

Minutes of Pilot Commission
Port Freeport
May 29, 2025

A Special Meeting of the Pilot Commission of Port Freeport was held May 29, 2025, beginning at 12:00 PM at the Port Freeport Administration Building, 1100 Cherry Street, Freeport, Texas.

This meeting agenda with the agenda packet is posted online at www.portfreeport.com

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Commissioners present in person:

Mr. Ravi Singhania, Chairman
Mr. Rob Giesecke, Vice Chairman
Ms. Barbara Fratila, Secretary/Treasurer
Mr. Rudy Santos, Commissioner
Mr. Dan Croft, Commissioner
Mr. Kim Kincannon, Commissioner

Staff Members present:

Mr. Grady Randle, Legal Counsel
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Chief Financial Officer
Mr. Jason Hull, Director of Engineering
Mr. Jason Miura, Director of Business & Economic Development
Mr. Brandon Robertson, Director of Information Technology
Mr. Jesse Hibbetts, Director of Operations
Ms. Missy Bevers, Executive Assistant
Ms. Amy O'Brien, Controller
Ms. Amanda Veliz, Public Affairs Manager

Also, present:

Capt. Daniel Blanton, Brazos Pilots Association
Capt. Ross Coviello, Brazos Pilots Association

1. CONVENE OPEN SESSION in accordance with Texas Government Code Section 551.001, et. seq., to review and consider the following:
2. Roll Call.

Commissioner Singhania noted that all Commissioners were present in the Board Room.

3. Public Comment - There were no comments from the public.
4. Public Testimony - There was no testimony from the public.
5. Approval of minutes from the Special Meeting held January 30, 2025.

A motion was made by Commissioner Croft to approve the minutes as presented. The motion was seconded by Commissioner Kincannon with all Commissioners present voting in favor of the motion.

6. Review and consider approval of the reappointment of Captain Daniel Blanton as Branch Pilot for the Ports of Brazoria County.

Ms. Saathoff stated that Captain Blanton has been a member of the Brazos Pilots Association bringing vessels in and out of the port routinely for many years and has been a blessing to have as a part of the team. He has presented all the required documents, tests and certifications required to be considered for reappointment as a branch pilot for Port Freeport. Staff recommends approval.

A motion was made by Commissioner Giesecke to approve the reappointment. The motion was seconded by Commissioner Santos with all Commissioners present voting in favor of the motion.

Captain Blanton commented on where they started 14 years ago to where they are now with the growth in the port, the relationships built noting it's a completely different port and always moving in the right direction. He appreciates all of the partners, not just the port but the other tenants in the port, adding that he loves his job and the community and is grateful to have the opportunity to keep doing it.

Commissioner Santos commented on the change and evolution of the vessels that Captain Blanton has seen and piloted over the years he's been here with the horsepower, engines and fuel.

Captain Blanton responded saying it's bigger than that with the economic impact and the market trends. He noted that when he arrived, Dow was doing 500 ships a year while the port did significantly less than that, but the port is now a significant force. When they started, there were three banana companies coming in with the largest ship being 600 feet long and to show where the port is today, he stated the port had three lines coming once a week whereas now it has the car carriers, the bananas, another banana line, Tenaris, all just within the port's business unit itself. The numbers and the size of the ships have increased significantly, but it's not just isolated to the Brazos Harbor complex with Phillips Terminal doing their midstream adjustments. The port is holding its weight with everyone on exporting the propane and butane which makes a huge economic impact for global energy prices, all the way down the line to LNG and building more docks with still a lot of good things to come that he's happy to be a part of.

Captain Coviello also added that in addition to being a pilot here for 14 years, Captain Blanton has 6,630 movements throughout that time, served as our presiding officer for two separate terms and oversaw the delivery of the Brazos Pilot, which has been a significant workhorse for

their organization and the port complex as a whole, and they appreciate his leadership and efforts for that.

