



A M E R I C A ' S P O R T ®

Port Pilot Division – Proposed Tariff No. 4 Increases

Presented by:

John L. Dwyer, Chief Port Pilot – Los Angeles Pilot Service

Presented to:

Los Angeles Board of Harbor
Commissioners on January 29, 2026

Recommended Actions – Temporary Order

- Find that the Director of Environmental Management has determined that the proposed action is statutorily exempt from the requirements of the California Environmental Quality Act (CEQA) under Section 15273 of the State CEQA Guidelines;
- Approve the amendment to the Port of Los Angeles Tariff No. 4, revising Section Three “Pilotage”, Item No. 330, subject to review and approval by the California Association of Port Authorities, and authorize the Executive Director to collaborate with the California Association of Port Authorities to secure this approval or to take independent action in accordance with their procedures;
- Adopt Temporary Order No. _____ to amend Section Three, “Pilotage,” Item No. 330, in the Port of Los Angeles Tariff No. 4, effective March 1, 2026;
- Authorize the Board Secretary to certify to the adoption of the Temporary Order by the Board of Harbor Commissioners and cause the same to be published once in a newspaper printed and published in the City of Los Angeles, to take effect March 1, 2026, for a period not to exceed 90 days pursuant to City Charter Section 653(b); and
- Adopt Resolution No. _____.

Recommended Actions – Permanent Order

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- Adopt Permanent Order No. _____ to amend Section Three, “Pilotage,” Item No. 330, of the Port of Los Angeles Tariff No. 4, effective March 1, 2026;
- Direct the Board Secretary to transmit to the City Council for approval the Permanent Order and the Ordinance approving and authorizing the amendments to Port of Los Angeles Tariff No. 4 pursuant to City Charter 653(a);
- Direct the Board Secretary to transmit to the City Clerk a Notice of Public Hearing for publication in accordance with the provisions of California Government Code sections 66018 and 6062a;
- After the effective date of the Ordinance, transmit the Permanent Order and Ordinance to the Executive Director or their nominee for implementation and posting to the Port of Los Angeles website; and
- Adopt Resolution No. _____.

Projected Revenues and Expenses

- If the proposed tariff amendment is approved, staff forecasts the following Pilotage revenues and expenses over the next five years from Fiscal Years 2026-2030:

	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	5-Year Total
Pilotage Revenues	\$15,334,006	\$16,384,838	\$17,482,587	\$18,654,679	\$19,905,649	\$87,761,759
Less: Port Pilot Expenses	\$16,049,340	\$16,761,210	\$17,505,115	\$18,282,495	\$19,094,857	\$87,693,017
Equals: Operating Income	(\$715,334)	(\$376,372)	(\$22,528)	\$372,184	\$810,792	\$68,742

- Absent the proposed 6.5% annual increases over five years from March 1, 2026, through and including January 1, 2030, staff estimates that Operating Income would decline from **\$68,742** (see above) to an Operating Loss of **\$14,701,941** (decline of \$14.8M).



Proposed Tariff Amendment

- To mitigate projected future deficits, staff proposes 6.5% annual increases to existing pilotage charges.

	Current	3/1/26	1/1/27	1/1/28	1/1/29	1/1/30
Gross Registered Ton Fee	\$0.00827/ton	+6.5%	+6.5%	+6.5%	+6.5%	+6.5%
Length Overall Fee	Per table	+6.5%	+6.5%	+6.5%	+6.5%	+6.5%
Capital Improvement Surcharge	\$137.88/move	+6.5%	+6.5%	+6.5%	+6.5%	+6.5%
Draft Surcharge Fee	\$14.13/foot	+6.5%	+6.5%	+6.5%	+6.5%	+6.5%

- During calendar year 2030, the Harbor Department will re-evaluate whether any additional fee increases would be necessary over the subsequent five-year period.



