

**STATE OF FLORIDA  
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION  
BOARD OF PILOT COMMISSIONERS  
PILOTAGE RATE REVIEW COMMITTEE**

IN RE: APPLICATIONS FOR A CHANGE  
IN RATES OF PILOTAGE FOR PORT  
CANAVERAL

CASE NO.: PRRC 2022-1

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**NOTICE OF INTENT TO MODIFY  
THE PORT CANAVERAL RATE OF PILOTAGE**

Pursuant to the provisions of Section 310.151, Florida Statutes, and Rule 61G14-22, Florida Administrative Code, the Pilotage Rate Review Committee (Committee) met at a duly-noticed public meeting in Cape Canaveral, Florida, on June 17, 2022, to review the amended rate modification application filed by the Canaveral Pilots Association (Pilots) for a change in the rates of pilotage for the Port of Canaveral, the alternative application filed by the Florida-Caribbean Cruise Association (FCCA), and the Port Canaveral Settlement Agreement filed by the Pilots and FCCA.

Committee members present were Commissioners Robert Benson, Sherif Assal, Captain Carolyn Kurtz, and Captain Michael Jaccoma. Legal advisor to the Committee was Marlene Stern, Senior Assistant Attorney General.

**BACKGROUND**

The Pilots is an association comprised of harbor pilots that is treated as a partnership for tax purposes, and which perform the pilotage services at the Port of Canaveral. The Pilots are located at 9060 Herring Street, Cape Canaveral, FL 32920.

The purpose of the Pilots is to provide pilotage services to the Port of Canaveral in a safe and efficient manner and in compliance with the provisions of Chapter 310, Florida Statutes, the rules promulgated thereto, and any other provisions of law governing the provision of piloting services. As such, the Pilots are entitled to charge pilotage rates as provided in Section 310.151, F.S., and, as further provided therein, to seek rate increases by filing an application with the Committee.

The FCCA is a not-for-profit trade association composed of 23-member cruise lines operating more than 200 vessels in Florida, Caribbean, and Latin American waters. The FCCA represents multi-day cruise line companies that either call on Port Canaveral throughout the year or which call Port Canaveral home.

The cruise ships operated by the FCCA's members are vessels subject to pilotage under Section 310.151, Florida Statutes, and are required to have a licensed pilot or certified deputy pilot on board to direct the movements of the vessel when entering or leaving Port Canaveral and other ports in Florida.

On December 28, 2019, the Pilots filed an initial application for a change in pilotage rates in Port Canaveral. On January 17, 2020, the FCCA filed an alternative application. The two applicants had agreed in advance on a proposed rate structure similar to the Port of Miami and Port Everglades, which provided in general, some rate discounts for the larger cruise vessels, which had grown in terms of tonnage in the last two decades. The investigation of the applications and the rate hearing for these applications were delayed due to a pending application in another port and because of the COVID pandemic. On March 8, 2022, the Pilots filed an amended application.

On April 19, 2022, the Pilots and the FCCA filed the "Port Canaveral Settlement Agreement." The proposed settlement agreement is essentially the same as the March 8, 2022

amended Pilot application except for two items: 1) the proposed rate escalator was reduced from 3.5 to 2.5 percent; and 2) the effective date of the rate was moved back to January 1, 2023. The cargo customers and the U.S. Navy are not parties to this agreement.

It has been more than 30 years since there has been a change in the rates of pilotage in Port Canaveral. During that time, cruise traffic has increased both in numbers and greatly in size. Because of the tonnage increases, the pilotage fees for cruise vessels have increased, yet the pilotage fees for cargo vessels have remained the same. Currently, cargo represents 10 percent of revenue. It is requested that cargo will represent 21 percent of revenue even though the number of cargo handles are 38 percent of revenue. Currently, cruise represents 62 percent of handles and 90 percent of revenue. It is requested that cruise be reduced to 79 percent of revenue.

Other modifications or additional proposed fees include a shifting fee, late payment fee, docking fee, and new fees such as pilot boat fee, cancellation fee, dead ship movement fee, and board governance fee. It is also requested that the draft rates for vessels with a draft of 32 feet or deeper shall increase by 6% and all other rates and fees shall increase (3.5% in the Pilots' amended application or 2.5% in the proposed settlement agreement) each year for 9 years starting one year after the effective date of the rates.

