

MINUTES

Board of Directors of the Houston Ship Channel Security District

Houston, Texas
May 22, 2012

A special meeting of the Board of Directors ("Board") of the Houston Ship Channel Security District ("District") was convened on May 22, 2012 at 2:00 p.m. The meeting was held, open to the public, at West Gulf Maritime Association (WGMA), Board Room, Third Floor, 1717 Turning Basis Drive, Portway Plaza Building, Houston, Texas 77029 in accordance with the duly posted Notice of Public Meeting. The roll was called of the officers and members of the Board, as follows:

Lewis A. Brown
Clayton Curtis, Treasurer
Richard Henderson
Charles (Chuck) King
Jake Leavins
Robin Riley, Chair
Gary Scheibe
Tom Schroeter, Secretary
Mike Stewart – Assistant Secretary
Steve Stewart
Ray Yellig, Vice Chair

and all of said persons were present except for Director Scheibe and Director Michael Stewart, thus constituting a quorum. Also present were Daniel Ringold of Schwartz, Page & Harding, LLP ("SPH"), counsel for the District, and Chuck Wolf of Media Consultants, administrator of the District's Request for Proposals.

Item 1: - Call to Order

The meeting was called to order at 2:10 p.m. by Chair Riley.

Item 2: - Appearances

Chair Riley asked if anybody wished to address the Board. Nobody wished to do so.

Item 3: - Distribution of response to Security District's Request for Proposals (RFP's) to Board Members for review and consideration; potential action with respect thereto.

With respect to review of proposals in response to the District's RFP, Mr. Ringold addressed the Board regarding potential conflicts of interests. He stated that if any Board Member felt they had a potential conflict given a business or personal relationship with any of the proposers or their sub-contractors, to please call and discuss the matter with him so that proper disclosures could be made and proper action could be taken in accordance with State law.

Chair Riley informed the Board that he had prepared a matrix for the purpose of assigning the Responses submitted to the Request for Proposals for the purpose of preliminary review and evaluation. He stated that each proposal would be reviewed by at least three board members and each board member would receive three proposals to review. Further, each proposal would be made available for each Director to review. Teams would be set up with three or four Directors

to meet and compare the proposals that they were asked to review. The teams would then assess their proposals based on the criteria in the RFP. The complete Board would meet on June 5, 2012 (and such further dates as may be necessary or desired) to discuss the results.

Mr. Wolf distributed the responses to the RFP to the various teams. For team members not present at the meeting, Mr. Wolf advised that their assigned proposals would be delivered to them via Federal Express. Mr. Wolf also distributed to the Board members the RFP, Amendment No. 1, being all inquiries received from proposers relative to the RFP process and the answers supplied regarding same. He stated that one company appeared not to have met the minimum submittal requirements, and four companies did not furnish Executive Summaries. Chair Riley suggested that the first company's proposal still be reviewed for substantive evaluation without penalty for the failure to meet the procedural requirements. He also recommended that no deductions or penalties be given for the companies not furnishing an Executive Summary, as it had not been specifically requested. The Board concurred in such suggestions.

There being no further business to come before the Board a motion was made by Director Henderson that the meeting adjourn. Motion was seconded by Director Leavins. Motion passed unanimously. Meeting adjourned at 2:55 p.m.

The next special scheduled meeting of the Houston Ship Channel Security District Board of Directors is Tuesday, June 5, 2012, at noon at Exxon Mobil, 2800 Decker Drive, Baytown, Texas 77521.

The above is a correct copy of the Minutes of the May 22, 2012 meeting of the Board of Directors of the Houston Ship Channel Security District.



Robin C. Riley, Chair

ATTEST:



Thomas G. Schroeter, Secretary