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CONSENT AGENDA**

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May 5-6, 2021  
Austin, Texas

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**FACILITIES PLANNING AND CONSTRUCTION COMMITTEE**

No items for Consent Agenda

## MEETING OF THE BOARD

1. Minutes - U. T. System Board of Regents: Approval of Minutes of the regular meeting held February 24-25, 2021; and the special called meeting held April 9, 2021

## AUDIT, COMPLIANCE, AND RISK MANAGEMENT COMMITTEE

2. Contract (funds going out) - U. T. System: Agreement with Deloitte & Touche LLP to provide additional external audit services

Agency: Deloitte & Touche LLP

Funds: \$1,853,772

Period: May 31, 2021 through May 30, 2022

Description: Subject to the delegation of authority by the State Auditor's Office, Deloitte & Touche LLP will provide a) external audit services for the Systemwide consolidated financial reports; b) stand-alone financial statement audits for U. T. Austin, U. T. M. D. Anderson Cancer Center, U. T. Southwestern Medical Center, U. T. Medical Branch - Galveston, and a stand-alone audit of The University of Texas/Texas A&M Investment Management Company (UTIMCO) funds; c) reviews required by Southern Association of Colleges and Schools (SACS); and d) Cancer Prevention and Research Institute of Texas (CPRIT) compliance audits.

This request is for additional work and related fees associated with the (1) CPRIT required audit compliance procedures; (2) review procedures required by the SACS Commission on Colleges; and (3) compliance audit requirements described in the United States Office of Management and Budget Compliance Supplement applicable to its Student Financial Assistance. The Agreement was approved by the Board on June 13, 2016, with a cap of \$6,607,138 and on February 27, 2018, the Board approved a follow-up request for additional work and related fees of \$16,647,654.

**FINANCE AND PLANNING COMMITTEE**

3. Real Estate Report - U. T. System: Summary Report of Separately Invested Assets Managed by U. T. System

**THE UNIVERSITY OF TEXAS SYSTEM  
SEPARATELY INVESTED ASSETS  
Managed by U. T. System  
Summary Report at February 28, 2021**

	FUND TYPE							
	Current Purpose Restricted		Endowment and Similar Funds		Annuity and Life Income Funds		TOTAL	
	Book	Market	Book	Market	Book	Market	Book	Market
<b>Land and Buildings:</b>								
Ending Value 11/30/2020	\$ 3,209,755	\$ 18,955,448	\$ 97,924,285	\$ 471,159,129	\$ 137,270	\$ 221,232	\$ 101,271,310	\$ 490,335,809
Increase or Decrease	-	(39)	(320,000)	(1,294,723)	-	-	(320,000)	(1,294,762)
Ending Value 02/28/2021	\$ 3,209,755	\$ 18,955,409	\$ 97,604,285	\$ 469,864,406	\$ 137,270	\$ 221,232	\$ 100,951,310	\$ 489,041,047
<b>Other Real Estate:</b>								
Ending Value 11/30/2019	\$ -	\$ -	\$ 6	\$ 6	\$ -	\$ -	\$ 6	\$ 6
Increase or Decrease	-	-	-	-	-	-	-	-
Ending Value 02/29/2020	\$ -	\$ -	\$ 6	\$ 6	\$ -	\$ -	\$ 6	\$ 6

Report prepared in accordance with Sec. 51.0032 of the *Texas Education Code*. Details of individual assets by account furnished on request.

Note: Surface estates are managed by the U. T. System Real Estate Office. Mineral estates are managed by U. T. System University Lands. The royalty interests received from the Estate of John A. Jackson for the John A. and Katherine G. Jackson Endowed Fund in Geosciences are managed by the U. T. Austin Geology Foundation, with the assistance of the Bureau of Economic Geology.

**ACADEMIC AFFAIRS COMMITTEE**

4. Contract (funds going out) - U. T. System Academic Institutions: Amendment to Agreement with EdCERT LLC, dba Association of College and University Educators (ACUE), to provide credentialing for faculty in evidence-based teaching practices necessary for student success

Agency: Association of College and University Educators (ACUE)

Funds: \$650,000 over the three-year Amendment term

Source of Funds: Interest on Designated Funds

Period: June 1, 2021 through May 31, 2023

Description: Amendment of existing contract with EdCERT LLC, dba Association of College and University Educators (ACUE). ACUE provides training and credentialing for faculty in evidence-based teaching practices necessary for student success.

