



Pilot Commission Special Meeting

Thursday, September 24, 2026 at 11:15 AM

In Person & Videoconference - Administration Building - 1100 Cherry Street - Freeport

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

The meeting will be conducted pursuant to Section 551.127 of the Texas Government Code titled "Videoconference Call." A quorum of the Pilot Commission, including the presiding officer, will be present at the Commissioner Meeting Room located at 1100 Cherry Street, Freeport, Texas. The public will be permitted to attend the meeting in person or by videoconference.

Join Zoom Meeting

<https://us02web.zoom.us/j/88631006950?pwd=W1d06Gig6hbt7L2uDaEHuL0AYyb62k.1>

Meeting ID: 886 3100 6950

Passcode: 578117

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

2. Roll Call.

3. Public Comment

Public comment on any matter not on this Agenda will be limited to 5 minutes per participant and can be completed in person or by videoconference.

4. Public Testimony.

Public testimony on any item on this Agenda will be limited to 5 minutes per agenda item, per participant and can be completed in person or by videoconference.

5. Approval of Minutes from the Special Meeting held July 23, 2026.

6. EXECUTIVE SESSION in accordance with Subchapter D of the Open Meetings Act, Texas Government Code Section 551.001, et. seq., to review and consider the following:

A. Under authority of Section 551.071 (Consultation with Attorney):

1. Consultation with Attorney regarding legal matters related to Brazos Pilots Association request for adjustment to pilot tariff dated August 21, 2026.

7. RECONVENE OPEN SESSION to review and consider the following:

8. Counsel to review the responsibilities of the Pilot Commission in the rate setting process according to Chapter 68 of the Transportation Code.

9. Discuss and consider action on the application submitted by the Brazos Pilots Association for rate adjustment to pilot tariff dated August 21, 2026 pursuant to Chapter 68 of the Texas Transportation Code. The Pilot Board Commissioners shall individually vote for or against such rate-increase application in their discretion, acting in the public interest and taking into account the factors set forth in Section 68.067 of the Act. The application for pilotage rate increase relates to the following items as more particularly described in application attached to this agenda:

- A. Annually increase all Unit Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges and Minimum Charges based on prior year's CPI + 1.5%; CPI 0% floor - 4.5% ceiling (maximum 1-year rate adjustment of 6%); for years with CPI greater than 4.5% the amount above to be recaptured in subsequent years not to exceed the one year maximum of 6%.
- B. 2027 Adjust "Training and Education Charge" from \$25.31 + (0.03 x units) to a flat fee of \$57.50 "per pilot" instead of "per movement";

2028-2031 adjust based on the prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for %>6% to be recaptured the following year(s).
- C. 2027 Adjust "Communication/Dispatch Charge" from \$75 + (0.18 x Units) to a flat fee of \$220 "per pilot" instead of "per movement";

2028-2031 adjust based on the prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for %>6% to be recaptured the following year(s).
- D. Institute "Oversize Night Transit Movement" fee of the vessel's # of units x3 to apply to vessels great than 820ft LOA or greater than 145ft beam or greater than 42ft draft transiting in any zone between the times of one and a half-hour (1.5hrs) of sunset to sunrise.

10. Adjourn

The Pilot Commission does not anticipate going into a closed session under Chapter 551 of the Texas Government Code at this meeting for any other items on the agenda, however, if necessary, the Pilot Commission may go into a closed session as permitted by law regarding any item on the agenda.

With this posted notice, Port Commissioners have been provided certain background information on the above listed agenda items. Copies of this information can be obtained by the public at the Port Administrative offices at 1100 Cherry Street, Freeport, TX.



Participation is welcomed without regard to race, color, religion, sex, age, national origin, disability or family status. In accordance with Title II of the Americans with Disabilities Act and Section 504 of the Rehabilitation Act, persons with disabilities needing reasonable accommodations to participate in this proceeding, or those requiring language assistance (free of charge) should contact the Executive Assistant no later than forty-eight (48) hours prior to the meeting, at (979) 233-2667, ext. 4326, email: bevers@portfreeport.com.

La participación es bienvenida sin distinción de raza, color, religión, sexo, edad, origen nacional, discapacidad o situación familiar. De acuerdo con el Título II de la Ley de Estadounidenses con Discapacidades y la Sección 504 de la Ley de Rehabilitación, las personas con discapacidades que necesiten adaptaciones razonables para participar en este procedimiento, o aquellas que requieran asistencia lingüística (sin cargo), deben comunicarse con el Asistente Ejecutivo a más tardar cuarenta -ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.

