

MEETING MINUTES

STATE OF WASHINGTON ~ BOARD OF PILOTAGE COMMISSIONERS

May 18, 2017

REGULAR MEETING - Call to Order

The regular meeting of the Board of Pilotage Commissioners was convened at 10:05 a.m. by Chair Sheri Tonn in the Agate Conference Room, 2901 Third Avenue, Seattle, Washington.

Present:

Chair: Sheri Tonn Vice Chair: Ned Kiley

Commissioners: Chuck Adams, Phil Morrell, Grant Stewart, Don Mayer, Ed Marmol, Eleanor Kirtley and Sara Thompson

Assistant Attorney General: Albert Wang

Administration: Jaimie Bever, Shawna Erickson, Peggy Larson

Mike Moore, Jordan Royer: Pacific Merchant Shipping Association

Eric Klapperich, Linda Styrk, Peter Giese, Ivan Carlson, John Scragg, Teresita Torres, Majken Ryherd: Puget Sound Pilots

Mary Nelson: Port of Grays Harbor

Krysta Zangle: United States Coast Guard Sector Puget Sound

Rod Myers: Pilot Candidate

Julie Courtney, Jessica Kinney, Mark Hale: Shannon and Associates

Minutes. Motion: Marmol/Thompson – approve the April 20, 2017 Minutes as written – Carried.

BPC Staff Report.

- Engrossed Senate Bill 5096 was signed by the Governor on May 16th and will be addressed further in the agenda.
- Due to legislative action, a hearing on WAC 363-116-360 Exempt Vessels is scheduled for June 15, 2017 in order to align the rule with the new statute.
- BPC Staff and Chair Tonn met with the Chair of the Oregon Board of Maritime Pilots, Gary Piercy, to discuss matters relative to pilotage in Washington and Oregon.
- A quorum of Board members have completed their mandatory procurement training.
- The final report from Progeny Systems Corporation regarding the Training Program Evaluation Project has been received.
- Shawna Erickson gave a brief overview of statistical data for 2017.

BPC Chair Report.

- Chair Tonn reported on the passing of retired Puget Sound Pilot, Captain Del Kelly.
- The Executive Director of the Oregon Board of Maritime Pilots has retired and their Board is looking for a replacement.

Activity Reports. Eric Klapperich and Linda Styrk representing Puget Sound Pilots, Mary Nelson representing the Port of Grays Harbor, and Mike Moore representing Pacific Merchant Shipping Association offered current and projected statistical data as well as updates on current maritime activities. Krysta Zangle representing United States Coast Guard was present to offer information regarding vessel inspection statistics.

NEW BUSINESS

Presentation and Q&A Regarding PSP Audited 2016 Financial Statement. Julie Courtney and Jessica Kinney from the auditing firm of Shannon and Associates presented an overview of the Puget Sound Pilots 2016 Financial Statement. A Q&A followed. This year several schedules previously contained in the annual statement were extracted and submitted as supplemental information. One point of clarification made during the Q&A was that PSP can set aside revenue in anticipation of an impending expense, however it does create a tax liability for individual pilots and their association.

Approval of Pilot License Upgrade Program. Captains Brad Lowe and Jim Carstensen are nearing completion of their second license years. Motion: Mayer/Kiley - approve the license upgrade programs for Captains Brad Lowe and Jim Carstensen as drafted by the TEC – Carried.

Discussion Regarding the Grays Harbor Tariff Pension Charge. The Port of Grays Harbor projects that in 2017 the total revenue from the GHPD tariff pension line item is expected to exceed the actual pension obligation. Mary Nelson, on behalf of the Port of Grays Harbor, is requesting that the Board reconsider the formula that was established in 2001 for calculating the Grays Harbor pension obligation to Puget Sound Pilots, who administers the pension payments to retirees. Chair Tonn requested volunteers to form a small committee to work on the adjustments. Those who volunteered included Mary Nelson, Port of Grays Harbor, Chuck Adams, BPC, Shawna Erickson, BPC Staff, and Linda Styrk, PSP. Mike Moore recommended former BPC commissioner Vince Addington, and offered to participate if Mr. Addington is unable to attend.

