

MEETING MINUTES

STATE OF WASHINGTON ~ BOARD OF PILOTAGE COMMISSIONERS

February 11, 2010

Present:

Chairman: Harry Dudley

Commissioners: Chuck Adams, Ned Kiley, Pat Hannigan, Bill Snyder, Craig Lee, Jeff Thompson,
Norm Davis and Elsie Hulsizer

Assistant Attorney General: Guy Bowman

Administration: Shawna Erickson, Peggy Larson

Frantz Coe, Dave Sanders, Dick McCurdy, Eric vonBrandenfels, Walt Tabler: Puget Sound Pilots

Mike Moore, Jordan Royer, Vince Addington: Pacific Merchant Shipping Association

Del Kelly, Mike Gavin, Bill Bock: Retired Puget Sound Pilots

Dan Brouillard, Jim Kearns: Pilot Applicants

Ron Kinsey: USCG Sector Seattle

Bruce Nelson: Public

REGULAR MEETING

The regular meeting of the Board of Pilotage Commissioners was convened at 9:45 a.m. by Chairman Harry Dudley in the Agate Conference Room at 2901 Third Avenue, Seattle, Washington. Chairman Dudley introduced Captain Ned Kiley as the newest member of the Board replacing public representative Chuck Davis on January 14, 2010. He also introduced Shawna Erickson as the Board's new Administrative Assistant replacing Judy Bell on January 27, 2010.

Minutes. Motion: Hannigan/Lee - in reference to the Old Business item concerning the *FURIA R* report, amend the following sentence as shown: "~~Lacking the specific statutory authority for the Board to do its own investigation of a matter of this nature, it~~ The Board strongly urges the Port to complete their comprehensive investigation in a timely manner." - Carried. The January 14, 2010 Minutes stand approved as amended.

OLD BUSINESS

Pilot's Letter Report: *FURIA R*, 11-5-09. Due to the unavailability of a Port of Grays Harbor representative today, the Board received an e-mail dated February 10, 2010 from Mary Nelson reporting on the status of the Port's investigation. The Port is being responsive to the Board's concerns outlined in an e-mail from Chairman Dudley on January 18, 2010. Commissioner Lee reported he is unable to continue assisting in the Port's investigation. At the request of Commissioner Jeff Thompson, Chairman Dudley directed the Board's Legislative/WAC Committee to look into the matter concerning the Board's authority to investigate a non-navigational incident.

Discussion Concerning Setting the Number of Pilots in the Puget Sound Pilotage District and Management of the Comp Day System. Written stakeholder presentations were submitted by PSP and PMSA with brief oral overviews. It was determined that the term "Safe Assignment Level" requires more in-depth discussion and will be taken up by the Legislative/WAC Committee for clarification through either a Statement of Policy or new WAC language. Motion: Hannigan/Hulsizer - modify his motion made at the January 14, 2010 meeting setting the deadline for clarifications at fourteen business days to now say fourteen days - Carried. So the turnaround deadline for clarifications and/or answers to questions from any Board members, stakeholders and/or public is February 25th, not February 19th.

NEW BUSINESS

Approval of Pilot License Upgrade Program for Captain Larry Seymour. Captain Seymour is nearing completion of his first license year. Motion: Snyder/Davis - approve the license upgrade program for Captain Larry Seymour as drafted by the TEC - Carried.

Consideration and Appointment of New Trainee Evaluation Committee Member. Puget Sound Pilots has recommended Captain Dan Shaffer as a replacement for Captain Rob Kromann who is retiring from piloting on March 14th and will no longer qualify to sit on the TEC. Motion: Thompson/Lee - replace Captain Rob Kromann with Captain Dan Shaffer on the Trainee Evaluation Committee as a pilot representative - Carried. Captains Kromann and Shaffer will be allowed to decide when to make the transition effective.

Pilot's Report of Marine Safety Occurrence: CCNI ROTTERDAM, 1-18-10. Ship's bow thruster failed while docking. Assist tug able to help land the vessel flat with no damage to vessel or the dock. Motion: Hannigan/Davis - File as a Marine Safety Occurrence - Carried. Pilot notified USCG VTS and he also recommended that this vessel use two tugs in the future for both docking and undocking.

Consideration of Requests for Renewal of Vessel Exemption:

Motor Yacht SLOJO - 156', 496 gross tons, Cayman Islands registry, Captain Bruno Herregods. Motion: Lee/Thompson - grant annual renewal exemption - Carried.

Motor Yacht BLUE STAR - 144', 430 gross tons, Cayman Islands registry, Captains Robert Harrison and David Thornburn. Motion: Snyder/Davis - grant annual renewal exemption - Carried.

2010 Annual Tariff Hearings Preparation. Timetables for tariff document submission have been drafted for stakeholder review and Board consideration for both the PSPD and GHPD showing hearing dates of May 13, 2010 and June 10, 2010 respectively. Motion: Hannigan/Thompson - the PSPD and GHPD timetables be approved as drafted - Carried. The first due date is March 4, 2010, for the submission of Puget Sound Pilots' 5-Year Capital Spending Plan and best available financials.