The initial contract, executed in June 2018, was for a one-year pilot to credential a single cohort of faculty from across the eight U. T. academic institutions in Academic Year (AY) 2018 - 2019. Based on the success of the pilot and following approval by the Board of Regents on November 14, 2019, the contract was amended to credential faculty cohorts at all eight academic institutions in AY 2020 - 2021 at a total cost of \$325,000. Given the program's success and efficacy to scale improved teaching across the academic institutions to benefit student success, the Chancellor requests an additional two years of funding to support the academic institutions in providing the ACUE course to more faculty. Based on expressed interest in offering the ACUE course to their faculty, discussions are underway with the six U. T. health institutions. An additional funding request to support the health institutions will be brought before the Board of Regents in August 2021.

5. Contract (funds going out) - U. T. Arlington: Amendment to Agreement with Apogee Telecom to provide residence hall network services

Agency: Apogee Telecom, Inc.

Funds: Approximately \$5,100,000 for the renewal period for a total contract value estimated at \$10,300,000

Period: February 1, 2021 through July 31, 2026

Description: Request to amend existing Agreement with Apogee Telecom, Inc., to continue providing bulk-rate wired and wireless high-speed internet access and bulk-rate digital and high-definition multichannel video services to the residence halls on the campus of U. T. Arlington. The initial Agreement was competitively bid and approved by the Board of Regents on May 12, 2016, effective February 1, 2016 through January 31, 2021, at a cost of \$5,200,000.

6. Request for Budget Change - U. T. Arlington: Tenure Appointment -- amendment to the 2020-2021 budget

The following Request for Budget Change (RBC) has been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
<b>College of Science</b>					
Earth and Environmental Sciences					
Assistant Vice Provost and					
Associate Professor					
Elizabeth Heise (T)	3/1-8/31	100	12	140,000	11558

7. Contract (funds coming in) - U. T. Austin: Amendment to Agreement with Coca-Cola Southwest Beverages, LLC, to provide beverages for vending machines on campus

Agency: Coca-Cola Southwest Beverages, LLC

Funds: \$2,000,000 for the term of the Amendment

Period: June 1, 2021 through December 31, 2021; with two three-year renewals

Description: Coca-Cola will continue to provide beverages for vending machines on campus, for which U. T. Austin will receive revenue. The initial Agreement was approved by the Board on November 9, 2017. The First Amendment changed the prices on some of the items in the vending machines, which did not require Board approval. The Second Amendment provided for an increase in the product prices and was approved by the Board on August 20, 2020. This Third Amendment reduces rates to be paid by Coca-Cola due to COVID-19. The initial Agreement was competitively procured pursuant to a Request for Proposal.

Pursuant to *Texas Education Code* Section 51.945, students were provided an opportunity to comment prior to determination that this food service provider should be selected by the institution. Board approval for this Agreement is sought in accordance with *Texas Government Code* Section 2203.005(a) and The University of Texas Systemwide Policy UTS 130 pertaining to Vending Machine Contracts.



8. Contract (funds coming in) - U. T. Austin: Amendment to Agreement with Bottling Group, LLC, to provide and maintain snack and sundry items for vending machines on campus

Agency: Bottling Group, LLC

Funds: \$1,190,000

Period: June 1, 2021 through December 31, 2021; with two three-year renewals

Description: Bottling Group, LLC, will continue to provide and maintain snack and sundry items for vending machines on U. T. Austin campus. The underlying Agreement was approved by the Board of Regents on November 9, 2019. The First Amendment was not presented to the Board for approval due to an inadvertent administrative oversight. The Second Amendment increased the pricing of the vending machine items and was approved by the Board on December 21, 2020. This Third Amendment will also increase the pricing of the vending machine items. The initial Agreement was competitively procured pursuant to a Request for Proposal.

Pursuant to *Texas Education Code* Section 51.945, students were provided an opportunity to comment prior to determination that this food service provider should be selected. Board approval for this Agreement is sought in accordance with *Texas Government Code* Section 2203.005(a) and The University of Texas Systemwide Policy UTS 130 pertaining to Vending Machine Contracts.

