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Austin, Texas  
 July 23, 1958  
 Meeting No. 572

The Board of Regents of The University of Texas met with the Board of Directors of the Agricultural and Mechanical College of Texas in a special session in the Jim Hogg Suite at the Driskill Hotel in Austin, Texas, at 9:00 a. m., on Wednesday, the 23rd day of July, 1958, to transact the business as outlined in the Notice of Special Meeting, issued by the Chairman and mailed to each member of the Board by the Secretary of the Board on July 11, 1958. Each Regent signed the Consent to Meeting at close of Notice of Special Meeting and returned it to the Secretary prior to July 18 (signed Consent to Meeting by each member of the Board is in Secretary's Files, Volume V, Pages 312-320 ).

The following reflects the attendance of the members of the Board of Regents of The University of Texas at the joint meeting with Chairman Jeffers presiding:

Present

Chairman Jeffers  
 Vice-Chairman Sorrell  
 Regent Hardie  
 Regent Johnson  
 Regent Lockwood  
 Regent Minter

Absent

Regent (Mrs.) Devall-excused  
 Regent Bryan-excused  
 Regent Thompson-excused

Also present were President Wilson, Vice-President Dolley, Assistant to President Cox, Vice-President Casberg, Endowment Officer Stewart, Land and Trust Attorney Waldrep, Assistant to Endowment Officer Cook, Executive Assistant Lockwood, and Secretary Thedford.

The following members of the Board of Directors of the Agricultural and Mechanical College of Texas were in attendance at the joint meeting with President Doherty presiding:

Director W. T. Doherty, President  
 Director Price Campbell  
 Director A. E. Cudlipp  
 Director Eugene B. Darby  
 Director Jack Finney  
 Director Herman Heep  
 Director L. H. Ridout, Jr.  
 Director H. B. (Pat) Zachry

Also present were Chancellor Harrington, Vice-President Rudder, Comptroller Freeman, and Vice-President and Secretary Angell.

Chairman Jeffers asked Vice-President Dolley to give a brief statement with reference to the bids received and the prices submitted by the various syndicate groups for the three bond issues under consideration:

- (1) \$5,076,000 Board of Regents of The University of Texas  
 Permanent University Fund Refunding Bonds, Series 1958

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- (2) \$2,775,000 Board of Directors of the Agricultural and Mechanical College of Texas Permanent University Fund Refunding Bonds, Series 1958
- (3) \$5,000,000 Board of Directors of the Agricultural and Mechanical College of Texas Permanent University Fund Bonds, Series 1958

Then Mr. Paul Horton of the firm of McCall, Parkhurst and Crowe, as representative of our bond counsel, identified the various resolutions necessary to effecting the refunding and the sale of the three bond issues.

These minutes reflect only the action taken on the part of the Board of Regents of The University of Texas.

RESOLUTION AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, DATED JULY 1, 1958, IN THE PRINCIPAL AMOUNT OF \$5,076,000.00, FOR THE PURPOSE OF REFUNDING A LIKE AMOUNT OF OUTSTANDING PERMANENT UNIVERSITY FUND BONDS DATED JULY 1, 1949. --Mr. Sorrell introduced a resolution and moved that it be adopted. The resolution was read in full by the Secretary. The motion was seconded by Mr. Lockwood.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Johnson, Lockwood, Minter, Hardie and Sorrell.

NOES: None.

The resolution as adopted is as follows:

BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS AUTHORIZING THE ISSUANCE OF BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, IN THE AMOUNT OF \$5,076,000.00, BEARING INTEREST AT THE RATES HEREINAFTER SET FORTH, AND MATURING AS HEREINAFTER PRESCRIBED, FOR THE PURPOSE OF REFUNDING A LIKE AMOUNT OF OUTSTANDING BONDS, PRESCRIBING THE FORM OF THE BONDS, PLEDGING TO THE PAYMENT OF THE INTEREST AND PRINCIPAL THEREOF THE INTEREST OF THE UNIVERSITY IN THE INCOME DERIVED FROM THE PERMANENT UNIVERSITY FUND, PROVIDING FOR THE EXECUTION AND DELIVERY OF SAID BONDS AND PRESCRIBING THE DUTIES OF THE OFFICERS OF SAID BOARD AND OF THE STATE IN REFERENCE THERETO, MAKING CERTAIN COVENANTS WITH RESPECT TO SECURING PAYMENT OF SAID BONDS AND INTEREST, AND PROVIDING FOR ADDITIONAL PARITY BONDS AND NOTES.

WHEREAS, the Board of Regents of The University of Texas has heretofore issued, sold and delivered, and presently has outstanding \$5,950,000.00 in principal amount of Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, bearing interest at the rate of 1-1/2% per annum, being Bonds Numbers 4,051 through 10,000, both inclusive, in the denomination of \$1,000.00 each, maturing serially on July 1 of the years 1959 through 1969, and having been authorized pursuant to the provisions of Section 18, Article VII of the Constitution of Texas; and

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WHEREAS, the Board of Regents of The University of Texas desires to pay off and retire \$874,000.00 in principal amount of said bonds and to refund the balance of \$5,076,000.00 in principal amount of said bonds, pursuant to the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$210,000.00 in principal amount, mature July 1, 1959:

4,061-4,135; 4,196-4,235; 4,296-4,310; 4,361-4,371;  
4,375-4,410; 4,463-4,485; 4,496-4,505;

and said numbered bonds will be paid off and retired by depositing for such purpose the principal thereof plus interest thereon to maturity with the Texas National Bank of Houston, Houston, Texas, (formerly named the South Texas National Bank), being the principal bank of payment for said bonds; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$664,000.00 in principal amount, maturing in the amounts and years as follows, are subject to redemption prior to maturity, on July 1, 1959, at the price of par and accrued interest to July 1, 1959, plus a premium of 2% of the principal amount thereof:

<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
4,551-4,630; 4,686-4,690; 4,706-4,730; 4,756-4,855; 4,891-4,895; 4,916-4,940; 4,972-5,010;	\$279,000.00	July 1, 1960
5,101-5,105; 5,211-5,230; 5,241-5,265; 5,286-5,295; 5,361-5,370; 5,396-5,430; 5,456-5,460; 5,541-5,550;	\$120,000.00	July 1, 1961
5,601-5,650; 5,751-5,775; 5,826-5,845; 5,856-5,905;	\$145,000.00	July 1, 1962
6,501-6,515;	\$ 15,000.00	July 1, 1963
6,601-6,610; 6,891-6,920; 7,126-7,150;	\$ 65,000.00	July 1, 1964
8,286-8,310; 8,656-8,670;	\$ 40,000.00	July 1, 1967

and said numbered bonds will be paid off and retired by being duly called for redemption and by depositing for such purpose the principal thereof, together with interest thereon to July 1, 1959, plus a premium of 2% of the principal amount thereof, with the Texas National Bank of Houston, Houston, Texas, being the principal bank of payment for said bonds; and

WHEREAS, the holder or holders of the \$5,076,000.00 in principal amount of said bonds not to be so paid off and retired have consented to an exchange

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refunding of said bonds upon the terms and conditions hereinafter provided;

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

1. Definitions. Throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

The term "Permanent University Fund," "Permanent Fund" and "Fund" used interchangeably herein shall mean the Permanent University Fund as created by Article VII, Section 11 of the Constitution, further implemented by the provisions of Title 49, Chapter 1 of the Revised Statutes of Texas, 1925, as amended and supplemented.

The expression "Interest of the University" in the Permanent University Fund shall mean all of the income to such Fund from grazing leases on University lands, and all of the other income from such Fund, after making provision for the payment of the University's proportion of the expense of administering such Fund, excepting one-third of the income arising and accruing to the Agricultural and Mechanical College of Texas from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, as more particularly defined by Chapter 42, Acts of the Forty-second Legislature, Regular Session, 1931 (Article 2592, Vernon's Annotated Civil Statutes of Texas).

The term "Resolution" as used herein and in the Bonds shall mean this resolution authorizing the Bonds.

The term "University" as used herein shall refer to The University of Texas.

The term "Bonds" shall mean the issue of bonds authorized in this Resolution, unless the context clearly indicates otherwise.

The term "Additional Parity Bonds and Notes" shall mean the additional parity bonds and the additional parity notes authorized to be issued pursuant to Section 17 hereof.

The term "Board" shall mean the Board of Regents of The University of Texas.

2. That for the purpose of refunding \$5,076,000.00 in principal amount of outstanding Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, there shall be issued the negotiable Bonds of the Board of Regents of The University of Texas, in the amount of Five Million Seventy Six Thousand Dollars (\$5,076,000.00).

3. Said Bonds shall be known as "Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958"; shall be in the denomination of One Thousand Dollars (\$1,000.00) each, numbered from One (1) to Five Thousand Seventy Six (5,076), both inclusive; and shall bear interest at the following rates:

Bonds Nos.	1 to 511, both inclusive,	2.10% per annum;
Bonds Nos.	512 to 3,876, both inclusive,	2.25% per annum;
Bonds Nos.	3,877 to 5,076, both inclusive,	2.40% per annum;

payable January 1, 1959, and semi-annually thereafter on July 1 and



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January 1 of each year until said Bonds are fully paid.

4. Said Bonds shall be dated July 1, 1958, and shall become due and payable serially as follows:

<u>BOND NUMBERS</u>	<u>MATURITY DATES</u>	<u>AMOUNTS</u>
1 to 290, both inclusive,	July 1, 1959	\$290,000.00
291 to 511, both inclusive,	July 1, 1960	221,000.00
512 to 891, both inclusive,	July 1, 1961	380,000.00
892 to 1,246, both inclusive,	July 1, 1962	355,000.00
1,247 to 1,781, both inclusive,	July 1, 1963	535,000.00
1,782 to 2,266, both inclusive,	July 1, 1964	485,000.00
2,267 to 2,816, both inclusive,	July 1, 1965	550,000.00
2,817 to 3,366, both inclusive,	July 1, 1966	550,000.00
3,367 to 3,876, both inclusive,	July 1, 1967	510,000.00
3,877 to 4,476, both inclusive,	July 1, 1968	600,000.00
4,477 to 5,076, both inclusive,	July 1, 1969	600,000.00

5. That said Bonds and interest thereon shall be payable at the Texas National Bank of Houston, Houston, Texas, or, at the option of the holder, at the Irving Trust Company, New York, New York, or the Northern Trust Company, Chicago, Illinois, in lawful money of the United States of America, upon surrender of proper Bond or coupon, without exchange or collection charges to the owners or holders thereof.

