

MINUTES OF THE  
BOARD OF REGENTS  
OF  
THE UNIVERSITY OF TEXAS

MEETINGS NOS. 596-601 Inclusive

(February 19, 1961-August 31, 1961)

# OMISSION

Pages 635 - 798 , 843 - 976 ,  
1094 - 1232

*A. Ruth Baker*

SIGNATURE OF OPERATOR

We, the undersigned Members of the Board of Regents of The University of Texas, hereby ratify and approve all actions taken at this meeting to be reflected in the Minutes.

Signed this the 18<sup>th</sup> day of March, 1961, A. D.

Thornton Hardie  
Thornton Hardie, Chairman

W. W. Heath  
W. W. Heath, Vice-Chairman

Walter P. Brennan  
Walter P. Brennan, Member

J. P. Bryan  
J. P. Bryan, Member

H. F. Connally, Jr.  
H. F. Connally, Jr., Member  
M.D.

Wales H. Madden, Jr.  
Wales H. Madden, Jr., Member

A. G. McNeese, Jr.  
A. G. McNeese, Jr., Member

John S. Redditt  
John S. Redditt, Member

Absent  
Joe C. Thompson, Member

3-08-61

MEETING NO. 596

NEWLY-QUALIFIED REGENTS. -- On March 8, 1961, Governor Price Daniel appointed the following as Regents of The University of Texas to succeed Mrs. Charles Devall, Mr. J. Lee Johnson, III, and Merton M. Minter, M. D.:

Mr. Walter P. Brenan of San Antonio, Texas  
 H. F. Connally, Jr., M. D., of Waco, Texas  
 Mr. John S. Redditt of Lufkin, Texas

The Senate of the State of Texas confirmed these gentlemen on March 14, 1961. Judge Joe Greenhill administered the oath of office to Mr. Brenan, Dr. Connally, and Mr. Redditt on March 17, 1961, at 8:30 a. m., in the Governor's Reception Room. In addition to the Regents, administrative officials, institutional heads, and their wives, there were present at the ceremony Governor Price Daniel, Lt. Governor Ben Ramsey, and other notables and friends of the appointees. The oaths of office were promptly filed with the Secretary of State, and the commissions were issued by Governor Daniel.

Immediately following the ceremony at the Governor's Office, the Regents proceeded to The University of Texas Regents' Room (Main Building 209). ]

## EXECUTIVE SESSION

MARCH 17, 1961. -- The Board of Regents of The University of Texas convened in Executive Session in the Regents' Room (Main Building 209), Austin, Texas, at 9:15 a. m., on Friday, March 17, 1961, for the chief purpose of reorganizing the Board since the terms of both the Chairman (Merton M. Minter, M. D.) and Vice-Chairman (J. Lee Johnson, III) expired with the qualifying of the three new Regents.

## ATTENDANCE. --

<u>Present</u>	<u>Absent</u>
Regent Walter P. Brenan	Regent Joe C. Thompson
Regent J. P. Bryan	
Regent H. F. Connally, Jr.	
Regent Thornton Hardie	
Regent W. W. Heath	
Regent Wales H. Madden, Jr.	
Regent A. G. McNeese, Jr.	
Regent John S. Redditt	

Chancellor Logan Wilson  
 Secretary Betty Anne Thedford

3-08-61

REORGANIZATION OF BOARD: (1) CHAIRMAN (2) VICE-CHAIRMAN. --The following is a report of the reorganization of the Board:

Chairman Thornton Hardie. --Regent Thornton Hardie was elected as Chairman of the Board.

Vice-Chairman W. W. Heath. --Regent W. W. Heath was elected as Vice-Chairman of the Board.

RESOLUTION TO RETIRING REGENTS (MRS. ) DEVALL, JOHNSON, AND MINTER. --Mr. Bryan was requested to write letters of appreciation to the retiring Regents: Mrs. Charles Devall, Mr. J. Lee Johnson, III, Vice-Chairman, and Merton M. Minter, M. D., Chairman. These letters will be incorporated in a subsequent set of minutes.

PROGRESS REPORT, SELECTION OF PRESIDENT FOR MAIN UNIVERSITY; APPOINTMENT OF SPECIAL COMMITTEE OF BOARD OF REGENTS TO WORK WITH FACULTY ADVISORY COMMITTEE ON SELECTION OF PRESIDENT FOR MAIN UNIVERSITY. --Chancellor Wilson presented a progress report from the Faculty Advisory Committee on the Selection of a President for Main University to the effect that the committee "is continuing to seek the strongest candidates possible to suggest to the Chancellor for the presidency."

The Board authorized Chairman Hardie to appoint a special committee of three Regents to consult with the Faculty Advisory Committee on the Selection of a President for Main University and to keep the Board in touch. Whereupon, Chairman Hardie named the following committee:

Regent Bryan, Chairman  
Regent Brenan  
Regent Heath

MESSAGE OF CONDOLENCE FROM REGENTS TO MR. AND MRS. JOE C. THOMPSON. --(Each Regent had been notified by the Secretary of the death of Mrs. John W. Philp, mother of Mrs. Joe C. Thompson.) The Regents requested Chancellor Wilson to extend to Jodie and Peggy (Mr. and Mrs. Joe C. Thompson) deepest sympathy on behalf of the Board.

3-08-61

COMMITTEE ASSIGNMENTS. -- The Board stood at ease briefly in order to give Chairman Hardie an opportunity to consider the membership of the standing committees and the Board for Lease of University Lands. Thereafter, the Chairman\* with the consent of the Board announced assignments to the standing committees as listed below. These assignments include membership on the five standing committees and two Regents to serve with the State Land Commissioner on the Board for Lease of University Lands, a statutory committee.

Executive Committee:

Heath, Chairman  
Bryan  
Madden  
McNeese  
Thompson

Academic and Developmental Affairs Committee:

McNeese, Chairman  
Connally  
Redditt  
Thompson

Buildings and Grounds Committee:

Thompson, Chairman  
Brenan  
Heath  
Redditt

Land and Investment Committee:

Madden, Chairman  
Brenan  
Bryan  
Heath

Medical Affairs Committee:

Bryan, Chairman  
Connally  
Madden  
McNeese

Board for Lease of University Lands:

Heath  
Madden

\*The Chairman of the Board is an ex officio member of each committee.

RECESS. -- The Board in Executive Session recessed for the committee meetings until Saturday, March 18, 1961, at 9:00 a. m.

3-08-61

MARCH 18, 1961. -- The Board reconvened in Regular Session on Saturday, March 18, 1961, at 9:20 a. m. , in the Regents' Room (Main Building No. 209), Austin, Texas.

## ATTENDANCE. --

<u>Present</u>	<u>Absent</u>
Chairman Hardie, presiding	Regent Thompson - excused
Vice-Chairman Heath	
Regent Brenan	
Regent Bryan	
Regent Connally	
Regent Madden	
Regent McNeese	
Regent Redditt	
Chancellor Wilson	
Secretary Thedford	

Also among those present were the following University officials and representatives:

Doctor Harry H. Ransom, Chancellor-elect and President of Main University  
 Mr. Lanier Cox, Vice-Chancellor (Administrative Services)  
 Doctor J. C. Dolley, Vice-Chancellor (Fiscal Affairs)  
 Doctor L. D. Haskew, Vice-Chancellor (Developmental Services)  
 Mr. W. E. Keys, Director, University News and Information Service  
 Mr. C. H. Sparenberg, Comptroller  
 Mr. W. W. Stewart, Endowment Officer  
 Mr. Burnell Waldrep, Land and Trust Attorney

R. Lee Clark, Jr., M. D., Director of M. D. Anderson Hospital and Tumor Institute  
 A. J. Gill, M. D., Dean of Southwestern Medical School  
 John V. Olson, D. D. S., Dean of the Dental Branch  
 Doctor Joseph M. Ray, President of Texas Western College  
 Doctor J. R. Smiley, Vice-President and Provost of Main University  
 Grant Taylor, M. D., Dean of the Postgraduate School of Medicine  
 John Truslow, M. D., Executive Director and Dean of the Medical Branch

Miss Jo Eickmann, Editor of The Daily Texan

APPROVAL OF MINUTES: JANUARY 16, 1961, AND FEBRUARY 18, 1961. -- It was moved by Mr. Madden, seconded by Mr. McNeese, and adopted by the Board that the minutes of the meeting of the Board of Regents held in Austin on January 16, 1961, and on February 18, 1961, respectively, be approved in the form as distributed to each Regent by the Secretary.

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## COMMITTEE OF THE WHOLE

(The Standing Committees met on Friday, March 17, 1961; and the Committee of the Whole met on Friday and also on Saturday morning, March 18.)

Below is a report of the Committee of the Whole.

**CONGRATULATORY MESSAGE FROM REGENT THOMPSON TO CHAIRMAN HARDIE.** --Chairman Hardie reported receipt of a congratulatory message from Regent Thompson in which Mr. Thompson expressed good wishes to, and pledged full cooperation with, Mr. Hardie as Chairman of the Board.

**PROGRESS REPORT ON LEGISLATION, 57TH LEGISLATURE.** -- Mr. Cox called to the attention of the Board legislation which has passed or is pending in the 57th Legislature that affects higher education. He further reported on the status of legislation affecting the University and on legislation that the Board had approved for submission, including the following:

1. House Bill No. 196, (Senate Bill No. 12), authorizing the conveyance to the County of El Paso of a tract of land upon the campus of Texas Western College as a stadium site, has been signed by the Governor.
2. House Bill No. 219, (Senate Bill No. 63), authorizing Texas Western College to acquire tracts of land contiguous and/or adjacent to the campus, is awaiting the Governor's signature.
3. House Bill No. 594, (Senate Bill No. 237), authorizing The University of Texas Board of Regents to exchange lands in Dallas County with the Dallas County Hospital District, has been approved by the committees in both the House and the Senate.
4. Senate Joint Resolution No. 12, (House Joint Resolution No. 49), amending Sec. 23, Art. 16 of the Constitution to permit State employees to serve in advisory capacities to other governmental agencies where there is no conflict of interest, has been approved by the Senate committee.
5. Senate Concurrent Resolution No. 11, (House Concurrent Resolution No. 17), authorizing the Board of Regents of The University of Texas to accept gifts and matching grants for additions to M. D. Anderson Hospital in Houston, has been signed by the Governor.
6. Senate Concurrent Resolution No. 23, authorizing the Board of Regents of The University of Texas to accept certain land in Galveston and authorizing construction of a building, has been approved by the State Affairs Committee in the Senate.



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REPORT NO. 1 OF STUDY AND ADVISORY COMMITTEE ON TEXAS WESTERN COLLEGE OF THE EL PASO CHAMBER OF COMMERCE; RESOLUTION OF APPRECIATION TO COMMITTEE. --Chairman Hardie called attention to Report No. 1 of the Study and Advisory Committee on Texas Western College of the El Paso Chamber of Commerce and referred to it as an excellent one. (A copy of this report had been mailed by Mr. Jack Vowell, Chairman of the Committee, to each Regent on February 18, 1961, and a copy is in the Secretary's Files, Volume VIII, Page 168.)

The following resolution of appreciation to this Committee and to the El Paso Chamber of Commerce for this excellent report was adopted upon motion of Mr. McNeese, seconded by Vice-Chairman Heath:

The Board of Regents of The University of Texas, being deeply appreciative of the interest expressed in Texas Western College by the Study and Advisory Committee of the El Paso Chamber of Commerce and being particularly impressed by the intelligent, objective and sympathetic approach demonstrated by the Committee in its analysis of Texas Western College,

Now Resolves, That such Committee and the El Paso Chamber of Commerce be hereby congratulated for its excellent presentation. We respectfully urge that the Chamber of Commerce continue its constructive interest in Texas Western College and The University of Texas system, and that it be free to call upon this Board of Regents at any time should it feel that it has matters which should be brought to the attention of the Board, to the end that Texas Western College may achieve the stature envisioned by the Citizens of El Paso and the Board of Regents.

THE SOUTH TEXAS MEDICAL SCHOOL. --Chancellor Wilson presented the request of Representative Spears of San Antonio, Texas, for an expression from the Board of Regents of willingness to expedite the planning for The South Texas Medical School. In connection therewith, Chancellor Wilson recommended that a reply consisting of the following points be sent to Representative Spears:

1. Both the Board of Regents and the city of San Antonio have done all they can until there is further action by the Legislature.

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2. For further planning it is essential that the University's request for an appropriation of \$100,000.00 for the next biennium be approved. This appropriation is necessary to the planning which must go on, both in relation to the medical school and in relation to the hospitals which will be used as teaching hospitals by the school.
3. If this appropriation is made but no other appropriation is approved, The University of Texas will do the necessary planning and will present to the 58th Legislature both an operating and a construction budget for the biennium 1963-65.
4. In the discretion of the Legislature, if an appropriation of approximately \$3,200,000.00 were made in the second year of the biennium in addition to the \$100,000.00 appropriation, it would be possible for the University to proceed with building plans for the first unit of the school, incurring obligations for architect's fees and, more than likely, actually letting a contract for construction.
5. The University is willing to proceed under either alternative.

The foregoing recommendation of Chancellor Wilson was adopted upon motion of Mr. Redditt, seconded by Mr. Bryan. (See Page 26.)

COLISEUM, MAIN UNIVERSITY. -- President Ransom stated that the report to the Board of Regents of a special committee appointed to study the Coliseum at the Main University (an item in the schedule of projects for the Ten-Year Building Plan) would be distributed in multiple copies later.

ELECTION OF SECRETARY, BOARD OF REGENTS. -- Upon motion of Mr. McNeese, seconded by Vice-Chairman Heath, Betty Anne Thedford was elected Secretary of the Board.

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## REPORTS OF STANDING COMMITTEES

At the request of Chairman Hardie, the Committee Chairmen presented the reports of their respective committees.

REPORT OF EXECUTIVE COMMITTEE--INTERIM ACTIONS (NOVEMBER 30, 1960--MARCH 1, 1961). --Assuming that each Regent had read the following Report of the Executive Committee submitted in the Material Supporting the Agenda, Vice-Chairman Heath moved its adoption.

