

PUGET SOUND PILOTAGE DISTRICT ACTIVITY REPORT

Dec-2018

The Board of Pilotage Commissioners (BPC) requests the following information be provided to the BPC staff **no later than two working days prior to a BPC meeting** to give Commissioners ample time to review and prepare possible questions regarding the information provided.

Activity

Total pilotage assignments:	571	Cancellations:	24
Total ship moves:	547	Cont'r:	192
		Tanker:	165
		Genl/Bulk:	87
		Other:	103
Assignments delayed due to unavailable pilot:	5	Total delay time:	14.5h
2 pilot jobs:	36	Reason:	PSP GUIDELINES FOR RESTRICTED WATERWAYS
Day of week & date of highest number of assignments:	FRI	21-Dec	29
Day of week & date of lowest number of assignments:	MON	3-Dec	10
Total number of repositions:	113		

Comp Days

Beg Total -	3148	Call Backs (+)	85	Used (-)	90	Ending total	3143
-------------	------	----------------	----	----------	----	--------------	------

Pilots Out of Regular Dispatch Rotation (pilot not available for dispatch during "regular" rotation)

A. Training & Continuing Education Programs

Start Dt	End Dt	City	Facility	Program Description	Pilot Attendees
10-Dec	11-Dec	Seattle	PMI	Azipod Training	BRO,CAW,COR,GAL,JEN
18-Dec	18-Dec	Seattle	PMI	14K TEU Simulator	BOU,EME,HAJ,HAR,KAL,KEP,MAY

B. Board, Committee & Key Government Meetings (BPC, PSP, USCG, USACE, Port & similar)

Start Dt	End Dt	City	Group	Meeting Description	Pilot Attendees
3-Dec	3-Dec	Seattle	PSP	Tug Meeting	BOU,HAR,GRD
3-Dec	3-Dec	Seattle	PSP	UTC	CAI,MOT
4-Dec	4-Dec	Seattle	PSP	APA	CAI
5-Dec	6-Dec	Seattle	PSP	E-Nav	KLA
5-Dec	5-Dec	Seattle	PSP	UTC	CAI,MOT
6-Dec	6-Dec	Seattle	PSP	UTC	CAI
11-Dec	11-Dec	Seattle	PSP	BOD	ANA,BOU,CAI,COL,KLA,NEW,SEM,THG
11-Dec	11-Dec	Seattle	PSP	Harbor Safety	KAL
12-Dec	12-Dec	Seattle	PSP	UTC	CAI,COL,KLA,MOT
12-Dec	12-Dec	Seattle	PSP	Trainee Orientation	BEN
14-Dec	14-Dec	Seattle	PSP	AMSC	NEW
19-Dec	19-Dec	Seattle	PSP	UTC	CAI,COL,MOT
26-Dec	31-Dec	Seattle	PSP	UTC	CAI

C. Other (i.e. injury, not-fit-for-duty status, vacation)

Start Dt	End Dt	REASON	PILOT
1-Dec	31-Dec	Not fit for duty	SAN
1-Dec	4-Dec	Vacation	HUP,SEM,SES,SHA,SHJ,
11-Dec	18-Dec	Vacation	GAL,GRD,KLA,MAY,SLI
25-Nov	31-Dec	Vacation	BRU,COR,HAJ,KEP,SCR

Parsing the Latest Container Trade Numbers

A First Glance at November's TEU Numbers

November saw minuses both coming and going at the big Southern California ports. At the Port of Los Angeles, inbound loaded TEUs were down 8.8% from last November, while outbound shipments were off by 14.3%. Next door at the Port of Long Beach, inbound loads inched up just 0.2%, while exports were down 8.4%. Together, inbound loads were off by 5.1%, with outbound loads down by 11.8%. Meanwhile, the Port of Oakland saw a robust 15.3% year-over-year jump in loaded inbound TEUs in November, but only a reed-thin 0.3% increase in outbound loads. Across the country at the Port of Savannah, inbound loads jumped 17.3%, but exports declined by 4.4%.

Parsing the October 2018 Loaded TEU Numbers

We now turn to a detailed look at October's loaded container traffic. Please note: The numbers here are not forecasts or even estimates but rather the actual TEU counts provided by several North American seaports we survey each month. Also note that, apart from the figures in Exhibit 3, the numbers in this analysis do **not** include empty containers.

On the inbound side, container trade at the Port of Los Angeles in October more than reflected that much ballyhooed surge of imported goods

Exhibit 1	October 2018 - Inbound Loaded TEUs at Selected Ports					
	Oct 2018	Oct 2017	% Change	Oct 2018 YTD	Oct 2017 YTD	% Change
Los Angeles	485,824	383,385	26.7%	3,978,884	3,866,906	2.9%
Long Beach	364,084	339,013	7.4%	3,404,404	3,198,258	6.4%
San Pedro Bay Totals	849,908	722,398	17.7%	7,383,288	7,065,164	4.5%
Oakland	82,397	76,706	7.4%	795,132	768,490	3.5%
NWSA	134,471	110,089	22.1%	1,197,143	1,049,374	14.1%
USWC Totals	1,066,776	909,193	17.3%	9,375,563	8,883,028	5.5%
Boston	16,640	12,150	37.0%	123,284	107,841	14.3%
NYNJ	339,602	305,729	11.1%	3,055,955	2,837,033	7.70%
Maryland	41,608	41,526	0.2%	425,006	395,017	7.6%
Virginia	127,677	125,075	2.1%	1,103,627	1,059,796	4.1%
South Carolina	80,182	79,150	1.3%	744,316	717,555	3.7%
Georgia	205,836	188,369	9.3%	1,735,768	1,583,531	9.6%
Jaxport						
Port Everglades	29,024	26,918	7.8%	304,619	295,151	3.2%
Miami	36,059	33,122	8.9%	345,856	326,398	6.0%
USEC Totals	876,628	812,039	8.0%	7,838,431	7,322,322	7.0%
New Orleans	9,565	10,596	-9.7%	102,136	95,587	6.9%
Houston	108,653	99,641	9.0%	977,976	894,956	9.3%
USGC Totals	118,218	110,237	7.2%	1,080,112	990,543	9.0%
Vancouver	153,689	139,049	10.5%	1,453,174	1,393,314	4.3%
Prince Rupert	52,975	48,688	8.8%	472,299	433,905	8.8%
British Columbia Totals	206,664	187,737	10.1%	1,925,473	1,827,219	5.4%
US/BC Totals	2,268,286	2,019,206	12.3%	20,219,579	19,023,112	6.3%

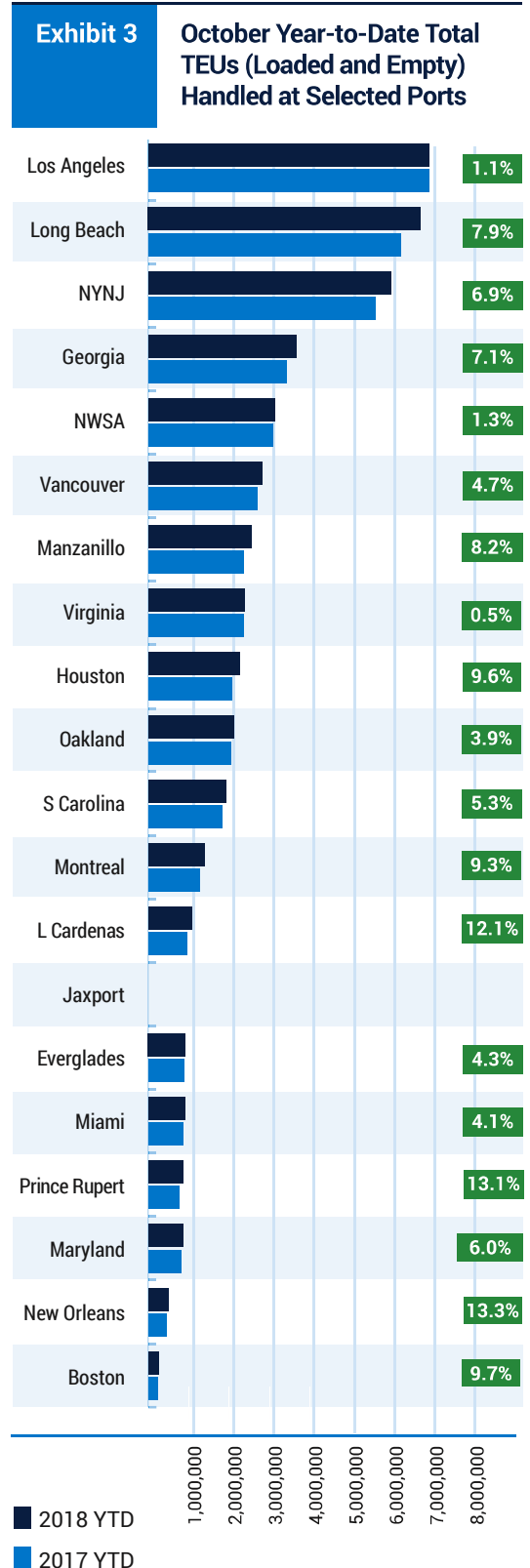
Source Individual Ports



Parsing the October 2018 Numbers Continued

Exhibit 2		October 2018 - Outbound Loaded TEUs at Selected Ports				
	Oct 2018	Oct 2017	% Change	Oct 2018 YTD	Oct 2017 YTD	% Change
Los Angeles	173,824	144,210	20.5%	1,603,531	1,569,148	2.2%
Long Beach	119,837	126,150	-5.0%	1,293,908	1,206,704	7.2%
San Pedro Bay Totals	293,661	270,360	8.6%	2,897,439	2,775,852	4.4%
Oakland	78,853	85,928	-8.2%	748,130	773,294	-3.3%
NWSA	74,086	81,294	-8.9%	784,768	795,313	-1.3%
USWC Totals	446,600	437,582	2.1%	4,430,337	4,344,459	2.0%
Boston	8,032	8,518	-5.7%	67,556	73,527	-8.1%
NYNJ	130,782	121,203	7.9%	1,245,438	1,165,469	6.9%
Maryland	19,491	22,930	-15.0%	194,740	202,155	-3.7%
Virginia	86,577	87,750	-1.3%	824,801	836,636	-1.4%
South Carolina	55,055	64,857	-15.1%	616,493	599,091	2.9%
Georgia	120,395	128,403	-6.2%	1,237,658	1,140,875	8.5%
Jaxport						
Port Everglades	39,467	41,040	-3.8%	381,462	361,971	5.4%
Miami	32,603	35,767	-8.8%	331,093	323,563	2.3%
USEC Totals	492,402	510,468	-3.6%	4,899,241	4,703,287	4.3%
New Orleans	25,707	22,768	12.9%	247,671	230,499	7.4%
Houston	95,886	80,521	19.1%	901,020	806,526	11.7%
USGC Totals	121,593	103,289	17.7%	1,148,691	1,037,025	10.8%
Vancouver	100,620	91,564	9.9%	924,962	913,448	1.3%
Prince Rupert	16,474	18,085	-8.9%	174,312	134,487	29.6%
British Columbia Totals	117,094	109,649	6.8%	1,099,274	1,047,935	4.9%
US/BC Totals	,177,689	1,160,988	1.4%	11,577,543	11,132,706	4.0%

Source Individual Ports



Source: Individual Ports



Parsing the October 2018 Numbers *Continued*

driven by domestic economic growth and by concern that the President's wall of tariffs might be raised and even extended on January 1. The nation's busiest container port saw a 26.7% (+102,439 TEUs) jump in inbound laden container traffic over the same month last year. Next door, the Port of Long Beach posted a respectable 7.4% (+25,071 TEUs) increase. That left the huge San Pedro Bay maritime complex with a combined increase of 17.7% (+127,510 TEUs). Meanwhile, up at the Port of Oakland, the number of laden inbound containers rose 7.4% (+5,691 TEUs). Further north at the Northwest Seaport Alliance (NWSA) Ports of Seattle and Tacoma, highly unusual circumstances involving sailing schedules produced a second month of substantial year-over-year growth in import traffic with a 22.1% (+24,382 TEUs) surge. Summing up, the U.S. West Coast's five principal container ports handled 157,583 more inbound loaded TEUs than they had a year ago, a 17.3% gain.