6. No one of said Bonds shall be entitled to priority over any other Bond of this issue in the application of the Interest of the University hereinafter in Section 13 hereof pledged to the payment of principal of and interest on the Bonds, irrespective of the fact that some of the Bonds may be delivered prior to the delivery of other Bonds, it being the intent of this Resolution that all Bonds of this issue shall rank equally.

7. Each of said Bonds and the coupons attached thereto shall be executed by the imprinted facsimile signatures of the Chairman of the Board and the Secretary of the Board, and such facsimile signatures shall have the same effect as manual signatures, and the corporate seal of the Board shall be impressed upon each of the Bonds.

8. Said Bonds, at the option of the holder, shall be registerable as to principal only on the books of the Registrar, and for such purpose the Comptroller of the University is hereby designated "Registrar." Such registration shall be noted also on the Bonds thus registered and after such registration no transfer of such Bonds shall be valid unless made on the books of the Registrar at the instance of the registered holder or his lawful attorney, thereunto duly authorized, and similarly noted on the Bonds. Bonds thus registered may be discharged from registration by being transferred to bearer, after which they shall be transferable by delivery, but may be again registered as to principal as before. Bonds not so registered or which have been so transferred to bearer shall be in all respects negotiable. The registration of Bonds as to principal shall not restrain the negotiability by delivery of the coupons appertaining thereto.

Subject to the provisions for registration as to principal alone hereinabove provided, nothing contained in the Bonds or in this Resolution

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shall affect or impair the negotiability of the Bonds and said Bonds shall constitute negotiable instruments within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

9. The form of the Bonds shall be substantially as follows:

NO. \_\_\_\_\_ \$1,000.00

UNITED STATES OF AMERICA  
STATE OF TEXAS  
BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
PERMANENT UNIVERSITY FUND REFUNDING BOND  
SERIES 1958

For value received, the Board of Regents of The University of Texas hereby acknowledges itself indebted to and promises to pay, out of the Fund specified herein, to the bearer, or if this bond be registered as to principal, to the registered holder hereof, on the 1st day of July, 19 \_\_, the sum of

ONE THOUSAND DOLLARS

with interest thereon, also payable out of the Fund specified herein, from the date hereof, at the rate of \_\_\_\_\_ per cent ( \_\_\_\_\_ %) per annum, until the principal amount of this bond shall have been paid, payable January 1, 1959, and semi-annually thereafter on July 1 and January 1 of each year. Until final maturity hereof interest shall be payable upon presentation and surrender of proper coupons as they severally become due. Both principal and interest shall be payable in lawful money of the United States of America at the Texas National Bank of Houston, Houston, Texas, or, at the option of the holder, at the Irving Trust Company, New York, New York, or the Northern Trust Company, Chicago, Illinois, without exchange or collection charges to the owner or holder hereof.

This bond is one of a series of bonds of like tenor and effect, except as to number, interest rate and maturity, numbered One (1) to Five Thousand Seventy Six (5,076), both inclusive, of the denomination of One Thousand Dollars (\$1,000.00) each, aggregating Five Million Seventy Six Thousand Dollars (\$5,076,000.00), issued for the purpose of refunding \$5,076,000.00 in principal amount of outstanding Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, in accordance with the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session, and Section 18, Article VII of the Texas Constitution, and pursuant to a resolution authorizing the issuance of the series of bonds, of which this is one, adopted by the Board of Regents of The University of Texas and duly of record in the minutes of said Board, hereinafter sometimes called the "Resolution."

The date of this bond, in conformity with the Resolution, is July 1, 1958.

The issue of bonds of which this is one is payable solely from and secured by a first lien on and pledge of the Interest (as such term is defined in the Resolution) of The University of Texas in the income from the Permanent University Fund, as such Interest is apportioned by

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Chapter 42 of the Acts of the Regular Session of the Forty-second Legislature of Texas, subject only to a prior charge and lien, in the event that same should become necessary, in favor of the unrefunded \$874,000.00 of original Permanent University Fund Bonds, dated July 1, 1949, money for the full payment retirement and redemption of which, including principal, interest and applicable premium to date of maturity or redemption, being July 1, 1959, has been deposited in escrow and in trust with the principal paying agent therefor, all as provided in the Resolution.

Pursuant to the provisions of the Resolution, the Board reserves the right to issue Additional Parity Bonds and Notes which shall be equally and ratably payable from the same source and secured in the same manner as this bond and the series of which it is a part.

This bond is registerable as to principal only on the books of the Registrar. For such purpose the Comptroller of the University has been designated "Registrar." If registered, the fact of registration is to be noted on the back hereof and thereafter no transfer of this bond shall be valid unless made on the books of the Registrar at the instance of the registered holder and similarly noted hereon. Registration as to principal may be discharged by transfer to bearer, after which this bond may again be registered as before. The registration of this bond as to principal shall not restrain the negotiability of the coupons pertaining hereto, which shall continue to be negotiable by delivery merely.

Subject to the provision for registration as to principal alone endorsed hereon and contained in the Resolution, nothing contained in this bond nor in said Resolution shall affect or impair the negotiability of this bond and this bond shall constitute a negotiable instrument within the meaning of the Uniform Negotiable Instruments Act of the State of Texas.

IT IS HEREBY CERTIFIED AND RECITED that all acts, conditions and things required to be done precedent to and in the issuance of this bond and the series of which it forms a part have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and the laws of the State of Texas and the Resolution, that this issue of bonds does not exceed any constitutional or statutory limitation, and that provision has been made for the payment of the principal of and interest on this bond and the issue of which it is a part by an irrevocable pledge of the funds specified herein.

IN WITNESS WHEREOF, THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS has caused the corporate seal of said Board to be impressed hereon and has caused this bond and the interest coupons attached hereto to be executed by the imprinted facsimile signatures of the Chairman of the Board and the Secretary of the Board, and this bond to be dated July 1, 1958.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

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10. The form of coupon shall be substantially as follows:

NO. \_\_\_\_\_ \$ \_\_\_\_\_

ON THE 1ST DAY OF

\_\_\_\_\_, 19 \_\_\_\_

The Board of Regents of The University of Texas hereby promises to pay to the bearer solely out of the fund specified in the bond to which this coupon is attached, the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), at the Texas National Bank of Houston, Houston, Texas, or, at the option of the holder, at the Irving Trust Company, New York, New York, or the Northern Trust Company, Chicago, Illinois, in lawful money of the United States of America, without exchange or collection charges to the owner or holder hereof, said sum being six months' interest due that day on "Board of Regents of The University of Texas Permanent University Fund Refunding Bond, Series 1958," bearing the number hereinafter specified, dated July 1, 1958, Bond No. \_\_\_\_\_.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chairman

11. Each said Bond shall be registered in the office of the Comptroller of Public Accounts of the State of Texas. The form of Comptroller's Certificate, which shall be printed on the back of each Bond shall be substantially as follows:

OFFICE OF COMPTROLLER :

REGISTER NO. \_\_\_\_\_

STATE OF TEXAS :

I HEREBY CERTIFY that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this bond has been examined by him as required by law, and that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of said Board of Regents of The University of Texas, payable from the funds pledged to its payment by and in the Resolution authorizing same, and said bond has this day been registered by me.

WITNESS MY HAND and seal of office at Austin, Texas, \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of the  
State of Texas.

(SEAL)

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12. That the form of ownership registration endorsement on the reverse side of the Bond shall be substantially as follows:

(NO WRITING TO BE MADE HEREON EXCEPT BY THE REGISTRAR DESIGNATED FOR THIS ISSUE OF BONDS)

CERTIFICATE OF REGISTRATION

It is hereby certified that, at the request of the holder of the within bond, I have this day registered it as to principal in the name of such holder as indicated in the registration blank below, on the books kept by me for such purpose. The principal of this bond shall be payable only to the registered holder hereof named in the below registration blank or his legal representative, and this bond shall be transferable only on the books of the Registrar and by an appropriate notation in such registration blank. If the last transfer recorded on the books of the Registrar and in the below registration blank shall be to bearer, the principal of this bond shall be payable to bearer and it shall be in all respects negotiable. In no case shall negotiability of the coupons attached hereto be affected by any registration as to principal.

<u>NAME OF REGISTERED HOLDER</u>	<u>DATE OF REGISTRATION</u>	<u>SIGNATURE OF REGISTRAR</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

13. Pursuant to the authority conferred upon the Board by the provisions of Section 18, Article VII of the Texas Constitution approved by vote of the people of Texas on August 23, 1947, and pursuant to the provisions of the amendment to said Section 18, Article VII, approved by vote of the people of Texas on November 6, 1956, and pursuant to the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session, the Bonds and the Additional Parity Bonds and Notes when issued pursuant to the provisions of this Resolution, and the interest thereon, shall be and are hereby equally and ratably secured by and payable from a first lien on and pledge of the Interest of the University in the income from the Permanent University Fund as such Interest is defined in Section 1 of this Resolution; provided, however, that such first lien and pledge shall be subject to a prior charge and lien, in the event that same should become necessary, in favor of the unrefunded \$874,000.00 of original Permanent University Fund Bonds, dated July 1, 1949, money for the full payment, retirement and redemption of which, including principal, interest and applicable premium to date of maturity or redemption, being July 1, 1959, has been deposited in escrow and in trust with the principal paying agent therefor, all as provided in Section 20 of this Resolution.



