The State Board of Regents met at Iowa State University, Ames, Iowa, on Thursday, May 19, 1977. Those present were:

Members of State Board of Regents:
- Mrs. Petersen, President
- Mr. Bailey
- Mr. Baldridge
- Mr. Barber
- Mr. Brownlee
- Mrs. Collison
- Mr. Shaw
- Mr. Slife
- Mr. Zumbach

Office of State Board of Regents:
- Executive Secretary Richey
- Mr. McMurray
- Mrs. Mininger
- Pauline K. Van Ryswyk, Secretary

State University of Iowa:
- President Boyd
- Vice President Brodbeck
- Vice President Jennings
- Assistant to President Mahon
- Assistant Vice President Small
- Director Tobin

Iowa State University:
- President Parks
- Vice President Christensen
- Vice President Hamilton
- Assistant Vice President Madden
- Vice President Moore

University of Northern Iowa:
- President Kamerick
- Provost Martin
- Vice President Stansbury
- Director Kelly

Iowa School for the Deaf:
- Superintendent Giangreco
- Business Manager Kuehnhold

Iowa Braille and Sight Saving School:
- Acting Superintendent Petrucci
- Business Manager Berry

May 19
GENERAL

The following business pertaining to general or miscellaneous items was transacted on Thursday, May 19, 1977.

APPROVAL OF MINUTES OF THE APRIL 20-21, 1977 MEETING. The board was requested to approve the April 20-21, 1977 minutes and specifically ratify board approval of the Resolution for Manual or Facsimile Signature, Iowa Braille and Sight Saving School, found on page 592 of the April 1977 minutes.

The Board Office reported by memorandum of May 2, 1977, the board was informed that a Resolution for Manual or Facsimile Signature had been overlooked in the April actions relative to the resignation of Superintendent Woodcock. Since no objection was raised by board members upon receipt of the May 2 memorandum, the executive secretary executed the resolution on behalf of the board. This action was necessary to authorize the acting superintendent to sign checks and authorize orders of payment of money on behalf of the school effective April 29, 1977. The resolution is included in the April minutes on page 592 and the board needed to ratify the action taken earlier this month relative to approval of the resolution.

In absence of objections, President Petersen approved the April 20-21, 1977 minutes as corrected and ratified the action taken earlier this month relative to approval of the Resolution for Manual or Facsimile Signature in those minutes.

COMMITTEE ON EDUCATIONAL COORDINATION. There were no items raised for discussion by the Committee on Educational Coordination.

LEGISLATIVE REPORT. The board was presented an updated summary report of actions occurring through May 17 and an oral report on certain key matters by Mr. Richey.
Mr. Richey reported that Senate File 214, the board's operating appropriations bill (the basic bill excluding salary policy for next year), is still under consideration, the House having passed a lower amount than the Senate. There are now indications that the House will agree to the Senate's version. Mr. Richey noted that the Senate's version is the Governor's recommendation. In response to a question, Mr. Richey added that federal funds losses are included in a separate bill, Senate File 301, regarding federal funds which has passed the Senate and was reported out of the House Budget Committee this week.

The coal research appropriation for Iowa State University has passed the House and is now on the Senate Calendar for final action. Mr. Richey added that a livestock research appropriation for Iowa State University has passed the Senate and is now in the House.

Senate File 233, which pertains to the Mental Health Authority appropriation, is on the House Calendar.

Mr. Richey reported that tuition replacement appropriations for bonding has passed the Senate and was reported out of the House Budget Committee yesterday. It is now on the House Calendar.

Mr. Richey said that House Concurrent Resolution 40, which provides for bonding of $25.3 million, passed the House and is in the Senate Budget Committee. Mr. Richey explained that involves $15.5 million for utility appropriations plus the Music Building at Iowa State University, Quadrangle Remodeling for the College of Education and the Department of Psychology, the Horticulture Building and Addition at Iowa State University, plus some miscellaneous projects at the University of Iowa and the University of Northern Iowa. Mr. Richey commented that this is a highly controversial issue and no one knows what the outcome will be. Various alternatives are being proposed, one of which would be to make direct appropriations for some of the urgent utility projects, striking out all the bonding. Another proposal is to bond only $15.5 million for utilities. Mr. Richey said the Board Office has been working to try to get the two Houses together on this issue to work out something that would take care of the Music Building and the Quadrangle Remodeling projects for Iowa State University. Mr. Richey noted that other than utilities and the recommended direct appropriations referred to above, the only other item involving Iowa State University of any substance in the capital program is the centrifugal chiller for $2.5 million. That project is being talked about for inclusion on the high priority utility list for appropriations if the legislature does not approve of bonding. Mr. Richey indicated that he stressed that the Quadrangle Remodeling carries a much higher priority this session than the centrifugal chiller project, although the latter is very badly needed.
Mr. Richey said the direct appropriation for capital of $7,115,000 passed the House. It includes the Lindquist Center plus the Fire Safety Projects for Iowa Braille and Sight Saving School and for the Iowa School for the Deaf. It also includes remodeling of the Main Building at the Iowa Braille and Sight Saving School plus $175,000 for the Hudson Road overpass/underpass at the University of Northern Iowa. The appropriation also includes $935,000 for handicapped accessibility projects. Mr. Richey said the Lindquist Center was a separate appropriation. It was in the Senate bill and went over to the House and received no action. The House bill for $7,115,000 was passed by the House by a vote of 77 to 7, but there is a motion to reconsider filed by three representatives. Mr. Richey said he feels that motion to reconsider is a technical maneuver rather than opposition. Mr. Richey noted that the Senate doesn't have the "whole package" before it in terms of being able to decide and there is the possibility that one house will adjourn before the other, leaving the other without much recourse. He said he hopes that doesn't happen.

Mr. Richey discussed the use of Iowa State Industries in terms of the purchase of equipment. He said a bill on this subject has passed the House and is getting serious consideration in the Senate. Mr. Richey commented that the board has indicated its opposition to the bill.

Mr. Richey said that different versions of the performance auditing bill have passed each chamber. It is now in conference committee. The Senate version, he said, is much better with respect to academic issues except it doesn't include the House language with respect to who can initiate the audit. He said attempts are being made to get the House version on that specific aspect into the Senate version.

Mr. McMurray reported that the tort claims bill passed the Senate and the House and now has to go back to the Senate for final action.

Mr. Richey stated that House File 491 pertaining to road financing added the area schools and the State Fair Board to the Institutional Road Fund. Mr. McMurray said the House passed a 3¢ gas tax and 3.5% diesel fuel tax.

The bill initially started out in the House with an attempt to get the Institutional Road Fund increased from $1.4 million to something approaching $2.2 million. In final passage of the bill the board came back, on the urging of the Department of Transportation, to a percentage approach which is a percentage of the entire Road Use Fund at .65 of 1% based on 1976 dollars. It would yield $2.2 million. That version passed the House by a wide majority. The bill went to the Senate Transportation Committee where
the board's concept of a formula percentage basis survived as far as Institutional Road Funds are concerned. The committee did, however, reduce by one-half the proposed gas tax increase and the diesel tax increase. Mr. McMurray said the Board Office has received advice that the Institutional Road Fund would still receive an adequate increase because there have been higher road tax revenues in the current year than were previously estimated. The bill has been referred to the Senate Ways and Means Committee.

Mr. Richey reported that House File 545 pertaining to risk management passed the House. He said the board favors the bill as it now stands.

Mr. Richey commented that House Concurrent Resolution 12 proposes a massive study of all education in the state, elementary through postsecondary. It even includes school district reorganization. Mr. Richey said it may be referred to the Legislative Council which will probably determine whether the study should be carried out.

House Study Bill 217 proposes state control of all federal funds. He said it will receive no action this session. President Boyd said that the graduate deans would be very pleased to work with the Board Office in this whole area because this is a matter of enormous concern to persons in the graduate programs. Mr. Richey accepted the university's offer to assist in this area.

Mr. Richey noted that there is also a proposal in the legislature to increase employer's contributions to IPERS by one-half of 1% effective July 1, 1978. That proposal would represent about a half million dollars additional cost to the Regents. Mr. Richey added that there are several bills relating to unemployment compensation that staff is having a hard time keeping track of in terms of their impact on the board. Mr. McMurray stated that there are major differences between the House and Senate versions of these bills at this point.

Mr. Richey reported that there is a new collective bargaining bill, Senate File 393, which represents a compromise for this session. It changes the majority voting requirements from the majority of those eligible to vote to the majority of those voting. The board has opposed that bill in terms of the board's basic feeling that it should give the present act a chance to work. Mr. Richey commented that the bill also has changes with respect to timing for impasse procedures and would also allow negotiations with respect to the second year of the biennium.
Regent Collison asked about Senate File 388 which repeals the mental research fund. Mr. Richey noted that the Governor is recommending direct annual appropriations be made for mental research. He said the Governor is recommending the same amount for the same purpose but is not recommending a standing appropriation. Mr. McMurray added that the repeal doesn't go into effect until July 1, 1978.

Mr. Richey reported that he talked to members of the Governor's staff and the State Comptroller last night about the utility bonding issue. He said they are very supportive of utility bonding that the Governor originally recommended and are working actively to try to get something done about it. Mr. Richey said there is no indication at this time that Senate leadership will be willing to go with the bonding proposal in any amount. Mr. Richey said there are philosophical objections to the idea of bonding in the Senate at any level. The Board Office has, however, received some indication that the Senate would be willing to fund some of the projects by direct appropriations. For example, there is talk about phasing in the University of Northern Iowa's boiler request.

President Petersen stated that she understood the concern and shared in the concern that increased bonding led to a commitment for future obligations which the state had to finance through tuition replacement appropriations, but at the same time there should be a recognition that the academic revenue bonding program has meant a substantial saving to the state in terms of building those facilities at a time when there have been very steep increases in costs. If direct appropriations had funded all those facilities, the cost of inflation by waiting for direct money would have more than exceeded the interest costs. Certainly the same pattern holds relative to the utility projects and other projects under consideration for this year's program.

President Petersen further stated that we recognize there are financing costs that have to be paid when you enter into a bonding program, but these are facilities that are needed without question at some point in time and particularly in the case of utilities the need is now or there could be some real difficulties for the institutions. If it were possible for the state to have direct appropriations for all the facilities, that would be the preferable course. She said we all recognize the kind of financial situation the state is in and we are seeking a rational way in which to save state money in the long run. She commented she feels building through bonding will allow the board to do that.

President Petersen commented that the board's general operating appropriation is, of course, a concern to the entire board. She also reiterated the board's concern that its federal fund losses don't get "lost in the shuffle" in the legislature as it is attempting to adjourn. She stressed the fact that the federal funds have a particularly significant impact on the institutional health colleges.

President Petersen encouraged members of the board to spend some time analyzing its legislative program and the strategies and approaches it must use in preparation of it. She recommended this be docketed in the future.
REPORT ON MEETING OF IOWA COORDINATING COUNCIL FOR POST-HIGH SCHOOL EDUCATION.

Regent Baldridge commented that the Committee on Regulation of In-State and Out-of-State Institutions proposed legislation that the state provide protection for persons choosing institutions and programs by ensuring that accurate and complete information about institutions and programs is available to such persons and to the public. President Petersen noted that this proposal will be coming back to the Coordinating Council for further study. She also recommended that this matter be docketed for a Board of Regents’ meeting.

Regent Baldridge reported that a recommendation was made to assess continuing education needs for selected geographic regions of Iowa to get a more in-depth study of those needs, tying with that study a model facility for providing access to counseling services. He said that matter will be before the board in the future as it is a project of the Higher Education Facilities Commission.

President Petersen also reported on the last meeting of the Coordinating Council by saying that the State Department of Public Instruction provided a report on its manpower studies which are reflected in the programs that are approved by the various area community colleges primarily in career education.

Regent Baldridge added that there was a review of the meeting with the Congressional delegation done at the Coordinating Council meeting. He noted that the university presidents felt the meeting was very helpful and would like to continue such meetings in future years. President Boyd said the Coordinating Council is going to have an ad hoc committee next year on federal issues to prepare to meet with the Congressional delegation at the end of the year.

President Petersen reported that as she looks back at the years the board has been affiliated with the Coordinating Council, she feels that the work and efforts this year have been very significant and there has been increased participation and willingness to share with problems in postsecondary education. She stressed that the Coordinating Council has had good institutional support and leadership.

President Petersen reported that she has received correspondence from a group in Mason City that is concerned with finding educational and employment opportunities for women in that area. She said the Office for Planning and Programming did not fund this request, although it was on its funding list. She said this need is being experienced all over the country under various titles.

REPORT ON MEETING OF HIGHER EDUCATION FACILITIES COMMISSION. Regent Bailey read portions of a report prepared by Mrs. Willis Ann Wolff, Director, Higher Education Facilities Commission, regarding a draft proposal for a fiscal year 1977 comprehensive planning grant. The report stated that continuing education for the nontraditional student has become the focus of Higher Education Facilities Commission studies during the past two years. The Higher Education Facilities Commission is proposing to build on the information base established and the interest generated by these studies to encourage regional planning and coordination of efforts to provide lifelong learning opportunities for Iowans. This goal would be achieved through mini-grants of up to $12,000 to a maximum of four geographical areas of the state for the purpose of funding regional projects related to continuing education.

Regent Bailey reported that Dr. Gail McClure, project director for the study, has been traveling around the state contacting institutions of higher learning to determine institutional officials' feelings about the subject of continuing education.
The report by Mrs. Wolff stated that in-depth reports on the institutional conferences are now nearing completion and will be presented to the post-secondary education community at a series of regional meetings in June. The state was divided into five geographical areas (which include the boundaries of two or three of the community college districts) and the institutions within a given area are being invited to send as many staff representatives as they wish to their own regional meeting. They also have the option of attending any of the other meetings in which they have an interest. Regent Bailey said summaries of the coordinator's findings will be sent to registered participants in advance of each regional meeting. The major part of each all-day session will be devoted to general discussion by the participants of the climate for continuing education in their section of the state as compared to other sections, any perceived gaps in program offerings, and the problems which must be addressed in order to give adequate educational opportunities to the adult learner in their region.

