

Meeting No. 996

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

Pages 1 - 6

September 7, 2005

Austin, Texas

MEETING NO. 996

WEDNESDAY, SEPTEMBER 7, 2005.--The members of the Board of Regents of The University of Texas System convened this special called meeting via telephone conference call at 2:05 p.m. on Wednesday, September 7, 2005, on the Ninth Floor, Ashbel Smith Hall, 201 West Seventh Street, Austin, Texas, with the following participation:

ATTENDANCE.--

Present

Chairman Huffines, presiding (in person)
Vice-Chairman Clements
Vice-Chairman Hunt
Vice-Chairman Krier
Regent Barnhill
Regent Caven
Regent Estrada
Regent Rowling

Absent

Regent Craven

Counsel and Secretary Frederick

In accordance with a notice being duly posted with the Secretary of State and there being a quorum present, Chairman Huffines called the meeting to order.

RECESS TO EXECUTIVE SESSION.--At 2:05 p.m., Chairman Huffines announced the Board would recess to convene in Executive Session pursuant to *Texas Government Code* Sections 551.071, 551.072, and 551.074 to consider those matters listed on the Executive Session agenda.

RECONVENE IN OPEN SESSION.--At 3:25 p.m., the Board reconvened in open session and took the following action on matters discussed in Executive Session:

1. U. T. System: Consideration of individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents, U. T. System officers and employees

No action was taken related to general personnel matters concerning appointment, employment, evaluation, compensation, assignment, and duties of presidents and officers and employees of The University of Texas System.

2. U. T. System: Discussion and appropriate action related to legal issues associated with the proposal to host The George W. Bush Presidential Library and Museum

No action was taken related to legal issues associated with the proposal to host The George W. Bush Presidential Library and Museum.

(See related Item 3a below and Item 1 on Page 3 regarding action taken in Open Session.)

3a. U. T. System: Discussion and appropriate action regarding potential site(s) for The George W. Bush Presidential Library and Museum

No action was taken regarding real estate matters related to potential site(s) for The George W. Bush Presidential Library and Museum.

(See related Item 2 above and Item 1 on Page 3 regarding action taken in Open Session.)

3b. U. T. Austin: Authorization to negotiate amendments to the lease of 45.783 acres of land out of the J. J. Pickle Research Center on the east side of Loop 1 between U.S. Highway 183 and Braker Lane in Austin, Travis County, Texas, to SPG Arbor Walk, L.P.; and authorization to acquire storm water detention rights from SPG Arbor Walk, L.P., at a price not to exceed the fair market value as determined by an independent appraisal

Upon motion by Regent Barnhill, seconded by Regent Caven, the Executive Director of Real Estate was authorized, with the concurrence of the Vice Chancellor and General Counsel, to

- a. negotiate amendments to the lease of 45.783 acres out of The University of Texas at Austin J. J. Pickle Research Campus on the east side of Loop 1 between U.S. Highway 183 and Braker Lane in Austin, Travis County, Texas, to SPG Arbor Walk, L.P., to reflect changes in conditions affecting use and development of the site, as well as a restructured schedule of rents;
- b. negotiate the acquisition of storm water detention rights from SPG Arbor Walk, L.P., to provide storm water detention for the future development of portions of the J. J. Pickle Research Campus, at a price not to exceed the fair market value as determined by an independent appraisal; and
- c. execute all documents, instruments, and other agreements, and take all further actions deemed necessary or advisable to amend the lease and acquire the storm water detention rights in accordance with the parameters outlined in Executive Session.

The motion carried by acclamation.

SPECIAL AGENDA ITEMS

1. U. T. System: Approval of proposed parameters for proposal to host The George W. Bush Presidential Library and Museum

Associate Vice Chancellor Collins provided an overview of the proposal for The University of Texas System to host The George W. Bush Presidential Library and Museum. He said the proposal addresses the strengths and quality the U. T. System can bring to the presidential library and to a think-tank policy institute, and recommends alternative sites.

Upon motion by Vice-Chairman Hunt, seconded by Vice-Chairman Clements, the Board delegated to Chairman Huffines the authority to approve and submit a final draft of the proposal for the U. T. System to host The George W. Bush Presidential Library and Museum consistent with the discussions held today in Executive Session (See Items 2 and 3a on Page 2). Chairman Huffines emphasized the U. T. System proposal will not include use of eminent domain. He noted the proposal would be submitted on September 15, 2005, to The George W. Bush Presidential Library Special Ad Hoc Advisory Committee.

At the February 10, 2005 meeting of the U. T. System Board of Regents, Chairman Huffines announced the establishment of The George W. Bush Presidential Library Special Ad Hoc Advisory Committee. The Committee was tasked with providing a thoughtful, competitive proposal or proposals to bring the Presidential Library of President George W. Bush to the U. T. System. In recognizing the geographic presence of U. T. System in the state, as well as the expertise available System-wide, Chairman Huffines said U. T. System was exceptionally qualified to represent the work, the leadership, and the contributions of President George W. Bush and the Committee prepared a proposal, which has been submitted to Chairman Huffines.

