



Washington State
Board of Pilotage Commissioners

2010 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 98121.

- Puget Sound Pilots and Subsidiary Special-Purpose Consolidated Financial Statements & Independent Auditor's Report (Modified Accrual Basis); 2010/2009
- Port of Grays Harbor Audited Financial Information, Pilotage Services Department, Statement of Revenues & Expenses; 2010
- By-laws and Operating Rules (Puget Sound District)
- Oil Tanker Movement Reports (Puget Sound District)
- LOA Zone Reports (Puget Sound District)
- Earned Revenue Reports (Puget Sound District)
- Quarterly Pilotage Reports (Grays Harbor District)
- Pilotage Activity Reports (Grays Harbor District)

1 FOREWORD

Piloting Activity in Washington State

The Puget Sound Pilots made a total of 7,262 vessel moves, resulting in 7,343 pilot assignments in 2010. This is a reduction in vessel moves and assignments for the fourth consecutive year. The average number of full-time pilots decreased from 55.6 in 2009 to 55.4 in 2010. The average annual number of assignments per pilot fell from 138 in 2009 to 134 in 2010.

The Grays Harbor Pilots had a total of 170 pilot assignments in 2010, an increase of 57 ship moves from 2009. The Port of Grays Harbor employed two full-time pilots.

2010 Tariff Hearings

The Board of Pilotage Commissioners is required by RCW 88.16.035(1)(f) to annually fix pilotage tariff rates. For the Puget Sound Pilotage District, separate written proposals were submitted by the Puget Sound Pilots and the Pacific Merchant Shipping Association for the 2010-2011 tariff year. The Puget Sound Pilot's initial request reflected either an increase of 10% in all categories except *Transportation* and *Training Surcharge* or an increase to just the *Boarding Charge* Category from the current \$47 to \$415. A revised proposal was submitted by PSP which reflected a request for an increase of 7.3% in all categories except *Transportation* and *Training Surcharge* and an increase in the *Boarding Charge* Category from \$47 to \$297. The Pacific Merchant Shipping Association's initial request reflected a decrease of 10% in all categories except *Transportation* and *Training Surcharge*. PMSA also submitted a revised proposal which reflected a request for a decrease of 5% in all categories except *Transportation* and *Training Surcharge*. After several motions with varied scenarios, the Board approved an across-the-board increase to the PSPD tariff by 3% with exception to the *Transportation* and *Training Surcharge* categories; effective 0001 July 1, 2010 through 2400 hours June 30, 2011.

The Board unanimously approved the Port of Grays Harbor proposed tariff changes in the Grays Harbor Pilotage District for the 2010-2011 tariff year as follows: increase only the *Pension Charge* category by \$45 to \$271 per Pilotage assignment, including cancellations, effectively increasing the overall tariff by 0.8%. This tariff is effective 0001 August 1, 2010 through 2400 July 31, 2011.

New Legislation and Regulations

There was no proposed or adopted legislation during the 2010 Legislative Session that pertained to the Pilotage Act.

The pilot training program rules (WAC 363-116-078) were modified in order to extend the time period during which a pilot trainee has to complete the initial evaluation period of his/her training program.

Three additional WAC modifications were made in late November in order to adjust pilot license fees, vessel exemption fees and vessel surcharges for purposes of generating necessary revenue to sustain the operations of the Board and pay trainee stipends.

2 BOARD MEMBERS & EXPENSES

COMMISSIONERS

	<u>APPOINTED</u>	<u>TERM EXPIRES</u>
<u>CHAIR</u>		
Captain Harry Dudley	11/1/1999	N/A
<u>REPRESENTING THE PUBLIC AT LARGE</u>		
Charles Adams	9/29/2009	12/26/2012
Edmund I. Kiley	1/14/2010	12/26/2013
<u>REPRESENTING AMERICAN SHIPPING</u>		
Captain Craig Lee - BP Shipping (USA)	1/25/2002 10/24/2003 12/27/2007	12/26/2011
<u>REPRESENTING FOREIGN SHIPPING</u>		
Doug Coburn - General Steamship Corp	5/5/2010	12/26/2012
<u>REPRESENTING THE PILOTS</u>		
Captain Pat Hannigan - Puget Sound Pilotage District	12/26/2004 1/22/2009	12/26/2012
Captain William Snyder - Puget Sound Pilotage District	12/15/2006 12/27/2007	3/1/2010
Captain Richard McCurdy - Puget Sound Pilotage District	3/1/2010	12/26/2011
<u>REPRESENTING WA. STATE DEPARTMENT OF ECOLOGY</u>		
Norm Davis - Spill Prevention, Preparedness & Response Program	4/15/2005	
<u>REPRESENTING THE MARINE WATER ENVIRONMENT</u>		
Elsie Hulsizer	9/1/2007	12/26/2010
<u>LEGAL COUNSEL</u>		
Guy Bowman	8/1/2008	
<u>STAFF</u>		
Peggy Larson, Administrator	12/8/1982	
Shawna Erickson, Administrative Assistant	1/28/2010	

The Board is comprised of the Assistant Secretary, Ferries Division, Department of Transportation or his designee; the Director of the Department of Ecology, or his designee; and seven members appointed by the governor. Each appointed member's term is for four years.

