reasonable negotiated price" for the tract covered by the proposed sale as \$3.50 to \$5.00 per square foot as distinguished from a reasonable value of the fee ownership subject to American General's lease of about \$2.08 per square foot. The tract has no street access at present, and American General has stated it wants to purchase this for parking due largely to their construction of another multistory office building in their complex adjoining the tract leased from the Board of Regents. They have arranged with the City for closing portions of streets within their fee ownership, and the price for release of this ground by the City to American General has been at \$2.88 per square foot.

There are no improvements on any of the tract leased to American General. They have until December 31, 1978, to build improvements costing at least \$1,000,000 or arrange escrow or surety bond in that amount to extend the time to December 31, 1988. The lease runs from April 1, 1968, to December 31, 2017, with two 15-year renewal options and was made to Lee Town Houses, Inc., and assigned by them in 1971 to American General. This was a renegotiation and extension of a lease made to W. Howard Lee et al in 1946 for 50 years. Rental was \$6,000 annually for 10 years,

\$7,500 for 15 years, and \$9,000 for the last 25 years. Rental under the present lease is \$30,000 annually for the first 10 years and increases each 10 years thereafter to \$37,500, \$45,000, \$65,000, and \$90,000. Rental for the first 15-year option is to be the greater of \$90,000 or 6% of then fair market value of the land and for the last 15-year option the greater of rental under the first option or 6% of then fair market value.

The lease gives the lessee an option to purchase the land by December 31, 1978, at the greater of \$6 per square foot or the then fair market value, appraised as not subject to the lease; but there is no provision as to purchase of part of it.

2. U. T. Austin - Archer M. Huntington Museum Fund - Recommendation to Advertise for Sealed Bids for Oil and Gas Leases on Huntington Lands, Texas City, Galveston County.--The Administration recommends that it be authorized to advertise for sealed bids to be publicly opened on September 30, 1976, and considered by the Board of Regents at its October 1 meeting on all of the minerals owned by the Board with full leasing rights under the Huntington Lands in the H. B. Littlefield Survey and the Samuel C. Bundick League, Texas City, Galveston County. Primary term of any lease made will be 3 years with royalty of 1/5th and annual delay rentals of \$10 per acre. Bids will be on bonus only with a minimum of \$50 per acre. The acreage for bidding and leasing will be divided into not less than 4 tracts; and it is further recommended that the designation of tracts, advertising, bid specifications and lease form be authorized upon approval by the Associate Deputy Chancellor for Investments, Trusts and Lands, the General Counsel and the Deputy Chancellor. Further it is recommended that the Associate Deputy Chancellor for Investments, Trusts and Lands be authorized to execute geophysical exploration permits as to all or part of the surface acreage owned at the standard rates for West Texas Lands and on the West Texas Lands standard forms with any appropriate changes for the Gulf Coast area.

The Board owns for the Archer M. Huntington Museum Fund all of the minerals under about 2,051 surface acres still owned and about 1,514 acres sold with all minerals retained, or a total of 3,565 acres with full leasing rights. None of this acreage is now under lease, and interest has now been expressed in leasing around 1,800 to 2,000 acres. In addition, the Board owns undivided mineral interests, fully participating as to bonuses, rentals and royalties, retained in the sale of various tracts in earlier years but with leasing rights going to the purchasers. These undivided interests owned amount to about 392 net mineral acres.

3. U. T. Austin - McDonald Observatory - Recommendation as to Renegotiation of Rental Under Lease From Lois Mitchell Thompson et al, Lessor, to the Board of Regents of The University of Texas System, Lessee, Covering 33,280 Acres in Presidio County, Texas.--Under the terms of that certain Lease Agreement dated September 9, 1966, by and between Lois Mitchell Thompson, et al, Lessor, and the Board of Regents of The University of Texas System, Lessee, covering the property upon which The University of Texas at Austin is conducting its Radio-Astronomy Project, it is provided that at the request of Lessor, the amount of the rental (\$34,000 per year for the period September 1, 1971, to August 31, 1976) for each

five-year period shall be adjusted, taking into account the increase or decrease which has occurred during the preceding five-year lease period in (1) the value of the land exclusive of improvements and (2) the "Price Indices maintained by the United States Government." The University Staff has ascertained that values of comparable property have increased during the period 1971-1976 approximately 50% to \$75 per acre. Statistics indicate that the Consumer Price Index (All Items) has increased substantially in excess of the 23.5% increase in rental negotiated by the University Staff with Lois Mitchell Thompson, et al.

The Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent, joined by the Administration of The University of Texas at Austin, recommend an increase in the rental under the terms of the above lease for the period September 1, 1976, through August 31, 1981, as follows:

Rental for the period September 1, 1976, through August 31, 1977 - \$34,000 and rental for the period September 1, 1977, through August 31, 1981 - \$44,000 per year.

4. U. T. Austin - Tom Slick Memorial Trust for The University of Texas at Austin - Recommendation for Ratification of Joinder in Oil and Gas Lease to F. W. Foran on Tract in Starr County.--The Deputy Chancellor and the Associate Deputy Chancellor for Investments, Trusts and Lands recommend that the Regents ratify the execution by Mr. Lobb on May 19 of joinder in an oil and gas lease to F. W. Foran covering 640 acres described as Survey No. 541, Certificate 509, Abstract 370, C. C. S. D. & R. R. N. G. R. R., Starr County, save and except the rights from the surface to a depth of 5,621 feet in 40 acres around the Bentsen-Whittington et al No. 1 Slick-Urschel Trustees Well and from the surface to a depth of 4,309 feet in 320 acres around the Mormac Oil and Gas Company No. 1-A Slick-Urschel Trustees Well. The University's interest in the minerals under this tract is 1/108th, or about 6 mineral acres; and joinder in an earlier lease to Mr. Foran, under which he drilled the Mormac Oil and Gas Company well, now producing gas, was ratified by the Regents on March 14, 1975. This second lease is for a primary term of 1 year, with \$10 per acre to be paid if operations for drilling are not started within the first six months, and royalty is 1/4th.
5. U. T. El Paso - Frank B. Cotton Estate - Recommendation for Renewal of Grazing Lease to Mrs. Stella C. Kelcy, Feme Sole.--One of the assets of the Cotton Trust is 2,160 acres of land in Hudspeth County, Texas, being Sections 1, 3, 5 and 7 Block 5, GC&SF Ry Survey, which is presently under lease to Mrs. Stella C. Kelcy for a term of five years commencing on July 1, 1971, and terminating on June 30, 1976, at a rental of 8¢ per acre or \$172.80 annually. The University Land Agent has negotiated a new lease with Mrs. Stella C. Kelcy subject to the Board of Regents' approval providing for a rental rate of 15¢ per acre or \$324.00 annually.

The Associate Deputy Chancellor for Investments, Trusts and Lands and the University Land Agent recommend the approval of a Grazing Lease to Mrs. Stella C. Kelcy covering 2,160 acres located in Sections 1, 3, 5 and 7, Block 5, GC&SF Ry Survey, Hudspeth County, Texas, for a term of five years commencing on July 1, 1976, and terminating on June 30, 1981, at an annual rental of \$324.00.

6. U. T. El Paso - Frank B. Cotton Estate - Recommendation for Granting Storm Sewer Easement to the State Department of Highways and Public Transportation (Texas Highway Commission).--The State Department of Highways and Public Transportation has found it necessary to construct an additional ponding area in the vicinity of Interstate Highway 10 and Cotton Street in the City of El Paso, El Paso County, Texas, and a storm sewer box culvert and necessary appurtenances from the proposed area southward to the Rio Grande which crosses a portion of the property leased by the Board of Regents to the Border Machinery Company. The permanent easement will take approximately 0.111 acres of land out of the Cotton Addition in the City of El Paso, El Paso County, Texas, and the Texas Highway Commission will need two additional parcels of land totalling 0.306 acres of land, more or less, adjacent to and parallel to said permanent easement as a temporary easement during the construction phase. After appraisal of the subject property by the Highway Department, an offer in the amount of \$100 has been made to the Board of Regents for such easements. The Texas Highway Commission desires to let a contract covering this project in the immediate future.

Negotiations between the University Staff and the Staff of the State Department of Highways and Public Transportation have focused primarily on the potential damages to the adjacent remaining property which is used for surface parking. The University Staff requested Charles V. Duke, Jr., an MAI appraiser in El Paso, Texas, to evaluate this problem and in his opinion the damage to the remaining property is negligible.

The Associate Deputy Chancellor for Investments, Trusts and Lands recommends that the Board of Regents grant to the State Department of Highways and Public Transportation the requested easements for a consideration of \$100.

7. University Cancer Center (M. D. Anderson) - Recommendation for Sale of Lot in Orofino, Idaho, Given by William L. Minter and Use of Proceeds for Cancer Research.--The Administration recommends acceptance of an offer by William E. Cox and wife of Orofino, Idaho, to purchase a lot in Orofino owned by the Board of Regents as Trustee of the University Cancer Foundation for \$5,500 payable \$1,000 down and the balance due on or before 2 years from closing with interest at 9% payable annually. Sales commission of 10%, the customary rate in the area for property of this type, will be payable to James L. Bailie of Orofino. This property was given to the Cancer Foundation by Mr. William L. Minter in December, 1973, and it is recommended that the proceeds be used for cancer research at M. D. Anderson.

The lot is in the SE/4 SW/4 of Section 4, Township 36N., Range 2E., on the outskirts of Orofino, a town of about 4,000 in northern Idaho. The shape is irregular and survey has not been completed, but the area is approximately 12,000 square feet. An independent appraisal in May gave a fair market value of \$5,000. It is in the flood plain of Orofino Creek which runs on the back side, and part of the lot is swampy most of the time. Power lines are across the better part for building purposes. It is on a paved road, though most being lower than the grade level, and city utilities are available.

III. OTHER MATTERS

PUF and Trust and Special Funds: Report of Securities Transactions for the Month of April 1976.--In accordance with present procedure, the report of securities transactions for the Permanent University Fund and Trust and Special Funds for the month of April was mailed June 16, 1976, by Secretary Thedford to the members of the Board of Regents. If any questions regarding this report have been submitted, the Secretary will so report at the meeting of the Land and Investment Committee.

IV. TRUST AND SPECIAL FUNDS

A. GIFTS, BEQUESTS AND ESTATES

1. U. T. Dallas - Recommendation for Acceptance of Pledge of Dr. C. L. and Amelia A. Lundell to Establish The University of Texas at Dallas Woman's Club - Amelia A. Lundell Textbook Scholarship Fund.--The University of Texas at Dallas Woman's Club has previously established a Textbook Scholarship Fund at U. T. Dallas named in honor of Amelia A. Lundell through contributions in the amount of approximately \$600. In May, 1973, Dr. and Mrs. Lundell contributed to such fund a gift of \$1,000. Dr. and Mrs. Lundell now propose that this program become an endowed textbook scholarship fund in the minimum amount of \$10,000 with the annual earnings from the fund being solely available for distribution. The purpose of the fund would be to provide funds for the purchase of textbooks by students selected by a process to be defined and administered by appropriate officials of The University of Texas at Dallas. The corpus of all gifts to the fund and any capital gains realized would be continued to be held in the fund, and the net income of the fund would be distributed annually for these textbook scholarships.

To insure that this purpose is accomplished, Dr. and Mrs. Lundell irrevocably pledge and commit themselves to make a gift to the Board of Regents of The University of Texas System, for the exclusive use and benefit of The University of Texas at Dallas (which term shall also include The University of Texas at Dallas' successors, if any, in the System) to fund the minimum amount indicated. The gift will be in cash or equivalent securities and may be made in installments on such dates as Dr. and Mrs. Lundell may elect, but not later than January 18, 1979. The Will of Amelia A. Lundell provides for payment of any outstanding balance in the event of death before the \$10,000 amount is funded. This fund shall be open to additional contributions to be made from time to time by The University of Texas at Dallas Woman's Club and friends of the University.

The Associate Deputy Chancellor for Investments, Trusts and Lands recommends that the previous gifts and the pledge of Dr. and Mrs. Lundell be accepted; that The University of Texas at Dallas - Woman's Club - Amelia A. Lundell Textbook Scholarship Fund be established; and that the Chairman of the Board of Regents be authorized to execute the necessary instrument evidencing such acceptance.

2. U. T. Austin - I. Friedlander Building and Loan Prize Fund:
Request for Necessary Action to Change Purpose. --

BACKGROUND INFORMATION:

In 1928, the I. Friedlander Building and Loan Prize Fund was established for the College of Business Administration. The endowment fund provides an annual \$100.00 prize "for the best essay in the building and loan field". The annual prize has not been awarded since 1952, due primarily to lack of student interest and the change from "building and loan" to "savings and loan".

This fund originally was \$1,500. Income has been accumulated for those years in which no prize was awarded and now there is a balance of \$6,368.40 which is invested in the Common Trust Fund.

PRESIDENT ROGERS' RECOMMENDATION:

President Lorene Rogers recommends that the purpose of the Prize Fund be changed to, "To support student research in the general area of real estate or financing of real estate" by requesting the Attorney General to take proper court action.

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Rogers that the purpose of the I. Friedlander Building and Loan Prize Fund be changed to, "To support student research in the general area of real estate or financing of real estate".

It is further recommended that the Attorney General be requested to take such action as deemed appropriate to accomplish this transfer.

B. REAL ESTATE MATTERS

U. T. Austin - Thomas Shelton Maxey Professorship in Law -
Recommendation for Oil and Gas Lease to Jack C. Tunstill on
Tract in Gaines County.--The Administration recommends that the Regents authorize an oil and gas lease to Jack C. Tunstill of Fort Worth, Texas, on its one-half of the minerals under a tract of 647 acres described as Section 82, Block G, W. T. Ry. Survey, Gaines County, for a primary term of 2 years, 1/4th royalty, \$20 per acre bonus, and annual delay rental of \$1.00 per acre. Mr. L. F. Peterson and Sherandoah Oil are associated with Mr. Tunstill in the venture. The other one-half of the minerals is owned by the University of the South, and they are expected to lease on the same terms. The Regents' interest came under the Will of Robert Maxey for the Thomas Shelton Maxey Professorship in Law. A lease was made after the minerals came to the universities, and a dry hole was drilled to 3,579 feet in 1971. A well had been drilled in 1959 producing a small amount of oil for a few months, was recompleted as a gas well in 1960 and then died. It was re-entered in 1963 and completed for small gas production and not long afterwards plugged and abandoned.

