

OMISSION

Pages 1644-1847,
2000-2235

A. Ruth Baker

SIGNATURE OF OPERATOR

Meeting No. 661

THE MINUTES OF THE BOARD OF REGENTS
OF
THE UNIVERSITY OF TEXAS SYSTEM

May 31, 1968

Austin, Texas

5-31-68

MEETING NO. 661

FRIDAY, May 31, 1968. -- Following the meetings of the Standing Committees and the Committee of the Whole, the Board of Regents of The University of Texas System convened in regular session at 3:15 p.m. on Friday, May 31, 1968, in Suite 212, Main Building, The University of Texas at Austin, Austin, Texas.

ATTENDANCE.--

<u>Present</u>	<u>Absent*</u>
Chairman Erwin, Presiding	Regent Bauer
Vice-Chairman Josey	
Regent Ikard	
Regent (Mrs.) Johnson	
Regent Kilgore	
Regent Olan	
Regent Peace	
Regent Ximenes	
 Chancellor Ransom	
Secretary Thedford	

INVOCATION.-- Rabbi Olan offered the invocation.

CORRECTION AND APPROVAL OF MINUTES: (1) JANUARY 26, AND (2) APRIL 19, 1968.-- (1) At the January 1968 meeting of the Board of Regents, it was reported that the Park Board of the County of Nueces et al had offered to The University of Texas System 40 acres of land adjacent to the Marine Sciences Institute. Since that time, however, it has been determined that there are 50 acres in that tract rather than 40 acres. Upon motion of Regent Ikard, seconded by Regent Johnson, it was ordered that the Permanent Minutes, Volume XV, Page 946, Item 9 be corrected by changing "40 acres" to "50 acres" wherever it occurs in Item 9 on Page 946.

(2) With respect to the minutes of the Board of Regents' meeting held in Dallas on April 19, 1968, it was ordered that the typographical error "276 acres" on Page 53, line 15, (Permanent Minutes, Volume XV, Page 1432) be changed to "376 acres." With this correction, Regent Johnson moved that the minutes be approved in the form as distributed by the Secretary and as recorded in Volume XV beginning with Page 1380. Without objection, this motion was unanimously adopted.

*Regent Bauer was excused from the meeting on account of important business.

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REPORTS OF STANDING COMMITTEES

REPORT OF EXECUTIVE COMMITTEE (Pages 2 - 5). --In the absence of Committee Chairman Bauer, Chairman Erwin presented the following report of the interim actions that had been approved by the Executive Committee since the last report of the committee on April 19, 1968. Included with this report is Item 22-M-67, the minutes of the April 17, 1968, meeting of the Board of Directors of TSP, Inc., at The University of Texas at Austin. This item had been referred to, and considered by, the Committee of the Whole. Upon motion of Regent Kilgore, seconded by Regent Johnson, the following actions were ratified:

1. U. T. Austin: Minutes of the Board of Directors of TSP, Inc. (20-M-67). --Approval was given to the minutes of the meetings of the Board of Directors of Texas Student Publications, Inc., at The University of Texas at Austin held on March 1, 1968, March 8, 1968, and March 15, 1968. The following items in the minutes required Regental consideration and were approved:
 - a. Permission for Texas Student Publications to print the "Texas Times" on a trial basis subject to the working out of a price agreement with the UT Information Service.
 - b. Recommendation of the University Administration that TSP not be permitted to print the "Course-Instructor Evaluation Report" for the YMCA.

2. U. T. Austin: Minutes of the Texas Union Board (21-M-67). -- Approval was given to the minutes of the meetings of the Board of Directors of the Texas Union of The University of Texas at Austin on February 22, 1968, and March 1, 1968. The following item in the minutes which required Regental consideration was thereby approved:

Re-election of Mr. Jack Steele as Director of the Texas Union for 1968-69. This appointment will be reflected in the Texas Union portion of the 1968-69 Budget for Auxiliary Enterprises of The University of Texas at Austin.

3. U. T. Austin: Amendments to the Personnel Pay Plan for 1967-68 and 1968-69 (5-CI-67). -- The following amendment to the 1967-68 Personnel Pay Plan for The University of Texas at Austin was approved, effective as indicated below:

Add:

- a. Effective May 1, 1968:

<u>Code</u>	<u>Title</u>	<u>Monthly Range</u>	<u>Annual Range</u>
5007	Balcones Research Center Engineer	\$1050 - 1250	\$12,600 - 15,000

b. Effective June 1, 1968:

<u>Code</u>	<u>Title</u>	<u>Monthly Range</u>	<u>Annual Range</u>
3102	Psychologist IV	\$1150 - 1475	\$13,800 - 17,700

The 1968-69 Plan already approved was thereby amended by including the above amendment, and in addition thereto Code 2063 was changed to read as follows:

<u>Code</u>	<u>Title</u>	<u>Monthly Range</u>	<u>Annual Range</u>
2063	Chief, Accounting Division	\$ 335 - 1050	\$10,020 - 12,600

4. U. T. Arlington, U. T. El Paso, Houston Dental Branch, and Anderson Hospital: Amendments to the 1967-68 Budgets (9-B-67)
 --Approval was given to the amendments to the 1967 Budgets of U. T. Arlington, U. T. El Paso, Houston Dental Branch, and Anderson Hospital as follows: (Pages 3-4)

AMENDMENTS TO 1967-68 BUDGET
 Source of Funds - Departmental Appropriations
 (Unless Otherwise Specified)

The University of Texas at Arlington

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
17.	Auxiliary Enterprises Student Activities - Music			
	Transfer of Funds	From: Student Services Fee Unappropriated Balance	To: Student Activities - Music Travel Account	
	Amount of Transfer	\$ 654.05	\$ 654.05	---

The University of Texas at El Paso

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
19.	Transfer of Funds	From: Unappropriated Balance	To: Major Repairs and Rehabilitation of Build- ings (for Data Proces- sing Division)	
	Amount of Transfer	\$ 8,000	\$ 8,000	---

The University of Texas Dental Branch at Houston

<u>Item No.</u>	<u>Explanation</u>	<u>Present Status</u>	<u>Proposed Status</u>	<u>Effective Dates</u>
1.	George W. Walker General Practice Salary Rate	Professor \$21,000	Professor \$24,000	4/1/68
	Source of Funds: Reserve for Salaries			

2. James K. Foster, Jr.
Medicine (Diagnosis) Professor Professor
Salary Rate \$19,000 \$22,000 4/1/68
Source of Funds:
Reserve for Salaries
3. Frank B. Trice
Medicine (Endodontics) Professor Professor
Salary Rate \$21,000 \$23,000 4/1/68
Source of Funds:
Reserve for Salaries
4. Merrill G. Wheatcroft
Pathology (General Pathology) and Dental Science Institute Professor Professor
Salary Rate \$18,000 \$22,000 4/1/68
Source of Funds:
Reserve for Salaries
5. Ernest Beerstecher, Jr.
Physiology (Biological Chemistry) Professor Professor
Salary Rate \$17,800 \$20,000 4/1/68
Source of Funds:
Reserve for Salaries
6. Donald C. Kroeger
Physiology (Pharmacology) Professor Professor
Salary Rate \$17,000 \$20,000 4/1/68
Source of Funds:
Reserve for Salaries
7. Edwin L. Smith
Physiology (Physiology) Professor Professor
Salary Rate \$21,000 \$23,000 4/1/68
Source of Funds:
Reserve for Salaries
8. John E. Pleasants
Surgery Associate Professor Associate Professor
Salary Rate \$16,500 \$20,000 4/1/68
Source of Funds:
Reserve for Salaries

The University of Texas M. D. Anderson Hospital
and Tumor Institute at Houston

Item No.	Explanation	Present Status	Proposed Status	Effective Dates
19.	Edward Santora, Jr. Office of Education Salary Rate	Resident in Oral Surgery \$ 3,600	Resident in Oral Surgery \$ 4,800	4/1 - 6/30
20.	Susumu Fujinaga Virology Salary Rate	Project Investigator \$ 7,500	Project Investigator \$ 8,500	4/1/68
	Source of Funds: U.S.P.H.S. Contract			

5. U. T. Austin, U. T. Arlington, U. T. El Paso: Summer Session Budgets for 1968 (10-B-67). -- The 1968 Summer Session Budgets for The University of Texas at Austin, The University of Texas at Arlington, and The University of Texas at El Paso were approved. These budgets are attached to the Chancellor's Docket No. 24.
6. U. T. Austin: Minutes of the Board of Directors of TSP, Inc., April 17, 1968 (22-M-67). -- The minutes of the meeting of the Board of Directors of TSP, Inc., held on April 17, 1968, were referred to the Committee of the Whole and the following items requiring Regental consideration were approved:
1. Appointment of
 - a. John Burgess Stalmach as Editor of the Ranger Magazine for 1968-69.
 - b. Karolyn Karr as editor of the Cactus Yearbook for 1968-69.
 2. The Daily Texan's share of the Blanket Tax for 1968-69 to be \$4.10.
 3. Authority to the TSP Finance Committee to sell any stock owned by TSP if, as, and when approved by the Executive Director of Investments, Trusts, and Lands and to reinvest the proceeds of such sale in US Government securities, savings and loan accounts, or Certificates of Deposits as approved by the Executive Director of Investments, Trusts and Lands.
 4. The following resolution:

That the Chairman, Lloyd Doggett, Vice Chairman, Olin Hinkle, the Treasurer, Charles Clark, or any of them, be and they are hereby authorized to sell, assign and endorse for transfer certificates representing stocks, bonds or other securities now registered or hereafter registered in the name of this corporation.
 5. The following amendment to TSP Handbook:

Delete:
Section C 1. page 30 which reads as follows:
In the event of disagreement between the Editor and the Managing Editor over any aspect of Texan policy, the opinion of the Editor shall prevail.

and substitute in lieu thereof the following:
In the event of any disagreement between the Editor and the Managing Editor over any aspect of Texan policy and procedures, the opinion of the Editor shall prevail.

With respect to the recommended change in the procedure for selecting the Editor of the Daily Texan from elected by the student body to appointed by the voting members of the Texas Student Publications Board plus the student ex-officio members of the TSP Board, the TSP Board was asked to reconsider its recommendation.

REPORT OF ACADEMIC AND DEVELOPMENTAL AFFAIRS COMMITTEE (Pages 6-8). -- Committee Chairman Olan filed the following report of the Academic and Developmental Affairs Committee meeting which was held, and all action taken, in open session. This report was unanimously adopted upon motion of Regent Olan, duly seconded:

1. Attendance. -- At the meeting of the Academic and Developmental Affairs Committee, Chairman Erwin recognized Doctor Otis Singletary, currently Vice-Chairman of the American Council on Education and the newly elected Vice-Chancellor for Academic Affairs of The University of Texas System, and Doctor Gardner Lindzey, Vice-President for Academic Affairs at The University of Texas at Austin.
2. U. T. System: Chancellor's Docket No. 24. -- Chancellor's Docket No. 24 as submitted to each Regent on May 13, 1968, was unanimously approved. It is attached to, and made a part of, the minutes following Page 67.
3. U. T. Austin: Authorization to Request from the Coordinating Board Permission to Establish a Ph. D. in Communication. -- Authority was granted the Administration to request permission from the Coordinating Board, Texas College and University System to establish a degree program leading to a Doctor of Philosophy in Communication at The University of Texas at Austin.
4. U. T. Austin: Exception to Regents' Rules and Regulations, Part One, Chapter III, Section 31, (Retirement and Modified Service) for Professor W. A. Noyes, Jr. -- Under authority granted in Regents' Rules and Regulations, Part One, Chapter III, Section 31. (18), approval was given to the request of the Administration to waive the Regents' rule with respect to retirement and modified service in the case of Professor W. A. Noyes, Jr., and to permit Professor Noyes to continue teaching, on a one-half time basis, in the Department of Chemistry at The University of Texas at Austin. This prior approval is necessary since Professor Noyes was 70 years of age on April 18, 1968.
5. U. T. Austin: Limitations on Enrollment in Law School of Non-residents. -- The resolution with respect to limitations on enrollment in Law School of nonresidents was withdrawn at the request of Chairman Erwin.
6. Houston Dental Branch: Exception to Regents' Rules and Regulations, Part One, Chapter III, Section 31, (Retirement and Modified Service) for Mr. Ossip Bezpatka. -- Under authority granted in Regents' Rules and Regulations, Part One, Chapter III, Section 31. (18), approval was given to the request of the Administration to waive the Regents' rule with respect to retirement and modified service in the case of Mr. Ossip Bezpatka, and to permit Mr. Bezpatka to continue as Carpenter in the Physical Plant of The University of Texas Dental Branch at Houston for the 1968-69 fiscal year. Prior approval by the Board of Regents is necessary since Mr. Ossip Bezpatka has passed his 70th birthday.

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7. Anderson Hospital: Dual Position for Emil Frei, III, M.D., under Attorney General's Opinion No. C-550. -- The following resolution was adopted in compliance with the Attorney General's Opinion No. C-550 relative to service on a state or federal board or commission by members of the faculty or administration of The University of Texas System within the meaning of Sections 12, 33, or 40 of Article XVI of the Constitution of Texas and in conformity to the amendment to Section 33, Article XVI, Constitution of Texas adopted in November 1967:

WHEREAS, Emil Frei, III, M.D., has an opportunity to serve as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare:

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System, acting pursuant to delegated legislative authority:

- a. That the said Emil Frei, III, M.D., be, and he is hereby, directed and required by the Board of Regents to serve as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare until he no longer has an opportunity to do so or until this direction and requirement is amended or revoked by the Board of Regents;
- b. That the said Emil Frei, III, M.D., be, and he is hereby, directed and required by the Board of Regents to serve as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare as a duty of his employment by The University of Texas M.D. Anderson Hospital and Tumor Institute at Houston, and such duty shall be in addition to all other duties that have been or may hereafter be assigned or required of him by the Board of Regents;
- c. That the Board of Regents finds that Emil Frei, III's, M.D., service as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare is, and will continue to be, fully and entirely compatible with his employment by The University of Texas M.D. Anderson Hospital and Tumor Institute at Houston;

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- d. That the Board of Regents finds that Emil Frei, III's, M.D., service as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare is, and will continue to be, a benefit and advantage to The University of Texas M.D. Anderson Hospital and Tumor Institute at Houston and the State of Texas; and
- e. That the Board of Regents finds that neither the Oncology Advisory Committee nor the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare nor Emil Frei, III, M.D., as a Member of the Oncology Advisory Committee and as a Member of the Bureau of Medicine, both of the Food and Drug Administration, U.S. Department of Health, Education and Welfare will exercise any sovereign function or power of government.

REPORT OF BUILDINGS AND GROUNDS COMMITTEE (Pages 9-32.)

-- Upon motion of Committee Chairman Johnson, duly seconded, the following recommendations of the Building and Grounds Committee were unanimously adopted:

1. U. T. System: Authorization to Chairman Erwin to Request Opinion from Attorney General of Texas with Respect to Contracts of Central Energy Corporation. -- It is recommended that Chairman Erwin be empowered to request from the Attorney General of the State of Texas an opinion with respect to the validity of the contracts between The University of Texas System and the Central Energy Corporation for Central Heating and Chilled Water Plants at The University of Texas at El Paso and The University of Texas Medical School at San Antonio.

2. U. T. Austin: Approval of Plans and Specifications for Building and Piping for Central Water Chilling Station No. 3. -- It is recommended that the plans and specifications for a building and piping for Central Water Chilling Station No. 3 at The University of Texas at Austin as prepared by Brown and Root, Engineers for the project, be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

3. U. T. Austin: Approval of Plans and Specifications for Modification to South Entrance to the Campus, and Appropriation Therefor. -- It is recommended that plans and specifications for modifications to the new South Entrance to the Campus at The University of Texas at Austin, including certain retaining walls, curbs, landscaping, etc., as prepared by Brooks, Barr, Graeber, and White, be approved by the Board, with authorization to the Director of the Office of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date. It is further recommended that an appropriation of \$300,000.00 be made from the Unappropriated Balance of the Available University Fund to cover the estimated cost of this project.

4. U. T. Austin: Award of Contract to Gray and Becker, Inc., for Physical Plant Warehouse on Balcones Tract. -- It is recommended that a contract award be made to the low bidder, Gray and Becker, Inc., Austin, Texas, for the Physical Plant Warehouse to be constructed on the Balcones Tract at The University of Texas at Austin, as follows:

Base Bid	\$215,481.00
Deduct Alternate No. 3 (Omit three bays of the building)	<u>15,900.00</u>
Total Recommended Contract Award	\$199,581.00

This recommended contract award is within the amount of \$200,000.00 appropriated for the project.