Regent Bailey said a major function of the regional meetings is to provide a forum for the schools in each region to discuss their varying concerns and commitments and to set the stage for voluntary cooperation in developing new systems which will be cost effective and nonduplicative. It was noted that the Higher Education Facilities Commission task force plans to suggest that each region organize for this purpose, with one representative from each institution appointed to serve on a regional "lifelong learning" board which would continue to function long after the FY 1977 project is completed.

It was noted that in September the Higher Education Facilities Commission will publish its full report on the current year's study, including the recommendations of the task force and advisory committee for future development of lifelong learning in Iowa.

Since the current year's project is still incomplete, a detailed proposal for utilization of the fiscal year 1977 grant presents some uncertainties. However, if the regional organization concept is well received and acted upon in each area, the Higher Education Facilities Commission proposed to make funds available to carry out selected regional projects. A precedent has been set this year in allocating funds for a continuing education needs survey in the southwestern section of the state. The schools serving this area felt that the state-wide survey of last year was too broad in scope to reflect the specific demand for program offerings in their own area. The other four regions of the state also may see a need for localized assessment. On the other hand, they may wish to fund planning for informational services to their constituencies, the design of new delivery systems using shared facilities for still other types of projects. The project would be selected by the regional organization and submitted to the HEFC task force which would recommend commission approval or denial of the application for funding. Final determination of the grants would be the responsibility of the Higher Education Facilities Commission, and each region would be required to submit quarterly progress reports and a written report upon project completion.

President Parks said the Higher Education Facilities Commission should be congratulated in involving all segments of higher education in this matter. He commended Dr. McClure's professionalism in her capacity as project director. President Boyd underscored President Parks' comments.

President Petersen requested Mr. Richey circulate the dates of those regional meetings to members of the board. She encouraged members of the board attend the meeting held in their particular region. President Boyd said the
Continuing Education and Extension Council will be represented at those meetings as well as institutional representatives.

Regent Bailey then raised discussion concerning optometric education for Iowa students. He reminded members of the board that last year it purchased all its seats from the state of Illinois. Regent Bailey said there has been considerable pressure to break that up, granting some awards to the state of California. Regent Bailey noted that the basis for not recommending award of seats to California last year was because of some fear that students would then prefer to stay living in California than to come back to Iowa to practice optometry. He said that outlook has diminished somewhat now as students are realizing the advantages of returning to Iowa to practice.

Regent Bailey pointed out that the State University of Iowa is setting up a training program for financial aid officers. He said there is some cooperation being done in setting up some courses that will have the specific purpose of helping financial aid officers. President Boyd said this is being done in response to a letter written to him with respect to going into a master's program for financial aid officers. He said the university is proposing more of a short course arrangement involving all the state institutions, however, rather than getting into credit.

Regent Bailey discussed federal grants for instructional equipment. There needs to be a study and possible revision of the guidelines that are used in relation to that in determining eligibility, etc. He said a committee is going to be appointed from institutional representatives to come up with a proposal on this matter.

Regent Bailey also discussed the matter of the State Guaranteed Loan Program. He said it is in abeyance at the present time. He said that he has met with the financial aid officers of the board's universities as well as with representatives from the Board Office and the consensus was that as long as the federal program is continuing, we should not push a State Guaranteed Loan Program. It was recommended that some groundwork and research study be done on this matter to keep the Regents informed. Regent Bailey reported that the financial aid officers of the three state universities were inclined to favor direct loans by the state of Iowa rather than using financial institutions if the state were to become involved again with student loans. However, Regent Bailey said that it is recognized that there may be a number of problems with direct loans by the state. For one thing, if general funds were used, that would take many millions of dollars away from other projects and while raising the loan funds by bonding has been proposed, that solution might be in conflict with the state constitutional prohibition against the state going into debt.

SEARCH FOR SUPERINTENDENT AT IOWA BRAILLE AND SIGHT SAVING SCHOOL. The Board Office reported that the search for a superintendent for Iowa Braille and Sight Saving School is well underway at this time. Notices of the position opening have been circulated to a number of institutions and have been published in a variety of appropriate journals and newspapers. The deadline for applications for the position was set for May 15. Mr. Richey noted that the search committee (composed of nine members) met yesterday and will present the board with its recommendations regarding the top candidates in executive session today.
AFFILIATED ORGANIZATION REPORTS. A. University of Northern Iowa Foundation.

The board was requested to accept the annual report of the University of Northern Iowa Foundation.

The board was informed that the foundation was involved in two notable events during 1976. The first event was culminated on September 4 when the UNI-Dome, a $7 million undertaking by the University of Northern Iowa Foundation, was dedicated. The second event was the centennial fund drive sponsored by the foundation. As a result of this drive and of the annual giving program, the deferred giving program and special needs, the foundation now has over $1 million in endowment funds. These funds and those funds which will be generated in the future, are utilized in a number of ways. Following completion of fund raising for the UNI-Dome, the foundation is committed to raise money for a fine arts auditorium, as well as continuing to provide money for scholarships and special needs. It was noted that in the area of scholarships, particular note should be taken of the merit scholarships which are provided to freshmen in the amounts of $50 and $100. In 1976, a total of 320 students received scholarships from the foundation in the amount of $119,786.

President Petersen noted that the foundation has seen significant increases in support from alumni and friends over the last few years. Regent Collison complimented the university on the growth of the alumni association.

In absence of objections, President Petersen accepted the annual report of the University of Northern Iowa Foundation on behalf of the board.

B. University of Iowa Foundation. The board was requested to accept the annual report of the University of Iowa Foundation.

The Board Office stated that the report combines statistical data with narrative descriptions of the many diverse areas in which foundation funds are used to support and improve a complex entity such as the University of Iowa. During 1976, there were over 20,000 contributions to the foundation in outright gifts plus deferred income totaling over $9 million. When this is added to the more than $5 million in outright gifts received through the university's Office of Educational Development and Research, private funds generated by the University of Iowa during 1976 totaled $14.3 million. It was particularly noted that the foundation contributors increased by over 22% from 1975 to 1976. The Board Office added that the broad base of support from private sources should be an area of extreme pride to the university.

President Petersen added that the foundation also had a very busy year with the dedication of Old Capitol, a large variety of enterprises and programs, scholarships, etc. Regent Collison said she was present at the Iowa Lions Cornea Center dedication and added that it was a very impressive ceremony.

President Petersen commented that as the board looks to the future it must realize that the difference between mediocrity and excellence in education is going to depend a great deal on foundation, alumni, and friends of the institutions as they continue to support the institutions.

In absence of objections, President Petersen accepted the report for the board.
C. University of Iowa Research Foundation. The board was requested to accept the annual report of the University of Iowa Research Foundation.

The university reported that the University of Iowa Research Foundation's purposes are to encourage and assist research and education at the University of Iowa by furnishing the means by which ideas, discoveries and inventions may be safeguarded for the public through the patent system and by licensing such inventions.

In absence of objections, President Petersen accepted the report for the board.

D. University of Iowa Facilities Corporation. The board was requested to accept the annual report of the University of Iowa Facilities Corporation.

The university reported that the purposes of the University of Iowa Facilities Corporation include assisting the scientific and educational purposes of the University of Iowa through maintaining, developing, increasing and extending the facilities and services of the university.

In absence of objections, President Petersen accepted the annual report on behalf of the board.

All four reports are on file in the Board Office.

SEMI-ANNUAL REPORT OF REGENTS' PURCHASING COMMITTEE. The board was requested to accept the semi-annual report of the Regents' Purchasing Committee.

The report contained statistical information for July-December 31, 1976, while the narrative information covered the period November 1976 into May of 1977. The next report will come to the board this fall.

The following highlights were presented the board since the last report to the board in November:

-- Awarded the joint contract on large lamps for calendar year 1977. Again, interest was very high in this contract as eight bids were received. Award was made to the firm bidding a 70% discount with 2% 10 days cash discount on orders of 50 cases or more. This discount level was higher by some 3.5% over that in effect for the previous year.

-- Spent substantial time on vehicle matters including purchase and disposal decisions and in a cooperative purchasing venture with the State Vehicle Dispatcher which involved listing 110 vehicles with him for purchase.

-- Completed analysis of the joint price survey which covered some 89 different items. The analysis revealed certain items which needed further study and that will be accomplished over the next few months.

-- Held a joint meeting with representatives from the General Services Department Purchasing and Department of Transportation Purchasing at which time the joint price survey was reviewed as General Services Department had filled out the survey and, in addition, problems of
joint interest were discussed including legislative proposals relative to purchasing.

-- Made plans to bid the annual contracts on envelopes and projection lamps this Spring.

Mr. Richey said the Purchasing Committee again evidenced in its report its continuing sense of responsibility for purchasing for the institution. He added that this committee does excellent work in buying the highest quality merchandise at the lowest price. President Petersen concurred with Mr. Richey by stating that the cooperative attitude of the Purchasing Committee with the Department of General Services and the State Vehicle Dispatcher, etc., is excellent.

The Board Office commented that the Iowa State University report went into some detail relative to use made of Iowa State Industries. The board's attention was called to an item stating that the university took competitive quotations for desks and clothing chests for the new single student housing units. The university received nine bids. The low bid was some $11,000 lower than that of Iowa State Industries which was the second place bidder.

Mr. Richey said the use of Iowa State Industries is a sensitive issue in the legislature and there is a strong feeling that the state has an obligation to provide worthwhile opportunities to inmates of its penal institutions for productive work that would be a real training experience for them. Mr. Richey said the board is going to have to be exceptionally conscious of that in the future far more so than in the past. Mr. Richey reported that there have been some efforts to improve the position of Iowa State Prison Industries that undoubtedly will lead to a larger volume of purchases by state institutions including those of the Board of Regents. Mr. Richey asked the Purchasing Committee to offer its services to the Department of Social Services to aid in the improvement of the Prison Industries' operation in terms of producing the quality and quantity of materials that the board requires as well as delivery of them in a timely manner. He said he hoped that a report on same could be made available by the next session of the legislature.

In absence of objections, President Petersen accepted the report for the board.

TRANSACTIONS INVOLVING OLD PRESBYTERIAN CHURCH, IOWA CITY, IOWA. The board was requested to: 1) formally approve the stipulation of settlement in the suit filed by John Knox, et al., against the State of Iowa, et al. and 2) approve assignment of the real estate contract for the Old Presbyterian Church property to Old Brick Associates, subject to approval of the State Executive Council.

The Board Office presented the following background information to the board:

The Board of Regents approved at a meeting on January 11, 1974, the purchase of a parcel in Iowa City, Iowa, on which resided the Old Presbyterian Church, commonly referred to now as Old Brick. Purchase price was $140,000 with $14,000 payable then and the balance payable upon possession and delivery of a deed and an abstract showing marketable title in accordance with Iowa title
standards. The matter of the purchase of the property had been considered by the Board of Regents since 1971. At that time the university was approached by the Presbyterian Church to ascertain whether the university desired to acquire the church site. By letter of September 15, 1971, the university listed four alternatives under which it was operating relative to acquisition:

1. From the university standpoint, we would prefer to have the church remain on its present location.
2. We would urge the church to sell to another congregation which would utilize the church.
3. If neither of the foregoing alternatives is pursued, we would hope the church would sell to any organization dedicated to the preservation of historical landmarks.
4. If none of the foregoing alternatives are pursued by the church, then the university reluctantly must face the question of whether it can stand aside if this site is to be utilized for some purpose other than a church or historical landmark.

Several problems were posed at that time relative to acquisition, the most important being land usage. President Boyd stated at that time that the university would not be in a position to maintain the church sanctuary as a historical monument because it would be a questionable policy for the Board of Regents to use state funds to acquire and preserve a local historical landmark.

The matter of purchase finally came to fruition in January, 1974, with the congregation stating that it would consider an offer to purchase the site on January 6. As noted, the Board of Regents approved purchase on January 11, under the terms and conditions set forth earlier. In line with earlier action of the Board of Regents, one of those conditions was conveyance of the property to the university with the sanctuary having been removed by the congregation. Possession would be at such time as the congregation was able to move to its new building, which was then estimated to be between July 1 and December 31, 1975.

The Board of Regents acquired this property only because no other congregation saw fit to purchase the sanctuary for use as a church and no organization dedicated to the preservation of historical landmarks came forward at that time to purchase. The purchase was later approved by the State Executive Council.

Almost immediately, the Board of Regents began to receive offers from various groups which sought to preserve the sanctuary. Prolonged and detailed discussions with various groups continued almost until July, 1976. In the meantime, the Presbyterians had vacated the sanctuary and had moved to a new building. The Presbyterians at that point asked whether the Board of Regents planned to carry out its contractual obligations in this matter and the Board of Regents responded affirmatively. It clearly appeared at that point that the only alternative open to the Board of Regents was to take possession of the property after the Presbyterians had fulfilled their contractual obligation to raze the sanctuary.

On July 26, 1976, District Court Judge William Eads granted a temporary injunction halting demolition of the church and set a September 16 hearing on a permanent injunction in the case.
The case was heard and eventually the attached stipulation of settlement was reached between the parties involved. The main points of this stipulation are as follows:

1. Old Brick Associates shall pay the State Board of Regents $14,000 which was the down payment made by the Regents to the First Presbyterian Church under the real estate contract.