The Executive Committee has approved by mail vote eight separate requests since its last report of November 21, 1960, which is included in the Minutes of the meeting for December 1960. These requests include thirteen separate items as set out below and which are included in the docket presented this meeting. Each request has been recommended by the respective institutional head concerned and has been approved by Chancellor Wilson.

## 1. Budgetary Items

- a. Main University. -- Three items recommended by President Ransom are reported in the attached docket as Item 8, Page M-23, and Items 17 and 18, Page M-24.
- b. Southwestern Medical School. -- Two items recommended by Dean Gill and reported in the attached docket as Item 17, Page S-3, and Item 25, Page S-4.
- c. M. D. Anderson Hospital and Tumor Institute. -- One item recommended by Doctor Clark and reported in the attached docket as Item 13, Page A-2.

## 2. Absences from the Campus in Excess of Two Weeks

- a. Main University. -- Absences of Dr. H. Malcolm Macdonald, Dr. George W. Hoffman, Dr. Joe W. Neal, and Dr. John A. Wilson recommended by President Ransom and reported in the attached docket on Page M-43.
- b. Medical Branch. -- Absences of Dr. Gerald R. Seaman and Dr. Ernest B. Evans recommended by Executive Director and Dean Truslow and reported in the attached docket on Page G-5.
- c. M. D. Anderson Hospital and Tumor Institute. -- Absences of Dr. Gilbert H. Fletcher recommended by Doctor Clark and reported in the attached docket on Page A-3.

Adoption of Report. -- Mr. McNeese seconded the motion which prevailed.

3-08-61

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (See Page 11 for adoption. ) --Committee Chairman McNeese presented the following report of the Academic and Developmental Affairs Committee:

Approval of Docket (Attachment No. 2). --It was the unanimous recommendation of the Academic and Developmental Affairs Committee that the Docket of Chancellor Wilson dated March 1, 1961, (Attachment No. 2) be approved in the form as circulated to the Regents with the following two exceptions:

1. That the recapitulation (pink sheets) for the 1961 Summer School Budget distributed at the meeting be substituted for those distributed prior to the meeting.
2. That Item 4 under Faculty Legislation on Page M-34 be deleted from the docket. This was at the request of the Administration since to be effective it requires the approval of the Texas Commission on Higher Education and should have been reported as a special item.

/This docket (Attachment No. 2) is made a part of the Minutes and is appended following Page L-22 of Attachment No. 1./

Establishment of System Personnel Office. --The establishment of a System Personnel Office, Central Administration, was recommended by the Academic and Developmental Affairs Committee as suggested in the information in the Material Supporting the Agenda mailed to each Regent. This proposal expands the Workmen's Compensation Insurance and Other Staff Benefits Office into a System Personnel Office effective April 1, 1961. The change involves three personnel assignments and two salary increases (These will be reported in the May docket.) and amends the Rules and Regulations of the Board of Regents for the Government of The University of Texas as follows:

1. Part One, Amendment No. 3. --Amend Chapter II by deleting subsection 7.423 and substituting in lieu thereof the following:

Responsibility for fiscal and budgetary aspects of the System Personnel Office.

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[In order to conform to Chapter VII, subsection 4. 1, Page 56 (loose leaf copy), this will be voted on at the May meeting.]

2. Part Two, Amendment No. 1. --

- a. Amend Chapter V by deleting subsection 1. 26 and substituting in lieu thereof the following:

1. 26. --System Personnel Adviser. The System Personnel Adviser serves as a staff officer advising the Chancellor through the Vice-Chancellor (Fiscal Affairs) on the Classified Personnel programs, Workmen's Compensation insurance, and other staff benefits, for each of the component institutions of the system.

- b. Amend Chapter VI by deleting subsections 1. 9, 5. 9, and 5. (10) and substituting in lieu thereof the following:

1. 9. --Information pertaining to options under which retirement benefits may be drawn and to reciprocal service between the Teacher and Employees Retirement Systems, as well as other information, may be secured from the local institutional business or personnel office, the Central Administration System Personnel Office, or the Teacher Retirement System in Austin.

5. 9. --The supervisor of a covered employee who is injured during the course of employment must file a complete report with the Supervisor of the Workmen's Compensation Insurance Office whether or not time is lost from work. If time is lost, a supplemental report is filed when the employee returns to work. When the time lost is over 60 days, this report is filed at the end of each 60-day period. The same form is used

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if the employee is disabled later due to the original injury. In the event of death of the injured employee, the form is filed immediately.

5. (10). -- The employees' supervisors are also responsible for keeping in close touch with injured employees and their attending physicians and investigating medical attention to see that unnecessary aid and visits are avoided. They approve the statement from the physician as to services rendered although not actual charges for treatment.

c. Amend Chapter VI, Sections 2 and 5, by substituting throughout:

- (1) "Supervisor of Workmen's Compensation Insurance" for "Director of Workmen's Compensation Insurance and Other Staff Benefits."
- (2) "System Personnel Office" for "Workmen's Compensation Insurance and Other Staff Benefits Office."

Docket and Travel Summaries. -- As a matter of information and as a reminder, the Academic and Developmental Affairs Committee did not reach a final decision as to the form of docket presentation or as to how often the travel summaries should be reported to the Board but delayed these items in order to give the newly qualified Regents an opportunity to become familiar with the details of both reports.

Adoption of Report. -- The Board adopted the foregoing report upon motion of Mr. McNeese, seconded by Vice-Chairman Heath.

3-08-61

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (See Page 23 for adoption. ) -- In the absence of Committee Chairman Thompson, Vice-Chairman Heath presented the following report of the Buildings and Grounds Committee. This report includes the original recommendations of the Administration distributed in the Material Supporting the Agenda, the supplementary recommendations of the Administration distributed at the meeting, and the following additional items:

1. Bronze Tablet and Name, Gymnasium and Field House, Texas Western College (originally on the agenda of the Committee of the Whole)
2. Name for Classroom-Office Building, Texas Western College (originally on the agenda of the Committee of the Whole)
3. Request to Administration for Recommendations re Prebidding Qualifications

Main University: Award of Contracts for Remodeling of Attics and Air Conditioning of Sutton Hall and Taylor Hall. -- In accordance with authorization given by the Board at the meeting held January 16, 1961, bids were called for and were opened and tabulated on February 21, 1961, for Remodeling of Attics and Air Conditioning of Sutton Hall and Taylor Hall. The bids are tabulated on Page 31. Bids were called for on each project separately and also on a combined basis for the two projects. After consideration of the bids by all concerned, it is the recommendation of Engineer Zumwalt and Vinther, the Physical Plant staff, Comptroller Sparenberg, President Ransom, and Chancellor Wilson that contract awards be made to the low base bidders as follows:

General Contract:

D. B. Ware Construction Company, Austin, Texas	
Combination Base Proposal for Sutton Hall and Taylor Hall	\$ 77,351.00

Mechanical Contract Including Electrical:

J. M. Boyer, Mechanical Contractor, Austin, Texas	
Combination Base Proposal for Sutton Hall and Taylor Hall	<u>305,940.00</u>

Total Recommended Contract Awards	<u>\$383,291.00</u>
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Appropriations of \$200,000.00 each were made for these two projects, and the award of the contracts as recommended above plus Engineers' Fees thereon will come within the total appropriation of \$400,000.00.

Main University: Approval of Final Plans and Specifications for Art Building and Museum. -- In accordance with authority granted by the Board of Regents, working drawings and specifications have been prepared by the Associate Architect, Kuehne, Brooks, and Barr of Austin, Texas, on the Art Building and Museum at the Main University. These final plans and specifications have been approved by the Consulting Architect, Page, Southerland, and

3-08-61

Page, Chairman of the Department of Art, Dean of the College of Fine Arts, Main University Faculty Building Committee, President Ransom, Comptroller Sparenberg, and Chancellor Wilson. It is recommended that they be approved by the Board and that authorization be given to Comptroller Sparenberg to advertise for bids on this project, these bids to be presented to the Board for consideration at a later meeting.

Main University: Approval of Inscription on Plaque for Computation Center. --It is recommended that the inscription as set out below be approved for the plaque to be placed in the Computation Center at the Main University. This inscription follows the standard pattern approved by the Board of Regents.

COMPUTATION CENTER  
1960

Left Side

BOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, Chancellor, The  
University of Texas

Charles H. Sparenberg, Comptroller,  
The University of Texas

---000---

Harry H. Ransom, President, Main  
University

C. Aubrey Smith, Chairman, Main  
University Faculty Building  
Committee

---000---

Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
Fehr and Granger, Associate Architect  
Thomas Hinderer, General Contractor



3-08-61

Main University: Approval of Inscription on Plaque for Undergraduate Library and Academic Center. --It is recommended that the inscription as set out below be approved for the plaque to be placed in the Undergraduate Library and Academic Center at the Main University. This inscription follows the standard pattern approved by the Board of Regents.

UNDERGRADUATE LIBRARY AND ACADEMIC CENTER  
1960

Left Side

BOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, Chancellor, The  
University of Texas

Charles H. Sparenberg, Comptroller,  
The University of Texas

---000---

Harry H. Ransom, President, Main  
University

C. Aubrey Smith, Chairman, Main  
University Faculty Building  
Committee

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Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
George L. Dahl, Associate Architect  
B. L. McGee Construction Company,  
General Contractor

3-08-61

Main University: Approval of Inscription on Plaque for Drama Building. --It is recommended that the inscription as set out below be approved for the plaque to be placed in the Drama Building at the Main University. This inscription follows the standard pattern approved by the Board of Regents.

DRAMA BUILDING  
1960

Left SideBOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, Chancellor, The  
University of Texas

Charles H. Sparenberg, Comptroller,  
The University of Texas

---000---

Harry H. Ransom, President,  
Main University

C. Aubrey Smith, Chairman, Main  
University Faculty Building  
Committee

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Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
Bartlett Cocke, Associate Architect

J. C. Evans Construction Company, Inc.,  
General Contractor

3-08-61

Main University: Approval of Inscription on Plaque for Research Facilities and Headquarters Building at Institute of Marine Science. --  
It is recommended that the inscription as set out below be approved for the plaque to be placed in the Research Facilities and Headquarters Building at Institute of Marine Science. This inscription follows the standard pattern approved by the Board of Regents.

INSTITUTE OF MARINE SCIENCE  
RESEARCH FACILITIES AND HEADQUARTERS BUILDING  
1960

Left Side

## BOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, Chancellor, The  
University of Texas  
Charles H. Sparenberg, Comptroller,  
The University of Texas

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Harry H. Ransom, President,  
Main University  
C. Aubrey Smith, Chairman, Main  
University Faculty Building  
Committee

---000---

Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
Smyth and Smyth, Associate Architect  
The Charles Burnett Company, Contractor

3-08-61

Texas Western College: Approval of Name Liberal Arts Building for Classroom-Office Building; Approval of Inscription on Plaque for Liberal Arts Building. --It is recommended that the Board approve the proposal of the Campus Planning Committee of Texas Western College, concurred in by Doctor Ray, to name the Classroom-Office Building, currently under construction at Texas Western College, the Liberal Arts Building.

It is recommended that the inscription as set out below be approved for the plaque to be placed in the Liberal Arts Building at Texas Western College. This inscription follows the standard pattern approved by the Board of Regents.

LIBERAL ARTS BUILDING  
1960

Left Side

BOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, President, The  
University of Texas

Charles H. Sparenberg, Comptroller,  
The University of Texas

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Joseph R. Smiley, President, Texas  
Western College

J. M. Whitaker, Chairman, Building  
Committee, Texas Western College

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Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
Carroll and Daeuble and Associates,  
Associate Architect

Robert E. McKee General Contractor,  
Inc., Contractor

Texas Western College: Approval of Name Memorial Gymnasium, Bronze Tablet, and Inscription on Plaque for Gymnasium-Field House. --At the February 1961 meeting, the Committee of the Whole adopted a name and an inscription for a plaque for the new Gymnasium-Field House at Texas Western College subject to clearance through Texas Western's Campus Planning Committee. It is now recommended by the Buildings and Grounds Committee that the Board approve the Campus Planning Committee's recommendation to name the Gymnasium-Field House, currently under construction at Texas Western College, the Memorial Gymnasium and to put in an appropriate place on the building a bronze tablet carrying the following inscription:

A Memorial to the Ex-Students of Texas  
Western College Who, During the Two  
World Wars and the Korean War, Died in  
Combat in the Service of Their Country.

It is recommended that the inscription as set out below be approved for the plaque to be placed in the Memorial Gymnasium at Texas Western College. This inscription follows the standard pattern approved by the Board of Regents.

MEMORIAL GYMNASIUM  
1960

Left Side

BOARD OF REGENTS

Merton M. Minter, M. D., Chairman

J. Lee Johnson, III, Vice-Chairman

J. P. Bryan

Mrs. Charles Devall

Thornton Hardie

W. W. Heath

Wales H. Madden, Jr.