Of the nine U.S. East Coast ports we routinely survey, the only one not to report its October TEU counts to us is the Port of Jacksonville. (Hey, it's Florida, where things are apt to be counted and then recounted at least once or twice.) The remaining ports along the Atlantic Seaboard posted a combined 8.0% (+64,589 TEUs) gain, while the two Gulf Coast ports we survey saw a collective increase of 7.2% (+7,981 TEUs).

Up in British Columbia, both Vancouver (+10.5% or +14,640 TEUs) and Prince Rupert (+8.8% or +4,287 TEUs) saw solid year-over-year gains from last October.

All told, the U.S. and Canadian mainland ports which provide us with detailed container statistics reported a collective 12.3% (+249,080 TEUs) increase in inbound loaded traffic over October of last year.

On the outbound loaded container side of the ledger, trade was generally dismal for USWC ports with the notable exception of Los Angeles, where exports soared by 20.5% (+29,614 TEUs). Elsewhere, the numbers of loaded outbound containers were down at Long Beach (-5.0% or -6,313 TEUs); Oakland (-8.2% or -7,075 TEUs), and the NWSA (-8.9% or -7,208 TEUs). In the end, though, the strong

showing by LA meant outbound loads through the five major USWC ports edged ahead by 2.1% (+9,018 TEUs) from October of last year.

Outbound trades north of the border were mixed. Vancouver posted a 9.9% year-over-year increase (+9,056 TEUs), while Prince Rupert saw its export business drop by 8.9% (-1,611 TEUs) from a year earlier.

Not counting JaxPort, export traffic along the East Coast slipped by 3.6% (-18,066 TEUs) from last October, despite a healthy 7.9% (+9,579 TEUs) increase at the Port of New York/New Jersey. Baltimore and Charleston both saw double-digit drops in their outbound trades. Along the Gulf Coast, both New Orleans and Houston posted robust increases. New Orleans was up 12.9% (+2,939 TEUs), while Houston's loaded outbound trade leaped by 19.1% (+15,365 TEUs).

For the month, the mainland U.S. ports we were able to survey (which together account for all but around five percent of the nation's maritime container trade) handled 1,177,689 loaded outbound TEUs for a 1.4% (+16,071 TEUs) increase over October 2017.

Northwest Seaport Alliance. Statistics compiled by the Pacific Maritime Association show that October loaded imports at the Port of Seattle were up by 34.3% (+18,321 TEUs) from last October, while outbound traffic slipped by 0.7% (-263 TEUs). At the Port of Tacoma, import containers fell by 2.6% (-1,726 TEUs), while outbound shipments were off by 9.7% (-5,933 TEUs). We hasten to add our usual caveat that PMA numbers often differ from those collected by the ports themselves. We offer the PMA statistics only to shed light on how the two partners in the NWSA are individually faring.

The Soybean Saga. Not surprisingly, U.S. soybean exports to China were negligible in October. Last year, soybean shipments to China totaled 7,094,823 metric tons. This year, shipments amounted to 271,973 metric tons, a 96.2% drop. The lost trade was most evidently felt at three small river ports in Washington State we have been following in the aftermath of China's decision earlier this year to



Parsing the October 2018 Numbers *Continued*

suspend purchases of U.S. soybeans. The impact of that move has garnered a lot of media attention which has mostly focused on the plight of soybean growers in the Midwest. Historically, nearly one-quarter of America's soybean shipments to China were shipped out of Kalama, Longview, and Vancouver, Washington. In October 2017, soybean shipments to China from these three ports amounted to 1,960,082 metric tons. This year, no soybeans traveled to China through these ports.

That's not to say that the soybean trade through these ports dried up completely. While the Port of Kalama, for example, pivoted to handling much more wheat and corn than it had been accustomed to seeing (744,328 metric tons this October versus 125,735 metric tons last October), it did handle 186,088 metric tons of soybeans. Last October, all of Kalama's soybean shipments went to China. This year, 61.2% of the port's soybean trade went to a new customer, the Islamic Republic of Iran. (Taiwan and Japan accounted for the balance of October soybean shipments from Kalama.)

The story was much the same for the Ports of Longview and Vancouver. At both ports, China was the sole destination for the combined 843,784 metric tons of soybeans shipments last October. This October, soybean exports from the two ports totaled 333,972 metric tons, none of which went to China (at least directly). Instead, Vietnam was the largest recipient, taking 178,202 metric tons from the two ports, while Bangladesh and Iran took 56,955 and 56,952 metric tons, respectively.

While the newly announced Chinese commitment to resume buying American soybeans is welcome news, the long-term benefits for ports in the Pacific Northwest may be muted by soybean exporters seeking to lessen their dependence on China. In much the same way that periodic

labor disputes prompted shippers of all kinds of goods to reduce their reliance on U.S. West Coast ports, Beijing's suspension of soybean purchases seems to have served as a wake-up call for soybean exporters. As they move to develop new markets abroad, more shipments are likely be channeled through East and Gulf Coast ports.

The China Trade. Although most major U.S. ports saw more loaded containers arrive from China this October than last, maritime exports to China made for a different story. Census Bureau trade data show that containerized export tonnage from all U.S. mainland ports to China in October was off by 20.8% from the same month last year. The two San Pedro Bay ports and Oakland fared better, with comparatively modest declines of 8.3% and 9.5%, respectively. However, containerized export tonnage from the NWSA ports to China in October dropped by 45.6%.

Containerized import tonnage from China, meanwhile, continued to grow, rising by 10.8% at all mainland ports. At the San Pedro Bay complex, import tonnage was up 10.8%. Much more impressive was the 24.7% surge through the NWSA ports in October. Oakland, though, lagged with just a slender 0.7% increase in its China import trade.

With an apparent non-escalation pact reached at the G20 meetings in Buenos Aires earlier this month, the pace of imports from China – hastened by the prospect of higher tariffs on January 1 – should temporarily moderate as shippers evaluate the likelihood that some agreement will be reached before a new March 1 deadline. Yet, given the far-reaching scope of the demands being made on Beijing by the White House (some of which go to the core of Chinese principles of governance), chances are we will see the hurry-up-and-import scenario of the past couple of months rerun fairly soon.

Jock O'Connell's Commentary:

When Even CARB Can't Clear the Air

For some time now, West Coast port officials have feigned a positive, we're-nothing-if-not-eager-to-cooperate demeanor in their dealings with state and local air quality regulators, even as their smiles mask the assiduous grinding of teeth. No gesture of good will from the ports seems sufficient to forestall regulators and not a few op-ed writers from regularly using the ports as public policy piñatas, labeling them as scourges on the environment and befoulers of the public health.

Leaving each port's accomplishments (sharp reductions in SO_x and NO_x, DPM, and CO₂) as benchmarks seemingly unworthy of public acknowledgment, let alone celebration, the air quality sheriffs in the environmental lobby would have us believe that ports up and down the West Coast have been criminally slow in slashing toxic emissions, leaving many members of the public and more than a handful of public officials to conclude that ports are more trouble than they are worth.

It is safe to say that exceedingly few members of the general public are aware that the nation's largest maritime gateway – the neighboring Ports of Los Angeles and Long Beach – has seen diesel particulate emissions cut by over 87%, SO_x emissions by over 97%, and NO_x emissions by more than 56%. Still, so much is made of the oft-repeated claim that ports are the single largest stationary source of air pollution that one easily overlooks the word stationary in concluding that port operations are the primary cause of foul air in regions where ships call.

Well now, along comes a new (November) report in which the California Air Resources Board (CARB), in reviewing progress in achieving the goals of Senate Bill 375, has essentially given itself – as well as regional air quality boards – a failing or (at best) an incomplete grade. (We'll pass over the irony that the report was issued just after wildfires – inherently beyond even the most accomplished regulator's ability to regulate – had pushed air quality in much of California down to Beijing standards.)

SB 375, formally known as the Sustainable Communities and Climate Protection Act of 2008, was a truly pioneering measure that recognized the need to integrate

transportation, land-use, and housing decisions in meeting state climate goals. The aim was to enlist California's 18 Metropolitan Planning Organizations in devising long-term strategies to reduce greenhouse gas emissions by encouraging more compact development so that people could live closer to their jobs and could enjoy a diversity of low-carbon mobility options. For a state whose residents have long been wedded to the automobile and where the chief symbol of the California Dream was a single-family home with a front lawn and backyard pool, SB 375 faced huge challenges in persuading (or otherwise incentivizing) Californians to fundamentally change the ways they wanted to live. Without saying as much, the legislation aspired to behavior modification on a grand scale.

In 2017, the California legislature tasked CARB to produce periodic reports on progress being made to fulfill SB 375 objectives. Last month, CARB released the first of these reports. The most discouraging or, depending on your point of view, embarrassing take-away? How about: "California is not on track to meet greenhouse gas reductions expected under SB 375."

What the report more specifically found was that emissions from passenger vehicle travel is increasing and *going in the wrong direction*. As the report observed: "California will not achieve the necessary greenhouse gas emissions reductions to meet mandates for 2030 and beyond without significant changes to how communities and transportation systems are planned, funded, and built."

The report fingers you and me for the state's failure to show progress. (Well, much less me than you since I haven't owned a car in years.) As the report grimly acknowledges, an astonishing three-quarters of commuters drive to work alone, *a level that is staying the same or growing in most regions*.

The authors of the CARB report lament that California – at the state, regional, and local levels – has not yet gone far enough in making systematic and structural changes to how we build and invest in communities that are needed



Commentary *Continued*

to meet state climate goals. The report argues that, to “meet the potential of SB 375 will require state, regional, and local agency staff and elected officials to make more significant changes across multiple systems that address the interconnected relationship of land use, housing, economic and workforce development, transportation investments, and travel choices.”