2. The board shall then assign this contract to Old Brick Associates who shall pay the balance of the purchase price to the First Presbyterian Church and take title to the real estate subject to the following restrictions and covenants:
   
a. Restrictions and covenants shall run with the land and continue to be binding on Old Brick Associates and its successors for a period of 50 years.

b. The sole purpose of the State Board of Regents in assigning its contract for the purchase of said property to Old Brick Associates and allowing said sanctuary to remain is to permit preservation of this building as a historical landmark and for functions and activities serving the needs of students and citizenry of the local community and the State of Iowa. No portion of the property shall be used, leased, rented, remodeled or otherwise converted for any commercial purpose whatsoever, unless prior written consent is obtained from the Board of Regents.

c. Old Brick Associates cannot dispose of the property without first giving the Board of Regents first option or right to repurchase. The Board of Regents shall have the exclusive right and option for a period of six months following the notice to purchase this property for the sum of $140,000 from which shall be deducted all costs associated with razing the sanctuary in the event Old Brick Associates does not do so as provided in the stipulation. However, Old Brick Associates is obligated before receiving their purchase money, to demolish the sanctuary and clear the lot. Under that sort of repurchase arrangement, the sanctuary and all its contents and improvements shall remain the property of Old Brick Associates.

d. If Old Brick Associates ceases to exist as a valid organization or if it goes into receivership or bankruptcy, the Board of Regents shall be entitled to take immediate possession of the premises and demolish any structures remaining thereon. The legal title then would vest in the State of Iowa subject to the payment of any existing liens.

e. The rights of the Board of Regents shall be prior and paramount to the claims of all parties claiming by, through or under Old Brick Associates provided however that any mortgage placed on the premises shall in the event the Regents purchase said property constitute a lien upon the purchase money to be paid by the Regents, but not to exceed the total amount of the $140,000 purchase price.

f. Old Brick Associates is not allowed to take any action or to permit any action to be taken during their possession that would in any way block or prevent razing of the sanctuary at some future date under the options and provisions set forth above.
This stipulation has already been agreed to by the Presbyterian Church and by Old Brick Associates. The board has also informally reviewed this stipulation and has authorized Mr. Leff, Special Counsel, to execute it on behalf of the board.

The board also needs to formally assign the real estate contract to Old Brick Associates. Said assignment is on the strict condition and with the specific reservation that each and all of the terms of the stipulation of settlement are a part thereof and incorporated therein.

If this stipulation and assignment is approved by the board at this meeting, it will represent the culmination of five years of activity by the Board of Regents and the University of Iowa to find a method or means under which the Old Presbyterian Church could be preserved as a historical landmark. We will bring to the board at a later meeting procedures relative to compliance with the stipulation on board approval of usage of the property.

MOTION: Mr. Brownlee moved the board: 1) formally approve the stipulation of settlement in the suit filed by John Knox, et al, against the State of Iowa, et al., and 2) approve assignment of the real estate contract for the Old Presbyterian Church property to Old Brick Associates, subject to approval of the State Executive Council. Mr. Baldridge seconded the motion and on roll call the following voted:

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

INFORMATION ITEMS. The board was presented informational reports concerning the following items: 1) United Faculty negotiations at the University of Northern Iowa, 2) blue-collar unit, 3) State Police Officers Council, 4) security unit, and 5) Social Service unit.

BOARD OFFICE PERSONNEL REGISTER. The board was requested to ratify the actions presented in the Board Office Personnel Register for the month of April 1977:

Pauline K. Van Ryswyk, Secretary III, $9,490 to $9,958, merit increase after annual evaluation, effective April 15, 1977.

Jo Ellen McGrane, change of status from 60-day emergency appointment to 120-day temporary appointment, expires July 7, 1977. No change in salary.

In absence of objections, President Petersen ratified the Board Office Personnel Register's actions for the month of April 1977.
REPORT ON BANKING COMMITTEE MEETING. Regent Bailey reported that the Banking Committee met last evening. One of the concerns raised at that meeting related to the situation with reference to escrow agreements. He said escrow agreements are arrangements whereby banks put up securities for guarantee against losses that are involved in the funds deposited with respective institutions. Effective January 1, 1970 a state bank was not permitted to enter into escrow agreements except in cases where it would be required by law to do so. Therefore, the board is confronted with a situation whereby the escrow agreements in existence as of January 1, 1970 are yet effective as the law didn't change that. It's been indicated that an amendment to an existing agreement abrogates the agreement and puts the board in an insecure position. The Board of Regents under the present rule is not under the sinking fund which is the means for security for other governmental agencies as far as their funds and banks are concerned. Basically, the Banking Committee is in consultation with the financial people of the respective institutions including Iowa School for the Deaf and Iowa Braille and Sight Saving School. Regent Bailey said the agreement reached at the meeting was that the committee should stand by and stay with the present existing escrow agreements. That action dictates that the board stay with the banks it is now with because it is not possible to enter into a new escrow agreement.

Regent Bailey said he understands there is a bill presently before the legislature that is sponsored by the State Treasurer that would place the Board of Regents under the sinking fund. He said, however, that he did not know if that was the complete content of the bill or not. In response, Mr. Richey said there is some question as to whether that bill actually got filed or not. He said he feels it is more a proposal than a bill and it was just presented to the Banking Committee for reaction purposes.

Regent Bailey commented that one of the limitations involved in being under the sinking fund is that the maximum amount that the sinking fund is permitted to build up to is $500,000. Obviously, that wouldn't be adequate protection for the board because this is a state-wide fund in the first place. On the other hand, there is an assessment process if an amount of loss should be more than the total amount in the sinking fund they can assess bank funds to cover the loss. That could take some period of time. A more major consideration is the fact that if we were under the sinking fund we would stand a strong chance to lose much of our investment income. Presumably, investments would be made by the Treasurer's Office as opposed to by the institutional people. There was some indication that the Treasurer's Office, however, would be glad to turn income over to the Regents.

Regent Bailey reported that the action taken by the Banking Committee was to recommend to the board that it oppose the concept of placing the Board of Regents and its institutions under the State Sinking Fund for the security reasons noted above.

Regent Shaw said he feels the whole matter is an outmoded procedure. He said he feels there is something distasteful about the idea that a state's deposit in a bank takes priority over a citizen's deposit in a bank. He commented that he feels the state's interest is greater in having a sound banking system than in having special status. He stated that possibly the state should get out of this whole business. Regent Bailey responded by saying he was not sure Regent Shaw's recommendation should be a policy decision made by
the Board of Regents. Regent Shaw noted that there have been serious banking problems over the last four-five years.

Regent Zumbach reported that the issue the Banking Committee faces is to choose between two systems of securing deposits. Regent Barber added that the Banking Committee did not take a position so much in opposition to the proposal as much as it wasn't viewed as as favorable a position as compared to the present system. Regent Bailey said he feels that while the Banking Committee didn't feel the present system was ideal, the committee didn't want to be under the sinking fund, either.

Regent Shaw asked which funds would be involved and Mr. Richey responded that the board's discussion was centering on all the institutional funds that are controlled by the university as a university. Other funds which are under a separate corporate entity would not be involved in this.

MOTION: Mr. Bailey moved the board continue to rely on escrow agreements. Mr. Zumbach seconded the motion. The motion passed unanimously.

Another matter raised for discussion by Regent Bailey was the matter of the committee approving a reporting form that covers bank balances and banking transactions of the investment portfolios for reporting to the Board Office. He said the University of Northern Iowa came up with a form which combines onto one sheet of paper the complete information.

Regent Bailey said another matter the Banking Committee decided was that it should meet twice a year and then have special meetings if necessary. The meetings were proposed to be held in February and September.

ADVANCE SCHEDULE. The board entered into discussion pertaining to the date for the public hearing on the proposed Regents Merit Pay Plan for 1977-78. Two dates were suggested, one being on the Wednesday evening prior to the June board meeting (June 15) and the other being on the Saturday following the June meeting (June 18).

The board recommended that a date be selected which would be most favorable to the employees who would be attending the hearing. Vice President Jennings of the University of Iowa and Vice President Madden of Iowa State University indicated that employees at the respective universities indicated a preference for a weekday evening rather than a Saturday date for the hearing.

MOTION: Mr. Bailey moved the public hearing on the proposed Regents Merit Pay Plan for 1977-78 be held at 7:30 p.m. on Wednesday, June 15, 1977. Mr. Shaw seconded the motion and it passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be brought up for discussion pertaining to the general docket.
SUITE AGAINST BOARD OF REGENTS. Regent Bailey reported that Attorney Peter Narey, Spirit Lake, Iowa, called him advising him that the board is going to be sued. It relates to bonds on academic building in Iowa City where an individual lost $15,000 worth of bonds (stolen) and it was noted by the board's bond counsel, Lyman L. Mitchell of Chapman & Cutler, Chicago, Illinois, that this matter can only be resolved through a "friendly suit."

Regent Bailey said it was suggested by Mr. Mitchell and Mr. Narey that there may be some merit in the board's pursuit of legislation for the state of Iowa which would enable the board to handle this type of matter by way of a security bond as is done by other states. Mr. Richey noted he would consider the question with Mr. Mitchell.

NEXT MEETINGS.

<table>
<thead>
<tr>
<th>Date</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 15, 7:30 p.m.</td>
<td>University of Iowa (Public Hearing)</td>
<td>Iowa City</td>
</tr>
<tr>
<td>June 16-17</td>
<td>University of Iowa</td>
<td>Iowa City</td>
</tr>
<tr>
<td>June 30 or July 1</td>
<td>Iowa State University</td>
<td>Ames</td>
</tr>
<tr>
<td>July 21-22 or 28-29</td>
<td>University of Northern Iowa</td>
<td>Cedar Falls</td>
</tr>
<tr>
<td>September 15-16</td>
<td>University of Iowa</td>
<td>Iowa City</td>
</tr>
<tr>
<td>October 20-21</td>
<td>University of Northern Iowa</td>
<td>Cedar Falls</td>
</tr>
<tr>
<td>November 17-18</td>
<td>Iowa School for the Deaf</td>
<td>Council Bluffs</td>
</tr>
<tr>
<td>December 14-15</td>
<td>Iowa State University</td>
<td>Ames</td>
</tr>
</tbody>
</table>

EXECUTIVE SESSION. President Petersen reported that there were several matters to be discussed in executive session. She reported they involved: five personnel matters at the State University of Iowa, two personnel matters at the University of Northern Iowa, strategy in regard to collective bargaining, and discussion pertaining to the superintendent search at the Iowa Braille and Sight Saving School. She said there would be no further public session of the board following executive session.

On roll call vote as to whether to enter into executive session, the following voted:

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.

NAY: None.

ABSENT: None.

The board, having voted in the affirmative by at least a two-thirds majority, resolved to meet in executive session beginning at 3:30 p.m. and arose therefrom at 6:00 p.m.
STATE UNIVERSITY OF IOWA

The following business pertaining to the State University of Iowa was transacted on Thursday, May 19, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes were ratified by the board.

SPECIAL SECURITY OFFICER. The board was requested to approve the commissioning of William S. Tynan, Jr., as permanent special security officer at the University of Iowa.

The university reported that Mr. Tynan has been director of the Security and Parking Department since April 4, 1977. The Iowa Law Enforcement Academy has waived the school requirements for Mr. Tynan based on his prior experience in law enforcement in New York, Maine and Georgia.

MOTION: Mrs. Collison moved the board commission William S. Tynan, Jr., as a permanent special security officer at the University of Iowa. Mr. Bailey seconded the motion and it passed unanimously.

APPOINTMENTS. The board was requested to approve the following appointments as departmental executive officers in the College of Liberal Arts. All appointments are effective August 22, 1977 except as indicated.

Laird C. Addis, Jr., as Chairman, Philosophy, for a three-year term, effective June 1, 1977.

H. Bruce Friedrich, as Chairman, Chemistry, for a three-year term.

Charles A. Hale, as Chairman, History, for a three-year term.

Robert V. Hogg, as Chairman, Statistics, for a three-year term.

Richard A. Hoppin, as Chairman, Geology, for a four-year term.

Roger A. Hornsby, as Chairman, Classics, for a four-year term.

Benjamin K. Hunnicutt, as Chairman, Recreation Education, for a three-year term.

James B. Lindberg, as Chairman, Geography, for a three-year term.
Hughlett L. Morris, as Chairman, Speech Pathology and Audiology, for a three-year term.

John Nohlnagle, as Chairman, French and Italian, for a four-year term.

Eugene Spaziani, as Chairman, Zoology, for a three-year term.

President Boyd commented regarding two changes in chairmen. He noted that Chairman Jerry J. Kollros, Department of Zoology, has given long and distinguished service to the university. President Boyd stated that Chairman Clyde Kohn, Department of Geography, also served the university with long and fine service. He added that both gentlemen chaired the Faculty Senate in the past.

MOTION:

Mr. Zumbach moved the board approve the appointments as departmental executive officers in the College of Liberal Arts at the University of Iowa. All appointments are effective August 22, 1977 except as indicated. Appreciation was also included for Mr. Kollros and Mr. Kohn for their long and distinguished service to the university. Mr. Barber seconded the motion and it passed unanimously.

CHANGES IN APPOINTMENT. The board was requested to approve the following changes in appointment:

John E. Simmons from Director of Publications to Director of The University of Iowa Press, effective July 1, 1977, at a salary budgeted for 1977-78.

Donald C. McQuillen from Associate Director of Public Information and University Relations to Director of Publications, effective July 1, 1977, at a salary budgeted for 1977-78.

MOTION:

Mr. Slife moved the board approve the above changes in appointments for John E. Simmons and Donald C. McQuillen. Mr. Brownlee seconded the motion and it passed unanimously.
REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the month of May 1977 had been received by him, was in order, and recommended approval.

The following construction contract awards were recommended for ratification by the board. Awards were made by the executive secretary.

**Field House - Handball Court Repair**
Award to: J. Bauer Corporation, Detroit, Michigan $19,820.00

(A single bid was received. The bid was analyzed by the institution and was determined to be below the engineer's estimate of $24,000.00 for construction and, therefore, the institution recommended award.)

**University Hospitals Access Roadways -- Phase II**
Award to: Metro Pavers, Inc., Iowa City, Iowa $371,518.25

**University Hospitals -- Electrocardiogram Unit Remodeling**
Award to: Burger Construction Company, Iowa City, Iowa $61,436.00

The following contract was recommended for award:

**North Hall -- Site Renovation, East Entrances**
Award Recommended to: Western Waterproofing Company, West Des Moines, Iowa $48,700.00

The following revised project budget was recommended for approval:

**North Hall -- Site Renovation, East Entrances**
Source of Funds: University RR&A $57,700.00

(Increases from $38,500 budget approved earlier)
(The university reported that the relatively close grouping of the three base bids and discussions with the low bidder for the project suggest that the preliminary budget was based on an inadequate estimate of the project cost.)