Discussion Concerning Setting the Number of Pilots in the Puget Sound Pilotage District as Provided in WAC 363-116-065. The Board received submittals from Puget Sound Pilots, PMSA, and NWSA regarding setting the number of pilots. It was determined that more information would be beneficial in order to reach a well-informed decision; in particular, PSP's practices concerning dispatch efficiency, comp day accrual and usage, and fatigue management. The Board requested a written report and presentation from the PSP President at its July 13th Board meeting regarding these issues.

- Motion: Marmol/Kiley – In consideration of the discussion of the number of pilots and its relationship to the target assignment level, it was moved to have the Commission Chair enlist an accredited sleep analysis expert that has experience with marine pilotage, fatigue management systems, and related best practices for the purposes of (1) educating the Commission (2) inform our future decision making and (3) to review and record observations regarding PSP's fatigue management – Carried.

Legislative Update. The Board reviewed the status of bills with potential impacts to the BPC. No movement was reported on SB 5462/HB 1611 *Concerning oil transportation safety* as well as ESSB 5819 *Concerning the Board of Pilotage Commissioners*.

Implementation of Engrossed Senate Bill 5096. The Transportation Budget Bill (ESB 5096) was signed by Governor Inslee on May 16th which enacted specific provisions under which the Board must obtain revenue from the Puget Sound Pilots and the shipping industry to combine with BPC revenue and state general fund revenue in order to make the first of six annual payments toward self-insurance liability premium expenditures. Draft WAC language which mirrored the legislation was reviewed and discussed for purposes of insuring BPC's compliance with the 2017-2019 biennial budget provisos.

- Motion: Kiley/Adams – approve the draft WAC language for adoption under emergency provisions to take effect immediately upon filing. Motion to amend: Mayer/Marmol – approve revised language to allow PSP to spread their payment over 24 months – the motion to amend failed with a vote of 2 in favor, 5 opposed and 1 abstention. Original Motion - Carried with a vote of 5 in favor, 2 opposed and 1 abstention.
- Motion: Mayer/Marmol – require that PSP's attorney and the Board's attorney talk to review the matter further – Carried with a vote of 4 in favor, 3 opposed and 1 abstention.

The bill also stipulates that the Puget Sound Pilotage District tariff be maintained for two years at the rate in existence on January 1, 2017. In addition, the Joint Transportation Committee will be conducting a consultant study of marine pilotage in Washington state with a goal of recommending best practices for several Board duties and responsibilities.

Consideration of Request for Vessel Exemption:

Motor Yacht PICOSA LADY – 103', 180 gt, Marshall Is. registry, Captain Nicholas Ocobock
Motion: Kiley/Morrell – concur with Chair's granting of an interim annual exemption – Carried.

Motor Yacht WOFANU – 47', 24 gt, German registry, Captain Knut Hildebrand
Motion: Kiley/Morrell – concur with Chair's granting of an interim annual exemption renewal – Carried.

Motor Yacht ASPEN ALTERNATIVE – 164', 459 gt, Cayman Islands registry, Captain Craig Robberts
Motion: Kiley/Morrell – concur with Chair's granting of an interim annual exemption – Carried.

Motor Yacht IMPROMPTU – 120', 244 gt, Cayman Islands registry, Captain Orlando Milla
Motion: Kiley/Morrell – grant an annual exemption renewal – Carried.

Motor Yacht AFTER EIGHT – 151', 498 gt, Isle of Man registry, Captain Grant Lindsay
Motion: Kiley/Morrell - concur with Chair's granting of an interim annual exemption renewal – Carried.

Motor Yacht SIN OR SWIM – 116', 248 gt, St. Vincent registry, Captain Stephanus Du Plessis
Motion: Kiley/Morrell - concur with Chair's granting of an interim annual exemption renewal – Carried.

Motor Yacht ARROWHEAD – 115', 193 gt, Marshall Islands registry, Captain Michael St. Pierre
Motion: Kiley/Morrell - grant an annual exemption renewal – Carried.