9. Request for Budget Change - U. T. Austin: Transfer \$8,500,000 from Reserve – AUF – Instruction – Allocation for Budget Adjustments to Project Management and Construction Services (PMCS) – Facilities Complex Building 4 (FC-4) – Renovation/Expansion – All Expenses – Transferred to relocate non-academic units from the main campus to the Facilities Complex (RBC No. 11552) -- amendment to the 2020-2021 budget

10. Request for Budget Change - U. T. Austin: New Hires with Tenure -- amendment to the 2020-2021 budget

The following Requests for Budget Changes (RBC) have been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and are recommended for approval by the U. T. System Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
<b>Dell Medical School</b>					
Department of Psychiatry					
Associate Professor					
Josh Cisler (T)	6/7-8/31	100	12	145,000	11562
<b>College of Fine Arts</b>					
Department of Theatre and Dance					
Dean and Professor					
Ramon Rivera-Servera (T)	7/1-8/31	0	09	200,000	11567
		100	12	330,000	
<b>College of Liberal Arts</b>					
Department of Philosophy					
Professor					
Karl Schafer (T)	7/1-8/31	100	09	180,000	11553

11. Contract (funds coming in) - U. T. Permian Basin: Economic Development Agreement with the Odessa Development Corporation

Agency: Odessa Development Corporation

Funds: Three annual payments of \$700,000 totaling \$2,100,000

Period: December 9, 2020 through December 8, 2023

Description: Grant funds provided by the Odessa Development Corporation to support two U. T. Permian Basin initiatives aimed at retooling the local workforce and accelerating research and development to promote innovation that will create jobs and diversify the economy.

12. Contract (funds coming in) - U. T. Permian Basin: Agreement with Golden Brew Vending, LLC, to provide snack and beverage vending machines on campus

Agency: Golden Brew Vending, LLC

Funds: Royalty in the amount of 32.5% of all gross revenue; estimated at \$240,000 over a five-year period

Period: May 7, 2021 through May 6, 2026; with three one-year renewal options

Description: Exclusive snack and beverage vending machine agreement for Golden Brew Vending, LLC, to sell products through its machines on campus. This contract was competitively bid.

Pursuant to *Texas Education Code* Section 51.945, students were provided an opportunity to comment prior to determination that this food service provider should be selected by the institution. Board approval for this Agreement is sought in accordance with *Texas Government Code* Section 2203.005(a) and The University of Texas Systemwide Policy UTS 130 pertaining to Vending Machine Contracts.

13. Logo - U. T. Permian Basin: Proposed logo

The following proposed logo has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Executive Vice Chancellor for External Relations and is submitted for approval by the U. T. System Board of Regents in accordance with Regents' *Rules and Regulations*, Rule 40801.

This proposed institutional mark for U. T. Permian Basin includes imagery for two uniquely Permian Basin concepts - in an abstract way. The letters U, T, P, B can be found within, and it mimics the oil field road patterns for which this region is known. The new design also follows the shape of our beloved Falcon shield, while also providing a logo that aligns more with the academic mission of the institution.

The proposed Pantone Marking System colors are PMS 166 C Orange, PMS Process Black, Black and PMS Process White, White.

1



A



B



C



D



E

2



U

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T

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P

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B

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14. Contract (funds going out) - U. T. Rio Grande Valley: Job Order Contracting Agreements with SpawGlass Contractors, Inc.; J.T. Vaughn Construction, LLC.; Noble Texas Builders, LLC; D. Wilson Construction Company; and Amstar, Inc.; for building renovations and general construction campus-wide

Agency: SpawGlass Contractors, Inc.;  
 J.T. Vaughn Construction, LLC.;  
 Noble Texas Builders, LLC;  
 D. Wilson Construction Company; and  
 Amstar, Inc.

Funds: For each Agreement with each entity listed above, anticipated total cost for full term, including all renewals options, may exceed \$2,500,000

Period: June 1, 2021 through May 31, 2023; with option to renew for three one-year additional terms

Description: SpawGlass Contractors, Inc.; J.T. Vaughn Construction, Inc.; Noble Texas Builders, LLC; D. Wilson Construction Company; and Amstar, Inc.; will perform building renovations and general construction services on a job order basis. These contracts were competitively procured.