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5. U. T. Austin: Appropriation for Model of Lyndon Baines Johnson Library-Stadium Complex.--It is recommended that an appropriation of \$1,000.00 be made from the Reserve for Budget Adjustment of Intercollegiate Athletics at The University of Texas at Austin in order to make payment to Brooks, Barr, Graeber, and White for preparation of a model of the Lyndon Baines Johnson Library-Stadium Complex, which combined the stadium model built by Osborn Engineering with the LBJ Library model built earlier by Brooks, Barr, Graeber, and White.

6. U. T. Austin: Additional Appropriation for Feasibility Study for Expanding Memorial Stadium.--It is recommended that an additional appropriation of \$10,000.00 be made for the Feasibility Study for Expansion of Memorial Stadium at The University of Texas at Austin from the Unallocated Balance and Balance Forward of Intercollegiate Athletics at U. T. Austin in order that the associated firms of Osborn Engineering and Lockwood, Andrews and Newnam, Inc., may develop a plan for the West side upper deck at the Stadium in addition to that already developed for the East side upper deck, and that the associated firms be authorized to proceed with this planning.

7. U. T. Austin: Authorization for Preparation of Preliminary Plans for Engineering Teaching Center I and Engineering Teaching Center II (Engineering Center) and Additional Appropriation for Architect's Fees.--It is recommended that an additional \$40,000.00 be appropriated from Permanent University Fund Bond Proceeds to the Engineering Center project, now known as Engineering Teaching Center I and Engineering Teaching Center II, to cover miscellaneous expenses and Architects' Fees through the preliminary plan stage, with authorization to Page, Southland, and Page, the project Architects, to prepare preliminary plans and outline specifications for these two buildings at a total estimated cost of \$10,000,000.00, these plans to be presented to the Board for approval at a later date.

8. U. T. Austin: Approval of Brackenridge Urban Renewal Disposal Agreement and Appropriation Therefor (60th Legislature, R. S., Chapter 73, H. B. No. 287).--It is recommended that Chairman Erwin be authorized to sign a second Urban Renewal Disposal Agreement, after approval as to content by the Director of Facilities Planning and Construction and as to legal form by a University Attorney, relating to the acquisition of the Brackenridge Urban Renewal Tract at The University of Texas at Austin as authorized by the 60th Legislature, Regular Session, Chapter 73, House Bill No. 287, which contract, in addition to outlining the boundaries of the property involved, sets out the prices to be paid for the various properties. It is further recommended that an appropriation in the amount of \$4,447,800.00 be made for acquisition of this property to come from the following sources:

\$ 500,000.00 from Account No. 85-0204-2000 - Interest on Proceeds of Permanent University Fund Bonds

3,947,800.00 to be transferred from Available University Fund accounts as follows:

\$1,800,000.00 from Account No. 63-1006-0000 - Science Research Buildings

2,147,800.00 from Account No. 63-1005-0000 - Expansion of Power Generation, Central Water Chilling, and Utilities Distribution Systems

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9. U. T. Austin: Report by Chairman Erwin of Acquisition of the Old U. S. Post Office Building and Annex and the Old-Old U. S. Post Office Building, Austin, Texas, from the U. S. Department of Health, Education, and Welfare; Authorization to Proceed with Remodeling and Appropriation Therefor. -- A report was received from Chairman Erwin that pursuant to the resolution adopted by the Board of Regents of The University of Texas System on May 22, 1965, he had accepted the Old U. S. Post Office Building and Annex, located in the 200 block of West 6th Street, and the Old-Old Post Office Building, located in the 100 block of West 6th Street, in Austin, Texas, from the United States of America, Department of Health, Education, and Welfare, and that he received and filed for record a deed without warranty therefor. The property will be formally presented to the Board on July 11 by the Secretary of Health, Education, and Welfare at a ceremony in Austin. It is recommended that:

a. An appropriation of \$1,500,000.00 be made from Account No. [redacted] - Interest on Proceeds of Permanent University Fund Bonds for the purpose of remodeling the Old Main U. S. Post Office and the Old-Old Main U. S. Post Office in Austin, Texas. It is also contemplated that the Old U. S. Post Office Annex, which has been condemned by the City of Austin, will be demolished and the area made into a landscaped park area.

b. The Project Architects, Brooks, Barr, Graeber, and White, be authorized to proceed with the preparation of plans and specifications for this project, to be presented to the Board for approval at a later date.

The foregoing action was taken after representatives of the Capital National Bank indicated that they would like to acquire the Old-Old Post Office property for inclusion in that bank's expansion plans and after the American National Bank notified the Board that that bank would like to acquire the Old Post Office property in connection with its expansion plans.

10. U. T. Arlington: Approval of Plans and Specifications for Improvements in Second Street Area (Site Development for Second Street Mall) and Appropriation Therefor. -- It is recommended that the final plans and specifications for the improvements in the Second Street Area, titled Site Development for Second Street Mall at The University of Texas at Arlington, as prepared by Schrickel, Rollins, and Associates, be approved by the Board, with authorization to the Director of Facilities Planning and Construction to advertise for bids to be presented to the Board or the Executive Committee for consideration at a later date.

It is further recommended that an appropriation of \$200,000.00 be made from accounts as shown below to cover the estimated cost of this project:

[redacted] - U. T. Arlington - Eight Tennis Courts - Allotment Account	\$ 39,942.88
[redacted] - U. T. Arlington - Reserve for Architects' Fees and Miscellaneous Construction	117,500.00
[redacted] - U. T. Arlington - Unallocated Proceeds - Local Funds	42,557.12

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11. U. T. Arlington: Award of Contract to Dallas Office Supply Company for Furniture and Furnishings for Carlisle Hall (Faculty Office Building).--It is recommended that a contract award in the amount of \$63,324.69 be made to the low bidder, Dallas Office Supply Company, Dallas, Texas, for Furniture and Furnishings for Carlisle Hall (Faculty Office Building) at The University of Texas at Arlington. There are sufficient funds in the Allotment Account for this project to cover this recommended contract award, and the low bid is within the amount allocated for this purpose.

12. U. T. Arlington: Authorization for (1) Execution of Loan Agreement with U. S. Commissioner of Education for Composite Building Project (including the Business Classroom-Life Sciences Building, Faculty Office Building, and Central Utility Expansion); (2) Increase of Building Use Fees; and (3) Appointment of McCall, Parkhurst and Horton as Bond Counsel and Mr. Sam E. Maclin as Financial Advisor.--With reference to the award of a loan in the amount of \$1,285,000.00 under Title III of the Higher Education Facilities Act of 1963 at an interest rate of 3% for a term of 30 years to pay part of the cost of construction of a composite building project at The University of Texas at Arlington, including the Business Classroom-Life Sciences Building, Faculty Office Building, and Central Utility Expansion, the following recommendations have been approved:

a. That the Board adopt the resolution set forth below accepting the proposed loan, authorizing the execution of the loan agreement, and authorizing such further action as may be necessary to consummate the loan.

b. That the Board authorize increasing Building Use Fees at U. T. Arlington from the present semester total of \$20.00 to \$25.00, with the increased fee to secure the aforementioned loan to the extent needed.

c. That the firm of McCall, Parkhurst and Horton, Dallas, Texas, be appointed as Bond Counsel and Mr. Sam E. Maclin, Russ and Company, San Antonio, Texas, be appointed as Financial Adviser for bonds issued under this Loan Agreement.

RESOLUTION APPROVING LOAN AGREEMENT

"WHEREAS, there has been filed with the U. S. Commissioner of Education by The University of Texas System, for and on behalf of The University of Texas at Arlington, (hereinafter called the "Applicant") an application for a loan under title III of the Higher Education Facilities Act of 1963 to assist in the construction of:

"A new Faculty Office Building; a portion of a Business Classroom-Science Building; and the prorated portion of the extension of the Central Utility Plant with necessary equipment, exterior utilities, and site improvements, and the U. S. Commissioner of Education has tentatively offered to make the requested loan and has transmitted for consideration a proposed Loan Agreement, dated as of April 15, 1968; and

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"WHEREAS, the proposed Loan Agreement has been duly examined and considered in accordance with all applicable rules of procedure and legal requirements, and made a part of the records of the Board of Regents of The University of Texas System (herein called the "Board") of the Applicant; and

"WHEREAS, it is deemed advisable and in the interests of the Applicant that the proposed Loan Agreement be accepted and its execution authorized;

"NOW, THEREFORE, be it resolved by the Board of the Applicant that the proposed Loan Agreement be and the same hereby is accepted without reservation or qualification.

"BE IT FURTHER RESOLVED THAT Frank C. Erwin, Jr., Chairman of the Board of the Applicant be and he is hereby authorized to execute the Loan Agreement, on behalf of the Applicant, and Betty Anne Thedford, the Secretary of the Board of the Applicant be and she is authorized to attest the execution of the Loan Agreement and the proper officials of the Applicant are hereby authorized to take such further action as is necessary to provide for the construction of the project, and to consummate the loan."

(That the Loan Agreement set forth in Paragraph 3 of the Resolution is inserted following this page in the Bound Volume of the Permanent Minutes, Volume XV.)

13. U. T. El Paso: Authorization for Construction of Additional Student Dormitory and Dining Facilities (including Athletic Dormitory Facilities), Appointment of Carroll, Dacuble, DuSang, and Rand as Project Architect, and Appropriation of Additional Architect's Fees. --For providing additional student dormitory space, including Athletic Dormitory Facilities, at The University of Texas at El Paso, it is recommended that:

a. That a dormitory complex be planned to be located in the southwest area of the Campus between Sun Bowl Road and Wiggins Road, designed to eventually accommodate approximately 1300 to 1400 students, with dining and lounge facilities for approximately 1800 students.

b. That the complex be designed around a central commons area to provide dining and lounge facilities for the housing units initially constructed, those to be constructed later as a part of the same complex, and for the existing housing units now located in the same general area.

c. That, subject to further review after the 1968 Fall registration, plans for the initial construction provide for units to house approximately 700 students including space for at least 300 men, at an estimated cost not to exceed \$3,750,000.00; the unit for 300 men to be available for the Department of Intercollegiate Athletics, student trainers, managers, counselors, etc.

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d. That if the Fall 1968 enrollment justifies the need, a third unit of the complex be recommended to the Board, which would increase the total capacity in the complex to approximately 1,000 students.

e. That debt service and required coverage for the Revenue Bonds for construction of these facilities be provided from (1) Revenues of the project and (2) a second lien on the revenues of those facilities pledged under other Student Housing Revenue Bonds Issues.

f. That the firm of Carroll, Daeuble, DuSang, and Raud be appointed as Project Architects for the complex, which now includes the Athletic Facilities, and that an additional appropriation of \$30,000.00 be made from the Unappropriated Balance of Auxiliary Enterprises at U. T. El Paso to cover miscellaneous expenses and Architect's Fees through the preliminary plan stage.

g. That the Architects be authorized to prepare preliminary plans for housing facilities for approximately 700 students, with an alternate to increase to approximately 1,000 students, based on needs after review of 1968 Fall enrollment.

h. That the firm of Vinson, Elkins, Weems, and Searls, Houston, Texas, be appointed as Bond Counsel and Mr. Sam E. Maclin, Russ and Company, San Antonio, Texas, as Financial Adviser for the Revenue Bonds to be issued in connection with this project.

i. That authorization be given to apply to the appropriate Federal agency for loan funds for this project.

14. U. T. El Paso: Approval of Contract with Central Energy Corporation for Central Heating and Chilled Water Plant. -- It is recommended that the proposed contract with Central Energy Corporation for a Central Heating and Chilled Water Plant at The University of Texas at El Paso be approved by the Board, with authorization to the Chairman to sign the documents involved, which are quoted in full on Pages 15-30.

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CUSTOMER AGREEMENT

This AGREEMENT is made and entered into this _____ day of _____, 1968, by and between CENTRAL ENERGY CORPORATION, a Texas corporation with its principal place of business in Dallas, Dallas County, Texas, hereinafter sometimes referred to as "CEC," and the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM for the use and benefit of The University of Texas at El Paso, hereinafter sometimes referred to as "Board,"

WITNESSETH:

WHEREAS, Board desires that a central plant and underground distribution system be provided to furnish chilled and high temperature water to the buildings constituting The University of Texas at El Paso; and

WHEREAS, CEC represents to Board that it has the requisite experience, skill and personnel properly to serve Board in the capacities specified below, and Board in reliance on such assurances is willing to contract to obtain chilled and high temperature water from CEC and to provide for the construction, operation and maintenance of a central plant and underground distribution system;

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter set forth, the parties agree as follows:

1. Construction of Central Plant. CEC hereby agrees to construct a central plant and an underground distribution system to provide chilled and high temperature water to those buildings on the campus of The University of Texas at El Paso described in Exhibit A attached hereto and made a part of this agreement together with such other main campus buildings and facilities as may be added by Board and to which service is requested by Board. Board agrees to purchase all requirements of chilled and high temperature water for future campus buildings and to connect all existing buildings with the central plant system as it is feasible to render such buildings capable of receiving and using the chilled and high temperature water to be supplied by the central plant. Board further agrees that during the term of this agreement it will not provide or otherwise obtain chilled and high temperature water from any other source for buildings described in Exhibit A and major buildings to be constructed within the area described in Exhibit B. Such chilled and high temperature water shall be provided on a 24 hour-a-day basis. The central plant shall be designed of masonry construction of a design to harmonize with the present buildings on the site. The cooling tower shall be located on the roof of the building and enclosed with masonry screen. The central plant will be designed to be readily expandable. Inside the central plant approximately 800 square feet of floor space, in a location to be mutually selected by Board and by CEC, will be provided to Board for installation of switchgear connected with the central electrical system of The University of Texas at El Paso campus, all of which is shown on Exhibit E attached hereto and made a part hereof; provided, however, that such site shall be subject to relocation upon mutual agreement of the parties. CEC will not be responsible for the installation, operation, or maintenance of the switchgear, but CEC agrees that it will cooperate with Board, under supervision of Board personnel, in the operation of the switchgear or, in the event of shutdown in the restoration of electrical service and shall at all times provide Board with access to the switchgear location. Before any work is begun or any commitments made as to materials and design of the central plant and underground distribution systems, all plans and specifications shall be approved by the Director of Facilities Planning and Construction and the Board. All future locations of pipelines, if any, shall have the prior approval of the Director of Facilities Planning and Construction.

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2. Term. This agreement shall be for a primary term ending August 31, 1997. CEC shall have the stage of construction so advanced that:

- a. The system is capable of delivering chilled and high temperature water not later than May 1, 1969;
- b. The initial central plant and underground distribution systems will have been substantially completed, tested and placed in operation not later than June 1, 1969;

CEC shall notify Board in writing as soon as each of the phases of construction, outlined above, have been completed.

3. Design and Plant Capacity. The central plant and underground distribution system shall be designed and constructed to provide services to facilities of The University of Texas at El Paso. The initial plant shall have an installed cooling capacity of 2000 tons and an installed heating capacity of 40 MMBTU/Hr. The design will provide for multiple boilers and multiple chillers with the largest unit of each not exceeding 60% of the total plant capacity. As load requirements necessitate enlargement of the plant facilities, the plant ultimate design will approach 25% reduction in capacity with the largest unit (heating and cooling) out of service. Board agrees that standby and peaking requirements for chilled water will be supplied by existing small chillers in the physical science and liberal arts buildings until the central plant load exceeds 2400 tons. These units will be operated and maintained by CEC and no charge will be made for chilled water produced from these machines. Board will be responsible only for electricity water and repair parts used.

Chilled water shall be circulated to the delivery points at a temperature of not less than 39° F to not more than 42° F and at a pressure of approximately 125 p. s. i. g. If requested by Board, CEC will provide chilled water during peak cooling periods within range of 39° F to 40° F. High temperature water shall be circulated to the delivery points at a pressure of not less than 150 p. s. i. g. and not more than 250 p. s. i. g. The temperature of the circulating water will be between 350° F and 400° F.

4. Commencement of Construction; Ground Lease. CEC hereby agrees to commence construction of the said central plant and underground distribution system upon the lands of Board above described within a reasonable time from the date of this agreement. CEC will obtain from its contractors a performance and payment bond assuring CEC of completion of the project in sufficient time to commence the provision of services as herein specified. Should CEC permanently abandon the construction of said plant, title to all improvements shall vest in Board. As a part of the consideration of this agreement Board agrees to lease to CEC a tract of land within the site and at the location shown on Exhibit C attached hereto of approximately 82 feet by 175 feet containing 14,350 square feet, upon which CEC can erect the central plant building and install the central plant. The parties hereby agree to execute on the date hereof a lease agreement attached hereto as Exhibit D reflecting the terms and conditions under which said land is to be used.

