

**MINUTES**  
**Meeting of the Board of Directors**  
CHILDREN'S BEREAVEMENT CENTER OF SOUTH TEXAS  
July 17, 2018

This "Called Meeting" of the Board of Directors was convened at 6:05 PM at Texas Capital Bank Building by Board Chair Jacqui Peace, who announced that a quorum for the meeting had been established. Jacqui welcomed new members Tom Coyle and Ryan Sullivan and expressed appreciation for the time extended by those present during a month not regularly scheduled for a meeting.

Members Present: Jacqui Peace, Mallory Ahl, Tom Coyle, Bill Day, Lauren Ferrero, Connie Gilbert, Scott Gruendler, Jeff Hetrick, Jimmie Keenan, Bobby Rios. Curtis Ruder, Ryan Sullivan, Candace Tottenham, Frank Zoch, Ty West. Present by conference call was Barbara Cantrell for the first portion of the meeting. Present by registered proxy were Jessica Berg (Jacqui Peace), Andrew Himoff (Ty West), Katy Corrigan (Ty West proxy), Rose Mary Fry (Jacqui Peace), Ben Pressentin (Jacqui Peace) Raj Rajani (Jacqui Peace), Debra Weems (Bill Day), Jenifer Yi (Jacqui Peace). Staff present: Bert Pfeister, Blair Thompson, Marian Sokol

Board Business

- I. Curtis Ruder, Chair of Board Development, prefaced the meeting by also welcoming the two new board members and stating that board members are fully recognized as equal members of the Board at this first meeting as well as every other meeting, and that they should not hesitate to participate and know that their input is valued. Curtis also reminded all members that while healthy debate and opinions are welcomed during meeting proceedings, that once a vote is registered and meeting ends that they should all ethically accept and move forward in unity. Additionally, Curtis noted that the Executive Director reports to the entire Board as a single entity and that other staff report to her. He stated that no single board member is charged with directing the Executive Director and operations.
- II. Minutes of the May 22, 2018 Meeting  
Jacqui asked for a motion to approve minutes of the May meeting. Jeff Hetrick stated that he had questions and concerns regarding lack of specific information about how the process to potentially purchase the property at 215 W. Olmos meeting occurred and lack of specificity about that process in the minutes. Specifically, he requested rationale and understanding of how communication with two foundations occurred, what the names of the foundations are, and what major renovations were perceived to be a detriment to moving forward with a proposal to purchase. Ty West concurred. Ty, Jeff and Frank all implied that they thought opportunity for expertise of board members with skills in commercial real estate should have been engaged at an earlier point. A motion was made by Jeff and seconded by Connie Gilbert to table the approval of the minutes to the August meeting, after the Executive Director could provide edits adding specificity. Motion was approved. The Board also agreed to review at a future meeting the communication procedures between staff and the Board to ensure the exchange of information is accurately relayed to everyone.
- III. Proposal to Acquire Property at 215 W. Olmos Drive/Annex Building

Jacqui reviewed the sequence of discussions, proposals and pending contact negotiations that had transpired since May when Marilyn Eldridge decided to sell the building that houses 5 offices leased to Children's Bereavement Center. She noted that the building was appraised at \$685,000, but recently listed on the market with broker Charles Jeffers at price of \$785,500 with intent to sell "as is". After meeting of the CBC Facilities Committee and subsequent review of Executive Committee a proposal was made by CBC to enter into contract at the \$650,000 price with stipulation of a 90- day feasibility study and 30 day closing period. Earnest money in the amount of \$10,000 was deposited. Broker for the seller has countered with a \$748,000 offer that includes only a 10- day closing period and requires the buyer to provide survey. The seller also removed an addendum crafted by Lauren Ferrero of CBC Board. Objective of this evening's discussion was to reach agreement on a counter-offer as well as delineate division of tasks and assign roles and timeline for further due-diligence by CBC board members.

Numerous aspects of the contract were discussed, as well as further information shared regarding requisite steps that include securing an environmental survey and property inspection of the facility. Options for financing and assessment of prospective donor interest will also be a priority. In addition, Jacqui noted that there must be attention given to the long- term implications of assuming significant additional debt and the risks associated with assuming a building that is almost 40 years old. Beyond the facility and financial issues, it was noted that we need a clear plan from staff regarding proposed purpose and potential usage of the additional 5,000 sq. ft. space.

Scott Gruendler and Bill Day noted that while there is much work to do, the single most important item of business now is to get an agreement in place so that we can begin the feasibility phase. **The following motion was made by Jeff Hetrick and seconded by Bill Day to approve a counter offer to the Commercial Contract (the "Contract") for real property at 215 W. Olmos Drive (the "Property"), which includes the following provisions: (1) a purchase price of \$665,000, (2) a 90 day feasibility study followed by a 30 day closing period, (3) re-insertion of the Addendum to the Contract previously provided by Children's Bereavement Center South Texas ("CBCST"), and (4) a property survey to be provided by the Seller. The motion included delegating to the Executive Committee of the Board the ability to negotiate the purchase price of the Property up to the appraised value of \$685,000 and designating JLL, as represented by Ty West, to represent CBCST's interests in the negotiation process. The motion was subsequently modified, with the consent of Jeff Hetrick and Bill Day, to include amendments to Section 6B of the Contract related to the Property survey (to be provided within 60 days, as opposed to 30 days, after the effective date), and in Section 7A of the Contract related to the present condition of the Property (to eliminate the Seller's added verbiage "with all faults basis"). Motion with amendments was unanimously passed by Board members.**

Jacqui then suggested that we structure the process of investigating essential facility, finance and impact aspects of the potential property purchase. Board members provided input and it was concluded that there will be 3 committees to lead the work of the board, and that all members of the board will be asked to participate in one committee, as their

schedule allows. The committees are as follows: 1) Facilities, 2) Finance, and 3) Overall Strategic Impact Assessment. The assigned members of Facility Committee, chaired by Connie Gilbert will be on that committee; but participation by any board member is welcome. Similarly, Finance committee, chaired by Bobby Rios, will lead due diligence related to options for financing and alternate lease space arrangement. Other board members are welcome to join. The third committee is Overall Strategic Risk Assessment, chaired by Jacqui Peace. This committee will consist of members of the Executive Committee and the Resource Development Committee. Other members are also invited to join this committee which will study long term infrastructure impact that would occur with property purchase. Senior staff and Board Chair will circulate minutes as well as Committee Assignment opportunities.

As a final note, it was recommended that the organization secure services of an independent attorney to review documents and provide legal counsel. If possible, it is hoped that pro bono services can be obtained, and Ryan Sullivan agreed to pursue options and accept suggestions of attorneys to approach for this purpose.

The meeting was adjourned at 8:00 PM with motion made by Jacqui Peace and seconded by Ryan Sullivan. The next regular meeting of the Board is Tuesday August 28 at 6:00PM at Texas Capital Bank Building.

Respectfully submitted,

Connie Gilbert, Board Secretary

