

2019 ANNUAL REPORT



State of Washington
Board of Pilotage Commissioners
2901 Third Avenue, Suite 500
Seattle, WA 98121

www.pilotage.wa.gov

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The following reports and manuals are the source documents for preparation of this annual report and are on file at the office of the Board of Pilotage Commissioners, 2019 Third Avenue, First Floor, Seattle, WA:

Puget Sound Pilots and Subsidiary Special-Purpose Consolidated Financial Statements & Independence Auditor's Report (Modified Accrual Basis) – 2018/2019; Port of Grays Harbor Audited Financial Information, Pilotage Services Department, Statement of Revenues & Expenses – 2018/2019; Oil Tanker Movement Reports (Puget Sound Pilotage District); LOA Zone & Earned Revenue Reports (Puget Sound Pilotage District); Quarterly Pilotage Reports (Grays Harbor Pilotage District); Quarterly Pilotage Reports; Pilotage Activity Reports

On the cover: A View of Mt. Rainier from the Port of Tacoma. Courtesy of the Port of Tacoma.

1. A MESSAGE FROM BPC CHAIR SHERI J. TONN

I am pleased to report another productive year for the Board of Pilotage Commissioners (BPC). We thank Commissioners Krombeen and Farrell for their first year of service. Long time staff member Shawna Erickson earned a well-deserved retirement. As our data analyst, Shawna was our numbers person. She tabulated and summarized training reports, shipping data, and pilotage activities. We wish her the best. Bettina Maki has joined the team and is bringing her analytical skills to the table. Jolene Hamel has taken on additional responsibilities with respect to our trainees and provides staff support to the Trainee Evaluation Committee (TEC). Our Board couldn't function without our ED Jaimie Bever and her outstanding team.

After legislative action on oil transportation, BPC and the Department of Ecology have begun implementation through a joint outreach plan and interagency agreement. The agencies convened a listening session of interested parties and began the process of establishing an advisory Oil Transportation Safety Committee (OTSC) to assist with implementation of the law. The OTSC is comprised of representatives of the BPC, Puget Sound Pilots, oil industry, tug and barge interests, the environmental community, and tribes.

Pilotage in Washington continues to have a strong safety record. The total number of revenue producing moves during 2019 was 7553 for both districts. There were two incident reports filed in the Puget Sound Pilotage District, and none in the Grays Harbor District. One of the reports in Puget Sound resulted in damage to the vessel and the dock and continues to be investigated for lessons learned. There were a total of twenty-one reports of vessel equipment malfunction or failure in Puget Sound, and one in Grays Harbor. All of this supports the outstanding skill and professionalism of Washington State licensed pilots.

In 2019, eight pilots retired and one passed away. We offer our sincere condolences to the family of Captain Engstrom for his seven years of service as a Puget Sound pilot. We thank Captains Arnold, Brouillard, Sanders, Scoggins, D. Shaffer, J. Shaffer, Shuler, and Wildes for a cumulative of 159 years of pilotage. Six new pilots were licensed. We welcome Captains Grieser, McGrath, Ninburg, Seamans, Melin, and Kridler to the ranks of licensed pilots. A total of seven aspirants from the 2018 exam list were called into training in 2019. The BPC expects to offer the next exam in April of 2021.

We appreciate our excellent working relationship with the US Coast Guard, particularly with Linda Sturgis, Sector Commander Puget Sound Captain of the Port, John Dwyer, Chief, Inspection Division, and Laird Hail, Director, Puget Sound VTS, who regularly attends BPC Board meetings and acts as a liaison on many technical issues. We also appreciate our partnership with Washington State Ferries and thank Assistant Secretary Amy Scarton and Chief of Staff Nicole McIntosh for their support of and engagement with pilotage. We also maintain communication with other West Coast pilotage districts and with the Canadian Pacific Pilotage Authority.

Please check out our website for Board emergency actions and meeting materials and minutes, newsletters, committee work, annual reports, contact information, and useful external links. Important ongoing actions with respect to oil transportation safety are collected there. We welcome your feedback on ways to make the site more helpful.



A handwritten signature in blue ink that reads "Sheri J. Tonn". The signature is written in a cursive, flowing style.

2. A MESSAGE FROM BPC EXECUTIVE DIRECTOR JAIMIE C. BEVER

Greetings and welcome to our 2019 Annual Report! We have much to share with you as the Board of Pilotage Commissioners (BPC) continues to evolve and adjust to changing tides. As always, safety on the water remains our top priority and 2019 activities continued to work toward that priority.

The year started with a busy legislative session in which several bills involved the BPC. Please see the legislative update in the 2019 Overview and Activities section of this report for more information about these important pieces of legislation.

We welcomed two new commissioners in January 2019. Captain Rik Krombeen from Holland America Line joined us as the Foreign Flag Shipping Representative and Timothy J. Farrell, former CEO of the Port of Tacoma, became one of our Public Representatives. At the same time, we gave thanks and gratitude for their service to our outgoing commissioners Grant Stewart and Chuck Adams.

We were busy attending maritime conferences and equity leaders training to spread the word about pilotage in Washington State and work towards a more diverse and inclusive pipeline of qualified mariners.

We experienced the loss and grieved the death of one our Puget Sound pilots, Captain Fred Engstrom, who passed away after a short illness. Read more about Captain Engstrom in the following pages.



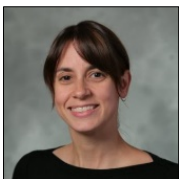
The BPC's longtime Program Specialist, Shawna Erickson, retired from service to the State of Washington after 10 years with the Board. At the September 19, 2019 Board meeting, she was presented with a cake and many thanks for her outstanding support of the Board, trainees, pilots, and stakeholders.

We wish Shawna all the best in her retirement!

In November 2019, the BPC hired Bettina Maki as Program Analyst for the agency. Bettina came to the Board with previous Washington State experience and extensive data knowledge and enthusiasm. She comes from a family of mariners and a love of the sea. We are pleased to have Bettina as the newest member of our BPC family!



More information about the Board can be found on our website at www.pilotage.wa.gov.



A handwritten signature in black ink that reads "Jaimie C. Bever".

3. 2019 OVERVIEW & ACTIVITIES

Our Mission and Responsibilities

The mission of the Washington State Board of Pilotage Commissioners (BPC) is to ensure against the loss of lives, loss of or damage to property and vessels, and to protect the marine environment by maintaining efficient and competent pilotage service on our State’s inland waters; and to not place in jeopardy Washington’s position as an able competitor for waterborne commerce from other ports and nations of the world, but rather to continue to develop and encourage such commerce. The Board develops and proposes language for

legislative adoption to ensure safe and compulsory pilotage, adopts rules to administer State pilotage laws, and enforces pilot and public adherence to the Pilotage Act, which may include discipline and/or prosecution of violators. The Board also sets annual tariffs for the Puget Sound and Grays Harbors Pilotage Districts (until July 1, 2019 due to legislative action in 2018), sets the number of pilots, administers testing, training and licensing of marine pilots, and establishes standards for reporting and investigating incidents involving State-piloted vessels.

Board Organizational Chart (as of 12/31/2019)



Meetings

In 2019, the Board held eleven (11) Regular Meetings. The October 17, 2019 was canceled due to commissioner schedule conflicts. The August 15, 2019 meeting was held at the Port of Grays Harbor in Aberdeen, WA. After the meeting, the Port of Grays Harbor graciously arranged for a driving tour of Port facilities.



Port of Grays Harbor staff, BPC Commissioners and staff, and members of the public after a tour of the Port's marine terminals.

During regular monthly meetings, the Board considers a variety of issues and may make take action on several items including pilot licensing, pilot training and license upgrade programs, marine safety occurrences and incidents, pilot/trainee physicals, policy and legislation, and setting the number of pilots in each district.

Information about meetings including notices, agendas, materials and minutes, can be found on our website at <https://pilotage.wa.gov/meetings.html>.

Outreach and Engagement

The BPC was pleased to continue our tradition of representing Washington pilotage at several maritime conferences around the country focused on women in maritime.

Women in Maritime Leadership Conference

In March, BPC Executive Director Jaimie Bever attended the Women in Maritime Leadership conference at California Maritime Academy in Vallejo, CA. The theme of the conference was *Transporting Women Farther*. Cadets from maritime academies all over the country were in attendance, as well as women leaders in the maritime industry.



From the left: SF Bar pilot Captain Andy Murray, Retired Columbia River Bar pilot Captain Deb Dempsey, Jaimie Bever, and SF Bar pilot Captain Dan Bridgeman during a pilotage drop-in session.

Women Offshore's UNITE Conference

In July, BPC Chair Sheri Tonn attended Women Offshore's 2nd annual UNITE conference, held in Houston, TX at Rice University. The conference drew

maritime professionals from all over the world, including a panel of female pilots from several countries including India, Kenya and Sweden.



The panel of maritime pilots from around the world. From left: Moderator Captain Bob Carr, San Francisco Bar Pilots, USA; Captain Josephine Clark, Port Authority of New South Wales, Australia; Captain Liz Marami, Kenya Ports Authority, Kenya; Captain Reshma Nilofer, Calcutta Hugli Pilots Guild, India; Captain Karen Nola, Sandy Hook Pilots, USA; and Captain Hanna Odengrund, Eastcoast Pilots, Swedish Maritime Admin, Sweden.

Senate Confirmations

In February, BPC Commissioners (pictured from the left) Captain Rik Krombeen, Dr. Eleanor Kirtley, Captain Mike Anthony, Captain John Scragg,



Photo courtesy of TVW.

and Timothy J. Farrell attended a confirmation hearing in the Senate Transportation Committee (STC). The Commissioners each introduced themselves and talked about their individual roles and aspirations on the Board.

STC Chair Steve Hobbs and Ranking Member Curtis King, as well as other Committee members, were complimentary of the Board’s efforts over the past few years. The Commissioners were confirmed in an Executive Session of the STC later that month.

Salish Sea Shared Waters Forum

The purpose of this forum, per the 2018 and 2019 Washington State Legislatures, is to exchange information to enhance oil spill prevention, preparedness, and response, with the goal of minimizing risks and impacts of spills from vessel traffic in the Salish Sea. The 2019 forum took place on November 14, 2019 following the annual meeting of the Pacific States/BC Oil Spill Task Force on November 13, 2019. BPC Chair Sheri Tonn and Executive Director Jaimie Bever attended. Jaimie Bever was a panelist representing Washington State pilotage in a session titled “Marine Emergency Response Systems” discussing existing and future measures to ensure vessel traffic safety, spill prevention, and response capability.



BPC Executive Director Jaimie Bever presents at the 2019 Salish Sea Shared Waters Forum.

ESHB 1578 – Listening Sessions

In December 9, 2019, the Port of Everett graciously hosted two listening sessions facilitated by the BPC and the Department of Ecology. The Listening

Sessions were a time for the public to share input and concerns, and to ask questions regarding the directives of ESHB 1578 *Reducing threats to southern resident killer whales by improving the Safety of oil transportation* (see next section on Legislation), including tug escort requirements in Rosario Strait and connected waterways east, and geographic zone identification to help inform Ecology’s risk model.

The Listening Sessions were well attended and fostered good communication between State agencies, Tribes, other government entities, and maritime stakeholders. The presentation slides and a summary of the Listening Session are available at <https://pilotage.wa.gov/resources.html>.



Above: Jaimie Bever introduces the BPC, pilotage, and directives from ESHB 1578. Below: Puget Sound pilot Captain Blair Bouma explains the process of identifying geographic zones from a pilot’s perspective.

Legislation

There were three (3) bills that impacted the BPC during the 2019 Legislative Session: HB 1431 *Concerning joint self-insurance programs for property and liability risks*, HB 1647 *Concerning mandatory rest periods for pilots*, and ESHB 1578 *Reducing threats to southern resident killer whales by improving the safety of oil transportation*. All three bills passed both chambers and were signed into law by Governor Inslee.

HB 1431

This Agency Request Legislation gave the BPC access to local government joint self-insurance risk pools by including the agency in the definition of entities who qualify for the pools. This legislation increased affordable Director's & Officers and Employment Practices Liability insurance options for the Board.



From left: BPC Executive Director Jaimie Bever, companion bill sponsor Senator Mark Mullett, Governor Jay Inslee, and Lou Paulsen and Sean Eagan with the NWSA at the bill signing

HB 1647

Also Agency Request Legislation, this legislation modernized the mandatory rest periods for pilots and pilot trainees. The rest period increased from seven (7) hours to ten (10) hours mandatory rest between assignments. The BPC will conduct rulemaking in 2020 to further interpret the statute. The BPC's pursuit of this legislation was a result of months of work and recommendations from BPC's

Fatigue Management Committee (FMC), comprised of stakeholders and chaired by BPC commissioner and U.S. shipping representative Phil Morrell.



From left: Rep. Dave Paul, Teresita Torres, PSP President Captain Eric vonBrandenfels, Senator Patty Kuderer, Governor Inslee, BPC Executive Director Jaimie Bever, and Majken Ryherd.

ESHB 1578

The 2019 Legislature passed this bill as a part of a package of four bills aimed at protecting the southern resident killer whales in the Salish Sea. The bill requires tug escorts for certain categories of oil-laden tank vessels in Rosario Strait and connected waterways east, effective September 1, 2020. Additionally, the bill directs the BPC and the Department of Ecology to undertake multiple initiatives including:

- Identifying and defining geographic zones
- Completing a synopsis of changing vessel traffic trends
- Consultation with tribes, other government entities, and stakeholders
- Developing and maintaining a model to quantitatively assess current and potential future risks of oil spills in Washington water and reporting those findings to the Legislature.
- Developing and adopting rules for tug escorts in the Puget Sound for oil-laden vessels, with future periodic reviews

More information can be found on our on website at <https://pilotage.wa.gov/oil-transportation-safety.html>.

Rulemaking

WAC 363-116-078 Training Program & WAC 363-116-080 Licensing of Pilots

The purpose of the rule changes were to codify several Statements of Policy enacted by the Board including policies concerning the Pilot Training Program stipend, conning quizzes and local knowledge exams, and the length of the pilot training program in the Puget Sound Pilotage District, and to modernize the pilot training program rules to better align with current Board practices and recent enhancements, improve the alignment between the two WACs, and clarify existing language. A public hearing was held on January 17, 2019. The changes were adopted by the Board and went into effect February 22, 2019.

WAC 363-116-082 Limitations on New Pilots

Due to increased vessel sizes and changes to availability, the tonnage categories for each license level in the Puget Sound Pilotage District were adjusted to reflect marine vessel traffic. The anticipated effects of those changes included better transitions between training and piloting, better distribution in the tonnages of tankers between the

license levels, and better access to various vessel types for all license levels. A public hearing was held on February 21, 2019. The changes were adopted by the Board and went into effect on March 24, 2019.

WAC 363-116-301 New Revenue Collection

The purpose of this rule change was to comply with the legislative intent, through the passage of ESHB 1160, which stipulates certain conditions in order for the BPC to receive state appropriation from the pilotage account solely for self-insurance liability premium expenditures. The rule was adopted under emergency action at the May 16, 2019 and went into effect immediately. A public hearing was held on September 19, 2019. The changes were adopted by the Board.

The Board's Rulemaking Calendar and current filings can be found on our website at

Setting the Number of Pilots

In accordance with WAC 363-116-065, the BPC will, from time to time, set the number of pilots to be licensed in each pilotage district of the state that is best calculated to optimize the operation of safe, fully regulated, efficient, and competent pilotage service. In 2019, the Board conducted a process to assess the number of pilots in the Puget Sound Pilotage District, per the request of Puget Sound Pilots. The Board considered information submitted by both pilots and industry, as well as data prepared by BPC staff between March and July. A public hearing was held on July 15, 2019. At that time, the Board authorized an

increase from 52 to 56 licenses in the Puget Sound Pilotage District. An official record of the process is available on our website at www.pilotage.wa.gov/rcw-wac.html.

The Board also considered the number of pilots in the Grays Harbor Pilotage District. At the June 20, 2019 regular monthly meeting, the Board authorized 3 pilot licenses, up from 2, in the Grays Harbor Pilotage District.

In Memoriam

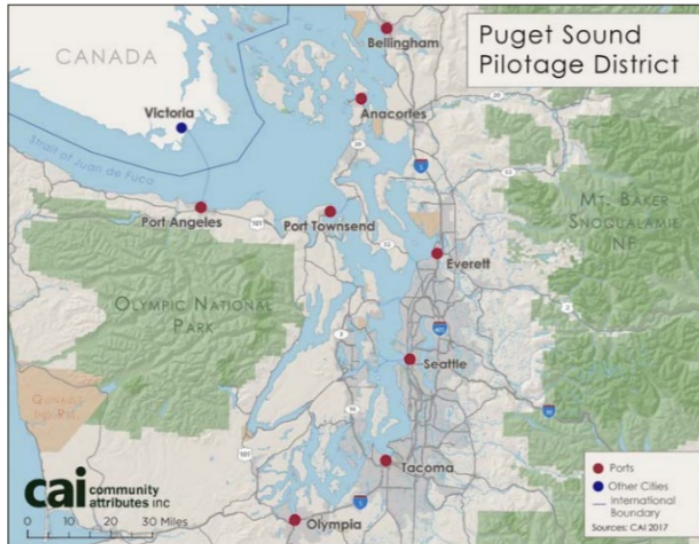


The BPC is sad to report that active Puget Sound pilot and former Washington State Ferries captain Fred Engstrom passed away on July 15, 2019, surrounded by his loving family.

Captain Engstrom received his state pilot license on November 15, 2012. He was a beloved pilot and will be remembered for his infectious laugh and good nature. Our thoughts are with his family, friends, and Puget Sound Pilots.

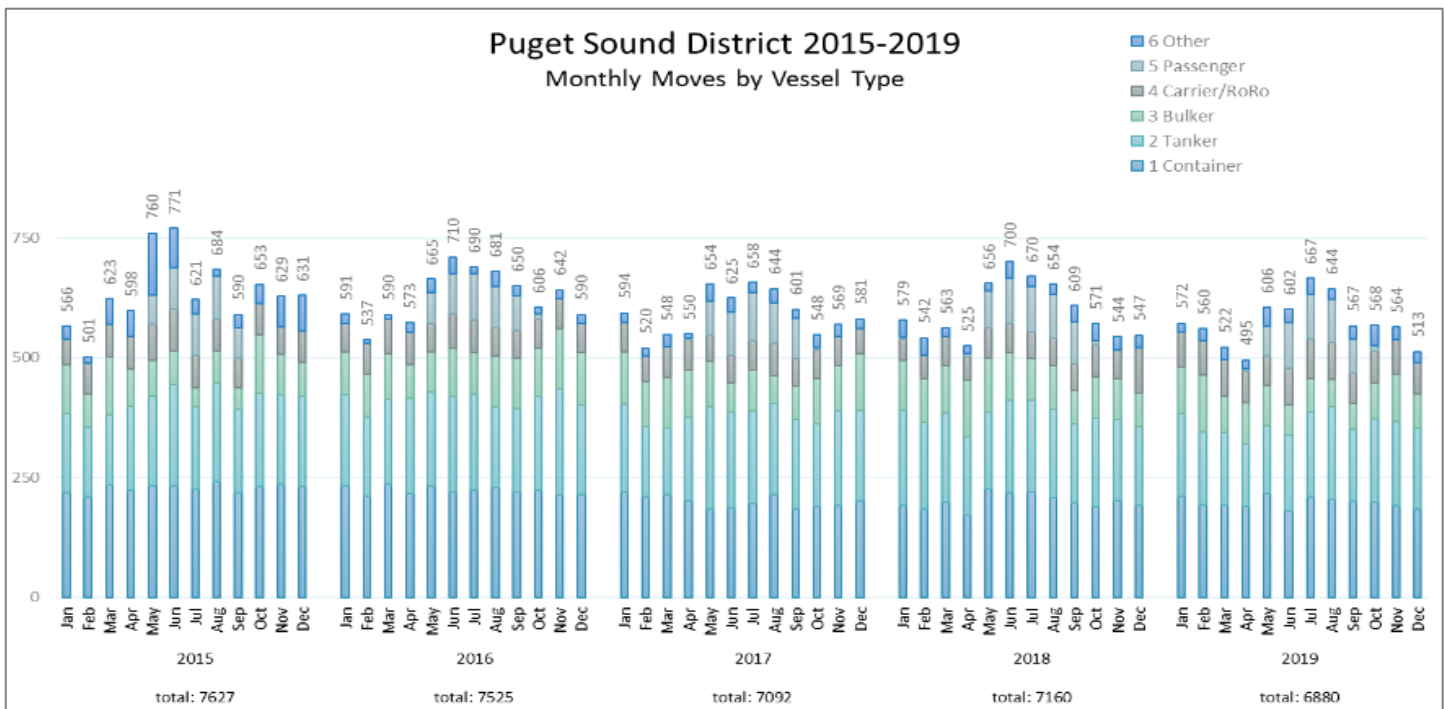
Pilotage Activity in Washington State – Puget Sound Pilotage District

In 2019, the Puget Sound Pilots had a total of 6,999 revenue producing assignments, of which 6,880 were actual vessel moves, and 122 were cancellations. In addition, there were 1,413 reported *repositions. In comparison, there were 7,324 revenue producing assignments in 2018. The average number of full-time pilots was 49.9. The average annual number of assignments per pilot was 140 or approximately 12 assignments per month in 2019.



* When a pilot is dispatched to/from Port Angeles Pilot Station to accommodate any imbalance between arrivals in Port Angeles and departures in Puget Sound.

Image source: WA State Pilotage Final Report and Recommendations, January 1, 2018.



