

## MINUTES

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

**Houston, Texas  
July 13, 2010**

The regular meeting of the Board of Directors of the Houston Ship Channel Security District was convened on July 13, 2010 at 9:30 a.m. The meeting was held at Port of Houston Authority, Board Room, 4<sup>th</sup> Floor, 111 East Loop North, Houston, Texas. The following Directors were present:

Beth Bowles  
Clayton Curtis  
Richard Henderson  
Robin Riley  
Tom Schroeter  
Mark Skobel  
Steve Stewart  
Lawrence Waldron  
Ray Yellig

Greg DeLong and Harry Engelhardt, Jr. were absent

Also present was Daniel Ringold of Schwartz, Page & Harding, LLP, counsel to the District.

Chairman Riley called the meeting to order at 9:37 a.m. Chairman Riley asked if there were any corrections or amendments to the Minutes of the June 8, 2010 and June 25, 2010 Meetings of the Board of Directors. Director Schroeter moved that approval of the Minutes be postponed until the next regular meeting of the Board of Directors, in order to give the Directors additional time to review them. Director Stewart seconded the motion. Motion passed unanimously.

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

It was decided that Item 5 on the Agenda, Training – Grants – Ian Gorman, County Grant Coordinator, Office of Budget Management, be moved to our next scheduled meeting which would be August 17, 2010.

Mr. Doug Adkinson of Harris County Judge's Office, gave a brief update on the security projects. Director Schroeter requested that a report and status update on the security projects be given at the next scheduled meeting along with a detailed budget presentation.

Discussion regarding the Bylaws was held. Director Schroeter informed the Board that two revisions had been made:

1. In those cases where a provision in the Bylaws comes from one of the provisions in the governing statute (Chapter 68 of the Texas Water Code), the statutory reference has been inserted for the reader's convenience.

2. The provision in the Bylaws pertaining to committees (Article III, Section 5) was revised to make it clear that committees may consist not only of Board members, but also of people who are not on the Board – so that the District can benefit from non-board members who would like to volunteer to help on various District matters.
3. The Bylaws set the fiscal year from October 1 through September 30. Director Schroeter advised that the fiscal year could be changed at any time at the Board's discretion.

Director Bowles moved and Director Curtis seconded that the Bylaws be approved. Motion passed unanimously.

Chairman Riley introduced Mr. Daniel Ringold of Schwartz, Page & Harding (legal counsel to the Board). Mr. Ringold gave a report on his firm.

Director Curtis gave a report to the Board regarding banks he had researched.

The Board moved to item 11 on the Agenda, "Discussion and potential action regarding obtaining office, bookkeeping and related services".

Captain Bill Diehl USCG (Ret), President, Greater Houston Port Bureau, gave a presentation to the Board regarding the services that the Greater Houston Port Bureau would offer to the Board. He informed the Board that they would be welcome to use their offices any time they wished. A copy of the proposal is attached to these Minutes and incorporated herein.

Chairman Riley informed the Board that David Turkell of Harris County had offered the Board free office space downtown.

Director Schroeter recommended that the Board require a written contract with any organization providing services to the District.

Director Stewart stated that the Board would be well represented by the Port Bureau. Director Waldron affirmed Director Stewart's comment. Director Schroeter mentioned the experience of Captain Diehl and his potential benefit to the District.

Chairman Riley called for a brief recess of the meeting. Meeting was adjourned at 10:35 a.m. and reconvened at 10:50 a.m.

Chairman Riley informed the Board that he felt what the Board needed immediately was a bookkeeper and someone to update and maintain the website. After further discussion Director Waldron moved and Director Curtis seconded that an Agreement be prepared by counsel for the Board for the consideration of Captain Diehl's proposal. Director Stewart informed the Board that he would recuse himself from voting as he was a member of the Port Bureau's Board of Directors.

Director Schroeter also abstained from voting, stating that the Port Bureau is a tenant of the Port of Houston Authority and he desired to consider whether that relationship affected his voting on this matter. With the exclusion of the above two abstentions, motion passed unanimously.

The Board then returned to item number 8 on the Agenda. Director Waldron moved and Director Bowles seconded that Director Curtis and Mr. Ringold find a bank that meets the Board's requirements. Motion passed unanimously.

Attorney Ringold advised the Board regarding the designation of Depository Banks and an Order regarding the same; he also explained to the Board about establishing a policy for investments of District Funds and discussed disclosure requirements. Director Stewart moved that the Board table the discussion regarding investment policy and the Order relating to same until the August meeting. Director Schroeter seconded the Motion. Motion passed unanimously.

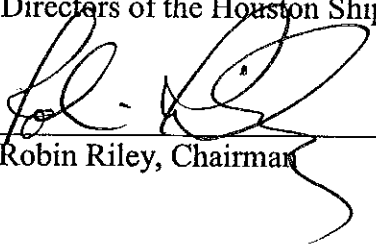
Director Bowles requested that Mr. Bruce Birdwell attend the next meeting to give an update on the Board's insurance coverage.

Chairman Riley advised the Board that they should take a tour of the whole District so that Board Members can review the Harris County security projects being installed. He stated he would look into possible dates and advise the Board of same. He suggested that the Board take a look at both waterside and landside aspects of the projects.

There being no further business to come before the Board, Director Stewart moved that the meeting be adjourned. Director Bowles seconded the motion. Motion passed unanimously. Meeting adjourned at 11:45 a.m.

Next scheduled meeting of the Houston Ship Channel Security District Board of Directors, Tuesday, August 17, 2010, 9:30 a.m. at Celanese Chemicals. This will also be the Statutory Hearing on Assessments.

The above is a correct copy of the Minutes of the July 13, 2010 meeting of the Board of Directors of the Houston Ship Channel Security District.

  
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Robin Riley, Chairman

ATTEST:

  
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Thomas G. Schroeter, Secretary

## **Administrative Services for the Houston Ship Channel Security District**

A knowledgeable and efficient supporting staff is an imperative in any well run organization. We believe that the Greater Houston Port Bureau can be of great assistance to you as you develop the Houston Ship Channel Security District. We are currently providing administrative services to the Greater Houston Coffee Association and the Houston Custom House Brokers and Freight Forwarders Association.

We offer:

### **Full Administrative Support:**

- Accounting: general ledger, invoicing, bill payment, payroll (if needed), taxes and depreciation schedules.
- Meeting support (agenda, minutes, notification support).
- Scheduling of required training for Officers and Directors
- Oversight of liability policy coverage.
- Establishment and maintenance of a website.

### **Knowledge and Experience:**

- Representation by the former Federal Maritime Security Coordinator (FMSC)
- Knowledge and experience in
  - The Area Maritime Security Plan
  - The Port Security Grant Process
  - The Department of Homeland Security's Priorities
- Full understanding of the security roles of the local law enforcement community, and ability to speak on the Security District's goals to delegations from Washington and/or Austin.
- Cleared for Top Secret information.

### **An Excellent Office:**

- An Address: Houston Ship Channel Security District, 111 East Loop North, 77029
- Secure office inside of Greater Houston Port Bureau Offices.
- Amenities (furniture, conference room, secretary, IT support, phones ...etc.)
- Quick availability if visiting dignitaries of the Port of Houston Authority want to discuss security topics.
- A Port Bureau staff that knows the port community and is dedicated to staying responsive.

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