

Houston Forensic Science LGC, Inc.

MEETING OF BOARD OF DIRECTORS
MINUTES

June 13, 2014

The undersigned, being the duly appointed Acting Secretary of the Houston Forensic Science, LGC, Inc., (the "Corporation"), hereby certifies that the following are true and correct minutes of the June 13, 2014 meeting of the Board of Directors (the "Board"), of the Corporation.

- A. In a manner permitted by the Corporation's Bylaws, the meeting was called by providing all Directors with notice of the date, time, place, and purposes of the meeting more than three days before the date of the meeting.
- B. In Accordance with Chapter 551, Texas Government Code, which Chapter is made applicable to the Corporation by Section 431.004, Texas Transportation Code, a notice of the meeting was duly filed on June 10, 2014, in the same manner and location as required by law of the City of Houston, Texas (the "City").
- C. The meeting was called to order by Scott Hochberg, Chairman of the Board, at 9:01 a.m. on Friday, June 13, 2014, in the Council Annex Chambers, 900 Bagby St. (Public Level), Houston, Texas 77002.
- D. Ms. Wieringa called the roll. The following Directors were present: Scott Hochberg, Nicole B. Cásarez, Carolyn Hanahan, Dr. Enrique V. Barrera, Catherine Lamboley, Judge Willie E. B. Blackmon, and Sandra Guerra Thompson.

The following Directors were absent: Hiram A. "Art" Contreras, Anthony T. Robinson, and Tom P. Allen (ex-officio).

Mr. Hochberg announced that a quorum of the Directors was present.
- E. Mr. Hochberg welcomed new Board member, Ms. Carolyn Hanahan. Mr. Hochberg provided a summary of Ms. Hanahan's credentials and welcomed her to the Board of Directors. Mr. Hochberg reported that Ms. Lamboley would be completing her two year term; he thanked her for all of her contributions and Ms. Lamboley shared her sentiments. Mr. Hochberg noted that Dr. Barrera, Judge Blackmon, and Ms. Cásarez would be completing their two year terms; however, all members are eligible and available for reappointment.
- F. Mr. Hochberg noted that a draft of the minutes of the Corporation's meeting on May 9, 2014 had been distributed to the Board. Ms. Lamboley made a motion to approve the minutes of the May 9, 2014 minutes, and the motion was seconded by Judge Blackmon. The motion passed unanimously, and the minutes of the May 9, 2014 meeting were adopted.
- G. Mr. Hochberg asked if any members of the public wished to address the Board. Mr. Hochberg noted that no one asked to address the Board, and the meeting continued.

- H. President and CEO, Dr. Daniel Garner, provided a President's report to the Board. He discussed personnel status, quality assurance, accreditation processes, timelines, and reports. Dr. Garner reviewed case metrics, technology updates, and noted that future lectureship series opportunities are being considered. Dr. Garner reported that preliminary discussions had been held with both Chief Thaler and Chief Jackson with the Pasadena Police Department regarding a potential business opportunity. Dr. Garner also noted that he and Mr. Hochberg had a budget meeting with the City of Houston.
- I. CFO and Treasurer, Ms. Linda Harvey, provided a Treasurer's report. Ms. Harvey reviewed monthly cash flow analyses for April 30, 2014 and May 31, 2014. She presented the Statement of Net Assets-Cash Basis as of April 30, 2014 modified by the HFSLGC staff, and then reviewed the Compiled Financial Statements-Cash Basis for April 30, 2014. Ms. Harvey reported that alternative accounting systems are being reviewed for July 2014 implementation. She noted that general liability and professional liability insurance will be available by the end of June 2014.
- J. Ms. Thompson moved to ratify as an action of the Board Mr. Hochberg's execution of the Sandberg dual representation letter dated March 27, 2014, which letter is addressed jointly to Mr. Feldman and Mr. Hochberg. An accurate copy of the said letter is attached to these Minutes. Judge Blackmon seconded the motion. After brief discussion, the motion passed unanimously.
- K. Mr. Hochberg recommended that the Board approve Ms. Ashley Wieringa as Secretary for the Corporation, and Ms. Lamboley seconded the motion. The motion passed unanimously.
- L. Mr. Hochberg reported that a discussion regarding the corporation name change was required due to a trademark issue presented to the Corporation by an international British company. Given Mr. Allen's absence, Mr. Hochberg requested a small working group consisting of Ms. Hanahan, Mr. Hochberg, Mr. Allen, and Judge Blackmon meet regarding the corporation name change and work with Dr. Garner on branding.
- M. Director of Human Resources, Ms. Caresse Young, provided a progress report on employee retirement benefits. Per Mr. Allen's suggestion, outside legal counsel was consulted to ensure the appropriateness of the plan documents. Ms. Young noted that she had received an email indicating that no major issues were apparent. She reported that the implementation date would be changed to July 1, 2014 and that contractual obligations with Dr. Garner would be met as required.
- N. Director of the Forensic Analysis Division, Ms. Irma Rios, presented a final report on matters concerning the performance of job duties by a person formerly employed in the laboratory. She presented a synopsis of the incident involving a former DNA technician and reviewed the operating procedures of the laboratory. Ms. Rios noted that the Board would be provided with the final report that is submitted to the Texas Forensic Science Commission; Mr. Hochberg requested that this information also be reviewed by the TAG.
- O. The Board went into Executive Session at 10:35 a.m. for discussion regarding the President and CEO performance evaluation. Mr. Tom Allen joined during the Executive Session portion of the meeting.
- P. The Executive Session concluded at 12:05 p.m. Ms. Thompson left the Executive Session portion of the meeting at approximately 11:57 a.m. The open meeting reconvened at 12:07 p.m.