7. Receive update from the Channel User Advisory Group.

Captain Coviello stated the Channel User Advisory Committee is chaired by Roy Fiala, Phillips 66 who couldn't be at the meeting so he will present the data and the metrics from the Channel User Advisory Group. Currently, the pilot dispatch has 254 users noting the channel users can't say enough good things about the dispatch service in how it's operated, the information it provides and the value that's added from the dispatch system. The Channel User Advisory Committee agrees as well. Commissioner Singhania asked how the pilots define a dispatch user. Captain Coviello stated that a dispatch user is someone who has a vested interest in the port complex and comes from terminals, stakeholders, vessel agents, shipping companies and others that utilize our waterway as well as Customs and Border Protection (CBP), U.S. Coast Guard. It's federal, private, and local partners that have access to the dispatch system and limited to their vessels and their purview only, further explaining that somebody like CBP, who needs to service the arrivals of all vessels calling on the Freeport Harbor Channel will have access to see all vessels; however, vessels that may be competitors of one another are limited to seeing only their vessels when the channel is occupied to protect their own proprietary information. He also noted that a user is not an individual, it's shared amongst the entirety of Coast Guard Station Freeport as there may be 12 people accessing the data, but only one user is associated with it. Captain Coviello stated the communication fee that funds the dispatch service is currently assessed at $\$75 + 0.18 \times \text{units charge}$ which means, the larger the vessel, the more they pay into the dispatch service. The smaller vessels that call the port complex pay about \$92 for the dispatch service and the larger vessels (large LNG carriers) pay a high of \$366 with the average charge right around \$200 for the vessels utilizing the service. He noted that prior to the dispatch service, which was established almost six years ago, the vessels calling Freeport weren't greeted with radio contact 24 hours a day, seven days a week, which is very much part of a modern port complex. Rather, the pilots utilized an answering service located out of Victoria, Texas, that answered for laundry services and doctor's offices. The pilots now have a 24-7 dispatch service that receives vessels when they come to anchor that provides vital information for when their pilot's going to be on board or sailing so they're ready to get underway and complete an efficient transit. Captain Coviello reminded the Commission the dispatch system was established in March, so the year goes from March to February. For the profit and loss report, total income for 2024 up to 2025 starts at \$551,000 with total expenses of \$578,000. He stated that Brazos Pilots have supplemented the shortfall of that to the tune of \$47,807 to keep the dispatch service whole and operating at the level that it needs to. He explained there were some things during the past dispatch year that were oddities including Hurricane Beryl that damaged a lot of equipment on the tower that gets the communication out to the ship. The pilots had to pay forward about \$23,000 in repairs to the tower and infrastructure to get it operational in the wake of the storm. Additionally, they have a full-time dispatch manager that now manages their staff of four and the pilots make sure they have the highest level of training and expertise to ensure all registered users have the most value out of the system. He noted that costs in general for everything are going up, employees, management, and equipment. They have the go bags that allow the pilots to act remotely in the event of a hurricane or a large scale event where they can take a bag and operate the dispatch service from anywhere that has a Wi-Fi connection. Additional costs will be incurred for the maintenance and upgrades to the system, that at almost 6 years old, needs some items replaced. Commissioner Singhania commented that it looks like the fee put in is pretty close to the actual expense. Captain Coviello responded saying they are supplementing close to a \$50,000 shortfall

right now annually adding that percentage wise, it's not huge, but is something they'll work to address during the next rate request to make sure that the rising costs are addressed. He noted that last time, they made a small adjustment which added about \$25,000 annually to the dispatch fee. Commissioner Santos asked if the Communication Equipment (assets) was a one-time purchase. Captain Coviello explained that item is for the equipment and infrastructure damage to the towers during Hurricane Beryl. The pilots had to get equipment for the tower to replace VHF antennas, transformers and other equipment that transmits the data so they can talk to ships offshore and provide real-time info. He also mentioned that the Channel User Advisory Committee wants to make sure the pilots operate with a decent reserve in the comms fee in the wake of a large outage to keep the dispatch service ready for when things are reconstituted. The pilots have not met the reserve that the Channel User Advisory Committee has recommended. Additionally, another item discussed through the learning experience in the last storm was the damage to the tower and having another redundant tower that has equipment capabilities to service the area. They discussed several different towers in the area but noted that if it's something the Channel User Advisory Committee wants to pursue, the pilots need to have a funding mechanism for it as the last project cost close to \$100,000 to establish the tower and get all the equipment put forward on it.

