MINUTES OF A SPECIAL MEETING
BOARD OF REGENTS OF THE UNIVERSITY OF OKLAHOMA
THURSDAY, DECEMBER 21, 1972

A special meeting of the Board of Regents of the University of
Oklahoma was held in the Faculty House on the Health Sciences Center Campus,
Oklahoma City, on Thursday, December 21, 1972, beginning at 1:10 p.m.

The following were present at the meeting: Regent Nancy J. Davies,
President of the Board, presiding; Regents Huston Huffman, Jack H. Santee,
Walter Neustadt, Jr., Mack M. Braly, Thomas R. Brett, Bob G. Mitchell, M.D.

The following were also present: Dr. Paul F. Sharp, President of
the University; Vice Presidents Burr, Dean, Eliel, Nordby, and White;
Mr. R. Boyd Gunning, Trust Officer of the University; and Mrs. Barbara H.
James, Secretary of the Board of Regents.

The first order of business was confirmation of a telephone poll
taken on Friday of last week.

Murray Case Sells, an independent oil operator from Muskogee,
Oklahoma and Tyler, Texas, died in 1957 leaving the bulk of his estate to
ten Universities and Colleges located in Oklahoma and Texas. The Univer-
sity of Oklahoma received ten per cent (10%) of the estate. The First
National Bank and Trust Company of Dallas was named executor. Representa-
tives from the beneficiary schools have served as Directors of Sells
Petroleum Co., Inc.

Distributions have been made from the company to the beneficiaries
from time to time. The University of Oklahoma has received approximately
$500,000 from these distributions, thirty per cent (30%) of which has been
placed in a Murray Sells building fund and seventy per cent (70%) in a
fund to provide financial assistance for deserving students.

The properties of the corporation have been disposed of through
sale except for four producing leases located in Gregg County and Rusk
County, Texas, plus certain non-producing royalty interests in Harmon
County, Oklahoma.

Regent Neustadt said a meeting of the Directors of the Corporation
was held in Dallas on December 15 and that he was present, as well as Boyd
Gunning, who represents the Regents as a Director of the Corporation. The
main order of business was to examine bids on the sale of the major assets
of the Company, namely the four producing leases.

The following bids were received:
Mr. C. H. Murphy, Jr., President  
Murphy Oil Corporation  
200 Jefferson Avenue  
El Dorado, Arkansas 71730  
$3,808,000

Mr. John Brumley  
Southland Royalty Company  
Fort Worth, Texas 76101  
$3,200,000 - Cash  
Alternate Bid -  
$3,400,000. Plus 4%  
interest on payout  
from March, 1973 to January, 1977

Regent Neustadt said that Mr. Gunning and he had assumed that the above bids would be opened and final decisions could be made by the various schools at a later date, which is the normal procedure followed in University business. However, because of the nature of the bidding and the attitude of the other schools, Mr. Neustadt said they considered it important to secure an immediate decision. Therefore, following approval by President Sharp, a telephone poll was taken of the Regents to authorize acceptance of the highest bid from Getty Oil Company.

Regent Neustadt said this action should be confirmed and he so moved. Approved.

President Sharp presented and recommended approval of the following non-academic appointment at the Health Sciences Center:

Albert M. Donnell, Coordinator and Director of the Oklahoma Regional Medical Program, $2,916.66 per month ($35,000 for 12 months), December 15, 1972. Funds for the salary are derived from the Oklahoma Regional Medical Program grant.

Approved on motion by Regent Huffman.

At President Sharp's request Vice President Nordby and Dr. Robert Shapiro brought the Regents up to date on The Lloyd Noble Center. As of this date the sources of funds will be as follows:
Dr. Shapiro said that since the report on this project to the Facilities Planning Committee on December 13, they have continued to work with the architect and low bidder to determine what kinds of deletions might be made in the project in order to bring it within funds available. He said they are now suggesting miscellaneous changes which would deduct $123,351 and that alternate No. 6 be accepted which would deduct an additional $11,077. It is still the opinion that all of the add alternates must be accepted, except for Alternate No. 2 which provides for parking at an add on cost of $127,187. They believe that our Physical Plant Department can provide this parking at less cost and it can be done as the project nears completion.

