



**STATE OF WASHINGTON
BOARD OF PILOTAGE COMMISSIONERS**



2017 ANNUAL REPORT

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BOARD OF PILOTAGE COMMISSIONERS

RCW 88.16.035(1)(f)

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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, 2901 Third Avenue, First Floor, Seattle, WA .

- Puget Sound Pilots and Subsidiary Special-Purpose Consolidated Financial Statements & Independent Auditor's Report (Modified Accrual Basis); 2017/2016
- Port of Grays Harbor Audited Financial Information, Pilotage Services Department, Statement of Revenues & Expenses; 2017/2016
- Oil Tanker Movement Reports (Puget Sound District)
- LOA Zone & Earned Revenue Reports (Puget Sound District)
- Quarterly Pilotage Reports (Grays Harbor District)
- Pilotage Activity Reports (Grays Harbor District)

A MESSAGE FROM THE CHAIR

The first pilotage commission in Washington was created 150 years ago while Washington was still a territory. The need for safe and efficient pilotage was acknowledged then, and continues to today. In 2017, pilots in Puget Sound and Grays Harbor completed over 7,500 revenue producing vessel moves with a total of only 4 incidents, which were all docking-related and minor.

In 2017, 5 pilots retired, and 4 new pilots were licensed. We thank Captains Blake, Engstrom, Giese, Hurt, and Mork for a cumulative of 61 years of pilotage and we welcome Captains Henderson, Hunter, Myers, and Rounds to the ranks of licensed Puget Sound pilots. After rigorous training, it takes a new pilot 5 additional years to gain an unlimited license to pilot vessels of any size. It is hard to see seasoned pilots move on, and exciting to have new pilots join us. The list of eligible trainees is nearly exhausted, and the Board will give an examination this November. Additional information is available on the BPC website.

During the 2017 legislative session, the Joint Transportation Committee commissioned a study assessing pilotage practices and to provide recommendations regarding diversity, tariff and rate setting, and governance and best practices for the Board of Pilotage Commissioners. The study was completed in late 2017, and led the Washington State Legislature to transfer the process of tariff setting to the Washington State Utilities and Transportation Commission. The [full report](#) is posted to the BPC website.

The Board considered best practices in fatigue management, and invited Dr. Charles Czeisler to review our statute, rules, and policies for fatigue and to examine the practices of Puget Sound Pilots regarding rest rules. He presented his recommendations at the December 14, 2017 Board meeting. As a result, the Board established a Fatigue Management Committee to review these recommendations and help the Board implement best practices. The committee includes pilots, shippers, additional Board members, and an occupational health/Board-Designated physician. I expect the Board will adopt recommendations in an upcoming meeting.

After 35 years of service to the Board, Peggy Larson retired on June 30th, 2017. Her knowledge is encyclopedic, and her dedication to safe pilotage is unmatched. We have wished her a well-deserved retirement, and continue to use her sage advice and to fill in gaps in process and knowledge. Peggy did a superb job of documenting Board actions and files, making our jobs so much easier. Jaimie Bever has stepped into Peggy's shoes and has served admirably in her role as Executive Director. Jolene Hamel joined the staff in 2017, and has quickly come up to speed in the myriad of tasks confronting the front desk – trip reports, licensing requirements, trainee evaluations and exemptions from mandatory pilotage represent only a few of the tasks she tackles every day. Shawna Erickson continues to provide outstanding data management and compiles critical information for reports such as this one. Thanks as well to our dedicated and engaged Board members.

If you check our website, you will find additional information there, including meeting agendas, minutes, and materials. We welcome your feedback regarding additional information you would like to see there, and we invite you to join us at our monthly Board meetings.



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

Sheri J. Tonn, Chair

A MESSAGE FROM THE EXECUTIVE DIRECTOR

It has been a year of change for the Washington State Board of Pilotage Commissioners. In June of 2017, Executive Director Peggy Larson, who kept us on course for 35 years, retired. She was commemorated for her exceptional service at her final Board meeting on June 15, 2017. I was very fortunate to have worked with Peggy for nearly two years before she retired. When I took over as Interim Executive Director July 1st, I felt fully equipped to continue her important work. We thank Peggy for her service and wish her all the best in her well-earned retirement!



We were very pleased to bring Jolene Hamel onboard September 1, 2017 as the Board's new Program Coordinator, filling our much needed third staff position. She has been an incredible help so far and we are very fortunate to have her. Welcome Jolene!

The Board bade farewell to Assistant Attorney General Guy Bowman. Guy was with us since 2008 and provided excellent legal counsel during his time here. Many thanks to Guy for the outstanding service! The Board welcomed Albert Wang in May 2017 as our new Assistant Attorney General.

2017 was a busy legislative year for the Board. The Joint Transportation Committee (JTC) requested a study on pilotage best practices, which was conducted by Community Attributes Inc. and Gleason & Associates. The final report was presented to the JTC December 14, 2017. Chair Tonn and I gave a presentation to the JTC providing an overview of the Board prior to that on November 15, 2017.

Board-Designated Physician, Dr. Marc Cordova, retired after several years of service performing pilot physical examinations. The Board welcomed 6 new physicians to the roster, further detailed in the Overview of this report.

The Training Program Evaluation Committee (TPEC) concluded its work identifying and implementing processes to enhance the psychometric qualities of our pilot training program, making it more consistent with the written exam and simulator evaluation.

The Trainee Evaluation Committee (TEC) continuously monitored and evaluated trainees in both districts — Puget Sound and Grays Harbor. The first successful candidate from the 2016 Exam class began her training on May 1, 2017, with the second beginning August 1, 2017.

The Joint Diversity Committee (JDC), established in late 2015 by the Board and Puget Sound Pilots, met periodically. I've had the privilege of attending 3 maritime conferences focused on diversity over the last couple of years. It's very inspiring to see so many bright and motivated young women charting their maritime futures, some of which include pilotage!

At the November regular monthly meeting, the Board appointed me as Executive Director after serving in the interim role for four months. I am so pleased to be given the opportunity. The future holds great things for our Board and for pilotage in Washington State!



A handwritten signature in black ink, appearing to read "Jaimie C. Bever". The signature is fluid and cursive.

Jaimie C. Bever, Executive Director

01 - OVERVIEW

Board Mission

The mission of the Washington State Board of Pilotage Commissioners (Board) 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.

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.

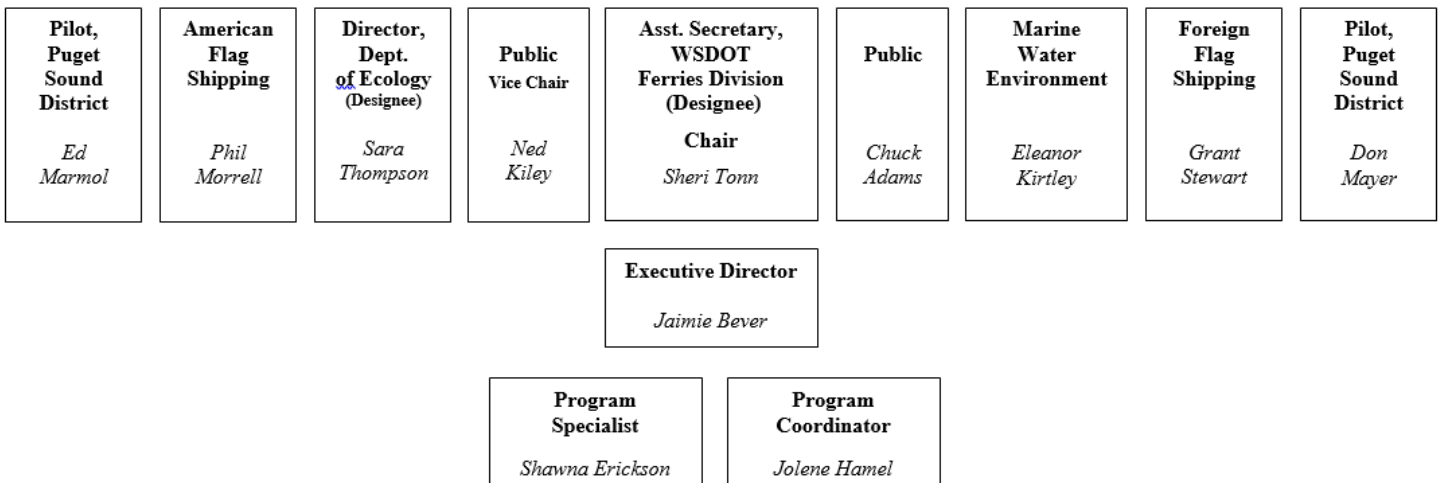
Board Meetings

In 2017, the Board held twelve (12) Regular Meetings, and one (1) Special Meeting. The August 17, 2017 meeting was held in the Commission Room of the Port of Grays Harbor in Aberdeen, WA. The Board toured the Port facilities via tug and got a first-hand look at Port operations.



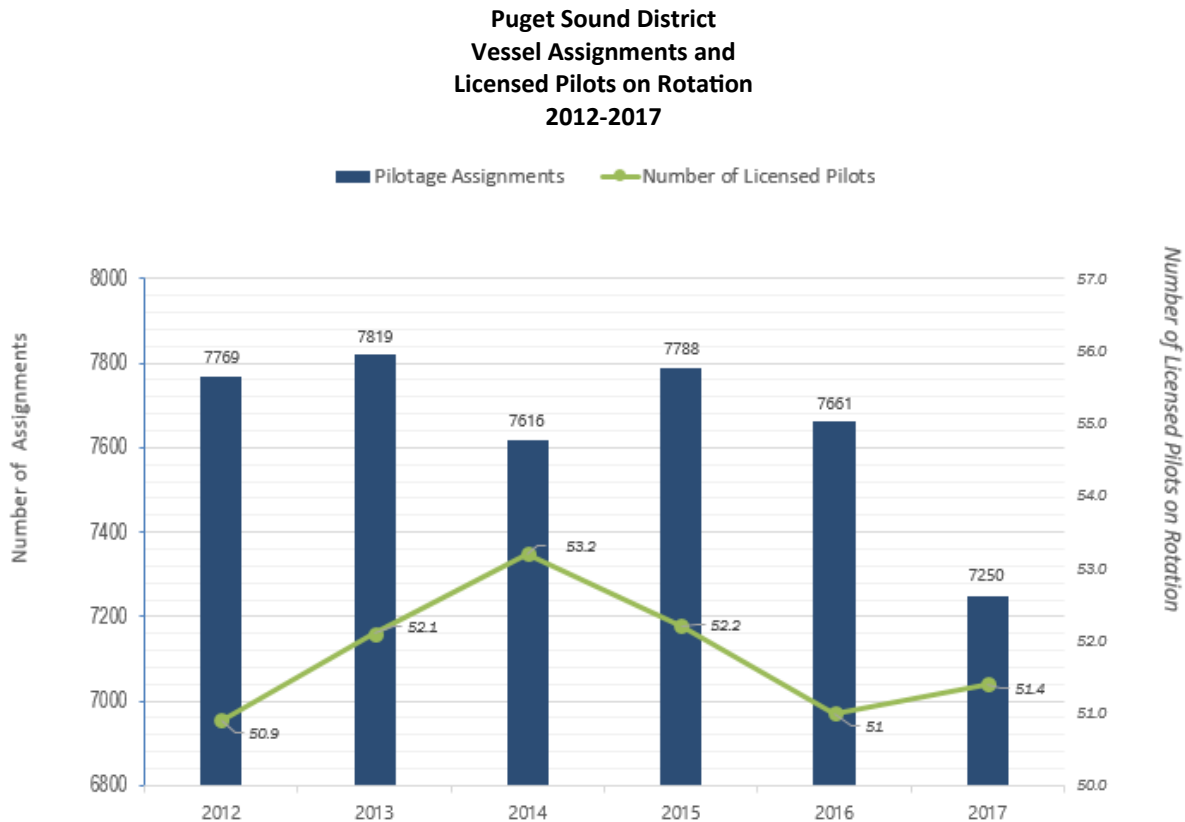
Commission Room at the Port of Grays Harbor: From left to right are Legal Counsel Albert Wang, Commissioner Grant Stewart, Commissioner Sara Thompson, Commissioner Chuck Adams, Commissioner Don Mayer, Chair Sheri Tonn, Executive Director (Interim) Jaimie Bever, Commissioner Ed Marmol, Commissioner Ned Kiley, and Commissioner Eleanor Kirtley

Board Organizational Chart (as of 12/31/17)

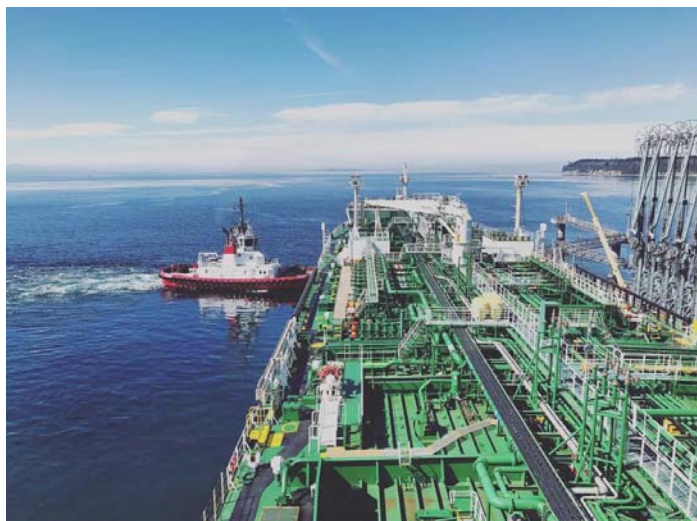


Piloting Activity in Washington State — Puget Sound Pilotage District

In 2017, the Puget Sound Pilots had a total of 7,250 vessel assignments, of which 7,093 were actual vessel moves, and 156 were cancellations. In comparison, there were 7,660 vessel assignments in 2016. This is a decrease in vessel moves and assignments from the previous year. The average number of full-time pilots remained steady at 52 in 2017. The average annual vessel assignments per pilot was 139, or approximately 12 assignments per 15-day dispatch cycle, 24/7, in 2017.