Committee of the Whole

COMMITTEE OF THE WHOLE
Chairman Shivers, Presiding

Date: July 9, 1976
Time: Following the Meeting of the Land and Investment Committee
Place: Main Building, Suite 212
U. T. Austin
Austin, Texas

Page
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I. SPECIAL ITEMS

A. Board of Regents

1. Rules and Regulations, Part One and Part Two: Proposed Amendments to Part One, Chapter III, Part Two, Chapter V (Vacation, Sick Leave and Other General Appropriation Act Provisions) and Part Two, Chapter III (Travel Expense) to Conform to 1975-77 Appropriation Act 3
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3. Request to Approve Transfer of Funds Between Legislative Appropriation Items During Fiscal Year Ending August 31, 1977 6

C. U. T. Austin

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5. Proposal to Change Name of Home Economics Building 8

D. Galveston Medical Branch

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7. Cancellation of Deed from Miles R. Glaser, Houston, Texas, and Acceptance of Assignment of Interest in Lieu Thereof 10

8. Reconveyance of .246 Acres of Land in Block 604 in the City and County of Galveston, Texas, to The Sealy & Smith Foundation 11

E. Houston Health Science Center

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F. University Cancer Center

10. Conveyance to Texas Medical Center, Inc., Houston, Texas, of 2.1139 Acres of Land Out of P. W. Rose Survey, Abstract No. 645, Houston, Harris County, Texas, for Part of Site for New Parking Garage 14

G. System Nursing School

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II. SECRETARY'S REPORT

A. U. T. El Paso

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I. SPECIAL ITEMS

A. Board of Regents

1. Rules and Regulations, Part One and Part Two: Proposed Amendments to Part One, Chapter III, Part Two, Chapter V (Vacation, Sick Leave and Other General Appropriation Act Provisions) and Part Two, Chapter III (Travel Expense) to Conform to 1975-77 Appropriation Act. --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration recommends approval of amendments to the Board of Regents' Rules and Regulations as follows:

1. Amend Section 15 of Part One, Chapter III on Vacation.
2. Amend Section 19 of Part One, Chapter III on Sick Leave.
3. Amend Section 3 of Part Two, Chapter V on Certain Provisions in Current Appropriation Act - pertaining to personnel - that are covered in the amendments to Sections 15 and 19 of Part One, Chapter III, above.
4. Amend Section 13.4(10)3 of Part Two, Chapter III on Travel Expense Reimbursements - Intercollegiate Athletics.

The changes in the Rules and Regulations pertaining to vacation and sick leave track the requirements of Section 7, Article V of the current General Appropriation Act and are also in accordance with Attorney General's Opinion No. H-766 of January 16, 1976, on accumulated sick leave.

The changes in the Rules and Regulations pertaining to personnel track the requirements of Section 24, Article IV, and Section 9, Article V of the current General Appropriation Act.

The change in the Rules and Regulations from \$2.00 to \$4.00 as the amount allowed for expenditures in Intercollegiate Athletics not supported by signed receipts is in accordance with authority of Section 27, Article IV of the current General Appropriation Act.

Proposed Amendments

It is recommended that Section 15 of Chapter III of Part One of the Regents' Rules and Regulations be amended by adding a new subsection to read as follows:

- 15.2 An employee who resigns, is dismissed, or separates from University employment shall be entitled to be paid in "lump sum" for all vacation leave entitlement duly accrued at the date of termination provided the employee has had continuous employment with the State for six months. The payment shall be calculated at the rate of compensation being paid the employee at the time of termination.

It is further recommended that the present Subsection 15.2 be renumbered 15.3.

It is recommended that Section 19 of Chapter III of Part One of the Regents' Rules and Regulations be amended by adding a new Subsection 19.3 to read as follows and by changing the present Subsection 19.3 to 19.4:

19.3 An employee who resigns, is dismissed, or separates from University employment shall be entitled to be paid in "lump sum" for one-half sick leave entitlement duly accrued at the date of termination. The payment shall be calculated at the rate of compensation being paid the employee at the time of termination.

It is recommended that Section 3 of Chapter V of Part Two of the Regents' Rules and Regulations be amended by deleting Section 3.2 which reads as follows and that the present Section 3.3 be renumbered 3.2:

3.2 [SEPARATION FROM STATE EMPLOYMENT - NO EMPLOYEE OF THE STATE SHALL BE GRANTED TERMINAL ANNUAL OR VACATION LEAVE SUBSEQUENT TO THE EFFECTIVE DAY OF THE EMPLOYEE'S RESIGNATION, DISMISSAL, OR SEPARATION FROM STATE EMPLOYMENT. (SEE PART ONE, CHAPTER III, SUBSECTIONS 15.3 and 19.3).]

It is recommended that Subsection 13.4(10)3 of Chapter III of Part Two of the Regents' Rules and Regulations be amended to read as follows:

Sec. 13.4 Travel Expense Reimbursements.

13.4(10)3 Intercollegiate Athletics. -- Actual expenses will be paid at no per diem limit, provided such expenditures in the amount of \$4.00 [\$2.00] or more are supported by signed receipts.

2. Rules and Regulations, Part Two: Proposed Amendments to Chapter XI, Sections 1 and 2 (Foreign Contracts). --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration recommends approval of revisions and renumbering of sections in Part Two, Chapter XI, of the Regents' Rules and Regulations as follows:

Sec. 1. Contracts, grants, and agreements from or with outside agencies for research, training, and educational services, including institutional support grants, (except as provided in Subsection 1.1 below) shall be approved by the chief administrative officer and ratified by the Board of Regents via the institutional dockets.

1.1 Contracts or agreements with foreign governments, agencies thereof, and with institutions, enterprises or individuals subject to the jurisdiction of foreign governments, shall be submitted for approval by the Board of Regents, following review of such contracts or agreements by appropriate System Administration officers and recommendation by the Deputy Chancellor.

1.2 [1.1] The Office of the Deputy Chancellor will issue special instructions for those contracts and grants requiring special approvals other than as provided in this section. [THE ABOVE].

1.3 [1.2] Funds shall not be encumbered or expended under any contract or grant prior to the approval of the contract or grant as indicated above.

1.4 [1.3] Institutional support grants include NSF Institutional Grants for Science, NIH General Research Support Grants, Health Professions Education Improvement and/or Capitation Grant Programs, and other such grants awarded on a formula basis rather than a budgeted project basis.

Sec. 2 Proposals for such contracts, grants, and agreements, whether with government agencies, industry, foundations, or other private granting agencies, shall be initiated by the faculty member (or other appropriate official who will direct the work) and shall be approved by designated administrative officials, including the chief administrative officer. These proposals will receive such System Administration review and approval as directed by the Deputy Chancellor. Proposals to private foundations for support should be forwarded via the Office of the System Comptroller to the Chancellor for further approval. The chief business officer at each component institution is responsible for the business aspects of the proposals.

B. U. T. System, U. T. Arlington, U. T. Austin,
U. T. Dallas, U. T. El Paso, U. T. Permian Basin
U. T. San Antonio, and System Nursing School

3. Request to Approve Transfer of Funds Between Legislative Appropriation
Items During Fiscal Year Ending August 31, 1977. --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

In order to provide for the most effective utilization of funds in the 1976-77 General Revenue Appropriations for The University of Texas System Administration, the general academic institutions of The University of Texas System and the System School of Nursing, it is recommended by System Administration that the Board of Regents adopt the following resolution:

Pursuant to the appropriate transfer provisions of Article IV, S.B. 52, 64th Legislature, Regular Session, 1975, it is hereby resolved that the State Comptroller be requested to make transfers within the Legislative Appropriations from the General Revenue Fund for each of the following components as determined necessary by appropriate administrative officials of The University of Texas:

The University of Texas at Arlington
The University of Texas at Austin
The University of Texas System Administration
The University of Texas at Dallas
The University of Texas at El Paso
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas System School of Nursing

C. U. T. Austin

4. Proposed Concept of Program with Sonatrach and Authorization for Contract to Implement U. T. Austin Educational Programs for National Algerian Oil Company for Sonatrach. --

CONCEPT OF PROGRAM:

The Graduate School of Business of The University of Texas at Austin desires to organize a variety of educational services to provide continuing education programs, training seminars, and formal university training for certain managerial, professional, and technical personnel employed by The National Algerian Oil Company for Hydrocarbons (known as Sonatrach). The programs and specific training objectives will be defined by one or more contracts which will detail the program, budget, condition of payment and duration of the particular educational service.

PRESIDENT ROGERS' AND SYSTEM ADMINISTRATION'S RECOMMENDATION:

President Lorene L. Rogers and System Administration recommend that the concept of such a program be approved by the Board of Regents and that the Board of Regents authorize such contract or contracts as may be necessary to implement such programs to be executed by President Rogers after approval by the Office of General Counsel as to form, and the Deputy Chancellor as to content.

5. Proposal to Change Name of Home Economics Building to Mary E. Gearing Hall. --

PRESIDENT ROGERS' RECOMMENDATION:



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

President

May 19, 1976

Mr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado

DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
MAY 20 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please handle

Dear Mr. Walker:

The faculty of the Department of Home Economics has submitted to this office their unanimous recommendation that the name of the Home Economics Building be changed to Mary E. Gearing Hall. At their annual meeting, the Texas Exes in Home Economics also unanimously endorsed the recommendation.

The enclosed material shows the major contributions of this distinguished and highly respected member of our faculty. Briefly let me note that Professor Gearing, the first chairman of the Department of Home Economics, came to the University in 1912 as an Associate Professor in the School of Domestic Economy. By the year 1915-16 she had been advanced to the rank of Professor. By 1921 the School of Domestic Economy had become the Department of Home Economics in the College of Arts and Sciences, and Professor Gearing was the chairman of that department. She was, in fact, the first woman to serve in such a capacity. Under her direction this department developed a very substantial program. It included homemaking as an integral part of a general education, with six professional majors, a well-developed graduate program, and a food technology research division. Professor Gearing continued to teach and serve as chairman of the department until the time of her retirement in 1942.

I fully concur with the Home Economics faculty and Exes in Home Economics and wish to ask that you request the Board of Regents to change the name of the Home Economics Building to Mary E. Gearing Hall as a lasting tribute to this outstanding member of our faculty.

Sincerely yours,

Lorene L. Rogers
Lorene L. Rogers
President

LLR/aj
Enclosures
cc: Dean Paul Olum

SYSTEM ADMINISTRATION'S RECOMMENDATION:

System Administration concurs in the recommendation of President Rogers that the Home Economics Building name be changed to Mary E. Gearing Hall in accordance with Part One, Chapter VIII, Section 1 of Regents' Rules and Regulations.

It is the unanimous recommendation of the faculty of the Department of Home Economics and of the Texas Exes in Home Economics that the name of the building be changed to Mary E. Gearing Hall.

BACKGROUND INFORMATION:

Professor Mary E. Gearing was on the faculty of U.T. Austin from 1912-1942, serving as first chairman of the Department of Home Economics from 1921-1942. Miss Gearing passed away in 1946.

D. Galveston Medical Branch

6. Ratification of Action of Chairman Shivers in Intervention in Pending Lawsuit Affecting The Sealy & Smith Foundation. --

BACKGROUND INFORMATION AND RECOMMENDATION:

The University of Texas System has been requested by the Sealy & Smith Foundation for the John Sealy Hospital to intervene in two pending lawsuits affecting the Foundation. One suit was instituted by Citibank N.A., of New York, one of the Trustees, who is seeking a construction of the Last Will and Testament of John Sealy and that it be instructed as to the disposition to be made of the principal and income of a trust for certain named beneficiaries, which trust terminated on February 4, 1976.

The Foundation instituted a suit in Galveston County, Texas, requesting that such proceeds be delivered to the Foundation and for a declaration that royalty and bonus payments made to the trust be found to be principal and thus the property of the Foundation.

On June 10, 1976, Chairman Shivers authorized The University of Texas System to take such steps as are necessary to intervene in both cases in support of the Sealy & Smith Foundation. It is recommended that the action of the Chairman in this connection be in all things ratified and approved and that The University of Texas System be authorized to do all things required to assist the Foundation in this litigation.

7.

Cancellation of Deed from Miles R. Glaser, Houston, Texas, and
Acceptance of Assignment of Interest in Lieu Thereof. --

BACKGROUND INFORMATION:

On December 30, 1975, Deputy Chancellor Walker accepted a Deed of Gift from Mr. Miles R. Glaser for the use and benefit of The University of Texas Medical Branch at Galveston, conveying a five percent undivided interest in certain property in Harris County, Texas. The gift was also reported to Chairman Shivers and the Board of Regents approved the acceptance at its meeting on February 13, 1976.

Subsequently, there developed a difference of opinion between the Donor and certain trust beneficiaries as to the authority of the Donor to convey under certain terms in the trust arrangement and he now requests that the gift be modified by cancelling the Deed of Gift heretofore recorded and substituting in lieu thereof an outright assignment to the Board of Regents of all of his right, title and interest in and to the benefits of the existing trust arrangement.

PRESIDENT LEVIN'S AND SYSTEM ADMINISTRATION'S
RECOMMENDATION:

System Administration and President Levin recommend that the proposal of Mr. Miles R. Glaser be accepted and that the Deed of Gift dated December 23, 1975, to the Board of Regents be cancelled and that the assignment of interest by Mr. Glaser to the Board of Regents of an undivided five percent (5%) in and to those certain trust agreements in which he holds such interest be accepted in lieu of such Deed of Gift, and that the Chairman of the Board be authorized to execute all instruments necessary to cancel the Deed of Gift interest and to accept the assignment after the same has been approved by Deputy Chancellor Walker and a University Attorney.

8. Reconveyance of .246 Acres of Land in Block 604 in the City and County of Galveston, Texas, to The Sealy & Smith Foundation. --

BACKGROUND INFORMATION:



THE UNIVERSITY OF TEXAS MEDICAL BRANCH
GALVESTON, TEXAS 77550

April 28, 1976

Mr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado Street
Austin, TX 78701

DEPUTY CHANCELLOR'S OFFICE U. T. SYSTEM	
Acknowledged.....	File.....
APR 30 1976	
To.....	for info & return
To.....	Please advise me
To.....	Please handle

Dear Mr. Walker:

In 1968, the Alumni Association proceeded to construct an Alumni Field House for The University of Texas Medical Branch at Galveston, but in order to do so, it was necessary for the Association to borrow money from The Sealy & Smith Foundation to completely fund the project. It was agreed at that time that the Foundation would loan the Association the required funds, donate the land, with the understanding that when the note was paid in full, the Association would then transfer the land and building to the Galveston Medical Branch, debt-free. This was accomplished on July 21, 1972, when the Board of Regents accepted the building and a parcel of land in Block 604, City of Galveston. The tract of land donated by the Foundation included sufficient area to add a gymnasium to the Field House at a later date. Due to increased construction costs and limitation of funds, this project has been abandoned by the Association.