The following special issue was called to the board for attention:

**Razing of the Sidwell Building**
The Board Office reported that the board approved a $29,800 project funded from University RR&A to raze the Sidwell Building and to clear the site for the construction of the Lindquist Center for Measurement, Phase II project. The board had previously approved the demolition of the building.

Bids were taken for the demolition on April 25. Three bids were received. The low bid was that of Gordon Russell Trucking, Inc., Iowa City, Iowa of $9,293.00. There were no unusual circumstances or irregularities in the recommended contract award. However, the award of contract by the executive secretary has been held up pending legislative action on funding the Lindquist Center project. If the legislature acts this week to fund the Lindquist project, then the executive secretary will proceed to award this contract. However, as of May 19, there has been no action taken by the executive secretary.
The following action was recommended on:

Communications Center -- Journalism Photographic Laboratory A/C System
The Board Office reported that bids were opened on this project on April 25. Three bids were received. The board in January of 1977 had approved a project budget of $26,700.00 funded by University RR&A. Budgeted for construction was $20,800.00. The low bid of the three received was for $29,900.00. Inasmuch as the low bid exceeded the amount budgeted for construction by almost 50%, the university recommended that all bids be rejected and that the project be restudied for less costly solutions. In response to question from Regent Baldridge on the need for the project, Mr. McMurray noted the project is already scheduled for rebidding.

The following contract change order was noted:

The Board Office reported that in July of 1976 the board approved a project entitled, "Woolf Avenue/Melrose Avenue Signal." This is a $30,250 project funded from Treasurer's Temporary Investments Income. This month the university issued a contract change order to accomplish this project to Metro Pavers, Inc. in the amount of $14,283.05. This matter was handled by contract change order as Metro Pavers is the current contractor on Phase I of the related University Hospitals Access Roadways project and is also the new low bidder and awardee for Phase II of the same project. The university determined that it would have this same contractor do the Woolf Avenue/Melrose Avenue Traffic Signal project to avoid the potential problem of having separate contractors on the same job site.

The following new projects were presented for approval:

University Hospitals -- Electrocardiogram Unit Remodeling
Source of Funds: University Hospital Building Usage Funds $72,567.00
(The Board Office noted that the contract has already been awarded by the executive secretary on this project.)

University Hospitals -- Obstetrics and Gynecology Offices Remodeling
Source of Funds: University Hospital Building Usage Funds $24,800.00

Finkbine Golf Course Parking Lot Repair and Resurface
Source of Funds: Treasurer's Temporary Investments $13,000.00
(The Board Office noted that golf course revenues will eventually repay the university for funding of this project.)

Oakdale Elevated Water Storage Tank Renovation
Source of Funds: Oakdale RR&A $15,000.00

Iowa Memorial Union Air Conditioning Modifications
Source of Funds: Iowa Memorial Union -- Reserve for Depreciation and Replacement $10,700.00
Two projects required specific board approval:

**Music Building -- Roof Replacement**

The university proposed a $200,000 project funded by University RR&A which would replace the roof of the Music Building as that roof has failed and must be replaced. A five-year written material and labor guarantee will be required of the successful bidder.

**Medical Research Center -- Cardiovascular Research Addition**  
$995,000.00

<table>
<thead>
<tr>
<th>Income from Treasurer's Temporary Investments (to be repaid without interest in approximately ten years from the Pearson Trust Fund)</th>
<th>$560,787.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Trust Fund</td>
<td>434,213.00</td>
</tr>
</tbody>
</table>

The Board Office reported that in January of 1977 the board approved an architectural services contract with Durrant, Deininger, Dommer, Kramer, Gordon to conduct a feasibility study on this project. The university is now ready to proceed with the project which will consist of a fifth and sixth floor shell addition to the north wing of the Medical Research Center. Approximately 20,100 gross square feet will be divided between the two floors. The university estimates that an additional $974,000 in construction costs will be required to finish the shell space.

The project, as set out, would bring all basic utilities and laboratory services to the new floor. The existing elevator would be extended and a new dumbwaiter would be added for experimental animal movement. New stairways and exits would be provided to bring the addition and the existing building into compliance with the State Building Code.

The university proposed and recommended approval of a new contract with Durrant, Deininger, Dommer, Kramer, Gordon of Dubuque, Iowa, for the preparation of working drawings and specifications and for limited services during the construction phase. The proposed fee for this work would not exceed $40,000 with billings based on actual direct personnel expense times a multiplier of 2.66. The agreement with this firm utilizes the latest uniform document work of the Construction Contracts Committee.

Regent Bailey raised a question with respect to the high cost per square foot for the Medical Research Center -- Cardiovascular Research Addition project. President Petersen noted that the space is highly specialized.

Regent Collison expressed concern that the Medical Research Center additions would not be on a "piecemeal" basis without some architectural continuity. She asked who the original architect was for the Medical Research Center. Vice President Jennings said he would report back to Regent Collison with that information, but noted that there has been planning done to make the two floors consistent, the brick color is the same, etc. He said that consistency is made part of the plans for the additions. President Boyd said he would relay Regent Collison's point to Director of University Hospitals and Clinics and Assistant to President for Health Services John W. Colloton.

640
MOTION: Mrs. Collison moved the Register of Capital Improvement Business Transactions for the month of May 1977 be approved; the construction contracts recommended for award be ratified and approved; that all bids be rejected on the Communications Center -- Journalism Photographic Laboratory A/C System project and the project be restudied for less costly solutions; the contract change order be ratified; the new projects be approved; the revised project budget be approved; the Music Building -- Roof Replacement project be approved; the preliminary plans and budget for the Medical Research Center -- Cardiovascular Research Addition project be approved as well as the proposed architectural services contract and approval of the Physical Plant Department as inspection supervisor; and that the executive secretary be authorized to sign all necessary documents. Mr. Bailey seconded the motion and it passed unanimously.

JOHN F. MURRAY ENDOWMENT FUND. The board was requested to accept the report on the John F. Murray Endowment Fund and requested to ratify the changes in investment portfolio for the quarter ending March 31, 1977.

MOTION: Mr. Bailey moved the board accept the report on the John F. Murray Endowment Fund and also moved the board ratify the changes in investment portfolio for the quarter ending March 31, 1977. Mr. Slife seconded the motion and it passed unanimously.

REALLOCATION OF 65th G.A. CAPITAL APPROPRIATIONS. The board was requested to approve reallocation of 65th G.A. capital appropriations reducing the allocations on two projects and utilizing the balances to increase the allocations on two other projects.

The Board Office reported that the university is in the process of final reporting a series of 65th G.A. capital projects. The university determined that the application of those funds needed to change relative to four projects. A total of $5,604.87 is involved with an allocation reduction on two projects and an increase in the allocation on two other projects. All 65th G.A. projects for the University of Iowa have now been completed.

The reallocation of funds follows:
STATE UNIVERSITY OF IOWA
May 19, 1977

<table>
<thead>
<tr>
<th>Project</th>
<th>Current Allocations</th>
<th>Proposed Revisions</th>
<th>Revised Allocations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calvin Hall Remodeling - Phase I</td>
<td>$186,100.00</td>
<td>+$3,830.46</td>
<td>$189,930.46</td>
</tr>
<tr>
<td>Stand-By Generator</td>
<td>78,342.52</td>
<td>1,774.41</td>
<td>80,116.93</td>
</tr>
<tr>
<td>Art Campus Electrical Substation Repairs</td>
<td>23,000.00</td>
<td>-$2,760.87</td>
<td>20,239.13</td>
</tr>
<tr>
<td>Lakeside Laboratory Repairs</td>
<td>16,000.00</td>
<td>-$2,844.00</td>
<td>13,156.00</td>
</tr>
</tbody>
</table>

MOTION
Mr. Baldridge moved the board approve reallocation of 65th G.A. capital appropriations reducing the allocations on two projects and utilizing the balances to increase the allocations on two other projects. Mr. Zumbach seconded the motion and it passed unanimously.

LEASE OF PROPERTY. The board was requested to approve a lease of property from the Trinity Regional Hospital in Fort Dodge, consisting of office space in the first floor, east section, Trinity East Hospital, consisting of 463.5 square feet. The lease was proposed to begin February 1, 1977 and continuing for 17 months through June 30, 1978. The agreement provided that either party may terminate with 90 days written notice.

The rental terms proposed were that the tenant would agree to pay the landlord $96.56 per month for a yearly rental of $1,158.75 which amounts to $2.50 per square foot per year. Rental for the entire term will be $1,641.52.

The university reported that all utilities would be furnished by the landlord. Source of rental payments will be the State Services for Crippled Children budget.

The university reported that the restructuring of the regional consultant field program for State Services for Crippled Children called for the location of a regional consultant in Fort Dodge, Iowa. Fort Dodge was chosen because it is central to Office for Planning and Programming Area 5 and provides easy access to the other major areas of the State Services for Crippled Children field program in the northwest quadrant of the state.

The regional consultants have several major functions:

1. Building a community base of support for the State Services for Crippled Children program of mobile field clinics.
2. Serving as a liaison between the University Hospital program and the health needs in the communities.
3. The development of child health centers and other health programs to serve both handicapped children and all children in their areas.
In order to accomplish these functions, regional consultants meet with a large number of community agencies, volunteer groups, citizens, etc. on a weekly or daily basis. The regional consultants use a variety of social work and community organization skills.

MOTION: Mr. Bailey moved the board approve the lease agreement as described above. Mr. Baldridge seconded the motion and on roll call the following voted:
AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to the State University of Iowa. There were no additional matters raised for discussion.
The following business pertaining to Iowa State University was transacted on Thursday, May 19, 1977.

UNIVERSITY BANKING ACCOUNTS. Vice President Hamilton reported that he has bought an interest in the University Bank and Trust Company. He said the division of responsibility at Iowa State University is such that his proposed relationship to the University Bank and Trust Company would not, under existing circumstances, create a conflict of interest. He stated he has been so advised by university officials and the Iowa Department of Banking. He noted, however, that newspaper reports indicate this fact is apparently less than clear to the general public.

Vice President Hamilton commented that throughout his whole career in government, newspaper and university work, he has leaned over backwards to avoid even the slightest suspicion in the "conflict of interest" area. In view of that, he said the new ownership of the University Bank will, at the earliest possible time, cease serving Iowa State University accounts and those of any other Iowa State University affiliated agencies under his supervision.

Vice President Hamilton invited reactions from the board with respect to his proposal. Regent Shaw said he doesn't feel that Vice President Hamilton did anything wrong in investing in the Ames bank and said he feels that institutional executives should be able to participate in such activities without conflict of interest. Vice President Hamilton responded that he feels that any suspicion of a conflict of interest should be clarified at the earliest possible time for the best interests of the Board of Regents and the university.

Regent Baldridge shared Regent Shaw's feelings by adding that Vice President Hamilton would be a minority stockholder and said he couldn't see anything wrong with his involvement. Regent Baldridge expressed pleasure in seeing Vice President Hamilton get involved in Ames affairs.

President Petersen expressed appreciation to Vice President Hamilton for the way he has operated in the past and thanked him for his thoughtfulness and sensitivity on this matter.

Regent Barber said he feels there are many relationships between university people and financial institutions in different communities and said he's glad there are. He said he doesn't feel any indication of conflict of interest due to Vice President Hamilton's involvement in the bank.

President Parks commented that Vice President Hamilton has great integrity and high principles. He said he has been "the conscience of the university." He applauded Vice President Hamilton for his action in proposing to give up university business to avoid any chance of suspicion of conflict of interest.

PRESENTATION OF PLANS FOR MUSIC BUILDING, IOWA STATE UNIVERSITY. The board was requested to hear a presentation on the Music Building with action to be taken dependent upon legislation relative to funding of the project.
The Board Office reported that planning funds of $175,000 for a new Music Building were provided in 1976 by the legislature and allocated by the Board of Regents. Construction funds of $3,385,000 are requested for 1977-78. It is expected that movable equipment for the building will cost $325,000. The request for movable equipment will, if the legislature funds construction in the 1977 session, be requested either of the 1978 or 1979 session.

The board granted Iowa State University approval to negotiate an architect's contract with the firm of Durrant, Deininger, Dommer, Kramer and Gordon, P.C., architects and engineers, Dubuque, Iowa at the October 1976 board meeting and approved an agreement for architectural services at the November 1976 board meeting. Total compensation for all services through construction shall not exceed $205,000 under the contract. The maximum fee includes an allowance of $10,000 for consulting services of an acoustical engineer to be selected by the architect and the owner.

The Board Office reported that the plans are to construct a Music Building of approximately 55,000 gross square feet at an estimated cost of $61.50 per gross square foot. All phases of the Music Department would be located in the one structure including classrooms, practice areas, a combination auditorium/recital hall, the music library and adequate storage. After the Music Building is constructed, Pope Cottage and the Music Hall would be razed. According to the building program submitted in November by the university, the project would be ready to go to bid in September of 1977 and construction would start in October. The building would be ready for occupancy no later than August of 1979. It was emphasized that the estimated cost of the project is dependent on this schedule. There are indications that there will be a substantial increase in the price of structural steel effective July 1. The initial intent of the planning appropriation was to permit plans to be drawn for bidding no later than June 15 of this year. Every month's delay adds to the cost of the project and, in this case, reduces the amount of space the university will be able to construct within the legislative funding for the project.

The Board Office raised the following questions which it felt needed to be answered by the architects:

1. The timing of the project for award of contract and occupancy;

2. A site selection and what plans the university has for housing a portion of the Music Department during the period after Music Hall is demolished;

3. The cost estimate for the project which, on a tentative basis, shows that there is a potential cost overrun of $253,000 at this point. It was noted that it should be clearly understood by all parties that Iowa State University has no intention or plans to seek additional funding from the legislature for this project other than the $3,385,000 now requested and the $325,000 to be requested for movable equipment if funding is provided in the 1977 session. The university will make every effort to bring this project in within budget or, if a supplemental amount is needed, that supplement will come from other than state funding. A proposal was submitted on March 31 to the Kresge Foundation requesting $490,000 to provide the recital hall in the structure.
The Board Office commented that the question of whether the university can be given authorization to proceed to advertise and receive bids on the project will not be resolved until legislative action is taken on this specific project. The project is in the $25.3 million list of bonding projects approved by the Iowa House in House Concurrent Resolution 40 on May 16. That proposal is subject to action by the Senate and the Governor.