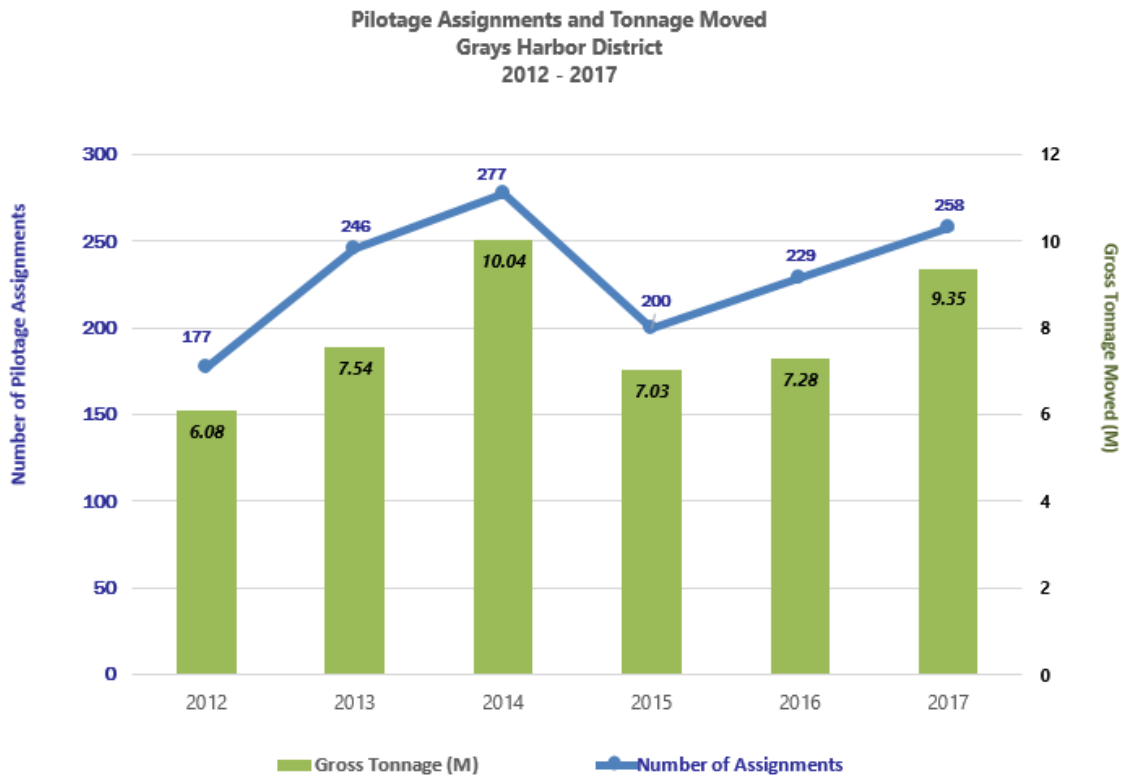
The actual number of pilots fluctuates during any given year due to the timing of retirements and licensing of new pilots; the above is the yearly average, as reported in the Puget Sound Pilots' annual audited financial statements.



Tanker EMPIRE STATE inbound to Cherry Point Refinery. Photo Credit: Puget Sound Pilots

Piloting Activity in Washington State — Grays Harbor Pilotage District

The Grays Harbor Pilots had a total of 258 piloting assignments in 2017, resulting from 109 vessel arrivals. In comparison, there were 99 vessel arrivals generating 229 piloting assignments in 2016. The Port of Grays Harbor employed two full-time pilots.



Aerial of the Port of Grays Harbor Marine Terminals. Photo Credit: Grays Harbor Talk

2017 Tariff Hearings

In 2017 the Board of Pilotage Commissioners was required by [RCW 88.16.035\(1\)\(e\)](#) to fix pilotage tariffs annually. However, the 2017 Legislative Session resulted in the freeze of the Puget Sound Pilotage District Tariff.

WAC 363-116-300: Pilotage Rates for the Puget Sound Pilotage District

The only tariff action in 2017 was rolling over the effective dates of the Puget Sound Pilotage District Tariff per the tariff freeze implemented by Engrossed Senate Bill 5096. The Hearing was held on November 9, 2017.

WAC 363-116-185: Pilotage Rates for the Grays Harbor Pilotage District

On October 19, 2017, the Board adopted a decrease in the *Pension Charge* from \$528 to \$500. This reduction was due to lower pension expenses. The effective period of this new tariff is 1/1/18 through 12/31/18. This pension charge provides funding for retired pilots and widows who worked before 2001. After that date, pilots became employees of the Port of Grays Harbor

Legislation

[Engrossed Senate Bill 5096](#) became law on May 16, 2017. The bill appropriated \$1,100,000 from the Multimodal Transportation Account solely for self-insurance liability premium expenditures contingent upon the following conditions: (1) Annual depositing the first one hundred fifty thousand dollars collected through the Puget Sound Pilotage District tariff; (2) Maintaining the Puget Sound Pilotage District Tariff at the rate of existence on January 1, 2017; and (3) Assessing a self-insurance premium surcharge of sixteen dollars per pilotage assignment on vessels requiring pilotage in the Puget Sound Pilotage District.

[Substitute Senate Bill 5262](#) amended RCW 88.16.070, which is the Board's statute concerning vessel exemptions. The legislation increased the tonnage exemption for yachts from 750 to 1,300 gross tons (international) and for small passenger vessels from 500 to 1,300 gross tons (international) and required that small vessels be manned by US-licensed deck and engine officers appropriate to the size of the vessel with merchant mariner credentials issued by the United States Coast Guard or Canadian deck and engine officers with Canadian-issued certificates of competency appropriate to the size of a vessel. The Board reviews each exemption application and may grant an exemption based on vessel safety record, crew experience in Washington waters, the experience and license of the master, and other factors. The Board may restrict the vessel to specific waters or require that a pilot be brought aboard.

Rule-Making

Several WACs were under review and the Board held several hearings throughout 2017. The Board adopted, via emergency action at the May 18th meeting, new [WAC 363-116-301](#) *New revenue collection* in order to comply with the legislative intent through the passage of Engrossed Senate Bill 5096 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 expenditures (further described above). A hearing for the new WAC was held on September 21, 2017 resulting in the passage of the language. On June 15, 2017 the Board held a hearing on [WAC 363-116-360](#) *Exempt vessels* in order to implement statutory changes via Substitute Senate Bill 5262. The fee schedule for vessel exemptions was also modified.

The Board's Rule-Making Calendar and current filings can be found on our website at

<https://pilotage.wa.gov/rule-making.html>

Setting the Number of Pilots

The Board will, from time to time, set the number of pilots to be licensed in each pilotage district that is best calculated to optimize the operation of safe, fully regulated, efficient, and competent pilotage service ([WAC 363-116-065](#)).

	9/2010	8/2012	5/2013	6/2014	11/2014	2/2015	8/2015	3/2016
Puget Sound	52	53	54	55	54	53	52	52
Grays Harbor	Remains at 2							

New Board-Designated Physicians

The Board welcomed the following physicians to the roster:

- Dr. Satish Subramaniam, Franciscan Occupational Health — Port Clinic
- Dr. Paul Darby, Franciscan Occupational Health — Port Clinic
- Dr. Andrew Le, AFC Doctors Express South Center
- Dr. Raymond Jarris, Discovery Health c/o MedNorthwest (1956— 2018)
- Dr. Michael Grabinski, Polyclinic
- Dr. Mel Strange, Family Practice Center of Grays Harbor

Legal Matters

Assistant Attorney General, Guy Bowman, moved on from the Board after providing excellent legal service for over 9 years. Guy will remain assigned to the Board for any ongoing legal actions. Assistant Attorney General Albert Wang was assigned. He attended his first Board meeting on April 20, 2017.

In Memoriam



Board-Designated Physician and celebrated maritime enthusiast Dr. Raymond Jarris, Jr. passed away on April 13, 2018. Dr. Jarris worked with the maritime community for many years providing medical training and support for mariners. He was excited to become one of our physicians and really enjoyed working with marine pilots. As stated by a Puget Sound Pilot, his contributions to personal safety on the water were significant. The Board is very thankful to have been able to work with him. He will be missed.

Board members and staff, as well as Grays Harbor staff, prepare for a tug tour of Port operations, led by Kevin Campbell of Brusco Tugs, following the August 17th meeting in Aberdeen, WA.



02 - BOARD MEMBERS, REVENUE, & EXPENSES

Commissioners

CHAIR	<u>APPOINTED</u>	<u>TERM EXPIRES</u>
Sheri J. Tonn, PhD	01/01/2016	N/A
REPRESENTING THE PUBLIC AT LARGE		
Charles Adam, JD	09/29/2009	12/26/2016
Captain Edmund I. Kiley	01/14/2010	12/26/2017
REPRESENTING AMERICAN SHIPPING		
Phil Morrell — Totem Ocean Trailer Express (TOTE)	01/25/2012	12/26/2019
REPRESENTING FOREIGN SHIPPING		
Captain J. Grant Stewart — Westwood Shipping Lines (WSL)	03/16/2012	12/26/2016
REPRESENTING PILOTS		
Captain Edmund Marmol, Puget Sound Pilotage District	04/24/2013	01/18/2018
Captain Don Mayer, Puget Sound Pilotage District	03/01/2010	01/18/2018
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	N/A
REPRESENTING THE MARINE WATER ENVIRONMENT		
Eleanor Kirtley, PhD — Green Marine	01/28/2016	12/26/2018
(Appointed to this position for the remainder of the term previously held by the current Chair, Sheri Tonn)		
LEGAL COUNSEL		
Guy Bowman, JD	08/01/2008	04/30/2017
Albert Wang, JD	05/01/2017	N/A
STAFF		
Peggy Larson, Executive Director	12/08/1982	06/30/2017
Jaimie Bever, Executive Director	11/02/2015	N/A
Shawna Erickson, Program Specialist	01/27/2010	N/A
Jolene Hamel, Program Coordinator	09/01/2017	N/A

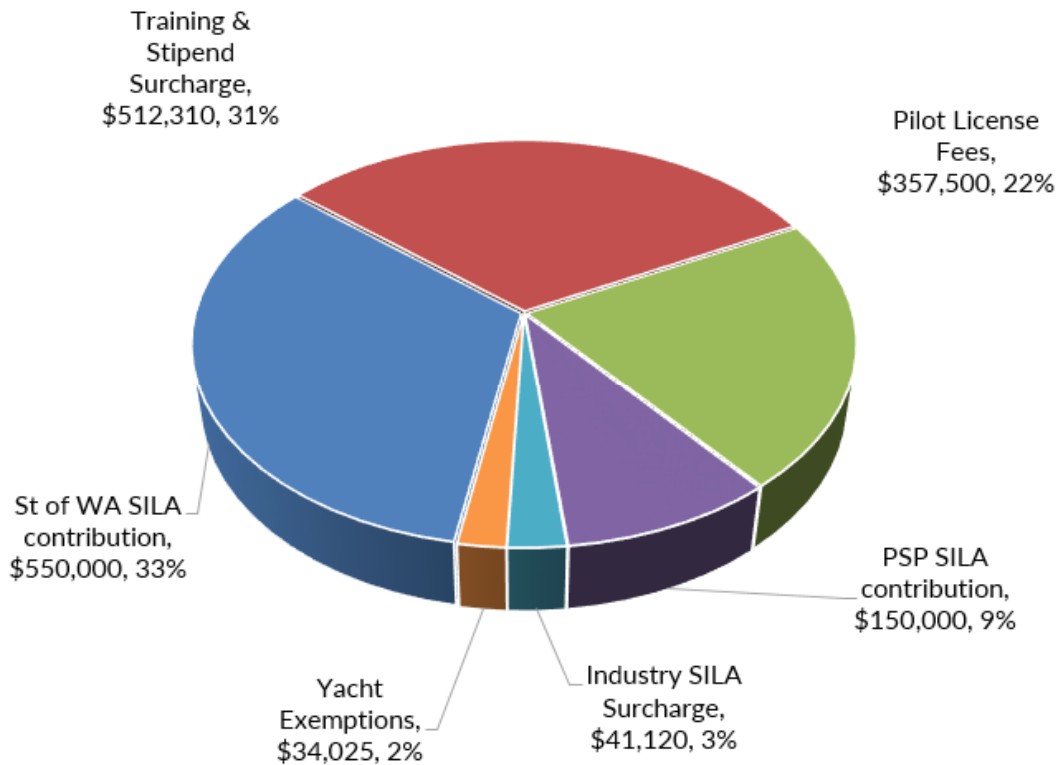
The Board welcomed back former Department of Ecology representative Scott Ferguson at the November meeting. Commissioner Ferguson was on the Board from March 2015 to February 2016. He filled in for Commissioner Thompson during her scheduled absence from both the Board and Trainee Evaluation Committee (TEC). Commissioner Thompson returned in March, 2018.

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.

02 - BOARD MEMBERS, REVENUE, & EXPENSES (cont'd)

Annual Revenue

State of Washington SILA Contribution	\$550,000
Training & Stipend Surcharge	\$512,310
Pilot License Fees	\$357,500
PSP SILA Contribution	\$150,000
Industry SILA Surcharge	\$41,120
Yacht Exemptions	\$34,025
	\$1,644,955



In 2017, 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 is reviewed by the State Legislature but legislative spending authority is not required.

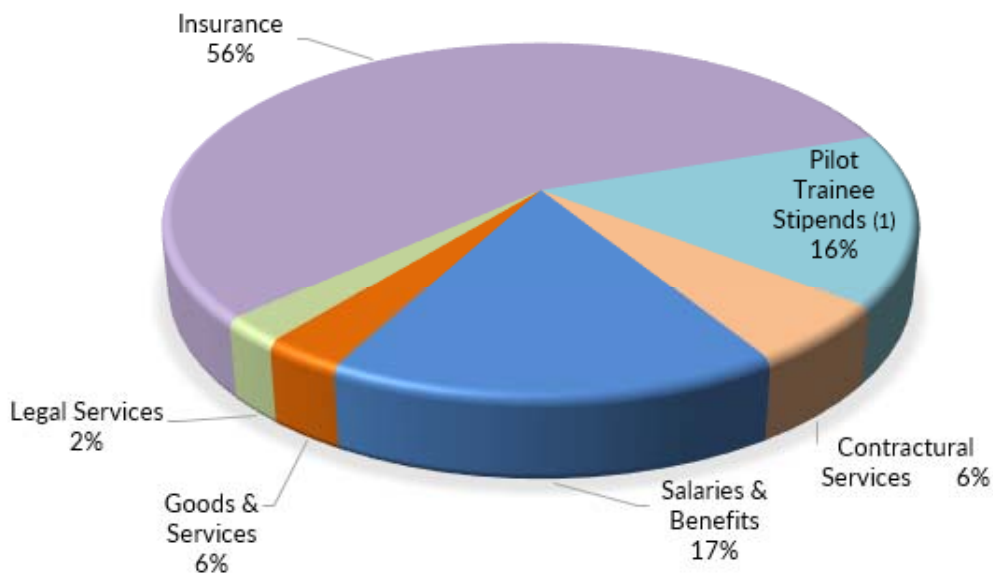
Pilot trainee stipend are funded by a tariff surcharge specified in [WAC 363-116-300](#) and paid to each trainee at a monthly rate of \$6,000 if the stipulations contained in WAC 363-116-078(10) are met.

SILA contributions are as a result of ESB 5096, 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. ESB is further described in the Foreword of this report.