The Sealy & Smith Foundation has been advised by their insurance company, and the Galveston Fire Department, that they must move their maintenance shops from the Sealy & Smith Professional Building in order to continue fire insurance coverage and meet the city fire codes. To accomplish this mandate, the Foundation has requested that a portion of the property deeded to the Galveston Medical Branch, via the Alumni Association, be returned to them so they may construct a maintenance building immediately east of their steam and chill water plant.

Attached is a copy of a plot plan and a description of the metes and bounds of the property requested by the Foundation. The area marked in green was the original property transferred to the Galveston Medical Branch by the Alumni Association; the area marked in red is the property the Foundation is requesting to be returned to them for their building site.

C of W 13

I have discussed this item with Dr. Levin who concurs in the recommendations that a transfer of the property described be returned to the Sealy & Smith Foundation, that the General Counsel prepare a Warranty Deed for transfer and that this item be placed on the Board of Regents' Agenda for their approval at the July 9, 1976 meeting.

Sincerely,



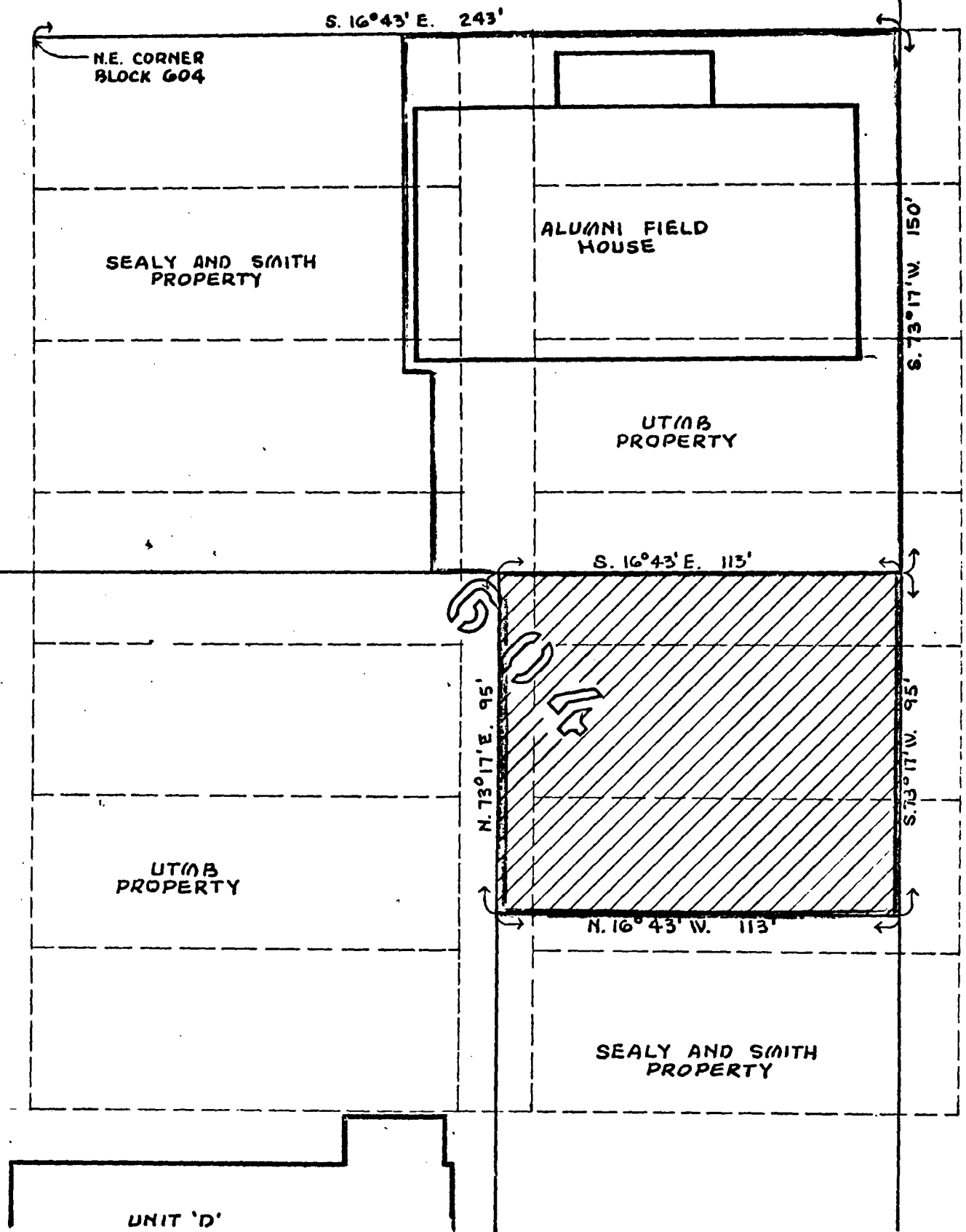
V.E. Thompson
Vice-President for Business
and Hospital Affairs

SYSTEM ADMINISTRATION'S RECOMMENDATION:

On July 21, 1972, the Board of Regents of The University of Texas System accepted a parcel of land in Block 604, the City of Galveston, upon which has been constructed an alumni field to be utilized by The University of Texas Medical Branch at Galveston. This facility was funded by The Sealy and Smith Foundation and constructed by the Alumni Association. The land so donated included an area for a gymnasium which would be constructed at a later date. Due to increased costs and the limit on available funds, the latter project was abandoned.

The Sealy and Smith Foundation is badly in need of a construction site for certain maintenance shops and has requested that a portion of the property heretofore deeded be reconveyed to The Sealy and Smith Foundation for a construction site for its maintenance building.

System Administration concurs in the recommendation of President Levin that an area consisting of approximately .246 acres of land be conveyed to The Sealy and Smith Foundation as a construction site for a maintenance building, and that the Chairman of the Board of Regents be authorized to execute an appropriate deed conveying such property after it has been approved as to content by the Deputy Chancellor and as to form by a University Attorney.



All that certain tract or parcel of land out of Block 604 in the City and County of Galveston, Texas, more fully described by metes and bounds as follows:

- Beginning at a point in the East line of said Block 604, which is South 16°43' East, a distance of 243.0 feet from the Northeast corner of said Block 604;
- Thence South 73°17' West parallel to the North line of said Block 604, a distance of 150.0 to the place of beginning and the South Easterly Corner of the Tract herein described;
- Thence South 73°17' West parallel to the North line of said Block 604, a distance of 95.0 to a point for corner.
- Thence North 16°43' West, parallel to the East line of said Block 604, a distance of 113.0 feet to a point for corner in the centerline of the alley if same were open;
- Thence North 73°17' East, along and with the centerline of said alley, a distance of 95.0 feet to a point for corner;
- Thence South 16°43' East, parallel to the East line of said Block 604, a distance of 113.0 feet to place of beginning;

Containing approximately .246 acres.

E. Houston Health Science Center

9. Request to Approve Transfer of Funds Between Legislative Appropriation Items for Fiscal Year Ending August 31, 1976. --

SYSTEM ADMINISTRATION'S RECOMMENDATIONS:

In order to provide for the most effective utilization of balances remaining in the 1975-76 General Revenue Appropriations for The University of Texas Health Science Center at Houston, it is recommended by System Administration that the Board of Regents adopt the following resolution:

Pursuant to the appropriate transfer provisions of S.B. 52, 64th Legislature, Regular Session, 1975, it is hereby resolved that the State Comptroller be requested to make transfers within the Legislative Appropriations for each of the schools in the U.T. Health Science Center at Houston as determined necessary by appropriate administrative officials of The University of Texas.

F. University Cancer Center

10. Conveyance to Texas Medical Center, Inc., Houston, Texas, of 2.1139 Acres of Land Out of P. W. Rose Survey, Abstract No. 645, Houston, Harris County, Texas, for Part of Site for New Parking Garage. --

BACKGROUND INFORMATION.



THE UNIVERSITY OF TEXAS SYSTEM
CANCER CENTER

April 21, 1976



Mr. E. D. Walker
Deputy Chancellor
The University of Texas System
601 Colorado
Austin, Texas 78701

Dear Mr. Walker:

The Medical Center is planning to construct a garage to serve our new clinic building and other units on the east side of the Medical Center. The first phase of the construction will be on Medical Center property. The second phase of the construction will span John Freeman Street and extend on to property owned by this institution.

Attached you will find a copy of the fieldnotes describing the property concerned, also a plat of the area. (Page C of W 16)

It is requested that this be submitted for action by the Board of Regents.

If additional information is needed, please advise me.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Joe E. Boyd, Jr.".

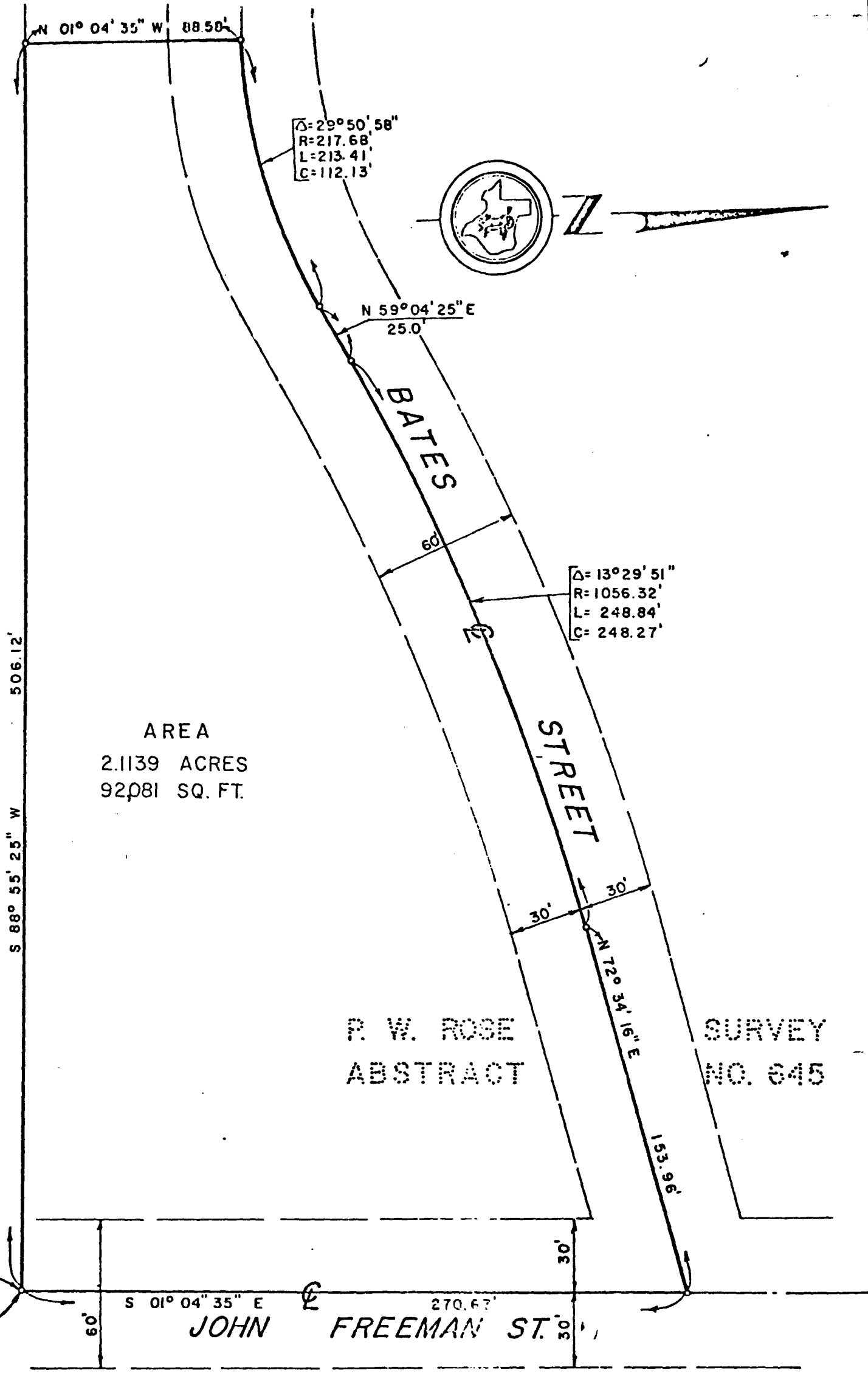
Joe E. Boyd, Jr.
Vice President for Business
and Hospital Affairs

PRESIDENT CLARK'S AND SYSTEM ADMINISTRATION'S
RECOMMENDATION:

In order to furnish parking for the newly constructed portion of The University of Texas System Cancer Center it is recommended that approximately 2.1139 acres of land out of the P. W. Rose Survey, Abstract No. 645, in Houston, Harris County, Texas, be conveyed by the Board of Regents of The University of Texas System to the Texas Medical Center, Inc. as a part of the construction site for a new parking garage.

System Administration concurs in the recommendation of President Clark that approximately 2.1139 acres of land described above be conveyed to the Texas Medical Center, Inc. to be used as a part of the construction site for a new parking garage, and that the Chairman of the Board of Regents be authorized to execute an appropriate deed conveying such property after it has been approved as to content by the Deputy Chancellor and as to form by a University Attorney, and to do all things necessary to effectuate the transfer of the land.

HOLCOMBE BLVD. (120' R.O.W.)

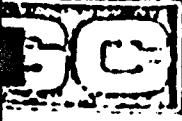


AREA
2.1139 ACRES
92081 SQ. FT.

R. W. ROSE
ABSTRACT

SURVEY
NO. 645

SS DISC
CONC.
PNT. OF
INNING



GEOGRAM CORPORATION
ENGINEERS • SURVEYORS
HOUSTON • AUSTIN, TEXAS

TEXAS MEDICAL CENTER, INC.

GARAGE SITE NO. 5

BY LFM APPROVED BY F.H.H. DATE 2-20-70 JOB NO. 1207-1-430-100

Amend the recommendation to include the following paragraph:

"Be it (further) resolved by the Board of Regents that nursing education in The University of Texas System shall place major emphasis on training nurses for the direct care of hospitalized patients and that faculty and staff of the several U. T. System Nursing Schools shall encourage their students to pursue careers in the direct care of hospitalized patients in order to help ease the critical shortage of nurses in hospitals in this State and especially in M. D. Anderson Hospital, the Galveston Medical Branch Hospitals and the hospitals that serve as primary teaching hospitals for the U. T. System Nursing Schools."

