

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 14th day of May , 1960, A. D.

Merton M. Minter  
Chairman Merton M. Minter, M. D.

J. Lee Johnson III  
Vice-Chairman J. Lee Johnson, III

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

Mrs. Charles Devall  
Member, (Mrs.) Charles Devall

Thornton Hardie  
Member, Thornton Hardie

W. W. Heath  
Member, W. W. Heath

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

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

Joe C. Thompson  
Member, Joe C. Thompson

MEETING NO. 588

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MAY 14, 1960. --The Board of Regents of The University of Texas convened in regular session on Saturday, May 14, 1960, at 9:00 a. m. , in the Charcoal Galley, Jack Tar Hotel, Galveston, Texas.

(There was not available space for the meeting at the Medical Branch.)

## ATTENDANCE. --

<u>Present</u>	<u>Absent</u>
Chairman Minter, presiding	Regent Thompson - excused
Vice-Chairman Johnson	
Regent Bryan	
Regent (Mrs.) Devall	
Regent Hardie	
Regent Heath	
Regent Madden	
Regent McNeese	
President Wilson	
Secretary Thedford	

Also present among University personnel were:

Mr. Lanier Cox, Vice-President for Administrative Services  
 Doctor J. C. Dolley, Vice-President for Fiscal Affairs  
 Doctor L. D. Haskew, Vice-President for Developmental  
 Services  
 Mr. C. H. Sparenberg, Comptroller  
 Mr. W. W. Stewart, Endowment Officer

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

(In addition to those listed above, Doctor J. R. Smiley, President of Texas Western College, was in attendance at the meeting of the Standing Committees on Friday, May 13, 1960.)

## COMMITTEE OF THE WHOLE

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(The Committee of the Whole met on Friday morning, May 13, and at intervals on Saturday, May 14.)

The following is a report of the special items acted on by the Committee of the Whole. Items referred by the Standing Committees to and acted on by the Committee of the Whole are incorporated in the committee reports (Pages 5, 11, and 30).

CHANGES IN STATUS:

1. CHANCELLOR OF THE UNIVERSITY OF TEXAS. -- President Logan Wilson was elevated to a newly-created position of Chancellor of The University of Texas, effective September 1, 1960.
2. PRESIDENT OF THE MAIN UNIVERSITY. -- Vice-President and Provost Harry H. Ransom, Main University, was elevated to a newly-created position of President of the Main University, effective September 1, 1960.

The foregoing action was announced by the Board in the following statement:

Doctor Merton Minter, Chairman of the Board of Regents, announced today that Doctor Logan Wilson will continue as head of The University of Texas.

"We are happy that the State of Texas and The University of Texas will continue to have the services of this outstanding educational leader," Doctor Minter said. "Although his nationally-known abilities have caused his services to be sought elsewhere from time to time, we are delighted that he has chosen to remain in his native state."

Under administrative reorganization plans adopted by the Board of Regents at its regularly scheduled meeting in Galveston on May 13 to become effective September 1, Doctor Wilson will become Chancellor of The University of Texas.

The post of President of the Main University was created, and Doctor Harry Ransom formerly Vice-President and Provost was named to this position.

Doctor Wilson stated, "The strong support of our Regents is most encouraging to me. This encouragement and the assurance I have received recently from many outstanding Texans have been important factors in my conclusion that The University of Texas can realize its great potentials. I am particularly pleased that Doctor Harry Ransom has accepted the presidency of the Main University, where his fine leadership abilities and recognized educational statesmanship will lend added emphasis to excellence."

(The Board's Rules and Regulations will be modified to include the foregoing changes.)

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3. DIRECTOR OF SAN ANTONIO DIVISION, POSTGRADUATE SCHOOL OF MEDICINE. --The appointment of Doctor Herman S. Wigodsky as Director of the San Antonio Division of the Postgraduate School of Medicine was terminated as of May 14, 1960.

REPORTS:

SUMMARY REPORTS OF INSTITUTIONAL HEADS (M. D. ANDERSON HOSPITAL AND TUMOR INSTITUTE, DENTAL BRANCH, POSTGRADUATE SCHOOL OF MEDICINE, AND SOUTHWESTERN MEDICAL SCHOOL). --In accordance with the decision of the January meeting, Doctors Clark, Olson, Taylor, and Gill were scheduled to report on their respective institutions. Because of the time element, their reports were brief. Doctor Clark asked, with the consent of the Regents, to defer his report to the July meeting, since he had no emergency matters. Doctor Olson reported that the graduate program for the Dental Branch was still pending before the Texas Commission on Higher Education. Doctor Taylor discussed activities at the Postgraduate School of Medicine with regard to space and financial problems. Doctor Gill presented a request from the Presbyterian group of Dallas to ascertain if the Board would reaffirm its policy statement re private teaching hospitals adopted at its meeting on November 3, 1956 (Permanent Minutes, Volume IV, Page 277) though the proposed Presbyterian Hospital should be built at some distance from the Southwestern Medical Center. The Committee of the Whole asked that this item be placed on the agenda of the Medical Affairs Committee for the July meeting.

1960-61 BUDGETS:

(On May 4, 1960, the Administration's proposed budgets for 1960-61 for the component institutions of The University of Texas as listed below, together with Budget Summaries for 1960-61, were mailed to each Regent:

Central Administration and Available  
University Fund  
Main University  
Texas Western College  
Medical Branch  
Dental Branch  
M. D. Anderson Hospital and Tumor  
Institute  
Southwestern Medical School  
Postgraduate School of Medicine

There were distributed at the meeting supplemental information sheets relating to the 1960-61 budget for each component institution.)

Vice-President Dolley, at the request of President Wilson, presented the budgets for consideration, pointing out that each budget had been prepared by the proper officials of the respective institution in accordance with the policies adopted by the Board of Regents at its November 14, 1959 meeting (Permanent Minutes, Volume VII, Page 267).



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Each budget had been checked by Budget Officer Graydon, whom Vice-President Dolley asked to present the Budget Summaries.

Each institutional head and business manager (administrator in the case of M. D. Anderson etc.) were present when the budget for their respective institution was considered. Each Regent was given an opportunity to ask questions about or to comment on the recommended budgets.

The budget for each institution after detailed discussion was adopted by individual motions as indicated below. A copy of each budget as adopted is in the bound volume Annual Budgets 1960-61, Volume XV. A copy of the Budget Summaries and a copy of the Supplemental Information are in the Secretary's Files, Volume VII, Page 107. The proposed budgets were conformed to the action of the Committee of the Whole.

1960-61 Budget, Central Administration and Available University Fund. -- Upon motion of Mrs. Devall, seconded by Vice-Chairman Johnson, the Board adopted the proposed 1960-61 Budget for Central Administration and the Available University Fund.

1960-61 Budget, Main University. -- The Board adopted the proposed 1960-61 Budget for Main University upon motion of Mr. McNeese, seconded by Mr. Hardie.

1960-61 Budget, Texas Western College. -- The proposed 1960-61 Budget for Texas Western College of The University of Texas was adopted upon motion of Mr. Heath, seconded by Vice-Chairman Johnson.

1960-61 Budget, Medical Branch. -- Mr. Bryan moved that the proposed 1960-61 Budget for The University of Texas Medical Branch be adopted. This motion was duly seconded and prevailed.

1960-61 Budget, Southwestern Medical School. -- The Board, upon motion of Mrs. Devall, seconded by Mr. Hardie, adopted the proposed 1960-61 Budget for The University of Texas Southwestern Medical School.

1960-61 Budget, Dental Branch. -- The University of Texas Dental Branch Budget for 1960-61 as proposed was adopted upon motion of Mr. Madden, seconded by Mr. Bryan.

1960-61 Budget, M. D. Anderson Hospital and Tumor Institute. -- Mrs. Devall moved the adoption of the proposed 1960-61 Budget for The University of Texas M. D. Anderson Hospital and Tumor Institute. Vice-Chairman Johnson seconded the motion which prevailed.

1960-61 Budget, Postgraduate School of Medicine. -- The proposed 1960-61 Budget for The University of Texas Postgraduate School of Medicine was adopted upon motion of Mrs. Devall, duly seconded.

1960-61 BUDGET, PHYSICIANS' REFERRAL SERVICE, M. D. AND- 5-14-60  
ERSON HOSPITAL AND TUMOR INSTITUTE. --Upon motion of Vice-  
Chairman Johnson, seconded by Mr. Hardie, the 1960-61 Budget  
(actually a report) for the Physicians' Referral Service of The Uni-  
versity of Texas M. D. Anderson Hospital and Tumor Institute was  
adopted. This budget is prepared annually in accordance with the  
Director's Regulations, adopted in November, 1957. A copy is in the  
Secretary's Files, Volume VII, Pages 159. (Each Regent  
was forwarded a copy of this budget at the same time the other budgets  
were transmitted.)

REPORTS OF STANDING COMMITTEES

At the request of Chairman Minter, the Committee Chairmen pre-  
sented the reports of the respective committees.

REPORT OF THE ACADEMIC AND DEVELOPMENTAL AFFAIRS  
COMMITTEE (See Page 11 for adoption). --Committee Chairman  
Devall presented the following report of the Academic and Develop-  
mental Affairs Committee and each item not previously acted on by  
the Committee of the Whole was considered separately:

Approval of Docket. --It is recommended by the Academic  
and Developmental Affairs Committee that the Docket for  
Central Administration dated May 4, 1960, to which Presi-  
dent Wilson has incorporated the dockets from the compo-  
nent institutions be approved.

Upon motion of Mr. Heath, seconded by Mr. Madden, the Docket  
(Attachment No. 2) was approved as a part of the Academic and  
Developmental Affairs Committee report and is attached hereto and  
made a part of these minutes.

"Platform Document" (Commitments). --In compliance with  
the action of the Board at its meeting in Dallas on April 18,  
1959, that "the Board approved the report of the Committee  
of 75 with certain exceptions for guidance of the staff in pre-  
paring a 'Platform Document', " a document entitled "Plat-  
form Document" (Commitments) was distributed to each  
Regent on March 29, 1960, for review and suggestions. The  
recommendation concerning this item was referred to the  
Committee of the Whole.

Though some minor editorial changes had been suggested,  
the Committee of the Whole deferred consideration to print  
this document until the July meeting and instructed Secre-  
tary Thedford to remind each Regent and each officer of  
Central Administration to submit at the earliest possible  
date to Doctor Haskew suggestions and revisions of the "Plat-  
form Document" (Commitments) and that such revisions be  
incorporated and submitted as a proposed document for final  
action at the meeting on July 1-3, 1960.

Revision of Nepotism Rule: Amendment to the Board's Rules  
and Regulations, Part One, Chapter III, Section 5--Page 22  
of the loose leaf copy. --It is recommended by the Academic  
and Developmental Affairs Committee that the following  
revision of the Nepotism Rule (Amendment No. 1 to

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the Rules and Regulations of the Board of Regents for the Government of The University of Texas, Part One, Chapter III, section 5- (Page 22 of the loose leaf copy) be given first approval with final approval at the July meeting. Such procedure complies with the Rules and Regulations, Part One, Chapter VII, subsection 4.1. (This proposed revision, together with a detailed analysis of the changes involved, was submitted to each Regent in the Material Supporting the Agenda.)

Section 5. Appointment of Relatives (Nepotism Rule).

5.1 Whenever an appointment is made, either on a full - or part-time basis, it shall be made solely with regard to the special fitness of the appointee, subject to the Penal Code, 1925, Articles 432, 433, 434, 435, and 437, and the Revised Civil Statutes, 1925, Article 5996, and amendments thereto; and subject also to the provisions of this section.

5.2 Unless otherwise specifically stated, a relative shall be defined as a person related within the first degree of affinity or the second degree of consanguinity, according to the common law.

5.21 The first degree of affinity includes the spouse of the employee, and the parents, children, brothers and sisters of the employee's spouse. The second degree of consanguinity includes the parents, children, brothers and sisters, grandparents, uncles and aunts, first cousins, nephews and nieces, and grandchildren of the employee.

5.22 The second degree of affinity includes the grandchildren of employee's spouse, and the nephews, nieces, uncles, aunts and first cousins of employee's spouse. The third degree of consanguinity includes the great-grandson, great-grandfather, great-uncle, great-uncle's children, second cousin, first cousin's children, and grand-nephew of the employee.

5.3 Restrictions on Appointments.

5.31 No relative, within the second degree of affinity or the third degree of consanguinity, of a member of the Board of Regents will be considered for appointment, but such person will be considered for reappointment in those cases where the appointment was antecedent to the Board member's appointment.

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5. 32 No person shall be initially appointed even temporarily when it is the duty of a relative on the University staff to act in some official capacity upon the appointment.
5. 33 No person shall be initially appointed even temporarily in any department or similar subdivision if he has a relative in that department or subdivision holding an academic rank of instructor or higher or occupying a non-teaching position with a monthly salary rate of \$450 or more.
5. 34 No person, any relative of whom holds an academic rank of instructor or higher or occupies a non-teaching position with a monthly salary rate of \$450 or more at one of the component institutions of The University of Texas, shall be appointed even temporarily to an equal or higher position in either category in another department or subdivision of the same institution, except by specific petition approved in advance by the appropriate administrative officials and the President, with subsequent report to the Board of Regents; provided, however, if any such proposed appointment involves tenure, prior approval of the Board of Regents is required.
5. 35 Simultaneous initial appointments of two persons to positions in the same institution shall not be made if either appointment is to an academic position of instructor or higher or to a non-teaching position with a monthly salary rate of \$450 or more.
5. 36 When two persons holding positions with the University marry, both may not continue to hold such positions beyond the current fiscal year, if the employment of married persons to such positions initially would violate these regulations.
5. 37 No promotion or salary increase may be granted to an employee who has a relative occupying a position with the University except in accordance with these regulations governing initial appointment.

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5.38 Relationship shall not be a bar to honorary positions or to nonremunerative positions.

5.4 General Provisions.

5.41 The provisions of the anti-nepotism rule apply to all programs administered under the Board of Regents.

5.42 For the purpose of administering these provisions, an employee occupies his position from the date at which his employment begins until his connection with the Institution is formally terminated.

5.43 In an emergency, the head of each component institution of The University of Texas, acting upon the affirmative advice from the Administrative Council or similar body at the institution, is authorized to suspend in individual cases the regulations stated above, the suspension in no case to extend beyond the end of the current fiscal year. Such temporary suspension shall carry no implication of tenure and shall be reported to the President and the Board of Regents in the next docket.

5.44 In extraordinary cases where the interest of the University will be best served thereby, the Board of Regents, upon special petition from an institutional head approved by the President, may suspend these regulations except as to the appointment of any relative of a Regent, the President of the University, or the head of any component institution.

The foregoing revision was approved as a part of the Academic and Developmental Affairs Committee report upon a motion duly made and seconded.

Employee Recognition Program. -- Upon the recommendation of Vice-President Dolley, concurred in by the Administration, the Academic and Developmental Affairs Committee recommends the establishment of a system program of employee recognition, comparable to similar programs in industry and other educational institutions, to develop within the ranks of employees at the several component institutions of The University of Texas a spirit of loyalty and a deep-rooted feeling of being a part of the institution.

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The program involves appropriate presentations of certificates or pins in recognition of each five year period of continuous service. Although certain aspects would be standardized for the system, it is intended that each institution through its personnel officer would assume responsibility for refining and administering its own program. The details of the program would be administratively determined and approved. The first year recognition would be given to those who have served the University continuously for 40, 35, 30, and 25 years. Each year thereafter an additional group of 5 years shorter duration would be added until with the 5th year all 5 year groups would be recognized.

The costs of this program would be minimal since it would involve only the cost of printing certificates or providing small pins or lapel buttons. The Attorney General has previously given a formal opinion to the effect that such certificates and pins can be purchased legally from state appropriated funds if authorized by the Legislature. Until such time as legislative authorization might be obtained each component institution would finance the small cost involved from an appropriate current restricted fund.

The foregoing recommendation was adopted upon motion of Vice-Chairman Johnson, seconded by Mr. Heath. (A detailed copy of the program is in the Secretary's Files, Volume VII, Page 166.)

Advance from Etter Estate to be Repaid from Forthcoming Gift, Main University. -- Vice-President and Provost Ransom reported through the Material Supporting the Agenda that The University of Texas Press has been promised \$30,000, payable in three equal annual installments for the publication of a book, The Roadside Flowers of Texas. Since the final installment of the gift will not be made until after all printing costs must be paid, the Press has requested an advance in the amount of \$10,000 from the Etter Estate to permit the payment of all printing and publication costs. The amount of the advance would be repaid upon receipt of the final \$10,000 installment of the gift. The prospective donor is Mrs. Richard French Spencer of San Antonio, who desires no publicity until the final details of her gift have been worked out. The full payment of the gift will be protected by inclusion of a clause in Mrs. Spencer's will. (This gift has been formalized since the May session and will be reported to the Board at a subsequent meeting.)

It is recommended by the Academic and Developmental Affairs Committee that the Board approve the advance of \$10,000 from the Etter Estate to the Press conditioned upon the formalization of the gift and the execution of an appropriate instrument assuring its full payment and the receipt of the first installment of \$10,000, and upon the further condition that the amount of the advance shall be repaid from the final \$10,000 installment of the proposed gift.

Upon motion of Mrs. Devall, seconded by Vice-Chairman Johnson, the Board approved this recommendation as a part of the Academic and Developmental Affairs Committee report.



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Use of the College Scholarship Service for Loans of \$200 or More, Main University. --The Academic and Developmental Affairs Committee recommends approval of the proposal of Vice-President and Provost Ransom, concurred in by the Administration, that the Main University join the College Scholarship Service for the purpose of having the services of that organization available for the evaluation of loans of \$200 or more to students. This concern has considerable experience and background in making such evaluations and has the latest research facilities and machine installations. The Loans and Scholarships Office of the Main University would continue to handle all loans and scholarships of less than \$200, and such other applications as might be necessary or desirable.

The cost to the University to have the services of this organization available would be the annual participation fee of \$100. The cost to the student is \$2. 00 for an application to one college and \$1. 00 for each additional college to whom his application may be sent. (The foregoing proposal was in the Material Supporting the Agenda.)

Upon motion of Mr. Madden, seconded by Mr. Heath, the Board approved the recommendation of the Academic and Developmental Affairs Committee that beginning with the 1960-61 Long Session membership in the College Scholarship Service be approved for Main University and that this service be used, where feasible, in evaluating requests for loans in the amount of \$200 or more, and that the fee of \$50 be paid from Miscellaneous General Institutional Expenses (Institutional Membership Dues).\*

Small Class Reports, 1960 Spring Semester: Main University and Texas Western College (House Bill No. 133, 55th Legislature, R. S. , Article V, Section 6). --The small class reports of the 1960 Spring Semester for the Main University and Texas Western College, together with analytical summaries, were distributed in the Material Supporting the Agenda. These reports had been prepared in accordance with House Bill No. 133, 55th Legislature, R. S. , Article V, Section 6 of the Special Provisions.

Main University. --The small classes for the 1960 Spring Semester fall within the following categories:

1. Required course for graduation in one or more baccalaureate degree programs. The course is not offered each semester or term, and if cancelled, may affect date of graduation of those enrolled.
2. Required course for graduating seniors in one or more degree programs.
3. Required course for majors in this field and should be completed this semester (or term) to keep proper sequence in courses.
4. Course for which students pay a supplementary fee, and the usual requirements of class size are not considered applicable. (Example: Class Instruction in Applied Music or Applied Art.)
5. Limited laboratory facilities make it necessary to establish an additional section of this course.

\* The College Service has reduced its fee to \$50 annually.

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6. a. Course in a small department which offers the minimum number of courses consistent with the maintenance of a balanced departmental program.
- b. Course in a large department necessary to maintain a well-balanced departmental program.
7. Graduate course that is required for completion of an advanced degree.
8. a. Interdepartmental course meeting with the same course in another department.
- b. Intradepartmental course meeting with another course in same department.
9. Others:  
    Adds, drops, and transfers in transit between departments and the Registrar's Office as of the twelfth class day.

Texas Western College. -- The small classes for the 1960 Spring Semester at Texas Western College fall within Categories Nos. 1-4, and 6-9 listed under Main University.

It is recommended by the Academic and Developmental Affairs Committee that these small class reports be approved.