02 - BOARD MEMBERS, REVENUE, & EXPENSES (cont'd)

Annual Expenses

Salaries and Benefits	\$360,755
Goods and Services	\$65,469
Legal Services	\$51,252
Insurance (SILA)	\$1,212,266
Trainee Stipends (1)	\$340,687
Contractual Services	\$120,795
	\$2,151,224



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03 - LICENSED PILOTS

Puget Sound District

at 12/31/17 or at
retirement

PILOT	Lic #	Years Licensed
ANACKER, D. Scott	183	5.8
ANTHONY, Michael	184	5.4
ARNOLD, John	147	22.1
<i>BLAKE, Michael (Ret.)</i>	<i>163</i>	<i>11.0</i>
BOUMA, Blair	181	6.4
BROUILLARD, Dan	188	4.4
BRUSCO, David	180	7.8
BUJACICH, Jack	164	11.5
CARLEY, Warren (Bud)	186	5.0
CARLSON, Ivan	165	11.5
CARSTENSEN, James	195	2.3
COE, Frantz (Andy)	142	25.7
COLEMAN, Scott	191	3.3
CORYELL, Tom	189	4.0
EMERSON, Larry	126	30.0
ENGSTROM, Fred	185	5.1
<i>ENGSTROM, Vic (Ret.)</i>	<i>162</i>	<i>12.6</i>
GALVIN, Jamie	192	3.1
<i>GIESE, Peter (Ret.)</i>	<i>143</i>	<i>25.0</i>
GROBSCHMIT, David	169	10.6
HANNUKSELA, James	175	9.1
HARRIS, John	123	30.0
HENDERSON, J. David	197	0.5
HENSHAW, Brian	155	17.4
HUNTER, Philip	199	0.2
<i>HURT, Gary (Ret.)</i>	<i>158</i>	<i>16.5</i>
JENSEN, Brian	193	3.0
KALVOY, Jostein	170	10.6
KEARNS, James	182	6.0
KELLEHER, Neil	196	1.7
KELLY, Patrick	167	11.4
KLAPPERICH, Eric	172	9.9

at 12/31/17 or at
retirement

PILOT	Lic #	Years Licensed
LICHTY, Eric	190	3.7
LOWE, Brad	194	2.3
LOWERY, William (Bill)	187	4.9
MARMOL, Edmund	171	10.3
MAYER, Donald	121	31.4
MORENO, Stephan	178	8.1
<i>MORK, Stuart (Ret.)</i>	<i>159</i>	<i>16.0</i>
MYERS, Rodney	200	0.1
NEWMAN, Alec	125	30.0
ROUNDS, Christopher	198	0.5
SANDERS, David	152	20.7
SCOGGINS, John	161	12.9
SCRAGG, John	181	7.5
SEMLER, Joseph	156	17.2
SEMLER, Stephen	174	9.6
SEYMOUR, Lawrence	177	8.5
SHAFFER, Daniel	116	32.5
SHAFFER, James	145	25.2
SHULER, Mark	154	19.8
SLIKER, William	166	11.5
SORIANO, Donald	122	31.1
THORESON, George	176	9.1
vonBRANDENFELS, Eric	148	22.1
WILDES, Gordon	173	9.9
Number of PS pilots at 12/31/2016		52
<i>Pilots retiring in 2017:</i>		<i>5</i>
Pilots licensed in 2017:		4
Number of PS pilots as of 12/31/17:		51

Grays Harbor District

at 12/31/17

PILOT	Lic #	Licensed
D'Angelo, Robert	15	24.8
White, Ryan	17	3.0
Number of GH pilots at 12/31/2016		2
<i>Pilots retiring in 2017:</i>		<i>0</i>
Pilots licensed in 2017:		0
Number of GH pilots as of 12/31/17:		2

04 - PILOT EDUCATION & OUTREACH

Licensed pilots were offered various off-site training or refresher courses in 2017. The classes attended included:

SIMULATOR/MANNED-MODEL

The Board mandates vessel simulator training for a licensed pilot at least once every five years for all active pilots, per [RCW 88.16.090\(9\)](#). Pilots have generally chosen to attend manned-model simulator training. This year, two pilots licensed within the last 12 months traveled to Port Ilawa, Poland to attend the Basic Manned-Model simulator training. Additionally, two pilots attended the Advanced Shiphandling class held in Port Ilawa, Poland and another two attended the class in Port Revel, France.



Photo Credit: Ilawa Ship Handling Center

As depicted and summarized from the schools' web-sites, training on the manned 1:25 scale models is a valuable complement to training as it provides extra experience that could never be gained on real ships. 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.

AZIPOD (CRUISE SHIP SPECIFIC PROPULSION SYSTEM)

A 2.5 day Simulator Azipod course for 34 pilots (4 pilots per session). This simulator based course provided our pilots with important knowledge and skills in the use of propulsion systems found on many of the cruise ships that visit Puget Sound. The course provided ample hands-on practice maneuvering cruise ships to and from Pier 91 and Pier 66 in a variety of weather conditions. It also included use of common terminology and master-pilot communications. The course was held locally at the Pacific Maritime Institute.

ULTRA LARGE CONTAINER VESSELS (ULCV)

A one day Simulator ULCV training session for 15 pilots (3-4 pilots per session). These simulator based training sessions provided our pilots with an opportunity to practice real-time maneuvers with ULCVs in varying environmental conditions. An important element of this training included having actual tug boat operators from our district running the two tug simulators in coordination with the pilot on the ship simulator. Special techniques were practiced to handle these larger ships that were expected to, and now are arriving at our ports. The course was held locally at the Pacific Maritime Institute.

04 - PILOT EDUCATION & OUTREACH (cont'd)

TETHERED ESCORT

A one day Simulator Tethered Tanker Escort training session for 33 pilots (4-6 pilots per session). These simulator based training sessions focused on emergency maneuvers on loaded tankers with an escort tug in attendance or tethered (connected to the stern of the tanker with tugs line). Multiple scenarios were enacted which included engine and rudder failures. Pilots practiced various techniques for controlling the vessel with the escort tug. An important element of this training included having actual tug boat operators from our district running the tug simulator in coordination with the pilot on the ship simulator. The course was held locally at the Pacific Maritime Institute.

ELECTRONIC CHARTS DISPLAYS AND INFORMATION SYSTEMS FOR PILOTS (ECDIS-P)

A 2 day ECDIS-P course for 5 pilots. (2-4 pilots per session). This desktop simulator based course focuses on the use and limitations of shipboard electronic chart systems and associated equipment. In order for pilots to be kept up to date on the latest navigation electronics onboard vessels, pilots take this course every 5 years. The course was held locally at the Pacific Maritime Institute.



Photo Credit: RHMarine

04 - PILOT EDUCATION & OUTREACH (cont'd)

TRAIN-THE-TRAINER

In 2017, the Board offered four sessions of a specially designed Train-the-Trainer course. Both current pilots and pilot trainees attended with another session planned for August 7, 2018.

The course was developed to ensure that all pilots understand the changes coming forth from the *Training Program Evaluation Project* conducted in 2016. The enhancements to the training program trainee evaluation documents were developed using a "criterion based" evaluation system and the criteria was directly matched to a job analysis survey previously completed by subject matter experts (licensed pilots).

The program evaluation process ensures that every trainee receives the same opportunity to reach the same level of knowledge and expertise by linking training and evaluation to the pilot's job analysis.



PMI Instructor, Captain Bill Anderson, Jr., engaging current licensed pilots and pilot trainees in the Train-the-Trainer class.

04 - PILOT EDUCATION & OUTREACH (cont'd)

Pilot Outreach

Members of the Puget Sound Pilots Association (PSP) 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. PSP considers attendance at these events as non-revenue generating, non-vessel related assignments. Listed below are some of the committees or topics to which the pilots contribute their time and expertise:

Puget Sound Harbor Safety Committee
ENAV Workshop, Vancouver, WA
Simulator Presentation, Astoria, OR
Tacoma County Club Presentation
Holland America Lines
Transportation Convention, Dallas, Texas
Pre-Tow Conference
NW Maritime Center Board, Pt. Townsend, WA
Washington Environmental Council
West Coast Pilot Conference, San Francisco, CA
Outreach Tacoma (CHB)
Yacht Club Outreach
WISTA Presentation
Puget Sound Restoration
Army Corps of Engineers Deepening Project
NWSA (Northwest Seaport Alliance)
Washington Conservation Voters
Sound Experience
Ports and Waterways Safety, Bellingham, WA
Pilot Interview Assistance, Los Angeles, CA
Pier 91 Simulation, Florida
Bollard Pull/Best Practices
Area Maritime Safety Committee (AMSC)

05 - ANNUAL EARNINGS OF INDIVIDUAL PILOTS

Puget Sound Pilotage District

	2017	Avg. Per Pilot	2016	Avg. Per Pilot
	Total	52.44	Total	52
Gross Earnings from Tariff Revenue <i>(Note 1)</i>	\$ 32,841,659	\$ 626,271	\$ 34,183,294	\$ 657,371
Pilot Organization Obligations & Operating Expenses				
Retirement Payments to Former Puget Sound Pilots and Executive Director	\$ 4,241,655	\$ 80,886	\$ 4,276,085	\$ 82,232
Operating Expenses of Puget Sound Pilots	6,597,522	125,811	6,394,794	122,977
	10,839,177	206,697	10,670,879	205,209
Net Earnings after Deduction of Organization Expenses	\$ 22,002,482	\$ 419,574	\$ 23,581,917	\$ 453,498
Disposition of Net Earnings				
Earnings Distributed to Pilots	\$ 18,929,552	\$ 360,975	\$ 20,450,685	\$ 393,282
Individual Pilot Medical Insurance <i>(Note 2)</i>	1,453,478	27,717	1,515,117	29,137
Transportation Allowances and Reimbursements	1,029,520	19,632	1,097,109	21,098
Individual Business Expense Allowance <i>(Note 2)</i>	589,932	11,250	519,006	9,981
Tariff Generated Earnings to Pilots	\$ 22,002,482	\$ 419,574	\$ 23,581,917	\$ 453,498

Notes:

1. 2017 includes Puget Sound Tariff Revenue of \$32,740,798 and Grays Harbor Tariff Revenue of \$100,861 transferred to PSP for pension payments for Grays Harbor retirees. 2016 includes the Puget Sound Tariff Revenue of \$34,073,555 and Grays Harbor Tariff Revenue of \$109,739 transferred to PSP for pension payments for Grays Harbor retirees.

2. PSP pays the individual pilot medical insurance premiums, which would normally be included in a benefit package if they were employed as opposed to being independent contractors. Individual Business Expense (IBE) includes an allowance per pilot for disability insurance, annual physical exam, Anacortes subsistence and lodging, and business communication costs.

05 - ANNUAL EARNINGS OF INDIVIDUAL PILOTS (cont'd)

Grays Harbor Pilotage District

	2017 Total	Average Per Pilot (2 Full time)	2016 Total	Average Per Pilot (2 Full time)
Gross Earnings from Tariff Revenue	\$ 1,783,817	\$ 891,909	\$ 1,526,328	\$ 763,164
Other Pilot Services Department Revenue	1,201	601	1,950	975
All PGH Pilotage Division Revenue	\$ 1,785,018	\$ 892,509	\$ 1,528,278	\$ 764,139
Pilot Organization Deductions				
Transfer funds to Puget Sound Pilots Association for payments to Grays Harbor Pilot retirees with service credit prior to 2001 (Note 3)	\$ 136,224	\$ 68,112	\$ 106,027	\$ 53,014
Operating Expenses - PGH Pilot Services Division	662,237	331,119	479,387	239,694
Gain/(Loss) retained by Port of Grays Harbor (Note 4)	151,770	75,885	95,893	47,947
	950,231	475,116	681,307	340,654
Net Earnings after Deduction of Organization Expenses	<u>\$ 834,787</u>	<u>\$ 417,394</u>	<u>\$ 846,971</u>	<u>\$ 423,486</u>
Disposition of Net Earnings				
Pilot Wages (Note 5)	\$ 542,710	\$ 271,355	\$ 532,030	\$ 266,015
Employer Provided Benefits (Note 6)	188,005	94,003	168,016	84,008
Travel Allowance and Reimbursements	27,300	13,650	22,260	11,130
Incremental Duty Pay	11,440	5,720	43,034	21,517
Gain Sharing (Note 7)	65,332	32,666	81,631	40,816
Tariff Generated Earnings to Pilots	<u>\$ 834,787</u>	<u>\$ 417,394</u>	<u>\$ 846,971</u>	<u>\$ 423,486</u>

Notes:

3. As part of an agreement with the Commission, Puget Sound Pilots distributes retirement benefits to the retirees of the Grays Harbor Bar Pilots. The cost is offset in part by a 2001 Puget Sound District tariff increase and the pension charge per assignment included in the Grays Harbor tariff. The Port transfers these funds to Puget Sound Pilots, where they are held in trust and distributed to Grays Harbor pilot retirees with service credit prior to 2001.

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

5. Licensed pilots are employees of the Port of Grays Harbor as opposed to being independent contractors belonging to an association.

6. Employer Provided Benefits include health, life, medical, and disability insurance, federal and state taxes, and retirement funding paid by the employer.

7. A salary premium is paid when upon various thresholds being met creating a positive net income for the Port. The final net income is shared between the Port and the pilots who, in turn, share equally in the salary premium when this occurs.

06 - ANNUAL EXPENSES OF PILOTAGE DISTRICTS

Puget Sound Pilotage District

	<u>2017</u>	<u>2016</u>
TOTAL TARIFF GENERATED REVENUE	\$ 32,841,659	\$ 34,183,294
SUMMARIZED EXPENSES		
Payments to Retired Pilots/Widows - Puget Sound District	\$ 4,172,153	\$ 4,206,583
Payment to Retired Executive Director	69,502	69,502
Pilot Medical Insurance - Puget Sound District	1,453,478	1,515,117
Seattle Other Operating/Administrative Expenses	<u>4,261,714</u>	<u>3,998,020</u>
Total Seattle Expenses	\$ 9,956,847	\$ 9,789,222
Port Angeles Station Operating Expenses	730,114	498,628
Pilot Boat Operating Expenses	<u>1,605,694</u>	<u>1,828,644</u>
Total PSP Operating/Administrative Expenses	\$ 12,292,655	\$ 12,116,494
Transportation Fees Paid Directly to Pilots	1,029,520	1,097,109
Individual Business Expense Allowance Paid to Pilots	<u>589,932</u>	<u>519,006</u>
Total Deductions from Revenue	\$ <u>13,912,107</u>	\$ <u>13,732,609</u>
Balance of Revenue Pool to Distribute	\$ 18,929,552	\$ 20,450,685
Other Income / (Expense)	<u>91,604</u>	<u>48,843</u>
NET INCOME FROM POOLED OPERATIONS	<u>\$ 19,021,156</u>	<u>\$ 20,499,528</u>

Puget Sound Pilotage District (cont'd)

SEATTLE OFFICE OPERATING EXPENSES

	<u>2017</u>	<u>2016</u>
Attorney fees	\$ 95,458	\$ 74,855
Bad debts	53,581	-
BPC SILA Contribution per Senate Bill 5096	150,000	-
Computer maintenance & programming	181,189	202,645
Computer programming	139,579	-
Conferences	40,284	72,024
Consulting services	84,790	37,029
CPA fees	78,028	76,104
Depreciation	355,567	379,135
Drug testing	3,398	3,922
Dues	165,910	162,884
Employee benefits	191,127	190,681
Employee salaries	842,741	830,582
Equipment leases	4,877	3,993
Gifts	3,228	7,239
Insurance	182,141	183,676
Interest	13,763	21,462
License fees - pilots	344,500	338,000
Lobbyist	67,336	53,717
Medical insurance - pilots	1,453,478	1,515,117
Office maintenance & repair	10,171	5,353
Office supplies	30,162	32,379
Payments to Retired Pilots/Widows - Grays Harbor District <i>(Note 5)</i>	100,861	109,739
Payments to Retired Pilots/Widows - Puget Sound District	4,172,153	4,206,583
Payment to Retired Former Director	69,502	69,502
Pilot training	233,351	303,640
Printing & publications	19,045	27,217
Rent & parking	121,206	117,845
Taxes on payroll	53,757	55,883
Taxes, other	2,224	5,889
Taxes on revenue	536,464	562,762
Travel, entertainment, promotion	121,041	99,532
Telephone & communications	35,935	39,833
Seattle Office Total	\$ 9,956,847	\$ 9,789,222

Notes:

5. 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.