Amend the recommendation to include the following paragraph:

"Be it (further) resolved by the Board of Regents that nursing education in The University of Texas System shall place major emphasis on training nurses for the direct care of hospitalized patients and that faculty and staff of the several U. T. System Nursing Schools shall encourage their students to pursue careers in the direct care of hospitalized patients in order to help ease the critical shortage of nurses in hospitals in this State and especially in M. D. Anderson Hospital, the Galveston Medical Branch Hospitals and the hospitals that serve as primary teaching hospitals for the U. T. System Nursing Schools."

G. System Nursing School

11. Reassignment of System Nursing School Administrative, Faculty, and Staff Personnel Effective September 1, 1976, to Component Institutions of The University of Texas System. --

SYSTEM ADMINISTRATION'S RECOMMENDATION:

Because of the pending litigation relating to the action of the Board on March 26, 1976, reassigning personnel of the System School of Nursing, System Administration recommends that the Board adopt the following resolution:

In the event that it should be determined by any court of competent jurisdiction that the action of the Board on March 26, 1976, reassigning personnel of the System School of Nursing was ineffective for any reason, the Board hereby orders that effective September 1, 1976, the Administrative, Faculty, and Staff personnel at each of the six schools of nursing currently under the administrative jurisdiction of The University of Texas System School of Nursing be reassigned so that such personnel be under the administrative jurisdiction of the Chief Administrative Officer of the following component institutions of The University of Texas System:

- (1) The University of Texas School of Nursing
at Austin -
The University of Texas at Austin
- (2) The University of Texas School of Nursing
at Galveston -
The University of Texas Medical Branch at
Galveston
- (3) The University of Texas School of Nursing
at Houston -
The University of Texas Health Science
Center at Houston
- (4) The University of Texas School of Nursing
at San Antonio -
The University of Texas Health Science
Center at San Antonio
- (5) The University of Texas School of Nursing
at Fort Worth -
The University of Texas at Arlington
- (6) The University of Texas School of Nursing
at El Paso -
The University of Texas at El Paso

II. SECRETARY'S REPORT. --Below are the items that the Board of Regents ordered spread on the Minutes or items that are needed to complete the record. It is recommended that each be ratified and in all things approved:

A. U. T. El Paso: Authority to Institute Suit Against Lone Star Energy Company of Dallas, Texas. --

Clad
SC - Vets

At several meetings of the Board of Regents consideration has been given to the controversy with Lone Star Energy Company of Dallas in connection with a proposed expansion of its thermal energy plant in order to furnish services for Holliday Hall, Special Events Center and Memorial Gymnasium or GUS Manufacturing Company at The University of Texas at El Paso.

At its February 13, 1976, meeting the Board, in Executive Session, authorized among other things, a request to the Attorney General of Texas to take such legal action as deemed necessary to recover all damages sustained by the State and System which may have resulted from the failure of Lone Star Energy Company to provide thermal energy services under the contract between the parties or otherwise protect the interests of the State and System with respect to this matter.

B. San Antonio Health Science Center: Reports of Special Committee for Thermal Energy Service; Revised Contracts with (1) Bexar County Hospital District, Lone Star Energy Company and the Board of Regents; (2) Lone Star Energy Company and the Board of Regents - Amendment and Modification Agreement; (3) Lone Star Energy Company and Veterans Administration (Audie L. Murphy Memorial Veterans Hospital) - Supplementary Agreement; and (4) Lone Star Energy Company and Veterans Administration Hospital (Audie L. Murphy Memorial Veterans Hospital) - Modification Agreement. --At the meeting of the Board of Regents on July 25, 1975, it was reported that the Special Committee had approved new revised contracts among Lone Star Energy Company and the Board of Regents, the Bexar County Hospital District, and the Veterans Administration for thermal energy service to be provided by the Thermal Energy Plant located on the campus of The University of Texas Health Science Center at San Antonio. It was ordered that when the final revised contracts had been consummated they would be spread on the Minutes.

Set out on Pages C of W 19-30 are the following two documents concerning the Thermal Energy Plant on the San Antonio Health Science Center campus:

1. The contract among Bexar County Hospital District, Lone Star Energy Company, and the Board of Regents (Set out on Pages C of W 19-22).
2. Amendment and Modification Agreement between the Lone Star Energy Company and the Board of Regents (Set out on Pages C of W 23-30).

On Page C of W - 31 is another report from the Special Committee.

1. The contract among Bexar County Hospital District, Lone Star Energy Company, and the Board of Regents:

AMENDMENT AND MODIFICATION AGREEMENT

This AGREEMENT is made and entered into this 1st day of June 1972 by and between LONE STAR ENERGY COMPANY, a Texas corporation, hereinafter sometimes referred to as "Lone Star" and the BEXAR COUNTY HOSPITAL DISTRICT, a hospital district organized and existing under Article 4494n of Texas Revised Civil Statutes, herein sometimes referred to as "Hospital District".

W I T N E S S E T H:

WHEREAS, there exists Customer Agreement dated February 21, 1968 between Central Energy Corporation and the Hospital District that provides for the construction of a central plant and related facilities, the operation and maintenance thereof and the furnishing of chilled water and steam from these facilities to serve the thermal energy requirements of the Bexar County Hospital at San Antonio, Texas; and

WHEREAS, the construction of facilities has been accomplished in accordance with the agreement and chilled water and steam services have been furnished and accepted from these facilities; and

WHEREAS, the aforesaid Customer Agreement was assigned by Central Energy Corporation to Central Energy of San Antonio, Inc., with the consent of the Hospital District; and

WHEREAS, Lone Star has purchased the assets and properties of Central Energy of San Antonio, Inc., and taken an assignment of aforementioned Customer Agreement effective November 1, 1972, to which assignment the Hospital District agreed; and

WHEREAS, a nationwide energy crisis has resulted in unpredictable availability and prices for primary and secondary plant fuels and the parties hereto desire substantial additional secondary fuel storage, expanded operational capability on secondary fuels and an alternate energy source for additional refrigeration prime movers;

NOW, THEREFORE, in consideration of the payment of One Dollar (\$1.00) by Lone Star to the Hospital District, the receipt of which is hereby acknowledged, and the mutual covenants hereinafter set forth, the parties agree to amend and modify that certain Customer Agreement dated February 21, 1968, between Central Energy Corporation and the Bexar County Hospital District.

I.

As appropriate, within the intent and purpose of this Amendment and Modification Agreement, wherever the name "Central Energy Corporation" or the term "CEC" appears in the Customer Agreement, such name or such term shall be read and construed to mean "Lone Star Energy Company" or "Lone Star".

II.

The parties hereto agree that in view of the energy crisis, approximately 240,000 gallons of oil fuel storage and improved alternate fuel capabilities are necessary to assure the integrity of the service desired. The parties hereto agree that secondary fuel shall be #2 fuel oil. Upon completion of the desired secondary fuel facilities, Bexar County Hospital District agrees to reimburse Lone Star \$105,400.00 of the construction cost of the fuel oil facilities and direct costs for 55,200 gallons of the initial fill.

III.

Lone Star hereby agrees that so long as secondary fuels are available, the expanded plant will be capable of producing approximately full design capacity of steam and chilled water with total loss of primary fuel, and expanded plant will be capable of full operation of one boiler and two chillers with total loss of electrical utility service.

IV.

Article 6 shall be modified by deleting subparagraph (a) and substituting for and in lieu thereof the following:

"a) Hospital District shall endeavor to return all chilled water delivered and at return pressures not greater than supply pressure nor less than 15 psi less than supply pressure. Hospital District shall reimburse Lone Star \$0.25 per 1,000 gallons per month for each thousand gallons of chilled water makeup required in excess of 30,000 gallons per month."

"If Hospital District is responsible for an abnormal loss of chilled water, Hospital District shall reimburse Lone Star \$0.97 per 1,000 gallons of chilled water makeup required for such abnormal loss."

"Losses of chilled water in Lone Star's distribution system not caused by negligence of Hospital District shall be borne by Lone Star."

Article 6 shall be further modified by deleting the last sentence of subparagraph (b) and substituting for and in lieu thereof the following:

"b) If Hospital District shall fail to return steam condensate as herein provided, it shall pay a charge of \$0.67 per thousand gallons for each thousand gallons of steam condensate, in excess of 8,000 gallons, not returned to Lone Star during any month."

Articles 7, 8 and 9 shall be deleted in their entirety and the following shall be substituted for and in lieu thereof:

"Effective and retroactive to January 1, 1974, the Hospital District shall pay Lone Star for producing, circulating and furnishing chilled water and steam the following rates, subject to adjustment as herein provided:

Fixed Monthly Charge	\$24,210 per month
Rate for Chilled Water	\$0.0419 per ton hour for all ton hours per month
Rate for Steam	\$2.278 per million BTU per month

One ton-hour is defined as 12,000 BTU.

Upon completion of the expansion of facilities, other than secondary oil facilities, the Hospital District shall pay Lone Star for producing, circulating and furnishing chilled water and steam the following rates, subject to adjustment as herein provided:

Fixed Monthly Charge	\$25,150 per month
Rate for Chilled Water	\$0.0419 per ton hour for all ton hours per month
Rate for Steam	\$2.278 per million BTU per month

The monthly charges based upon the rates set forth herein will be increased or decreased, as the case may be, as follows:

a) By an amount equal to the increase or decrease in cost of electricity used in the production of steam and chilled water for Hospital District during the electric utility billing period immediately preceding the current month, from a base amount equal to the number of kilowatt hours (KWH) used priced at \$0.037 per KWH.

b) By an amount equal to the increase or decrease in cost of fuels used in the production of chilled water and steam for Hospital District during the primary fuel billing period immediately preceding the current month, from a base amount equal to the number of BTU used priced at \$1.60 per million BTU.

c) By an amount equal to the increase or decrease in cost of water utilized in the production of steam and chilled water for Hospital District during the water utility billing period immediately preceding the current month, from a base amount equal to the number of gallons used priced at \$0.23 per thousand gallons.

To determine the proportion of utility escalation costs in the above paragraphs a), b) and c) to be borne by Hospital District, the total equivalent MMBTU (million BTU) used by Hospital District in the preceding

month, including steam, will be divided by the total equivalent MMBTU, including steam sold from the plant and multiplied by the total of utility escalation costs. Each ton hour of refrigeration sold will be considered the equivalent of .018 MMBTU.

d) By an amount equal to 8.33% of the difference between actual taxes, other than Federal Income Tax, charged in the most recent taxable period and an annual tax base of \$100,000 added or deducted as the case may be and proportioned among customers with the Hospital District's portion of said amount being 23% based on total equivalent energy demand.

e) By an amount equal to Hospital District's portion of \$125.00 appropriately added or deducted, as the case may be, for each one percent increase or decrease in the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for the month of December of the immediately preceding year from the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for December 1973. Fractional percentages shall be proportionally applied. The average cost of labor prevailing for manufacturing employees in the San Antonio labor market shall be determined by reference to and in conformity with the Index of Gross Average Hours and Earnings in the San Antonio metropolitan area published by the Texas Employment Commission in cooperation with the United States Bureau of Labor Statistics. Hospital District's portion of this charge shall be determined as in d) above."

Earned but uncollected escalations under provisions of original agreement shall become due and payable the first billing period following date hereof.

V.

Article 14 shall be deleted in its entirety and the following shall be substituted for and in lieu thereof.

"In the event Lone Star becomes unable to continue the performance of services as herein provided because of bankruptcy, insolvency or for any reasons other than those outlined in Article 20 of this Agreement and performance of services is continued by a successor operator to Lone Star, the Hospital District agrees to make payments to such successor operator for services rendered under the terms and conditions set forth in Article IV hereof until termination of this Agreement on August 31, 1993."

VI.

Article 15 shall be deleted in its entirety.

VII.

Article 18 shall be modified by deleting the last sentence and the following shall be substituted for and in lieu thereof.

"Lone Star shall have the right to amend, modify or alter its said contract with the Board of Regents of the University of Texas System at any time and from time-to-time without notice to or consent of Hospital District provided said amendments, modifications or alterations do not affect performance to the Hospital District or the rights of Hospital District under this contract."

VIII.

Lone Star hereby agrees that additional plant refrigeration capacity now in planning stages will utilize electricity as the prime energy source to enhance plant redundancy and offer greater reliability in the event of possible future shortages of natural gas now used as the current prime energy source for plant refrigeration machinery.

IX.

The parties hereto agree that Hospital District shall adjust its reimbursement to pay Lone Star for a portion of any change in costs incurred by Lone Star as a result of new rules, regulations or laws imposed on Lone Star by city, state or federal governments or any agency thereof. The portion

to be reimbursed by Hospital District shall be determined by dividing the total equivalent MMBTU used by Hospital District in the most recent calendar year by the total equivalent MMBTU sold from the plant in the most recent calendar year.

X.

Except as herein expressly amended, the Customer Agreement dated February 21, 1968 shall remain in full force and effect.

XI.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first here and above written.

ATTEST

BEXAR COUNTY HOSPITAL DISTRICT

Nancy H. Harding

By Harvey Komet
Harvey Komet M.D.
Chairman, Board of Managers

APPROVED AS TO FORM

Norris Yates, Jr.
Norris Yates, Jr.
Assistant District Attorney

ATTEST

LONE STAR ENERGY COMPANY

Corporate Secretary

By R. B. Williams
R. B. Williams
Senior Vice President

APPROVED
ATTEST

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

Betty Anne Thedford
BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System
APPROVED AS TO FORM

By Allan Shivers
Allan Shivers, Chairman

APPROVED AS TO CONTENT

E. D. Walker
University Attorney
The University of Texas System

By E. D. Walker
E. D. Walker
Deputy Chancellor for Administration
The University of Texas System

2. Amendment and Modification Agreement between the Lone Star Energy Company and the Board of Regents. This is not signed by the Veterans Administration since the VA does not enter into third party contracts:

AMENDMENT AND MODIFICATION AGREEMENT

This AGREEMENT made and entered into this 15th day of June 1975 by and between LONE STAR ENERGY COMPANY, a Texas corporation, hereinafter sometimes referred to as "Lone Star" and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, hereinafter sometimes referred to as "Board";

W I T N E S S E T H:

WHEREAS, there exists Customer Agreement dated October 6, 1967, between Central Energy Corporation and Board of Regents of the University of Texas System that provides for the construction of a central plant and related facilities, the operation and maintenance thereof and the furnishing of chilled water and steam from these facilities to serve the thermal energy requirements of the University of Texas Medical School at San Antonio and other loads approved by the Board; and

WHEREAS, the construction of facilities has been accomplished in accordance with the agreement and the approved plans and specifications and chilled water and steam services have been furnished and accepted from these facilities; and

WHEREAS, the aforesaid Customer Agreement and the Lease Agreement of even date therewith from the Board covering property on which the plant is located were assigned by Central Energy Corporation to Central Energy of San Antonio, Inc., with the consent of the Board; and

WHEREAS, Lone Star has purchased the assets and properties of Central Energy of San Antonio, Inc., and taken an assignment of aforementioned Customer Agreement and Lease effective November 1, 1972 to which assignment the Board agreed; and

WHEREAS, the parties hereto desire to expand the facilities to accommodate additional loads occasioned by new construction of buildings by the Board, which along with the University of Texas Medical School are known as the Health Science Center at San Antonio; to improve plant systems and instrumentation; to provide increased redundancy through utilization of electric as well as steam refrigeration machine prime movers; to provide additional storage facilities for secondary fuel, and to adjust the rates for service to be provided in accordance herewith;

NOW, THEREFORE, in consideration of the payment of One Dollar (\$1.00) by Lone Star to the Board, the receipt of which is hereby acknowledged, and the mutual covenants hereinafter set forth, the parties agree to amend and modify that certain Customer Agreement dated October 6, 1967, between Central Energy Corporation and the Board of Regents of the University of Texas System as follows:

I.