Detailed Fee Projection

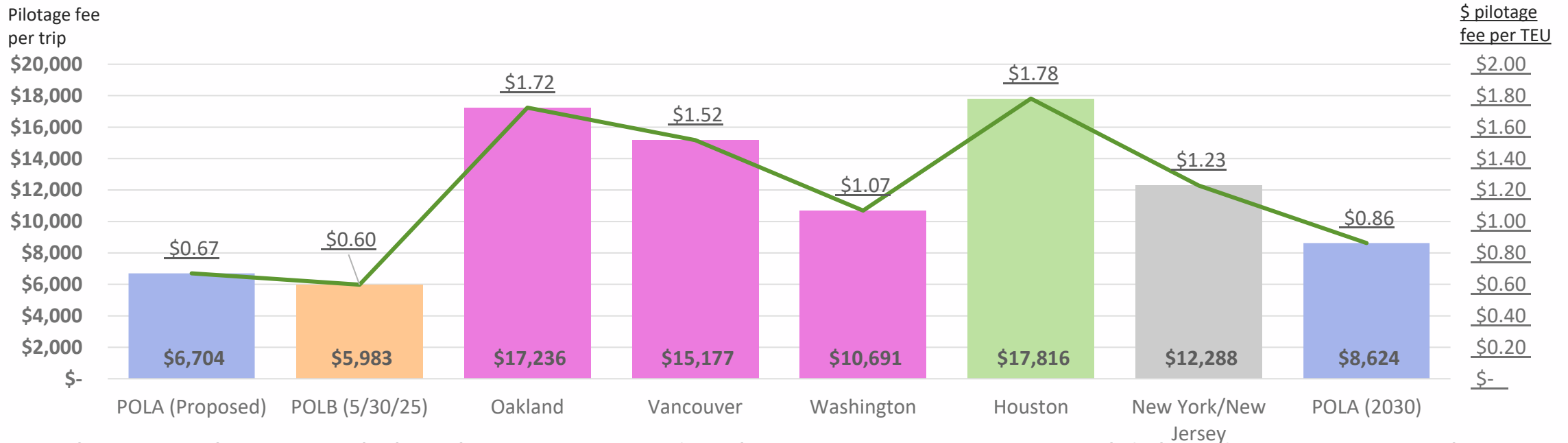
- The following tables forecast POLA’s pilotage rates through June 30, 2030, if Intra-Harbor and Inter-Harbor LOA fees are aligned with “Entering or Leaving” LOA fees and the contemplated 6.5% rate increase occurs:

Tariff Rate	POLA (Current)	POLA (3/1/2026)	POLA (1/1/27)	POLA (1/1/28)	POLA (1/1/29)	POLA (1/1/30)
Mil Rate (GRT)	\$ 0.00827	\$ 0.00881	\$ 0.00938	\$ 0.00999	\$ 0.01064	\$ 0.01133
LOA Charge	Per table	Per table	Per table	Per table	Per table	Per table
Capital Imp. Surcharge	\$ 137.88	\$ 146.84	\$ 156.38	\$ 166.54	\$ 177.37	\$ 188.90
Draft Charge	\$ 14.13	\$ 15.05	\$ 16.03	\$ 17.07	\$ 18.18	\$ 19.36

Fee Calculation (10,000 TEU ship)	POLA (Current)	POLA (3/1/2026)	POLA (1/1/27)	POLA (1/1/28)	POLA (1/1/29)	POLA (1/1/30)
Mil Rate (GRT)	\$ 946.04	\$ 1,007.81	\$ 1,073.32	\$ 1,143.08	\$ 1,217.39	\$ 1,296.52
LOA Charge	\$ 4,603.00	\$ 4,902.20	\$ 5,220.84	\$ 5,560.19	\$ 5,921.60	\$ 6,306.51
Capital Imp. Surcharge	\$ 137.88	\$ 146.84	\$ 156.39	\$ 166.55	\$ 177.38	\$ 188.91
Draft Charge	\$ 607.59	\$ 647.15	\$ 689.21	\$ 734.01	\$ 781.72	\$ 832.54
Total	\$ 6,294.51	\$ 6,704.00	\$ 7,139.76	\$ 7,603.83	\$ 8,098.09	\$ 8,624.48
<i>Fee per TEU</i>	<i>\$ 0.63</i>	<i>\$ 0.67</i>	<i>\$ 0.71</i>	<i>\$ 0.76</i>	<i>\$ 0.81</i>	<i>\$ 0.86</i>

Benchmarking

- Staff has obtained pilotage rate information for other West Coast ports (Oakland, Vancouver/Prince Rupert, Washington), a Gulf Coast port (Houston), as well as an East Coast port (New York/New Jersey) and calculated per-trip pilotage fees for a typical 10,000 TEU ship.



- As shown above, while the proposed pilotage increase would lead to POLA pilotage fees being slightly higher than POLB, on a per TEU basis, POLA's pilotage rates would remain well below other North American competitors.

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Questions? Thank You!



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