

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

**Houston, Texas
June 8, 2023**

A public meeting of the Board of Pilot Commissioners for Harris County Ports (the “Pilot Board”) was convened on June 8, 2023, at 10:00 a.m. at the office of the Houston Pilot Board, 203 Ivy Avenue, Deer Park, Texas 77536, as well as 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
Darrell Morrison, Commissioner
Parris Beverly, Commissioner
Bruce Oakley, Commissioner
Captain M. Tyler Gavis, Executive Director, and Secretary
David McNeal, General Counsel

Chairman McKamie commenced the meeting and asked Captain Gavis to call the roll. Captain Gavis called the roll and noted that the Pilot Board had established a quorum with 8 out of 9 Commissioners present (Commissioner Hance was absent).

(PB-2023-0608-01) Chairman’s Remarks

Chairman McKamie thanked everyone for their attendance and stated he had some brief remarks. Commissioner Morrison excused himself and asked Chairman McKamie if he could make a quick comment on one of the former Port Authority Board members. Commissioner Morrison then announced Mr. Howard Middleton was not doing well according to his son, a longtime business acquaintance and friend of Commissioner Morrison, and asked that everyone keep Mr. Middleton in their thoughts and prayers. Chairman McKamie acknowledged that Mr. Middleton was a huge part of the Pilot Board for the Port of Houston Authority, and added we owe him our gratitude and will pray for him.

Chairman McKamie then explained his belief that the Board needs to be mindful of the mandates given by the legislature and keep safety as a number one priority. He next described the legislative mandates that the Board operates under:

Sec. 66.015. JURISDICTION. The board has exclusive jurisdiction over the regulation of pilots who provide pilot services in Harris County ports, including intermediate stops and landing places for vessels on navigable streams wholly or partially located in the board's jurisdiction.

Sec. 66.017. DUTIES. The board shall:

- (1) establish the number of pilots necessary to provide adequate pilot services for each Harris County port;
- (2) accept applications for pilot licenses and certificates and determine whether each applicant meets the qualifications for a pilot;
- (3) submit to the governor lists of applicants the board finds to be qualified for appointment as pilots;
- (4) establish pilotage rates;
- (5) approve the locations for pilot stations;
- (6) establish times during which pilot services will be available;
- (7) hear and determine complaints relating to the conduct of pilots;
- (8) recommend to the governor each pilot whose license or certificate should not be renewed or should be revoked;
- (9) adopt rules and issue orders to pilots or vessels when necessary to secure efficient pilot services, including minimizing the interference of two-way routes;
- (10) institute investigations or hearings or both to consider casualties, accidents, or other actions that violate this chapter; and
- (11) provide penalties to be imposed on a person who is not a pilot for a Harris County port who pilots a vessel into or out of the port if a pilot offered those services to the vessel.

Sec. 66.018. UNFAIR DISCRIMINATION PROHIBITED. (a) In all its duties, including rulemaking, the board may not sanction discriminatory practices or discriminate against a pilot or pilot applicant because of race, religion, sex, ethnic origin, or national origin. (b) A person seeking a remedy for a violation of this section must bring suit in a district court in Harris County.

Chairman McKamie stated he just wanted to remind the Board of its mandates and that all Board members have taken an oath that says they will follow these laws and serve and protect the Constitution and the laws of the United States and of this State. Chairman McKamie closed by explaining that the maritime industry is experiencing a shortage of mariners and the shortage is going to impact the Board in the future. He added the Board must look not at today whether we have sufficient people, but we must look at what we have in the future. He then read Jeff Vogel's, Partner in Cozen O'Conner's Transportation and Trade Group, comments, "To those of us in the maritime industry, none of this is news. The mariner shortage has been well-documented for years and, as any U.S. flag operator can confirm, it is becoming increasingly challenging to even crew U.S. flag commercial vessels." Chairman McKamie continued by explaining Deputy Pilots that become pilots come from those ranks. He further explained if there is a shortage there, there will be a shortage of people we need to become pilots. He then added we may have a hundred or so people in the pilot pool, but we need to be looking at the future. Chairman McKamie then concluded his remarks.