As appropriate, within the intent and purpose of this Amendment and Modification Agreement, wherever the name "Central Energy Corporation" or the term "CEC" appears in the Customer Agreement, such name or term shall be read and construed to mean "Lone Star Energy Company" or "Lone Star".

II.

Article 3 shall be modified in that the parties hereto recognize that a recent plant expansion was made partially in anticipation of expanded service to Board and affords the steam capacity and space for additional refrigeration equipment necessary to serve expanded requirements of Board and parties hereby agree an additional 3,000 tons of electric drive refrigeration equipment shall be installed in the plant to serve the thermal energy requirements of the dental and nursing schools presently under construction and the proposed cafeteria and the fifth floor addition to the medical school, such additional thermal energy requirements not to exceed 4,590 gpm of 42°F chilled water and 20,000 lbs./hr. of 150 psf saturated steam over existing contractual requirements. Lone Star agrees that so long as secondary fuels are available,

the expanded plant will be capable of producing approximately full design capacity of steam and chilled water with total loss of primary fuel and the expanded plant will be capable of full operation of one boiler and two chillers with total loss of electrical utility service. It is further agreed that this expansion of facilities will be substantially completed within 24 months after Board's approval of plans and specifications and award of construction contracts by Lone Star for such expanded facilities. Article 3 shall be further modified by deleting the last sentence.

III.

a) Article 8 (a) shall be modified by adding "Board shall reimburse Lone Star \$0.41 per 1,000 gallons per month for each thousand gallons of chilled water makeup required in excess of 30,000 gallons per month".

"If Board is responsible for an abnormal loss of chilled water, Board shall reimburse Lone Star \$0.97 per 1,000 gallons of chilled water makeup required in excess of 30,000 gallons per month."

"Losses of chilled water in Lone Star's distribution system not caused by negligence of Board shall be borne by Lone Star."

b) Article 8 (b) shall be modified by deleting the last sentence and substituting for and in lieu thereof the following:

"If Board shall fail to return steam condensate as herein provided, it shall reimburse Lone Star \$0.67 per 1,000 gallons per month for each thousand gallons of steam condensate in excess of 12,000 gallons not returned to Lone Star in any month."

IV.

The parties hereto recognize a nationwide energy crisis has recently developed resulting in unpredictable availability and prices for electricity and primary and secondary fuels. The parties hereto agree that in view of the energy crisis, approximately 240,000 gallons of oil fuel storage and improved alternate fuel capabilities are necessary to assure the integrity of the service desired. The parties hereto agree that secondary fuel shall be #2 fuel oil. Upon completion of the desired secondary fuel facilities, Board agrees to reimburse Lone Star for the direct cost of 110,400 gallons of the initial fill of oil.

The parties agree to execute on the date hereof an amended Lease Agreement, a copy of which is attached hereto as Exhibit I, which shall lease to Lone Star additional land necessary for secondary fuel tanks and related equipment.

In separate agreements with Lone Star, the Veterans Administration and the Bexar County Hospital District each will provide for reimbursement to Lone Star for their share of fuel oil facilities, initial fill of oil and new electrical service. Lone Star will not be required to award the construction contract for the construction of the facilities contemplated herein until said agreements providing for such reimbursement are executed by Lone Star and the above parties and approved by Board.

V.

Articles 9 and 10 shall be deleted in their entirety and the following shall be substituted for and in lieu thereof:

"Effective and retroactive to January 1, 1974, the Board shall pay Lone Star for producing, circulating and furnishing chilled water and steam the following rates, subject to adjustment as herein provided:

Fixed Monthly Charge	\$29,400 per month
Rate for Chilled Water	\$0.0419 per ton hour for all ton hours per month
Rate for Steam	\$2.278 per million BTU per month

One ton-hour is defined as 12,000 BTU.

Upon completion of the expansion of facilities, as evidenced by a completion certificate from the Board's duly authorized representative, the

Director of Facilities Planning and Construction, which certificate shall not be unreasonably withheld, the Board shall pay Lone Star for producing, circulating and furnishing chilled water and steam the following rates, subject to adjustment as herein provided:

Fixed Monthly Charge	\$66,450 per month
Rate for Chilled Water	\$0.0419 per ton hour for all ton hours per month
Rate for Steam	\$2.278 per million BTU per month

If Board elects to reimburse Lone Star in lump sum of \$205,400 for its share of the secondary fuel oil facilities, the fixed monthly charge shall be reduced by \$3,461 per month.

The monthly charges based upon the rates set forth herein will be increased or decreased, as the case may be, as follows:

a) By an amount equal to the increase or decrease in cost of electricity used in the production of steam and chilled water for Board during the electric utility billing period immediately preceding the current month, from a base amount equal to the number of kilowatt hours (KWH) used priced at \$0.037 per KWH.

b) By an amount equal to the increase or decrease in cost of fuels used in the production of chilled water and steam for Board during the primary fuel billing period immediately preceding the current month, from a base amount equal to the number of BTU used priced at \$1.60 per million BTU.

c) By an amount equal to the increase or decrease in cost of water utilized in the production of steam and chilled water for Board during the water utility billing period immediately preceding the current month, from a base amount equal to the number of gallons used priced at \$0.23 per thousand gallons.

To determine the proportion of utility escalation costs in the above paragraphs a), b) and c) to be borne by Board, the total equivalent MMBTU (million BTU) used by Board in the preceding month, including steam, will be divided by the total equivalent MMBTU, including steam sold from the plant and multiplied by the total utility escalation costs. Each ton hour of refrigeration sold will be considered the equivalent of .018 MMBTU.

d) By an amount equal to 8.33% of the difference between actual taxes, other than Federal Income Tax, charged in the most recent taxable period and an annual tax base of \$100,000, added or deducted as the case may be and proportioned among customers with the Board's portion of said amount being 46% based on calculated total equivalent energy demand.

e) By an amount equal to Board's portion of \$125.00 appropriately added or deducted, as the case may be, for each one percent increase or decrease in the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for the month of December of the immediately preceding year from the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for December 1973. Fractional percentages shall be proportionally applied. The average cost of labor prevailing for manufacturing employees in the San Antonio labor market shall be determined by reference to and in conformity with the Index of Gross Average Hours and Earnings in the San Antonio metropolitan area published by the Texas Employment Commission in cooperating with the United States Bureau of Labor Statistics. Board's portion of this charge shall be determined as in d) above.

f) By \$16.85 for each \$1,000.00 the actual expansion cost is over or under the estimated cost of \$2,417,000.00."

VI.

Article 11 shall be deleted in its entirety and the following shall be substituted for and in lieu thereof:

"11. Modification in Event of Expansion. In the event the parties hereto agree to an increase in services requiring an expansion of the central plant, other than the expansion specified herein, by agreement between the parties the rates for services and/or charges for the new expansion may be

determined and set forth separately in addition to the rates in this Modification Agreement or added to the rates specified herein.

If Lone Star shall expand the central plant with the approval of the Board to serve customers other than Board, the rates and remaining terms of this Agreement shall be subject to modification by written agreement between the parties, provided, however, that rates may be reduced appropriately to Board and existing customers if additional customers approved by Board are served from existing facilities.

If any existing customer requires an increase in thermal energy service caused by new construction, other than the Board's dental and nursing school, the proposed cafeteria and the fifth floor addition to the medical school, the allocation of fixed monthly charge shall be adjusted by written agreement of all parties."

VII.

Article 17, as amended, shall be deleted in its entirety and the following substituted for and in lieu thereof:

"17. Inability to Perform. In the event Lone Star becomes unable to continue the performance of services as herein provided because of bankruptcy, insolvency or for any reasons other than those outlined in Article 22 of this Agreement, Board may itself take over the operation of such plant. Under these circumstances, this Agreement will terminate and ownership shall vest in Board, provided, however, Board shall first pay for current operating and maintenance expenses and retire primary indebtedness, existing at the time of take over from all surplus money that is the result of plant revenue being in excess of actual operating and maintenance expense. The obligation to retire primary indebtedness shall be secondary to capital requirements necessary to restore facilities to reasonable operational order except where this expense is recovered from insurance in effect and this obligation will terminate upon full payment of the debt or August 31, 1993, whichever occurs first."

Plant revenues, as used in this Article 17, are defined as the revenue which would have been payable to Lone Star under Article V of this Amendment and Modification Agreement had Lone Star continued to own and operate the facilities herein described. The principal amount of primary indebtedness, as used herein, is defined as net book investment of plant and equipment at time of take over. Net book investment is the capital cost of plant and equipment when installed, less accumulated straight-line depreciation. In the event the Board takes over operation, it shall have the option to pay off the primary indebtedness at any time.

VIII.

The parties hereto agree that Board shall adjust its reimbursement to pay Lone Star for a portion of any change in costs incurred by Lone Star as a result of new rules, regulations or laws imposed on Lone Star by city, state or federal governments or any agency thereof. The portion to be reimbursed by Board shall be determined by dividing the total equivalent MMBTU used by Board in the most recent calendar year by the total equivalent MMBTU sold from the plant in the most recent calendar year.

IX.

Article 18 shall be modified by deleting the words "and to the trustee" from the second sentence.

X.

The following shall be deleted from Article 20:

"If to CEC: 2101 Proctor
Dallas, Texas 75235"

and the following shall be substituted for and in lieu thereof:

"If to Lone Star: 301 South Harwood Street
Dallas, Texas 75201"

XI.

Article 23 shall be modified by deleting the following from the second sentence thereof "except for the assignment of proceeds as provided in paragraph 16 hereof".

XII.

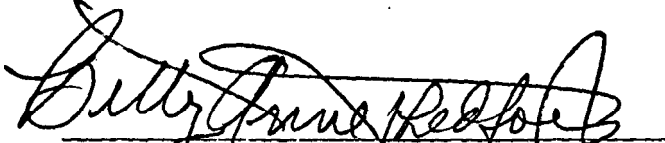
Except as herein expressly amended, the Customer Agreement dated October 6, 1967 shall remain in full force and effect.

XIII.

IN WITNESS WHEREOF, this Amendment is agreed to and approved by the duly authorized representatives of the Veterans Administration; the Bexar County Hospital District; the Board of Regents of the University of Texas System; and Lone Star Energy Company.

ATTEST

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM



BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

By 


Allan Shivers, Chairman

ATTEST

LONE STAR ENERGY COMPANY



Corporate Secretary

By 

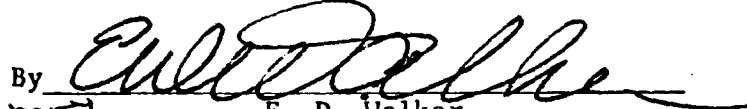
R. B. Williams
Senior Vice President

APPROVED AS TO FORM

APPROVED AS TO CONTENT



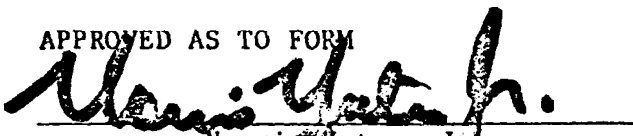
University Attorney
The University of Texas System

By 

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

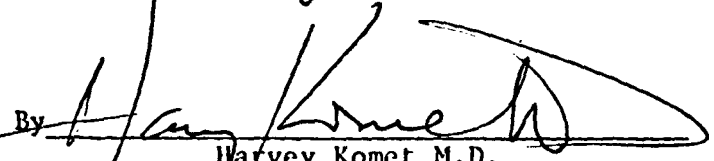
APPROVED AS TO FORM

THIS AMENDMENT TO CONTRACT DATED
OCTOBER 6, 1967 AND THE TERMS
THEREOF ARE HEREBY AGREED TO THIS
24th DAY OF June, 1975
BEXAR COUNTY HOSPITAL DISTRICT



Norris Yates, Jr.
Assistant District Attorney

ATTEST

By 

Harvey Komet M.D.
Chairman, Board of Managers

ATTEST

THIS AMENDMENT TO CONTRACT DATED
OCTOBER 6, 1967 AND THE TERMS
THEREOF ARE HEREBY AGREED TO THIS
____ DAY OF _____, 19____
UNITED STATES OF AMERICA

By _____

Contracting Officer
Veterans Administration

AGREEMENT BY THE GOVERNMENT

* * *

In order not to impede expansion of facilities by Lone Star Energy Company for the benefit of the Board of Regents of the University of Texas System, the United States of America, acting through the Veterans Administration, hereby signifies its approval of the foregoing AMENDMENT AND MODIFICATION AGREEMENT dated June 1, 1975, subject to the following express reservations and provisions, to-wit:

The Government does not consent or agree at this time to be bound by any provisions of subject document which might constitute a change in the existing agreement between Lone Star Energy Company as successor to Central Energy of San Antonio, Incorporated, and the Government, executed November 2, 1971.

DATED this 8th day of October, 1975

UNITED STATES OF AMERICA

ATTEST

Kenneth N. Vackerling

By Lee M. Dixon
Contracting Officer
Veterans Administration

Lease Amendment

Amendment made June 1, 1975, between The Board of Regents of The University of Texas System herein referred to as "Lessor" and Lone Star Energy Company herein referred to as "Lessee."

The Board of Regents of The University of Texas System and Central Energy Corporation entered into a lease agreement on October 6, 1967, attached to service agreement of even date between these parties in Exhibit "C". A service agreement and lease agreement were ultimately assigned to Lone Star Energy Company effective November 1, 1972, with the consent of Lessor. The demised property is more fully described by metes and bounds in Exhibit "A" attached to said service agreement.