Heat Map of Total Puget Sound Annual Moves by Vessel Type, 2011-2019 Detail

Vessel Traffic ↑
Vessel Traffic ↓

Container	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
# of TEUs* 3.5 million	2011	56,306	2682												
3.6 million	2012	58,306	2817												
3.5 million	2013	60,217	2893												
3.4 million	2014	64,631	2802												
3.5 million	2015	65,434	2732												
3.6 million	2016	70,097	2672												
3.7 million	2017	67,468	2391												
3.8 million	2018	69,231	2396												
3.8 million	2019	70,558	2372												

*source: NWSA

Containerized cargo in 2019 represented 95% of all cargo tonnage moving through the Ports of Seattle and Tacoma. Agricultural products comprise 40% of the containerized exports by volume (TEUs), forest products 19%, prepared foods 15%, and other goods making up the remaining 26%. Imports consisted predominately of manufactured goods.¹

Tanker	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2011	49,332	2214												
	2012	48,026	2264												
	2013	43,329	2407												
	2014	43,127	2251												
	2015	40,445	2155												
	2016	39,189	2276												
	2017	41,255	2187												
	2018	43,348	2149												
	2019	40,348	1949												

Tankers include both tanker vessels (66% of tanker moves) and articulated tug-barges (ATBs, 34% of tanker moves). There are five oil refineries in Washington state with a joint capacity of more than 600,000 barrels/day: Cherry Point (BP), Anacortes (Shell & Marathon), Ferndale (ConocoPhillips), and Tacoma (U.S. Oil).²

Bulker	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2011	30,136	1232												
	2012	29,720	1020												
	2013	27,665	919												
	2014	30,271	1052												
	2015	30,141	948												
	2016	32,379	1162												
	2017	33,140	1084												
	2018	33,124	1109												
	2019	31,697	946												

Bulk vessels load cargo for export at two major grain terminals: Temco in Tacoma and Pier 86 in Seattle. These two facilities annually export nearly 10 million metric tons of grain, soybeans, and sorghum from the Midwest to China, Japan, and elsewhere in Asia. Agricultural commodities represent more than half (by volume) of the exports from Puget Sound ports, and about 60% of this is transported in bulk vessels.³

¹ NWSA Economic Impact Report: <https://www.nwseaportalliance.com/sites/default/files/cai.nwsa-marine-cargo-economic-impacts-2019.pdf>
NWSA 2019 Annual Trade Report. <http://s3-us-west-2.amazonaws.com/assets.nwseaportalliance.com/2019-Annual-Trade-Report.pdf>

² Oil Movement in Washington State (WA Dept of Ecology)

[Crude Oil Movement by Rail and Pipeline Quarterly Report: October 1, 2019 through December 31, 2019](#) (WA Dept of Ecology)

³ <https://www.ams.usda.gov/sites/default/files/media/PortProfilesMap2019.pdf>

CarCarrier & Ro-Ro	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
# of Autos* 162k	2011	43,982	688												
148k	2012	47,462	792												
160k	2013	47,060	792												
176k	2014	48,607	794												
183k	2015	49,615	794												
166k	2016	50,142	760												
147k	2017	50,917	712												
141k	2018	53,101	718												
156k	2019	55,322	853												

*source: NWSA

Car carries laden with thousands of vehicles are unloaded in Tacoma at Blair Terminal. Cars represent 13% (by value) of imports to Puget Sound ports. Roll-on-roll-off (Ro-Ro) vessels carry other wheeled cargo such as large trucks, trailers, and agricultural or construction vehicles. The Port of Everett handles a significant portion of Ro-Ro cargo. ⁴

Passenger	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
# of Passengers* 886k	2011	88,267	395												
935k	2012	88,221	410												
871k	2013	91,341	377												
824k	2014	89,727	369												
898k	2015	89,625	389												
984k	2016	92,058	418												
1072k	2017	94,384	444												
1115k	2018	95,462	461												
1209k	2019	113,342	430												

*source: Port of Seattle

Passenger vessels (cruise ships) had become an important part of Seattle's booming tourism industry, serving approximately 1.2 million passengers in 2019 with more than 200 vessel calls. By the end of 2019, Seattle had become the busiest cruise port on the West Coast, with cruises primarily to Alaska. ⁵

Other	year	avg vessel gross tons	total moves	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2011		279												
	2012		331												
	2013		314												
	2014		256												
	2015		609												
	2016		237												
	2017		274												
	2018		327												
	2019		330												

Other vessels include U.S. military vessels, cable laying vessels, refrigerated cargo vessels, vessels carrying logs and forest products, general cargo vessels carrying non-containerized items (breakbulk), and heavy lift vessels able to carry large special project cargo such as turbines, generators, parts of oil rigs, and oversized aerospace parts.

⁴ <https://www.bizjournals.com/seattle/news/2017/01/10/nwsa-tacoma-record-vehicle-shipload-discharge-kias.html>
<https://www.portoftacoma.com/news-releases/2020-05-19/port-tacoma-wallenius-wilhelmsen-welcome-volvo-cars-pacific-northwest>
<http://s3-us-west-2.amazonaws.com/assets.nwseaportalliance.com/2019-Annual-Trade-Report.pdf>
<http://www.portofeverett.com/seaport/cargo-types>

⁵ <https://www.seattlebusinessmag.com/tourismhospitality/seattles-tourism-market-propelled-strong-cruise-ship-sector>
<https://www.portseattle.org/blog/milestones-seattle-cruise-history>

Pilotage Activity in Washington State – Grays Harbor Pilotage District

In 2019, the Port of Grays Harbor had a total of 229 piloting assignments, resulting from 86 vessel arrivals. In comparison, there were 258 piloting assignments,

resulting from 114 vessel arrivals in 2018. The Port of Grays Harbor employed two full-time pilots in 2019.



Left: The Grays Harbor Pilotage District. Image source: Washington State Pilotage Final Report and Recommendations, January 1, 2018.
 Right: Brusco tugs guide a bulk carrier in the Grays Harbor Pilotage District. Photo courtesy of the Port of Grays Harbor.

Heat Map of Total Grays Harbor Annual Moves by Vessel Type, 2011-2019

All Vessel Types	year	total moves	Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec											
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	2011	155	[Line chart showing monthly distribution for 2011]											
	2012	177	[Line chart showing monthly distribution for 2012]											
	2013	246	[Line chart showing monthly distribution for 2013]											
	2014	277	[Line chart showing monthly distribution for 2014]											
	2015	200	[Line chart showing monthly distribution for 2015]											
	2016	229	[Line chart showing monthly distribution for 2016]											
	2017	258	[Line chart showing monthly distribution for 2017]											
	2018	288	[Line chart showing monthly distribution for 2018]											
	2019	229	[Line chart showing monthly distribution for 2019]											

Cargo handled includes dry bulk exports to Asia of Midwest agricultural products, liquid bulk exports of biofuels and industrial methanol, exports of logs, and exports of preowned vehicles and imports of new automobiles and heavy equipment. ⁷

⁷ <https://www.thedailyworld.com/news/2018-was-a-record-setting-year-for-the-port-of-grays-harbor/>
<https://kbkw.com/port-of-grays-harbor-celebrates-500000th-vehicle-shipped-through-terminal-4/>
<https://www.portofgraysharbor.com/terminals/terminals.php>

4. BOARD MEMBERS, REVENUE & EXPENSES

Board Members (as of 12/31/2019)

CHAIR	<u>APPOINTED</u>	<u>TERM EXPIRES</u>
Sheri J. Tonn, PhD	01/01/2016	N/A
REPRESENTING THE PUBLIC AT LARGE		
Timothy J. Farrell	01/01/2019	12/26/2020
Captain Edmund I. Kiley	01/14/2010	12/26/2019
REPRESENTING AMERICAN SHIPPING		
Phil Morrell — Totem Ocean Trailer Express (TOTE)	01/25/2012	12/26/2019
REPRESENTING FOREIGN SHIPPING		
Captain Rik Krombeen — Holland America Group	01/01/2019	12/26/2020
REPRESENTING PILOTS		
Captain John Scragg, Puget Sound Pilotage District	01/19/2018	12/26/2020
Captain Michael Anthony, Puget Sound Pilotage District	01/19/2018	12/26/2020
REPRESENTING WA STATE DEPARTMENT OF ECOLOGY		
Sara Thompson — Spills Program, Vessel & Oil Transfer Unit Supervisor	02/01/2016	03/31/2020
REPRESENTING THE MARINE WATER ENVIRONMENT		
Eleanor Kirtley, PhD — Green Marine	01/28/2016	12/26/2022
LEGAL COUNSEL		
Guy Bowman, JD	08/01/2008	04/30/2017
Albert Wang, JD	05/01/2017	N/A
STAFF		
Jaimie Bever, Executive Director	11/02/2015	N/A
Shawna Erickson, Program Specialist	01/27/2010	09/30/2019
Jolene Hamel, Program Coordinator	09/01/2017	N/A
Bettina Maki, Program Analyst	11/01/2019	N/A

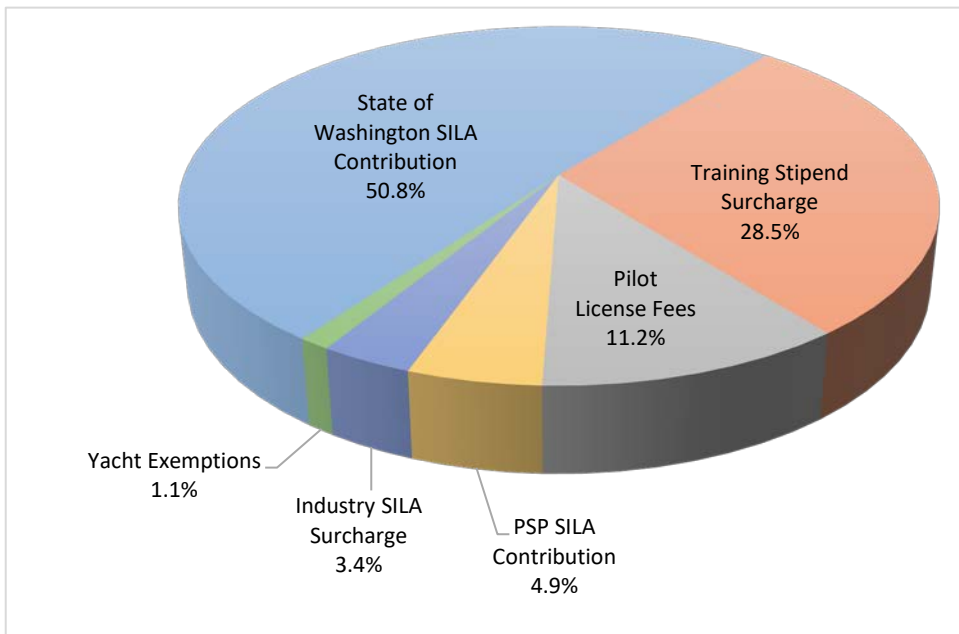
The Board is comprised of the Assistant Secretary, Ferries Division, Department of Transportation, or designee; the Director of the Department of Ecology, or designee; and seven members appointed by the governor. Each appointed member's term is for four years. If a commissioner is filling a former member's position prior to the expiration of the term, they are eligible to be re-appointed for another four years.

Board Revenue

In 2019, the Board of Pilotage Commissioners was a non-appropriated agency with operating revenue derived exclusively from pilot license fees and other ancillary fees as authorized in Chapter 88.16 RCW. The Board’s biennial budget was reviewed by the Washington State Legislature, but legislative spending authority was not required. Pilot trainee stipends were funded by a tariff surcharge

specified in WAC 363-116-300 and paid to each trainee at a monthly rate of \$6,000 if the stipulations contained in WAC 363-116-078(10) are met. The balance from the training surcharge after stipends were paid to trainees was used for funding the training program, including the pilot exam, trainee equipment, and legal fees.

State of Washington SILA Contribution ⁽¹⁾	\$ 1,562,500	(50.8%)
Training & Stipend Surcharge	877,620	(28.5%)
Pilot License Fees	344,500	(11.2%)
PSP SILA Contribution	150,000	(4.9%)
Industry SILA Surcharge	104,496	(3.4%)
Yacht Exemptions	35,050	(1.1%)
	\$ 3,074,166	

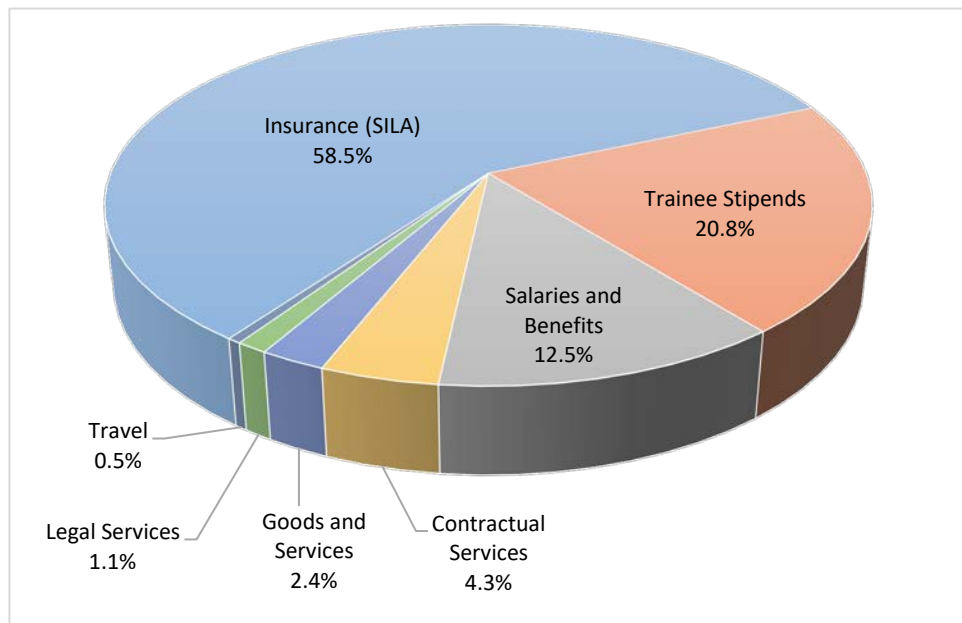


Notes:

1. The State’s Self-Insurance Liability Account (SILA) contributions were a result of ESHB 1160, which stipulated certain conditions in order for the Board to receive a transfer of funds from the State Multimodal Transportation Account solely for self-insurance liability premium expenses.

Board Expenses

Insurance (SILA) ⁽¹⁾	\$ 1,623,115	(58.5%)
Trainee Stipends ⁽²⁾	576,335	(20.8%)
Salaries and Benefits ⁽³⁾	347,025	(12.5%)
Contractual Services ⁽⁴⁾	118,260	(4.3%)
Goods and Services ⁽⁵⁾	65,983	(2.4%)
Legal Services	31,248	(1.1%)
Travel ⁽⁶⁾	13,951	(0.5%)
	\$ 2,775,916	



Notes:

- SILA contributions were a result of ESHB 1160, which stipulated certain conditions in order for the Board to receive a transfer of funds from the State Multimodal Transportation Account solely for self-insurance liability premium expenses.
- Pilot trainee stipends are funded by a tariff surcharge specified in WAC 363-116-300 and paid to each trainee at a monthly rate of \$6,000 if the stipulations contained in WAC 363-116-078(10) are met. The number of trainees in the program fluctuates throughout the year.
- In 2019 Board staff included 3 full-time employees (FTEs). This category also includes per diem BPC commissioners.
- Contractual Services in 2019 included exam consultants, and exam recruitment services.
- Goods and Services in 2019 included supplies & materials, PPU rentals and training, software maintenance for the BPC website and pilot training software, membership to the Marine Exchange of Puget Sound/NW Maritime Advisory Service, and Department of Enterprise Services Small Agency Support (HR, Finance, Facilities).
- Travel in 2019 included commissioner mileage/parking reimbursement, hotel, airfare and per diem for Executive Director and Chair attendance at women's maritime conferences and meetings with other pilotage districts, and reimbursement for Executive Director and Chair legislative meetings/hearings in Olympia.

5. EXAM, LICENSURE, AND TRAINING PROGRAM

Exam & Licensure

During 2019, six (6) trainees successfully completed their training programs in the Puget Sound Pilotage District and were licensed by the Board: Captains Ken Grieser, Travis McGrath, Adams Seamans, Pat Ninburg, Keith Kridler, and David Melin, respectively. All received their state licenses to pilot during BPC monthly meetings between February and September.

Pilot licensures are highlighted in our newsletter, the BPC Pilotage Quarterly, which can be found at www.pilotage.wa.gov/annualreports.html.

As of 12/31/2019, below is the status of the 2016 and 2012 Exam Candidates Ranked lists:

2016 Exam

Captain	District	Training Start	Licensed
Sandra Bendixen	Puget Sound	05/01/2017	09/20/2018
Ken Grieser	Puget Sound	08/01/2017	02/21/2019
Jesse Pullin	<i>withdrew from list to train in San Francisco</i>		
Travis McGrath	Puget Sound	02/01/2018	04/18/2019
E. Pat Ninburg	Puget Sound	02/01/2018	08/15/2019
Adam Seamans	Puget Sound	02/01/2018	06/20/2019
David Melin	Puget Sound	05/01/2018	09/19/2019
Matthew Stevens	<i>withdrew from list to train in San Francisco</i>		
J. Matthew Miller	Puget Sound	05/01/2018	
Trevor Bozina	Puget Sound	05/01/2018	
Joseph Siddell	Puget Sound	11/01/2018	
Peter Velarde	Puget Sound	11/01/2018	

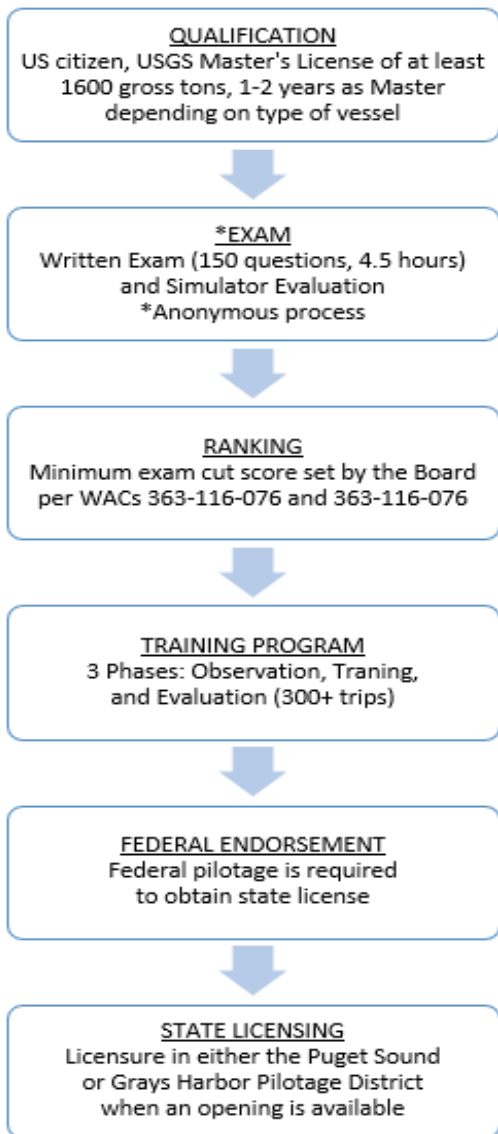
2018 Exam

Captain	District	Training Start	Licensed
Matt Hannuksela	Puget Sound	03/15/2019	
Kahai Wodehouse	Grays Harbor	02/12/2019	<i>resigned</i>
Neil McGourty	Puget Sound	04/01/2019	
Severin Knutsen	Puget Sound	04/01/2019	
Eric Michael	Puget Sound	11/01/2019	
Ryan Gartner	Puget Sound	10/01/2019	
Nick Moore			
Robert Ekelmann			
Andrew Stewart			
Mark Bostick			
Peter Mann			
Larry Holland			
Kevin Riddle			
Forest McMullen	Grays Harbor	10/15/2019	
William Benedict			
Name withheld by request			

Exam & Licensure (cont'd)

The path to become a licensed maritime pilot in the state of Washington is a multi-step process of qualification, examination, training, and finally licensure.

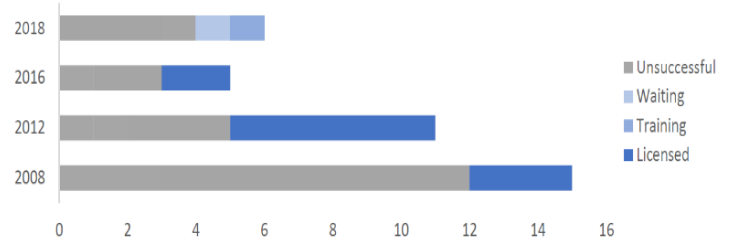
The BPC is committed to providing professional, equitable, and highly specialized exam and training experience for all qualified mariners to reach the pinnacle of the maritime profession: pilot. The process is as follows:



Applicants by source (industry), by exam date, with outcomes

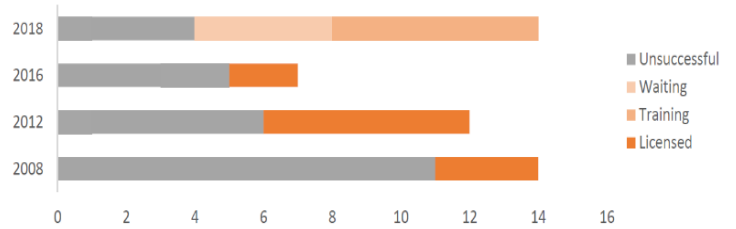
Cargo/Tanker

37 Applicants, 13 Successful (11 Licensed, 2 Training/Waiting)



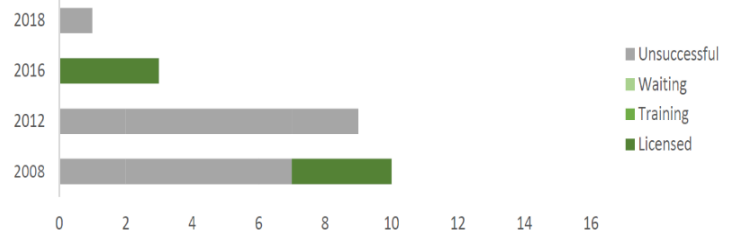
Tugs/Towing

47 Applicants, 21 Successful (11 Licensed, 10 Training/Waiting)



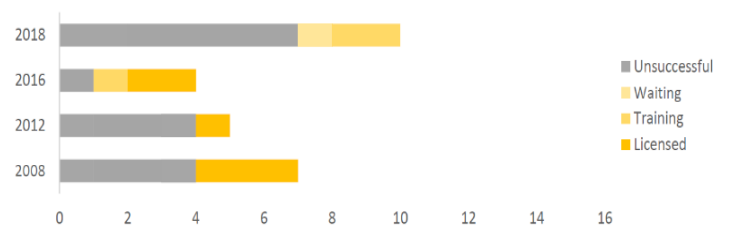
RoRo/Passenger

23 Applicants, 6 Successful (6 Licensed, 0 Training/Waiting)



Others (Govt/Military, Pilot, Offshore, Fishing, Research, Dredging)

26 Applicants, 10 Successful (6 Licensed, 4 Training/Waiting)



Training Program

The Training Program is developed as provided in the Revised Code of Washington (RCW) 88.16.090 and is based on the appropriate provisions of the Washington Administrative Code (WAC) 363-116-078. The goal of the Training Program is to provide the means to demonstrate that a trainee can safely, effectively, consistently and independently pilot vessels in the assigned district, the standards set in WAC 363-116-080. The BPC evaluates performance to determine whether the trainee has been consistently successful in completing the elements of the program. The criteria the BPC will follow in issuing or denying a license include, but are not limited to: performance in the Training Program; piloting, ship handling and general seamanship skills; local knowledge; bridge presence and communication skills; and, the ability to function independently and safely without extensive coaching or interventions.