As provided in Rule 61G14-22.007, Florida Administrative Code, the Committee convened its Investigative Committee. During the investigation, the Investigative Committee received no complaints from the Port Authority or other interested persons regarding the level of service, qualifications and skills of the pilots, or their ability to respond promptly to vessels needing their services.

At the conclusion of the investigation, the Investigative Committee prepared a report (Report), including attached exhibits, which was rendered to the Committee as required by Rule

61G14-22.007, Florida Administrative Code.

Key assertions of the application are included in the Executive Summary located on pages 3 through 9 of the Report. During the hearing, the Investigative Committee orally amended the Executive Summary as follows:

- 1) Page 3 – General Comments. The first sentence is amended to correct the initial filing date of the Pilots’ application to be December 28, 2019.
- 2) Page 7 – Customer Base. The numbers in the following sentence are corrected as follows: “Cargo traffic makes up 38% of estimated total handles in 2022, and only 10% of revenue.”

The Committee has reviewed the Pilots’ amended application, the FCCA’s alternative application, the proposed Port Canaveral Settlement Agreement, the Report of the Investigative Committee with appended exhibits, as well as the comments and any supporting exhibits of the following individuals: Richard H. Law, CPA; Commodore Thomas L. Bushy, USMS (Ret).; Captain Ben Borgie (Pilots), Captain Sean Morrissey (Pilots), George Meros, Esquire (representing the Pilots), and Adam Ceserano, President, Florida-Caribbean Cruise Association. No comments from the public or interested persons were made or received in this matter.

### **THE STATUTORY FACTORS**

The Committee is charged with determining the rates of pilotage based upon a list of factors set forth in Section 310.151(5) which states as follows:

- (a) In determining whether the requested rate change will result in fair, just, and reasonable rates, the Committee shall give primary consideration to the public interest in promoting and maintaining efficient, reliable, and safe piloting services.
- (b) The Committee shall also give consideration to the following factors:
  1. The public interest in having qualified pilots available to respond promptly to vessels needing their service.

2. A determination of the average net income of pilots in the port, including the value of all benefits derived from service as a pilot. For the purpose of this sub-paragraph, “net income of pilots” refers to total pilotage fees collected in the port, minus reasonable operating expenses, divided by the number of licensed and active state pilots within the ports.
3. Reasonable operating expenses of pilots.
4. Pilotage rates in other ports.
5. The amount of time each pilot spends on actual piloting duty and the amount of time spent on other essential support services.
6. The prevailing compensation available to individuals in other maritime services of comparable professional skill and standing as that sought in pilots, it being recognized that in order to attract to the profession of piloting, and to hold the best and most qualified individuals as pilots, the overall compensation accorded pilots should be equal to or greater than that available to such individuals in comparable maritime employment.
7. The impact rate change may have in individual pilot compensation and whether such change will lead to a shortage of licensed state pilots, certificated deputy pilots, or qualified pilot applicants.
8. Projected changes in vessel traffic.
9. Cost of retirement and medical plans.
10. Physical risks inherent in piloting.
11. Special characteristics, dangers, and risks of the particular port.
12. Any other factors the Committee deems relevant in determining a just and reasonable rate.

(c) The Committee may take into consideration the consumer price index or any other comparable economic indicator when fixing rates of pilotage; however, because the consumer price index or such other comparable economic indicator is primarily related to net income rather than rates, the Committee shall not use it as the sole factor in fixing rates of pilotage.<sup>1</sup>

The Committee finds that the data set forth in the Investigative Committee report as amended fairly represents the state of shipping activity in the Port as well as accurately describes the operations of the Port and the activities of the pilots serving the Port.

The Committee finds that the financial data presented reasonably reflects the present and future financial state of pilotage charges (and the income derived therefrom) in the Port, based on

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<sup>1</sup> As the Committee opined in its decision on the requested rate decrease for the Port of Miami (PRRC Case No. 96-01 at page 8), it is the Committee’s position that its authority extends to granting a rate decrease or increase, in whole or in part, or to deny the request completely. The Committee also asserts its authority to grant relief which is contingent upon actions which must occur in order for the rates to take permanent effect.

the information as presented and discussed and in consideration of the impact of the COVID pandemic on such data. The Committee accepts the Investigative Committee's application of the above-mentioned data to the various factors set forth in Section 310.151(5), Florida Statutes, and the conclusions set forth in its Report.