8. Receive update from the Brazos Pilots Association.

Captain Coviello began with the channel dredging project stating the first scow barge with Great Lakes Dredging is coming back to stage at Freeport Launch and will begin work the first week of June with the hopper dredge coming at the end of June. He added this will take close coordination between the dredging company and the pilots to make sure that safe operations happen because the mechanical dredge will be working around the Freeport intersection area and there will be two hopper dredges working offshore to get the channel down to the depth that the project calls for. With regard to safe coordination, Captain Coviello stated there was a small autonomous survey vessel that showed up at the end of fog season explaining there is a protocol where the U.S. Coast Guard is notified, and a local notice is sent out to mariners. He further explained the 30-35 foot autonomous vessels are doing survey work in the vicinity of the ship channel and they don't want to have an incident where an autonomous vessel obstructs the passage of a large ocean-going ship. Some of the mechanics were dropped with this particular incident, the provider did call the local Coast Guard station, but it's a search and rescue station. The proper thing to do is to call the sector Houston-Galveston to prioritize the information. Captain Coviello asked that anytime staff is in an industry engagement and hears things like autonomous vessels, please perk up and bring the pilots into the conversation so they can make sure to mitigate the risk associated with it. Moving on to the pilot boats. The Brazos Pilot was paid off this month due to the leadership of the organization and the foresight of the Commission to pass a dedicated fee. The pilots are now, as per the last rate request, accumulating funds to pay for the new boat (Freeport Pilot) arrives in June of 2026. Captain Coviello shared a construction picture of the new boat's hull adding they are starting to work on the superstructure area and the rest of the boat project. He also shared a picture of the first boat delivered in the series to the Houston Pilots, the San Jacinto. He noted the pilots' boat will look very similar exterior-wise to the San Jacinto with some small changes on the boarding platform. The pilots plan to have a christening ceremony in June of 2026 when the boat is delivered and would love the community to be involved like last time noting they raised close to \$40,000 with some community matching for the Brazoria County Dream Center, the Women's Center, the Boys and Girls Club and the food pantry. The new boat will be a workhorse of the waterway and community so the pilots plan to do the same as goodwill to the community when the new boat arrives. Vessels year-to-date shows the top contender for vessels per dock or terminal to be

the Brazos Harbor at 30% followed by Vopak at 23%. Looking at specific vessel numbers for 2024 year-to-date, they had 355 ships and year-to-date 2025 is 403 so they are on pace to beat last year's numbers. Of the six terminals listed, five of the six have had increases in vessel traffic with the Brazos Harbor YTD at 120 vessels versus 104 last year. LNG, Phillips, Vopak and BASF are also up with Seaway the only one down about seven vessels year-to-date. Captain Coviello reported the deputy pilots who received their certificates mid-February, each have approximately 330 transits and have been licensed by the United States Coast Guard. Additionally, they have drawn their charts from memory and have their federal pilot license and have also undertaken American Pilot Association training on the legal aspects of piloting and portable pilot unit training which is the precision navigation equipment used to get the vessels in and out safely. 2025 education and training that has been utilized from the dedicated education fund in the past cycle includes dispatcher leadership development training, medical and trauma training that included joint exercises with Freeport Fire and EMS as well as other partners. Captain Coviello also shared pictures from the training exercise. In addition, as part of taking on two new deputy pilots, the association holds a course for operational fatigue management and lifestyle management. Captain Coviello stated the course helps to ensure the schedules they work are managed properly to achieve proper work and rest hours in addition to sleep, hygiene, exercise and nutrition that can help the pilots operate at the highest level possible. Upcoming training includes advanced ship handling and emergency ship handling as well as a refresher for man overboard search and rescue training. Lastly, Captain Coviello highlighted some of the community engagement the pilots has done in the past cycle. They have an intern from the Brazosport Christian School who has expressed interest in the maritime industry and has worked with them spending time on the pilot boat and in the office to see the pilot operations. Captain Coviello was invited to speak at the Angleton Chamber of Commerce Leadership class that was at the port for a tour. Additionally, he also had the opportunity to speak at the Brazosport Business Roundtable, the Lake Jackson Business Association and volunteered time to speak at Brazoswood High School's Career Day to educate the youth about opportunities that exist in the maritime industry.

9. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:29 PM.