(PB-2023-0608-02) Recognitions

Chairman McKamie announced the Board would like to recognize Captain Bill Diehl, retired President of the Greater Houston Port Bureau, for his years of service in the maritime industry and contributions to the Port of Houston and the City of Houston. Chairman McKamie then presented Captain Diehl with a resolution unanimously adopted by the Board.

Captain Diehl thanked the Board and commended the Board's work on their tasks.

(PB-2023-0608-03) Appearances

Chairman McKamie asked if anyone signed up for public comment, to which Captain Gavis replied that no one had signed up for public comment.

(PB-2023-0608-04) Minutes

Chairman McKamie called for a motion to approve the March 9, 2023, Pilot Board Meeting Minutes. Commissioner Morrison moved for approval, seconded by Commissioner Keeney. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no opposing votes. MOTION PASSED.

(PB-2023-0608-05) Executive Director Report

Captain Gavis reported that he has been working with Erik Eriksson, Chief Legal Officer at Port Houston, and his team at the Port of Houston Authority as they prepare for a potential move of their office. He added he has been working to transfer documents within the records retention policy from the port to the Board office. Captain Gavis pointed out the port team has been very supportive. He then thanked the commissioners that attended several industry events and the Board as a whole for their continued support to him, the pilots, and industry.

Commissioner Garcia asked what has happened to the historical documents of the pilots. Captain Gavis replied that he has been working with Erik Eriksson's team in the Records Inventory Management department on inventorying what documents are within the records retention policy. He then explained as an example that all documents associated with a pilot must be retained until five years after the retirement of that pilot. Captain Gavis added there were quite a few boxes to be transferred, but he feels the Board has sufficient room to accommodate them within the office. Commissioner Keeney asked if the files were physical or beta, to which Captain Gavis replied physical. Chairman McKamie recommended looking into digitalizing the documents and placing discussion of the records retention policy on the agenda of the next meeting, to which Captain Gavis agreed.

Commissioner Garcia asked what the port's retention policy is. Captain Gavis replied that pilot files must be retained until five years after retirement, and agendas/ minutes must be retained permanently (of which the port would like to retain all of the originals). Commissioner Garcia recommended the Board's General Counsel advise the Board of the retention laws, to which Counsel McNeal agreed. Chairman McKamie thanked the Commissioners for attending industry events and for their time and support.

(PB-2023-0608-06) Pilot Board Committee Reports

- (a) Chairman McKamie stated he had no Executive Committee report.
- (b) Chairman McKamie recognized Pilot Board Legislative Committee Chairman Bechtel.

Commissioner Bechtel stated things in Austin continue and added the good news is that HB1 and SB1, where we were carrying \$500,000,000 for the Gulf Coast Protection Project and with a new projection of \$550,000,000, were as good as we could get. He then added we did have a couple of bills that we are interested in, and both passed. He explained the first is HB2416 (Gulf Coast Protection Trust Fund which set up the account) and HB5409 (a clean-up bill that involved six counties in the initial efforts for hurricane storm surge protection). He stated Brazoria County in the last legislative session decided not to join. He then added on the Federal side he hoped by the end of this month the Corps will be getting some dollars out of that. Commissioner Bechtel thanked the Houston Pilots for hosting representatives from the Coastal Barrier Flooding Project on the channel and a week later Lieutenant Colonel Sullivan, Army Corps of Engineers Galveston Office. Chairman McKamie asked Commissioner Bechtel if the committee members of the Coastal Barrier Project listened to the pilots regarding their needs, to which Commissioner Bechtel replied absolutely.