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14. (a) The Comptroller of Public Accounts of the State of Texas shall establish in the State Treasury a fund to be known as "Board of Regents of The University of Texas Permanent University Fund Interest and Sinking Fund" (hereinafter called "Interest and Sinking Fund"). Out of The University of Texas Available University Fund (the fund in the State Treasury to which is deposited the Interest of the University) the Comptroller of Public Accounts of the State of Texas shall transfer to the Interest and Sinking Fund, on or before November 1, 1958, and semi-annually thereafter, on or before May 1 and November 1 of each year while any of the Bonds or interest thereon are outstanding and unpaid, a sum of money equal to the amount of interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the Bonds on the January 1 or July 1 next following.

When Additional Parity Bonds or Notes are issued pursuant to the provisions of this Resolution, moneys shall be transferred into the Interest and Sinking Fund in substantially the same manner as provided above, in amounts sufficient to pay the principal of and interest on such Additional Parity Bonds or Notes.

(b) To the end that money will be available at the places of payment in ample time to pay the principal of and the interest on the Bonds as such principal and interest respectively mature, on or before November 5, 1958, and semi-annually thereafter on or before May 5 and November 5 of each year while any of the Bonds or interest thereon are outstanding and unpaid, the Comptroller of the University, or such officer as may hereafter be designated by the Board to perform the duties now vested in such officer, shall perform the following duties:

Prepare and file with the Comptroller of Public Accounts of the State of Texas (hereinafter called the "Comptroller of Public Accounts") a voucher based on which the Comptroller of Public Accounts shall draw a warrant against the Interest and Sinking Fund in the amount of the interest or principal and interest (when both are scheduled to accrue and mature) which will become due on the January 1 or July 1 next following.

(c) Whenever a voucher is so filed with the Comptroller of Public Accounts he shall make the warrant based thereon payable to the order of that place of payment situated in the State of Texas, specified in Section 5 above, and shall deliver such warrant to such place of payment, on or before the November 15 or May 15 next following.

(d) The place of payment situated in the State of Texas, designated in Section 5 hereof, shall, out of moneys remitted to it under the provisions of Section 14 hereof, and not otherwise, make available at the other places of payment specified in Section 5 hereof, funds sufficient to pay such of the Bonds (whether payable to the bearer or payable to the registered holder thereof), and such of the coupons as are presented for payment at such places of payment and said place of payment situated in the State of Texas by accepting designations as such place of payment agrees and is obligated to perform such service.

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(e) All Bonds and coupons paid by the places of payment, after cancellation by perforation, shall be forwarded by such places of payment, to the University at Austin, Texas.

(f) The Board of Regents shall make provision with the places of payment designated as paying agents for the rendition of a statement to the University for any sums due such paying agents for services rendered in connection with the payment of the coupons and Bonds by such paying agents and the amount of such charges shall be paid by the University from funds available for such purpose.

(g) When Additional Parity Bonds or Notes are issued pursuant to the provisions of this Resolution, the Comptroller of the University, the Comptroller of Public Accounts and the Board of Regents shall follow substantially the same procedures (to be set forth in each resolution authorizing each issue of Additional Parity Bonds or Notes in connection with paying the principal of and interest on such Additional Parity Bonds or Notes) as prescribed in sub-sections (b), (c), (d), (e) and (f) of this Section 14; provided, however, that other and different banks or places of payment (paying agents) may be named in connection with each issue of Additional Parity Bonds or Notes. In the event that any such Additional Parity Bonds or Notes are made optional or redeemable prior to maturity, the resolution or resolutions authorizing the issuance of such Additional Bonds or Notes shall prescribe the appropriate procedures for redeeming same.

15. After provision has been made for the payment of the principal and interest of the Bonds and the Additional Parity Bonds and Notes, when issued, the Interest of the University not thus required each year shall be made available to the University in the manner provided by law and by regulations of the Board to be used by said Board as it may lawfully direct.

16. That the Board of Regents of The University of Texas covenants and agrees as follows:

(a) That while any bonds or notes of the Board of Regents of The University of Texas or the Board of Directors of the Agricultural and Mechanical College of Texas, now or hereafter issued pursuant to the provisions of Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on August 23, 1947, or pursuant to the provisions of the amendment to Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on November 6, 1956, or pursuant to the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session, are outstanding and unpaid, the Board of Regents of The University of Texas will invest and keep invested the Permanent University Fund, as required by law, to the end that the income to be derived therefrom shall always be sufficient to pay and secure the payment of all the aforesaid bonds and notes and the interest thereon, at any time outstanding and unpaid, and while any such bonds and notes, and the interest thereon, are outstanding and unpaid, the Board of Regents will invest such Fund in eligible and legal securities which will yield a maximum rate of return consistent with the Board's long established policy of purchasing for said Fund only such securities of high investment quality; and it is specially covenanted that so much of the Fund will be invested at all times in such amount of United States Government Bonds as will yield annually, at the effective rate or rates of interest borne by such United

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States Government Bonds, an amount of money not less than the principal and interest requirements of all such outstanding bonds and notes during the calendar year in which said principal and interest requirements will be the greatest. It is further covenanted that neither the Board of Regents nor any officer of the Board of Regents or the University, shall be authorized to sell or withdraw any of said United States Government Bonds if by such sale or withdrawal the total amount of such United States Government Bonds remaining thereafter will yield annually an amount less than said principal and interest requirements of such outstanding bonds and notes during the calendar year in which said principal and interest requirements will be the greatest. Reference is made to a resolution adopted by the Board of Regents concurrently herewith concerning the investment of the Permanent University Fund and making covenants in connection therewith substantially as provided above. Such resolution is hereby made a part of these proceedings and shall be binding on the Board of Regents for all purposes.

(b) That it will restrict expenditures for administering the Fund to a minimum consistent with prudent business judgment and that such expenditures, chargeable before debt service requirements, shall never exceed in any year an amount equal to 1/5 of 1% of the book value of the Permanent University Fund.

(c) That it will duly and punctually pay or cause to be paid out of the income herein pledged for such purpose the principal of every Bond and Additional Parity Bond and Note, when issued, and the interest thereon, on the day and at the places and in the manner mentioned in such Bonds and Additional Parity Bonds and Notes, when issued, and in the coupons, if any, thereto appertaining, according to the true intent and meaning thereof and that it will faithfully do and perform and at all times fully observe all covenants, undertakings and provisions contained in this Resolution or in any Bond or Additional Parity Bond or Note, when issued.

(d) That, except for the original Permanent University Fund Bonds, dated July 1, 1949, the refunding Bonds herein authorized and the Additional Parity Bonds and Notes authorized to be issued pursuant to Section 17 hereof, and the interest thereon, it will not at any time create or allow to accrue or exist any lien or charge upon the Fund or the Interest of the University in the Fund; and further that there is not now outstanding any lien or charge upon the Fund or the Interest of the University in the Fund, except for the original Permanent University Fund Bonds, dated July 1, 1949, and the refunding Bonds herein authorized, and the interest thereon; that the lien created by this Resolution will not be impaired in any manner as a result of any action or non-action on the part of the Board of Regents or officers of the University and that the Board will, subject to the provisions hereof, continuously preserve the Fund and each and every part thereof.

(e) That proper books of records and accounts will be kept in which true, full and correct entries will be made of all income, expenses and transactions of and in relation to the Fund and each and every part thereof in accordance with accepted accounting practices. As soon after the close of each fiscal year (September 1 to August 31, inclusive) as may reasonably be done the Board will furnish to all bondholders who may so request, full audits and reports made by the State Auditor of Texas for the preceding fiscal year, showing

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the income to the Fund, the amount realized from investments of the Fund, total sums accruing to the University as its Interest in the income from the Fund, the cost of administering the Fund, the amount paid for debt service on the Bonds and the Additional Bonds and Notes, when issued, and the amount paid to the University as available funds under Section 15 of this Resolution.

17. The Board reserves the right and shall have full power at any time and from time to time, to authorize, issue and deliver Additional Parity Bonds and/or Additional Parity Notes, in as many separate installments or issues as deemed advisable by the Board but only for the purposes and to the extent provided in the Amendment to Section 18, Article VII of the Texas Constitution, adopted by vote of the people of Texas on November 6, 1956, or for refunding purposes as provided in Chapter 255, page 546, Acts 1957, Fifty-fifth Legislature of Texas, Regular Session. Such Additional Parity Bonds and Notes, when issued, and the interest thereon, shall be equally and ratably secured by and payable from a first lien on and pledge of the Interest of the University in the income from the Permanent University Fund, in the same manner and to the same extent as are the Bonds issued pursuant to this Resolution, and the Bonds and the Additional Parity Bonds and Notes, when issued, and the interest thereon, shall be on a parity and in all respects of equal dignity.

It is covenanted, however, that no such installment or issue of Additional Parity Bonds or Notes shall be issued and delivered unless the Endowment Officer of the University, or some other officer of the University designated by the Board of Regents, executes a certificate to the effect that there is then held in and owned by the Permanent University Fund an amount of United States Government Bonds which yield annually, at the effective rate or rates of interest borne by such United States Government Bonds, an amount of money not less than the principal and interest requirements of (1) all then outstanding bonds and notes issued by the Board of Regents and by the Board of Directors of the Agricultural and Mechanical College of Texas and lawfully payable from the income from the Permanent University Fund and (2) the installment or issue of Additional Parity Bonds or Notes then proposed to be issued and delivered, during the calendar year in which such aggregate principal and interest requirements will be the greatest.

All Additional Parity Bonds and Notes hereafter issued shall be made to mature on July 1 of each of the years in which they are scheduled to mature, with interest thereon being payable on January 1 and July 1.

18. All covenants, stipulations, obligations and agreements of the Board contained in this Resolution shall be deemed to be covenants, stipulations, obligations and agreements of The University of Texas and the Board of Regents to the full extent authorized or permitted by the Constitution and laws of the State of Texas. No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the Board or Agent or employee of the Board of Regents of The University of Texas in his individual capacity and neither the members of the Board nor any officer thereof shall be liable personally on the Bonds or Additional Parity Bonds or Notes when issued, or be subject to any personal liability or accountability by reason of the issuance thereof.