One of the proposed changes discussed with the Facilities Planning Committee last week was a change in the facade from insulated metal panels to double faced cement asbestos board and a reduction in the concrete wall thickness from 9" to 8". This would have provided a deduct of approximately $63,000. Mr. Ray Binnicker, architect, urged that this deduction not be made and that we proceed with the materials called for in the specifications. He presented samples of the various finishes and explained the desirability of constructing the building to last a lifetime. They believe it would be much wiser to accept other deducts, such as parking which can be done by our own forces, rather than deducts in the basic construction of the building.

With these changes the project summary is as follows:

Construction:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base Bid</td>
<td>$4,929,000</td>
</tr>
<tr>
<td>Less: Miscellaneous Changes $123,351</td>
<td>-134,428</td>
</tr>
<tr>
<td>Alternate 6</td>
<td>11,077</td>
</tr>
<tr>
<td>Add Alternates: No. 1 77,583</td>
<td></td>
</tr>
<tr>
<td>No. 3 78,993</td>
<td></td>
</tr>
<tr>
<td>No. 4 57,124</td>
<td></td>
</tr>
<tr>
<td>No. 5 48,187</td>
<td>+261,887</td>
</tr>
<tr>
<td></td>
<td>$5,056,459</td>
</tr>
</tbody>
</table>

Furnishings and Miscellaneous  431,500
Fees                             316,800
Other Costs                      25,000
Contingency                      100,000

$5,929,759
Dr. Nordby stated that we still have a cash flow problem as far as entering into a contract is concerned. The cash available as of this date is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Proceeds</td>
<td>$3,207,629</td>
</tr>
<tr>
<td>Student Facilities Fee</td>
<td>225,000</td>
</tr>
<tr>
<td>Pledges</td>
<td>703,674</td>
</tr>
<tr>
<td>Promissory Note</td>
<td>500,000</td>
</tr>
<tr>
<td><strong>Total Cash Now Available</strong></td>
<td><strong>$4,636,303</strong></td>
</tr>
</tbody>
</table>

He said all of the above the State Treasurer will accept as funding for the project now. Our immediate contract funding requirements are as follows:

<table>
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<tr>
<td>Base Bid</td>
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</tr>
<tr>
<td>Less: Miscellaneous Changes</td>
<td>$123,351</td>
</tr>
<tr>
<td>Alternate 6</td>
<td>11,077</td>
</tr>
<tr>
<td>Chillers</td>
<td>151,000</td>
</tr>
<tr>
<td><strong>Total Cash Required Now</strong></td>
<td><strong>$4,932,326</strong></td>
</tr>
</tbody>
</table>

Dr. Nordby explained that the $151,000 deduct for chillers is possible at this time because they will not be installed until later in the construction project and we have assurances from the contractor that this can be provided at the same cost at a later date.

Dr. Nordby said that a number of people have indicated that they would contribute to this project as soon as it is actually under construction--$100,000 is firmly committed and will be available as soon as the Regents take action. The balance will be available from other sources within the University. He said the cash flow deficit of $296,023 is solvable.

Dr. Shapiro also presented a chart showing the cash expenditures that will be necessary each month during construction to cover the estimated monthly payment requests submitted by the architect and the general contractor.

President Sharp recommended that the Regents approve in principle the construction of The Lloyd Noble Center and request the University administration to proceed with contract development with Rayco Construction Company in accordance with the data presented.
December 21, 1972

Approved on motion by Regent Brett.

It was understood that the change orders and details of the contract documents will be presented to the Regents at the January 11 meeting.

There being no further business, the meeting adjourned at 1:45 p.m.

Barbara H. James
Secretary of the Board of Regents

Others present for all or part of the meeting:

Mr. Ray Binnicker, Sorey-Hill-Binnicker
Mr. Jack Graves, Sorey-Hill-Binnicker
Mr. W. R. Campbell, University Architect
Mr. Jerry Farley, University Accounting Services
Mr. Pat de la Garza, Assistant to the Vice President for Administration and Finance
Dr. Robert Shapiro, Associate Vice President for Administration and Finance
Mr. Mike Mullally, Office of the Vice President for University Development
Mr. Mike Treps, Media Information
Ms. Joan North
Tom Adams, WKY Radio
Bob Dotson, WKY-TV
Stella Roberts, Associated Press
Ed Montgomery, The Daily Oklahoman
Charles Cunningham, K TOK
Jim Bross, The Norman Transcript
Chuck Erwin, The Tulsa World