Minutes of Pilot Commission
Port Freeport
July 23, 2026

A Special Meeting of the Pilot Commission of Port Freeport was held July 23, 2026, beginning at 12:17 PM at the Port Freeport Administration Building, 1100 Cherry Street, Freeport, Texas.

Commissioners present in person:

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

Staff Members Present:

Mr. Grady Randle, Randle Law Firm
Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Director of Administration/CFO
Mr. Jason Hull, Director of Engineering
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Miura, Director of Business & Economic Development
Mr. Jesse Hibbetts, Director of Operations
Ms. Missy Bevers, Executive Assistant
Ms. Amy O'Brien, Controller
Mr. Rico Arbolante, IT Help Desk Technician
Ms. Amanda Veliz, Public Affairs Manager (virtual)
Mr. Rico Arbolante, IT Help Desk Technician (virtual)

Also, present:

Capt. Matthew Krohn, Brazos Pilots Association
Capt. Billy Burns, Brazos Pilots Association
Capt. Noah Niday, Brazos Pilots Association
Ms. Colleen Kallestad, Freeport LNG
Mr. Chad Janosky, Bay-Houston Towing
Mr. James Nash, WGMA

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 Giesecke 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 7, 2026.

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

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

Ms. Saathoff presented the application for reappointment of Captain Matthew Krohn as branch pilot for the Ports of Brazoria County. She stated that the process is outlined in Texas Transportation Code 68 with Subchapter C addressing pilot licenses and certificates. She went on to explain that certain qualifications for a license are laid out in 68.038 with the process and requirements for application for a license under 68.035 and 68.041 outlining the license renewal. She further noted that the process and chapter is specific to Brazoria County pilots. Ms. Saathoff stated that Matthew Krohn first came to the Port in 2018 as a deputy pilot, completed his two years of training and has been licensed as a branch pilot for four years with his commission expiring October 20 of this year. Furthermore, his filing is in compliance, and he has met all the qualifications for holding the license. It is staff's recommendation that the Commission approve the application for renewal and make a recommendation to the Governor.

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

7. Receive update from the Channel User Advisory Group.

Captain Niday stated the pilots gave their last presentation to the channel user advisory group three weeks ago and it is his understanding that all the users are very pleased with the current services. He gave the group an update on what the pilots are trying to do with the radio tower and the new basic operating procedures which was well received. He stated that pilot dispatch now has 254 registered users. They continue to add and update users regularly as terminals have new employees come online or want to take people off. He noted that Phillips 66 is still the largest user of the program with almost 60 active users. With regard to income, Captain Niday shared a graph that shows they continue to run a slight deficit for the dispatch services comparing March to June 2026 to March to June of 2025. He noted that it's a little skewed with some increased traffic they had from crude oil adding that they were pretty close to net zero when the crude oil was going strong, but has trended back to the new normal, which is about a \$5,000/month deficit that the pilots have been supplementing. They are actively working trying to address the deficit, along with the communications tower. He explained that the pilots have identified a weak spot in their operation with communications adding that the radio tower on Quintana Island is 100 feet tall and currently reaches out to the pilot boarding area; however, with the deepened channel boarding area, the sea buoy will be moving out about four miles so pilots will be boarding 9-10 miles out. They will not have the capability to communicate with ships 2 hours in advance of boarding to give them information on pilot order time or pilot arrangement for boarding. The pilots have been working diligently to solve the issue. He explained that the factor is the height of the tower. The pilots use VHF (very high frequency) which can only be amplified so much before you have to get higher for a signal, so the pilots are in search of a higher tower. He stated that they discussed building a new tower and looked into grants they might be eligible for but realized they were only eligible for a fraction of the full cost of what it would be to build a tower which would not be the most cost effective way to go about it, so they have shifted focus to a

