

**Board of Pilot Commissioners for Harris County Ports
Public Meeting**

**Houston, Texas
December 9, 2021**

A public meeting of the Board of Pilot Commissioners for Harris County Ports (the “Pilot Board”) was convened on December 9, 2021 at 10:00 a.m. at the offices of the Houston Pilot Board, 203 Ivy Avenue, Deer Park, Texas 77536, as well as virtually via Zoom webinar. The following commissioners and others were present:

Captain Reginald McKamie, Chairman
Roland Garcia, Vice Chair
Frances Castañeda Dyess, Treasurer
Jon Keeney, Executive Committee
Michel Bechtel, Commissioner
Brad Hance, Commissioner
Darrell Morrison, Commissioner
Bruce Oakley, Commissioner
Parris Beverly, Commissioner
Captain M. Tyler Gavis – Executive Director and Secretary

Chairman McKamie convened the meeting of the Pilot Board by asking Captain Gavis to call roll. Captain Gavis called the roll and noted that all were present. Captain Gavis noted that the Pilot Board had established a quorum with 9 out of 9 Commissioners present. Chairman McKamie thanked everyone for attending and briefly summarized the meeting agenda.

(PB-2021-1209-01) Recognitions

Chairman McKamie stated that he would like to recognize Mr. Niels Aalund, Vice President of Maritime Affairs for West Gulf Maritime Association, who would soon be retiring. Chairman McKamie then expressed his gratitude for Mr. Aalund’s hard work and many contributions to the maritime industry.

Chairman McKamie next welcomed Thomas Morgan, who he stated was an intern from Kings Point, and proceeded to thank the Houston Pilots for hosting several other interns and Houston Pilot applicants.

(PB-2021-1209-02) Appearances

Chairman McKamie asked for Captain Gavis to seek public comment. Captain Gavis noted that he was not aware of any public comments and asked if anyone would like to provide public comment, to which there was no response.

(PB-2021-1209-03) Minutes

Chairman McKamie called for a motion to approve the minutes of the October 7, 2021 Pilot Board meeting/ hearing. Commissioner Morrison moved for approval, seconded by Commissioner Bechtel. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-04) Executive Director Report

Captain Gavis stated that it had been a very eventful year. He described getting the keys to an empty office with no equipment, a bank account that was not yet operational, and no permanent source of funding. He then thanked the commissioners, stakeholders, pilots, and all involved for their contributions in getting the Board to where it was today. He closed by recapping that the Board had secured permanent funding, approved larger container vessels to come in, and held a fair and inclusive tariff hearing.

(PB-2021-1209-05) Pilot Board Committee Updates

(a) Chairman McKamie stated that the Executive Committee approved the General Counsel retainer contract with David McNeal, as well as General Liability and Public Officials insurance policy renewals.

(b) Chairman McKamie recognized Pilot Board Legislative Committee Chairman Bechtel.

Commissioner Bechtel stated that there were a lot of things happening on the state level and then proceeded to explain several retirements of local politicians (including state senator Larry Taylor). Commissioner Bechtel stated that there would be a big turnover within the state senate, as approximately 20% of the state's senate was expected to retire. Commissioner Bechtel next explained how redistricting would affect the local area.

Commissioner Bechtel moved on to providing an update on the Coastal Barrier Project. Commissioner Bechtel stated that they had met the day prior and were still doing a lot of housekeeping in setting up the new agency. He then added that they anticipate signing a PPA with the Army Corps of Engineers, which he summarized is a participation agreement between the Gulf Coast Protection District and Army Corps, by the end of January. He then added that this agreement would make the Gulf Coast Protection District the Nonfederal local sponsor.

Commissioner Bechtel next detailed several projects the Gulf Coast Protection District was working on in Orange County and added that the agency was meeting on the second Wednesday of every month at 10 a.m. Commissioner Bechtel then explained that the district was going to continue to listen to the concerns the Houston Pilots had over the

gate design and added that several studies were going to be done to look at the effects of the gate design.