As to the individual factors listed in Section 310.151(5), Florida Statutes, the Committee makes the following findings:

1. The public interest in having qualified pilots available to respond promptly to vessels needing their service.

Pilots are essential to the safe movement of vessels with the pilotage waters of the State. The Pilots describe the risk of a port's viability if a ship's operational systems fail, or a pilot's action do not meet the statutory requirements. Recent large container ship groundings in the United States and elsewhere demonstrate the significant costs associated with interference of a navigable waterway. Since the largest cruise ships in the world call Port Canaveral homeport, there are risks that a steering or machinery casualty could effectively block Port Canaveral's entrance channels.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 9 through 10 of the Report of the Investigative Committee.

2. A determination of the average net income of pilots in the port, including the value of all benefits derived from service as a pilot. For the purpose of this sub-paragraph, "net income of pilots" refers to total pilotage fees collected in the port, minus reasonable operating expenses, divided by the number of licensed and active state pilots within the ports.

The Pilots have served Port Canaveral consistently for the last 50 years but have not requested nor has been granted a rate increase since October, 1991. The Pilots have maintained an accepted level of compensation primarily because: 1) the Canaveral Port Authority maximized

port development specifically toward the attraction of larger cruise ships; and 2) cruise ship dimensions have expanded multiple times since 1991.

When the Pilots submitted their original application in 2019, as required they submitted audited financial statements for 2017 and 2018 and projected financial statements for 2019 and 2020. The audited financial statements for 2017 and 2018 establish a normal baseline of operations, but it is old information. On March 8, 2022, the Pilots submitted an amended application, which includes an internal financial statement for 2021. Even though 2021 is an anomaly year in itself, it is the most accurate year completed, and it also demonstrates what transpired in 2020 and 2021. Accordingly, the Report uses the Pilots' 2021 internal financial statement.

The Report provides details regarding operations and expense categories, such as health insurance, boat expenses, and boatmen salaries, in a format to view the fluctuations between periods. The share of distributable income is presented with benefits added back for the retirees and for the pilots, which include their health care benefit. For pilots, the lobbying and political expenses are added to their share of distributable income because those are considered discretionary. Additional calculations have been estimated based on the 2023 projections. It is important to note that there is some income distortion based on whether there are seven or nine active pilots. For the 2023 projections, the total income per pilot was divided by the seven current active pilots, but the average income would be greatly reduced should there be nine active pilots.

The estimated revenues for 2022 and 2023 and the resulting net income per pilot is much higher than the Pilots expected when the original and amended applications were prepared and when the FCCA and the Pilots agreed with the requested pilotage rates. The estimated number of handles of 2,780 for 2022 is 32% higher than the recent average of 2,100 and most of the increase

was cargo related. The Pilots represented that the predictability of cargo traffic may be more volatile than cruise traffic, which has long-term scheduling and booking commitments.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 11 through 14 of the Report of the Investigative Committee.

3. Reasonable operating expenses of pilots.

The Investigative Committee reports that the Pilots' operating expenses appear to be reasonable and frugal. With six to eight active pilots and two deputy pilots generating all of the pilot revenue, the Pilots must operate in a very cost conscience manner to maximize new income per pilot. Relevant observations include: 1) the COVID pandemic had a devastating impact on piloting operations in 2020 and 2021, and the Pilots were barely able to pay fixed expenses and keep their boatmen employed and health insurance in effect. They borrowed money and received federal assistance to maintain safe and reliable piloting operations; 2) the Pilots have no vehicles for commuting around the port nor are they reimbursed for local mileage; 3) they employ four full-time and two part-time boatmen and have no administrative or bookkeeping staff; 4) they rent a modest double-wide building, docks, and land from the port authority; and 5) they have two pilot boats that are well-maintained and suitable for the needs of the port, one of which was bought in 1998, the other in 2014.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 14 and 15 of the Report of the Investigative Committee.

4. Pilotage rates in other ports.

During the rate hearing, the Investigative Committee modified Table 1, Footnote 1, on page



16 of the Report, to change the boat replacement fee to \$50, and modified Table 6, on page 19 of the Report, to change the average handle time in Tampa to 7.5 hours.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 16 through 20 of the Report of the Investigative Committee and orally modified.

5. The amount of time each pilot spends on actual piloting duty and the amount of time spent on other essential support services.