Vice President Moore introduced Everett D. Swagert, AIA, University Architect, to the board and the following gentlemen from the firm of Durrant, Deininger, Dommer, Kramer and Gordon, P.C., architects and engineers: Vice President Dale A. Nederhoff, AIA, and Gene Gordon, Principal.

Vice President Moore reported that the present activities of the university's Department of Music are carried out in five principal locations. The main headquarters are located in what used to be a residence on the Knoll behind Carver Hall. He said that residence is 100 years old. Some of the rooms have been accommodated with what are called practice modules which are insulated cell blocks. Vice President Moore said Morrill Hall houses the choral activities of the Music Department. He said a World War I garage is used for band activities. He said Pope Cottage is of fairly ancient vintage and is also used for Music Department activities. That residence is made up into practice rooms and classrooms without any evidence whatsoever of insulation for minimal requirements of a music program. He added that auditoriums in other buildings are also used for instruction of music. He said that, in addition to the five locations mentioned above, the Music Department utilizes various churches in the community for organ practice.

President Petersen asked how many students are involved in musical activities at Iowa State University. Vice President Moore said approximately one-third of the students at Iowa State are involved in one form or another of musical activities during their stay at the university.

Mr. Richey asked if the university was proposing anything more than providing adequate facilities for the primary purpose of general education in music. Vice President Moore responded that the university has no plans for expansion of a fine arts major in music. President Parks noted that Iowa State has had a Music Department for 100 years and added it is an important part of the university's total academic program.

Mr. Nederhoff reported that the proposed Music Building would be located on the site of the present Music Hall which was originally built as a professor's residence in 1869 and later converted to use by the Music Department in 1929. The site is bound by Carver Hall on the north, Alumni Hall on the west, Union Drive on the south and Morrill Road on the east.

In consideration of the densely wooded natural hillside on the south portion of the site, a concept of a three-story element facing south attached to a linear one-story element facing north was developed. Mr. Nederhoff went on to say that the building is planned to maximize the view over Lake Laverne while utilizing the shading of the trees during the summer months and the warmth of the direct sun during the winter months. The gross floor area of the building is 55,450 square feet of which 32,960 square feet is assignable area.
Mr. Nederhoff said the main entrance on the north provides direct access to the Lecture-Recital Hall and the large group rehearsal halls and adjoins the mid-level of the multi-story element. Student entrances from both the west and the east are provided to minimize the traffic flow between floor levels.

Mr. Nederhoff stated that the multi-story element spaces have been grouped by function to promote maximum construction and operational efficiency. The ground floor level contains music student practice rooms and classrooms. The first floor level includes the administrative offices and the spaces directly related to the large group rehearsal and recital halls. The second floor level houses the faculty studio/offices, organ practice studios, electronic music classroom, and the recording room. The building envelope has been organized into a single rectangular massing with lower level recesses as required by space function and concept expression.

Mr. Nederhoff reported that when Durrant, Deininger, Dommer, Kramer, Gordon began its evaluation of the proposed Music Building it took into account what's happening in the cost of energy and the matter of energy conservation was strictly taken into account.

Mr. Gordon reported that 13 concepts were evaluated in planning for the Music Building. One of the more important concepts was to keep the area and the cost down. He also noted that a Music Building is really an acoustical instrument which the university presently does not have. He said the present music facilities have a sound transmission loss in the neighborhood of 40 decibals. The new Music Building proposes sound to be in the neighborhood of 65 decibals. He said those acoustically critical rooms are proposed to be separated by storage rooms or corridors. He pointed out that one of the minor concepts evaluated was the proposed view of the lake. By having the windows on the south, solar transfusion could be utilized. It was also recommended that the main entrance be on the north side. Additional parking was also reviewed. Mr. Gordon said another major consideration involved the basic large group practice areas.

Mr. Richey asked for further explanation of the energy conservation proposals taken into consideration by the firm. Mr. Gordon said that because of the acoustics needed, all the doors to the corridors must remain shut. If those doors are opened, the basic functional use of the building would be destroyed. Windows, also, must remain closed for that reason. He said one of the real concerns with operable windows is the need to control temperature and humidity. He then read from the schematic phase report of his firm the ten energy conservation techniques which were incorporated into the proposed Music Building design:

1. The building massing minimizes the wall exposure to the east and west to control low angle sun and maximize the benefit of shading in the summer and solar warmth in the winter on the south facade.

2. The functional grouping within the multi-story element allows each floor to be maintained at varying temperatures to reflect its time/cycle operation.

3. Each large group space is provided with an individual mechanical system which reacts to periods of non-use or minimum use by coordinating the ventilation requirements in accordance with the time/cycle occupancy.
4. The mechanical system selected is a variable volume conditioned air system using university chilled water and steam for energy.

5. The lighting system is primarily fluorescent with levels commensurate with the space usage. Incandescent task lighting is used to supplement the levels where required.

6. The exterior window/building enclosure ratio is minimized with all glazing being fixed insulating glass.

7. Vestibules or controls are provided at all building entrances to minimize infiltration.

8. A temperature control system is provided to automatically adjust for varying outdoor conditions, space usage and time-cycle room or area functions.

9. The exterior walls and roof surfaces of the building are thoroughly insulated and of a light color tone to control the heat transfer coefficients.

10. Numerous other small efficiencies are incorporated into all building systems to create an energy conscious composite.

Regent Zumbach asked if the proposed Music Building will meet present energy conservation standards and a positive response was provided by Mr. Nederhoff.

Regent Baldridge asked if accessibility for the handicapped was taken into account. Mr. Nederhoff said his firm took into account Code requirements for accessibility for the handicapped.

In response to a question from Regent Collison, Mr. Nederhoff reported that the roof deck is proposed to be made of concrete. On top of that a type of styrofoam would be used and a light, cooler gravel surface would cover that.

Regent Collison asked if the firm should consider the complexity of a future solar system's involvement with the building. Mr. Nederhoff said the proposed building could transfer to solar heat.

Regent Zumbach said he was impressed with the cost figures presented by the firm to the board. He noted that the estimated cost per square foot will be $40 to $50. Mr. Nederhoff reported that 15 music buildings were researched prior to starting the university's proposed project. Mr. Gordon reported that costs per square foot in those buildings ranged from $50 to $84. The average cost was $64 while the median cost was $62. He said that the firm worked very hard at cost savings for Iowa State. Regent Zumbach asked how the firm could cut down on costs if the legislature wouldn't appropriate as much as is anticipated. Mr. Gordon cited some examples such as putting up with more noise as soundproofing around the doors could be eliminated, etc. He said interior finishes would also be reduced in quality.
President Petersen noted that the board has standing before the legislature its request for money for the construction of this building by bonding or direct appropriation. She said the board may or may not get that funding request. She said if the board does get that funding, it needs to be aware of the fact that it has made a commitment on the level of that project. She stressed that the board realize that we are in a period of inflation and added that the board can't go back to the legislature and ask for additional funds on this. She said the board has to have some kind of commitment either of some other source if there is a cost overrun or a commitment to reduce to the kinds of details referred to earlier. President Parks said the university is behind the appropriation request 100% and noted that the possible cost overrun will have to be handled from university monies.

Concern was expressed about the possibility of this project being delayed a year or more. It was noted that with inflationary costs rising the best time would definitely be to build the Music Building now. Mr. Nederhoff reported that inflationary construction costs could rise anywhere from 7.5% to 12% over the next year.

MOTION:

Mr. Slife moved the board approve the preliminary plans and project description for the proposed Music Building at Iowa State University and grant Iowa State University authority to proceed contingent upon legislative actions relative to funding of the project. Mr. Zumbach seconded the motion and it passed unanimously.

VETERINARY MEDICINE FACILITIES - ANIMAL RESOURCES STATION. The board was requested to hear a presentation on the Veterinary Medicine Facilities - Animal Resources Station and approve the drawings for site development and buildings and grant authorization for the institution to advertise and receive bids.

The Board Office reported that this is a two-phased project first approved by the board in March of 1975. The board approved a contract with Norval H. Curry, Engineer, Ames, Iowa, to provide engineering services for the site development and design of structures for the Ames Farm work. This portion of the project was before the board at this meeting. Maximum compensation to the engineer was set at $50,000.

The total budget for the project was $1,280,000 funded from $1,255,000 in Veterinary Medicine Bond Proceeds and $25,000 from Overhead Reimbursement for Use of Facilities. The first portion of the work which consisted of an animal isolation building addition and equipment storage building at the Veterinary Medicine Research Institute utilized $372,560. There is then about $760,940 available for the Animal Resources Station portion of the project.

The Board Office stated that the intent of the project is to rid central campus of animals and to raze buildings connected with those animals on central campus. The Animal Resources Station will provide a single area at a location on the former Ames Farm, now owned by the university, approximately five miles south of Ames, for the rearing and holding of animals to be used for teaching and research throughout the university.
Mr. Norval Curry was introduced to the board by Vice President Moore and then Mr. Curry proceeded with his oral remarks regarding the project. Mr. Curry reported that this project is really a part of the Veterinary Medicine Facility project and this has been "in the mill" in some form or another since the inception of that project in 1963.

Mr. Curry reported that the proposed site for the Animal Resources Station is on the east side of U.S. Highway 69 approximately five miles south of Ames.

Mr. Curry said the proposed project would include grading roads, electrical service, sewer service, water service, and the construction of 13 small permanent buildings of prefabricated steel construction with combined floor area of about 28,000 square feet plus about 4,500 square feet of prefabricated plywood involved in the swine facility.

Mr. Curry commented about the need for a reasonably isolated facility for use in non-infectious disease research. He said the potential use of very low cost structures would simply not be suitable in a campus complex, either. He said approximately $20 per square foot is anticipated for the project cost.

MOTION: Mr. Shaw moved the board approve the drawings for site development and buildings and grant authorization for the university to advertise and receive bids. Mrs. Collison seconded the motion and it passed unanimously.

PRESENTATION OF PLANS FOR MEMORIAL UNION ADDITION, IOWA STATE UNIVERSITY. The board was requested to hear a presentation on an addition to the Memorial Union and concur in the recommendations of the Iowa State University Memorial Union Board of Directors to construct the Southeast Addition--Phase II to the Memorial Union Building.

The Board Office reported that the Memorial Union Board of Directors recommended that two floors be added to the Southeast Addition to the Memorial Union, which was initially constructed in 1972. Estimated cost of the proposal would be $774,000. As part of the proposal, the Iowa State University Alumni Association and the Iowa State University Achievement Fund would rent approximately 5,000 square feet of finished space at $4.00 per square foot per year while the university would be renting the second floor addition, which would be 12,000 square feet of space, as unfinished storage space for $2.00 per square foot per year. The project would also enable a tie-in to the parking ramp making it possible to have an enclosed passageway between the ramp and the main Memorial Union building.

The Iowa-Des Moines Bank, which currently holds the loan obligation for the Memorial Union, has agreed to refinance the existing loan extending it from approximately $1.6 million to $2.35 million at a proposed interest rate of 4.75% for 20 years.

The Board Office stated that, if the board concurs in the plan, the Memorial Union Board of Directors will proceed with the development of detailed plans with the hope that the project could be bid sometime in the fall, with construction completed approximately one year later.
Mr. Joe Borg of Brooks, Borg and Skiles, Des Moines, architects for the project, was present for discussion and to present the plans for the project to the board.

Mr. Borg reported that the first floor level's entry point would be right about where the entry point would be to the Oak Room. The use of the first floor space would be two-fold. One would be the development of offices for the Iowa State Alumni Association and its Achievement Fund. The other use would be for the development of a new dining room and multi-purpose conference room which would be available for Alumni Association use as well as other uses. Mr. Borg noted that development for the Alumni Association is not definite as yet. He said his layout with the Alumni Association simply indicated what could be done as far as number of offices. Food service would be provided in the dining room or the multi-purpose room through the kitchen services in the Memorial Union.

The second floor of the addition is presently contemplated as being wide open and unfinished space as far as the ceiling and floor covering is concerned. It would be primarily used for storage purposes. He said that it is very likely that storage would not be the end result of the use of such space and eventually it will most likely be developed more intensively. President Parks recommended that the university's library books be stored on the second floor space. He said the university has some valuable collections that could be stored there temporarily.

Mr. Richey asked about accessibility for the handicapped with respect to the addition. Mr. Curry reported that the Memorial Union has a level entry at the east door which has just recently been made accessible to the handicapped.

Regent Collison asked if any extra fire prevention devices would be necessary due to the storage proposed for the second floor. Mr. Curry said he doesn't know if that has been determined but there could be need for additional protection on that account.

Regent Shaw raised a question relative to the financing of the addition. He said as he understands it, the board now has $1.6 million debt outstanding at 3.75% rate payable by installments to be paid by 1990. Regent Shaw said that the new rate goes to a 4.75% rate instead of 3.75% which would raise the total amount owed by $375,000. The new maturity date would be several years later or 1997. Regent Shaw calculated that the rate on the additional obligations may be somewhere around 5.75% which seems to be a fair rate under present circumstances. He said this should be a matter of study in terms of giving up the current low rate. Vice President Madden reported that the Memorial Union Board of Directors is willing to make that decision to get the extra space. That rate of interest was a reasonable decision to them. He said it appears to be an economically feasible proposal in terms of retirement on the debt service.

MOTION: Mr. Brownlee moved the board concur in the recommendations of the Iowa State University Memorial Union Board of Directors to construct the Southeast Addition—Phase II to the Memorial Union Building. Mrs. Collison seconded the motion and it passed unanimously.
REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of April 1977 were ratified by the board.

APPOINTMENTS. The board was requested to approve the following appointments:

Victor A. Olorunsola as Professor and Chairman of the Department of Political Science. This appointment as chairman is to be effective for the period July 1, 1977 through June 30, 1981. Salary as budgeted for 1977-78.

James F. Weaver as Associate Professor and Chairman of the Department of Speech. This appointment as chairman is to be effective for the period July 1, 1977 through June 30, 1980. Salary as budgeted for 1977-78.