It is the desire of the parties to amend the description of the premises demised by the lease.

In consideration of the mutual covenants contained herein, the parties agree as follows:

The description of the demised premises attached to said service agreement shall be amended to describe the premises as follows, upon which is constructed the Central Energy Plant for The University of Texas Health Science Center at San Antonio, operated and maintained by Lone Star Energy Company:

All of that certain tract or parcel of land out of Oak Hills Park Unit One, a subdivision of Bexar County, Texas, as recorded in Volume 5502, page 90, of the Deed and Plat Records of Bexar County, Texas, said tract being more particularly described by metes and bounds as follows:

BEGINNING at a point in the West line of the said Oak Hills Park Unit One at the common South corner of the South Texas Medical School Building and the Bexar County Teaching Hospital Building;

THENCE along the West line of the said Oak Hills Park Unit One S. $1^{\circ} 04' 16''$ W. for a distance of 120.23 feet;

THENCE continuing along the West line of the said Oak Hills Park Unit One S. $41^{\circ} 43' 46''$ W. for a distance of 353.72 feet;

THENCE N. $81^{\circ} 38'$ E. for a distance of 131.53 feet to the Northwest corner and place of beginning hereof;

THENCE NO. $81^{\circ} 38'$ E. for a distance of 150.00 feet to an iron stake at the Northeast corner hereof;

THENCE S. $8^{\circ} 22'$ E. for a distance of 290.00 feet to an iron stake for the Southeast corner hereof;

THENCE S. $81^{\circ} 38'$ W. - 156.29 feet to the Southwest corner of the herein described tract;

THENCE N. $08^{\circ} 22'$ W. - 147.27 feet to a re-entrant corner of the herein described tract;

THENCE S. $81^{\circ} 38'$ E. - 6.29 feet to an inside corner of the herein described tract;

THENCE N. $08^{\circ} 22'$ W. - 142.73 feet to the POINT OF BEGINNING.

CONTAINING 44,426.33 square feet 1.020 acres of land, more or less.

Lessor hereby adopts, ratifies and confirms the lease as it is hereby amended and demises to Lessee all of the land above described and referred to, subject to and under the terms and conditions of the lease, as amended.

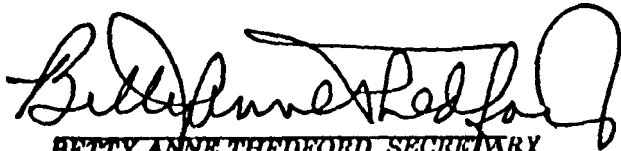
These provisions shall extend to and be binding on the heirs, legal representatives, successors, and assigns of both parties hereto.

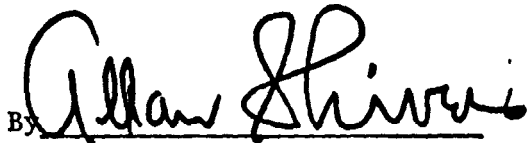
The amended description shall be incorporated into the basic lease and except as amended all of the terms of the basic lease shall remain in full force and effect, unaltered and unchanged by this subsequent agreement.

EXECUTED by the parties on the day and year first above written.

ATTEST:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM


BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

By 

ATTEST:

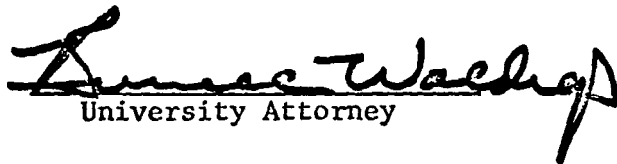
LONE STAR ENERGY COMPANY


Secretary

By 
Senior Vice President

Approved as to Form:

Approved as to Content:



University Attorney


Deputy Chancellor for Administration

THE STATE OF TEXAS I
 I
COUNTY OF TRAVIS I

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

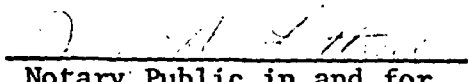
GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of July, 1975.


Notary Public in and for
Travis County, Texas

THE STATE OF TEXAS I
 I
COUNTY OF DALLAS I

BEFORE ME, the undersigned authority, on this day personally appeared R. B. WILLIAMS, Senior Vice President of Lone Star Energy Company, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of the said Lone Star Energy Company.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 2nd day of July, 1975.

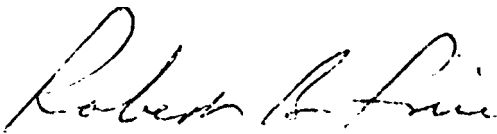

Notary Public in and for
Dallas County, Texas
JEAN H. LUTTFELT, Notary Public
In and for Dallas County, Texas

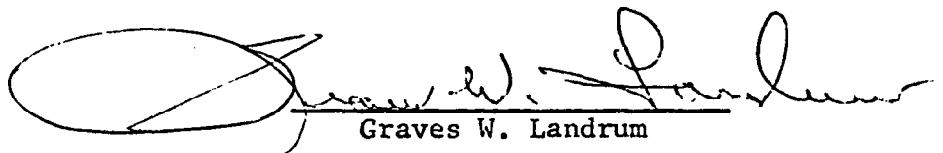
Below is an additional report from the Special Committee:

May 17, 1976

To the Board of Regents of
The University of Texas System:

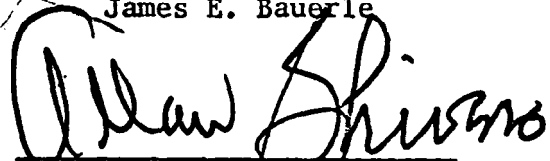
The Special Committee appointed at the Regents' Meeting held on December 13, 1974, has reviewed and approved two new revised contracts between Lone Star Energy Company and the Veterans Administration for thermal energy services to be provided by the thermal energy plant located on the campus of the Health Science Center at San Antonio. These new revised contracts are entitled, "Supplementary Agreement" and "Modification Agreement," and are both dated April 30, 1976. Together, these new revised contracts take the place of the draft contract between the two parties which was previously approved by the Special Committee on June 12, 1975.


Robert B. Price


Graves W. Landrum


E. D. Walker


James E. Bauerle


Allan Shivers

The Supplementary Agreement and Modification Agreement referred to in the foregoing report, both dated April 30, 1976, between the Lone Star Energy Company and the Veterans Administration are set out on Pages C of W 32 - 46 .

3. Supplementary Agreement

THIS SUPPLEMENTARY AGREEMENT made and entered into this
30th day of April 1976 by and
between LONE STAR ENERGY COMPANY, a Texas Corporation,
hereinafter referred to as "Contractor" and the UNITED STATES
OF AMERICA represented by the Contracting Officer of the
Audie L. Murphy Memorial Veterans Hospital, San Antonio, Texas.

WITNESSETH:

WHEREAS, there exists a Chilled Water and Steam Service Agreement, dated November 1, 1971, a Construction Agreement and an Award dated August 4, 1971 between Central Energy of San Antonio, Inc., and the Government that provide for the construction of facilities, the operation and maintenance thereof and the furnishing of chilled water and steam from these facilities to serve the requirements of the Veterans Administration Hospital in San Antonio, Texas; and

WHEREAS, the construction of facilities has been accomplished in accordance with the aforementioned agreements and chilled water and steam services are being furnished and accepted from these facilities; and

WHEREAS, Lone Star Energy Company, hereinafter referred to as Contractor, has purchased the assets and properties of Central Energy of San Antonio, Inc., and has taken an assignment of the aforementioned agreements with approval of the Government; and

WHEREAS, Contractor has proposed that it install increased and additional facilities for stand-by capacity for furnishing steam through utilization of fuel oil; and

WHEREAS, Contractor has arranged to install a 5 KV electrical service capable of handling an additional 6000 tons of electric driven cooling equipment, and shall at this time install 3000 tons of electric driven cooling equipment; and

WHEREAS, the Government is advised that recent developments in the energy field indicate that the possibility of loss or decrease in availability of natural gas as the prime energy source has become greater in recent months; and

WHEREAS, it appears to be in the best interest of the Government in view of these changed conditions to become prepared to meet such possible emergency conditions by securing the proposed additional stand-by capacity as proposed by the Contractor; and

WHEREAS, the other users of Contractor's services at this location have agreed to bear their proportionate shares of the cost of providing such additional facilities,

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for the purpose of providing for the Government at its Veterans Administration Hospital at San Antonio, Texas, more secure and reliable sources and facilities for procurement of steam and chilled water under outage or emergency situations, the parties hereto do enter into this SUPPLEMENTARY AGREEMENT providing as follows:

1. Contractor agrees to proceed immediately to erect facilities capable of providing, and Contractor shall provide sustained steam production in the event of prolonged outages of natural gas so long as fuel oil is available.

2. Contractor agrees to proceed immediately to erect facilities capable of providing, and Contractor's plant shall provide, 100 percent cooling capacity in the event of loss of natural gas as an energy source, and shall provide 75 percent cooling capacity in the event one of the largest single chillers is out of service. Contractor's plant shall provide approximately 30 percent of its total cooling capacity in the event of total loss of electrical service. Such installation, deemed the most feasible method of providing additional cooling capacity, will not only provide immediately an additional 900 tons of plant cooling capacity, but, also will provide an additional stand-by source of chilled water which shall be available to Contractor's customers.

3. Contractor shall proceed immediately to provide such facilities and shall:

(a) Install or cause to be installed a 5 KV electrical service capable of handling an additional 6000 tons of cooling capacity over that installed on October 31, 1975.

(b) Provide storage facilities for 240,000 gallons of fuel oil to permit approximately (15) days operation at 100 percent steam load of the plant in the event of total loss of natural gas service.

(c) The contractor shall provide a suitable operational check-out for readiness of this storage facility and shall report the findings of such check-out to the aforesaid Veterans Administration Hospital at least quarterly.

4. The Government agrees to pay its portion (a proration based upon established percentages of steam and chilled water delivered to the three users of Contractor's existing facilities) of the capital costs of installing and activating such additional facilities. It is estimated that the total cost of the electrical portion of the proposed expansion is \$770,000.00, and of this amount \$425,000.00 is charged to providing the 5 KV electrical service. Of that amount of \$425,000.00, the Government's pro rata share (30.3%) is \$128,700.00. The cost of providing 240,000 gallon capacity oil storage is established as \$450,000.00. Of that amount, the Government's pro rata share (30.94%) is \$139,200.00. Accordingly, the Government agrees to pay to Contractor upon the completion and activation of such additional facilities amounts as follows:

(a) For the cost of such new 5 KV electrical service, the sum of \$128,700.00.

(b) For the cost of the additional fuel oil facilities, having a capacity of an additional 240,000 gallons of fuel oil, the sum of \$139,200.00, plus the actual cost of 74,400 gallons of fuel oil for initial fill;

PROVIDED, that upon termination of the service agreement between Contractor and the Government, the Government shall be reimbursed for such cost of its share of the aforesaid initial fuel fill by Contractor and/or the Board of Regents of the University of Texas System at the then existing market price.

5. In providing to the Government at such hospital both steam and chilled water, the Contractor shall utilize and account for natural gas, fuel and electricity, which can be obtained and used at the lowest unit cost, except during periods when effective plant operations require otherwise.

6. It is agreed that the Contractor shall continue to furnish and Government shall receive steam and chilled water at the aforesaid Veterans Administration Hospital at basic rates established in accordance with the Chilled Water and Steam Agreement dated November 1, 1971 between the Government and Central Energy of San Antonio, Incorporated, as amended or modified by the parties hereto by a Modification Agreement of even date herewith. In consideration of the payment by the Government, as provided for in paragraph 4, hereof, a portion of the Contractor's capital costs for installation of such additional facilities, Contractor agrees that the Government shall not incur any increase in basic rates occasioned by the costs of such new facilities. There shall be no increase in the basic rates to the Government by reason of this Supplemental Agreement.

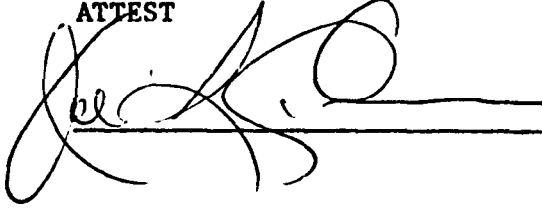
7. All requirements and provisions of the Government's Agreements with CENTRAL ENERGY OF SAN ANTONIO, INCORPORATED, dated August 4, 1971 (modified by a subsequent Novation Agreement with Lone Star) and the CHILLED WATER AND STEAM SERVICE AGREEMENT dated November 1, 1971, as amended by the Modification Agreement of even date herewith shall remain in full force and effect except as expressly modified or altered herein.

8. Contractor will not be responsible for any interruption of the delivery of chilled water or steam or for the performance of any of the duties assumed hereunder by Contractor, due to strikes, fires, or governmental interference, or regulation of or by any governmental authority, acts of God, or causes beyond the control of Contractor.

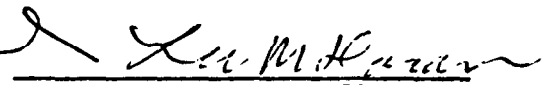
IN WITNESS WHEREOF, the parties hereto have caused this
Supplementary Agreement to be executed and delivered as of the
date and year first above written.

ATTEST

UNITED STATES OF AMERICA

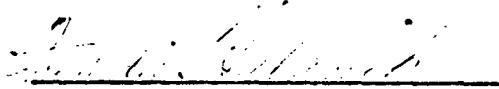


By



Contracting Officer
Veterans Administration

ATTEST

LONE STAR ENERGY COMPANY


Asst. Corporate Secretary

By


N. H. Parrott
Executive Vice President

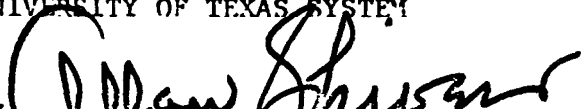
APPROVED:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

ATTEST

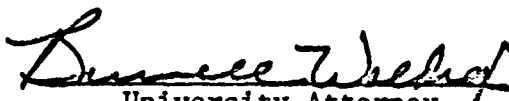

BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

By



ALLAN SHIVERS, CHAIRMAN
Board of Regents of
The University of Texas System

APPROVED AS TO FORM

APPROVED AS TO CONTENT


University Attorney
The University of Texas System

By


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

4. Modification Agreement

THIS AGREEMENT made and entered into this 30th day of April 1976 by and between LONE STAR ENERGY COMPANY, a Texas Corporation, hereinafter referred to as Contractor and the UNITED STATES OF AMERICA represented by the Contracting Officer of the Audie L. Murphy Memorial Veterans Hospital, San Antonio, Texas.