If anything, that last statement suggests what’s wrong with CARB’s approach. It’s based on the assumption that more regulatory intervention is the key to achieving clean air. In effect, it’s an implicit restatement of the if-I-were-czar mentality that infects the dreams of everyone of us who is chronically exasperated by the behavior of everyone else.

Sure, aiming to build more housing near workplaces would probably cut into commuting. But it remains that we are still a society that insists on driving the SUV down to the corner store to get a loaf of bread. And we’re still a society that has frightened ourselves into believing the world is full of predators ready to snatch up our children, who therefore must be chauffeured to every activity beyond the front lawn. (I’m finishing up this commentary while in Paris, where the sight of school children riding the Metro or buses unaccompanied by adults is common. In urban California, that would be regarded as criminal negligence.)

So, does the blame fixed on millions of solitary commuters mean that CARB staffers will soon be seen standing in the middle of the 405 freeway demanding drivers use buses and trains? Hardly, if air quality regulators have demonstrated anything, it is their eagerness to look past the real causes of California’s bad air in favor of hectoring those institutions that have actually been making substantial progress in cleaning up their acts.

But how does CARB propose to improve its grade?

In a richly convoluted sentence that would have made Faulkner envious, CARB’s report card concedes: “As this report’s findings suggest, the state’s current structure of policies and lack of incentives will continue to produce and exacerbate the insufficient results outlined in this

report unless shared responsibility, changes in authority or mandates, and strong, deliberate, collaborative action is taken by state, regional, and local policy makers to foster a policy environment that enhances the way we live, work, and travel.”

In other words, we need not a mere czar but rather...wait for it...a COMMITTEE. Specifically, the folks in Sacramento propose a bureaucratic solution, an “interagency body involving the Secretaries and Chairs of key California agencies and Commissions, and representatives from regional and local governments.”

And what will this esteemed, if hideously large and unwieldy assemblage do, you ask? Well, the answer is that it will “produce and implement a new ‘State Mobility Action Plan for Healthy Communities’”

Ah yes, a NEW PLAN. But, wait, before we can have a PLAN, we’ll need plenty of studies followed by meetings to evaluate the studies followed by more studies to plug the gaps in the earlier studies. (Envisioned is the formation of a “transportation system think tank”, which presumably would not duplicate the research of existing transportation institutes within the University of California system.)

All of this should safely kick the can down the road well into Gavin Newsom’s governorship.

It is understandable, if perversely so, that organizations such as CARB devise the solutions they do. Despite public workshops and other efforts to hear differing opinions, they essentially remain echo chambers precisely because no one joins CARB or other regulatory bodies who is not already wholly dedicated to the organization’s mission. Internal dissent? Maybe over font size or pagination, but over precious little else.

That’s why CARB would propose a Grand Committee to get the state back on track to achieve its climate goals. Who else than a band of zealots would suppose everyone participating in this committee would be singing from the same hymnal? Perhaps it will shock the political innocents at CARB to find that representatives from San Francisco or West LA might not see eye-to-eye with Central Valley residents, let alone with the citizens of



Commentary [Continued](#)

the Principality of Marin. Let's suppose that convening a broad-based panel coughs up a furball as contentious as, say, a Legislature.

In short, the new proposal aims to achieve the political equivalent of a virgin birth, a PLAN we can all venerate and follow without having had to endure the slimy processes of democracy.

Until a full-blown recession or sharp jump in fuel costs yields significant reductions in private vehicle miles

traveled, California will not achieve its own greenhouse gas commitments. In the interim, everyone connected with maritime trade should be on notice that CARB, frustrated by not living up to its own goals, will continue to hector the state's seaports.

Happy Holidays.

***Disclaimer:** The views expressed in Jock's commentaries are his own and may not reflect the positions of the Pacific Merchant Shipping Association.*

Will the West Coast Pivot to New Growth or Maintain Old Erosion in 2019?

By Mike Jacob

Vice President & General Counsel, Pacific Merchant Shipping Association

As expected, 2017 and 2018 saw West Coast container volumes finally grow past their pre-recession peaks of 2006 in California and 2005 in the Puget Sound. After a decade of an effective rate of growth of a cumulative 0%, we finally turned a corner these past two years.

The exclamation point was the growth across all trade lanes in 2018. Conventional wisdom has it that these 2018 developments, including trans-Pacific peak season volumes and rate recovery, is the pre-Trumpian Trade War yang to a possible 2019 slow-down and supply chain hangover yin.

This growth is something to be celebrated to be sure, since trans-Pacific demand has finally recovered beyond our no-growth baseline. Also to be celebrated: these increased volumes are moving with significantly reduced emissions when compared to 2006. CARB projects that by 2021 Diesel Particulate Matter (DPM) from ships at-berth in California will be 96% cleaner while recent Port inventories show truck DPM emissions were down by 98% in 2017.

Regaining our growth footing is a critical first step to recovering our market share; success breeds success in the virtuous cycle, and reinvestment cannot occur without profitable and sustainable growth. However, what narrow window of opportunity is truly presented in 2019 is an unknown in large part because our own growth has not yet translated to any recapture of our 2006 peak market share.

In fact, while our volumes were down to flat, our market share erosion has been palpable. At just over 30% of total North American containers, California's seaports in 2015-2017 had a lower market share than every year going back to 1997. The Puget Sound numbers are just as discouraging.

The market share tautology is easy to understand: while we failed to grow for 10 years, over that same period of time our competitors were not standing still, they were reinvesting in capturing our intermodal share. And, given the same global industry demography that drove our 2018 growth, that trend did not dissipate in 2018 elsewhere



Will the West Coast Pivot Continued

either. The Port of Savannah, for instance, showed an 8% increase in TEUs for the first quarter of FY18-19.

In the meantime, it's no secret that we still do not have an integrated approach to reinvestment in our freight infrastructure from the federal or state governments – and that will not be changing, as absolutely no one expects significant improvement on these fronts in the short-term. In California we just created new freight funding revenue streams, but have no planning priorities clearly laid out for our corridors (to the contrary, the state has adopted policies which actively discourage new investment in our marine terminals). In the State of Washington we have a well-run freight planning board, but not the dedicated revenues. At the federal level, even the most aggressive of infrastructure conversations lag woefully behind on shoring up our freight supply chains. And, worse still, such federal funds are actually utilized

to aid our competitors in draining our market share when they do exist. In short, not much has changed on this front, and the West Coast supply chain cannot afford to wait for public sector largesse to solve its woes or make investments on its behalf.

Still, as 2019 approaches, it seems as though we have – for the first time in a long time – an honest opening to improvements. The opportunity to begin to meaningfully reinvest local profits in infrastructure, recapture supply chain value, and begin to claw back market share to the U.S. West Coast remains the goal. To paraphrase the old adage, taking the first step of growing our volumes back towards full recovery is the hardest. Now the question is, do we have the financial capacity, business wherewithal, and political backbone to tackle the second step: growing faster than our competitors.

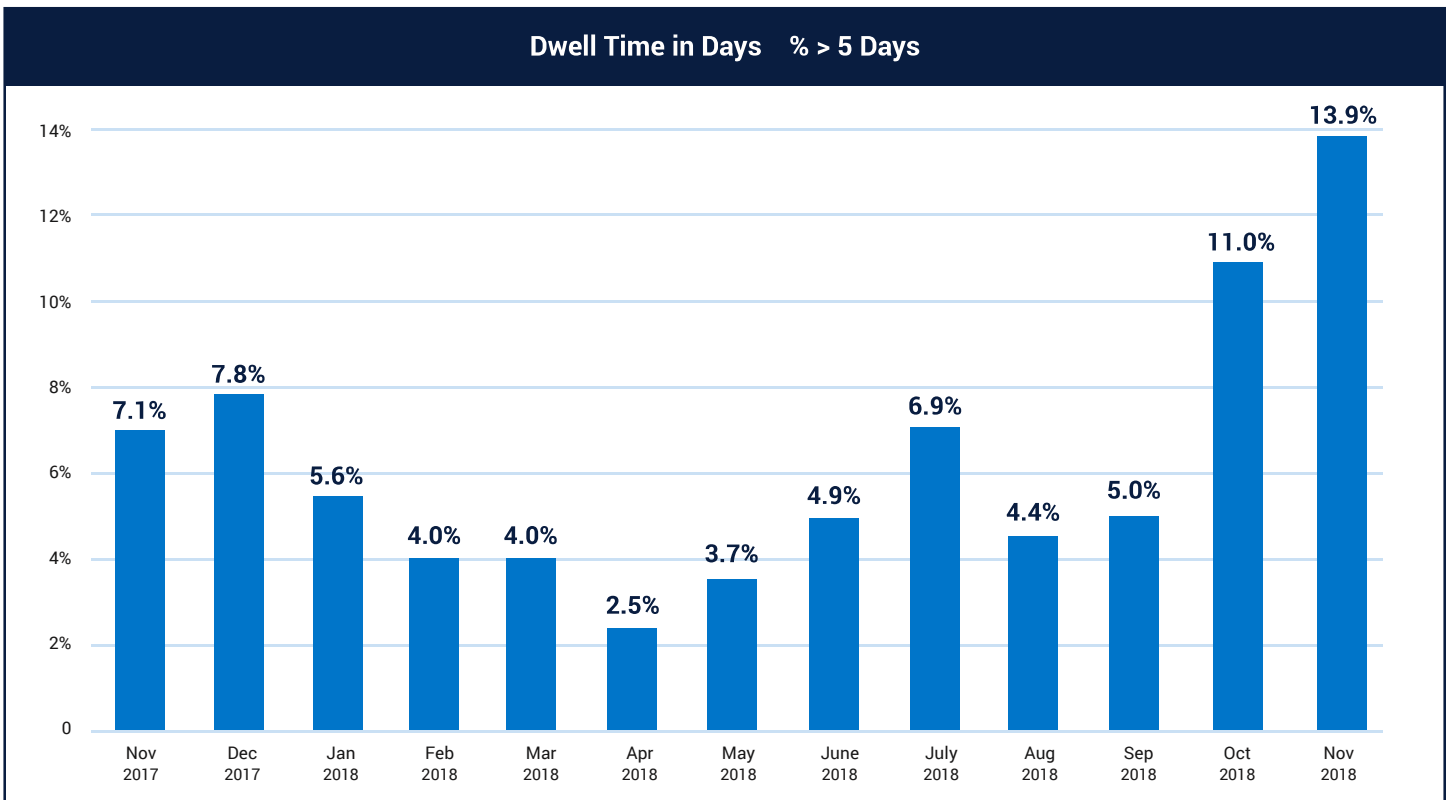
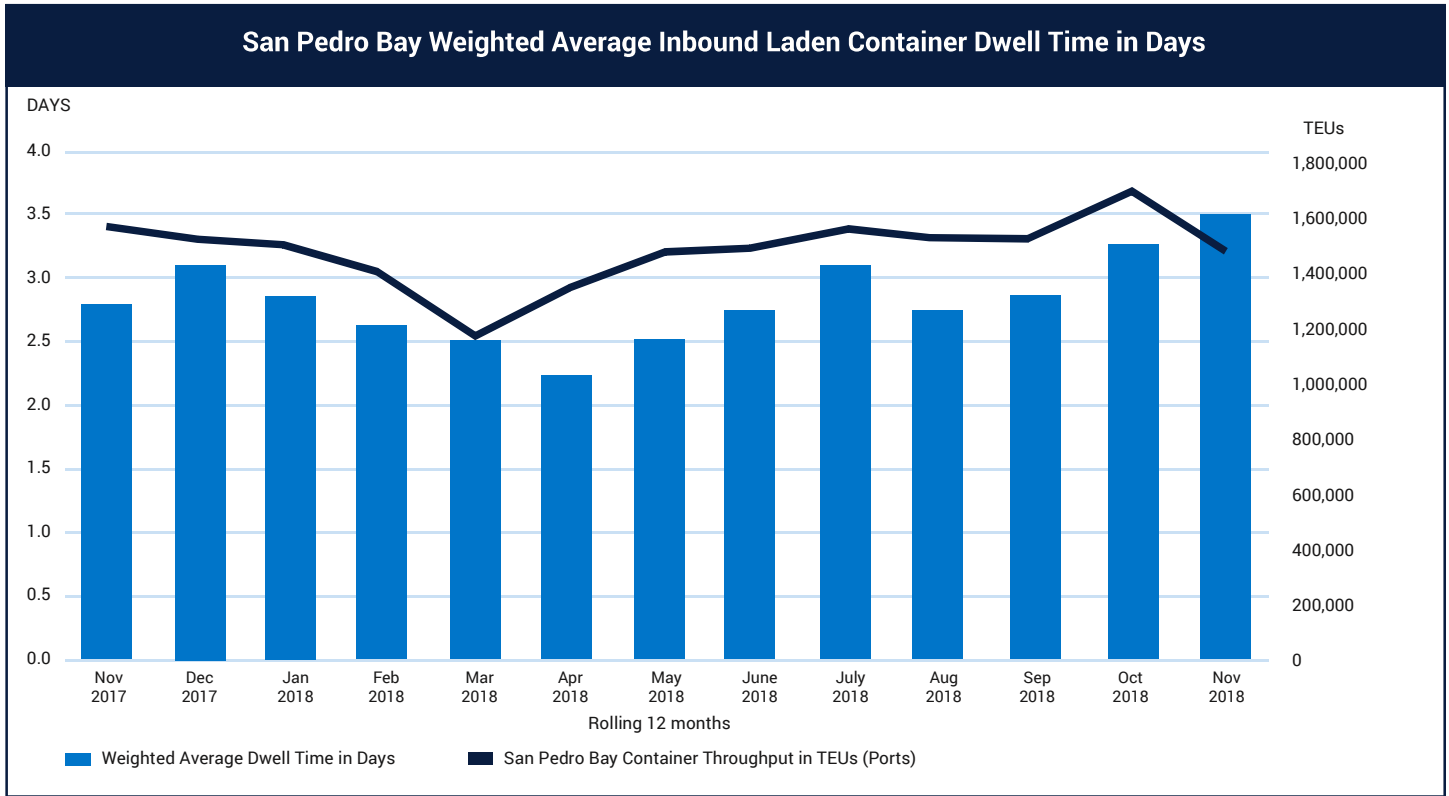


