

MEETING MINUTES

STATE OF WASHINGTON BOARD OF PILOTAGE COMMISSIONERS

December 13, 2007

Present:

Chairman: Harry Dudley

Commissioners: Chuck Davis, Ole Mackey, Pat Hannigan, Bill Snyder, Vince Addington, Craig Lee,
Norm Davis, Elsie Hulsizer

Assistant Attorney General: Susan Cruise

Administration: Peggy Larson and Judy Bell

Del Mackenzie, Walt Tabler, Jim Shaffer, Brian Henshaw, Don Mayer: Puget Sound Pilots

Gary Nelson: Port of Grays Harbor

Mike Moore: Pacific Merchant Shipping Association

Jeff Shaw: Polar Tankers, Inc.

Matthew Darbous: Quay Cruise Agencies, USA

Ron Kinsey: USCG Sector Seattle

Chip Boothe: WA Dept. of Ecology

Art Piehler: Pilot aspirant

Fred Felleman: Friends of The Earth

REGULAR MEETING

The regular meeting of the Board of Pilotage Commissioners was convened at 9:35 a.m. by Chairman Harry Dudley at 2901 Third Avenue, Seattle, Washington.

Minutes. There being no corrections or additions, the October 29, 2007 Minutes stand approved as written.

OLD BUSINESS

Status of Proposed Agency Request Legislation: Bill Request #Z-0705.3/08 - MODIFYING CERTAIN PROVISIONS OF THE PILOTAGE ACT. The Board's request legislation has been reviewed by the Governor's Office and the Office of Financial Management. In light of the passage of Initiative 960, it has been given approval conditioned on the removal of the fee provision contained in Section 4(5). An amended Z-Draft has been submitted which removes the proposed language that would enable the Board to charge a pilot exam fee. The Board will be working with Susan Cruise to monitor the status of I-960 and its impact on our legislative proposal as well as our other statutory and regulatory fee provisions.

Review and Consideration of Licensure of PSPD Trainee: Captain Bruce Nelson. The TEC reported that Captain Nelson was unable to complete the requirements of the Board-approved extension of his training program due to the unavailability of some of the specified trips. As a result they felt it was premature to make a recommendation as to his licensure at this time. It was noted that Captain Nelson's training license will expire on December 14, 2007. It was moved by Commissioner Lee and seconded by Commissioner Addington that the Board extend Captain Nelson's training license for one year in order for him to continue training. The motion carried with a vote of seven in favor and Commissioner Mackey opposed. It was moved by Commissioner Hannigan and seconded by Commissioner Snyder that the TEC be authorized to prescribe up to 15 additional trips to be performed during the month of December, in whatever capacity is determined by the TEC, which would supplement the remaining trips from the previous program extension to keep him in training and eligible for the stipend. The motion carried.

PSP Pension Discussion. Chairman Dudley reported that following the meeting on October 26th, with PSP, PMSA and himself, he will be working with Susan Cruise to craft proposed modifications to WAC 363-116-300 intending to resolve issues concerning the funding of pension expenses. A letter from PSP is forthcoming as well.

NEW BUSINESS

Approval of Pilot License Upgrade Program for Captain Victor Engstrom. It was moved by Commissioner Snyder and seconded by Commissioner Mackey that the license upgrade letter for Captain Victor Engstrom be approved as drafted by the TEC. The motion carried.

Pilot's Report of Marine Safety Occurrence: *PACIFIC PIONEER, 11-11-07.* The Board has received a written report submitted by Puget Sound Pilot, Captain William Sliker. While proceeding to dock the vessel at the TEMCO Dock, Tacoma, the ship experienced engine problems. Using tug assistance it was safely docked as a dead ship. VTS and the COTP were notified. It was moved by Commissioner C. Davis and seconded by Commissioner Addington that this report of a navigational safety concern be filed as a Marine Safety Occurrence. The motion carried. Commissioner Mackey requested a copy of the Coast Guard 2692 Report.

Oil Spill Prevention, Discussion of. The recent oil spill in San Francisco Bay has piqued the interest of many people in the maritime and environmental community. Puget Sound Pilots, in a letter to the Board dated November 28, 2007 has enumerated several ways in which they are examining internal practices to improve marine safety. Brainstorming, information sharing and lengthy discussion followed with regard to working toward our common goal of accident prevention through safe piloting practices. Chairman Dudley is committed to finding the best mechanism for getting the Board more involved and informed. He envisions including participants from the USCG, Dept. of Ecology, Pacific Merchant Shipping Association, Puget Sound Pilots and the Board to further this proactive goal.

Activity Reports. Gary Nelson, Executive Director, Port of Grays Harbor, reported that there were 3 vessel arrivals in November, 41 arrivals YTD through November, which equals 95 jobs YTD; the district is running ahead of forecast and expects to finish 2007 about 30% above the number of budgeted vessel arrivals; expectations are 46 vessel calls and 108 jobs which puts them at a near breakeven financial position; the Port Commission passed the budget recently which provides for a 10% salary increase for each pilot; and Captain D'Angelo is on duty in December and Captain Cooke in January.

Captain Del Mackenzie, President, Puget Sound Pilots, reported that there are currently 52 active pilots including the president; there were 666 jobs in November compared to 567 the previous November, resulting in a three year November average of 630; year-to-date traffic is flat - just 18 jobs different; 76 comp days were created and 52 days taken; Captains Mark Shuler and Bill Thorsen are currently out on medical leave; several pilots are attending various continuing education and training classes; the PSP Tide Books are now available; Captain Mackenzie recently attended an Enhanced-Navigation conference in Seattle; the USCG Captain of the Port has completed and posted a Maritime Safety Advisory on "Anchoring Standards of Care"; and Captain Mackenzie was asked to comment on certain proposed revisions to Aids to Navigation in Puget Sound.