2. U. T. M. D. Anderson Cancer Center: Consideration of designation of architecturally or historically significant projects

- U. T. Research Park (UTRP) Utilities and Central Maintenance Facilities
- Braeswood Parking Garage

Projects at The University of Texas M. D. Anderson Cancer Center listed below scheduled for architectural selection were not designated architecturally or historically significant pursuant to the Regents' *Rules and Regulations*, Series 80302. Both projects are institutionally managed.

U. T. Research Park (UTRP) Utilities and Central Maintenance Facilities
Proposed Project Cost: \$30,000,000
Anticipated Delivery Method: Construction Manager at Risk

Braeswood Parking Garage
Proposed Project Cost: \$26,000,000
Anticipated Delivery Method: Design Build

3. U. T. System: Authorization to (a) purchase the real property and improvements located at 731 West Wadley, Building L, Midland, Midland County, Texas, and (b) sell real property and improvements located at 808 West Wall Street in Midland County, Texas; both transactions being with the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. and both to be at fair market value as established by independent appraisal, to use for the offices of The University of Texas System University Lands - West Texas Operations office; and discussion of the move of the University Lands Accounting Office to Midland, Texas

Executive Vice Chancellor Kelley presented an overview of the proposal to consolidate The University of Texas System University Lands - West Texas Operations in Midland, Texas. The Board granted authorization, on behalf of U. T. System Administration, to

- a. purchase the real property and improvements located at 731 West Wadley, Building L, Midland, Midland County, Texas, from Black Family Partnership, Ltd. and Crump Family Partnership, Ltd., at fair market value at a price not to exceed \$570,000 as established by independent appraisal, plus all due diligence expenses, closing costs, and other costs and expenses to complete the acquisition of the property as deemed necessary or advisable by the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate;
- b. sell real property and improvements located at 808 West Wall Street in Midland County, Texas, to the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd., at fair market value at a price of \$390,000 as established by independent appraisal; and
- c. authorize the Executive Vice Chancellor for Business Affairs or the Executive Director of Real Estate to execute all documents, instruments, and other agreements, and take all further actions deemed necessary or advisable to carry out the purpose and intent of the foregoing actions.

The property and improvements to be purchased consist of a 17,041-square foot, two-story office building on approximately 1.05 acres of land, as the new location for the University Lands - West Texas Operations office. The building is one of five buildings in an office development known as North Park Executive Center.

The existing office building at 808 West Wall Street in Midland, Texas, will be sold at its appraised value of \$390,000 to the Black Family Partnership, Ltd. and Crump Family Partnership, Ltd. Although the sale of this property could be accomplished under the authority delegated to the Executive Director of Real Estate, it was brought to the Board because the purchase of the new office building and the sale of the current office building are intended to occur simultaneously.

U. T. System will use monies from the Special Fee Fund of University Lands - West Texas Operations, as well as revenue from the sale of the current office building, for the purchase price not to exceed \$570,000.

4. U. T. System: Authorization of institutional efforts to assist students and others affected by Hurricane Katrina

Chairman Huffines said an additional agenda item was posted with the Secretary of State relating to Hurricane Katrina that hit the Gulf Coast on August 29, 2005. He said that across Texas, the universities and health institutions of The University of Texas System quickly joined the effort to aid victims of Hurricane Katrina and in furtherance of those efforts, he asked a member of the Board to consider making the following motion:

I move that the U. T. System Board of Regents authorize the institutional presidents, in conformance with directions or guidelines from Chancellor Yudof, to take actions each deems necessary and consistent with each institutional mission to assist those affected by Hurricane Katrina.

This authorization includes all actions related to accommodation of students suffering undue hardship because of the effects of Hurricane Katrina through

- the offering of in-state tuition rates to out-of-state residents consistent with Governor Perry's State of Emergency Proclamation;
- designated tuition waivers for students already paying in-state tuition;
- appropriate fee waivers for all students affected by Hurricane Katrina; and
- the abatement of the application of administrative rules and procedures for registration, admission, student housing, and class attendance.

This authorization also includes

- the direct conduct of appropriate efforts involving fund-raising or disaster relief; and
- the use of institutional facilities for events that support the fund-raising, disaster relief, or relocation efforts of federal, state, and local governments or charitable organizations in response to the devastation caused by Hurricane Katrina or for events displaced by those efforts.

The motion was made by Vice-Chairman Krier, seconded by Regent Estrada, and carried unanimously.

Chairman Huffines recognized the assistance provided by individual campuses of the U. T. System and he announced the creation of a U. T. System website that provides coordinated information for students displaced by Hurricane Katrina. He also announced The University of Texas Medical Branch at Galveston, The University of Texas Health Science Center at Houston, Baylor College of Medicine in Houston, and The Texas A&M University System have formed The Alliance of South Texas Health Centers to assist Tulane University schools of medicine, public health, and graduate biomedical sciences in the coming months. More than 1,200 residents, medical students, and graduate students will participate and there is a faculty component.

ADJOURNMENT.--There being no further business, the meeting was adjourned at 3:50 p.m.

/s/ Francie A. Frederick
Counsel and Secretary to the Board

September 14, 2005