

MINUTES OF THE REGULAR MEETING
OF
PINEYWOODS MENTAL HEALTH, INC.

A regular meeting of the Pineywoods Mental Health, Inc., a Texas nonprofit Corporation, was held at 12:00 noon on Thursday, October 2, 1980, at Crown Colony Country Club, Lufkin, Texas. Those present and attending the meeting included: John Winston, Jr., President; H. J. Shands, Jr., Secretary; George Henderson, Jr., Vice-President; Percy A. Simond, Director; Mrs. Murphy (Bettye) George, Director; Wayne Lawrence, Ph.D., Chief Executive Officer; Ward R. Burke, Board Member, Deep East Texas Regional Mental Health Mental Retardation Services; M. Richard Warner, Attorney-at-Law.

A Waiver of Notice and Consent to Action on a regular meeting was duly signed by the President, Secretary and Vice-President. The meeting was called to order by the President and the agenda was begun.

The first item covered was recognition of the new Board members - Percy A. Simond and Mrs. Murphy (Bettye) George.

On motion duly made and seconded, the Minutes of the previous meeting were approved as presented by H. J. Shands, Jr., Secretary.

On motion duly made and seconded, the Treasurer's Report was approved as presented by H. J. Shands, Jr., Secretary.

Then followed the discussion of the status of the HUD 202 loan application. Wayne Lawrence, Ph.D., advised the Board that only two such applications in the State of Texas had been funded and both of those were in Galveston. He suggested that the Corporation should resubmit the application as soon as additional funds were available.

On motion duly made and seconded, it was unanimously passed that Wayne Lawrence, Ph.D., be authorized to issue checks on behalf of the Corporation up to the sum of \$500.00. It was further resolved that any check over \$500.00 would require the signature of two officers of the Corporation or Dr. Lawrence and one officer. Signature Cards were presented and signed by the officers.

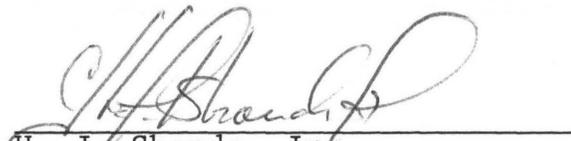
On motion duly made and seconded, it was unanimously resolved that the proposed logo and letterhead presented to the membership be adopted as the official logo and letterhead of the Corporation.

The next item on the agenda was the presentation of a plan for the development of resources by solicitation of funds from the public. In connection with this plan was discussed the possibility of constructing a building to be used as a Halfway House facility. A discussion that followed as to the possibility of purchasing an

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existing building from Owens-Illinois for such use. The Board authorized Wayne Lawrence, Ph.D., to pursue the matter further, and see if this facility would be acceptable or adoptable and upon what terms it could be secured.

There being no further business come before the meeting, the meeting was duly adjourned.


H. J. Shands, Jr.
Secretary-Treasurer

Dated: Jan 12, 1981

WAIVER OF NOTICE OF REGULAR MEETING OF THE DIRECTORS OF
PINEYWOODS MENTAL HEALTH, INC.

We, the undersigned, being all the officers named in the articles of incorporation of the above corporation hereby agree and consent that the regular meeting thereof be held on the date and at the time and place stated below and hereby waive all notice of such meeting and of any adjournment thereof.

Place of Meeting: Crown Colony Country Club

Date of Meeting: October 2, 1980

Time of Meeting: 12:00 o'clock noon



John R. Winson, Jr.
President



H. J. Shands, Jr.
Secretary-Treasurer



George Henderson, Jr.
Vice-President

DATED: 10-2-80

AGENDA

Pineywoods Mental Health, Inc.
Crown Colony Country Club
October 2, 1980

- I. Recognition of New Board Members
- II. Review of Minutes of Previous Meeting
- III. Treasurer's Report
- IV. Discussion of Status of HUD 202 Loan Application
- V. Consideration of Proposed Check-Signing Policy
- VI. Consideration of Proposed Logo and Letterhead
- VII. Consideration of Proposed Resource Development Plan

AGENDA SUPPORTING DOCUMENTS

October 2, 1980

I. Recognition of New Board Members

In one of the initial meetings of the Board of Directors, it was decided to enlarge the membership of the Board to approximately six (6) people (By-Laws specify that there can be up to twelve (12) members). Mr. John R. Winston, Jr., President, contacted the individuals listed below and they have agreed to serve:

Mrs. Murphy (Bettye) George
Mr. Percy A. Simond, and;
Royce E. Read, M.D.

On Thursday, ~~October~~^{September} 18, 1980, a lunch meeting was held with these individuals with the general purposes of Pineywoods Mental Health, Inc. and MHMR being described.

