

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE  
WINNIE-STOWELL HOSPITAL DISTRICT**

The Special Meeting of the Board of Directors of the Winnie-Stowell Hospital District (“District”) was noticed and filed pursuant to the Texas Open Meetings Act a seventy-two (72) hours prior to the opening of said meeting for 9:00 a.m. on the 30th day of October 2017, at the Winnie Community Hospital (“Hospital”)-Conference Room, Broadway, Winnie Texas (a copy of said Notice being placed amongst the files of the District).

The roll was called of the members of the Board, to wit:

Ed Murrell, President  
Jeff Rollo, Vice-President  
Raul Espinosa, Secretary  
Sharon Burgess, Director  
Anthony Stramecki, Director

All said Board members were present with the exception of Director Burgess. In addition, to the above named Board members, also present at the meeting were: Sherrie Norris, District Administrator; Yani Jiminez, Indigent Care Director; Hubert Oxford, IV, General Counsel; and Wade Thibodeaux, Hometown Press;

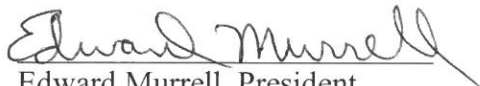
At 9:04 a.m., President Murrell called the Regular Meeting of the Board of Directors of Winnie Stowell Hospital District to order. After a quorum was established and those present recited the Pledge of Allegiance, President Murrell called for public comment. There being none, President Murrell turned to Agenda Item No. 3, to discuss and take action, if necessary, on approving intergovernmental transfer for QIPP 2 (March 2018 through August 2018). Administrator Norris informed the Board that the State of Texas has advised that entities participating in QIPP 2 must entered it Intergovernmental Transfer (“ITG”) into TexNet no later than the close of business November 1, 2017 after which, the State would retrieve the funds on November 3, 2017. She then advised the Board that for this round of QIPP, the IGT due is

\$4,765,389.00. There was no discussion on this matter and a motion was made by Director Stramecki to approve moving forward with making an IGT for QIPP 2 in the amount of \$4,765,389.00. This motion was seconded by Director Espinosa and was approved by the unanimous consent of all Board members.

Next, the Board was asked to discuss and take action on Agenda Item 4, to discuss and take action, if necessary, on approving loan documents for nursing home operations, including, the funding for the QIPP 2 intergovernmental transfer. Per Attorney Oxford, he presented the Board with the standard Salt Creek Capital loan documents for Loan 12 in the amount of \$2,765,389.00. (*See Exhibits "A", "B", and "C"*). He explained that once the documents were executed, the funds would be deposited into the District's TexNet account at Interbank in Graham, Texas. As for the remaining \$2,000,000.00 needed to assist with nursing home operations and to make the IGT for QIPP 2, Attorney Oxford and President Murrell recommended that the Board utilizes its line of credit at Post Oak Bank by transferring \$2,000,000.00 to the District's TexNet account at Interbank. By doing this, the District will save \$188,000.00 in interest costs. The Board agreed with the recommendation and a motion was made by Director Stramecki to execute the Loan 12 documents set forth in **Exhibits A-C** and transfer \$2,000,000.00 from its line of credit at Post Oak Bank to the District's TexNet account to cover the IGT for QIPP 2. This motion was seconded by Director Espinoza, with the unanimous consent of all Board members.

At 9:49 a.m., President Murrell asked the Board to go into executive session pursuant to Section 551.071 of the Texas Government Code for a consultation with attorney. The executive session adjourned at 11:07 a.m. and no action was taken.

There being no further business to discuss, President Murrell informed the Board that the next regularly scheduled meeting would be on November 15th, 2017 at 6:00 p.m. Subsequently at 11:09 a.m. a.m., a motion was made by Director Stramecki to adjourn the meeting. This motion was seconded by Director Espinosa and unanimously approved by all the Board members present.

  
Edward Murrell, President

  
Jeff Rollo, Vice-President