rental space. They first identified a tower in Oyster Creek but once they got into the process with Crown Castle, they realized it wasn't the right tower. They've now identified a 425 foot tower in Angleton which is managed by a different large tower rental company. They are still waiting on a price but anticipates the rental cost to be about \$4,000/month with automatic escalators but it is something they are actively pursuing. He stated that they did identify that 400-500 feet will be a good height to be, giving the pilots the ability to reach out about 60 miles offshore under normal conditions, which will be enough to communicate with the faster ships, like Dole, 2 hours before they arrive to relay information like, they'll have pilot on arrival or slow down, the pilot's not until this time or what's needed for boarding arrangements. Another benefit of renting space is they'll be up and running much quicker, ideally, by the time the channel is charted by NOAA, and the new channel is put into use, they'll have a tower ready to go. He stated that Captain Burns is working with Jason Hull to set up a meeting with the Coast Guard to get moving on the charts. He explained there has been a changeover in personnel in Galveston since the government shutdown, so the meeting will be a refresher to ensure everyone is on the same page and to have the buoys placed as soon as possible. With NOAA, Captain Niday's hope is that the charts can be done by January 2027, since they are just adding data to what's currently there; however, there's no certain timeline on when it will be done. The pilots will continue working with Mr. Hull to get this completed. Captain Niday also reported that the pilots are also working with dispatch on a request by shipping companies and terminals to have notification system for vessels put in place which will benefit their operation allowing them time to prepare for the arrival and initial meeting once the vessel arrives. He does believe it's something the pilots can provide and are working with the programming company to accomplish. He explained that the notifications would give tenant and shipping companies the ability to subscribe to notifications for a vessel so when the pilot's on board, if they selected to be notified, they would get a text message or an e-mail that the pilot's on board the vessel. Captain Niday doesn't believe it will be a huge cost but because of the programming involved, there will be an additional cost that will fall under the communications fee. Referring back to the channel, Captain Niday stated the next step is setting the buoys and shared a graph that depicts where the current buoys are located, where the two additional buoys will be located, which will have a larger offset between them. He also stated that the new FP buoy (current sea buoy) will be moved 4 miles further offshore to be in naturally occurring deepwater explaining that because of the dredging that deepened the channel to 56 feet, the buoys needed to be moved further offshore to ensure pilots could board vessels in safe water before proceeding into the channel. Captain Niday shared a photo of the new pilot boat currently under construction. He stated that the engines are currently going in and once that is complete and all the external fittings and through holes are finished, they will put it in the water and start the wiring and electronics. The pilots anticipate delivery in October or early November. He also noted that because the boat is a little bit longer and wider, it will give the pilots the ability to serve larger seas and be able to board in slightly more inclement weather. Additionally, the new boat will have jets versus the traditional propellers that prior boats have which will be much safer and allow a faster transit. He also stated that there's a very high likelihood that the pilots will have to start operating 2 pilot boats, first beginning intermittently and eventually moving to full time. With the channel expansion and the port getting busier, ships are coming in on a steadier basis and the logistics of getting pilots offshore and onto ships, off ships and back inshore will continue to be more challenging. He added that there are benefits that will come with the operation but also additional costs. Vessel traffic still shows Port Freeport berths with the most vessel calls followed by LNG averaging between 18 and 21 ships per month. Phillips continues to be consistent with their traffic as they continue to export propane to the Far East while Seaway experienced a big increase when the Iran conflict happened and has since gone back to the normal 10 ships/month. He stated that VOPAC is steady and recently completed maintenance dredging on their docks and is back at full draft capabilities. BASF

continues to see about one ship per month. Vessel count by dock from January to June 2025 vs. January to June 2026 shows the increase that's occurred at Brazos Harbor from 186 vessels in 2025 to 200 this year. Captain Niday commented that the pilots are excited for what the port has accomplished with the car carriers and container ship lines and continue to look forward to providing services while ensuring their logistic capabilities is what's needed to provide services for the vessels. Freeport LNG is very steady, and Phillips has a slight increase along with Seaway while VOPAC continues its decades long trend of slowly going down. Lastly, he reported that the two deputy pilots have completed 18 months of training. He stated that they are clear to do all movements and have been operating as second pilots on the ships that require 2 pilots (car carriers and LNG vessels) and have also completed a lot of solos on ships that only require one pilot. Overall, the pilots are very pleased with their progress. When asked if there were any issues or major problems the Commission needed to be aware of, Captain Niday there were none, adding that main item on their radar is the channel expansion project winding down and coming online. He stated there are a few logistical challenges the pilots are working through to ensure they are equipped for like the second pilot boat as previously mentioned. While it's not needed right away, when the second pilot boat comes online and moves to a full-time operation, additional employees will be needed. He also stated that moving to eight pilots was the right decision however in the next five years, they will most likely explore additional pilots as the port continues to grow, ship traffic increases and the demands of the pilots become substantially larger. He stated that Port Freeport isn't designed to accommodate two-way traffic; however, there are things the pilots can continue to do, like caravan ships and speed up, to keep operations as efficient as possible. He commented that it's all good things the pilots are faced with, they are just trying their best to make sure they are equipped to meet the needs and demands of the customers.

