

AGENDA

**Port Freeport
Pilot Commission
Special Meeting
Thursday, January 30, 2025, 12:00 pm - 12:45 pm
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. The videoconference is available online as follows:

Join Zoom Meeting

<https://us02web.zoom.us/j/86419689264?pwd=CUC2dbaACdfFBFX23WPYwpY8G0vGtK.1>

Meeting ID: 864 1968 9264

Passcode: 622308

Dial by your location

• 1 346 248 7799 US (Houston)

Meeting ID: 864 1968 9264

Find your local number: <https://us02web.zoom.us/j/kcOWfNzlvR>

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 to be addressed per participant and can be completed in person or by videoconference. The participant shall identify in advance the specific agenda item or items to be addressed)
5. Approval of minutes from the Special Meeting held October 24, 2024.
6. Receive recommendation from the Brazos Pilots Association for the appointment of Deputy Branch Pilots.
7. Review and consider selection of Deputy Branch Pilots for the Ports of Brazoria County.
8. Receive update from the Channel User Advisory Group.
9. Receive update from the Brazos Pilots Association.
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.



Phyllis Saathoff, Executive Director, CEO

PORT FREEPORT

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 y ocho (48) horas antes de la reunión, al (979) 233-2667, ext. 4326, correo electrónico: bevers@portfreeport.com.

Minutes of Pilot Commission
Port Freeport
October 24, 2024

A Special Meeting of the Pilot Commission of Port Freeport was held October 24, 2024, beginning at 12:21 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

Join Zoom Meeting

<https://us02web.zoom.us/j/81235662832?pwd=OEgb7ELyAGD1kECYhBQNHKixhb6L4n.1>

Meeting ID: 812 3566 2832

Passcode: 253785

Dial by your location

• +1 346 248 7799 US (Houston)

Meeting ID: 812 3566 2832

Find your local number: <https://us02web.zoom.us/u/kl0Wp7tcr>

Commissioners present in person:

Mr. Ravi Singhanian, Commissioner
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:

Ms. Phyllis Saathoff, Executive Director/CEO
Mr. Rob Lowe, Chief Financial Officer
Mr. Chris Hogan, Director of Protective Services
Mr. Jason Hull, Director of Engineering
Mr. Brandon Robertson, Director of Information Technology
Mr. Jesse Hibbetts, Director of Operations
Ms. Missy Bevers, Executive Assistant
Ms. Amanda Veliz, Public Affairs Manager
Mr. Grady Randle, Legal Counsel

Also, present:

Capt. Ross Coviello, Brazos Pilots Association
Mr. Roy Fiala, P66
Ms. Tammy Moss, Brazos Pilots Association
Ms. Melanie Oldham

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 Singhanian 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 July 9, 2024.

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

6. Receive update from the Channel User Advisory Group.

Capt. Coviello gave an update from the Channel User Advisory Group sharing the income expenses and ending balances in the account. He reminded the Commission the fiscal year for communications dispatch portion starts in March noting the Q2 ending balance in the account was a little over \$46,000 with the income and expenses associated with the quarterly report being \$118,634 for income and \$136,208 in expenses. With the passage of the new tariff that will take effect January 2025, the Pilots will add (per the order) \$10 per movement to the communication and dispatch charge. He noted that if the ship traffic stays consistent and on pace with what is currently being done, it will generate an additional \$23,000 annually and will bring the Pilots closer to the target of the plus or minus 5% goal which was stated for the communications fee. A view of the quarterly report beginning Q3 of 2023 (\$76,830) and moving to Q2 2024 (\$46,336) where the last advisory meeting was held shows the total account balance is trending down. Capt. Coviello stated the pilots are very happy the rate request was passed for the communication portion as it's going to help close the gap and hopes the trend will reverse. He stated that with the completion of the channel deepening and widening project that will help bring more ship traffic, it will only help the accounts marry up, but the rate request will help close the gap with the 5% plus or minus the Pilots are looking for.

Capt. Coviello then introduced Mr. Roy Fiala who is the marine terminal advisor for Phillips 66 and was elected as the new chairman for the Channel User Advisory Group. Mr. Fiala shared that he works for Phillips 66 and in the last 2-3 years has become the marine terminal advisor for the facility and was recently nominated as chairman for the group. He stated that the information Capt. Coviello presented was also presented in committee adding that the group unanimously agrees and supports the information. He also complimented the Pilots, noting the group works well with them and hopes it continues.

7. Receive update from the Brazos Pilots Association.

Capt. Coviello began with a channel dredging update stating there is now one mechanical dredge working in the channel; however, the Pilot are hearing a hopper dredge arrival is anticipated in February to work on the offshore sections. The mechanical dredge is currently working inside the jetty channel. The Pilots have been working to make sure the ship traffic continues to flow without interruption while also being cognizant in working with the dredge to make sure the project can move forward seamlessly without delay. He appreciates the coordination efforts between Great Lakes Dredging, the stakeholders and Mr. Hull for making sure everything goes smoothly. Capt. Coviello reported on the education account stating at the