Trainees are expected to bring significant maritime experience to the process. It is not the purpose of the Training Program to teach basic shiphandling or other fundamental elements of piloting. The Training Program is intended to improve piloting skills to the level needed to become a superior shiphandler and safely pilot in the Puget Sound and/or Grays Harbor Pilotage Districts, therefore it is designed to be comprehensive, demanding, and at times difficult.

Once successful candidates are called into the Training Program they begin training on a rigorous full-time schedule. They must resign from current employment. The BPC pays a \$6,000.00/month stipend to the trainees while they are in the program if the minimum monthly requirements are met.

The Training Program consists of three phases: Observation, Training, and Evaluation. The Observation phase is aimed at familiarization of different locations, piloting styles, and types of vessels. The Training phase



Puget Sound pilot trainee, Captain Trevor Bozina, trains during the snowstorm that blanketed the area in February 2019.

gives the trainee hands-on experience. Trainees are required to take local knowledge quizzes, also called Conning Quizzes, before they are permitted to take over the navigational duties on the bridge of a ship. The Evaluation phase provides an opportunity for the trainee to make evident to the BPC that their performance demonstrates they have developed the requisite professional skills for licensing. The trainees are supervised by licensed pilots, who have been trained as trainers, for all phases of the Training Program. Throughout the Training Program, the trainees will be called before the BPC's Trainee Evaluation Committee (TEC) for discussion and review of their progress. The TEC gives updates on all trainees to the BPC at monthly meetings.

Training Program (cont'd)

Prior to licensure, the "First Class Pilot of vessel of unlimited tonnage upon Puget Sound and all connecting inland waters, include the waters of Haro Strait, Boundary Pass and Strait of Georgia" endorsement must be on their U.S. Coast Guard Merchant Mariner Credential. To accomplish this, trainees must pass the USCG exam, successfully duplicate the navigational chart, and write a comprehensive route description for each of the twenty-four separate areas of Puget Sound. The USCG grades some portions locally, and the overall approval for endorsement of each area is reviewed and issued by USCG West Virginia.

Once a trainee successfully completes the program within the pilotage district of choice, and the BPC determines that a trainee has been consistently successful in demonstrating the requisite skills and

knowledge, and a position is available in their district of choice, the trainee will be considered by the BPC for state licensing.



Puget Sound pilot trainees Captains Travis McGrath (left) and Pete Velarde (right) train aboard bulk carrier CSL TECHUMSEH. Photo courtesy of Puget Sound Pilots.



Night arrival in Seattle on the OOCL NEW YORK. Photo courtesy of Puget Sound Pilots.

6. DIVERSITY PROGRAM

Our vision: Establish a pilot corps that reflects the people of Washington State by increasing diversity among state licensed pilots

Introduction

The Washington State Board of Pilotage Commissioners (BPC/Board) strongly supports the objectives of inclusion and diversity among pilot trainees and pilots licensed by the Board. This is the sixth year of including a report on diversity initiatives in the BPC's Annual Report.

In 2019, the BPC continued to implement the new and more clearly defined trainee evaluation process

described in the training section of this report.

The Joint Diversity Committee (JDC), described further below, continues to examine barriers, and implement measures to attract a diverse pool of candidates toward a career as a Washington State licensed marine pilot.

Overview

Over the past decade, there have been between 50 and 54 licensed pilots in the Puget Sound Pilotage District and two in the Grays Harbor Pilotage District. The number of pilots is periodically reviewed by the Board to optimize the number of pilots appropriate to maintain safety based on the annual average number of pilotage assignments per pilot. All Washington State marine pilots hold federal pilot licensure, which may be earned as they train for Washington State licensure. Between 2009 and 2019, 29 pilots have been licensed and 39 have retired, giving an annual turnover of just over one pilot per year.

The BPC is charged with ensuring qualified pilotage in Washington State. Throughout the history of pilotage, the seafaring profession has been comprised primarily of white males. As with many male dominated professions, the prevailing assumption is that women

and people of color do not wish to enter the field.

The BPC is committed to shifting this perspective and attracting a more diverse workforce of qualified candidates beginning at the pipeline to professional mariner careers.

The BPC's Joint Diversity Committee (JDC) with Puget Sound Pilots (PSP), and in partnership with members of the maritime community, has developed an increased understanding of potential barriers to becoming a marine pilot.

The JDC is using a two-pronged approach focusing on (1) women and people of color already in the mariner pipeline, and (2) raising awareness to influence youth to consider pathways leading to careers as mariners.

Diversity in the Pilotage Pipeline

A 2017 study commissioned by the Joint Transportation Committee (JTC) of the Washington State Legislature found a lack of diversity as a national challenge for pilotage.

Despite the global merchant marine industry being one of the most culturally and ethnically diverse industries in the world, a very small percentage of people who rise through the ranks to licensed marine officer or pilot positions in the U.S. come from a minority group.

A look at gender diversity in maritime positions reveals a similar issue. Today, women represent only 2% of the world's 1.2 million seafarers with 94% of female seafarers working in the passenger cruise industry, generally in staff roles.¹ At the time of the JTC study, 37 state licensed pilots across the U.S. were female, representing just 3% of the more than 1,200 licensed pilots in the U.S.²

Although the JTC report was helpful in identifying districts where there has been some success in recruiting female trainees and pilots, it did not identify ethnic diversity in pilotage districts.

In addition to ethnic and gender diversity, the industry

also struggles with age diversity as it faces attrition of licensed mariners due to its aging workforce.

Washington State's Office of Maritime, Office of Economic Development and Competitiveness, reported that in 2013 the average age of mariners in the state was 54 years, and called on industry stakeholders to focus on recruitment pipelines for youth in its 2017-2019 strategic plan.³

While the industry data is daunting, there is reason for optimism in creating a more diverse and inclusive pilotage corps. The candidate pool for pilotage depends on the pipeline of mariners working their way up the ladder of responsibility.

The BPC endeavors to contribute to increasing diversity in the pipeline. The JDC spends time raising awareness among K-12 students including youth groups such as YMTA, Sea Scouts, and school visits. Also, junior high school/middle school is a critical phase where kids can get off-track and end up with a criminal record, which would harm the possibility of a mariner career. The JDC is also spending time reaching out to high schools, maritime academies, and employers to attract candidates to take the pilot exam.

Diversity in Washington State Pilotage

Washington State has licensed marine pilots since 1935. While Washington State pilotage has had some success attracting ethnic Diversity in its

history, until 2018 there had not been a female pilot licensed in Washington State.

¹Seafarer Women - Perception of the Seafaring Career, <http://www.wseas.us/e-library/conferences/2013/Brasov/EPLS/EPLS-01.pdf>

² Washington State Pilotage Final Report and Recommendations, http://leg.wa.gov/JTC/Meetings/Documents/Agendas/2017%20Agendas/Dec%202017%20Meeting/Pilotage_FinalReportExecSumDRAFT.pdf

³ Proposed Strategic Plan For Washington State Maritime Sector 2017 – 2019, <http://www.commerce.wa.gov/wp-content/uploads/2017/01/Sector-Leads-Maritime-Strategy-2016.pdf>



In April 2016, a female candidate earned exam scores that placed her at the top of the trainee waiting list. She began

training as a Puget Sound pilot in May 2017 and received her Washington State license to pilot in the Puget Sound Pilotage District in September 2018. You can read her story [here](#).

Puget Sound pilot Captain Sandy Bendixen (left) received her state license to pilot in 2018. Photo courtesy of the NWSA.

Washington State Pilot Exam and Pilot Training Program

The Washington State pilotage exam is offered at least every four years and more often if the list of potential trainees the pipeline needs replenishing.

Successful applicants who meet the Washington State pilotage qualifications and pass both written and simulator examination are placed on a waiting list to enter the pilot training program.

In 2008, there were fourteen candidates placed on the waiting list for training, sixteen in 2012, twelve in 2016, and sixteen in 2018.

Trainees are called up from the list in anticipation of future pilotage needs. On average, it takes trainees 18 and 24 months to complete the Pilot Training Program and to be issued a license.

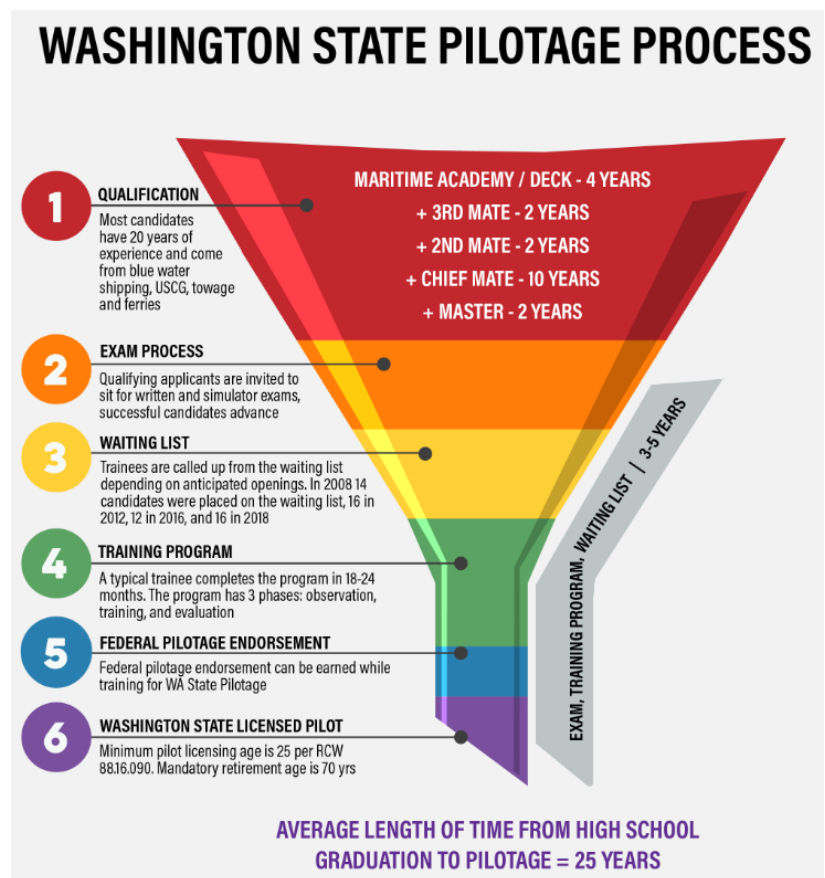


Figure 1: The Process to become a pilot in Washington State.

Protecting Against Bias

The BPC is aware of implicit bias and has taken steps since 2008 to adjust and improve the exam process and training program to be as objective and consistent as possible. For example, once the examination and

evaluation process begins, applicants are identified only by a number, which is set by an independent third party. This ensures that information about individual applicants is only revealed to the BPC

(and the public) after the list of successful applicants is published. Even then, personally identifying information is limited to what can be garnered by an individual's name.

Additional steps taken since 2008 include:

- In 2016 the Pilot Training Program used new criteria for training and evaluation. These criteria are linked to the job functions of pilots.
- During the evaluation phase of training, the pilot training program remains "hands off" unless a significant problem is developing. During the Evaluation Phase, if the Supervising Pilot has to take over a maneuver from a "trainee", this action is called an intervention. The BPC now has developed a definition for intervention and has established the maximum number of

interventions at which time a trainee is terminated from training.

- In 2016, the BPC hired a psychometrician to provide psychometric validation of the pilot training program components using a criterion-based evaluation system ensuring equal opportunity among trainees.
- In the 2018 application process, the BPC offered Train-the-Trainer courses to pilots who complete trip evaluation forms on the trainees and collected Observation, Training, and Evaluation documents, as well as trainees who

The Board will continue to develop and implement measures to ensure that all the processes it uses to ultimately license pilots are free from bias and discrimination.

Recruiting for Diversity

A shorter timespan between the 2016 and 2018 exam cycles created an opportunity to widen the net to attract new applicants. The BPC engaged a professional maritime recruiter to expand visibility of Washington's pilotage districts to potential candidates.

A host of proactive recruitment methods, including professional recruitment efforts, website/social media, digital advertising, job fair participation, and active outreach resulted in 31 applications for the Puget Sound/Grays Harbor 2018 exam. Of the 31 applicants, 28 were eligible for the written exam with 20 advancing to the simulator test. In the end, there were 16 eligible candidates placed on the waiting list for the pilot training program. See Figure 2 for a demographic breakdown of the 2018 Candidate Pool.

Various organization within the maritime industry have recognized the dearth of young people (particularly women) who seek careers in the industry and have launched recruiting efforts with the objective to turn that situation around. For example,

the theme of the World Maritime Day in 2019 was "empowering women in the maritime industry and the International Maritime Organization (IMO) launched a project with WISTA, the Women's International Shipping and Trading Association to study the issue.

The Maritime Administration (MARAD) has supported "Women on the Water" conferences for the past nine years. Held at maritime academies, these conferences are designed to support women in maritime careers.

The 6 state academies and the U.S. Merchant Marine Academy at Kings Point, NY provide about 95% of all licensed merchant mariner officers. Academies report a new generation is enrolling – with students who were born in the late 1990's and are more diverse and inclusive.

The president of the State University of New York Maritime College describes students as "high caliber intellectually, more capable of working in an inclusive team environment, more comfortable with

technology, and capable of adapting..." He also points out that "there are 45 maritime and marine science high schools across the country, with more opening each year."

It is a goal of the BPC to have a more diverse group

of pilots in the coming years. This includes a desire to see more cultural, ethnic, and gender diversity and inclusion. But as stated above, anyone who becomes licensed must meet stringent qualifications to achieve and maintain state pilotage standards.

2018 Candidate Pool	Gender		Ethnicity		Age			Experience				
	Male	Female	Caucasian	Other	50 - 59	40 - 49	30 - 39	Tug	Offshore	Government	Cargo	Fishing
Applicants	30	1	30	1	6	16	9	14	3	3	8	3
Successful candidates	16	0	16	0	0	9	7	10	1	1	0	0

Figure 2: Demographics of the 2018 Candidate Pool

Conclusion

The BPC believes that one of the most critical of its tasks is to ensure the process used to select, train, and ultimately license mariners to be pilots is inclusive, fair and objective.

We use the Diversity Action Plan as a template to make a wide spectrum of applicants aware of our upcoming exams; encourage the maritime industry to continue efforts to broaden the diversity of mariners;

support school programs that introduce young people to a seafaring career as a professional mariner; and ensure there is no bias involved in the training program and ultimate licensing of pilots.

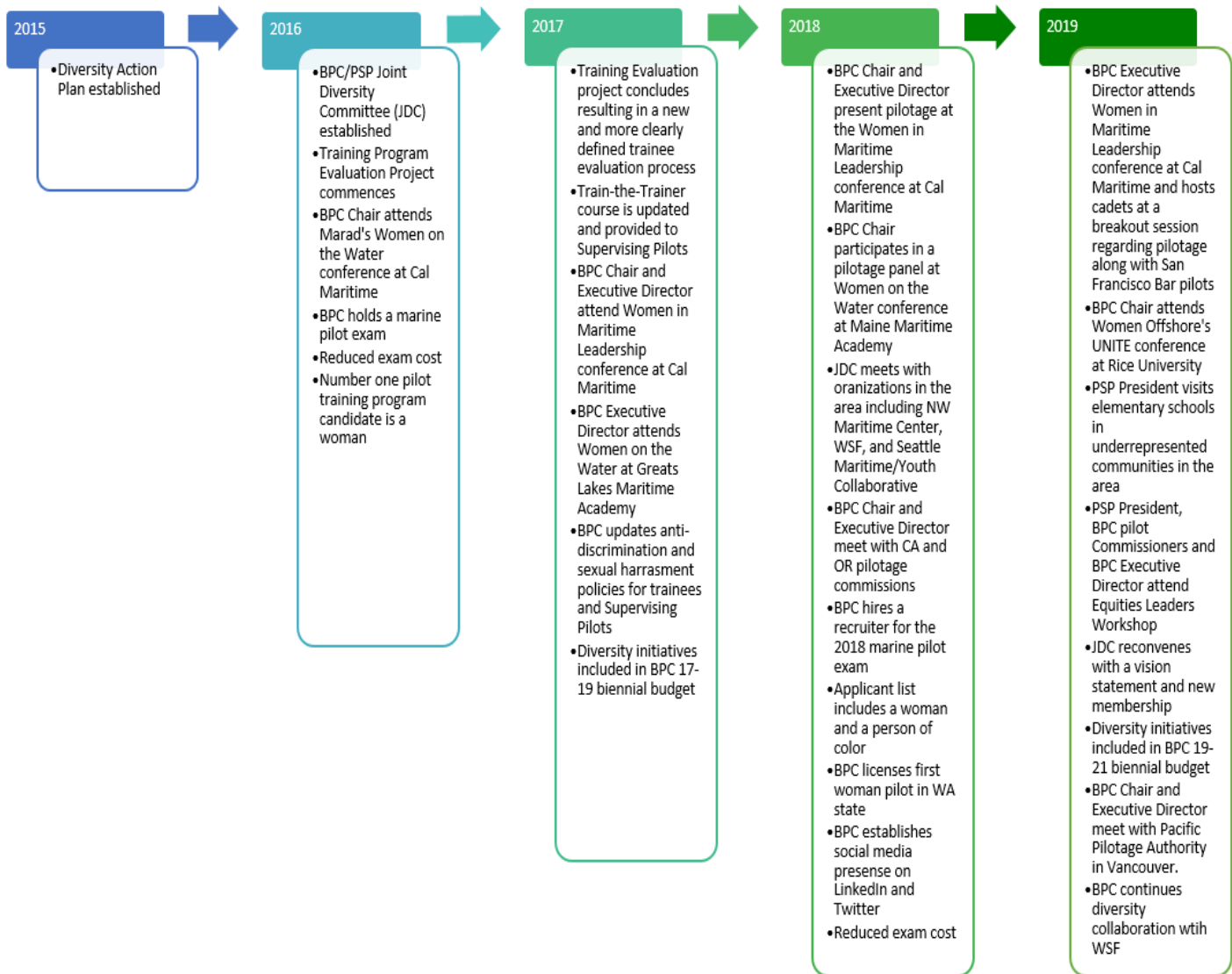
The BPC will continue to make its training program as objective as possible and will encourage qualified diverse candidates to apply.