Motor Yacht SPIRIT – 178', 656 gt, Cayman Islands registry, Capts Marc Damette/Scott Macahonic
Motion: Kiley/Morrell – grant an annual exemption – Carried.

Pilot's Report of Marine Safety Occurrence: HYUNDAI MERCURY, 4-16-17

West Point, outbound to PA	A failed #4 cylinder fuel quantity sensor needed replacement. The engine was stopped, the sensor replaced and the ship proceeded to Port Angeles without any issues.	Navigational Safety Concern	<u>Motion:</u> Marmol/Stewart File as a Marine Safety Occurrence – Carried.
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Pilot's Report of Incident: PS Pilot Kelleher – COASTAL VENTURE, 5-5-17

Tacoma, Hylebos WW mooring at American Construction	Possible contact between top edge of the bulwark on the starboard bow and the spud of a crane barge, however contact was not confirmed.		<u>Motion:</u> Marmol/Stewart Reclassify as a Marine Safety Occurrence.
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Pilot's Report of Incident: PS Pilot Anthony – PUGET SOUND, 5-11-17

Port Angeles Pilot Station	While attempting to board the pilot boat PUGET SOUND, PS Pilot Anthony fell into the water due to windy conditions. No harm, injury or pollution was reported.		<u>Motion:</u> Marmol/Stewart Reclassify as a Marine Safety Occurrence.
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Committee Reports.

Trainee Evaluation Committee:

- The TEC met on May 9th.
- Training Program progress was reviewed for all current trainees: Captains Henderson, Rounds, Hunter, Myers, Vestal, Kridler and Bendixen. Captain Kridler was in attendance to discuss his training program progress.
- The retirement of a PS pilot anticipated in May has been rescheduled for July. Another retirement is anticipated in June. PSP will provide the expected date of license relinquishment.
- The Board approved the requested deferrals of the next two applicants called into training. Captain Grieser will begin August 1st and Captain Pullin will begin September 1st.
- Motion: Mayer/Morrell – add the Board-approved arbitration language to all active trainees' training agreements – Carried.

Legislative/WAC Committee:

- No updates since the last meeting.

Diversity Committee:

- The third meeting of the committee is scheduled for June 1, 2017. Co-chairs Sheri Tonn, BPC, and Linda Styrk, PSP, will prepare and circulate an agenda.

Review of Pilot/Trainee Physical Examination Reports. Motion: Kiley/Stewart – accept the physicians' reports for Captains J.E. Kalvoy and G.D. Hurt for annual pilot license renewal – Carried.

BPC Staff presented the bios of two doctors for consideration as Board Designated Physicians.

- Motion: Kiley/Marmol – appoint Dr. Satish Subramaniam and Dr. Paul S. Darby as Board Designated Physicians – Carried.

Confirmation of Next Regular Meeting Dates. The next regular meeting dates are set for June 15, 2017, July 20, 2017, and August 17, 2017. Chair Tonn will not be present at the June meeting. Vice Chair Ned Kiley will chair that meeting. Due to scheduling conflicts, the July meeting will be rescheduled for July 13, 2017. The August 17, 2017 meeting will be held at the Port of Grays Harbor in Aberdeen, WA.

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

EXECUTIVE SESSION – Call to Order

An Executive Session of the Board of Pilotage Commissioners was convened from 1:45 p.m. to 2:30 p.m. in the Agate Conference Room, 2901 Third Avenue, Seattle, Washington to discuss matters relative to personnel. In attendance were Commissioners Tonn, Kiley, Adams, Morrell, Stewart, Mayer, Marmol, Kirtley, Thompson, and AAG Albert Wang.

Respectfully submitted,

Peggy Larson, Executive Director

Sheri J. Tonn, Chair

Edmund I. Kiley, Vice Chair

Commissioner Charles F. Adams

Commissioner Philip Morrell

Commissioner J. Grant Stewart

Commissioner Donald W. Mayer

Commissioner Edmund Marmol

Commissioner Eleanor Kirtley

Commissioner Sara Thompson