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

Captain Gavis said he would provide a quick update for Commissioner Hance. Captain Gavis stated that he and Commissioner Hance attended the Lonestar Harbor Safety Committee meeting on May 5, 2023 at US Coast Guard Sector Houston/Galveston and reported that Captain Robert Thompson was recognized for his years of service with the Houston Pilots by the Lonestar Harbor Safety Committee. Captain Gavis added Commissioner Hance also attended the Lonestar Harbor Waterways Utilization Safety Subcommittee meeting on May 16, 2023, and reported it was a good meeting pointing out the status of the Battleship Texas. Captain Gavis added Commissioner Hance additionally went on a ship ride along with Captain Winegar and Captain Glass on June 1, 2023, and found it to be an exciting and interesting experience.

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

Commissioner Bechtel announced that tomorrow, June 9, 2023, USCG Sector Houston will have a change of command ceremony honoring Captain Smith's retirement.

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

Commissioner Garcia commented on the issue of the number of pilots. He added we got a good report from Commissioner Keeney on the process by which the pilots are qualified to enter the pool and explained we got a nice flowchart that accounted for diversity that our committee is going to look at as well. He then explained but for the number of pilots whatever that calculation or the methodology is for that number is a separate determination of that process. He closed by stating Commissioner Keeney is going to provide phase two of his report and we will study it when he reports back.

- (f) Chairman McKamie recognized Pilot Board Performance Effectiveness Committee Chairman Beverly

Commissioner Beverly explained that the committee was formed in March and will look at improving performance effectiveness. He then explained the committee met with Captain Winegar and Captain Glass and held a meeting to focus on the purpose and scope of the committee, pilot policy procedures, the Pilot Board Ad Hoc Committee's purpose/scope review, and the pilot manpower analysis process.

Chairman McKamie recommended at the next meeting the committee bring in other stakeholders to get their experience and knowledge and produce some metrics to help understand the number of pilots that will be needed.

Commissioner Dyess asked Captain Gavis to reach out to other top ports and ask for a copy of their by-laws and what type of metrics system they may have, and added she felt the Board may be overthinking it here. She added the committee is charged with doing this and mentioned she didn't share Commissioner Beverly's takeaway from the committee meeting in regard to why some candidates stand out from others. She then explained she thought the takeaway was Board members are not experts in handpicking candidates, and we are trusting our partners the Houston Pilots to come forward with their recommendations because they're in the trenches and they know the situation. Commissioner Beverly responded by explaining the issue was whether the Board had enough information on why the previous deputies were chosen. Commissioner Dyess stated this is why we should ask other Pilot Boards to find out if they go that deep in there and challenged General Counsel

to determine if we are complying or are we out of line. Commissioner Dyess then stated we are trying to set a precedent, and this is the first year we have come together in collaboration. She added I am not sure we are doing justice and when our term is over I would love to leave this in a great position for the next group to take over. Chairman McKamie agreed and stated we need to look at this going forward. Conversation ensued over what the correct process is for the selection of pilots and the number of pilots. Chairman McKamie recommended that at the next meeting the committee set deadlines to get the process done.

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

Captain Gavis reported receiving some concerns from the Houston Pilots over the legality and efficiency of Pilot Board Rule 15I. Captain Gavis added he asked Counsel to investigate those concerns for the Board and explained they will report back to the Ad Hoc Rules, Policies, and Procedures Committee prior to the next Board meeting.

(PB-2023-0608-07) Financial Report

Chairman McKamie recognized Pilot Board Treasurer Commissioner Dyess.

Commissioner Dyess stated we are in great shape, which she added has to do with the number of pilots we currently have and the partnership the Board has with the port and industry. She added she is happy to report the Board is \$24,155 under our year-to-date forecast, our reserve is \$16,000, and our checking account balance is \$91,000. Chairman McKamie commended Commissioner Dyess for her work as Treasurer.