Upon motion of Mr. Hardie, seconded by Mr. Heath, the foregoing recommendation was adopted as a part of the report of the Academic and Developmental Affairs Committee.

Faculty Supplementation Report, Texas Western College. --  
The Committee of the Whole in the consideration of Academic and Developmental Affairs Committee matters unanimously adopted the following resolution:

WHEREAS, Regent Hardie reported that under the leadership of Mr. Sam D. Young and twenty other El Paso businessmen, including himself, a total of \$65,150 had been subscribed for Faculty Supplementation at Texas Western College; and

WHEREAS, Regent Hardie presented at the meeting a list of the donors, showing the amount each pledged and the contributions already received; and

WHEREAS, Regent Hardie also presented checks totalling \$34,700 of the amount subscribed;

BE IT RESOLVED That the Board of Regents of The University of Texas register its gratitude and appreciation for the generous support of the faculty at Texas Western College by various El Paso firms and individuals; and

BE IT FURTHER RESOLVED That the thanks of the Board be expressed to each donor to the Faculty Supplementation Fund by the President of Texas Western College.

(A list of the donors, together with the transmittal letter from Mr. Sam D. Young, is in the Secretary's Files, Volume VII, Pages 171 .)

Adoption of Report. -- The items of the foregoing report were acted on by separate motions, and the full report of the Academic and Developmental Affairs Committee (Pages 5-11) was accepted upon motion of Mrs. Devall, seconded by Mr. Heath.

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REPORT OF BUILDINGS AND GROUNDS COMMITTEE (See Page 30 for adoption.) --(After the March meeting, Chairman Minter named Mr. Hardie as Vice-Chairman of the Buildings and Grounds Committee and requested him to serve in the absence of Committee Chairman Thompson.)

Committee Vice-Chairman Hardie presented as the report of the Buildings and Grounds Committee the Administration's recommendations as submitted in the Material Supporting the Agenda and as distributed at the meeting, indicating a few revisions approved by the Buildings and Grounds Committee. The material distributed at the meeting included (1) recommendations for the award of contracts, Pages 24-28 (These could not have been proposed earlier due to the date for opening of bids.) (2) acquisition of Archway properties, Items "b" and "c," Pages 13-15 (3) a summary report of the acquisition of the Archway properties, Pages 29-30.

The report submitted is:

Main University - Acquisition of Archway Properties. --Pursuant to the policies and procedures for acquisition of Archway properties which were adopted by the Board of Regents at the meeting of June 13, 1959, all sales contracts are to be submitted to the Board of Regents before closing.

a. It is recommended that the Business Manager of the Main University be authorized to sign a contract of sale for the Board of Regents of The University of Texas with Joe P. Callan and wife, Myrtle Callan, in the amount of \$70,260.00 for the purchase of:

Lots Nos. 4, 5, 19, and 20 in Archway, a subdivision of Out Lot No. 9, Division D, in the City of Austin, Travis County, Texas, as shown by a plat or map recorded in Volume 2, Page 208 of the Travis County Plat Records, together with all the improvements thereon.

It is further recommended that the Business Manager of the Main University have prepared a warrant in the amount of \$70,260.00 and deliver said warrant in exchange for a warranty deed and evidence of good title to said property.

The appraisals submitted by Mr. Legge on these properties were \$36,450.00 for Lots Nos. 4 and 5 and \$28,400.00 for Lots Nos. 19 and 20. The total appraisal of these properties was \$64,850.00. Mr. Forest Pearson, negotiator for the Archway properties, Mr. G. W. Landrum, Business Manager of the Main University, and Doctor J. C. Dolley, Vice-President for Fiscal Affairs, recommend approval of the Board of Regents to close this transaction at a total consideration of \$70,260.00, which is \$5,410.00 above the appraised value.

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The reasons for the recommendation for closing this transaction above the appraised price are:

1. A 10 per cent increase in the value of the lots is recommended due to the fact that under current city zoning restrictions the Seller is in a better position to give a higher and greater use to this land, because two lots with 100 feet of frontage affords better possibilities than a single lot with only 50 feet of frontage. This consideration amounts to \$1,875.00 in the instance of each tract or a total of \$3,750.00.
2. Certain improvements have recently been made to the single-family dwelling on Lot No. 20 involving a new hot water heater, rewiring of the house and refinishing the floors.
3. A further allowance has been considered in computing the depreciation on the four houses situated on Lots 4 and 5. Mr. Pearson has gone over the property with the Seller and has agreed with the Seller that the original depreciation computations were excessive in amount.
4. \$260.00 has been included in the purchase price for anticipated title expense and other necessary costs.

b. It is recommended that the Business Manager of the Main University be authorized to sign a contract of sale for the Board of Regents of The University of Texas with Frank Reeder and James T. Watson, co-owners, in the amount of \$48,850.00 for the purchase of:

Lots 9 and 10 and part of Lot No. 11 in Archway, a subdivision of Out Lot No. 9, Division D, in the City of Austin, Travis County, Texas, as shown by a plat or map recorded in Volume 2, page 208, of the Travis County Plat Records, together with all the improvements thereon.

It is further recommended that the Business Manager of the Main University have prepared a warrant in the amount of \$48,850.00 and deliver said warrant in exchange for a warranty deed and evidence of good title to said property.

At the March meeting of the Board this item was presented for consideration and action was deferred until the May meeting of the Board of Regents. At that time an offer of \$49,850.00 for the property had been submitted. The appraisal submitted by Mr. Legge on this property was \$42,500.00.

Mr. Forest Pearson, negotiator for the Archway properties, : 5-14-60  
has continued his negotiations with Messrs. Reeder and Watson  
and has reported that the amount recommended is the best  
price to which the owners will willingly agree for the property  
and only then if approved at the May meeting of the Board and  
closing is expedited.

Mr. Forest Pearson, negotiator for the Archway properties,  
Mr. G. W. Landrum, Business Manager of the Main Univer-  
sity, and Doctor J. C. Dolley, Vice-President for Fiscal  
Affairs, recommend approval of the Board of Regents to close  
this transaction at a total consideration of \$48,850.00 which is  
\$6,350.00 above the appraised price.

The reasons for this recommendation are as follows:

1. Mr. Pearson advises that the \$48,850.00 figure is  
the absolute minimum that the University is going  
to be able to negotiate with Messrs. Reeder and  
Watson.
2. It is recommended that if this offer is found not to  
be acceptable, proceedings should be begun immedi-  
ately for condemnation.
3. It is the opinion of Mr. Pearson, Mr. Landrum and  
Doctor Dolley that the University would run a consi-  
derable risk of having a jury award in excess of the  
\$48,850.00 figure.

c. It is recommended that the Business Manager of the Main  
University be authorized to sign a contract of sale for the Board  
of Regents of The University of Texas with Frederick Eby, Jr.  
in the amount of \$60,250.00 for the purchase of:

Lots Nos. 25, 16 and parts of Lots Nos. 14 and 15 in  
Archway, a subdivision of Out Lot No. 9, Division D, in  
the City of Austin, Travis County, Texas, as shown  
by a plat or map recorded in Volume 2, page 208 of  
the Travis County Plat Records, together with all the  
improvements thereon.

It is further recommended that the Business Manager of the  
Main University have prepared a warrant in the amount of  
\$60,250.00 and deliver said warrant in exchange for a warranty  
deed and evidence of good title to said property.

The appraisals submitted by Mr. Legge on these properties  
were \$20,500.00 for Lot No. 25 and \$35,000 for Lot No. 16 and  
parts of Lots Nos. 14 and 15. The total appraisal on these pro-  
perties was \$55,500.00. Mr. Forest Pearson, negotiator for  
the Archway properties, G. W. Landrum, Business Manager  
of the Main University, and Doctor J. C. Dolley, Vice-President  
for Fiscal Affairs, recommend approval of the Board of Regents  
to close this transaction of \$60,250.00 which is \$4,750.00 above

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the appraised value. The contract of sale which has been submitted by Mr. Eby for our consideration also carries the following stipulation:

"As an added consideration the Seller agrees to retain ownership of all the improvements on the land and the Purchasers agree to grant the Seller 60 days after consummation of sale to remove said improvements."

A separate agreement would be drawn awarding the improvements to Mr. Eby under the condition that the improvements be removed within 60 days after the sale is consummated and that he will leave the lots clean and level.

The reasons for this recommendation are as follows:

1. Mr. Pearson advises that the \$60,250.00 figure and the condition that the improvements be awarded to the Seller with the condition that he remove the improvements within 60 days is the best negotiated price we will reach with Mr. Eby.
2. It is Mr. Pearson's opinion that if this offer is found not to be acceptable that we will probably have to resort to condemnation proceedings on this property.
3. This is another case of multiple properties owned by one individual in the Archway subdivision, and the cash outlay represents an increase of slightly over eight per cent of the appraised valuation. We believe that awarding the improvements to Mr. Eby with the condition that he remove the improvements from the properties with no expense to the University creates no substantial loss to the University since we would have to advertise for these improvements to be torn down and removed.
4. If condemnation proceedings are necessary, we would run the risk of having a jury award in excess of the offered price.

Main University - Ratification of Award of Contract for Repair of Roofs and Roof Decks, Main Building. --In accordance with authorization given at the Regents' Meeting held March 12, 1960, bids were called for, opened, and tabulated on April 12, 1960, for Repair of Roofs and Roof Decks, Main Building, at the Main University, as shown on Page 48. \* After consideration of the bids by the Comptroller's Office and members of the Main University Physical Plant staff, award of a contract in the amount of \$9,992.00 was made by Comptroller Sparenberg, with the concurrence of Vice-President Dolley, to the low bidder, Scheumack Brothers, Roofing Contractors, Austin, Texas.

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\* A tabulation of the bids was furnished each Regent prior to the meeting.



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It is recommended that this contract award as reported above, which is within the appropriation of \$25,000.00 for this project, be ratified and approved by the Board. It is contemplated that additional work on this same project will be performed by the Main University Physical Plant staff, which accounts for the large balance remaining in the appropriation.

Main University - Ratification of Award of Contract for Repair of Cornices and Roofs, Garrison Hall and Biological Laboratories. --In accordance with authorization given at the Regents' Meeting held March 12, 1960, bids were called for, opened, and tabulated on April 12, 1960, for Repair of Cornices and Roofs, Garrison Hall and Biological Laboratories, at the Main University, as shown on Page 48. \* After consideration of the bids by the Comptroller's Office and members of the Main University Physical Plant staff, award of a contract in the amount of \$48,000.00 was made by Comptroller Sparenberg, with the concurrence of Vice-President Dolley, to the low bidder, W. D. Anderson Company, Austin, Texas.

It is recommended that this contract award as reported above, which is within the appropriations totaling \$50,000.00 for this project, be ratified and approved by the Board.

Main University - Ratification of Award of Contract for Tile Floors and Walls for Shower and Toilet Rooms, Gregory Gymnasium. --In accordance with authorization given at the Regents' Meeting held March 12, 1960, bids were called for, opened, and tabulated on April 12, 1960, for Tile Floors and Walls for Shower and Toilet Rooms, Gregory Gymnasium, at the Main University as shown on Page 48. \* After consideration of the bids by the Comptroller's Office and members of the Main University Physical Plant staff, award of a contract in the amount of \$22,000.00 was made by Comptroller Sparenberg, with the concurrence of Vice-President Dolley, to the low bidder, Tile, Inc., Austin, Texas.

It is recommended that this contract award as reported above, which is within the appropriation of \$25,000.00 for this project, be ratified and approved by the Board.

Main University - Ratification of Approval of Preliminary Plans and Approval of Final Plans and Specifications for Lounge for "T" Lettermen at Texas Memorial Stadium. --At the Regents' Meeting held January 23, 1960, authorization was given to a Committee, consisting of Mr. Begeman, Mr. Olle, and Doctor Ransom, for the Main University, and Comptroller Sparenberg, Vice-President Dolley, and President Wilson, for Central Administration, to approve preliminary plans to be prepared by the Consulting Architect for a Lounge for "T" Lettermen at Texas Memorial Stadium. These preliminary plans have now been prepared and approved by the Committee named above, and the Associate Architect, Winfred O. Gustafson, has prepared the working drawings and specifications, which have also been approved by those named above. It is recommended that

\* A tabulation of the bids was furnished each Regent prior to the meeting.

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the Board ratify the approval of the preliminary plans and approve the working drawings and specifications as prepared by the Associate Architect. It is further recommended that Comptroller Sparenberg be authorized to advertise for bids on this project to be presented to the Board for consideration at a later meeting. (This is a revision of the original recommendation so as to conform to the existing Rules and Regulations of the Board.)

Main University - Approval of Preliminary Plans and Increase in Appropriation, Due to Federal Grant, for Research Facilities and Headquarters Building at Institute of Marine Science. --

At the Regents' Meeting held July 9, 1959, authorization was given for the Consulting Architect to prepare preliminary plans for a Research Facilities and Headquarters Building at the Institute of Marine Science, to cost not more than \$250,000.00 including Architects' fees and movable furniture and equipment, and at the meeting held October 3, 1959, an appropriation in that amount was made from the proceeds of Permanent University Fund Bonds. An application has been made to United States Public Health Service, National Institutes of Health, for a Health Research Facilities grant in order that more funds would be available for this project. A notice has just been received from the Public Health Service that a grant has been made in the amount of \$104,797.00. It is, therefore, recommended that the acceptance of this grant be approved and that the appropriation for this building be increased from \$250,000.00 to \$354,797.00, with the understanding that \$250,000.00 is to come from proceeds of Permanent University Fund Bonds and \$104,797.00 from United States Public Health Service Grant No. RC-675.

Preliminary plans have been prepared by Consulting Architects Jessen, Jessen, Millhouse, and Greeven covering this building and have been approved by Doctor Odum, Main University Faculty Building Committee, Vice-President Ransom, Comptroller Sparenberg, and President Wilson. It is recommended that they be approved by the Board and that Smyth and Smyth, Associate Architect, be authorized to prepare working drawings and specifications to be presented to the Board for approval at a later meeting.

Main University - Report on Audit of Space Utilization. -- Each member of the Board of Regents has received a copy of a Digest Report on Physical Plant Utilization at The University of Texas: An Appraisal, made by Taylor, Lieberfeld and Heldman, Inc., pursuant to a contract authorized by the Board of Regents on January 23, 1960. The contracting firm will submit before June 1 a more detailed report, consisting chiefly of the data upon which conclusions in the Digest Report are based. Representatives of the firm, under the contract, are at the disposal of the Regents for an oral exposition of their findings. The administration suggested that the Buildings and Grounds Committee may want to recommend to the Board of Regents what further actions shall be taken, indicating the

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following alternatives: (a) schedule an appearance by representatives of the firm before the entire Board of Regents at its July meeting; (b) schedule such appearance before the Buildings and Grounds Committee at its July meeting; (c) accept the Digest Report as already presented, with the administration instructed to confer with the firm's representatives in regard to details and recommendations for implementing results of the space audit. However, the Committee deferred action on this until Regent Thompson is present.

Main University - Proposed Resolution Re: Property Taxes for Current Year on Real Estate Being Purchased. -- It is recommended by Mr. Landrum, Mr. Cox, and Doctor Dolley that the following resolution be adopted:

WHEREAS, The University of Texas is acquiring by purchase certain properties as an extension of the Main University campus at Austin, Texas, and

WHEREAS, our contracts of purchase and sale with the property owners have called for a proration of the current year's taxes, and

WHEREAS, a pro rata of the 1960 taxes is collected from the seller at the time of closing the purchase and sale transaction, and

WHEREAS, the Attorney General's Office has advised the University both orally and in the "General Observations" portion of certain title opinions that we should collect the 1960 taxes from the seller, and

WHEREAS, the Attorney General's Office has advised that the owner of property on January 1 of any year is responsible for the taxes for that year, and

WHEREAS, the State Comptroller will issue warrants to the tax collecting agencies for current year's taxes if included as a part of the total purchase price of the property acquired, and

WHEREAS, the University should protect the seller for our pro rata share of current taxes on property acquired, and

WHEREAS, certain sellers are requesting that The University of Texas "hold harmless" the seller for the 1960 taxes on property acquired, and

WHEREAS, it is desirable that The University of Texas acquire property free from any tax lien; therefore,

BE IT RESOLVED, that it is the policy of the Board of Regents to include in the purchase price the current year's taxes on property acquired and to make payments from such funds as may be lawfully used for this purpose

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to the appropriate tax collecting authorities with the understanding that an amount will be collected from the seller at closing for the pro rata of taxes for the current year up to and including the date of closing the transaction, and

BE IT FURTHER RESOLVED, that since the acquisition of certain Archway properties and the Alpha Chi Omega property has been authorized and it is the intent that the 1960 taxes on these properties shall be paid, we do hereby authorize the payment of said taxes from any funds available to The University of Texas which may lawfully be used for this purpose and such payments shall be considered a part of the total purchase price.

Main University - Authorization for Sale of University Club Property. --It is recommended by Doctor Ransom, Doctor Dolley, and Doctor Wilson that authorization be granted to sell the University Club Property located at 2304 San Antonio Street, Austin, Texas, which property was purchased from the University Club in 1952. An appraisal on this property has been obtained from Mr. Harold Legge in the amount of \$41,300.00. It is further recommended that the Business Manager of the Main University be authorized to conduct negotiations for a sale on a negotiated basis at a price not less than the appraised value.

It is further understood that no sale will be made of this property until satisfactory quarters are found elsewhere for the University Club.

Each Regent was furnished prior to the meeting an extract from the Regents' Minutes of May 30, 1952, showing the proposals and conditions under which the sale to the University was approved. The deed from the University Club was dated 18 August, 1952.

Main University - Appropriation for Remodeling of Old Printing Division Building. --At the Regents' Meeting held November 14, 1959, authorization was given to the Consulting Architect, Jessen, Jessen, Millhouse, and Greeven, to prepare preliminary plans for Remodeling of Old Printing Division Building at the Main University, but no appropriation was made at that time. Subsequent actions taken by the Board approved the preliminary plans and appointed an Associate Architect to prepare working drawings and specifications. Since it is contemplated that the working drawings and specifications will be ready for approval sometime during the next few months, an appropriation should be set up on the books to cover the cost of the project. It is therefore recommended that the sum of \$125,000.00, the estimated cost of the project which was set out at the meeting of November 14, 1959, be appropriated from the Available University Fund Unappropriated Balance for Remodeling of Old Printing Division Building.

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Main University - Construction of Boat Basin and Related Facilities at Institute of Marine Science. --On March 12, 1960 (via docket procedure) the Board of Regents approved Grant No. NSF-G10769, by which the National Science Foundation provides \$51,000.00 for support of "Construction of a Boat Basin for Marine Research;" under the direction of Doctor Howard T. Odum, Director, Institute of Marine Science, Port Aransas, the grant to be effective for a period of one year beginning February 1, 1960. Actions and negotiations previously underway in regard to the proposed boat basin, the recommendations included herein, and also those being made in another item regarding the construction of the Research Facilities and Headquarters Building, are covered by the authorization contained in Senate Bill No. 165, Chapter 59, page 110, Acts of the Regular Session, 56th Legislature.

Negotiations have been going on for an extended period of time between Doctor Odum, Director of the Institute of Marine Science, Attorney and former Regent J. Robert Sorrell of Corpus Christi, Mr. Tom McNamara of San Antonio, et al, in regard to a proposed deed and agreement for the construction of the boat basin and related facilities, the conveyance to be from Mr. McNamara to the Board of Regents of The University of Texas. The final version of the proposed Warranty Deed and agreement, dated the 30th of March 1960, as submitted to the President's Office by Mr. Sorrell, has been approved as to legal form by Attorney Burnell Waldrep, and has been approved as to substance by Doctor Odum, the Comptroller's Office, and the President's Office. The proposed deed and agreement provides, among other things, that both Mr. McNamara and certain persons to whom he may sell lots near the boat basin will have the privilege of using for ingress and egress a sizable portion of the boat harbor, that the grantor makes the usual reservations in regard to oil, gas, and other minerals, and that any failure of grantees to use the property for the uses and purposes for which the property is given, for a period of five consecutive years, shall cause the title to revert to the grantor, his successors and substitutes under the trust, etc. The deed is actually signed by Mr. Tom McNamara as Trustee.