Ms. Colleen Kallestad, chairperson for the Channel User Advisory Group stated the group is onboard with everything the pilots are proposing for the rate adjustments adding that in 2025, the pilots contributed \$60,000 of their funds to cover the costs of the dispatch so no one has any issues with the rate increase noting that the increase is really minimal for the service that dispatch provides. She stated they have no issues with communication, but when they move the pilot boarding station out, the tower is going to be critical, speaking for LNG and the port users as a whole. Everyone is very satisfied and looks forward to the new boat and busier operations.

8. Receive update from the Brazos Pilots Association.

Captain Niday covered this update under the previous agenda item.

8. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:49 PM.

Rob Giesecke, Chairman

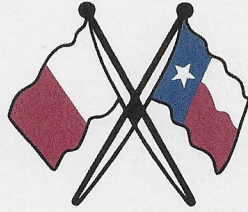
Rudy Santos, Vice Chairman

Kim Kincannon, Secretary

Dan Croft, Asst. Secretary

Barbara Fratila, Commissioner

Ravi K. Singhania, Commissioner



BRAZOS PILOTS

ASSOCIATION

Request to the
Board of Pilot Commissioners
Adjustment to the Pilot Tariff
2027 - 2031
Submitted August 21, 2026

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1. Letter to the Board of Pilot Commissioners

Congratulations on the completion of the Port Freeport Channel Improvement project. On behalf of the pilots, we commend your forward-thinking leadership in completing this channel deepening and widening project. This is a significant investment in the future of our port, and from the pilot's perspective, it represents much more than an infrastructure improvement—it enhances the safety, efficiency, and reliability of vessel movements for years to come.

As pilots, we see firsthand the challenges and opportunities that come with safely navigating today's larger and deeper-draft vessels. The improved channel dimensions will provide greater under-keel clearance, more maneuvering room, and increased flexibility in handling increased volume of vessel traffic, particularly as vessel size and draft continue to grow.

This project strengthens the Port's competitiveness while also giving the pilots greater navigational margins to safely bring vessels in and out of the harbor. From the bridge of a ship, these improvements already make a meaningful difference—and we look forward to putting this investment to work safely and efficiently for the benefit of the Port, its customers, and the maritime community.

As Port Freeport and other terminals continue to make financial investments into port infrastructure, we continue to expand our pilot operation capabilities to meet the increasing logistical demands. In the coming months the Brazos Pilots will be promoting two Deputy Pilots to full Branch Pilots for a total work force of 8 Branch Pilots, further enhancing operational safety, efficiency, and productivity in the port. We are operating with a full complement of pilot boat crew including 4 pilot boat captains and 4 deckhands on a rotating shift that keeps the Association capabilities at full strength and ready to meet the needs of the Port. Our highly trained boat crew members and state of the art equipment has resulted in safety for the pilots while boarding and disembarking vessels and provided safer ship movements in an ever-congested waterway. We have also added to our shoreside support staff by hiring a second port engineer as well as a dispatch manager. Our port engineers ensure our pilot boats are in good mechanical condition and maintained for continuous duty on the ship channel. Our dispatch manager oversees our 24-hour dispatch personnel and operations. This position provides redundancy in our staff as well as leadership and training to ensure we have a consistent and uninterrupted service. These are all quality jobs right here in our local community.

The USCG will be moving the sea buoy 4-miles further to sea to accommodate the deeper channel. The Brazos Pilots will also be commissioning our new state of the art pilot boat, the "Independence", that we will take ownership of in fall 2026. This larger more efficient boat will provide increased safety traversing the seas to the new pilot station 9-miles offshore. With

the longer transits to/from vessels offshore we will have need to operate a second pilot boat more often to transport pilots to vessels as well as inside the port to maintain efficiency in moving vessels. When a second boat is operating it requires additional crew and maintenance.

Another financial investment project we have completed is the remodel of our property on Quintana Island to provide a functional place for pilots to rest between jobs. This is more than an amenity; it is an investment in safety. Piloting requires constant concentration, sound judgment, and the ability to perform at the highest level, often under demanding schedules. Having a proper place in near proximity to the Port to rest and recover between assignments helps us return to the bridge ready to do our job safely and effectively.

