

# OMISSION

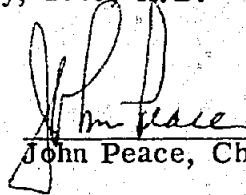
Pages 1663 - 1874

*A. Ruth Baker*

SIGNATURE OF OPERATOR

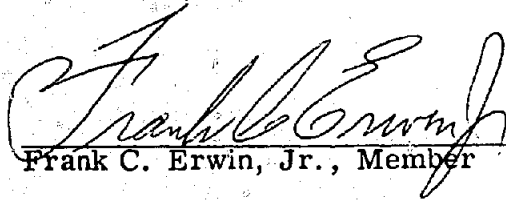
We, the undersigned members of the Board of Regents of The University of Texas System, hereby ratify and approve all actions taken at this called meeting (January 1, 1973) to be reflected in the Minutes.

Signed this the 1st day of January, 1973, A. D.

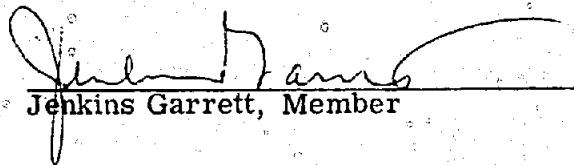


John Peace, Chairman

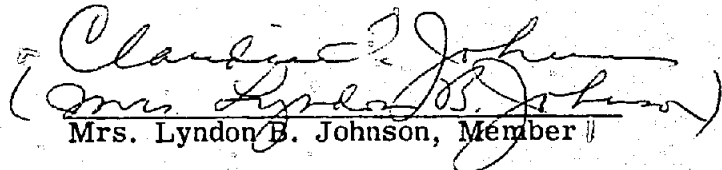
Frank N. Ikard, Vice-Chairman



Frank C. Erwin, Jr., Member



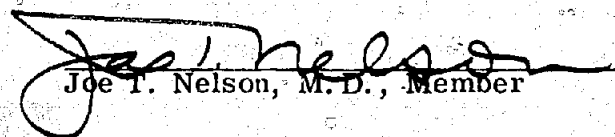
Jenkins Garrett, Member



Mrs. Lyndon B. Johnson, Member

Joe M. Kilgore, Member

A. G. McNeese, Jr., Member



Joe T. Nelson, M.D., Member

Dan C. Williams, Member

Called Meeting

Meeting No. 708

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

Pages 1 - 8

January 1, 1973

Dallas, Texas

## MEETING NO. 708

MONDAY, JANUARY 1, 1973.--In the Lobby of the Executive Offices of the State Fair of Texas, in the Better Living Center (formerly Electric Building), Fair Park, Dallas, Texas, the Board of Regents of The University of Texas System met in Called Session at 10:30 a.m. on Monday, January 1, 1973, with Chairman Peace presiding and the following in attendance:

## ATTENDANCE.--

Present

Chairman Peace, Presiding  
Regent Erwin  
Regent Garrett  
Regent (Mrs.) Johnson  
Regent Nelson

Absent

\*Vice-Chairman Ikard - excused  
\*Regent Kilgore - excused  
\*Regent McNeese - excused  
\*Regent Williams - excused

Secretary Thedford

Chancellor LeMaistre  
Deputy Chancellor Walker

This meeting was in response to a call by Chairman Peace as provided in the Regents' Rules and Regulations, Part One, Chapter I, Section 6.2, and the following Notice of Called Meeting was simultaneously posted with the Secretary of State:

December 28, 1972

The Honorable Robert D. Bullock  
Secretary of State  
Capitol Building  
Austin, Texas

Dear Mr. Secretary:

I hand you herewith by special messenger Notice of a Called Meeting of the Board of Regents of The University of Texas System to be held at 10:30 a.m. on January 1, 1973, in the Executive Offices of the State Fair of Texas, located in the Better Living Center (formerly Electric Building), Fair Park, Dallas, Texas. This called meeting is to consider the items enumerated on the attached page, and it is to the best interest of the University that these items be considered before the next regular meeting.

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\*Vice-Chairman Ikard and Regents Kilgore, McNeese and Williams were excused from the meeting because of prior commitments.

1-01-73

1499

This notice is pursuant to Senate Bill No. 260, 61st Legislature, R.S., 1969, State of Texas (as amended), and this office will notify you if there are any changes to be made.