Currently, there are seven state pilots and one deputy pilot in training. The average number of handle hours per year for each pilot is currently 1,451; however, when the desired number of pilots reaches 8, the average handle hours per year are reduced to 1,200 hours. During the rate hearing, the Pilots stated that it wants to maintain 8 pilots at all times to properly service the port. To maintain 8 pilots at all times, the Pilots clarified that since its long-term goal is 8 pilots, the Pilots need to have 9 pilots to absorb future retirements and also injury or illness so that the Pilots can maintain 8 at all times at the port.

The only employees in Port Canaveral are the boatmen. The Port provides a harbor master to coordinate incoming and outgoing traffic and other such duties. All other administrative duties are performed primarily by two pilots, who are each provided additional compensation of \$36,000 per year and routinely perform these duties while on rotation between jobs or off watch. In addition to direct pilot business, the Pilots have a maritime responsibility to attend routine meetings involving the Canaveral Port Authority, the U.S. Navy, the U.S. Army Corps of Engineers, the U.S. Coast Guard, and the Florida Harbor Pilots Association.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 20 and 21 of the Report of the Investigative Committee.

6. The prevailing compensation available to individuals in other maritime services of comparable professional skill and standing as that sought in pilots, it being recognized that in order to attract to the profession of piloting, and to hold the best and most qualified individuals as pilots, the overall compensation accorded pilots should be equal to or greater than that available to such individuals in comparable maritime employment.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on page 22 of the Report of the Investigative Committee with the following comments:

The Committee has consistently established through various previous orders<sup>2</sup> related to this and other ports that it accepts the proposition that the pre-pilot career path is the same for persons who remain as senior bridge officers on American-flagged ships and for those who become pilots.

In addition, Section 310.151(5)(b)6., sets the wage rate of “comparable professions” as the floor for pilot income not the ceiling. As was also noted in the Port Everglades (96-03) and Tampa (2008-01) Orders, the Committee has accepted that the wage rate of senior masters on American-flagged ships varies greatly and thus the Committee can find no specific number to use as the only acceptable “floor” for pilot compensation.

The Committee thus uses the range of masters’ salaries as a range of “floors” of pilots’ income to be applied depending on the amount of vessel traffic at a port, the physical characteristics of a port, the associated risks and complexities of handling vessels in a particular port, and the size of vessels handled. The Investigative Committee notes, based on testimony from previous rate hearings, that from 2014 to 2018 U.S. pilots earned an average of \$410,000 to \$498,000 (testimony of Captain George Quick, Vice President of Master Mates and Pilots), and that a tabulation of pilot net income for 25 U.S. ports averages \$500,000 (Dibner Maritime Associates, LLC, 2017).

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<sup>2</sup> All references to prior orders of the Committee include Orders of the Pilotage Rate Review Board, the predecessor rate setting entity.

7. The impact the rate change may have on individual pilot compensation and whether such change will lead to a shortage of licensed state pilots, certificated deputy pilots, or qualified pilot applicants.

During the rate hearing, the Investigate Committee states that on page 23 “Table AAA” is corrected to “Table 9.”

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 22 through 24 of the Report of the Investigative Committee and orally amended.

8. Projected changes in vessel traffic.

Port Canaveral is primarily dedicated towards cruise ship traffic. In addition to the U.S. Naval Submarine Base in the port, cargo traffic includes petroleum tankers and barges, and general cargo such as lumber. Although investment in container ship infrastructure was made in recent years, the only container ship operator ceased operations in 2018 and the car carriers ceased operations in 2019. Port Canaveral is near capacity on cruise ship calls on four out of seven days, but there are still available berths to handle more cruise ship calls on low service days. Port Canaveral has limited cargo pier capacity.

Regarding traffic, in its amended application, the Pilots updated the estimated number of handles for 2022 and 2023 traffic based upon actual traffic in January 2022. By annualizing the amount of traffic reported to the Department for traffic for the period January through April 2022, the estimate for 2022 is even higher, which is reported on page 25 of the Report. These variances have a substantial impact on projected revenue and net income per pilot for 2022 and 2023.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on page 25 of the Report of the Investigative Committee.

9. Cost of retirement and medical plans.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 26 through 29 of the Report of the Investigative Committee.