5. Metering Equipment; Point of Delivery. The principal metering for the system will be made at the point of output from the central plant. Auxiliary metering will be separately provided, however, for each building having a load in excess of 60 tons. Central plant meters will be accurate to a tolerance of plus or minus 0.5%, and auxiliary meters will be accurate to a tolerance of plus or minus 3%. Board will provide CEC with space in the building(s) to install equipment for measuring and metering the chilled and high temperature water delivered or returned from each delivery point serving such building. Delivery points to the building will be at the underground point mutually agreed to by Board and CEC, terminating approximately five (5) feet from the point of entrance of the building to be served. Circulation from the delivery point will be done by Board. The necessary mixing valves, control system, pumps and regulators will be installed in the circulating system of the building by Board.

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6. Ownership and Repair of Central Plant. Board shall not, by virtue of this agreement during the term hereof, acquire any interest or right in or to the central plant, central plant building, distribution system, or any other equipment installed by CEC, except as otherwise provided in this agreement and the lease agreement attached hereto. CEC shall repair and maintain such building, systems and equipment. If all or any part of such facilities shall at any time be destroyed or damaged so that the production or circulation of chilled or high temperature water is not adequate to maintain the standards herein contained, CEC shall proceed promptly to rebuild, replace and/or repair the same. CEC shall have the right, upon reasonable notice to the Director, Physical Plant, of Board, to interrupt the supply of chilled or high temperature water to Board's facilities for the purposes of making any necessary repairs but CEC shall in each instance accomplish such work at such times and in such manner as to cause as little interruption or inconvenience to the occupants of the building as is reasonably possible and shall restore its facilities to operation as quickly as shall be reasonably possible under the circumstances.

7. Right of Entry. Board agrees that CEC, its agents, representatives and workmen and all persons designated by CEC shall have free ingress and egress at all times to the areas within which the central plant building is located.

8. Return of Chilled and High Temperature Water. Board shall be responsible for the return to the circulation system of all chilled and high temperature water as follows:

a. Board shall endeavor to return chilled water from each building at a temperature of approximately 56° F and at a pressure sufficient to enter CEC's return lines which will normally be within 10 p. s. i. of the delivered pressure.

b. Board shall endeavor to return high temperature water at a temperature of approximately 150° F and at a pressure sufficient to enter CEC's return lines which will normally be within 10 p. s. i. of delivered pressure. CEC's return lines shall be designed and operated so as to permit such entry under all usual operating conditions. The necessary mixing valves, control systems, pumps and regulators in the circulation system of the buildings served shall be installed by Board at its sole expense. The design of such equipment shall provide for the automatic return of the high temperature water within the approximate limits above prescribed. Unusual system loss originating within the buildings may be charged to Board at direct CEC cost.

9. Rates for Chilled Water. Board shall pay CEC for producing, furnishing and circulating chilled water in accordance with the following schedule, subject to adjustment as herein provided:

Rate Schedule

Plant production and distribution charge:

\$.0095 (9-1/2 mills) per hour per ton capacity

Commodity Charge:

\$.027 per ton hour for first 1,000 annual ton hours per ton capacity

\$.023 per ton hour for next 500 annual ton hours per ton capacity

\$.019 per ton hour for next 500 annual ton hours per ton capacity

\$.016 all additional ton hours annually

Commodity charges will be increased or, as the case may be, decreased from time to time as follows:

a. For the refrigeration produced using steam turbines or absorption chillers, \$.0002 per ton hour for each cent by which the average annual cost to CEC per million BTU of the fuel utilized in the central plant systems varies from 38 cents per million BTU.

b. For the refrigeration produced using electric motor-driven chillers, \$.0012 per ton hour for each one tenth cent by which the average annual cost to CEC per kilowatt hour (KWH) of electrical energy, including cost determined on the basis of demand, varies from \$.01 per KWH. Where electric driven chillers are not utilized the electrical cost adjustment shall be \$.00033 per ton-hour per .1 cent change in cost of electrical energy including demand from \$.01 per kilowatt hour.

c. \$.0002 per ton hour for each two cents by which the average annual cost to CEC per thousand gallons of water utilized in the central plant system varies from fifteen cents per thousand gallons of water.

d. \$.0002 per ton hour for each five percent change in the average cost of labor prevailing for manufacturing employes in the El Paso labor market for the month of December of each contract year from the average cost of labor prevailing for manufacturing employes in the El Paso labor market for December, 1968. The average cost of labor prevailing for manufacturing employes in the El Paso labor market shall be determined by reference to and in conformity with the index of Gross Average Hours and Earnings in the El Paso Metropolitan Area published by the Texas Employment Commission in cooperation with the United States Bureau of Labor Statistics.

e. By an adjustment to reflect the increase or decrease in taxes, as herein defined, for taxable periods commencing January 1, 1969. Adjustments with respect to ad valorem taxes assessed to and paid by CEC shall be made for changes in the tax charged resulting from any change in the tax rate or in the percent of assessed value includible in the defined "base" for taxation. Such adjustment, which shall be made to the base charge payable at the date services are first provided hereunder, shall be computed at the end of each calendar year during the term of this contract in which a change in taxes shall have occurred as follows:

Step 1. Multiply the total assessed value at the most recent assessment date of all property used by CEC in the performance of this contract ("Property Value") by the tax rate and percentage of assessed value included in the tax base used for the determination of tax for the preceding year.

Step 2. Multiply the Property Value used in Step 1 by the tax rate and percentage of assessed value included in the tax base used for the determination of tax for the year which includes the date at which service is commenced hereunder.

Step 3. Subtract the product of Step 2 from the product of Step 1.

Step 4. Divide the remainder of Step 3 by the number of ton hours of chilled water sold by CEC during the preceding calendar year.

Step 5. Multiply the quotient of Step 4 by a fraction of which the denominator is the total revenue realized by CEC from the sale of chilled water and steam during the preceding calendar year to all parties from the plant constructed hereunder and the numerator of which is the total revenue realized by CEC from the sale of chilled water to Board hereunder during the preceding calendar year.

Step 6. If the product of Step 5 is a plus figure, add to base charge for chilled water, or, if the product of Step 5 is a minus figure, subtract from the base charge.

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Upon any adjustment to the base rate as provided in this paragraph 9, CEC shall give written notice to Board of its computation of such adjustment not later than April 30 of each year. The adjustment shall be applied commencing with the beginning of the next succeeding fiscal year of the Board.

10. Rates of High Temperature Water. Board shall pay CEC for producing, furnishing and circulating high temperature water at the following rates, subject to adjustment as hereinafter provided:

Rate Schedule

Plant production and Distribution Charge - \$.00010 per hour per MBH
installed capacity

Commodity Charge - \$1.25 per million BTU

The commodity charge will be increased or, as the case may be, decreased from time to time as follows:

a. \$.0015 per million BTU for each one tenth cent by which the average annual cost to CEC per million BTU of the fuel utilized in the central plant system allocated to production of high temperature water for sale varies from 38 cents per million BTU.

b. \$.002 per million BTU for each one tenth cent by which the average annual cost to CEC per KWH of electrical energy, including cost determined on the basis of demand, varies from \$.01 per KWH.

c. \$.005 per million BTU for each one cent by which the average annual cost to CEC per thousand gallons of water utilized in the central plant system varies from fifteen cents per thousand gallons of water.

d. \$.02 per million BTU for each five percent change in the average cost of labor prevailing for manufacturing employees in the El Paso, Texas, labor market for December of each contract year from the average cost of labor prevailing for manufacturing employees in the El Paso, Texas, labor market for December, 1968, such costs determined as provided in paragraph 10.

e. By a tax adjustment identical with the adjustment provided in (e) of paragraph 9 hereof, except that (1) in Step 4 the remainder of Step 3 shall be divided by the number of million BTU's of high temperature water sold by CEC during such preceding calendar year from the central plant system, and (2) the quotient of Step 4 shall be multiplied by a fraction, the denominator of which is the total revenue of CEC from the sale of chilled water and high temperature water from the central plant system for said 12 months period and the numerator of which is the total revenue of CEC from the sale of high temperature water from the said central plant system for such preceding calendar year. The amount so determined shall, if a plus figure, be added to or, if a minus figure, be subtracted from the base charge for high temperature water.

Upon any adjustment to the base rate as provided in this paragraph 10, CEC shall give written notice to the Board of its computations of such adjustment not later than April 30 of each year. The adjustment shall be applied commencing with the beginning of the next succeeding fiscal year of the Board.

11. Modification in Event of Expansion. CEC agrees that during the first twelve years following the commencement of service hereunder it will expand the central plant and distribution system in such manner as may be necessary in order to serve any buildings built or rehabilitated for air-

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conditioning during such period. Such expansion will be performed under the existing terms of this agreement as to rates for demand and energy charges, and those provisions will be applicable to the operations of CEC as performed in the expanded plant. In the event additional expansion is required after the first twelve year period, the rates to be applicable thereupon and the remaining terms of this agreement shall be subject to modification by mutual determination of the parties hereto.

12. Encumbrances and Removal of Property. Except for the financing of the construction and equipment for the facilities described in this agreement, CEC agrees not to further encumber any property located on the land described in Exhibit B without approval of Board and CEC further agrees not to remove any of said property without approval of Board. CEC covenants that in financing the said construction and equipment it will at no time encumber such property beyond actual cost of facilities, and indebtedness thus secured will be retired systematically over the term of this contract.

13. Statements for Charges; Payment. Statements shall be rendered monthly by CEC to Board not later than the fifth business day of each month for the prior month's service, and shall be payable on or before thirty days thereafter.

14. Verification of Metering. Board shall have access at all reasonable times to metering equipment and all instruments used in determining the measurement of the contract units of chilled water and high temperature water, but the reading, adjustment and maintenance thereof shall be performed only by representatives of CEC. Upon request of Board, CEC shall submit to Board its records and readings of such meters and measuring equipment, and a representative of Board may, at the request of Board, be present when periodic tests or adjustments are made of such meters and measuring equipment; and CEC shall give reasonable notice of its intention to make such test or adjustments. Board, through a representative, shall have the right at reasonable times to have its representatives test the accuracy of such meters and measuring equipment, and if upon any test of the meters or measuring equipment by Board or by CEC any of such meters or measuring equipment is found to be inaccurate by 2% or more, such meter or measuring device shall be promptly corrected, and payments based upon such inaccurate registration shall be corrected for the period during which said inaccuracy is known to have existed, but in case such period is not known or agreed upon, then for a period extending back for one-half ($\frac{1}{2}$) of the lapsed time since the previous test of the accuracy of such meter or measuring equipment. Calculations of energy usage by plant records of temperature differential and flow may be used when mutually agreed.

15. Equipment Under Control of Board. CEC will not be responsible for insufficient cooling or heating within any building attributable to defects or inadequacy of air handling, heat exchange or other related equipment not under the exclusive control of CEC.

16. Indemnification and Insurance. CEC will indemnify and hold Board harmless from any loss, cost, damage or expense proximately resulting from the negligent performance by it of its obligations hereunder or from its violation of the covenants made by it hereunder. CEC shall be promptly notified in writing of any claim or demand for payment made on account of which Board claims that it is entitled to indemnification under this agreement; and such CEC shall have a reasonable opportunity and the right to contest, at its own expense, any such claim or demand asserted against Board. Board shall cooperate in defending against any such claim or demand and shall make available to CEC any business records appropriate for use in contesting any such liability.

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At all times during the term of this agreement CEC shall maintain in full force and effect the following insurance coverage:

- a. Public liability insurance in an amount not less than \$100,000 per person and \$500,000 for each occurrence.
- b. Workmen's compensation insurance in accordance with applicable laws.
- c. Property damage liability insurance, in the amount of \$100,000/\$500,000.
- d. Property damage upon the entire structure and contents in the amount of at least 80% of the insurable value thereof, including coverage against fire, lightning, windstorm, hurricane, hail, explosion, riot, civil commotion, smoke, aircraft and land vehicles.

17. Assignment of Proceeds. CEC represents that, incident to its financing the building of the facilities contracted by it to be built hereunder, it will designate a trustee to protect the interests of the holders of the bonds sold to provide such financing. The trustee so designated shall be acceptable to Board and Board agrees to make payments from time to time for services rendered to it under the terms hereof to such trustee under the following conditions:

- a. Upon receipt of instructions to do so, in writing, duly signed by CEC; or
- b. In the event CEC becomes unable to continue the performance of services as herein provided because of its bankruptcy, insolvency, or for any other reason.

Under the circumstances outlined in subparagraph (b) above, the trustee shall designate a successor plant operator of the central plant which shall be acceptable to the Board. If the trustee fails to appoint an acceptable successor plant operator, Board shall either appoint a successor plant operator or shall itself take over the operation of such plant. In such latter event, Board shall pay the operating and maintenance expenses, the total of which shall be deducted from the sum of the amounts payable by it for services hereunder and the amounts received by it from any services rendered to others, which amounts shall be due and payable to Board as operator of central plant, and the balance of which, if any, shall be remitted to trustee to be applied to the payment of the principal and interest on the bonds issued by CEC for the building of the central plant facilities and reasonable fees for the services rendered by it.

Should it become necessary, due to the circumstances outlined in subparagraph (b) above, to provide for the payment of CEC's outstanding bonds through the trustee, then this agreement, and the lease to CEC of the plant site, shall terminate on August 30, 1993, or at the time when the last of the bonds issued by CEC for the facilities built hereunder are paid in full, whichever event occurs first. If termination occurs as a result of the payment of such bonds, then all the remaining personal property then constituting the plant, and any supplies then on hand, shall become the property of the Board.

18. Inspection of Plant and Systems. Board will cause a semiannual inspection to be made under the supervision of the Director, Office of Facilities Planning and Construction, of the central plant and distribution systems. A written report of the results of such inspection shall be given to CEC and to the trustee. If deficiencies are indicated in report, CEC shall have a reasonable time to correct such deficiencies or request reconsideration thereof.

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19. CEC Not a Public Utility. Board stipulates that Board understands that CEC is not and will not become a "public utility," that CEC does not and will not dedicate any of its property or facilities to the public use or to any use which would cause CEC to become a public utility. Board will at no time during the term of this agreement urge or press any claim or charge that CEC is or should be a public utility, nor will Board urge any such claim after the termination of this agreement based upon any occurrence or set of facts which existed during the term of this agreement.

20. Notices. All notices and bills hereunder shall be in writing and shall be deemed to have been delivered when deposited in the United States mail, postage prepaid, if properly addressed as follows:

If to Board: The University of Texas at El Paso
El Paso, Texas

If to CEC: 2102 Proctor Street
Dallas, Texas

Either party may by written notice to the other change its address for purposes of notices and bills hereunder.

21. Merger Clause; Amendments. This written agreement constitutes the whole agreement between the parties hereto, and all prior or contemporaneous oral commitments or understandings are merged herein. This agreement may be modified or amended only by an agreement in writing signed by each of the parties hereto.

22. Force Majeure. CEC will not be responsible for any interruptions of the delivery of chilled water or high temperature water or for the performance of any of the duties assumed hereunder by CEC, due to strikes, fires, or governmental interference or order or regulation of or by any governmental authority, acts of God, or causes beyond the control of CEC, but CEC will at all times exercise the highest of diligence to have the central plant system furnish an uninterrupted supply of chilled water and high temperature water.

23. Successor and Assigns. This agreement shall be binding upon the successors and assigns of the parties hereto. Except for the assignment of proceeds as provided in paragraph 16 hereof, CEC may not sell or assign this agreement without prior written consent of Board, which consent shall not be unreasonably withheld.

24. Waiver. No failure by any party hereto to enforce any of its rights hereunder shall constitute a waiver or release of any such right or effect the validity of this agreement. No waiver of any breach of this agreement shall be deemed a waiver of any other or subsequent breach.

25. Authority. The parties represent and warrant that each has legal power to enter into this agreement and that each has taken all action necessary to authorize its duly authorized officers to execute this agreement.

26. No Indebtedness Created. This agreement shall not be construed as creating an indebtedness against the State of Texas, and all obligations of the Board hereunder are subject to the availability of appropriations by the Legislature of the State of Texas.

27. Partial Invalidity. If any provision of this agreement is held to be invalid and not binding on any party hereto, such invalidity shall not affect the validity or enforceability of the remainder of this agreement.

