

**MINUTES OF THE BOARD OF DIRECTORS' MEETING  
SWEENEY HOSPITAL DISTRICT**

April 13, 2020

Time 17:30

Members Present: P. T. Brunner, President, Mason Nichols, Vice-President  
Patti Foster, Secretary; Lisa Leal  
Scott Swift – Arrived 1545

Members Absent: Violet Weeks, Don Schulte (listened by phone)

Others Present: Michelle Buchanan – Dini Spheris (by phone)  
Dan Croft – Foundation Board President (by Phone)  
Enrique Leal, III, M.D.

Employees Present: Kelly Park, Cindy Burge, Stuart Butler  
Tracie Copeland – listen by phone

1. **Call to Order** Mr. Brunner called the meeting to order at 1736.

2. The invocation was given by Mr. Nichols.

3. **Record Members Present and Establish a Quorum**  
There being 4 members present, a quorum was established.

4. **Public Comments**

Mr. Brunner commented due to the coronavirus we have 5 people on the telephone. We have Don Schulte and Violet Weeks, board members. He said Violet and Don, you will not be able to participate in the regular discussion once we get started. If you have anything to say in public comments you need to say it before the meeting starts and you will not be able to vote.

He also commented we have on the phone Michele Buchanan with Dini Spheris, Dan Croft the President of the Foundation Board, and Tracie Copeland, the Marketing Director of the hospital and a member of the Foundation Board.

Mr. Brunner asked if anyone had any comments. Mr. Nichols said Scott Swift will be here shortly, he was stopped at the railroad track.

Mr. Nichols commented Ms. Weeks and Mr. Schulte have the same board packet that the rest of the board has. He asked do you have anything you would like to direct our attention to. Ms. Weeks said not particular, but she is in favor of helping fund this project for the Foundation Board. She also said she wants the housekeepers and dietary to be included in all the prayers too.

Scott Swift arrived. Mr. Brunner gave him an update where we are in the meeting.

5. **New Business**

A. **Consider, discuss, and if necessary, take action to approve Consulting Services Agreement with Dini Spheris for fundraising campaign related to Sweeny Community Hospital Foundation and hospital**

Mr. Brunner introduced Michelle Buchanan. She gave an overview of what would be provided by their company for the implementation of fundraising activities with a campaign goal of \$2,000,000. They work with non-profits and hospitals. She commented if the Foundation Board wants to move forward with the campaign, now is the time to do it.

The proposal is four months at \$15,000 a month, and the hospital would not have to hire additional staff during this time. They will help the hospital finalize and refine core campaign materials which will include a case for support, a summary of the campaign's objectives and total goal, and other necessary documents. They will manage the donor prospect list and add new prospects that are identified throughout the campaign. They will assist with the development and submission of proposals to major gift prospects, and provide strategy and insight for the cultivation and solicitation of the top major gift prospects.

Mr. Croft said he appreciates everything that has been presented to us. From the dialog in the Foundation Board meeting, one thing they wanted to pursue the avenue that we won't necessarily tap local resources for funding of the project but are looking more at US or global places to pull those funds from elsewhere in the country. Right now, with everything going on in our backyard it is kind of tough.

Mr. Brunner brought up the Mabee Foundation which is one of the larger donors. We were told that normally they give anywhere from \$250,000 to \$750,00 for a project like this, but if you were in the process of getting ready to build and you signed a contract with your construction manager at risk, if you had not already filed with the Mabry Foundation, then you could not probably receive any funds. We have not signed the contract with CMAR yet, so if you plan to do something, that is one of the big donors to get the ball rolling.

Ms. Buchanan said that when speaking about the Mabry Foundation that is the biggest criteria for them. You can not apply with them if you are already in a contract with the construction manager, however there are other things that will impact us is they really like to see 40 % has already been raised before you go to them for a gift. They also like to see board support that have given toward this project.

Ms. Buchanan said she doesn't want us to hire their firm based on one large foundation or one particular area of the country for funding a lot of this. Their goal is to get us to the 2 million dollars, and to bring qualified prospects to the table.

Mr. Nichols inquired about the proposal for the \$60,000 which is technically for four months. He said he heard this potentially could go into the fall. The four months would get us going, and after July if we don't renew the agreement, would all the work stop.

Ms. Buchanan responded typically their contracts run 18 months but we have a smaller number to reach which would run 10 to 12 months to raise \$2,000,000. They will have 3 people working on this for the four months to help not lose opportunities. At the end of four months we will need to evaluate where we are and determine what is needed and they will adjust accordingly. Honestly, she said it will take more than 4 months to accomplish the goal of 2 million dollars. She has a list of 75 foundations they can contact.

She commented that there is no infrastructure at the hospital that can take over to continue the campaign. The hospital should be prepared to invest \$120,000 to \$150,000 to get them through the campaign.

Mr. Brunner said El Campo has used this firm for their campaign and have raised more than 8 million dollars. Ms. Buchanan said it took 18 months to raise the funds.

Ms. Buchanan said in Lake Jackson, they raised 5 million in 15 months.

Mr. Croft said the Foundation Board voted, and they are all in favor of going forward with the agreement with Dini Spheris.

Mr. Brunner said he spoke with the hospital's lawyer and the hospital district can not loan the Foundation Board the funds for the campaign. We would have to go into a joint agreement with the Foundation. The Foundation has \$30,000 that they can spend towards this agreement now so the hospital would have to pay the additional \$30,000 for the agreement unless the Foundation has more funds that come in.

Mr. Nichols wants to make sure we have a committed donor at the end of the 4 months. Ms. Buchanan can not commit that we will have a donor at that time but there will be solicitations that go out at a \$2,000,000 level that there should be some type of return. They have never gone into an agreement that they had not covered their cost.

Mr. Swift has there ever been a time where you entered into an agreement for a campaign and you fell way short of that goal. Ms. Buchanan said the only time they had to re-assess numbers was on a hospital that had a \$20,000,000 goal but then they were able to finish the project with \$17,000,000 and did not need the extra 3 million.

Mr. Nichols also asked about the reasonable expenses in the amount of \$1,000. Is that a one-time expense. Ms. Buchanan said it would be a total of up to \$1000 for the four-month period.

Ms. Park said we do not want to delay the Lott Brothers contract for Construction Management. We want to move forward. Maybe a situation that we do not look in that avenue or we delay that contract. I just can't see we are moving forward and we are in that momentum of dealing with contracts and moving the build. Where are your thoughts on that. Ms. Buchanan asked when are we looking to sign that contract.

Mr. Brunner responded that we currently have a \$40,000 pre-construction period that we are paying Lott Brothers to assist the architect right now on the architectural work. This last week we spent \$10,000 so we have three more payments should be around 3 to 4-months

to finish up the pre-design work then we will be ready to sign the contract once that is finished.

Ms. Buchanan said that should give enough time to call Mabry Foundation and give us an idea of where we are at. The big one we are looking to is in Galveston, The Moody Foundation.

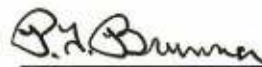
Mr. Brunner said he knows Ms. Weeks is 100% in favor of going forward with Dini Spheris for the campaign.

Ms. Foster made a motion to accept the contract. Mr. Swift seconded the motion. Unanimous decision, motion carried.

Mr. Swift said he wants to be part of the campaign committee.

6. **Adjournment**

Mr. Nichols moved for adjournment, seconded by Ms. Foster. Meeting adjourned at 1845.



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P. T. Brunner, President  
Recorder: Cindy Burge