Doctor Odum has submitted to Central Administration a proposed "License" or easement from the Department of the Army (U. S. Army Corps of Engineers) covering a piece of land 50 ft. by 90 ft., which is needed to provide a right-of-way for an access road from land presently owned by The University of Texas to the site of the boat basin property. This proposed "License" covers Government property on Mustang Island under the control of the Army Corps of Engineers, and covers a period of five years commencing on 1 April 1960, which is the maximum term that can be obtained under Federal law. University Attorney Burnell Waldrep has advised the Comptroller that the proposed "License" is satisfactory as to legal form, except that the "save harmless" clause should be modified, and that he has been advised by the Galveston office of the U. S. Army Corps of Engineers that they saw no reason why this proposed term could not be extended from time to time in the future, so long as this access area is needed.

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It is recommended by Doctor Odum, the Comptroller's Office, and the President's Office that the Board approve the following recommendations:

Authorize the expenditure of the \$51,000 grant under the supervision of the Comptroller in the usual manner for Plant Funds.

Approve the preliminary plans prepared by Consulting Architects Jessen, Jessen, Millhouse, and Greeven on the proposed boat basin and related facilities (including "rip-raps," concrete bulkheads, boat shed, storage house, etc.)

Appoint Smyth and Smyth, Architects of Corpus Christi, Texas, as Associate Architect on this project and authorize them to proceed immediately with preparation of working drawings and specifications with the understanding that their choice of a marine engineer to work with them on this project is to be approved by the Comptroller and the Consulting Architect. (Smyth and Smyth have already been approved by the Board as the Associate Architect on the new building at the Institute of Marine Science.)

Approve the proposed Warranty Deed and Agreement from Tom McNamara, Trustee, dated 30 March 1960, and authorize Chairman Minter to sign this document on behalf of the Board of Regents.

Approve the acceptance of the proposed "License" or easement from the Department of the Army and authorize the Chairman to sign this document on behalf of the Board of Regents.

Authorize the purchase of a title policy covering this property.

(See adoption of report, Page 30.)

Main University - Ratification of Figures Used in Preliminary Application to H. H. F. A. Relating to Construction of Student Housing Facilities. --At their meeting of March 12, 1960 the Board of Regents approved a recommendation of the Land and Investment Committee "that the University Comptroller be authorized and directed to submit a preliminary application to the Housing and Home Finance Agency for construction at the Main University of a dormitory facility to house a minimum of 500 women; a dormitory facility to house a minimum of 500 men; and a housing facility to provide 100 apartment units for married students." The Comptroller's Office, in the preparation of this preliminary application, has held discussions with Vice-President Dolley, Endowment Officer Stewart, Main University Business Manager Landrum, Main University Director of Housing and



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Food Service F. C. McConnell, and other interested parties. With the concurrence of Vice-President Dolley, Comptroller Sparenberg has changed the figures to be submitted with the preliminary application to show capacities as follows:

Dormitory for women - 500 (no change)  
 Dormitory for men - 600  
 Apartment Units for Married Students - 200

It is recommended that the Board of Regents ratify and approve these changes in capacity figures used in the preliminary application to the H. H. F. A. These changes were made for two reasons:

1. More careful and detailed consideration indicated their desirability.
2. The previous recommendation was not exactly in accordance with recommendations being prepared by the Faculty Building Committee in regard to the ten-year building program.

Medical Branch - Report of Grant of \$25,000.00 by The Sealy and Smith Foundation to Cover Consulting Architect's Fees on Preliminary Plans for Proposed Addition to Out-Patient Building. -- At the Regents' Meeting held October 3, 1959, authorization was given "for the Consulting Architect to proceed with preliminary plans and cost estimates for the Addition to the Out-Patient Building at the Medical Branch, contingent upon allocation by The Sealy and Smith Foundation now of sufficient money to cover the Consulting Architect's Fees for these plans." This is to report that on April 9, 1960, application was made by Doctor Truslow to The Sealy and Smith Foundation for \$25,000.00 to cover the cost of the Consulting Architect's fees on this Addition, and that a grant in that amount was approved by the Foundation on April 13, 1960. Instructions will, therefore, be given to the Consulting Architect to proceed with the preliminary plans on this proposed Addition.

Texas Western College - Approval of Preliminary Plans for Gymnasium-Field House and Appointment of Associate Architect. -- At the Regents' Meeting held January 23, 1960, authorization was given to the Consulting Architect to prepare preliminary plans for a Gymnasium-Field House at Texas Western College. These preliminary plans have now been prepared and approved by the Building Committee of Texas Western College, President Smiley, Comptroller Sparenberg, and President Wilson, and it is recommended that they be approved by the Board and the Associate Architect authorized to proceed with the preparation of working drawings and specifications.

A joint recommendation of the Comptroller and the Consulting Architect in regard to the selection of an Associate Architect was submitted to the Regents' Buildings and Grounds Committee in the Material Supporting the Agenda. It is recommended

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by the Committee that the firm of Monroe, Licht, and Higgins of El Paso, Texas, be named as the Associate Architect with authorization to Chairman Minter to execute the contract when it has been approved as to subject matter by Comptroller Sparenberg and as to form by Attorney Waldrep.

Texas Western College - Approval of Final Plans and Specifications for Classroom-Office Building. --At the Regents' Meeting held October 3, 1959, authorization was given to the Associate Architect, Carroll and Daeuble and Associates, to prepare the working drawings and specifications for a Classroom-Office Building at Texas Western College. These final plans and specifications have now been prepared and approved by the Building Committee of Texas Western College, President Smiley, Comptroller Sparenberg, and President Wilson. It is recommended that they be approved by the Board and that Comptroller Sparenberg be authorized to advertise for bids to be presented to the Board for consideration at a later meeting.

Texas Western College - Report on Final Inspection and Acceptance of John W. ("Cap") Kidd Memorial Building. -- On July 26, 1957 Comptroller Sparenberg addressed a letter to Mr. Berte R. Haigh, as Co-chairman of the John W. ("Cap") Kidd Memorial Foundation, in which letter the foundation was officially authorized to proceed with the construction and equipping of the proposed building on the campus of Texas Western College, in accordance with plans previously submitted to the Comptroller's Office, with the understanding that Architect Saunders or Comptroller Sparenberg, Doctor Holcomb, and Mr. Smith, would make a final inspection of the project before final acceptance was recommended to the Board of Regents of The University of Texas. This letter was written with the concurrence of the President's Office and pointed out that it should be thoroughly understood by all concerned that the procedure authorized in this particular case was definitely not in accordance with normal procedure on construction projects, and was not intended to set any precedent for future operations or projects.

The action taken in 1957 was in accordance with Senate Concurrent Resolution No. 6 passed by the 55th Legislature.

The original estimates indicated that the building would cost approximately \$7,500.00, excluding the seismological equipment, but final reports indicated a total cash outlay by the foundation of \$9,444.22, plus generous gifts of many El Paso firms, in addition thereto, of materials and services. Architect Ralph V. Davis and Dean E. M. Thomas estimate that it would take more than \$21,000.00 to replace this building.

On March 18, 1960 the following people were present at a final inspection of this building:

Doctor J. R. Smiley, President, Texas Western College  
Mr. E. M. Thomas, Dean of Mines and Engineering,  
Texas Western College

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Mr. A. A. Smith, Business Manager, Texas Western  
College  
Mr. Ralph V. Davis, Architect of El Paso  
Charles H. Sparenberg, Comptroller for The University of Texas

This inspection showed the building to be complete although not all of the seismological equipment was installed at that time. It is now recommended by President Smiley and Comptroller Sparenberg that this building be officially accepted by the Board of Regents, and that the thanks of the Board be extended to the John W. ("Cap") Kidd Memorial Foundation. A detailed list of gifts of materials and services appears in the docket of Texas Western College for this meeting.

Main University - Award of General Contract for New Central Water Chilling Station Building and Award of Mechanical and Electrical Contract for New Central Water Chilling Station (Including Piping). --At the Regents' Meeting held January 23, 1960, a Committee was appointed, consisting of Mr. C. J. Eckhardt, Director of Main University Physical Plant, Vice-President Ransom, Comptroller Sparenberg, Vice-President Dolley, and President Wilson, to approve the final plans and specifications for the New Central Water Chilling Station Building and for the Piping for the New Central Water Chilling Station at the Main University, with authorization to Comptroller Sparenberg to advertise for bids on these two projects after such approval. The Committee has approved these plans and specifications, and it is recommended that the Board ratify this action taken by the Committee.

Bids on these projects were received, opened, and tabulated on May 3, 1960, as shown on Page 51. \* After consideration of these bids by all concerned, recommendation is made by Page, Southerland, and Page and Grayson Gill, Consulting Architect and Associate Architect, respectively, on the New Central Water Chilling Station Building, Zumwalt and Vinther, Engineer on the New Central Water Chilling Station, the Main University Physical Plant staff, and Comptroller Sparenberg, which recommendations are concurred in by Vice-President Ransom, Vice-President Dolley, and President Wilson, that contract awards be made to the low bidders as follows:

General Contract on New Central Water Chilling  
Station Building:

J. M. Odom Construction Company, Austin Texas	
Base Bid	\$343,000.00
Add Alternate No. 2	5,700.00
Total	<u>\$348,700.00</u>

Mechanical and Electrical Contract for New Central  
Water Chilling Station (Including Piping):

Young and Pratt, Austin, Texas	
Base Bid	<u>\$255,800.00</u>
Total Recommended Contract Awards	<u>\$604,500.00</u>

\* Tabulation of bids forwarded to each Regent prior to the meeting.

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The low bid for the construction of the New Central Water Chilling Station Building is in excess of the original estimate for this building, and, consequently, it will be necessary to transfer money to the appropriation for the New Central Water Chilling Station in order to take care of these contract awards and the Architects' and Engineer's Fees thereon. It is, therefore, recommended that transfers be made from accounts as set out below to Account No. 90980 - New Central Water Chilling Station:

Account No. 91250 - Expansion of Utilities Distribution Systems - Allotment Account	\$76,000.00
Account No. 91500 - Major Repairs and Rehabilitation Projects	<u>15,000.00</u>
Total	<u>\$91,000.00</u>

Main University - Award of Contract for Mechanical and Tunnel Work on Expansion of Utilities Distribution Systems. --At the Regents' Meeting held January 23, 1960, a Committee was appointed, consisting of Mr. C. J. Eckhardt, Director of Main University Physical Plant, Vice-President Ransom, Comptroller Sparenberg, Vice-President Dolley, and President Wilson, to approve the final plans and specifications for the Mechanical and Tunnel Work on Expansion of Utilities Distribution Systems at the Main University, with authorization to Comptroller Sparenberg to advertise for bids on this project after such approval. The Committee has approved these plans and specifications, and it is recommended that the Board ratify this action taken by the Committee.

Bids on this project were received, opened, and tabulated on May 3, 1960, as shown on Page 51. \* After consideration of these bids by all concerned, recommendation is made by Zumwalt and Vinther, Engineer on this project, the Main University Physical Plant staff, and the Comptroller, which recommendations are concurred in by Vice-President Ransom, Vice-President Dolley, and President Wilson, that a contract award be made to the low bidder as follows:

C. G. Puryear, Austin, Texas	\$386,200.00
Base Bid	

The money needed for this contract award and the Engineer's Fees thereon is to come from Account No. 91250 - Expansion of Utilities Distribution Systems - Allotment Account.

Main University - Award of Contracts for New Printing Division Building. --In accordance with authorization given at the Regents' Meeting held March 12, 1960, bids for the New Printing Division Building at the Main University were received, opened, and tabulated on May 5, 1960, as shown on Page 50. \* After

\* Tabulation of bids forwarded to each Regent prior to the meeting.

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consideration of the bids by all concerned, it is recommended by the Consulting Architect, Jessen, Jessen, Millhouse, and Greeven, the Associate Architect, Baldrige and Saunders, and Comptroller Sparenberg, which recommendations are concurred in by Vice-President Ransom, Vice-President Dolley, and President Wilson that contract awards be made to the low bidders, as follows:

## General Contract:

C. D. Yarbrough Construction Company,  
Austin, Texas

Base Bid	\$117,511.00	
Add Alternate No. 1	4,463.00	
Add Alternate No. 2	7,768.00	
Add Alternate No. 3	574.00	
Add Alternate No. 4	25.00	
Total		\$130,341.00

Combined Plumbing, Heating, Ventilating, and  
Air Conditioning Contract:

Way Engineering Company, Inc., Austin,  
Texas

Base Bid	54,140.00	
Add Alternate No. 1	1,437.00	
Add Alternate No. 2	505.00	
Total		56,082.00

## Electrical Contract:

Seco Smith Electric Company, Austin, Texas

Base Bid	37,700.00	
Add Alternate No. 1	550.00	
Add Alternate No. 2	90.00	
Total		38,340.00

Total Recommended Contract Awards \$224,763.00

Account No. 94240 - New Printing Division Building - Allotment Account, has a sufficient balance to cover these contract awards and the Architects' Fees thereon, and it is further recommended that the money needed to give effect to these contract awards be taken from that source.

Main University - Award of Contract for Furniture for Student Rooms in Littlefield Dormitory. --Pursuant to the action of the Board of Regents at their March meeting, plans and specifications were prepared, bids were called for, and plans and specifications were placed in the hands of at least six bidders.

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Bid tabulations are as follows:

<u>Name of Bidder</u>	<u>Amount of Bid</u>
The Abel Stationers, Austin, Texas	\$ 41,554.90
Austin Industries, Austin, Texas	40,990.00
National Furniture Manufacturing Company, East Bernard, Texas	31,091.00
Rockford Furniture Associates, Austin, Texas	33,253.95

The specifications called for samples to be submitted with the bids. The item in the specifications reads as follows:

"Samples. Each proposal shall be accompanied by an exhibit or group of samples necessary to explain properly the quality of workmanship and materials on which his bid is based.

"All samples must be delivered on or before the date of opening the bids and no proposal will be considered unless the samples have been furnished.

"Samples must be such that will illustrate clearly and full the construction, quality and workmanship, and finish which the bidder intends to furnish should he be awarded the contract. Samples shall be shipped to Littlefield Dormitory in care of Division of Housing and Food Service."

The National Furniture Manufacturing Company, East Bernard, Texas, failed to comply with the specifications with respect to submitting samples with their proposal. It is our opinion that the bid of National Furniture Manufacturing Company is not an acceptable bid since they failed to comply with the requirement called for in the specifications.

Therefore, it is recommended that the Regents award a contract to Rockford Furniture Associates in the amount of \$33,253.95 to build and furnish the furniture for Littlefield Dormitory as called for in our specifications. This firm did submit samples of the construction to be used and has qualified as the lowest acceptable bidder. It is our understanding that the furniture will be manufactured for Rockford Associates by Terrill Manufacturing Company of San Angelo, Texas. Mr. McConnell and Mr. Happel, an architect of Mr. Eckhardt's Physical Plant staff, journeyed to San Angelo to make an inspection of the plant and also of an installation of furniture in a dormitory at San Angelo Junior College which was furnished from this plant. They have reported that in their opinion the manufacturing



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plant is adequate to furnish the quality of workmanship required by our specifications, and as a result of their inspections we have no basis not to recommend the award to Rockford Furniture Associates. We will require that the completed furniture meet our specifications before acceptance.

Rockford Furniture Associates also furnished a bid on the furniture now installed in student rooms at Littlefield Dormitory and their total allowance was \$1,026.00. It is recommended that we do not accept this bid for the furniture now in use in Littlefield Dormitory but that the award be made to Rockford Furniture Associates on their base bid for furnishing the new furniture only.

These recommendations are being made by Mr. McConnell, Director, Division of Housing and Food Service of the Main University, and Mr. Landrum, Business Manager of the Main University.

Main University - Award of Contracts for Furniture and Furnishings for the Texas Union Building. --In accordance with authorization given at the Regents' Meeting held March 12, 1960, bids were received, opened, and tabulated on April 28, 1960, for Furniture and Furnishings for the Texas Union Building at the Main University, as shown on Page 48. \* Careful study and consideration have been given to the bids and the items offered in these bids, and it is recommended by Comptroller Sparenberg, with the concurrence of Vice-President Ransom, Vice-President Dolley, and President Wilson, that contract awards be made as follows, in each case the award being either to the low bidder or to the lowest acceptable bidder:

Group A Furniture and Furnishings: Rockford Furniture Associates, Austin, Texas	\$ 79,658.20
Group B Furniture and Furnishings: The Abel Stationers, Austin, Texas	18,485.59
Group C Furniture and Furnishings: Evans-Walsh, Inc., Houston, Texas	27,580.00
Group D - Draperies Paul's Interiors, Austin, Texas	8,427.00
Group E - Carpeting Modern Floors, Inc., Austin, Texas	<u>23,981.00</u>
Total Recommended Contract Awards	<u>\$158,131.79</u>

These recommended contract awards are within the balance remaining in the appropriation for Movable Furniture and Equipment for the Texas Union Building.

\* Tabulation of bids forwarded to each Regent prior to the meeting.

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Texas Western College - Award of Contract for Additional Test Data Facilities, Schellenger Research Laboratory (Prefabricated Building to House Refraction Chamber, etc.). --At the Regents' Meeting held March 12, 1960, authorization was given to proceed with the construction of a prefabricated building to house certain equipment to be used in experimental work under Government research contracts at Texas Western College. In accordance with this authorization, plans and specifications were prepared by the Physical Plant staff of Texas Western College and bids were received, opened, and tabulated on May 5, 1960, as shown on Page 49. \* After consideration of the bids, it is recommended by Doctor Smiley and Comptroller Sparenberg, which recommendations are concurred in by Vice-President Dolley and President Wilson, that award of a contract be made in the amount of \$21,478.00 to the low bidder, Building Mart, Inc., El Paso, Texas.

The original request for permission to construct this building stated that the money needed for this project was to come partly from Government contract funds and partly from Texas Western College funds. It is therefore recommended that appropriations be made as follows to cover the cost of this contract award:

\$18,120.00 from Government Contract No. DA 29-040-ORD  
1930

3,358.00 from Account No. 96199 - Texas Western  
College - Plant Funds Unexpended - Unap-  
propriated Balance (Constitutional Tax  
Construction Funds)

Main University - Summary Report of Archway Properties' Acquisitions. -- The total appraised valuation of the Archway properties, as submitted by Mr. Harold Legge, was \$423,350.00. This includes 17 parcels including lots owned by the City of Austin and represents 14 ownerships.

If the three recommendations presented at this meeting were authorized by the Board, we shall have come to terms on 13 parcels representing 11 ownerships. The total purchase price approved for these properties is \$368,557.00 and the total appraised price of these properties was \$345,800.00. Therefore, the purchase price approved is a \$22,757.00 increase over the appraised price and is a 6.6 per cent increase over the appraised price.

Four parcels remain to be acquired representing three ownerships. The appraised price of these properties is \$77,550.00. The owners are: Minnie W. (Mrs. S. E.) Clark, et al; Corrine A. Cofer Estate (Mr. John D. Cofer, Administrator); and the City of Austin. Mr. Pearson has advised us that he will have completed his negotiations by the July meeting of the Board and at that time will present the lowest figures acceptable to the

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\* Tabulation of bids forwarded to each Regent prior to the meeting.

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owners. Therefore, at the July meeting of the Board it is contemplated that recommendations will be submitted on the remaining properties either to accept the offers presented or take action to enter into condemnation proceedings. We have not as yet started negotiations with the City of Austin but we have had an indication from Mr. Bill Ward, property manager for the City, that they would entertain an offer from the University based on Mr. Legge's appraisal.

Adoption of Report. --The foregoing report was adopted upon motion of Mr. Hardie, seconded by Mr. Madden, with the request that the Chairman express official appreciation to Mr. McNamara for the conveyance of the property for the construction of a boat basin and related facilities at the Marine Science Institute and to former Regent J. R. Sorrell for his efforts in this transaction.