Charlotte E. Roderuck as Acting Director of the World Food Institute effective May 1, 1977 until such time as a director is appointed. She will continue as Professor in the Department of Food and Nutrition, Associate Dean in the College of Home Economics, Associate Director of the Home Economics Research Institute, and Assistant Director of the Agriculture and Home Economics Experiment Station. Salary as budgeted, twelve months' basis, plus fringe benefits.

Regent Collison commented regarding the importance of the position to which Ms. Roderuck was appointed and expressed pleasure that she was appointed to the position.

MOTION: Mr. Bailey moved the board approve the three appointments shown above. Mr. Zumbach seconded the motion and it passed unanimously.

REAPPOINTMENT. The board was requested to approve the following reappointment:

Arthur E. Bergles as Professor and Chairman, Department of Mechanical Engineering. This reappointment as chairman is to be effective for the period July 1, 1977 through June 30, 1982. Salary as budgeted for 1977-78.

MOTION: Mr. Zumbach moved the board reappoint Arthur E. Bergles as shown above. Mr. Bailey seconded the motion and it passed unanimously.

FACULTY PROMOTION AND TENURE RECOMMENDATIONS. The board was requested to approve the faculty promotions and tenure recommendations as presented in the university exhibit.
The Board Office noted that action on the faculty promotion and tenure recommendations of Iowa State University would complete board action on these areas for the three Regents universities for the current academic year. The board will receive its annual tenure report at the June board meeting.

**MOTION:** Mr. Slife moved the board approve the faculty promotions and tenure recommendations as presented the board by the university. Mr. Zumbach seconded the motion and it passed unanimously.

**APPOINTMENTS.** The board was requested to approve the following appointments:

Richard Lowitt as Professor and Chairman of the Department of History. This appointment is to be effective for the period August 1, 1977 through June 30, 1982. The appointment as professor will begin July 1, 1977 with continuous tenure. Salary $37,500 per year on twelve months' basis, plus fringe benefits.

President Parks said he is very happy that Mr. Lowitt was recommended as he is an outstanding American historian.

Joyce K. Hvistendahl as Acting Chairman of the Department of Journalism and Mass Communication, effective July 1, 1977 and extending to June 30, 1978 or until such time as a chairman is appointed. Salary as budgeted for 1977-78.

**MOTION:** Mr. Brownlee moved the board approve the appointments of Richard Lowitt and Joyce K. Hvistendahl as shown above. Mr. Baldridge seconded the motion and it passed unanimously.

**CLARION-WEBSTER SOIL AREA EXPERIMENT ASSOCIATION AGREEMENT.** The board was requested to approve Amendment No. III extending agreement between Clarion-Webster Soil Area Experiment Association and Agriculture and Home Economics Experiment Station for seven years.

The university reported that the original memorandum of understanding with Clarion-Webster Soil Area Experiment Associad dated March 1, 1963, for the lease of 80 acres near Kanawha, Iowa, to the Agriculture and Home Economics Experiment Station was for a period of five years. This agreement has been extended by amendments I and II.

A copy of Amendment No. III was presented to the board extending the agreement for seven years. The Clarion-Webster Soil Area Experiment Association approved the extension at its annual meeting in February.

The university commented that research activities at this site continue to be productive and are considered necessary and worthwhile in fulfilling its obligations to that area of the state.
MOTION: Mr. Brownlee moved the board approve Amendment No. III extending the agreement between Clarion-Webster Soil Area Experiment Association and Agriculture and Home Economics Experiment Station for seven years. Mr. Bailey seconded the motion and on roll call the following voted: AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen. NAY: None. ABSENT: None. The motion carried.

ADDITIONAL COMPENSATION FOR THE ENGINEER - STEAM GENERATORS NO. 3 and 4.
The Board Office did not present the board with a recommendation on either of the university proposals. It presented the issues surrounding these increases, instead.

Steam Generator No. 4

The Board Office reported that the university recommended the board approve an increase in the maximum limit of compensation for engineering services by $20,750, from $177,250 to $198,000.

By date of July 16, 1973, the board entered into an agreement with Brown Engineering Company to provide engineering services for construction and installation of what is now known as Steam Generator No. 4 and Auxiliary Equipment. Total compensation is based on hourly fees with a maximum upset charge stated as follows: "The engineering firm will not charge in excess of the above and in no case will total charges for the project exceed the sum of $150,000."

On July 24, 1974 this compensation was increased to $160,000 to provide additional engineering services regarding an installation of a cooling tower addition consisting of a cooling tower and auxiliaries, concrete base and piping and wiring. At the July 1976 meeting, the board approved a second increase in this compensation increasing it to $177,250 to provide for engineering work on improvements to the ash, water treatment and coal handling systems to increase capacity of the existing systems. The engineering services contract did not provide for the design of these improvements because at the time the original contract was negotiated, it could not be determined to what extent capacity would need expansion. While the board approved this ceiling increase for this additional work, Brown Engineering Company refused to sign this supplement, as it felt that the $17,250 increase was substantially below what costs would actually be for engineering services for those additional services.

The Board Office reported that Brown Engineering Company made application for an increase in compensation in three areas of this contract:
1. Brown Engineering has asked $3,071.45 as compensation connected with 14 additional construction meetings and job site inspections which have occurred since May 1, 1976. That date was the original date of completion for the project, but the project was delayed in completion until March, 1977.

2. Brown Engineering now states that its cost of additional services for the ash and coal handling systems total $34,610.21. This compares to the $17,250 authorized by the board in July, 1976. The university had previously determined that the design work should proceed and that the contract would be supplemented after that design work was completed with the exact amount of the fee to be determined at that time.

3. Brown Engineering has submitted a cost overrun of $6,902.87 in the costs of providing design services for the cooling tower addition.

The university's position on the three requests for additional compensation follows:

1. The university recommended payment of the $3,071.45 because Brown Engineering did have to do additional work when the project timetable was set back some ten months. The university indicated more a matter of fairness in this matter than a legal obligation.

(The Board Office reported that: 1) there was no project timetable set forth in the contract; 2) the inspection services were clearly covered in the contract as an integral part of the services to be provided within the maximum upset fee; and 3) Brown Engineering executed this contract fully aware of its inclusions and exclusions.)

2. The university recommended that the additional services for the ash and coal handling system be compensated for at the submitted level of $34,610.21. The university believes that Brown Engineering did spend the number of hours on that phase of the project which led to that figure.

(The Board Office said there seems to be little or no alternative to paying that charge. The institution was cautioned that no increases in compensation should be brought to the board prior to execution of a supplement in contract with the party involved which was not the case when the July 1976 action was before the board.)

3. The university did not recommend payment of the cost overrun for the cooling tower addition, reasoning that the overrun can be directly attributed to the design work on the cooling tower addition, and since the engineer had agreed to a fixed sum for that work, it did not propose to compensate the firm beyond that amount.

The university, therefore, recommended payment of two of the three claims and recommended increasing maximum limit of compensation by $20,750 with the understanding that the engineering firm will provide any necessary services required to complete the project and no additional increase in the maximum limit of compensation. The reason for rounding off the increase to $20,750 is because there is still some additional work involved before the university accepts the boiler.
Vice President Moore stated that he tries to assess each claim, taking into account the circumstances surrounding each claim. In response to question as to whether the university felt that the adjustments were fair and equitable, Mr. Moore responded affirmatively.

Regent Bailey, in discussion, questioned whether or not the engineer returned money if the project required less than the amount contracted for. Mr. Moore responded that because the university's contracts are, for the most part, on an hourly basis with a maximum charge, the university clearly gets the advantage if a job takes less time than expected. Mr. Moore went on to say that the university no longer uses the method of compensation whereby an architect or engineer gets a percentage of the construction costs as that type of arrangement did not serve the university's best interest because as construction costs went up so did the fee to the architects and engineers. Mr. Moore said the university has begun to use a contract with an upset figure. That means the university pays the professional the amount per hour that he actually puts in on the job and his record is subject to university inspection.

Mr. McMurray reported that the interinstitutional Committee on Construction Documents has fully considered the matter of compensation and has utilized representation from the Iowa Chapter of AIA in that consideration. It has been determined that in the future Board of Regents' contracts for architectural and engineering services will have only two methods of providing compensation. One would be by an hourly rate with a maximum upset and the other would be a fixed fee. The fixed fee would probably be used more often on projects such as feasibility studies where there is not a project budget established. Mr. McMurray noted that more discussion of the contracts would be docketed for the June board meeting.

**MOTION:**

Mr. Bailey moved the board increase the maximum limit of compensation for engineering services to Brown Engineering from $177,250 to $198,000 as recommended by the university. Mr. Slife seconded the motion and it passed unanimously.

Steam Generator No. 3

The Board Office reported that the university recommended the maximum limit of compensation for engineering services be increased by $5,000, from $155,000 to $160,000.

The Board Office reported that by date of October 28, 1971 the board entered into an agreement with Brown Engineering Company, Des Moines, Iowa, whereby Brown Engineering would provide engineering services for the construction and installation of what is now known as Steam Generator No. 3. Compensation was set forth in that agreement upon an hourly rate plus reimbursable expenses with a maximum upset charge stated as follows: "The engineering firm will not charge in excess of the above and in no case will the total charges for the project exceed the sum of $141,000."

On July 24, 1974, the maximum compensation level was changed to $155,000. This change was because of a change in scope of the project involving the installation of mechanical dust collectors on the boiler, increasing the coal-handling capabilities by providing for an under bunker coal-handling system, and a change in the ash-handling system.
The university made a recommendation to increase this compensation by $5,000 to $160,000. The basis for the change in compensation was not because of a change in scope in the project but because the engineer has had to perform services under the contract for a longer period of time than initially felt necessary when the contract was initiated or amended in 1974. The university estimated that the entire project would be completed within approximately 36 months from the date of the original agreement. Instead, a number of deficiencies in the project have caused the engineer to stay on the project until this date, apparently not caused by errors in design. Some of these deficiencies still have not been finally corrected. The university estimated that this delay in project completion cost the engineer $5,316.71 and, therefore, proposed to increase the maximum fee by $5,000 in order to compensate the engineer for those additional services.

The Board Office provided the following reasons why the engineer may not be due any additional compensation:

1. The agreement does not provide any type of project timetable.

2. Since there is no timetable for completion of tests, a point could be made that the engineer was only carrying out the work called for in the agreement, regardless of how long that work takes.

3. There is no provision in the agreement for paying for additional services and the language on compensation is very clear.

The university's position on an increase in compensation was based on the fact that this project has gone on longer than the university feels it should expect to receive "free" services from Brown Engineering in performance of the contract. In fairness, the university feels obligated to pay Brown Engineering an additional sum for work performed on this project. The university felt that if the additional compensation were not granted, there could possibly be some lessening of the good working relationship between the university and Brown Engineering.

The Board Office expressed concern over the establishment of any precedent which might be created through granting Brown Engineering additional compensation solely for the reason of a type of moral obligation. It realized, however, that the project has dragged on far longer than initially assumed and that Brown Engineering has provided good services to the university on the project throughout.

The Board Office recommended that if the board allows the increase, a formal supplement to the contract be drawn up by Iowa State University, executed by both parties.
MOTION: Mr. Bailey moved the board approve the increase in maximum limit of compensation for engineering services for Brown Engineering from $155,000 to $160,000. Mr. Slife seconded the motion and it passed unanimously.

TEMPORARY HOUSING AGREEMENT BETWEEN IOWA STATE UNIVERSITY AND THE IOWA STATE UNIVERSITY RESEARCH FOUNDATION. The board was requested to approve an agreement for temporary housing facilities for the year 1977-78 between Iowa State University and the Iowa State University Research Foundation.

The Board Office reported that this agreement is an extension of the agreement between these two entities which the board originally approved at its September 1975 meeting and extended for one year at last May's meeting. The overcrowded conditions of Iowa State University's dormitories which have existed in the past and which led to the original agreement are still in existence and provide rationale for the continuation of the agreement.

MOTION: Mrs. Collison moved the board approve the agreement for temporary housing facilities for the year 1977-78 between Iowa State University and the Iowa State University Research Foundation. Mr. Zumbach seconded the motion and it passed unanimously.

PROPOSED LEASE OF LAND BETWEEN CITY OF AMES AND BOARD OF REGENTS. The board was requested to grant preliminary approval to the concept of use of university land for the construction of a Cyclone Area Community Center with the use of land to be executed through a long-term lease with the city of Ames as a part of the city's parks and recreation program. Final approval would be given when a formal lease agreement is before the board for approval.

The Board Office reported that a group of citizens in the Ames community have organized to develop the Cyclone Area Community Center. This group hopes to raise approximately $900,000 in private contributions for the construction of a Cyclone Area Community Center which would house both an indoor ice and track facility. The Ames City Council has agreed that it would be willing to take over ownership and operation of such a facility on a financially self-supporting basis as part of its parks and recreation program.

A number of sites have been considered for the facility within the Ames community. All interested parties have now agreed that the most appropriate site would be on university-owned land in the proximity of the corner of Hayward and Mortensen Road. This site is west of the university Towers dormitories. The tract currently houses the university baseball fields and may eventually contain additional practice football, intramural and outdoor track facilities. There are currently no large structures located on the site.

The university reported that a number of questions need to be answered before it would recommend final approval of use of this site for the project:

1. The amount of land to be assigned to the facility and the exact location of the boundaries of the site.
2. The location of the siting of the building on the assigned land area.

3. The architectural aspects of the building.

4. The site development, grading and landscaping treatment of the area.

5. Assurance that adequate funding is available for the completion of the building within a reasonable and realistic construction schedule.

6. Completion of a satisfactory lease agreement between the city of Ames and the university outlining the terms and conditions of the use of the land and the use of the facility by university-related activities.

The university reported that the facility of the type envisioned would alleviate a number of scheduling problems within Hilton Coliseum and also would be of substantial benefit to university students interested in ice and indoor track programs.

The Board Office stated that it should be understood that the board would not be committing itself to a formal lease at this time as such a committal would only be made at the time a lease agreement is before the board for final action.