Discussion/Consideration of Proposed Statement of Policy Concerning Tariff Setting Procedures. Chairman Dudley's October 27, 2009 Draft Statement of Policy describing the processes the Board uses in setting tariffs for the Puget Sound and Grays Harbor Districts was the catalyst for the Board's quest to gather as much feedback and information necessary to move forward with this matter. Anyone wishing to submit further comments is encouraged to do so within the next two weeks for consideration at the March 11th Board meeting.

Committee Reports.

Trainee Evaluation Committee:

- The TEC met on February 10th.
- Trainees Brusco, Caspers, Scragg and Bouma individually met with the TEC to review their training progress. All are progressing well. Captain Anacker expects to resume his training later next month. Some trainees expressed concerns about what their status will be after completing their training programs if there isn't a need for a pilot at that time, especially in light of the Board's consideration to adjust the number of pilots. WAC 363-116-080(5) governs the TEC and the Board by providing several options to consider.
- The TEC is contemplating a recommendation to the Board to start the next two trainees in June. Their decision will be made in March.
- The TEC continues to consider modifications to WAC 363-116-082 with respect to adjusting the tonnage category limitations during a new pilot's first five years, as well as decreasing the license limitation period from five years to four.
- The Board received a letter from pilot trainee Captain Jones on February 4, 2010 which has been referred to the TEC for consideration. The TEC is drafting a letter to the Board regarding its recommendation on the licensing of Captain Stephen Jones. Both letters, including all previous

communications and evaluations will be discussed in Closed Session today. Captain Jones was invited but unable to attend today.

Legislative/WAC Committee: Commissioner Chuck Adams anticipates holding a meeting very soon to organize and prioritize their scope of work.

Activity Reports. Mary Nelson, representing Port of Grays Harbor, submitted a written report stating there were 6 arrivals in January and 12 jobs overall. The February and March vessel line-up is in line with expectations of 5-6 vessels per month.

Captain Andy Coe, representing Puget Sound Pilots, reported there were 570 jobs in January 2010, 92 less than in January 2009; comp days created/taken in January were 10/19 for a cumulative total of 3,391 days; two ships volunteered to adjust their departure times in order to avoid hiring a comp pilot; and two USCG security requests were responded to in Port Angeles.

Captain Mike Moore, representing Pacific Merchant Shipping Association, reported that PMSA and PSP had a meeting recently to talk about predictability of vessel traffic and noted that some scheduling of ship calls is changing which could result in a more even spread of traffic.

Work Group Report: Extension of Route. Commissioner Hannigan suggested the Legislative/WAC Committee look at this issue in terms of possible statutory or regulatory changes. Chairman Dudley concurred and for now it will no longer be on the agenda as a separate item. Being that it is a Grays Harbor Pilotage District matter, Gary Nelson will be brought into any future discussions. Walt Tabler asked that he be included as well.

Miscellaneous Correspondence Review. Commissioner Bill Snyder has submitted his letter of resignation from the Board to the Governor due to his pending retirement in September of this year. This seat is open to either a Grays Harbor pilot or a Puget Sound pilot.

Legal Update. Guy Bowman reported that he is still awaiting an answer from the Administrative Law Judge regarding his request for a continuance on the Surface-Toney-Webster case which is currently set for mid-May.

Administrator's Report. The final State Auditor's Report was received and distributed to all Board members; it is also available on line at <http://www.sao.wa.gov> Several Board members are on the calendar for Senate Confirmation for which the hearings were held during the 2009 Legislative Session. Hearings for new Commissioners Kiley and Adams will be scheduled either later in February or next session.

Confirmation of Next Regular Meeting Date. The next regular meeting is scheduled for Thursday, March 11, 2010 at 9:30 a.m. in the Agate Conference Room, 2901 Third Avenue, Seattle.

Review of Pilot Physical Examination Reports. Motion: Lee/Thompson - after reviewing the physicians' reports for Captains C.J. Engstrom, R.L. D'Angelo, E.C. Klapperich, J.T. Scoggins, M.J. Shuler and M.D. Wood, they be accepted for annual license renewal - Carried.

A CLOSED SESSION was called from 1:00 p.m. to 3:15 p.m. regarding ongoing litigation issues and a personnel evaluation of Captain Stephen Jones. In attendance were Chairman Dudley, Commissioners Adams, Kiley, Hannigan, Snyder, Lee, Thompson, Davis and Hulsizer; Guy Bowman, Shawna Erickson and Peggy Larson. Regular session was reconvened by the chairman immediately following closed session.

There being no further business to come before the Board, Chairman Dudley adjourned the regular session Board meeting at 3:15 p.m.

Respectfully submitted,

Peggy Larson, Administrator

Harry H. Dudley, Chairman

Commissioner Charles F. Adams

Commissioner Edmund I. Kiley

Commissioner Patrick M. Hannigan

Commissioner William H. Snyder

Commissioner Craig W. Lee

Commissioner Jeffrey L. Thompson

Norman W. Davis, Acting Vice Chairman

Commissioner Elsie J. Hulsizer