(PB-2023-0608-08) Commissioner Dyess moved onto agenda item 9c, "Briefing, deliberation, and possible action regarding approving the draft Houston Pilots application advertisement to be published four times in 2023 in Professional Mariner magazine at a cost of \$5,908.00". Commissioner Dyess referred to page 32 in the commissioner's briefing book and recommended the Board reconsider investing in out-of-state ads from the \$10,000 budget line item. Chairman McKamie thanked Commissioner Dyess for the work that she put into this, but added he thinks we need to increase the budget to have a national presence. Chairman McKamie then called for a motion to approve the draft of the Houston Pilots application advertisement to be published in the Professional Mariner. Commissioner Dyess moved to not approve. Seconded by Commissioner Morrison. Chairman McKamie asked for all in favor to say aye. 5 of 8 voted aye. Chairman McKamie, Commissioner Garcia, and Commissioner Beverly opposed. MOTION PASSED.

(PB-2023-0608-09) Katelyn Pool, auditor with Belt Harris Pechacek LLLP, provided a report on the 2022 Financial Audit conducted by Belt Harris Pechacek LLLP. She began by thanking Captain Gavis for his support throughout the audit and stated she

was pleased to report that they had issued an unmodified opinion (which is the highest level of assurance an auditor can give). She then went on to detail the reports. Chairman McKamie called for a motion to approve the draft financial report by Belt Harris Pechacek LLLP. Commissioner Keeney moved to approve. Seconded by Commissioner Morrison. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no opposing votes. MOTION PASSED.

(PB-2023-0608-10) Houston Pilots Association Report

Houston Pilots Presiding Officer Captain Clint Winegar thanked the Board for recognizing Captain Bill Diehl. Captain Winegar then wanted to recognize all the hard working men and women on the channel for the safety of maintaining two-way traffic during Project 11. He further provided a presentation to the Board on the following:

- Safety Priority #1
- Manpower
- Workload & vessel transit summary/trends
- Project 11 update/Ongoing Projects
- LA/Charleston w/G&H
- Hurricane Preparedness
- Pilot Ladder/Boarding Safety
- Maritime Education and Community Engagement
- Anchor Watch

Captain Winegar discussed the problems and safety issues involving pilot ladders and gangways used by pilots and shipboard personnel. He continued with a discussion on manpower, and added as of June 8, 2023 the Houston Pilots had: 87 Branch Pilots, 4 Deputy Branch Pilots, and 1 mandatory retirement in 2023.

Captain Winegar detailed Houston Vessel Arrivals between 2020-2023 and reported total vessel arrivals are down 2% year-to-date. He also detailed the following:

- Bulkers 15%
- General cargo 12%
- Tug & barge 34%

He then explained articles on global indicators that the Houston Pilots look at such as: labor negotiation shutdowns and lockouts that could mean more traffic for Houston, the Panama Canal experiencing drought conditions that could negatively affect Houston, Saudi Arabia cutting oil production in July (which could affect exports out of Houston), noticing oil and gas building offshore terminals that come online as early as 2026. He then detailed that Between 2010 through now ship traffic has been steady. He next reported that Project

11 Segment 1A has been completed, they are expecting segment 1B (that gets you up to the middle of Bayport) to be completed around the middle of next year, and the rest of it up to Morgans Point at the end of next year. Captain Winegar added in preparation for the next generation of container ships, the Houston Pilots have completed simulations and created a manned model ship that they have utilized in Covington, Louisiana since 2013. He next reported on recently visiting LA - Long Beach and Charleston, SC to experience these larger types of container ships. Captain Winegar proceeded to add that they are also gearing up for hurricane preparedness by completing helicopter hoist training in the event of a storm coming. He then stated he would like to highlight Anchor Watch, which he explained is a 501 (c) established in 2003 of which the Houston Pilots are super proud. He detailed they are up to \$120,000 per year in way of scholarships, with preference to local high school partners. He added they have exceeded \$1,000,000 in maritime scholarships since inception and have also been involved with Maritime Education & Community Engagement, in which they have provided the website to local high schools, technical schools, and maritime academies for information on becoming a Houston Pilot.