Sincerely yours,

/s/ Betty Anne Thedford

T:bys  
Copy to Chancellor LeMaistre  
Enclosure

I do hereby acknowledge receipt of the notice referred to in the above communication.

/s/ Bob Bullock  
Secretary of State

/s/ Delores Zapalac  
by

December 28th, 1972

- Subjects:
1. U. T. System: Authorization of Tuition Revenue Bonds and Appointment of Bond Counsel and Bond Consultant
  2. Galveston Medical Branch: Action on Recommendation of Committee with Respect to Disposition of 7,584.85 Acres of Land in Montgomery County, Texas (The Sealy and Smith Foundation)
  3. U. T. Dallas, U. T. Permian Basin and U. T. San Antonio - Central Energy Plants: Award of Contracts
  4. System Nursing School (San Antonio Nursing School): Award of Construction Contract
  5. U. T. San Antonio: Ratification of Appointment of Acting President

Chairman Peace then called for the first special order of business.

U. T. SYSTEM: AUTHORIZATION TO SELL BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS SYSTEM GENERAL TUITION REVENUE BONDS, SERIES 1973 (Authorized under H.B. No. 278, 62nd Legislature, State of Texas, R.S., 1971); APPOINTMENT OF McCALL, PARKHURST & HORTON, BOND COUNSEL, AND SAM MACLIN, BOND CONSULTANT.--Upon motion of Regent Erwin, seconded by Regent Garrett, and pursuant to authorization of House Bill No. 278, 62nd Legislature, R.S., 1971:

- (1) Authorization was granted to issue and to invite bids for the sale thereof of Board of Regents of The University of Texas System General Tuition Revenue Bonds, Series 1973, in an amount not to exceed \$8,000,000, the exact amount of the issue to be decided by the Chairman of the Board of Regents and the Deputy Chancellor for Administration after discussion thereof with the Bond Counsel. The purpose of the issue is to provide additional proceeds to fund the construction of the second facility of The University of Texas Medical School at Houston in The University of Texas Health Science Center at Houston and other construction authorized to be funded by Tuition Revenue Bond proceeds;
- (2) The firm of McCall, Parkhurst & Horton was named Bond Counsel, and Sam Maclin was named Bond Consultant, and
- (3) The appropriate officials were authorized to proceed with all the necessary planning for this bond issue including invitations for bids for the sale of these bonds, paying agency therefor and the printing thereof. The bids will be submitted to the Board of Regents for action at a future meeting.

U. T. DALLAS, U. T. PERMIAN BASIN AND U. T. SAN ANTONIO: REPORT OF COMMITTEE AND RATIFICATION OF ACTION THEREIN TO AWARD CONTRACTS FOR CENTRAL ENERGY PLANTS TO WIN-SAM, INC., LONE STAR ENERGY COMPANY, AND WIN-SAM, INC. (EACH OF DALLAS, TEXAS), RESPECTIVELY.--Regent Erwin reported that the committee appointed at the Regents' meeting on December 8, 1972, to award contracts for the Central Energy Plants to provide chilled water and steam for the three new academic institutions (The University of Texas at Dallas, The University of Texas of the Permian Basin and The University of Texas at San Antonio) had by unanimous vote determined that the lowest and best proposals were as follows:

- U. T. Dallas - Win-Sam, Inc., Dallas, Texas
- U. T. Permian Basin - Lone Star Energy Company, Dallas, Texas
- U. T. San Antonio - Win-Sam, Inc., Dallas, Texas

Regent Erwin reported that the committee would negotiate with Win-Sam, Inc., and Lone Star Energy Company in an effort to get the most favorable possible terms for the institutions involved, and would report further to the Board of Regents at a future meeting.

The successful bidders will build, own and operate at their own expense Central Energy Plants on leased land at the campuses and will furnish chilled water and steam at the rates indicated in their contracts.

The report of the committee was accepted.

It was further authorized that the appropriate project accounts be reimbursed including Office of Facilities Planning and Construction Revolving Fund from the cash payments to be received under the contracts awarded. The reimbursement covers expenses of surveys, test borings, construction, materials testing, Engineer's fees, and administrative and miscellaneous expenses.