II. Review of Minutes of Previous Meeting

Attached you will find a copy of the Minutes of the April 25 Meeting. These are distributed for your review and action.

MINUTES OF THE REGULAR MEETING

OF

PINEYWOODS MENTAL HEALTH, INC.

A regular meeting of Pineywoods Mental Health, Inc., was held at 12:00 o'clock noon on Friday, April 25, 1980, at Crown Colony Country Club, Lufkin, Texas. Those present and attending the meeting included: John Winston, Jr., President; H. J. Shands, Jr., Secretary; Ward R. Burke; Wayne Lawrence, Ph.D.; M. Richard Warner, Attorney at Law.

A waiver of notice and consent to action on a regular meeting was duly signed by the President and Secretary, with a notation that George Henderson, Jr., Vice-President, could sign same at a later date.

The meeting was duly called to order by the President and the agenda was begun.

On motion duly made and seconded, the Directors voted to adopt the By-laws of the Corporation which had previously been presented to the Board for review at the initial meeting of the Board of Directors.

There being no further discussion, the By-laws were duly adopted by unanimous vote.

The Minutes of the last meeting of the Directors of Pineywoods Mental Health, Inc., were presented to the Board for approval. On motion duly made and seconded, it was unanimously passed that the Minutes be adopted as written.

M. Richard Warner, Attorney at Law, presented certain documents for review toward gaining tax exempt status on behalf of the Corporation. After discussion, on motion duly made and seconded, it was unanimously voted that Mr. Warner be authorized to proceed with the filing of such forms as may be necessary to secure tax exempt status on behalf of the Corporation. The President was authorized to sign such forms as would require signature of an officer of the Corporation.

The President then called attention to the Board that there had been discussions on expanding the Board of Directors. A list of proposed names for Directors was submitted by Wayne Lawrence, Ph.D., Executive Director. The Directors discussed this matter and submitted additional names. After due discussion, on motion duly made and seconded, Dr. Lawrence was authorized to proceed with contacting such other names on the list to ascertain their availability and willingness to serve as Directors and to extend invitations for directorships as may be necessary to increase the Board of Directors to about seven (7).

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The next item of business to come before the meeting was the discussion of proposed projects on behalf of the Corporation. Dr. Lawrence noted that in connection with securing grants, solvency of the Corporation was a key factor. The necessity for raising funds was discussed. Dr. Lawrence advised the meeting that there was the possibilities of entering into a contract with the Lufkin State School for the provision of community-based residential beds. There was further the possibility of securing funds additional to the funds raised from the contract with Lufkin State School by applying for a HUD 202 Loan. After due discussion of both projects, on motion duly made and seconded, it was unanimously voted that Dr. Lawrence be authorized to proceed with the application for securing a HUD 202 Loan. After due discussion, the President stated that he would contribute \$5,000 and asked that an additional \$10,000 in Foundation funds be solicited.

On motion duly made and seconded, Dr. Lawrence was further authorized and directed to proceed with the discussion on the proposed contract with the Lufkin State School and report to the Board at the next meeting.

On motion duly made and seconded, it was unanimously adopted that the fiscal year of the Corporation coincide with the State of Texas fiscal year and be from September 1 through August 31 of each year.

The next item of business to come before the meeting was the selection of a depository of funds. After discussion, the Board was of the opinion that the funds deposited should be spread around among the various lending institutions in Angelina County. On motion duly made and seconded, it was unanimously voted that when the Corporation had sufficient deposits that several depositories could be selected. It was further decided that the initial depository could be selected by the President.

There being no further business to come before the meeting, on motion duly made and seconded, the meeting was adjourned.

H. J. Shands, Jr.
Secretary-Treasurer

Dated: _____

III. Treasurer's Report

Attached you will find a copy of the checking account statement and savings account statement. As indicated on these statements, we have a current checking account balance of \$233.20 and a current savings account balance of \$4,786.33. As you can tell from reviewing these documents, no checks have been written with a charge of \$16.80 being made to the account by the bank for the printing of checks. Also, you can tell we have earned a total of \$36.33 in interest as of June 27, 1980.

IV. Discussion of Status of HUD 202 Loan Application

At the April 25, 1980, Meeting the Board authorized Wayne Lawrence, Ph.D., Chief Executive Officer, to proceed and prepare the necessary documents to apply for HUD 202 Loan. This document was completed and submitted in a timely fashion on May 7, 1980. Board Members contacted the appropriate elected officers concerning the need for their support for this application (See Attachment No. 1). Numerous efforts were made to find out the status of this loan application (See Attachment No. 2). Finally, on September 30, 1980, we received official word that our application had not been funded. It is my understanding that only two applications were funded in Texas and both of these were Galveston (See Attachment No. 3).

