

MEETING MINUTES

STATE OF WASHINGTON BOARD OF PILOTAGE COMMISSIONERS

January 10, 2008

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, John Harris, Don Mayer: Puget Sound Pilots

Gary Nelson: Port of Grays Harbor

Mike Moore, Jordan Royer, Matthew Darbous, John McLaurin: Pacific Merchant Shipping Association

Ron Kinsey: USCG Sector Seattle

Bill Lowery, Tom Webster, Chad Clapp: Pilot aspirants

REGULAR MEETING

The regular meeting of the Board of Pilotage Commissioners was convened at 9:40 a.m. by Chairman Harry Dudley at 2901 Third Avenue, Seattle, Washington.

Minutes. It was requested that the following sentence be removed from page 1, paragraph entitled *PSP Pension Discussion*, "~~It was agreed that there is no urgency to this issue and that resolution may be timed with the 2008 Puget Sound tariff determination in the spring.~~" It was also requested that on page 3, paragraph entitled *Commissioner Comments* that language be added to read, "Commissioner Addington stated that it is not clear if the new format (referring to the PSP annual audited financial statement) 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." Two grammatical changes were also made elsewhere. It was moved by Commissioner C. Davis and seconded by Commissioner Addington that the December 13, 2007 Minutes be approved as amended. The motion carried.

OLD BUSINESS

Review and Consideration of Licensure of PSPD Trainee: Captain Bruce Nelson. This item will be discussed in Closed Session at the end of today's meeting.

PACIFIC PIONEER MSO Follow-up. The USCG 2692 Report regarding the *PACIFIC PIONEER* MSO discussed at the December 13, 2007 meeting has been submitted to Chairman Dudley at his request. Upon review he will determine if any Board involvement is necessary and if so, a FOIA request will be made and a redacted public version would be furnished.

NEW BUSINESS

Approval of Pilot License Upgrade Program for Captains David Grobschmit and Jostein Kalvoy. It was moved by Commissioner Snyder and seconded by Commissioner Addington that the license upgrade letter for Captains David Grobschmit and Jostein Kalvoy be approved as drafted by the TEC. The motion carried. They are both nearing completion of their first license year.

Pilot's Report of Marine Safety Occurrence: CSCL HONG KONG, 12-24-07. The Board has received a written report submitted by Puget Sound Pilot, Captain William Snyder. Upon boarding the vessel to proceed up the East Waterway, Pier 18, Berth 4 the captain informed the pilot that the ship's engine failed to start astern. The situation was reported to VTS and a third tug was ordered to act as brakes for the vessel. It was docked without incident. It was moved by Commissioner Lee and seconded by Commissioner Addington that this report of a navigational safety concern be filed as a Marine Safety Occurrence. The motion carried.

Pilot's Report of Marine Safety Occurrence: *ANTONIS G PAPPADAKIS, 12-24-07.* The Board has received a written report submitted by Puget Sound Pilot, Captain Jonathan Ward. While proceeding southbound to Commencement Bay in Tacoma it was determined that there was an approximate 30 degree gyro error. VTS was notified and a Letter of Deviation was issued which cleared the vessel to proceed. The transit was completed without incident. 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.

Pilot's Report of Incident: *BRIGHT STREAM, 10-29-07.* The Board has received a written report submitted by Puget Sound Pilot, Captain Michael Mendenhall. Chairman Dudley assigned Commissioner Hannigan to investigate this event. Commissioner Hannigan gave a verbal report of how this vessel ran over a gillnet in the vicinity of Elliot Point and Possession Head while transiting outbound from Everett to Port Angeles. The fishing boat operator filed a claim with Transmarine Navigation for \$5,095. It was moved by Commissioner C. Davis and seconded by Commissioner Lee that this matter be declared an "Incident with probable damage and minor pilot error with no sanctions or other action against the pilot". The motion carried.