U. T. SAN ANTONIO: RATIFICATION OF APPOINTMENT OF PETER T. FLAWN, ACTING PRESIDENT.--The action of Chancellor LeMaistre in appointing Peter T. Flawn Acting President of The University of Texas at San Antonio effective December 26, 1972, was ratified.

GALVESTON MEDICAL BRANCH: SALE OF 7,602.557 ACRES OF MONTGOMERY COUNTY LAND (PREVIOUSLY REFERRED TO AS 7,584.85 ACRES) TO MITCHELL DEVELOPMENT CORPORATION OF THE SOUTHWEST, HOUSTON, TEXAS.--Upon motion of Regent Garrett, seconded by Regent Erwin, the Board of Regents authorized the sale of 7,602.557 acres (this is the total acreage after it was resurveyed - formerly reported as 7,584.85 acres) of land in Montgomery County, Texas, to the Mitchell Development Corporation of the Southwest, Houston, Texas, for a consideration of \$12,734,283 under the following terms:

Price - \$1,675. per acre - Total \$12,734,283.

Terms:

Cash	\$ 1,273,428.
Note @ 7%	11,460,855.

Interest would be payable annually beginning one year after date, and principal to be amortized in equal annual installments over a 12 year period commencing on or before 3 years after date. Full prepayment privilege without penalty would be provided.

Survey - Seller would furnish the survey and plat recently completed.

Evidence of Title - Seller would furnish an abstract or an owners title insurance policy, as Buyer might elect. If title policy is elected, cost of owner's policy and mortgagee's policies would be shared equally by Buyer and Seller.

**Minerals** - All minerals acquired from Sealy and Smith would be conveyed to buyer--all subject to existing oil and gas leases.

**Easements** - Property would be conveyed subject to all valid easements, whether recorded or not.

**Timber** - Seller's lien would be subordinate to Buyer's right to sell or contract for sale of certain timber and timber rights; it being understood that no timber would be cut from any of the lands until the lien securing the note is released as to the particular tract, except "real estate cuts", defined as follows:

a. No hardwood will be cut, except in overflows and possible lake site areas.

b. An average of three stems of seed pine per acre will be left uncut for seeding.

c. No pine timber smaller than 12 inches in diameter 12 inches above the ground will be cut, unless such cutting is deemed advisable for thinning under good forestry practice.

**Real Estate Commission** - Both parties represent that no commission will be due to any third party.

**Improvements to Land** - Buyer agrees within four years to spend at least \$1,000,000. for on-site improvements to the land, which shall not include more than 10% for overhead expenses.

**Notice of Lis Pendens** - With respect to the 120 acre tract of land with respect to which a trespass to try title suit has been pending since 1964, Buyer agrees to assist in the defense of the title. If seller's title to some or all of such tract is finally defeated, a sum equal to \$1,675. times the number of acres to which title is defeated shall be credited against the note to the same extent as if the original purchase price had been reduced by that amount.

**Partial Releases** - Partial releases will be granted upon payment of 120% of the "purchase price", subject to the following:

a. "Purchase price" as to the three separate tracts shall be considered to be:

EAST TRACT	\$1,250. per acre
MIDDLE TRACT	1,840. per acre
WEST TRACT	1,675. per acre

b. Release parcels shall each contain a minimum of 100 acres. Each parcel released within the East Tract, Middle Tract or West Tract after the first parcel released within each such tract shall be contiguous to a parcel previously released within such tract.

**Ad Valorem Taxes** - Seller to furnish tax certificate showing payment of all prior years taxes, and if any due in year of closing, they are to be prorated.

Whereupon, the resolution set out on Pages 6 and 7 was adopted.



1-01-73

RESOLUTION

WHEREAS, by Deed dated November 8, 1972, the Sealy & Smith Foundation for the John Sealy Hospital did convey to the Board of Regents of The University of Texas System all those certain tracts or parcels of land totaling approximately 7,602.557 acres of land in Montgomery County, Texas, being more particularly described by metes and bounds in the Field Note descriptions which are attached to said Deed and marked Exhibit "A," which lands are to be sold by the Board of Regents and the proceeds from the sale thereof pledged to the payment of revenue bonds which would be issued by the Board of Regents of The University of Texas System in order to provide part of the funds for the construction of a new approximately 600 bed hospital and related clinics and facilities which will serve as an additional clinical hospital facility for The University of Texas Medical Branch at Galveston; and