15. Request for Budget Change - U. T. Rio Grande Valley: Tenure Appointment -- amendment to the 2020-2021 budget

The following Request for Budget Change (RBC) has been administratively approved by the Chancellor and the Executive Vice Chancellor for Academic Affairs and is recommended for approval by the U. T. System Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
<b>School of Medicine</b>					
Department of Social Work					
Dean and Professor					
Luis Torres-Hostos (T)	5/7-8/31	0	09	125,000	11563
		100	12	225,000	

16. Employment Agreement - U. T. San Antonio: Approval of terms of Employment Agreement for new Head Women's Basketball Coach Karen Aston

The following Head Women's Basketball Coach Employment Agreement has been approved by the Chancellor, the Executive Vice Chancellor for Academic Affairs, and the Vice Chancellor and General Counsel and is recommended for approval by the U. T. System Board of Regents. The terms of the Agreement were previously reviewed pursuant to Regents' *Rules and Regulations*, Rule 10501, Section 2.2.12(a). If the Agreement is approved, total compensation for the contract period for Karen Aston will be in excess of \$1 million. The Agreement references the Constitution and Bylaws of the National Collegiate Athletic Association, any intercollegiate athletic conference of which The University of Texas at San Antonio is a member, the Regents' *Rules and Regulations*, and the policies of The University of Texas at San Antonio. A violation of the provisions of such constitution, bylaws, rules, regulations, or policies may be grounds for suspension without pay and/or dismissal.

Proposed: **Guaranteed compensation:**

Annual Salary:

April 1, 2021 through March 31, 2022: \$225,000 (plus a prorated amount for the period from March 29, 2021 through March 31, 2021)

April 1, 2022 through March 31, 2023: \$225,000

April 1, 2023 through March 31, 2024: \$250,000

April 1, 2024 through March 31, 2025: \$250,000

April 1, 2025 through March 31, 2026: \$275,000

April 1, 2026 through March 31, 2027: \$275,000

Automobile: Option of one dealer car or \$500 monthly allowance

Social club membership: A Country Club membership at a club to be determined by the University

Supplemental: \$100,000 annually

Tickets: Eight tickets to conference championship and NCAA post-season championships

Moving Expenses: Not to exceed \$15,000

Executive Housing: If requested, the University will provide temporary executive housing through May 29, 2021 at a rate not to exceed a maximum of \$150 per night without written approval.

**Nonguaranteed compensation:**

Incentives:

Team performance incentives: maximum of \$183,000 annually

(1) \$10,000 in any contract year in which the team is the C-USA Regular Season Champion (including tie). If the conference plays a divisional format, bonus will be achieved if UTSA earns the overall No. 1 seed in the conference championship bracket.

(2) \$10,000 in any contract year in which the team makes an NCAA Tournament Appearance.

(3) \$10,000 in any contract year for each NCAA Tournament win.

(4) \$50,000 in any contract year in which the team wins the NCAA College Basketball Championship.

(5) \$3,000 in any contract year in which the team makes a postseason WNIT appearance.

(6) \$3,000 in any contract year each time the team has a win over a Power 5 program.

(7) \$5,000 in any contract year in which the Head Coach is named C-USA Coach of the Year.

(8) \$20,000 in any contract year in which the Head Coach is selected National Coach of the Year by any one or more of the following organizations: Naismith, WBCA, USBWA or AP.

(9) \$12,000 in any contract year in which the average paid home Women's Basketball attendance for the season is greater than 1,000 people per game.

(10) \$5,000 in any contract year in which the average home Women's Basketball student attendance for the season is greater than 500 students per game.

(11) If in the first two contract years (April 1, 2021 through March 31, 2023), the women's basketball team wins at least 10 Division 1 games in a season, Head Coach will receive \$2,500. If, however, in the first two contract years (April 1, 2021 through March 31, 2023), the team wins at least 15 Division 1 games in a season, Head Coach will instead receive \$5,000.

For (9) and (10), Head Coach has discretion to use the Performance Incentive compensation for herself or to distribute to her staff.