Puget Sound Pilotage District (cont'd)

PORT ANGELES STATION OPERATING EXPENSES

	<u>2017</u>	<u>2016</u>
Depreciation	\$ 46,615	\$ 48,609
Food	104,390	84,766
Insurance	36,583	36,857
Maintenance and repairs	217,227	28,747
Rent, tideland lease	4,310	4,001
Reposition pilots	242,870	220,376
Supplies	9,447	25,657
Taxes on property	12,241	12,488
Telephone & communications	21,624	13,581
Training	-	405
Utilities	24,807	23,141
Port Angeles Total	<u>\$ 720,114</u>	<u>\$ 498,628</u>

PILOT BOAT OPERATING EXPENSES

Depreciation	\$ 28	\$ 28
Employee benefits	233,318	235,524
Employee salaries	802,534	751,901
Fuel of "Juan de Fuca"	136,721	129,025
Fuel of "Puget Sound"	164,639	102,487
Insurance	91,064	93,080
Maintenance & operation of "Juan de Fuca"	49,693	59,447
Maintenance & operation of "Puget Sound"	61,569	394,394
Taxes on payroll	62,299	58,714
Taxes on property	3,829	4,044
Pilot Boat Operations Total	<u>\$ 1,605,694</u>	<u>\$ 1,828,644</u>

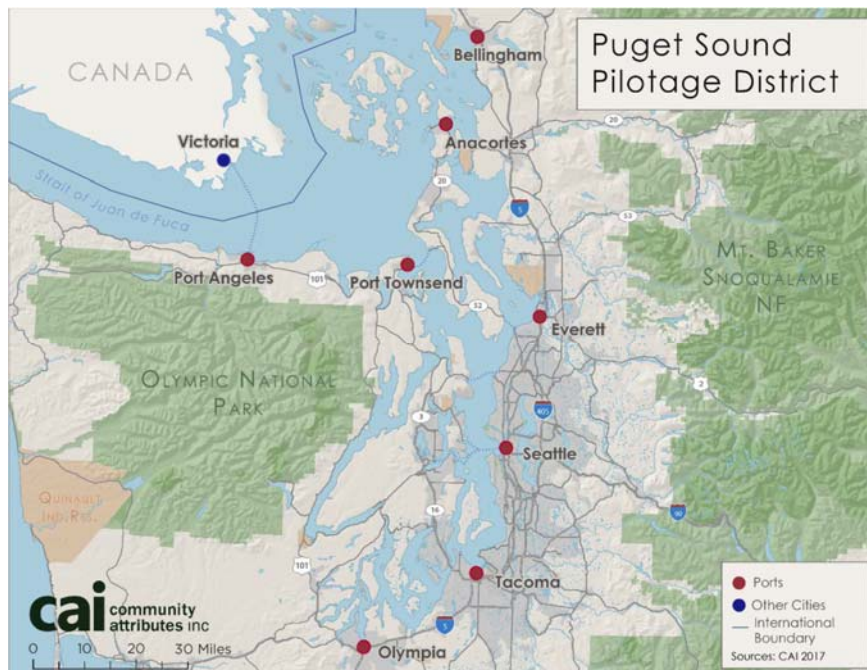
Puget Sound Pilotage District (cont'd)

SCHEDULE OF EMPLOYEES

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

Duty Arrangements: Office staff - 8 or 10 hour days; boatmen - 12 hour days.

Chapter [88.16 RCW PILOTAGE ACT](#) defined the Puget Sound Pilotage District as all the waters of the State of Washington inside the international boundary line between the State of Washington, the United States and the province of British Columbia, Canada and east of one hundred twenty-three degrees twenty-four minutes west longitude.



Source: Washington State Pilotage Final Report and Recommendations, January 1, 2018

Grays Harbor Pilotage District

	2017	2016
Vessel Arrivals / Pilot Assignments	109 / 258	99 / 229
Tariff Generated Revenue	\$ 1,783,817	\$ 1,526,328
Miscellaneous Revenues	1,201	1,950
TOTAL REVENUE	<u>\$ 1,785,018</u>	<u>\$ 1,528,278</u>

GRAYS HARBOR DISTRICT EXPENSES

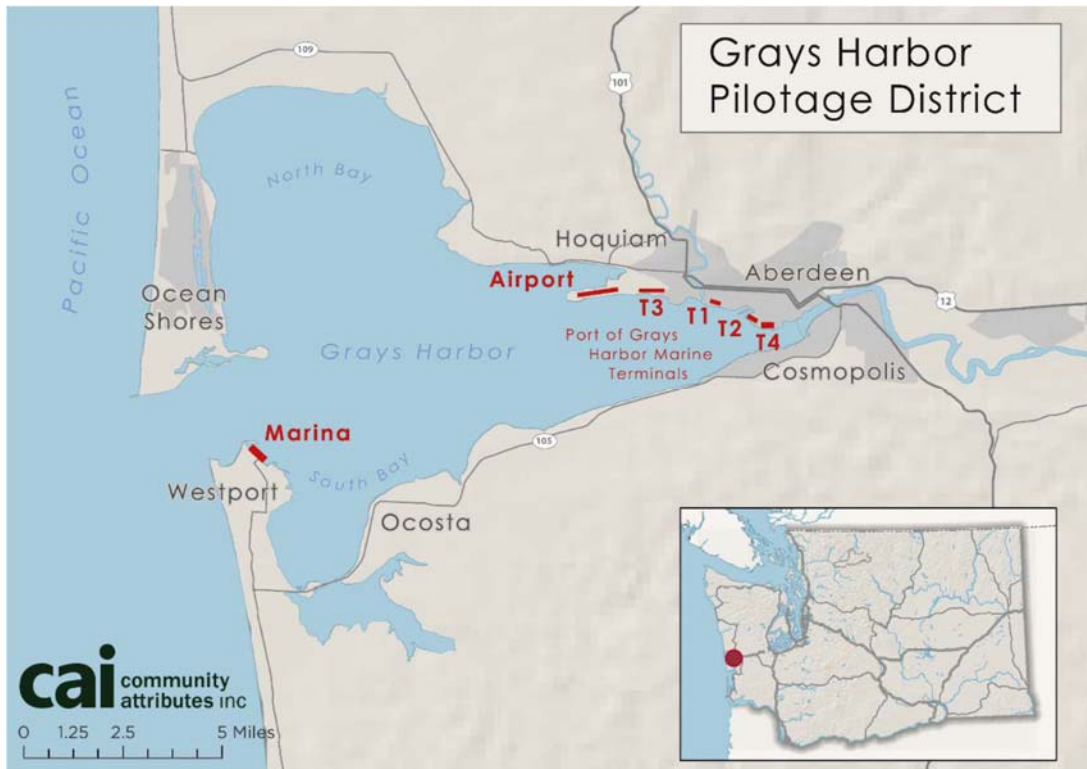
Advertising	\$ 53	\$ 53
Benefits	188,005	168,016
Pilot launch services	330,437	309,229
Depreciation	22,184	20,417
Dues & license fees	13,000	13,000
Insurance	1,684	1,684
Legal services	1,133	957
Miscellaneous other expenses	1,146	675
Pension contribution paid to PSP for GH Retirees	136,224	106,027
Pilot Trainee Stipend	-	16,800
Port Administrative Services	87,052	85,172
Repair/maintenance	139,015	1,442
Supplies	14,323	5,692
Taxes	24,777	19,270
Telephone	4,347	5,597
Training	9,575	375
Travel/Lodging/Meals	13,512	13,286
Wages	542,710	532,030
Gain Sharing Distribution	65,332	81,631
Incremental Duty Pay	11,440	43,034
Travel Allowance Provided to Pilots	27,300	22,260
GRAYS HARBOR DISTRICT TOTAL EXPENSES	<u>\$ 1,633,249</u>	<u>\$ 1,446,647</u>
GRAYS HARBOR DISTRICT OPERATING INCOME	<u>\$ 151,770</u>	<u>\$ 81,631</u>

In 2017:

*Full-time Pilots employed by Port of Grays Harbor: Captain R. D'Angelo, Captain R. White
Port of Grays Harbor employees providing administration: Gary Nelson, Mary Nelson, Tracy Ewing*

Grays Harbor Pilotage District (con't)

Chapter [88.16 RCW PILOTAGE ACT](#) defines the Grays Harbor Pilotage District as all inland waters, channels, waterways, and navigable tributaries within Grays Harbor and Willapa Harbor. The boundary line between Grays Harbor and Willapa Harbor and the high seas shall be defined by the Board.



Source: Washington State Pilotage Final Report and Recommendations, January 1, 2018



Aerial of the Port of Grays Harbor Operations. Photo Credit: KBKW

Major Capital Assets

PUGET SOUND:

Property, boats and equipment are summarized as follows:

	<u>2017</u>	<u>2016</u>
Port Angeles station building	\$ 2,104,532	\$ 2,104,532
Port Angeles station furnishings & equipment	153,542	153,542
Pilot boat "Juan de Fuca"	3,229,434	3,229,434
Pilot boat "Puget Sound"	3,718,327	3,718,327
Seattle office furnishings, furniture, computers, & equipment	1,756,010	1,756,010
Portable pilot units	1,141,572	1,141,572
Portable radio equipment	<u>95,659</u>	<u>95,659</u>
	\$ 12,199,076	\$ 12,199,076
Less accumulated depreciation & amortization	<u>11,000,246</u>	<u>10,599,068</u>
	<u>\$ 1,198,830</u>	<u>\$ 1,600,008</u>

GRAYS HARBOR:

Property, boats and equipment are summarized as follows:

	<u>2017</u>	<u>2016</u>
Pilot Boat "Chehalis"	\$ 317,630	\$ 277,629
Computer equipment (mobile)	38,355	54,877
Radio equipment	<u>12,052</u>	<u>15,882</u>
	\$ 368,037	\$ 348,388
Less accumulated depreciation	<u>257,622</u>	<u>249,987</u>
	<u>\$ 110,415</u>	<u>\$ 98,401</u>

07 - PILOTAGE TARIFFS

Puget Sound Pilotage District:

WAC 363-116-300 Pilotage Rates for the Puget Sound
Pilotage District. Effective 0001 hours January 1, 2017, through
2400 hours December 31, 2017.

CLASSIFICATION Ship length overall (LOA)	RATE
Charges:	
Per LOA rate schedule in this section.	
Pilot boat fee:	\$ 348.00
Per each boarding/deboarding at the Port Angeles pilot station.	
Harbor shift - Live ship (Seattle Port)	LOA Zone I
Harbor shift - Live ship (other than Seattle Port)	LOA Zone I
Harbor shift - Dead ship	Double LOA Zone I
Towing charge - Dead ship:	Double LOA Zone
LOA of tug + LOA of tow + beam of tow	

Any tow exceeding seven hours, two pilots are mandatory. Harbor shifts shall constitute and be limited to those services in moving vessels from dock to dock, from anchorage to dock, from dock to anchorage, or from anchorage to anchorage in the same port after all other applicable tariff charges for pilotage services have been recognized as payable.

Compass Adjustment	\$359.00
Radio Direction Finder Calibration	\$359.00
Launching Vessels	\$540.00
Trial Trips, 6 hours or less (minimum \$1,014.00)	\$169.00 per hour
Trial Trips, over 6 hours (two pilots)	\$338.00 per hour
Shilshole Bay – Salmon Bay	\$211.00
Salmon Bay – Lake Union	\$164.00
Lake Union – Lake Washington (plus LOA zone from Webster Point)	\$211.00
Cancellation Charge	LOA Zone I
Cancellation Charge – Port Angeles:	LOA Zone II

(When a pilot is ordered and vessel proceeds to a port outside the Puget Sound pilotage district without stopping for a pilot or when a pilot order is canceled less than twelve hours prior to the original ETA.)

Puget Sound Pilotage District (CONT):

Waterway and Bridge Charges:

Ships up to 90' beam:

A charge of \$266.00 shall be in addition to bridge charges for any vessel movements both inbound and outbound required to transit south of Spokane Street in Seattle, south of Eleventh Street in any of the Tacoma waterways, in Port Gamble, or in the Snohomish River. Any vessel movements required to transit through bridges shall have an additional charge of \$127.00 per bridge.

Ships 90' beam and/or over:

A charge of \$361.00 shall be in addition to bridge charges for any vessel movements both inbound and outbound required to transit south of Spokane Street in Seattle and south of Eleventh Street in any of the Tacoma waterways. Any vessel movements required to transit through bridges shall have an additional charge of \$251.00 per bridge.

(The above charges shall not apply to transit of vessels from Shilshole Bay to the limits of Lake Washington.)

Two or three pilots required:

In a case where two or three pilots are employed for a single vessel waterway or bridge transit, the second and/or third pilot charge shall include the bridge and waterway charge in addition to the harbor shift rate.

Docking Delay After Anchoring:

Applicable harbor shift rate to apply, plus \$274.00 per hour standby. No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$274.00 for every hour or fraction thereof.

Puget Sound Pilotage District (CONT):

Sailing Delay:

No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$274.00 for every hour or fraction thereof. The assessment of the standby charge shall not exceed a period of twelve hours in any twenty-four-hour period.

Slowdown:

When a vessel chooses not to maintain its normal speed capabilities for reasons determined by the vessel and not the pilot, and when the difference in arrival time is one hour, or greater, from the predicted arrival time had the vessel maintained its normal speed capabilities, a charge of \$274.00 per hour, and each fraction thereof, will be assessed for the resultant difference in arrival time.

Delayed Arrival - Port Angeles:

When a pilot is ordered for an arriving inbound vessel at Port Angeles and the vessel does not arrive within two hours of its ETA, or its ETA is amended less than six hours prior to the original ETA, a charge of \$274.00 for each hour delay, or fraction thereof, shall be assessed in addition to all other appropriate charges. When a pilot is ordered for an arriving inbound vessel at Port Angeles and the ETA is delayed to six hours or more beyond the original ETA, a cancellation charge shall be assessed, in addition to all other appropriate charges, if the ETA was not amended at least twelve hours prior to the original ETA.

Tonnage Charges:

0 to 20,000 gross tons:

Additional charge to LOA zone mileage of \$0.0084 a gross ton for all gross tonnage up to 20,000 gross tons.

Puget Sound Pilotage District (CONT):

20,000 to 50,000 gross tons:

Additional charge to LOA zone mileage of \$0.0814 a gross ton for all gross tonnage in excess of 20,000 gross tons up to 50,000 gross tons.

50,000 gross tons and up:

In excess of 50,000 gross tons, the charge shall be \$0.0974 per gross ton.

Notwithstanding the above tonnage charges, there shall be a minimum tonnage charge of \$500.00 applied to:

(1) All LOA Zone I assignments other than assignments of an additional pilot(s) on ship movements involving more than one pilot jointly piloting the vessel; and

(2) All LOA Zone II and greater assignments.

For vessels where a certificate of international gross tonnage is required, the appropriate international gross tonnage shall apply.

Transportation to Vessels on Puget Sound:

March Point or Anacortes	\$195.00
Bangor	190.00
Bellingham	225.00
Bremerton	167.50
Cherry Point	260.00
Dupont	120.00
Edmonds	42.50
Everett	72.50
Ferndale	247.50
Manchester	162.50
Mukilteo	65.00
Olympia	155.00
Point Wells	42.50

Puget Sound Pilotage District (CONT):

Port Gamble	230.00
Port Townsend (Indian Island)	277.50
Seattle	18.75
Tacoma	87.50

(a) Intraharbor transportation for the Port Angeles port area: Transportation between Port Angeles pilot station and Port Angeles harbor docks - \$15.00.

(b) Interport shifts: Transportation paid to and from both points.

(c) Intraharbor shifts: Transportation to be paid both ways. If intraharbor shift is canceled on or before scheduled reporting time, transportation paid one way only.

(d) Cancellation: Transportation both ways unless notice of cancellation is received prior to scheduled reporting time in which case transportation need only be paid one way.

(e) Any new facilities or other seldom used terminals, not covered above, shall be based on mileage x \$2.00 per mile.