10. Physical risks inherent in piloting.

The most dangerous part of a pilot's job is boarding and disembarking the vessel. Because 85% of vessels calling Port Canaveral are over 10,000 gross registered tons (GRT) and 77% of those vessels are over 90,000 GRT, the boarding and disembarking process is to a very stable platform. This is still risky because a pilot could fall off the ladder or the ladder itself could fail. The Pilots also have to board and disembark submarines, which is more dangerous because the hull of a submarine is round and often has a slick surface that requires sailors to assist and even catch the pilot as he makes the transfer.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on page 29 of the Report of the Investigative Committee.

11. Special characteristics, dangers, and risks of the particular port.

There are several key characteristics of Port Canaveral. Port Canaveral is accessed from the Atlantic Ocean north of the Straits of Florida. The channels are dredged cuts and must be maintained at project depths periodically by the U.S. Army Corps of Engineers. A channel may silt in along the edges, which may make the project width less than the claimed dimensions, potentially creating a grounding risk for the pilots. While the length and width limits have remained unchanged for many years, the depths have been increased to accommodate larger vessels. It is noteworthy that as channels have remained the same size, the ships have not. The

main channels are only 400-feet wide, which means the larger cruise ships use 38% of the available width not including crab angles due to the wind effect on the ship.

Probably the biggest concern for piloting into Port Canaveral is the available depth of water. Most channels are maintained between 43 and 44 feet; however, sections exist in the main channel and pier facilities that are only 35 feet. In addition, the depths can be impacted by high winds over sustained periods that reduce the available depth further by “pushing” the water out of the port.

There are other unusual navigating hazards at Port Canaveral. Because Port Canaveral is the home of a U.S. Naval Submarine base, the pilots need to learn unique ship handling characteristics that large ballistic missile submarines present. Also, the port is immediately adjacent to Cape Canaveral’s Kennedy Space Center where rocket launches are routinely conducted. This requires that pilots are knowledgeable about down-range danger areas, and the schedule of impending launches to brief vessel masters entering or departing. There is also increased port traffic due to the recovery of rockets on barges that are brought into the port for transfer to the Kennedy Space Center and the increase in recreational boater traffic viewing the transfer.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on pages 29 through 31 of the Report of the Investigative Committee.

12. Any other factors the Committee deems relevant in determining a just and reasonable rate.

The Pilots own and operate two pilot boats. One was built in 1998 and is approaching its end-of-service life, which is estimated to be in 2025, and will need to be replaced. The other was built in 2014 and is projected to last until 2040, but it will need to have new engines installed

approximately every six to seven years.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on page 31 of the Report of the Investigative Committee.

13. The Consumer Price Index and Labor Costs.

Since the last modification in rates at Port Canaveral from 1991 to 2022, the Consumer Price Index (CPI) increased by 113%. The previous twelve months have contributed to some of the highest increases in inflation and CPI in several decades. From April 2021 to April 2022, the CPI increased 8.3%. Applying the CPI change is more relevant to the cargo vessels, where the size of vessels has not increased as it has with cruise vessels. For example, the smallest vessel in 2021 with a pilotage fee of \$568 would have a pilotage fee of \$692 with the requested rates. Applying the CPI change to the existing fee of \$568 would result in a fee of \$1,214, which is \$422 more than the requested pilotage fee of \$692. Application of CPI change to the existing rates for cruise vessels is not as meaningful because cruise vessels have increased their size so much since 1991 making other factors such as technical requirements of a pilot, complexity of larger vessels, risks and responsibilities, and increased handle time more significant.

The Committee accepts and adopts the findings of the Investigative Committee as reflected on page 32 of the Report of the Investigative Committee.

**ANALYSIS AND DECISION**

The Committee is of the opinion that the rates of pilotage at the Port of Canaveral should be modified based upon the Pilots' amended application for an increase, the FCCA Alternative Petition, the proposed Pilots and FCCA Port Canaveral Settlement Agreement, the Investigative Committee Report, the Pilots' presentation, the FCCA comments, past Committee precedent, and

discussion during the rate hearing.

In general, the modified rates are necessary to maintain the efficient, reliable, and safe piloting service that the Port of Canaveral currently enjoys. Significantly, the Committee notes that that the Pilots have not had an increase in rates in more than 30 years. During this time, cruise traffic has increased both in numbers and in tonnage thereby increasing rates for cruise traffic, yet the rates for cargo traffic have remained the same, which has been a benefit to cargo traffic.