Captain Winegar then discussed on-going projects:

- Access to Harris County Security Camera feeds for assessing visibility during fog season
- Pilot access to ship docks following a hurricane or during an actual emergency
- Installation of a current meter at Lynchburg Ferry Landing
- Removal of 15I
- Gate Designs w/GCPD and ACOE

Captain Winegar explained that the pilots could use the Board's support with these matters. Commissioner Keeney stated that Commissioner Garcia, Precinct 2, is giving the pilots access to the cameras, and he has contacted the Regional Office of Emergency Management for the State of Texas, which is actively pursuing giving access to anyone associated with the pilots. Commissioner Keeney also emphasized how important he thought it would be to enhance the Board's relationship with Texas A&M.

Commissioner Garcia asked Captain Winegar as to when the offshore terminals will go online, to which Captain Winegar replied by mid-2026.

Chairman McKamie thanked Captain Winegar for a thorough report and requested a ten minute break at 11:33 A.M.

At 11:43 A.M. Chairman McKamie reconvened the meeting.

(PB-2023-0608-11) ARC & PBIRC Reports

(a) Chairman McKamie recognized PBIRC Chairman Captain David Foret.

Captain Foret provided the Pilot Board Investigation and Recommendation Committee (PBIRC) report of the March 23, 2023, hearing regarding the M/V OCEAN GLORY collision with the barge of the T/V SEADRIFT on June 2, 2021, in the Houston Ship Channel. Captain Foret presented the following proposed findings and recommendations:

Proposed Findings re Captain Newingham Following its deliberations, by a vote of 8-0, the PBIRC proposed the following findings:

The failure of the M/V OCEAN GLORY to respond to reasonable and appropriate commands issued by Captain Newingham as evidenced by the misalignment between the bridge rudder angle indicator and the actual position of the rudder.

Captain Newingham's subsequent actions, calm demeanor, and emergency ship handling skills are to be commended since he prevented further damage to adjacent vessels located at BOSTCO.

Proposed Recommendations re Captain Newingham Following its deliberations, by a vote of 8-0, the PBIRC proposes the following recommendations to the Board of Pilot Commissioners for Harris County Ports ("the Pilot Board"):

- 1) The PBIRC requests this incident be presented at the next Bluewater-Brownwater Symposium.
- 2) Take no further action.

Captain Foret further explained Captain Gavis presented the case at the recent Bluewater-Brownwater Symposium and the pilots have monitored the ship on other Houston voyages and have had no other issues with the misalignment of the bridge rudder angle indicator and the actual position of the rudder.

Chairman McKamie asked if the ship checked its bridge rudder angle indicator on other voyages afterward, to which Captain Foret replied yes and there were no other reports of misalignment.

Mr. Jim Brown, Houston Pilots General Counsel that represented Captain Newingham on the matter, stated that the commands given were proper and the bridge

rudder angle indicator showed 10 degrees starboard more than what was ordered. He added that after the incident, class certified the vessel, and it was able to trade on other visits to this port.

(PB-2023-0608-12) Chairman McKamie called for a motion to approve the PBIRC's proposed findings and recommendations regarding the M/V OCEAN GLORY collision with the barge of the T/V SEADRIFT on June 2, 2021, in the Houston Ship Channel. Commissioner Garcia moved to approve. Seconded by Commissioner Keeney. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no opposing votes. MOTION PASSED.

Captain Foret and Captain Winegar provided a report on the April 20, 2023 – April 21, 2023 Bluewater- Brownwater Symposium and April 18, 2023 Houston Pilots – G&H Towing Coordination Course. They both commented on how important the Bluewater-Brownwater symposium has been in establishing communications between ship and tugboat operators, as well as being a useful tool for the PBIRC.

(b) Chairman McKamie recognized ARC Chairman Captain Stephen Polk.

Captain Gavis provided a report on the Pilot Board Application Review Committee's (ARC) meetings on April 11, 2023 and May 9, 2023.