Congress of the United States
House of Representatives
Washington, D.C. 20515

June 11, 1980



Wayne Lawrence, Ph. D
Deep East Texas Regional
Mental Health Mental Retardation
Services
4101 South Medford Drive
Lufkin, Texas 75901

Dear Dr. Lawrence:

Just a note to let you know that I have written a letter recommending favorable approval of the application submitted by Pineywoods Mental Health, Inc. for a HUD loan.

As soon as a response is received from HUD, I will write to you again.

Sincerely,

Charles Wilson
Charles Wilson

CW:pap

Item VI Attachment
No. #1

Congress of the United States
House of Representatives
Washington, D.C. 20515

June 11, 1980



Mr. David R. Williamson
Office of Independent Living for the
Disabled
Department of Housing and Urban
Development
451 7th Street, SW
Room 9106
Washington, D.C. 20410

Dear Mr. Williamson:

I am writing in behalf of the Pineywoods Mental Health, Inc. Lufkin, Texas, concerning their application for a HUD 202 direct loan in the amount of \$225,000.

Pineywoods Mental Health, Inc. is a non-profit organization and will use the loan to construct a facility for the chronically mentally ill. The proposed housing unit would be a one-story structure and contain approximately 3,000 square feet of living area. It would provide an independent living structure for ten mentally ill citizens.

It is my understanding that HUD has not assigned a particular number to this application to date, but the application has been forwarded to your office via the Texas Department of Mental Health Mental Retardation.

A housing unit for the mentally ill, as proposed in this application, would be an asset in the Lufkin area, and I would appreciate your careful review of this application with a recommendation toward approval.

Thank you for your assistance.

Sincerely,

Charles Wilson

CW:pap

United States Senate

WASHINGTON, D.C. 20510

June 11, 1980

Mr. H. J. Shands, Jr.
First Bank and Trust
Post Office Box 10
Lufkin, Texas 75901

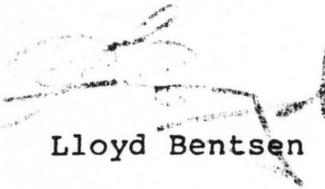
Dear Bubba:

Thank you for apprising me of the HUD Section 202 application submitted by the Piney Woods Mental Health, Inc.

I certainly share your concern in seeing this worthwhile project receive the necessary funding. In an effort to be of assistance, I have contacted the appropriate officials with the Department of Housing and Urban Development to express my support for your proposal and my hope that it will be favorably reviewed.

Thank you for taking the time to write, and please let me know if I may be of additional assistance.

Sincerely,



Lloyd Bentsen

Item IV Attachment
No. #1

United States Senate

WASHINGTON, D.C. 20510

July 22, 1980

Wayne Lawrence, Ph.D.
Executive Director
MH MR Services
4101 South Medford Drive
Lufkin, Texas 75901

Dear Dr. Lawrence:

Enclosed for your information is a copy of the interim report I have received from officials of the Department of Housing and Urban Development concerning my inquiry on your behalf.

I will continue to monitor the situation and express my interest in this regard.

Assuring you of my desire to be of service, I remain

Sincerely,



Lloyd Bentsen

Enclosure



Item IV Attachment
No. #1



OFFICE OF THE ASSISTANT SECRETARY FOR
HOUSING-FEDERAL HOUSING COMMISSIONER

JUL 11 1980

IN REPLY REFER TO:

01 5 M 21 JUL 80
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FROM THE OFFICE OF



Honorable Lloyd Bentsen
United States Senate
Washington, D.C. 20510

Dear Senator Bentsen:

Thank you for your letter of June 11, 1980 supporting the application submitted by Piney Woods Mental Health, Inc., for funds under the Demonstration Program for Deinstitutionalization of the Chronically Mentally Ill.

Applications from private nonprofit organizations within the 31 States selected for the program are being evaluated currently by the Department of Housing and Urban Development (HUD) and the Department of Health and Human Services. Your endorsement of the application submitted by Piney Woods Mental Health, Inc., will be noted during the final evaluation and selection processes. You will be notified when the final decisions are made.

I appreciate your interest and support of HUD's efforts to provide a better living environment for persons with chronic mental illness.