2019 JDC Roster

- Co-Chair – Sheri Tonn, Chair, BPC
- Co-Chair – Linda Styrk, Executive Director, PSP
- Captain Eric vonBrandenfels, President, PSP
- Amy Scarton, Assistant Secretary, WSF
- Nicole McIntosh, Chief of Staff, WSF
- Emily Reiter, Director of Marketing & Communications, Saltchuk

- Jaimie Bever, Executive Director, BPC
- Sara Thompson, Commissioner, BPC
- Captain Deb Dempsey, Retired Pilot, Columbia River Bar Pilots
- Mark Gleason, Property & Casualty Producer, USI Insurance

Actions and Initiatives – *the past 5 years*

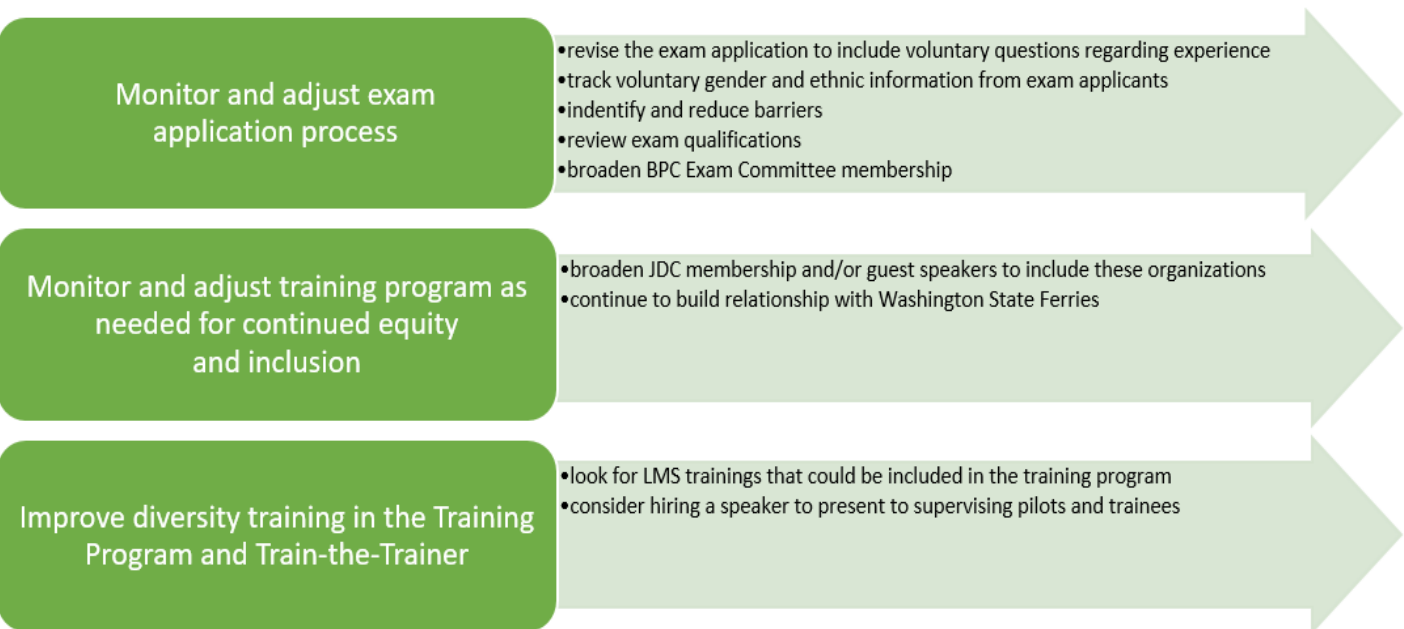


Actions and Initiatives – *the next 5 years*

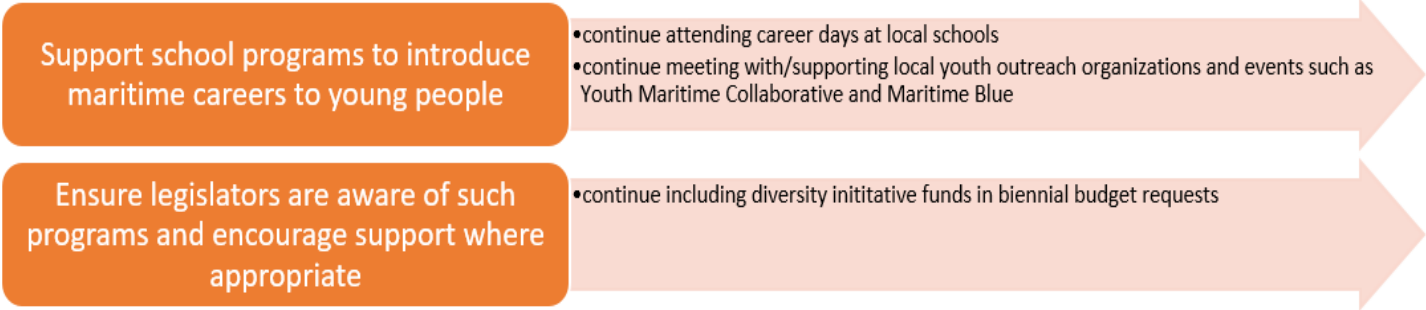
GOAL: Expand outreach to develop a diverse pool of applicants with required qualifications for pilotage



GOAL: Minimize subjectivity and eliminate bias in the application, training, and licensing process



GOAL: Support/participate in educational activities that develop youth interest in maritime careers



GOAL: Continue to Improve this Diversity Action Plan



**Measurable Improvements =
Diversity of Applicant Pool for the 2021 and 2023/2024 Exams**

7. LICENSED PILOTS

Puget Sound District

at 12/31/2019 or at retirement

Pilot	License #	Years Licensed
ANACKER, D. Scott	183	7
ANTHONY, Michael	184	7
<i>ARNOLD, John "Jed"</i>	<i>147</i>	<i>24</i>
BENDIXEN, Sandy	201	1
BOUMA, Blair	181	8
<i>BROUILLARD, Dan</i>	<i>188</i>	<i>6</i>
BRUSCO, David	180	9
BUJACICH, Jack	164	13
CARLEY, Warren "Bud"	186	6
CARLSON, Ivan	165	13
CARSTENSEN, James "Jim"	195	4
COLEMAN, Scott	191	5
CORYELL, Tom	189	6
EMERSON, Larry	126	31
<i>ENGSTROM, Fred</i>	<i>185</i>	<i>7</i>
GALVIN, Jamie	192	5
GRIESER, Ken	202	<1
GROBSCHMIT, David	169	12
HANNUKSELA, James "Jim"	175	11
HARRIS, John	123	32
HENDERSON, J. David	197	2
HENSHAW, Brian	155	19
HUNTER, Phil	199	2
JENSEN, Brian	193	5
KALVOY, Jostein	170	12
KEARNS, James "Jim"	182	7
KELLEHER, Neil	196	3
KELLY, Pat	167	13
KLAPPERICH, Eric	172	11
KRIDLER, Keith	206	<1
LICHTY, Eric	190	5
LOWE, Brad	194	4
LOWERY, William "Bill"	187	6
MAYER, Don	121	33
MCGRATH, Travis	203	<1
MELIN, David	207	<1
MORENO, Steve	178	10
MYERS, Rod	200	2

Pilot	License #	Years Licensed
NEWMAN, Alec	125	31
NINBURG, E. Patrick	205	<1
ROUNDS, Chris	198	2
<i>SANDERS, David</i>	<i>152</i>	<i>22</i>
<i>SCOGGINS, John</i>	<i>161</i>	<i>14</i>
SCRAGG, John	181	9
SEAMANS, Adam	204	<1
SEMLER, Joseph	156	19
SEMLER, Stephen	174	11
SEYMOUR, Larry	177	10
<i>SHAFFER, Dan</i>	<i>116</i>	<i>34</i>
<i>SHAFFER, Jim</i>	<i>145</i>	<i>27</i>
<i>SHULER, Mark</i>	<i>154</i>	<i>21</i>
SLIKER, William "Bill"	166	13
SORIANO, Don	122	33
THORESON, George	176	11
vonBRANDENFELS, Eric	148	24
<i>WILDES, Gordon</i>	<i>173</i>	<i>11</i>

Number of PS Pilots at 12/31/2018 50

Pilots Retired in 2019 9

Pilots Licensed in 2019 5

Number of PS Pilots as of 12/31/2019 47

Grays Harbor District

at 12/31/2019 or at retirement

Pilot	License #	Years Licensed
D'ANGELO, Robert	15	26
WHITE, Ryan	17	5

Number of GH Pilots at 12/31/2018 2

Pilots Retired in 2019 0

Pilots Licensed in 2019 0

Number of GH Pilots as of 12/31/2019 2

8. PILOT EDUCATION & OUTREACH

Training/Refresher Courses

Licensed pilots were offered various off-site training or refresher courses in 2019. The classes attended included:

Simulator/Manned-Model

The BPC mandates vessel simulator training for a licensed pilot at least once every five years for all active pilots, per [RCW 88.16.090\(9\)](#). In 2019, seven (7) pilots attended simulator training locally at Pacific Maritime Institute. Ten (10) pilots attended manned-model simulator training abroad: two (2) pilots traveled to Port Ilawa, Poland, three (3) pilots traveled to Warsash Maritime Academy, England, and five (5) pilots traveled to Port Revel, France.



One of six tankers available for training at Port Revel in France. Photo courtesy of PortRevel.com.

Manned model training reproduces realism of emergency situations, close proximity realism, anchoring and other special maneuvers, and maneuvers in current and tide. These schools provide the training to make the difference between being good and being the best.

Helicopter Certification

Pilots operating in the Port of Grays Harbor Pilotage District sometimes transfer to vessels via helicopter. Therefore, they are required to conduct Helo training every 30 days to stay current with the policies of the helicopter operator. The two Grays Harbor pilots attended multiple trainings throughout 2019.

AZIPOD

Five (5) pilots attended a two-day class held locally, at Pacific Maritime Institute, for training or refresher on propulsion systems used on cruise ships entering the area.

14,000 TEU Simulator

Seven (7) pilots participated in simulator training for the anticipated arrival of the larger 14,000 TEU vessels. This training was custom-designed to simulate a 14,000 TEU Evergreen vessel maneuvering to/from the end of the Blair Waterway and docking/undocking from the Pierce County Terminal where Evergreen ships currently call.

Ultra Large Container Vessels (ULCVs)

Eight (8) pilots attended training for Ultra Large Container Vessels (ULCV-over 1200') at Pacific Maritime Institute. The training was in preparation of forecasted arrivals of ULCV's at the Port of Tacoma.

Tethered Escort

Four (4) pilots attended this certification course for tethered tug escort of tanker vessels.

Train-the-Trainer

This BPC-offered course was developed to ensure that all pilots understand the changes that were developed from the *Training Program Evaluation Project* conducted in 2016, which provided psychometric validation of the program's components. It is mandatory that Supervising Pilots, as volunteers of the BPC, take this course to supervise trainees during the Training and Evaluation phases of the program. One Train-the-Trainer course was offered in the Grays Harbor Pilotage District in 2019.

Pilot Outreach

Members of the Puget Sound Pilots Association are participants in many activities and committees, and have a presence or are speakers at meetings relevant to maritime endeavors. This effort is outside of commitments to their own Board of Directors and the Board of Pilotage Commissioners, and often requires considerable time during their respite or off-rotation interval. Listed below are some of the committees, topics, or organizations to which the pilots contribute their time and expertise:

Puget Sound Harbor Safety Committee (PSHSC)
Grays Harbor Safety Committee (GHSC)
Salish Sea Ecosystem Conference, Seattle, WA
West Coast Pilot Conference, Seattle, WA
Fidalgo Yacht Club, Anacortes, WA
Southern Resident Killer Whale (SRKW) Task Force
Polar Escort Tugs
Skagit Bay Power Squadron
Pacific Pilotage Authority, Vancouver, B.C.
Anacortes Library Presentation, Anacortes, WA
Bollard Pull/Best Practices
Mass Rescue/United States Coast Guard (USCG)
Army Corps of Engineers (ACOE)/Port of Tacoma
American Pilots Association Convention
Salish Sea Shared Waters Forum
Sound Experience
National Oceanic and Atmospheric Administration (NOAA)
Puget Sound Harbor Safety Committee and Pacific Coast Marine Advisory Review Joint Meeting
Maritime Day, Olympia, WA

In April 2019, PSP President, Captain Eric vonBrandenfels, accompanied by PSP pilots and BPC Commissioners, Captains John Scragg and Mike Anthony, PSP Vice President, Captain Ivan Carlson, and BPC Executive Director Jaimie Bever, attended a workshop called Equity Leaders, held by Cultures Connecting, LLC.

As described on the Cultures Connecting website, this workshop was designed to provide “an opportunity for equity leaders to share strategies for organization change, problem solve some of the challenges they face”.



Captain vonBrandenfels shares his aspiration for increased opportunities for diversity and inclusion in pilotage at the Equity Leaders workshop.

Captain vonBrandenfels spent some time visiting elementary schools in the area, connecting with children and talking about maritime careers. He also provided them with age-appropriate maritime activity books developed by Washington State Ferries.



Students at Wing Luke Elementary School receive Puget Sound tide books after learning about pilotage from Captain vonBrandenfels. Photo courtesy of Puget Sound Pilots.

9. TARIFF REVENUE, EXPENSES & COMPENSATION TO PILOTS

Puget Sound Pilotage District

	2019 Total	Average Per Pilot @ 49.9	2018 Total	Average Per Pilot @ 50.3
TOTAL PILOTAGE REVENUE (Note 1)	\$ 33,691,939	\$ 674,874	\$ 33,996,799	\$ 675,881
Operating Expenses (Note 2)				
Seattle Operating Expenses	11,857,741	237,519	10,252,297	203,823
Pilot Station Operating Expenses	494,363	9,902	538,388	10,704
Pilot Boats Operating Expenses	1,913,854	38,336	1,679,687	33,393
Total PSP Operating Expenses	14,265,958	285,758	12,470,372	247,920
Balance of Revenue Pool Before Reimbursements to Pilots (Note 3)	19,425,981	389,117	21,526,427	\$ 427,961
Transportation Expense Reimbursed to Pilots	698,613	13,994	1,036,161	20,600
Pilots Individual Business Expense (IBE) Allowance	273,380	5,476	244,896	4,869
Annual Earnings after Deductions (for Distribution to Pilots)	\$ 18,453,988	\$ 369,647	\$ 20,245,370	\$ 402,219

Notes:

1. Pilotage Revenue excludes BPC SILA surcharge & trainee surcharge revenue.
2. Information was drawn from PSP 2018 and 2019 Audited Financial Statements. Some rounding may apply.
3. Reimbursements to Pilots are for the Transportation Expense Charge paid directly to pilots, as well as an individual out-of-pocket allowance of for disability insurance, referred to as Individual Business Expense (IBE).



View from the pilot boat on the way to a pilot transfer in Port Angeles. Photo courtesy of Puget Sound Pilots.

Puget Sound Pilotage District (cont'd)

Seattle Operating Expenses

	<u>2019</u>	<u>2018</u>
Attorney Fees	\$ 597,895	\$ 246,770
Bad Debts	74	1,480
BPC SILA Contribution per Senate Bill 5096	150,000	150,000
Computer Maintenance & Programming	246,412	177,744
Computer Programming	5,041	36,674
Conferences	3,106	5,541
Consulting Services	306,552	41,625
CPA Fees	77,969	81,698
Depreciation	112,568	116,211
Drug Testing	2,903	2,085
Dues	169,381	160,732
Employee Benefits	184,032	174,809
Employee Salaries	882,658	849,672
Equipment Leases	339,108	198,826
Gifts	6,874	5,572
Insurance	158,109	162,213
Interest	5,277	8,203
License Fees – Pilots	331,500	326,000
Lobbyist	75,723	76,334
Medical Insurance – Pilots	1,555,374	1,560,772
Office Maintenance & Repair	78,499	24,340
Office Supplies	63,884	56,551
Payments to Retired Pilots/Widows – Grays Harbor District (Note 4)	0	16,070
Payments to Retired Pilots/Widows – Puget Sound District (Note 5)	4,967,976	4,626,971
Payment to Retired Former Executive Director	69,502	69,502
Pilot Training	186,459	197,979
Printing & Publications	6,750	25,703
Rent & Parking	204,495	127,898
Taxes on Payroll	55,315	54,193
Taxes on Revenue	547,539	516,929
Taxes, other	1,141	3,124
Travel, Entertainment, Promotion	442,762	124,502
Telephone & Communications	22,863	25,574
Seattle Office Total	\$ 11,857,741	\$ 10,252,297

4. Funds derived from the application of the Grays Harbor Pilotage District tariff (Pension Charge), for the purposes of offsetting a proportionate share of pension expenses, are remitted to Puget Sound Pilots for payment to retirees of the Grays Harbor Pilotage District. Puget Sound Pilots report the revenue and expense in their annual audited financial statements. The Port of Grays Harbor has assumed responsibility effective April 2018.

5. According to PSP by-laws, amounts necessary for payment of benefits under the Puget Sound Pilots Trust Contract of 1952, the Puget Sound Pilots Retirement Agreement of 1978 and the Amended Retirement Program of Puget Sound Pilots are deducted and paid to the designated beneficiaries prior to distribution of income to current pilots.

Puget Sound Pilotage District (cont'd)

Port Angeles Station Operating Expenses

	<u>2019</u>	<u>2018</u>
Depreciation	\$ 45,204	\$ 46,190
Education	0	1,525
Food	89,596	80,648
Insurance	38,327	34,583
Lodging – Port Angeles	0	377
Maintenance and Repairs	52,277	30,765
Rent, Tideland Lease	4,548	4,362
Reposition of Pilots	177,670	252,161
Supplies	24,072	23,876
Taxes on Property	10,871	12,916
Telephone & Communications	25,985	25,986
Utilities	26,113	24,999
Port Angeles Total	\$ 494,663	\$ 538,388

Pilot Boat Operating Expense

	<u>2019</u>	<u>2018</u>
Depreciation	\$ 28	\$ 28
Employee Benefits	244,638	233,902
Employee Salaries	791,164	801,684
Fuel of <i>JUAN DE FUCA</i>	128,519	186,889
Fuel of <i>PUGET SOUND</i>	211,223	177,694
Insurance	86,168	96,940
Maintenance & Operation of <i>JUAN DE FUCA</i>	322,409	63,448
Maintenance & Operation of <i>PUGET SOUND</i>	62,831	56,662
Taxes on Payroll	61,857	62,440
Taxes on Property	5,017	0
Pilot Board Operations Total	\$ 1,913,854	\$ 1,679,687



The pilot station in Port Angeles and pilot boats *PUGET SOUND* and *JUAN DE FUCA*. Photo courtesy of Puget Sound Pilots.

Puget Sound Pilotage District (cont'd)

Schedule of Employees

Employee	Position
T. Burnell	Dispatcher/Clerk
J. Clark	Deckhand/Engineer
A. Dreyer	Lead Boat Operator
M. Gregson	Deckhand/Engineer
K. Houston	Dispatcher/Clerk
P. Jacobsen	Deckhand/Engineer
J. Melvin	Deckhand
P. Moore	Accountant/Controller
J. Rushton	Deckhand/Engineer
D. Shideler	Lead Boat Operator
L. Styrk	Executive Director
B. Valentine	Dispatcher/Clerk
D. Warczak	Accounts Receivable Clerk
R. Welch	Boat Operator

Property, Boats and Equipment

	<u>2019</u>	<u>2018</u>
Port Angeles Station Building	\$ 2,104,532	\$ 2,104,532
Port Angeles Station Furnishings & Equipment	150,684	153,542
Pilot Boat <i>JUAN DE FUCA</i>	3,221,448	3,229,434
Pilot Boat <i>PUGET SOUND</i>	3,639,784	3,718,327
Seattle Office Furnishings, Furniture, Computers, & Equipment	771,067	857,513
Portable Pilot Units	0	0
Portable Radio Equipment	0	95,659
Total building, boats, furnishings, and equipment	\$ 9,887,515	\$ 10,159,007
Less Accumulated Depreciation & Amortization	8,888,429	9,122,378
Net property, boats, and equipment	\$ 999,086	\$ 1,036,629

Grays Harbor Pilotage District

	2019 Total	Average Per Pilot @ 2	2018 Total	Average Per Pilot @ 2
Revenue				
Pilotage Services Revenue	\$ 1,502,833	\$ 751,417	\$ 1,936,760	\$ 968,380
Miscellaneous Revenue	1,216	608	2,343	1,172
TOTAL PGH PILOT DIVISION REVENUE	1,504,049	752,025	1,939,103	969,552
Operating Expenses (Note 1)				
Port Administrative Services	70,262	35,131	82,254	41,127
Other Pilot Division Expenses	578,310	289,155	696,436	348,218
Total Operating Expenses	648,572	324,286	778,690	389,345
Payments to Pilots				
Wages, Benefits & Incentive Pay (Note 2)	1,077,990	538,995	888,935	444,468
Travel Allowance	24,150	12,075	30,345	15,173
Total Payments to Pilots	1,102,140	551,070	919,280	459,640
Pension Contribution for Retired Pilots	103,500	51,750	144,500	72,250
TOTAL PGH PILOT DIVISION EXPENSES	1,854,212	927,106	1,842,470	921,235
Grays Harbor Pilotage District Income (Loss) (Note 3)	\$ -350,163	\$ -175,082	\$ 96,633	\$ 48,317

Notes:

1. Information is drawn from Pilot Division Profit and Loss Statements from the Port of Grays Harbor.

Rounding may apply.

2. Licensed pilots are employees of the Port of Grays Harbor as opposed to being independent contractors belonging to an association. Employer Provided Benefits include health, life, medical, and disability insurance, federal and state taxes, and retirement funding paid by the employer.

3. Port of Grays Harbor absorbs or retains any loss or income from the piloting division of their operations.



Terminal 1 at the Port of Grays Harbor operates as a barge and bulk liquid terminal. Photo courtesy of the Port of Grays Harbor.

Grays Harbor Pilotage District (cont'd)

Port of Grays Harbor Pilotage Division Expenses

	<u>2019</u>	<u>2018</u>
Advertising	\$ 153	\$ 216
Pilot Launch Service	404,227	460,905
Depreciation	24,696	22,559
Dues & License Fees	13,200	13,000
Insurance	1,709	1,688
Legal Services	7,722	8,261
Consulting	7,260	21,563
Miscellaneous Other Expenses	19,541	654
Pension Contribution for Retired Independent Pilots	103,500	144,500
Port Administrative Services	70,262	82,254
Repair/Maintenance	40,521	112,861
Supplies	12,887	10,508
Taxes	20,833	27,680
Telephone	5,048	5,069
Training	4,049	1,100
Travel/Lodging/Meals	16,464	10,372
Wages	575,396	548,098
Benefits	225,574	195,328
Gain Sharing Distribution	0	41,415
Incremental Duty Pay	277,020	104,094
Travel Allowance (Paid to Pilots)	24,150	30,345
Grays Harbor District Total Expenses	\$ 1,854,212	\$ 1,842,470

Property, Boats & Equipment

	<u>2019</u>	<u>2018</u>
Pilot Boat <i>CHEHALIS</i>	\$ 317,630	\$ 317,630
Computer Equipment (Mobile)	0	38,355
Radio Equipment	12,051	12,052
Other Machinery & Equipment	39,130	0
Total property, boats, and equipment	\$ 368,811	\$ 368,037
Less Accumulated Depreciation	305,054	282,465
Net property, boats, and equipment	\$ 63,757	\$ 85,572

10. INCIDENT REPORTS & MARINE SAFETY OCCURENCES

Incident Reports

WAC 363-116-200(1)(a): A state licensed pilot and a state licensed pilot trainee involved in an incident shall notify the board by telephoning or radioing the Marine Exchange of Puget Sound as soon as the situation is stabilized or within one hour of reaching shore. In addition, all incidents shall be reported to the board on the Report of Incident form as soon as possible after the incident, but in no event more than ten days afterwards. If a pilot trainee is involved, both the pilot trainee and the supervising pilot shall each file a Report of Incident. In any event where a pilot or pilot trainee is unaware of the occurrence of an incident at the conclusion of his/her piloting assignment, the pilot and pilot trainee shall file a

Report of Incident within ten days of being informed piloting assignment, the pilot and pilot trainee shall file a Report of Incident within ten days of being informed of the occurrence of the incident. An incident includes an actual or apparent collision, allision or grounding, as well as a navigational occurrence which results in actual or apparent personal injury or property damage or environmental damage. An incident also includes any occurrence where a pilot or pilot trainee falls or is injured while embarking or disembarking a vessel or otherwise is physically endangered while performing his/her duties on a vessel, regardless of whether the incident results in physical injury to the pilot or pilot trainee.

Puget Sound Pilotage District

Two Incident Reports were filed in the Puget Sound Pilotage District in 2019.

DATE	VESSEL	LOCATION	BOARD DECISION
11/18/2019	<i>WELLINGTON STAR</i>	Point Post in Bellingham Bay	Incident with no pilot error and no apparent damage
12/15/2019	<i>LEVANT</i>	Ferndale Intalco	NTSB, USCG, and BPC Investigations underway

Grays Harbor Pilotage District

No Incident Reports were filed in the Grays harbor Sound Pilotage District in 2019.