Delinquent Payment Charge:

1 1/2% per month after 30 days from first billing.

Nonuse of Pilots:

Ships taking and discharging pilots without using their services through all Puget Sound and adjacent inland waters shall pay full pilotage charges on the LOA zone mileage basis from Port Angeles to destination, from place of departure to Port Angeles, or for entire distance between two ports on Puget Sound and adjacent inland waters.

Puget Sound Pilotage District (CONT):

British Columbia Direct Transit Charge:

In the event that a pilot consents to board or disembark a vessel at a British Columbia port, which consent shall not unreasonably be withheld, the following additional charges shall apply in addition to the normal LOA, tonnage and other charges provided in this tariff that apply to the portion of the transit in U.S. waters:

Direct Transit Charge	\$2,107.00
Sailing Delay Charge. Shall be levied for each hour or fraction thereof that the vessel departure is delayed beyond its scheduled departure from a British Columbia port, provided that no charge will be levied for delays of one hour or less and further provided that the charge shall not exceed a period of 12 hours in any 24 hour period.	\$ 283.00 per hour
Slow Down Charge. Shall be levied for each hour or fraction thereof that a vessel's arrival at a U.S. or BC port is delayed when a vessel chooses not to maintain its normal safe speed capabilities for reasons determined by the vessel and not the pilot, and when the difference in arrival time is one hour, or greater from the arrival time had the vessel maintained its normal safe speed capabilities.	\$ 283.00 per hour
Cancellation Charge. Shall be levied when a pilot arrives at a vessel for departure from a British Columbia port and the job is canceled. The charge is in addition to the applicable direct transit charge, standby, transportation and expenses.	\$ 525.00
Transportation Charge Vancouver Area. Vessels departing or arriving at ports in the Vancouver-Victoria-New Westminster Range of British Columbia.	\$ 514.00

Puget Sound Pilotage District (CONT):

Transportation Charge Outports. Vessels \$ 649.00
 departing or arriving at British Columbia
 ports other than those in the Vancouver-
 Victoria-New Westminster Range.

Training Surcharge:

On January 1, 2011, a surcharge of \$15.00 for each pilot trainee then receiving a stipend pursuant to the training program provided in WAC 363-116-078 shall be added to each pilotage assignment.

LOA Rate Schedule:

The following rate schedule is based upon distances furnished by National Oceanic and Atmospheric Administration, computed to the nearest half-mile and includes retirement fund contributions.

LOA (Length Overall)	ZONE I Intra Harbor	ZONE II 0-30 Miles	ZONE III 31-50 Miles	ZONE IV 51-75 Miles	ZONE V 76-100 Miles	ZONE VI 101 Miles & Over
UP to 449	263	381	650	968	1,304	1,692
450 - 459	274	388	653	983	1,325	1,700
460 - 469	276	392	665	999	1,343	1,708
470 - 479	285	404	672	1,020	1,347	1,711
480 - 489	294	410	675	1,038	1,355	1,719
490 - 499	298	416	685	1,057	1,371	1,728
500 - 509	313	423	695	1,068	1,383	1,738
510 - 519	315	431	702	1,085	1,398	1,744
520 - 529	319	447	712	1,090	1,410	1,758
530 - 539	329	452	721	1,102	1,432	1,778
540 - 549	334	458	738	1,114	1,454	1,795
550 - 559	341	474	742	1,130	1,466	1,812
560 - 569	353	493	757	1,141	1,479	1,828
570 - 579	361	496	760	1,146	1,495	1,841
580 - 589	376	505	778	1,154	1,503	1,859
590 - 599	393	516	782	1,160	1,526	1,882
600 - 609	408	532	794	1,164	1,544	1,890
610 - 619	431	537	807	1,169	1,559	1,907
620 - 629	447	543	814	1,183	1,577	1,929
630 - 639	468	552	824	1,186	1,591	1,946
640 - 649	486	566	832	1,188	1,604	1,960
650 - 659	520	575	847	1,197	1,624	1,981
660 - 669	530	582	854	1,205	1,642	1,996
670 - 679	550	597	863	1,226	1,660	2,009
680 - 689	557	607	874	1,237	1,674	2,028
690 - 699	574	616	888	1,258	1,692	2,071
700 - 719	599	637	904	1,275	1,725	2,093
720 - 739	634	653	927	1,292	1,758	2,128
740 - 759	659	685	945	1,304	1,795	2,167

Puget Sound Pilotage District (CONT):

LOA (Length Overall)	ZONE I Intra Harbor	ZONE II 0-30 Miles	ZONE III 31-50 Miles	ZONE IV 51-75 Miles	ZONE V 76-100 Miles	ZONE VI 101 Miles & Over
760 - 779	685	707	968	1,325	1,828	2,194
780 - 799	719	738	983	1,343	1,859	2,234
800 - 819	748	760	1,002	1,350	1,890	2,268
820 - 839	771	788	1,025	1,371	1,929	2,293
840 - 859	804	820	1,046	1,387	1,958	2,333
860 - 879	834	847	1,064	1,423	1,996	2,367
880 - 899	863	871	1,085	1,455	2,028	2,402
900 - 919	889	900	1,103	1,494	2,071	2,434
920 - 939	917	927	1,130	1,526	2,091	2,468
940 - 959	950	952	1,147	1,559	2,128	2,498
960 - 979	971	980	1,167	1,591	2,167	2,535
980 - 999	1,003	1,002	1,187	1,624	2,194	2,568
1000 - 1019	1,065	1,067	1,240	1,710	2,299	2,678
1020 - 1039	1,094	1,098	1,279	1,758	2,368	2,757
1040 - 1059	1,127	1,125	1,316	1,812	2,435	2,838
1060 - 1079	1,161	1,165	1,355	1,866	2,511	2,922
1080 - 1099	1,196	1,197	1,394	1,920	2,585	3,011
1100 - 1119	1,230	1,234	1,437	1,980	2,662	3,102
1120 - 1139	1,268	1,274	1,481	2,037	2,742	3,194
1140 - 1159	1,304	1,310	1,523	2,098	2,825	3,291
1160 - 1179	1,343	1,347	1,571	2,161	2,909	3,388
1180 - 1199	1,384	1,388	1,616	2,226	2,997	3,491
1200 - 1219	1,427	1,430	1,664	2,293	3,087	3,593
1220 - 1239	1,467	1,473	1,713	2,362	3,177	3,701
1240 - 1259	1,511	1,516	1,763	2,432	3,274	3,811
1260 - 1279	1,555	1,561	1,817	2,505	3,373	3,925
1280 - 1299	1,602	1,609	1,872	2,580	3,471	4,044
1300 - 1319	1,651	1,655	1,927	2,657	3,576	4,164
1320 - 1339	1,701	1,705	1,986	2,736	3,682	4,290
1340 - 1359	1,749	1,756	2,045	2,817	3,792	4,419
1360 - 1379	1,803	1,807	2,106	2,903	3,905	4,549
1380 - 1399	1,855	1,861	2,171	2,989	4,022	4,687
1400 - 1419	1,912	1,918	2,233	3,077	4,142	4,826
1420 - 1439	1,968	1,976	2,301	3,171	4,268	4,971
1440 - 1459	2,029	2,035	2,371	3,265	4,395	5,120
1460 - 1479	2,086	2,094	2,440	3,362	4,527	5,270
1480 - 1499	2,150	2,157	2,512	3,462	4,661	5,429
1500 - Over	2,215	2,222	2,587	3,568	4,800	5,591

Grays Harbor Pilotage District:

WAC 363-116-185: Pilotage Rates for the Grays Harbor Pilotage District.
Effective 0001 hours January 1, 2017, through 2400 hours December 31, 2017.

CLASSIFICATION **RATE**
Charges for piloting of vessels in the inland waters and tributaries of Grays Harbor shall consist of the following:

Draft and Tonnage Charges:

Each vessel shall be charged according to its draft and tonnage for each vessel movement inbound to the Grays Harbor pilotage district, and for each movement outbound from the district.

Draft	\$ 114.97 per meter or \$ 35.04 per foot
Tonnage	\$ 0.329 per net registered ton
Minimum Net Registered Tonnage	\$ 1,152.00
Extra Vessel (in case of tow)	\$ 646.00

Provided that, due to unique circumstances in the Grays Harbor pilotage district, vessels that call, and load or discharge cargo, at Port of Grays Harbor Terminal No. 2 shall be charged \$6,387.00 per movement for each vessel movement inbound to the district for vessels that go directly to Terminal No. 2, or that go to anchor and then go directly to Terminal No. 2, or because Terminal No. 2 is not available upon arrival that go to layberth at Terminal No. 4 (without loading or discharging cargo) and then go directly to Terminal No. 2, and for each vessel movement outbound from the district from Terminal No. 2, and that this charge shall be in lieu of only the draft and tonnage charges listed above.

Boarding Charge:

Per each boarding/deboarding from a boat or helicopter \$ 1,092.00

Harbor Shifts:

For each shift from dock to dock, dock to anchorage, anchorage to dock, or anchorage to anchorage \$ 803.00

Delays per hour \$ 189.00

Cancellation charge (pilot only) \$ 315.00

Cancellation charge (boat or helicopter only) \$ 944.00

Two Pilots Required:

When two pilots are employed for a single vessel transit, the second pilot charge shall include the harbor shift charge of \$803.00 and in addition, when a bridge is transited the bridge transit charge of \$346.00 shall apply.

Pension Charge:

Charge per pilotage assignment, including cancellations \$ 528.00

Travel Allowance:

Transportation charge per assignment \$ 105.00

Pilot when traveling to an outlying port to join a vessel or returning through an outlying port from a vessel which has been piloted to sea shall be paid \$1,064.00 for each day or fraction thereof, and the travel expense incurred.

Bridge Transit:

Charge for each bridge transited \$ 346.00

Additional surcharge for each bridge transited for vessels in excess of 27.5 meters in beam \$ 946.00

Miscellaneous:

The balance of amounts due for pilotage rates not paid within 30 days of invoice will be assessed at 1 1/2% per month late charge.

08 - 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 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

Four Incidents were filed in the Puget Sound Pilotage District in the year 2017.

DATE	VESSEL	LOCATION	BOARD DECISION
03/04/17	Midnight Sun	Tacoma, TOTE berth	Incident with damage and with pilot error.
06/10/17	New Face	PA, T-Pier	Incident with minimal damage and no pilot error.
07/06/17	Alaskan Frontier	BP Cherry Point, South Dock	Incident with damage and pilot error but with mitigating circumstances.
07/09/17	Port Pegasus	Olympia, Berth 3	Incident with damage and with pilot error.

GRAYS HARBOR PILOTAGE DISTRICT

Zero Incidents were filed in the Grays Harbor Pilotage District in the year 2017.

MARINE SAFETY OCCURRENCES

WAC 363-116-200(1)(b): A state licensed pilot involved in a near-miss occurrence shall complete the board required Pilot's Report of Marine Safety Occurrence form and file it with the board as soon as possible. A near-miss occurrence is where a pilot 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. A report of Marine Safety Occurrence may be voluntarily submitted on an out-of-the-ordinary occurrence or concern for navigational safety that is encountered or observed during the course of piloting a vessel.

PUGET SOUND AND GRAYS HARBOR DISTRICTS

Twenty-one MSO reports were filed in the Puget Sound District:

- * twenty-one vessel equipment malfunctions or failures, three were classified as near-miss;
- * two were originally filed as Incidents and were reclassified as MSOs by the BPC.

Two MSO reports were filed the Grays Harbor District:

- * two vessel equipment malfunctions or failures, neither classified as near-miss.

The Board is 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. Our safety record was recognized by the USCG in January 2017:

"When I first came here four years ago, I asked my staff to pull the safety stats and compare us to the other big ports around the country; New York, Houston, Galveston, New Orleans, LA Long Beach, San Francisco. The differences are really stunning. I will say, without hesitation, that Puget Sound is the safest large port in the country. And that's something to be very proud of." - Former Commander Sector Puget Sound, Captain Joe Raymond, January 19, 2017



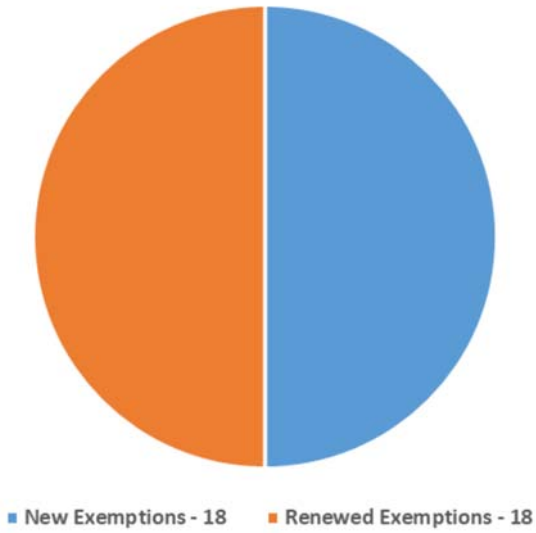
Docking the WESTWOOD RAINIER at the Port of Tacoma. Photo credit: Puget Sound Pilots

09 - PETITIONS FOR VESSEL EXEMPTION

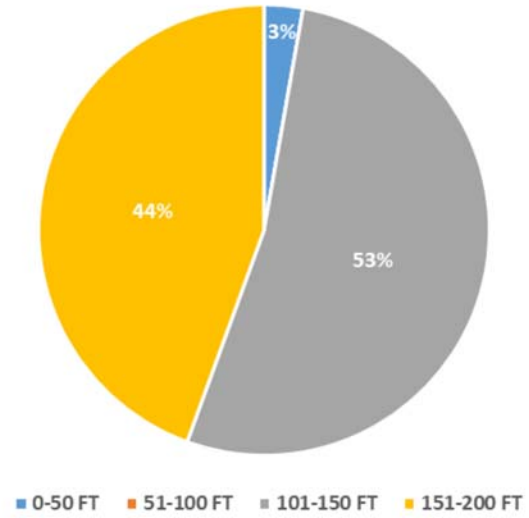
Under the authority of [RCW 88.16.070](#), application may be made to the Board of Pilotage Commissioners to seek exemption from the pilotage requirements for the operation of a limited class of small passenger vessels, which are not more than one thousand three hundred gross tons (international), do 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.

