

Board of Directors of the Houston Ship Channel Security District
January 9, 2024

A meeting of the Board of Directors (“Board”) of the Houston Ship Channel Security District (“District”) was convened on January 9, 2024, open to the public, at the offices of the Greater Houston Port Bureau, 4400 Highway 225, Suite 200, Deer Park, 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:

Eric Bass, Secretary
Jimmy Burke
Raymond Espinosa
Eric Finck
Mark Griffin
Buck Tadlock
Tim Krietemeyer, Vice Chair
Clayton Pace, Treasurer
Gary Scheibe, Chair
Jessica Thomas, Assistant Secretary
LaKenya Wilson

and all said persons were present, except Chair Scheibe, thus establishing a quorum. Chair Scheibe entered the meeting after it had been called to order, as noted in these minutes. Also, present were Daniel Ringold of Schwartz, Page & Harding, L.L.P. (“SPH”), legal counsel for the District, and Angela Gonzalez and Christine Schlenker of the Greater Houston Port Bureau (“GHPB”), administrators for the District.

1. Call to Order

Vice Chair Krietemeyer called the meeting to order at 2:00 PM.

2. Public Comment

There were no comments from the public.

3. Approval of Minutes of November 14, 2023, Board of Directors Meeting

Secretary Bass advised the Board that the draft minutes of the November 14, 2023, Board meeting were distributed as part of the Board Book materials and asked if there were any comments or suggested revisions to said minutes. There being none, Director Thomas moved to approve the minutes of the November 14, 2023 meeting, as presented. Director Griffin seconded the motion, which passed unanimously.

4. Chair's Comments on Industry Regulations and Related Matters

The Board deferred this item. Chair Scheibe entered the meeting at this time.

5. Report on the Appointment of Zone Directors and District-at-Large Director by Harris County Commissioners Court

Chair Scheibe advised the Board that Harris County approved the reappointment of Directors Espinosa, Finck, Bass and Krietemeyer were reappointed for the 2-year term of 2024-2026. He further advised that Kenya Wilson was appointed by the Harris County Commissioners Court to the County's At-Large position appointment.

6. Treasurer's Report for the Fourth Quarter 2023

Director Pace presented the Treasurer's Report for the 4th quarter of 2023. A copy of the report is attached to these minutes as Exhibit A. Following the presentation of the Treasurer's report, Director Thomas moved to accept said report. Director Burke seconded the motion, which passed unanimously.

7. Investment Officer's Report for the Fourth Quarter 2023

Director Pace presented the Investment Officer's Report for the 4th quarter of 2023. A copy of the report is attached to these minutes as Exhibit B. Director Thomas moved to accept the report. Director Burke seconded the motion, which passed unanimously.

8. Adoption of Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with District;

The Board considered adopting a list of qualified brokers authorized to engage in investment transactions with the District. Mr. Ringold advised that, pursuant to the Public Funds Investment Act, the Board is required to review, and revise if necessary, such list at least annually. He then presented to and reviewed with the Board a proposed list of financial institutions, brokers and dealers authorized to engage in investment transactions with the District, a copy of which is attached hereto as **Exhibit C**, as compared to the list previously adopted by the Board. Mr. Ringold noted that the broker list presented is a list of potential institutions with which the District may engage in investment transactions compiled with the input of the District's Investment Officer and Administrator, but it is ultimately the Board's decision as to where the District's funds are actually placed. After discussion on the matter, Director Thomas moved that the Resolution Adopting List of Qualified Brokers Authorized to Engage in Investment Transactions with the District attached hereto as **Exhibit D** be approved, and that the Chair and Secretary be authorized to execute same on behalf of the Board and the District. Director Pace seconded said motion, which unanimously carried.