The Board continues to be very proud of the safety record of both pilotage districts. Reports of near-miss occurrences and incidents remain low given the number of vessels moved each year.

Marine Safety Occurrences (MSOs)

Report of Marine Safety Occurrence. A state licensed pilot and state licensed pilot trainee involved in a near-miss occurrence shall complete the board required *Report of Marine Safety Occurrence* form and file it with the board as soon as possible after the near-miss occurrence, but in no event more than ten days afterwards. If a pilot trainee is involved, both the pilot trainee and the supervising pilot shall file a *Report of Marine Safety Occurrence*. A near-miss occurrence is where a pilot and pilot trainee successfully takes action of a non-routine nature to avoid a collision with another vessel, structure or aid to navigation, to avoid a grounding of the vessel or to

avoid causing damages to the environment. Information relating to near-miss occurrences provided by a pilot and pilot trainee on this form shall not be used for imposing any sanctions or penalties against the pilot or pilot trainee involved in the occurrence. A state licensed pilot or pilot trainee may also use this form on a voluntary basis for reporting out of the ordinary occurrences or concerns for navigational safety encountered or observed during the course of piloting a vessel as well as safety issues encountered or observed on the vessel, the dock, or in the area around the vessel.

Puget Sound and Grays Harbor Pilotage Districts

Twenty-one MSO reports were filed in the Puget Sound Pilotage District, with five listed as *Near-Miss* occurrences.

One MSO report was filed in the Grays Harbor Pilotage District and was not a *Near-Miss* occurrence.



A Puget Sound pilot, outbound from the Port of Seattle. Photo courtesy of Puget Sound Pilots.

11. PETITIONS FOR VESSEL EXEMPTION FROM PILOTAGE

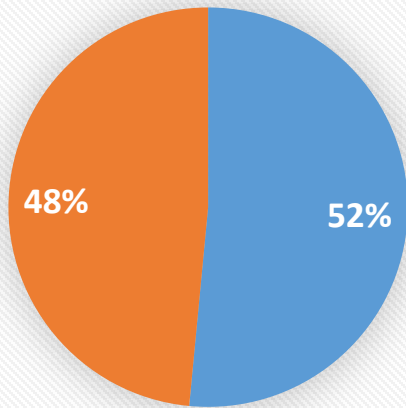
Under the authority of RCW 88.16.070, application may be made to the Board of Pilotage Commissioners to seek exemption from the pilotage requirements for the operation of a limited class of small passenger vessels, which are not more than one thousand three hundred gross tons (international), do not exceed two hundred feet in length, and are operated exclusively in the waters of the Puget Sound Pilotage District and lower British Columbia, or yachts, which are not more

than one thousand three hundred gross tons (international), and do not exceed two hundred feet in length. For purposes of this section, any vessel carrying passengers for a fee, including yachts under charter where both the vessel and crew are provided for a fee, shall be considered a passenger vessel. In 2019, the following exemption certificates were granted to qualifying vessels:

Cert #	Vessel	LOA	GT	Approved Operator	Country of Origin	Approved Dates
19-01 R	<i>VICTORIA CLIPPER V</i>	167 FT	910	Various	Cyprus	02/01/19 - 01/31/20
19-02 N	<i>MLR</i>	174 FT	966	Heath	Cayman Islands	01/20/19 - 01/19/20
19-03 R	<i>ARCTIC PRIDE</i>	123 FT	297	Seethoff	Jamaica	02/13/19 - 02/12/20
19-04 R	<i>TRITON</i>	163 FT	527	Johns	Marshall Islands	05/01/19 - 04/30/20
19-05 R	<i>ARROWHEAD</i>	115 FT	193	St. Pierre	Marshall Islands	05/01/19 - 04/30/20
19-06 R	<i>AFTER EIGHT</i>	151 FT	498	Lindsay	Isle of Man	04/26/19 - 04/25/20
19-07 R	<i>VICTORIA CLIPPER</i>	127 FT	431	Various	Curaco	05/01/19 - 04/30/20
19-08 R	<i>VICTORIA CLIPPER IV</i>	118 FT	478	Various	Bahamas	05/01/19 - 04/30/20
19-09 R	<i>RENT SPENT</i>	112 FT	208	Davey	Marshall Islands	04/20/19 - 04/19/20
19-10 R	<i>ST. EVAL</i>	114 FT	215	Milla	Cayman Islands	05/15/19 - 05/14/20
19-11 R	<i>HUNTRESS</i>	197 FT	1218	Guymon & Oldham	Cayman Islands	06/01/19 - 05/31/20
19-12 N	<i>EL LEON</i>	177 FT	499	Bozzo Costa	Italy	05/10/19 - 05/09/20
19-13 N	<i>LEONARA</i>	90 FT	21	Spencer	Marshall Islands	05/15/19 - 05/14/20
19-14 N	<i>GANESHA</i>	151 FT	251	Pamment	United Kingdom	05/20/19 - 05/19/20
19-15 N	<i>FORMOSA</i>	196 FT	1086	Boutin	Cayman Islands	05/01/19 - 04/30/20
19-16 R	<i>MEA CULPA</i>	138 FT	302	Grant	Cayman Islands	05/06/19 - 05/05/20
19-17 N	<i>TAMSEN</i>	172 FT	463	Catlett	Cayman Islands	06/20/19 - 06/19/20
19-18 R	<i>SOLAIA</i>	131FT	427	Boxshall & Dekker	Cayman Islands	05/15/19 - 05/14/20
19-19 N	<i>MALAIKA</i>	79 FT	61	Gibson	Malta	05/13/19 - 08/12/19
19-20 N	<i>THE AQUARIUS</i>	151 FT	302	Callahan	Malta	05/24/19 - 05/21/20
19-21 N	<i>PIONEER</i>	151 FT	499	Nicholls	Cayman Islands	05/18/19 - 05/17/20
19-22 R	<i>TESS</i>	120 FT	244	Milla & Hagedorn	Grand Cayman	06/10/19 - 06/09/20
19-23 N	<i>SEAWOLF</i>	170 FT	851	Joyce-Clarke & Bailey	Marshall Islands	06/18/19 - 06/17/20
19-24 N	<i>LADY BAH</i>	138 FT	296	Benson	Jamaica	06/13/19 - 06/12/20

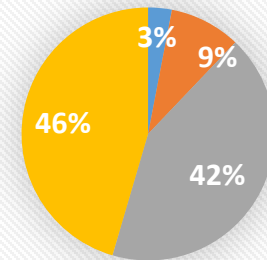
19-25 R	CV-9	139 FT	325	C. Johnson/Chaplin	Cayman Islands	07/16/19 - 07/15/20
19-26 N	CALLIOPE	147 FT	496	Connolly	Cayman Islands	08/01/19 - 10/31/19
19-27 N	BEAGLE STAR V	114 FT	131	Baldwin	Cayman Islands	06/27/19 - 09/26/19
19-28 N	CALEX	164 FT	492	Clemens	Cayman Islands	07/19/19 - 07/18/20
19-29 R	WATTA RYDE	92 FT	188	Kane	Cayman Islands	08/02/19 - 08/01/20
19-30 R	ICE BEAR	171 FT	614	Hayes & Berndt	Cayman Islands	09/07/19 - 09/06/20
19-31 N	ALBATROSS	115 FT	247	Nunez	Marshall Islands	09/04/19 - 09/03/20
19-32 R	EVVIVA	164 FT	492	Trailer	Cayman Islands	09/19/19 - 09/18/20
19-33 N	ZAZIE	49 FT	9	Rozand	New Caledonia	10/18/19 - 01/17/20

2019 Vessel Exemptions by Type



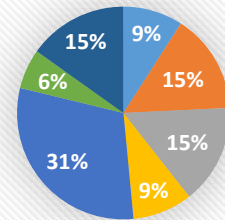
■ New Exemptions ■ Renewed Exemptions

2019 Exemptions by Length Overall (LOA)



■ 0-50 FT ■ 51-100 FT ■ 101-150 FT ■ 151-200 FT

2019 Exemptions by Gross Tonnage



■ 0 - 100 GRT ■ 101 - 200 GRT ■ 201 - 300 GRT
 ■ 301 - 400 GRT ■ 401 - 500 GRT ■ 501 - 750 GRT
 ■ 751 - 13000 GRT



Built in 1930, M/Y ST EVAL received an exemption from pilotage in 2019. A regular visitor to the area, the Board always looks forward to her arrival. Photo courtesy of MarineTraffic.com

12. TUG ESCORTS FOR OIL TANKERS

RCW 88.16.020 requires that the Board provide the names and horsepower of tug boats used to escort subject to the provisions of RCW 88.16.190.

Vessel Name	HP	Propulsion	Bollard Pull Ahead	Bollard Pull Astern	Tension Gage	LOA	Breadth	Draft	Year Built	GRT	Escort Tug
Crowley											
Chief	4800	Voith	55.75		Y	105'	36'	15'	1999	275	Y
Guard	5500	Voith	60		Y	120'	41-6'	16-11'	1996	294	Y
Guide	4800	Voith	55.75		Y	105'	36'	15'	1998	275	Y
Protector	5500	Voith	60		Y	120'	41-06'	16-11'	1996	294	Y
Response	7200	Voith	77		Y	129-06'	45-08'	24-09'	2002	293	Y
Vigilant	6772	Z-Drive	91		Y	100'	40'	17'	2007	194	Y
Foss											
Andrew Foss	4000	Voith	46	37	Y	107'	38'	12'	1982	298	Y
Garth Foss	8000	Voith	79	66	Y	137'	46'	19'	1993	459	Y
Henry Foss	4700	Voith + Z	52	38	Y	94'	36'	12'	1982	194	Y
Lindsey Foss	8000	Voith	79	66	Y	138'	46'	19'	1993	459	Y
Wedell Foss	4700	Voith + Z	52	38	Y	94'	36'	12'	1982	194	Y
Marshall Foss	6250	ASD	83	75	Y	92'	40'	16.7'	2001	196	Y
Lynn Marie	6250	ASD	84	75	Y	92'	40'	16.7'	2001	196	Y



Oil tanker PSARA I approaches the Cherry Point refinery with assistance from a Foss tug. Photo courtesy of Puget Sound Pilots.

13. PILOTAGE TARIFFS

Puget Sound and Grays Harbor Pilotage Districts

During the 2018 Legislative Session, the responsibility for setting the tariffs in both the Puget Sound and Grays Harbor Pilotage districts transferred to the Washington State Utilities and Transportation Commission, effective July 1, 2019.

The 2019 BPC set tariffs can be found at:

[Puget Sound Pilotage District](#)

[Grays Harbor Pilotage District](#)

14. PUGET SOUND PILOTS OPERATING RULES (2/2020)

(See subsequent pages)

OPERATING RULES
PUGET SOUND PILOTS

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In order to promote safe, efficient and harmonious operation of vessels by this Pilot organization, we the undersigned members herewith agree to uphold and abide by the following rules. These shall be applicable to the following:

- 1) Dispatching of Pilots
- 2) Respite periods and vacations
- 3) Special charges not included in published tariffs
- 4) Miscellaneous Policies and Relief Rules
- 5) Penalties

RULE 1
DISPATCHING OF PILOTS, TIME OF ASSIGNMENTS

- A. Rotation.** Pilots shall be assigned to vessels in accordance with a strict rotation system which shall be adhered to. Pilots returning to duty from their respite periods, vacations or from any other absence, shall be placed in rotational sequence relative to other pilots. Except as otherwise provided, this sequence shall start with the pilot whose last assignment “check-in time” is oldest and continue to the most recent. Members who are returning from off-duty status for any cause shall be placed at the head of the rotation list, however they shall be placed in rotation immediately behind members who have previously returned from off-duty status and are awaiting assignment. AMENDED: 2/93, 8/15, 12/19.
- B. Pilots Working Three Consecutive Nights.** Pilots who work three consecutive nights shall be assigned their next assignment in compliance with this Section B. A pilot shall be considered to have worked at night if any part of the pilot’s bridge

time or travel time to or from an assignment occurs at any time between and including the hours of 0100 and 0459. AMENDED: 9/16

1. Three Nights ending at the Station. If the assignment causing the pilot's third consecutive night of work ends at the station, unless needed on the Seattle side, the pilot will remain at the station and be given a full night's rest (no repo, travel or bridge time between and including the hours of 2000 and 0800 and shall not return to rotation before 0800 the following morning. If the pilot is needed on the Seattle side, the pilot will be assigned to a repo no sooner than eight (8) hours after check-in and then be given a full night's rest. The pilot will then be Number 1 for dispatch in Seattle at 0800 on the following day. The decision whether such a pilot will be repositioned will be made by the dispatcher considering the best interest of PSP with the concurrence of the President. The pilot may be informed of the repo when being given his third night ship assignment or after his rest at the station;
2. Three nights ending elsewhere. If the assignment causing the pilot's third consecutive night of work ends at a place other than the station the pilot will be given a full night's rest (no repo, travel or bridge time between and including the hours of 2000 and 0800, and shall be number 1 for dispatch at 0800 the following morning.

C. Assignments. In order to facilitate dispatching, members shall keep in close contact with the Seattle Pilot Station and/or the dispatcher. At 1730 a pilot, or the pilot's representative, shall be available to accept assignments for evening or

morning dispatch. It shall be the responsibility of the Pilot to keep the dispatcher informed as to the Pilot's whereabouts both day and night in order that proper rotation dispatching shall be effective. Unless assurance is received from the Pilot or the Pilot's representative as to the Pilot's availability, the Pilot shall be placed in an off-duty status for twenty-four (24) hours, thereby losing two (2) day's distribution.

AMENDED: 7/84, 8/15.

RULE 2 **ASSIGNMENTS**

The minimum off-duty period before an assignment, or before the first of multiple harbor shift assignments is ten (10) hours between the pilot's check-in time of the next assignment. Multiple harbor shifts assigned to a pilot shall not exceed thirteen (13) hours from the call time of the first assignment to the planned check-in time of the final assignment. The minimum off-duty period does not apply to repositionings, except where specified elsewhere in these rules.

A pilot who has received a minimum ten (10) hour off-duty period at Port Angeles before being repositioned to Seattle and will check-in at Seattle prior to 1300, may be immediately assigned.

A pilot who has received a minimum ten (10) hour off-duty period at Seattle before being repositioned to Port Angeles and will check-in at Port Angeles prior to 1715, may be immediately assigned. AMENDED: 6/96, 8/02, 5/03, 5/09, 8/15, 9/17, 2/20.

A) SEATTLE

1. An assignment to a vessel in Seattle Harbor shall be given to the Pilot four (4) hours before the Pilot is to be aboard. Travel to the assignment is considered to start 2.0 hours before the Pilot is to be aboard. AMENDED: 7/92, 6/03.
2. An assignment to a vessel at Point Wells or Eagle Harbor shall be given four (4) hours before the Pilot is to be aboard. Travel to the assignment is considered to start 2.0 hours before the Pilot is to be aboard. AMENDED: 4/99, 6/03.
3. An assignment to a vessel at Olympia, Tacoma, Manchester, Bangor, Bremerton, Port Townsend, Mukilteo or Everett shall be given five (5) hours before the Pilot is to be aboard. Travel to the assignment is considered to start 3.0 hours before the Pilot is to be aboard. AMENDED: 4/99, 6/03.
4. An assignment to a vessel at Anacortes, March Point, Bellingham, Ferndale or Cherry Point, shall be given six (6) hours before the Pilot is to be aboard. Travel to the assignment is considered to start 4.0 hours before the Pilot is to be aboard. AMENDED 6/03.
5. An assignment to proceed to Port Angeles shall be given three (3) hours before the scheduled Seattle to Bainbridge Island ferry departure time. Travel to the assignment is considered to start 1.0 hour before the scheduled ferry departure. Assignments to scheduled ferry departures shall be at such time as determined by the Board of Directors at a regular meeting of the Board where this subject appears as a scheduled agenda item. If a transportation assignment

to Port Angeles and vessel assignment have the same dispatch time, the transportation shall be assigned first. AMENDED: 7/86, 5/95, 6/03, 6/04.

6. An assignment to a vessel at Vancouver, New Westminster, Delta Port or Port Moody, British Columbia shall be given ten (10) hours before the Pilot is to be aboard. Travel to the assignment is considered to start seven (7) hours before the pilot is to be aboard. An assignment to proceed to any other port in the British Columbia Range shall be given three (3) hours prior to bus time. Amended 2/04.

EXCEPTION TO PARAGRAPHS 1 TO 6 INCLUSIVE

A vessel which, because of a change in circumstances, is in need of a Pilot sooner than the above recited notice times will be furnished one as soon as practicable.

7. Assignments to all vessels departing later than 2030 up to and including 1045 the following morning shall be given at 1730. AMENDED: 10/85.
8. A Pilot on the rotation list shall be assigned at 1730 to any vessel scheduled to shift or sail during the night hours. If the shift or vessel departure assigned at 1730 is canceled prior to three (3) hours before the set time, the Pilot assigned shall be returned to the number one (1) position on the rotation list. AMENDED: 7/86.
9. The following applies to a Pilot commencing respite at 2400 Tuesday: (a) A Pilot

shall not be assigned a vessel departing Olympia for Port Angeles later than 1000 Tuesday; (b) a Pilot given an assignment whose call time was prior to 0800, and the call time for the assignment is changed to 0800 or later, shall be removed from rotation at 0800 Tuesday; (c) a Pilot left unassigned before 0800, shall be removed from rotation at 0800; and (d) a Pilot whose check-in time is later than 0800 Tuesday, shall be removed from rotation upon check-in. Pilots returning from respite, vacation, or other absence shall be placed in rotation at 0800 Tuesday as described in Rule 1 (A). AMENDED: 10/85, 11/87, 12/91, 1/97, 12/20.

10. When a vessel is departing a pier/terminal to stream/anchorage, and another vessel is proceeding from the same stream/anchorage to the same pier/terminal, one Pilot shall be assigned to both assignments, unless requested otherwise by an agent. When practical, due to a lack of available pilots in rotation, one Pilot may be assigned to more than one harbor shift, provided that for pilots on watch, multiple harbor shifts must be in the same port. AMENDED: 12/91, 10/98, 4/07.

Multiple Assignments Within One Port with 10 Hour Rest Interval (Expires 9/30/2019) (Excluding Port Angeles)

- a. A pilot may be assigned multiple local assignments within one port area. This period shall commence at the call time of the first assignment. If the pilot is unable to start any additional local assignment or travel within 13 hours of the call time of the first assignment, a pilot will be provided a 10

hour rest interval and, if desired, a hotel room which will be reimbursed.

- b. Upon completion of the 10 hour rest interval, described in paragraph a. (above), that pilot may be assigned additional local assignments provided the completion time of additional assignment(s) should not exceed 13 hours from the order time of the first assignment. At the completion of the last assignment, normal check in times apply. AMENDED: 2/19

11. If a Pilot cannot take the Pilot's regular assignment on the rotation list due to a limitation on the Pilot's state license, the Pilot's duty is to take the next preceding assignment that the Pilot's state license can cover. If a Pilot has not completed any requirements imposed by the state Board of Pilotage Commissioners for upgrade of said Pilot's state license by the date specified by the Board of Pilotage Commissioners, said Pilot shall not be dispatched until the Pilot fulfills the requirements. The Pilot may use comp days or be placed in an off duty status, whichever is appropriate. The Pilot may appeal to the Board of Directors for an extension of time to complete requirements before being taken off the rotation list, provided the Pilot can demonstrate extenuating circumstances acceptable to the Board of Directors. AMENDED: 9/86, 6/90, 11/90, 4/92. [Item 12 Added 5/17. Removed 6/17]

B) PILOT STATION

1. Boarding of inbound vessels arriving at the Pilot Station shall be in accordance with the rotation system. If a Pilot cannot take the Pilot's regular INBOUND

assignment on the rotation list, due to a limitation on said Pilot's State License, the Pilot's duty is to take the next preceding INBOUND assignment that said Pilot's State License qualifies for. A Pilot arriving at the station shall be placed at the bottom of the rotation list. A Pilot dispatched to the Pilot Station at Port Angeles shall, upon arrival at the Pilot Station, be placed at the bottom of the rotation list. If more than one Pilot is dispatched to Port Angeles at the same time, they shall be placed at the bottom of the rotation list upon receipt of dispatching instructions. "Reporting in time" at the Pilot Station shall be three (3) hours after the designated Seattle to Winslow ferry departure times in accordance with O/R 2, Sec. (a), Par. #5. A pilot is considered to have arrived at the Port Angeles Pilot Station at this time. Local assignments at Port Angeles will be performed by the first pilot scheduled for repositioning or by the first pilot in rotation who has been at the Pilot Station at least ten (10) hours and who has at least twelve (12) hours between the call time of a local assignment and their scheduled inbound assignment. A Pilot whose respite commences at 2400 of that day shall remain in rotation as long as the Pilot is able to check-in prior to 2400 on that same day. If a pilot commencing respite at 2400 cannot be assigned to an inbound vessel in the Pilot's regular rotation before 1440 that will allow the Pilot to check-in before 2400 on that same day, the Pilot shall be assigned to the next inbound ferry. A Pilot dispatched to Seattle via next transportation will be deemed to have departed from the Port Angeles Pilot Station two and one-half (2 ½) hours before the scheduled Winslow to Seattle ferry departure time. Assignments to scheduled ferry departures shall be at such

times as determined by the Board of Directors at a regular meeting of the Board where this subject appears as a scheduled agenda item. AMENDED: 7/86, 11/87, 5/89, 11/90, 5/95, 6/96, 9/00, 8/02, 2/20.

Section 2. Round Trip Assignments on Certain Cruise Ships. ADDED 5/09, 8/15, DELETED (Ballot 2/10/20) 2/20.

C) OUTPORTS

AMENDED: 6/86, 8/87, 11/87; DELETED: Ballot #4-90, 5/90.