A. G. McNeese, Jr.

Joe C. Thompson

Right Side

Logan Wilson, Chancellor, The  
University of Texas

Charles H. Sparenberg, Comptroller,  
The University of Texas

---000---

Joseph M. Ray, President, Texas  
Western College

J. M. Whitaker, Chairman, Building  
Committee, Texas Western College

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Jessen, Jessen, Millhouse, and  
Greeven, Consulting Architect  
Monroe, Licht, and Higgins, Associate  
Architect

Ray Ward and Son, Contractor

3-08-61

Main University: Allocation to Major Repairs and Rehabilitation Projects Accounts. -- Account 91500 is the Allotment Account for Major Repairs and Rehabilitation Projects from the Available University Fund for Main University. Specific projects are set up out of this account and as jobs are completed, unexpended funds are returned to this account. As at January 31, 1961, there is a balance of \$52,000 in this account which has accumulated over a period of several years. We now have specific needs for allocations from this balance. The recommendation for specific allocations are:

APPROPRIATIONS TO BE CARRIED IN CENTRAL ADMINISTRATION  
ACCOUNTS TO BE HANDLED BY COMPTROLLER THROUGH  
CHANCELLOR AND REGENTS' BUILDINGS AND  
GROUNDS COMMITTEE

Installation of Atomic Reactor, Room 131, Taylor Hall	\$18,000
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The Atomic Energy Commission has made two grants to The University of Texas totalling \$164,200 and for a University expenditure of \$18,000 we will have a reactor installation of a total cost of \$182,200. One of the Atomic Energy Commission grants is \$150,000 for the purchase of the reactor. Professor Scanlan and Dean Hagerty recommend the purchase of TRIGA Mark I reactor from the General Atomic Division of General Dynamics Corporation. The cost of this unit including installation supervision is \$153,600. Therefore, \$3,600 of the \$18,000 requested here will apply on the purchase contract with the General Dynamics Corporation. The General Dynamics Corporation has submitted a contract which has been approved by Professor Scanlan and Dean Hagerty, Mr. Waldrep and G. W. Landrum. We cannot execute this contract until we have the appropriation to take care of the installation. The excavation, two tanks, floor, etc. are estimated to cost \$11,000; the monitoring and other safety equipment are estimated to cost \$3,400. These items with the \$3,600 to apply on the purchase of the reactor total the \$18,000 requested here. If this recommendation is approved, we ask for the authority to proceed with issuing the purchase order to General Atomic Division of General Dynamics Corporation for the reactor to be paid \$150,000 from the Atomic Energy Commission grant and \$3,600 from this requested appropriation.

APPROPRIATIONS TO BE CARRIED IN MAIN UNIVERSITY  
ACCOUNTS, TO BE HANDLED BY MAIN UNIVERSITY  
DIRECTOR OF PHYSICAL PLANT AND  
BUSINESS MANAGER

Main Building - Major Floor Replacements	\$10,000
Conversion of Existing Air Conditioning Units in Chemical and Petroleum Engineering Buildings to the Use of Chilled Water from Central Water Chilling Station	6,000

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It is desirable that these projects allocations should be set up at this time in order that we may get some of the work underway immediately. This is, of course, to include the authorization to sign the contract for the reactor as recommended by Dean Hagerty. All but \$3,600 is to be paid from funds which come to us from a grant from the Federal Government.

These recommendations are made by Business Manager Landrum and President Ransom for Main University and concurred in by Comptroller Sparenberg and Chancellor Wilson.

Texas Western College: Final Inspection of Warehouse-Shops Building.--On February 14, 1961, Comptroller Sparenberg, representing himself and the Chancellor's Office, Mr. Walter C. Moore, Architect and Assistant to the Comptroller, and Mr. Herbert C. Crume of Jessen, Jessen, Millhouse, and Greeven, Consulting Architects, were in El Paso, and, among other things, made a final inspection of the Warehouse-Shops Building on the Texas Western College campus. Others participating in this final inspection included President Ray, Business Manager St. Clair, Registrar Whitaker, Chairman of the Campus Planning Committee of Texas Western College, Dean of Mines and Engineering E. M. Thomas, Architect Ralph V. Davis and other representatives of Davis, Foster, Thorpe and Associates, Inc., and representatives of Ponsford Brothers, contractor on this project. It is the recommendation of the Architects and all the University administrative officers concerned that the Regents approve the acceptance of this building and final payment to the contractor.

Medical Branch: Final Inspection of Remodeling of Wards 5-A and 5-B of John Sealy Hospital.--On February 2, 1961, Comptroller Sparenberg, representing himself and the Chancellor's Office, Mr. Walter C. Moore, Architect and Assistant to the Comptroller, and Mr. Herbert C. Crume of Jessen, Jessen, Millhouse, and Greeven, Consulting Architects, were in Galveston, and, among other things, made a final inspection of the Remodeling of Wards 5-A and 5-B of John Sealy Hospital. Others participating in this final inspection included Messrs. Truslow, Walker, Gilliam, Hisey, and Bobbitt of the Medical Branch staff and Messrs. Ross, Isaacks, and others of Southwestern Construction Company, the contractor on this project. It is the recommendation of the Architects and all the University administrative officers concerned that the Regents approve the acceptance of this project and final payment to the contractor.

Main University: Approval of Preliminary Plans and Appointment of Associate Architect for Engineering-Science Building.--At the Regents' Meeting held September 24, 1960, authorization was given to the Consulting Architect to prepare preliminary plans for an Engineering-Science Building, including Housing for Tandem Accelerator and Related Equipment at the Main University. These preliminary plans have now been prepared and approved by the Special Committee appointed for this building, the Main University Faculty Building Committee, President Ransom, Comptroller Sparenberg, and Chancellor Wilson. It is recommended that they be approved by the Board and that an Associate Architect be authorized to

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proceed with the preparation of working drawings and specifications. The Administration recommended that an Associate Architect be appointed at this meeting, and a joint recommendation of the Comptroller and the Consulting Architect in regard to the selection of an Associate Architect was distributed with the supplementary recommendations at the meeting.

It is recommended by the Buildings and Grounds Committee that the firm of Phelps and Dewees and Simmons of San Antonio be appointed as Associate Architect for the Engineering-Science Building, Main University, Austin.

It is understood that, in accordance with established procedure and the "ground rules" which have been approved by the Comptroller's Office and the Chancellor's Office, the proposed allotment to cover this project does not provide for "Specialized Teaching, Laboratory, and Departmental Equipment, which normally is provided from Departmental M. and E. and Special Equipment Appropriations." President Ransom explained these items to the Regents' Buildings and Grounds Committee. The allotment does cover "Built-in Furniture and Equipment, such as certain types of dormitory equipment, kitchen equipment, and laboratory equipment, which are customarily handled as part of the prime construction contracts; and Movable Furniture and Equipment, including such items as desks, tables, chairs, filing cabinets, etc. (commonly known as 'General Furniture and Equipment')." b

Main University: Authorization for Use of Funds Already in Allotment Account for Finishing Space in Basement of Business Administration-Economics Building. -- The working drawings and specifications for the Business Administration-Economics Building include a sizable amount (approximately 11,000 square feet) of unfinished space. After consideration of various and sundry possibilities as to how this space might advantageously be used, and after many conferences involving various faculty and staff people of the Main University, the Faculty Building Committee of the Main University, the Registrar, the Director of Physical Plant, the Business Manager, and the President of the Main University, the Comptroller's Office, the Chancellor's Office and the Architects involved, it is now recommended by all concerned that the remaining unfinished space in the basement of this building be finished as follows:

1. Approximately 2,300 square feet be used for expanded telephone exchange and switchboard facilities to be installed by the Southwestern Bell Telephone Company.
2. The balance of the unfinished area be used for seminar rooms and classrooms, primarily for Business Administration and Economics, but definitely to be designed in such a way that all the facilities can be used for general purposes.



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It is further recommended:

1. That the Comptroller's Office be authorized to instruct the Associate Architects, Page, Southerland, and Page, to proceed immediately with the necessary additions and changes in the plans, after proper consultation with the Registrar and others involved.
2. That the Comptroller's Office be authorized to instruct the Associate Architects, Page, Southerland, and Page, to proceed immediately with the necessary changes in the plans and specifications, change orders, etc., to change a walk on the North side of this building to a driveway, (with walks), in order to tie in more nearly with the approved Campus Development Plan.
3. That the Comptroller be authorized to use and/or transfer the amount of \$115,000.00, or so much thereof as may be necessary, from Account No. 94225, the allotment account for the Business Administration-Economics Building, to cover the work above indicated, plus whatever furniture and furnishings are needed to complete the furnishing of the basement area of this building. The free balance in the allotment account for this building as at March 13, 1961 is \$186,041.74.
4. That Architects Page, Southerland, and Page and Comptroller Sparenberg be authorized to approve whatever change orders are necessary to get this work done within the amount of money authorized.

Main University: Award of Contracts for West Mall Office Building. --In accordance with authorization given by the Board at the meeting held December 10, 1960, bids were called for and were opened and tabulated on March 9, 1961, for the West Mall Office Building at the Main University. A tabulation of the bids is on Page 35. After careful consideration of the bids by all concerned, it is the recommendation of the Consulting Architect, Jessen, Jessen, Millhouse, and Greeven, the Associate Architect, Staub, Rather, and Howze, President Ransom, the Comptroller's Office, and the Chancellor's Office that contract awards be made to the lowest and best bidders, as follows:

General Contract:

Eitze-Kitchens Construction Company	
Austin, Texas	
Base Bid	\$457,000.00

Elevator Contract:

B. F. Johnson Elevator Co., Inc.	
Waco, Texas	38,300.00

Plumbing Contract:

F and S Company, Austin, Texas	35,186.00
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Heating and Air Conditioning Contract: Young and Pratt, Austin, Texas	\$113,896.00
Electrical Contract: Grimes Electric Company of Austin, Inc. Austin, Texas	<u>104,675.00</u>
Total Recommended Contract Awards	<u>\$749,057.00</u>

(Copies of justifications for recommended awards were distributed to each member of the Board at the meeting.)

As the original over-all appropriation for this project was \$750,000.00, in order to make the contract awards as recommended above, pay Architects' Fees thereon, and retain an amount sufficient to cover the estimated cost of movable furniture and furnishings for the building, it will be necessary to have an additional appropriation of not less than \$76,800.00. It is, therefore, recommended that an additional appropriation of \$77,000.00 be made to Account No. 94270 - West Mall Office Building from Permanent University Fund Bond Proceeds.

Request to Administration for Recommendations re Prebidding Qualifications for Bidders. -- It is recommended by the Buildings and Grounds Committee that the Administration be instructed to prepare for the next meeting of the Board recommendations to set up prebidding qualifications for bidders. It is requested that the recommendations be presented through the Buildings and Grounds Committee to the Board. (This recommendation was a request of the members of the Buildings and Grounds Committee.)

Adoption of Report. -- The foregoing report and the recommendations contained therein were adopted upon motion of Vice-Chairman Heath, seconded by Mr. Brenan.

REPORT OF LAND AND INVESTMENT COMMITTEE (See Page 24 for adoption.) -- Committee Chairman Madden reported that the Land and Investment Committee recommends with one exception the recommendations of the Administration (Attachment No. 1) as submitted to each Regent prior to the meeting. The exception is on Page L-12. The Land and Investment Committee recommends that the last paragraph on that page be deleted and the following substituted in lieu thereof:

It is recommended that the Board of Regents employ the firm of Vinson, Elkins, Weems & Searls as counsel for its 1961 Series of Permanent Fund Bonds, the fee arrangement to be presented to the Board of Regents at a later date for approval.

Committee Chairman Madden pointed out the following points of interest in this report:

1. The per cent of earnings on the Permanent University Fund securities as of January 31, 1961, is 3.27%.

2. The committee recommends the issuance of a permit for prospecting for potash and allied minerals, with options to lease. It will be an interesting experiment to see how this works out. (Page L-10)
3. The British American Oil Producing Company was authorized to dredge a channel to get to a well site, H. B. Littlefield Survey, Galveston County. (Page L-19)
4. An exchange of mineral rights under two tracts of the Rangely Field in Colorado, Rio Blanco County. (Page L-21)

Adoption of Report. -- Upon recommendation of Committee Chairman Madden and on motion of Mr. Bryan, seconded by Mr. McNeese, the Board approved the foregoing report of the Land and Investment Committee. This report consists of the recommendations of the Administration (Attachment No. 1) as amended. Attachment No. 1, Pages L-1 through L-22, is appended following Page 37 of the Minutes and is made a part of the Minutes.

#### OTHER MATTERS

PRESENTATION OF CERTIFICATE OF APPRECIATION TO CHANCELLOR WILSON. -- At the request of Doctor Haskew and Mr. Cox, the Chair recognized Doctor R. Lee Clark, Jr., who, on behalf of the Administrative officials, presented to Chancellor Wilson a Certificate of Appreciation.

Doctor Clark:

"The Administrative Family of The University of Texas system takes pride in presenting to Chancellor Logan Wilson this emblem

1. For excellence in administration achieved
  - a. by proper separation of policy-procedure and operation through precept and function,
  - b. by unwavering support of administrative heads in time of stress and even duress,
  - c. by dignity of mien leavened by an unfailing sense of proportion and humor;
2. For unfailingly striving for excellence in all matters;
3. For occupying successfully that middle ground between the delegated authority of the Regents and the top voice of administrative needs and keeping both wisely segregated;
4. And finally, and above all, for his good judgment and choice in administrative heads for The University of Texas system."

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Vice-Chairman Heath moved, Mr. McNeese seconded, and the Board unanimously adopted the foregoing statements as the sentiment of the Board.

Chancellor Wilson in response thereto:

"I appreciate very much receiving this certificate. I am going to hang it in a conspicuous place. I think we have the best administrative team of any university in the country, and I have genuinely enjoyed working with all of you. Whatever success we have achieved I attribute to our collective effort. The members of this team have been dedicated, hard-working, capable people, and it is my hope you may continue as a group. Even though I am praising our own team, many outside individuals who have come in contact with the University have said the same thing.

"To the new Regents, I think you are very fortunate in coming into the situation, and my greatest source of satisfaction has been working with the Regents and with this team. I am very grateful to all of you."

Chairman Hardie:

"I had the pleasure of speaking at the Alumni meeting in Midland on March 2. I told them when Logan Wilson was selected to head The University of Texas system that a new era started; that he had been an excellent administrator, unfailingly courteous; and that at any time a measure is presented, he has the answer.

"On behalf of the Board of Regents, I want to express to Doctor Wilson our appreciation for his services. We are extremely sorry to lose him but glad to know that he is going to a promotion. We wish him God's speed and continued success in that capacity. He is a fine gentleman and agreeable. We all love him, and he takes our love with him as he goes to another important field."

NEXT REGULAR MEETING OF BOARD (MAY 12-13, 1961).--The next regular meeting of the Board was set for May 12-13, 1961, in Austin.