Interested in membership in PMSA?

Contact Laura Germany for details at: lgermany@pmsaship.com or 510-987-5000.



November Dwell Time Numbers Are Up





State of the Port Luncheon



Featuring

John C. Driscoll
Maritime Director
Port of Oakland



PMSA & WIL 5th Annual Luncheon

Wednesday, January 16, 2019

11:00-2:00pm

Scott's (Pavillion)

Jack London Square, Oakland, CA

Register Today

Members	\$70
Non-Member	\$80
Gold Sponsor	\$900
Platinum Sponsor	\$1800

Register on-line here

or send check to
Women in Logistics
c/o Helene Bunch
1056 Stoneybrook Drive
Martinez, CA 94553

SPONSOR BENEFITS:

- Seating (Platinum two tables of ten / Gold one table of ten)
- Table signage
- Recognition during luncheon
- Inclusion of name and logo on printed materials
- Inclusion of name and logo in on-line promotions
- Charitable contribution – WIL's Scholarship Fund and the PMSA Foundation

GOLD SPONSORS



Clyde & Co

PMSA Copyright © 2018

It is prohibited by law to forward this publication to any other person or persons. This material may not be re-published, broadcast, rewritten or distributed without written permission from PMSA.

Follow PMSA on Twitter @PMSAShip and Facebook.

State of Washington
Pilotage Commission
December 13, 2018

Grays Harbor District Report

Arrivals YTD November 30, 2018 were 105 for a total of 270 jobs. We had 11 arrivals for the month of November for 25 jobs. Capt. White continues to carry the duty watch and will continue on duty until Capt. D'Angelo's return. We anticipate 11 arrivals in December.

On outbound RoRo today the helo service was unexpectedly curtailed so Capt. White will disembark in PA on 12/13.

Capt. D'Angelo is hoping to return mid-February or early March.

Activity Report

Grays Harbor Navigation Channel Dredging

Deepening will be completed 12/15/18 then contractor, American Construction will switch over to Terminal 2 to hit some high spots. Then they will return after the holidays to finish up the other berth maintenance.

HME is working strictly on USACE channel maintenance and will be hard pressed to get that completed by close of fish window Feb. 15, 2019.

Marina Dredging

Entrances completed. Balance of Marina dredging will be done in 2019.

Pilot Boat Repairs 2018

Annual maintenance to the Pilot Boat "Chehalis" was completed last week and the boat is back in the water in service. Work completed this year is outlined below-

- Haul-out, pressure wash and clean hull, prime and paint below waterline, replace zincs, inspect wheel, rudder and repack the shaft stuffing box
- Sandblasting and painting of the deck
- Replacing wasted steel on deck
- Clean and inspect all hatch covers
- Repair rust areas around window and portholes
- Repair mounts for pilot boarding platforms
- Install LED Lighting

Items requested by Waypoint Marine Surveyors from 7/19/2018 Survey included a list of conditions found that were included in this year's work-

1. Forecastle void, deck frame member 1, 2, 4 at stem found distorted from prior impact. Crop out damage frames and install new.

2. Vessel ground tackle rust. Remove quick link and replace with new, inspect chain and wire rode and replace as necessary.
3. At exhaust uptake, cross support for exhaust stacks with corrosion and fatigue to the lower steel angle, that is attached to the cowling interior. Fabricate new piece and install. (C/O in process due to extra work required from conditions found)
4. 4" outflow pipe with evidence of wastage at bottom of 90-degree elbow at coupling. Replace with new.
5. Portside engine room vent cap, missing and wrap in plastic with evidence of water incursion. Install new cap.
6. Forward Lexan windows with stress crazing at upper flange. Place with new. (C/O in process for corrected materials. Windows are not Lexan)
7. Install Port provided cameras (NIC)

New pilot boat specifications have been updated and next step is to hire a broker to assist locating a suitable addition to Pilot launch services.

Business Development



PROPOSED RULE MAKING

CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: November 19, 2018

TIME: 9:49 AM

WSR 18-23-076

Agency: Board of Pilotage Commissioners

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 18-19-057 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____ ; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 363-116-078 Training Program and WAC 363-116-080 Licensing of Pilots

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
January 17, 2019	10:00am	2901 Third Avenue, 1 st Floor Agate Conference Room	

Date of intended adoption: January 17, 2019 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name: Sheri J. Tonn, Chair

Address: 2901 Third Avenue, Suite 500, Seattle, WA 98121

Email: BeverJ@wsdot.wa.gov

Fax: (206) 515-3906

Other:

By (date) January 10, 2019

Assistance for persons with disabilities:

Contact Jolene Hamel

Phone: (206) 515-3904

Fax: (206) 515-3906

TTY:

Email: HamelJ@wsdot.wa.gov

Other:

By (date) January 10, 2019

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The proposed rule changes are intended to codify several Statements of Policy enacted by the Board including policies concerning the training program stipend, conning quizzes and local knowledge exams, and the length of the training program in the Puget Sound Pilotage District, modernize the training program rules to better align with current Board practices and recent enhancements, improve the alignment between WAC 363-116-078 and WAC 363-116-080, and clarify existing language.

Reasons supporting proposal: Stakeholder comments are welcome and will continue to be considered.

Statutory authority for adoption: Chapter 88.16 RCW

Statute being implemented: Chapter 88.16. RCW

Is rule necessary because of a:

Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No

If yes, CITATION:

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: The Board has received the proposed amendments from the Trainee Evaluation Committee favoring the adoption of these new rules. The Board's WAC/Legislative Committee and Assistant Attorney General reviewed the proposed changes prior to presentation to the Board.

Name of proponent: (person or organization) Board of Pilotage Commissioners Private
 Public
 Governmental

Name of agency personnel responsible for:

	Name	Office Location	Phone
Drafting: Commissioners	Board of Pilotage	2901 Third Avenue, Seattle, WA 98121	(206) 515-3904
Implementation: Commissioners	Board of Pilotage	2901 Third Avenue, Seattle, WA 98121	(206) 515-3904
Enforcement: Commissioners	Board of Pilotage	2901 Third Avenue, Seattle, WA 98121	(206) 515-3904

Is a school district fiscal impact statement required under RCW 28A.305.135? Yes No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?

Yes: A preliminary cost-benefit analysis may be obtained by contacting:
Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

No: Please explain: RCW 34.05.328 does not apply to the adoption of these rules. The Washington State Board of Pilotage Commissioners is not a listed agency in RCW 34.05.328(5)(a)(i)

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

- RCW 34.05.310 (4)(b) (Internal government operations)
- RCW 34.05.310 (4)(c) (Incorporation by reference)
- RCW 34.05.310 (4)(d) (Correct or clarify language)
- RCW 34.05.310 (4)(e) (Dictated by statute)
- RCW 34.05.310 (4)(f) (Set or adjust fees)
- RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)

This rule proposal, or portions of the proposal, is exempt under RCW ____.

Explanation of exemptions, if necessary:

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's analysis showing how costs were calculated. _____
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name:
- Address:
- Phone:
- Fax:
- TTY:
- Email:
- Other:

Date: November 19, 2018

Name: Jaimie C. Bever

Title: Executive Director

Signature:



WAC 363-116-078 Pilot training program. After passing the written examination and simulator evaluation, pilot ~~((applicants))~~ candidates pursuing a pilot license ~~((will be put))~~ are positioned on a list for the applicable pilotage district(s) and must enter and successfully complete a training program specified by the board before consideration for licensure.