Source of Funds: Intercollegiate Athletics

Period: March 29, 2021 through March 31, 2027



17. Contract (funds coming in) - U. T. Tyler: Trademark license to Choice East Texas Health at Home, LLC, to use "UT Health East Texas Home Health" for home health services in a 23-county region in East Texas

Agency: Choice East Texas Health at Home, LLC

Funds: \$200,000 one-time license fee

Period: License effective as of January 1, 2021, and continues through the life of the joint venture, or in event of default

Description: UT Health East Texas is a joint venture between the Health Science Center at U. T. Tyler and Ardent Health Services. In January, UT Health East Texas closed a joint venture with Choice East Texas Health at Home, LLC, combining home health service operations. UT Health East Texas has had a trademark license for "U. T." related marks since 2018. This item requests approval of a separate license agreement between the Health Science Center at U. T. Tyler and Choice East Texas Health at Home, LLC. An up-front license fee of \$200,000 paid by the Choice East Texas Health at Home, LLC, will be applied to nursing scholarships at U. T. Tyler.

18. Lease - U. T. Tyler: Authorization to extend the lease of approximately one acre of land to the Winona Volunteer Fire Department, and to subsequently lease an approximately 3,700 square foot building on the same approximately one-acre site located at 11525 State Highway 155, Tyler, Smith County, Texas, to Smith County Emergency Services District 2, for use as an emergency services and fire station; and finding of public purpose

Description: Extend a ground lease of approximately one acre of land to the Winona Volunteer Fire Department (Winona VFD). Upon the expiration of this extended lease, proceed to lease an approximately 3,700 square foot building on the same approximately one-acre site located at 11525 State Highway 155, Tyler, Smith County, Texas, to Smith County Emergency Services District 2 (ESD2), both leases for use as an emergency services and fire station. In 2000, the Board leased the land at no cost to the Winona VFD, which built a simple metal-building fire station facility of approximately 3,700 square feet. This lease expired on April 14, 2020. To ensure continuity of emergency services, U. T. Tyler requests a short-term extension through the commencement of the proposed space lease to ESD2. ESD2 will then provide emergency services to the area, which includes the institution's hospital and main medical research facility. This facility is located approximately six miles outside of the body of the City of Tyler. Upon the expiration of the ground lease to Winona VFD, the Board will take title to the improvements on the property; accordingly, the lease to ESD2 is for a building in addition to the land. ESD2 will convert the fire station facility to a professionally staffed resident fire station, which will further improve fire and emergency services and response times. There is no record that the Board approved the initial ground lease to Winona VFD.

Lessee: Initially Winona Volunteer Fire Department, a Texas non-profit corporation; after expiration of the current ground lease, as extended, the Board will enter into a new lease for the building and land with Smith County Emergency Services District 2, an emergency services district created pursuant to Chapter 775 of the *Texas Health and Safety Code*. ESD2 may allow occupancy rights to the Winona VFD or other contractors providing emergency services.

Term: The lease to Winona VFD will terminate upon the commencement of the lease to ESD2. The ESD2 lease will be for a primary term of 20 years, estimated to commence on June 1, 2021, and continue through approximately May 31, 2041, with one 20-year option to renew at the sole discretion of the Lessee.

**Lease Income:** Annual base rent for both leases is \$0, including for the renewal terms. In consideration for the \$0 base rent, the Lessees will use the facility to provide emergency services to the area. Lessor will benefit from the timely and responsive emergency services offered by the nearby fire station. In addition, ESD2 will improve a portion of the building as described below and will house first responders after the renovation. The leases will be net to Lessor, with all related capital and operating expenses paid directly by or reimbursed by the Lessees. Market net rent for the improved property as provided by Lessor to Lessee is estimated at an initial amount of up to \$12,950 annually, in accordance with a Fair Market Value Lease Rate Analysis dated March 24, 2021 provided by VMG Health.

**Tenant Improvements:** ESD2 will convert a portion of the fire station into conditioned space with kitchen, living, and sleeping spaces to support occupancy of the facility by emergency personnel, at an estimated cost of \$250,000.

**Public Purpose:** The base rental amount described above constitutes a below market rate. The Attorney General of the State of Texas, in Opinion No. MW-373 (1981) has advised that, for the use of space in university facilities with no or nominal cash rental payments to comply with the Texas Constitution, three requirements must be met: (1) the use of the property must serve a public purpose appropriate to the function of the university; (2) adequate consideration must be received by the university; and (3) the university must maintain controls over the user's activities to ensure that the public purpose is achieved.