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

ATTEST:

BOARD OF REGENTS OF
THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

ATTEST:

CENTRAL ENERGY CORPORATION

Secretary

By _____
President

Approved as to Form:

Approved as to Content:

University Attorney

Vice-Chancellor for
Business Affairs

EXHIBIT A

Initial Central Plant Loads

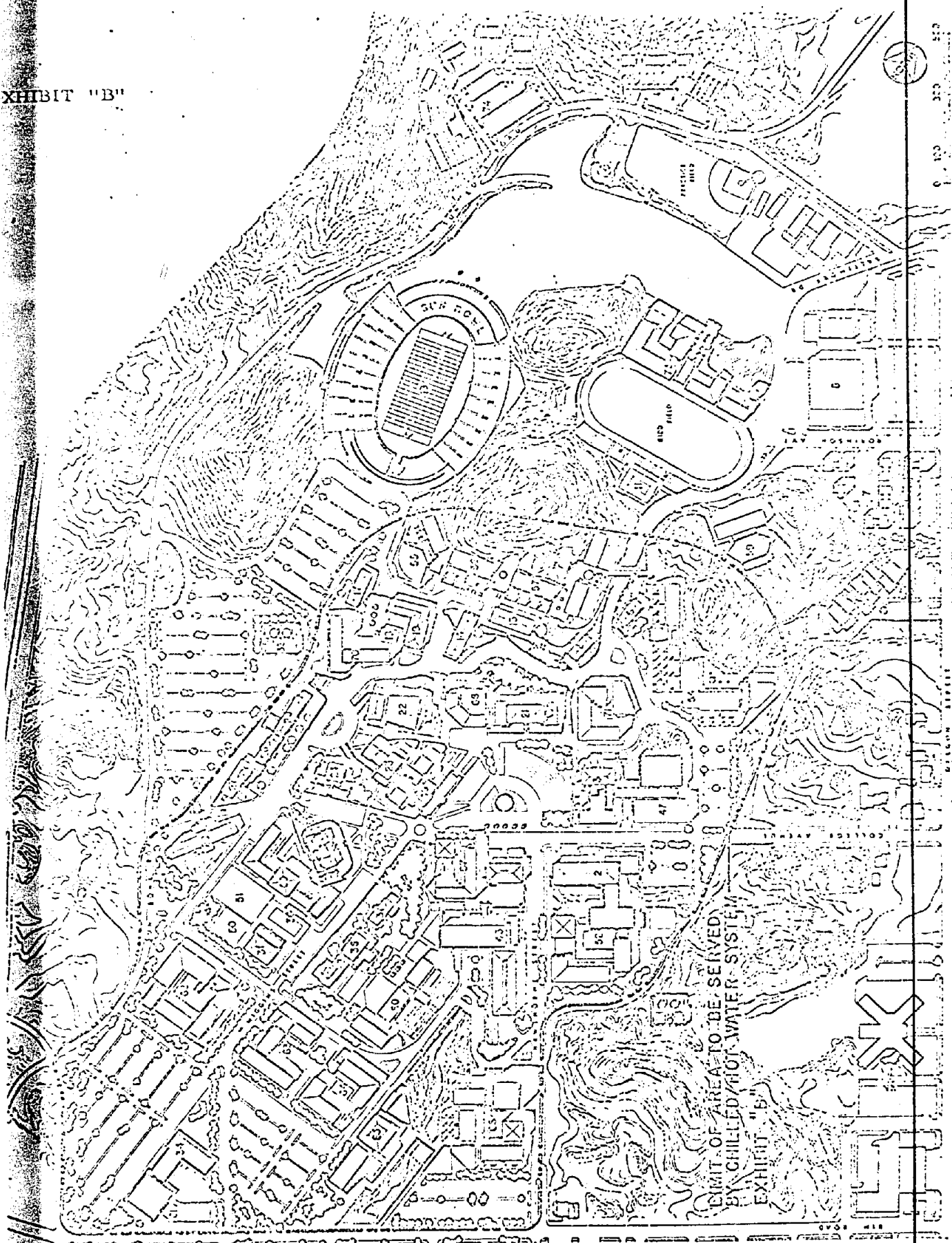
<u>Bldg. No.</u>	<u>Building Name</u>	<u>Area Ft.</u>	<u>Estimated Cooling (Tons Peak)</u>	<u>Estimated Heating (MBH Peak)</u>
2	Liberal Arts	91,891	310	5,050
6	Educational (Faculty)	9,600	29	530
12	Kelley Hall (Faculty)	6,600	20	365
13	Math & Physical Science	18,000	60	990
21	Science	33,600	145	1,850
45	Physical Science	90,000	360	4,950
(23-46)	Library & Addition	95,300	324	5,245

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MAY 31

1968

EXHIBIT "B"



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EXHIBIT "C"
CENTRAL ENERGIES CORPORATION
PROPERTY DESCRIPTION

A portion of the Alexander Addition to the City of El Paso, Texas

Description of a parcel of land being a portion of the Alexander Addition to the City of El Paso, Texas, El Paso County, Texas and being more particularly described by metes and bounds as follows to wit:

From a point, said point being an existing city monument located 10 feet northerly and 10 feet easterly of the centerline intersection of University Avenue (formerly College Avenue) with Randolph Street; Thence South $52^{\circ} 45' 30''$ West along the monument line of University Avenue, a distance of 500.00 feet; Thence South $37^{\circ} 14' 30''$ East a distance of 260.00 feet; Thence South $48^{\circ} 16' 30''$ West a distance of 177.00 feet; Thence South $37^{\circ} 13' 30''$ East a distance of 12.00 feet to the POINT OF BEGINNING;

Thence South $37^{\circ} 13' 30''$ East a distance of 210.00 feet;

Thence South $52^{\circ} 46' 30''$ West a distance of 82.00 feet;

Thence North $37^{\circ} 13' 30''$ West a distance of 210.00 feet;

Thence North $52^{\circ} 46' 30''$ East a distance of 82.00 feet to the point of beginning and containing in all 17,220.00 square feet or 0.395 acres of land more or less.

DONALD T. CREMANS & ASSOCIATES

Signed: George H. Mengel
George H. Mengel, P. E.

April 25, 1968

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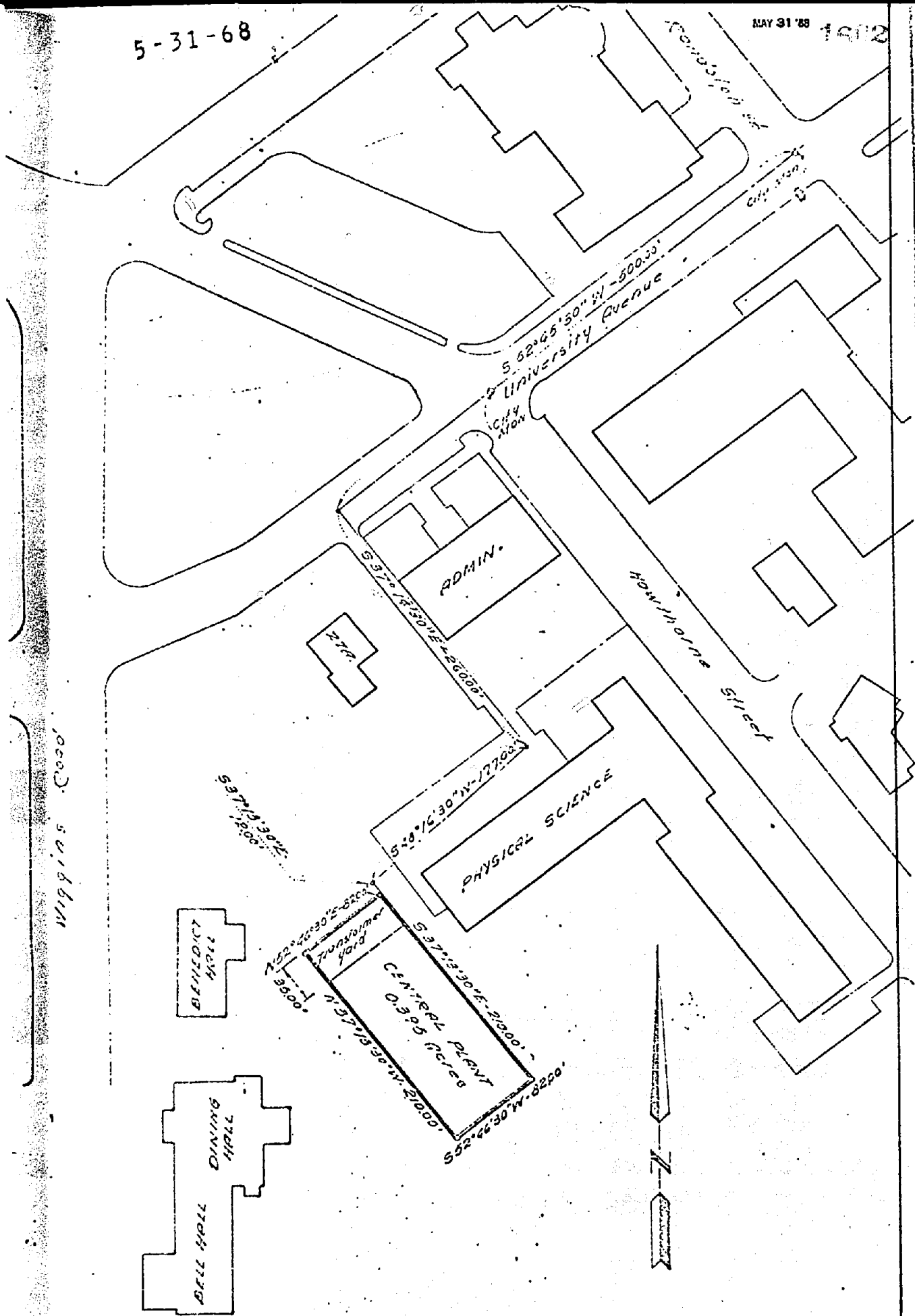


EXHIBIT "C"
 CENTRAL ENERGY CORPORATION
 A PORTION OF THE ALEXANDER ADDITION
 TO THE CITY OF EL PASO
 EL PASO COUNTY, TEXAS
 DATE - APRIL 24 - 1968 SCALE 1"=100'

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LEASE AGREEMENT

THE STATE OF TEXAS X
 X
 COUNTY OF EL PASO X

This AGREEMENT made and entered into this _____ day of _____, 1968, by and between the BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM, herein called "Lessor," and CENTRAL ENERGY CORPORATION, a Texas corporation with its principal place of business in Dallas, Dallas County, Texas, herein called "Lessee."

WITNESSETH:

For and in consideration of the construction, operation and maintenance of a central chilled and high temperature water plant and an underground distribution system by Lessee to furnish services to certain of the buildings constituting The University of Texas at El Paso, which shall revert to Lessor at the expiration of the term of this lease as herein provided, the covenants and agreements to be kept and performed by Lessee pursuant to that certain customer agreement of even date herewith by and between Lessee and Lessor to which reference is here made for all purposes, and the payment by Lessee of ten dollars per annum, Lessor does hereby lease unto Lessee for a term commencing on the date hereof and terminating on August 31, 1997, or such other date as may be determined under provisions of the customer agreement whereby said customer agreement is terminated, the following described tract of land located on the site of The University of Texas at El Paso described on Exhibit A hereto.

The following terms and conditions as to the use of the leased premises hereby granted are expressly agreed to by and between Lessee and Lessor:

1. Lessee agrees to construct a central water chilled water and high temperature water plant and underground distribution system in accordance with the terms and conditions of the customer agreement. Lessor agrees to furnish Lessee the necessary rights of ingress and egress to the central plant site in accordance with the plat attached hereto and marked Exhibit B. Lessor further agrees and hereby grants to Lessee the right to use as much of the surface adjacent and contiguous to the leased premises as may be reasonably necessary for the operation and maintenance of the central plant and underground distribution system. Such operation and maintenance by Lessee shall not in any manner restrict or interfere with any proposed new building which may be constructed by Lessor on said premises. Lessee hereby agrees to relocate its underground distribution lines when requested to do so by Lessor. If the relocation is caused by a change in the use by Lessor of its premises after the Lessor shall have approved the original location of such lines, the expense of such relocation shall be borne by the Lessor. Otherwise, the expenses incurred in relocating such lines shall be borne by the Lessee. Lessee hereby agrees that at all times it will restore the surface of the leased premises on any lands covered hereby to the same condition as prior to the construction, replacing, repairing or maintaining of its underground distribution system or related facilities.

2. It is agreed and understood that title to the central plant and the underground distribution system including all personal and movable

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property, such as compressors, boilers, cooling towers, switch gears, chillers, pumps and internal piping and all other improvements and equipment, shall vest in Lessor upon the expiration or termination of this lease.

3. Lessee shall not commit or suffer to be committed waste upon said premises, and shall keep said premises and the improvements and equipment thereon in good order and repair and in clean, safe and healthful condition, and shall comply with all state, federal and local laws, rules and regulations with regard to the use and conditions of the demised premises and improvements and equipment thereon.

4. It is agreed and understood that Lessor is not to be liable for any damages or injuries to any person or persons or property on account of the occupancy, use or improvements placed on said premises by the Lessee, its successors or assigns, and Lessee shall indemnify and hold harmless Lessor from any such liability in the manner and to the extent provided in the customer agreement.

5. Lessee shall pay all charges connected with the operation of said premises, including all taxes, assessments and charges, general and specific, that may be levied or assessed against Lessee by reason of its use of said premises and improvements and equipment situated thereon.

6. This lease may be transferred or assigned by Lessee only in the event of an assignment or transfer of the customer agreement after receipt of approval therefor from Lessor.

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

ATTEST:

BOARD OF REGENTS
THE UNIVERSITY OF TEXAS SYSTEM

Secretary

By _____
Chairman

LESSOR

ATTEST:

CENTRAL ENERGY CORPORATION

Secretary

By _____
President

LESSEE

Approved as to Form:

Approved as to Content:

University Attorney

Vice-Chancellor for
Business Affairs

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THE STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

BEFORE ME, the undersigned authority, on this day personally appeared FRANK C. ERWIN, JR., Chairman of the Board of Regents of The University of Texas System, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said Board of Regents of The University of Texas System.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 1968.

Notary Public in and for
Travis County, Texas.

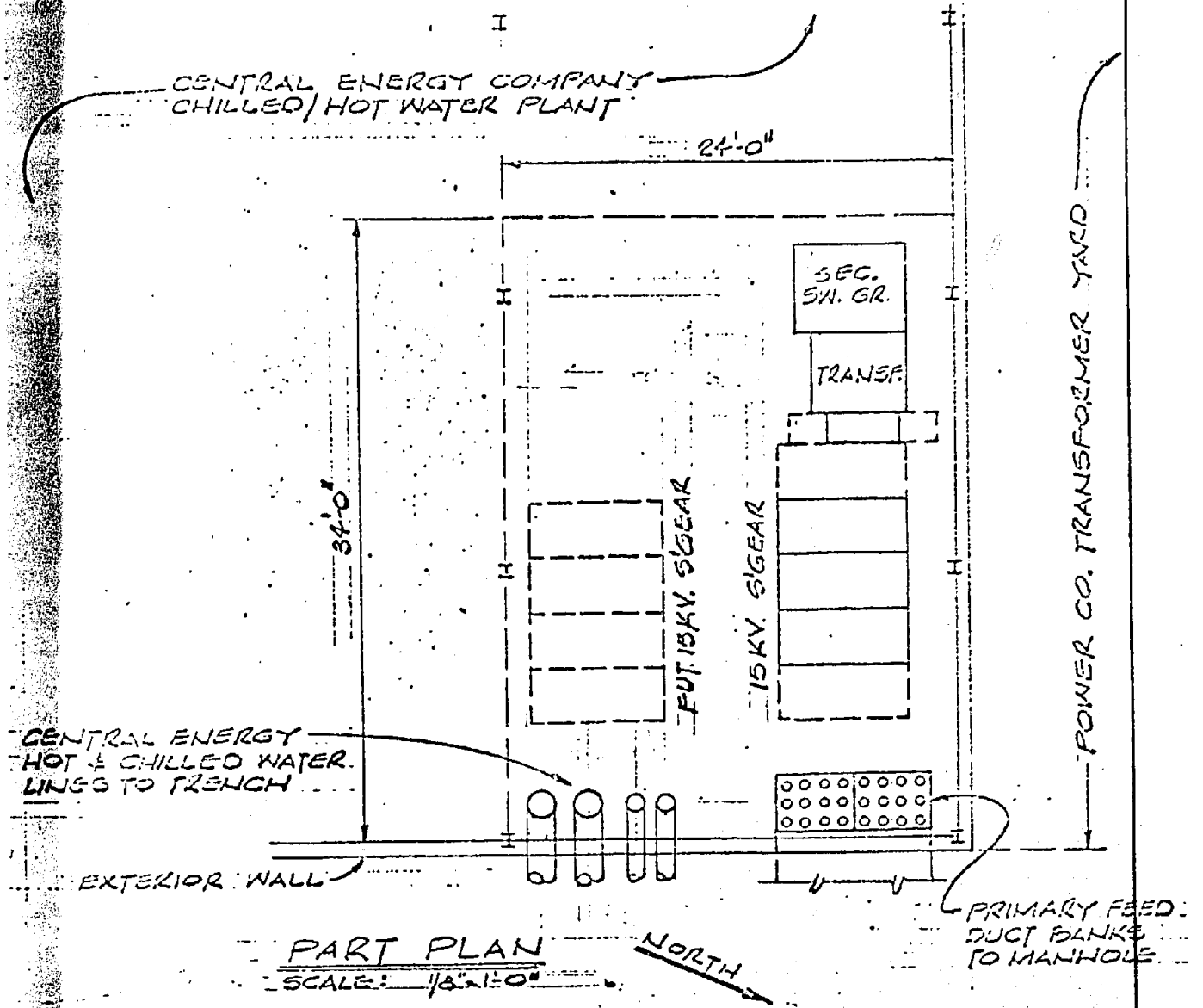
THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared _____ of the Central Energy Corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of the said Central Energy Corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this _____ day of _____, 1968.

