

**PORT OF GALVESTON
REQUEST FOR DISCUSSION**

BUSINESS ITEM – E-8

SUBJECT: Discuss and Consider Action Concerning Letter Submitted by Board
Chairman to Galveston County Board of Pilot Commissioners's Letter

DISCUSSION: This item was placed on the agenda at the request of Trustee O'Rourke.



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October 19, 2017

To: Pilot Commissioners of Galveston County

I appreciate your willingness to serve on the Pilot Commission. However, as Chairman of the Port of Galveston, I have strong concerns about the inability of the port to schedule meetings with this commission and with pilots to discuss issues that directly impact our port and customers. The port not only impacts the maritime industry, but the overall welfare and financial health of our communities.

Unlike every other Texas port, Galveston's port does not have the ability to directly control pilot rates, conditions and work issues that impact our businesses.

This is an issue that must be addressed if the Port of Galveston is to achieve its full potential. In fact, the State has addressed this concern in the case of other major Texas ports –

- The laws establishing Pilot Commissions for Houston, Freeport, and Corpus Christi all provide that the **Port** Commissioners are also the **Pilot** Commissioners.
- The Jefferson County Ports are more like us, in that those Commissioners are appointed by the governor. However, the laws governing those Commissioners also say that there can be no change to pilotage rates unless the Ports of Beaumont, Orange and Port Arthur approve the change. In other words, these ports have veto power over pilot rates.

We in Galveston have none of these protections. We need to address these issues to ensure the continued growth of the Port of Galveston, and we cannot do so without joint meetings and resolution of our serious concerns.

I am proposing two changes to the Pilot Commission to address maritime issues, business and safety concerns.

- 1) The Chairman of the Wharves Board of Trustees and the Director of the Port of Texas City both be made permanent members of the Board of Pilot Commissioners of Galveston County.
- 2) We implement the "Jefferson County Rule" – that is, no pilotage rate changes would go into effect unless approved by the governing bodies of the Ports of Galveston and Texas City.

Clearly, we need more balance on this Pilot Commission to get people talking and resolving these important matters. Until legislation is changed, I would appreciate the Commissioners scheduling regular joint meetings with the ports to address our concerns.

Our local maritime industry is just too important to be put at risk by these ongoing, unresolved and festering issues.

Sincerely,

E.L. "Ted" O'Rourke, Chairman Port of Galveston

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Peter Simons

(*Date correction from January 19, 2017 to correct date of October 19, 2017)

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