

MEETING MINUTES

STATE OF WASHINGTON ~ BOARD OF PILOTAGE COMMISSIONERS

September 15, 2016

CLOSED SESSION – Call to Order

A Closed Session of the Board of Pilotage Commissioners was convened from 11:30 a.m. to 12:50 p.m. in the Agate Conference Room, 2901 Third Avenue, Seattle, Washington to consider legal matters. In attendance were Commissioners Tonn, Kiley, Adams, Stewart, Mayer, Marmol, Thompson and Kirtley; and BPC staff Jaimie Bever, Shawna Erickson and Peggy Larson. Also attending were AAG's Scott Lockwood (from 11:30-12:00), Guy Bowman (via phone from 12:40-12:50) and Catherine Hendricks.

REGULAR MEETING - Call to Order

The regular meeting of the Board of Pilotage Commissioners was convened at 1:05 p.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, Grant Stewart, Don Mayer, Ed Marmol, Eleanor Kirtley, Sara Thompson
Administration: Jaimie Bever, Shawna Erickson, Peggy Larson

Mike Moore: Pacific Merchant Shipping Association

Linda Styrk, David Grobschmit, Majken Ryherd, Ivan Carlson, Bill Lowery: Puget Sound Pilots

Lou Paulsen: The Northwest Seaport Alliance

Jennifer Harris: House Transportation Committee staff

Mary Nelson, Gary Nelson: Port of Grays Harbor

Minutes. Commissioner Mayer requested a correction to the Trainee Evaluation Committee's (TEC) report concerning PSP President refresher trips. Captain Grobschmit requested that he be allowed to take refresher trips earlier, not that he be allowed to take less trips, while transitioning from President of PSP to resuming full pilotage duties. **Motion:** Mayer/Marmol – approve the August 18, 2016 Minutes with the correction to the TEC report – Carried.

BPC Staff Report.

- The Board's 2017-19 Biennial Budget request was prepared and submitted to the Governor's budget office in the amount of \$1.6 million, the same as the 15-17 request, in keeping with the maintenance level mandate.
- A public records request was received from Captain Harry Dudley regarding the Sweeney settlement.
- Pilot statistical data and financial reports were reviewed and discussed.

BPC Chair Report.

- Training Program Evaluation Committee (TPEC) progress will be addressed during the Committee Reports. The 2015 BPC Annual Report was submitted by the deadline of September 1, 2016. All were encouraged to review the report. Mike Moore, PMSA, reported that he has received very positive feedback from several industry folks regarding its level of detail.

Activity Reports. Linda Styrk and David Grobschmit representing Puget Sound Pilots, Lou Paulsen representing The Northwest Seaport Alliance, Mike Moore representing Pacific Merchant Shipping Association and Gary Nelson representing the Port of Grays Harbor offered current and projected statistical data as well as updates on current maritime activities. There were not representatives present for USCG Sector Puget Sound.

NEW BUSINESS

Approval of Pilot License Upgrade Program. Captain Bill Lowery is nearing completion of his fourth license year. **Motion:** Kiley/Marmol - approve the license upgrade program for Captain Lowery as drafted by the TEC – Carried.

Approval of Training Programs for Captains Vestal and Kridler. Captains Lee Vestal and Keith Kridler are scheduled to begin training on October 1, 2016. **Motion:** Marmol/Stewart – approve the pilot Training Programs for Captains Kridler and Vestal as drafted by the TEC – Carried. This action exhausts the waiting list from the 2012 Exam and the next trainees will be drawn from the 2016 Exam waiting list.

Consideration of Request for Vessel Exemption:

Motor Yacht SIN OR SWIM – 116’, 248 gt, St. Vincent registry, Captain Stephanus Du Plessis
Motion: Stewart/Thompson – concur with Chair’s granting of a three-month exemption – Carried.

Motor Yacht BLACK GOLD – 125’, 329 gt, British Virgin Islands registry, Captain Greg Gaus
Motion: Stewart/Thompson – concur with Chair’s granting of a three-month exemption – Carried.

2016 Annual Tariff Hearing Preparation – Grays Harbor Pilotage District. In accordance with the timetable established for tariff document submission, the Grays Harbor Pilots’ 5-Year Capital Spending Plan, audited 2015 Financial Statement and best available financial data through 7/31/16 were reviewed. A Q and A commenced regarding these submittals. The formal written 2016 Tariff Proposal dated September 8, 2016 was also submitted. The filed CR-102 set a public hearing for 10/20/16 at 1:00 p.m.

2016 Annual Tariff Hearing Preparation – Puget Sound Pilotage District. The timetable established for tariff document submission called for PSP’s best available y-t-d financial data and the submittal of all stakeholder requests for proposed rule amendments. Written proposals were submitted and presented by NWSA, PMSA and PSP followed by a lengthy Q and A.

Original Motion: Kiley/Adams - amend the PSPD tariff by applying an adjustment in a range between a decrease of 3% and an increase of 7% excluding the *Transportation to Vessels on Puget Sound* category with no portion of the tariff increasing more than 7% – Motion Carried.

1st Amendment: Mayer/Marmol - also have the ability to increase the *LOA Rate Schedule* up to 25% - Motion Failed.

2nd Amendment: Mayer/Marmol - also have the ability to increase the *LOA Rate Schedule* and the *Tonnage Charges* category up to 15% while staying within the constraints of the overall range of a decrease of 3% and an increase of 7% - Motion Carried.

Amendment to the 2nd Amendment: Thompson/Marmol - modify the “Delinquent Payment Charge” category to read “Payment Terms and Delinquent Payment Charge” – Motion Carried.

Restated Amended Motion:

- Amend the PSPD tariff by applying an adjustment in a range between a decrease of 3% and an increase of 7% excluding the *Transportation to Vessels on Puget Sound* category with no portion of the tariff increasing more than 7%; and
- Increase the *LOA Rate Schedule* and the *Tonnage Charges* category up to 15% while staying within the constraints of the overall range of a decrease of 3% and an increase of 7%; and
- Modify the title *Delinquent Payment Charge* by renaming it the *Payment Terms and Delinquent Payment Charge*.

Committee Reports. Deferred to October 20, 2016 meeting.

Review of Pilot/Trainee Physical Examination Reports. Deferred to October 20, 2016 meeting.

The Board lost its quorum when Commissioner Stewart departed at 4:20 p.m. and the meeting was adjourned.

Respectfully submitted,

Sheri J. Tonn, Chair

Peggy Larson, Executive Director

Edmund I. Kiley, Vice Chair

Commissioner Charles F. Adams

Absent

Commissioner Philip Morrell

Commissioner J. Grant Stewart

Commissioner Donald W. Mayer

Commissioner Edmund Marmol

Commissioner Eleanor Kirtley

Commissioner Sara Thompson