(1) Notification. Pilot ~~((applicants))~~ candidates on a list as described in subsection (2) of this section, waiting to enter a training program shall provide the board with ~~((a current))~~ the best address ~~((to be used))~~ for notification ~~((for entry))~~ to enter into a training program. ~~((Such address shall be a place at which mail is delivered.))~~ In addition, a pilot ~~((applicant may))~~ candidate shall provide the board with other means of contact such as ~~((a))~~ postal mailing or email address, phone number, and/or fax number~~((, and/or an email address))~~. The ~~((mailing))~~ email address ~~((will))~~ with a read receipt request, however, will be considered the primary means of notification by the board. It will be the responsibility of the pilot ~~((applicant))~~ candidate to ensure ~~((that))~~ the board has ~~((a))~~ current ~~((mailing address))~~ contact information at all times. If a pilot ~~((applicant))~~ candidate cannot personally receive ~~((mail))~~ postal or electronic mail at the ~~((address))~~ address(es) provided to the board for any period of time, another person may be designated in writing ~~((with a notarized copy to the board))~~ as having power of attorney specifically to act in the pilot ~~((applicant's))~~ candidate's behalf regarding such notice. If notice sent to the email address provided by the pilot ~~((applicant))~~ candidate is not acknowledged after three attempts or if notice sent via certified mail is returned after three attempts to deliver, that pilot ~~((applicant))~~ candidate will be skipped and the next pilot ~~((applicant))~~ candidate on the list will be contacted for entry into a training program. A person so skipped will remain next on the list. A pilot ~~((applicant))~~ candidate or his/her designated attorney-in-fact shall respond within fifteen calendar days of receipt of notification to accept, refuse, or request a delayed entry into a training program.

(2) Entry. At such time that the board chooses to start a pilot ~~((applicant or applicants))~~ candidate or candidates in a training program for ~~((a))~~ either pilotage district, notification shall be given as provided in ~~((this section))~~ subsection (1) of this section. Pilot ~~((applicants))~~ candidates shall be ranked in accordance with a point system established by the board ~~((to assess))~~ based on overall performance on the written examination and simulator evaluation. ~~((Applicants))~~ Candidates shall be eligible to enter a training program for a pilotage district in the order of such rankings or as otherwise may be determined by the board. A pilot ~~((applicant))~~ candidate who refuses entry into a program will be removed from the waiting list with no further obligation by the board to offer a position in that district's training program to such pilot ~~((applicant))~~ candidate. If the pilot ~~((applicant applied for a license))~~ candidate indicated interest in the other pilotage district ((when applying)) on the application for the written examination, the ~~((applicant))~~ candidate shall remain available for that other district's training program in accordance with his/her position on that list.

(a) A pilot (~~(applicant)~~) candidate who is not able to start a training program within two months of the board's specified entry date may, with written consent of the board, delay entry into that training program. When (~~an applicant~~) a pilot candidate delays entry into a training program by more than two months, the board (~~(will)~~) gives notice to the next pilot (~~(applicant)~~) candidate on the list for that pilotage district to enter a training program. The pilot (~~(applicant)~~) candidate who delays entry(~~(r)~~) shall remain eligible for the next position in that district(~~(r)~~) provided that the next position becomes available within the earlier of:

(i) Four years from the pilot (~~(applicant's)~~) candidate's taking the written examination; or

(ii) The date scheduled for the next pilotage examination for the district.

(b) A pilot (~~(applicant)~~) candidate not able to start in a training program within two months of the board's specified entry date and who does not obtain the board's written consent to delay entry into a training program shall no longer be eligible for that district's training program without retaking the examination provided in WAC 363-116-076 and the simulator evaluation provided in WAC 363-116-077.

(3) Training license. Prior to receiving a training license pilot (~~(applicants)~~) candidates must pass a physical examination by a board-designated physician and in accordance with the requirements of WAC 363-116-120 for initial pilot (~~(applicants)~~) candidates. A form provided by the board must be completed by the physician and submitted to the board along with a cover letter indicating the physician's findings and recommendations as to the pilot (~~(applicant's)~~) candidate's fitness to pilot. The physical examination must be taken not more than ninety days before issuance of the training license. Holders of a training license will be required to pass a general physical examination annually within ninety days prior to the anniversary date of that training license. Training license physical examinations will be at the expense of the pilot (~~(applicant)~~) candidate. All training licenses shall be signed by the chairperson or his/her designee and shall have an expiration date. Training licenses shall be surrendered to the board upon completion or termination of the training program.

(4) Development. As soon as practical after receiving notification of eligibility for entry into a training program as set forth in this section, the pilot (~~(applicant shall meet with)~~) candidate shall provide a completed experience questionnaire to the trainee evaluation committee (TEC) ((for the purpose of devising a training program for that pilot applicant)), a committee created per subsection (11) of this section. The training program (~~(shall be tailored to the ability and experience of the individual pilot applicant and shall)~~) consists of three phases: Observation trips, training trips, and evaluation trips, and such other forms of learning and instruction that may be designated. The TEC shall recommend a training program for adoption by the board. After adoption by the board, it will be presented to the pilot (~~(applicant)~~) candidate. If the pilot (~~(applicant)~~) candidate agrees in writing to the training program, the board shall issue a training license to the pilot (~~(applicant)~~) candidate, which license shall authorize the pilot (~~(applicant)~~) candidate to take such actions as are contained in the training program. If the pilot (~~(applicant)~~) candidate does not agree to the terms of a training program, in writing, within fifteen business days of it being (~~(mailed to the applicant)~~) received by certified mail((r)) return receipt, or by email read receipt requested, that pilot (~~(applicant)~~) candidate shall no

longer be eligible for entry into that pilotage district's training program and the board may give notice to the next available pilot (~~(applicant)~~) candidate that he/she is eligible for entry into a training program pursuant to the terms in subsections (1) and (2) of this section.

(5) Initial assigned route.

(a) The (~~(trainee evaluation committee (TEC))~~) TEC shall assign an initial route to each trainee at the beginning of his/her training program between a commonly navigated port or terminal and the seaward boundary of the pilotage district (~~(to each trainee at the beginning of his/her training program)~~).

(b) Unless an extension of time is granted by the board, within eight months of the beginning of the training program if the trainee is continuously on stipend (~~(or within fifteen months of the beginning of the training program if the trainee is not on stipend)~~), plus an additional month for every month a trainee is off stipend (up to a maximum of fifteen months), the trainee must:

(i) Take and pass with a minimum score of eighty percent all conning quizzes provided by the board applicable to the initial assigned route as described in subsection (8) of this section. These quizzes (~~(can)~~) may be repeated as necessary(~~(r)~~) provided that they may not be taken more than once in any seven-day period, and further provided that they must be successfully passed (~~(before the expiration date)~~) within the time period specified in (b) of this subsection; and

(ii) Take and pass with a minimum score of eighty-five percent the local knowledge (~~(examinations)~~) examination(s) provided by the board applicable to the initial assigned route as described in subsection (8) of this section. These examinations can be repeated as necessary(~~(r)~~) provided that they may not be taken more than once in any seven-day period, and further provided that they must be successfully passed before the expiration date time period specified in (b) of this subsection; and

(iii) Possess a first class pilotage endorsement without tonnage or other restrictions on his/her United States Coast Guard license to pilot on the initial assigned (~~(initial)~~) route.

(6) Specification of trips. To the extent possible, a training program shall provide a wide variety of (~~(assignments,r)~~) assigned requirements in three phases: Observation, training, and evaluation trips. A training program may contain deadlines for achieving full or partial completion of certain necessary actions. Where relevant, it may specify such factors as route, sequence of trips, weather conditions, day or night, stern or bow first, draft, size of ship and any other relevant factors. The board may designate specific trips or specific numbers of trips that shall be made with training pilots or with the pilot members of the (~~(trainee evaluation committee (TEC))~~) TEC or with pilots (~~(of specified experience)~~) designated by the TEC. In the Puget Sound pilotage district, pilot trainees shall complete a minimum of one hundred fifty trips. The board shall set from time to time the minimum number of trips for pilot trainees in the Grays Harbor pilotage district. The total number of trips in a training program shall be established by the board based on the recommendation of the TEC. The board will ensure that during a training program the pilot trainee will get significant review by (~~(training)~~) supervising pilots and the pilot members of the TEC or with pilots designated by the TEC.

(7) Length of training program. (~~(The board shall set the minimum length of a training program provided that it will not be less than eight months in the Puget Sound pilotage district.)~~) For the Puget

Sound district the length of the program shall not exceed thirty-six months. For the Grays Harbor district the length of the program will be determined at the time the training program is written.

(8) Local knowledge conning quizzes and local knowledge exams. A training program shall provide opportunities for the education of pilot trainees and shall provide for testing of pilot trainees on the local knowledge necessary to become a pilot. ~~((This education program shall be developed by the trainee evaluation committee (TEC) and recommended to the board for adoption, in the form of a policy statement, and shall be tailored to the needs of the individual pilot trainee.))~~ It shall be the responsibility of the pilot trainee to obtain the local knowledge necessary to be licensed as a pilot in the pilotage district for which he/she is applying. ~~((Prior to the completion of a training program, the board, or its designee, may give such local knowledge examination(s) as it deems appropriate to the pilot trainees who shall be required to pass such examination(s) before completing a training program. The TEC may require a pilot trainee to sit for a local knowledge examination provided the TEC informs the pilot trainee in writing sixty days in advance of the scheduled date of the examination. Failure to sit for the examination on the date scheduled may constitute cause for removal from the training program. The TEC may also establish in writing such interim performance requirements as it deems necessary. These local examinations can be repeated as necessary, except that an examination for the same local area may not be taken more than once in any seven-day period and all required local knowledge examinations must be successfully passed before the expiration date of the training program.))~~ Each conning quiz will be organized by main channel routes, ports, and approaches. A conning quiz is not intended to replace a local knowledge exam as specified in subsection (5)(b)(ii) of this section, but there will be some overlap of subject matter. A pilot trainee shall pass a conning quiz or quizzes related to the route or harbor area to move from the observation phase to the training phase of his/her training program for that route or harbor area. After a trainee has successfully passed a conning quiz on a main channel route or a port and approach, he/she will be eligible to take the conn on that route or approach unless it is a U.S. flag vessel and the required federal pilotage endorsement has not been obtained. The local knowledge exam for the initial route must be completed within eight months of the training start date if the trainee is taking the stipend. For each month the trainee is off stipend, an additional month is added up to a maximum of fifteen months to successfully pass the appropriate local knowledge exam. The final local knowledge exam must be completed before consideration for licensing and must be successfully passed before the expiration date of the training program. The conning quizzes and local knowledge exams will be administered at the offices of the board of pilotage commissioners. Eighty percent is the passing grade for conning quizzes, and eighty-five percent is required for the local knowledge exams. If a trainee fails a conning quiz or local knowledge exam, it may be retaken after seven days, but must be passed within the timing deadlines discussed above. The local knowledge required of a pilot trainee and the local knowledge examination(s) may include the following subjects as they pertain to the pilotage district for which the pilot trainee seeks a license:

(a) Area geography;

(b) Waterway configurations including channel depths, widths and other characteristics;

- (c) Hydrology and hydraulics of large ships in shallow water and narrow channels;
 - (d) Tides and currents;
 - (e) Winds and weather;
 - (f) Local aids to navigation;
 - (g) Bottom composition;
 - (h) Local docks, berths and other marine facilities including length, least depths and other characteristics;
 - (i) Mooring line procedures;
 - (j) Local traffic operations e.g., fishing, recreational, dredging, military and regattas;
 - (k) Vessel traffic system;
 - (l) Marine VHF usage and phraseology, including bridge-to-bridge communications regulations;
 - (m) Air draft and keel clearances;
 - (n) Submerged cable and pipeline areas;
 - (o) Overhead cable areas and clearances;
 - (p) Bridge transit knowledge - Signals, channel width, regulations, and closed periods;
 - (q) Lock characteristics, rules and regulations;
 - (r) Commonly used anchorage areas;
 - (s) Danger zone and restricted area regulations;
 - (t) Regulated navigation areas;
 - (u) Naval operation area regulations;
 - (v) Local ship assist and escort tug characteristics;
 - (w) Tanker escort rules - State and federal;
 - (x) Use of anchors and knowledge of ground tackle;
 - (y) Applicable federal and state marine and environmental safety law requirements;
 - (z) Marine security and safety zone concerns;
 - (aa) Harbor safety plan and harbor regulations;
 - (bb) Chapters 88.16 RCW and 363-116 WAC, and other relevant state and federal regulations in effect on the date the examination notice is published pursuant to WAC 363-116-076; and
 - (cc) Courses in degrees true and distances in nautical miles and tenths of miles between points of land, navigational buoys and fixed geographical reference points, and the distance off points of land for such courses as determined by parallel indexing along pilotage routes.
- (9) Rest. It is the ~~((pilot trainee's))~~ responsibility ~~((to provide adequate rest time so that he/she is fully able to pilot on training trips. Pilot trainees shall not take pilot training trips in which they will be piloting the vessel without observing))~~ of the pilot trainee to obtain adequate rest. Pilot trainees shall observe the rest rules for pilots in place by federal or state law or regulation and rules established in the applicable pilotage district in which they will train, or any other rest requirements contained in a training program. ((For purposes of calculating rest required before a training trip in which the pilot trainee will be piloting after an observation trip in which the pilot trainee did not pilot the vessel, such observation trip shall be treated as though it had been a normal pilot training assignment.))
- (10) Stipend.
- (a) At the initial meeting with the ~~((trainee evaluation committee (TEC)))~~ TEC the pilot trainee shall indicate whether he/she wishes to receive a stipend during their training program. In the Puget Sound pilotage district, as a condition of receiving such stipend, pilot trainees will agree to forego during their training program other

full- or part-time employment which prevents them from devoting themselves on a full-time basis to the completion of their training program. With the consent of the ~~((board and, if necessary, the restructuring of their training program))~~ TEC, pilot trainees may elect to change from a stipend to nonstipend status, and vice versa, during their training program provided that such change request is provided in writing from the trainee. If the trainee intends to be in nonstipend status more than four consecutive months, his/her particular training program may be constructed to provide recency and/or a change in seniority placement prior to resuming the training program. In the Puget Sound pilotage district the stipend paid to pilot trainees shall be a maximum of six thousand dollars per month (or such other amount as may be set by the board from time to time), shall be contingent upon the board's setting of a training surcharge in the tariffs levied pursuant to WAC 363-116-300 sufficient to cover the expense of the stipend, and shall be paid from a pilot training account as directed by the board ~~((and pursuant thereto shall be paid to pilot trainees as set forth below:~~

~~(b))~~). In the Grays Harbor pilotage district the stipend paid to pilot trainees shall be determined by the board and shall be contingent upon the board's receipt of funds, from any party collecting the tariff or providing funds, sufficient to cover the expense of the stipend and shall be paid from a pilot training account as directed by the board ~~((and pursuant thereto shall be paid to pilot trainees as set forth below:))~~.

Determinations as to stipend entitlement will be made on a full calendar month basis and documentation of trips will be submitted to the board by the ~~((fifth))~~ third day of the following month. Proration of the stipend ~~((will be paid on an all or nothing basis for each month except that prorations))~~ shall be allowed at the rate of two hundred dollars per day (or such other amount as may be set by the board from time to time), under the following circumstances:

(i) For the first and last months of a training program (unless the training program starts on the first or ends on the last day of a month); or

(ii) For a pilot trainee who is deemed unfit for duty by a board-designated physician during a training month ~~((; or~~

~~((iii) For a pilot trainee who requests a change from a nonstipend status to a stipend status, or from a stipend status to a nonstipend status as set forth in (g) of this subsection)).~~

~~((e))~~ (b) In the Puget Sound pilotage district a minimum of ~~((eighteen))~~ twelve trips are required each month for eligibility to receive the ~~((stipend))~~ minimum stipend amount as set by the board, or eighteen trips to receive the maximum stipend amount as set by the board. A trainee may make more than eighteen trips in a calendar month, but no further stipend will be earned for doing so. In the Grays Harbor pilotage district the minimum number of trips each month for eligibility to receive the stipend is seventy percent or such number or percentage of trips that may be set by the board of the total number of vessel movements occurring in this district during that month. Only trips required by the training program can be used to satisfy these minimums. Trips will be documented at the end of each month.

~~((d))~~ (c) The TEC will define areas that are considered to be hard-to-get, which many differ for trainees depending on their date of entry. It is the pilot trainee's responsibility to make all available hard-to-get trips ~~((before the end of the training program. If a~~

~~training program is extended due to a failure to get all of these trips)), as defined and assigned by the TEC. The board may elect not to pay the stipend if the missing trips were available to the pilot trainee but not taken.~~

~~((e))~~ (d) The TEC, with approval by the board may allocate, assign or specify training program trips among multiple pilot trainees. Generally, the pilot trainee who entered his/her training program earlier has the right of first refusal of training program trips provided that the TEC may, with approval by the board, allocate or assign training trips differently as follows:

(i) When it is necessary to accommodate any pilot trainee's initial route;

(ii) When it is necessary to spread hard-to-get trips among pilot trainees so that as many as possible complete required trips on time. If a pilot trainee is deprived of a hard-to-get trip by the TEC, that trip will not be considered "available" under (c) of this subsection. However, the pilot trainee will still be required to complete the minimum number of trips for the month in order to receive a stipend, and the minimum number of trips as required to complete his/her training program;

~~((f))~~ (e) If a pilot trainee elects to engage in any full-or part-time employment, the terms and conditions of such employment must be submitted to the TEC for prior determination by the board of whether such employment complies with the intent of this section prohibiting employment that "prevents (pilot trainees) from devoting themselves on a full-time basis to the completion of the training program."

~~((g))~~ (f) If a pilot trainee requests to change to a nonstipend status as provided in this section such change shall be effective for a minimum nonstipend period of thirty days beginning at the beginning of a month, provided that before any change takes effect ~~((the board and)), a request is made to the TEC in writing. The requirement for designated hard-to-get trips is waived during the time the pilot trainee ((must agree in writing on the terms of a revised training program)) is authorized to be in nonstipend status.~~

~~((h))~~ (g) Any approved pilot association or other organization collecting the pilotage tariff levied by WAC 363-116-185 or 363-116-300 shall transfer the pilot training surcharge receipts to the board at least once a month or otherwise dispose of such funds as directed by the board. In the Grays Harbor pilotage district, if there is no separate training surcharge in the tariff, any organization collecting the pilotage tariff levied by WAC 363-116-185 shall transfer sufficient funds to pay the stipend to the board at least once a month or otherwise dispose of such funds as directed by the board. The board may set different training stipends for different pilotage districts. Receipts from the training surcharge shall not belong to the pilot providing the service to the ship that generated the surcharge or to the pilot association or other organization collecting the surcharge receipts, but shall be disposed of as directed by the board. Pilot associations or other organizations collecting surcharge receipts shall provide an accounting of such funds to the board on a ~~((quarterly))~~ monthly basis or at such other intervals as may be requested by the board. Any audited financial statements filed by pilot associations or other organizations collecting pilotage tariffs shall include an accounting of the collection and disposition of these surcharges. The board shall direct the disposition of all funds in the account.

(11) Trainee evaluation committee. There is hereby created a trainee evaluation committee (TEC) to which members shall be appointed by the board. The TEC shall include at a minimum: Three active licensed Washington state pilots, who, to the extent possible, shall be from the pilotage district in which the pilot trainee seeks a license and at least one of whom shall be a member of the board; one representative of the marine industry (who may be a board member) who holds, or has held, the minimum U.S. Coast Guard license required by RCW 88.16.090; and one other member of the board who is not a pilot. The TEC may include such other persons as may be appointed by the board. The TEC shall be chaired by a pilot member of the board and shall meet as necessary to complete the tasks accorded it. In the event that the TEC cannot reach consensus with regard to any issue it shall report both majority and minority opinions to the board.

(12) ~~((Training))~~ Supervising pilots. The board shall designate as ~~((training))~~ supervising pilots those pilots who are willing to undergo such specialized training as the board may require and provide. ~~((Training))~~ Supervising pilots shall receive such training from the board to better enable them to give guidance and training to pilot trainees and to properly evaluate the performance of pilot trainees. The board shall keep a list of ~~((training))~~ supervising pilots available for public inspection at all times. All pilot members ~~((of the trainee evaluation committee (TEC)))~~ TEC shall also be ~~((training))~~ supervising pilots.

(13) ~~Training ((and assessment. Before, during and after a pilot trainee pilots a vessel under the supervision of a pilot on a training trip, the supervising pilot shall, to the extent possible, communicate with and give guidance to the pilot trainee in an effort to make the trip a valuable learning experience. On an evaluation trip, this communication will normally occur after completion of the trip))~~ program trip reports. After each training program trip, the licensed or supervising pilot shall complete a training program trip report form (TPTR) provided by the board. ~~((Trip report forms prepared by licensed pilots who are not))~~ Training program trip report forms prepared by licensed pilots who are supervising pilots shall be used by the ~~((trainee evaluation committee (TEC)))~~ TEC and the board for assessing a pilot trainee's progress, providing guidance to the pilot trainee and for making alterations to a training program. ~~((The use of trip report forms prepared by))~~ licensed pilots who are not ~~((training pilots))~~ shall be appropriately weighed by the board and the TEC when making licensing decisions and recommendations)) supervising pilots may only have trainees on board for observation trips. All trip report forms shall be delivered or mailed by the licensed or supervising pilot to the board. They shall not be given to the pilot trainee. The licensed or supervising pilot may show the contents of the form to the pilot trainee, but the pilot trainee has no right to see the form until it is filed with the board. The TEC shall review these training program trip report forms from time to time and the chairperson of the TEC shall report the progress of all pilot trainees at each meeting of the board. If it deems it necessary, the TEC may recommend, and the board may make, changes from time to time in the training program requirements applicable to a pilot trainee, including the number of trips in a training program.