WITNESSETH:

WHEREAS, there exists a Chilled Water and Steam Service Agreement, dated November 1, 1971, and the Agreement dated August 4, 1971, between Central Energy of San Antonio, Inc. and the Government that provides for the construction of facilities, the operation and maintenance thereof and the furnishing of chilled water and steam from these facilities to serve the requirements of the aforesaid Veterans Administration Hospital in San Antonio, Texas; and

WHEREAS, construction of facilities has been made and chilled water and steam services are being furnished and accepted from these facilities; and

WHEREAS, the Contractor has purchased the assets and properties of Central Energy of San Antonio, Inc., and taken an assignment of the aforementioned agreements with approval of the Government; and

WHEREAS, the parties hereto recognize that all requirements and provisions of the Government's Agreements with CENTRAL ENERGY OF SAN ANTONIO, INCORPORATED, dated August 4, 1971

and the CHILLED WATER AND STEAM SERVICE AGREEMENT dated November 1, 1971 (modified by a subsequent Novation Agreement with Lone Star dated November 1, 1972) shall remain in full force and effect except as expressly modified or altered hereinafter.

WHEREAS, general conditions have resulted in continually increasing utility and labor costs to the Contractor considerably in excess of the rates of increase contemplated by the parties to the original agreement, and the Contractor has been called upon to provide increased services to co-users of its facilities.

NOW, THEREFORE, in consideration of the payment by Contractor to the Government of the sum of One Dollar (\$1.00) and other good and valuable considerations, receipt whereof is hereby acknowledged, the parties do hereby agree to modify the existing CHILLED WATER AND STEAM SERVICE AGREEMENT dated November 1, 1971, as follows:

1. Section I. SPECIFICATIONS, subparagraph e of Section 1, relating to Chilled Water, of paragraph B of the aforesaid Chilled Water and Steam Service Agreement shall be deleted and instead thereof the following new subparagraph e shall be inserted, to-wit:

e. Adjustments - - The monthly charge for chilled water based on the above basic rates, shall be adjusted by increase or decrease in the cost of fuel, electricity, water and labor incurred each billing period by applying the factors set out below to such costs, as soon as practicable after such cost figures are available:

(1) For refrigeration produced using steam turbines or absorption chillers, \$.0002 per ton hour for each cent by which cost to the Contractor per million B.T.U. of the fuel utilized varies from twenty-five and two-tenths cents per million B.T.U.

(2) For the refrigeration produced using electric motor driven chillers, \$.0011 per ton hour for each one-tenth cent by which the cost to the Contractor per Kilowatt hour (KWH) of electrical energy, including cost determined on the basis of demand, varies from \$.009 per KWH. Where electric driven chillers are not utilized, the electrical cost adjustment shall be \$.00033 per ton hour for each \$.001 change in the cost of electrical energy, including charges based on demand, from \$.009 per KWH.

(3) \$.0002 per ton hour for each two cents by which the cost to the Contractor per thousand gallons of water used varies from thirteen and one-half cents per thousand gallons of water.

(4) \$.00012 per ton hour for each five percent change in the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for the month of December of each contract year from the average cost of labor prevailing for manufacturing employees in the San Antonio labor market for December 1970. The average cost of labor prevailing for manufacturing employees in the San Antonio labor market shall be determined by reference to and in conformity with the index of Gross Average Hours and Earnings in the

San Antonio Metropolitan Area published by the Texas Employment Commission in cooperation with the United States Bureau of Labor Statistics.

2. Section I, SPECIFICATIONS, subparagraph c and subparagraph e of Section 2, relating to steam, of paragraph B of the aforesaid Chilled Water and Steam Service Agreement shall be deleted and instead thereof the following new subparagraphs c and e shall be inserted, to wit:

c. Return of Steam - - The hospital shall return all steam condensate to the Contractor's circulating system as follows:

(1) Steam condensate shall be returned to the Contractor's return line at a pressure sufficient to enter the return line but not to exceed 50 p.s.i.g. The hospital shall pay for unreturned steam condensate at the rate of \$.67 per thousand gallons for quantities in excess of 30 thousand gallons not returned during any month.

e. Adjustments - - The monthly charge for steam based on the above basic rates, shall be adjusted by increase or decrease in the cost of fuel, electricity, water and labor incurred each billing period by applying the factors set out below to such costs, as soon as practicable after such cost figures are available:

- (1) \$.0015 per million B.T.U. for each one-tenth cent by which the cost to the Contractor per million B.T.U. of the fuel used in the central plant system allocated to production of steam for sale varies from twenty-five and two-tenths cents per million B.T.U.
- (2) \$.002 per million B.T.U. for each one-tenth cent by which the cost to the Contractor per KWH of electrical energy, including cost determined on the basis of demand, varies from \$.009 per KWH.
- (3) \$.005 per million B.T.U. for each one cent by which the cost to the Contractor per thousand gallons of water used in the central plant system varies from thirteen and one-half cents per thousand gallons of water.
- (4) \$.013 per million B.T.U. for each five percent change in the average cost of labor prevailing for manufacturing employees in the San Antonio, Texas, labor market for December of each contract year from the average cost of labor prevailing for manufacturing employees in the San Antonio, Texas labor market for December 1970, such costs determined as provided in paragraph I.B.1.e (4) of this contract.

3. In addition to the adjustments provided for herein above in paragraph 1.e. on page 2, relating to Chilled Water, and paragraph 2.e on page 4, relating to Steam, an adjustment for taxes shall be made to reflect the increase or decrease in annual taxes other than sales, use and income taxes, from a base amount paid by Contractor in 1971. The monthly charge shall be increased or decreased, as the case may be, by an

Rev. 1.

amount equal to 2.56 percent of the amount of changed taxes. The amount of taxes and equitable percentage represented above, shall be subject to annual validation by both parties.

4. Section II. GENERAL PROVISIONS, subparagraph A of the aforesaid Chilled Water and Steam Service Agreement shall be deleted and instead thereof the following new provisions shall be inserted, to wit:

A. Period of Contract - - This contract shall be for a period of three (3) years from the date of first service to the hospital and may be renewed for successive three (3) year periods thereafter upon written agreement executed by both parties prior to expiration of the then current contract period. For the purpose hereof the date of "first service" shall be deemed to be May 1, 1973. Contract periods extending beyond the end of any fiscal year of the Government are subject to the availability of funds and no service will be furnished by the Contractor after the end of any fiscal year until specifically authorized by the contracting officer.

And subparagraph B thereof shall be deleted, and in lieu thereof the following new subparagraph B shall become applicable:

B. Adjustments - - It is recognized that in the original Paragraph B, Section II, General Provisions, of the Chilled Water and Steam Service Agreement, the Contractor's average cost is computed for the immediately preceding fiscal year and adjustments made to deliveries commencing July 1 of the Government's next fiscal year. Using this formula the Contractor will not have recovered all of its adjustment costs to which it is entitled by reason of costs incurred during the period from November 1, 1973, through

March 31, 1976, by the time this agreement becomes effective. Accordingly, it is agreed by the parties that at such time as the Contractor submits to the Government its duly authenticated statement as to the unreimbursed charges, utilizing the formulae provided in the original Chilled Water and Steam Agreement, the Government, upon final verification of the amount so due, shall pay such amount. For the purpose of arriving at a present determination of the amount of reimbursement, it is agreed that the monthly future deliveries shall be considered the same as the corresponding monthly 1975 deliveries. For example, earned but uncollected adjustments for November 1973 - - October 1974 would have been billed by July 5, 1976. Under this Agreement, the calculations for the months of May and June 1976 will utilize the November 1973 - - October 1974 adjustment factors of \$.01363 per ton hour for chilled water and \$.8740 MMBTU for steam applied to the May and June 1975 ton hours and MMBTU, respectively. The remaining sums due the Contractor for the periods November 1, 1974 - - October 31, 1975 and November 1, 1975 - - March 31, 1976, shall be calculated using the adjustment factor for those respective periods and 1975 monthly deliveries of chilled water and steam.

5. The parties hereto agree that the Government shall adjust its calendar year reimbursement to pay the Contractor for the Government's proportionate share of any change in costs of providing services provided by this contract incurred by the Contractor as a result of requirements of rules, regulations

or laws hereafter imposed on the Contractor by City, State or Federal Governments or any agency thereof, except income, sales or use taxes.

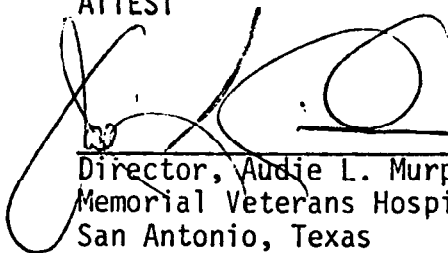
6. It is agreed finally that nothing in this Modification Agreement shall be construed as relieving the Contractor of its obligations to furnish steam and chilled water to the aforesaid Veterans Administration Hospital at basic rates no more than those established in accordance with the original agreement with Central Energy of San Antonio, Incorporated and the subsequent Chilled Water and Steam Service Agreement as amended or modified hereinabove or hereafter by written agreement of the parties.

7. The aforesaid Chilled Water and Steam Service Agreement, as modified hereby, is hereby renewed for an additional three years beginning May 1, 1976.

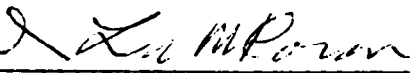
IN WITNESS WHEREOF, the parties hereto have caused this Modification Agreement to be executed and delivered by duly authorized agents or officers of the respective parties as of the date and year first above written.

ATTEST

UNITED STATES OF AMERICA



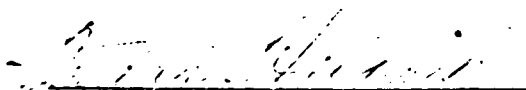
Director, Audie L. Murphy
Memorial Veterans Hospital
San Antonio, Texas

By 


Contracting Officer, Audie
L. Murphy Memorial Veterans
Hospital, San Antonio, Texas

ATTEST

LONE STAR ENERGY COMPANY



Asst. Corporate Secretary

By 

N. H. Parrott
Executive Vice President

APPROVED:

BOARD OF REGENTS OF THE
UNIVERSITY OF TEXAS SYSTEM

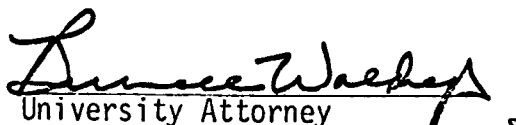
ATTEST

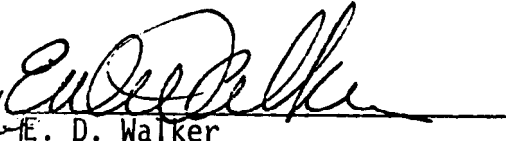

BETTY ANNE THEDFORD, SECRETARY
Board of Regents of
The University of Texas System

By 
ALLAN SHIVERS, CHAIRMAN
Board of Regents of
The University of Texas System

APPROVED AS TO FORM

APPROVED AS TO CONTENT


University Attorney
The University of Texas System

By 
E. D. Walker
Deputy Chancellor for
Administration
The University of Texas System

C. Dallas Health Science Center: Discontinuance of Affiliation Agreements with (1) Marbridge House of Dallas, Dallas, Texas; (2) National Association for Retarded Children, Arlington, Texas; (3) Texas Easter Seal Society, Dallas, Texas; (4) Youth Services Bureau of Tarrant County, Fort Worth, Texas; and (5) Texas Institute for Rehabilitation and Research, Houston, Texas. --In order that the record will be complete, the following Affiliation Agreements with The University of Texas Health Science Center at Dallas have been discontinued:

1. Marbridge House of Dallas, Dallas, Texas, originally approved September 11, 1972
2. National Association for Retarded Children, Arlington, Texas, originally approved March 5, 1973
3. Texas Easter Seal Society, Dallas, Texas, originally approved July 21, 1972
4. Youth Services Bureau of Tarrant County, Fort Worth, Texas, originally approved January 26, 1973
5. Texas Institute for Rehabilitation and Research, Houston, Texas, originally approved December 8, 1972

President Sprague has reported that Dallas Health Science Center no longer has programs for which these affiliations are needed.

III. 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:

October 1, 1976, in Houston
December 10, 1976, in Austin

Commencement Activities

1976

August 20 Galveston Allied Health Sciences School
August 22 Dallas Allied Health Sciences School

Other Events

July 16 Coordinating Board Meeting
October 2-3 Dedication Ceremony at University Cancer Center (Institutional Activity)
October 22 Distinguished Alumni Banquet Ex-Students' Association
October 15 Coordinating Board Meeting
October 16 Life Member Brunch - Ex-Students' Association
November 5 Meeting of Law School Foundation, Austin

1976

MAY							SEPTEMBER						
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23	24	25	26	27	28	29	26	27	28	29	30		
30	31												

JUNE							OCTOBER						
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20	21	22	23	24	25	26	17	18	19	20	21	22	23
27	28	29	30				24	25	26	27	28	29	30
							31						

JULY							NOVEMBER							
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25	26	27	28	29	30	31	28	29	30					

AUGUST							DECEMBER						
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1977

JANUARY

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1976 FOOTBALL SCHEDULE, U. T. AUSTIN

*September 11	Boston College	at Boston
*September 18	North Texas State	at Austin
*October 2	Rice Univ.	at Houston
October 9	Oklahoma Univ.	at Dallas
*October 23	S. M. U.	at Austin
October 30	Texas Tech	at Lubbock
November 6	University of Houston	at Austin
November 13	T. C. U.	at Fort Worth
November 20	Baylor	at Waco
*November 25	Texas A&M	at Austin
*December 4	Arkansas Univ.	at Austin

*Night Game

Committee of the Whole
Executive Session

Amend the recommendation to include the following paragraph:

"Be it (further) resolved by the Board of Regents that nursing education in The University of Texas System shall place major emphasis on training nurses for the direct care of hospitalized patients and that faculty and staff of the several U. T. System Nursing Schools shall encourage their students to pursue careers in the direct care of hospitalized patients in order to help ease the critical shortage of nurses in hospitals in this State and especially in M. D. Anderson Hospital, the Galveston Medical Branch Hospitals and the hospitals that serve as primary teaching hospitals for the U. T. System Nursing Schools."



