Board of Directors of the Houston Ship Channel Security District
January 14, 2025

A meeting of the Board of Directors ("Board") of the Houston Ship Channel Security District ("District") was convened on January 14, 2025, 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
Raymond Espinosa
Eric Finck
Mark Griffin
Buck Tadlock
Jessica Thomas, Vice Chair
Clayton Pace, Treasurer
Gary Scheibe, Chair
Judson Coleman, Assistant Secretary
LaKenya Wilson

and all said persons were present, except Gary Scheibe, Eric Finck, Eric Bass and Raymond Espinosa thus establishing a quorum. Also, present were Daniel Ringold of Schwartz, Page & Harding, L.L.P. ("SPH"), legal counsel for the District, and Angela Gonzalez of the Greater Houston Port Bureau ("GHPB"), administrators for the District.

1. **Call to Order**

Vice Chair Thomas called the meeting to order at 2:05 PM.

2. **Public Comment**

There were no comments from the public.

3. **Approval of Minutes of November 12, 2024, Board of Directors Meeting**

Vice Chair Thomas advised the Board that the draft minutes of the November 12, 2024, 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 Tadlock moved to approve the minutes of the November 12, 2024, meeting, as presented. Director Pace seconded the motion, which passed unanimously.

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

The Vice Chair asked the representatives from the Coast Guard present to provide information regarding publication of the final rule on Cybersecurity in the Marine Transportation System. Vice Chair Thomas further noted that the District is working with Steve Roberts of Chemical Security Group to provide a workshop regarding same for MTSA regulated facilities.

5. **Report on Zone Director Appointments by Harris County Commissioners Court**

Daniel Ringold advised that Mark Griffin, Gary Schiebe, Buck Tadlock, and Clayton Pace were reappointed as Zone Directors by the Harris County Commissioners Court for the term beginning January 2025 and running through December of 2027. He further advised that the Port of Houston Authority has reappointed Jessica Thomas to serve as the Port's designated appointee for the same term.

6. **Acceptance of Resignation of Jimmy Burke from the Board of Directors**

Mr. Ringold advised that Mr. Burke has submitted a written notice of resignation. Director Griffin moved to accept the resignation of Jimmy Burke. Director Pace seconded the motion, which passed unanimously.

7. **Appointment of Thom Kolupski to fill the vacancy on the Board of Directors**

Mr. Ringold advised that Mr. Kolupski has been appointed by the Harris County Council of Mayors and Counsels to fill the vacancy resulting from Mr. Burke's resignation. He further noted that Mr. Kolupski has completed and executed all documentation necessary to seat him on the Board. Director Pace moved to accept such paperwork and seat Thom Kolupski on the Board of Directors. Director Coleman seconded the motion, which passed unanimously.

8. **Acceptance of Qualifications Statement, Bond, Oath of Office, Affidavit of Current Director, and Election Not to Disclose Certain information and Swearing In of Directors**

Mr. Ringold advised that Directors Tadlock, Pace, Schiebe, Griffin, and Pace have completed and executed all documentation necessary to re-seat them on the Board for their new term of office. Director Wilson moved to accept such documents and formally re-seat such persons as Directors on the Board. Director Coleman seconded the motion, which passed unanimously.

9. **Election of Officers of the Board**

Mr. Ringold reminded the Board of their practice of reconsidering officer positions each time there is a change in composition or reappointment of the Board. Following discussion, the Board concurred that all officers remain in their current positions. Director Griffin made a motion to that effect. Director Pace seconded the motion, which passed unanimously.

10. Authorize preparation and maintenance of a local government officers list in connection with conflict-of-interest disclosure requirements

Mr. Ringold reminded the Board that the District maintains a list of local government officers, as required by Chapter 176, Local Government Code, for the purpose of providing persons or entities that contract or are seeking to contract with the District information as to whether a potential conflict of interest may exist. Following discussion, Director Tadlock moved to authorize the updating and maintenance of local government officers list. Director Pace seconded the motion, which passed unanimously.

11. Discuss Training Requirements for Directors pursuant to the Texas Open Meetings Act and the Texas Public Information Act

Mr. Ringold advised he will handle agenda items 11 and 12 together. Mr. Ringold advised he has already spoken with Director Kolupski with regard to both items, and no further discussion at the Board level is necessary.

12. Discuss Conflicts Disclosure Statement reporting requirements memorandum for Director Kolupski

See above.