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19. Any owner or holder of any of the Bonds or Additional Parity Bonds or Notes, when issued, in the event of default in connection with any covenant contained herein, or default in the payment of said Bonds or Additional Parity Bonds or Notes, when issued, or of any interest due thereon, shall have the right to institute suit or suits against the Board of Regents of The University of Texas in any court of competent jurisdiction for the purpose of enforcing payment thereof from the moneys herein pledged to such payment or for enforcing any covenant herein contained.

20. It is hereby certified and recited that the \$874,000.00 of bonds of the original Permanent University Fund Bonds, dated July 1, 1949, which are not being refunded by this Resolution, shall be paid off, retired and redeemed in the manner prescribed in the preamble to this Resolution. The money for such purpose shall, prior to delivery of the refunding Bonds herein authorized, be duly deposited at the Texas National Bank of Houston, being the principal bank of payment of such bonds, to be held in trust by such bank under an escrow agreement which shall provide for securing such deposit to the full extent provided by law for public funds, and to be used solely for the aforesaid purpose. It is specifically provided and covenanted, however, that notwithstanding any language, covenant, section, paragraph or provision of this Resolution to the contrary, in the event that the full amount of money so deposited for such purpose should for any reason whatsoever be dissipated or lost, and become insufficient for the purpose deposited, then any additional money required to pay off, retire and redeem such bonds shall be appropriated immediately from the first available Interest of the University in the Permanent University Fund and used for the purpose of restoring the full amount of money so required; and in such event the appropriation and use of money for such purpose shall constitute a prior charge and lien against the Interest of the University in the Permanent University Fund, ahead of the Bonds and the Additional Parity Bonds and Notes, when issued.

21. In addition to all other rights, the holders of the refunding Bonds herein authorized shall be and are hereby subrogated to the rights of the holders of the bonds being refunded.

22. That after said Bonds shall have been executed, it shall be the duty of the Chairman of the Board or some officer of the Board acting under authority from him to deliver said Bonds to the Attorney General of Texas, for examination and approval by the Attorney General. After said Bonds shall have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of said Bonds, the Comptroller of Public Accounts (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's certificate of registration prescribed herein to be printed on the back of each Bond, and the seal of said Comptroller shall be affixed to each of said Bonds.

23. The Comptroller of Public Accounts of the State of Texas is authorized to receive from the holder or holders the \$5,076,000.00 in principal amount of Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, being refunded hereby, and to deliver to said holder or holders in exchange therefor



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Bonds Nos. 1 through 5, 076, both inclusive, of the refunding issue herein authorized, upon cancellation of said 1949 bonds being refunded.

ADOPTED AND APPROVED this the 23rd day of July, 1958.

\_\_\_\_\_  
Chairman, Board of Regents,  
The University of Texas.

ATTEST:

\_\_\_\_\_  
Secretary, Board of Regents,  
The University of Texas.

RESOLUTION SETTING FORTH POLICIES AND COVENANTS RE INVESTMENTS OF PERMANENT UNIVERSITY FUND AND DISPOSAL OF INCOME. --Mr. Hardie introduced a resolution and moved that it be adopted. The resolution was read in full by the Secretary. The motion was seconded by Mr. Johnson.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Johnson, Lockwood, Minter, Hardie and Sorrell.

NOES: None.

The resolution as adopted is as follows:

MAKING COVENANTS AS TO THE INVESTMENT OF THE PERMANENT UNIVERSITY FUND IN CONNECTION WITH PERMANENT UNIVERSITY FUND BONDS AND NOTES AND COVENANTING TO MAKE PROMPT TRANSFER OF INCOME TO THE AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS OF ITS PART OF THE INCOME FROM THE PERMANENT UNIVERSITY FUND AS APPORTIONED BY CHAPTER 42, ACTS OF THE FORTY-SECOND LEGISLATURE, REGULAR SESSION.

WHEREAS, under the Constitution of 1876 and the Act of 1883 (Eighteenth Legislature) certain public lands were set apart for the creation of a Permanent University Fund (hereinafter sometimes called the "Fund") and subsequent donations, grants and appropriations further have added to such Fund; and

WHEREAS, the Board of Regents of The University of Texas (hereinafter sometimes called the "Board of Regents") is authorized by law to invest such Fund in certain bonds, pledges, obligations and securities prescribed by law, to provide funds for the maintenance of the University, which within certain limits includes the Agricultural and Mechanical

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College of Texas (Section 10, Article VII, Constitution); and

WHEREAS, by enactment of Chapter 42 of the Forty-second Legislature of Texas, Regular Session (Vernon's Texas Statutes, Article 2592), the Board of Directors of the Agricultural and Mechanical College of Texas (hereinafter sometimes called the "Board of Directors") is authorized to expend one-third of the income received from the Permanent University Fund arising from the 1,000,000 acres of land appropriated by the Constitution of 1876 and the land appropriated by the Act of 1883, except income from grazing leases on University lands (less its proportion of expenses of administration and excluding any expenses of administration of grazing leases); and the Board of Regents is authorized to expend the balance of the income from the Permanent University Fund, including all the income from grazing leases on University lands (less its proportion of expenses of administration); and

WHEREAS, the Board of Regents and the Board of Directors, respectively, have been authorized to issue Permanent University Fund Bonds and notes payable from the respective interests of each in the income from the Permanent University Fund, pursuant to the provisions of Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on August 23, 1947, the amendment to Section 18, Article VII of the Texas Constitution approved by vote of the people of Texas on November 6, 1956, and the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session; and

WHEREAS, pursuant to the foregoing provisions of law and concurrently with the adoption of this Resolution, the Board of Regents and the Board of Directors, respectively, have adopted resolutions authorizing the issuance of various Permanent University Fund bonds payable from and secured by a first lien on and pledge of the respective interests of each in the income from the Permanent University Fund; and

WHEREAS, the Board of Regents and the Board of Directors, respectively, are authorized and have reserved the right to issue other and additional Permanent University Fund bonds and notes from time to time, pursuant to the foregoing provisions of law and resolutions; and

WHEREAS, for the payment and additional security of such bonds or notes now or hereafter issued it is necessary for the Board of Regents to make the covenants and agreements hereinafter set forth, in consideration of the exchange and/or purchase by the purchasers of the Permanent University Fund bonds or notes now or hereafter issued by the Board of Regents and the Board of Directors, respectively;

THEREFORE, BE IT RESOLVED AND ORDERED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

I.

That the Board of Regents of The University of Texas covenants and agrees as follows:

- (a) That while any bonds or notes of the Board of Regents of The University of Texas or the Board of Directors of the Agricultural and Mechanical College of Texas, now or hereafter issued pursuant to the

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provisions of Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on August 23, 1947, or pursuant to the provisions of the amendment to Section 18, Article VII of the Texas Constitution, approved by vote of the people of Texas on November 6, 1956, or pursuant to the provisions of Chapter 255, page 546, Acts 1957, Fifty-fifth Legislature of Texas, Regular Session, are outstanding and unpaid, the Board of Regents of The University of Texas will invest and keep invested the Permanent University Fund, as required by law, to the end that the income to be derived therefrom shall always be sufficient to pay and secure the payment of all the aforesaid bonds and notes and the interest thereon, at any time outstanding and unpaid, and while any such bonds and notes, and the interest thereon, are outstanding and unpaid, the Board of Regents will invest such Fund in eligible and legal securities which will yield a maximum rate of return consistent with the Board's long established policy of purchasing for said Fund only such securities of high investment quality; and it is specially covenanted that so much of the Fund will be invested at all times in such amount of United States Government Bonds as will yield annually, at the effective rate or rates of interest borne by such United States Government Bonds, an amount of money not less than the principal and interest requirements of all such outstanding bonds and notes during the calendar year in which said principal and interest requirements will be the greatest. It is further covenanted that neither the Board of Regents nor any officer of the Board of Regents or the University shall be authorized to sell or withdraw any of said United States Government Bonds if by such sale or withdrawal the total amount of such United States Government Bonds remaining thereafter will yield annually an amount less than said principal and interest requirements of such outstanding bonds and notes during the calendar year in which said principal and interest requirements will be the greatest.

(b) That the Board of Regents will restrict expenditures for administering the Permanent University Fund to a minimum consistent with prudent business judgment and that such expenditures, chargeable before debt service requirements, shall never exceed in any year an amount equal to 1/5 of 1% of the book value of the Permanent University Fund.

## II.

That while any of the above described bonds or notes, now or hereafter issued by the Board of Directors of the Agricultural and Mechanical College of Texas, are outstanding and unpaid, the Comptroller of the University of Texas, or such officer as may hereafter be designated by the Board of Regents to perform the duties now vested in such officer, is hereby ordered to cause to be transferred to the Board of Directors of the Agricultural and Mechanical College of Texas the interest of said College in the income from the Permanent University Fund, as same accrues; and pursuant to the written direction of the Comptroller of the University the sums thus accruing to the Board of Directors of the Agricultural and Mechanical College shall be credited by the Comptroller of Public Accounts of the State of Texas to the account now established in the State Treasury and known as the "Agricultural and Mechanical College Available University Fund."

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## III.

That this resolution acknowledges the legal obligation of the Board of Regents to perform all of the covenants set forth in this Resolution and to perform all duties imposed upon it by law in the management, administration, investment and distribution of the income accruing to the Permanent University Fund and the obligation to assure the continuing availability of such income for the payment of any and all bonds or notes issued under the aforesaid provisions of law.

## IV.

That a certified copy of this Resolution be prepared and transmitted to the Board of Directors of the Agricultural and Mechanical College of Texas.

ADOPTED AND APPROVED this the 23rd day of July, 1958.

Chairman, Board of Regents,  
The University of Texas

ATTEST:

Secretary, Board of Regents,  
The University of Texas.

