

MEETING MINUTES

STATE OF WASHINGTON ~ BOARD OF PILOTAGE COMMISSIONERS

April 8, 2010

Present:

Chairman: Harry Dudley

Commissioners:

Chuck Adams, Ned Kiley, Pat Hannigan, Dick McCurdy, Craig Lee, Norm Davis and Elsie Hulsizer
Administration: Shawna Erickson, Peggy Larson

Frantz Coe, Dave Sanders, Mel Flavel, Don Mayer, John Harris,

Cal Hunziker, Walt Tabler: Puget Sound Pilots

Gary Nelson: Port of Grays Harbor

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

Grant Bowker: Clipper Navigation

Dan Brouillard: Pilot Applicant

Suzanne Englebert, Ron Kinsey: USCG Sector Seattle

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

Nora Tabler, Loren Lee: Public

REGULAR MEETING

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

Minutes. There being no corrections or additions, the March 11, 2010 Minutes stand approved as written.

OLD BUSINESS

Pilot's Letter Report: *FURIA R, 11-5-09.* A letter dated April 7, 2010 was received from Sussman Consulting stating they will submit their full investigative report to the Board on April 16th.

Consideration of Licensure of PSPD Trainee: Captain Stephen Jones. This item was deferred to Closed Session later on today's agenda.

Discussion and Resolution Concerning Setting the Number of Pilots in the Puget Sound Pilotage District, Target Assignment Level, and Management of the Comp Day System as Provided in WAC 363-116-065. Stakeholder presentations of substantial data were analyzed and discussed at length. **Motion:** Hannigan/Hulsizer – using a Target Assignment Level of 139 divided into the number of 2009 jobs of 7669, the number of pilots shall be 55 plus one non-piloting president, totaling 56 pilots – Hannigan, Hulsizer, McCurdy in favor; Lee, Adams, Kiley opposed; Davis abstained – Failed. **Motion:** Adams/Kiley - using a Target Assignment Level of 145 divided into the number of 2009 jobs of 7669, the number of pilots shall be 53 plus one non-piloting president, totaling 54 pilots. **Friendly amendment:** – Lee – separate the motion and vote on TAL and number of pilots individually. **Motion withdrawn:** – Adams. **First Restated Motion:** Adams/Kiley – set the number of pilots at 53 plus one non-piloting president, totaling 54 pilots – Carried. **Second Restated Motion:** Adams/Kiley – set the Target Assignment Level at 145 jobs per pilot, per year – 5 in favor, Lee opposed, Hulsizer abstained – Carried.

Consideration of Proposed Statement of Policy Concerning Tariff Setting Procedures. **Motion:** Adams/Lee – postpone this discussion until the July Board meeting so that the new Board members have experienced the two ensuing tariff hearings and learned how the tariff setting process currently works – Carried. Walt Tabler made a power point presentation of PSP's view of the history of the tariff setting process. Unaware of PSP's intent to make this presentation today, Mike Moore stated his request for a like opportunity to present PMSA's view of the history of tariff setting at the May hearing since he was unprepared to do so today. Chairman Dudley concurred.

NEW BUSINESS

Approval of Pilot License Upgrade Programs for Captain John Ward and Captain Ed Marmol. Captain John Ward is nearing completion of his fourth license year and Captain Ed Marmol is nearing completion of his third license year. Motion: Hannigan/Lee - approve the license upgrade programs for Captains Ward and Marmol as drafted - Carried.

Annual Review of Vessel Exemption: VICTORIA CLIPPER. The annual review of the vessel exemption for the *VICTORIA CLIPPER* shows the vessel and the operational status of Clipper Navigation, Inc. to be in compliance with the state statutory and regulatory requirements of RCW 88.16.070 and WAC 363-116-360. Motion: Lee/Davis - continue the exemption for the *VICTORIA CLIPPER* for another year beginning May 1, 2010 through April 30, 2011 - Carried. All licenses, endorsements and certificates for the operators and the vessel that show expiration dates during an exemption period shall be renewed as a matter of course and copies of such must be submitted to the Board's office for verification in order to retain good standing.

Pilot's Report of Marine Safety Occurrence: HYUNDAI NATIONAL, 3-9-10. After securing the ship at the WUT, Blair Waterway, Tacoma, the ship suddenly began moving down the dock. The pilot returned to the bridge in time to order the tugs to come up to ¾ power to stop forward movement. The engine controls inside the bridge were set on dead slow ahead when they were transferred from the bridge wing to inside, causing the engine to start. Motion: Lee/Hannigan - File as a Marine Safety Occurrence - Carried.

A CLOSED SESSION was called from 1:20 p.m. to 2:00 p.m. regarding Maritime Security Issues presented by Captain Suzanne Englebert, USCG Sector Commander. In attendance were Chairman Dudley, Commissioners Adams, Kiley, Hannigan, McCurdy, Lee, Davis and Hulsizer; Shawna Erickson and Peggy Larson.

A CLOSED SESSION was called from 2:05 p.m. to 2:45 p.m. regarding personnel evaluations of Captain Stephen Jones and ongoing legal issues concerning Captains Surface, Toney and Webster. In attendance were Chairman Dudley, Commissioners Adams, Kiley, Hannigan, McCurdy, Lee, Davis and Hulsizer; Shawna Erickson and Peggy Larson. Regular session was reconvened by the chairman immediately following closed session.

Consideration of Request to Delay Entry into Pilot Training Program: Captain Michael Anthony. Under the provisions of WAC 363-116-078(2), Captain Michael Anthony has asked the Board for permission to delay entry into his pilot training program for one month. Motion: Hannigan/Davis – grant Captain Anthony's request to delay the start of his training program for one month to 7-1-10 – Carried.

