

HOUSTON RECOVERY CENTER LGC

MEETING OF BOARD OF DIRECTORS MINUTES

January 10, 2013

The undersigned, being the duly appointed Acting Secretary of Houston Recovery Center LGC (the "Corporation"), hereby certifies that the following are true and correct Minutes of the January 10, 2013, meeting of the Board of Directors (the "Board") of the Corporation.

A. In a manner permitted by the Corporation's Bylaws, 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 January 7, 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, January 7, 2013, in the City Council Annex Chambers, 900 Bagby St. (Public Level), Houston, Texas 77002. Ms. Austin appointed Carolyn Lacye as Acting Secretary for the meeting. Ms. Austin called the roll. The following Directors were present:

Kay Austin; Deborah Duncan; David S. Buck; MD; Elizabeth Nunnally.

The following Directors were absent:

Arlo Weltge; MD David E. Persse MD (ex-officio); Stephen L. Williams (ex-officio). Ms. Ursula Williams was also present.

Ms. Austin announced that a quorum of the Directors was present. Chief Oettmeier arrived at approximately 1:03pm.

D. Ms. Austin noted that a draft of the Minutes of the Corporation's meeting of December 10, 2012 had been distributed to the Board. A motion was made by Ms. Duncan and seconded by Ms. Nunnally 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. Duncan, Mr. Davis and Mr. Kinkaid for a discussion related to marketing and public relations and the domain name for the Sobering Center. Ms. Duncan will work with Janice Evans, Communication's Director for the Mayor and Mr. Icken, Chief Development Officer, City of Houston on details regarding the press conference. The domain name houstonrecoverycenter.org was previously reserved. A motion was made by Ms. Nunnally, seconded by Dr. Buck to authorize Mr. Kincaid and Mr. Davis to develop a website for the Sobering Center. Ms. Nunnally made a motion, seconded by Ms. Duncan to accept the domain name of houstonrecoverycenter.org. Both motions passed unanimously.

G. Ms. Austin asked Mr. Kincaid to address the board on plans related to the operation of the Sobering Center. Mr. Kincaid discussed staffing needs and the personnel work schedule for the various positions. He is in process of soliciting and accepting applications. The goal is for Mr. Kincaid to move into the Sobering Center facility on January 16, 2013 and to begin providing operational services on February 11, 2013. All of this is contingent upon having the appropriate staff hired and trained.

H. Mr. Kincaid presented a report related to employee benefits and a contract with Insuperity. He distributed a proposed "Budget Narrative" and discussed the various cost factors. After discussion and subsequent questions Ms. Nunnally made a motion seconded by Ms. Duncan, authorizing Mr. Kincaid to enter into an agreement with Insuperity at or very close to the figures in the document he presented (Exhibit A). This should occur within the next two weeks and Mr. Kincaid will update the board at the January 24, 2013 meeting. The motion passed unanimously.

I. At Ms. Austin's request Mr. Kincaid reported on the policies & procedures for the Sobering Center. The board previously received the Operational Policies & Procedures Summary" sheet from Mr. Kincaid. The document is an overview and does not identify specific operating procedures and policies that will be used at the Sobering Center. The policy and procedures manual for operating the Sobering Center will be completed within the next few weeks.

J. Ms. Austin asked Mr. Kincaid to discuss matters related to the banking services for the Corporation. Mr. Kincaid deferred to Ms. Williams. Mr. Williams made reference to the previously approved Oct. 18, 2012 Banking resolution. She explained the meaning of the language in the resolution and recommended the board appoint a treasurer and an authorized person to handle banking transactions. Ms. Williams with Mr. Kincaid's input will revise the banking resolution and present it for review and consideration at the next meeting.

K. Ms. Austin asked Ms. Williams to present a report on fund raising and development

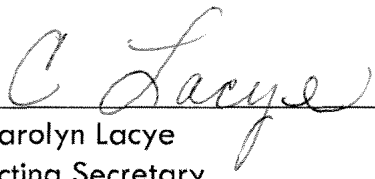
options for the Sobering Center. After researching the matter Ms. Williams stated she does not recommend the creation of a foundation at this time. There was a motion by Ms. Duncan and seconded by Ms. Nunnally to allow Ms. Williams and Mr. Kincaid to take action to complete the required internal revenue filings which will allow the organization to accept donations. The board will be updated at the next meeting.

L. Attachments incorporated into and made a part of these minutes:
Budget Narrative

There being no further business, the meeting ADJOURNED at approximately 1:50 p.m.

HOUSTON RECOVERY CENTER LGC

By:



Carolyn Lacye
Acting Secretary