

**MINUTES**

**OF THE**

**SPECIAL TELEPHONIC MEETING OF THE**

**BOARD OF REGENTS**

**OF**

**THE TEXAS A&M UNIVERSITY SYSTEM**

**HELD IN**

**COLLEGE STATION, TEXAS**

**APRIL 8, 2002**

*(Approved May 23-24, 2002, Minute Order 117-2002)*

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*MINUTES OF THE  
SPECIAL TELEPHONIC MEETING OF THE BOARD OF REGENTS  
APRIL 8, 2002*

A telephonic meeting of the Board of Regents of The Texas A&M University System, was convened by Mr. Erle Nye, Chairman of the Board of Regents, at 9:06 a.m., on Monday, April 8, 2002, in the Board of Regents Meeting Room, on the campus of Texas A&M University, College Station, Texas.

The following members of the Board were telephonically present:

Mr. Erle Nye, Chairman  
Dr. Dionel E. Avilés, Vice Chairman  
Mr. Phil Adams  
Dr. Wendy Gramm  
Mr. Lionel Sosa  
Mr. R.H. "Steve" Stevens  
Dr. Susan Rudd Wynn

The following members of the Board were not present:

Ms. Anne Armstrong  
Mr. L. Lowry Mays

Mr. Nye said the purpose of this special meeting was to consider and possibly take action on two items. Mr. Tom Kale, Vice Chancellor for Business Services, presented Item 1 (Authorization to Lease Space on a Temporary Basis to House the Prairie View A&M University School of Nursing, Prairie View A&M University). Dr. Wynn asked if this would be enough room for the School of Nursing. Dr. Charles Hines, President of Prairie View A&M University (PVAMU), said the square footage would be the same as they have now. Dr. Hines said he was satisfied with the arrangements. Mr. Sosa asked how many years the new building would take to complete. Dr. Hines said it would take about three to four years to complete. Mr. Kale said it would take close to three years once the design was complete. Dr. Avilés said the bids were for 2003. Dr. Wynn asked about accreditation. Dr. Hines said that they completed the Masters Family Accreditation last month and the space was okay. There were no further questions.

The Board took action as set forth below:

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**MINUTE ORDER 65-2002 (AGENDA ITEM 1)**

**AUTHORIZATION TO LEASE SPACE ON A TEMPORARY  
BASIS TO HOUSE THE PRAIRIE VIEW A&M UNIVERSITY  
SCHOOL OF NURSING,  
PRAIRIE VIEW A&M UNIVERSITY**

On motion of Dr. Avilés, seconded by Dr. Wynn and by a unanimous vote, the following minute order was adopted:

The Chancellor of The Texas A&M University System, or his designee, following favorable recommendation by the System Real Estate Office and legal review from the Office of General Counsel is authorized to negotiate and execute all documents required to lease approximately 46,000 square feet of net rentable area in Renaissance Tower located at 1801 Main Street, Houston, Texas, for the purpose of temporarily housing the Prairie View A&M University School of Nursing. The primary term of the lease will be five (5) years with the ability for early termination in the third and fourth years. Consideration to be paid during the primary term will not exceed \$19.55 per net rentable square foot, which equates to a base rental of approximately \$896,000.00 per year. Necessary lease funds are hereby authorized and appropriated from Prairie View A&M University's Available University Fund.

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Mr. Kale presented Agenda Item 2 (Authorization to Execute a Ground Lease Agreement with TAC Realty, Inc., Covering a Tract of Land Situated in the Easterwood Airport, Brazos County, Texas, Texas A&M University). He said it is around three acres and TAC would build a private aircraft hangar. Mr. Nye asked if there were any other facilities like this. Mr. Kale said this lease is contingent upon approval by the FAA, which has very stringent rules. Mr. Charles Sippial, Vice President for Administration, replied there were none in this area. Mr. Stevens asked if the lease was for 39 years. Mr. Sippial replied in the affirmative. Mr. Stevens asked if the airport moved, what would happen. Mr. Delmar Cain, General Counsel, said they had looked at that issue. He said if it were transferred to someone else, the transferee would take the lease along with the airport and if it was decided that the airport would be closed, there would be the possibility of purchasing the hangar at fair market value. He said another alternative would be to tear it down at their expense.

Mr. Sosa said that \$9,000/per year based on three years seemed low and asked if the appraisal was fair to TAMU. Mr. Kale said the appraisal was compared with other airports throughout the area and the state. Mr. Sosa asked if they had only one appraisal. Mr. Kale answered in the affirmative. Mr. Sippial said he was comfortable with the price. Mr. Cain said the lease would be re-appraised every five years. Ms. Rayni Lay, System Staff Attorney, said that by FAA standards, it has to be appraised every five years. Dr. Avilés asked who would pay to relocate the weather station. Mr. Sippial said the airport would pay for the relocation. He said it was not in a good location now so it would be beneficial to do so. Mr. Sosa asked how much it would cost

to move the weather station. Mr. Sippial responded that it would probably cost about \$30,000-\$50,000. He said that money is in the airport account and he would find out the cost and let them know. Mr. Sippial said that there are a lot of trees by the weather station that pose a problem. He said due diligence has been done on everything concerning the TAC hanger and all costs, except the weather station, would be borne by TAC, Inc. Mr. Adams said he knows this will be a very fine structure. He also said he knows that Mr. Don Adam and TAC will build about a \$1 million hangar that will house three aircraft. Mr. Adams said TAMU would receive the existing hangar free of charge. He said there would be additional income from that hangar and from additional fuel sales. Mr. Sippial agreed and said many people would like to lease space. There was no more discussion.

The Board took action as set forth below:

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**MINUTE ORDER 66-2002 (AGENDA ITEM 2)**

**AUTHORIZATION TO EXECUTE A GROUND LEASE AGREEMENT  
WITH TAC REALTY, INC., COVERING A TRACT OF LAND  
SITUATED IN THE EASTERWOOD AIRPORT, BRAZOS COUNTY,  
TEXAS A&M UNIVERSITY**

On motion of Dr. Avilés, seconded by Mr. Sosa and by a unanimous vote, the following minute order was adopted:

The Board of Regents of The Texas A&M University System hereby authorizes the Chancellor of The Texas A&M University System, or his designee, following favorable recommendation by the System Real Estate Office and legal review by the Office of General Counsel, to negotiate and execute a ground lease with TAC Realty, Inc., for the construction and operation of an aircraft hangar on 3 acres, more or less, being a part of the Easterwood Airport, Brazos County, Texas;

Further, the Chancellor or his designee, is authorized to execute all documents as may be required to obtain Federal Aviation Administration approval for such lease, to include but not be limited to modification of the size and configuration of the leased premises and amendment of the Airport Layout Plan, and to negotiate the relocation of the weather station located on the Easterwood Airport with the National Weather Service.

This ground lease is subject to, and no work will commence on the site until, (1) the Federal Aviation Administration has issued an Air Space Study report finding no negative or disparate impact from the proposed use, (2) the Federal Aviation Administration has approved a revised Airport Layout Plan, and (3) the National Weather Service has approved relocation of the weather station. The term of the ground lease will be thirty-nine (39) years with rental consideration being equal to fair market rental value, to be determined by the System Real Estate Office.

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There being no further business, Mr. Nye adjourned the special telephonic meeting of the Board at 9:28 a.m., the same day.

Vickie Burt Spillers  
Executive Secretary to the Board of Regents  
The Texas A&M University System

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