During the rate hearing, the Pilots and the FCCA stated that the adoption of their Port Canaveral Settlement Agreement is the result of many months of negotiations in good faith and will result in fair, just, and reasonable rates. They asserted that it would comply with the statutory requirement to give primary consideration to the public interest in promoting and maintaining efficient, reliable, and safe pilotage services. The Pilots adopted the rate structure from the ports of Miami and Port Everglades, which have been approved by the Committee, and then adjusted the numbers to make it appropriate for Port Canaveral. The Committee discussed and now uses the Port Canaveral Settlement Agreement as the basis for its decision.

In addition to the general rate structure, the Committee also discussed the proposed 6.0% increase each year for 9 consecutive years for the draft rate for vessels with a draft of 32 feet 0 inches or deeper, which affects large cargo vessels. The Pilots reviewed the rate deep draft tankers were paying at other ports and also inform that such deep draft tankers require additional piloting skills. The Committee observes that the additional risk of handling deeply laden vessels was not properly addressed previously for this port and recognizes the acceleration of this particular rate more accurately reflects the risk of handling such vessels being closer to the bottom.

Pilot boats are one of the most important and most expensive assets of the pilots. The proposed pilot boat fee of \$50.00 per handle will be dedicated to a pilot boat capital fund used

exclusively for pilot boat capital expenditures. Given the importance in keeping the pilots safe and allowing them to provide efficient service, the Committee determines this to be a reasonable fee.

The Committee raised a number of concerns regarding the proposed governance fee including concerns regarding its variable nature, the complications with its calculation, and potential legal concerns. During the hearing the Pilots stated it would be willing to concede the proposed governance fee, and the FCCA stated it also would be willing to accept the removal of the governance fee.

Accordingly, the Committee finds that the rates set forth in the Port Canaveral Settlement Agreement are approved except for the governance fee. In general, the modified rates are necessary to more equitably distribute the costs of pilotage services at Port Canaveral among the various maritime consumers while bringing the income of the members of the Pilots closer to where it was subsequent to the last rate increase and before recent increases in operating, consumer, and other costs. The Committee believes that these new rates assure that the quality of the pilotage services at Port Canaveral remain constant and that the costs of these necessary services are more equitably distributed among the shipping community.

These new rates ensure that the quality of the pilotage services at the Port of Canaveral will remain constant, allow the Pilots to maintain an acceptable income for the essential services they provide, and will allow for the ability of the Pilots to attract and retain pilots to provide safe and reliable pilotage service to the Port of Canaveral.

The Committee therefore determines that as of January 1, 2023, the rates of pilotage at the Port of Canaveral shall be modified as follows:



1. Pilotage Rates. The formula for calculating pilotage rates shall be:

$(\text{LOA Rate} * \text{LOA}) + (\text{Beam Rate} * \text{Beam}) + (\text{Draft Rate} * \text{Draft}) + (\text{GRT Rate} * \text{GRT}) + \text{Docking/Undocking Fee} + \text{Pilot Boat Fee}$

Definitions:

Docking/Undocking Fee – charged when the pilot performs the docking or undocking.

Pilot Boat Fee – shall be dedicated to a Pilot Boat Capital Fund, which will be used exclusively for pilot boat capital expenditures.

LOA Fee – determined using the maximum length overall, rounded up to the foot. The length overall for conventional tug and barge combinations, whether towing astern, alongside, or pushing ahead, shall be the combined length overall of the tug and barge. The length overall for articulated tug barge and integrated tug barge combinations shall be the length overall of the combined unit when the tug is secured in its designated pushing position.

Beam Fee – determined using the maximum waterline beam, rounded up to the foot. The beam for tug and barge combinations, whether conventional or articulated tug barge/integrated tug barge combinations, shall be the maximum waterline beam of the widest vessel contained in the unit.

2. Base Rate. The initial base rate in dollars per foot/GRT/fixed fee shall be:

	Standard Rate	Less than 10,000 GRT	Draft Deeper than 32.0 feet
LOA Rate	\$1.00	\$0.75	\$1.00
Beam Rate	\$5.00	\$3.75	\$5.00
Draft Rate	\$30.00	\$22.50	\$35.00
GRT Rate	\$0.0125	\$0.0100	\$0.0125
Docking/Undocking Fee	\$300.00	\$200.00	\$300.00
Pilot Boat Fee	\$50.00	\$50.00	\$50.00