Consideration of Petition for Vessel Exemption: Motor Yacht *STAMPEDE.* A petition for vessel exemption was received regarding the foreign flagged 116', 326 gross ton Motor Yacht *STAMPEDE*. Pursuant to RCW 88.16.070 and WAC 363-116-360, this vessel qualifies for an exemption from pilotage requirements and was issued an interim exemption by Chairman Dudley on December 20, 2007, subject to final Board approval at today's meeting. It was moved by Commissioner Lee and seconded by Commissioner Addington that the Board concur with his action and issue the exemption for the *STAMPEDE* for three months so long as it remains in the charge of Captain Stan Glover. The motion carried.

Activity Reports. Gary Nelson, Executive Director, Port of Grays Harbor, reported that at year-end there were 45 arrivals with 7 at Bay City and 38 at the port docks - the forecast was for 36 arrivals; the forecast for 2008 is about the same at 45 arrivals; Captain Cooke recently sustained an on-the-job injury so Captain D'Angelo is on duty. It was moved by Commissioner Addington and seconded by Commissioner Snyder that Captain Cooke be required to get a Fit-for-Duty from a Board-Designated Physician and authorization by the Board to return to work. The motion carried. The Board requested a copy of the accident report when it is available to the public.

Captain Del Mackenzie, President, Puget Sound Pilots, reported that there are currently 52 active pilots including the president; there were 620 jobs in December compared to 666 the previous December, resulting in a three year December average of 652; unaudited numbers indicate 65 fewer jobs in 2007 than in 2006; 39 comp days were created and 36 days taken; Captains Mark Shuler and Bill Thorsen remain on medical leave; Captain Wood sustained an on-the-job injury and has not been piloting since January 4; no pilots are attending continuing education and training classes this month; and Walt Tabler spoke about the retirement survey and manpower spreadsheet which PSP feels supports their request to the Board to schedule a pilot exam as soon as possible.

Pilot aspirant Chad Clapp asked if Board consideration was being given to giving preference to those applicants taking the next pilot exam who have full Puget Sound pilotage on their federal license which would allow them to train ahead of those without federal pilotage and would escalate licensing new pilots to fill vacancies and replace retiring pilots. Chairman Dudley indicated it may be considered.

It was moved by Commissioner Mackey and seconded by Commissioner Addington that Captain Wood be required to get a Fit-for-Duty from a Board-Designated Physician and authorization by the Board to return to work. The motion carried. The Board requested a copy of the accident report when it is available.

Captain Mike Moore, Executive Director, Pacific Merchant Shipping Association, introduced Mr. John McLaurin from PMSA's San Francisco Office, who spoke about the global impacts and challenges

facing the shipping economy of the Pacific coastal states due to certain activities in such places as the Panama Canal, Canada, China and some US ports. He also spoke briefly about some of the fallout from the COSCO BUSAN accident in San Francisco Bay.

Tariff Education Presentations. PSP and PMSA continue to exchange and forward written materials to the Board for presentation and discussion in the interest of educating the Board and clarifying positions of all participating stakeholders. Even though many of the topics are disputed and rebutted without resolution, the Board finds value in this tariff education process. Today's written presentations included "Tariff Setting Methodology Historically Employed in the Puget Sound Pilotage District", "Relationship Between the Number of Pilots and the Tariff" and "Definitions Related to Income". Written and oral responses on each of these topics were also presented.

Committee Reports.

Trainee Evaluation Committee:

- The TEC met on January 9th.
- The TEC reported on the status of trainees Eric Klapperich, Gordon Wildes, Steve Semler and Katharine Sweeney.
- It was noted that there is a shortage of certain vessel route activity for which the TEC has developed alternative trip requirements. It was moved by Commissioner Snyder and seconded by Commissioner Lee that the Board approve these training program addendums for trainees Klapperich, Wildes, Semler and Sweeney. The motion carried.
- The TEC asked for suggestions on how to create a pool of specialized training pilots who would be assigned to ride with trainees similar to those at the level of a TEC pilot. Without amending the WAC to enlarge the TEC, it would be desirable to achieve a similar result.

2008 Legislative Committee: The Committee reported it is drafting a WAC amendment to remedy a concern they have with WAC 363-116-100(1) & (2). They will also be considering other WAC amendments which they will need to determine are or aren't necessary prior to the next pilot examination which are a result of new pilotage laws enacted by the legislature.