RESOLUTION PROVIDING FOR PAYMENT, RETIREMENT, AND REDEMPTION OF \$874,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND BONDS, SERIES 1949, AND PROVIDING FOR ESCROW AGREEMENT WITH TEXAS NATIONAL BANK OF HOUSTON. --Mr. Lockwood introduced a resolution and moved that it be adopted. The resolution was read in full by the Secretary. The motion was seconded by Mr. Sorrell.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Johnson, Lockwood, Minter, Hardie and Sorrell.

NOES: None.

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The resolution as adopted is as follows:

PROVIDING FOR THE PAYMENT, RETIREMENT AND REDEMPTION OF CERTAIN PERMANENT UNIVERSITY FUND BONDS, DATED JULY 1, 1949; PROVIDING FOR THE EXECUTION OF AN ESCROW AGREEMENT WITH THE TEXAS NATIONAL BANK OF HOUSTON; AND PROVIDING OTHER MATTERS RELATING THERETO.

WHEREAS, the Board of Regents of The University of Texas (hereinafter sometimes called the "Board") has heretofore issued, sold and delivered and presently has outstanding \$5,950,000.00 in principal amount of Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, bearing interest at the rate of 1-1/2% per annum, being Bonds Numbers 4,051 through 10,000, both inclusive, of the denomination of \$1,000.00 each, maturing serially on July 1 of the years 1959 through 1969, and having been authorized pursuant to the provisions of Section 18, Article VII of the Constitution of Texas; and

WHEREAS, the Board desires to pay off and retire \$874,000.00 in principal amount of said bonds and to refund the balance of \$5,076,000.00 in principal amount of said bonds, pursuant to the provisions of Chapter 255, page 546, Acts of 1957, Fifty-fifth Legislature of Texas, Regular Session; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$210,000.00 in principal amount, mature July 1, 1959:

4,061-4,135; 4,196-4,235; 4,296-4,310; 4,361-4,371;  
4,375-4,410; 4,463-4,485; 4,496-4,505;

and said numbered bonds are to be paid off and retired by depositing for such purpose the principal thereof plus interest thereon to maturity with the Texas National Bank of Houston, Houston, Texas (formerly named the South Texas National Bank), being the principal bank of payment for said bonds; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$664,000.00 in principal amount, maturing in the amounts and years as follows, are subject to redemption prior to maturity, on July 1, 1959, at the price of par and accrued interest to July 1, 1959, plus a premium of 2% of the principal amount thereof:

<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
4,551-4,630; 4,686-4,690; 4,706-4,730; 4,756-4,855; 4,891-4,895; 4,916-4,940; 4,972-5,010;	\$ 279,000.00	July 1, 1960
5,101-5,105; 5,211-5,230; 5,241-5,265; 5,286-5,295; 5,361-5,370; 5,396-5,430; 5,456-5,460; 5,541-5,550;	\$ 120,000.00	July 1, 1961



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<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
5,601-5,650; 5,751-5,775; 5,826-5,845; 5,856-5,905;	\$ 145,000.00	July 1, 1962
6,501-6,515;	\$ 15,000.00	July 1, 1963
6,601-6,610; 6,891-6,920; 7,126-7,150;	\$ 65,000.00	July 1, 1964
8,286-8,310; 8,656-8,670;	\$ 40,000.00	July 1, 1967

and said numbered bonds are to be paid off and retired by being duly called for redemption and by depositing for such purpose the principal thereof, together with interest thereon to July 1, 1959, plus a premium of 2% of the principal amount thereof, with the Texas National Bank of Houston, Houston, Texas, being the principal bank of payment for said bonds; and

WHEREAS, the holder or holders of the \$5,076,000.00 in principal amount of said bonds not to be so paid off, retired and redeemed have consented to an exchange refunding of said bonds, and said bonds have been surrendered for refunding and are on hand in the State Treasury to be refunded forthwith; and

WHEREAS, the Board has this day authorized the issuance of \$5,076,000.00 in principal amount of Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, for the purpose of refunding the above described \$5,076,000.00 of 1949 bonds which are not to be so paid off, retired and redeemed; and

WHEREAS, it is necessary for the Board to take the necessary steps to pay off, retire and redeem said \$874,000.00 of 1949 bonds not being refunded;

BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

1. That the following numbered bonds (all numbers inclusive) aggregating \$664,000.00 in principal amount of that issue of Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, and scheduled to mature in the amounts and years as follows, shall be redeemed, prior to maturity, on July 1, 1959:

<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
4,551-4,630; 4,686-4,690; 4,706-4,730; 4,756-4,855; 4,891-4,895; 4,916-4,940; 4,972-5,010;	\$ 279,000.00	July 1, 1960
5,101-5,105; 5,211-5,230; 5,241-5,265; 5,286-5,295; 5,361-5,370; 5,396-5,430; 5,456-5,460; 5,541-5,550;	\$ 120,000.00	July 1, 1961

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<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
5,601-5,650; 5,751-5,775; 5,826-5,845; 5,856-5,905;	\$ 145,000.00	July 1, 1962
6,501-6,515;	\$ 15,000.00	July 1, 1963
6,601-6,610; 6,891-6,920; 7,126-7,150;	\$ 65,000.00	July 1, 1964
8,286-8,310; 8,656-8,670;	\$ 40,000.00	July 1, 1967

2. That said bonds shall be so redeemed, prior to maturity, on July 1, 1959, at the Texas National Bank of Houston, Houston, Texas, or, at the option of the holder, at the Irving Trust Company, New York, New York, or the Northern Trust Company, Chicago, Illinois, at the price of par and accrued interest to July 1, 1959, plus a premium of 2% of the par value.

3. That said bonds being so redeemed shall not bear interest after July 1, 1959.

4. That the Chairman of the Board and the Secretary of the Board be and are hereby authorized and directed to execute multiple copies of the form of NOTICE OF INTENTION TO REDEEM BONDS which is attached to this resolution, marked "Exhibit A\*," and made a part hereof for all purposes. See Page 1099.

5. That a copy of said NOTICE OF INTENTION TO REDEEM BONDS shall be published in a financial publication in the City of New York, New York, at such time or times as may be deemed appropriate by the Chairman of the Board, but at least once, not less than thirty days before July 1, 1959.

6. That copies of said NOTICE OF INTENTION TO REDEEM BONDS shall be given to the Texas National Bank of Houston, Houston, Texas, the Irving Trust Company, New York, New York, and the Northern Trust Company, Chicago, Illinois, at such time or times as may be deemed appropriate by the Chairman of the Board, but at least once, not less than thirty days prior to July 1, 1959.

7. That the Chairman of the Board and the Secretary of the Board be and are hereby authorized and directed to execute multiple counterparts of the form of ESCROW AGREEMENT which is attached to this resolution, marked "Exhibit B," and made a part hereof for all purposes, and to secure the execution of said ESCROW AGREEMENT by the Texas National Bank of Houston, Houston, Texas. Upon the execution of said ESCROW AGREEMENT by the parties thereto, it shall be fully binding upon the Board and said Bank for all purposes in accordance with its terms.

8. That the Board shall cause the sum of \$900,390.00 to be deposited in trust with the Texas National Bank of Houston, pursuant to such ESCROW AGREEMENT, which sum is fully sufficient to pay off, retire and redeem by July 1, 1959, all the aforesaid 1949 bonds not being refunded, including

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specifically the payment of the following items:

- (a) the interest to accrue on January 1, 1959 on all of said bonds;
- (b) the interest to accrue on July 1, 1959 on all of said bonds;
- (c) the par or principal amount of the above described bonds scheduled to mature July 1, 1959;
- (d) the par or principal amount of the above described bonds being redeemed, prior to maturity, on July 1, 1959;
- (e) a premium of 2% of the par or principal amount of the above described bonds being redeemed, prior to maturity, on July 1, 1959.

9. That the Comptroller of The University of Texas shall cause such action, and shall prepare and file such vouchers and other appropriate instruments with the Comptroller of Public Accounts of the State of Texas, as shall be necessary to cause:

- (a) the transfer of the aforesaid aggregate sum of \$900,390 from The University of Texas Available University Fund to the credit of the Board of Regents of The University of Texas Permanent University Fund Bonds Interest and Sinking Fund, in the State Treasury, and
- (b) the Comptroller of Public Accounts of the State of Texas to draw and deliver warrants against said Interest and Sinking Fund in the aggregate sum of \$900,390, payable to the Texas National Bank of Houston, to be deposited and used as provided in the aforesaid ESCROW AGREEMENT;

and the Comptroller of Public Accounts of the State of Texas and any other officials concerned therewith are hereby requested and directed to make said transfer and draw and deliver such warrants.

10. That said ESCROW AGREEMENT shall be executed and the money deposited thereunder prior to the delivery of that issue of Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, in the principal amount of \$5,076,000.00.

ADOPTED AND APPROVED this the 23rd day of July, 1958.

Chairman, Board of Regents,  
The University of Texas.

ATTEST:

Secretary, Board of Regents,  
The University of Texas.

EXHIBIT A

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NOTICE OF INTENTION  
TO REDEEM BONDS

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
1-1/2% PERMANENT UNIVERSITY FUND BONDS  
DATED JULY 1, 1949

The Board of Regents of The University of Texas hereby calls for redemption, and gives notice that it intends to redeem, and will redeem, the following numbered bonds (all numbers inclusive) of the above-described issue, prior to maturity, on July 1, 1959:

<u>Bonds Numbers</u>	<u>Maturity Dates</u>
4,551-4,630; 4,686-4,690; 4,706-4,730; 4,756-4,855; 4,891-4,895; 4,916-4,940; 4,972-5,010;	July 1, 1960
5,101-5,105; 5,211-5,230; 5,241-5,265; 5,286-5,295; 5,361-5,370; 5,396-5,430; 5,456-5,460; 5,541-5,550;	July 1, 1961
5,601-5,650; 5,751-5,775; 5,826-5,845; 5,856-5,905;	July 1, 1962
6,501-6,515;	July 1, 1963
6,601-6,610; 6,891-6,920; 7,126-7,150;	July 1, 1964
8,286-8,310; 8,656-8,670;	July 1, 1967

Said numbered bonds, being in the denomination of \$1,000.00 each, aggregating \$664,000.00 in principal amount, are all of the bonds of said issue outstanding and eligible for redemption on July 1, 1959. Such bonds shall be presented for redemption on July 1, 1959, at the Texas National Bank of Houston, Houston, Texas (formerly named the South Texas National Bank), or, at the option of the holder, at the Irving Trust Company, New York, New York, or the Northern Trust Company, Chicago, Illinois, at the price of par and accrued interest to July 1, 1959, plus a premium of 2% of the par value. Such bonds shall not bear interest after July 1, 1959.