Captain Mike Moore, Executive Director, Pacific Merchant Shipping Association, reported that there is a hearing scheduled next week to hear US Senator Maria Cantwell's senate bill containing some proposed oil spill provisions which could affect Puget Sound. Captain Moore requested time on the agenda to present a tariff-setting educational briefing. It was determined that it should be deferred to the next meeting in order to give PSP an opportunity to prepare comments. During the next few months prior to the annual tariff hearings, PSP and PMSA will exchange and forward written materials to the Board for presentation and discussion at monthly Board meetings.

Committee Reports.

Trainee Evaluation Committee:

- The TEC met on December 12th.
- The TEC reported on the status of trainees Eric Klapperich, Gordon Wildes, Steve Semler and Katharine Sweeney. Captains Semler and Sweeney have completed all of their trips in their initial evaluation. It was moved by Commissioner Snyder and seconded by Commissioner Addington that Captains Semler and Sweeney be approved to advance in the training program pursuant to WAC 363-116-078(5)(c). The motion carried.

- There are four people remaining on the 2005 list of applicants awaiting training. Tentatively the TEC estimates they will recommend to the Board that two begin training on May 1st and two on August 1st.

2008 Legislative Committee:

Chairman Dudley asked Commissioner Chuck Davis to continue on with this committee in the event he is needed to assist with moving the agency legislation forward.

2008 Pilot Exam Committee:

Commissioners Hannigan and Lee, along with Susan, Harry and Peggy, have been drafting a Request for Proposal necessary to ultimately contract with an exam developer and administrator. It was moved by Commissioner Lee and seconded by Commissioner Mackey that the committee be expanded to include Chairman Dudley as the ex-officio lead member and that the committee be charged with completing and publishing the RFP, if it is determined that the full Board is not required to review and approve it in an open-session Board meeting. Susan Cruise will advise the Committee if applicable laws either allow the Committee, or require the Board, to move forward. The motion carried.

Legal Update. Susan Cruise announced that after an extremely contested adjudicative hearing, that in its entirety took a year and a half, concerning the appeal of the 2005 Puget Sound Pilotage District pilot examination, there has been a final order issued by the Administrative Law Judge. The final ruling was in favor of the Board. The two appellants requested reconsideration of the Judge's decision, which was denied. The opportunity for appeals has expired and the decision is final. Chairman Dudley thanked all of the people involved for their exhausting efforts and dedication and noted that the outcome of this major landmark event has preserved the Board's integrity of the exam process. The Board takes its responsibility very seriously at every level of the pilot exam process.

Administrator's Report. Peggy Larson reported that the Pacific Coast Tall Ships Challenge is coming to Tacoma on July 3-7, 2008. Information regarding pilotage requirements on these vessels is posted on the web site www.tallshipstacoma.com.

Initiative 960, which took effect on December 6, 2007, requires that new and increased fees receive legislative approval prior to implementation. The Office of Financial Management requested that any proposals for new or increased fees be submitted to them, in preparation for the 2008 Legislative Session. This applies to only those fees that would be imposed or increased by an administrative action - not fees that require a statutory change. The Attorney General's Office has formed a task force to analyze the bill and the effects it may have on certain state agencies. Susan Cruise will keep the Board informed concerning how our Board will be impacted.

Commissioner Comments. Commissioner Addington requested Puget Sound Pilots to return to the previous format of reporting individual pilot revenue and expenses in their annual audited financial statements. Commissioner Addington stated that it is not clear if the new format that has been used for the past couple of years is meeting the reporting requirements necessary to complete the Board's annual report to the Governor. This discussion will continue next month during the tariff-setting educational briefings.

Confirmation of Next Regular Meeting Date. The next regular meeting is scheduled for Thursday January 10, 2008, at 9:30 a.m. The meeting will be held in the Fourth Floor Rainier Conference Room, 2901 Third Avenue, Seattle.

Review of Pilot Physical Examination Reports. After reviewing the physicians' reports it was moved by Commissioner Lee and seconded by Commissioner Addington that the physical examination reports for Captains P.A. Giese, L.M. Mathisen and J.E. Ward be accepted for annual license renewal. The motion carried. Captain W.E. Thorsen remains in temporary inactive status due to his current medical condition. Captain Mark Shuler remains in temporary inactive status due to his medical condition but if given a Fit-For-Duty prior to the next Board meeting, it was moved by Commissioner Hannigan and seconded by Commissioner N. Davis that Chairman Dudley be empowered to accept Captain Shuler's physical report for purposes of allowing him to return to work, subject to Board concurrence at the next regular meeting. The motion carried. The Board concurred with Chairman Dudley's action to return Captain J.E. Ward to work on November 26, 2007.

There being no further business to come before the Board, the Chairman adjourned the regular session Board meeting at 1:35 p.m.

Respectfully submitted,

Peggy Larson, Administrator

Harry H. Dudley, Chairman

Charles M. Davis, Vice Chairman

Commissioner Oliver E. Mackey

Commissioner Patrick M. Hannigan

Commissioner William H. Snyder

Commissioner Vincent Addington

Commissioner Craig W. Lee

Commissioner Norman W. Davis

Commissioner Elsie J. Hulsizer