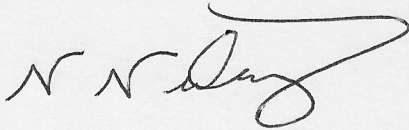
Another major infrastructure project that is currently in process is the procurement of tower space for longer reaching VHF communications. Presently our 100ft communications tower on Quintana Island has a range of 12 miles and is incapable of servicing the needs of the new longer channel. We are working to secure space on 480ft tower in Angleton, Tx and with the purchase and installation of new VHF equipment and FCC licenses, we will be able to communicate and coordinate with ships 2 hours before their arrival at the anchorage area and pilot station. Communication range on the new tower will be between 40 to 60 miles offshore. This represents a quantum leap for the Brazos Pilots ability to communicate with ship traffic and is a significant investment in the future of our port. The taller communications tower will provide the ability to coordinate ship traffic and vessel movements over a larger geographic area to minimize delays and insure safer more efficient traffic flow.

The Brazos Pilots have met extensively with our industry partners over the last 3 months to listen to the needs, ideas, and plans of our customers going forward. Through these meetings we have developed a plan so the Brazos Pilots can play a complementary role in the growth of our industrial partners and service the needs of the Port in the future. One idea from industry is having a rate adjustment going forward based on our geographic regional area, industry standard, government published, CPI data. A CPI method adjustment with reasonable floors, ceilings and recapture methods to smooth and soften rate adjustments. This CPI method gives industry foresight and clarity on cost increases which can be budgeted for in long term plans. This method also allows the Pilots to budget for the ever-increasing cost of doing business in a maritime environment, plan for new pilot boats, stay up to date with electronic navigational tools, reinvest in safety equipment and pay our employees a competitive wage.

Another idea from our industry partners is adding an electronic notification feature to our dispatch operations. It was brought to our attention that it would be helpful if users could receive a text and/or email notification each time an ordered vessel reached a milestone in the transit process. Such as, a text message and email sent to all concerned parties when the ship arrives at the anchorage area, pilot was ordered, when the pilot boards the vessel and when the ship is alongside the dock. This ability to keep all interested and concerned parties continually engaged in the transit process will provide better shore side coordination, add efficiencies to the transit process, and minimize delays.

The Brazos Pilots will continue listening and working with our industry partners to meet the needs of the Port growth into the future. We continue to strive to facilitate vessel transits safely, prudently, and with the needs of the community first. We are extremely proud of the Brazos Pilots Association as it stands today and look forward to continuing our efforts of providing first class service for the deepest port in the Gulf of America.

Regards,

A handwritten signature in black ink, appearing to read 'Noah Niday', with a stylized flourish at the end.

Noah Niday
President

2. Goals of the 2027 - 2031 Rate adjustment:

- A. Annually increase all Units Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges, and Minimum Charges based on the Prior year's CPI + 1.5%; CPI 0% floor - 4.5% ceiling (maximum 1-year rate adjustment of 6%); for years with CPI greater than 4.5% the amount above to be recaptured in subsequent years not to exceed the one year maximum of 6%

- B. 2027 Adjust "Training & Education Charge" from \$25.31 + (0.03 x units) to a flat fee of \$57.50 "per pilot" instead of "per movement";

2028-2031 adjust based on the Prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for % >6% to be recaptured the following year(s).

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- D. Institute "Oversize Night Transit Movement" fee of the vessel's # of units x3 to apply to vessels greater than 820ft LOA or greater than 145ft beam or greater than 42ft draft transiting in any zone between the times of one and a half-hour (1.5hrs) of sunset to sunrise.

- A. Annually increase all Units Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges, and Minimum Charge based on the Prior year's CPI + 1.5%; CPI 0% floor - 4.5% ceiling (maximum 1-year rate adjustment of 6%); For years with CPI greater than 4.5% the amount above to be recaptured in subsequent years not to exceed the one year maximum of 6%

The Federal Reserves stated goal is a target of 2% inflation for the U.S. Dollar to ensure liquidity and a strong U.S. economy. As a factor of this monetary policy costs on businesses inevitably rise each year to varying degrees. Especially after the surprise high levels of inflation faced during and after the Covid 19 Pandemic in America, industry asked the pilots to shift to a CPI based, proactive tariff adjustment model. This would more closely mirror industry standard practice, including the Port of Freeport and ports across America. The benefit of this model is that it is based on Federal data, published in advance, and provides industry foresight on cost increases and ensures the pilots are able to keep up with inflation and not fall behind as in the past. The CPI data used would be the same index the Port Freeport uses, which is the most localized Federal data available; **The Houston-The Woodlands-Sugar Land, Texas, Core Based Statistical Area.**

The Brazos Pilots also continue to expand our infrastructure and logistical capabilities to meet the increasing needs of the Freeport Ship Channel. With the Port of Freeport becoming the deepest ship channel in the Gulf of America, and one of the largest ports in the United States of America; the Brazos Pilots continue to strive to build a resilient and highly capable Pilot Association to service it.

