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Dear Client:

What does Admiral Bill McRaven who is only months removed from 37 years in the military – as a Navy SEAL no less – bring to the job as head honcho of the UTSystem’s nine universities and six health institutions? Sure, the new Chancellor knows how to kill bad guys, but what about the hallowed role of academic research?

“As a Navy SEAL **my life often depended on the quality of the technology that we used for our missions.** We have the best special operations forces in the world because we select the finest men and women and because we have state of the art technology,” he said this week.

“This technology didn’t appear overnight,” he added. “It was the product of **long, hard work in the research labs.** Sometimes it meant years of small incremental steps that suddenly led to **dramatic changes and revolutionary advances.** It also required **exceptionally dedicated** scientists and clinicians, administrators and staff support and sufficient funds to make these ideas come to life.”

Then, the clincher: “When I look at the magnificent research going on across the UTSystem – both at the academic and health institutions – I understand and value the work in a way that others may not, because **a lot of the research that starts in Texas has saved lives on the battlefield. I have seen it firsthand.**”

What about people? The UTAustin graduate said “**We need students who challenge professors and professors who challenge students.** I want those who educate our young men and women to come to work every day with a little anxiety, wondering whether they will be good enough for our students. I want students who wake up every morning excited about their classroom and what they might learn. **I want researchers who push the envelope on every new idea, who never accept the existing theories and trends.**”

“As Chancellor, I see my primary role as supporting the magnificent academic and health institutions that are the foundation of the UTSystem. The message to the System administration is that we, the System, must add value to the institutions. **We must wake up every morning with the goal of making the individual institutions the best they can be,**” said McRaven.

For more on his message to UTAustin and the legislature, check out the next item.

Could UT Austin thrive if its bureaucracy is lessened at the same time a more entrepreneurial environment is encouraged? This is the objective of the man charged with overseeing the direction of the institution that is a major driver of Austin's economy.

The search for a new president of UT Austin, to replace Bill Powers, is quietly underway. Very little info has been leaked publicly about the search committee's progress. But new Chancellor **Bill McRaven is a member of that committee and his views are sure to be considered.** He will be the man to whom the president will report after the new prexy is hired this year. **So what is the general view of McRaven about the governance of the 15 institutions (including flagship UT Austin) under his charge?**

“We must put the institutions in a position to thrive. **We will do so by lessening the bureaucracy, creating a more entrepreneurial environment and encouraging risk-taking,**” declared McRaven this week. “My promise to all the senior leaders in our academic and health institutions is that I will work for you – for your goals – to advance your causes.”

McRaven is also expected to convey his views to members of a conservative-leaning Texas Legislature who will decide on a number of issues relating to the state's public universities, including financial matters during the coming months. **“I can think of no better place to start building the future than by working with our new state leaders and legislators to outline our goals and identify the assistance we need to make those goals a reality,”** he said.

By the way, McRaven is being paid \$1.2 million a year, plus \$400,000 in deferred compensation. He is also eligible for performance and retention bonuses.

It's difficult to precisely peg the sales price of many of Austin's priciest homes, because Texas is one of a handful of non-disclosure states. But starting this month, real estate sales prices will no longer be secret in California. Can Texas be far behind?

Many high-dollar homes have been sold as “pocket listings,” meaning they were not listed on the public Multiple Listing Service where most Austin homes are bought and sold. And many of the big buck sales are for cash, so there is no financial institution involved.

There are a number of reasons the wealthy are engaged in this practice. They place a premium on **privacy.** In these days of rising home values, they also may want to **keep their property taxes low – so they hide what is paid for the property.** And so on.

California's Appraisal Institute pressed for passage of a law that now makes it **more difficult to hide a sales price.** Watch the Texas Legislature to see if such a move surfaces here.

The Eagle Ford shale oil/gas play in South Texas is being watched closely as prices for the fossil fuels continue to drop dramatically. Drilling rigs are diminishing and permits have been cut in half. But *wind* turbines are sprouting up like weeds in South Texas and Austin is the beneficiary of this alternative source of electrical generation.