Notary Public in and for
Dallas County, Texas

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LYNOR BIRMEN ENGINEERS LAS. TEXAS	DATE: 5-7-68	UNIV. OF TEXAS @ EL PASO	NO. 2263
	BY: A.A.B.	UNIV. OF TEXAS SWITCHGEAR	
	CXD	SPACE REQUIREMENTS IN CENTRAL PLANT	

EXHIBIT "E"

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15. Galveston Medical Branch: Acceptance of United States Public Health Service Grant No. J06 LM 00345-01 for Library Building, Statement of Status of Financing, and Appropriation of Funds.--It is recommended that United States Public Health Service Grant No. J06 LM 00345-01 in the amount of \$1,598,406.00 for assistance in the construction of the Library Building at The University of Texas Medical Branch at Galveston be accepted by the Board; this grant, together with the \$1,000,000.00 gift made several years ago by Moody Foundation covers the present estimated cost of the building. It is further recommended that this Federal Grant and the balance of \$877,500.00 which has not yet been appropriated from the Moody Foundation gift of \$1,000,000.00 be added to the Allotment Account for the Library Building.

Authorization has already been given to the Associate Architect, O'Neil Ford and Associates, to proceed with the preparation of working drawings and specifications.

16. Galveston Medical Branch: Award of Contract to Tellepsen Construction Company for Clinical Sciences Building.--It is recommended that a contract award in the amount of \$3,579,800.00 based on the base bid be made to the low bidder, Tellepsen Construction Company, Houston, Texas, for the construction of the Clinical Sciences Building at The University of Texas Medical Branch at Galveston, subject to the approval of the appropriate federal government agencies. To cover this recommended contract award, Architects' Fees thereon, and miscellaneous expenses, it will be necessary to use approximately \$83,000.00 of the funds allocated for Movable Furniture and Equipment; however, it is anticipated that over the next two-year construction period, the Galveston Medical Branch will be able to accumulate this amount of equipment for use in the new building or otherwise provide the necessary funds in order that the total amount of equipment needed for the building will be available by the time the building is ready for occupancy.

17. Galveston Medical Branch: Award of Contract to John Gray Company, Inc., for Remodeling of First Floor of Children's Hospital for Department of Pediatrics and Remodeling of Third Floor of Rebecca Sealy Building for Department of Pharmacology and Additional Appropriation.--It is recommended that a contract award be made to the low bidder, John Gray Company, Inc., Galveston, Texas, for Remodeling of the First Floor of Children's Hospital for the Department of Pediatrics and Remodeling of the Third Floor of Rebecca Sealy Building for the Department of Pharmacology at The University of Texas Medical Branch at Galveston, as follows:

Base Bid, Remodeling Children's Hospital	\$144,528.00
Less Reductions through Negotiations with low bidder:	
Reduce Air Conditioning from 8-zone to 5-zone, deduct	\$7,408.00
Reduce Contingency Allowance from \$5,000.00 to \$1,000.00, deduct	4,000.00
Eliminate Finishing of the Porch, deduct	4,000.00
Eliminate Millwork	4,000.00
	19,408.00
	125,120.00
 Add Alternate No. 1 (Installation of Vinyl Tile in Certain Specified Areas)	 1,942.00
	127,062.00
 Base Bid, Remodeling Rebecca Sealy Building	 94,403.00
 Total Recommended Contract Award	 \$221,465.00

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It is further recommended that an additional appropriation of \$71,465.00 be made to these projects from the Unappropriated Balance of the Galveston Medical Branch.

18. Galveston Medical Branch: Rental of Space in St. Mary's Nursing School Building for Medical Records Storage.--It is recommended that authorization be given for The University of Texas Medical Branch at Galveston to lease 10,600 square feet of space in the St. Mary's Nursing School Building at a rental rate of \$0.22 per square foot per month for a period not to exceed two years, to be paid from the General Funds of the Galveston Medical Branch Hospitals, for the purpose of storing Medical Records. It is further recommended that Vice-Chancellor Walker be authorized to execute an appropriate lease agreement with the St. Mary's Hospital, Galveston, Texas, for the rental of this space.

19. Dallas Medical School: Rental of Space at 2600 Stemmons Freeway for (1) the Regional Medical Program, (2) the Department of Neurology, (3) the Department of Pediatrics.--It is recommended that authorization be given for the following leases or renewal of leases as indicated at 2600 Stemmons Freeway, Dallas, Texas, for The University of Texas Southwestern Medical School at Dallas. It is further recommended that Vice-Chancellor Walker be authorized to execute each appropriate lease agreement with the 2600 Stemmons Freeway Company, Dallas, Texas, covering the rental of the space under the terms as set out:

a. Lease of 2,020 square feet of space for the Regional Medical Program for a three-year period beginning July 1, 1968, with the option to cancel at the end of any one-year period with ninety days' written notice, at a rental rate of \$694.77 per month, to be paid from Regional Medical Program grant funds.

b. Renewal of the current lease for 2,820 square feet of space for the Department of Neurology for a period of three years beginning July 1, 1968, with the option to cancel at the end of any one-year period with ninety days' written notice, at a rental rate of \$823.00 per month, payable from the Department of Neurology's Symposium Fund and USPHS grants.

c. Lease of 2,352 square feet of space for the Department of Pediatrics for a one-year period beginning August 1, 1968, at a rental rate of \$933.00 per month, payable from grant funds of C & Y Project 647.

20. U. T. Houston: Approval of Easement to Houston Natural Gas Corporation.--It is recommended that an easement be granted at no cost to Houston Natural Gas Corporation across certain land in the Texas Medical Center owned by The University of Texas System, as specifically designated on a map which is a part of the easement document, for the purpose of constructing an underground distribution system for central chilled water and steam to serve units within the Texas Medical Center, and that the Chairman of the Board be authorized to sign the easement document, after approval as to content by the Director of the Office of Facilities Planning and Construction and as to legal form by the University Attorney.

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REPORT OF THE LAND AND INVESTMENT COMMITTEE (Pages 33-49)
 --Committee Chairman Ikard filed with the Secretary, and moved the adoption of, the following report of the Land and Investment Committee which meeting was held in open session. Regent Kilgore seconded the motion and the report was unanimously adopted. The Executive Director of Investments, Trusts and Lands was authorized to execute all necessary instruments relating to real estate or mineral interests held or controlled by the Board of Regents as a part of the Permanent University Fund or as a part of any trust or special fund when such instruments are approved by appropriate authority:

I. Permanent University Fund

A. Investment Matters

1. Report of Purchases, Sales, and Exchanges of Securities

--The report of purchases, sales, and exchanges of securities for the Permanent University Fund from April 1 through April 30, 1968 was approved as follows:

PURCHASES OF SECURITIESU. S. GOVERNMENT SECURITIES:

<u>FHA MORTGAGES</u>	<u>No. of Loans Purchased</u>	<u>Present Principal Balance</u>	<u>Net Principal Cost</u>	<u>Net Purchase Yield#</u>
Various Purchased for April Payment	<u>25</u>	<u>\$435,833.73</u>	<u>\$ 408,589.75</u>	<u>6.33%</u>

CORPORATE SECURITIES:

<u>COMMON STOCKS</u>	<u>No. of Shares Purchased</u>	<u>Average Principal Cost</u>	<u>Total Principal Cost*</u>	<u>Indicated Current Yield on Cost**</u>
Bristol-Myers Company	1,400	70.3	\$ 98,368.73	1.42%
Columbia Broadcasting System, Inc.	2,800	56.9	159,450.20	2.46
PMC Corporation	4,500	36.3	163,200.28	2.34
Federated Department Stores, Inc.	2,000	84.6	169,185.76	2.01
Ford Motor Company	7,500	57.8	433,630.39	4.15
General Motors Corporation	7,500	83.1	623,044.40	4.88
Gulf Oil Corporation	2,200	73.3	161,343.38	3.55
J. C. Penney Company, Inc.	2,000	77.2	154,308.45	2.33
PepsiCo, Inc.	3,700	44.6	164,869.79	2.02
Chas. Pfizer & Company, Inc.	2,300	68.0	156,302.25	2.13
Square D Company	12,900	21.7	279,688.29	4.38
Texaco Inc.	3,500	75.3	263,414.43	3.72
United Air Lines, Inc.	<u>3,500</u>	43.7	<u>152,947.63</u>	<u>2.29</u>
T O T A L S	<u>55,800</u>		<u>\$2,979,753.98</u>	<u>3.44%</u>

#After servicing costs based on average life of 12 years.

*Includes brokerage commissions paid.

**Yield at present indicated dividend rates.

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SALES OF CORPORATE SECURITIES

BLOCKS OF COMMON STOCKS SOLD

<u>Security Sold</u>	<u>No. of Shares Sold</u>	<u>Net Sales Proceeds</u>	<u>Book Value of Holding</u>	<u>Gain or (Loss) on Sale</u>
Libbey-Owens-Ford Glass Company Common Stock	20,100	\$ 965,144.68	\$1,051,163.51	(\$86,018.83)
International-Pand Company Common Stock	21,700	996,077.14	839,426.44	96,650.70
Pittsburgh Plate Glass Company (Now PPG Industries, Inc.) Capital Stock	15,325	1,049,664.37	1,029,066.31	20,598.06

RIGHTS SOLD

<u>Security</u>	<u>Net Sales Proceeds#</u>
15,615 rights to subscribe for The Chase Manhattan Bank (National Association) 4-7/8% Convertible Capital Notes, due 1993 (After writedown, hold 15,615 shares Chase Manhattan Bank with book value of \$741,284.03)	\$409.61

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

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EXCHANGES OF TREASURY SECURITIESBONDS EXCHANGED

Description & Par Value Exchanged	Book Value Exchanged*	Amortized Annual Income	Current Rate of Return
April Exchanges--			
(1) 3-1/4s of 5/15/85 (a) \$4,000,000	<u>\$ 3,990,853.45</u>	<u>\$130,522.66</u>	<u>3.27%</u>
(2) 3-1/2s of 11/15/98 (b) \$19,359,000	<u>\$19,454,886.15</u>	<u>\$673,161.93</u>	<u>3.46%</u>

BONDS RECEIVED

Description & Par Value Received	Principal Adjustment Required##	Book Value on Interest Exchange Date**	Amortized Annual Income	Current Rate of Return	INCREASE IN Rate of Return Annual Income	
April Exchanges--						
(1) 3-1/2s of 2/15/90 \$4,000,000	\$ -0-	<u>\$ 3,990,853.45</u>	<u>\$140,415.74</u>	<u>3.52%</u>	<u>0.25%</u>	<u>\$9,893.08</u>
(2) 3-1/2s of 2/15/90 \$19,359,000	\$ -0-	<u>\$19,454,886.15</u>	<u>\$673,206.56</u>	<u>3.46%</u>	<u>-0-</u>	<u>\$ 44.63</u>

*Book value last interest payment date prior to interest exchange date.

##Principal payup required to be paid by University to dealer.

**Book value of bonds sent in for exchange adjusted for principal payup or takeout required.

(a) Makes a total through April of \$36,700,000 par value 3-1/4s of 5/15/85 held exchanged for \$36,700,000 par value 3-1/2s of 2/15/90, leaving \$18,000,000 par value not yet exchanged.

(b) Makes a total through April of \$67,359,000 par value 3-1/2s of 11/15/98 held exchanged for \$67,359,000 par value 3-1/2s of 2/15/90, leaving \$4,000,000 par value not yet exchanged.

2. Policy Continued With Respect to Portion of Permanent University Fund Monies to be Invested in Equities (F.H.A. Loans and Common Stocks)

--Approval was given to continue the policy, as set out below, for investment of new monies coming into the Permanent University Fund:

25% of the funds received to be invested in fixed income investments (F.H.A. Loans);

75% of the funds received to be invested in common stocks.

3. Two Lists ("A" and "B") of Companies for Common Stock Purchase or Retention Amended: Authority With Respect to Sale of List "B" Stocks. --List "A" of Companies whose Common Stocks are approved for purchase adopted May 6, 1967, was amended by adding the following companies:

Burroughs Corporation
Halliburton Company
Motorola, Inc.
Squibb Beech-Nut, Inc.

Lists "A" and "B" were amended by transferring the following companies from List "A" to List "B":

Aluminum Company of America
American Can Co.
American Smelting & Refining Co.
Bendix Corporation
Borden, Inc.
Kennecott Copper Corporation
Mellon National Bank & Trust Co., Pittsburgh
Morgan Guaranty Trust Co., New York
Otis Elevator Company
Union Carbide Corporation
Utah Power & Light Company

The Executive Director of Investments, Trusts and Lands was authorized to sell all or any part of the stocks of companies on List "B"; the decisions to sell and the timing are to be determined after consultation with Investment Counsel and the Staff Investment Committee. Any sales made pursuant to this authorization to be thereafter reported to the Regents as in the past.

4. Extension of Contract with Investment Counsel (Lionel D. Edie & Co.) Was Authorized. --The Board of Regents authorized the Executive Director of Investments, Trusts and Lands to extend the contract with Lionel D. Edie & Company, Inc., from September 1, 1968, to August 31, 1969, (subject to cancellation by the Board of Regents at any time on thirty days' written notice); the fee to continue at \$25,000 per year.

B. Land Matters

1. Easements and Surface Leases (Nos. 2592-2627), Material Source Permits (Nos. 336 and 337), Water Contract No. 125, Grazing Leases (Nos. 1007-1027) and Assignment of Grazing Lease No. 894. --Easements and Surface Leases Nos. 2592-2623, 2625-2627 Material Source Permits Nos. 336 and 337, Water Contract No. 125, Grazing Leases Nos. 1007-1027 and Assignment of Grazing Lease No. 894 were approved as follows: (All are at standard rates, unless otherwise stated, and are on the University's standard forms. Payment has been received in advance, unless otherwise stated. All have been approved as to form and content by the appropriate administrative officials and the Executive Director, Investments, Trusts and Lands is authorized to execute these instruments.)
- NOTE: Easement No. 2624 was withdrawn at meeting.