Certificate #	Vessel	LOA	GRT	Approved Operator	Country of Origin	Approved Dates
17-11 R	AFTER EIGHT	151 FT	498 GRT	Lindsay	Isle of Man	04/26/17 - 04/25/18
17-21R	ALCHEMY	119 FT	235 GRT	Sanson, Johnson	Marshall Islands	06/05/17 - 06/04/18
17-03R	ARCTIC PRIDE	123 FT	297 GRT	Seethoff	Jamaica	02/13/17 - 02/12/18
17-25N	ANTARES	130 FT	298 GRT	Grey	Marshall Islands	06/26/07 - 06/25/18
17-16R	ARROWHEAD	115 FT	193 GRT	St. Pierre	Marshall Islands	06/23/17 - 06/22/18
17-02N	AURORA	105FT	414 GRT	Roush	Cayman Islands	02/06/17 - 02/05/18
17-13N	ASPEN ALTERNATIVE	164 FT	459 GRT	Robberts	Cayman Islands	05/15/17 - 05/14/18
17-26N	BIG EAGLE	172 FT	399 GRT	Featherstone, Virgilio	St. Vincent	06/28/17 - 06/27/18
17-30N	BOARDWALK	164 FT	492 GRT	Judson	Cayman Islands	09/04/17 - 09/03/18
17-27N	CALEX	164 FT	492 GRT	Clemens	Cayman Islands	07/30/17 - 07/29/18
17-29N	CKLASS NAUTIQUE	150 FT	386 GRT	DeLuca	Belize	08/22/17 - 11/21/17
17-17R	CV-9	131 FT	322 GRT	Feffer	Cayman Islands	06/15/17 - 06/14/18
17-32R	ELISA	150 FT	456 GRT	Hill	Marshall Islands	09/24/17 - 09/23/18
17-31R	EVVIVA	164 FT	492 GRT	Bracewell	Cayman Islands	09/19/17 - 09/18/18
17-24N	ENDLESS SUMMER	164 FT	498 GRT	Hodgson	Cayman Islands	09/07/17 - 12/06/17
17-23N	GEORGIA	160 FT	381 GRT	Gamble	Cayman Islands	06/14/17 - 09/13/17
17-36N	GRAN FINALE	147 FT	451 GRT	Gorman, Kay	St. Vincent & Grenadines	10/09/17 - 10/08/18
17-20R	ICE BEAR	171 FT	614 GRT	Butler, Hayes	Cayman Islands	06/07/17 - 06/06/18
17-10R	IMPROMPTU	120 FT	244 GRT	Milla	Grand Cayman	06/08/17 - 06/07/18
17-09R	INVADER	164 FT	608 GRT	Batchelder	Cayman Islands	05/13/17 - 05/12/18
17-35N	ITASCA	175 FT	845 GRT	Carter	Cayman Islands	09/25/17 - 09/24/18
17-38N	LEGEND	172 FT	603 GRT	Blakeway	Marshall Islands	01/22/18 - 04/21/18
17-34R	MEA CULPA	130 FT	302 GRT	Grant	Cayman Islands	10/20/17 - 10/19/18
17-01N	PLAYPEN	142 FT	395 GRT	Southgate	Marshall Islands	04/01/17 - 03/31/18
17-15N	PICOSA LADY	103 FT	180 GRT	Ocobock	Marshall Islands	04/21/17 - 04/20/18
17-33 N	QUIVIRA	146 FT	246 GRT	Twyman	Marshall Islands	09/06/17 - 12/05/17
17-22N	SEPTIMUS	163 FT	499 GRT	Lacey	Cayman Islands	06/30/17 - 06/29/18
17-14R	SIN OR SWIM	116 FT	248 GRT	Du Plessis	St. Vincent	05/15/17 - 05/14/18
17-18N	SPIRIT	178 FT	656 GRT	Damette, Macahonic	Cayman Islands	05/18/17 - 05/17/18
17-08R	ST. EVAL	114 FT	215 GRT	Milla	Cayman Islands	05/15/17 - 05/14/18
17-19R	STAMPEDE	117 FT	191 GRT	Allen	Marshall Islands	05/22/17 - 05/21/18
17-04R	TRITON	163 FT	527 GRT	Johns, Piesch, Herregods	Marshall Islands	05/01/17 - 04/30/18
17-05R	VICTORIA CLIPPER	127 FT	431 GRT	Various	Curacao	05/01/17 - 04/30/18
17-06R	VICTORIA CLIPPER IV	118 FT	478 GRT	Various	Bahamas	05/01/17 - 04/30/18
17-07N	WILDFLOUR	156 FT	496 GT	Marks	Marshall Islands	06/01/17 - 08/31/17
17-12R	WOFANU	47 FT	25 GRT	Hildebrand	Germany	05/13/17 - 05/12/18

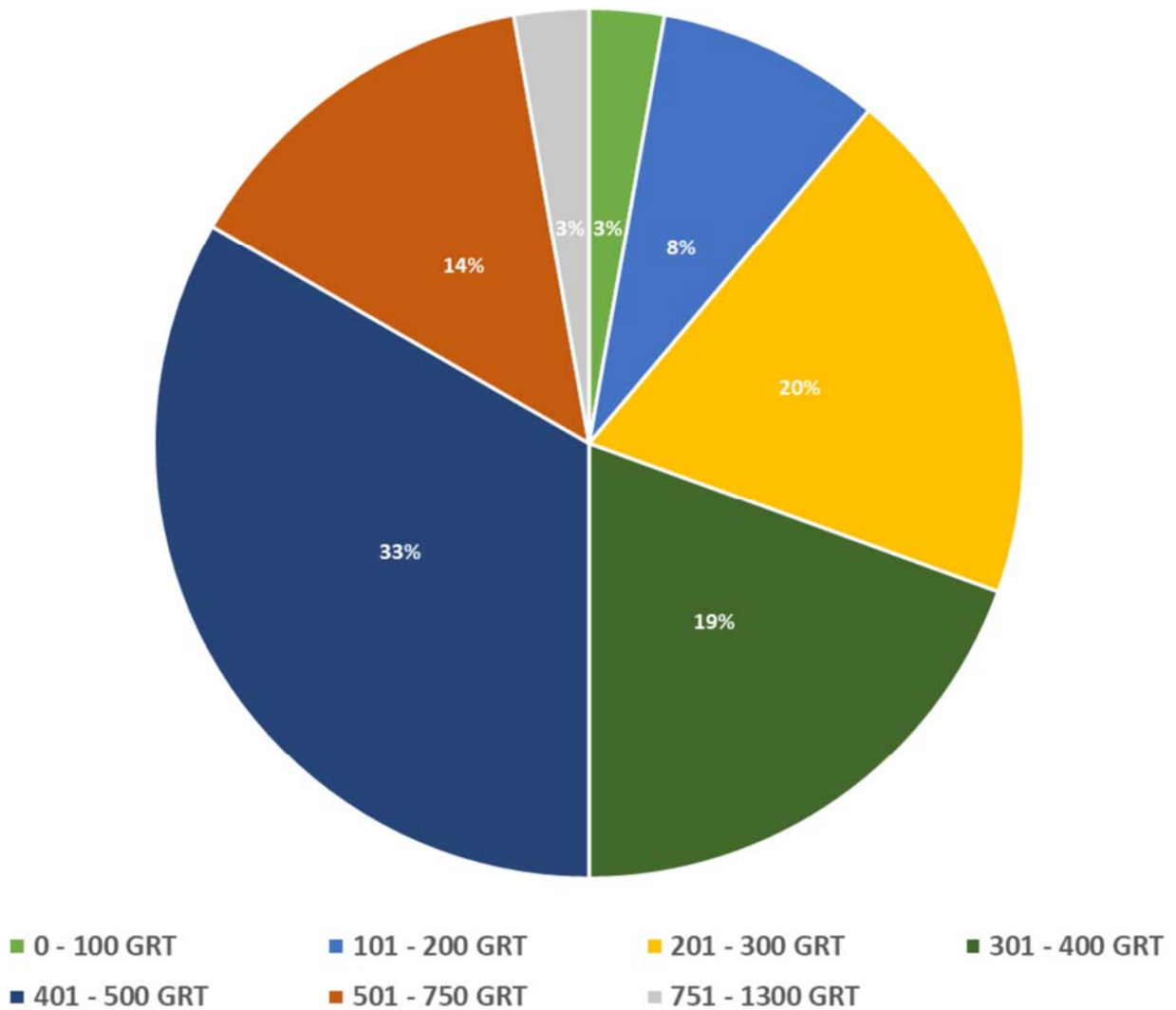
2017 Exemptions by Type



2017 Exemptions by Length Overall



2017 Exemptions by Gross Tonnage



09 - PETITIONS FOR VESSEL EXEMPTION (cont'd)

As a result of Substitute Senate Bill 5262, as described in the Overview of this report, the Board may require a pilot orientation trips for vessel masters who are new to the area. Puget Sound Pilots created a checklist to be used by pilots who are conducting that orientation trip.

Puget Sound Familiarization Checklist

This checklist is for use by pilots who are assigned to yachts or other vessels requesting exemption from pilotage requirements.

The following items should be discussed with the vessel master:

- The Puget Sound Vessel Traffic Service.
e.g., VTS VHF Channels and call in points,
- Maritime traffic types, patterns and local protocols.
e.g., Ferries, fishing vessels, tug and tows, recreational vessels, commercial vessels, etc.
- Information on local VHF radio channels and communications.
e.g., Channel 13, Port Operations channels to be avoided, weather channels -
http://www.byc.org/weather_radio/vhfchannels.html
- Availability of the United States Coast Pilot – 7: Pacific Coast that cover any area in which the vessel will be navigated. Available on-line at
<http://nauticalcharts.noaa.gov/nsd/cpdownload.html>
- Local tide and current information. Such as that available on-line at
<http://tidesandcurrents.noaa.gov/index.shtml>
e.g., Extreme tidal range and currents during spring tides, wake control during high tides, etc.
- Puget Sound Harbor Safety Plan.
Available on-line at: http://www.pshsc.org/about/harbor_safety_plan
- Paper or electronic charts of all areas to be navigated, updated and of appropriate scale.

10 - DIVERSITY PROGRAM

INTRODUCTION:

The Washington State Board of Pilotage Commissioners strongly supports ethnic and gender inclusion and diversity among pilots licensed by the Board. This is the fourth year of including a report on diversity initiatives in the Board’s annual report. During 2017, the Board developed a new and more clearly defined trainee evaluation process described in the training section of this report. It also instituted a new “Train the Trainer” course for all training pilots and trainees. The Joint Diversity Committee, described further below, continues to examine barriers to pilotage, and is hard at work attracting potential candidates in becoming marine pilots.

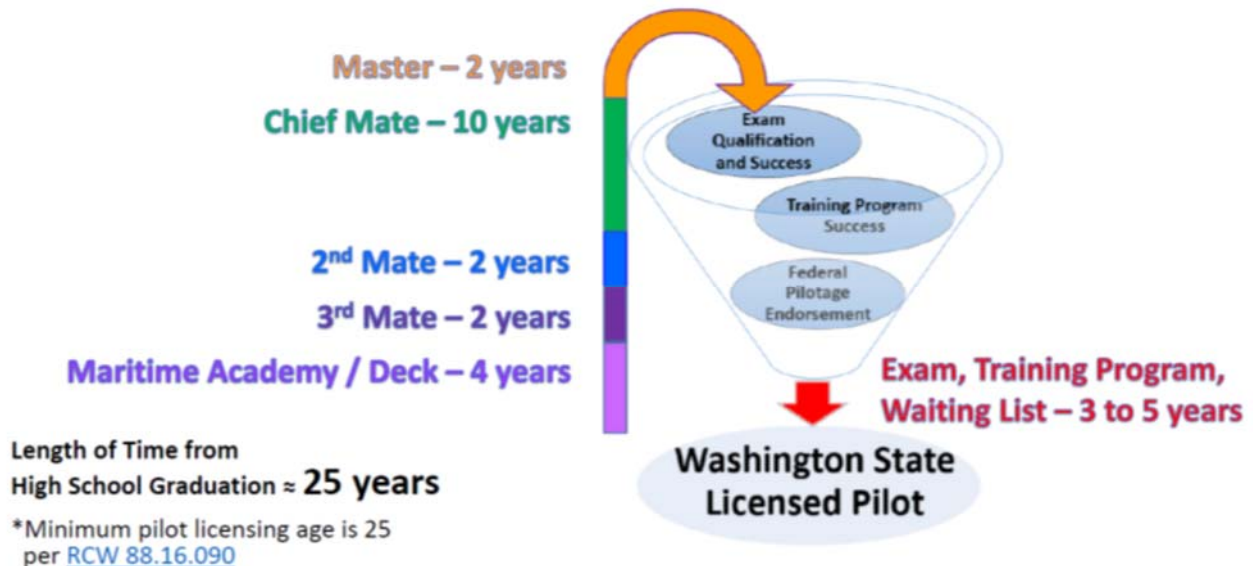
OVERVIEW:

The Board is committed to ensuring qualified pilotage in Washington State. Throughout the history of pilotage, the profession has been comprised of white males, with very few exceptions. As with many male dominated professions, the prevailing assumption is that women and underrepresented minorities do not wish to enter the field. The Board is committed to changing this assumption and to developing a more diverse workforce of qualified pilots. The Board established a diversity committee and has begun to understand possible barriers to becoming a pilot. The committee is using a two pronged approach focusing on women and people of color already in the pipeline, and secondly, on influencing youth to consider maritime careers.

THE PILOTAGE PIPELINE:

The merchant marine industry is one of the most culturally and ethnically diverse industries in the world. However, it has a very small percentage of females and underrepresented minorities. The industry also has challenges with attrition of licensed mariners and with an aging workforce. At the same time, as described later in this report, there is reason for optimism in creating a more diverse pilotage corps.

Pilotage depends on the pipeline of mariners working their way up the ladder of responsibility. The following figure illustrates the timeline necessary to gain the experience needed for pilotage in Washington State:



10 - DIVERSITY PROGRAM (cont'd)

It is in our interest to do what we can to contribute to diversity in the pipeline – from high school to maritime academies, to employers to candidates to taking the pilot exam.

As part of the Joint Transportation Committee study commissioned by the Washington State Legislature, the following table was developed. That report identified the lack of diversity as a national challenge, with 37 female state licensed pilots across the U.S. The report also identified the lack of consistent definitions with respect to how pilots are actually identified. The report was helpful, though, in identifying some districts where there has been at least limited success in recruiting female trainees and pilots. The report made no attempt at identifying ethnic diversity.

Table 1: Female State-Licensed or Trainee Pilots by State, 2017

State	Number of female pilots	Total Number of Pilots	Share of Pilots
Alabama	0	14	0%
Alaska	7 (3 licensed, 4 training)	65	11%
California (San Francisco only)	0	59	0%
Connecticut	0	3	0%
Delaware/ Pennsylvania	5 (licensed)	67	7%
Florida	2 (licensed)	99	2%
Georgia	0	27	0%
Hawaii	0	8	0%
Louisiana	5 (licensed)	288	2%
Maine	0	6	0%
Maryland	3 (licensed)	68	5%
Mississippi	0	7	0%
Massachusetts	0	9	0%
North Carolina	0	9	0%
New Hampshire	0	3	0%
New Jersey/ New York	5 (4 licensed, 1 training)	81	6%
Oregon	2 (licensed)	61	3%
Rhode Island	0	3	0%
South Carolina	0	19	0%
Texas	6 (licensed)	168	4%
Virginia	1 (licensed)	45	2%
Washington	1 (training)	53	2%
Great Lakes District 1	0	17	0%
Great Lakes District 2	0	13	0%
Great Lakes District 3	0	13	0%
Total	37	1,205	3%

Source: Paul Kirchner, Executive Director and General Counsel, American Pilots' Association, 2017.⁶

10 - DIVERSITY PROGRAM (cont'd)

Worldwide, firsts are being reported – recently Women Offshore (womenoffshore.org) featured Captain Hanna Odengrund from Norrköping, Sweden, where she maneuvers ships between Oxelösund and Norrköping. Sherrie Hickman is another example, a Houston Ship Channel maritime pilot for the past 23 years. In last year's report, we mentioned two women pilots in Africa. The Board continues to search out individual women to feature on our website.

Washington State pilots come mainly from four backgrounds: deep sea vessels, tugs and regional vessels, ferries, and the U.S. Coast Guard. All state pilots hold federal licensure as well, though Washington pilots may earn their federal licensure as they train for Washington State licensure. Washington State has licensed shipboard pilots since the 1800s. Over the past 10 years, at any time there have been between 50 and 56 licensed Puget Sound pilots and 2 or 3 Grays Harbor Pilots. The number of pilots is reviewed by the Board with a goal of keeping the number of pilotage assignments appropriate to maintain an optimum level of safety. From 2007 to 2017, 36 pilots have been licensed and 31 have retired, giving an annual turnover of just over 3 pilots per year. The pilotage application and exam process takes place every four years or less, with a roster of successful exam applicants of 14 people in 2008, 16 people in 2012, and 12 in 2016. Trainees are called up from the list in anticipation of future pilotage needs. On average it takes trainees 18 to 24 months to complete the training program and to be issued a license, if they successfully complete the training program.