(PB-2023-0608-13) Chairman McKamie moved to agenda item 11b, " Approve the Pilot Board Application Review Committee's recommendation for renewal of Branch Pilot Commission in and for the Houston Ship Channel and Galveston Bar: Captain William A. Ewing III, Captain Adam W. Guice, Captain Cody R. Lynch, Captain Blakely K. Morgan, and Captain Michael T. Riggle". Chairman McKamie asked for a motion. Commissioner Garcia moved to approve. Seconded by Commissioner Morrison. Chairman McKamie asked for all in favor to say aye. All were in favor. There were no opposing votes. MOTION PASSED.

(PB-2023-0608-14) Executive Session

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

(PB-2023-0608-15) General Matters

Chairman McKamie moved to agenda item 14a, "Move September 14, 2023 Pilot Board meeting to October 12, 2023". Chairman McKamie explained the Houston Pilots made this request to give them more time in between meetings. Chairman McKamie then asked for a motion. Commissioner Dyess moved to approve. Seconded by Commissioner Keeney. Chairman McKamie asked for all in favor to say aye. All were in favor. There

were no opposing votes. MOTION PASSED.

(PB-2023-0608-16) Chairman McKamie moved to agenda item 14b, “Briefing and discussion regarding Board members participating in a team building exercise facilitated by Goodfriend Consulting at a proposed cost of \$3,000.00”. Commissioner Keeney explained that he brought a proposal back at the Board member's request for \$3000.00 that would provide an outstanding facilitator to interview each Board member to see what our priorities are and talk with us about our goals. He added it would also allow the facilitator to talk with stakeholders to get a sense of their perception of this Board and of the pilots, and added we can pull that together and maybe work more effectively together on things that are important to us, the pilots, and the community around us. General Counsel McNeal added that he did investigate this because we wanted to make sure we are not in violation of anything. He added this is something possible for the Board to do. He then detailed what the Board would need to do is tweak the agenda from what was presented because obviously public business cannot be discussed between the Board at this event . He added and for that reason what I would suggest is to present it for a vote if we are going to do this and from there I could contact the consultant and make him aware of what we can and can't discuss, and we are not in the position of discussing public business. Commissioner Keeney added what we must do is conduct the meeting in Executive Session. Counsel McNeal responded that the Executive Session is only assigned to an open meeting, and added this would not be an open meeting. Counsel McNeal stated that it is something that we could do, but added we must tweak certain things to make sure we are not in violation. Chairman McKamie explained that he understood that some stakeholders questioned why the Board was looking at spending \$3,000 on this team building meeting and asked has anyone else received any feedback from anybody, to which there was no response. Commissioner Morrison suggested that the Board table it for now and think about it. Chairman McKamie responded and suggested that we can think about it and asked counsel to provide a one page statement of the parameters that could be discussed. He then added and if we did this we would not be in violation of the Open Meetings Act, to which Counsel agreed. Chairman McKamie then requested that this be put on the next meeting agenda. Commissioner Garcia asked to find out how the Port of Houston did their retreats, how they posted it, and what they did for compliance. Captain Gavis agreed he and Counsel would find that out.

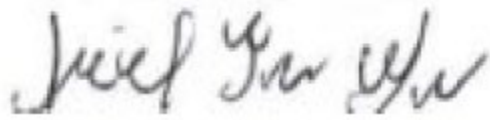
Chairman McKamie concluded by asking everyone to keep Mr. Howard Middleton in their thoughts and prayers.

At 12:07 p.m. Chairman McKamie stated there were no other matters and proceeded to conclude the meeting. The meeting was adjourned.

The above is a correct copy of the Minutes of the June 8, 2023, meeting of the Board of Pilot Commissioners for Harris County Ports.

A handwritten signature in cursive script, appearing to read "Reginald McKamie".

Captain Reginald McKamie, Chairman

A handwritten signature in cursive script, appearing to read "M. Tyler Gavis".

Captain M. Tyler Gavis, Secretary