The owners or holders of the aforesaid bonds and the interest coupons appertaining thereto are further notified that the interest coupons maturing and coming due on January 1, 1959, will be paid in the usual manner

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upon presentation and surrender of said coupons on or after January 1, 1959, at any of the places of payment named above.

BOARD OF REGENTS OF THE UNIVERSITY  
OF TEXAS

By \_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Secretary

EXHIBIT B

ESCROW AGREEMENT

This Agreement entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 1958, by and between the Board of Regents of The University of Texas, hereafter referred to as the "Board," an agency of the State of Texas, acting by and through its Chairman and Secretary, and the Texas National Bank of Houston, Houston, Texas, hereinafter referred to as the "Bank," a banking corporation duly incorporated under the laws of the United States of America, acting by and through its duly authorized President or Vice President and Cashier or Assistant Cashier:

W I T N E S S E T H:

WHEREAS, the Board has outstanding certain bonds of an issue of Board of Regents of The University of Texas Permanent University Fund Bonds, dated July 1, 1949, in the denomination of \$1,000.00 each and bearing interest at the rate of 1-1/2% per annum; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$210,000.00 in principal amount, mature July 1, 1959:

4,061-4,135; 4,196-4,235; 4,296-4,310; 4,361-4,371;  
4,375-4,410; 4,463-4,485; 4,496-4,505; and

WHEREAS, the following numbered bonds (all numbers inclusive) of said issue, aggregating \$664,000.00 in principal amount, have been or will be duly called for redemption, prior to maturity, on July 1, 1959:

<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
4,551-4,630; 4,686-4,690; 4,706-4,730; 4,756-4,855; 4,891-4,895; 4,916-4,940; 4,972-5,010;	\$ 279,000.00	July 1, 1960



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<u>Bonds Numbers</u>	<u>Principal Amounts</u>	<u>Maturity Dates</u>
5,101-5,105; 5,211-5,230; 5,241-5,265; 5,286-5,295; 5,361-5,370; 5,396-5,430; 5,456-5,460; 5,541-5,550;	\$ 120,000.00	July 1, 1961
5,601-5,650; 5,751-5,775; 5,826-5,845; 5,856-5,905;	\$ 145,000.00	July 1, 1962
6,501-6,515;	\$ 15,000.00	July 1, 1963
6,601-6,610; 6,891-6,920; 7,126-7,150;	\$ 65,000.00	July 1, 1964
8,286-8,310; 8,656-8,670;	\$ 40,000.00	July 1, 1967;

and

WHEREAS, the Bank (formerly named the South Texas National Bank) is the principal place of payment and redemption for said bonds; and

WHEREAS, concurrently with the execution of this Agreement, the Board has caused to be deposited with the Bank the sum of \$900,390.00, the receipt of which is hereby acknowledged by the Bank, to be held and disbursed solely in the manner provided in this Agreement; and

WHEREAS, such sum of money is the amount required to pay the following:

- (a) the interest to accrue on January 1, 1959 on all the above numbered bonds;
- (b) the interest to accrue on July 1, 1959 on all the above numbered bonds;
- (c) the par or principal amount of the above described bonds scheduled to mature July 1, 1959;
- (d) the par or principal amount of the above described bonds being redeemed prior to maturity, on July 1, 1959;
- (e) a premium of 2% of the par or principal amount of the above described bonds being redeemed prior to maturity, on July 1, 1959; and

WHEREAS, such sum of money is fully sufficient to fully pay off, retire and redeem all of the above numbered bonds by July 1, 1959;

NOW, THEREFORE, in consideration of a separate and additional fee or charge in the amount of \$10.00 and other valuable consideration paid by the Board to the Bank, the receipt of which is hereby acknowledged by the Bank, it is hereby covenanted and agreed by the Bank that the foregoing described deposit of \$900,390.00 made concurrently with the execution of this Agreement, shall be held and disbursed by the Bank solely as follows:

1. Said deposit shall be held in escrow under this Agreement in trust for the benefit of the holders of the above numbered bonds, and the coupons appertaining thereto, and a first lien and charge in favor of

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said holders is hereby created for the further security of said holders until said deposit is disbursed as herein provided.

2. Said deposit, to the full extent thereof not actually disbursed in accordance with this agreement, being public funds until so disbursed, shall be continuously secured by the Bank, for the benefit of the Board and the holders of the above numbered bonds, and the coupons appertaining thereto, by lodging with the Trust Department of the Bank, as collateral security, United States Government Bonds having a market value (exclusive of accrued interest) not less than the amount of such deposit.

3. The Bank, out of said deposit, shall perform the following duties:

(a) on and after January 1, 1959, pay all interest coupons accruing and coming due January 1, 1959 and appertaining to all the above numbered bonds, when such coupons are presented for payment and cancellation, and also make available to the other places of payment, to-wit: the Irving Trust Company, New York, New York and the Northern Trust Company, Chicago, Illinois, funds sufficient to pay such coupons when presented for payment and cancellation;

(b) on and after July 1, 1959, pay all principal of the above described bonds scheduled to mature on July 1, 1959 and the interest coupons appertaining thereto and accruing and coming due July 1, 1959, when such bonds and coupons are presented for payment and cancellation, and also make available to the other places of payment funds sufficient to pay such bonds and coupons when presented for payment and cancellation;

(c) on and after July 1, 1959, pay all principal of the above numbered bonds being redeemed prior to maturity, on July 1, 1959, together with the interest coupons appertaining thereto accruing and coming due July 1, 1959, plus a premium of 2% of the principal of each such bond, said payment being collectively the redemption price for such bonds, when such bonds and all coupons appertaining thereto are presented for redemption and cancellation, and also make available at the other places of payment funds sufficient to redeem such bonds and coupons when presented for redemption and cancellation.

4. Notwithstanding the foregoing provisions of this Agreement, if all of the aforesaid bonds and coupons shall not have been presented for payment or redemption and cancellation by July 1, 1963, then any remaining balance of said deposit shall be returned to the Board.

EXECUTED as of the first date mentioned herein.

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS

ATTEST:

By \_\_\_\_\_ Chairman

\_\_\_\_\_  
Secretary

(SEAL)

TEXAS NATIONAL BANK OF HOUSTON

ATTEST:

By \_\_\_\_\_ President

\_\_\_\_\_  
Cashier

(SEAL)

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SALE OF \$5,076,000 BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, AND \$2,775,000 BOARD OF DIRECTORS OF THE AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958. --As authorized by the Board of Regents under the Bond Purchase Program, the Permanent University Fund owns \$5,076,000 Board of Regents of The University of Texas, Permanent University Fund Bonds, Series 1949 and \$2,775,000 Board of Directors of the Agricultural and Mechanical College of Texas, Permanent University Fund Bonds, Series 1949, to be exchanged for refunding bonds. The University advertised for bids on the subject refunding bonds to be sold by the Permanent University Fund after exchange for the 1949 bonds, bids to be received until 10:00 A. M. on July 22, 1958, at which time they were publicly opened and tabulated. Copies of the tabulations are on Pages 35-36.

See Page 1111.

The Central Administration Staff recommended the sale of the Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, in the amount of \$5,076,000 to a syndicate headed by Halsey, Stuart & Co., Inc., New York, New York, at the price of par and accrued interest to date of delivery, plus a premium of \$456.84, at rates shown on the tabulation sheet (Page 35) See P. 1111 and the sale of the Board of Directors of the Agricultural and Mechanical College of Texas Permanent University Fund Refunding Bonds, Series 1958, in the amount of \$2,775,000 to a syndicate headed by Drexel & Co. and Blyth & Co., Inc., New York, New York, at the price of par and accrued interest to date of delivery, plus a premium of \$562, at rates shown on the tabulation sheet (Page 36).

See Page 1112

Doctor Minter introduced a resolution and moved that it be adopted. The resolution was read in full by the Secretary. The motion was seconded by Mr. Johnson.

The motion carrying with it the adoption of the resolution prevailed by the following vote:

AYES: Messrs. Jeffers, Johnson, Lockwood, Minter, Hardie and Sorrell.

NOES: None.

The resolution as adopted is as follows:

#### RESOLUTION AWARDDING SALE OF BONDS

WHEREAS, the Board of Regents of The University of Texas has received bids for the purchase of the following issues of bonds owned by the Permanent University Fund:

Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, \$5,076,000.00;

Board of Directors of the Agricultural and Mechanical College of Texas Permanent University Fund Refunding Bonds, Series 1958, \$2,775,000.00; and

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WHEREAS, it is appropriate that a resolution be adopted awarding the sale of such bonds to the best bidder or bidders:

THEREFORE, BE IT RESOLVED BY THE BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS:

1. That the issue of Board of Regents of The University of Texas Permanent University Fund Refunding Bonds, Series 1958, dated July 1, 1958, in the amount of \$5,076,000.00, be sold and awarded to a syndicate headed by Halsey, Stuart & Co., Inc., New York, New York, at the price of par and accrued interest to date of delivery, plus a premium of \$456.84, with such bonds to bear interest at the rates set forth in the bid submitted by said syndicate on July 22, 1958.
2. That the issue of Board of Directors of the Agricultural and Mechanical College of Texas Permanent University Fund Refunding Bonds, Series 1958, in the amount of \$2,775,000.00, be sold and awarded to a syndicate headed by Drexel & Co. and Blyth & Co., Inc., New York, New York, at the price of par and accrued interest to date of delivery, plus a premium of \$562.00, with such bonds to bear interest at the rates set forth in the bid submitted by said syndicate on July 22, 1958.
3. That both of such issues of bonds shall be delivered to said purchasers as soon as practicable, upon payment of the purchase price, all in accordance with the official Notice of Sale dated July 8, 1958, pursuant to which said bonds have been sold.