REPORT OF MEDICAL AFFAIRS COMMITTEE (See Page 45 for adoption.). --Committee Chairman Bryan presented the following report of the Medical Affairs Committee:

The South Texas Medical School: Review of Status; Survey for The South Texas Medical School Development Committee and Request of Committee; Resolution of San Antonio Chamber of Commerce; Offer from San Antonio Medical Foundation; Pledge of Cooperation from Southwest Texas Methodist Hospital. --

The Medical Affairs Committee received from Chairman Minter a review of the status of The South Texas Medical School, a report of the survey made for The South Texas Medical School Development Committee and a request from that committee, a resolution of the San Antonio Chamber of Commerce, and a letter from the San Antonio Medical Foundation allocating 100 acres without cost to The University of Texas. After these presentations and due consideration, Chairman Minter, an ex-officio member of the Medical Affairs Committee, suggested that the Board adopt a resolution expressing to the San Antonio Medical Foundation, The South Texas Medical School Development Committee, and to others interested the Board's appreciation for the cooperation shown and authorizing a Legislative Budget Request for 1961-63 in the amount of \$100,000.00 for intensive planning for The South Texas Medical School during the biennium.

The Medical Affairs Committee referred the request of The South Texas Medical School Development Committee (Citizens Committee) to the Committee of the Whole with the request that Chairman Minter present the full details.

At this point, and at the request of Committee Chairman Bryan, Chairman Minter outlined the events in the development of The South Texas Medical School since the adoption by the Board of Regents of the report of the Advisory Committee headed by Doctor Joseph Hinsey. (Permanent Minutes, Volume VII, Page 4). The Board "accepted the report of the Advisory Committee regarding the establishment of The South Texas Medical School as authorized by the 56th Legislature and approved it in principle without endorsing all the specifications or reaching any

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conclusions concerning the dollar amounts necessary to achieve the objectives set forth. In accepting this report, the Regents:

- "1. Agreed with the Advisory Committee as to the choice of the site, namely, the Oak Hill location, with the proviso that a City-County hospital of suitable size be erected on the site, and sufficient provision be made for its continuing operation.
- "2. Requested the University Administration to notify the Methodist Hospital group in San Antonio of the Regents' desire to cooperate with them to the fullest extent in the expressed intention of the Methodist Hospital to make its new facilities available to the University for teaching purposes, with the mutual understanding that on the part of the University this would involve appointment of a hospital staff, as is common everywhere in such teaching institutions.
- "3. Expressed the desire to cooperate in the fullest measure possible with other hospitals in the San Antonio-Bexar County area in utilizing their facilities for ancillary teaching and research purposes.
- "4. Agreed to take the whole report under study and consider it carefully for further action at a subsequent meeting and for specific recommendations to the Legislature and to the proper groups in Bexar County."

After this report, there was a difference of opinion in San Antonio as to the choice of the site. The San Antonio Medical Foundation appointed The South Texas Medical School Development Committee, consisting of 100 citizens and representing the various elements in San Antonio. This committee was divided into various subcommittees all of whom worked diligently. The committee decided to have another group of consultants make a survey for the purpose of recommending a site and a comparable answer as to costs for the Oak Hill site and the Robert B. Green site, if land could be obtained in that area. The committee appointed:

George T. Harrell, M. D.  
Dean, College of Medicine  
University of Florida

William R. Willard, M. D.  
Vice-President for the Medical Center  
University of Kentucky

These gentlemen came to San Antonio, made their study, and presented their report as set out on the following Pages 32-41. (Chairman Minter distributed a copy of this report to each Regent.)

May 4, 1960

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TO: Elbert DeCoursey, M. D.  
Chairman, South Texas Medical School  
Development Committee  
San Antonio, Texas

FROM: George T. Harrell, M. D.  
Dean, College of Medicine  
University of Florida  
Gainesville, Florida

William R. Willard, M. D.  
Vice-President for the Medical Center  
University of Kentucky

SUBJECT: Hospital Planning in San Antonio and Bexar County  
for a Medical School Center

This memorandum constitutes our formal report as your consultants. We were asked to provide some factual information and professional judgments from the point of view of medical education to help your committee reach certain decisions which would facilitate medical school center planning in Bexar County. You posed certain questions designed to assist in reaching a decision as to the site for the proposed medical center and in requesting from the state an adequate amount of planning money for the next fiscal biennium.

The question of a proper site for the medical center has received extensive discussion in San Antonio already and has been narrowed, for all practical purposes, to two alternatives--one, the area around the Robert B. Green Hospital and the other, in the Oak Hills site.

The specific questions which you posed are as follows:

1. What must be done in plans and construction to the Robert B. Green Hospital:

Plan A: For the present Robert B. Green Hospital (as the county hospital) to act as the primary teaching hospital in conjunction with other downtown hospitals? (This primary teaching hospital to be financed by the County, and the medical school to be financed by The University of Texas.)

Plan B: For a new County Hospital that might be built at Oak Hills in addition to the Robert B. Green Hospital, this to include consideration of the new Methodist Hospital being used in conjunction with a new County Oak Hills teaching hospital?

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2. What would be the estimated cost of operation?

Plan A: Of the reconstructed Robert B. Green Hospital as the only county teaching hospital?

Plan B: Of the combined county hospital units located both at the down town and at the Oak Hills sites?

3. What advice can be given as to federal finance that might be obtained to help with construction:

Plan A: At the Robert B. Green only?

Plan B: At the Robert B. Green plus the new Oak Hills hospital county units?

4. What advice can be given for budgeting for planning money?

Later in this memorandum we have answered these questions to the best of our ability. We have felt impelled, however, to broaden the scope of this report somewhat beyond your specific questions because we believe that there are some philosophic issues which are important to the sound development and financing of a medical school center and its program and some which relate to community patient care needs that have not been recognized adequately in San Antonio. Perhaps we have been presumptuous in broadening this report, but it is our sincere belief and hope that the additional comments may prove of value.

Our report is based upon a two-day visit to San Antonio, conversations with a number of interested citizens, a visit to the Robert B. Green Hospital and the Oak Hills site, and a review of considerable data and written material. We received excellent cooperation and gracious hospitality for which we are duly grateful. The pressure of time did not permit a detailed analysis of many points of interest; if necessary, these might be studied further at a later date. We believe, however, that the broad conclusions reached are valid and we hope that they will prove helpful to your Committee.

#### Historical Background

There have been serious efforts to secure a medical school in San Antonio since 1947. In 1957 the State Legislature authorized a third medical branch of The University of Texas at San Antonio. Following the 1957 legislative action, a committee of consultants headed by Doctor Joseph Hinsey, made a report to the President of The University of Texas relative to the development of a medical school center in Bexar County. In addition, the Bexar County Hospital District employed a consultant, Ross Garrett and Associates, to study its plant and to assist in planning an enlargement of the Robert B. Green Hospital and its possible use as a medical school teaching facility. In 1959 the State Legislature again authorized a State University medical branch in



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San Antonio. The County was specifically charged with providing the teaching hospital and the University of Texas, with providing the medical school. No funds were appropriated, but the legislation stipulated that the hospital must be within one mile of the medical school.

During the deliberations of the past thirteen years the concept has emerged that a medical center is needed--not just a medical school. The medical center concept, which is an entirely valid one, implies not only medical education but educational programs in other fields, such as dentistry, nursing and related professional and technical areas, in addition to a hospital and clinics for the diagnosis, treatment, and restorative services of patients essential for the teaching, research and service missions of the center.

Your consultants have been impressed with the careful study which has been given to the proposal for a medical school center and the large amount of interest and support which the proposal commands in the community. We wish to emphasize our general concurrence with the principles and premises upon which the recommendations of the Hinsey Committee were based. These provide a sound foundation for planning.

#### Some Impressions, Philosophy and General Recommendations

1. The need at present is for long-range planning which visualizes possible needs in an imaginative way for at least fifty years. It is evident that a tremendous growth in the population and economy of San Antonio and its region and human needs for health services and medical care will occur during this period of time. This means that the community must "think big." Some of the most difficult problems faced by existing medical centers today reflect the timid and inadequate thinking and planning which has occurred in the past. "Thinking big" refers to financial planning, and to planning for land needs and program. Although an investment of several million dollars now in capital plant may seem high, yet it is relatively small in the perspective of fifty years, or even in the perspective of the community's total annual expenditures at the present time for medical care. Medical education which is the foundation for all medical services, and its guarantee of quality for all people, does not command more than one or two per cent of the total national expenditures for medical care and health services.

The Hinsey Report called for a forty acre site as a minimum in a downtown area, assuming the construction of tall buildings, or 150 acres in a peripheral site with less tall construction. In the perspective of 50 years these figures are minimal and probably inadequate.

Land within a city which has been developed with buildings can be expensive, slow, difficult, and frustrating to acquire. As a medical center develops, land costs tend to increase. There are likely to be delays in acquisition which at best hamper the

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orderly building of facilities and development of program and at worst are likely to result in serious compromises. Your Committee must weigh these considerations against possible advantages in the redevelopment of a downtown site for a medical center.

It is the impression of your consultants that some citizens of San Antonio have not been "thinking big" enough for a new medical center and have underestimated the community's capacity for achievement, given unity.

2. The Hinsey Report emphasized that too much as well as too little clinical material can be a handicap. It should be emphasized, in addition, that the patients should reflect all economic levels in the community and that a strictly indigent population is not the optimal patient population for a medical school teaching program. One can take this point a step further and conclude that a hospital limited strictly to indigent patients is not the optimal kind of hospital for a community either for medical education or for patient care.

Although the pattern in Texas and in communities in some other states has been the creation of special hospitals limited to the care of the indigent, it would be better as a long-range development for the county indigent hospitals to accept some private or paying patients and for the county to pay voluntary hospitals for the care of some indigent patients. To achieve this condition would require a change in the Texas law, but it is a change that is worth working for.

Perhaps it is not too much to say that the various research institutions and programs now in the San Antonio area offer potentially more that is unique and valuable for medical education than does the super abundance of clinical material, useful as this may be.

3. A medical school center should be viewed as a regional institution. It should serve a large region of the state as a center for teaching and research and as a center with specialized diagnostic and treatment services available to all of the people of the region regardless of their economic level. If this is so, it is illogical to expect or require a single county to support completely the teaching hospital facilities of a medical center. The possible alternatives to placing the responsibility in only one county are to enlarge the County Hospital District to encompass all counties in the region served or to obtain some state support for the hospital operation. These two alternatives are not mutually exclusive. Although this broadened financial base may not be quickly achievable, it represents a desirable long-range goal.

4. Part of the problem in San Antonio and Bexar County is the failure to distinguish between the County's responsibility to meet the medical care needs of the indigent and its potential responsibilities for medical education. The assumption has been, on the part of some people, that a new County Hospital for the medical

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school will provide automatically all of the necessary services for the indigent. Although one would be foolish not to recognize that such a hospital would help in meeting these needs, it is false to assume that the entire problem will be met in this way. The admission policies of a teaching hospital must be geared to the needs of medical education, and these do not always coincide in magnitude or in character with the needs of the indigent for medical and hospital care.

Those responsible for the Robert B. Green Hospital and the care of the indigent have feared that a medical center development on a peripheral site might handicap seriously their efforts to meet the needs of the indigent. Part of this fear is based upon the fact that the Robert B. Green Hospital now is seriously inadequate. There are urgent needs to provide more adequate out patient clinic space, obstetrical, laboratory, and radiological facilities. A modest enlargement and improvement of the Robert B. Green Hospital costing perhaps, one to two million dollars could relieve this situation relatively quickly.

It does not seem likely that a new County Hospital of 300 or more beds as the primary medical school teaching facility, wherever located, will eliminate the need for the present Robert B. Green Hospital in the foreseeable future. Hence, the investment of funds as suggested here to improve this hospital could not be considered as waste. However, if nothing can be done to the Green Hospital until a new medical school hospital is completed, which would be 1966 at the earliest and might be somewhat later if any delays are encountered, then the staff of the Robert B. Green Hospital must work for a number of years under intolerable handicaps.

It is impossible to predict the exact needs and patterns of the future at this time. If a new County Hospital were located upon a peripheral site for the medical school, many indigent patients who now go to the Green Hospital would go to the new hospital; others would not. With a growing population, with a continuing and predictable sizeable number of indigent persons, with the changing patterns of medical problems, such as the increasing amounts of chronic disease requiring long term care, there should be no difficulty in using the present Robert B. Green Hospital effectively for a number of years to come, and at the same time using a new county teaching hospital. The exact functions of the present Green Hospital should be adapted to the changing needs of the community as they evolve and to the availability of other community resources, such as a new County Hospital. The planning studies for the medical center, if properly conducted, should be helpful to the Green Hospital in planning the future.

In time, when circumstances permit, new and efficient hospital facilities will be desired to replace the present plant at the Robert B. Green Hospital for patient care whether the new facilities are located at the present site or elsewhere. Whenever such facilities are provided, there will remain potential uses of value for the present building. For example, it might

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serve as a center for the community's governmental and voluntary health and welfare agencies and as a district public health center for the indigent population which the Green Hospital serves. A development of this kind would facilitate better coordination of a variety of agencies that now provide services which appear to be inadequately coordinated.

As pointed out later in this report, your consultants do not feel that the present Robert B. Green Hospital can be converted into a satisfactory primary teaching hospital for the medical school without an unnecessarily large expenditure of money. Thus, we believe that an entirely new hospital is the most efficient way to meet the needs for the medical school center development, wherever that development may be located. This conclusion, however, should not mean that the Robert B. Green Hospital is prevented from improving its plant to meet present and urgent needs. This does imply some modest capital expenditures for the Robert B. Green Hospital.

If this approach is adopted, it would seem to provide the best basis for uniting the community and making possible a rational decision as to site. It also should be emphasized that the present efforts of the Robert B. Green Hospital toward developing a nucleus full-time staff and an effective teaching program should not be abandoned but should be accelerated because the hospital can fit into the medical school's teaching program well if this is done, wherever the medical school may be located.

#### Basic Premises

Any plan for a medical school should be based on a projection for approximately fifty years. The medical school envisioned by the Board of Regents is for classes of one hundred so that planning should be done on that basis even though classes may begin with only fifty students per class. A usually accepted figure is 8 to 10 beds per student in the entering class so that a minimum of 400 beds would be required for teaching now, but planning of these beds should be projected so that an ultimate 800 to 1,000 beds could be accommodated without loss of functional arrangement. The primary teaching hospital for the medical school should be contiguous with the Medical Sciences Building where the primary educational functions would be housed. Secondary teaching hospitals such as the proposed Methodist Hospital which would be used in the program should be not more than five minutes walk from the Medical Sciences Building. Other affiliated hospitals, such as military, tuberculosis and mental, may be further removed.

Patients in the primary teaching hospital should be under the full control of a full-time faculty, and should include both in and out patients. It is entirely reasonable to accept the principle of limitation in the number of patients to those necessary for the teaching needs. Patients should include a complete cross section of society from the indigent through the full-pay

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private patients in order that students may have experience with all types of disease and with the effect of different social and economic factors on the long-range care of illness. Students should be exposed to only one quality of patient care and that should be high.

Whatever site is chosen should have adequate space for the ultimate projected educational program facilities for patient care and research, including animal quarters. Provision should be made, either on the site or immediately adjacent, for housing of medical students, house staff, and junior faculty, with housing available for nurses, technicians and other staff to operate the educational and patient care units. Other units may subsequently be built which would utilize the educational and patient care facilities. These would include graduate students in the basic medical sciences, nursing, the technologies and other skills in the health related services, as well as additional animal quarters which may take the form of a farm. It is anticipated that the cost of new construction will be essentially the same on any site chosen, except for the increase in maintenance attendant upon use of an old building.

#### Question 1

In answer to the specific questions posed the consultants, we would suggest the following for question 1: "What must be done in plans and construction to the Robert B. Green Hospital."

Plan A: It is our considered opinion that the present Robert B. Green Hospital is inadequate as a teaching hospital and cannot be rehabilitated in its present form to serve that purpose. It contains 109,000 square feet with 275 beds and obsolescent core facilities. To make the present hospital acceptable as the primary teaching unit for the new Medical School would require the construction of 300 new beds, plus teaching space. \* These facilities should include all elements necessary for good medical student teaching, such as class and seminar rooms, student laboratories and demonstration areas and, a psychiatric ward. A rough estimate indicated that approximately 300,000 square feet of new construction would be required at \$30 per square foot, or \$9,000,000. The core facilities would have to be constructed entirely new. The old core facilities and beds would need to be remodeled, which would cost in the range of \$20 per square foot, or \$2,000,000. The total construction cost would thus be about \$11,000,000.

These costs would be in addition to site costs. A minimum site should be in the range of 60 acres so that the Medical Sciences Building and teaching hospital could be constructed. It is recognized that these units would be quickly outgrown. It is assumed that private enterprise or the University would provide housing, as indicated above. It should be pointed out that the experience of others, such as the Bowman-Gray School of Medicine in Winston-Salem, North Carolina, indicate that it is expensive to attempt to renovate an obsolescent building

\* See note at close of report, page 41.

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and when one does remodel or renovate, the plant is still inefficient and abandonment may be anticipated ultimately. The consultants did not inspect the other downtown hospitals, but at best they could be used as secondary hospitals. Conversations with various people indicated that these hospitals might have only limited usefulness, since they have open staffs, were not constructed as teaching hospitals and limited interest has been expressed.

As an alternative, we would recommend that a minimum be done in rehabilitation and enlargement of the present Robert B. Green Hospital and that approximately 25% of the floor space, or 25,000 square feet, be added for teaching facilities utilizing the old core as it exists. The teaching addition would cost in the range of \$750,000 - \$1,000,000 not all of which might be eligible for matching with Hill Burton funds. With this addition, the present building would be usable as a secondary teaching hospital, through which students and house staff might be rotated from a primary teaching hospital elsewhere. This figure does not include any funds for a modest enlargement of patient care facilities which should not exceed \$1,000,000.

Plan B: A new primary teaching hospital would require at least 400 beds and approximately 400,000 square feet, based on the University of Florida experience. Construction would be in the range of \$30 per square foot or \$30,000 per bed for a total of \$12,000,000, plus the cost of the site. These figures would include outpatient clinics. If the Methodist Hospital were used as a secondary teaching hospital and were constructed close, if not actually connected to the Medical Sciences Building, we understand the Regents have indicated they would accept 300 beds in a new County Hospital, which would cost \$9,000,000.

Summarizing, if the old site were used, it would cost \$11,000,000, plus site costs; if a new hospital as the sole teaching facility were built it would cost \$12,000,000 plus site costs. If the new Methodist, and the old Robert B. Green with additions were used as secondary hospitals with a smaller new primary hospital the cost would be \$9,750,000 plus the cost of any enlargement of patient care facilities at the Robert B. Green Hospital.

#### Question 2

In answer to the second question: "What would be the estimated cost of operation?" We would suggest the following:

Plan A: The present 275 beds plus 300 new beds for a total of 575 beds, on the basis of experience elsewhere as a first class teaching hospital would cost in the range of \$30,00 per day, per patient, to operate. At 80% occupancy, this would amount to approximately \$5,037,000 per year.

Plan B: If 400 beds were built and used as a sole teaching hospital, at 80% occupancy, and \$30 per patient day, it would cost \$3,509,000 to operate yearly. If only 300 beds were built at



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the same rate of occupancy, it would cost \$2,632,000. If 275 beds were maintained on the old site it would probably cost about \$22 per patient day to operate since services would be somewhat limited (e. g. little or no psychiatry). At 80% occupancy, the cost would be \$1,744,000. This sum plus 300 beds at a new site would mean an annual operating cost in the range of \$4,376,000.

### Question 3

On the third question: "What advice can be given as to Federal finance that might be obtained to help with construction?" We would point out that Hill-Burton are the only Federal funds presently available for teaching hospital construction. These funds should be equally available under Plan A or B for new construction. Hill-Burton funds might be less available for renovation of old than for construction of new facilities, and less available for construction of teaching than of patient care facilities. Teaching facilities for house staff can be built in new construction as part of an overall plan, but addition of purely teaching space for medical students might be questioned.

### Question 4

On question 4: "What advice can be given for budgeting for planning money?" Experience elsewhere has indicated that planning for an educational program exclusive of architectural planning, would cost in the range of \$100,000 and would require two years to complete. For Preliminary architectural schematic drawings, we would strongly urge that the teaching hospital and the Medical Sciences Buildings be planned as a unit, wherever they are located. It would be reasonable to assume that the Hospital District and the Board of Regents might share in the cost of this planning, which with educational planning would probably total \$250,000. An appropriation in 1961 for planning would give two years in which the community, the profession, the hospital authority and the University could explore in considerable detail all of the complicated ramifications concerned in the establishment of a new school in conjunction with existing hospitals. The person in charge of this planning should be the future dean or a likely candidate. The exact amount needed for the determined educational program could then be documented to obtain a construction and operating appropriation in 1963. The Medical Sciences Building could be constructed and opened by late summer of 1965 with the first class of students. The teaching hospital would be required by late 1966 or very early 1967 for the beginning of clinical instruction with patients.