Throughout that history there have been some licensed pilots from diverse cultural backgrounds but there has not been a female Washington State licensed pilot. Fortunately, in April 2016, a woman took the examination and placed at the top of the list of potential trainees. She began training as a Puget Sound pilot in May 2017. If she maintains her current trajectory and completes the evaluation phase of her training, she should be licensed by fall 2018.

The list of trainee aspirants from the 2016 exam is almost exhausted, so the next exam is scheduled for November 2018. The Board has engaged Sheila LaFleur of Job Propeller to improve visibility of our pilotage districts to all potential candidates. In the 2018 application process, the Board will collect the applicant's ethnicity, and gender on a and voluntary basis.

Once the examination and evaluation process starts, the applicants are identified only by a number which is set by an independent contractor so that the ethnicity and gender, if provided, and scores attained by applicants are not associated with a person's name. Only after the list of successful applicants is published is any information about the individual applicants revealed to the Board (and the public) and then that information is limited to what can be garnered by names (which may not be reliable since some names cross genders as well as ethnic backgrounds).

The Board has taken numerous steps since 2008 to adjust and improve its training program to be as objective and reliable as possible. These steps include hiring psychometric experts to review and revise the training program; separating the training program into three distinct phases of observation, training, and evaluation; and offering Train-the-Trainer courses to pilots who complete trip evaluation forms on the trainees; etc. The training program for the 2016 trainees uses new criteria for training and evaluation. These criteria are linked to the job functions of pilots. During the evaluation phase of training, the training pilot remains "hands off" unless a significant problem is developing. When the training pilot has to take the helm from a "trainee," this action is called an intervention. The Board has now developed a definition for an intervention, and has established the maximum number of interventions at which time a trainee is terminated from training. The Board will continue to ensure that all of the processes it uses to ultimately license pilots are free from bias or discrimination.

10 - DIVERSITY PROGRAM (cont'd)

Various elements 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 United State 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 six state academies and the US. Merchant Marine Academy at Kings Point, NY provide about 95% of all licensed 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 the 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.”

The Board will continue to encourage these efforts to support women and minorities. Local programs aimed at increasing youth involvement include those of the Tacoma Youth Marine Center, the Northwest Maritime Center, the Washington State Ferry System, the Ports of Tacoma and Seattle, and the Seattle Maritime Academy/Youth Marine Collaborative.

It is a goal of the Board to have a more diverse group of pilots in the coming years. This includes a desire to see more cultural, ethnic, and gender diversity. But as stated above, anyone who becomes licensed must be qualified.

DIVERSITY ACTION PLAN: 2017-2018 actions are shown in italics

1. **GOAL: Increase Ethnic and Gender Diversity of Licensed Pilots in Washington State**

ACTIONS	STRATEGIES
<p>A. Establish a Diversity Committee of Board members, mariners, and maritime professionals interested in promoting policies to encourage diversity to the extent allowed by law.</p> <p>Puget Sound Pilots (PSP) and the Board established a Joint Diversity Committee, which meets regularly. Committee minutes are posted on the Board website. Committee members include active male and female pilots, a retired female pilot, maritime industry leaders, and graduates of maritime academies. Amy Scarton and Elizabeth Kosa, leaders at Washington State Ferries, have joined the committee as well.</p>	<ul style="list-style-type: none"> - Support trainees in the Board’s pilot training program; - <i>Identify and build a list of potential candidates for the next pilot exam, scheduled for November 2018;</i> - Examine possible barriers to entry to pilotage and to mitigate them;

10 - DIVERSITY PROGRAM (cont'd)

1. GOAL: Increase Ethnic and Gender Diversity of Licensed Pilots in Washington State (cont'd).

ACTIONS	STRATEGIES
<p>A. Establish a Diversity Committee of Board members and mariners and maritime professionals interested in promoting policies to encourage diversity to the extent allowed by law (cont'd).</p>	<ul style="list-style-type: none"> - Review the training program and ways of making it more effective; - <i>Monitor and learn from diversity activities in other pilotage districts;</i> - <i>Develop strategies necessary to build a diverse pool of interested candidates;</i> - <i>Encourage youth and young adults to consider professional mariner careers;</i> - <i>Develop ideas generated by the committee and other interested individuals;</i> - <i>Develop a Joint Diversity Committee document expressing mission, goals, and key messages</i>
<p>B. Forecast the need for licensed pilots due to mandatory retirement at age 70 and projected shipping activity. Use such data to prepare a five-year forecast for pilotage. Use the five-year forecast to predict potential needs for new pilots out to ten years.</p>	<ul style="list-style-type: none"> - <i>The Board's Trainee Evaluation Committee regularly surveys pilots with respect to retirement plans and projects the likely need for new trainees in the next 3-5 years. Factored into this assessment are any projected changes in shipping volumes.</i>
<p>C. Collect and report demographic data for all licensed pilots in Washington (as allowed by the privacy provisions of the RCW). Each pilot will submit data on an annual basis and the data will be aggregated for reporting. All individual data will be kept confidential. This is not yet accomplished.</p>	<ul style="list-style-type: none"> - <i>Puget Sound Pilots (PSP) will be asked to prepare aggregated data.</i>

2. GOAL: Participate in efforts to develop a diverse pool of applicants with qualifications.

ACTIONS	STRATEGIES
<p>A. Develop and use comprehensive means of notifying mariners of the pilotage application and examination. Ensure announcements of upcoming examination cycles are published in a wide spectrum of maritime publications and other modes of reaching mariners and pilots in other pilotage grounds.</p>	<ul style="list-style-type: none"> - <i>The 2018 Exam was announced on our website, through email distribution, and in well over a dozen publications, significantly more than in the past. Future goals include collaborating with other pilotage districts to identify candidates, rather than just competing for exam candidates.</i>

10 - DIVERSITY PROGRAM (cont'd)

2. GOAL: Participate in efforts to develop a diverse pool of applicants with qualifications needed to become licensed pilots (cont'd).

ACTIONS	STRATEGIES
<p>B. Participate in conference groups like "Women on the Water", sponsored by MARAD and maritime academies.</p> <p>C. Monitor and support the activities of a wide range of government and industry organizations that have programs to broaden the diversity of the maritime industry through actions such as advertising and recruiting.</p>	<ul style="list-style-type: none"> - <i>The Board Chair participated in the 2015 and 2016 conference and the Executive Director participated in two 2017 conferences, and informally met with cadets and young officers about pilotage.</i> - <i>The Joint Diversity Committee (JDC) membership includes maritime professionals in the industry. Washington State Ferries (WSF) has an active diversity program and provides regular updates to the JDC.</i>

3. GOAL: Eliminate any possible areas of bias or discrimination in training pilots.

ACTIONS	STRATEGIES
<p>A. Hire a third-party independence consultant to review the training program with an eye toward ensuring absolute fairness at every level.</p> <p>B. Provide diversity training for all pilots as part of the Train-the-Trainer course offered by the Board.</p>	<ul style="list-style-type: none"> - <i>Progeny Systems Corporation was engaged to lead a full review of the training program and it has been instituted for the 2016 list of trainees. Work continues for the 2018 exam process.</i> - <i>This was incorporated into the 2017 Train-the-Trainer course. In order for a Supervising Pilot to supervise trainees during their Training and Evaluation Phases, the Supervising Pilot must take the 2017 or newer Train-the-Trainer course.</i> - <i>The Board also updated the Anti-discrimination and Sexual Harassment Prevention policies to include trainees. They were also included in the new training program agreements, as was an arbitration policy. Expanded grievance policies are being developed.</i>

10 - DIVERSITY PROGRAM (cont'd)

4. GOAL: Support educational activities that develop student interest in maritime careers.

ACTIONS	STRATEGIES
<p>A. Support (within the bounds of the RCW/WAC) school programs that provide an introduction to the maritime world for young people.</p> <p>B. Ensure that Legislators are aware of such programs and encourage their support where appropriate.</p>	<ul style="list-style-type: none"> - <i>The Joint Diversity Committee has met with the Northwest Maritime Center, Washington State Ferries, and the Seattle Maritime Academy/Youth Marine Collaborative discussing outreach to youth.</i> - <i>Scholarship and internship funds have included in the 2017-2019 biennial budget of the Board. The Assistant Attorney General for the Board has reviewed State laws and rules regarding scholarships and internships, and has informed us of what we are able to do. To date, no funds have been awarded due to budget constraints.</i>

5. GOAL: Continue to improve this Diversity Action Plan

ACTIONS	STRATEGIES
<p>A. Have other agencies within Washington with expertise and experience in diversity action planning such as the Department of Transportation's Diversity Coordinator (Labor & Personnel Division) and their Office of Equal Opportunity , plus Attorney General attorneys who specialize in labor and personnel matters, review this plan and provide feedback for possible improvements.</p> <p>B. Compare the plan to any such plans maintained by other entities that have similar relationships with shipboard pilots (i.e. other pilotage commissions).</p> <p>C. Investigate successful diversity initiatives conducted by other pilotage commissions to glean ideas for improving this plan.</p>	<ul style="list-style-type: none"> - <i>In progress.</i> - <i>To date, no other plans have been identified.</i> - <i>To date, no other initiatives have been identified.</i> - <i>The Board Chair and staff have met with staff and Board Chairs of the San Francisco and Oregon commissions to discuss diversity and other issues involving pilotage. We advocate that commissions share information and jointly encourage qualified applicants to consider pilotage and take exams.</i>

10 - DIVERSITY PROGRAM (cont'd)

5. GOAL: Continue to improve this Diversity Action Plan (cont'd).

ACTIONS	STRATEGIES
<p>D. Review and update this plan at least annually, and include the in the Annual Report of the Board.</p> <p>E. Monitor the results of this plan and modify it as needed to ensure that it is as up-to-date and effective as possible.</p>	<p>- <i>This work continues!</i></p> <p>- <i>The Joint Diversity Committee continues to discuss ways of addressing attrition of officers, barriers to qualified individuals actually taking the exam, and barriers to pilotage for women and other underrepresented minorities.</i></p>

CONCLUSION:

The Board believes that the need to ensure the process used to select, train, and ultimately license mariners to be pilots is one of the most critical of its tasks. The Board uses the Diversity Action Plan as a template that promotes a wide spectrum of applicants to know about our upcoming exams; that we encourage the maritime industry to continue efforts to broaden the diversity of mariners; that we support school programs that introduce young people to a career in the maritime industry; and that there is no bias involved in the ultimate licensing of pilots. The Board will continue to make its training program as objective as possible and will encourage qualified diverse applicants to apply for its training program.

2017 JOINT DIVERSITY COMMITTEE ROSTER:

Co-Chair — Sheri Tonn, Chair, Board of Pilotage Commissioners
 Co-Chair — Linda Styrk, Executive Director, Puget Sound Pilots
 Eric vonBrandenfels, President, Puget Sound Pilots
 Jaimie Bever, Executive Director, Board of Pilotage Commissioners
 Sara Thompson, Commissioner, Board of Pilotage Commissioners
 Captain Deb Dempsey, Retired Pilot, Columbia River Bar Pilots
 Captain Anne McIntyre, Pilot, Columbia River Pilots
 Amy Scarton, Assistant Secretary, Washington State Ferries
 Elizabeth Kosa, Chief of Staff, Washington State Ferries
 Maggie Williams, Executive Vice President, KALM Seas Insurance
 Emily Reiter, Director of Marketing & Communications, Saltchuk
 Clare Petrich, Commissioner, Port of Tacoma
 Phil Morrell, Commissioner, Board of Pilotage Commissioners
 Jolene Hamel, Program Coordinator, Board of Pilotage Commissioners

11 - TUG INFORMATION

Vessel Name	HP	Propulsion	Bollard Pull Ahead	Bollard Pull Astern	Tension Gage	LOA	Breadth	Draft	Year Built	GRT	Escort Tug
Brusco											
Saturn	3500	Twin	36			85'	29'	13'	1970	147	N
Spartan	3500	Twin	36			85'	29'	13'	1970	147	N
Henry Brusco	3000	Twin/Kort	42	23.35		101'	27'	13'	1954	147	N
Ellis Brusco	2200	Twin/Kort	26			73'	26'	9'	1980	72	N
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
Barbara Foss	5400	Twin/Kort	65	NA	N	119'	34'	15'	1976	198	N
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
Jeffrey Foss	5400	Twin/Kort	65	NA	N	113'	34'	15'	1970	177	N
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
Denise Foss	7268	Twin Conventional	106	NA	N	122'	40'	20.7'	2016	295	N
Michelle Foss	7268	Twin Conventional	100	NA	N	122'	40'	20.7'	2015	295	N
Nichole Foss	7268	Twin Conventional	101	NA	N	122'	40'	20.7'	2017	295	N
Olympic Tug											
Brian S	3000	Twin	40	22	N	98'	30'	13'	1963	197	N
Millennium Falcon	4400	Z-Drive	64	59	N	105'	34'	17'	2000	173	N
Millennium Star	4400	Z-Drive	61	56	N	105'	34'	17'	2000	173	N
Michelle Sloan	5350	Z-Drive	69	65	Y	80'	36'	14'6"	2015	175	N
Rich Padden	5350	Z-Drive	68	N/A	Y	80'	36'	15' 8"	2017	175	N
Dr. Hank Haplan	5350	Z-Drive	68	61	Y	80'	36'	15' 8"	2017	175	N
Western Towboat											
Pacific	2000	Twin			N	67'	24'		1970	96	N
Wasp	1800	Twin/Kort			N	62'	19'		1968	73	N
West Point	1200	Z-Drive			N	60'	22'		1992	92	N
Westrac	2500	Z-Drive			N	76'	29'		1987	92	N
Westrac II	2500	Z-Drive			N	74'	29'		1995	92	N

12 - BPC STATEMENT OF POLICY: DEFINITION OF TERMS



STATE OF WASHINGTON BOARD OF PILOTAGE COMMISSIONERS

STATEMENT OF POLICY

REGARDING: Definitions of Terms

It is the policy of the Board that it will use the following definitions when interpreting the listed terms whenever used by stakeholders in any verbal or written input provided to the Board. The Board will assume that when the following terms are used in communications with the Board, the drafter intends these definitions unless an alternate definition is provided as part of the communication.

1. Assignment

- a. A billable event relating to pilotage services.
 - i. Assignments include cancellations and ship movements, regardless of duration.
 - ii. For purposes of work allocation, an assignment is considered to commence when a pilot is assigned a vessel and concludes upon the pilot's arrival at the pilot station on an outbound assignment or upon the completion of travel for an inbound assignment (or upon Cancellation).

2. Average Assignment Time Per Ship Movement

- a. The sum total of time devoted to Assignments during a given period divided by the number of Ship Movements occurring during the same period.
 - i. Assignment Time generally commences when the pilot is assigned to the vessel and concludes upon completion of travel time for inbound assignments or arrival at the pilot station for outbound assignments.
 - ii. Assignment Time includes preparation and travel time (per PSP Operating Rules) plus Bridge Time.

