

## MINUTES

**Board of Directors of the  
Houston Ship Channel Security District**

**Houston, Texas  
June 14, 2011**

The regular meeting of the Board of Directors (“Board”) of the Houston Ship Channel Security District (“District”) was convened on June 24, 2011 at 2:00 p.m. The meeting was held, open to the public, at Exxon Mobil Main Office building, 2800 Decker Drive, Baytown, Texas in accordance with the duly posted Notice of Public Meeting. The roll was called of the officers and members of the Board, as follows:

Beth Bowles  
Clayton Curtis, Treasurer  
Greg DeLong, Vice Chair  
Gary Scheibe  
Richard Henderson  
Robin Riley, Chair  
Tom Schroeter, Secretary  
Mark Skobel  
Steve Stewart  
Lawrence Waldron  
Ray Yellig

and all of said persons were present, except Chairman Robin Riley, Director Schiebe, Director Waldron and Director Yellig, thus constituting a quorum.

Also present were Daniel Ringold and Howard Cohen of Schwartz, Page & Harding, LLP (“SPH”), counsel for the District, Al Cusick of the Greater Houston Port Bureau (“GHPB”), Administrator for the District, and Dennis Storemski of the Houston Ship Channel Security District Advisory Council.

Vice Chairman DeLong called the meeting to order at 2:10 p.m.

Vice Chairman DeLong asked if anybody wished to address the Board. Nobody wished to do so.

Vice Chairman DeLong asked for approval of the May 10, 2011 minutes of the Board meeting. Director Skobel moved and Director Curtis seconded that the minutes be approved as presented. The motion passed unanimously.

Mr. Storemski presented an oral report on behalf of the Houston Ship Channel Security District Advisory Council. Mr. Storemski stated that the Advisory Council had reviewed the draft request for proposals (“RFP”) for project management and recommends that it be revised to be more of a RFP for development and implementation of a strategic plan for the District.

Mr. Cusick of the GHPB gave their monthly report to the Board. He stated that all 2010 assessment installment payments have been received.

Mr. Cohen reported on the status of the legislation introduced to effectuate various revisions to Chapter 68 of the Texas Water Code. In connection therewith, he advised that the Governor had signed Senate Bill 1104 on May 20, making it effective as of that date. He also stated that the Board could only assess companies that were in Harris County. Director Schroeter congratulated Mr. Cohen on a job “well done” and made the motion that the statement of \$26,356.95, the balance owed for the legislative engagement, be paid. Vice Chairman DeLong asked if there was anything additional that needed to be completed regarding the Legislation and Mr. Cohen advised him there was not, at this time. Director Stewart seconded Director Schroeter’s motion. Passed unanimously.

Director Schroeter informed the Board that he and Director DeLong had revised the RFP for Project Management in accordance with the comments received from the Advisory Council, and it had been sent to the Board for review and comment. Discussion ensued and it was decided that a copy of the revised draft be forwarded to the Advisory Council for their comments. Director Henderson moved and Director Skobel seconded that the review of the RFP be tabled for a month so that the Advisory Council could give the Board their input.

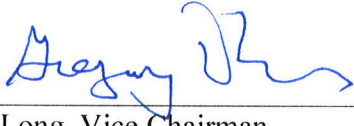
At 2.25 p.m. Vice Chairman DeLong called for a five minute recess before the Board would convene in closed session. Director Schroeter read the following statement:

“The Houston Ship Channel Security District Board of Directors will now convene in a closed meeting, as permitted by the Texas Open Meetings Act and Government Code, to deliberate with legal counsel. The Board will also deliberate regarding security related matters including deployment and implementation of security personnel and devices – per RFQ, Harris County contract and DATS (Dairy Ashford Tag Store) office (Harris County Sheriff’s Office). Pursuant to the Government Code, Section 551, subchapter E, the closed meeting shall be recorded. The Houston Ship Channel Security District Board of Directors will reconvene in public session after the closed meeting is adjourned.”

At 3.15 p.m. the Board reconvened in open session. There being no Motions coming out of closed session Director Schroeter moved and Director Curtis seconded that the meeting be adjourned. Motion passed unanimously. Meeting adjourned at 3.17 p.m.

The next scheduled meeting of the Houston Ship Channel Security District Board of Directors is Tuesday July 12, 2011 at 2:00 p.m. at Shell Deer Park, 5900 HWY 225, Deer Park, Texas.

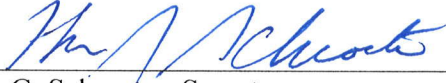
The above is a correct copy of the Minutes of the June 14, 2011 meeting of the Board of Directors of the Houston Ship Channel Security District.



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Greg DeLong, Vice Chairman

ATTEST:



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Thomas G. Schroeter, Secretary