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\* See page 38. Question 1, Plan A.

It should be noted that the renovation and enlargement of the Robert B. Green Hospital as recommended would give a total of 575 beds, which is greater than the 400 assumed as the minimum number for the primary teaching hospital. The larger number has been used for two reasons:

1. It would make the bed capacity of the County Hospital system equivalent under either Plan A or Plan B.
2. It would permit the Hospital to discharge its full responsibility to the indigent and also permit the acceptance of other patients from the region which the medical center will serve. If the hospital cannot accept these other patients, its value as a primary teaching facility would be seriously compromised.

The Citizens Committee (The South Texas Medical School Development Committee) received the foregoing report and thereafter unanimously passed on May 9, 1960, the following resolution:

It is recommended that the South Texas Medical School Development Committee accept the report and take proper steps to carry out the recommendations of these two consultants, Doctor William Willard and Doctor George T. Harrell and, specifically, this Committee of One Hundred hereby agrees:

1. To support the call for a bond issue, with appropriate increase in the tax rate to service same, that will provide initially for an adequate rehabilitation program for the Robert B. Green Hospital, such rehabilitation to be coordinated into the total program and planning of the Board of Regents for a Medical School and Center.
2. To pledge to the Board of Regents, The University of Texas, the erection of a new 300 bed unit hospital, when and as needed, which will not be for several years, at the site recommended by the Hinsey Report approved by the Board of Regents in October and by these consultants, which is the Oak Hills Site, to be used in conjunction with the Methodist Hospital and the Robert B. Green Hospital as the teaching hospital.
3. To request the Board of Regents to put in their budget for the next biennium, at least \$100,000.00 for intensive planning, in conjunction with this Committee, with the Board of Managers of the

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Bexar County Hospital District, and with others concerned, for the implementation of this program.

Passed unanimously by The South Texas Medical School Development Committee at meeting on ninth day of May, 1960, in the North Terrace, Gunter Hotel, San Antonio, Texas.

\_\_\_\_\_  
HOWELL JONES  
Secretary

\_\_\_\_\_  
ELBERT DE COURSEY  
Chairman

Chairman Minter stated that he did not want to mislead the Board by saying that everyone is happy about the situation but he did state that the recommendation of The South Texas Medical School Development Committee also was unanimously approved by the San Antonio Chamber of Commerce on May 10, 1960, as reflected in the following resolution from that organization:

WHEREAS the San Antonio Chamber of Commerce has worked for more than forty years toward the establishment of a Medical School Branch of The University of Texas to serve the vast South Texas area of the state, and

WHEREAS the successive legislative attempts resulted in the passage by the Texas Legislature in 1959 of an act instructing The University of Texas to make long-range plans for the establishment of a third medical branch of The University of Texas to be located in Bexar County and to be known as The South Texas Medical School, and

WHEREAS the San Antonio Medical Foundation was founded in 1947 by the San Antonio Chamber of Commerce to spearhead the efforts of South Texas to secure a medical school, and

WHEREAS extensive studies have been made by teams of nationally-known medical school authorities for the San Antonio Medical Foundation and The University of Texas, and

WHEREAS The South Texas Medical School Development Committee organized by the San Antonio Medical Foundation and composed of one hundred leading San Antonio business and professional people have worked for the past six months in an intensive effort to unify the plans for a medical school with supporting teaching-hospital facilities, and

WHEREAS The South Texas Medical School Development Committee has voted unanimously to recommend to the Board of Regents of The University of Texas that funds be allocated in the current budget of the University to carry out intensive planning for these new medical facilities, and

WHEREAS these recommendations provide for the rehabilitation of the Robert B. Green Hospital as a secondary teaching hospital to be coordinated into the total program and planning

of the Board of Regents, The University of Texas, the construction of a new teaching hospital on the Oak Hills site and a new medical complex,

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NOW THEREFORE BE IT RESOLVED that the Board of Directors of the San Antonio Chamber of Commerce commends the San Antonio Medical Foundation and The South Texas Medical School Development Committee for these aggressive actions and joins with them in their sustained efforts to locate in San Antonio modern medical teaching facilities which will benefit not only the vast area of which San Antonio is the capital but will indeed serve all humanity,

FURTHERMORE, the San Antonio Chamber of Commerce pledges to the Board of Regents of The University of Texas and to the San Antonio Medical Foundation the civic support required to make these dreams become a great humanitarian reality.

Unanimously adopted this Tenth Day of May, A. D., 1960, by the Board of Directors of the San Antonio Chamber of Commerce.

\_\_\_\_\_  
MELVIN SISK  
Executive Vice-President

\_\_\_\_\_  
JAMES W. LAURIE  
President

Chairman Minter read the following letter from James P. Hollers, M.D., Chairman of the San Antonio Medical Foundation, dated May 11, 1960:

There is enclosed a plat entitled Unit I, Oak Hills Park. You will note this shows the 25.127 acres of the Southwest Texas Methodist Hospital tract, and another tract designated as Block 6, NCB 12816, comprising 170.576 acres.

This Block 6 is owned by the San Antonio Medical Foundation and is known as the Oak Hills Medical Center site.

The San Antonio Medical Foundation is prepared to allocate to the University of Texas, 100 acres of this Oak Hills Medical Center site, to be selected by the University of Texas, on which to develop medical, dental, and ancillary educational facilities. It is understood that adequate space from this area shall be reserved for the Hospital District supported Teaching Hospital, to be constructed for use with, and contiguous to, the Medical Sciences Building.

It is understood that this property is being held awaiting culmination of plans by the University of Texas and will be conveyed to the University of Texas for the above purposes when requested.

This is in accordance with action taken at a meeting today of the Board of Trustees, San Antonio Medical Foundation, and confirms previous verbal promises made to the Texas Legislature and to the Board of Regents, that a site for the South Texas Medical School will be provided free of cost.

(A copy of this letter is in the Secretary's Files, Volume VII, Page 175.)

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Chairman Minter then read the following telegram supplementing the information conveyed in the letter from James Hollers, M. D., dated May 11, 1960:

Merton M. Minter, M. D.  
Chairman, Board of Regents  
The University of Texas  
Jack Tar Courts  
Galveston, Texas

To supplement our letter of May 11th offering to convey to The University of Texas certain acreage in Medical Center Tract. We further agree that the San Antonio Medical Foundation will give the Board of Regents the authority to approve all developments that go into the balance of the Medical Center property.

J. P. Hollers, Chairman  
The San Antonio Medical Foundation

(The following telegram was also received from The Southwest Texas Methodist Hospital:

Merton M. Minter, M. D.  
Chairman, Board of Regents  
The University of Texas  
Jack Tar Courts  
Galveston, Texas

The Southwest Texas Methodist Hospital continues to pledge its cooperation with The University of Texas in establishing a first class medical school in San Antonio. Ground breaking for the first unit of 175 beds will be May 25 and completion will take two years. The Board of Trustees have accepted a Master Plan for 750 beds and the second unit is to be backed by a strong reliable foundation. Initial planning is already done on this unit which will be started very soon after the completion of the first. Bed complement will then be 450 plus teaching facilities. At this date no medical staff has been appointed. Board pledges cooperation here in arriving at a teaching staff completely satisfactory to the Dean and the Hospital. Integrity of Methodist backs this pledge.

W. D. Hamrick, Administrator  
Donald E. Redmond, President)

After a detailed discussion by the Committee of the Whole, Mrs. Devall moved that the Board adopt a resolution expressing to the San Antonio Medical Foundation, The South Texas Medical School Development Committee, and to others interested their appreciation for the cooperation shown and further authorized that there be placed in the Legislative Budget Requests for 1961-63 an appropriation of \$100,000.00 for intensive planning for The South Texas Medical School during the biennium. Mr. Heath seconded the motion which prevailed.

Reports, Medical Branch: General and Gifts from The Sealy and Smith Foundation 1950-59, Inclusive. --The Medical Affairs Committee heard informational reports from Doctor Truslow regarding Medical Branch matters and also received in the Material Supporting the Agenda the following list of gifts from The Sealy and Smith Foundation to the Medical Branch during the past ten years (1950-59, inclusive):

5 - 14 - 60

1950 .....	\$ 84,902.67
1951 .....	68,000.00
1952 .....	68,000.00
1953 .....	69,503.10
1953 .....	11,161,184.86 (New Hospital)
1954 .....	98,055.23
1955 .....	98,814.96
1956 .....	76,400.13
1957 .....	102,218.52
1958 .....	126,000.00
1959 .....	594,969.68
Total - 10 years	<u>\$12,548,049.15</u>

Policy re Retirement of Deans and Departmental Chairmen, Medical Branch and Southwestern Medical School. --At the request of Doctor Truslow and Doctor Gill, the Medical Affairs Committee approved the following recommendation of the Administration regarding the retirement of deans and departmental chairmen:

It is recommended that the following statement be approved for immediate application and subsequent inclusion in the Institutional Supplements of the Medical Branch and the Southwestern Medical School:

Retirement of Deans and Departmental Chairmen.-- Every dean and every department chairman will retire as dean or department chairman, as the case may be, to appropriate teaching status in his particular field at the close of the fiscal year in which his 65th birthday occurs.

Adoption of Report. -- Upon motion of Mr. Bryan, duly seconded, the Board adopted the foregoing report of the Medical Affairs Committee.

REPORT OF LAND AND INVESTMENT COMMITTEE. --Vice-Chairman Johnson moved the adoption of the report of the Land and Investment Committee, stating that the Administration's recommendations (Attachment No. 1) had been approved in the exact form as distributed to the Regents prior to the meeting. Mr. Bryan seconded the motion which prevailed, and this report (Attachment No. 1, Pages L-1 through L-21) is appended following Page 51 of the minutes and is made a part thereof.



REPORT OF EXECUTIVE COMMITTEE--INTERIM ACTIONS (FEBRUARY 23--APRIL 25, 1960). --It was moved by Committee Chairman Hardie that the report of the Executive Committee as set out below and as submitted in the Material Supporting the Agenda be adopted: 5-14-60

The following items have been presented to and approved by the Executive Committee for the period February 23--April 25, 1960. Each item, recommended by the respective institutional head concerned and concurred in by President Wilson, has been incorporated in the docket of the May 13-14, 1960 meeting with approval of Executive Committee indicated.

1. Budgetary Items

- a. Main University. --One item recommended by Vice-President and Provost Ransom and reported as a part of Item 3, Page M-2 of attached docket.
  - b. Medical Branch. -- One item recommended by Executive Dean and Director Truslow and reported as a part of Item 3, Page G-2 of attached docket.
  - c. M. D. Anderson Hospital and Tumor Institute. -- One item recommended by Director Clark and reported as a part of Item 3, Page A-1 of attached docket.
  - d. Southwestern Medical School. --One item recommended by Dean Gill and reported as a part of Item 3, Page S-1 of attached docket.
2. Absence from the Campus in Excess of Two Weeks, Main University. --Absence of Doctor Barbara H. Bowman as incorporated in the attached docket on Page M-30.

These items are reported for ratification of the Board.

Adoption of Report. --Mrs. Devall seconded the motion which prevailed.

APPROVAL OF MINUTES, MARCH 1960. --Upon a motion duly made and seconded, the Minutes of the regular meeting of the Board of Regents of The University of Texas, held in Austin, Texas, on March 12, 1960, were approved in the form as circulated by the Secretary.

RESOLUTION OF APPRECIATION, MR. HOWARD TELLEPSEN. -- Upon motion of Mr. Heath, seconded by Mr. Hardie, the Board unan- imously adopted the following resolution of appreciation to Mr. Tellep- sen for his hospitality on May 12:

Our warm appreciation is expressed to Mr. Howard Tellepsen, Chairman, and the members of the Board of Directors of the Houston Navigation District for the delightful trip down the

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Houston Ship Channel aboard their inspection boat, the Sam Houston, on May 12, and for their gracious hospitality to us on this occasion.

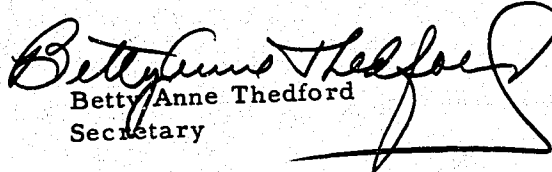
5-14-60

SCHEDULED MEETINGS OF THE BOARD. --The following meetings of the Board of Regents have been scheduled in Austin:

July 1-3, 1960  
July 13, 1960 (Special meeting to consider Bond Issue)  
August 19-20, 1960  
September 23-24, 1960

There is also scheduled at 10:00 a. m. on September 23, 1960, a joint meeting of the Governing Boards of State Colleges and Universities.

ADJOURNMENT. --The Board adjourned at 5:20 p. m.

  
Betty Anne Thedford  
Secretary

5-14-60

TABULATION OF BIDS

REPAIR OF CORNICES AND ROOFS, GARRISON HALL AND BIOLOGICAL LABORATORIES, Main University, Austin, Texas

Bids Opened: 2:30 p. m. - Tuesday, 12 April 1960

<u>Contractor #</u>	<u>Base Proposal No. 1</u>	<u>Base Proposal No. 2</u>	<u>Combination Proposal</u>	<u>Alt. #1 Deduct</u>	<u>Alt. #2 Deduct</u>	<u>Work Days</u>
D. Anderson	--	--	\$48,000.00	\$ 740.00	\$ 920.00	90
Southern Builders Supply	\$23,970.00	\$25,800.00	\$49,770.00	\$2,900.00	\$3,100.00	140

W. D. Anderson, 5% Bond  
Southern Builders Supply, \$2488.50 Check

REPAIR OF ROOFS AND ROOF DECKS, MAIN BUILDING, Main University, Austin Texas

Bids Opened: 2:30 p. m. - Tuesday, 12 April 1960

<u>Contractor #</u>	<u>Base Proposal</u>	<u>Alt. #1 Deduct</u>	<u>Working Days</u>	<u>Check or Bond</u>
H. E. Little & Co.	\$19,211.00	\$3,870.00	120 Days	5% Bond
Scheumack Brothers	\$ 9,992.00	\$3,652.00	100 Days	5% Bond
Southern Builders Supply	\$16,952.00	\$4,500.00	140 Days	\$847.60 Check

TILE FLOORS AND WALLS FOR SHOWER AND TOILET ROOMS (REVISED)  
GREGORY GYMNASIUM, Main University, Austin Texas

Bids Opened: 2:30 p. m. , Tuesday, 12 April 1960

<u>Contractor #</u>	<u>Base Proposal</u>	<u>Alt. #1 Deduct</u>	<u>Alt. #2 Deduct</u>	<u>Check or Bond</u>
City Tile	\$22,900.00	\$1,850.00	\$3,245.00	\$114.50 Check *
Tile, Inc.	\$22,000.00	\$1,931.00	\$3,118.00	5% Bond

\* This bid not a valid bid since check is in amount of .5% rather than 5% of amount bid.

# All contractors are located in Austin, Texas.

FURNITURE AND FURNISHINGS, THE TEXAS UNION, Main University, Austin,

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Bids Opened: 10:30 a. m. - Thursday, 20 April, 1960, at Austin, Texas 5-14-60

Contractor	Check or Bond	Proposal "A" (Furn.)	Proposal "B" (Furn.)	Proposal "C" (Furn.)	Proposal "D" (Drap.)	Proposal "E" (Carpet.)
Abel Sta- ners, Austin	5% B	\$81,553.80	\$18,485.59	\$22,717.88	\$8,992.00	\$28,626.00
Alternate Pro- posal - Abel			21,500.00			
Wans-Walsh, , Houston	5% B	82,745.00	20,026.00	27,580.00		
Modern Floors, , Austin	5% B					23,981.00
M. Oetting Furn. , Austin	\$1,000 B \$16.25 C		20,325.02			
Paul's Interiors, Austin	\$421.35 C				8,427.00	
Lockford Furn. Assoc., Austin	5% B	79,658.20	19,586.00	30,887.00	8,427.00	25,187.00
Wiland Furn. , Houston	5% B		20,530.10	29,536.14	8,923.20	26,920.20
Wiche-Goettinger , Dallas	5% B	81,123.50	18,743.65	28,031.00	8,850.00	25,631.00

Combined Proposals "A, B, C, D, E,"

Remarks

Abel Sta- ners, Austin	\$159,878.00	Bid partly qualified by letter Alternates offered on certain unit prices
Wans-Walsh, , Houston		Bid partly qualified by letter
Paul's Interiors, Austin		Bid partly qualified by letter
Lockford Furn. Assoc., Austin	\$162,445.00	

ADDITIONAL TEST DATA FACILITIES, Texas Western College, El Paso, Texas

Bids Opened: 10:30 a. m. - Thursday, 5 May, 1960, at Austin, Texas

Bidder *	Check or Bond	Base Bid	Lot 1	Lot 2	Remarks
The Banes Company, Inc.	5% B	\$21,495.00	\$2,600.00	\$18,895.00	
Building Mart, Inc.	5% B	21,478.00	3,358.00	18,120.00	
Kilgore Brothers, Inc.	5% B	30,000.00 (-950.00)	4,324.00 (-950.00)	25,676.00	Telegraphic Modification
Prati and Prati	5% B	26,315.00	3,800.00	22,515.00	

El Paso, Texas

BIDDING FOR PRINTING DIVISION, Main University, The University of Texas,  
 in, Texas 772

Opened: 2:30 p. m. - Thursday, 5 May, 1960, Austin, Texas

5-14-60

Consulting Architect: Jessen, Jessen, Millhouse & Greeven  
 Associate Architects: Baldridge and Saunders

GENERAL CONTRACT

Bidder *	Base Bid	Alt. #1 (Add)	Alt. #2 (Add)	Alt. #3 (Add)	Alt. #4 (Add)	Bid Bond
Badgett Const. Co. Inc.	\$127,100.	\$4,777.	\$6,151.	\$475.	\$20.	5%
in Broad Const. Co.	135,464.	5,991.	7,008.	438.	493.	5%
C. Bryant, Inc.	122,642.	4,920.	8,115.	625.	50.	5%
W. Bryant, Const. Co.	142,619.	6,325.	6,875.	450.	529.	5%
ize-Kitchens, Const. Co.	154,000.	7,000.	8,000.	500.	650.	5%
is-Holstien, Inc.	139,217.	4,800.	10,000.	600.	600.	5%
C. Evans Const. Co. Inc.	122,265.	5,558.	7,352.	433.	490.	5%
omas Hinderer	133,500.	8,500.	12,000.	800.	1,000.	5%
L. McGee	128,700.	5,475.	7,280.	500.	100.	5%
M. Odom Const. Co.	143,729.	6,799.	7,499.	749.	79.	5%
C. Peterson Co.	124,800.	6,727.	7,934.	550.	550.	5%
rbrough Const. Co.	117,511.	4,463.	7,768.	574.	25.	5%

MECHANICAL

Bidder *	Plumbing	Heating Vent. & Air Cond.		Comb. Bid	Bid Bond	
	Base Bid	Base Bid	Alt. #1 (Add)			Alt. #2 (Add)
M. Boyer			\$606.	\$2,200.	\$56,329.	5%
& S Company	\$14,207.	\$52,311.	404.	2,074.	66,000.	5%
ox - Schmidt	11,681.					
atkin & Company		46,400.	600.	2,100.	59,200.	5%
orter Plumbing & Heatg.	12,606.	49,327.	496.	1,867.	59,934.	5%
Company						5%
G. Puryear	13,380.					5%
G. Sosa & Sons Plumbg.	11,400.					5%
R. Wattinger	13,252.					5%
L. Arnold Co. Inc.		46,693.	863.	1,996.		5%
trandtmann Air Cond. Co.		52,325.	935.	2,420.		5%
ay Engineering Co.		43,240.	1,437.	505.	54,140.	5%
oung & Pratt		44,669.	1,093.	1,787.	57,469.	5%

ELECTRICAL

Bidder *	Base Bid	Alt. #1 (Add)	Alt. #2 (Add)	Bid Bond
Fox - Schmidt	\$46,218.00	\$850.00	\$70.00	5%
O.H. Cummins Elec. Co.	44,911.00	540.00	80.00	5%
Grimes Elec. of Austin, Inc.	47,117.00	764.00	55.00	5%
W.K. Jennings Elec. Co.	49,964.00	942.00	107.00	5%
Dean Johnston, Inc.	44,755.00	940.00	80.00	5%
Nozick Elec. Co.	51,997.00	650.00	65.00	5%
Carson Smith Elec. Contr.	46,962.00	700.00	60.00	5%
Seco - Smith Elec. Co.	37,700.00	550.00	90.00	5%
Walter A. Tew Electric	43,608.00	573.00	32.00	5%

All are of Austin, Texas.