D) COMPLETION OF ASSIGNMENTS

1. Within sixty (60) minutes of the completion of any assignment, Pilots (including President) shall inform the Seattle Pilot Office or telephone exchange of their check-in time. AMENDED: 7/84, 11/18.
2. Arrival time at all ports shall be the time the Pilot leaves the ship; except Port Angeles shall be as follows:
 - a. Thirty (30) minutes of travel time to the Port Angeles Pilot Station shall be allowed after the pilot leaves the ship. A Pilot disembarking a ship by Pilot Boat shall use the Float Time.
 - b. An assignment to a vessel departing a pier in Port Angeles shall be assigned to the Pilot one (1) hour before the Job Time. This time is to be noted on the pilotage service rendered slip. AMENDED: 1/17
3. From Seattle and outports, the following travel shall be allowed after the ship's official arrival time: AMENDED: 7/92.

- a. Seattle, Point Wells and Edmonds - one (1) hour. AMENDED: 7/92.
- b. Eagle Harbor or Bremerton - first available ferry arrival in Seattle.
- c. Manchester, Bangor, and Port Townsend - three (3) hours. AMENDED 10/14.
- d. Olympia, DuPont - three (3) hours after ship's arrival.
- e. Tacoma, Mukilteo and Everett - two (2) hours after ship's arrival.
- f. Anacortes, March Point, Bellingham - three (3) hours after ship's arrival.
- g. Ferndale and Cherry Point - three and one-half (3-1/2) hours after ship's arrival.
- h. A Pilot dispatched to Seattle from Port Angeles shall, check in at Seattle three (3) hours after having departed the Port Angeles Pilot Station in accordance with O/R 2, Sec. (B). If more than one Pilot is dispatched to Seattle, each shall be placed at the bottom of the rotation list at Seattle in the order of their position on the rotation list upon departure from Port Angeles. AMENDED: 7/86.
- i. Vancouver, New Westminster, Delta Port or Port Moody, British Columbia seven (7) hours. The reporting time of a Pilot returning to Seattle from any other British Columbia port shall be one (1) hour after the next available bus arrival time in Seattle. AMENDED: 5/85, 7/90, 12/99, 2/04.
- j. Failure to comply with this Rule will not be considered a violation of these Operating Rules per se and will warrant a fine of only \$100.

RULE 3
DEPARTING PORT ANGELES PILOT STATION

- A.** All pilots at the Port Angeles Station are “on duty.” A Pilot who desires, for any reason other than illness or death in the Pilot’s immediate family, to go “off duty” at the Port Angeles Pilot Station, and does not declare that he/she is taking a Comp Day in the manner prescribed in subsection “B” below, shall be placed on the “Off- Duty Roster” for not less than twenty-four (24) hours, starting at the time of the Pilot’s actual departure from the Port Angeles Pilot Station. The Pilot will lose four (4) days distribution. AMENDED: 7/84, 6/01.
- B.** A Pilot who desires to go “off duty” on arrival at the Port Angeles Pilot Station for any reason other than illness and/or death in the Pilot’s immediate family, shall give notice of the Pilot’s intention to go “off duty” at the Port Angeles Pilot Station to the dispatcher on duty when the Pilot is assigned to a ship or transportation proceeding to Port Angeles or at the time that the Pilot assigned is notified that the assignment time is changed. A Pilot who is on assignment or checked in at the Port Angeles pilot station who desires to go “off duty” for any reason other than illness and/or death in the Pilots immediate family must declare to the on duty dispatcher his/her intentions at least thirty (30) minutes before the next outbound transportation that would cover the pilots next projected assignment as per O/R 2, with the exception of the 0820 reposition notice which shall be given at 0800. For the 0320 reposition, notice must be given by 1700. A Comp Day taken at

the Port Angeles pilot station shall begin at the time of the assignment the pilot would have had if he/she had remained in rotation. The pilot returns to “on duty” status 24 hours later in Seattle. A Pilot who fails to properly notify the dispatcher as per this rule and leaves the station placing himself/herself “Off Duty” and thereby “Off Distribution” will be penalized under the provisions of O/R 3A. AMENDED: 12/85, 9/00, 6/01.

RULE 4 **TRADES OR SUBSTITUTIONS**

Members may trade assignments by mutual agreement or one member may substitute for another member assuming the member is sufficiently rested. The dispatcher shall be notified immediately of such trades or substitutions. Such trades are strictly between the members involved and of no concern to the organization other than to insure each assignment is covered. Once effected, the member agreeing to take the place of another shall be responsible for the completion of the assignment involved as if it were the member’s own.

RULE 5 **RESPIRE AGREEMENT**

1. Members shall start in rotation at 0800 on a Tuesday and shall commence respire at 2400 on the second Tuesday thereafter. A member who commences said member’s respire period later than 2400 on Tuesday shall have one (1) additional day’s respire. AMENDED: 10/85, 11/87, 2/12.

2. Peak Period Weekend Assignments. By February 15 of each year, each pilot shall be randomly assigned by the President to work a weekend shift during the pilot's respite period ("Peak Work Shift") during peak season. Assignments of Peak Work Shifts will not interfere with vacations and any training conflicts will be addressed by the President. Assigned Peak Work Shifts can be traded together or separately. New pilots will be assigned a Peak Work Shift by the President. On Peak Work Shifts, pilots will be assigned in the order they were checked in from their previously scheduled work shift as numbers one, two and three at 1100 on Thursday and will be checked in by Sunday at 1100. Peak Work Shifts will start on the second full weekend of May, will not occur on holiday weekends (Memorial Day, 4th of July and Labor Day) and will end when all pilots have been assigned to one weekend. Sec 2 added January, 2010, AMENDED: 2/12, 6/12, 11/16, 2/17.
3. Each Pilot shall take said Pilot's respite period when due; provided, however, that trading of respite periods, mutually agreed upon between Pilots, is permissible. The dispatcher is to be notified of any trading of respite periods between Pilots. Trades of respite time are under the same constraints as trades of assignments. The extra duty roster and partner rules will remain in effect. AMENDED: 6/17.

RULE 6
VACATIONS

Members shall accrue vacation at the rate of 1.4 days per watch worked. Effective as pilots return to work from vacation on or after June 19, 2012, vacations shall be taken as follows: a pilot shall receive seven days of vacation to start two weeks after completion of every fifth watch. These seven days shall be followed by seven days of respite. The pilot will return to rotation four weeks after completion of every fifth watch. Trades of vacation time are to be under the same constraints as trades of assignments. Amended: 2/12.

During the President's term in office, the President shall not take any vacation under the rotation system described in this rule. The President shall retain the former position in rotation for the purpose of taking vacation when the individual is no longer serving as President.

Upon commencing a term as President, the President shall be credited with thirty (30) business days of vacation to be used during the President's term of office. The President may use these days at any time during the President's term at the President's discretion. At the discretion of the Board of Directors, the President may carry over any vacation days into a subsequent term but cannot carry over any vacation days past the end of the President's final term in office. AMENDED: 4/91, 2/12. 12/17.

RULE 7 **SICK PRIVILEGES**

A Pilot who has no Comp Days accrued may, if the Pilot so desires, take a day or more off for sickness or injury up to fourteen (14) days and have such days deducted from

said Pilot's next vacation without further loss of pay. AMENDED: 4/96.

RULE 8
OFF DUTY STATUS

A member desiring to be placed in an off-duty status and not intending to accept a 1730 assignment shall notify the dispatcher by 1500 of the day that the member wishes to be placed in an off-duty status. A member who does not notify the dispatcher of said member's intention at that time and goes on "Off-Duty" status shall be deemed in violation of this Rule. A comp day taken off shall begin at the call time of the assignment that would have been assigned without regard to the 1730 courtesy call time. The comp day shall end 24 hours after the beginning call time without regard to the 1730 courtesy call time. AMENDED: 4/88, 8/88, 10/89, 8/00.

RULE 9
CANCELLED AND INCOMPLETED ASSIGNMENTS

A member whose assignment is canceled by the owner, master or agent within the allotted travel time, according to Rule Two, may elect to go to the bottom or to the top of the rotation list unless that pilot is assigned to a harbor shift or repositioning. An assignment of such a pilot to a harbor shift or repositioning will be done only when it will avoid the need to hire a pilot on respite and will be subject to normal call time requirements. A member who, for reasons other than fatigue or safety, shall either cancel an

assignment on said members own, or fail to appear for and/or complete an accepted assignment and remain on board the vessel to its final dispatched destination, will incur a mandatory deduction of two (2) days distribution plus a \$1,000.00 penalty. Further, no comp or vacation days may be used. AMENDED: 12/90, 10/03, 5/09.

RULE 10
HOLIDAY OFF-DUTY PENALTY

No member shall decline an assignment on Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, December 24th, December 25th, December 31st and January 1st. Violation of this rule will incur a mandatory deduction of two (2) days distribution plus the penalty hereinafter set forth for failure to comply with these rules. Further, no comp days may be used on these dates. A comp day taken on a day prior to one of the named holidays shall terminate at 2400 hours on the day prior to the holiday, irrespective of the time of commencement of the comp day. A member affected by the termination of the comp day at 2400 hours on a day prior to the holiday shall be available for dispatch at 2400 hours of that day. At the discretion of the Pilot, the Pilot may accept the job assignment at 1730 or 2400. The intent of this rule is so that no member may be required to work in place of one who arbitrarily refuses an assignment on these important holidays. AMENDED: 7/84, 5/85.

RULE 11
RELIEF RULES

Deleted by Ballot #7-00, 5/00.

RULE 12
BRITISH COLUMBIA ASSIGNMENTS

The acceptance by a member of an assignment to pilot a vessel from a British Columbia port to a Puget Sound port at the termination of an assignment from Puget Sound to British Columbia is mandatory. If at the time of receipt of an assignment between Puget Sound and a British Columbia port a member is advised that pilotage service for a vessel bound from British Columbia to a Puget Sound port may be required, the member shall, upon arrival at the British Columbia port, telephone the Seattle Pilot Station before returning, and be subject to being held over for a maximum of sixteen (16) hours for assignment to the vessel bound to a Puget Sound port. The pilot shall not, however, be held over for an assignment which may depart less than five (5) hours after the completion of the original assignment to a British Columbia port. AMENDED Ballot 1-06, Feb 2006.

In the event there will be two (2) pilots in British Columbia capable of piloting a single vessel scheduled to sail from British Columbia to Puget Sound, the vessel shall be assigned to the Pilot scheduled to arrive in British Columbia last. The purpose of this Rule is to more efficiently utilize the available Pilots. AMENDED: 7/91.

RULE 13
RESPIRE GRANT OCCASIONED BY DEATH

In the event of the death of the spouse, parent, child, parents-in-law, brothers, sisters, or grandchildren of an active Pilot, the Pilot shall be permitted up to five (5) days relief from rotational duties to attend to family affairs within the seven (7) days immediately following the death. AMENDED: 5/87, 1/88.

RULE 14
PILOT COMMISSION MEMBERS

Pilots serving on the Board of Pilotage Commissioners required to go to a meeting starting before 1000 hours shall be checked-in at Seattle by 2300 hours the previous evening; they shall be placed at the bottom of the rotation list and upon adjournment of the meeting, they shall check-in within 60 minutes, thereby returning themselves to the rotation list in the same manner as a pilot completing a ship assignment, including travel time as outlined in Operating Rule 2. Pilot Commissioners who are required to attend Board of Pilotage Commission (BOPC) regular, special or committee meetings, or perform investigations during their respite periods, shall be entitled an additional Respite Day(s) to be used within 12 months of them being earned; not to be used May through September. AMENDED: 4/87, 10/90, 10/07, 2/17, 3/19.

RULE 15
DIRECTORS MEETINGS -COMMITTEE MEETINGS

Directors and special committee members required to attend duly called meetings

shall do so under the same rules and considerations granted Pilot Commission members, in Rule Fourteen, except Directors and committee members shall not be entitled to additional respite. AMENDED 2/17

RULE 16
ATTENDANCE AT HEARINGS

Any member whose presence is required at a hearing or investigation conducted by the U.S. Coast Guard, Board of Pilotage Commissioners, or at a trial in a state or federal court, resulting from an accident to a ship in the member's charge, or who has been selected involuntarily to serve on a state or federal jury and who can demonstrate said member has exhausted all avenues of appeal, including timely notification and request for assistance of the PSP office, for relief from such jury duty, shall be removed from the rotation list at the time the member's presence is required. Upon termination of the proceedings, the member shall revert to the position on the rotation list said member occupied at the time the hearing or trial convened. AMENDED: 5/90.

RULE 17
MEMBERS ON RESPITE, SERVICES REQUIRED

Whenever the volume of shipping requires, members on respite or vacation may be requested to perform assignments. The number of assignments to respite members may be one (1) or more during any twenty-four hour period. If a respite member is dispatched to Port Angeles via transportation, the dispatcher on duty shall assign the

member to an inbound ship which will enable the member to return to the vacation or respite roster within twenty-four (24) hours. A member on respite who is dispatched via vessel to Port Angeles shall have a check-in time in Seattle of three (3) hours after the member's arrival at the station in Port Angeles. Provided, however, this rule shall conform to license limitations and rest period requirement.

When a member is required, pursuant to this rule, to take assignments during the member's respite days or vacation, the member shall receive credit for an extra day of work. These extra days shall be called "Comp Days". A comp day worked shall begin at the call time of the first assignment without regard to the 1730 courtesy call time, and will end 24 hours later, without regard to the 1730 courtesy call time. The Secretary shall maintain records of the extra days worked by each member and shall call members in strict rotation as directed by the Secretary¹, and the monthly distribution statement shall include a tabulation of extra days accumulated by each member. With the exclusion of days enumerated in Rule Ten and subject to the limits of the last paragraph in this Rule, a member who has accumulated comp days may use one or more of them at the member's discretion in lieu of a work day, provided that the Pilot gives adequate notice to the dispatcher. AMENDED 9-12.

In the event a Pilot who has accumulated comp days retires or becomes disabled, the Pilot shall be entitled to use all said Pilot's comp days prior to commencing retirement pay. A Pilot who has given notice of retirement may not transfer comp days to another pilot during the six (6) month period preceding the Pilot's retirement date, except for previously existing comp day debt to other Pilots and except for charitable contributions not

requiring any other Pilot to work on the retiring Pilot's behalf. Comp days are fully equivalent to work days with respect to a Pilot's right to respite days and vacation time.

AMENDED: 4/92, 5/04. 8/18.

1 Rule 17 was interpreted in Ballot 2-13 to provide that pilots at the top of the comp day list who are not offered a comp day job due to license limitations, shall retain their position at the top of the list until they are actually called for a comp day job.

RULE 18 **PILOTAGE ASSIGNMENTS**

A member shall not perform pilotage on vessels subject to the Pilotage Act, unless duly assigned in accordance with the Operating Rules.

RULE 19 **MAJOR MEDICAL COVERAGE**

A Pilot who is unfit to perform the duties of a Puget Sound Pilot due to a major injury or illness, shall, after fourteen (14) duty days of such injury or illness plus respite days, participate fully in pilot distributions for a period not to exceed twenty-four (24) weeks until the Pilot is declared fit for duty.

The Pilot or the Pilot's representative shall present to the President and the Directors certificates satisfactory to them of the Pilot's inability to perform the duties of a Puget

Sound Pilot. The President and the Directors shall then approve the participation in pilot distributions subject to the following provisions:

1. Distributions for the first fourteen (14) duty days shall be the responsibility of the Pilot who is unfit for duty. (That is, the first fourteen (14) days shall be charged against the Pilot's accumulated or future vacation days or accumulated comp days or in accordance with Operating Rule 4 or shall be uncompensated.) A pilot seeking major medical shall specify in writing how the first 14 days will be covered. Any such designation can be made or changed up to the time that the pilot returns to duty. In the absence of a written designation, days will be covered first with then accumulated vacation, second with accumulated comp days and third with un-accumulated future vacation days. Pilots using un- accumulated future vacation days shall pay back such days by working an equal amount of days during their next accrued vacation(s). To the extent that a pilot has used un-accumulated future vacation days to cover his or her 14 day obligation and does not return to work long enough to accrue the vacation days taken, the amount paid by PSP for those days shall be deducted from any retirement or equity buy out payments due to the pilot from PSP. AMENDED:12/90, 9/10.
2. The President and the Directors may at their request and expense have a second opinion rendered by a Commission doctor whose opinion as to fitness shall be final and conclusive.
3. Except as provided in Subsections 3(a) and (b) below, the major medical provisions

may not be invoked for the same injury or illness more than once in any twelve (12) month period following the date of the injury or illness. In addition, a pilot on major medical must return to full duty status for at least twenty four (24) weeks before the provisions of this Rule may again be invoked for any injury or illness, except as provided in Subsections 3(a) and (b) below.

- a. If a pilot returns to duty before the twenty-four (24) week major medical coverage period ends and, within ninety (90) days of such return, the pilot is again unable to perform the duties of a pilot due to the same illness or injury, that pilot may return to major medical coverage for the remainder of the 24 week period.
 - b. A pilot invoking section 3(a) must provide satisfactory medical evidence to the organization of his or her inability to perform the duties of a pilot and that such inability is due to the original illness or injury.
4. Pilots on major medical who are fit to do so, shall participate in the association business, activities or duties as requested by the president or Board of Directors. Unless the President indicates otherwise due to unusual circumstances, a Pilot on major medical who is fit to do so, will be available from Friday at 1700 to Monday at 0800 on at least two weekends per month to take calls and cover operational issues in place of the President so that the President can have the weekend off-duty. All phone calls will be routed to the pilot on major medical. Pilots who will be doing this duty will be oriented by the President on the types of issues that will be covered by this duty.

5. Every 30 days after the start of major medical, a pilot on major medical shall provide a written opinion from a doctor that the pilot is or is not fit for the administrative tasks described herein until such time as the doctor's opinion is that the pilot on major medical is fit to perform such tasks.
6. Under no circumstances will a pilot on major medical be requested to perform any duties that would in any way interfere with or delay that pilot's ability to return to work. AMENDED: JAN 2014.

RULE 20
AMENDMENTS TO OPERATING RULES

The Operating Rules may be changed or amended by a majority vote of the members voting. Voting is to be accomplished by secret postal ballot or secret electronic vote as may be provided in the By-laws. Those present at a membership meeting that has a quorum may authorize a vote, or it may be initiated by the Board of Directors. AMENDED: 7/86, 7/07, 2/08.

RULE 21
TRAVEL EXPENSES

Each Pilot will pay the Pilot's own transportation cost to any assignment. Any transportation charges paid by the Association on a Pilot's behalf such as plane or taxi, will be deducted from that Pilot's share of that Pilot's distribution. AMENDED: 4/82.

RULE 22
PENALTY FOR FAILURE TO COMPLY

Should any member without good and just cause, fail to comply with one or more of these Operating Rules, the President shall cause to have withheld from that member's distribution, for the subsequent month following the infraction, the sum of \$500 for each and every violation.

Should the member so affected believe such funds were wrongfully withheld or should the member believe there were sufficient mitigating circumstances to warrant rescinding such action, the member may, in writing, appeal to the Board of Directors. Their decision in this matter shall be final and binding.

RULE 23 **WATCH EQUALIZATION**

When determined by the Board of Directors that an inequality of the watches exists which requires a modification of the watch compliments, then the Board shall act as set out below. In making its determination, the Board may take into account license grades and/or the total number of pilots on a watch. For purposes of watch equalization, the President shall not be considered as a member of either watch.

1. Solicit a volunteer(s). If more than one pilot volunteers then the volunteer with the lowest license number with the necessary license grade shall be transferred.
2. If there is no volunteer then the pilot with the highest license number with the necessary license grade from the watch that has the most licensed pilots would be transferred to the opposite watch.

3. A pilot who transfers as a result of a board declaration of inequality has a one-time right to go back to his or her original watch when the board declares another inequality of the watches. A pilot transferred involuntarily has priority in transferring back to his or her original watch over a pilot transferring voluntarily irrespective of seniority. If there is more than one pilot transferred by the same means, the pilot with the lowest license number shall have priority in transferring back.
4. A pilot who transfers for the purpose of Watch Inequality shall have the right to use a comp day on a holiday of his or her choice without the penalty imposed by Operating Rule 10 once a year during the first three years after the transfer.

AMENDED: 8/08.

15. PUGET SOUND PILOTS BYLAWS (7/2019)

(See subsequent pages)

FIRST REVISED BYLAWS OF PUGET SOUND PILOTS

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1. Name. The name of the organization is the “Puget Sound Pilots” (herein the “**Association**”).

2. Purpose.

2.1 The purpose of the Association is to promote a safe, efficient, reliable and professional system of marine pilotage within the Puget Sound Pilotage District.

2.2 Puget Sound Pilots is an organization of individuals, corporations and limited liability companies, with each Member acting independently, for profit or loss, but sharing common services for their mutual interest in the carrying out of a function of providing logistical support, short of actual pilotage of vessels, for Pilots and Members herein. The Association is not intended to be a partnership of any kind, and no Member is authorized to act as agent of any other Member, nor to pledge the credit of any other Member. Only the Board of Directors, and the Officers, or duly appointed and authorized individuals or committees, are authorized to act for the Association, as permitted by these First Revised Bylaws or the Operating Rules.

3. Definitions. The following terms used in these First Revised Bylaws (the “**Bylaws**,” as they may be amended from time to time) shall have the following meanings (unless otherwise expressly provided therein):

3.1 “**Active Pilot**” shall mean a Pilot whose Membership has not been terminated.

3.2 “**Active Non-Working Pilot**” shall mean a Pilot who is no longer available for Assignments, and who may or may not have relinquished his/her License, but is still entitled to receive distributions until accumulated and unused leave time is fully exhausted.

3.3 “**Active Working Pilot**” shall mean Pilot holding a License who is in regular dispatch rotation or is temporarily unavailable during a period of leave.

3.4 “**Adjusted Gross Income**” is defined in Section 5.5.2 herein.

3.5 “**Annual Election**” is the annual election in which the Directors standing for election are elected as further described in Section 10.1 herein.

3.6 “**Annual Gross Income**” is defined in Section 5.5.1 herein.

3.7 “**Annual Meeting**” shall be the General Membership Meeting that is designated by the Board of Directors as the “Annual Meeting,” which Annual Meeting may be held on two separate dates in order to accommodate attendance by all of the Members as further described in Section 6.1 herein.

3.8 “**Assignment**” shall mean an assignment to pilot a vessel.

3.9 “**Association**” shall mean the Puget Sound Pilots Association as further described in Section 1 herein.

3.10 “**Authorized Entity**” is a corporate entity owned by a Pilot who holds a License, which Authorized Entity is a Member of the Association as further described in Section 5.2 herein.