Accordingly, because the rent is below market, the Board of Regents is also asked to find that (1) the lease of land to Winona VFD, and then the lease of the land and building to ESD2 for no base rental payment, as described above, serves a public purpose appropriate to the function of U. T. Tyler, including providing timely and responsive emergency services to the institution's hospital and medical research facility; (2) pursuant to the lease agreements, the consideration received by U. T. Tyler is adequate; and (3) U. T. Tyler will have sufficient safeguards in place to ensure the public purpose will continue to be met on an ongoing basis, including provisions in both leases requiring that the property be generally operated as an emergency services and fire station, and further requirements in the ESD2 lease generally requiring on-site occupancy by first responders after the renovations are completed.

## HEALTH AFFAIRS COMMITTEE

19. Contract (funds coming in) - U. T. Southwestern Medical Center: To manufacture and supply gene therapy viruses (AAV vectors) to Taysha Gene Therapies, Inc.

Agency: Taysha Gene Therapies, Inc

Funds: \$20,000,000

Period: March 5, 2021 through March 4, 2023

Description: U. T. Southwestern Medical Center to manufacture and supply gene therapy viruses (AAV vectors). The work will be performed by U. T. Southwestern Medical Center's Translational Gene Therapy Core wherein it will manufacture and produce AAV vectors for either laboratory research or clinical research.

20. Contract (funds going out) - U. T. Southwestern Medical Center: Amendment to Agreement with Atos IT Solutions and Services, Inc., to provide managed voice telecom services

Agency: Atos IT Solutions and Services, Inc.

Funds: Approximately \$9,100,000 total for the initial and amended Agreements

Period: March 1, 2021 through February 29, 2024

Description: Atos IT Solutions and Services, Inc., will provide managed voice telecom services to the main campus and other facilities at U. T. Southwestern Medical Center. This First Amendment increases the total cost of services by 1,162,800. The initial Agreement was acquired via an Exclusive Acquisition Justification and approved by the Board on May 1, 2018, with a term effective March 1, 2018 through February 28, 2021, at a cost of approximately \$8,000,000.

21. Lease - U. T. Southwestern Medical Center: Authorization to lease approximately 120,000 rentable square feet with a right of first refusal to lease an additional approximately 40,000 rentable square feet of space at 1430-1440 Empire Central Road, Dallas, Dallas County, Texas, from Peewit Partners LP, for clinical research and academic purposes

Description: Lease of approximately 120,000 rentable square feet with a right of first refusal to lease an additional approximately 40,000 rentable square feet of space located at 1430-1440 Empire Central Road, Dallas, Dallas County, Texas, for clinical research and academic purposes.

Lessor: Peewit Partners LP, a Texas limited partnership

Term: Initial lease term of 124 months, with an estimated commencement date of approximately December 1, 2021, which includes a four-month base rental abatement period upon commencement of the term. At tenant's sole election, the lease may be extended for one additional period of five years.

Lease Cost: The initial base rental per square foot will be approximately \$19.50 per square foot with annual escalations ranging from approximately 1.25% to 2.5% throughout the initial term. In addition to the base rent, the institution will pay for the cost of operating expenses and real estate taxes to the extent these increase over the relevant expense stops, and for all of the cost of electricity. Tenant improvements are estimated at approximately \$150 per square foot, including construction, design, and project management costs, towards which U. T. Southwestern Medical Center will receive a \$50 per square foot allowance (approximately \$6,000,000) from Landlord. U. T. Southwestern Medical Center will pay the balance of the construction cost estimated to be approximately \$12,000,000 and will contribute \$200,000 to be applied toward the cost of new building chillers. Total transaction expenses for the approximately 120,000 square foot lease area during the primary term are estimated at approximately \$42,204,025, which includes the cost of tenant improvements to-be-paid by U. T. Southwestern Medical Center plus base rent, estimated operating expenses, and estimated real estate taxes from commencement of the lease in 2021 through the expiration of the initial term.

The lease includes the right of first refusal for an additional 40,000 square feet of space. Rental rate for the expansion space will be based on market rates at the time of expansion. If the expansion were to be exercised in the first year of occupancy, the cost of base rent and operating expenses for the expansion space during the primary term is estimated at an additional approximately \$9,885,350. Assuming a similar level of allowance for tenant improvements is provided by Landlord, and a similar level of additional costs paid by Tenant, the total allowance from Landlord for the expansion space would be approximately \$2,000,000. U. T. Southwestern Medical Center will pay the balance of the construction cost, assumed at approximately \$4,000,000. This would result in a total additional cost to the institution of approximately \$13,885,342 over the initial term. However, actual market rent, cost of buildout, and tenant improvement allowance will fluctuate depending on commencement date of the expansion premises and market rates at the time of the expansion.