President Petersen asked about the financial implications of the lease. Assistant Vice President Madden said it has been agreed that this would be self-supporting depending on the completion of final plans. He added that if it can not be economically operated, it will not be built. He said a group is attempting to gain support but needs Board of Regents' approval first.

Assistant Vice President Madden said some of the potential users of the center are university organizations. He said athletic activities could greatly benefit from the center.

MOTION: Mr. Barber moved the board grant preliminary approval to the concept of use of university land for the construction of a Cyclone Area Community Center with the use of land to be executed through a long-term lease with the city of Ames as a part of the city's parks and recreation program. Final approval would be given when a formal lease agreement is before the board for approval. Mr. Shaw seconded the motion.

President Petersen requested that when the institution brings this lease back to the board for final approval it include the terms of how long rental will occur. Vice President Moore said that information will come before the board.

VOTE ON MOTION: The motion passed unanimously.

SANITARY SEWER EASEMENT. The board was requested to grant an easement to the city of Kelly, Iowa for construction of a sanitary sewer within the right-of-way of State Avenue, between the city of Kelly and the city of Ames, subject to the approval of the State Executive Council and conditional of working out a satisfactory liability clause after consultation with legal counsel.
The Board Office reported that the city of Kelly has requested the granting of a temporary construction easement and a permanent easement to construct a sanitary sewer within the right-of-way of State Avenue which is an institutional road under the jurisdiction of Iowa State University. The consideration for the grant is the provision of $1.00 plus the provision that Iowa State University will be allowed at its own expense to tap the sewer, if it so desires, for the purpose of transmitting sewage to the city of Ames' system. Such tap shall be subject to approval by the city of Ames and shall be subject to a quantity limitation so that the flow does not interfere with the capacity of the Kelly system. It was also noted that no cost of the facilities to be constructed within this easement shall be assessed or charged to the state.

Regent Bailey suggested that the board be presented copies of easements it is requested to approve rather than just a summary of same. Mr. Richey said since the University of Iowa and the University of Northern Iowa submit the easements to the board, Iowa State University should also submit easements for the board's complete information.

MOTION: Mr. Shaw moved the board grant an easement to the city of Kelly, Iowa for construction of a sanitary sewer within the right-of-way of State Avenue, between the city of Kelly and the city of Ames, subject to the approval of the Executive Council and conditional upon the working out of a satisfactory liability clause after consultation with legal counsel. Mrs. Collison seconded the motion and on roll call the following voted:

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period of April 22 through May 20, 1977 had been received by him, was in order, and recommended approval.

The board was requested to hear three presentations regarding: 1) the Music Building, 2) the Veterinary Medicine Facilities--Animal Resources Station, and 3) Memorial Union Southeast Addition--Phase II. These presentations and discussions are found earlier in these minutes under their respective headings.

The following construction contract awards were presented to the board for ratification. They were awarded by the executive secretary.

Utilities--Electrostatic Precipitators Additions -- Division III -- Foundations and Structural Steel Erection
Award to: Woodruff, Evans Construction, Fort Dodge, Iowa $140,940.00
Residence Halls Parking Lot Additions - Lot 63 Expansion
Award to: Iowa Road Builders Company, Des Moines, Iowa $ 19,997.35

Ag 450 Farm -- Farrowing Unit
Award to: J. P. Gannon Construction, Ames, Iowa $ 33,445.00
(under this proposal the Ag 450 class will purchase a 22-stall sow confinement farrowing house.)

The following amended project budgets were presented for approval:

Utilities--Electrostatic Precipitators Additions - Division III - Foundations and Structural Steel Erection
Source of Funds: 66th G.A. Capital Appropriation
66th G.A. Capital Appropriation-Savings from other projects 383,000.00
67th G.A. Capital Request 150,000.00
$2,853,000.00

Residence Halls Parking Lot Additions - Lot 63 Expansion $ 44,000.00

Ag 450 Farm -- Farrowing Unit $ 40,000.00
(The above two projects are unchanged from the preliminary budgets approved earlier but do reflect the contract awards.)

The following new projects were recommended for approval:

Building B Renovation
Source of Funds: Overhead Reimbursement for Use of Facilities $ 30,000.00
Under this project the university would renovate Building B, which contains 4,078 gross square feet. The structure was on the university's razed space list, but the university has now determined that the building is structurally sound and will change the usage of the building substantially for use as a Soils and Materials Research Laboratory. Currently, the university has shops in at least three buildings on campus. It would be the intention under this project to consolidate these shops in one location on campus, which would be the first floor of the Engineering Research Institute. That space, where the consolidation will occur, is currently occupied by the Soils and Materials Research Laboratory. Because of the consolidation of the shops, that group would move to occupy Building B and Building B would go back into the useful space category until such time as the space were needed for additional building expansion in the area of mechanical engineering.

Towers Dormitory Caulking
Source of Funds: Dormitory System Surplus Fund $ 41,000.00

MOTION: Mr. Brownlee moved the board approve the Register of Capital Improvement Business Transactions for the period of April 22 through May 20, 1977; ratify the construction contract awards made by the executive secretary; approve the amended project budgets; approve the new projects; and authorize the executive secretary to sign all necessary documents. Mrs. Collison seconded the motion and it passed unanimously.
President Petersen asked board members and institutional executives if there were additional matters to be discussed pertaining to Iowa State University.

UNIVERSITY BANKING ACCOUNTS. Vice President Moore reported that Vice President Hamilton offered to withdraw all university bank accounts from the University Bank and Trust Company of Ames. He said the university will be consulting with the board's Banking Committee on this matter relating to university banking accounts (discussed earlier in these minutes) and that withdrawal will occur as soon as possible.

AREA EXTENSION OFFICE LEASES. Vice President Moore noted that Iowa State University has 12 area extension offices around the state. Office and land rental is paid for through the university's extension budget. The last area extension lease approved by the board for Iowa State occurred in July of 1976 whereas the one before that was approved in October of 1974. Vice President Moore reported that he should make the board aware of the rising rental costs. He reported that the board may be surprised at some of the best proposals the university is going to be able to bring to the board in the future.

Regent Baldridge asked Vice President Moore if owning rather than leasing property would be more economical in the long run. Vice President Moore said that without knowing the program details he wasn't prepared to say whether the financial feasibility would be better.

Vice President Moore said the extension personnel are asking whether the program demand justifies the space and the cost of same.

DATA WITH RESPECT TO IOWA STATE UNIVERSITY. Regent Bailey commented that he read an excerpt with respect to consideration of admissions standards and graduation requirements at Iowa State. It stated that the university initiated a comprehensive study of the learning environment of the dormitories. He commented that approximately 9,700 students in the undergraduate halls were asked to list their preferences for alternate living arrangements. The largest number were interested in a study house with conditions involving quiet hours seven days a week in a physical fitness house. Regent Bailey said it seems as though students are becoming more "academic."

SEMESTER/QUARTER SYSTEMS. Regent Collison noted she was pleased that the subject of semester vs. quarter system was under review at the university.
The following business pertaining to the University of Northern Iowa was transacted on Thursday, May 19, 1977.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of April 1977 were ratified by the board.

CURRICULUM ITEMS. The board was requested to refer the curriculum proposals of the University of Northern Iowa to the Interinstitutional Committee on Educational Coordination for its review and recommendation.

The Board Office reported that particular note should be given to the proposals for new degrees, majors, and minors. In particular, the university proposed a new degree, the Master of Fine Arts with Majors in College/University Teaching-Art and Professional Studio-Art. This degree is a two-year terminal degree. In addition, at the graduate level the university proposed an additional major under its Master of Arts in Education, a Major in Early Childhood Education. At the undergraduate level, the university proposed an additional major under its Bachelor of Fine Arts, a Major in Art which would replace the Major in Design under the Bachelor of Arts which was approved by the board in June of 1975. The university also proposed two new minors under its Bachelor of Arts, a Minor in Computer Science and a Minor in Humanities.

Mr. Richey said the university plans to present the curriculum proposals to the Iowa Coordinating Council for Post-High School Education for reaction and comment at its June meeting.

Regent Bailey said he would like to see some emphasis on the cost aspects of these proposals to make sure the board isn't going to be getting into a lot of additional costs.

Regent Collison said she has anticipated the Major in Early Childhood Education since 1972. She said Iowa State University provided some of the expertise to boost needed emphasis toward thinking toward the advent of child care centers and focusing them on education rather than what was then called "baby-sitting." She said this is a necessary move for the university and added she hopes the interinstitutional committee favors this proposal, in particular.

Mr. Richey said that this legislative session duplication of programs has been carefully looked at. He reported that he hopes particular attention is given to the question of possible duplication and that if a program does duplicate or appears to duplicate another, that a full and complete analysis and explanation be given. He stated that the board has to protect itself and the institutions. He stressed the importance of establishing a "good record" relating to the need for each proposed curriculum change.
Regent Shaw said the board needs to develop some more sophisticated approaches to what advantages and disadvantages are involved in curriculum changes. He stated that if the board is undertaking a program at any one of the three universities where the unit cost of that program is not substantially different than the unit cost, overall there is not going to be any problem of duplication in the cost sense. He said he was not referring to a Minor in Computer Science, for an example. He said there is no question but that all three universities should have that in their educational programs. He specifically mentioned the area of veterinary medicine as one of the areas that could, obviously, cost excessively to have "duplication."

Regent Collison stressed that the board should really look at basics when it considers the duplication issue. She said the board is responsible to prepare enough people for the job market where they have been best prepared for the job.

MOTION: Mrs. Collison moved the board refer the University of Northern Iowa's curriculum proposals to the Interinstitutional Committee on Educational Coordination for its review and recommendation. Mr. Brownlee seconded the motion and it passed unanimously.

MEMBERSHIP OF THE UNIVERSITY OF NORTHERN IOWA IN THE NATIONAL STUDENT EXCHANGE. The board was requested to refer both the question of the University of Northern Iowa's membership in the National Student Exchange and the question of granting resident tuition status to out-of-state students attending the university via the Exchange to the Interinstitutional Committee of Registrars for review and recommendation.

The Board Office reported that the National Student Exchange is a consortium of state supported colleges and universities which provide students an opportunity to exchange to an institution of higher learning in another area of the United States. A description of the program and of the university's proposed involvement was presented the board for information.

The university indicated that it will furnish to the board at the May meeting a list of those institutions belonging to the National Student Exchange. The board was asked to allow out-of-state students to attend the University of Northern Iowa under the auspices of the National Student Exchange and pay in-state tuition while doing so.

The Board Office recommended that the Interinstitutional Committee of Registrars review this proposal with respect to its implications for the University of Northern Iowa, and also for the State University of Iowa and Iowa State University should they contemplate membership in the future.

MOTION: Mr. Bailey moved that the board refer both the question of the University of Northern Iowa's membership in the National Student Exchange and the question of granting resident tuition status to out-of-state students attending the University of Northern Iowa via the Exchange to the Interinstitutional Committee of Registrars for review and recommendation. Mrs. Collison seconded the motion.
Vice President Martin noted that after the University of Northern Iowa received its docket book it submitted this matter to the Interinstitutional Committee of Registrars. He said he understands that committee is in session today.

Regent Bailey asked how many people are involved in this matter. President Kamerick responded there may be as many as 125 persons involved.

VOTE ON MOTION: The motion passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

Dr. Lawrence L. Kavich as Head of the Department of Educational Psychology and Foundations, effective at the beginning of the 1977-78 academic year. Dr. Kavich will replace Dr. George Ball, who has been acting head during the current school year.

MOTION: Mr. Zumbach moved the board approve the appointment of Dr. Lawrence L. Kavich as shown above. Mr. Bailey seconded the motion and it passed unanimously.

APPOINTMENT. The board was requested to approve the following appointment:

Dr. Leroy A. McGrew as Professor of Chemistry and Head of the Department of Chemistry, effective fall semester, 1977.

MOTION: Mr. Slife moved the board approve the appointment of Dr. Leroy A. McGrew as shown above. Mr. Barber seconded the motion and it passed unanimously.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary Richey reported the Register of Capital Improvement Business Transactions for the period April 8 through May 6, 1977 had been received by him, was in order, and recommended approval.

The following construction contract was recommended for ratification. Award was made by the executive secretary.

Campbell Hall (East) Parking Lots Improvement
Award to: Assink, Inc., Cedar Falls, Iowa $143,171.84

(The executive secretary in his action waived two irregularities: 1) the apparent low bidder failed to include the EEO data with the bid; and 2) the apparent low bidder submitted only one copy of the bid rather than two, as called for on the form of bid. These irregularities were waived since, in the first instance, the low bidder submitted the proper EEO form prior to the bids being opened, and, in the second instance, the submittal of only one copy of the bid was waived as failure to submit the specific number of copies causes no hardship to any other bidder as it is required only for internal administrative usage.)
The following new projects were recommended for approval:

**Women's Tennis Courts - Rehabilitate Five Courts**
Source of Funds: University RR&A $35,000

**Maucker Union Remodeling**
Source of Funds: Maucker Union Surplus Fund $58,000

**Education Center - Price Laboratory School**
- Television Distribution Center and Related Equipment
  Source of Funds: Academic Revenue Bonds $48,525
  General Operations - Equipment 15,000
  General Operations - RR&A 6,475 $70,000

(The board was informed that this project would come up again for action in this month's docket requesting the board set the resolution for the public hearing for the first day of the June board meeting (June 16) and the bid opening on the project for August 2, 1977.)

MOTION: Mr. Brownlee moved the board approve the Register of Capital Improvement Business Transactions for the period April 8 through May 6, 1977; ratify the construction contract award made by the executive secretary; approve the new projects; and authorize the executive secretary to sign all necessary documents. Mrs. Collison seconded the motion and it passed with all board members voting aye.

ARCHITECTURAL CONTRACT. The board was requested to approve an increase in rates on the continuing contract with the firm of Thorson-Brom-Broshar-Snyder, Architects, Waterloo, Iowa.