CENTRAL WATER CHILLING STATION NO. 2, Main University, The University of  
 Austin, Texas

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Opened: 3 May, 1960, Austin, Texas

5-14-60

GENERAL CONSTRUCTION

Bidder *	Base Bid	Alt. #1 (Deduct)	Alt. #2 (Add)	Alt. #3 (Add)	Remarks
Broad Const. Co.	412,743.	11,920.	5,558.	8,006.	5% Bond Proposal not signed
Evans Const. Co.)					
Thomas Hinderer	420,000.	11,000.	6,000.	6,000.	5% Bond
McGee Const. Co.	367,000.	10,000.	5,000.	No Bid	5% Bond
Odom Const. Co.	343,000.	11,750.	5,700.	1,650.	5% Bond Proposal not signed
Peterson Co.)					
J. Stokes of San	367,367.	12,321.	5,775.	8,118.	5% Bond
Marcos					
D. Yarborough	376,871.	15,000.	6,200.	6,900.	5% Bond

MECHANICAL & ELECTRIC WORK

Bidder *	Base Bid	Alt. #1 (Add)	Remarks
Slinger & Helmly Inc.**	329,296.	5,000.	5% Bond
M. Boyer	269,839.	1,750.	5% Bond
O. Davis Inc.	348,000.	3,000.	5% Bond
Natkin & Company	299,500.	10,000.	5% Bond
Porter Plumbing & Heating Co.	295,022.	1,893.	5% Bond
Way Engineering Company	280,744.	2,500.	5% Bond
Young & Pratt	255,800.	3,300.	5% Bond
<u>Combination Bid No. 1</u>			
M. Boyer	263,329.	1,750.	5% Bond
Brown-Olds P. & H. Corp.***	290,909.	± 3,959.	5% Bond
O. Davis Inc.	341,910.	3,000.	with other bid
Natkin & Co.	294,500.	10,000.	with other bid
Porter P. & H. Co.		8,525.	← Total Alternate
<u>Lump Sum Combination Bid from Porter P. &amp; H. Co. - \$693,387.00</u>			

ADDITIONS & MODIFICATIONS TO UTILITY SYSTEMS  
PROJECT 1-60

Bidder *	Base Bid	Alt. #1 (Add)	Remarks
M. Boyer	407,779.	7,666.	5% Bond
R.O. Davis	549,000.	10,000.	5% Bond
Natkin & Co.	437,500.	20,000.	5% Bond
Porter Plumbing & Heating Co.	408,865.	6,632.	5% Bond
C.G. Puryear	386,200.	6,000.	5% Bond
Way Engineering Co.	403,354.	8,400.	5% Bond
<u>Combination Bid No. 1</u>			
M. Boyer	404,500.	7,666.	
Brown-Olds P. & H. Corp.***	450,387.	± 15,277.	
R.O. Davis Inc.	539,392.	10,000.	
Natkin & Company	432,500.	20,000.	

All are of Austin, except \*\* San Antonio \*\*\* Dallas



# ATTACHMENT NO. 1

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5-14-60

PERMANENT UNIVERSITY FUND -- INVESTMENT MATTERS.--

REPORT OF PURCHASES AND SALES OF SECURITIES.--The following purchases and sales of have been made for the Permanent University Fund since the meeting of March 11, ask that the Board ratify and approve these transactions:

## PURCHASE OF SECURITIES

### CORPORATE BONDS

Security	Par Value of Bonds Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
Duquesne Light Company 5% S. F. Debentures, dated 3/1/60, due 3/1/2010	\$ 250,000	100.922 Net	\$ 252,305.00	4.95%
The Dayton Power & Light Company First Mtge. Bonds, 5-1/8% Series, dated 3/1/60, due 3/1/90	250,000	100.381 Net	250,952.50	5.10
Niagara Mohawk Power Corporation General Mtge. Bonds, 4-3/4%, dated 4/1/60, due 4/1/90	500,000	100.799 Net	503,995.00	4.70
Carolina Power & Light Company First Mtge. Bonds, 4-7/8% Series, dated 4/1/60, due 4/1/90	250,000	100.393 Net	250,982.50	4.85
Alabama Power Company 5% First Mtge. Bonds, dated 4/1/60, due 4/1/90	250,000	100.309 Net	250,772.50	4.98
The Mountain States Telephone & Telegraph Company 5% Debentures, dated 4/1/60, due 4/1/2000	250,000	102.279 Net	255,697.50	4.87
Iowa-Illinois Gas and Electric Company 5% First Mtge. Bonds, dated 4/15/60, due 4/15/90	250,000	101.00 Net	252,500.00	4.935
The Cincinnati Gas & Electric Company First Mtge. Bonds, 5% Series, dated 5/1/60, due 5/1/90	250,000	101.96 Net	254,900.00	4.875
<b>Total Corporate Bonds Purchased</b>	<b>\$2,250,000</b>		<b>2,272,105.00</b>	<b>4.89</b>

### COMMON STOCKS

	No. of Shares Purchased			
Bank of America National Trust & Savings Association Common Capital Stock	400	45-3/4 Net	\$ 18,300.00	4.15%
Continental Illinois National Bank & Trust Company of Chicago Common Capital Stock	200	112-1/2 Net	22,500.00	3.56
Continental Casualty Company Capital Stock	300	68-3/4 Net	20,625.00	1.86
Smith Kline & French Laboratories Common Stock	800	50-5/8	40,852.48	2.45

des brokerage commissions paid.  
to maturity for bonds; yield at present indicated dividend rate for stocks.

## COMMON STOCKS (Continued)

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5-14-60

Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
United States Gypsum Company Common Stock	600	93-3/4(300) 93-1/2(100) 93 (100) 92-3/4(100)	\$ 56,340.07	3.35%
Republic Steel Corporation Common Stock	700	65-1/4(100) 65-1/8(200) 64-7/8(100) 64-5/8(100) 64-1/2(200)	45,718.40	4.59
Texas Utilities Company Common Stock	700	75-7/8(400) 75-3/4(300)	53,401.10	2.52
The Atchison, Topeka & Santa Fe Railway Company Common Capital Stock	1,900	23-1/4(100) 23-1/8(400) 24-1/4(900) 24-1/8(500)	46,048.74	5.98
International Business Machines Corporation Capital Stock	100	408-1/4	40,900.00	0.73
Ingersoll-Rand Company Common Stock	600	75-1/4	45,429.18	5.28
Shell Oil Company Common Stock	1,400	32	45,290.00	3.40
General Foods Corporation Common Stock	500	99-7/8(200) 99-3/4(100) 99-5/8(100) 99-1/2(100)	50,107.37	2.59
Virginia Electric and Power Company Common Stock	1,300	39-1/2(800) 39-3/8(100) 39-7/8(400)	51,991.95	3.00
Gulf States Utilities Company Common Stock	1,500	29-1/2(300) 29-3/8(600) 29-1/4(600)	44,530.17	3.37
General Telephone & Electronics Corporation Common Stock	300	74-3/8	22,451.82	2.94
American Home Products Corporation Capital Stock	400	160-1/2(200) 160 (200)	64,320.10	2.64
Gulf Oil Corporation Capital Stock	1,800	32 (1300) 31-3/4(500)	58,104.40	3.10
Minnesota Mining & Manufacturing Company Common Stock	300	180-1/4	54,246.09	0.88
Westinghouse Electric Corporation Common Stock	900	50-7/8	46,184.31	2.34
Oklahoma Gas & Electric Company Common Stock	1,700	31 (700) 31-3/4(1000)	54,040.30	3.52
American Cyanamid Company Common Stock	1,000	50-1/8(400) 50-1/4(600)	50,640.22	3.16
The Goodyear Tire & Rubber Company Common Stock	1,300	36-3/8	47,770.97	2.45

\*less brokerage commissions paid.  
\*\*at present indicated dividend rate.

## COMMON STOCKS (Continued)

776  
5-14-60

Security	No. of Shares Purchased	Market Price at Which Purchased	Total Principal Cost*	Indicated Current Yield on Cost**
Republic National Bank of Dallas Common Capital Stock	200	73-3/4 Net	\$ 14,750.00	2.28%
Chemical Bank New York Trust Com- pany Capital Stock	300	59 Net	17,700.00	4.07
The Travelers Insurance Company Capital Stock	300	81 Net(200) 80-7/8N(100)	24,287.50	1.73
Bethlehem Steel Corporation Common Stock	1,100	45-1/8(500) 45-1/4(600)	50,170.08	5.26
General Electric Company Common Stock	500	92-1/2	46,491.25	2.15
The Procter & Gamble Company Common Stock	500	96	48,243.00	2.69
Carolina Power & Light Company Common Stock	1,300	39 (500) 38-3/4(100) 38-7/8(100) 39-1/2(600)	51,464.32	3.33
Central & South West Corporation Common Stock	1,500	34-1/8(300) 34 (600) 33-7/8(300) 33-3/4(300)	51,464.64	2.80
Armstrong Cork Company Common Stock	1,100	43-3/4(500) 43-1/2(600)	48,423.90	3.86
Baltimore Gas & Electric Company Common Stock	1,800	27-1/8(400) 26-5/8(300) 26-7/8(300) 27 (200) 26-3/4(400) 26-1/2(200)	48,883.51	3.68
American Telephone & Telegraph Company Capital Stock	600	89-7/8	54,212.94	3.65
Chas. Pfizer & Co., Inc., Common Stock	1,900	29-1/2(1600) 29-1/4(300)	56,615.89	2.68
The First National Bank of Boston Capital Stock	300	68-1/2 Net	20,550.00	4.38
The First National Bank of Chicago Common Stock	300	66-3/4 Net	20,025.00	2.40
United States Fidelity and Guaranty Company Capital Stock	600	37-3/4 Net	22,650.00	2.65
Total Common Stocks Purchased	<u>31,000</u>		<u>1,555,724.70</u>	<u>3.13</u>
Total Corporate Securities Purchased			<u>\$3,827,829.70</u>	<u>4.17%</u>

es brokerage commissions paid.  
at present indicated dividend rate.

SALES OF SECURITIES

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5-14-60

Net Sales  
Proceeds#

1/3rd share Aetna Life Insurance Company Capital Stock received in 3% stock dividend	\$28.27
20/40ths share Marine Midland Corporation Common Stock received in 2-1/2% stock dividend	13.20
18/100ths share Mellon National Bank & Trust Company Common Capital Stock received in 2% stock dividend	72.67

#Cash received deposited to principal endowment and holding of stock involved written down by same amount.

5-14-60

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, and all have been approved as to form by the University Land and Trust Attorney and as to content by the Endowment Officer. The Land and Investment Committee recommends that the Board approve these applications and authorize the Chairman of the Board to execute the instruments involved:

PIPE LINE EASEMENT NO. 1461, SOUTHERN UNION GAS COMPANY, PECOS COUNTY (RENEWAL OF NO. 431).--This application for a pipe line easement covers 252 rods of  $4\frac{1}{2}$ -inch line and 1,999 rods of  $5\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning January 1, 1960 and ending December 31, 1969, located in Sections 5, 8, 16, 17, 21, 28 and 33, Block 16; and Sections 3 and 4, Block 17, Pecos County. Consideration of \$1,125.50 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1462, EL PASO NATURAL GAS COMPANY, CROCKETT COUNTY.--This application for a pipe line easement covers 861.878 rods of  $4\frac{1}{2}$ -inch line at \$0.50 per rod for the 10-year period beginning April 1, 1960 and ending March 31, 1970, located in Sections 3, 10, 11, and 14, Block 29, Crockett County. Consideration of \$430.94 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1463, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY.--This application for a pipe line easement covers 101.788 rods of  $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning April 1, 1960 and ending March 31, 1970, located in Sections 21 and 24, Block 1, Andrews County. Consideration of \$50.89 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1464, PHILLIPS PETROLEUM COMPANY, ANDREWS, CRANE AND UPTON COUNTIES.--This application for a pipe line easement covers 197.3 rods of  $3\frac{1}{2}$ -inch line at \$0.25 per rod and 19.2 rods of  $4\frac{1}{2}$ -inch line at \$.50 per rod for a 10-year period beginning March 1, 1960 and ending February 28, 1970, located in Section 31, Block 5, Andrews County; Section 37, Block 30, Upton County; and Section 14, Block 35, Crane County. Consideration of \$58.93 for the 10-year period has been received.

WATER INJECTION SITE EASEMENT NO. 1465, PAN AMERICAN PETROLEUM CORPORATION, ANDREWS COUNTY.--This application for a water injection site covers a 10-acre tract in Section 18, Block 11, Andrews County, on which is located abandoned University "IL" Well No. 1, which is to be converted into an injection well for the purpose of a secondary recovery program being conducted by Pan American (unit operator) in the Three Bar Unit, Andrews County. Water produced from the Three Bar Unit area or from other supply sources of the lessee will be injected into the Devonian formation of the abandoned "IL" Well No. 1. Any pipe line that may be necessary will be installed under separately negotiated terms at the standard rates. This easement will be for a period of 10 years beginning April 1, 1960 and ending March 31, 1970 at a total consideration of \$500.00, which has been received.

PIPE LINE EASEMENT NO. 1466, EL PASO NATURAL GAS COMPANY, CROCKETT COUNTY.--This application for a pipe line easement covers 112.666 rods of  $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning April 1, 1960 and ending March 31, 1970, located in Section 1, Block 29, Crockett County. Consideration of \$56.33 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1467, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY.--This application for a pipe line easement covers 116.261 rods of  $4\frac{1}{2}$ -inch line at \$0.50 per rod for a 10-year period beginning May 1, 1960 and ending April 30, 1970, located in Section 34, Block 1, Andrews County. Consideration of \$58.13 for the 10-year period has been received.

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PIPE LINE EASEMENT NO. 1468, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY.--This application for a pipe line easement covers 164.261 rods of 4½-inch line at \$.50 per rod for a 10-year period beginning May 1, 1960 and ending April 30, 1970, located in Section 21, Block 1, Andrews County. Consideration of \$82.13 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1469, PHILLIPS PETROLEUM COMPANY, ANDREWS COUNTY.--This application for a pipe line easement covers 306.0 rods of 4½-inch line at \$.50 per rod for a 10-year period beginning April 1, 1960 and ending March 31, 1970, located in Sections 23 and 26, Block 4; and Sections 8 and 17, Block 10, Andrews County. Consideration of \$153.00 for the 10-year period has been received.

PIPE LINE EASEMENT NO. 1470, SHELL PIPE LINE CORPORATION, ANDREWS COUNTY.--This application for a pipe line easement covers 236 rods of 4½-inch line at \$.50 per rod for a 10-year period beginning April 1, 1960 and ending March 31, 1970, located in Section 27, Block 1, Andrews County. Consideration of \$118.00 for the 10-year period has been received.

PUMP STATION SITE EASEMENT NO. 1471, GULF REFINING COMPANY, ECTOR COUNTY (RENEWAL OF NO. 446).--This application for a pump station site easement covers a tract of 1.4 acres in Section 2, Block 35, Ector County, on which is located a pump used for servicing oil and gas pipe lines. This easement is for a period of one year beginning April 17, 1960, and ending April 16, 1961, with option to renew from year to year for a period of 10 years, at an annual rental of \$50.00. Consideration of \$50.00 for the first year has been received.

PIPE LINE EASEMENT NO. 1472, ATLANTIC PIPE LINE COMPANY, ANDREWS COUNTY (RENEWAL OF NO. 443).--This application for a pipe line easement covers 5,515 rods of 8-inch line at \$1.00 per rod for a 10-year period beginning June 1, 1960 and ending May 31, 1970, located in Section 1, Block 1; Sections 3, 4, 5, 7, and 8, Block 2; Sections 2, 3, 11, 12, and 13, Block 13; and Sections 1, 3, 4, 6, 7, 9, 14 and 26, Block 14, Andrews County. Consideration of \$5,515.00 for the 10-year period has been received.

ASSIGNMENT OF BUSINESS SITE EASEMENT NO. 1460 TO M. F. KLOSE FROM NOBLE HOLT, REAGAN COUNTY.--This assignment of Business Site Easement No. 1460 covers a tract 600 feet by 415 feet in Section 7, Block 11, Reagan County, on which is located a drive-in theater, for a period of 3 years beginning May 1, 1960 and ending April 30, 1963. Consideration of \$500.00 covering the first year's rental, assignment fee of \$25.00 and General Land Office filing fee of \$1.00 have been received.

SUPPLEMENTAL AGREEMENT NO. 1 TO EASEMENT NO. 575, WINKLER COUNTY, TO FEDERAL AVIATION AGENCY (FORMERLY CIVIL AERONAUTICS ADMINISTRATION) LEASE NO. C2ca-1242-A.--Easement No. 575 (a renewal of Easement No. 57) was granted June 26, 1953 by the Board of Regents for a Low Frequency Radio Range Station Site covering 20.8 acres of land out of Section 14, Block 21, Winkler County. The easement was for a one-year period beginning July 1, 1953, with option to renew from year to year through June 30, 1963, at annual rental of \$40, payable at the end of each government fiscal year. Each year, the University has received notice of renewal under the terms of the easement.

The Federal Aviation Agency requests an automatic renewal clause be provided by Supplemental Agreement No. 1 to the easement thereby extending it through June 30, 1963, with right of cancellation by the Agency at the end of any lease year. It is recommended that approval be given by the Board of Regents and the Chairman be authorized to execute the Supplemental Agreement after approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.



SUPPLEMENTAL AGREEMENT NO. 1 TO EASEMENT NO. 965, HUDSPETH COUNTY TO FEDERAL AVIATION AGENCY (FORMERLY CIVIL AERONAUTICS ADMINISTRATION) LEASE NO. C2ca-5018-A.--Easement No. 965 (renewal of Easement No. 299) was granted June 29, 1957 by the Board of Regents for a VHF Radio Range Station Site covering a parcel of land in the E/2 of Section 72, Block M, Hudspeth County, and right-of-way for ingress and egress along and upon a trail from the graded road to Sierra Blanca, Texas. The easement was for a one-year period beginning July 1, 1957, with option to renew from year to year through June 30, 1967, at annual rental of \$25 payable at the end of each government fiscal year. Each year the University has received notice of renewal under the terms of the easement.

The Federal Aviation Agency requests an automatic renewal clause be provided by Supplemental Agreement No. 1 to the easement thereby extending it through June 30, 1967, with right of cancellation by the Agency at the end of any lease year. It is recommended that approval be given by the Board of Regents and the Chairman authorized to execute the Supplemental Agreement after approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

GRAZING LEASE NO. 791, HUGH RATLIFF, ANDREWS COUNTY (RENEWAL OF NO. 644).--This application for renewal of a grazing lease covers 9,580.7 acres in Block 11, Andrews County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.23 per acre annually. The total amount for the 5-year period is \$11,017.80, payable in semiannual installments of \$1,101.78 due January 1 and July 1 during the term of the lease. This lease covers 10 acres more than Grazing Lease No. 644, of which it is a renewal, that acreage having been excluded from No. 644 because of its use as a caliche pit.