3.11 “**Ballot**” is defined in Section 9.1 herein.

3.12 “**Board of Directors**” shall mean the Directors, elected as provided herein, by the Membership to govern the Association at the direction of the Membership as more specifically provided herein as further described in Section 4.2 herein.

3.13 “**Board Vote**” is defined in Section 9.4 herein.

3.14 “**Claimant**” is a Member (Pilot) against whom a claim has been brought, and who seeks indemnification, as further described in Section 19.1 herein.

3.15 “**Combined Duty Days**” shall mean all of the Duty Days of all of the Pilots during a calendar month as further described in Section 17.3 herein.

3.16 “**Comp Day**” shall mean a day of work that is “earned” and attributed to a Pilot as a result of him/her working a day during his/her Respite Period or Vacation Period as further described in Section 17.4.4.1 herein.

3.17 “**Daily Rate of Income**” shall mean the Total Pilotage Services Fees divided by the Combined Duty Days of all of the Pilots to determine the daily rate of income for that month as further described in Section 17.5.2 herein.

3.18 “**Director**” shall mean a Pilot elected by the Membership as provided herein, to be a member of the Board of Directors as further described in Section 4.2 herein.

3.19 “**Duty Day**” is a day during which a Pilot is an active Member of the Association, and is either on duty and available for an Assignment aboard a vessel, on earned Respite Period, or on Vacation Period, as further described in Section 17.3 herein.

3.20 “**Equal Income Share**” shall mean the Total Pilotage Service Fees evenly divided between the Members and credited to their individual accounts as further described in Section 17.5 herein.

3.21 “**Expense Pool**” shall mean all operating and miscellaneous costs and expenses of the Association and the Pilots paid by the Association during each calendar month as further described in Section 17.6.1 herein.

3.22 “Expenses,” are the costs of business paid by the Association as further described in Section 17.6 herein.

3.23 “General Membership Meeting” shall mean the quarterly meeting of all of the Members as further described in Section 6.1 herein.

3.24 “General Account” shall mean the general and operating bank accounts and funding accounts of the Association, as they may be maintained from time to time. This does not include any trust accounts or specific purpose accounts.

3.25 “Individual Adjusted Gross Income” is defined in Section 5.5.3 herein.

3.26 “Individual Expense Share” shall mean a number determined by dividing the Expense Pool by the total number of Members for each month as further described in Section 17.6.1 herein.

3.27 “License” means a Puget Sound Pilot’s License issued by the Board of Pilotage Commissioners of the State of Washington.

3.28 “Member” shall mean the Pilot, or the Authorized Entity owned by that Pilot, that is a member of the Association as further described in Section 4.1 herein.

3.29 “Membership” shall mean, collectively, all of the Members as further described in Section 4.1 herein.

3.30 “Membership Payment” is the payment made by a new Member as part of the qualification to become a Member in the Association as further described in Section 5.5 herein.

3.31 “Net Income” is specifically defined in Section 5.5.1 herein as further described in Section 5.5.1 herein.

3.32 “Operating Rules” shall mean the rules adopted by the Membership, as they may be revised from time to time, that direct the actual operations of the Association and its Members as further described in Section 5.4.2 herein.

3.33 “Partnership Representative” shall be that person or entity designated from time to time by the Board of Directors to act on behalf of the Association with respect to all federal income tax proceedings, as further described in Section 16 herein. The Partnership Representative may be the President, the Executive Director, a CPA, or an outside financial or tax advisor to the Company. The Partnership Representative shall serve until such time as he/she/it may resign, or until another Partnership Representative is appointed by the Board of Directors.

3.34 “Pilot” shall mean an individual who holds a License and is either a Member of the Association, or is the owner of an Authorized Entity that is a Member of the Association as further described in Section 5.1 herein.

3.35 “Pilotage Services Fees” shall be the fees earned by the Pilots for their services piloting vessels as further described in Section 16.1 herein, and shall not include any Transportation Fees.

3.36 “President” shall be the Pilot elected by the Members to fulfill that role.

3.37 “Respite Period” is the period of time between Work Periods, when a Pilot is not available for regular scheduling of Assignments to vessels as further described in Section 16.4.2 herein.

3.38 “Terminating Member” is the Member whose Membership is being terminated for any reason, as more specifically described in Section 5.7.1 herein.

3.39 “Termination Payment” is the payment made to a Member whose Membership in the Association is terminated as further described in Section 5.6.1 herein.

3.40 “Total Pilotage Services Fees” shall be all of the Pilotage Service Fees received for all of the Pilots during the calendar month as further described in Section 17.1 herein.

3.41 “Transportation Fees” are those fees reimbursed to the Pilots for their costs of transportation to and from Assignments as further described in Section 17.1 herein.

3.42 “Vacation Period” is the period of time during which a Pilot not expected to receive Assignments, as further described in Section 17.4.3 herein.

3.43 “Vote” and “Voting” are defined in Section 9.1 herein.

3.44 “Voting Period” shall mean the period of time during which the Members may submit their Ballots for each election as further described in Section 9.3 herein.

3.45 “Winning Candidate” shall be the candidate for Pilot Commissioner who received the most votes and is the Association’s candidate for Pilot Commissioner as further described in Section 15.1 herein.

3.46 “Work Period” is the period of time during which a Pilot is primarily available for Assignments, and receives those Assignments as further described in Section 17.4.1 herein.

4. Structure and Composition.

4.1 The authority and power of the Association is vested in its Members (all of the Members may be referred to herein as the “**Membership**,” individual members a “**Member**” and more than one as the “**Members**”).

4.2 The power vested in the Membership may be assigned or delegated, as further described herein, to the Board of Directors (the “**Board of Directors**,” the members of which are a “**Director**” or the “**Directors**”), and/or the Officers. The Board of Directors may delegate certain powers to the Executive Director. Between meetings of the Board of Directors, the power may be exercised by the Officers, with the exception of certain issues which are reserved to the Board of Directors or reserved to the Membership.

5. Membership.

5.1 Membership is limited to Pilots, and to Authorized Entities owned by Pilots as more fully described in Section 5.2 herein.

5.2 A Member may be a corporation, or a professional services corporation, a limited liability company or a professional limited liability company (“**Authorized Entity**”), provided that:

5.2.1 The Authorized Entity is duly organized and in good standing under the appropriate corporation or limited liability company laws of the State of Washington;

5.2.2 The Authorized Entity shall have only one stockholder or member, one director and one officer, or one Manager, and the Pilot shall be an employee, and the other employees of the Authorized Entity shall be limited to the Pilot’s immediate family members;

5.2.3 Such sole stockholder, member, director, officer, Manager and Pilot employee shall be a person who is the holder of a valid Puget Sound Pilots License issued by the Board of Pilotage Commissioners of the State of Washington, in good standing;

5.2.4 Such Authorized Entity and its Pilot holding a License shall have all of the obligations, responsibilities and duties to the Puget Sound Pilots as an individual Member of the Puget Sound Pilots would have;

5.2.5 Such individual Pilot holding a License shall cause to be exercised and perform all of the rights and duties of the Pilot’s Authorized Entity with respect to membership in the Association;

5.3 It is the intent of this Section 5 to permit Members to form corporations or limited liability companies, to be Members without in any way diminishing or changing their duties, responsibilities, and obligations of and to the

Association. Notwithstanding the foregoing, the Pilot owning a Member corporation or limited liability company shall have all of the responsibilities and duties of a Member of the Association.

5.4 Admission into Membership.

5.4.1 An applicant for Membership qualified under Section 5.1 and Section 5.2 above must submit an application in writing as prescribed by the Board of Directors.

5.4.2 After application, and upon request from the applicant, the applicant shall be given the opportunity to review the Bylaws of the Association, the Operating Rules of the Association (the “**Operating Rules**”), the Anti-Harassment Policy of the Association, the Puget Sound Pilots Retirement Plan, and all other rules adopted from time to time by the Association. Admission to Membership will be granted by the Association when an applicant has demonstrated that the applicant has fulfilled all the licensing and financial requirements for Membership set forth herein, and that the applicant has agreed in writing to be bound by these Bylaws, by the Operating Rules, and all other policies or rules adopted from time to time by this Association.

5.4.3 At the time of admission, the Officers of the Association shall inform the new Member of all provisions of the Bylaws, Operating Rules, Dispatch Guidelines, the Puget Sound Pilots Retirement Plan, and of the methods of operation of the Association as a business organization.

5.4.4 During the first four (4) months of a Member’s membership, a new Member has the option of being assisted during vessel Assignments by another Pilot.

5.5 Membership Payment. Applicants shall, prior to being admitted into Membership, agree to pay to the Association as a condition of becoming a Member a sum (the “**Membership Payment**”). The Membership Payment shall be calculated as follows:

5.5.1 There shall be determined, for each of the three (3) calendar years prior to the year in which the applicant or the applicant’s Authorized Entity becomes a Member, the gross income of the Association (the “**Annual Gross Income**”);

5.5.2 There shall then be subtracted for each of those three (3) years’ Annual Gross Income the mandatory deductions of the Members from their income as set forth in Sections 17.1 through 17.9 herein, and not less the individual expenses set forth in Section 17.10 herein, and the remainder after that subtraction shall be the “**Adjusted Gross Income**” of the Association for that year;

5.5.3 The adjusted Gross Income for each of those three (3) years shall then be divided by the number of Members during each of those applicable

years, the quotient from that division shall be the “**Individual Adjusted Gross Income**” for that year;

5.5.4 The Individual adjusted Gross Income for each of those three (3) years shall be added together, and the sum of that addition divided by three (3), to equal the “Membership Payment.”

5.6 Payment of Membership Payment.

5.6.1 The Membership Payment shall be paid in equal or nearly equal payments over a period of seventy-two (72) months, or such other period of time as is set by the Board of Directors from time to time, provided that, if prior year Annual Gross Income is not yet known when the applicant or the Applicant’s Authorized Entity becomes a Member, it shall be assumed to be the same as for previous year until such time as it becomes known. At the time that it becomes known, the monthly payments shall be adjusted so that the remaining balance of the Membership Payment is paid in equal payments over the remainder of the payment period previously set by the Board of Directors. The first installment of the Membership Payment shall be paid from the first full month’s distribution payment to the new Member (not from a partial month prorated distribution payment, if any). These installments of Membership Payments shall be deposited into the General Account of the Association.

5.6.2 The unpaid balance of the Membership Payment shall not bear interest. These payments shall be deducted by the Association from the monthly distribution payment to the new Member. A new Member may make a lump sum payment(s) and thereby reduce the amount of the unpaid balance of the Membership Payment and the number of monthly payments required, but such payment(s) shall not affect the amount of each remaining monthly payment.

5.7 Terminating Member’s Payment.

5.7.1 Upon termination of Membership in the Association, the Member whose Membership is being terminated (the “**Terminating Member**”), or the Terminating Member’s legal representative, shall be paid an amount equal to the Membership Payment amount calculated for new Members as of the date of the Member’s termination, and not the Membership Payment originally paid by that Member (the “**Termination Payment**”).

5.7.1.1 Payment of said Termination Payment shall commence at the time the Terminating Member is entitled to receive the first retirement payment pursuant to the terms of the then-effective Puget Sound Pilots Retirement Plan. The unpaid balance of the Termination Payment shall not bear interest. Said payment amounts shall be paid in equal or nearly equal monthly payments over a period of seventy-two (72) months, or such other period as is set by the Board of Directors from time to time, and provided however, that if the payment is based on an average of three (3) years’ Adjusted Gross Income and prior year Adjusted Gross Income is not yet known at the time of termination, it shall be assumed to be the same as for previous year

until such time as it becomes known. At that time as it is known, the monthly payments shall be adjusted so that the remaining balance of the applicable average is paid in equal payments over the remainder of the applicable period. Notwithstanding the foregoing, in the event that the applicable payment period of time is changed by the Board of Directors, it shall not affect the period of time over which payments are made for any Member whose Membership is already terminated and that is receiving payments.

5.7.1.2 In the event that, at the time of commencement of payment of those Termination Payment payments, or at any time while such payments are being made, the Terminating Member owes any sum of money to the Association, including pursuant to the terms of Section 17.11 herein, then the Association shall be entitled to deduct all such sums owed from the next Termination Payments due to the Terminating Member.

5.7.2 Notwithstanding the foregoing, however, that in all cases in which the Terminating Member has not been a Member of the Association for the full specified period of payments of his/her/its Membership Payment, the Terminating Member shall receive the payments for the same number of months for which the Terminating Member's Membership Payments were made under Section 5.5 herein.

5.8 International Organization of Masters, Mates and Pilots Membership. Upon becoming a Member, each Member (or that Member's owner-Pilot) is admitted as a member of the International Organization of Masters, Mates and Pilots, and continued Membership in this Association is conditioned upon continued membership in the International Organization of Masters, Mates and Pilots.

5.9 Compliance. Every Member and Pilot is obligated to adhere to and follow the terms of these Bylaws, the Operating Rules, and any and all directives, policies or rules promulgated thereunder or promulgated by the Board of Directors. Each Member and each Pilot shall treat fellow Members and Pilots with respect and consideration.

6. Membership Meetings.

6.1 There shall be a general meeting of the Membership ("**General Membership Meeting**") held during each calendar quarter of each year, on a date and at a time set in advance by the Board of Directors, or the President, or the Executive Director. One of those meetings each year shall be designated as the "**Annual Meeting**" by the Board of Directors, and that Annual Meeting may be held in two increments, to accommodate the Pilots who are not able to attend one of the meetings due to his/her schedule.

6.2 The agenda for General Membership Meetings shall be delivered to the Members not later than that date seven (7) days prior to the meeting date. Any five Members may submit in writing, prior to that date of notice, a matter which shall then be included on the agenda.

6.3 Actions specifically reserved to the Membership by these Bylaws may be taken only by Vote pursuant to the terms of Section 9.1 herein, and not at the General Membership Meeting.

6.4 Special Membership Meetings may be called by the President, or by a majority of the Board of Directors, on no less than seven (7) days' notice by delivery to the Members specifying the meeting agenda. Notice of Special Membership Meetings may be made in writing, by electronic notice, or by regular mail. The date that such notice is sent shall be the date of such notice.

6.5 The Board of Directors may determine, from time to time, whether Members may participate in a Membership Meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. If so approved by the Board of Directors, participation in such a meeting by audio and/or video shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

7. Officers.

The Officers of the Association shall consist of a President, a Vice President, and a Secretary, who shall each be a member of the Board of Directors. Functions that would otherwise be performed by a treasurer shall be performed by the Executive Director.

8. Board of Directors.

There shall be a Board of Directors consisting of seven (7) Members, including the Members holding the positions of President, Vice President and Secretary of the Association.

9. Voting Procedure.

9.1 Electronic Voting. Any Vote of the Members required by these Bylaws or by the Operating Rules (“Vote” or “Voting”) may be done by casting an electronic ballot (“Ballot”). The manner and method of electronic Voting shall be set by the Board of Directors. The Board of Directors shall not adopt any electronic Voting procedure until it has been certified in writing by the association’s primary computer consultant to provide an accurate way to authenticate voter identity by use of at least a password and to preserve voter anonymity. Such written description of the voting procedures and the consultant’s certification shall be distributed to all Members upon request. The results of all elections shall be reviewed by the Executive Director, and reviewed and approved by the President and one other Director. The President or the Executive Director shall notify the Membership of all Voting results.

9.2 Proxy. A Member, who is unable to participate in a Vote, may designate another Member (the proxy holder) to cast a Ballot on his/her/its behalf. That

proxy holder shall submit to the Secretary satisfactory evidence that that Member holds the proxy for another Member. Said designation shall be in writing and shall be delivered to the Secretary prior to the time Voting is commenced. When exercising a proxy, the proxy holder shall make such arrangements with the President as are then-directed by the President. No Member shall cast more than one proxy Ballot in any Vote.

9.3 Voting Periods. The voting period (the “**Voting Period**”) shall commence on the date that the electronic notice of the Vote goes out to the Members. The Voting Period shall be fourteen (14) days. Each Ballot must be received within the Voting Period or it will not be counted.

9.4 Except as otherwise specified herein, (1) any vote of the Board of Directors (“**Board Vote**”) shall be a vote of a majority of the Directors in attendance at the meeting in which the Board Vote is taken, and (2) any Vote of the Membership shall be a Vote of a majority of the Members that cast Ballots in that Vote .

10. Election and Removal of Directors and Officers.

10.1 Election of Directors. Members of the Board of Directors shall be elected by the Members of this Association in good standing in an election commenced in November (specific date as set by the Board of Directors, the “**Annual Election**”) and shall serve a term as set forth in Section 10.4 herein. Any decision to change the date of the Annual Election from the same month as the prior year shall be made by the Board of Directors at a meeting held at least thirty (30) days prior to the start of the Annual Election, the published agenda for which Board meeting states that changing the date of the Annual Election will be considered by the Board of Directors.

10.1.1 The Vote for Directors and Officers will be by electronic Ballot, as described in Section 9.1 herein.

10.1.2 There shall be no nominations for the Director’s positions, but each Member shall vote for as many Director positions as are open for election that year. The Pilots running for election, for the Director positions that are open for election in that year, receiving the highest number of votes in said election shall be elected to the Board of Directors of the Association.

10.2 Election of Officers. A Ballot for Officers shall be forwarded, within twenty (20) days after each Annual Election of members of the Board of Directors, to the entire Membership, listing the names of the seven (7) Directors, including the newly elected Directors, with instructions for each Member to cast a Ballot for one of those Directors for President, one for Vice President, and one for Secretary. The Director receiving the highest number of votes for each office shall be elected to said office for a one (1) year term. All voting shall be in accordance with the provisions of Section 9 herein.

10.3 Tie Votes. In case of a tie Vote for a Director position or Officer position, another Ballot, listing only the Members tied in the previous Ballot, shall be

immediately forwarded to the Membership for an additional Vote to determine which of those receiving the tie Votes shall serve. Each Ballot shall be required to be cast within the Voting Period for that election.

10.4 Terms of Office.

10.4.1 Directors.

10.4.1.1 Subject to the terms of Section 10.4.1.2 herein, the term of each Director shall commence after the date of the Annual Election at which he/she is elected and shall continue until after the date of the second Annual Election thereafter.

10.4.1.2 If the Annual Election starts in November, the terms of office of Directors shall commence on the second (2nd) Tuesday in January immediately following their election. Their term of office shall continue until after the second Annual Election thereafter, when their successors are elected and qualified as described in Section 10.4.1.1 herein.

10.4.2 Officers. The terms of office of the Officers shall commence on the date that the newly elected Directors take office, and shall continue for one (1) year thereafter.

10.5 Removal. An Officer or a Director of the Association may be removed from office by a two-thirds (2/3) Vote of all Members

10.6 Vacancy.

10.6.1 In the event a vacancy is created on the Board of Directors, a Ballot listing all eligible Members shall be submitted to the entire Membership within sixty (60) days after the last day that vacating Director was in office, to fill the existing vacancy. The Member receiving the highest number of votes within the Voting Period shall be elected to complete the current term of office.

10.6.2 If the vacating Director was also an Officer, then, after the Vote for the new Director, a Ballot for Officers shall be forwarded within twenty (20) days to the Membership listing the names of the Directors that are not Officers, with instruction for each Member to vote for a Director to replace the Office position vacated. The Director receiving the highest number of votes shall be elected to that office.

10.7 Commissioners. No Member shall be eligible to serve as Director or as an Officer while serving as a member of the Board of Pilotage Commissioners of the State of Washington. If an incumbent Officer or Director accepts appointment as a member of the Board of Pilotage Commissioners of the State of Washington, the appointee shall be deemed to have resigned from office as Officer or Director.

11. Duties of Officers.

11.1 President. The President shall be the Chief Executive Officer of the Association and shall preside at all Membership meetings. The President shall be a member of the Board of Directors and ex-officio member of all committees of the Association. The President shall supervise the Officers of the Association and the Partnership Representative in accordance with the Bylaws and Operating Rules of the Association or with any other orders or directions of the Association made either through the Board of Directors or the Membership. The President shall be the chief spokesman for the Association and shall be the only person authorized to represent the Association to third parties unless the Board of Directors or the Membership shall authorize other persons to act as spokesman or representative. The President and Executive Director, or their designee(s), shall each be empowered to authorize expenditures for the purpose of conducting Association business on any item not to exceed Eight Thousand Dollars (\$8,000). Expenditures on any item for the purpose of conducting Association business in excess of Eight Thousand Dollars (\$8,000) shall be approved in advance by the President and another Officer, the Executive Director and another Officer, or the President and the Executive Director, or their designee(s). In the event that the President or the Executive Director is intending to enter into a contract or agreement with a cumulative obligation in excess of Twenty Thousand Dollars (\$20,000), then he/she shall obtain prior approval from the Board of Directors in advance of signing such contract or agreement. The office of the President shall be a full time position; however, at the President's discretion he/she may take an Assignment under high workload peaks if he/she has a valid License, is fit for duty, and is not needing refresher trips.

11.2 Vice President. The Vice President shall act in the place and stead of the President if a vacancy occurs in the office of the Presidency, or in the absence of the President for illness or while out of town or while on authorized leave granted by the Board of Directors, or when the President is otherwise unavailable; the Vice President, while so acting, shall have all the powers of the President. The Vice President shall be a member of the Board of Directors.

11.3 Secretary. The Secretary, or designee, shall cause to be kept full and accurate minutes of all meetings of the Association and of the Board of Directors. The Secretary shall be Secretary of the Board of Directors and a member thereof and shall attend all its meetings that he/she is able to attend. The Secretary shall sign all such papers and documents and perform such duties as may be required of the Secretary as prescribed by the Board of Directors, the Association, the President or the Membership. The Secretary shall act in the place and stead of the President if both the President and the Vice President are otherwise unavailable for any reason; the Secretary, while so acting, shall have all the powers of the President.

12. Duties of the Board of Directors.

12.1 The authority and power of the Association is vested in its members, except as otherwise specifically described herein, and may be delegated by the Membership to the Board of Directors.