EASEMENTS AND SURFACE LEASES

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2592	Natural Gas Pipe Line Company of America	Surface Lease (Pipe Yard)	Ward	Block 17	20 acres	5/1/68-4/30/69	\$ 300.00*
2593	Sinclair Oil & Gas Company	Surface Lease (Salt Water Disposal Contract)	Crockett	Block 29	1 acre	5/1/68-4/30/69	100.00*
2594	El Paso Natural Gas Company	Pipe Line	Reagan	Block 2	936.73 rds 6-5/8" 335.32 rds 4-1/2"	3/1/68-2/28/78	1,271.73
2595	Phillips Petroleum Company (renewal of 1110)	Pipe Line	Reagan & Crockett	Blocks 47 & 48	1,808.4 rds 2-3/8"	5/1/68-4/30/78	1,048.87
2596	J. C. Williamson	Pipe Line	Andrews	Block 7	60.6 rds 2"	4/1/68-3/31/78	50.00 (Min.)
2597	Albritton & Meyer	Pipe Line	Crockett	Block 47	390.0 rds 2"	5/1/68-4/30/78	226.20
2598	Marathon Oil Company (renewal of 1097)	Pipe Line	Crockett	Block 50	443.6 rds 3" 337.6 rds 2-3/8"	5/1/68-4/30/78	453.10

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Easements and Surface Leases Continued.--

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2599	Texas Electric Service Company (renewal of 1108)	Power Line	Ward	Blocks 16, 17 & 18	1,400.67 rds	6/1/68- 5 5/31/78	812.39
2600	Melzer & Henderson	Surface Lease (Salt Water Disposal Contract)	Pecos	Block 21	1 acre	4/16/68- 4 15/69	250.00*
2601	Albritton & Meyer	Surface Lease (Salt Water Disposal Contract)	Crockett	Block 47	1 acre	5/1/68- 4/30/69	100.00*
2602	El Paso Natural Gas Company (renewal of 1125)	Pipe Line	Andrews	Blocks 1 & 9	651.5 rds 6-5/8"	9/1/68- 8/31/78	749.23
2603	El Paso Natural Gas Company (renewal of 1127)	Pipe Line	Andrews	Block 1	468.315 rds 10-3/4"	9/1/68- 8/31/78	538.56
2604	El Paso Natural Gas Company (renewal of 1160 and 1167)	Pipe Line	Andrews	Block 1	120.0 rds 4-1/2"	10/1/68- 9/30/78	69.60
2605	Big Bend Telephone Company, Inc.	Telephone Line	Pecos	Block 19	687 rds	5/1/68- 4/30/78	398.46
2606	Pioneer Natural Gas Company (renewal of 2049)	Pipe Line	Andrews	Blocks 13 & 14	4,782 rds under 6-1/2"	3/28/68- 3/27/78	2,773.56
2607	Pioneer Natural Gas Company (renewal of 2062)	Pipe Line	Andrews	Block 14	384.0 rds 2-1/2"	3/28/68- 3/27/78	222.72
2608	El Paso Natural Gas Company	Pipe Line	Reagan	Block 2	234.85 rds 4-1/2"	4/1/68- 3/31/78	136.21

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Easements and Surface Leases Continued.--

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2609	J. A. Williams	Surface Lease (Business Site)	Reagan	Block 11	200' x 200'	5/1/68- 4-30/69	\$ 150.00*
2610	El Paso Natural Gas Company (renewal of 1121 and 1126)	Pipe Line	Andrews	Block 1	366.479 rds 4-1/2"	9/1/68- 8/31/78	212.56
2611	Phillips Petroleum Company (renewal of 1103)	Pipe Line	Andrews	Blocks 1 9 & 10	267.5 rds 3-1/2" 102.4 rds 4-1/2"	6/1/68- 5/31/78	214.54
2612	Transwestern Pipeline Company	Pipe Line	Ward & Winkler	Blocks 17 & 21	3,715.1 rds 30"	5/1/68- 4/30/78	9,287.75
2613	Natural Gas Pipeline Company of America	Pipe Line	Ward & Winkler	Blocks 17 18 & 21	5,865 rds 30"	5/1/68- 4/30/78	14,662.50
2614	Phillips Petroleum Company	Surface Lease (Salt Water Disposal Contract)	Andrews	Block 13	2 acres	4/16/68- 4/15/69	250.00*
2615	Mobil Pipe Line Company	Pipe Line	Andrews	Block 4	22.18 rds 4-1/2"	4/1/68- 3/31/78	50.00 (Min.)
2616	Mobil Pipe Line Company (renewal of 1101)	Pipe Line	Andrews	Block 4	663.78 rds 4-1/2"	6/1/68- 5/31/78	384.99
2617	Anadarko Production Company	Pipe Line	Andrews	Block 13	490.91 rds 2-3/8"	5/1/68- 4/30/78	284.73
2618	Larry Carrigan	Surface Lease (Residence Site)	Andrews	Block 13	2 acres	5/1/68- 4/30/69	50.00*

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Eastments and Surface Leases Continued. --

No.	Company	Type of Permit	County	Location	Distance or Area	Period	Consideration
2619	Texas Electric Service Company	Power Line	Loving	Block 19	903.21 rds	6/1/68- 5/31/78	\$ 523.86
2620	Texas Electric Service Company (renewal of 1107)	Power Line	Andrews	Blocks 4, 8 9, 10, 11 & 14	923.64 rds	6/1/68- 5/31/78	535.71
2621	Permian Corporation	Pipe Line	Reagan & Upton	Blocks 2 & 3	4,972.8 rds 3 & 4 inch	5/1/68- 4/30/78	2,884.24
2622	Permian Corporation	Surface Lease (Tank Storage Site)	Upton	Block 3	.92 acre	5/1/68- 4/30/78	500.00**
2623	Permian Corporation	Surface Lease (Tank Storage Site)	Reagan	Block 2	.92 acre	5/1/68- 4/30/78	500.00**
2624	The Western Company	Surface Lease (Test Site)	Winkler	Block 21	100 acres	6/1/68- 5/31/69	2,000.00*
2625	Texas Highway Department	Right-of-Way & Channel Easement	Schleicher	Block 57	15.141 acres	So long as used for Ranch to Market Road	None
2626	Lone Star Producing Company	Pipe Line	Andrews	Block 4	285 rds 2-7/8"	1/1/68- 12/31/77	165.30
2627	Chester Milson	Surface Lease (Business Site)	Ward	Block 16	100' x 100'	5/1/68- 4/30/69	100.00*

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WITHDRAWN

*Renewable from year to year, not to exceed a total of ten (10) years. Consideration shown is for the first year's rental.
 **Full consideration.

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MATERIAL SOURCE PERMITS

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>	<u>Quantity</u>	<u>Consideration</u>
336	L. C. Younger Construction Co., Inc.	Andrews	Block 9	1,248 cubic yards	\$ 361.92
337	H. E. R. Construction Co.	Andrews	Block 9	1,296 cubic yards	375.84

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WATER CONTRACTS

<u>No.</u>	<u>Grantee</u>	<u>County</u>	<u>Location</u>	<u>Consideration</u>	<u>Period</u>
125	Coral Drilling, Inc.	Crockett	Block 7	\$ 500.00	4/12/68*

*Expires upon completion of the drilling operations.

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GRAZING LEASES - All of the grazing leases listed are for the standard period of five years beginning July 1, 1968, through June 30, 1973.

NUMBER		Lessee	County	Location	Acreage	Annual Rate per Acre	Semi-Annual Payments		Total Annual Rental
New	Old						1/1	7/1	
1007	873	G. K. Mitchell & G. K. Mitchell, Jr.	Terrell	Blks 36 & 37	10,800.50	\$.45	\$ 2,430.12	\$ 4,860.24	
1008	869 & 890	Darrell S. Warren	Pecos	Blks 18 & 20	1,789.40	.35	313.15 ^a	626.30 ^a	
1009	870 & 891	L. D. Haren	Pecos	Blks 18 & 20	1,168.44	.35	204.48 ^a	408.96 ^a	
1010	871	P. H. Coates & Steve Coates	Reagan	Blks 10 & 58	6,473.40	.60	1,942.02 ^b	3,884.04 ^b	
1011	872	Lester Ratliff	Upton	Blks 3 & 58	15,837.80	.42	3,325.94 ^{c,d}	6,651.88 ^{c,d}	
1012	874	Hayter & Rackley	Reagan	Blks 9, 10 & 58	5,875.10	.50	1,468.78 ^e	2,937.56 ^e	
1013	875	J. F. Oglesby, Jr.	Schleicher	Blks 54 - 57	16,616.20	.60	4,984.86	9,969.72	
1014	876	George Walton Poage & George Walton Poage, Jr.	Upton	Blks 1, 2, 3, 4 & 58	8,897.70	.40	1,779.54 ⁱ	3,559.08 ⁱ	
1015	877	Earl Whisnand	Reagan	Blks 9, 10, & 58	11,726.20	.50	2,931.55 ^f	5,863.10 ^f	
1016	878	Max Schneemann	Crockett	Blks 49, 50 & 51	9,598.60	.60	2,879.58	5,759.16	
1017	879	Strauss & Pfluger	Crockett	Blks 50 & 51	1,242.20	.60	372.66	745.32	

Grazing Leases - Continued

New	Old	Lessee	County	Location	Acreage	Annual Rate per Acre	Semi-Annual Payments		Total Annual Rental
							1/1	7/1	
1018	880	O'Bryan Estate	Reagan	Blk 11	994.50	\$.65	\$ 323.22		\$ 646.44
1019	881	P. D. "Val" Gohmert	Reagan	Blks 9 & 10	6,775.20	.60	2,032.56		4,065.12
1020	882	Marathon Oil Company	Reagan	Blks 1, 2 & 9	5,636.70	.35	--		1,972.85
1021	883	Virgil Powell	Reagan & Crockett	Blks 7, 11 & 12	36,667.60	.65	11,916.97		23,833.94
1022	886	Continental Oil Company	Reagan	Blk 9	2,710.50	.35	--		948.68
1023	884	Lacy Way	Reagan	Blks 8 & 9	6,297.50	.60	1,889.25		3,778.50
1024	885	Richard Boggs	Reagan	Blks 8 & 9	3,072.40	.42	645.20		1,290.40
1025	887	Bob J. Meeks	Ward	Blk 16	1,194.38	.35	209.02		418.04
1026	888	J. D. Poage	Reagan & Upton	Blks 2 & 3	4,093.70	.40	818.40 ^{g,h}		1,636.80 ^{g,h}
1027	889	Alva Carpenter	Pecos	Blk 18	320.00	.35	56.00 ^a		112.00 ^a

- a Plus \$8 per acre for all land in cultivation for farming purposes, payable semi-annually.
- b Since 324 acres are unavailable for lessee's use because of boundary dispute, semi-annual rental payments are reduced to \$1,844.82, annual rental to \$3,689.64, until such time as acreage is made available for use.
- c Since 5,210.2 acres are under oil field production, rental on that acreage is reduced 25% so long as production continues. Therefore, semi-annual rental will be \$3,052.41 and annual rental \$6,104.82 until notice of change by University Land Agent.
- d Part of Pasture Rotation Program initiated by the Board of Regents in January, 1965. Semi-annual rental through December 31, 1969, will be reduced to \$2,332.88 and annual rental reduced proportionately.

Grazing Leases - Continued

- e Since 105 acres are unavailable for lessee's use because of boundary dispute, semi-annual rental payments are reduced to \$1,442.53, annual rental to \$2,885.06, until such time as acreage is made available for use.
- f Since 699 acres are unavailable for lessee's use because of boundary dispute, semi-annual rental payments are reduced to \$2,756.80, annual rental to \$5,513.60, until such time as acreage is made available for use.
- g Since 1,773.6 acres are under oil field production, rental on that acreage is reduced 25% so long as production continues. Therefore, semi-annual rental will be \$729.72 and annual rental \$1,459.44 until notice of change by University Land Agent.
- h Part of Pasture Rotation Program initiated by the Board of Regents in January, 1965. Semi-annual rental through December 31, 1969, will be reduced to \$364.86 and annual rental reduced proportionately.
- i Part of Pasture Rotation Program initiated by the Board of Regents in January, 1965. Semi-annual rental through December 31, 1969, will be reduced to \$1,342.04 and annual rental reduced proportionately.

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ASSIGNMENT OF GRAZING LEASE

No.	Assignor	Assigned to	County	Location	Acreage	Consideration
894	Walter Louis Young	Earl W. Whisnand William Schneemann III Max Schneemann, Jr.	Reagan	Blocks 48 & 49	4,227.80	\$6,000.00

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2. Report on Clearance of Monies to Permanent University Fund and Available University Fund. -The following report on clearance of monies for April, 1968, to the Permanent University Fund and the Available University Fund was received together with cumulative figures for the current fiscal year:

	April, 1968	Cumulative This Fiscal Year	Cumulative Preceding Fiscal Year (Averaged)
<u>Permanent University Fund</u>			
Royalty - Oil	\$ 1,343,971.32	\$ 9,978,969.08	\$ 9,642,812.88
Gas - Regular	78,339.70	756,288.66	721,921.44
- F.P.C.	-0-	-0-	106.32
Water	7,973.16	65,680.00	73,091.12
Salt Brine	637.10	8,824.90	7,826.40
Rental on Mineral Leases	5,305.85	121,289.99	187,354.96
Rental on Water Contracts	-0-	797.96	3,516.64
Amendments and Extensions of Mineral Leases	320.00	148,741.55	9,280.16
	<u>1,436,547.13</u>	<u>11,080,652.14</u>	<u>10,645,909.92</u>
Bonuses, Mineral Lease Sales (actual)	-0-	2,426,400.00	917,000.00
Total - Permanent University Fund	\$ <u>1,436,547.13</u>	\$ <u>13,507,052.14</u>	\$ <u>11,562,909.92</u>
<u>Available University Fund</u>			
Rental on Easements	\$ 9,871.37	\$ 200,992.81	\$ 108,630.16
Interest on Easements and Royalty	107.74	141.03	54.64
Correction Fees-Easements	-0-	-0-	-0-
Transfer and Relinquishment Fees	45.30	1,771.58	1,146.80
	<u>10,024.41</u>	<u>202,905.42</u>	<u>109,831.60</u>
Total - Available University Fund	\$ <u>10,024.41</u>	\$ <u>202,905.42</u>	\$ <u>109,831.60</u>
TOTAL - Permanent and Available University Funds	\$ <u>1,446,571.54</u>	\$ <u>13,709,957.56</u>	\$ <u>11,672,741.52</u>

Oil and Gas Development - April 30, 1968
 Acreage under Lease 633,609
 Number of Producing Acres 306,853
 Number of Producing Leases 1,374

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II. Trust and Special Funds

A. Investment Matters

1. Report of Purchases and Sales of Securities. --
The report of purchases and sales of securities for Trust and Special Funds from April 1 through April 30, 1968, was approved as follows:

PURCHASES OF SECURITIES

Date of Purchase	Security and Fund	Principal Cost
4/3/68	\$35,962.16 par value Austin National Bank 5-1/2% Time Certificate of Deposit, dated 4/3/68, due 7/3/68, at par (Hogg Foundation: Alice N. Hanszen Gift to Mental Hygiene Program - Temporary)	\$ 35,962.16
	\$58,066.80 Ditto (Hogg Foundation: Balances Subject to Reappropriation - Temporary)	58,066.80
	\$137,158.54 Ditto (Hogg Foundation: Unappropriated Income Account - Temporary)	137,158.54
4/10/68	\$15,000.00 par value Austin National Bank 5% Time Certificate of Deposit, dated 4/10/68, due 10/10/68, at par (The Fine Arts Foundation - Various Donors - Scholarships in Music - Temporary)	15,000.00
4/13/68	\$102,750.00 par value Capital National Bank in Austin 5-1/2% Time Certificate of Deposit, dated 4/13/68, due 10/13/68, at par (Estate of Lila Belle Etter - Temporary)	102,750.00
4/29/68	\$3,382.34 par value Austin National Bank 5% Time Certificate of Deposit, dated 4/29/68, due 4/29/69, at par (Expansion Program of Cooperative Housing for Women Students - Various Donors - Temporary)	3,382.34

SALES OF SECURITIES

Date Sold	Security and Fund	Principal Proceeds
4/24/68	2,187 rights to subscribe for The Chase Manhattan Bank (National Association) 4-7/8% Convertible Capital Notes due 1993, sold 2,100 at 2/64ths and 87 at 1/64th (Proceeds distributed: From 312 rights to The University of Texas System Common Trust Fund From 603 rights to Hogg Foundation: W. C. Hogg Estate Fund From 318 rights to Hogg Foundation: Varner Properties From 636 rights to Rosalie B. Hite Endowment for Cancer Research From 159 rights to The William Heuermann Fund for Cancer Research - Anderson Hospital From 159 rights to The James W. McLaughlin Fellowship Fund - Reserve for Depletion - Galveston Medical Branch)	(\$ 55.97) 7.98# 15.43# 8.14# 16.28# 4.07# 4.07#
4/24/68	15 shares American General Insurance Co. (Houston, Texas) Common Stock, sold at 17-1/4 (Arts and Sciences Foundation - Various Donors)	252.57
4/25/68	143 shares Standard Oil Co. (New Jersey) Capital Stock, sold 100 at 70-5/8 and 43 at 70-3/8 (Anderson Hospital - Proceeds to be used "as directed by Dr. Clifton Howe for research or fellowship training in the Department of Medicine, or as otherwise directed by Dr. Howe.")	10,003.07
4/29/68	5 shares Outboard Marine Corp. Common Stock, sold at 32-7/8 (Benefit of Anderson Hospital)	158.12

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

2. The University of Texas Common Trust Fund - Additions. --Approval was given for the following additions to the Common Trust Fund as of June 1, 1968:

Fund	Addition
The American Theatre Scholarship - Drama (\$249.00 already in Common Trust Fund)	\$ 166.00
Lillian Barkley Scholarship Fund (\$6,023.97 already in Common Trust Fund)	200.00
Econberg Memorial Fund for Faculty Awards (\$52,663.56 already in Common Trust Fund)	192.63
The Accounting Education Fund (College of Business Administration Foundation) (\$48,037.10 already in Common Trust Fund)	217.00
Department of Chemistry - Various Donors - Various Purposes (\$22,000.00 already in Common Trust Fund)	200.00

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COMMON TRUST FUND - Transfers and Additions
(Continued)

Fund	Addition
Edward Louis Dodd and Alice Lillian Dodd Fellowship Fund (\$21,20.56 already in Common Trust Fund)	\$ 151.42
Br. M. E. Class Fund (College of Engineering Foundation) (\$12.00 already in Common Trust Fund)	25.00
T. W. Taylor Scholarship Fund (College of Engineering Foundation) (\$1,512.00 already in Common Trust Fund)	610.00
Department of Drama Ex-Students Scholarship Fund (College of Fine Arts Foundation) (\$12,213.60 already in Common Trust Fund)	62.40
Hal P. Sybec Memorial Fund (Geology Foundation) (\$121,763.52 already in Common Trust Fund)	1,915.75
Guy E. Green Scholarship Fund (Geology Foundation) (\$2,224.25 already in Common Trust Fund)	15.00
Carolyn G. and George M. Knobel Fund (Geology Foundation) (\$12,213.53 already in Common Trust Fund)	200.00
F. L. Whitney Memorial Book Fund - Various Donors (Geology Foundation) (\$2,207.80 already in Common Trust Fund)	20.00
Hogg Foundation - Eloise Helbig Chalmers - Ima Hogg Fund (\$1,474.46 already in Common Trust Fund)	148.72
Mrs. E. Hogg - Residuary Legacy (\$2,654.00 already in Common Trust Fund)	54.81
Journalism Department - Various Donors (\$14,073.34 already in Common Trust Fund)	125.00
Library Memorial Fund - Various Donors (\$2,225.75 already in Common Trust Fund)	142.50
Lara Lee Pederson Scholarship Fund, Graduate School of Social Work (\$2,044.91 already in Common Trust Fund)	105.00
The J. V. and H. A. Stiles Foundation (\$99,013.12 already in Common Trust Fund)	24.70
John Arch White Professorship in Business Administration (\$42,519.05 already in Common Trust Fund)	5,735.02
Johanna Blumel Memorial Award (Galveston Medical Branch) (\$1,073.00 already in Common Trust Fund)	374.00
Isabella H. Brackenridge Scholarship Fund (Galveston Medical Branch) (Fund transferred per Regents Minutes of 4/20/68)	8,566.73
Gillette Professorship of Obstetrics and Gynecology (Dallas Medical School) (\$10,273.74 already in Common Trust Fund)	271.68
Total additions to be made to Common Trust Fund on 6/1/68	<u>\$19,523.36</u>

B. Gift, Bequest and Estate Matters

1. Galveston Medical Branch: Collection of Dormant Account for the James W. McLaughlin Fellowship Fund. -- The Executive Director of Investments, Trust and Lands was authorized to proceed with the collection of the University's share of a dormant account due the McLaughlin Estate which will soon escheat to the State of California. The dormant account located by Mr. Mervyn J. Goodman of San Francisco contains approximately \$4,400 with three-fourths of this amount due to the University and one-fourth to McLaughlin heirs. Mr. Goodman is to be paid one-third of the total amount for attorney's fees and other expenses.