THE UNIVERSITY OF TEXAS SYSTEM

Office of the Deputy Chancellor

601 COLORADO STREET, AUSTIN, TEXAS 78701

June 28, 1976

MEMORANDUM

TO: Miss Betty Anne Thedford

FROM: E. D. Walker *EDW*
by HJM

SUBJECT: Executive Session Items -- July 9, 1976

The following items are anticipated for Executive Session consideration:

1. Operating Budgets for 1976-1977 Fiscal Year
2. U.T. Arlington -- Purchase of Robertson Colony Papers
3. U.T. Austin -- Hogg Foundation
4. U.T. System -- Use of Consultants between Components and with Another State Agency
5. Report on Filing of Legislative Appropriation Requests for 1978-79 Biennium

EDW:nn

COMMITTEE OF THE WHOLE - EXECUTIVE SESSION
[Pursuant to Vernon's Texas Civil Statutes
Article 6252-17, Sections 2(e) and (g)]

Date: July 9, 1976

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

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

- 1. Contemplated and/or Pending Litigation**
- 2. Personnel Matters: Proposed 1976-77 Operating Budgets**

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
The University of Texas of the Permian Basin
The University of Texas at San Antonio
The University of Texas Health Science Center at Dallas
The University of Texas Medical Branch at Galveston
The University of Texas Health Science Center at Houston
The University of Texas Health Science Center at San Antonio
The University of Texas System Cancer Center

Meeting of the Board

:

(Continued)

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

Date: July 9, 1976

Time: Following the Executive Session of the
Committee of the Whole

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

A. ...

B. ...

C. ...

D. ...

E. RECONVENE

F. REPORTS OF COMMITTEES

1. System Administration Committee by Committee
Chairman Williams
2. Academic and Developmental Affairs Committee
by Committee Chairman (Mrs.) Johnson
3. Buildings and Grounds Committee by Committee
Chairman Bauerle
4. Medical Affairs Committee by Committee Chairman
Nelson
5. Land and Investment Committee by Committee
Chairman Clark

G. REPORT OF BOARD FOR LEASE FOR UNIVERSITY LANDS

H. REPORTS OF SPECIAL COMMITTEES

1. Report of Committee to Study Process for
Selection of Chief Administrative Officers
(Presidents) of Component Institutions and
Proposed Amendment to Regents' Rules
and Regulations, Part One, Chapter II,
Section 4

2. Report of Committee for Santa Rita Award. --Regent Clark, Chairman of the Committee for the Santa Rita Award presented the following report:

Report

The Committee for the Santa Rita Award [composed of Regents Clark, Chairman, (Mrs.) Johnson and Williams] unanimously selected Mrs. Mary Moody Northen of Galveston, Texas, to receive the Award.

The committee recommends that this Award be given to Mrs. Northen in Houston on the evening of September 30 preceding the Regents' meeting on October 1, 1976.

- I. REPORT OF COMMITTEE OF THE WHOLE - OPEN SESSION
- J. CONSIDERATION OF ITEMS REFERRED TO EXECUTIVE SESSION OF THE COMMITTEE OF THE WHOLE. --The Board of Regents discussed in Executive Session of the Committee of the Whole pursuant to V. T. C. S., Article 6252-17, Sections 2(e) and (g), the following:
1. Contemplated and/or Pending Litigation
 2. U. T. System: 1976-77 Operating Budgets
- K. ADJOURNMENT

RECOMMENDATION

I move adoption of the report and in connection therewith I move that the necessary rules be waived and that the Regents' Rules and Regulations, Part One, Chapter II, Subsection 4.1 be amended to incorporate the procedure agreed on by the Committee by deleting Subsection 4.1, Chapter II, Part One of the Regents' Rules and Regulations and by substituting in lieu thereof the following to be effective immediately:

Sec. 4 - Chief Administrative Officers of Component Institutions

- 4.1 The Board of Regents selects the chief administrative officers of each component institution.

At all times, the Chancellor shall be looking for promising candidates to whom he may refer the Advisory Committee when it is established.

When it is known that there is to be a vacancy in the office of a chief administrative officer of a component institution, an Advisory Committee with the Chancellor as Chairman shall be established as follows to recommend candidates to the Board of Regents:

Chancellor (Chairman)

Deputy Chancellor

Three Chief Administrative Officers

(To be appointed by the Chairman of the Board of Regents from three of the component institutions)

Three Regents

(to be appointed by the Chairman of the Board of Regents)

Five Faculty members of the institution involved, at least three of whom shall have the rank of associate professor or higher (method of selection to be determined by the General Faculty of the campus)

One Dean

(For academic institutions to be selected by Dean's Council of the institution involved)

(For health science centers to be the Dean of Medicine of the health science center involved)

Two Students from institution involved

(method of selection to be determined by the Student Government of the campus involved)

President of the Ex-Students' Association of the campus involved or his designee (if institution does not have an active alumni organization, then a member of the Development Board or an interested layman to be appointed by the President or Acting President.)

*Ed
M
and*

The Advisory Committee shall determine the availability of each candidate selected. To evaluate a candidate, the Advisory Committee shall set up criteria that relate to the needs of the individual component and shall seek advice on the ability of each candidate interviewed, including advice from competent sources as to the candidate's administrative and business ability.

Finally, the Advisory Committee shall submit through its Chairman, the Chancellor, a panel of not less than three nor more than five candidates with no preference indicated. Candidates submitted shall have received a majority vote of the Committee. If none of the names submitted in the report of the Advisory Committee is satisfactory to the Board of Regents, then the Board of Regents in its discretion may either name a new committee or proceed to select a chief administrative officer under such other procedures as in its discretion it may deem proper and appropriate.

then

as read

OFFICE OF THE BOARD OF REGENTS

MEMORANDUM

DATE July 8, 1976

TO: Governor Allan Shivers

FROM: Betty Anne Thedford

SUBJECT: Report of Committee to Study Selection Process and
Proposed Amendment to Regents' Rules and Regulations

I have prepared the attached report of the Committee to Study Selection Process together with the proposed recommendation for amending the Regents' Rules and Regulations. Copies have been made for the Regents and after their approval for the press.

I have conferred with Mr. Fitzpatrick who said he was more or less familiar with the report. He made the following suggestions in the proposed amendment that I had drafted, and I have included them in this final draft:

Sec. 4 - Chief Administrative Officers of Component Institutions

- 4.1 eliminated "Constitutionally this is the responsibility of the Board of Regents."
- ... conformed "presidency" to "office of chief administrative officer."
- ... changed "including advice from competent business sources as to the candidate's business ability" to "including advice from competent sources as to the candidate's administrative and business ability."
- ... changed last sentence from "then it shall be left to the judgment of the Board of Regents whether it names a new Committee or proceeds to elect a new president." to "then the Board of Regents in its discretion may either name a new Committee or proceed to select a chief administrative officer under such other procedures as in its discretion it may deem proper and appropriate."

T:kwd
Enclosure

REPORT OF
COMMITTEE TO STUDY PROCESS FOR SELECTION OF
CHIEF ADMINISTRATIVE OFFICERS (PRESIDENTS) OF
COMPONENT INSTITUTIONS

The Committee to Study Process for Selection of Chief Administrative Officers (Presidents) of Component Institutions was appointed on October 24, 1975, and was composed of the following:

**Regent Allan Shivers, Chairman of
Committee**
**Mr. John W. Craddock, Jr., Pre-med
Student, The University of Texas at
Austin**
**Mr. Tim Furlong, Senior in School of
Law, The University of Texas at Austin**
**Regent (Mrs.) Lyndon B. Johnson
President Bryce Jordan, The University
of Texas at Dallas**
**Mr. W. Page Keeton, School of Law, The
University of Texas at Austin**
**Dr. Polykarp Kusch, Nobel Laureate in
Physics and Professor of Physics,
The University of Texas at Dallas**
**President William C. Levin, The University
of Texas Medical Branch at Galveston**
**Mr. Wales Madden, President, Ex-Students'
Association**
**Mrs. Kathlyn S. McElveen, Vice-President
of Student Congress, The University of
Texas at Dallas**
**Mr. William Race, Fourth Year Medical
Student and recently retired President of
Student Government, The University of
Texas Medical Branch at Galveston**
**Dr. Howard Rase, Cunningham Professor of
Chemical Engineering, The University of
Texas at Austin**
**A. R. Remmers, Jr., M.D., Professor of
Internal Medicine, The University of Texas
Medical Branch at Galveston**
**President Lorene Rogers, The University of
Texas at Austin**
Regent Dan C. Williams

The Committee met three times. It reviewed the statutory and Constitutional provisions; reviewed the history of the process used at The University of Texas 1960-1975; and made a survey of the procedure used at more than twenty-five major universities. Each member of the Committee was furnished a copy of the J. Kaufman publication of the Association of American Colleges in 1974 entitled The Selection of College and University Presidents.

After due deliberation by the Committee, it was agreed that the Board of Regents constitutionally has the responsibility for the selection of the chief administrative officers.

It was agreed that there be one committee - an Advisory Committee - to submit recommended candidates to the Board of Regents; that the Chancellor be Chairman of the committee and that the membership of the committee be as follows:

- Chancellor (Chairman)
- Deputy Chancellor
- Three Chief Administrative Officers
(To be appointed by the Chairman of the Board of Regents from three of the component institutions)
- Three Regents
(to be appointed by the Chairman of the Board of Regents)
- Five Faculty members of the institution involved, at least three of whom shall have the rank of associate professor or higher (method of selection to be determined by the General Faculty of the campus)
- One Dean
(For academic institutions to be selected by Dean's Council of the institution involved)
(For health science centers to be the Dean of Medicine of the health science center involved.)
- Two Students from institution involved
(method of selection to be determined by the Student Government of the campus involved)
- President of the Ex-Students' Association of the campus involved or his designee (if institution does not have an active alumni organization, then a member of the Development Board or an interested layman to be appointed by the President or Acting President.)

It was further agreed (1) that the Advisory Committee would determine from each candidate his availability for the position if selected and would submit to the Board of Regents not less than three nor more than five candidates with no preference indicated; (2) that candidates submitted to the Board would have received a majority vote of the Committee; (3) that the Advisory Committee would seek advice from competent business sources as to the business ability of each candidate interviewed; (4) that criteria for the selection of the President would be related to the needs of the individual institution; and (5) that the Chairman of the Committee, the Chancellor, would submit the Committee's report to the Board of Regents and that if none of the names submitted in the report is satisfactory, then it would be left to the judgment of the Board of Regents whether it names a new committee or proceeds to elect a President.

RECOMMENDATION

I move adoption of the report and in connection therewith I move that the necessary rules be waived and that the Regents' Rules and Regulations, Part One, Chapter II, Subsection 4.1 be amended to incorporate the procedure agreed on by the Committee by deleting Subsection 4.1, Chapter II, Part One of the Regents' Rules and Regulations and by substituting in lieu thereof the following to be effective immediately:

Sec. 4 - Chief Administrative Officers of Component Institutions

4.1 The Board of Regents selects the chief administrative officers of each component institution.

At all times, the Chancellor shall be looking for promising candidates to whom he may refer the Advisory Committee when it is established.

When it is known that there is to be a vacancy in the office of a chief administrative officer of a component institution, an Advisory Committee with the Chancellor as Chairman shall be established as follows to recommend candidates to the Board of Regents:

Chancellor (Chairman)

Deputy Chancellor

Three Chief Administrative Officers

(To be appointed by the Chairman of the Board of Regents from three of the component institutions)

Three Regents

(to be appointed by the Chairman of the Board of Regents)

Five Faculty members of the institution involved, at least three of whom shall have the rank of associate professor or higher (method of selection to be determined by the General Faculty of the campus)

One Dean

(For academic institutions to be selected by Dean's Council of the institution involved)

(For health science centers to be the Dean of Medicine of the health science center involved)

Two Students from institution involved

(method of selection to be determined by the Student Government of the campus involved)

President of the Ex-Students' Association of the campus involved or his designee (if institution does not have an active alumni organization, then a member of the Development Board or an interested layman to be appointed by the President or Acting President.)

The Advisory Committee shall determine the availability of each candidate selected. To evaluate a candidate, the Advisory Committee shall set up criteria that relate to the needs of the individual component and shall seek advice on the ability of each candidate interviewed, including advice from competent sources as to the candidate's administrative and business ability.

Finally, the Advisory Committee shall submit through its Chairman, the Chancellor, a panel of not less than three nor more than five candidates with no preference indicated. Candidates submitted shall have received a majority vote of the Committee. If none of the names submitted in the report of the Advisory Committee is satisfactory to the Board of Regents, then the Board of Regents in its discretion may either name a new committee or proceed to select a chief administrative officer under such other procedures as in its discretion it may deem proper and appropriate.

We have been advised by Attorney General Hill that the two handwriting experts employed to examine the so-called Howard Hughes Mormon will by the four universities named in the will have reported that in their opinion the will is a forgery. In view of these developments the University of Texas does not plan to actively pursue probate of the will.

RECOMMENDATION

I move adoption of the report and in connection therewith I move that the necessary rules be waived and that the Regents' Rules and Regulations, Part One, Chapter II, Subsection 4.1 be amended to incorporate the procedure agreed on by the Committee by deleting Subsection 4.1, Chapter II, Part One of the Regents' Rules and Regulations and by substituting in lieu thereof the following to be effective immediately:

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Chancellor (Chairman)

Deputy Chancellor

Three Chief Administrative Officers

(To be appointed by the Chairman of the Board of Regents from three of the component institutions)

Three Regents

(to be appointed by the Chairman of the Board of Regents)

Five Faculty members of the institution involved, at least three of whom shall have the rank of associate professor or higher (method of selection to be determined by the General Faculty of the campus)

One Dean

(For academic institutions to be selected by Dean's Council of the institution involved)

(For health science centers to be the Dean of Medicine of the health science center involved.)

Two Students from institution involved

(method of selection to be determined by the Student Government of the campus involved)

President of the Ex-Students' Association of the campus involved or his designee (if institution does not have an active alumni organization, then a member of the Development Board or an interested layman to be appointed by the President or Acting President.)

The Advisory Committee shall determine the availability of each candidate selected. To evaluate a candidate, the Advisory Committee shall set up criteria that relate to the needs of the individual component and shall seek advice on the ability of each candidate interviewed, including advice from competent sources as to the candidate's administrative and business ability.

Finally, the Advisory Committee shall submit through its Chairman, the Chancellor, a panel of not less than three nor more than five candidates with no preference indicated. Candidates submitted shall have received a majority vote of the Committee. If none of the names submitted in the report of the Advisory Committee is satisfactory to the Board of Regents, then the Board of Regents in its discretion may either name a new committee or proceed to select a chief administrative officer under such other procedures as in its discretion it may deem proper and appropriate.