WHEREAS, the Mitchell Development Corporation of the Southwest has offered to purchase and the Board of Regents of The University of Texas System has agreed to sell the hereafter described tracts or parcels of land upon the terms and conditions set out in that Letter Proposal dated December 18, 1972, as amended by that certain letter dated December 20, 1972, to which Letter Proposal reference is here made for all purposes.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Regents of The University of Texas System does hereby accept the offer to purchase and does hereby agree to sell to the Mitchell Development Corporation of the Southwest the following described tracts or parcels of land situated in Montgomery County, Texas:

All those certain tracts or parcels of land totaling approximately 7,602.557 acres of land out of the J. Hodge Survey A-19, J. Pevehouse Survey A-29, T. Curry Survey A-136, Wm. P. Cartwright Survey A-134, J. Eberly Survey A-194, T. V. Mortimer Survey A-383, R. Smith Survey A-491, J. Sealy Survey A-759, J. Sealy Survey A-758, M. Cartwright Survey A-135, and being more particularly described by metes and bounds in the Field Note descriptions which are attached to said Deed dated November 8, 1972, from the Sealy & Smith Foundation for the John Sealy Hospital and marked Exhibit "A."

upon the terms and conditions contained in that certain Letter Proposal dated December 18, 1972, as amended by that certain letter dated December 20, 1972, reference to which is here made for all purposes; and

BE IT FURTHER RESOLVED, that the Chairman, the Vice Chairman or the Associate Deputy Chancellor for Investments, Trusts and Lands be and each of them is hereby authorized to execute a Purchase Agreement or Contract of Sale formally setting out the terms and conditions contained in said Letter Proposal dated December 18, 1972, as amended and to execute and deliver a Special Warranty Deed conveying to the Mitchell Development Corporation of the Southwest title to said above described 7,602.557 acres of land located in Montgomery County, Texas; and

BE IT FURTHER RESOLVED, that the Chairman, the Vice Chairman or the Associate Deputy Chancellor for Investments, Trusts and Lands be and each of them is hereby authorized to execute any and all instruments and to do any and all things necessary or desirable for and on behalf of the Board of Regents of The University of Texas System to effectuate such sale of land to the Mitchell Development Corporation of the Southwest.

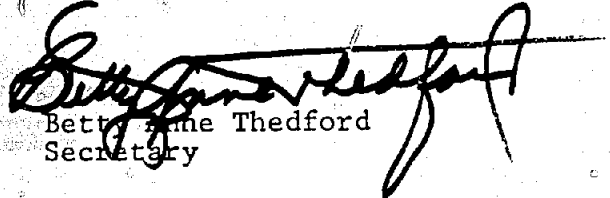
SYSTEM NURSING SCHOOL (SAN ANTONIO NURSING SCHOOL): REPORT OF COMMITTEE AND RATIFICATION OF AWARD OF CONTRACT TO LYDA, INC., SAN ANTONIO, TEXAS, FOR NEW FACILITY (FORMERLY REFERRED TO AS PERMANENT BUILDING).--A report was received from the committee appointed at the Regents' meeting on December 8, 1972, to award a contract for the New Facility (formerly referred to as Permanent Building) for the San Antonio Nursing School of The University of Texas System School of Nursing. The committee had awarded a contract to the low bidder, Lyda, Inc., San Antonio, Texas, as follows, for this project:

Base Bid	\$ 3,269,140
Add Alternate No. 3 (Add Roadway)	<u>9,100</u>
Total Contract Award	<u>\$ 3,278,240</u>

The action of the committee in awarding this contract was ratified, and \$3,850,000 was appropriated from Tuition Revenue Bonds for the project, upon motion of Regent Garrett, seconded by Regent Erwin. It was noted that previously \$145,000 had been advanced from Permanent University Fund Bond proceeds which was to be repaid from the appropriation herein made.

It was further noted that the bids on certain alternates that were not accepted at this time, will remain in effect awaiting action on applications for Federal grants, and may be accepted in the future, either in whole or in part.

ADJOURNMENT.--There being no further business within the call of this meeting, the meeting was duly adjourned at 10:25 a.m.

  
Betty Anne Thedford  
Secretary

January 2, 1973