We ask the Board of Pilot Commission to adopt and approve Units Charges, Draft Charges, Detention Charges, Holding Charges, Cancellation Charges, and Minimum Charge based on the Prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for % >6% to be recaptured the following year(s).

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The continued increase in number of staff including pilots, pilot boat crew, and dispatchers requires more education and training funds. Two (2) or more of our pilot boat crew will need to be certified and trained on the maintenance and repair of the advanced engines on the new pilot boat. We continue to enhance our training program which currently includes: Advanced ship handling for Pilots, Electronic Navigation,

Man Overboard Recovery, Search and Rescue Training, Marine Firefighting, Advanced Trauma Care, First Aid/CPR/AED, and Leadership & Development.

We ask the Board of Pilot Commission to adopt and approve increase in Training and Education Charge of \$57.50/per pilot for 2027. 2028-2031 annually increase Training and Education Charge based on the prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for % >6% to be recaptured the following year(s).

- C. 2027 Adjust "Communication/Dispatch Charge" from \$75 + (0.18 x Units) to a flat fee of \$220 "per pilot" instead of "per movement"

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Since the inception of BPA Dispatch in 2019 having dedicated staff trained to manage the increase volume of traffic has proven invaluable. The knowledge staff on duty 24/7 provides continuity and stability in assuring all assets including pilots, pilot boat crew, tugs boats, line crew, and more are dispatched appropriately and timely. Along with the personnel is the need for increased communication equipment. We are currently in the process of securing enhanced radio communication capabilities to service the new ship channel, as well as numerous upgrades to pilot dispatch software to offer enhanced capabilities to channel users.

We ask the Board of Pilot Commission to adopt and approve increase in Communication/Dispatch Charge of \$220/per pilot for 2027. 2028-2031 annually increase Communication/Dispatch Charge based on the prior year's CPI + 1.5% - with a CPI floor of 0% and ceiling of 4.5% - and a total increase ceiling of 6%, and to also include a recapture mechanism for % >6% to be recaptured the following year(s).

- D. Institute "Oversize Night Transit Movement" fee of the vessel's # of units x3 to apply to vessels greater than 820ft LOA or greater than 145ft beam or greater than 42ft draft transiting in any zone between the times of one and a half-hour (1.5hrs) of sunset to sunrise.

We will soon to be submitting a request to approve Basic Operating Procedures that will remove these types of movements from the "Special Services -waiver required" and instead be classified as a basic operating procedure. This fee has been part of the Special Services agreement that we are requesting now be included in the basic operating tariff fees.

We ask the Board of Pilot Commission to adopt and approve “Oversize Night Transit Movement” fee of the vessel’s # of units x3 to apply to vessels greater than 820ft LOA or greater than 145ft beam or greater than 42ft draft transiting in any zone between the times of one and a half-hour (1.5hrs) of sunset to sunrise.

3. Summary

The Board of Pilot Commissioners, always looking toward the future, in 2017 approved the initial Pilot Transport Surcharge for the build and purchase of the “Brazos Pilot” boat. In 2025 that rate was adjusted from “per transit” to “per pilot” and the initial boat loan was paid off. The fee continues to be assessed to build and purchase an additional pilot boat built specifically for the deeper and wider channel. The Pilot Transport Surcharge will remain the same, with no CPI rate increases or additional adjustment needed from 2027-2031 because it is secured with a fixed interest loan.

Additionally, the Fuel & Lube Surcharge was initiated in 2025 to offset the volatile and increasingly higher cost of fuel and lube oil needed to operate the pilot boats for operations. It is functioning as expected being adjusted monthly based on previous month’s fuel expenses divided by the previous month's number of vessel movements. The Fuel and Lube Surcharge will remain the same with no CPI rate increases or additional adjustments from 2027-2031.

The Brazos Pilots respectfully request that the rates be adjusted and implemented as requested herein for January 1, 2027 through December 31, 2031.