EXECUTIVE SESSION. -- The Board in an Executive Session affirmed its action taken on Friday, March 17, (Page 6 ) and approved the following relating to The South Texas Medical School:

On October 1, 1959, the Board of Regents of The University of Texas, after a very competent medical advisory team had studied the situation, adopted a resolution locating The South Texas Medical School at the Oak Hills site. Another team of investigators, not selected by the Board of Regents, studied the whole problem and they too confirmed the Board's decision by recommending the same site.

The biennial budget request of the University to the Legislature included a \$100,000 item for planning The South Texas Medical School. It is the understanding of the Board of Regents that the San Antonio legislative delegation will seek an additional appropriation for the second year of the biennium in an amount sufficient to begin actual construction of the first building unit of the Medical School. The Board of Regents expresses its willingness to expedite planning and to proceed with construction as soon as the Legislature makes the funds available.

The Board feels that they have given careful, thorough, and complete consideration to all pertinent factors related to a medical school and a medical center, and reaffirms its original decision as to choice of location. It further asks the San Antonio Medical Foundation to transfer forthwith 100 acres of land out of the 200-acre tract already available for the Medical Center site, in conformity with existing legislative authorization (H. B. 9, Chapter 129, Acts of the Fifty-sixth Legislature, Regular Session). This amount of land is deemed necessary by the Board of Regents for the long-range development of a first-class medical school.

Experience has demonstrated that medical schools flourish best in medical centers. The specific experience of the Board of Regents with its operation of an institution in the Southwestern Medical Center, Dallas, where the original 128-acre tract for the Center has already proved to be inadequate, and a similar experience with its institutions in the Houston Center, where the original 163-acre tract, including the Hermann Hospital property, has likewise proved to be inadequate, makes the Board acutely aware of the necessity for acquiring a sufficient amount of acreage for long-range development. Accordingly, the Board of Regents of The University of Texas urges interested groups in San Antonio to move immediately to acquire at least another 150 acres adjacent to the Oak Hills site, so that the Medical Center will have available 350 acres for long-term expansion. This is the amount of acreage recommended by competent medical center authorities.

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ITEM FOR THE RECORD. --The following action was taken at the meeting of the Board of Regents on January 16, 1961. It was to be recorded in the minutes after the proposal had been publicly announced. It was announced in the Dallas Morning News on February 11, 1961:

Proposed Agreement between Board of Trustees of the Presbyterian Hospital Group and Board of Regents, Southwestern Medical School. --The Medical Affairs Committee recommended and the Board, upon motion of Mr. Thompson, seconded by Mr. Bryan, approved the following points as a basis of cooperation between the Board of Regents of The University of Texas and the Board of Trustees of the Presbyterian Hospital of Dallas in the event the Presbyterian Hospital Group elects to construct its physical facilities on the Reynolds site on the north edge of Dallas:

1. That all initial nominations to the medical professional staff of the Presbyterian Hospital be made by the Dean of The University of Texas Southwestern Medical School to the Board of Trustees of the Presbyterian Hospital of Dallas after recommendation to the Dean by the chiefs and associate chiefs of each hospital service and the concurrence of the Dean. The basic qualifications for eligibility shall be recommended in writing by the medical school and accepted by the Board of Trustees of the Presbyterian Hospital. No initial appointment to staff membership shall be considered except upon written nomination by the Dean of the Medical School. All appointments shall be on an annual basis.
2. The chairmen of the several departments of the medical school, or members of the medical staff whom they may appoint as their deputies, shall be the associate chiefs of service in each of the corresponding departments and divisions of the hospital staff. The associate chiefs, as a standing committee of the hospital staff, shall supervise, plan, and direct all educational activities within the hospital, including undergraduate, internship, and residency programs. The chiefs of service in the several departments and divisions of the hospital shall be selected in keeping with such ordinary procedures as may be set forth in the constitution and bylaws of the hospital staff but with the understanding that cooperation of the associate chiefs and chiefs of service in all matters must be assured.
3. In order to make available the necessary full-time supervision of educational programs at all levels and to stimulate research activities within the hospital, it shall be deemed advisable to employ a full-time physician trained in the field of internal medicine and another equally well qualified in the field of surgery, whose offices and adequate laboratories shall be provided by the Presbyterian Hospital. The selection and appointment of these two full-time individuals would be accomplished jointly by The University of Texas Southwestern Medical School and the

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Presbyterian Hospital of Dallas. It is recognized at this time of writing that the allocation of time and distribution of services for such men may vary from time to time and the allocation of salary on an equitable basis between the two agencies must be negotiated between the responsible administrative heads of the medical school and the hospital and concurred in by the respective governing boards. It is also considered probable that a part-time to full-time individual concerned with teaching and research activities in other medical specialties may be required subsequently in attaining the objectives of both the hospital and the medical school. In each case the need for persons in addition to the two mentioned above and necessary fiscal arrangements would of necessity be subject to negotiation of administrative heads and approval by the respective governing boards.

4. The Board of Trustees of Presbyterian Hospital of Dallas recognizes the necessity for and value of special teaching cases and pledges its full cooperation in an admission policy for non-paying cases to the extent of its financial ability. Final approval of such cases will rest with the hospital.
5. The Board of Trustees of the Presbyterian Hospital of Dallas agrees that all patients admitted shall be considered teaching cases except in rare instances. The Board of Trustees agrees to establish an automatic reporting system that will reflect the following points:
  - a. When any physician exempts more than ten per cent of his private patient admissions from the teaching classification (status), this information will be forwarded to the Board of Trustees via the Executive Committee of the Medical Staff at the time of annual renominations.
  - b. That when a member of the staff fails to carry out his requested teaching assignments, the report of such omissions will be forwarded to the Board of Trustees via the Executive Committee of the Medical Staff at the time of annual renominations.
6. It is agreed that the Presbyterian Hospital of Dallas shall maintain and provide adequate comparable salaries for the necessary professional personnel in each of the consultation departments (pathology, radiology, physical medicine, and anesthesiology). In the case of the first appointment (full-time chief) in each department listed above, the recommendation to the Presbyterian Hospital Board shall originate jointly with the chief of the corresponding department of the medical school, the Dean of the medical school, and Administrator of Presbyterian Hospital. Appointments to other positions in these departments will be jointly recommended by the chiefs and associate chiefs of these

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services and concurred in by the Dean of The University of Texas Southwestern Medical School and the Administrator of Presbyterian Hospital of Dallas.

7. All decisions pertaining to number of medical students and extent of undergraduate medical school teaching within the Presbyterian Hospital shall be decided by the faculty of the school of medicine.
8. Presbyterian Hospital agrees to dedicate a minimum of five acres for the purpose of providing research laboratory space on the Presbyterian Hospital campus. The Hospital will designate the area.
9. In addition to the members provided for by the bylaws, the Executive Committee of the medical staff shall provide that the associate chiefs of medicine, surgery, obstetrics-gynecology and pediatrics, as provided in section 2, shall be members of the Medical Staff Executive Committee.
10. The hospital shall establish and provide an adequate budget for necessary maintenance and stipends for such intern and resident staff as may be required to compare favorably with teaching institutions in the Southwest.
11. It is agreed that the Board of Trustees of the Presbyterian Hospital and the Board of Regents of The University of Texas, acting for the Southwestern Medical School, shall retain all jurisdictional powers incidental to separate ownership including the power to determine the general and fiscal policies of their respective institutions and the selection of administrative personnel. However, those faculty personnel who may be employed from time to time under joint agreements between the Presbyterian Hospital of Dallas and The University of Texas will necessarily require the final agreement of both Boards under the usual operating procedure relating to appointments.
12. All agreements and understandings contained herein shall continue indefinitely but may be terminated by either The University of Texas or the Presbyterian Hospital six years after written notice of desire to terminate shall have been delivered to the chief administrative officer of either institution.
- \*13. In order to provide for effective communication between the hospital and the school of medicine a joint conference committee--consisting of the Chairman of the Medical Affairs Committee of the Board of Regents of The University of Texas, and a member of the Board of Trustees of

\* Underlined portion is amendment adopted by the Board of Regents.



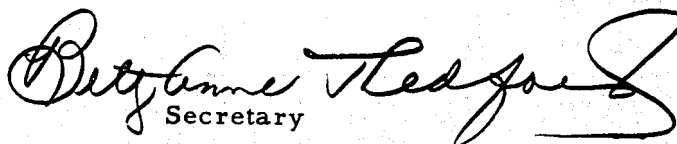
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the Presbyterian Hospital of Dallas, the Dean of the Medical School, and the Administrator of the Presbyterian Hospital--will be formed. The committee should meet at least once each year to review all relationships and activities.

14. All admission of patients to the hospital shall be under the direction of the Board of Trustees of Presbyterian Hospital of Dallas and full and complete direction and supervision of the hospital shall at all times be retained by the Hospital Board.
15. The stated purposes and ideals of the Presbyterian Hospital of Dallas are to achieve the goal of developing and maintaining an institution dedicated to the best attainable patient care. To this end an intra-mural program of research and education is considered to be a prerequisite. In fulfillment of the expanding teaching, research, and service responsibilities of the school of medicine it is our belief that an agreement of cooperation and assistance in developing a teaching and research program within the Presbyterian Hospital for interns and all residency levels, and for undergraduate students to the extent feasible, is in the best interests of both institutions. Every consistent effort would be directed by both institutions toward assisting in the creation of attitudes and environmental situations conducive to the best patient care, teaching, and research, as outlined in all sections above.

Since it is the desire of both boards that no premature release of this proposal be made until the Board of Trustees of the Presbyterian Hospital has had an opportunity to study the terms, the Regents, upon motion of Mr. Bryan, seconded by Mrs. Devall, authorized Regent Thompson and Dean Gill to approve any joint announcement of the proposal.

ADJOURNMENT. --The Board adjourned at 11:50 a. m.

  
Secretary

REMODELING OF ATTICS AND AIR CONDITIONING OF SUTTON HALL AND TAYLOR HALL  
 MAIN UNIVERSITY OF THE UNIVERSITY OF TEXAS  
 AUSTIN, TEXAS

Bids Opened: 2:30 P.M., Tuesday, February 21, 1961

GENERAL CONTRACT

<u>Contractor</u>	<u>Proposal No. 1</u>	<u>Proposal No. 2</u>	<u>Alternate No. 1 Deduct</u>	<u>Alternate No. 2 Deduct</u>	<u>Alternate No. 3 Deduct</u>	<u>Proposal No. 3 Combination</u>	<u>No. Working Days</u>
W. D. Anderson Co.	---	---	\$2,500.00	\$1,700.00	\$8,100.00	\$82,538.00	140
Joe Badgett Con- struction Co., Inc.	\$32,313.00	\$45,581.00	2,255.00	1,512.00	9,181.00	77,700.00	140
John Broad Con- struction Co.	38,844.00	51,133.00	2,520.00	1,624.00	8,706.00	89,977.00	Sept. 15, 1961
C & H Construction Company, Inc.	35,663.00	---	---	---	---	---	120
Ellis-Holstien, Inc.	---	---	2,400.00	900.00	8,200.00	84,480.00	130
Dick Mason Con- struction Co.	---	---	2,277.00	917.00	7,000.00	93,798.00	140
D. B. Ware Con- struction Company	32,479.00	45,372.00	2,777.00	1,162.00	8,478.00	77,351.00	130

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All the bidders are located in Austin, Texas

REMODELING OF ATTICS AND AIR CONDITIONING OF SUTTON HALL AND TAYLOR HALL  
 MAIN UNIVERSITY OF THE UNIVERSITY OF TEXAS  
 AUSTIN, TEXAS

Bids Opened: 2:30 P.M., Tuesday, February 21, 1961

MECHANICAL CONTRACT INCLUDING ELECTRICAL

<u>Contractor</u>	<u>Proposal No. 1</u>	<u>ALTERNATES TO PROPOSAL NO. 1</u>		
		<u>Alternate No. 1 Deduct</u>	<u>Alternate No. 2 Deduct</u>	<u>Alternate No. 3 Deduct</u>
J. M. Boyer Mechanical Contractor	\$164,634.00	\$10,300.00	\$3,500.00	\$2,000.00
F & S Company	173,715.00	13,140.00	4,800.00	2,118.00
Industrial Contractors, Inc.	---	---	---	---
A. J. Monier & Company, Inc.	166,740.00	11,450.00	2,900.00	2,350.00
Strandtmann Air Conditioning Co.	178,253.00	13,370.00	3,800.00	2,018.00
Way Engineering Company, Inc.	182,600.00	12,873.00	3,614.00	2,414.00
Young & Pratt	177,700.00	12,000.00	3,500.00	2,000.00

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All the bidders are located in Austin, Texas

REMODELING OF ATTICS AND AIR CONDITIONING OF SUTTON HALL AND TAYLOR HALL (CONTINUED)

MECHANICAL CONTRACT INCLUDING ELECTRICAL (CONTINUED)

<u>Contractor</u>	<u>Proposal No. 2</u>	<u>ALTERNATES TO PROPOSAL NO. 2</u>				
		<u>Alternate No. 1 Deduct</u>	<u>Alternate No. 2 Deduct</u>	<u>Alternate No. 3 Add</u>	<u>Alternate No. 4 Deduct</u>	<u>Alternate No. 5 Deduct</u>
J. M. Boyer Mechanical Contractor	\$142,451.00	\$7,200.00	\$12,370.00	\$1,530.00	\$2,512.00	\$4,450.00
F & S Company	146,760.00	6,047.00	12,352.00	360.00	2,700.00	3,000.00
Industrial Contractors, Inc.	153,800.00	9,150.00	8,400.00	2,000.00	3,600.00	4,400.00
A. J. Monier & Company, Inc.	143,980.00	7,000.00	11,500.00	1,890.00	2,900.00	3,960.00
Strandtmann Air Conditioning Company	154,340.00	8,883.00	13,754.00	1,068.00	2,850.00	3,328.00
Way Engineering Company, Inc.	158,266.00	9,804.00	13,014.00	1,694.00	3,507.00	4,760.00
Young & Pratt	146,840.00	8,400.00	13,800.00	1,760.00	3,000.00	4,400.00