9. Discussion of renewal of District insurance coverages and authorize solicitation of proposals for same;

She advised the Board that there is one check which requires Board approval: \$132,726.94 payable to Harris County. Director Pace moved to accept the report and approve the check presented for payment. Director Burke seconded the motion, which passed unanimously.

b. Assessment Update

Mrs. Gonzalez advised there is no Assessment Update this month, as it was already provided by Director Pace.

c. Education Report

Mrs. Gonzalez advised the Board that the Education Report is in the Board Book, a copy of which is attached to these minutes as Exhibit E. She notes that a MTSA FSO Class is scheduled for March 6 & 7, and a CFATS FSO Class is scheduled for May 15 & 16.

d. Management and Outreach

Mrs. Schlenker advised the Board that the GHPB is working on completing the annual report for the District. Potential authors of articles were contacted in December, and Mrs. Gonzalez is working on finalizing 2023 reports so that information can be included.

15. Status Report – City of Baytown

Jeremy Cox advised that the Baytown Dive Team received nearly all the equipment from funding committed by the District in 2023, and the Bomb Squad is waiting on City Council approval to complete their equipment acquisitions. He noted that the Bomb Squad was recently awarded two new positions for the national governing port and will be expanding their numbers and equipment, which should help incident response times moving forward.

16. Status Report – City of Houston

Mr. Scott Berry advised there was nothing additional to report.

17. Status Report – Harris County

a. Universal Services/CTS

Mr. Bo Garces reported that all cameras are operational, and all preventive maintenance has been completed.

b. Engineering

Mr. Karr advised the Board he had nothing to report.

c. Sheriff's Office

Lieutenant Jasper provided an update on the activities of the Sheriff's Office, noting that there were no significant events since the last Board meeting to report.

18. Status Report – Texas Department of Public Safety

No one present.

19. Status Report – U.S. Coast Guard

Mr. Tyson Muniz advised the Board that the next AMSC Security Officers Subcommittee will be at Freeport at the USCG Freeport operations center at 10am on Feb 20. He noted that the next AMSC meeting will be on Feb 22nd at the USCG Sector building, starting at 9 am. He briefly discussed the PSGP for 2024. Mr. Keiton Moore advised that there will be an AMSC Cyber subcommittee meeting on Feb 23rd and encouraged facility representatives to get involved with the cyber security subcommittee.

20. Status Report – U.S. DHS/CISA

Mr. Gonzales advised that the water sector has received many cyber-attacks. They are trying to effect and advised all to be aware and report anything.

21. Recess to Executive Session to discuss matters relating to security devices and personnel or security audits pursuant to §551.076, Texas Government Code; emergency response providers, risk or vulnerability assessments, encryption codes and security keys for communications systems, information prepared for the United States, information relating to critical infrastructure, and information relating to security systems, all pursuant to §418.183(f), Texas Government Code; and to consult with the District's attorney pursuant to matters authorized by §551.071, Texas Government Code

There was no Executive Session.

22. Reconvene in Open Session and Take Any Action Regarding Items Discussed in Executive Session

There was no Executive Session, therefore nothing to report.

23. Consider Items for Future Meeting Agendas

Chairman Schiebe apologized for being late and encouraged industry partners to be prepared for the freeze scheduled later this week. On regulatory matters, he advised that stakeholders are still working through the congressional back and forth for the CFATS authorization, and recommended that affected facilities continue the practices they had before the defunding of CFATS so that they are up to speed when and if it is reauthorized.

24. Adjourn.

Director Thomas moved to adjourn the meeting at 2:41 p.m. Director Krietemeyer seconded the motion, which passed unanimously.

Next Meeting.

The next meeting of the Board will be on February 13, 2024, at 2:00 PM

The above is a correct copy of the Minutes of the January 9, 2024, meeting of the Board of Directors of the Houston Ship Channel Security District.



Eric Bass, Secretary

LIST OF EXHIBITS:

- A. Treasurer's Report
- B. Investment Officer's Report
- C. Adoption of Resolution Adopting List of Qualified Brokers
- D. Engage in Investment Transactions with District
- E. Education Report