GRAZING LEASE NO. 792, LOUIS BROOKS, CROCKETT COUNTY (RENEWAL OF NO. 645).--This application for renewal of a grazing lease covers 3,253.4 acres in Blocks 55 and 56, Crockett County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$6,832.10, payable in semiannual installments of \$683.21 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 793, MRS. MADGE M. PRESTON, IRION AND SCHLEICHER COUNTIES (RENEWAL OF NO. 646).--This application for renewal of a grazing lease covers 28, 300.5 acres in Blocks 52, 53, 54, and 55, Irion and Schleicher Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$59,431.10, payable in semiannual installments of \$5,943.11 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 794, FRED H. BOGGS, REAGAN COUNTY (RENEWAL OF NO. 647).--This application for renewal of a grazing lease covers 3,840 acres in Blocks 8, 9, and 11, Reagan County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$.50 per acre annually. The total amount for the 5-year period is \$9,600.00, payable in semiannual installments of \$960.00 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 795, MRS. RUBY LEE DeLONG, CROCKETT COUNTY (RENEWAL OF NO. 648).--This application for renewal of a grazing lease held by G. W. DeLong, deceased, to his widow, Mrs. Ruby Lee DeLong, covers 6,580.4 acres in Blocks 38, 39, 52, and 55, Crockett County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$13,818.80, payable in semiannual installments of \$1,381.88 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 796, AUBREY DeLONG, CROCKETT AND IRION COUNTIES (RENEWAL OF NO. 649).--This application for renewal of a grazing lease covers 8,213.6 acres in Blocks 38, 52 and 55, Crockett and Irion Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$17,248.60, payable in semiannual installments of \$1,724.86 due January 1 and July 1 during the term of the lease.



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GRAZING LEASE NO. 797, S. M. OGLESBY & SONS, CROCKETT AND SCHLEICHER COUNTIES (RENEWAL OF NO. 650).--This application for renewal of a grazing lease, held by S. M. Oglesby, Jr., to S. M. Oglesby & Sons, covers 11, 675.8 acres in Block 56, Crockett and Schleicher Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$24,519.20, payable in semiannual installments of \$2,451.92 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 798, O. L. WOODWARD, SCHLEICHER COUNTY (RENEWAL OF NO. 651).--This application for renewal of a grazing lease covers 5,459.8 acres in Blocks 54, 55 and 56, Schleicher County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$11,465.60, payable in semiannual installments of \$1,146.56 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 799, E. H. LINTHICUM & SON, CROCKETT AND IRION COUNTIES (RENEWAL OF NO. 652).--This application for renewal of a grazing lease covers 12,380.1 acres in Blocks 38, 40 and 41, Crockett and Irion Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$25,998.20, payable in semiannual installments of \$2,599.82 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 800, W. H. HODGE, REAGAN COUNTY (RENEWAL OF NO. 653).--This application for renewal of a grazing lease, held by Mrs. G. N. Hodge, to W. H. Hodge, covers 4,304 acres in Blocks 9, 10 and 11, Reagan County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$.50 per acre annually. The total amount for the 5-year period is \$10,760.00, payable in semiannual installments of \$1,076.00 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 801, MRS. LILLIAN KATELEEN ST. CLAIR, JOINED BY HER HUSBAND, EUGENE C. ST. CLAIR, CROCKETT AND SCHLEICHER COUNTIES (RENEWAL OF NO. 654).--This application for renewal of a grazing lease covers 1,568.3 acres in Block 55, Crockett and Schleicher Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$3,293.40, payable in semiannual installments of \$329.34 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 802, P. H. AND W. M. JACKSON, REAGAN AND UPTON COUNTIES (RENEWAL OF NO. 655).--This application for renewal of a grazing lease covers 25,234 acres in Blocks 2, 3, 9 and 58, Reagan and Upton Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$52,991.40, payable in semiannual installments of \$5,299.14 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 803, LESTER RATLIFF, REAGAN COUNTY (RENEWAL OF NO. 657).--This application for renewal of a grazing lease, held by Lester Ratliff and J. B. Ratliff, Jr., a partnership, to Lester Ratliff individually, covers 3,342.3 acres in Block 2, Reagan County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$7,018.80, payable in semiannual installments of \$701.88 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 804, L. E. LLOYD, SCHLEICHER COUNTY (RENEWAL OF NO. 659).--This application for renewal of a grazing lease covers 1,964.6 acres in Block 54, Schleicher County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$4,125.70, payable in semiannual installments of \$412.57 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 805, JOHN CHILDRESS, CROCKETT COUNTY (RENEWAL OF NO. 660).--This application for renewal of a grazing lease, held by John Childress and P. O. Childress, Jr., to John Childress individually, covers 9,183.3 acres in Blocks 39, 42 and 56, Crockett County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.42 per acre annually. The total amount for the 5-year period is \$19,284.90, payable in semiannual installments of \$1,928.49 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 806, ESCONDIDO RANCH, INC., PECOS COUNTY.--This application for renewal of a grazing lease covers 20,587.76 acres in Blocks 16 and 20, Pecos County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.35 per acre annually. The total amount for the 5-year period is \$36,028.60, payable in semiannual installments of \$3,602.86 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 807, CHARLES T. HARRIS, REAGAN AND UPTON COUNTIES (RENEWAL OF NO. 696).--This application for renewal of a grazing lease covers 16,242.3 acres in Blocks 1, 4, 5, 6 and 8, Reagan and Upton Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.50 per acre annually. The total amount for the 5-year period is \$40,605.80, payable in semiannual installments of \$4,060.58 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 808, LEASEL A. HARRIS, REAGAN AND CROCKETT COUNTIES (RENEWAL OF NO. 697).--This application for renewal of a grazing lease covers 16,898.5 acres in Blocks 6 and 7, Reagan and Crockett Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.50 per acre annually. The total amount for the 5-year period is \$42,246.30, payable in semiannual installments of \$4,224.63 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 809, T. WAYNE HARRIS, REAGAN, CROCKETT AND UPTON COUNTIES (RENEWAL OF NO. 698).--This application for renewal of a grazing lease covers 16,573.3 acres in Blocks 5 and 6, Reagan, Crockett and Upton Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.50 per acre annually. The total amount for the 5-year period is \$41,433.30, payable in semiannual installments of \$4,143.33 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 810, CLARK BROTHERS, CRANE AND ECTOR COUNTIES (RENEWAL OF NO. 702 BEING ASSIGNED BY WILL P. EDWARDS ESTATE TO GEORGE CLARK, M. F. CLARK AND JOHN E. CLARK).--This application for renewal of a grazing lease to Clark Brothers, application for assignment of this grazing lease from the Will P. Edwards Estate to George Clark, M. F. Clark and John E. Clark being included elsewhere in this docket, covers 5,440 acres in Block 35, Crane and Ector Counties, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.15 per acre annually. The total amount for the 5-year period is \$4,080.00, payable in semiannual installments of \$408.00 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 811, LOUIS WOODWARD, PECOS COUNTY (RENEWAL OF NO. 700-B).--This application for renewal of a grazing lease covers 12,618.63 acres in Blocks 18, 19, and 20, Pecos County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.35 per acre annually. The total amount for the 5-year period is \$22,082.60, payable in semiannual installments of \$2,208.26 due January 1 and July 1 during the term of the lease. This lease covers 283.51 acres less than Grazing Lease No. 700-B due to changes in boundary lines.

GRAZING LEASE NO. 812, R. L. WALKER, PECOS COUNTY (RENEWAL OF NO. 699 AND NO. 700-A).--This application for renewal of Grazing Leases No. 699 and No. 700-A, combined, covers 27,478.93 acres in Blocks 16, 17, 18, 19, and 20, Pecos County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.35 per acre annually. The total amount for the 5-year period is \$48,088.15, payable semiannually, less a 25% rental reduction on 2,241.6 acres located in the Taylor-Link Oil Field. Therefore, the amount due for the 5-year period is \$47,107.45; payable in semiannual installments of \$4,710.74 due January 1 and July 1 during the term of the lease. This lease covers approximately 508.32 acres more than total acreage under Leases Nos. 699 and 700-A due to certain changes in boundary lines. In accordance with University policy, the lessee is not to collect damages from oil companies on acreage on which the rental has been reduced by virtue of its location in an oil field.

GRAZING LEASE NO. 813, ALVA CARPENTER & SONS, PECOS COUNTY (RENEWAL OF NO. 700-C).--This application for renewal of a grazing lease, held by Alva Carpenter individually, to Alva Carpenter & Sons, covers 2,374.9 acres in Block 18, Pecos County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.35 per acre annually. The total amount for the 5-year period is \$4,156.10, payable in semiannual installments of \$415.61 due on January 1 and July 1 during the term of the lease. This lease also provides for farming of a portion of the acreage at an additional rental of \$8.00 per acre annually for land under cultivation, payable in semiannual installments of \$4.00 per acre, such farm rights including the production and use of water for irrigation of the premises under cultivation.

GRAZING LEASE NO. 814, N. E. JOHNSON, PECOS COUNTY (RENEWAL OF NO. 701).--This application for renewal of a grazing lease covers 1,749.58 acres in Blocks 16, 18 and 20, Pecos County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.35 per acre annually. The total amount for the 5-year period is \$3,061.80, payable in semiannual installments of \$306.18 due on January 1 and July 1 during the term of the lease. This lease also provides for farming of a portion of the acreage at an additional rental of \$8.00 per acre annually for land under cultivation, payable in semiannual installments of \$4.00 per acre, such farm rights including the production and use of water for irrigation of the premises under cultivation.

GRAZING LEASE NO. 815, MRS. ALICE McMULLAN, REAGAN COUNTY (RENEWAL OF NO. 658 TO ASHBY McMULLAN, DECEASED).--This application for renewal of a grazing lease to Mrs. Alice McMullan, widow of Ashby McMullan, covers 5,077.1 acres in Blocks 8, 9 and 11, Reagan County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.50 per acre annually. The total amount for the 5-year period is \$12,692.80, payable in semiannual installments of \$1,269.28 due on January 1 and July 1 during the term of the lease. This renewal covers 40 acres more than did Grazing Lease No. 658 due to a deduction made under that lease for a 40-acre tract under Camp and Pump Site Easement No. 494 to The Atlantic Pipe Line Company, which is due to expire December 31, 1961.

GRAZING LEASE NO. 816, O. W. PARKER, JR., REAGAN COUNTY (RENEWAL OF NO. 656).--This application for renewal of a grazing lease covers 14,133.1 acres in Blocks 1 and 2, Reagan County, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.50 per acre annually. The total amount for the 5-year period is \$35,332.80, payable in semiannual installments of \$3,533.28 due January 1 and July 1 during the term of the lease.

GRAZING LEASE NO. 817, PAUL F. LETTUNICH, EL PASO COUNTY.--This application for a grazing lease covers 5,965.9 acres in Block L, El Paso County, which constitutes all land in Block L south of Interstate Highway No. 10 under construction, for a period of 5 years beginning July 1, 1960 and ending June 30, 1965, at the rate of \$0.05 per acre annually. This acreage is not currently under lease but is a portion of that under Grazing Lease No. 574 which was cancelled March 11, 1955. The total amount for the 5-year period is \$1,491.50, payable in semiannual installments of \$149.15 on January 1 and July 1 during the term of the lease. This lease is to be granted with the understanding that the University reserves the right to remove certain acreage for farming purposes at such time as it might be warranted.

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ASSIGNMENT OF GRAZING LEASE NO. 702 TO GEORGE CLARK, M. F. CLARK 784  
AND JOHN E. CLARK FROM WILL P. EDWARDS ESTATE, CRANE AND ECTOR COUNTIES.--  
This assignment of Grazing Lease No. 702 covers 5,440 acres in Block 35,  
Crane and Ector Counties, for a period of five years beginning July 1, 1955  
and ending June 30, 1960. The rate of this lease is \$0.07 per acre annually  
for the first 1½ years and \$0.10 per acre annually for the last 3½ years,  
the last semi-annual payment due under terms of the lease, \$544.00, having  
been paid on January 1, 1960. Assignment fee of \$25.00 and General Land  
Office filing fee of \$1.00 have been received.

CALICHE PERMIT NO. 165, FRANK MONTGOMERY, ANDREWS COUNTY.--This  
application for a caliche permit provides for the removal of 200 cubic yards  
of caliche from Block 11, Andrews County, at the rate of \$0.25 per cubic yard.  
Consideration of \$50.00 has been received.

CALICHE PERMIT NO. 166, W. A. (BILL) FARMER CONSTRUCTION COMPANY,  
ANDREWS COUNTY.--This application for a caliche permit provides for the  
removal of 702 cubic yards of caliche from Block 13, Andrews County, at the  
rate of \$0.25 per cubic yard. Consideration of \$175.50 has been received.

CALICHE PERMIT NO. 167, HUGH McMILLAN, INC., HUDSPETH COUNTY.--This  
application for a caliche permit provides for the removal of 10,000 cubic  
yards of caliche from Block J, Hudspeth County, at the rate of \$0.25 per  
cubic yard. Consideration of \$2,500.00 has been received.

CALICHE PERMIT NO. 168, FRANK MONTGOMERY, ANDREWS COUNTY.--This  
application for a caliche permit provides for the removal of 1,596 cubic  
yards of caliche from Block 11, Andrews County, at the rate of \$0.25 per  
cubic yard. Consideration of \$399.00 has been received.

CALICHE PERMIT NO. 169, FRANK MONTGOMERY, ANDREWS COUNTY.--This  
application for a caliche permit provides for the removal of 200 cubic yards  
of caliche from Block 11, Andrews County, at the rate of \$0.25 per cubic yard.  
Consideration of \$50.00 has been received.

CALICHE PERMIT NO. 170, FRANK MONTGOMERY, ANDREWS COUNTY.--This  
application for a caliche permit provides for the removal of 2,748 cubic yards  
of caliche from Block 9, Andrews County, at the rate of \$0.25 per cubic yard.  
Consideration of \$687.00 has been received.

CALICHE PERMIT NO. 171, RED HINSLEY, CONTRACTOR, ANDREWS COUNTY.--  
This application for a caliche permit provides for the removal of 912 cubic  
yards of caliche from Block 9, Andrews County, at the rate of \$0.25 per  
cubic yard. Consideration of \$228.00 has been received.

WATER EXPLORATION PERMIT NO. 87, ECTOR WATER COMPANY, ANDREWS COUNTY.--  
The Board of Regents on October 3, 1959 approved general terms of a proposed  
water exploration permit to the Ector Water Company covering 23,682.2 acres  
in Block 10, Andrews County. Provisions have now been fully negotiated in  
line with proposed terms approved by the Board, and this permit has now been  
identified as Water Exploration Permit No. 87. The period of exploration  
shall be for one year beginning January 1, 1960, with the agreement that any  
lease to produce water thereafter shall be negotiated, inasmuch as the cur-  
rent permit does not provide for an option to lease. Any lease which may be  
negotiated after the exploratory period shall provide for a minimum royalty  
of not less than \$0.10 per 1,000 gallons of water. No consideration is in-  
volved for the exploration rights.

CORRECTION OF COMPRESSOR SITE EASEMENT NO. 1459 TO THE ATLANTIC  
REFINING COMPANY, ANDREWS COUNTY (APPROVED MARCH 12, 1960).--Compressor Site  
Easement No. 1459, approved by the Board of Regents March 12, 1960, has been  
corrected to cover a 5.51-acre site in the N/2 of Section 14, Block 9, Andrews  
County, for a period of 10 years beginning April 1, 1960 and ending March 31,  
1970, at a total consideration of \$551.00.

CANCELLATION OF POWER LINE EASEMENT NO. 1410 TO SHELL PIPE LINE  
CORPORATION, ANDREWS COUNTY.--Power Line Easement No. 1410, approved by the  
Board of Regents October 3, 1959, has been cancelled at the request of the  
company. That easement covered 61 rods of power line for a 10-year period  
beginning November 1, 1958 and ending October 31, 1968, located in Section  
36, Block 9, Andrews County, at a minimum consideration of \$50.00 for the 10-  
year period.

5-14-60

REPORT ON SALE OF SURPLUS MATERIAL SALVAGED FROM FORMER PYOTE AIRFIELD, EASEMENT NO. 186, WARD COUNTY.--The following additional amounts have been received for the sale of surplus material salvaged from the former Pyote Airfield under Easement No. 186, which was released by the United States Government:

Building S292. . . . .	\$ 933.00
Pump . . . . .	50.00
Plumbing fixtures. . . . .	76.00
Flood lights . . . . .	45.00
Miscellaneous. . . . .	<u>310.00</u>
	<u>\$1,414.00</u>

The above amount of \$1,414.00 is in addition to \$7,334.39 reported to the Board at the June, 1959 meeting and \$8,142.35 reported to the Board at the January 22, 1960 meeting, bringing the total received to \$16,890.74.

RATIFICATION OF MINERAL LEASE NO. 1 UNDER NAME OF BIG SPRING BRINE PRODUCERS, INC., INSTEAD OF SALT WATER SALES, INC.--The Board of Regents on January 23, 1960, authorized a lease for the purpose of salt production in Section 1, Block 35, Ector County, Mineral Lease No. 1, to Salt Water Sales, Inc., which, upon subsequent request by the lessee, has been drawn in the name of Big Spring Brine Producers, Inc. These two companies have virtually the same ownership, one being the sales company and the other being the production company. It is recommended that the Board ratify issuance of this lease under the name of Big Spring Brine Producers, Inc., all other provisions remaining the same as approved by the Board January 23, 1960.

PIPE LINE EASEMENT NO. 1473, EL PASO NATURAL GAS COMPANY, ANDREWS COUNTY.--This application for a pipe line easement covers 58.466 rods of 4 1/2-inch line at \$0.50 per rod for a 10-year period beginning May 1, 1960 and ending April 30, 1970, located in Section 27, Block 1, Andrews County. Minimum consideration of \$50.00 for the 10-year period has been received.

SUBSTATION SITE EASEMENT NO. 1474, TEXAS ELECTRIC SERVICE COMPANY, ANDREWS COUNTY.--This application covers a 5-acre tract in the NE/4 of Section 5, Block 13, Andrews County, for the location of an electric substation consisting of steel and wood structures, concrete foundations, transformers, wires and other necessary appurtenances, for a period of 25 years beginning May 1, 1960 and ending April 30, 1985. The total consideration of \$1,250.00 for the 25-year period has been received.

BUSINESS SITE EASEMENT NO. 1186 TO DAVID KER (ASSIGNED TO THREE KERS, LTD) - REPORT ON STORM DAMAGE.--The warehousing lease for 10 years to David Ker, as amended, and assigned by him to Three Kers, Ltd. with permission of the Board of Regents, (Minutes of 9/19/58, 10/25/58, 12/12/58, 3/14/59, and 6/13/59) covers the larger part of the former air base facilities at Pyote on University lands. The lease provides that the lessee will carry a minimum of \$33,000 fire and extended coverage insurance on the improvements, with policies in the name of the Board of Regents, and further provides that in the event of damage covered by insurance "any insurance proceeds will be made available to the lessee for repair of damage."

Windstorm damage to roofs of the buildings on February 9, 1960, resulted in an insurance adjustment of \$25,613 for the damage. The Endowment Officer executed Proof of Loss forms, and Mr. Ker entered into a contract with Philip Stroud for the repair of the damage. The contract was for \$25,609.50, and arrangements were made for Mr. Stroud to do additional work on the buildings for the small difference. Insurance company drafts for a total of \$25,613 have been received, payable to the Board of Regents and endorsed on the Board's behalf by the University Auditor payable to Mr. Ker without recourse. The work has been completed in a satisfactory manner, with 10-year warranty, and the drafts have been delivered to Mr. Ker and endorsed by him to Mr. Stroud. The University has receipts from both Mr. Ker and Mr. Stroud. It is recommended that the Board of Regents approve the action of the staff set out above.



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SAFEKEEPING OF CONFIDENTIAL REPORTS SUBMITTED TO THE UNIVERSITY IN ACCORDANCE WITH PROVISIONS OF GEOPHYSICAL PERMITS.--For many years Paragraphs (c) and (d) of the Geophysical Permit form used by the University on the West Texas Lands read as follows:

(c) Permittee also agrees to transmit to the University Lands, Geological Department, located at The University of Texas, Austin, Texas, within sixty (60) days after the closing date of this permit, a plat for each horizon investigated under this permit, which plat shall have posted thereon the location of each shot hole and station point used in this survey together with the corrected or adjusted instrument readings, recorded for each station point, and which plat shall be so contoured as to correctly present Permittee's interpretation of the geological condition considered, as a result of this survey, to exist in the lands covered by this permit. Such plat shall be certified as to correctness by Permittee or his duly authorized representative.

(d) University agrees that all information furnished under paragraph (c) hereof shall be held confidential by University Lands, Geological Department, and shall not be dispensed in any part to any other party.

In 1957 the permit form was changed so as to provide for submission of this confidential information to the Board of Regents in care of the Endowment Officer. Then in September, 1958, the provision was changed so that such confidential information is not required but can be requested by the Endowment Officer after recommendation therefor by the Geologist-in-Charge, University Lands.