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All the bidders are located in Austin, Texas

REMODELING OF ATTICS AND AIR CONDITIONING OF SUTTON HALL AND TAYLOR HALL (CONTINUED)

MECHANICAL CONTRACT INCLUDING ELECTRICAL (CONTINUED)

Contractor	ALTERNATES TO PROPOSAL NO. 3				
	Proposal No. 3	Alternate No. 1 Deduct	Alternate No. 2 Deduct	Alternate No. 3 Deduct	Alternate No. 4 Deduct
J. M. Boyer Mechanical Contractor	\$305,940.00	\$10,300.00	\$3,500.00	\$2,000.00	\$7,200.00
F & S Company	317,303.00	13,140.00	4,800.00	2,118.00	6,047.00
Industrial Contractors, Inc.	---	---	---	---	---
A. J. Monier & Company, Inc.	308,720.00	11,450.00	2,900.00	2,350.00	7,000.00
Strandtmann Air Conditioning Co.	328,593.00	13,370.00	3,800.00	2,018.00	8,883.00
Way Engineering Company, Inc.	333,951.00	12,873.00	3,614.00	2,414.00	9,804.00
Young & Pratt	---	---	---	---	---

Contractor	ALTERNATES TO PROPOSAL NO. 3 (CONTINUED)			
	Alternate No. 5 Deduct	Alternate No. 6 Add	Alternate No. 7 Deduct	Alternate No. 8 Deduct
J. M. Boyer Mechanical Contractor	\$12,370.00	\$1,530.00	\$2,512.00	\$4,450.00
F & S Company	12,352.00	360.00	2,700.00	3,000.00
Industrial Contractors, Inc.	---	---	---	---
A. J. Monier & Company, Inc.	11,500.00	1,890.00	2,900.00	3,960.00
Strandtmann Air Conditioning Co.	13,754.00	1,068.00	2,850.00	3,328.00
Way Engineering Company, Inc.	13,041.00	1,694.00	3,507.00	4,760.00
Young & Pratt	---	---	---	---

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

All the bidders are located in Austin, Texas

On all bids Proposal No. 1 covered work in Sutton Hall, Proposal No. 2 covered work in Taylor Hall, and Proposal No. 3 covered combination of work in both Sutton Hall and Taylor Hall.

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WEST MALL OFFICE BUILDING  
 MAIN UNIVERSITY OF THE UNIVERSITY OF TEXAS  
 AUSTIN, TEXAS

3-08-61

Bids Opened: 2:30 P.M., Thursday, March 9, 1961

GENERAL CONTRACT

<u>Contractor</u>	<u>Base Bid</u>	<u>Alternate No. 1 Deduct</u>
Dallas Building, Inc. Dallas, Texas	\$510,290.00	\$2,198.00
Darragh and Lyda San Antonio, Texas	470,700.00	1,000.00
Eitze-Kitchens Construction Co. Austin, Texas	457,000.00	749.00
J. C. Evans Construction Co., Inc. Austin, Texas	478,273.00	1,692.00
Farnsworth and Chambers Co., Inc. Houston, Texas	494,000.00	1,600.00
R. G. Farrell Company Odessa, Texas	498,260.00	1,750.00
B. L. McGee Construction Co. Austin, Texas	497,000.00	1,375.00
J. M. Odom Construction Co. Austin, Texas	464,800.00	1,600.00
John J. Stokes - General Contractor San Marcos, Texas	458,854.00	1,600.00

All bidders submitted with their bids a bidder's bond in the amount of  
 5% of the total bid.

3-08-61

## BIDS ON WEST MALL OFFICE BUILDING (CONTINUED)

PLUMBING, HEATING, AND AIR CONDITIONING CONTRACTS

<u>CONTRACTOR</u>	<u>PLUMBING CONTRACT</u>	<u>HEATING AND AIR CONDITIONING CONTRACT</u>	<u>COMBINED PLUMBING, HEATING, AND AIR CONDITIONING CONTRACT</u>
Fland S Company, Austin, Texas	\$35,186.00	\$ --	\$159,000.00
Fox-Schmidt, Austin Texas	37,406.00	--	--
Humphrey Company, Inc., Houston, Texas	40,000.00	109,800.00	--
Matkia and Company, Houston, Texas	--	129,850.00	165,201.00
Porter Plumbing and Heating Company, Austin, Texas	37,973.00	116,511.00	151,000.00
C. G. Puryear, Austin, Texas	39,400.00	--	--
Strandtmann Air Conditioning Com- pany, Austin, Texas	--	121,298.00	--
Way Engineering Com- pany, Inc., Austin, Texas	--	119,222.00	--
Young and Pratt, Austin, Texas	--	113,896.00	--

All bidders submitted with their bids a bidder's bond in the amount of 5% of the total bid.

BIDS ON  
WEST MALL OFFICE BUILDING (CONTINUED)

3-08-61

ELECTRICAL CONTRACT

<u>Contractor</u>	<u>Electrical Contract</u>
O. H. Cummins Electric Co. Austin, Texas	\$104,984.00
Fox-Schmidt Austin, Texas	122,389.00
Grimes Electric Company of Austin, Inc. Austin, Texas	104,675.00
W. K. Jennings Electric Co., Inc. Austin, Texas	111,449.00
Dean Johnston, Inc. Austin, Texas	108,689.00
Seco Smith Electric Co. Austin, Texas	107,917.00
Walter A. Tew Electric Austin, Texas	119,722.00

All bidders submitted with their bids a bidder's bond  
in the amount of 5% of the total bid.

ELEVATOR CONTRACT

<u>Contractor</u>	<u>Elevator Contract</u>	<u>Bidder's Bond</u>
Hunter-Hayes Elevator Co. Austin, Texas	\$39,611.00	5%
B. F. Johnson Elevator Co., Inc. Waco, Texas	38,300.00	\$2,000.00



PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

c-256.2

REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales of securities have been made for the Permanent University Fund since the meeting of January 17, 1961. We ask that the Board ratify and approve these transactions:

PURCHASES OF SECURITIES

CORPORATE BONDS

Date of Purchase	Security	Par Value of Bonds Purchased	Market Price at which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
1/4/61	Potomac Electric Power Company First Mortgage Bonds, 5% Series, dated 12/15/60, due 12/15/95	\$ 250,000	103.86 Avg.	\$ 259,650.00	4.78%
1/12/61	Iowa Power and Light Company First Mortgage Bonds, 4-5/8% Series, dated 1/1/61, due 1/1/91	250,000	100.404 Net	251,010.00	4.60
1/12/61	Public Service Electric & Gas Company First & Refunding Mortgage Bonds, 4-3/4% Series, dated 9/1/60, due 9/1/90	250,000	101.875 Net	254,687.50	4.64
2/6/61	Florida Power Corporation First Mortgage Bonds, 4-3/4% Series, dated 10/1/60, due 10/1/90	500,000	104.50 Net	522,500.00	4.48
2/15/61	Puget Sound Power & Light Company First Mortgage Bonds, 4-5/8% Series, dated 2/1/61, due 2/1/91	250,000	99.59 Net	248,975.00	4.65
Total Corporate Bonds Purchased		<u>\$1,500,000</u>		<u>1,536,822.50</u>	<u>4.60</u>

COMMON STOCKS

Date of Purchase	Security	No. of Shares Purchased	Market Price	Total Principal Cost*	Indicated Current Yield on Cost**
1/11/61	The Atchison Topeka & Santa Fe Railway Company Common Capital Stock	1,000	24-3/8	\$ 24,686.90	5.87%
1/11/61	International Business Machines Corporation Capital Stock	100	599-3/4	60,050.00	0.50
1/11/61	United States Gypsum Company Common Stock	200	103-1/2	20,798.70	2.88
1/13/61	American Home Products Corporation Capital Stock	100	185	18,557.50	2.26
1/13/61	Houston Lighting & Power Company Common Stock	300	89-1/8	26,881.23	1.79
1/13/61	Union Pacific Railroad Company Common Capital Stock	900	29-1/2	26,853.75	5.36
1/16/61	Standard Oil Company (New Jersey) Capital Stock	600	42-1/4	25,590.78	5.28
1/16/61	Texaco Inc. Capital Stock	300	88-1/4	26,618.49	3.21

\*Includes brokerage commissions paid.

\*\*Yield to maturity on bonds; yield at present indicated dividend rate for stocks.

COMMON STOCKS (Continued)

Date of Purchase	Security	No. of Shares Purchased	Market Price at which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
1/16/61	United States Steel Corporation Common Capital Stock	300	81-1/2	\$ 24,591.45	3.66%
1/18/61	Public Service Electric & Gas Company Common Stock	600	45	27,249.00	4.40
1/18/61	Southern California Edison Com- pany Common Stock	400	69-1/2(300) 69-1/8(100)	27,946.26	3.72
1/20/61	Potomac Electric Power Company Common Stock	700	35	24,755.50	4.07
1/20/61	Smith Kline & French Laboratories, Inc. Common Stock	500	50	25,220.00	2.48
1/23/61	The Cincinnati Gas & Electric Com- pany Common Stock	600	38-3/4	23,480.28	3.83
1/23/61	The Southern Company Common Stock	500	48-7/8	24,654.70	3.04
1/25/61	Armstrong Cork Company Common Stock	500	56-3/4	28,598.40	2.80
1/25/61	Inland Steel Company Capital Stock	600	45 (400) 44-7/8(200)	27,223.88	3.53
1/30/61	American Telephone & Telegraph Company Capital Stock	200	115-1/4	23,151.06	3.11
1/30/61	Armco Steel Corporation Common Stock	300	69-3/4	21,062.94	4.27
1/30/61	The Coca-Cola Company Common Stock	300	80	24,141.00	2.98
2/1/61	The Detroit Edison Company Capital Stock	500	50-5/8	25,532.80	4.31
2/1/61	Public Service Company of Colorado Common Stock	400	71	28,584.40	2.94
2/3 & 6/61	Commercial Credit Company Common Stock	400	78 (200) 77-1/2(100) 76-3/4(100)	31,212.03	4.10
2/3 & 6/61	Johns-Manville Corporation Common Stock	400	61-7/8(100) 62-1/8(100) 61-3/4(100) 61-1/2(100)	24,905.73	3.21
2/6/61	Merck & Company, Inc. Common Stock	300	87-1/4	26,318.19	1.82
2/6/61	Norfolk & Western Railway Company Common Stock	300	103-1/4	31,122.99	4.82
2/8/61	General Electric Company Common Stock	400	69-1/8	27,833.64	2.87
2/8/61	Monsanto Chemical Company Common Stock	500	48-1/4	24,340.65	2.05

\*Includes brokerage commissions paid.

\*\*Yield at present indicated dividend rate.

## COMMON STOCKS (Continued)

Date of Purchase	Security	No. of Shares Purchased	Market Price at which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
2/10/61	Consumers Power Company Common Stock	400	65-1/4(300) 65 (100)	\$ 26,257.09	3.96%
2/10/61	Ohio Edison Company Common Stock	700	38-1/2(400) 38-3/8(300)	27,180.07	3.81
2/13/61	The First National City Bank of New York Capital Stock	100	83-7/8 Net	8,387.50	3.58
2/13/61	St. Paul Fire & Marine Insurance Company Capital Stock	100	69-3/4 Net	6,975.00	2.06
2/13/61	Security First National Bank (Los Angeles) Common Stock	200	67 Net	13,400.00	2.39
2/17/61	Addressograph-Multigraph Corporation Common Stock	200	87-1/4(100) 87 (100)	17,520.43	1.03
2/17/61	The Kroger Company Common Stock	800	32-3/8(200) 32-1/4(200) 32 (200) 31-7/8(100) 31-3/4(100)	25,967.96	3.39
2/20/61	Kimberly-Clark Corporation Common Stock	300	92 (100) 91-3/4(200)	27,694.56	1.95
2/20 & 21/61	Utah Power & Light Company Common Stock	700	37-3/4(100) 37-1/2(400) 37-3/8(100) 37-1/8(100)	26,489.13	3.49
2/24/61	Gulf States Utilities Company Common Stock	600	39	23,631.00	2.54
2/24/61	Minnesota Mining and Manufacturing Company Common Stock	300	79-7/8(100) 79-5/8(100) 79-1/2(100)	24,040.90	0.75
2/24/61	The Borden Company Capital Stock	400	63-1/2(200) 63 (200)	25,481.30	2.35
2/24/61	Phillips Petroleum Company Common Stock	400	57-3/4(200) 57-1/4(200)	23,179.02	2.93
2/27/61	Chemical Bank New York Trust Company Capital Stock	100	67-5/8 Net	6,762.50	3.84
2/27/61	The First National Bank of Chicago Common Stock	200	65-1/2 Net	13,100.00	2.44
2/27/61	United States Fidelity and Guaranty Company Capital Stock	300	50-1/2 Net	15,150.00	2.38
2/27/61	Bankers Trust Company (New York) Capital Stock	100	55-3/4 Net	5,575.00	3.53
2/27/61	The Travelers Insurance Company Capital Stock	100	105-3/4 Net	10,575.00	1.51

\*Includes brokerage commissions paid.

\*\*Yield at present indicated dividend rate.

**Pages 638 and 639 are missing  
(Noted: May 11, 2006)**

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LEASES AND EASEMENTS.--The Land and Investment Committee has given consideration to the following applications for various leases and easements on University Lands. All are at the standard rates, unless otherwise stated, are on the University's standard forms, with grazing leases carrying provision for renewal for an additional five years at negotiated terms. Payments for easements and caliche permits have been received in advance. All have been approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer. Approval of the applications and execution of the instrument involved by the Chairman of the Board or the Endowment Officer is recommended.