ADOPTED AND APPROVED this the 23rd day of July, 1958.

Chairman, Board of Regents,  
The University of Texas.

ATTEST:

Secretary, Board of Regents,  
The University of Texas.

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AWARD FOR PRINTING THE UNIVERSITY OF TEXAS PERMANENT UNIVERSITY FUND REFUNDING BONDS, SERIES 1958, IN THE AMOUNT OF \$5,076,000. --On Page 37 is a tabulation of the bids received and opened July 22, 1958, at 10:00 a. m. , in accordance with specifications previously furnished the bidders. The bonds are to be book type bonds, printed on twenty-four pound, one hundred per cent rag bond paper and to have steel engraved borders. See Page 1113

The Central Administration Staff recommended that the Board of Regents accept the proposal for the printing of these bonds made by the Northern Bank Note Company, Chicago, Illinois, for the sum of \$990,000, there being three coupon rates. Payment will be made from Account No. 89181 - Investment Office - Miscellaneous Costs, Refunding Program, Permanent University Fund Bonds.

It was moved by Mr. Lockwood, seconded by Mr. Hardie, and unanimously adopted that the foregoing recommendation of award for printing The University of Texas Permanent University Fund Refunding Bonds, Series 1958, in the amount of \$5,076,000 be approved.

JOINT MEETING ADJOURNED. --The purpose of the joint meeting of the Board of Regents of The University of Texas and the Board of Directors of the Agricultural and Mechanical College of Texas having been accomplished, the two boards adjourned.

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MEETING OF BOARD OF REGENTS. --Following the joint meeting with the Board of Directors of the Agricultural and Mechanical College of Texas, the Board of Regents convened for a brief meeting in Room 204 with the same attendance as at the joint meeting. Comptroller Sparenberg came into the meeting.

#### LAND AND INVESTMENT MATTERS

CONTINGENT REMAINDER OF BOARD OF REGENTS IN MINERAL DEED FROM ORVILLE BULLINGTON TO JILL BULLINGTON et al. -- Vice-Chairman Sorrell presented the following and moved its adoption:

The University has received from the law firm of Sanders, Masters & Watson of Wichita Falls a request for a stipulation and agreement by the Board of Regents relating to a mineral deed executed by Mr. Orville Bullington, former Regent, in 1951 in favor of three of his grandchildren. The deed covers an undivided one-fourth of the minerals under two surveys in Stonewall County and provides that if all three of the grandchildren die before reaching the age of 30 without issue, then the interest vests in the children of Mrs. Lillian Bullington Witherspoon if any survive. If none survive, then the interest passes to the Board of Regents for purposes of research at the Medical Branch. The University is advised that the three Bullington grandchildren, all minors, still survive, and that Mrs. Witherspoon has three children, one of whom is a minor. An oil and gas lease by the Guardian of the Bullington grandchildren is



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pending, with a well proposed to be drilled during August; and the Board of Regents is requested to agree that such lease will be valid, that so long as any one of the Bullington grandchildren is living, or any one of the Witherspoon children who might come into ownership under the deed, the Board of Regents will make no claim for bonus, rents, or royalties paid down to the time when the mineral interest may vest in the Board of Regents. It is recommended that the Board of Regents approve the requested stipulation and agreement and authorize its Chairman to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

Adoption. -- This motion was seconded by Mr. Johnson and unanimously adopted.

**COTTON ESTATE FUNDS: EXTENSION OF TIME TO CORONADO COUNTRY CLUB ESTATES re PURCHASE OF LOT 20, BLOCK 1, TEXAS WESTERN COLLEGE.** -- It was moved by Mr. Hardie, seconded by Vice-Chairman Sorrell, and unanimously approved by the Board that a six-months' extension be granted to the Coronado Club Estates for fulfilling the conditions set forth in Section 10 in the Contract of Sale between the Coronado Golf and Country Club Development Company, Inc., and the Board of Regents of The University of Texas, dated November 19, 1957, and in the Supplemental Contract of Sale, dated December 27, 1957.

**BRACKENRIDGE TRACT: PROPOSAL FROM CITY OF AUSTIN FOR TEMPORARY USE OF SMALL TRACT ON ENFIELD ROAD.** -- Vice-Chairman Sorrell, upon the recommendation of the Administration, presented the following and moved its adoption:

The City of Austin has expressed urgent need for use not to exceed two years of a plot of ground approximately 15 feet by 20 feet on Enfield Road near the intersection of Robinhood, which plot is part of the Brackenridge Tract, for the location of a step-down transformer bank for the City's electric power facilities during the time that certain conversions in the facilities are being made. This installation will be enclosed by an 8-foot cyclone fence and will contain the entire facility except for a maximum of three poles and guy wires immediately adjacent to the plot. No trees of value will be cut, and the City will restore the ground to good condition when the facility is removed. No rental will be paid. It is recommended that the Board of Regents authorize the use proposed by the City and authorize the Chairman to execute the appropriate instrument when approved as to form by the Land and Trust Attorney and as to content by the Endowment Officer.

This motion was seconded by Mr. Hardie and unanimously adopted.

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## CENTRAL ADMINISTRATION

APPROVAL OF DOCKET (INCLUDING TRAVEL DOCKET, JULY 22, 1958). --President Wilson on July 16, 1958, sent to each Regent a docket for Central Administration to which he had attached and incorporated dockets of the following component units:

	<u>See Pages</u>
Main University and Extramural Divisions submitted by Vice-President and Provost H. H. Ransom	1120.
Texas Western College submitted by President Dysart E. Holcomb	1167.
Medical Branch submitted by Executive Director John B. Truslow	1175.
Dental Branch submitted by Dean John V. Olson	1188.
M. D. Anderson Hospital and Tumor Institute submitted by Acting Administrator Joe E. Boyd, Jr.	1191.
Southwestern Medical School submitted by Dean A. J. Gill	1196.
Postgraduate School of Medicine submitted by Dean Grant Taylor	1203.

A Travel Docket for Main University, dated July 22, 1958, was distributed at the meeting.

Upon motion of Mr. Johnson, seconded by Vice-Chairman Sorrell, the Docket, including the Travel Docket for Main University, was unanimously adopted by the Board. A copy is attached to and made part of these Minutes (Page 1115).

SCHEDULED MEETING, TEXAS COMMISSION ON HIGHER EDUCATION re MEDICAL BRANCH SURVEY OF JAMES A. HAMILTON ASSOCIATES. --The Board authorized scheduling a meeting with the Texas Commission on Higher Education at a date to be arranged to discuss the Medical Branch Survey. This meeting is to be attended by Administrative Officers, Doctor Minter (Chairman of the Regents' Committee on Medical Affairs), and other Regents who can attend. The Report of James A. Hamilton Associates, Hospital Consultants, was mailed to each Regent during the latter part of May, 1958, and copies have also been furnished to the Texas Commission on Higher Education, the Legislative Budget Board, and the Governor's Budget Office. An official copy is in the Secretary's Files, Vol. Vb.

## TEXAS WESTERN COLLEGE

ADDITIONAL APPROPRIATION, AND CONTRACT AWARD FOR REMODELING AND ENLARGING OF LIBRARY BUILDING, TEXAS WESTERN COLLEGE. --Mr. Lockwood, Chairman of the Buildings and Grounds Committee, presented the following report of a special committee appointed at the Regents' Meeting held May 30, 1958, (Permanent Minutes, Vol. V, Page 954) to award contracts for remodeling and enlarging the Library Building, Texas Western College:

At the Regents' Meeting held May 30, 1958, approval was given to the final plans and specifications for Remodeling and enlarging of the Library Building at Texas Western

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College, Comptroller Sparenberg was authorized to advertise for bids, and a Committee was appointed to award contracts on the project within the amount of money appropriated.

Bids on this project were received, opened, and tabulated on July 15, 1958, as shown on Page 38. After consideration of the bids, it is recommended by the Committee that award of a contract be made on the base bid in the amount of \$261,975.00 to the low bidder, J. E. Morgan and Sons, El Paso, Texas. In order to make this award it will be necessary that an additional appropriation be made to the project. The appropriation for this project is now in the total amount of \$155,000.00, with \$99,000.00 coming from the Legislative Appropriation for Major Repairs and Rehabilitation, etc., at Texas Western College and \$56,000.00 coming from Constitutional Tax Funds.

See Page 1114

It is further recommended by the Committee that an additional appropriation of \$130,000.00 be made to the project from Constitutional Tax Funds, making the total appropriation for the project \$285,000.00. It is believed that this amount will adequately cover the contract award recommended, Architect's Fees, and movable furniture and equipment. Investigations and consideration by Mr. E. W. Carroll of Carroll and Daeuble and Associates, Architects on this project, President Holcomb, and the Comptroller's Office indicate that the Architect's original estimates were lower in nearly all categories of work than the bids actually received, particularly in the areas of library book stacks, mechanical work and electrical work. The Architect's estimates were based partly on their previous experience with the El Paso Public Library; admittedly, however, it is more difficult to make accurate estimates where a project involves a relatively large amount of repair and remodeling work than it is on strictly new construction.

It was moved by Mr. Lockwood, seconded by Mr. Hardie, and unanimously adopted by the Board that the foregoing recommendation be approved.