(14) Termination of and removal from a training program. A pilot trainee's program may be immediately terminated and the trainee removed from a training program by the board if it finds any of the following:

(a) Failure to maintain the minimum federal license required by RCW 88.16.090;

(b) Conviction of an offense involving drugs or involving the personal consumption of alcohol;

(c) Failure to devote full time to training in the Puget Sound pilotage district ~~((if))~~ while receiving a stipend;

(d) The pilot trainee is not physically fit to pilot;

(e) Failure to make satisfactory progress toward timely completion of the program or timely meeting of interim performance requirements in a training program;

(f) Inadequate performance on examinations or other actions required by a training program;

(g) Failure to complete the initial route requirements specified in subsection (5) of this section within the time periods specified;

(h) Inadequate, unsafe, or inconsistent performance in a training program and/or on training program trips as determined by the supervising pilots, the ~~((trainee evaluation committee (TEC)))~~ TEC and/or the board; or

(i) Violation of a training program requirement, law, regulation or directive of the board.

(15) Completion of a training program shall include the requirements that the pilot trainee:

(a) Successfully ~~((and timely complete the))~~ complete all requirements set forth in the training program including any addendum(s) to the program;

(b) Possess a valid first class pilotage endorsement without tonnage or other restrictions on his/her United States government license to pilot in all of the waters of the pilotage district in which the pilot ~~((applicant))~~ candidate seeks a license; and

(c) ~~((Successfully complete any local knowledge examination(s) required by the board and specified in the training program.))~~ Complete portable piloting unit (PPU) training as defined by the TEC.

WAC 363-116-080 Licensing of pilots. (1) No person shall be issued a pilot license until he/she has applied for a pilot license and successfully completed:

- (a) The written examination(s);
- (b) The simulator evaluation;
- (c) The pilot training program, as determined by the board;
- (d) A physical examination; and
- (e) Tendered the license fee stipulated in WAC 363-116-070.

(2) A majority of board members in attendance at a meeting where licensing of an applicant is scheduled for consideration, shall ~~((pass))~~ vote on the issuance of a pilot license. Pilot licenses shall be signed by the chairperson or his/her designee.

(3) At the time of completion of a training program as provided in WAC 363-116-078 and at the time of consideration for licensing, all applicants must provide a copy of his/her U.S. master license required by RCW 88.16.090 with a first class U.S. pilotage endorsement without tonnage or other restrictions on that U.S. master license to pilot in all of the waters of the pilotage district defined in RCW 88.16.050 in which the applicant desires to be licensed and an endorsement on that U.S. master license as a radar observer (unlimited); and a certificate representing competency in automatic radar plotting aids (ARPA).

(4) No person shall be licensed by the board who has been convicted of an offense involving drugs or the personal consumption of alcohol in the twelve months prior to the date of application. This restriction shall not apply to license renewals.

(5) After completion of a training program the trainee evaluation committee (TEC) shall review the evaluations and the pilot trainee's performance on other required aspects of the training program and ~~((make a recommendation))~~ report to the board that the pilot trainee ~~((is: Suitable for licensing; not suitable for licensing; or, in need of more training and further evaluation))~~ has or has not: Successfully completed all requirements set forth in the training program including any addendum(s) to the program. The board shall consider ~~((such recommendation))~~ training program documentation and TEC reports and may: Issue the license if there is a need for a pilot in the relevant pilotage district; ~~((require more training for the pilot trainee if necessary;))~~ deny a license if it finds that the pilot trainee should not be licensed; or, delay the issuance of a license, if there is no need for a pilot at that time in the relevant district. If the board delays the issuance of a license, it ~~((may prescribe additional training trips for the pilot trainee and continue the pilot trainee in the training program))~~ may at its discretion offer an optional program that would maintain piloting skills and knowledge and may enable stipend credit to be earned and paid. The criteria to be followed by the board in issuing or denying licenses shall include, but not be limited to: Performance in the training program; piloting and ship handling and general seamanship skills; local knowledge; and, bridge presence and communication skills.

(6) If two or more pilot trainees are deemed qualified by the board for issuance of a license at the same meeting of the board, the pilot trainee with the highest combined score on the initial written examination and simulator evaluation shall be licensed first.



Around the Docks



PGH Mission: To best utilize our resources to facilitate, enhance and stimulate international trade, economic development and tourism for the region.

Port Leadership **Barnes reappointed to State Freight Investment Board**

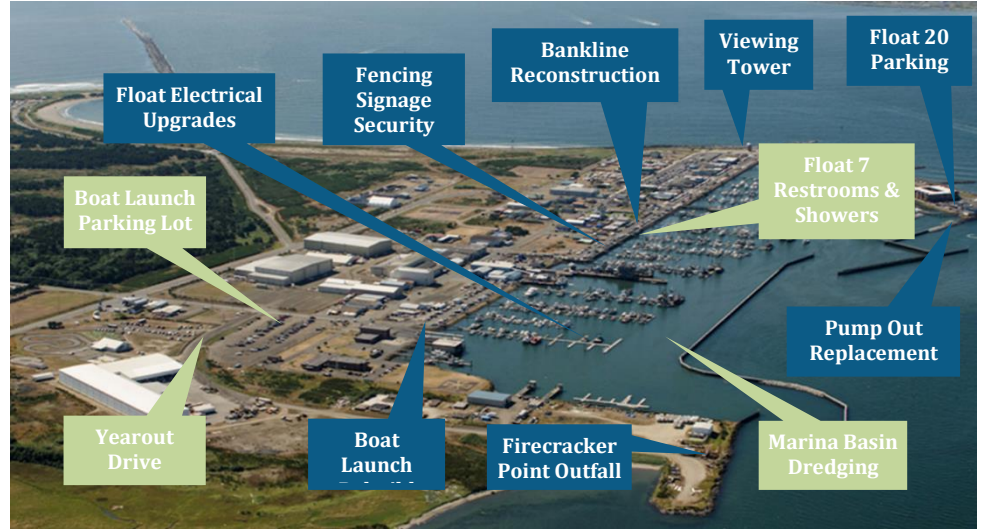
Earlier this month, Deputy Director Leonard Barnes was reappointed to the Freight Mobility Strategic Investment Board (FMSIB) for a four-year term by Washington State Governor Jay Inslee. Mr. Barnes was originally appointed to the Board in 2016 to fill a vacant position. Mr. Barnes is one of two port industry representatives on the 13-member Board. The Board is charged with creating a comprehensive and coordinated state program to facilitate freight movement throughout the state by proposing policies, projects and funding to the legislature to promote strategic investment in a statewide system.

"Having nearly 35 years of experience in the Port industry, we are confident Leonard will continue to be a voice for Ports and a strong advocate for strategic freight infrastructure investment in our State," shared Port Commission President Stan Pinnick.



Strategic Investment

Investing in our future: A decade of improvements at Westport Marina



Partnering with local, state and federal sources, the Port of Grays Harbor will have invested more than \$20 million in critical infrastructure serving a diverse user base at the Westport Marina since 2008.

Of the Port of Grays Harbor's seven lines of business, the Westport Marina is by far the most unique. The Marina supports a diverse user group consisting of annual moorage holders, upland leases, in-water leases, boat launch users and transient moorage customers, along with thousands of tourists visiting each year.

Keeping the Marina and its various assets maintained takes strategic planning and investment. Since 2008, the Port, along with local, state and federal partners, has invested more than \$20 million in infrastructure that supports the various marina users including commercial and recreational fishermen, seafood processors and tourists.

"Our strategic infrastructure

investments over the past 10 years and those scheduled for next year will position the Westport Marina to serve our customers well into the future," noted Westport Marina Business Manager Molly Bold.



Westport Marina 2019 Projects

- Marina Dredging
- Float 7 Restroom & Showers
- Boat Launch Parking Lot Improvements
- Yearout Drive Paving

Fiscal responsibility results in clean audit for 2017



The Port of Grays Harbor accounting team members Aric Cleverly, BethAnn LaPresta, Tracy Ewing, Janet Blackmun-Johnson, Lisa Benn and Mike Folkers earned a clean audit report for 2017.

The Port of Grays Harbor earned a clean audit report from the Washington State Auditor's Office.

The accountability and financial statement audits for 2017 included many aspects of Port business such as payroll expenditures, accounts payable disbursements, marine terminals billings, State grant compliance, and general revenues and expenditures.

"The Port Commissioners and I are very proud of our dedicated staff

and their commitment to serving the public with attention to detail and fiscal responsibility," reports Gary Nelson. "Our partners, including our customers and our state and federal funding sources, recognize this annual achievement as a measure of whether to invest in our community."

The Port of Grays Harbor's full audit report is available on the Washington State Auditor's website, www.sao.wa.gov.

Funding our future: Port Commission sets 2019 budget priorities

Investment, jobs and public access will again be the focus of the Port of Grays Harbor Commission's 2019 budget. At its November meeting, the Commission approved a \$42 million 2019 Operating and Capital Budget.

The Port's operating divisions are projected to generate \$32.8 million in business revenue from the operations of the Industrial Properties, Marine Terminals, Westport Marina, Satsop Business Park and Bowerman Airport. Leveraging key local, state and federal partnerships, \$6 million in grants are projected to finance major infrastructure improvements

such as dredging of the Westport Marina, a drainage project at Bowerman Airport, Westport boat launch parking lot enhancements, and industrial property road maintenance.

"2019 looks to be very similar to the last two years. Our strategic investments, cash management and aggressive cost management practices provide the value proposition that our customers have come to expect to support their continued growth. That growth supports a robust regional economy," said Executive Director Gary Nelson.

Calendar

December 7	<i>Tegea @ T2</i> <i>Garnet Leader @ T4</i>
December 11	PGH Commission Meeting, PGH Offices @ 9am
December 16	<i>Senorita @ T2</i> <i>Federal Ibuki @ T2</i>
December 17	<i>Capricornus Leader @ T4</i>
December 18	Special Commission Meeting, PGH Offices @ 3:30pm <i>Kokuka Glorious @ T1</i>
December 24-25	PGH Offices Closed, Christmas Observed
January 1	PGH Offices Closed, New Years Day <i>Rio Grande @ T4</i>

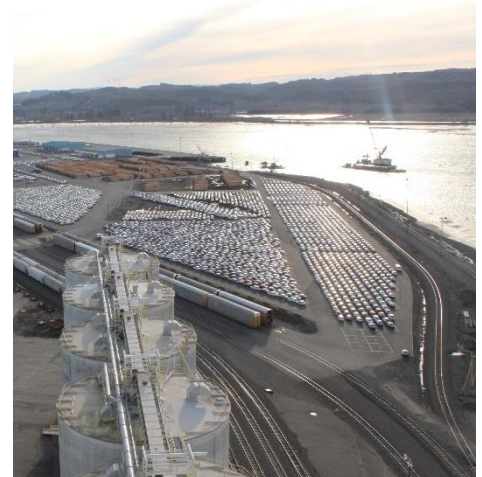
Around the Docks

is a publication of the

Port of Grays Harbor
On Washington's Pacific Coast



It is available online at
PortofGraysHarbor.com
To join our mailing list contact
Kayla Dunlap at kdunlap@portgrays.org





Around the Docks

Satsop Business Park Westport Marina Coastal Innovation Zone Bowerman Airport PGH Pilotage Services Friends Landing & Sterling Landing

PGH Mission: To best utilize our resources to facilitate, enhance and stimulate international trade, economic development and tourism for the region.