Commissioner Bechtel closed by stating that TXDOT had reached out to seek the feasibility of completing a bridge from Galveston to Bolivar Peninsula, which could possibly be tied into the flood gate, and that the district planned to visit Rotterdam to tour their gate system.

Commissioner Garcia asked if the Ike Dike project was the main project, to which Commissioner Bechtel added that it was but that the district had a lot of other important work.

Chairman McKamie asked what Commissioner Bechtel felt was the best way forward for the Pilot Board to gain subpoena power, to which Commissioner Bechtel stated the Board must start now and he felt they had good support in both the house and the senate.

(c) Chairman McKamie recognized Pilot Board Navigation Chairman Hance.

Commissioner Hance stated that he attended the last Lone Star Harbor Safety Committee meeting and that it was one of the more eventful meetings he had attended. He added that he had to leave the meeting early and thanked the pilots and all in attendance for their support to him during a medical matter he was dealing with. He then deferred to Captain Gavis.

Captain Gavis stated Commissioner Beverly attended the meeting as well and asked if he had any comments, to which Commissioner Beverly just stated that it was a very good meeting.

(d) Pilot Board USCG Liaison Chairman Morrison stated there was no activity to report.

Chairman McKamie then summarized that the Houston Pilots had hosted two African American applicants recently and graciously invited them on the channel for ride along trips. He then stated that everyone must remain vigilant in working to attract minority and female applicants.

(e) Pilot Board Diversity Committee Chairman Garcia stated there was no activity to report.

(f) Chairman McKamie recognized Pilot Board Professional Development Committee Chairman Beverly.

Commissioner Beverly stated that the final draft of the Professional Development Guide was included in the briefing book. He then stated its purpose was to educate and inform current and prospective Board members and added that it was simply a resource to the Board and was not compulsory. He proceeded to summarize some of the topics included in it and added that the Guide was roughly 85% complete. Commissioner Beverly thanked the many stakeholders who helped to formulate the guide and sought the Board's approval for what he called a living document.

(PB-2021-1209-06) Chairman McKamie asked for a motion to approve the Professional Development Guide recommended by the Professional Development Committee. Commissioner Garcia moved to approve, seconded by Commissioner Bechtel. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

Commissioner Garcia added that he felt the Professional Development Guide was outstanding and thanked him and the committee for their work. He then added that he would like to see it be uploaded to the Pilot Board website, to which Captain Gavis stated he would do.

Commissioner Beverly then stated that he and Captain Thompson had a good meeting with a potential Houston Pilot applicant and Captain Gavis stated that he had hosted two interns from Kings Point.

(g) Chairman McKamie recognized the Pilot Board Ad Hoc Rules, Policies and Procedures Committee.

Captain Gavis stated that since the Board had been very busy with the tariff hearing, and other matters, he decided to push work on the Pilot Board Rules and Regulations and Bylaws to next year.

(PB-2021-1209-07) Financial Report

(a) Chairman McKamie recognized Pilot Board Treasurer Commissioner Dyess.

Captain Gavis shared the 2022 Pilot Board budget spreadsheet via zoom for all to see and Commissioner Dyess stated that of the \$350,000 budget the Board had for 2021 they currently had roughly \$49,000 in reserve, which would carry over into 2022. She then detailed the forecasted 2022 Pilot Board budget and transition from set payments from the Houston Pilots to payments collected by the Houston Pilots from the Pilot Board Admin. Fee within the Houston Pilot Tariff. Commissioner Dyess summarized that the change in

payments would bring in roughly \$391,000 for the Pilot Board versus the forecasted expenses of \$399,999.04. However, she added that is where having the reserve would be beneficial.