Q. There being no other business, the meeting was ADJOURNED at 12:07 p.m.

Houston Forensic Science LGC, Inc.

By: Ashley Wieringa

Ashley Wieringa

Acting Secretary



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March 27, 2014

David M. Feldman, City Attorney
City of Houston, Texas (the "City")

Hon. Scott Hochberg, Chairman
Board of Directors
Houston Forensic Science LGC, Inc. (the "Corporation")

RE: Legal Representation of Houston Forensic Science LGC, Inc., a Texas local government corporation

Gentlemen:

Since January 2014, I have served the City as a Senior Assistant City Attorney, providing general legal counsel to the City's staff. As part of my job duties, Mr. Feldman has assigned me to assist Mr. Tom Allen, First Assistant City Attorney, in providing legal services to the Corporation. The purpose of this letter is to address issues that may arise as a result of my current service to the City and the Corporation, both of whom are my clients.

Rule 1.06(b) of the Texas Disciplinary Rules of Professional Conduct provides in part that, except to the extent permitted by paragraph (c) of the same Rule, "a lawyer shall not represent a person if the representation of that person:

- (1) involves a substantially related matter in which that person's interests are materially and directly adverse to the interests of another client of the lawyer or the lawyer's firm; or
- (2) reasonably appears to be or become adversely limited by the lawyer's or law firm's responsibilities to another client"

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Rule 1.06 (c) states that "[a] lawyer may represent a client in the circumstances described in (b) if:

- (1) the lawyer reasonably believes the representation of each client will not be materially affected; and
- (2) each affected or potentially affected client consents to such representation after full disclosure of the existence, nature, implications, and possible adverse consequences of the common representation and the advantages involved, if any."

The extent to which Rule 1.06 may apply to an attorney representing both a local government corporation ("LGC") and the LGC's sponsoring local government is unclear, in part because LGC's are relatively new legal entities. However, the Preamble to the Texas Disciplinary Rules of Professional Conduct contains the following statements, which indicate that the Rules do not necessarily prohibit a government attorney's representation of two or more government agencies: Government lawyers "may be authorized to represent several government agencies in intragovernmental legal controversies in circumstances where a private lawyer could not represent multiple private clients. ... These rules do not abrogate any such authority."

Notwithstanding those reassuring statements in the Preamble, this letter addresses the potential applicability of Rule 1.06(b)-(c) to my dual representation of the City and the Corporation. It is reasonable to assume that from time to time I will be expected to handle legal matters for the Corporation that are "substantially related" to matters in which I have represented or will represent the City. For example, the City and the Corporation may require agreements addressing funding, facilities, equipment, services, and similar topics. In these circumstances I will represent the Corporation's interests, not the City's, and it is foreseeable that such agreements will be "substantially related" to matters I have handled or will handle for the City.

Because the Corporation is incorporated, organized and operated to accomplish the City's governmental purposes, it appears unlikely that my representation of the Corporation will be "materially and directly adverse" to my representation of the City, and equally unlikely that my representation of the Corporation will be "adversely limited" by my

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responsibilities to the City. Accordingly, at this time I conclude that (1) my providing legal services to both the City and the Corporation does not appear to be inconsistent with Rule 1.06(b), and (2) my representation of each client will not be materially affected. **If at any time the City or the Corporation disagrees with these conclusions, I ask that you notify me as soon as possible. The Corporation is free at any time to discontinue the use of my services.** In keeping with Rule 1.06(c)(2), I request the City's consent and the Corporation's consent to my providing legal services to both entities.

Also, while providing legal services to the City and the Corporation I am likely to acquire information, including "confidential information" (as defined by Rule 1.05(a) of the Texas Disciplinary Rules of Professional Conduct) from both entities. In keeping with Rule 1.05(c)(1), I request the City's express authorization to reveal the City's confidential information to the Corporation, but only if and to the extent necessary for my proper representation of the City. I further request the Corporation's express authorization to reveal the Corporation's confidential information to the City, but only if and to the extent necessary for my proper representation of the Corporation.

Please confirm the said consent and authorizations by countersigning this letter where indicated below and returning the letter to me. I also request that Mr. Hochberg ask the Directors of the Corporation to ratify his agreement with the substance of this letter.

I look forward to providing legal services to the City and the Corporation, to the best of my ability. Please contact me at (832) 393-6384 if you have any questions.

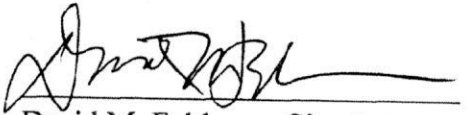
Sincerely,



John Ronald Sandberg

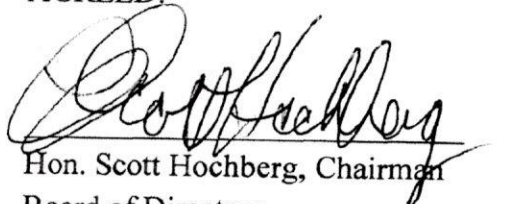
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AGREED:


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Date: 4/1/14

AGREED:


Hon. Scott Hochberg, Chairman
Board of Directors
Houston Forensic Science LGC, Inc.

Date: 4/2/14

C: Tom P. Allen