

HOUSTON RECOVERY CENTER LGC

MEETING OF BOARD OF DIRECTORS MINUTES

September 20, 2012

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 September 20, 2012, 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 September 17, 2012, 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 1:10 p.m. on Thursday, September 20, 2012, in the City Council Annex Chambers, Hall, 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; Arlo Weltge, MD; David S. Buck, MD; Elizabeth, T. Nunnally; Timothy N. Oettmeier (ex-officio); and Stephen L. Williams (ex-officio).

Ms. Austin announced that a quorum of the Directors was present. Director David E. Persse, MD (ex-officio) arrived at approximately 1:20 p.m.

D. Ms. Austin noted that a draft of the Minutes of the Corporation's meeting of September 6, 2012, had been distributed to the Board. A motion was made by Dr. Weltge and seconded by Ms. Duncan to approve the Minutes. The motion passed unanimously.

E. At Ms. Austin's request, Tom Allen, a First Assistant City Attorney for the City, reported on the response to the Corporation's request for proposals for a banking services contract. One proposal was received, from Bank of Texas. Mr. Allen provided the Board with a copy of the resolution adopted by Houston Forensic Science LGC, Inc. (another local government corporation created by the City of Houston) that designated a depository and prescribed certain procedures relating to financial matters. Mr. Allen stated that he plans to prepare a similar resolution for the Board's consideration at its next meeting.

F. Ms. Austin opened the meeting to members of the public who wished to address the Board. Andy Icken, the City of Houston's Chief Development Officer, advised the Board regarding Mayor Annise Parker's testimony before a Committee of the Texas House of Representatives. Mr. Icken also described the status of the construction of the Sobering Center. No other members of the public asked to address the Board.

G. At Ms. Austin's request, Ursula Williams, a Staff Attorney and Assistant Police Administrator for the Houston Police Department, reported on the status of efforts to obtain insurance and other benefits for new hires of the Corporation. Ms. Williams stated that she will continue to research these matters and will provide a report at the Board's next meeting.

H. Dr. Buck discussed the advisability of a policy addressing conflicts of interest. After discussion, the Board agreed that Dr. Buck and Dr. Weltge will work with Mr. Allen to develop a draft policy for the Board's consideration.

I. Ms. Duncan and Ms. Nunnally led a discussion regarding a draft job description for the Manger of the Sobering Center. The Board asked Ms. Nunnally to edit the draft job description to reflect comments made by the Directors. The Board agreed to discuss the matter further at its next meeting.

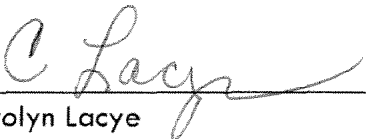
J. Mr. Allen described the limited protection from personal liability provided to "covered persons" by the City's Code of Ordinances and distributed copies of the pertinent Code provisions. Mr. Allen asked the Board to review the provisions so that at its next meeting the Board may consider the advisability of asking the City Council to adopt a resolution declaring the Directors to be "covered persons."

K. The Board unanimously approved Dr. Buck and Ms. Nunnally to serve on an informal committee with Chief Oettmeier, Dr. Persse, Ms. Williams, and Mr. Allen to develop a first draft of an operating agreement for the Sobering Center.

There being no further business, the meeting ADJOURNED at approximately 3:40 p.m.

HOUSTON RECOVERY CENTER LGC

By:



Carolyn Lacy
Acting Secretary