Commissioner Dyess then stated that a financial audit would be completed in 2022 on the 2021 Pilot Board financials. Conversation then ensued about the best method to finding a firm to complete the audit, to which Commissioner Bechtel stated he was aware of several firms that did audits for many of the local cities. Further conversation ensued on whether a RFQ should be completed, to which Chairman McKamie and Commissioner Dyess agreed should.

Captain Gavis stated that he would work to support a RFQ and thanked Commissioner Dyess for her great support with the Pilot Board financials. He then added that he had worked very hard to be mindful of costs and build up a reserve for the Board.

(PB-2021-1209-08) Commissioner Garcia moved to approve the amended 2022 budget, seconded by Commissioner Hance. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

Captain Gavis then called upon Ms. Shelly Butler, Controller for the Houston Pilots. Ms. Butler explained a plan she presented to Captain Gavis that would have the Houston Pilots continue to make the advances they did in 2021 (when they made set payments under their M.O.U. in temporarily funding the Pilot Board) for the first few months of 2022 until the actual payments from the Pilot Board Admin. Fee began to be received. The Houston Pilots would then take out the advances from the actuals received. Conversation then ensued amongst Ms. Butler and several of the commissioners about the details of the plan. Chairman McKamie summed it up that advances would be made in January and February and then reconciled in March, to which Ms. Butler agreed. Ms. Butler then stated that the pilots simply wanted to ensure that the Pilot Board had adequate funds. Chairman McKamie closed by thanking Ms. Butler and stating that the Board felt the plan seemed like a good path forward.

(PB-2021-1209-09) Houston Pilots Association Report

(a) Chairman McKamie recognized Captain Robert Thompson, Houston Pilots Presiding Officer.

Captain Thompson greeted the Pilot Board and stated that the Houston Pilots were very pleased with the progress the new Pilot Board had made in 2021. He then thanked Captain Gavis for all of his hard work and stated that he thought the new Board was good for the city of Houston and for the Houston Pilots. Captain Thompson then thanked the Board for their efforts associated with the Houston Pilot Tariff Hearing and added that he

felt the five-year tariff was a fair tariff for everyone. Captain Thompson next updated the Board that he would be the Presiding Officer for 2022 with Captain Clint Winegar reliving Captain Chard Prejean as the Second Officer and Captain Stephen Jewell remaining the Third Officer.

Captain Thompson then stated business was good but not great and detailed that it was comparative to 2020 (with crude oil down and chemical carriers struggling). He then added that the Board approving LPG ships to run at night from Boggy Bayou to Morgans Point and vessels being able to run around ships at Barbour's Cut #2 and #3 had helped.

Captain Thompson updated the Board that he hoped by the end of December that the Bayport Flare would be back to a normal depth of 45' (and the current draft restrictions could be removed). He then stated that one of the pilots had a medical issue and that the ship proceeded to run aground. He next expressed that the Houston Pilots were working with the USCG to get a better process in place to getting individuals off in a timelier manner. Conversation then ensued about the details of what happened, to which Captain Thompson stated the pilot had a major medical emergency.

Chairman McKamie asked Captain Thompson to confirm that a Houston Pilot had recently passed to which Captain stated was sadly the case. Chairman McKamie expressed his condolences to the Houston Pilots and then asked if the pilots were forecasting a need to take on more pilots. Captain Thompson stated that they are always forecasting how many pilots they need and detailed that while tonnage was up ship count was down (due to the vessels becoming larger). Captain Thompson next stated that the number of ships had been down the past two years. Conversation then ensued about how the pilots work to determine the appropriate number of pilots.

Chairman McKamie expressed that he had a safety concern and wanted to be sure that the pilots had the right number of pilots to get sufficient rest. He then stated that if the pilots needed the Board to approve a higher cap of the number of pilots (which is currently set at 93) he wanted to be sure the Board gets that done. Chairman McKamie then tasked Captain Gavis to work with the Houston Pilots to seek what number the cap on the number of pilots should be at, to which Captain Gavis agreed.