2008 Pilot Exam Committee: A draft Request For Proposal has been developed for review by the Board which must be approved at a properly noticed public meeting. A special meeting will be held Thursday, January 17, 2008 at 2:00 for purposes of analyzing, reviewing and approving an RFP for the development of the post July 1, 2008 Puget Sound Pilotage District marine pilot written examination and simulator evaluation. Commissioner Lee is independently working on a compilation of exam questions which could be used as a possible in-house exam or to assist a successful RFP bidder.

Legal Update. Susan Cruise gave a preliminary overview of what constitutes a "fee" by definition set forth by OFM and analyzed by the AGO. Since the enactment into law of Initiative 960 the Board has been requested to submit a list of our fees to OFM. It is not certain at this time how agencies will be legislatively authorized to charge fees pursuant to the mandate of I-960. Chairman Dudley added to the November 17th Special Meeting agenda an item to discuss and possibly set fee amounts if requested.

Administrator's Report. Peggy Larson reported that Commissioner Bill Snyder and Craig Lee have been appointed by Governor Gregoire to serve another four-year term. The Legislature convenes on January 14th and Senator Mary Margaret Haugen, Chairman of the Senate Transportation Committee has agreed to co-sponsor our bill request with Senator Dan Swecker.

Public Comments. Walt Tabler indicated PSP is awaiting feedback on their compromise tariff language earlier submitted to Chairman Dudley. Upon consultation with Susan Cruise, Chairman Dudley will respond. This issue pertains to PSP pension discussions.

Confirmation of Next Regular Meeting Date. The next regular meeting is scheduled for Thursday February 14, 2008, at 9:30 a.m. The meeting will be held in the Fourth Floor Rainier Conference Room, 2901 Third Avenue, Seattle. Vice Chairman Chuck Davis will be chairing the meeting.

A CLOSED SESSION was called from 3:20 p.m. to 4:10 p.m. for purposes of reviewing pilot physical examination reports and Captain Bruce Nelson's pilot training performance. In attendance were Chairman Dudley, Commissioners C. Davis, Mackey, Hannigan, Snyder, Addington, Lee, N. Davis and Hulsizer; Susan Cruise, Peggy Larson and Judy Bell. Regular session was reconvened by the chairman immediately following closed session.

Review of Pilot Physical Examination Reports. After reviewing the physicians' reports it was moved by Commissioner Lee and seconded by Commissioner Hulsizer that the physical examination reports for Captains J.E. Arnold, L.P. Emerson, M.I. Johnson, D.G. Mackenzie, J.S. Niederhauser and E.M. vonBrandenfels be accepted for annual license renewal and Captain B.L. Nelson for training license renewal. The motion carried. Captains W.E. Thorsen and M.J. Shuler remain in temporary inactive status due to their current medical conditions. It was moved by Commissioner Addington and seconded by Commissioner Mackey that based on information received from Dr. Jon Younger advising the Board that Captain B.L. Nelson is currently unfit for duty, he was placed in temporary inactive status; and if given a Fit-For-Duty prior to the next Board meeting, Chairman Dudley be empowered to review and accept the physical report for purposes of allowing him to return to training, subject to Board concurrence at the next regular meeting. The motion carried. It was moved by Commissioner Mackey and seconded by Commissioner Addington that Captains M.D. Wood and S.G. Cooke be notified they have been placed in temporary inactive status based on verbal reports received today indicating work-related injuries. The motion carried.

Review and Consideration of Licensure of PSPD Trainee: Captain Bruce Nelson. Due to Captain Nelson's temporary unfit physical status he was unable to complete the training trip requirements given him in December. The TEC recommended he be allowed to finish the current requirements and also be given further training requirements. It was moved by Commissioner Snyder and seconded by Commissioner C. Davis that the Board authorize the TEC to develop another training program addendum as well as meet with Captain Nelson. The motion carried.

There being no further business to come before the Board, the Chairman adjourned the regular session Board meeting at 4:20 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