12.2 The Board of Directors shall, subject to the reservation of, or exercise of, powers by or to the Members, have supervision, control and direction of the management, affairs and property of the Association; and shall actively pursue its purposes and objectives and supervise the disbursement of its funds. The Board of Directors may, subject to the powers of the Membership, adopt, by majority Vote, such rules and regulations for the conduct of its business and the business of the Association as shall be deemed advisable. Under no circumstances, however, shall any actions be taken which are inconsistent with these Bylaws.

12.3 It shall additionally be the duty of the Board of Directors: to administer the Operating Rules of the Association; to retain a Certified Public Accountant to audit the books and accounts of the Association at the conclusion of each fiscal year; to authorize the President or Executive Director, subject to powers reserved to the Membership as described herein and subject to the terms of Section 11.1 herein, to sign leases, charters, contracts, notes, agreements or other documents as may be necessary in the conduct of the business of the Association; to inform the Membership of such leases, charters, contracts, notes, agreements or other documents with a cumulative obligation in excess of Twenty Thousand Dollars (\$20,000); to open bank accounts and to authorize any one or all of the Board of Directors to countersign all checks issued by the Secretary; to submit the Association's nominee(s) for the Pilot Commission as described in Section 15 herein; to take any other action not inconsistent with these Bylaws.

12.4 Members may attend Board meetings in person, or by telephone or electronic transmission (method of which shall be determined by the Board from time to time), except for those meetings that are deemed by the Board of Directors to be held in executive session.

13. Meetings of the Board of Directors.

13.1 The Board of Directors shall normally meet once per month.

13.2 A quorum at a meeting of the Board of Directors shall consist of four (4) members of said Board of Directors.

13.3 The Board of Directors is authorized to submit issues for Vote to the Membership on any matter, or matters, which, in its sound discretion, it determines is appropriate. In doing so, the Board of Directors shall make reasonable efforts to not "bundle" more than directly related issues for one Ballot. More than one (1) related or unrelated issue may be submitted by the Board of Directors for separate Ballot, at the same time.

13.4 Directors may participate in and hold a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation in such a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

14. Rules of Order.

In all Membership meetings of this Association, the rules contained in Robert's Rules of Order, Revised (the then most current edition) shall govern, to the extent that they are not inconsistent with the Bylaws of this Association.

15. Pilot Commissioner Nominee(s).

15.1 Sixty (60) days prior to the expiration of the term of office of an incumbent Pilot Commissioner, the President shall submit to the Membership an electronic notice advising the Members of this expiration date. Within seven (7) days after the date of that letter all eligible Active Pilots who choose to be a candidate for Pilot Commissioner shall submit their name in writing to the Board of Directors. If only one Pilot submits his or her name as a candidate, the President shall so notify the Membership and submit the candidate's name to the Governor as the choice of the Association. If more than one Pilot submits his or her name as a candidate, the President shall, without delay, submit the names of all voluntary candidates to the entire Membership for a Vote. In all elections provided for in this Section 15, Members shall only vote for one candidate. Voting must be completed within seven (7) days and the candidate receiving the highest number of votes shall be the winning candidate (the "**Winning Candidate**") and the Association's choice for Pilot Commissioner.

15.2 If two (2) or more Members are tied in total votes for the first choice, a runoff election to determine that choice shall be held among those tied. These runoff procedures for tie Votes shall be repeated until there is a Winning Candidate and a second choice.

15.3 When the name of the Winning Candidate has been determined, the President shall, without delay, submit the name of the Winning Candidate to the Governor of the State of Washington for his or her approval or rejection. The President shall submit the Members' second choice only if so directed by the Governor's office, in which event the President shall indicate which choice is preferred by the Members.

16. IRS Audit; Partnership Representative.

16.1 In the event of an audit by the Internal Revenue Service ("**IRS**") of the Association tax return(s), or of the reporting of federal tax information and payment for any year, the Association shall respond to such audit through the Partnership Representative.

16.2 The Partnership Representative shall deliver information to, and receive inquiries and information from, and shall have the sole and exclusive authority to act on behalf of, the Association with respect to, and shall negotiate with, the IRS, and shall have the authority to bind all Members with respect to partnership or Association matters that are subject to IRS rules.

16.3 The Partnership Representative may, upon request or direction of the IRS, or upon direction from the Board of Directors, designate the Association's President or Executive Director, or the outside CPAs or other financial or tax advisor, as the direct contact with the IRS, and shall deliver such Power of Attorney as may be necessary to invest that President or Executive Director, or the outside CPAs or other financial or tax advisor, with the authority to deliver information to, and receive inquiries and information from, and negotiate with, the IRS.

16.4 The Partnership Representative shall deliver to the Members or the Association Audit Committee, as may be designated by the Board of Directors from time to time, all IRS notices and correspondence with the IRS.

16.5 In the event of any assessment or revision of prior years' tax reporting and returns, and in the event that such assessment(s) or revision(s) results in additional taxes and/or interest and/or penalties owed by the Association, then those taxes and interest and penalties shall be paid by the Association in the year(s) in which the audit is concluded, and said sums shall not be assessed against the Association's Members individually for the year(s) for which the audit was made.

17. Pooling and Distribution of Income and Expense.

17.1 Income. The fees for pilotage services earned by each Member under the tariff contained in WAC 363-116-300 (the "**Pilotage Services Fees**"), and fees for transportation to and from vessels and stations ("**Transportation Fees**"), are invoiced and collected by the Association. The total of the Pilotage Services Fees collected during a month for all of the Pilots is herein the "**Total Pilotage Services Fees.**"

17.2 Transportation Fees. The Transportation Fees are then allocated, and paid, specifically to the Member (Pilot) who earned them, and are not, for the purposes hereof, considered part of the Pilotage Service Fees or the Total Pilotage Service Fees. The Board may determine from time to time that the Transportation Fees are to be allocated in a manner different than that set forth in this Section 16.2.

17.3 Duty Days. Unless otherwise specified by the Board of Directors, each day during which an Active Working Pilot is either on Duty and available for an Assignment, during the Pilot's assigned Work Period, or on Respite Period, or on Vacation Period, is defined herein as a "**Duty Day.**" The number of Duty Days for all Pilots for that month shall be combined to be the total Duty Days for all the Pilots (the "**Combined Duty Days**").

17.4 Work Period; Respite Period; Vacation Period.

17.4.1 Each Pilot shall be assigned a series of periods for his/her active Assignment (the “**Work Period**”).

17.4.2 Each Pilot shall be assigned respite time between Work Periods (the “**Respite Period**”). The Association shall make reasonable efforts to offer Assignments to Pilots on their Work Period before offering Assignments to Pilots on their Respite Period.

17.4.3 Each Pilot shall be assigned vacation time (“**Vacation Period**”). Vacation Period shall be the period of time during which a Pilot is not expected to receive Assignments. The Association shall make reasonable efforts to offer Assignments to Pilots on their Work Period or Respite Period before offering Assignments to Pilots on their Vacation Period.

17.4.4 Compensatory Days.

17.4.4.1 In the event that a Pilot works an Assignment(s) outside of his/her Work Period, he/she shall be deemed to have earned a compensatory day (“**Comp Day**”).

17.4.4.2 In the event that a Pilot takes a day off during the Pilot’s assigned Work Period, then, at the election of the Pilot, either: (1) the Pilot can replace that day off with a previously earned Comp Day; or (2) the Pilot’s (Member’s) total Duty Days for that month shall be deemed reduced by two (2) Duty Days. In the event that that Pilot takes a day off during the Pilot’s assigned Work Period, and in the event that that Pilot does not have a Comp Day to replace that day off, then that action may be considered by the Board of Directors to be misconduct, and be subject to the terms of Section 16 herein.

17.4.4.3 The Board of Directors may elect to forego the requirements of Section 17.4.4.2 in the event that a Pilot, due to exceptional circumstance, has used all available Comp Days, but requires additional days off from his/her Work Period(s). In such instance the Pilot’s total Duty Days shall be deemed to be reduced by two (2) Duty Days for each day off during his/her assigned Work Period.

17.5 Allocation of Total Pilotage Services Fees.

17.5.1 The Total Pilotage Services Fees, except as otherwise specifically described herein, and except as otherwise determined by the Board of Directors from time to time or on a case to case basis, shall be evenly divided between the Members and credited to their individual accounts (the “**Equal Income Share**”).

17.5.2 In the event that a Member’s Equal Income Share is to be reduced pursuant to the terms of Section 17.4.4.2 herein, then the Total Pilotage Services Fees shall be divided by the Combined Duty Days to determine the daily rate of income (the “**Daily Rate of Income**”), and the Member’s Equal Income Share shall be reduced by the Daily Rate of Income multiplied by the Duty Days forfeited as described.

17.6 Determination and Allocation of Expense Share. Expenses of the Association, and the Members (the “**Expenses,**”), subject to the terms of Section 17.4 herein, are then determined and allocated as follows.

17.6.1 Determination of Expense Share. All operating and miscellaneous costs and expenses of the Association and the Pilots paid by the Association during each calendar month are referred to herein in the aggregate as the “**Expense Pool.**” The Expense Pool shall be divided by the total number of Members each month to yield the “**Individual Expense Share.**”

17.6.1.1 In the event that (1) a Pilot is unable perform the Pilot’s duties for a period of more than thirty (30) consecutive days for physical reasons or other health reasons beyond the Pilot’s control, or as described in Section 17.4.3.3 herein, and (2) said Pilot has performed no pilotage services in the calendar month for which the Member owned by that Pilot seeks exemption, then, upon majority Board Vote, that Member shall not be charged his/her/its Individual Expense Share for that month.

17.6.1.2 In addition to the foregoing, the Board of Directors may give special treatment to the distribution of irregular or extraordinary expenses, costs or expenditures that are non-recurring and that would result in inequitable charges to any Member or Members due to (1) formal exemption from monthly charges under this Section 17; or (2) the death or termination of Membership of a Member; or (3) admission of a new Member.

17.6.2 Allocation of Expense Share.

17.6.2.1 Each Member’s account shall be charged each month, except as set forth in Sections 17.6.1.1 and 17.6.1.2 herein, with his/her/its resulting Individual Expense Share.

17.7 New Members.

17.7.1 In the event that a new Pilot commences his/her first Assignment(s) on other than the first day of a calendar month, that Pilot or the Member owned by that Pilot shall be paid for that partial calendar month of service, starting with that Member’s Equal Income Share, and then reducing that Equal Income Share by an amount determined by multiplying the Daily Rate of Income by the number of Duty Days not worked by the Pilot or accrued in that calendar month by that new Pilot.

17.7.2 New Members shall be charged, for his/her/its first month or partial month of service, a pro-rated share of the Expense Pool which is calculated by multiplying the Individual Expense Share for that month by a fraction, the numerator of which is the number of Duty Days worked or accrued by that Member or the Pilot owning that Member during the month, and the denominator of which is the number of days in that month.

17.8 Terminating Members.

17.8.1 A Terminating Member shall be paid, for his/her/its last month of service (or the last month of service of its member/shareholder Pilot), an amount equal to his/her/its Equal Income Share, and then reducing that Equal Income Share by an amount determined multiplying the Daily Rate of Income by the number of days remaining in that calendar month after the effective date of Termination of the Member's Membership.

17.8.2 Members whose Membership is terminated after the first day of a month shall be charged a pro-rated Share of the Expense Pool which is calculated by multiplying the Individual Expense Share for that month by a fraction, the numerator of which is the number of Duty Days worked or accrued by that Member (or that Member's member/shareholder Pilot) during the month, and the denominator of which is the number of days in that month. By way of further clarification, a Member whose Membership is terminated on or before the last day of a calendar month shall be charged no part of the Expense Pool for the full month following the last day of Membership.

17.9 Payment of Benefits. The amounts necessary for payment of benefits under the Puget Sound Pilots Trust Contract of 1952, the Puget Sound Pilots Retirement Agreement of 1978, and the Amended Retirement Program of Puget Sound Pilots shall be deducted and paid to the designated beneficiaries thereunder, prior to distribution of income.

17.10 Individual Expenses. The following expense items are individual expenses which may be, as determined by the Board of Directors from time to time, (1) either pooled and allocated, or (2) paid by the Association on behalf of Members, and then deducted from the account of the Members:

- 17.10.1** Personal accident, liability and license insurance of each Pilot.
- 17.10.2** Personal transportation costs charged to the Association.
- 17.10.3** Other personal charges that a Member may charge to the Association.

17.11 Subrogation. In the event that, pursuant to Association policy, or by determination the Board of Directors or the Membership, the compensation as described herein shall be continued for any period of time for a Pilot that is injured or incapacitated, and that injured or incapacitated Pilot has a claim for compensation or damages against any other person or entity or governmental body, or a claim for workmen's compensation or other injury benefits, or a claim under insurance covering the injury or loss of income, then, upon recovery or receipt of proceeds from any such body for any of the described causes, the Pilot shall immediately compensate the

Association for any such compensation paid to the Pilot or the Member owned by the Pilot during the period when the Pilot was not taking Assignments.

18. Misconduct. Violation of these Bylaws, the Operating Rules, or any directive or policy or other matter, including the Puget Sound Pilot's Anti-Harassment Policy, as they may be amended from time to time, duly adopted by the Membership or the Board of Directors shall constitute misconduct for which a Pilot or a Member owned by the Pilot can be punished by fine, suspension, expulsion, or sanctions, as determined by the Board of Directors. A charge of misconduct can only be brought against a Pilot or a Member owned by that Pilot by direction of the Board of Directors, or by the President, by written specification setting forth the particulars of conduct alleged to be misconduct, so as to fairly advise the Pilot and/or Member charged of the nature of the accusation and circumstances surrounding same. In order to assure a fair and speedy determination of any charges of misconduct, and in order to assure the fairness of the punishment to be accorded, if any, the following rules are adopted:

18.1 The written accusation shall be delivered to the Pilot and/or the Member charged with misconduct

18.2 The Pilot and/or Member so charged shall have an opportunity to address the Board of Directors. Following such presentation the Board of Directors shall determine the nature and extent of the punishment, if any.

18.3 Except as otherwise specified in these Bylaws, the Board of Directors may issue fines in amounts not to exceed Five Thousand Dollars (\$5,000).

18.4 In the event that the recommendation by the Board of Directors with respect to such violation is expulsion, suspension, or a fine in excess of Five Thousand Dollars (\$5,000), then at the next General Membership Meeting, or at a Special Membership Meeting called for this purpose, the recommendation of the Board of Directors shall be submitted to the Membership. There shall thereafter be taken a Vote of the Membership on the recommendation of the Board, in such manner as shall be determined by the Board of Directors, for subsequent approval, or modification, of the Board of Directors recommendation, by majority Vote of those Members that cast Ballots in that Vote, except as specified in Sections 18.5 and 18.6 herein, not including the vote of the subject Member.

18.5 If the recommendation of the Board of Directors is for expulsion of the Member, it shall be considered approved and final only upon affirmative Vote of two-thirds (2/3) of the entire Membership, not including the vote of the subject Member.

18.6 If the recommendation of the Board of Directors is for a fine in excess of Five Thousand Dollars (\$5,000), it shall be considered approved and final only upon a majority Vote of the entire Membership, not including the vote of the subject Member.

18.7 If the recommended punishment covered in this Section 18 and required to be submitted to the Membership is not approved as described by the Membership, then the punishment recommendation will be re-submitted to the Board of Directors for reconsideration, followed by re-submission to the Membership at the next General Membership Meeting or at a Special Membership Meeting called for that purpose. If the recommended result is not approved as described by the Membership upon second submission, the action shall be deemed terminated.

18.8 To the extent that a violation of Puget Sound Pilots' Anti-harassment Policy by a Pilot or a Member exposes the Association, or another Member, to financial liability, including liability for attorney's fees, the violating Member, and/or the Member owned by the violating Pilot, shall reimburse the Association or such other Member for all expenditures made in connection with such liability, including any amounts reasonably paid in settlement of any claims, whether or not a lawsuit is filed. The right of reimbursement set forth herein shall be in addition to any other right of reimbursement, contribution or payment existing or created in the future under state or federal law. Any sums due the Association under this Section 17.8 may be automatically withheld by the Association from distributions of the Member's share of Total Pilotage Service Fees, unless sooner paid by the Member. All sums past due hereunder shall accrue interest at the rate of twelve (12%) per annum.

18.9 Failure of a Pilot or a Member to abide by a directive or other Board of Directors or Membership approved sanction shall be cause for additional sanction or termination of Membership, upon affirmative Vote of two-thirds (2/3rds) of the Members, not including the vote of the subject Member.

19. Limitation of Liability and Indemnification.

19.1 Indemnification. Each person who was, or is threatened to be made a party to or is otherwise involved (including as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a Director, Officer, Partnership Representative, employee or advisor of the Association, whether the basis of such proceeding is alleged action in an official capacity as a Director, Officer, Partnership Representative, employee or agent or advisor or in any other capacity while serving as a Director, Officer, employee or agent or advisor (herein "**Claimant**"), shall be indemnified and held harmless by the Association, to the full extent permitted by applicable law then in effect, against all expense, liability and loss (including attorneys' fees, judgments, fines, or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such Claimant in connection therewith. Such indemnification shall continue as to a person who has ceased to be a Director, Officer, employee or agent or advisor and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 19.2 below with respect to proceedings seeking solely to enforce rights to indemnification, the Association shall indemnify and such Claimant seeking indemnification in connection with a proceeding initiated by such Claimant only if such proceeding was authorized by the Board of Directors.

19.2 Right of Claimant to Bring Suit. If a claim for which indemnity is required under Section 19.1 herein is not paid in full by the Association within sixty (60) days after a written claim has been received by the Association, the Claimant may at any time thereafter bring suit against the Association to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the Claimant shall be entitled to be paid also the expense of prosecuting such claim.

19.2.1 The Claimant shall be presumed to be entitled to indemnification under this Section 19 upon submission of a written claim, and thereafter the Association shall have the burden of proof to overcome the presumption that the claimant is not so entitled.

19.2.2 Neither the failure of the Association (including its Board of Directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the Claimant is proper in the circumstances nor an actual determination by the Association (including its Board of Directors or independent legal counsel) that the Claimant is not entitled to indemnification or to the reimbursement or advancement of expenses shall be a defense to the action or create a presumption that the Claimant is so entitled.

19.3 Nonexclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Section 19 shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, Board Vote of disinterested Directors or otherwise.

19.4 Limitation. Notwithstanding the provisions of Sections 19.1 and 19.2 herein, the Association may not indemnify a Director or Officer or employee from or on account of:

19.4.1 acts or omissions not in good faith which involve an intentional material breach of these Bylaws;

19.4.2 acts or omissions of the Director or Officer or employee finally adjudged to be intentional misconduct or a knowing violation of law by the Director, Officer, employee or agent;

19.4.3 any transaction with respect to which it was finally adjudged that such Director or Officer or employee received a benefit in money, property, or services to which such Director or Officer or employee was not legally entitled.

19.5 Insurance, Contracts and Funding. The Association may maintain insurance, at its expense, to protect itself and any Director, Officer, employee or agent of the Association against any expense, liability or loss, whether or not the Association would have the power to indemnify such person against such expense, liability or loss under the Washington statutory law applicable to the Association.

20. Amendment of Bylaws and Operating Rules.

20.1 Amendment of Bylaws.

20.1.1 One or more proposed amendments to these Bylaws shall be submitted to the Membership for approval, including a copy of such proposed amendment(s) in the event that: (1) there is an affirmative Board Vote to submit such amendment(s) to the Membership for approval; or (2) a petition to submit such amendment(s) to the Membership for approval is signed by not less than one third (1/3) of the Members.

20.1.2 These Bylaws shall then be amended, as proposed, upon a two thirds (2/3) majority Vote of those Members that cast Ballots in that Vote.

20.2 Amendment of Operating Rules.

20.2.1 One or more proposed amendments to the Operating Rules may be submitted to the Membership for approval, including a copy of such proposed amendment(s) in the event that: (1) there is an affirmative Board Vote to submit such amendment(s) to the Membership for approval; or (2) a petition to submit such amendment(s) to the Membership for approval is signed by not less than one third (1/3) of the Members.

20.2.2 The Operating Rules shall then be amended, as proposed, upon a majority Vote of those Members that cast Ballots in that Vote.

21. General Obligations; Non-Competition.

21.1 Each Pilot, and each Member, agrees, as a condition to his/her/its Membership in the Association, to abide by the provisions of all contracts, agreements, Operating Rules, or obligations of the Association legally constituted, now in effect or which may in the future be adopted in accordance with the Bylaws in effect at that time. Each Pilot and each Member agrees, as a condition to his/her/its Membership in the Association, to seek and secure pilotage work in Puget Sound and adjacent inland waters only pursuant to the Operating Rules of the Association in effect at the time.

21.2 Each Pilot shall be bound by any agreement or obligation or responsibility of the Member owned by that Pilot, pursuant to the terms hereof. Likewise, each Member shall be bound by any agreement or obligation or responsibility of the Pilot that owns that Member, pursuant to the terms hereof.

21.3 Each Member and Pilot agrees that should such Member's Membership in the Association be terminated for any reason whatsoever, such Member and the Pilot owning such Member will not seek, secure or accept any pilotage work whatsoever in Puget Sound and adjacent inland waters, and will not otherwise compete with the business of the Association and its Pilots, for a period of five (5) years after the effective date of such termination of Membership.

21.3.1 Because the extent of damages that would be suffered by the Association and its Members from violation of this covenant not to compete contained herein would be difficult to ascertain, it is agreed by all Members, now and in the future, that an amount equal to the total monies that would otherwise be paid, or that have then been paid, to that violating Member or former Member as Termination Payment pursuant to the terms of Section 5.6 herein, and under any unvested Pension Plan, be agreed to be reasonable as liquidated damages for any such violation.

21.3.2 The Members further agree that, in addition to the foregoing, an action for specific enforcement may be brought by the Association in a court of competent jurisdiction, and that that court may specifically enforce the terms hereof and enjoin any such Member or former Member from violating the terms of this Section 20.

21.4 The Members, bound by the provisions of these Bylaws, now and in the future, further agree that upon withdrawal, resignation, expulsion or termination of Membership for any reason from the Association, the Pilot-Member or the Pilot owning the Member will promptly surrender his/her License to the appropriate state agency for cancellation. The Members further agree that no monies shall be paid as Termination Payment under Section 5.6 herein unless and until said License is canceled.

These Bylaws are adopted effective as of the 3rd day of July, 2019.