13. Approval of 2025 Budget

Mr. Ringold noted that the projected 2025 Budget, as prepared by the GHPB, is included in their Board materials Following discussion of the draft Budget, Director Pace made a motion to approve and adopt same. Director Coleman seconded the motion, which passed unanimously.

14. Quarterly Treasurer's Report

Director Pace advised that, as of December 31, 2024, the District's total funds were $7,895,674, all of which has same day availability, if needed. Assessment collections during the quarter were $2,477,00. Accrued penalties and interest are $46,760.00. The Treasurer's Report is included in the Board book. Director Griffin moved to accept the Treasurer's Report. Director Wilson seconded the motion, which passed unanimously.

15. Quarterly Investment Officer's Report

Director Pace advised that the Investment Officer's Report is in the board book. He advised that both he and Ms. Gonzalez are current on their required training hour requirements. Director Griffin moved to approve the Quarterly Investment Officer's Report. Director Wilson seconded the motion, which passed unanimously.

16. Discussion of Renewal of District D & O Insurance Coverage

Ms. Gonzalez advised the Board that the District's current insurance coverages expire at the end of March. She advised that the District's broker, McDonald and Wessendorf, has provided a proposal for renewing such coverages for the period beginning on April 1, 2025 through March 31, 2026. She noted that the cost for the coverage has not increased. Following discussion, Director Tadlock moved to accept the proposal. Director Kolupski seconded the motion, which passed unanimously.

17. Legal Report – Schwartz, Page & Harding, LLP

Mr. Ringold advised he had nothing further to report.

18. Status Report – Greater Houston Port Bureau

a. Administrative and Financial Reports

Mrs. Gonzalez advised that the administrative and financial reports are in the Board Books. She advised the Board that there are four (4) checks which require Board approval: one payable to Harris County Universal Services for $15,625; one payable to GHPB in the amount of $20,866.25; one to SPH for $19,601.84; and another to GHPB in the amount of $17,276.18; Director Pace moved to approve the listed checks. Director Coleman seconded the motion, which passed unanimously.

b. Assessment Update

Mrs. Gonzalez advised nothing else to report at this time.

c. Education Report

Mrs. Gonzalez advised the MTSA FSO Class on February 26 & 27 had some cancelations and she will send out a notification to Facility Owners in an effort to fill those seats. The cybersecurity course was scheduled for March 18th and 19th we do not have an agenda for those classes just yet but we will provide then once provided.

d. Management and Outreach

Nothing at this time.

19. Status Report – City of Baytown

Chief Gaskin reported that all equipment is fully functional and operational.

20. Status Report – City of Houston

Scott Berry advised that he had nothing to report outside of what is included in the Board book materials.

21. **Status Report – Harris County**

   a. **Universal Services/CTS**

   Bo Garces advised that one (1) Camera was not working during the past month, but it has since been corrected.

   b. **Engineering**

   Gregg Karr provided further information regarding the camera repair.

   c. **Sheriff's Office**

   LT. Jasper advised that Major Choler took over for Major Roza, who retired from the Sheriff's Office. He further noted that the water patrol numbers in the report in the Board Book is incorrect. Actual waterside patrols for the prior month were 39.

22. **Status Report – Texas Department of Public Safety**

   No one present.

23. **Status Report – U.S. Coast Guard**

   Tyson Muniz advised that the AMSC executive committee will meet on Feb 20th, and the AMSC meeting will be held May 22nd at Sector headquarters. Larry Johnson will be sending an email out for those invitations. Keiton Moore advised that the Cybersecurity group will meet virtually this Thursday at 10:30 a.m.

24. **Status Report – U.S. DHS/CISA**

   Julio Gonzalez advised he had nothing to pass at this time.

25. **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, including proposed settlement agreement in connection with pending litigation:**

   There was no Executive Session.

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

There was no Executive Session, therefore nothing to report.

27. Consider Items for Future Meeting Agendas

Nothing was presented.

28. Adjourn.

Director Griffin moved to adjourn the meeting at 2:48 p.m. Director Wilson seconded the motion, which passed unanimously.

Next Meeting.

The next meeting of the Board will be on February 11, 2025, at 2:00 PM at Greater Houston Port Bureau 4400 Highway 225 Suite 200, Deer Park, Tx 77536

The above is a correct copy of the Minutes of January 14, 2025, meeting of the Board of Directors of the Houston Ship Channel Security District.

Eric Bass, Secretary
Jud Coleman Asst. Secretary

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