Sincerely,

/s/ Lawrence B. Simons

Lawrence B. Simons
Assistant Secretary



Texas Department of Mental Health and Mental Retardation

P.O. Box 12668, Austin, Texas 78711 (512) 454-3761



John J. Kavanagh, M.D.
Commissioner

September 22, 1980

Gayle Gebran
Office of Independent Living
for the Disabled
Room 9106
451 7th Street, SW
Washington, D.C. 20401

Dear Gayle,

I have been trying unsuccessfully to contact you by telephone during the last few weeks regarding the last round of HUD 202 Demonstration Projects. It has been many weeks now since HUD has announced which projects were funded. However, neither the Governor's Office nor I have received an official announcement re which projects in Texas were funded. This may appear to be a "petty" point but until we receive this official notice we cannot officially budget the "support" for these projects.

Our Legislature meets every other year. We have to get the support dollars years in advance. Our final budget submission for FY 82-83 is due October 15, 1980.

For us to adequately support the HUD Demonstration Project we have to know officially which projects were funded. An official response would be appreciated.

Sincerely,

Spencer F. McClure, Coordinator
Intermediate Care Services
Community Services

SFM:dm

cc: David Williamson, Director, Office of Independent Living for the Disabled.

Item IV Attachment
No. #2



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

SEP 23 1980

OFFICE OF THE ASSISTANT SECRETARY FOR
HOUSING - FEDERAL HOUSING COMMISSIONER

IN REPLY REFER TO:

Wayne Lawrence, Ph.D.
Chief Executive Director
Houston Piney Woods Mental
Health, Inc.
4101 Medford Drive
Lufkin, TX 75901

Dear Dr. Lawrence:

Thank you for your recent application for a Section 202 Fund Reservation under the 1980 Demonstration Program for Deinstitutionalization of the Chronically Mentally Ill. Unfortunately, your application cannot be accepted for fiscal year 1980 funding.

The Department of Housing and Urban Development (HUD) received 158 applications from sponsors within the 31 States approved for participation in this year's program. Extensive analysis of the housing and support services components of each application was completed by staff from HUD and the Department of Health and Human Services (HHS). Final evaluations were made by a committee of representatives from both Departments. Applications from sponsors who were not selected for funding failed to meet either some or all of the criteria for selection as set forth in Section 7-3 of the 1980 Demonstration Program Description.

I appreciate your efforts to apply for this program and encourage you to continue your work to serve persons with chronic mental illness.

Sincerely,

Lawrence B. Simons
Assistant Secretary

Item IV Attachment
No. #3

V. Consideration of Proposed Check-Signing Policy

It is recommended that the Board adopt a policy concerning the authority of the Chief Executive Officer and Board Members regarding signing of checks. It is recommended that the Chief Executive Officer have the authority to sign checks up to \$500.00 and that checks in excess of \$500.00 carry two (2) signatures. The two (2) signatures could be any two (2) officers of the Board or one (1) officer of the Board and the Chief Executive Officer.

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Supporting Documents
October 2, 1980

VI. Consideration of Proposed Logo and Letterhead

Attached you will find a proposed logo and letterhead and format which is presented for your consideration.

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Supporting Documents
October 2, 1980

VII. Consideration of Proposed Resource Development Plan

Attached you will find a rough draft of a proposed Resource Development Plan which is presented for your consideration.

Pineywoods Mental Health, Inc.
Proposed Resource Development Plan
1980-81

ROUGH DRAFT—For Discussion Only

- October Present Plan of Action to Pineywoods and MHMR Boards
- October Pineywoods Mental Health Board review lists of County Club members, Boards of Directors of Banks and Savings and Loan Associations, etc. to locate potential contributors and compile list.
- November Publish articles in Lufkin News and Diboll Free Press announcing formation of Pineywoods Board. List names of members (include pictures) and announce donation of \$5,000. Arrange for interviews on radio and TV. (Note: This should be done in November to not conflict with the United Way Campaign).
- December Have dinner at Crown Colony for the people identified by Pineywoods as potential contributors. Make presentation of plans and needs, arrange for media coverage and for there to be several large contributors at this meeting.
- December Assign the names of potential contributors to Board members for personal contact.
- December Conclude fund raising drive.
- January Collect Pledges and negotiate loan.
- February Select Architect and obtain preliminary drawings. Obtain option on land and initiate zoning procedures.
- April-May Obtain zoning approval and exercise option to purchase land.
- June Have Ground-breaking Ceremonies.
- March, 1982 Complete construction and have dedication ceremonies and open house.

Revised
9/19/80

ROUGH DRAFT—For Discussion Only

Budget
Two-Year Projection

Construction Cost		\$200,000
Land Costs		30,000
Operational Costs		
Interest	30,000	
Architect Fee	12,000	
Closing Costs	2,000	
Consultant Fees	<u>26,000</u>	
	70,000	<u>70,000</u>
	TOTAL	\$300,000
Fund Raising Campaign Goal		\$150,000
Amount of Note		<u>150,000</u>
		\$300,000

Revised
9/19/80