Consideration of Request for Renewal of Vessel Exemption:

Motor Yacht ESTANCIA – 112', 208 gross tons, Cayman Islands registry, Captain Willard McDowell & Captain Robert Jones. Motion: Lee/McCurdy – grant annual renewal exemption – Carried.

2010 Annual Tariff Hearings Preparation: PSPD – A 2010-2011 written tariff proposal from Puget Sound Pilots has been submitted to the Board in accordance with the timetable established for tariff document submission. PSP's initial request filed earlier with the Code Reviser reflects either an increase of 10% in all categories except *Boarding Fees, Transportation and Training Stipend* or an increase to just the *Boarding Charge* category from the current \$47 to \$415. The PSP written tariff proposal submitted today contains a revised request which reflects an increase of 7.3% in all categories except *Boarding Fees, Transportation and Training Stipend* and an increase in the *Boarding Fee* category from \$47 to \$297. Walt Tabler fielded several questions concerning PSP's 2009 Audited Financial Statement. A public hearing has been filed for May 4, 2010 at 9:00 a.m. PMSA's tariff proposal is due April 13th and PSP's rebuttal on April 26th, along with any other written public comments or proposals. Any member of the public will also have an opportunity to testify at the hearing.

GHPD - Gary Nelson presented the Grays Harbor Pilots' 5-Year Capital Spending Plan and request for proposed rule amendments which were received by the Board in accordance with the timetable established for tariff document submission. The request for tariff adjustments as described in the April 7, 2010 letter from the Port of Grays Harbor reflects an effective overall increase to the tariff of 0.8% or \$45 per pilotage job, as specified in the following tariff categories:

Pension Charge: It is proposed that the charge per pilotage assignment, including cancellations, be increased by \$45.00.

Motion: Hannigan/Lee - the Board accept for filing, the Port of Grays Harbor's request as described above and as submitted in their letter to the Board dated April 7, 2010, and as approved by the Grays Harbor Port Commissioners at their monthly meeting on April 6, 2010 - Carried. The proposed rule amendments will be filed with the Code Reviser for a public hearing on June 10, 2010.

Committee Reports.

Trainee Evaluation Committee:

- The TEC met on April 7th.
- Training Program status was reviewed for trainees Caspers, Scragg and Bouma.
- Captain Jim Kearns was interviewed on April 7th in preparation of starting his training on June 1st.

Legislative/WAC Committee: There was no activity to report at this time.

Activity Reports. Gary Nelson, representing Port of Grays Harbor, reported there were 18 arrivals in March for 44 jobs and it is estimated that April will bring about 6-7 arrivals; and the expansion of AGP has nearly doubled its traffic. Captain Stephen Cooke fell onto the platform of the pilot boat while disembarking an outbound ship last night. He was examined at a hospital and released. **Motion:** Lee/Adams – Captain Cooke must take a complete physical from a Board-Designated Physician before returning to work – Carried. **Motion:** Lee/Hannigan – empower Chairman Dudley to review the physical exam report if received prior to the next Board meeting and if the report is satisfactory, return him to active status – Carried. Commissioner Hannigan suggested the Board seek interested aspirants in becoming Grays Harbor Pilots.

Captain Andy Coe, representing Puget Sound Pilots, reported there were 614 jobs in March 2010, and 660 in March of 2009; comp days created/taken in March were 0/25 for a cumulative total of 3,360 days; 3 random drug tests were administered; pilots spent 29 days in training and took 21 upgrade trips. Captain Mel Flavel was congratulated on his 35-year career as he approaches retirement on May 19th.

Captain Mike Moore, representing Pacific Merchant Shipping Association, reported on the current status of the economic downturn noting changes in relationships, traffic levels and port competitiveness, etc. Several pertinent handouts were shared with the Board.

Administrator's Report.

- Captain Calvin Hunziker has informed the Board that he plans to keep his state license active and not opt into inactive status as requested and granted last month.
- Captain Greg Larson has verbally informed the Board's staff that he plans to retire and will not be renewing his state license on April 23rd. The number of licensed pilots will then be 56.
- Red Book updates have been distributed to all Commissioners.

Consideration of Licensure of PSPD Trainee: Captain Stephen Jones. **Motion:** Hannigan/Davis – based on information presented to the Board by the Trainee Evaluation Committee and the review of information presented to the Trainee Evaluation Committee by Captain Jones, that this Board reaffirm its June 11, 2010 decision to deny Captain Stephen Jones a license - Carried.

Confirmation of Next Regular Meeting Date. The next regular meeting is scheduled for Tuesday, May 4, 2010. The Puget Sound Pilotage District tariff hearing will begin at 9:00 a.m. followed by the regular Board meeting. The hearing and meeting will be held in the Fourth Floor Rainier Conference Room, at 2901 Third Avenue, Seattle.

Review of Pilot Physical Examination Reports. Motion: Lee/Hulsizer - accept the physicians' reports for Captains F.A. Coe, P.M. Hannigan, B.S. Knowles, G.N. Larson and D.A. Sanders for annual pilot license renewal - Carried.

There being no further business to come before the Board, Chairman Dudley adjourned the regular session Board meeting at 4:30 p.m.

Respectfully submitted,

Peggy Larson, Administrator

Harry H. Dudley, Chairman

Commissioner Charles F. Adams

Commissioner Edmund I. Kiley

Commissioner Patrick M. Hannigan

Commissioner Richard F. McCurdy

Commissioner Craig W. Lee

Absent
Commissioner Jeffrey L. Thompson

Norman W. Davis, Acting Vice Chairman

Commissioner Elsie J. Hulsizer