Rent for the extension period will be based on market rates at the time of extension. Rent and operating expenses for the initial 120,000 square feet of space during the extension term are estimated to total approximately \$17,543,523. If U. T. Southwestern Medical Center elects to exercise its Right of First Refusal on the additional 40,000 rentable square feet, in addition to rent for the initial space during the extension term, rent and operating expenses for the expansion space during the extension term is estimated at an additional approximately \$5,847,841.

22. Contract (funds going out) - U. T. Medical Branch - Galveston: Pricing Addendum to Agreement with AT&T Corp. to update pricing on existing ports and authorize billing to begin at additional port

Agency: AT&T Corp.

Funds: \$207,098 for this Pricing Addendum; \$6,576,804 for the Master Agreement and all Addenda

Period: February 9, 2021 through August 12, 2023

Description:

On November 15, 2018, the Board of Regents approved the Master Agreement between U. T. Medical Branch - Galveston (UTMB) and AT&T Corp. (AT&T) to govern the bandwidth, circuit term services, and Virtual Private Network (VPN) services Order Forms to upgrade the service provisioning network for all UTMB Correctional Managed Care (CMC) clinics that utilize a specific Wide Area Network (WAN). The term of the original Master Agreement was from August 13, 2018 through August 12, 2023, with a contract value of \$5,228,404.

On April 9, 2020, UTMB signed a first Pricing Addendum to the Agreement to increase the bandwidth of UTMB CMC sites valued at \$470,727, increasing the total contract value of the Agreement to \$5,699,132. This was not presented to the Board for approval as the total contract value was less than 25% of the originally approved contract amount.

On January 8, 2021, UTMB signed a second Pricing Addendum, called the Amended and Restated Pricing Schedule, to authorize AT&T to bill for sites activated during transition to upgrade systems and to service UTMB T1 lines from the same Dallas HUB that the U. T. System Office of Telecommunication Services (OTS) was disconnecting from service. The contract value was \$670,573, increasing the total contract value of the Agreement to \$6,369,705. This was not presented to the Board for approval as the total contract value was less than 25% of the originally approved contract amount.

On February 9, 2021, UTMB signed this third Pricing Addendum to the Agreement to 1) update pricing on existing internet ports, and 2) authorize AT&T to begin billing UTMB for a fiber circuit at the Johnston Unit in Winnsboro, Texas. The total value of the Pricing Addendum is \$207,098, increasing the total contract value to \$6,576,804. Because the total contract value represents a 25.8% increase over the amount originally approved contract amount, UTMB is requesting approval of this third Pricing Addendum.

The original contract was procured via a Sole Source Exclusive Acquisition Justification document and it was determined that AT&T was the only vendor able to meet the needs of UTMB to upgrade the service provisioning network for all CMC clinics that utilize the specific WAN.

23. Request for Budget Change - U. T. Health Science Center - San Antonio: New Hires with Tenure -- amendment to the 2020-2021 budget

The following Requests for Budget Changes (RBC) have been administratively approved by the Chancellor and the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
<b>School of Medicine</b>					
Radiation Oncology					
Professor and Assistant Dean					
David Gius (T)	9/1-8/31	100	12	280,000	11513
Neurology					
Professor and Assistant Vice President					
Mark Goldberg (T)	2/15-8/31	100	12	340,000	11559
Biochemistry and Structural Biology					
Professor					
Alexander Mazin (T)	4/1-8/31	100	12	225,000	11560

24. Contract (funds coming in) - U. T. M. D. Anderson Cancer Center: Refuge Biotechnologies, Inc. to (i) jointly develop a process to manufacture certain cell therapy products via a Product Development and Manufacturing Services Agreement and (ii) grant U. T. M. D. Anderson Cancer Center a license to certain Refuge Biotechnologies, Inc.'s Intellectual Property under a License Agreement

Agency: Refuge Biotechnologies, Inc.

Funds: The total value of the services under the Product Development and Manufacturing Services Agreement could range from approximately \$1,000,000 to more than \$41,000,000 which includes certain one-time commercial milestone payments of \$5,000,000, \$10,000,000, and \$15,000,000, and other royalty payments of 2.5% based on Net Sales of the developed cell therapy product (Product) and other commercialization payments to Refuge.