end of 2023, the account balance was just over \$58,000 with the closing balance as of the end of September at \$68,000. The Pilots completed some training since the last update that included sending two deckhands for more training and education in regard to their U.S. Coast Guard licenses, noting the gentlemen are now fully licensed U.S. Coast Guard 100 ton captains. This gives the Pilots a lot of redundancy in the boat operations and more IQ on the channel. He noted that by utilizing the education fund to further their development, it provides a lot more value on the channel as the deckhands are vital for the safety of the operation on the waterway and can provide assistance in the event of an injury or illness to a pilot boat captain to help keep the operation moving seamlessly. Two pilots have attended ship handling courses, Capt. Krohn attended Warsash Maritime in the UK for the manned models ship handling emergency training while Capt. Blanton attended the ship handling training center in Poland. He noted that Capt. Blanton actually had manned model training during nighttime hours adding that not many of the emergency and advanced ship handling manned models do that. Capt. Coviello also noted the manned models are to scale and replicate the maneuvers of all different types of vessels, from the VLGC's calling the Phillips Terminal to car carriers, crude oil tankers and everything in between. The Pilots and staff have also completed CPR training and are now certified. He also visited with Mr. Hogan and staff at Port Freeport about scheduling additional evolutions in 2025. He stated that as part of education and training, the Pilots have liaison with the United States Coast Guard Air Station. On October 31, they will be doing some evacuation exercises with the Coast Guard helicopter here off of Freeport. He explained the CG will brief the pilots crew with a rescue swimmer and their pilots, go offshore and facilitate some evacuations by air. The pilots thought it would be smart to bring this into regular training especially with the channel pushing out even further. Currently, if an injury or something catastrophic happens, you're 30 minutes from shore; however, when the channel pushes out it'll be closer to an hour from shore. February 26-27, the Pilots will also do medical training and trauma exercise with a company Medicine in Bad Places that will refresh trauma care and bleeding control. Coursework is done the first day with second day on the water doing exercises on the pilot boats as well as training with the Freeport Fire and EMS Station who will participate as well. In 2025, the Pilots have two additional pilots attending ship handling courses in Panama. The pilot boat account currently has at the end of September of 2024, just a little over \$400,000 left to pay off on Brazos Pilot estimating the boat will probably be paid off in 2025 by Q3. The new boat is under construction with Beaux Bay Craft in Louisiana who is currently building two of Houston's pilot boats. The pilots are using the same hull design as Houston but have made changes to have a triple jet boat that will service the further distances in the new channel. Pilots expect delivery in June of 2026. He noted the boat came in at a little over \$7.656 million with the last order approving up to \$8 million. Capt. Coviello stated that Freeport LNG stepped up to assist with the down payment in order to compress the timeline because the boat fee didn't have the funds for the down payment. The Pilots have already paid just under \$2 million to the builder to start cutting aluminum, laying out and hanging ribs, explaining that when each construction milestone is met, a payment is issued. He further explained that some of the channel users were concerned about the ability to get the boat here on time for the new channel being completed, so Freeport LNG stepped up to help with the down payment portion which was a little over \$3 million. He also explained the two big milestones of ordering aluminum and cutting aluminum are big milestone payments to get the project started and without the funds in reserve, it would have taken the Pilots about three years to have enough funds to get the project started (with the boat fee once the Brazos Pilot was paid off in July). With Freeport LNG's assist, they are helping every channel user because the pilot boat is for use for everybody across the channel and will service larger vessels calling on the channel further out. Capt. Coviello reported on ship traffic numbers showing a chart that depicts the vessels per dock that call the port at each terminal with Vopak at 24%, Phillips 66 at 22%, Brazos Harbor at 29%, BASF still very low, Seaway Terminal at 8% and LNG 16%. Year to date vessel count

by dock shows 859 vessels for 2024 and 849 vessels for 2023, noting its currently outpacing 2023 right now. Brazos Harbor has 255 vessels year to date as compared to September of last year of 205. LNG is trended up after some of their operational issues that have been remedied. Phillips 66 is a very consistent terminal doing a few more vessels than 2023 at 193. Seaway Terminal is down but had some post storm dredging they were trying to complete and haven't been seeing as much crude oil for export. Vopak is down at 198 versus previous year of 221. Capt. Coviello estimates about 1150 -1200 total ships by year end. He also shared another graphic depicting the vessel count by dock January to September 2024 as it illustrates the trends over time. Capt. Coviello clarified that Vopak took over the marine terminal operation at Dow noting that even though it's still Dow Chemical, everything that's operated at the water face is run by Vopak Terminals which includes ME Global cargos, Olin cargos, everything Dow puts out. Commissioner Santos asked what the Pilots were restricting at nighttime. Capt. Coviello stated the only things really restricted for nighttime maneuvers is arrivals (car carriers) to Brazos Harbor 2 due to fendering and lighting challenges and certain classes of LNG that have huge spheres that are out of the water due to the technical maneuver from LNG and the windage of the vessel. Additionally, the pilots have met with the operations team to move forward with a plan to increase the lighting at Dock 2 with recessed lighting within the fender line as well as adding more lights on the warehouse.

8. Adjourn.

With no further business before the Commission, the meeting adjourned at 12:54 PM.

Ravi Singhanian, Chairman

Rob Giesecke, Vice Chairman

Barbara Fratila, Secretary/Treasurer

Rudy Santos, Commissioner

Dan Croft, Commissioner

Kim Kincannon, Commissioner