EASEMENTS:

No.	Grantee	Type of Permit	County	Location	Distance or Area	Period	Consideration
1547	Shell Pipe Line Corporation	Pipe Line	Andrews	Sec. 27, Blk. 1	58 rds.-4½ in.	12/1/60-11/30/70	\$50.00
1548	Humble Pipe Line Co. (Renewal of No. 467)	Tank Farm	Reagan	Sec. 14, Blk. 11	9.30 acres	1/24/61-1/23/71	930.00
1549	Phillips Petroleum Co.	Pipe Line	Andrews	Secs. 1, 2, Blk. 4 Secs. 5, 6, 8, Blk. 5	271.1 rds.-3½ in. 1,122.8 rds.- 4½ in.	1/1/61-12/31/70	629.15
1550	Shell Pipe Line Corporation	Pipe Line	Andrews	Secs. 13, 14, Blk. 9	434 rds.-2 in.	1/1/61-12/31/70	108.50
1551	El Paso Natural Gas Company	Pipe Line	Crockett	Sec. 29, Blk. 12	136.788 rds. 4½ in.	3/1/61-2/28/71	68.39
1552	Texas Electric Service Co.	Power Line	Andrews Crane Ward	Secs. 14, 15, 42, 43, 45, 46, Blk. 9; Secs. 4, 21, 22, Blk. 11; Sec. 22, Blk. 12; Secs. 11, 20, 21, 32, 41, 44, Blk. 13; Secs. 8, 11, Blk. 14; Sec. 29, Blk. 30; Secs. 11, 12, Blk. 31; Sec. 11, Blk. 35; Secs. 4, 8, Blk. 16	2,863.94 rds.	1/1/61-12/31/70	1,431.97
1553	Union Texas Natural Gas Corp.	Pipe Line	Upton	Sec. 32, Blk. 3; Secs. 1, 4, 5, 9, 15, 16, 22, Blk. 22	1,486.4 rds. 4½ in.	2/1/61-1/31/71	743.20

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No.	Grantee	Type of Permit	County	Location	Distance or Area	Period	Consideration
1554	Pecos County	Highway and drainage channels	Pecos	Secs. 2, 5, 8, 9, 12, 13, 17, 20, Blk. 21	13.35 acres	So long as used for highway purposes from March, 1961	\$ -0-
				Secs. 5, 12, 17, Blk. 21	6.83 acres		
1555	El Paso Natural Gas Co.	Pipe Line	Andrews	Sec. 31, Blk. 9	157.12 rds. - $3\frac{1}{2}$ in.	3/1/61-2/28/71	50.00
1556	Pan American Petroleum Corp.	Pipe Line	Andrews	Secs. 32, 41, 42, Blk. 13	719.03 rds. - $4\frac{1}{2}$ in.	1/6/61-1/5/71	359.52
1557	El Paso Natural Gas Co.	Pipe Line	Andrews	Sec. 16, Blk. 1	5.012 rds. - $4\frac{1}{2}$ in.	3/1/61-2/28/71	50.00
1558	Superior Oil Company	Salt Water Disposal Well	Crockett	Sec. 28, Blk. 46	5 acres	3/1/61-2/28/71	500.00

L-7

CALICHE PERMITS

No.	Grantee	County	Location	Quantity	Consideration
197	Gentry Construction Co., Inc.	Crane	Block 30	1,482 cu.yds.	\$370.50
198	Frank Montgomery	Andrews	Block 9	588 cu.yds.	147.00

SALT WATER DISPOSAL EASEMENT NO. 1402, TEXACO INCORPORATED, MARTIN COUNTY, TEXAS - PERMISSION FOR DISPOSAL OF SALT WATER FROM ANOTHER UNIVERSITY OIL AND GAS LEASE.-- On October 3, 1959, the Board of Regents granted Texaco Incorporated an easement for 10 years covering 5 acres in Section 16, Block 7, University Lands, Martin County to be used for the operation of a disposal well for salt water and other waste products from oil and gas wells operated by Texaco on University Lands. The easement provides that waste products from wells owned and operated by other parties shall not be injected into the disposal well without the University's consent. Texaco has proposed that it be allowed to grant permission to J. L. Hamon to inject salt water and other waste products from a well operated by Mr. Hamon in the NE/4 of SE/4 of Section 12, Block 7. The University staff has granted this request and recommends that the Board of Regents grant and ratify this action.

CANCELLATION OF POWER LINE EASEMENT NO. 766, SKELLY OIL COMPANY, ANDREWS COUNTY.--Power Line Easement No. 766 was granted to Skelly Oil Company across portions of the NW/4 of Section 3, Block 10, Andrews County for the 10-year period February 1, 1956 through January 31, 1966 and full consideration of \$72.12 was received. Notification has been received from the lessee that the line has been salvaged with the request that the easement be cancelled. Such cancellation is recommended.

CAMPSITE EASEMENTS NOS. 461 AND 659, PLANT SITE EASEMENT NO. 1535, ASSIGNMENT FROM MONTEREY OIL COMPANY TO HUMBLE OIL & REFINING COMPANY.--Effective December 31, 1960, Humble Oil & Refining Company purchased and acquired the major part of Monterey Oil Company's assets and business and assumed all of Monterey's obligations with respect to the properties acquired. Among those properties are the following easements from the Board of Regents of The University of Texas:

Camp Site Easement No. 461 - A tract of 0.62 acres out of the SW/4 of Section 17, Block 13, University Lands, Andrews County for a 20-year period, December 1, 1950 through November 30, 1970 at a total consideration of \$25. paid in advance. This easement was originally granted to Stanolind Oil and Gas Company, was assigned in 1954 to Fullerton Oil Company, which was merged with Monterey Oil Company in 1956.

Camp Site Easement No. 659 - A tract of 0.86 acres out of the NE/4 of Section 30, Block 13, University Lands, Andrews County for a 1-year period beginning July 1, 1954 and ending June 30, 1955, with an option to extend and renew from year to year, but not to exceed a total period of 10 years, at annual rental of \$50, payable in advance. This easement was originally granted to Fullerton Oil and Gas Corporation, which was merged with Monterey Oil Company in 1956.

Plant Site Easement No. 1535 - A tract of 9.66 acres out of the SE/4 of NW/4 of Section 5, Block 13, University Lands, Andrews County for a 10-year period, September 1, 1960 through August 31, 1970, with right of renewal upon mutually agreeable terms, at a total consideration of \$966 paid in advance.

Checks in the amount of \$75, representing the \$25 assignment fee for each of the easements listed, and \$3, covering the filing fee to the Commissioner of the General Land Office for the three easements, have been received.

Approval of such assignments is recommended.

*signed*  
 GRAZING LEASE NO. 760, REAGAN COUNTY - ASSIGNMENT FROM RALPH PEMBROOK TO WAY & SCHNEEMAN.--This application covers assignment of Grazing Lease No. 760 to Way & Schneeman, a partnership, from Ralph Pembroke covering 19,515.2 acres in Blocks 7, 8, 11 and 12, Reagan County for the remaining term of the lease. The lease was granted for a 5-year period, January 1, 1959 through December 31, 1963 at \$0.50 per acre per year, payable in semi-annual installments of \$4,878.80 by the first day of January and July during the term of the lease. No assignment bonus has been received, Mrs. Way and Mrs. Schneeman being the daughter and granddaughter of Mr. Pembroke. The General Land Office filing fee of \$1 has been received.

*signed*  
 GRAZING LEASE NO. 823 TO SCHARBAUER CATTLE COMPANY AND GRAZING LEASE NO. 824 TO ARNOLD P. SCHARBAUER - CORRECTION OF ACREAGE.-- At the December, 1960 meeting of the Board of Regents, approval was given of renewal of these two grazing leases. In both instances the acreage shown was that in use on the lease rather than including acreage in controversy because of boundary disputes as had been our previous practice. It is, therefore, recommended that the acreage in these leases be corrected as follows to include such acreage, the semi-annual rental payments to remain as shown previously:

Grazing Lease No. 823 to Scharbauer Cattle Company -  
 Correct acreage covered by lease from 79,118.5 to 80,201.49.

Grazing Lease No. 824 to Arnold P. Scharbauer -  
 Correct acreage covered by lease from 24,828.6 to 25,657.2.

WATER EXPLORATION PERMIT NO. 87, ECTOR WATER COMPANY, ANDREWS COUNTY - EXPIRATION OF PERMIT.--The Board of Regents, at its meeting of October 3, 1959 granted the Ector Water Company a 1-year water exploration permit, without charge, covering 23,682.2 acres in Block 10, University Lands, Andrews County, which was assigned No. 87. The period of exploration was January 1 through December 31, 1960 with lease terms to be negotiated if a lease were entered into. We are now advised, by affidavit of the President of Ector Water Company, that no wells were drilled and no exploratory operations conducted under the permit. The expiration of the permit is reported for the information of the Board.



*Sent for signature 4/17/61*

PERMITS FOR PROSPECTING FOR POTASH AND ALLIED MINERALS, WITH OPTIONS TO LEASE, TO B. R. GREATHOUSE, MIDLAND, TEXAS.--The University has received, through the law firm of Stubbeman, McRae, Sealy & Laughlin, seven separate applications from B. R. Greathouse of Midland for prospecting permits for potash and allied minerals (potassium, sodium, phosphorous and other minerals of similar occurrence and their salts and compounds, but especially excluding oil and gas), with each permit to carry an option to lease. The proposed fees to be paid by Mr. Greathouse, checks for which have been received by the University, are at the rate of \$0.25 per acre. The area to be covered by each permit and the fee for each permit are as follows:

- Permit No. 1 - Covering 4,480 acres in Crane County, Block 30, Sections 1, 2, E/2 3, 11, 12, 13, E/2 14, 24. Consideration \$1,120.00.
- Permit No. 2 - Covering 1,920 acres in Ector and Crane Counties, Block 39, Sections E/2 5, E/2 6, 10 W/2 11, E/2 12. Consideration \$480.00.
- Permit No. 3 - Covering 11,520 acres in Andrews County, Block 1, Sections 27, 31-37 inclusive; Block 9, Sections 24-27 inclusive, E/2 34, 35-38 inclusive, E/2 39, 48. Consideration \$2,880.00.
- Permit No. 4 - Covering 2,880 acres in Andrews County, Block 10, Sections 21, W/2 22, W/2 27, 28, 33, W/2 34. Consideration \$720.00.
- Permit No. 5 - Covering 5,760 acres in Ward and Winkler Counties, Block 17, Sections 9-12 inclusive; Winkler County, Block 21, Sections 38, 39, 45, 46, 47. Consideration \$1,440.00.
- Permit No. 6 - Covering 3,840 acres in Winkler County, Block 21, Sections 2, 3, 4, 9, 10, 11. Consideration \$960.00.
- Permit No. 7 - Covering 5,587 acres in Loving County, Block 19, Sections 2-10 inclusive. Consideration \$1,396.75.

Each of the permit forms carries the same terms, and the lease form to be executed by the University and Mr. Greathouse, when and if the option to lease under any permit is exercised, is in the same form as to all permits.

The principal provisions of each Potash and Allied Minerals Permit and of the lease form are as follows:

#### PROSPECTING PERMIT

1. The permit is to be for a period of two years, reciting payment by the Permittee of \$0.25 per acre as consideration for granting of the permit.
2. Rental of \$0.10 per acre for the total acreage covered by the permit will be paid to the University at the beginning of the second year of the permit, except that Permittee at any time during the term of the permit may release all or part of the lands under each permit.
3. Permittee will have the right to conduct surface and aerial surveys on the lands covered, and the exclusive right to test and explore for potash and allied minerals. No gravity meters, magnetometers, seismological or other geophysical instruments or equipment may be used.
4. Permittee will furnish University full information, as set out in detail in the Permit obtained from survey and exploration work.
5. Adequate provisions for the protection of the University as to use of the surface and as to surface damage are carried in the permit form, and Permittee will, within 30 days after execution of each permit, deposit with the University \$500 for each permit to guarantee performance of all obligations to the University.

6. Permittee is to be granted exclusive right to lease at any time during term of the prospecting permit all or any part of the Permit Lands, according to the terms of the lease form attached to each permit. More than one lease may be made under any permit but no lease may exceed 4 sections and the sections must be contiguous.

7. Permittee may not assign his rights under the permit in whole or in part without the prior written consent of the University.

#### LEASE FORM

1. The lease is for the purpose of exploring for, mining, developing and producing potassium, sodium, phosphorous and other minerals of similar occurrence and their salts and compounds (but especially excluding oil and gas) and will be for a primary term of 10 years with a bonus of \$5 per acre, each lease not to cover more than 4 contiguous sections.

2. Lessee will invest in actual explorations, development or improvements upon the leased land a minimum of \$30,000 with at least one-third to be expended during the first year of the lease and a like proportion each of the two succeeding years.

3. Royalty. Royalty to be paid the University will be 5% of the gross value of the output of the minerals at the point of shipment to market. Beginning with the fourth year of the lease, a minimum of \$2,500 royalty will be paid annually.

4. Rental. One year from date of lease, lessee will pay annual rental of \$0.50 per acre to cover the second year of the lease and pay annual rental at the same rate for the third, fourth and fifth years of the lease and \$1.00 per acre annually in advance thereafter unless the royalty received during the preceding year shall equal or exceed the amount of annual rental.

5. Lessee will furnish bond in the sum of \$50,000, with sureties acceptable to the University, conditioned upon compliance with the terms of the lease.

6. The lease carries provisions satisfactory to the University regarding information to be furnished to the University, use of surface, and similar matters.

All terms of the proposals have been reviewed and approved by the Geologist-in-Charge of University Lands and acceptance of the proposals is recommended by the University staff. It is, therefore, recommended that these seven Potash and Allied Minerals Prospecting Permits, with options to lease, be granted and that the Chairman of the Board of Regents be authorized to execute the instruments after approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

~~new~~  
M-83506.3

PERMANENT UNIVERSITY FUND--BOND MATTERS.--

PERMANENT UNIVERSITY FUND BONDS, SERIES 1961 - SELECTION OF BOND COUNSEL.--So that preliminary work for issuance of Board of Regents of The University of Texas Permanent Fund Bonds, Series 1961, expected to be sold in June or July of this year, can progress, it is recommended that the Board of Regents select bond counsel for the 1961 Series at this time. Recommendations as to the amount of the issue, and related details, will be submitted in due course.

