

HOUSTON RECOVERY CENTER LLC

MEETING OF BOARD OF DIRECTORS
MINUTES

November 14, 2013

The undersigned, being the duly appointed Acting Secretary of Houston Recovery Center LLC (the "Corporation"), hereby certifies that the following are true and correct Minutes of the November 14, 2013 meeting of the Board of Directors (the "Board") of the Corporation.

A. In a manner permitted by the Corporation's By laws, the meeting was called by providing all Directors with notice of the date, time, place, and purposes of the meeting more than three days before the date of the meeting.

B. In accordance with Chapter 551, Texas Government Code, which Chapter is made applicable to the Corporation by Section 431.004, Texas Transportation Code, a notice of the meeting, was duly filed on November 8, 2013, in the same manner and location as required by law of the City of Houston, Texas (the "City").

C. The meeting was called to order by Kay Austin, Chairman of the Board, at approximately 1:00 p.m. on Thursday, November 14, 2013, in the Sobering Center Training Room, (150 N. Chenover), Houston, Texas 77002. Ms. Austin appointed Carolyn Lacey as Acting Secretary for the meeting. Ms. Austin called the roll.

The following Directors were present:

Kay Austin; Arlo Weltge, MD; Deborah Duncan.

The following Directors were absent:

Elizabeth T. Nunnally; David S. Back, MD; Timothy N. Oetuneler (ex-officio); Andy Icken (ex-officio); Stephen Williams (ex-officio); David Perse, MD (ex-officio).

Ms. Ursula Williams was also present.

Ms. Austin announced that a quorum of the Directors was present.

D. Ms. Austin called for a motion to approve the Minutes of the Corporations meeting of October 3, 2013. A motion was made by Dr. Weltge, seconded by Ms. Duncan to approve the Minutes. The motion passed unanimously.

E. Ms. Austin opened the meeting to members of the public who wished to address the Board. There was no response from the persons present.

F. Ms. Austin recognized Ms. Ploch to present the monthly financial report. The September 30, 2013 report and the Account List for the Corporation were distributed. (Exhibit A). Ms. Ploch summarized the report and answered questions. She noted a separate line item for security services was added to the report. To date health insurance costs have been less than the projected amount. This is due to the actual costs being less than the projected amounts which were made prior to the center being fully operational and the hiring of staff. No action was taken.

G. Ms. Austin recognized Mr. Kincaid to present the Directors Report. Mr. Kincaid summarized the Client Data Report (Exhibit B). He reported that since the opening of the Sobering Center (SC) there has been a steady decrease in the number of individuals being admitted to the City of Houston jail for public intoxication.

There was a discussion related to accepting clients from other jurisdictions, namely Harris County. Mr. Kincaid discussed the critical need for Detox services at the SC. He's in the process of investigating the rules to obtain a license that would allow the SC to provide detox services. He stated funding may be available through the 1115 Waiver program. Mr. Kincaid stated Dr. Alicia Kowalechuk was recently hired for the SC Medical Director position.

Mr. Kincaid asked the Directors to provide him with a photo and a short bio for inclusion in the next newsletter and to be posted on the Houston Recovery Center website. There are also plans to publish an annual report that will be posted on the Houston Recovery Center website after the end of the fiscal year, which is June 30, 2014. He encouraged the Board to consider how they want to move forward with the next steps for the SC. The Board will send a letter to update Mayor Parker on operations of the SC and will include a request to expand services to accept clients

from Harris County. Dr. Weltge will draft the letter.

H. Ms. Austin recognized Dr. Weltge for a report related to financial investment options for the Corporation. Dr. Weltge presented a draft Investment Policy and acknowledged it was prepared by Ms. Nunnally. After discussion the Board agreed by consensus to use the draft document to develop a financial policy. Ms. Williams will research LGC statutes and the City of Houston's policies to see if there are restrictions on how the funds can be invested. Ms. Williams will inform the Board of her findings at the next meeting. The draft policy will be presented to the Board for consideration at the December 5, 2013 meeting.

I. The Board discussed plans for service expansion. After discussion the Board agreed it was time to expand access to the Sobering Center. Dr. Weltge will draft a letter to update Mayor Parker on operations at the Sobering Center and to express support for allowing Harris County to bring clients to the Sobering Center. Ms. Austin will seek input from Mr. Icken regarding this matter.

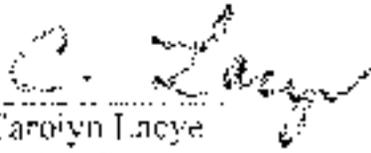
J. The Board discussed the meeting schedule for 2014. They asked Ms. Williams to poll the Directors to see if there is interest in continuing to meet on the first Thursday of each month. She will report to the Board at the next meeting. The January Board meeting will be held on January 9, 2014.

K. Ms. Austin called for a discussion of agenda items for the next meeting. The following items will be posted: Report on the Financial Investment Policy, Selection of an auditing firm. Organizational development matters to include resources in the community for referral and support of clients, fund-raising and development, planning and development, referral issue – detox services will be posted on future agendas until further notice to remove.

There being no further business, the meeting ADJOURNED at approximately 2:35 p.m.

HOUSTON RECOVERY CENTER LGC

By:



Carolyn Lacye
Acting Secretary