Commissioner Oakley asked if there are any procedures as to what a ship's crew should do if a pilot becomes incapacitated, to which Captain Thompson stated that there was not, and he felt that the Master of the ship should be able to properly handle the situation.

Commissioner Garcia asked what the wait time for vessel's offshore was in Houston, to which Captain Thompson stated just a few hours. Captain Thompson then explained what he felt was behind many of the delays being seen within the supply chain

(which he attributed primarily to labor shortages). Chairman McKamie then thanked Captain Thompson.

(PB-2021-1210) ARC & PBIRC Reports

(a) Chairman McKamie recognized Captain David Foret, Chairman of the Pilot Board Investigation and Recommendation Committee (PBIRC).

Captain Foret greeted the Board and stated that the PBIRC, along with Pilot Board Chairman Reginald McKamie, met with Captain Jason Smith and his staff on October 12, 2021 to discuss the September 16, 2021 letter Captain Smith sent to the Pilot Board. Captain Foret stated that the PBIRC left the meeting with a better understanding of the views of the USCG and their expectations from the letter. Captain Foret added that the Advisory subcommittee also met with a representative from the USCG on November 12, 2021 to formulate a response from the PBIRC addressing Captain Smith's 3 main points, which he added was sent to Pilot Board Counsel and is still under review. Captain Foret stated he expected for that response to be finalized soon to work to close out Captain Smith's letter.

Captain Foret then stated that the PBIRC held a hearing on November 29, 2021 in which it reviewed two cases. He added that the findings and recommendations from that hearing would be provided to the Board at their next meeting for approval. Chairman McKamie thanked Captain Foret and stated he thought the meetings with the USCG went well and added he would work to review the response letter that was reviewed in the near future.

Commissioner Garcia added that he understood from discussion at the last meeting that the Board should work to document the position of the USCG in the minutes. He next stated he thought it would be good to work to get a policy in place that the Board would be made aware of the position of the USCG. Chairman McKamie responded by stating that this highlights the need for the Board to obtain subpoena power (to be able to conduct their investigation on a timelier basis than the USCG and NTSB). Commissioner Garcia added that he thought the Board should work to adopt a rule that a hearing could be reopened, while also providing a timeframe that would limit such. Conversation then ensued between Chairman McKamie and other Commissioners about the differences of PBIRC and USCG investigations.

Commissioner Beverly then asked if there should be a mechanism in place that would give the USCG feedback on the outcomes of PBIRC investigations, to which conversation ensued that the USCG had an advisory member present at PBIRC hearings and that it was upon them to report back to the USCG.

(PB-2021-1209-11) Chairman McKamie moved to agenda item 11b., “Recommendation for renewal of Branch Pilot Commission in and for the Houston Ship Channel and Galveston Bar: Captain Brandon M. Bass, Captain Darren W. Collins, Captain William M. Kern, and Captain Michael J. Newingham”. Chairman McKamie asked for a motion to approve. Commissioner Bechtel moved to approve, seconded by Commissioner Keeney. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-12) Chairman McKamie moved to agenda item 11c., “Recommendation for original Branch Pilot Commission in and for the Houston Ship Channel and Galveston Bar: Captain Bryan A. English, Captain Justin R. Eusepi, and Captain Mark E. Scott II”. Chairman McKamie asked for a motion to approve. Commissioner Garcia moved to approve, seconded by Commissioner Hance. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-13) Chairman McKamie stated he would like more time to review agenda item 11d. and moved to table agenda item 11d., “Approve the Application Review Committee’s (ARC) recommendation to raise the minimum USCG licensing requirement from Third Mate Unlimited to Second Mate Unlimited”. Seconded by Commissioner Dyess. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-14) Chairman McKamie moved to agenda item 11e., “Appointment of 2022 ARC members”. Chairman McKamie added that the members were listed within the briefing book (to which Captain Gavis added there were no changes from 2021 for ARC or PBIRC members). Chairman McKamie asked for a motion to approve. Commissioner Oakley moved to approve, seconded by Commissioner Beverly. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-15) Chairman McKamie moved to agenda item 11g., “Appointment of 2022 PBIRC members”. Chairman McKamie asked for a motion to approve. Commissioner Oakley moved to approve, seconded by Commissioner Morrison. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-16) Executive Session

Chairman McKamie stated there was no need for an Executive Session.