In consideration for the license granted by Refuge under the License Agreement, U. T. M. D. Anderson Cancer Center will pay Refuge (i) a range of 1 - 2% of Net Sales of the Tumor Infiltrating Lymphocytes-based product (Licensed Product) and (ii) 12.5% of all Commercialization Proceeds.



Period: Because the Agreements are dependent upon whether successful products are developed by the parties, the length of the Agreements do not contain definite terms. However, U. T. M. D. Anderson Cancer Center anticipates the Product Development and Manufacturing Services Agreement may have a term between six to ten years should the parties successfully develop and manufacture the Product. The License Agreement is anticipated to be no longer than 20 years, should the parties successfully develop the Licensed Product. Any renewal of either Agreement will not occur unless the collaboration between the parties is successful.

Description: Refuge and U. T. M. D. Anderson Cancer Center will jointly develop for Refuge a reliable process to manufacture certain cell therapy products, to provide Refuge with support on clinical trial design and regulatory submissions, to provide Refuge with clinical supplies of such cell therapy products, and to perform additional activities as may be mutually agreed upon. A License Agreement is also to be signed by both parties to enable U. T. M. D. Anderson Cancer Center to obtain a license from Refuge with respect to certain intellectual property rights controlled by Refuge for further development and commercialization of a Tumor Infiltrating Lymphocytes-based product by U. T. M. D. Anderson Cancer Center. U. T. M. D. Anderson Cancer Center requests delegation of authority to the President (or his delegates) of U. T. M. D. Anderson Cancer Center to execute related documents and take other actions as necessary, following final legal review and approval by the Executive Vice Chancellor for Health Affairs and the Office of General Counsel.

25. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Accenture LLP to deliver information technology services

Agency: Accenture LLP

Funds: Total cost of services under this Agreement, including all renewals, will not exceed \$70,750,000

Period: March 4, 2021 through March 3, 2026; with three one-year renewal options

Description: Accenture LLP, through this Agreement for Information Technology Services, will offer resources consisting of trained and experienced personnel to provide project-based support to U. T. M. D. Anderson Cancer Center's Information Services division in the following work areas: Electronic Health Record; Analytics; Enterprise Development and Integration; Program Management; Business Analysis; Enterprise Business Systems; and Managed Services. Implementation support will also be provided to support U. T. M. D. Anderson Cancer Center's project implementation activities and initiatives. The Agreement was competitively bid.

26. Contract (funds going out) - U. T. M. D. Anderson Cancer Center: Amendment to Agreement with Jacobs Project Management Co. to provide project management services for various construction or renovation projects

Agency: Jacobs Project Management Co.

Funds: Total contract value is estimated to be \$6,000,000, although the maximum amount is indeterminable at this time.

Period: September 27, 2020 through September 26, 2022; with no renewal options remaining.

Description: Jacobs Project Management Co. will act as a project manager to provide repair, renovation, and rehabilitation services on a per-project basis as requested by U. T. M. D. Anderson Cancer Center. Services are on a nonexclusive, indefinite quantity basis, and there is no minimum amount of work required.

The initial Agreement was competitively bid and did not require Board approval as the anticipated contract value was within the institution's delegated approval threshold. The initial Agreement was effective September 27, 2017 through September 26, 2019. The First Amendment extended the contract term to September 26, 2020, and did not increase the contract value. This Second Amendment extends the term through September 26, 2022, which is estimated to have a contract value of \$6,000,000, although the maximum amount is undeterminable at this time.

27. Request for Budget Change - U. T. M. D. Anderson Cancer Center: New Hires with Tenure -- amendment to the 2020-2021 budget

The following Requests for Budget Changes (RBC) have been administratively approved by the Executive Vice Chancellor for Health Affairs and are recommended for approval by the U. T. System Board of Regents:

Description	Effective Date	% Time	Full-time Salary		RBC #
			No. Mos.	Rate \$	
<b>Medical Staff</b>					
Genomic Medicine					
Professor					
Bissan Overington (T)	5/3-8/31	100	12	350,000	11550
Epidemiology					
Associate Professor					
Veronika Fedirko (T)	12/31-8/31	100	12	154,000	11549

**FACILITIES PLANNING AND CONSTRUCTION COMMITTEE**

No items for Consent Agenda