3. Minimum Pilotage: The following minimum charges will apply:

LOA: 100 feet  
 Draft: 18 feet  
 Beam: 30 feet  
 GRT: 5,000 GRT

4. Additional Fees. Additional fees shall be:
- a) Detention of Pilot: An additional 25% of total pilotage fee per hour after the first half hour.  
A delay in departure caused by a medical emergency will not be considered detention. A delay in arrival, departure, or shift caused by weather conditions inside Port Canaveral and/or the area offshore of Port Canaveral out to and including the pilot boarding area will not be considered a detention.
  - b) Cancellation of Pilot: 25% of total pilotage fee.  
Cancellation fee will be assessed for vessels on which the pilot boarding is canceled with less notice than the current pilot call-out time.
  - c) Shifting Fee within the Harbor. 75% of total LOA/Beam/Draft/GRT fee, plus applicable Docking/Undocking and Pilot Boat Fees.
  - d) Dead Ship Movement. 150% of total pilotage fee.  
A dead ship movement is defined as the movement of any vessel equipped with motive power and/or steering capability when such motive power and/or steering capability is or becomes unavailable, for any reason, during any part of the vessel's transit.
  - e) Late Payment Charge: 3.0% of total pilotage fee per month after 30 days from the date of invoice submission.
5. The draft rate for vessels with a draft of 32 feet 0 inches or deeper shall increase by 6.0% each year for 9 consecutive years starting on the anniversary date one year following the effective date of this rate.
6. All other rates and fees shall increase by 2.5% per year for a period of 9 years starting on the anniversary date one year following the effective date of this rate.

DONE and ORDERED this 1<sup>st</sup> day of SEPTEMBER, 2022.



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ROBERT BENSON, CHAIR  
PILOTAGE RATE REVIEW  
COMMITTEE

**NOTICE OF HEARING RIGHTS**

This Order will become final agency action if no request for a hearing is received by the Pilotage Rate Review Committee (PRRC) by any person whose substantial interests will be affected by this action within twenty-one days after receipt or publication of this notice in the Florida Administrative Register or in the newspaper, or by close of business on September 30, 2022, whichever is latest. A person whose substantial interests will be affected may petition the PRRC for a hearing involving disputed issues of material fact before an administrative law judge pursuant to Section 120.57(1), Florida Statutes, by filing an appropriate petition with the Executive Director of the Committee at Department of Business and Professional Regulation, P.O. Box 5377, Tallahassee, Florida 32314-5377.

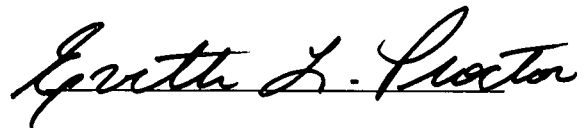
A petition for a hearing involving disputed issues of material fact must contain information required by Rule 28-106.201, Florida Administrative Code, *including a statement of all disputed issues of material fact*. The PRRC may refer a petition to the Division of Administrative Hearings for assignment of an administrative law judge only if the petition is in substantial compliance with the rule requirements.

In the absence of such a petition or if the PRRC concludes that the petitioner has not raised a disputed issue of material fact and does not designate the petition for hearing, this Order shall become final agency action for purposes of Section 120.68, Florida Statutes.

In accordance with Section 120.573, Florida Statutes, mediation is not available.

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Order has been provided by **Certified Mail** to: **Captain Benjamin Borgie**, Canaveral Pilots Association, P.O. Box 816, Cape Canaveral, FL 32920; **George N. Meros, Jr.**, Shutts & Bowen, LLP, 215 South Monroe Street, Ste. 804, Tallahassee, FL 32301; and **Michelle M. Paige**, President, Florida-Caribbean Cruise Association, 10390 USA Today Way, Miramar, FL 33025; and inter-office mail to **Marlene Stern**, Senior Assistant Attorney General, and **Donna McNulty**, Special Counsel-Assistant Attorney General, Administrative Law Section, PL-01 The Capitol, Tallahassee, Florida 32399-1050 this 2 day of September, 2022.



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<input checked="" type="checkbox"/> Return Receipt (hardcopy)	\$
<input type="checkbox"/> Return Receipt (electronic)	\$
<input type="checkbox"/> Certified Mail Restricted Delivery	\$
<input type="checkbox"/> Adult Signature Required	\$
<input type="checkbox"/> Adult Signature Restricted Delivery	\$
Postage	\$
Total Postage and Fees	\$

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