The firm of McCall, Parkhurst, Crowe, McCall & Horton of Dallas served as counsel on the 1949 Permanent Fund Bonds, the refunding of the 1949 Permanent Fund Bonds, and on the Series 1959 issue of bonds. The firm of Vinson, Elkins, Weems and Searls of Houston served as bond counsel on the Board of Regents 1960 Permanent Fund Bonds. The Board of Directors of Texas A & M College did not sell bonds in 1960 but plan a joint sale with the University in 1961. The A & M Board of Directors has recently selected McCall, Parkhurst, Crowe, McCall & Horton as counsel for their 1961 issue, the firm having handled all of the A & M Permanent Fund Bonds.

It is recommended that the Board of Regents employ the firm of McCall, Parkhurst, Crowe, McCall & Horton for its 1961 Series of Permanent Fund Bonds, the fee arrangement to be presented to the Board of Regents at a later date for approval.

c-2501

TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales of securities have been made for the Trust and Special Funds since the meeting of January 17, 1961. We ask that the Board ratify and approve these transactions:

PURCHASE OF SECURITIES

<u>Date</u>	<u>Security</u>	<u>Principal Cost</u>
12/22/60	30/100ths fractional interest in share of The Dow Chemical Company Common Stock to complete extra share received in 2% stock dividend (Funds Grouped for Investment)	\$ 22.12
1/6/61	\$28,000 par value U. S. 4-7/8% Treasury Notes of Series C-1963, dated 11/15/59, due 11/15/63, purchased at 104.75 Net to yield 3.14% to maturity (Temporary Investment - Interscholastic League Funds - Football Account)	29,330.00
	\$19,000 par value U. S. 3-1/2% Treasury Bonds of 1998, dated 10/3/60, due 11/15/98, purchased at 91.9375 Net to yield 3.91% to maturity (Student Property Deposit Scholarship Fund)	17,468.13
	\$2,000 par value U. S. 2-1/2% Treasury Bonds of 1961, dated 2/15/54, due 11/15/61, purchased at 100 Net to yield 2.50% to maturity (Murray Case Sells Foundation Student Loan Fund)	2,000.00
1/10 & 11/61	400 Shares Baltimore Gas & Electric Company Common Stock, purchased at 29	11,734.00
	400 Shares Oklahoma Gas & Electric Company Common Stock, purchased at 35-1/2	14,347.00
	300 Shares Philadelphia Electric Company Common Stock, purchased at 52-3/4 (Hogg Foundation: Varner Properties)	15,957.84
1/10/61	100 Shares Potomac Electric Power Company Common Stock, purchased at 33-3/4	3,410.88
	100 Shares Public Service Electric and Gas Company Common Stock, purchased at 44-7/8 (Funds Grouped for Investment)	4,528.94
	200 Shares Public Service Electric and Gas Company Common Stock, purchased at 44-7/8	9,057.88
	100 Shares Standard Oil Company (New Jersey) Capital Stock, purchased at 42-7/8 (The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Medical Branch)	4,327.94
1/19/61	64/100ths fractional interest in share of Gulf Oil Corporation Capital Stock to complete extra share received in 3% stock dividend (Funds Grouped for Investment)	21.87
1/24/61	\$10,000 par value Dallas Independent School District 2-1/4% School-house Bonds, Series 1955, dated 6/1/55, due 6/1/74, purchased at 86.282 Net to yield 3.55% to maturity (Albert Sidney Burleson Loan-Scholarship Fund)	8,628.20
1/26 & 27/61	300 Shares Armco Steel Corporation Common Stock, purchased at 69	20,837.70
	300 Shares Corn Products Company Common Stock, purchased at 81-1/4	24,516.39
	400 Shares Public Service Electric and Gas Company Common Stock, purchased 300 at 47-1/8 and 100 at 47	19,007.68
	400 Shares Socony Mobil Oil Company, Inc. Capital Stock, purchased 100 at 43-1/4 and 300 at 44 (Hogg Foundation: W. C. Hogg Estate Fund)	17,688.63

PURCHASE OF SECURITIES  
(Continued)

Date	Security	Principal Cost
1/26 & 27/61	400 Shares Bank of America National Trust & Savings Association Common Capital Stock, purchased at 50-3/4 Net	\$ 20,300.00
	300 Shares Chemical Bank New York Trust Company Capital Stock, purchased at 63-1/4 Net (Hogg Foundation: W. C. Hogg Estate Fund)	18,975.00
1/27/61	\$86,000 par value U. S. 3-1/8% Treasury Certificates of Indebted- ness of Series C-1961, dated 8/15/60, due 8/1/61, purchased at 100.375 Net to yield 2.35% to maturity	86,322.50
	\$110,000 par value U. S. 4% Treasury Notes of Series B-1962, dated 9/26/57, due 8/15/62, purchased at 101.75 Net to yield 2.85% to maturity	111,925.00
	\$138,000 par value U. S. 2-1/2% Treasury Bonds of 1963, dated 12/15/54, due 8/15/63, purchased at 98.28125 Net to yield 3.20% to maturity	135,628.13
	\$51,000 par value U. S. 5% Treasury Notes of Series B-1964, dated 10/15/59, due 8/15/64, purchased at 104.9375 Net to yield 3.52% to maturity	53,518.13
	\$43,000 par value U. S. 4-5/8% Treasury Notes of Series A-1965, dated 5/15/60, due 5/15/65, purchased at 103.9375 Net to yield 3.65% to maturity	44,693.13
	\$35,000 par value U. S. 3% Treasury Bonds of 1966, dated 2/28/58, due 8/15/66, purchased at 97.5625 Net to yield 3.49% to maturity	34,146.88
	\$32,000 par value U. S. 2-1/2% Treasury Bonds of 1967-62, dated 5/5/42, due 6/15/67-62, purchased at 93.875 Net to yield 3.55% to maturity (College of Engineering Ford Foundation Grant - Various Purposes)	30,040.00
2/6/61	200 Shares Armco Steel Corporation Common Stock, purchased at 69-1/2	13,991.90
	300 Shares Monsanto Chemical Company Common Stock, purchased at 47-5/8	14,415.93
	100 Shares National Biscuit Company Common Stock, purchased at 76-5/8	7,709.16
	400 Shares Ohio Edison Company Common Stock, purchased at 37-3/8	15,100.76
	200 Shares Phillips Petroleum Company Common Stock, purchased at 58-5/8	11,814.72
	300 Shares Public Service Electric and Gas Company Common Stock, purchased at 48-5/8	14,717.43
	200 Shares Southern California Edison Company Common Stock, purchased at 72 (University Cancer Foundation - M. D. Anderson Hospital and Tumor Institute)	14,492.40
2/8/61	\$78,000 par value U. S. 4-5/8% Treasury Notes of Series A-1965, dated 5/15/60, due 5/15/65, purchased at 103.9375 Net to yield 3.62% to maturity (Student Union Revenue Bonds, Series 1958 - Reserve for Bond and Interest Sinking Fund)	81,071.25
	\$35,000 par value Ditto (Dormitory Revenue Bonds, Series 1956 - Reserve for Bond and Interest Sinking Fund)	36,378.13
	\$11,000 par value Ditto (The University of Texas (Medical Branch) Dormitory Revenue Bonds, Series 1955 - Reserve for Bond and Interest Sinking Fund)	11,433.12
2/10/61	29/50ths fractional interest in share of Texaco Inc. Capital Stock to complete extra share received in 2% stock dividend (Funds Grouped for Investment)	52.93

PURCHASE OF SECURITIES  
(Continued)

Date	Security	Principal Cost
2/13/61	200 Shares Gulf States Utilities Company Common Stock, purchased at 37-1/2 (University Cancer Foundation - M. D. Anderson Hospital and Tumor Institute)	\$ 7,575.50

SALES OF SECURITIES

Date	Security	Net Proceeds
12/22/60	16/100ths fractional interest in share of The Dow Chemical Company Common Stock received in 2% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 11.80
	16/100ths fractional interest Ditto (Will C. Hogg Memorial Scholarships Fund)	11.79
	16/100ths fractional interest Ditto (Wilbur S. Davidson Educational Fund)	11.80
1/19/61	92/100ths fractional interest in share of Gulf Oil Corporation Capital Stock received in 3% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	31.44
	28/100ths fractional interest Ditto (Rosalie B. Hite Endowment for Cancer Research)	9.57
	36/100ths fractional interest Ditto (Wilbur S. Davidson Educational Fund)	12.30
1/20/61	700 Shares Phelps Dodge Corporation Capital Stock, sold 200 at 50-3/8 and 500 at 50 (Gain on sale over book value \$14,328.40) (Hogg Foundation: W. C. Hogg Estate Fund)	34,724.17
1/31/61	76/100ths fractional interest in share of Monsanto Chemical Company Common Stock received in 2% stock dividend (Funds Grouped for Investment)	34.77
	48/100ths fractional interest Ditto (Rehabilitation Clinic Endowment Fund - Medical Branch)	21.96
2/7/61	36/100ths fractional interest in share of The Goodyear Tire and Rubber Company Common Stock received in 2% stock dividend (Hogg Foundation: Varner Properties)	12.61
	75 Shares Delhi-Taylor Oil Corporation Common Stock, sold at 13-7/8 (Wofford Cain Gift - Furnishings for Chancellor-elect Ransom's Home)	1,022.57
2/10/61	24/50ths fractional interest in share of Texaco Inc. Capital Stock received in 2% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	43.80
	26/50ths fractional interest Ditto (E. D. Farmer International Scholarship Fund)	47.45
	2/50ths fractional interest Ditto (University Cancer Foundation - M. D. Anderson Hospital and Tumor Institute)	3.65
	25/50ths fractional interest Ditto (The William Heuermann Fund for Cancer Research - M. D. Anderson Hospital and Tumor Institute)	45.63

SALES OF SECURITIES  
(Continued)

Date	Security	Net Proceeds
2/20/61	42/100ths fractional interest in share of Pittsburgh Plate Glass Company Capital Stock received in 2% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 31.08
2/21/61	20/40ths fractional interest in share of American Electric Power Company, Inc. Common Stock received in 2-1/2% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	32.32

SALE MADE BY THE REPUBLIC NATIONAL BANK,  
TRUSTEE OF LILA BELLE ETTER ESTATE  
(At request of Endowment Officer)

Date	Security	Net Proceeds
2/20/61	1,437 Shares Employers Casualty Company Common Stock (\$37,887.17 less trustee's fee to the bank of 1% on distributions - \$378.87)(Gain on sale over book value \$7,757.91) (Sale necessary to provide funds for University appropriations made by the Board of Regents out of the Etter Estate)	\$ 37,508.30

17-18: *Trudo*

TRUST AND SPECIAL FUNDS--GIFT, BEQUEST AND ESTATE MATTERS.--

*Rauam + Jandrum*

MAIN UNIVERSITY - SHIRLEY R. GREEN FELLOWSHIP FOR GIRLS - RECOMMENDATION FOR CHARGING OFF NOTE ESTABLISHING FUND AND CANCELLING FELLOWSHIP.--On July 31, 1903, Mr. A. C. Green of Palestine, Texas, executed a note for \$5,000, payable on or before his death, with interest at 5% per annum. The interest was payable on September 1 of each year, beginning in 1903, and the note was for the purpose of establishing a fellowship for girls at the Main University of \$250 per year as a memorial to his sister, Miss Shirley R. Green. The fellowship was established and the note accepted by the Board of Regents at its meeting of August 3, 1903. Interest on the note was paid in full by Mr. Green to September 1, 1914 and \$50 paid on interest for 1915. Presumably the fellowship was awarded during those years. No further interest was paid after that date and the only assets of the fund have been the note held by the University. The note and the account are still carried on the books of the University though the fellowship has been inactive. It has now been ascertained that Mr. Green died in 1923 or 1924, his will was probated in 1924, and the estate was insolvent. It is, therefore, recommended that this fellowship be cancelled and the note written off the University's books.

*Trudlow + Walker*

m-8034

MEDICAL BRANCH - VIOLA F. CORLEY ESTATE - REPORT ON SALE OF FARM PROPERTY, LIMESTONE COUNTY, TEXAS, AND FINAL DISTRIBUTION OF ESTATE.--On September 24, 1960, the Board of Regents accepted a purchase offer covering its interest of  $6\frac{1}{4}\%$  in 443 acres of land and improvements in Limestone County, Texas and authorized execution of a contract of sale and deed by the Chairman. The deed dated November 18, 1960 was executed by the Chairman, as well as by individual beneficiaries of the estate, and the sale was closed. Check in the amount of \$2,764.09 covering final cash distribution due the University has been received and forwarded to the Medical Branch for the Viola Whatley Fontaine Corley Fund for the Encouragement of the Study of Psychiatry as provided in the will and in action of the Board of Regents on January 23, 1960. In February, 1960, check in the amount of \$1,706.32 covering the University's share in a life insurance trust was received and forwarded to the Medical Branch, and \$824.07 in October, 1960 for sale of two lots in Mexia, making a total of \$5,294.48.

In the sale of the Limestone County property, there was a royalty reservation so that the University owns a non-participating royalty interest of  $6\frac{1}{4}\%$  of  $1/32$  for a period of ten years from date of the deed.