The Board Office reported that in October of 1972 the board first approved a contract for architectural services with Thorson-Brom-Broshar-Snyder, Architects, Waterloo, Iowa. The purpose of this contract initially was to provide assistance to the university to ascertain its capital needs for initial askings for the 1973 legislative session. The board approved an extension of this contract in December of 1972 so the university could receive outside assistance in bringing to bid projects in its existing capital program. From October 1972 to January of 1975 the university expended $12,385 on this contract. The average expenditure per year was about $5,000. The firm has acted as project architect on several of the academic revenue bond funded projects and also provided architectural services on the UNI-CUE Remodeling project. In any instance where the university had a project budget to charge these services, the university utilized that project budget.

The Board Office noted that in February of 1975 the board approved an increase in rates at which time the rate increases ranged from $4 per hour for office personnel to $2.50 per hour for partners, registered architects, graduate architects, and architectural draftsmen.

The university intends to utilize this firm for a number of projects this summer, including roof repairs, window painting, remodeling in the Union, and for painting Noehren Hall. In all instances the intent would be to charge off...
all of the fees to a specific project budget in instances where project budgets are established. Such projects are subject to approval of the board and the Board Office will flag architectural services utilized under this contract when those budgets come to the board for approval hereafter.

The Board Office noted that the docket item proposed a change in rates for two classes of employees with an increase of $2.50 per hour in the rate for registered architects, and an increase of $5.00 per hour in the rate for partners. The rate structure proposed in the docket was actually somewhat lower than the rates charged on recent jobs in which outside architects have been involved. The board was reminded that on several recent projects partners have had an hourly rate of $40.00 per hour.

The following information was presented the board for information:

**Current Rates**

- Partners: $22.50 per hour
- Registered Architects: 17.50 per hour
- Graduate Architects: 15.00 per hour
- Architectural Draftsmen: 12.50 per hour
- Office Personnel: 10.00 per hour

**Proposed Rates**

- Partners: $27.50 per hour
- Registered Architects: 20.00 per hour
- Graduate Architects: 15.00 per hour
- Architectural Draftsmen: 12.50 per hour
- Office Personnel: 10.00 per hour

Consultants (where authorized in advance by university) - cost of service

Expenses (where authorized in advance by university) - actual cost

**MOTION:** Mr. Barber moved the board approve an increase in rates on the continuing contract with the firm of Thorson-Brom-Broshar-Snyder, Architects, Waterloo, Iowa. Mrs. Collison seconded the motion and it passed unanimously.

**PROPOSED SANITARY SEWER EASEMENT WITH CITY OFCEDAR FALLS, IOWA.** The board was requested to formally approve the granting of an easement to the city of Cedar Falls for an 18-inch sanitary sewer along the northern edge of the westernmost portion of the University of Northern Iowa campus. (This action would formalize the informal approval given by the board on May 6.)

The Board Office reported that this sanitary sewer easement is to be used for the extension of the sanitary sewer westerly along the University Branch of Dry Run Creek. There will be no assessment or charge made to the state relative to the easement, and none will be made until such time as the university decides to connect to the sanitary sewer. Such charge at that point will be made in accordance with established ordinances of the city and would be the same as charged to any other developer that connects to the sanitary sewer. The easement has been reviewed by legal counsel.
It was explained by the Board Office that the university submitted to this office a proposal to grant an easement for a sanitary sewer to the city of Cedar Falls. The easement was not submitted by the city to the university in time for inclusion on the April institutional docket. Since the city planned to take bids on the project on May 5 with the proposed award of contract on May 9, followed by formal award of contract by the City Council on May 23, the Board Office submitted the proposed sanitary sewer easement to the board by letter on May 2. It was suggested at that time that if the board members had any objections to this easement they should file those objections with the Board Office by Friday, May 6. No objections were received. As a result, the easement has been referred to the State Executive Council for approval in an effort to gain state approval of the easement in accordance with the timetable of the city of Cedar Falls for the project.

MOTION: Mr. Barber moved the board formally approve the granting of an easement to the city of Cedar Falls for an 18-inch sanitary sewer along the northern edge of the westernmost portion of the University of Northern Iowa campus. Mrs. Collison seconded the motion.

Regent Bailey expressed concern over the way this easement was handled due to the time pressure involved and added that he is also concerned over the agreement language where liability is transferred to the city only in cases of negligence. Regent Bailey commented that there may be situations where there would be no negligence on anyone's part but the board may be sued anyway. He said he doesn't feel the board is very well protected but admitted he doesn't know if insurance would cover the board under those circumstances.

Both Vice President Stansbury and Mr. Richey commented that they are more sensitized to the timing problem and concurred with Regent Bailey's concerns.

Mr. Richey said the Board Office will be coming back to the board with a response to Regent Bailey's legal concerns.

AMENDMENT TO MOTION: Mr. Baldridge moved the motion approval be subject to the furnishing of satisfactory answers to the legal question raised by Regent Bailey. Mr. Bailey seconded the motion.

VOTE ON MOTION AS AMENDED: On roll call vote the following voted:
AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.
NAY: None.
ABSENT: None.
The motion carried.

BUDGET CEILING INCREASE 1976-77. The board was requested to approve an increase of $179,028 in the general program operations for 1976-77 to $27,279,028.

The Board Office reported that the budget for general program operations for 1976-77 as approved by the board in July of 1976 amounts to $27,100,000. This budget did not include the amount of $59,028 for replacement of federal
funds losses about which the board was informed at its April meeting. An additional $120,000 net of funding is available from an increase in income from various sources such as application fees, treasurer's temporary investments, health service receipts, and traffic and parking operations, even though the tuition income is $23,000 lower than expected.

The institution informed the Board Office that $95,000 is required for the Women's Instructional Salary Settlement, $50,000 for increases in TIAA disability premium payments, and $174,000 for critical RR&A projects. The disposition furnished to the Board Office would require $25,000 for TIAA disability premium from internal reallocation of resources and would not allow any additional funding for the RR&A needs.

MOTION: Mr. Barber moved the board approve an increase of $179,028 in the general program operations for 1976-77 to $27,279,028. Mrs. Collison seconded the motion and it passed unanimously.

CAPITAL PROJECT: RESOLUTION ON EDUCATION CENTER - PRICE LABORATORY SCHOOL: TELEVISION DISTRIBUTION SYSTEM AND RELATED EQUIPMENT. The board was requested to adopt a resolution for a public hearing by the board on plans, specifications, and form of contracts for the project Education Center - Price Laboratory School: Television Distribution System and Related Equipment on June 16, 1977, at 11:00 a.m. CDST, at the Hospital School Conference Room, State University of Iowa, Iowa City, Iowa.

The university reported that this project provides for the furnishing and installation of a television coaxial cable connection between the Education Center and the Price Laboratory School. It includes the furnishing and installation of all terminal equipment, hardware, and the required support equipment. It is being funded by proceeds from academic revenue bond sales earmarked for the Education Center, and thus requires that the resolution be approved by the board to permit the project to continue.

MOTION: Member Collison introduced and caused to be read the resolution hereinafter set out entitled, "Resolution providing for a notice of hearing on proposed plans, specifications, and form of contracts for Education Center - Price Laboratory School: Television System and Related Equipment on the campus of the University of Northern Iowa, and for a notice to contractors of bidding thereon."

Member Collison moved that said resolution be adopted, seconded by Member Zumbach, and after due consideration thereof by the Board, the President put the question and, upon roll being called, the following voted:

AYE: Bailey, Baldridge, Barber, Brownlee, Collison, Shaw, Slife, Zumbach, Petersen.

Whereupon the President declared the resolution duly adopted.
IOWA PUBLIC INTEREST RESEARCH GROUP. President Petersen said this item would be deferred for discussion until the June Board of Regents meeting.

USER AGREEMENT TO UPGRADE CNW BRANCH LINE. The board was requested to permit the University of Northern Iowa to study the feasibility of joining a Users Association for the purpose of assisting the Chicago North Western Railroad in conjunction with the Iowa Department of Transportation to improve its branch line through to Cedar Falls to the university coal unloading site.

The Board Office reported that the Chicago North Western Railroad has petitioned the Iowa Department of Transportation for loan assistance under the rail assistance program for funds necessary to upgrade the 7.3 miles of branch line. The program would require $977,000 which would be provided by a loan by the state of one-third of the amount directly to the Chicago North Western Railroad, one-third to the shippers with the remaining one-third provided by the users. The users would form a Users Association consisting principally of the Cedar Falls utilities and the University of Northern Iowa. The University of Northern Iowa share would be 25% of the users' one-third based on annual university rail traffic and would amount to $82,000 at no interest.

The Board Office noted that the loans would be repaid on the basis of a refund allowance per car based on revenue per car to the Chicago North Western Railroad. Based on approximately 400 cars per year at a revenue of $500 per car, the university would be refunded at a rate of approximately $20,000 per year.

The University of Northern Iowa has the program under study with several items to be resolved. The university is assuring itself of the legality of entering an agreement for the program jointly sponsored by the Department of Transportation, the Chicago North Western Railroad and the Users Association. The university needs to be assured of long-time availability of the unloading site and of unrestricted truck transportation through Cedar Falls. Moreover, university funding of the program as related to the fuel pass-through cost system needs clarification.

The Board Office was informed by the rail assistance coordinator for the Iowa Department of Transportation that the track is in such poor condition that it has one of the highest priority ratings for improvement. He stated that the conditions require rather quick action and that the improvement will allow usage of 100 ton cars rather than 60 ton cars at a reduced freight rate.

MOTION: Mr. Brownlee moved the board grant the University of Northern Iowa permission to study the feasibility of joining a Users Association for the purpose of assisting the Chicago North Western Railroad in conjunction with the Iowa Department of Transportation to improve its branch line through Cedar Falls to the university coal unloading site. Mrs. Collison seconded the motion and it passed unanimously.
Regent Baldridge asked how the university intended to fund the $82,000. Vice President Stansbury reported the university also has that question under study.

President Petersen asked board members and institutional executives if there were additional matters to be raised pertaining to the University of Northern Iowa. There were no additional matters raised.
The following business pertaining to the Iowa School for the Deaf was transacted on Thursday, May 19, 1977

REGISTER OF PERSONNEL CHANGES. In absence of objections, President Petersen ratified the actions in the Register of Personnel Changes for the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. There were no items on the Register of Capital Improvement Business Transactions for the month of April 1977.

President Petersen asked board members and institutional executives if there were other matters to be discussed relating to the Iowa School for the Deaf. There were no other matters raised for discussion.
The following business pertaining to the Iowa Braille and Sight Saving School was transacted on Thursday, May 19, 1977.

INTRODUCTION. President Petersen welcomed Acting Superintendent Dorothy Petrucci to her first Board of Regents meeting in her new capacity.

REGISTER OF PERSONNEL CHANGES. The actions reported in the Register of Personnel Changes for the month of April 1977 were ratified by the board.

REGISTER OF CAPITAL IMPROVEMENT BUSINESS TRANSACTIONS. Executive Secretary reported the Register of Capital Improvement Business Transactions for the month of April 1977 had been received by him, was in order, and recommended approval.

The Board Office reported that due to the fact that no bids were received on April 26 on the Demolition of the Water Tower project, the board was requested to grant the request of the school to negotiate a contract utilizing the assistance of Shive-Hattery, engineering consultant on this project.

The Board Office reported that in November of 1974, at the time the school took bids on the Water Supply Conservation project, an alternate bid was received for the demolition of the water tower. Due to financial limitations at that time, the bids of $14,500 and $9,950 were rejected.

In June of 1976 a contract was approved with Shive-Hattery and Associates for engineering services not to exceed $750 to prepare engineering documents, contracts, etc.

Bids were advertised to be received on the project on April 26, 1977. No bids were received on or by the specified time. Since that date, there have been inquiries from at least two firms expressing interest in the work. Preliminary budget for the project is $9,500, utilizing capital balances of about $1,200 with the rest coming from operating RRA funds.

The Board Office added that under the provisions of Section 262.34 of the Code, the board is authorized to proceed with construction repairs or improvements by such method as the board may determine, once it has exercised the statutory obligation to advertise for bids. The school does feel that there is an opportunity present in the inquiries that have been received since April 26 to get the project completed within the project budget this summer.

MOTION: Mrs. Collison moved that the board grant the request of the school to negotiate a contract utilizing the assistance of Shive-Hattery, the engineering consultant, on the Demolition of the Water Tower project, as follow-up to the non-receipt of bids on April 26. Mr. Zumbach seconded the motion and it passed unanimously.
USE OF FACILITIES. The board was requested to approve a new contract between the board and the Happy Time Child Care Center for use of both the east and west basement of Palmer Hall for the 1977-78 school term.

The Board Office reported that the board at its April 1977 meeting approved a contract renewal with the Happy Time Child Care Center for use of the Palmer Hall east basement for the 1977-78 school term. This contract renewal continued the use of that space which had initially been approved by the board in December of 1975. The fee for the use of that space was $900 based upon an enrollment of 20 students plus 10% of any income generated by increased enrollment up to an allowed maximum of 30 students. In addition, adult and child meals were provided at $1.00 each day plus any surplus food generated by the child care center from a commodities allocation from the Department of Public Instruction. At that time it was noted that the center had entered into discussion with the school for a possible increase in space since a child care facility in Vinton was considering closing. Those discussions reached fruition in terms of the agreement now before the board.

The Board Office stated that the new agreement doubles the amount of space made available for this purpose and provides that the fee for the use of the space will be $1,800 based on a population of 40 students plus 10% of any income generated by increased enrollment up to an allowed maximum of 60 students. The other terms of the agreement remain the same as that approved last month.

It was noted that according to the school the class which has been meeting in the west basement of Palmer Hall (which is the new space to be contracted out), would move to the Children's Cottage and such a move would work to the benefit of the educational program of the school in that equipment and other facilities needed for that class are more readily available in the Children's Cottage.

MOTION: Mrs. Collison moved the board approve a new contract between it and the Happy Time Child Care Center for use of both the east and west basement of Palmer Hall for the 1977-78 school term. Mr. Bailey seconded the motion. The motion passed unanimously.

President Petersen asked board members and institutional executives if there were additional matters to be raised for discussion. There were no additional matters raised pertaining to the Iowa Braille and Sight Saving School.

ADJOURNMENT. The meeting of the State Board of Regents adjourned at 3:30 p.m., Thursday, May 19, 1977.