The City of Austin is buying all the power generated by the Los Vientos II wind farm that has already been completed in deep South Texas. Construction is powering ahead on the Los Vientos III wind farm and Austin has agreed to buy its entire output. That's not all. Los Vientos IV is expected to transform even more South Texas brush country into a wind farm. (San Antonio is buying all the output of Los Vientos I. Los Vientos, by the way, means "the winds" in Spanish.)

What about the current project? **Dozens of towers have already been erected at Los Vientos III and many more towers are waiting for the massive propeller-type blades to be completed and installed on the towers.** Parts for this green energy project are shipped into the Port of Brownsville, placed on rail cars, then transferred to trailers that haul them more than 80 miles inland.

Yeah, but how does that wind-generated electricity get to Austin? Crews are working on transmission lines that will cut through the cactus and mesquite scrub country in deep South Texas. **The lines will connect the wind farms with the state's power grid.** And Austin taps into the grid to suck out the electricity.

Contrast this heightened activity with the slowdown in the oil and gas boom. As we have reported previously, **Texas is setting records regularly with wind-generation. And Austin has tapped into this source – more than most cities.**

The 2014 year-end numbers are not out yet, but passenger traffic at Austin-Bergstrom International Airport (ABIA) is on pace to increase 7% over record-breaking 2013.

And with more people flying through ABIA, **airlines are ramping up non-stop service to additional destinations.** Here's some of what to expect this year:

Air Canada to Toronto starts May 18th 2015.

American Airlines to Miami starts March 5th 2015.

Southwest Airlines to St. Louis and Orange County start June 28th 2015.

Allegiant Air to Orlando starts February 13th 2015.

Branson Air Express to Branson, Missouri starts May 8th 2015.

Non-stops become more important as flying hassles increase. You can find all new Austin non-stop routes with the free interactive flight guide at www.abia.org.

You broke the law today if, while driving, you: 1) sipped your morning coffee, 2) chowed down on a burger or breakfast taco, 3) talked to your passenger, or 4) adjusted your radio, CD or MP3 Player. These driving “distractions” are now illegal on Austin streets – just part of the law that also banned use of all electronic hand-held devices while operating a vehicle.

As the Austin City Council debated and passed Ordinance No. 20140828-041 late last year, the primary focus was to prohibit talking or texting on your cell phone while driving. (This is the law now, with minor exceptions, such as calling 9-1-1 or 3-1-1 to report a crime or accident.) **The law went into effect 1/1/15 with a fine of up to \$500 for violators.** But as some like to say: the devil is in the details. In addition to outlawing the use of a handheld device while driving, the Council decided to outlaw **all forms of distracted driving because they “pose a danger to drivers, their passengers and bystanders.”** Such as:

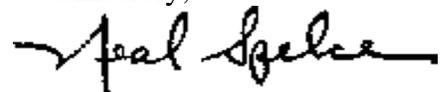
“Texting ... using a cell phone for any reason ... eating and drinking ... talking to passengers ... grooming ... reading, including maps ... using a navigation system ... watching a video ... adjusting a radio, CD Player or MP3 Player” are specifically cited by the City as violations. You can check it out yourself at www.AustinTexas.gov/handsfree.

As defined in the ordinance, portable electronic device means a **hand-held mobile telephone ... personal digital assistant ... MP3 or other hand-held music player ... electronic reading device ... laptop computer ... pager ... broadband personal communication device ... GPS or navigation system ... electronic gaming device and portable computing device.**

Hands-free systems such as Bluetooth or headphones are permitted, as is an affixed GPS system. For violators, police say they will issue warning tickets for the first 30 days.

Speaking of texting, during the bitter freezing weather this week, **Dr. Louis Overholster’s** wife texted him “Windows frozen, won’t open.” He texted back “Gently pour some lukewarm water over it” and within 5 minutes got this text from his wife: “Computer is really screwed up now!”

Sincerely,



Editor/Publisher