C. Real Estate Matters

1. U. T. El Paso: Frank B. Cotton Estate - Renewal of Grazing Leases to (a) W. B. Evans, Hudspeth County, (b) J. A. Neal, Culberson County, (c) Ike Keley, Hudspeth County. -- The following grazing leases were renewed, and the Chairman was authorized to execute each instrument upon approval as to form by a University Attorney and as to content by the Executive Director, Investments, Trusts and Lands:
 - (a) To W. B. Evans for a five-year period from August 1, 1968, through July 31, 1973, covering 16,911 acres of Cotton Estate Lands in Block 3, GC&SF Ry., Hudspeth County, at annual rental of \$1,521.98.
 - (b) To J. A. Neal for a five-year period from August 1, 1968, through July 31, 1973, covering 6,100.95 acres of Cotton Estate Lands in Block 2, GC&SF Ry., Culberson County, at annual rental of \$610.10.
 - (c) To Ike Keley for a five-year period from July 1, 1968, through June 30, 1973, covering 2,160 acres of Cotton Estate Lands in Block 5, GC&SF Ry., Hudspeth County, at annual rental of \$172.80.

REPORT OF BOARD FOR LEASE OF UNIVERSITY LANDS. --Regent Peace reminded the members of the Board of Regents that the Board for Lease of University Lands would hold its 55th auction sale of oil and gas leases on University lands on June 13, 1968, in Austin, Texas.

REPORT OF MEDICAL AFFAIRS COMMITTEE (Pages 50-57).-- Without objection, the following report of the Medical Affairs Committee as filed with the Secretary by Committee Chairman Josey was unanimously adopted:

1. Galveston Medical Branch: Doctor Donald S. Duncan Named Ashbel Smith Professor of Anatomy.-- Doctor Donald S. Duncan, currently chairman of the Department of Anatomy at The University of Texas Medical Branch at Galveston, was named Ashbel Smith Professor of Anatomy effective September 1, 1968. (Adopted by Committee of the Whole and transferred to this report)
2. San Antonio Medical School: Establishment of a Physicians Referral Service.-- WHEREAS, the Basic Salary Augmentation and Fringe Benefit Program for The University of Texas Medical Schools and M. D. Anderson Hospital and Tumor Institute and the School of Public Health, adopted by the Board of Regents of The University of Texas System in September 1967, provides that a Physicians Referral Service will be developed at each institution in conformity with professional ethics and legal requirements and submitted for approval by the Central Administration and the Board of Regents; and

WHEREAS, in accordance therewith, Dean Pannill has submitted a proposal for the establishment of a Physicians Referral Service at The University of Texas Medical School at San Antonio, which proposal has been approved by the faculty of the San Antonio Medical School; and

WHEREAS, this proposal conforms to the policy statements of the Board of Regents of November 6, 1966, July 29, 1967, and September 13, 1967; and

WHEREAS, said proposal has been duly approved by Vice-Chancellor LeMaistre and Chancellor Ransom;

THEREFORE BE IT RESOLVED by the Board of Regents that the proposal for the San Antonio Medical School be approved, effective June 1, 1968, as amended and as set out below:

PHYSICIANS REFERRAL SERVICE
FOR
THE UNIVERSITY OF TEXAS MEDICAL SCHOOL AT SAN ANTONIO

1. All professional fees from the sources listed below will be billed and collected by this institution's Physicians Referral Service and will be deposited to an institutional trust fund account.
 - a. Fees generated as a member of the institutional faculty, including third party payment plans,
 - b. Fees from all professional consultations and services,
 - c. Fees for consultation and services rendered at any other state supported medical facility or institution in the State of Texas,

- d. Fees for individual professional service at Federal or affiliated hospitals,
- e. Fees from court appearances.

Professional income which is excluded from this collection is as follows:

- a. Honoraria, royalties, lecture fees, and non-professional retainers,
 - b. Payment for editing scientific publications,
 - c. Consultation fees (honoraria) as a regional or national consultant to any branch of the United States Government, such as United States Public Health Service or military services.
2. All expenses of administration and operation of the Physicians Referral Service will be paid from income to the trust fund.
 3. An amount not to exceed eight per cent per year of the balance of the fund following payment of expenses will be deposited to an Institutional Faculty Development Fund, to be expended in support of institutional faculty programs. Details of these programs will be presented at a later date.
 4. The remaining free balance of the fund will be distributed quarterly to the various departments in the proportion that each departmental faculty participated in the earning of the fund. Each department will designate an executive committee of faculty members under the leadership of the departmental chairman which will be charged with the disbursement of funds.

Appropriate expenditures include:

- a. Permissive faculty salary augmentation within the limits established by the Board of Regents,
 - b. Departmental faculty development (including travel, consultants fees, official entertainment),
 - c. Development of house staff support,
 - d. Departmental program development.
5. The provisions of Revenue Ruling 66-377 will be applied in the accounting procedures of the Physicians Referral Service.

3. San Antonio Medical School: Resolution of Appreciation to Trinity University. -- As an expression of gratitude to Trinity University for providing space for The University of Texas Medical School at San Antonio pending the construction of the San Antonio Medical School Building, the following resolution was unanimously adopted upon motion of Regent Peace. Regent Peace commented that "we could have had no better cooperation from any source." The Secretary was instructed to forward copies of the resolution to the President of Trinity University and to the President of the Board of Trustees of Trinity University.

WHEREAS, in December 1965 the President and Board of Trustees of Trinity University, San Antonio, Texas, made a generous offer of approximately 10,000 square feet of space in the Moody Engineering Science Building on that campus to be used to accommodate the administration, faculty and staff of The University of Texas Medical School at San Antonio; and

WHEREAS, such offer was made in the spirit of true academic cooperation to house the San Antonio Medical School during its early developmental stages pending completion of the new physical plant; and

WHEREAS, no monetary consideration for the use of this space was required, since it was agreed that certain faculty members of the San Antonio Medical School would, from time to time, participate in the teaching programs for the benefit of students at Trinity University at no cost to that institution; and

WHEREAS, the San Antonio Medical School will vacate these premises in July 1968 when the new medical school building is completed;

NOW, THEREFORE, BE IT RESOLVED by the Board of Regents of The University of Texas System:

1. That it hereby expresses gratitude to the President and Board of Trustees of Trinity University for this most generous action which permitted continued development of the San Antonio Medical School during a critical period of its growth.
2. That it considers Trinity University's action as an example of the highest order of cooperation between a privately supported and a state supported institution of higher learning and expresses its desire to continue this kind of cooperation in the future.

4. Houston Dental Branch, Anderson Hospital, G. S. B. S., Public Health School: Administrative Organization for The University of Texas at Houston. -- For an internal administrative organization for the units of The University of Texas System located in Houston (presently The University of Texas Dental Branch at Houston, The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, The University of Texas Graduate School of Biomedical Sciences at Houston and The University of Texas School of Public Health at Houston), the following was adopted:

ADMINISTRATIVE ORGANIZATION
THE UNIVERSITY OF TEXAS AT HOUSTON

Preface

The University of Texas System is comprised of several units and campuses situated throughout the State, all governed by the same Board of Regents, and as a system administered by the Chancellor who is located in Austin. The University of Texas at Houston is one such campus. It is made up of several institutions with common objectives of service, research, and teaching as they relate to health and human care.

Each of the component units of the Houston campus has a certain autonomy, both fiscal and operational. Each has its own administrative head who is responsible to the Chancellor and each has access to the Board of Regents through the Chancellor. However, interaction, common needs and inter-institutional dependence do exist. The intent of this statement and proposal is to recognize that in this group (confederacy) of institutions with their individual fiscal and administrative autonomy, there is an interaction which, through a more formal organization, can better shape the strength of the whole group without decreasing the autonomy of the individual component.

Therefore, the institutional heads at Houston jointly present and recommend for adoption this document to create a more formal local mechanism for administrative exchange and understanding; to enhance inter-institutional activities, thus to extend the total resources; to foster faculty security and understanding; to encourage inter-institutional cooperation; and to more aptly assist the development of The University of Texas at Houston.

1. Composition:

The University of Texas at Houston shall consist of the M. D. Anderson Hospital and Tumor Institute, the Dental Branch, the Graduate School of Biomedical Sciences, the School of Public Health, and such other units, schools or colleges as The University of Texas Board of Regents may designate.

2. Administrative Council of The University of Texas at Houston:

- 2.1 The Administrative Council of The University of Texas at Houston shall be composed of the institutional heads of the component units and the Vice-Chancellor for Health Affairs (Ex officio).
- 2.2 The institutional heads may invite supporting staff to participate in administrative functions. Such supporting staff shall not vote in the Council except that a staff member may be designated to act as the official substitute for the absentee institutional head.
- 2.3 A Chairman is to preside over the meetings of the Administrative Council and with the Council prepare by-laws for the functioning of the Council; provided, however, that such by-laws and amendments thereto shall have no force or effect unless and until they have been approved by the Chancellor and the Board of Regents. He is to administer the Council's policies and execute its decisions.
- 2.4 Within the policies and regulations of the Board of Regents, and under the supervision and direction of the Chancellor, the Administrative Council shall, with appropriate participation by the Houston faculty and staff:
- 2.41 Have general coordinating authority with respect to the component institutions of The University of Texas at Houston.
- 2.42 Coordinate through its Chairman all joint presentations to agencies of local, state and federal governments, and to the lay and professional public.
- 2.43 Have a responsibility in the development program of The University of Texas at Houston under the program as developed by The University of Texas System Development Board.
- 2.44 Assist in developing and maintaining a master plan for the growth of The University of Texas at Houston.
- 2.45 Develop affiliation agreements with hospitals (and other institutions or agencies where indicated) for the component institutions of The University of Texas at Houston, and aid in developing agreements for component units of The University of Texas located elsewhere which desire affiliations in Houston.
- 2.46 Review for informational purposes budgets and budget requests of the component units of The University of Texas at Houston prior to their submission by the respective institutional heads to the Chancellor and Board of Regents.
- 2.47 Review for informational purposes tenure appointments or nominations to the faculty, and major staff appointments prior to submission by the respective institutional heads to the Chancellor and Board of Regents.

2.48 Develop and recommend methods of centralization of administrative and business procedures, etc.

2.49 Review for informational purposes Institutional Supplements and changes therein prior to submission to the Chancellor.

3. Chief Administrative Officers of Component Institutions:

3.1 The Chief Administrative Officer of each of the component institutions serves under the direction of the Chancellor, reports to the Chancellor, is responsible to the Chancellor, and has access to the Board of Regents through the Chancellor. These responsibilities of the Chancellor may be delegated to the Vice-Chancellor for Health Affairs.

3.2 Within the policies and regulations of the Board of Regents and under the supervision and direction of the Chancellor or his delegate, the chief administrative officer of each unit has general authority and responsibility for the administration of that institution.

3.21 Specifically, the chief administrative officer is expected, with appropriate participation of the staff, to:

- 3.21(1) Develop and administer plans and policies for the program, organization, and operations of the institution.
- 3.21(2) Interpret The University of Texas System policy to the staff, and interpret the institution's program and needs to the Chancellor and to the public.
- 3.21(3) Develop and administer policies relating to students and to the proper management of service to patients.
- 3.21(4) Recommend appropriate budgets and supervise expenditures under approved budgets.
- 3.21(5) Nominate all members of the faculty and staff, maintain efficient personnel programs, and recommend staff members for promotion, retention, or dismissal for cause.
- 3.21(6) Insure efficient management of business affairs and physical property; recommend additions and alterations to the physical plant.
- 3.21(7) Serve as presiding officer at official meetings of faculty and staff of the institution, and as an ex officio member of each college or school faculty (if any) within the institution.
- 3.21(8) Appoint all faculty and staff committees.
- 3.21(9) Cause to be prepared and submitted to the Chancellor rules and regulations for the governance of the institution, and when such rules and regulations have been approved by the Chancellor.

such rules and regulations shall constitute the "Institutional Supplement" for that institution. Provided, however, that any rule or regulation in any such "Institutional Supplement" which is in conflict with any rule or regulation in the Regents Rules and Regulations, as now or hereafter amended shall be null, void, and of no effect, and whenever the Regents' Rules and Regulations are amended, the Chancellor and the chief administrative officers of the component institutions shall proceed promptly to make any and all amendments in the "Institutional Supplements" necessary to conform the institutional supplements to the provisions of the Regents' Rules and Regulations.

- 3.21(10) Assume initiative in developing long-term plans for the program and physical facilities of the institution.
- 3.21(11) Assume active leadership in developing private fund support for the institution in accordance with policies and procedures established by the Chancellor with the advice of the University Development Board, and in collaboration with the Executive Director of the University Development Board and the Administrative Council of The University of Texas at Houston.

4. Chairman

4.1 After receiving the recommendation of the Administrative Council, the Health Affairs Council and the Vice-Chancellor for Health Affairs, the Chancellor shall designate annually one of the institutional heads at Houston to serve as chairman of the Administrative Council for a term to begin on September 1st.

4.2 The Chairman shall:

- 4.21 Preside at all meetings; in the absence of the chairman the Administrative Council may designate a member to preside in lieu of the absentee-chairman.
- 4.22 Help to formulate, develop, administer and implement the policies and decisions of the Administrative Council.
- 4.23 Serve in such liaison capacities as might be agreed upon by the Administrative Council or which might arise and logically be expected; also, to serve in such other capacities as may be specifically outlined or assigned, thus, to foster the purposes of The University of Texas at Houston.

5. Amendments:

5.1 Amendments hereto may be proposed by a majority of the Administrative Council, and presented in writing to the Chancellor for approval by the Board of Regents.

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5. Anderson Hospital: Donation of Original Cobalt 60 Unit to the College Museum of Radiology in Chicago. -- The following resolution was adopted:

WHEREAS, the first cobalt 60 unit owned by The University of Texas M.D. Anderson Hospital and Tumor Institute at Houston was designed by members of the staff of Anderson Hospital; and

WHEREAS, this first cobalt 60 unit is no longer in use; and

WHEREAS, The American College of Radiology Foundation has established a College Museum of Radiology in Chicago and has requested that the first cobalt 60 unit owned by Anderson Hospital be donated to this Museum; and

WHEREAS, this cobalt 60 unit would be properly housed for full view as a historical item to radiologists and physicists and others;

BE IT RESOLVED that this unit be donated to the College Museum of Radiology in Chicago.

6. Anderson Hospital: Appointment of Mr. Warren S. Bellows, Jr., to Board of Visitors of the University Cancer Foundation. -- The Medical Affairs Committee approved the recommendation of Doctor R. Lee Clark that Mr. Warren S. Bellows, Jr., of Houston be appointed as a member of the Board of Visitors of the University Cancer Foundation of The University of Texas M.D. Anderson Hospital and Tumor Institute at Houston to succeed the late Mr. Warren S. Bellows, Sr.