*Olsen + Revath*

DENTAL BRANCH - ESTATE OF AMELIA S. MCCARTHY - REPORT ON FINAL DISTRIBUTION.--At the September 24, 1960 meeting of the Board of Regents, the bequest to the Dental Branch from the Estate of Mrs. Amelia Scherer McCarthy of \$10,000 or 5% of her estate, whichever amount was smaller, was reported and accepted by the Board for the establishment of an endowment account to be known as the Amelia McCarthy Memorial Fund for Dr. Walter Henry Scherer. At that time preliminary distribution of \$5,000 had been received. We have now received final distribution of \$5,000 which is being added to the above endowment account in Funds Grouped for Investment as of March 1, 1961. Income from the endowment account will be used as provided in the will "in the School of Dentistry. . . in any manner as the Dean of the Dental School may determine."

m-8166



M-8163  
MDA-69a

Clark + Kelley

M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE - ESTATE OF MARY ISABELLA LOVE - FINAL DISTRIBUTION AND RECOMMENDATION FOR RATIFICATION OF SALE OF MINERALS.-- The residue of the estate of Miss Mary Isabella Love was devised to the M. D. Anderson Hospital and Tumor Institute "to be used as a research fund to aid in the study of cancer of the blood and lymph glands." Miss Love died in 1956, and the bequest was reported to the Board of Regents at its meeting of June 1, 1956. Receipt of the sum of \$20,000 was reported to the meeting of October 11, 1957, \$15,000 of which has been used to establish an endowment account entitled "Mary Isabella Love Fund for Research of Cancer of the Blood." The proposal to sell the mineral interests of the estate to the family of Miss Love for the sum of \$1,800 and proceed with necessary steps for the closing of the estate was approved by the Board of Regents at its meeting of March 12, 1960.

A final distribution in the amount of \$8,054.96, which includes \$1,800 for the mineral interests referred to above, has been received and added to the endowment account. Upon request by the attorney for the Executors, and with the approval of the Land and Trust Attorney and the Endowment Officer, the Chairman of the Board of Regents has executed on behalf of the Board quitclaim deeds covering the mineral interests in further support of the Board's consent in the sale of the minerals. It is recommended that the Board of Regents approve and ratify all of these actions.

## TRUST AND SPECIAL FUNDS--REAL ESTATE MATTERS.--

c-2503  
M-8151h

ARCHER M. HUNTINGTON MUSEUM FUND - OIL AND GAS LEASE TO THE BRITISH-AMERICAN OIL PRODUCING COMPANY - REQUEST FOR PERMISSION TO DREDGE CHANNEL.-- By instrument dated December 27, 1960 as authorized by the Board of Regents on December 10, 1960, an oil, gas and mineral lease was entered into by The British-American Oil Producing Company covering 1,140 acres in the H. B. Littlefield Survey, Galveston County. British-American plans to drill a well on this acreage, the site as tentatively selected being approximately 1,019 feet from the University's Bay shore line, approximately due east from the northernmost neck of Swan Lake and approximately 3,000 feet south of the Texas City Barge Canal. The proposed drillsite is on marshy ground, and access by land is somewhat difficult. British-American proposes to use a barge rig for the drilling and requests permission from the Board of Regents to dredge a channel to approximately 7 feet below mean low water into the drillsite. The channel will extend on out in the Bay to provide barge access. The channel on University land will be approximately 70 feet wide except for the drillsite end of the channel where it will be 200 feet wide for a distance of about 500 feet.

It is recommended that the Endowment Officer be authorized to notify British-American that the Board of Regents grants permission for dredging the channel with the understanding that it will be filled back, upon request by the University, not later than the termination of the British-American lease, the continued use of the channel after the drilling of this first well to be arrived at by mutual agreement, depending on production results and other mutual considerations.

HOGG FOUNDATION: VARNER PROPERTIES, ROSSONIAN PROPERTY ON WALKER AVENUE BETWEEN FANNIN AND SAN JACINTO, HOUSTON, TEXAS - REPORT ON OPTION TO MR. MELVIN SILVERMAN FOR PURCHASE.--As authorized by the Board of Regents on October 22, 1960, an agreement dated November 29, 1960 was entered into with Mr. Melvin Silverman granting him for a period of 90 days an option to purchase the Hogg Foundation property on Walker Avenue in Houston for \$1,000,000 cash. Mr. Silverman paid \$500 for the option. The option expired on January 20 without being exercised by Mr. Silverman. By letter of January 20 to the University, Mr. Silverman requested an extension of 60 days. He was notified that an extension could be granted only by the Board of Regents at a regular meeting, that it was doubtful that an extension could be obtained, and that he might consider making a firm offer to purchase the property for \$1,000,000 supported by earnest money. There has been no further word from Mr. Silverman, and this is a report for information purposes only.

M-8123

Signed before 4/4/61

M-8101a

HOGG FOUNDATION: W. C. HOGG MEMORIAL FUND - PROPOSAL FOR OIL AND GAS LEASE TO C. E. MURDOCK, SR., ON ARKANSAS MINERAL PROPERTY NO. 3, UNION COUNTY, ARKANSAS.--The University, as Trustee of the Hogg Foundation, has received a proposal through Mr. Wm. B. Ferguson for an oil and gas lease to C. E. Murdock, Sr., on 106 acres in Union County, Arkansas. Of the 106 acres, 66 are in Section 8, Township 16 under which the University owns 7/128ths interest, 3/128ths as Trustee under the will of Tom Hogg, the Board of Regents having acquired by exchange Mrs. Margaret Wells Hogg's life interest in June, 1959, and 4/128ths as Trustee under the will of W. C. Hogg; under 40 acres in Section 9, Township 16, the University owns 7/64ths, 3/64ths under the exchange cited above, and 4/64ths under the will of W. C. Hogg.

The lease is to be for a primary term of one year from January 10, 1961, carries no cash consideration, but does provide for an overriding royalty of 1/16th of 7/8ths in addition to the customary 1/8th royalty. Miss Ima Hogg and Mrs. Alice N. Hanszen have executed the lease under these terms covering their interests in the property.

It is recommended that the Board of Regents approve the lease and authorize its execution by the Chairman when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

*Signed before 4/4/66*

*new  
3-8-10*

HOGG FOUNDATION: WILL C. HOGG MEMORIAL FUND - JOINDER IN ROYALTY UNITIZATION AGREEMENT, TREVINO "A" UNIT, ESCOBAS FIELD, ZAPATA COUNTY, TEXAS - SUNRAY MID-CONTINENT OIL COMPANY, OPERATOR.--As Trustee of the Will C. Hogg Memorial Fund, the Board of Regents had 1/128th (.0078125) royalty interest under acreage in the Escobas Field, Zapata County. Sunray Mid-Continent Oil Company, which owns all of the working interest under the acreage involved, is in process of unitizing 567 acres as to production from the Second Mirando Sand, or a depth of 3,500 feet, for purposes of secondary recovery by water flooding. The operator estimates recovery of 1,540,000 barrels of secondary oil. The Hogg Foundation interest will be 1/128th of production from the entire unit. Recently, without secondary recovery, receipts from the Hogg Foundation royalty under the unitized acreage have been running at approximately \$20 per month. It is recommended that the Board of Regents join in the agreement and authorize the execution by its Chairman of the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

*Ray + St. Clair H-20*

*+161*

TEXAS WESTERN COLLEGE - COTTON TRUST - CANCELLATION OF CONTRACT WITH COLES BROTHERS.--A contract with J. F. Coles and Otis C. Coles, doing business under the name of Coles Bros., was executed on September 29, 1938 for them to act as agents in the rental, management or sale of property of the Cotton Trust in El Paso, Hudspeth, and Culberson Counties. The contract was revised in 1959. After a recitation of the services to be performed and method of payment, providing a five per cent (5%) commission to Coles Bros., it is provided "This agreement is terminable at any time by either party hereto by notice in writing delivered either to the General Agent (President of Texas Western College) or to the person constituting Party of the Second Part. (Coles Bros.)"

Mr. J. F. Coles died several years ago and Mr. Otis C. Coles has died since the meeting of the Board in El Paso in December, 1960. It has been understood that the agreement probably would be terminated when Mr. Otis Coles was no longer active in the business.

President Ray and Central Administration recommend that the Board of Regents terminate the agreement, and Mr. Otis C. Coles, Jr. has been advised of recommendation for such termination.

There are 11 leases on property in the Cotton Addition in El Paso made through Coles Bros. and bearing a commission payable to Coles Bros. as rental payments are received. Total monthly rental under these leases is \$2,293.89 and monthly commission payable to Coles Bros. is \$114.69. The recommendation for cancellation of the contract is with the understanding that commission due Coles Bros. will continue during the terms of the respective leases. Rentals under these leases will henceforth be paid direct by the tenants to the Business Manager of Texas Western College, and the Business Manager will remit to Coles Bros., or the successor to its rights to the commissions, all commissions due to be paid.

It is therefore recommended that the contract with Coles Bros. be terminated, effective April 30, 1961, and that President Ray be authorized to advise the firm of such action by the Board of Regents.

TEXAS WESTERN COLLEGE - COTTON TRUST - ADVISORY COMMITTEE.--At the October 22, 1960 meeting of the Board of Regents a special committee of El Paso citizens was named as an Advisory Committee on the Cotton Estate Property. One of the persons named was Mr. Otis C. Coles, now deceased. It is recommended *+156* that Mr. Otis C. Coles, Jr., be named a member of that Advisory Committee to take the place of his father.

*Truslow & Walker K-214 K-22*

*M-81706*

MEDICAL BRANCH - JAMES W. McLAUGHLIN FELLOWSHIP FUND - EXCHANGE OF MINERAL RIGHTS UNDER TWO TRACTS, RANGELY FIELD, RIO BLANCO COUNTY, COLORADO.-- Upon completion of the administration on the Estate of A. C. McLaughlin in 1956, the Colorado portion of the estate delivered to the University for the James W. McLaughlin Fellowship Fund at the Medical Branch included certain mineral rights under two tracts in the Rangely Field at Rangely, Colorado, as well as other interests in the same field.

One tract comprises 280 acres out of Sections 28 and 33 in Township 2 North, Range 102 West, 6 P. M. At the time of his death in 1952, A. C. McLaughlin held an oil and gas lease dated January 1, 1948 from his children as lessors covering the oil and gas rights from the surface of the ground to the top of the Mowry Shale (a depth of approximately 2,500 feet). The lease was for a term of 20 years and so long thereafter as oil or gas is produced. Shortly after the execution of the lease, A. C. McLaughlin entered into an oral agreement with California Oil Group, Ltd., in which Stuart McLaughlin, son of A. C. McLaughlin, was and still is the general partner and principal owner, for the operation of the lease by the partnership. A. C. McLaughlin and California Oil Group, Ltd. shared equally the expenses of operation and the income from production. This operating arrangement has been continued since the University acquired the interest. A total of 33 wells have been drilled on this lease, all of the production being shale oil, and the lease was quite profitable in the earlier years. Net to the University during our fiscal year ended August 31, 1957 was approximately \$14,000 but declined to around \$2,800 the following year, then to \$2,300 and then to approximately \$800 in the fiscal year ended August 31, 1960. At present there are only two producing wells, but production has been obtained in one or two wells drilled on an adjoining lease; and California Oil Group is anxious to do additional drilling on the McLaughlin lease.

The other of the two interests is under 400 acres out of Sections 33 and 34, Township 2 North, Range 102 West, 6 P. M. A. C. McLaughlin owned the mineral rights from the surface to a depth of 2,500 feet and in 1940 entered into an agreement with his son, Stuart McLaughlin, giving Stuart the operating rights, with Stuart to assume all development expenses and pay A. C. McLaughlin 15 cents per barrel on oil produced from the tract. Operations continued under this agreement, and in recent years these operations have been conducted by California Oil Group, Ltd., the partnership referred to above. Approximately 60 wells have been drilled on this property. However, only about 5 wells now produce, and production from these is down to an average of only about one barrel per well per day. The 15 cents per barrel royalty has brought the University a little over \$600 in our fiscal year ended August 31, 1957, declining to slightly under \$500 in the fiscal year ended August 31, 1960. California Oil Group, Ltd. plans some reworking expenditures on some of these wells and possibly will drill one or two more wells in the near future.

So as to remove the University from its share in operations on the "A. C. McLaughlin, Jr. Lease", being the first described above, and allow the California Oil Group, Ltd. to do the additional drilling without looking to the University for its one-half of costs, Mr. Stuart McLaughlin has proposed that the University exchange its 50 per cent working interest in the A. C. McLaughlin, Jr. Lease for an overriding royalty interest of 5 per cent of 7/8ths of production from that lease and for an increase of the royalty owned by the University under the "A. C. McLaughlin Fee Lease", the second interest described above, from the present 15 cents per barrel to a straight 1/8th royalty interest.

After due consideration the University staff recommends that this proposal be accepted, taking into account the age and nature of the production under both leases, and particularly the advantage of disposing of a working interest in Colorado for royalty. In December, 1954, the Board of Regents approved a tentative agreement with Mr. Stuart McLaughlin for exchanges and conversions covering some of these interests in the Rangely Field, including

the two tracts covered by the present proposal. However, that tentative agreement was not pursued by Mr. Stuart McLaughlin. The University made inquiries later regarding the matter, but the matter has not been pressed.

It is recommended that the Board of Regents accept this proposal, and that its Chairman be authorized to execute the appropriate instruments when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

*Signature 4/4/61*      *M-8102*

HOGG FOUNDATION - W. C. HOGG MEMORIAL FUND AND MIKE HOGG MEMORIAL FUND -  
 USE OF PORTION OF MEMORIAL PARK FOR STREET AND ROAD PURPOSES.--By instrument dated November 5, 1959, authorized by the Board of Regents on January 23, 1960, the Board of Regents as Trustee of the W. C. Hogg Memorial Fund and the Mike Hogg Memorial Fund joined with Miss Ima Hogg, Mrs. Hanszen, and Mrs. Margaret Hogg in consent to the City of Houston for the use of certain portions of Memorial Park in Houston by the City and the State for street and road purposes. This was for the purpose of construction of the West Loop Freeway. It has now been discovered by the City that approximately 11,000 square feet, which will be an addition to Tract No. 355 described in the 1959 instrument, is required and not covered by the prior consent. Miss Hogg, Mrs. Hanszen, and Mrs. Margaret Hogg are joining in an instrument of consent covering this additional area, and it is recommended that the Board of Regents give its consent and authorize the execution of the appropriate instrument by its Chairman when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.