

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

The 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 full 72 hours prior to the opening of said meeting for 1:00 p.m. on the 29th of May, 2019 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  
Anthony Stramecki, Vice-President  
Robert “Bobby” Way, Treasurer  
Jeff Rollo, Secretary  
Raul Espinosa, Director

All said Board members were present less Directors Stramecki and Espinosa. In addition, to the above-named Board members, also present at the meeting were: Sherrie Norris, District Administrator; Yani Jiminez, Indigent Care Director; Sherrie Norris, District Administrator; Yani Jimenez, Indigent Care Director; Hubert Oxford, IV, General Counsel for the District; Wade Thibodeaux with the Hometown Press; and Gloria Roemer, Seabreeze Beacon.

President Murrell presided over the meeting that was called to order at 1:14 p.m. After calling the meeting to order, President Murrell asked for Public Comment. There being none, the Board was then asked to address Agenda Item No. 3, to discuss and take action, if necessary, on approving Intergovernmental Transfer for the first half of the nursing home Quality Improvement Payment Program, Year 3. Attorney Oxford explained that no action needed to be taken as this agenda item was addressed during the May 10, 2019 Special Meeting. Attorney Oxford explained that the matter was placed on the agenda in case anything further needed to be addressed with Intergovernmental Transfer for the Quality Incentive Payment Program for Year 3.

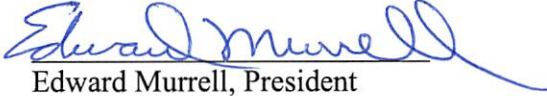
addressed with Intergovernmental Transfer for the Quality Incentive Payment Program for Year 3.

Next, President Murrell asked Attorney Oxford to present Agenda Item No. 4, to discuss and take action, if necessary, on approving Loan 15 Documents. Attorney Oxford asked the Board members to turn to the Loan Documents found in the Board packets and explained that the loan was for \$7,113,077.80 to be used for nursing home operations, including Intergovernmental Transfers for the Quality Incentive Payment Program. (See Exhibit "A"). The Loan documents consist of a Short-Term Promissory Note, Security Agreement, and Depository Account Control Agreement. As with the previous loan, this loan was for a ten (10) month period starting on May 31, 2019 with monthly interest payments of \$99,583.09 or 16.8% and a balloon payment due on March 31, 2020. Several Board members then asked Attorney Oxford questions confirming the terms of the agreements. Following a discussion regarding the loan terms, President Murrell called for a motion to approve the loan agreements. A motion was made by Director Way to approve Loan 15 documents and to authorize the Board President to sign the loan documents. This motion was seconded by Director Rollo and unanimously approved by all Directors present.

At the completion of the discussion regarding Agenda Item No. 4, President Murrell asked the Board to turn their attention to Agenda Item No. 5, to discuss and take action, if necessary, on receiving a recommendation to hire a licensed professional counselor and authorize President executing agreement(s). He then asked Director Rollo, staff, and Attorney Oxford for any recommendations. Director Rollo reported that following the May 15, 2019 Regular Board meeting, the Indigent Care Committee and staff met with Mrs. Grace E. Nichols and Mrs. Penelope S. "Polly" Butler to discuss providing youth counseling services to the District. According to Director Rollo, both are licensed professional counselors ("LPC") that

special in youth counselors and offered to work for the District on the same terms (i.e., \$85.00 per hour) as the prior counselor, Mrs. Stace Farrow. Attorney Oxford referred the Board members to their CVs and proposed service agreements. (See Exhibit “B-1” and “B-2”). Per Attorney Oxford, he explained their agreement was substantially the same as Mrs. Farrow’s except that he added a provision that the counselors could not invoice the individual or the individual’s insurance company or government sponsored insurance. Additionally, Mrs. Jiminez informed the Board that the ladies agreed to conduct their appointments at the Hospital, and she explained that they were going to try to arrange the appointments to be on Fridays so that they could ride together. Furthermore, she stated that during the meeting, the group decided that the Mrs. Jiminez would do all the intakes and verify that the potential clients were eligible. If the potential client was eligible, the person would be referred to one of the two counselors to set up an appointment. Lastly, Attorney Oxford informed the Board that during the meeting with Indigent Care Committee, he made it clear that the program was very important to the Board and if awarded the contract for the services, the Board was willing to assist with the promotion of the youth counseling program but expected that all residents seeking to utilize the service be attended to in a reasonable time period. In closing, the Indigent Care Committee, staff, and Attorney Oxford made a strong recommendation that the Board engage Mrs. Elmore and Mrs. Butler to serve as the District’s youth counselors. Thereafter, a motion was made by Director Way to accept the Indigent Care Committee’s recommendation to engage Mrs. Grace E. Nichols, MEd, LPC and Mrs. Penelope S. Butler, MEd, LPC to serve as the District’s Youth Counselors and to authorize President Murrell to execute Agreements for Healthcare Providers-Youth Counselors with both ladies. This motion was seconded by Director Rollo and unanimously approved by all the Board members present.

After the discussion of the Agenda Items and there being no other business, President Murrell reminded the Board that the next Regularly Scheduled Board meeting was on June 19, 2019 at 6:00 p.m. Subsequently, at 1:14 p.m., a motion was then made by Director Way to adjourn the meeting. This motion was seconded by Director Rollo, with the unanimous consent of all Board members.

  
Edward Murrell, President

  
Anthony Stramecki, Vice-President