The greater part of this confidential material has now been micro-filmed, under proper supervision, and the remaining reports still in original form will be microfilmed at an early date under proper restrictions.

Storage of this material has been in the Geology Building in space now needed by the Geology Department, and the material is of use only to the Geologist-in-Charge and his staff in Midland, since a Consulting Geologist is no longer retained in Austin.

It is recommended that the Board of Regents authorize microfilming the remaining material and storage of the microfilm in a safe deposit box in one of the Midland banks, with access to and control of this material to be in accordance with rules and procedures to be set out by the Vice President for Fiscal Affairs and approved by the President.

PERMANENT UNIVERSITY FUND--BOND MATTERS.--

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AUTHORIZATION TO REQUEST BIDS FOR \$5,000,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1960, AND RELATED MATTERS.--After study of the anticipated needs and bond proceeds, Series 1959, still unexpended, it has been determined by the Vice President for Fiscal Affairs and approved by the President, that the amount of the issue of Permanent University Fund Bonds, Series 1960, dated July 1, 1960, should be \$5,000,000. It is therefore, recommended that the Endowment Officer be authorized to advertise for bids for sale of the bonds, printing of the bonds, and paying agency fees and to take other necessary steps for the issuance of such bonds, bids to be opened on or about July 12, 1960, with award by the Board of Regents at a special meeting on or about July 13, 1960.

It is further recommended that the Chairman of the Board of Regents be authorized to execute a contract with the firm of Vinson, Elkins, Weems & Searls to serve as bond counsel for the 1960 Series. They have proposed \$1.00 per bond for an issue of \$5,000,000 and \$.50 per bond above \$5,000,000, should the issue be larger, plus out-of-pocket expenses. Since action by the Board at the March 11, 1960 meeting, the University staff has conferred with representatives of the firm and plans have gone forward toward the preparation by that firm of materials for the issuance of Series 1960 bonds.



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## TRUST AND SPECIAL FUNDS -- INVESTMENT MATTERS.--

REPORT OF PURCHASES, CONVERSION AND SALES OF SECURITIES.--The following purchases and sales of securities have been made for the Trust and Special the meeting of March 11, 1960. We ask that the Board ratify and approve actions:

## PURCHASE OF SECURITIES

<u>Security</u>	<u>Principal Cost</u>
100 Shares American Home Products Corporation Capital Stock purchased at 159-1/2 (Hogg Foundation: W. C. Hogg Estate Fund)	\$ 32,009.90
75 Shares Texaco Inc. Capital Stock, purchased at 75-3/4 (William Heuermann Fund for Cancer Research)	5,721.62
82 Shares The Goodyear Tire & Rubber Company Common Stock, purchased at 38-1/8	3,158.88
17 Shares International Business Machines Corporation Capital Stock, purchased at 425-1/4	7,254.75
300 Shares Standard Oil Company of California Capital Stock, purchased at 42-3/8	12,833.07
185 Shares Texaco Inc., Capital Stock, 100 purchased at 75-1/2, 5 purchased at 75-3/4, and 80 purchased at 77-1/2 (Funds Grouped for Investment)	14,221.19
\$10,000 par value U. S. 4-3/4% Treasury Notes of Series C-1960, dated 8/1/59, due 8/15/60, purchased at 100.59375 Net to yield 3.30% to maturity (Price Cross Student Loan Fund)	10,059.38
90 Shares Bethlehem Steel Corporation Common Stock, purchased at 45-5/8 (M. D. Anderson Hospital and Tumor Institute - University Cancer Foundation)	4,143.78
100 Shares National Biscuit Company Common Stock, purchased at 55-3/8 (The James W. McLaughlin Fellowship Fund - Reserve for Depletion)	5,582.04
\$13,000 par value U. S. 2-1/2% Treasury Bonds of 1961, dated 2/15/54, due 11/15/61, purchased at 97.625 Net to yield 4.12% to maturity (Murray Case Sells Foundation Student Loan Fund)	12,691.25
\$300,000 par value U. S. 4-3/4% Treasury Notes of Series C-1960, dated 8/1/59, due 8/15/60, purchased at 100.4375 Net to yield 3.33% to maturity (Temporary Investments - Proceeds from Sale of Permanent University Fund Bonds)	301,312.50

## CONVERSION OF SECURITIES

<u>Security</u>	<u>Book Value</u>
36 Shares Air Reduction Company, Inc., 4/50% Cumulative Preferred Stock, 1951 Series, called for redemption at 101.125 on June 6, 1960. Convertible into common stock at rate of 3-3/4 shares common for each share of preferred. (135 shares common for 36 shares preferred held) (Hogg Foundation: W. C. Hogg Estate Fund)	\$3,600.00(1)
(1) Book value of 36 shares of Air Reduction Company, Inc., 4.50% Cumulative Preferred Stock, 1951 Series sent in for conversion.	

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## SALES OF SECURITIES

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<u>Security</u>	<u>Net Proceeds</u>
1 Share Standard Oil Company (Indiana) Capital Stock, sold at 40-1/2 (Geology Foundation - Various Donors)	\$ 37.98
14/50ths fractional share The First National City Bank of New York Capital Stock received in 2% stock dividend (Hogg Foundation: W. C. Hogg Estate Fund)	22.59
36/100ths fractional share Monsanto Chemical Company Common Stock received in 2% stock dividend (Medical Branch - Rehabilitation Clinic Endowment Fund)	17.06
100 Shares Western Natural Gas Company Common Stock, sold at 14-1/8 less taxes (M. D. Anderson Hospital and Tumor Institute - University Cancer Foundation)	1,411.90
10 Shares General Crude Oil Company Capital Stock, sold at 23-1/2 (Benefit of Texas Quarterly - Various Donors - English Issue)	228.88

MAIN UNIVERSITY - JOHN LANG SINCLAIR EYES OF TEXAS LOAN FUND.--The Students' Association of The University of Texas, sole owner of the copyright and all other rights in a song entitled "Eyes of Texas" enacted on February 28, 1952, a bill creating the John Lang Sinclair Eyes of Texas Scholarship Fund. Under the bill, one half of the proceeds from the sale, license or use of the rights to "The Eyes of Texas" was to be deposited with the Board of Regents to be held in trust by the Board of Regents in perpetuity with one-half of the funds received by the Board to be an endowment fund until the fund reached \$10,000 and the other half to be expendable as received. As of March 31, 1960, the balance in the [redacted] in Funds Grouped for Investment was \$773.77, for which 2,682 units had been issued, and the balance in the Current Restricted Account (No. 70190) was \$855.93.

The Student Assembly at its meeting of February 11, 1960 passed a bill (No. 10) establishing the John Lang Sinclair Eyes of Texas Loan Fund and transferring all funds in the John Lang Sinclair Scholarship Fund - both Endowment Account and Current Restricted Account - to the John Lang Sinclair Loan Fund, thereby revoking the bill of February 28, 1952, referred to above. The establishment of the Loan Fund, which has been approved by Dean McCown and Dr. Ransom, is to be included in the Main University Program. The funds are then to be transferred to the National Defense Education Act Student Loan Program with eventual return to the Students' Association Account.

It is recommended that the Endowment Officer be authorized to provide cash for the withdrawal of the John Lang Sinclair Scholarship Endowment Fund from the Funds Grouped for Investment account as of June 1, 1960, the next quarterly withdrawal and entrance date for the grouped account, by sale of securities in the grouped account if necessary, the proceeds of such sales to be sold and the timing of the sales to be subject to the approval of the Staff Investment Committee. It is further recommended that the Auditor be authorized to transfer funds from the Current Restricted Account to the Loan Fund as of June 1, 1960 and to cancel [redacted].

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## TRUST AND SPECIAL FUNDS--GIFT, REQUEST AND ESTATE MATTERS.--

MAIN UNIVERSITY - REVOCATION OF ACTION ON PROPOSAL BY DR. ANSON L. CLARK RE TEXAS DELTA Upsilon.--At the January 21, 1960 meeting of the Board of Regents, the proposal from Dr. Anson Clark of Dallas concerning conveyance of property at 2510 Leon Street in Austin over a period of years, with the property leased to Texas Delta Upsilon Foundation, was accepted by the Board. At the March 12, 1960 meeting of the Board, Dr. Clark's proposal that the Board enter into an agreement establishing the Delta Upsilon Fund was declined with the understanding that the January 23 action would remain in effect if Dr. Clark wished to convey the property as first proposed without the Delta Upsilon Fund.

As authorized by the Board of Regents, the Endowment Officer advised Dr. Clark of the action at the March 12 meeting. Dr. Clark has written that "unless it would be possible to establish a Texas University Delta Upsilon Fund, it would not be advisable to transfer the property to the University. . ."

It is therefore recommended that the January, 1960 action be revoked and the matter be considered closed.

MEDICAL BRANCH - PROPOSED GIFT BY DR. TITUS HARRIS FOR DEPARTMENT OF PSYCHIATRY.--Dr. Titus Harris, Professor of Psychiatry, has proposed to give approximately \$10,000 (market value) of cattle to the Medical Branch. The cattle are to be sold in Houston and the proceeds deposited to a Current Restricted Account for the Department of Psychiatry. It is recommended the gift be accepted with appreciation. The receipt for the gift is to be executed by the Executive Dean and Director or the Business Manager and Comptroller of Hospitals, both of the Medical Branch.

Dr. Harris has made similar gifts in cash during each of the past several years. Dr. Harris will look after all the details of the transaction, shipping the cattle, seeing they are sold and that the proceeds are paid to the University.

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

ARCHER M. HUNTINGTON MUSEUM FUND - PIPE LINE EASEMENT TO AMERICAN OIL COMPANY, GALVESTON COUNTY, (RENEWAL OF EASEMENT TO PAN AMERICAN REFINING CORPORATION).--Pan American Refining Corporation has held an easement on part of the Huntington Lands for a  $4\frac{1}{2}$  inch products pipe line for the period April 1, 1950 through March 31, 1960. Since the first easement was granted, a portion of the land on which the pipe line was located has been sold to American Oil Company (successor to Pan American Refining Corporation) but there are still 28 rods of line on a 5.8-acre tract belonging to the University. American Oil Company proposes renewal easement of 28 rods of  $4\frac{1}{2}$  inch products pipe line for the period April 1, 1960 through March 31, 1970 at a total consideration of \$50 payable in advance. The instrument will provide for removal or relocation of the line upon ninety days notice if the University finds such removal or relocation reasonably necessary due to commercial or industrial use of the property.

It is recommended that the easement as outlined be approved and the Chairman authorized to sign the instrument after approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

W. J. McDONALD OBSERVATORY FUND - LEASE TO SUN OIL COMPANY, LAMAR COUNTY.--At its December 12, 1958 meeting, the Board of Regents approved sale of 125.393 acres, S. C. Price Survey, Lamar County, Texas (Pickering Property) to Roy Pickering for \$6,000 payable \$1,000 down and \$500 annually, plus interest. The University retained one-half of the minerals, fully participating, but with leasing rights in the purchaser.

The University was recently advised by Sun Oil Company, Tyler, Texas, that it had taken an oil and gas lease from Mr. Pickering at a bonus of \$2 per acre with \$1 per acre rental for a primary term of ten years, effective March 15, 1960. The Company proposed that the University, as to its undivided one-half mineral interest, join in a Rental and Ratification Agreement and also execute a subordination of its lien, on the principal balance of \$4,500, to the lease the Company has made with Mr. Pickering. A check for \$125.40 has been received covering the University's share of the bonus.

It is recommended that the Board of Regents authorize its Chairman to execute the Rental and Ratification Agreement as well as the Subordination Agreement after approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION - VARNER PROPERTIES - PROPOSED RENEWAL OF LEASE OF SPACE IN BETTES BUILDING TO FRANK PITARRA.--Since September 1, 1952, the University has had a lease, which has been renewed several times, with Frank Pitarra operating as Frank's Boot Shop, for approximately 885 square feet of air conditioned space at 610 Fannin Street, Houston, in the Bettes Building. The current lease at \$550 monthly rental expires August 31, 1960.

It is recommended that the Board of Regents authorize a new lease with Mr. Pitarra at the same rental, with no option to renew, to run from September 1, 1960 through December 31, 1962, date of expiration of lease to W. T. Grant Company on a major portion of the Mitchell (Bettes Building) Property, and that the Chairman of the Board be authorized to execute the instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION: W. C. HOGG MEMORIAL FUND - MAIN AND CLAY PROPERTY, HOUSTON, PROPOSAL FOR RENTAL OF POSTER SPACE.--In the making of the new lease on this property, the University reserved all poster advertising revenue. The Houston Poster Advertising Company had maintained four panels on the property

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under an arrangement with the former tenant. They now propose the following rental for the three panels on Main Street and the one panel on Clay:

Main, North of Clay (3 panels at \$150 per year)	\$450.00
Clay, East of Main (1 panel at \$60 per year)	60.00

This arrangement is to be for a period of three years, concurrent with the existing parking lease, beginning March 1, 1960, rental for the first quarter, March 1 through June 30, 1960, having been received. The University may cancel the arrangement at any time on 10 days' notice.

It is recommended that this proposal be accepted and the Chairman authorized to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

HOGG FOUNDATION - VARNER PROPERTIES - TERMINATION OF LEASE TO T. J. BETTES COMPANY ON 616 FANNIN STREET, HOUSTON, TEXAS.--Most of the second floor, as well as the ground floor entrance and elevator, at 616 Fannin Street (Mitchell Property, Capitol and Fannin) is under lease running to June 30, 1962 to T. J. Bettes Company. The lease covers approximately 12,000 square feet of space and air conditioning is furnished by the University. Rental is at \$1,550 per month, and the present lease was made by the Varner Company in 1947 for 5 years with two 5-year options by the Lessee, both of which were exercised. T. J. Bettes Company bought a building and moved its offices around the end of 1958, obtaining permission from the Board of Regents to allow occupancy of the 616 Fannin Street by Texaco, Inc., which had a lease on space in the building T. J. Bettes Company was to occupy. Bettes has continued to pay rental under the lease from the University. Texaco will vacate subject space for occupancy of its new building at the end of May, 1960, and Bettes has just recently proposed that the Board of Regents accept some reasonable settlement for termination of its lease, indicating that they will want to be fair and make a cash payment, taking into account what prospects the University may have for another tenant.

It is recommended that the Endowment Officer, with the approval of the Vice President for Fiscal Affairs, in order to avoid vacancy of the premises for more than one month if possible, be authorized to arrange for a new tenant under a lease running not longer than December 31, 1962, and at rental not less than \$1,550 per month, and, in the event that a new tenant is found, that he be authorized to arrange a termination of the Bettes lease upon payment of not less than \$3,000 by Bettes. It is further recommended that the Chairman be authorized to execute appropriate papers upon approval as to form by the Land and Trust Attorney and as to content by the Endowment Officer. It is understood that the authority to the staff will not be used unless necessary to avoid undue vacancy pending action at a later meeting of the Board of Regents.

BRACKENRIDGE TRACT - BOAT DOCK LEASE TO TWIN STAR INDUSTRIES, INC. ON LAKE AUSTIN MARINA (FORMERLY BENNETT BOAT DOCKS).--On June 13, 1959 the Board of Regents authorized a new lease with Mr. W. W. Bennett on the Bennett Boat Docks for the period July 1, 1959 to December 31, 1969. The Board granted permission on November 15, 1959 for assignment of the lease by Mr. Bennett to Twin Star Industries, Inc. The lease provides for certain improvements to the property to be completed by April 1, 1960. Though the present tenant has submitted a list of expenditures, subject to further check, showing that approximately \$24,000 has been expended so far on improvements under the new lease, certain of the improvements that were required were not completed by April 1 and have not yet been completed. There has been some justification for the delay, and the tenant now proposes an amendment to the lease allowing some substitution, or changes, in the uncompleted improvements and to allow until January 1, 1961 for completion of these improvements. The tenant's total estimated cost of the proposed additional improvements, some of which were included in the lease as it now stands, is approximately \$13,000. It is recommended that the Board of Regents authorize an amendment to the lease along the lines proposed, with the understanding that sufficient check on improvements already made and improvements to be made will be seen to, so that no sacrifice is made by the University under such an amendment to the lease. It is further recommended that the Chairman be authorized to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

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TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - LEASE TO SOUTHWEST WHEEL, INC.--Approval was given at the January 23, 1960 meeting of the Board of Regents for lease to Southwest Wheel, Inc. of a tract of approximately 1.5 acres of land, on which is situated a sheet iron building and related improvements, for five years, beginning February 1, 1960 at \$500 per month, with option to renew for another five years at agreed rental at the end of the primary term. Due to delay in their securing occupancy of the building from the previous tenant, the lease with Southwest Wheel, Inc. has been made effective March 1, 1960 and the termination date moved to February 28, 1965. The lease has been signed on behalf of both parties and ratification of the change in dates is recommended.

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - PROPOSAL FOR GRAZING LEASE IN HUDSPETH COUNTY TO J. C. WILLIAMSON.--Mr. J. C. Williamson of Midland has proposed, and the Business Manager and President of Texas Western College have approved, the granting of a grazing lease on 10,829.4 acres of Cotton Estate Lands in Hudspeth County. The period of the lease will be ten years, beginning June 1, 1960 at 6¢ per acre per year, payable in advance. This land has not been under lease for several years. It is recommended the lease be approved and the Chairman authorized to execute the instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - EXCHANGE OF ACREAGE WITH EL PASO INDEPENDENT SCHOOL DISTRICT.--Authorization was given by the Board of Regents at the November 14, 1959 meeting for the exchange of a small tract of land containing 2.835 acres more or less, of Cotton Estate Property in the City of El Paso. The exchange deed has been executed by the School District and by the Chairman of the Board of Regents, effective April 19, 1960.

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - PAYMENT TO LANCE ENGINEERS, INC. FOR SURVEY.--At the November, 1956 meeting of the Board of Regents, approval was given for an up-to-date survey of and preparation of a limited developmental program for the Cotton Trust property in the Cotton Addition, El Paso, the total cost to be paid from Cotton Estate Expense, Miscellaneous Expense, in the Current Restricted Funds budget. The survey was to be made by Lance Engineers, Inc. It was necessary for the company to do extensive search of the public records in order to make a thorough survey on the ground and prepare appropriate maps. They were later paid approximately \$2,550 for services and were authorized by the staff to complete the necessary surveying and to submit limited recommendations for planning the development and use of the property. Their final report, including maps, copies of documents, and recommendations, has now been received with final statement for services, after credit of the earlier payment, in the amount of \$6,832.32, billed at their actual cost of the work. It is recommended that the Board of Regents approve payment of this final bill by the Business Manager of Texas Western College from the appropriate Cotton Trust income account.

TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - EXTENSION OF LEASE TO RIO GRANDE BROADCASTING COMPANY, COTTON ADDITION, CITY OF EL PASO.--The Rio Grande Broadcasting Company has a five-year lease expiring December 31, 1960 on 8.265 acres of the Cotton Trust's property in the Cotton Addition, El Paso. With the expectation that this property can be leased to better advantage for other commercial purposes, after possible planning can be reviewed by the Board of Regents, an extension or new lease with the Broadcasting Company beyond 1961 is not deemed advisable. However, the Company needs time to plan for another site for its transmitting equipment; and it is recommended that the Board of Regents authorize an extension of the lease to December 31, 1961, at the same rental of \$2,400 annually, payable in advance, and that the Chairman be authorized to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

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TEXAS WESTERN COLLEGE - FRANK B. COTTON TRUST - RENEWAL OF FARM  
LEASE TO JOHN T. BEAN ON COTTON ADDITION PROPERTY, CITY OF EL PASO.--For  
several years, part of the Cotton Addition acreage in El Paso owned by the  
Frank B. Cotton Trust has been rented to Mr. John T. Bean for cotton farming.  
A new lease has been made each year. Income to the Cotton Trust from the  
lease for the 1959 farming year was approximately \$8,500. It is recommended  
that the Board of Regents authorize a new lease covering approximately 106.4  
acres with Mr. Bean for the calendar year, 1960, with the Trust to receive  
one-third of the gross proceeds from all crops and to pay the total cost  
of electricity for operation of the irrigation pump and one-third of the cost  
of fertilizer, and that the Chairman be authorized to execute the instrument  
when approved as to form by the Land and Trust Attorney and as to content by  
the Endowment Officer.