3. Average Bridge Time Per Assignment

- a. The sum total of time aboard piloted vessels during a given period divided by the number of Assignments occurring during the same period.
 - i. Bridge Time generally commences concurrent with Order Time and concludes upon the pilot's arrival ashore.
 - ii. Pilots normally arrive on the bridge 30 minutes before the Order Time on outbound assignments.
 - iii. Average Bridge Time Per Assignment does not include Bridge Time for cancelled assignments nor time on the bridge before Order Time of outbound assignments.

Adopted in regular session on April 16, 2015, by the Washington State Board of Pilotage Commissioners.

12 - BPC STATEMENT OF POLICY: DEFINITION OF TERMS (cont'd)

4. Average Bridge Time Per Ship Movement

- a. The sum total of time aboard piloted vessels during a given period divided by the number of Ship Movements occurring during the same period.
 - i. Bridge Time generally commences concurrent with Order Time and concludes upon the pilot's arrival ashore.
 - ii. Pilots normally arrive on the bridge 30 minutes before the Order Time on outbound assignments.
 - iii. Average Bridge Time Per Ship Movement does not include time on the bridge for cancelled assignments nor time on the bridge before Order Time of outbound assignments.

5. Average Time Per Assignment

- a. The sum total of time devoted to Assignments during a given period divided by the number of Assignments occurring during the same period.
 - i. Assignment Time generally commences when the pilot is assigned to the vessel and concludes upon completion of travel time for inbound assignments or arrival at the pilot station for outbound assignments.
 - ii. Assignment Time includes preparation and travel time (per PSP Operating Rules) plus Bridge Time.

6. Cancellation

- a. A billable event involving the termination by a carrier (or agent) of a pilotage service request after a pilot has been assigned and before an outbound ship is moved or, in the case of an inbound vessel, the vessel is delayed by more than 6 hours if it occurs within 12 hours of the scheduled arrival time.
 - i. A Cancellation is deemed to occur if a pilot has been assigned and if the service request is cancelled within 12 hours before the scheduled vessel arrival at Port Angeles or, for outbound transits, four (4) hours from scheduled departure from Seattle; five (5) hours from any other port.
 - ii. Under current procedures, a pilot who has not commenced travel to an outbound assignment at time of cancellation remains available for immediate dispatch. A pilot who has commenced travel is removed from dispatch until rest requirements are met.
 - iii. An inbound vessel may be charged a cancellation charge for any delay of more than 6 hours of an arrival time made less than 12 hours before the scheduled arrival if the cancellation charge is lower than the delayed arrival charge that would otherwise apply.

7. Gross Pilotage Revenue

- a. All revenue under the tariff including transportation and trainee surcharges (stipends).

8. Gross Pilotage Revenue Per Assignment

- a. Gross Pilotage Revenue generated from all Assignments during a given period of time divided by the number of Assignments during the same period.

9. Job

- a. *Not an acknowledged or defined term.*

10. Non-Revenue Activities

- a. A non-billable event in which a pilot, other than the President of PSP, is assigned by PSP to a license upgrade trip or pilotage-related activity not involving a Ship Movement.
 - i. Non-Revenue Activities include education, training, simulation sessions, license upgrade trips, voyage planning sessions, meetings with government agencies and officials (e.g., pilot commission, U.S. Coast Guard, Department of Ecology, legislature, governor, port districts),

Adopted in regular session on April 16, 2015, by the Washington State Board of Pilotage Commissioners.

12 - BPC STATEMENT OF POLICY: DEFINITION OF TERMS (cont'd)

testimony, industry events and conferences, marine safety meetings and PSP business and professional meetings.

ii. Non-Revenue Activities are not Assignments and do not accrue towards the fulfillment of the Target Assignment Level.

11. Number of Pilots

a. The aggregated sum total of the number of days each pilot was on distribution from PSP during a given year divided by 365 (366 in case of leap years).

i. The Number of Pilots includes:

1. Active pilots;
2. The President of PSP; and,
3. Licensed pilots who are inactive, but receiving payment in the form of Comp. Days.

ii. Number of Pilots does not include former pilots who are no longer licensed, but are receiving payment in the form of Comp. Days.

12. Order Time

a. The vessel's last scheduled departure time (for outbound transits) or last scheduled arrival time (for inbound transits).

13. Revenue Per Assignment

a. Gross Revenue, excluding transportation charges and trainee surcharges (stipends), generated from all Assignments during a given period of time divided by the number of Assignments during the same period.

14. Ship Movement

a. An Assignment resulting in a transit or a reposition of a vessel.

i. A Ship Movement involving multiple pilots (other than training or upgrading pilots) is counted as multiple Ship Movements, one for each pilot.

15. Target Assignment Level

a. A numerical benchmark set by the Board of Pilotage Commissioners (Board) calculated by dividing the annual number of Assignments by the number of pilots. It is used by the Board in making workload decisions, including setting of the number of pilot licenses to be issued.

i. The President of Puget Sound Pilots is not included in the calculation for the Target Assignment Level.

13 - PUGET SOUND PILOTS OPERATING RULES (August 2018)

(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 except as otherwise provided, shall be placed at the head of the assignment list according to their relative “reporting in times” at the time of commencing respite or vacation. Members off-duty for any cause shall be placed at the head of the rotation list upon returning to duty, however members returning from off-duty status 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.
- 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**

At Seattle, the minimum off-duty period before and after an inter-port or sea-trial assignment, and before the first of multiple harbor shift assignments is eight (8) hours between the pilot's check-in time and the call time. At Port Angeles, except as provided in Section A (12) below, the minimum off duty period after a vessel assignment is eight (8) hours. The minimum off-duty period does not apply to repositionings or locals.

A pilot who has received a minimum eight (8) hour off-duty period at Port Angeles before being repositioned to Seattle and will check-in at Seattle prior to 1300, at may be immediately assigned.

A pilot who has received a minimum eight (8) 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.

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. Members returning from respite shall be placed in proper sequence at the head of the rotation list at 0800 Tuesday. AMENDED: 10/85, 11/87, 12/91, 1/97.

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.

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 eight (8) hours and who has at least ten (10) 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. Round Trip Assignments on Certain Cruise Ships. A pilot at the station may be assigned a round trip assignment on a cruise ship, if that cruise ship has suitable clean and quiet sleeping quarters available to the pilot while the ship is at the dock and if the vessel is expected to be at the dock for at least eight (8) hours. A pilot intending to take the book rather than take the vessel outbound, shall inform

the dispatcher before he departs the pilot station on the inbound leg. Section 2 added 5/09, 8/15.

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 shall inform the Seattle Pilot Office or telephone exchange of their check-in time. AMENDED: 7/84.

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 respite at 2400 on the second Tuesday thereafter. A member who commences said member’s respite period later than 2400 on Tuesday shall have one (1) additional day’s respite. 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
RESPITE 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) starting on the first day of their next regular scheduled rotation. AMENDED: 4/87, 10/90, 10/07, 2/17.

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 debts 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 19
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 20
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 21
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 22
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 23
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 24 **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.

5. 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.

14 - PUGET SOUND PILOTS BY-LAWS (August 2016)

(See Subsequent Pages)

BYLAWS OF PUGET SOUND PILOTS

August 1, 2016

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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 Bylaws or the Operating Rules.

3. **Definitions.** The following terms used in these 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 who is not retired, is actively involved in the business of the Association, and is available for Assignments.

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

3.3 “**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.

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

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

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

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

3.8 “**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.

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

3.10 “**Claimant**” is a Member (Pilot) against whom a claim has been brought, and who seeks indemnification, as further described in Section 18.1 herein.

3.11 “**Combined Duty Days**” shall mean all of the Duty Days of all of the Pilots during a calendar month as further described in Section 16.3 herein.

3.12 “**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 or Vacation Period as further described in Section 16.4.4.1 herein.

3.13 “**Daily Rate of Income**” shall mean The Total Pilotage Services Fees shall 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 16.5.2 herein.

3.14 “**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.

3.15 “**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 16.3 herein.

3.16 “**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 16.5 herein.

3.17 “**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 16.6.1 herein.

3.18 “**Expenses,**” are the costs of business paid by the Association as further described in Section 16.6 herein.

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

3.20 “**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.

3.21 “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 16.6.1 herein

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

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

3.24 “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 5.5.1 herein.

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

3.26 “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.

3.27 “Pilot” shall mean the qualified and licensed Pilots that are either Members of the Association, or are the owners of a corporate entity that is a Member of the Association as further described in Section 5.1 herein.

3.28 “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.

3.29 “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.

3.30 “Terminating Member” is the Member whose Membership is being terminated for any reason, as more specifically described in Section 5.6.1 herein.

3.31 “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.

3.32 “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 16.1 herein.

3.33 “Transportation Fees” are those fees reimbursed to the Pilots for their costs of transportation to and from Assignments as further described in Section 16.1 herein.

3.34 “**Vacation Period**” is the period of time during which a Pilot not expected to receive Assignments, as further described in Section 16.4.3 herein.

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

3.36 “**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.

3.37 “**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.

3.38 “**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 16.4.1 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 individuals who hold a valid Puget Sound Pilots License issued by the Board of Pilotage Commissioners of the State of Washington (“**Pilot**” or “**Pilots**”), and business entities owned by those individuals 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 licensed Pilot 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 licensed Pilot 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 incorporate themselves or form a limited liability company, 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.

5.5.1 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**”) equal to the gross income of the Association, less the mandatory deductions of the Members from income as further described herein, but not less the personal expenses that may have been paid by the Association on behalf of Members, the average of which is calculated for the three (3) years prior to the year in which the applicant or the applicant’s Authorized Entity becomes a Member, divided by the number of Members during each of those three (3) years (the “**Net Income**”).

5.5.2 This 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 Net 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 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 Membership Payments shall be deposited into the General Account of the Association.

5.5.3 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.

5.6 Terminating Member’ Payment.

5.6.1 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 pursuant to the terms of Section 5.5.1 above which is in effect at the time of the Member’s termination, and not the Membership Payment originally paid by that Member (the “**Termination Payment**”).

5.6.1.1 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 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, except as described in Section 5.5.2 herein, and provided however, that if the payment

is based on an average of three (3) years' Net Income and prior year Net 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, 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 already retired and receiving payments.

5.6.1.2 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 16.11 herein, then the Association shall be entitled to deduct all such sums owed from the next Termination Payments due to the Terminating Member.

5.6.2 Notwithstanding the foregoing, however, that in all cases in which the Terminating Member had not been a Member of the Association for the full specified period of payments of his/her 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 5.5.1 herein.

5.7 International Organization of Masters, Mates and Pilots Membership. Upon becoming a Member, each Member (or that Member's 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.

5.8 Compliance. Every Member 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 shall treat fellow Members 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 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 Rule 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 Members who choose to be a candidate for Pilot Commissioner shall submit their name in writing to the Board of Directors. If only one Member 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 Member 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 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. Pooling and Distribution of Income and Expense.

16.1 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.**"

16.2 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.

16.3 Duty Days. Unless otherwise specified by the Board of Directors, each day during which an Active Pilot is an active Member of the Association, and 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 Members (Pilots) for that month shall be combined to be the total Duty Days for all the Members (the "**Combined Duty Days**").

16.4 Work Period; Respite Period; Vacation Period.

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

16.4.2 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.

16.4.3 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 to vessels. 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.

16.4.4 Compensatory Days.

16.4.4.1 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**”).

16.4.4.2 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 17 herein.

16.4.4.3 The Board of Directors may elect to forego the requirements of Section 16.4.4.2 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.

16.5 Allocation of Total Pilotage Services Fees.

16.5.1 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**”).

16.5.2 In the event that a Member’s Equal Income Share is to be reduced pursuant to the terms of Section 16.4.4.2 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.

16.6 Determination and Allocation of Expense Share. Expenses of the Association, and the Members (the “**Expenses**,”), subject to the terms of Section 16.4 herein, are then determined and allocated as follows.

16.6.1 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.**”

16.6.1.1 In the event that (1) a Member (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 16.4.3.3 herein, and (2) said Member has performed no pilotage services in the calendar month for which the Member seeks exemption, then, upon majority Board Vote, that Member shall not be charged his/her Individual Expense Share for that month.

16.6.1.2 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 16; or (2) the death or retirement of a Member; or (3) admission of a new Member.

16.6.2 Allocation of Expense Share.

16.6.2.1 Each Member's account shall be charged each month, except as set forth in Section 16.6.1.1 and 16.6.1.2 herein, with his/her resulting Individual Expense Share.

16.7 New Members.

16.7.1 In the event that a new Member (Pilot) commences his/her first Assignment(s) on other than the first day of a calendar month, that new Member 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 or accrued in that calendar month by that new Member.

16.7.2 New Members shall be charged, for his her 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 during the month, and the denominator of which is the number of days in that month.

16.8 Retiring Members.

16.8.1 A retiring Member shall be paid, for his/her last month of service, an amount equal to his/her 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 retirement.

16.8.2 Members retiring 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 during the month, and the denominator of which is the number of days in that month. By way of further clarification, a Member retiring on or before the last day of a calendar month shall be charged no part of the Expense Pool for the month following the last day of service.

16.9 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.

16.10 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:

- 16.10.1** Personal accident, liability and license insurance of each pilot.
- 16.10.2** Personal transportation costs charged to the Association.
- 16.10.3** Other personal charges that a Member may charge to the Association.

16.11 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 during the period when the Pilot was not taking Assignments.

17. 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 Member 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 Member 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 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:

17.1 The written accusation shall be delivered to the Member charged with misconduct

17.2 The 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.

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

17.4 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 17.5 and 17.6 herein, not including the vote of the subject Member.

17.5 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.

17.6 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.

17.7 If the recommended punishment covered in this Section 17 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 by the Membership upon second submission, the action shall be deemed terminated.

17.8 To the extent that a violation of Puget Sound Pilots' Anti-harassment Policy or this Section 17.8 by a Member exposes the Association, or another Member, to financial liability, including liability for attorney's fees, the violating Member 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.

17.9 Failure of 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.

18. Limitation of Liability and Indemnification.

18.1 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, employee or advisor of the Association, whether the basis of such proceeding is alleged action in an official capacity as a Director, Officer, 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 18.2 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.

18.2 Right of Claimant to Bring Suit. If a claim for which indemnity is required under Section 18.1 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.

18.2.1 The Claimant shall be presumed to be entitled to indemnification under this Section 18 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.

18.2.2 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.

18.3 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 18 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.

18.4 Limitation. Notwithstanding the provisions of Section 18.1 and 18.2 herein, the Association may not indemnify a Director or Officer or employee from or on account of:

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

18.4.2 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;

18.4.3 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.

18.5 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.

19. Amendment of Bylaws and Operating Rules.

19.1 Amendment of Bylaws.

19.1.1 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.

19.1.2 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.

19.2 Amendment of Operating Rules.

19.2.1 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.

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

20. General Obligations; Non-Competition.

20.1 Each Member (and each Pilot) agrees, as a condition to his/her 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 the time. Each Member agrees, as a condition to his/her 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.

20.2 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.

20.3 Each Member agrees that should such Member retire, withdraw or resign from the Association, or be expelled from the Association pursuant to the terms of Section 17, or should such Member's Membership in the Association be terminated for any reason whatsoever, such Member or then-former 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 retirement, withdrawal, resignation, expulsion or termination of Membership.

20.3.1 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.

20.3.2 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.

20.4 The Members, bound by the provisions of these Bylaws, now and in the future, further agree that upon retirement, withdrawal, resignation, expulsion or termination of Membership from the Association, he or she will promptly surrender his/her state 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 state license is canceled.

These Bylaws are adopted effective as of the _____ day of _____, 2016.