Port Leadership

Tom Quigg sworn in as District 2 Commissioner

Recently appointed Port of Grays Harbor Commissioner Tom Quigg was sworn in at the December Commission meeting.

Commissioner Quigg was selected to replace the District 2 vacancy left by the sudden passing of Jack Thompson in October.

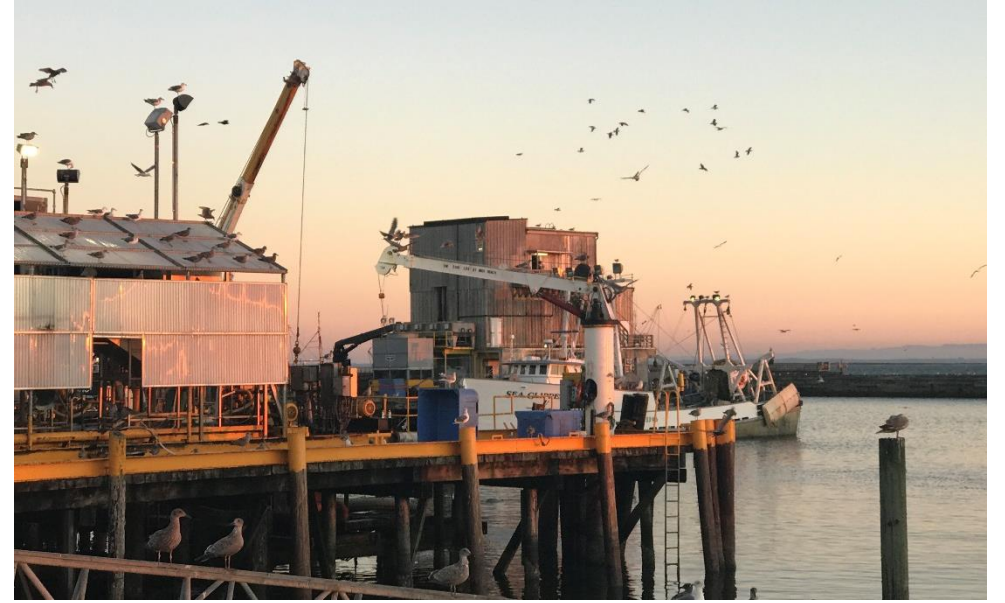
“It is an honor to be a part of the Port team and look forward to working to fulfill Jack Thompson’s legacy of making Grays Harbor a better place to live, work and do business,” stated Commissioner Tom Quigg.

Commissioner Quigg will serve until the next regularly scheduled Port Commission election in November 2019, at which time Mr. Quigg and any District 2 registered voter seeking to run for the position may stand for election for the remainder of Commissioner Thompson’s original term, ending December 31, 2023.



Economic Development

2017: 150 million pounds of seafood landed at Westport Marina



Based on NOAA 2017 Fisheries Statistics, the Westport Marina ranked 11th in the nation for pounds landed and 13th in the nation for value landed.

2017 saw more than 150 million pounds of crab, salmon, hake and other seafood landed at the Westport Marina’s docks, making it 11th in the nation for commercial seafood landings based on NOAA Fisheries Statistics. Westport also climbed to 13th in the nation in value with just over \$64 million of product landed.

With more than 250 commercial fishing vessels utilizing the Marina and five upland seafood processors, commercial fishing is an economic engine for the region, employing thousands on Washington’s Coast.

“We are incredibly proud of the hundreds of commercial fishermen that utilize and depend on the Marina’s

facilities and services for their livelihood,” shared Westport Marina Business Manager Molly Bold. “Projects planned for 2019 will continue to improve the infrastructure our fishing industry needs to thrive.”

Westport Marina **2017 Statistics**

- 150** Million Pounds
- \$64** Million in Value
- 250+** Commercial Vessels
- 5** Upland Seafood Processors

Westport's crab pot Christmas tree celebrates the seasons



A holiday tradition and a sign that the beginning of the commercial crab season is right around the corner, the crab pot Christmas tree once again brought holiday cheer to the Westport Marina Esplanade. The tree is constructed by the City of Westport, with the crab pots donated by Westport City Councilman and commercial fishermen Louis Summers and his wife, Donna.

Meanwhile, commercial vessels are busy getting ready for crab season which is scheduled to begin on January 7, 2019.

Calendar

December 29	<i>Senorita</i> @ T2
January 1	PGH Offices Closed, New Year's Day
January 3	<i>Tiger Pioneer</i> @ T4
January 5	<i>Demeter Leader</i> @ T4
January 6	<i>Vita Kovan</i> @ T2
January 7	<i>Sun VII</i> @ T2
January 8	PGH Commission Meeting, Port Offices, 9am
January 13	<i>Ocean Venture</i> @ T2
January 14	<i>Anjelique</i> @ T2
January 21	<i>GH Seabird</i> @ T2
January 24	<i>Siem Socrates</i> @ T3

Around the Docks

is a publication of the

Port of Grays Harbor
On Washington's Pacific Coast



It is available online at
PortofGraysHarbor.com

To join our mailing list contact
Kayla Dunlap at kdunlap@portgrays.org

Industry Recognition

Satsop Business Park Wastewater Treatment Plant earns Outstanding Performance Award

The Satsop Business Park wastewater treatment plant received the Washington State Department of Ecology's "Outstanding Performance Award" earlier this fall.

The award recognizes wastewater treatment plants that achieve full compliance with effluent limits, monitoring and reporting requirements, spill prevention planning, pretreatment, and overall operational demands of the National Pollutant Elimination System (NPDES) permit.

"We are proud of our wastewater treatment plant operators who are very dedicated to ensuring successful operation of the plant on daily basis," recognized Satsop Business Park Manager of Business Development Alissa Shay.



Satsop Business Park Wastewater Treatment team members Randy Edmonson, Ross Read, and Linda Foster pose for a photo with the Outstanding Performance Award.



Port of Grays Harbor

On Washington's Pacific Coast

Press Release:

January 11, 2019

Contact: Kayla Dunlap, Public Affairs Manager

kdunlap@portgrays.org or 360-533-9590

For Immediate Release

Record cargo shipments generate jobs at the Port of Grays Harbor marine terminals

Aberdeen, WA – Road, rail and deep-water access helped make 2018 a record setting year for the Port of Grays Harbor and its customers. At the Tuesday, January 8th Commission meeting, Deputy Executive Director Leonard Barnes reported that 125 ships and barges called the Port's deep-water terminals, with nearly 3 million metric tons of cargo handled, setting a new record for tonnage in the Port's 107-year history.

American grown agricultural (ag) products led volumes with nearly 2.2 million metric tons exported through Terminal 2, home of AGP's Storage and Export Facility. Directly related, a record 56 vessels called Terminal 2 to carry the record amount of product to Pacific Rim markets. And in May 2018, the facility set a record for product through-put handling more than 254,000 metric tons that month.

Liquid bulk customers REG Grays Harbor and Contanda also saw record amounts of product moving domestically, setting yet another record for the amount of liquid bulk cargo transported.

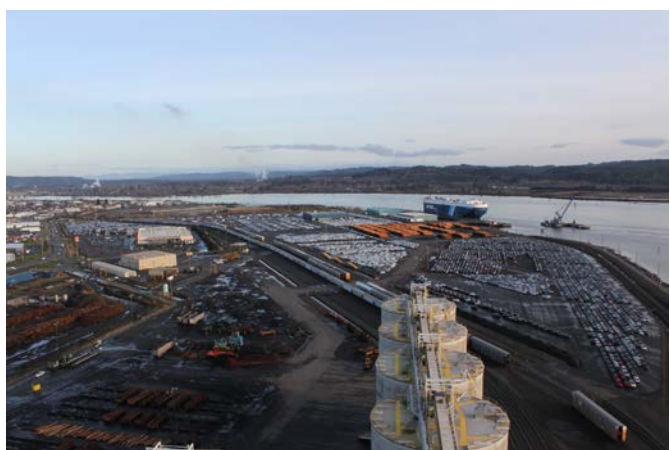
Automobiles, over-high and over-wide equipment, and logs handled at Terminal 4 rounded out the mix of record-setting cargo handled. "The diversity of our cargo base results in steady conditions for our workforce and service providers," reported Mr. Barnes.

The busy and diverse shipping activity resulted in a strong employment year for local longshore workers and trade related workers. Longshore hours worked topped 157,000 hours, a 10% increase over 2017. "It's always exciting to hear the final activity numbers for the year because we know they directly translate into jobs for our local longshore workers," shared Port Commission President Stan

Pinnick. "Our partners have done an outstanding job bringing business and employment to Grays Harbor and our local longshore workforce does a great job of handling and moving the cargo efficiently. The employment impacts do not stop at our docks; we also see an increase in work for our tug operators, rail workers, truck drivers and industrial service vendors. Increasing trade volumes are a major driver of our local economy."

While 2018 was a record setting year, opportunities for growth in 2019 look promising. "As our partners grow, so does Grays Harbor's trade volumes. The Commissioners and staff look forward to the opening of AGP's new processing facility in Aberdeen, South Dakota opening up later this year," shared Executive Director Gary Nelson. "We also welcome the possibility of further expanding the diversity of cargoes we handle here at the Port of Grays Harbor with a potential new project and investment at Terminal 3."

Founded in 1911, the Port of Grays Harbor is one of Washington State's oldest port districts and Washington's only deep-water port located directly on the Pacific Ocean. The Port of Grays Harbor operates 4 deep-water marine terminals, the Westport Marina, Bowerman Airport, Grays Harbor ship assist services, numerous public waterfront access facilities, in addition to industrial and business parks throughout the County. Strategically located midway between Seattle and Portland and only 1 ½ hours from open sea, the Port of Grays Harbor provides businesses a diverse portfolio of facilities. More information on the Port of Grays Harbor's facilities and operations is available at portofgraysharbor.com.



A record amount of cargo was handled at the Port of Grays Harbor in 2018. The majority of which, was export ag products from AGP's Storage & Export Facility at Terminal 2 (pictured right).