#### MAIN UNIVERSITY

PROVISION FOR PURCHASE OF LIBRARY COLLECTIONS, UNDERGRADUATE CENTER, MAIN UNIVERSITY. --Doctor Ransom indicated to the Board that certain library collections were available now but would be lost if action were delayed. He requested that previous appropriations of the Available Fund be amended to permit the purchase at this time of these collections. Whereupon, it was moved by Vice-Chairman Sorrell, seconded by Mr. Johnson, and unanimously adopted by the Board that:

1. The Available University Fund Budget for 1958-59, adopted April 26, 1958, be amended to provide an appropriation of \$1,500,000 for ACQUISITION OF LIBRARY COLLECTIONS FOR THE UNDERGRADUATE CENTER;

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2. That this appropriation be provided by transferring from the following items appearing in the 1958-59 Available University Fund Budget the following amounts:
- |  |                    |
|--|--------------------|
| a. Transfer from "Additional Appropriations for Business Administration-Economics Building" in the amount of \$2,295,500 | \$1,000,000        |
| b. Transfer from "Purchase of Library Collections"   | <u>500,000</u>     |
|  | <u>\$1,500,000</u> |
3. That an additional \$1,000,000 from the proposed Permanent University Fund Bond Issue be provided for the Business Administration-Economics Building in lieu of the \$1,000,000 transferred above; and
4. That the tentative allocation of \$500,000 for each of the two years 1959-60 and 1960-61 for library collections, as submitted in the University's budget request for the 1959-61 biennium, be allocated for permanent improvements or other purposes.

**AUTHORIZATION FOR PURCHASE OF LIBRARY COLLECTIONS, UNDERGRADUATE CENTER, MAIN UNIVERSITY.** --The following resolution was unanimously adopted by the Board upon motion of Vice-Chairman Sorrell, seconded by Mr. Johnson:

WHEREAS it is necessary to take immediate action in negotiating for and making contracts to purchase certain library collections for the Undergraduate Center; now therefore be it

RESOLVED, that the Chairman of the Board of Regents be authorized to execute contracts and other necessary agreements with book brokers, agents, corporations, banks, trustees, or individuals, who have title or authority to transfer title, for the purchase or acquisition for The University of Texas of books and library collections, including the Hanley Library and Joint Collections (approximately 155,000 volumes at an estimated cost of \$1,085,000), the Kelleher and American Collections (approximately 40,000 volumes at an estimated cost of \$200,000), the Bel Geddes and Joint Collections (approximately 16,000 volumes at an estimated cost of \$130,000), and special orders for reference works and current books including necessary duplicates (approximately 20,000 volumes at an estimated cost of \$100,000); provided, however, that the signature of the Chairman of the Board shall not be required on regular State purchase requisitions or orders; and be it further

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RESOLVED, that the Chairman of the Board be authorized to execute for The University of Texas as purchaser any escrow agreement which may be necessary to effectuate the purchase of library collections in an amount not to exceed \$1,500,000, including provision for installment payments; provided, however, that title to all books and collections being purchased shall pass to The University of Texas at the time of the first payment; and be it further

RESOLVED, that Vice-President and Provost Harry H. Ransom, subject to the authority hereinbefore delegated to the Chairman of the Board, be authorized to perform all acts and execute any and all documents necessary for, or incidental to, the purchase or acquisition of library books and collections for the Undergraduate Center in accordance with the concurrent acts of the Board of Regents, meeting in special session, adopted this 23rd day of July, 1958.

ADJOURNMENT. --The Board adjourned at 11:55 a. m.

  
Betty Anne Thedford  
Secretary



BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
 PERMANENT UNIVERSITY FUND REFUNDING BONDS  
 SERIES 1958  
 (Dated July 1, 1958)

Tabulation of Bids Received  
 July 22, 1958, 10:00 A.M.

	Halsey, Stuart & Associates	Drexel & Company Blyth & Company & Associates	Phelps Fenn & Co. F. S. Smithers, C. J. Devine & Associates	First Boston Corporation & Associates	Bear, Stearnes & Co. Eastman Dillon, Unkn Securities & Co. & Associates
<b>Coupon Rate for Bonds Maturing</b>	1959 thru 1960 <u>2.10%</u>	<del>1959 thru _____%</del>	1959 thru 1960 <u>3.50%</u>	<del>1959 thru _____%</del>	1959 thru 1964 <u>2.25%</u>
" " " " "	1961 thru 1967 <u>2.25%</u>	<del>_____ thru _____%</del>	1961 thru 1964 <u>2.00%</u>	<del>_____ thru _____%</del>	1965 thru 1969 <u>2.50%</u>
" " " " "	1968 thru 1969 <u>2.40%</u>	<del>_____ thru _____%</del>	1965 thru 1969 <u>2.50%</u>	<del>_____ thru _____%</del>	_____ thru _____%
<b>Premium</b>	\$ <u>456.84</u>	<del>\$ _____</del>	\$ <u>2,040.55</u>	<del>\$ _____</del>	\$ <u>254.00</u>
<b>Net Interest Cost</b>	\$ <u>789,477.66</u>	<del>\$ _____</del>	\$ <u>822,479.45</u>	<del>\$ _____</del>	\$ <u>835,478.50</u>
<b>Weighted Average Annual Interest Rate</b>	<u>2.30054</u> %	<del>_____ %</del>	<u>2.3967</u> %	<del>_____ %</del>	<u>2.434</u> %
<b>Attached Check</b>	American National - No. <u>46333</u> Austin Amt. \$ <u>120,000.00</u>	No. _____ Amt. \$ _____	American National - No. <u>46322</u> Austin Amt. \$ <u>120,000.00</u>	No. _____ Amt. \$ _____	American National - No. <u>46335</u> Austin Amt. \$ <u>120,000.00</u>

\$2,775,000  
 BOARD OF DIRECTORS OF THE AGRICULTURAL AND MECHANICAL COLLEGE OF TEXAS  
 PERMANENT UNIVERSITY FUND REFUNDING BONDS  
 SERIES 1958  
 (Dated July 1, 1958)

Tabulation of Bids Received  
 July 22, 1958, 10:00 A.M.

	Halsey, Stuart & Associates	Drexel & Company Blyth & Company & Associates	Phelps Fenn, F. S. Smithers, C. J. Devine & Associates	First Boston Corporation & Associates	Bear, Stearnes & Co. Eastman, Dillon, Un- ion Securities & Associates
Coupon Rate for Bonds Maturing	1959 thru _____%	1959 thru 1963 2.25%	1959 thru _____ 4%	1959 thru _____%	1959 thru 1964 2.25%
" " " " "	_____ thru _____%	1964 thru 1969 2.30%	1960 thru 1964 2%	_____ thru _____%	1965 thru 1969 2.50%
" " " " "	_____ thru _____%	_____ thru _____%	1965 thru 1969 2½%	_____ thru _____%	_____ thru _____%
Premium	\$ _____	\$ 562.00	\$ 296.93	\$ _____	\$ 1,054.50
Net Interest Cost	\$ _____	\$ 409,125.50	\$ 426,603.07	\$ _____	\$ 433,603.00
Weighted Average Annual Interest Rate	_____%	2.287534%	2.3852%	_____%	2.424%
Attached Check	No. _____ Amt. \$ _____	American National - No. 46340 Austin Amt. \$ 60,000.00	American National - No. 46323 Austin Amt. \$ 60,000.00	No. _____ Amt. \$ _____	American National - No. 46336 Austin Amt. \$ 60,000.00

BOARD OF REGENTS OF THE UNIVERSITY OF TEXAS  
 PERMANENT UNIVERSITY FUND REFUNDING BONDS  
 SERIES 1958  
 (Dated July 1, 1958)

TABULATION OF BIDS RECEIVED  
 JULY 22, 1958, 10:00 A.M.

BIDDER	One Coupon Rate	Two Coupon Rates	Three Coupon Rates	No. of Working Days
Security-Columbian Bank Note Company, 500 South Ashland Blvd., Chicago 7, Illinois	\$1,040.	\$1,060.	\$1,080.	18
American Bank Note Company 118-132 East 20th Street Chicago 16, Illinois	1,561.	1,576.	1,591.	20
Northern Bank Note Company 833 North Orleans Street Chicago 10, Illinois	950.	965.	990.	18
The Steck Company 205 West 9th Street Austin, Texas	1,066.	1,076.	1,086.	22

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TABULATION OF BIDS  
REMODELING AND ENLARGING LIBRARY BUILDING  
TEXAS WESTERN COLLEGE  
EL PASO, TEXAS

Opened:  
July 15, 1958

Time:  
10:30 a. m.

<u>Contractor</u>	<u>Lot No. 1 Base Bid</u>	<u>Lot No. 2 Omit Floor Covering DEDUCT</u>	<u>Lot No. 3 Omit Book Stacks DEDUCT</u>	<u>Lot No. 4 Omit A. C. Gr. Floor DEDUCT</u>
1. C. H. Leavell & Co. El Paso, Texas	\$270,300.00	\$4,100.00	\$7,400.00	\$4,300.00
2. J. E. Morgan & Sons El Paso, Texas	261,975.00	4,500.00	7,900.00	4,600.00
3. Ponsford Brothers El Paso, Texas	276,000.00	3,700.00	8,600.00	5,300.00
4. Ray Ward & Son El Paso, Texas	282,670.00	4,568.00	8,715.00	6,393.00

  

<u>Contractor</u>	<u>Lot No. 5 Omit A. C. Main Floor DEDUCT</u>	<u>Lot No. 6 Omit A. C. 2nd Floor DEDUCT</u>	<u>Lot No. 7 Omit Lighting Remodeling DEDUCT</u>	<u>Bidder's Bond</u>
1. C. H. Leavell & Co.	\$ 10,800.00	\$13,400.00	\$4,000.00	5%
2. J. E. Morgan & Sons	11,200.00	14,500.00	4,400.00	5%
3. Ponsford Brothers	12,200.00	15,800.00	4,500.00	\$15,000.00
4. Ray Ward & Son	13,763.00	21,748.00	4,615.00	5%

Place: Office of the Comptroller