(PB-2021-1209-17) General Matters

Chairman McKamie moved to agenda item 14a., “ Pilot Board deliberation and possible action regarding the amended Houston Pilots Navigation Safety Guidelines approved by the Houston Pilots on November 3, 2021, which would make interim rules 01-2020 (Barbours Cut Terminal #2 rules), 02-2020 (LPG ships with cargo between 560’-600’ LOA will be daylight restricted above Boggy Bayou, 2 Pilots at night above B-18.), and 01-2021 (Barbours Cut Terminal #3 rules) permanent”. Chairman McKamie asked for a motion to approve. Commissioner Garcia moved to approve, seconded by Commissioner Dyess. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-18) Chairman McKamie moved to agenda item 14b., “ Pilot Board deliberation and possible action regarding a response to the September 16, 2021 letter received from the United States Coast Guard Captain of the Port”. Chairman McKamie stated that he was working to review a response letter and asked for a motion to table the matter. Commissioner Hance moved to table, seconded by Commissioner Garcia. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-19) Chairman McKamie moved to agenda item 14c., “ Approve the Executive Committee’s recommendation for a renewal agreement for executive director and maritime investigator services with Midship Management LLC for a four-year term commencing January 1, 2022 in the amount of \$207,000 plus annual adjustments aligned with the SSA COLA and approved expense reimbursements”. Chairman McKamie stated that Captain Gavis was doing an awesome job and asked for a motion to approve. Commissioner Keeney moved to approve, seconded by Commissioner Garcia. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-20) Chairman McKamie moved to agenda item 14d., “ Approve the Executive Committee’s recommendation for a lease renewal with the Economic Alliance Houston Port Region as landlord for a four-year term commencing January 1, 2022 in the monthly amount of \$500 for the first two years and \$750 for the last two years plus approved service costs”. Chairman McKamie asked for a motion to approve. Commissioner Morrison moved to approve, seconded by Commissioner Bechtel. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-21) Chairman McKamie moved to agenda item 14e., “ Approve the Executive Committee’s recommendation for an agreement for consulting services with Maritime Investigative Services LLC for a one-year term commencing January 1,

2022 for administrative and marine casualty investigation support on an hourly as needed basis". Chairman McKamie asked for a motion to approve. Commissioner Keeney moved to approve, seconded by Commissioner Garcia. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-22) Chairman McKamie moved to agenda item 14g., "Set the 2022 Pilot Board meeting schedule". Chairman McKamie asked Captain Gavis to explain his proposed schedule within the briefing book. Captain Gavis stated that he proposed keeping the same schedule, which he explained would be to meet at 10:00 a.m. on the second Thursday of every quarter. Chairman McKamie thanked Captain Gavis and asked for a motion to approve. Commissioner Keeney moved to approve, seconded by Commissioner Hance. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no negative votes. MOTION PASSED.

(PB-2021-1209-23) Other Matters

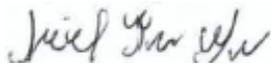
Chairman McKamie stated that there was no activity under other matters.

At 11:06 p.m., Chairman McKamie thanked everyone. Commissioner Garcia then thanked Chairman McKamie for the great job he had done this year. Chairman McKamie then wished everyone a happy holiday season and proceeded to adjourn the meeting.

The above is a correct copy of the Minutes of the December 9, 2021 meeting of the Board of Pilot Commissioners for Harris County Ports.



Captain Reginald McKamie, Chairman



Captain M. Tyler Gavis, Secretary