For the record, there is set out below the members of the Board of Visitors and the Advisory Members of, and the Consultant to, the University Cancer Foundation as of June 1, 1968:

Board of Visitors

Thomas D. Anderson
Hines H. Baker
Ben R. Barbee
Warren S. Bellows, Jr.
Benjamin L. Bird
Fred Erisman
Marcus S. Greer
Leroy Jeffers
Theodore N. Law
A. G. McNeese
Mrs. John A. Matthews
W. L. Moody, IV
C. E. Naylor
Dudley C. Sharp
Allan Shivers

Advisory Members

Perry R. Bass
Benjamin Clayton
J. Lee Johnson, III
Mrs. Percy Jones
Maurice Lazarus

Consultant to the
University Cancer Foundation

Frederick C. Elliott

COMMITTEE OF THE WHOLE
(Pages 58-67)

Chairman Erwin presented the following report of the Committee of the Whole:

REGENTS' RULES AND REGULATIONS, PART ONE: AMENDMENTS TO CHAPTER III, SECTION 6 WITH RESPECT TO TERMINATION OF EMPLOYMENT AND SECTION 31. (15) WITH RESPECT TO RETIREMENT AND MODIFIED SERVICE. -- The necessary rules were unanimously suspended, and the following amendments to the Regents' Rules and Regulations, Part One, Chapter III, were unanimously adopted:

1. Amend the Regents' Rules and Regulations, Part One, Chapter III, Section 6, by changing Subsection "6.4" to "6.5" and by inserting a new subsection 6.4 to read as follows:
 - 6.4 In the event of decision not to reappoint a faculty member without tenure, notice will be given him not later than March 1 of the first academic year of probationary service if the appointment expires at the end of that year, or not later than December 15 of the second year of probationary service if the appointment expires at the end of that year. After two or more years in the institution, at least twelve months' notice will be given before the expiration of probationary appointment.
2. Amend the Regents' Rules and Regulations, Part One, Chapter III, by deleting Section 31. (15) and substituting in lieu thereof the following:
 31. (15) Employment after Retirement. -- Any person receiving service retirement benefits from the Teacher Retirement System of Texas and who is over sixty (60) years of age may be employed in a public school of Texas on as much as a one-third time basis. This would usually limit employment in instruction to no more than one (1) three-semester-hour course during any one semester of the long term, one (1) three-semester-hour course during a six-week term. One-third employment for staff shall in no case exceed fifty-nine (59) clock hours in any calendar month. This employment of a person receiving service retirement shall not affect his right to continue to receive benefits under the Teacher Retirement System of Texas. However, this employment does not entitle the person to receive additional creditable service under the Teacher Retirement System of Texas and the person so employed shall not be required to make further contributions to the Teacher Retirement System of Texas. Application of this provision to individual cases shall be based on institutional benefit or need and will be recommended through appropriate administrative officers to the Chancellor for approval.

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U. T. SYSTEM: CHANGES IN STATUS OF DEVELOPMENT BOARD PERSONNEL (C. C. NOLEN AND W. D. BLUNK). --Effective May 1, 1968, the annual salary rate of C. C. Nolen, Associate Director of The University of Texas System Development Board, was changed to \$20,000, the additional amount payable from the balance of the Development Board to be funded by transfer from the Available University Fund balance.

The annual salary rate of W. D. Blunk, Executive Director of The University of Texas System Development Board, was changed to \$25,000, effective May 1, 1968, funds to come from the balance of the Development Board to be funded by transfer from the Available University Fund balance.

U. T. SYSTEM: APPOINTMENT OF MRS. EUGENE MCDERMOTT TO THE UNIVERSITY OF TEXAS SYSTEM DEVELOPMENT BOARD. --Mrs. Eugene McDermott of Dallas was named as a member of The University of Texas System Development Board to fill the unexpired term of Mrs. Robert F. Windfohr of Fort Worth, resigned.

U. T. SYSTEM: TITLE OF JACK HOLLAND CHANGED TO "SYSTEM ADVISOR FOR STUDENT AFFAIRS". --The title of Jack Holland was changed from "System Advisor for Personnel Affairs" to "System Advisor for Student Affairs" effective immediately.

U. T. SYSTEM: LEE SWIFT NAMED TO OFFICE OF FEDERAL RELATIONS. --Mr. Lee Swift was named as Office Manager of the Office of Federal Relations at an annual salary rate of \$17,500 effective June 1, 1968.

U. T. AUSTIN: APPOINTMENT NOTICES. --Effective with the 1968-69 Budget, the President of The University of Texas at Austin was authorized to send appointment notices to members of the faculty and staff of U. T. Austin in the same manner as they are sent by the heads of the other institutions. In the past, these notices have been sent from the office of the Secretary to the Board of Regents.

U. T. AUSTIN: DESIGNATION OF ROBERT E. LEE HALL 207-208 AS AARON SCHAFFER ROOM. --Upon the recommendation of the Vice-Chairman of French and Italian and the Chairman of the Department of Romance Languages processed through appropriate channels, the library-lounge and seminar room (Rooms 207 and 208) in Robert E. Lee Hall were designated as the Aaron Schaffer Room in honor and memory of Doctor Aaron Schaffer, deceased (1957).

U. T. AUSTIN: REPORT WITH RESPECT TO LAWRENCE CAROLINE. --The Board of Regents of The University of Texas System was advised by the Administration that Mr. Lawrence Caroline's employment by The University of Texas at Austin will be terminated at the end of his present contract period on May 31, 1969. That termination of Mr. Caroline's employment was in all things ratified and made final by the unanimous vote of the Board of Regents.

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H. T. AUSTIN: ARTICLES OF INCORPORATION OF THE LYNDON BAINES JOHNSON SCHOOL OF PUBLIC AFFAIRS FOUNDATION.--
The Board authorized Chairman Erwin to file the following articles of incorporation of the Lyndon Baines Johnson School of Public Affairs Foundation, which is a non-profit organization, and further authorized that the incorporators name the initial Board of Directors after consultation with all interested parties:

ARTICLES OF INCORPORATION
OF
THE LYNDON BAINES JOHNSON
SCHOOL OF PUBLIC AFFAIRS FOUNDATION

We, the undersigned, natural persons of the age of twenty-one years or more, at least two (2) of whom are citizens of the State of Texas, acting as incorporators of a nonprofit corporation under the Texas Non-Profit Corporation Act do hereby adopt the following Articles of Incorporation for such nonprofit corporation.

I.

The name of the corporation is THE LYNDON BAINES JOHNSON SCHOOL OF PUBLIC AFFAIRS FOUNDATION.

II.

The corporation is a nonprofit corporation.

III.

The period of its duration is perpetual.

IV.

The corporation shall have no members.

V.

The purpose or purposes for which the corporation is organized are:

1. to promote the recognition, welfare, and progress of The Lyndon Baines Johnson School of Public Affairs at The University of Texas at Austin, and to encourage the making of gifts to the corporation for carrying out such purposes; and

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2. to accept endowments, the income of which may be used, and gifts to be used directly to supplement salaries of professors, to cover travel expenses of professors to professional meetings, to grant fellowships and scholarships, to pay for distinguished visiting lecturers, or any and all other activities that will promote the welfare, growth and morale of the faculty and students of the school.

VI.

No part of its property, whether the income or principal, shall be distributable to any director, officer, or employee of the corporation, and no part of the net earnings of the corporation shall inure to the benefit of any private individual. No substantial part of its activities shall consist of carrying on propaganda or otherwise attempting to influence legislation, and it shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office.

VII.

All of the property of the corporation and accumulations thereof shall be held and administered to effectuate its purposes. In case of the liquidation, dissolution, or winding up of the corporation whether voluntary or involuntary or by operation of the law, all of the net assets of the corporation after the payment of all liabilities shall be paid over to the Board of Regents of The University of Texas System to be used for the benefit of The University of Texas at Austin.

VIII.

The street address of its initial registered office is 900 Brown Building, Austin, Texas 78701 and the name of its initial registered agent at such address is Frank C. Erwin, Jr.

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IX.

The direction and management of the affairs of this corporation and the control and disposition of its property and funds shall be vested in a Board of Directors composed of such number of persons, to be appointed by the Board of Regents of The University of Texas System, as may be fixed by the By-Laws of the corporation. Until changed pursuant to the By-Laws, the number of the directors shall be three (3).

The names and addresses of the persons who shall serve as directors of the corporation until their successors are duly appointed and qualified are as follows:

Frank C. Erwin, Jr.
900 Brown Building
Austin, Texas 78701

Jack S. Josey
504 Waugh Drive
Houston, Texas 77019

Frank N. Ikard
1101 17th Street, N. W.
Washington, D. C. 20036

X.

The names and addresses of the incorporators are as follows:

Frank C. Erwin, Jr.
900 Brown Building
Austin, Texas 78701

Jack S. Josey
504 Waugh Drive
Houston, Texas 77019

Frank N. Ikard
1101 17th Street, N. W.
Washington, D. C. 20036

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IN WITNESS WHEREOF, we have hereunto set our hands this
_____ day of _____, 1968.

Frank C. Erwin, Jr.

Jack S. Josey

Frank N. Ikard

THE STATE OF TEXAS |
 |
COUNTY OF TRAVIS |

I, _____, a Notary Public, do
hereby certify that on this _____ day of _____,
1968, personally appeared before me FRANK C. ERWIN, JR.,
JACK S. JOSEY, and FRANK N. IKARD who each being by me
first duly sworn, declared that they are the persons who
signed the foregoing document as incorporators, and that
the statements therein are true.

IN WITNESS WHEREOF, I have hereunto set my hand and
seal the day and year above written.

Notary Public in and for
Travis County, Texas

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U. T. AUSTIN: ROBERT F. WINDFOHR PROFESSORSHIP IN OIL, GAS AND MINERAL LAW CHANGED TO THE ROBERT F. WINDFOHR AND ANNE BURNETT WINDFOHR PROFESSORSHIP IN OIL, GAS AND MINERAL LAW. -- At the request of Mrs. Anne Burnett Windfohr, the name of the Robert F. Windfohr Professorship in Oil, Gas and Mineral Law established by the Board of Regents on March 8, 1968, was changed to the Robert F. Windfohr and Anne Burnett Windfohr Professorship in Oil, Gas and Mineral Law.

U. T. AUSTIN: ESTABLISHMENT OF THE VINSON, ELKINS, WEEMS, AND SEARLS PROFESSORSHIP IN LAW. -- The Board authorized the establishment of The Vinson, Elkins, Weems, and Searls Professorship in Law for the School of Law of The University of Texas at Austin to be announced by the beginning of the 1968-69 session of the Law School. This position is to be funded by gifts to The University of Texas Law School Foundation. The occupants of the professorship will be chosen by the Board of Regents of The University of Texas System after receiving recommendations from appropriate administrative officials.

U. T. AUSTIN: ACCEPTANCE OF THE JOURNAL-AMERICAN MORGUE (FILES) FROM THE HEARST CORPORATION. -- The Board accepted with deep appreciation and gratitude a gift from the Hearst Corporation to The University of Texas at Austin of The Journal-American Morgue (files) covering the period from 1896, the time of its establishment, to 1966, when it went out of existence. These files are appraised at \$1,030,080.00.

U. T. ARLINGTON: ACCEPTANCE OF RESIGNATION OF DOCTOR JACK R. WOOLF. -- It is reported for the record and ratification by the Board that at the meeting of the Board of Regents on April 19, 1968, the resignation of Doctor Jack R. Woolf, President of The University of Texas at Arlington, was accepted effective August 31, 1968. Doctor Woolf will return to full-time teaching.

ANDERSON HOSPITAL, G.S.B.S., PUBLIC HEALTH SCHOOL: SECURITY REGULATIONS. -- Pursuant to the action of the Board of Regents at its meeting on January 26, 1968, regarding the implementation of SB 162, the following resolution was adopted by the Board of Regents pertaining to the security regulations at The University of Texas M. D. Anderson Hospital and Tumor Institute at Houston, The University of Texas Graduate School of Biomedical Sciences at Houston and The University of Texas School of Public Health at Houston:

BE IT RESOLVED by the Board of Regents that pursuant to Section 2 of Article 2919 j, V.C.S., the following security regulations of The University

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of Texas M. D. Anderson Hospital and Tumor Institute, Graduate School of Biomedical Sciences and The School of Public Health at Houston, be and they are hereby adopted as the security regulations governing the security service for the above University of Texas units at Houston.

SECURITY REGULATIONS

A security service will be maintained at The University of Texas M. D. Anderson Hospital and Tumor Institute to provide maximum security of property and personnel for M. D. Anderson Hospital and Tumor Institute, the Graduate School of Biomedical Sciences, and the School of Public Health, and such other units of The University of Texas at Houston as might be designated by the Board of Regents at any future time. This service shall be under the supervision of a Security Coordinator or Security Chief who will report directly to the Business Manager. Security personnel under the supervision of the Security Coordinator shall have the titles of Watchman and Guard. All personnel with the title of Guard shall as soon as practical attend the training program for security personnel at The University of Texas in Austin and upon satisfactory completion of that program be commissioned as Peace Officers. Security services shall be provided for the M. D. Anderson Hospital building, temporary buildings adjacent to the main building, leased space in the Hermann Professional and Hermann Garage Buildings, leased space in the Pavilion Building, outside areas immediately adjacent to the buildings owned by M. D. Anderson Hospital, and such other new buildings or leased space for M. D. Anderson Hospital and Tumor Institute, the Graduate School of Biomedical Sciences, or the School of Public Health as may be acquired in the future. Services shall be provided on a twenty-four (24) hour basis for seven days each week. The Security Coordinator and one commissioned Peace Officer on each

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shift shall be armed at all times while on duty. The armed commissioned Peace Officer shall be the supervisor of other security personnel on the shift and he shall have the working title of Sergeant. He will report directly to the Security Coordinator. The Executive Head of any institution included in this plan, the Administrator or Business Manager may authorize the arming of other commissioned Peace Officers at any time they determine that an emergency exists and warrants such action.

All security personnel with the exception of the Security Coordinator are to wear the prescribed uniform at all times.

It will be the responsibility of the Security Coordinator to maintain a close liaison with the Houston Police Department and the Houston Office of the Department of Public Safety for the Houston Area. The Houston Police Department and the Texas Department of Public Safety will be called on at all times when assistance is required for investigation of criminal activities.

Since the flow of traffic in the Texas Medical Center is the responsibility of the Texas Medical Center, Inc., the Security Service will not be responsible for traffic, except in those ramp and dock areas immediately adjacent to the buildings.

The following regulations govern parking and traffic in ramp and dock areas immediately adjacent to the building:

1. No parking will be permitted on the ramps at the front of any building by other than University vehicles except to pick up and discharge passengers.
2. At any time a vehicle is parked on a ramp for the purpose of picking up or discharging passengers the engine of the vehicle must be turned off and the driver must be in attendance at the vehicle. Blocking of the drive will not be permitted.
3. The dock area of any building is to be used solely for the purpose of delivering supplies and equipment to the building. No parking is permitted in this area.

The University of Texas reserves the right to impound any vehicle parked in violation of the above regulations.

Violations of the parking and traffic regulations in other areas will be reported to the Texas Medical Center, Inc. for action.

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SCHEDULED MEETINGS AND DATE FOR DEDICATION OF SAN ANTONIO MEDICAL SCHOOL BUILDING. --The calendar of scheduled meetings of the Board of Regents was amended to read as follows:

- June 25, 1968, in Austin (a joint meeting with the Texas A&M University Board to consider only the PUF bond issue)
- July 25, 1968, inspection of University lands in and near Midland prior to the meeting on
- July 26-27, 1968, in Midland
- September 20-21, 1968, in Austin
- November 1-2, 1968, in Austin

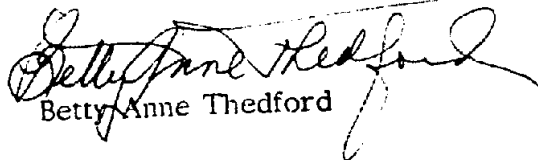
The Regents were also reminded that the dedication of San Antonio Medical School Building would be on July 12, 1968, and that each would be furnished an agenda for this occasion.

Adoption of Report. -- The foregoing report of the Committee of the Whole was unanimously adopted upon motion of Regent Olan, duly seconded.

OTHER MATTERS

RESOLUTION OF COMMENDATION TO CHAIRMAN FRANK C. ERWIN, JR.
--Regent Olan, joined by all other members of the Board of Regents present, expressed profound appreciation to Chairman Frank C. Erwin, Jr. for his leadership of the Board of Regents.

ADJOURNMENT. --There being no further business, the meeting was adjourned at 3:30 p. m.


Betty Anne Thedford

June 4, 1968