2 BOARD MEMBERS & EXPENSES (cont'd)

ANNUAL EXPENSES

BOARD OPERATING EXPENSES

Salaries and Benefits	\$ 161,903
Goods and Services	275,310
Trainee Stipends	253,733
Travel	9,310
TOTAL EXPENDITURES	<u>\$ 700,256</u>

The Board of Pilotage Commissioners is a non-appropriated agency whose operating revenue is derived exclusively from pilot license fees and other ancillary fees as authorized in Chapter 88.16.RCW. The Board receives no General Fund appropriation. The Board's biennial budget is reviewed by the State Legislature but legislative spending authority is not required.

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

3 LICENSED PILOTS PUGET SOUND DISTRICT

PILOT	Lic #	at 12/31/10 or retirement	PILOT	Lic #	at 12/31/10 or retirement
		Years Licensed			Years Licensed
ARNOLD, John	147	15.1	MICHELSON, Bruce	136	20.5
BLAKE, Michael	163	4.5	MORENO, Stephan	178	1.1
BRUSCO, David	180	0.8	MORK, Stuart	159	9.5
BUJACICH, Jack	164	4.5	NEWMAN, Alec	125	23.0
BUNDREN, William	119	25.2	NIEDERHAUSER, John	132	21.0
CARLSON, Ivan	165	4.5	PETKE, Lyle	137	20.2
COE, Frantz (Andy)	142	18.7	SANDERS, David	152	13.7
EMERSON, Larry	126	23.0	SCOGGINS, John	161	5.9
ENGSTROM, Carl	133	20.9	SCRAGG, John	181	0.5
ENGSTROM, Victor	162	5.7	SEMLER, Joseph	156	10.2
FLAVEL, Melvin (Ret.)	140	18.0	SEMLER, Stephen	174	2.6
GIESE, Peter	143	18.2	SEYMOUR, Lawrence	177	1.5
GROBSCHMIT, David	169	3.6	SHAFFER, Daniel	116	25.5
HANNIGAN, Patrick	108	28.6	SHAFFER, James	145	18.2
HANNUKSELA, James	175	2.1	SHULER, Mark	154	12.8
HARRIS, John	123	23.0	SLIKER, William	166	4.5
HENSHAW, Brian	155	10.4	SNYDER, William (Ret.)	153	13.0
HUNZIKER, Calvin (Ret.)	115	25.2	SORIANO, Donald	122	24.1
HURT, Gary	158	9.6	THORESON, George	176	2.1
JACOBS, Thomas	131	21.0	vonBRANDENFELS, Eric	148	15.1
JOHNSON, Marin	157	10.1	WARD, John K.	168	4.3
JUSTICE, Verne	128	21.9	WARD, Jonathan E.	160	7.3
KALVOY, Jostein	170	3.6	WILDES, Gordon	173	2.9
KELLY, Patrick	167	4.4	WOOD, Micheal	134	20.8
KLAPPERICH, Eric	172	2.9			
KNOWLES, Burton	150	14.7			
KROMANN, Robert (Ret.)	103	30.0			
LARSON, Christopher	151	14.2			
LARSON, Gregory (Ret.)	107	28.0			
MACKENZIE, Delmar	124	23.0			
MARMOL, Edmund	171	3.3			
MATHISEN, Laurence (Ret.)	111	25.6			
MAYER, Donald	121	24.4			
McCURDY, Richard	141	18.7			
MENDENHALL, Michael	92	33.9			

Number of pilots as of 12/31/09:	57
Number of retirements in 2010:	6
Number of new pilots in 2010:	2
Number of pilots as of 12/31/10:	53

GRAYS HARBOR DISTRICT		
PILOT	Lic #	Years Licensed
D'Angelo, Robert	15	17.8
Cooke, Stephen	16	5.5
No changes to pilot roster in 2010		

The Board issues licenses to pilots after qualifying for and passing a written examination, simulator evaluation, and successfully completing a training program established by the Board. Licenses are renewed annually after passing a physical examination and paying a license fee.

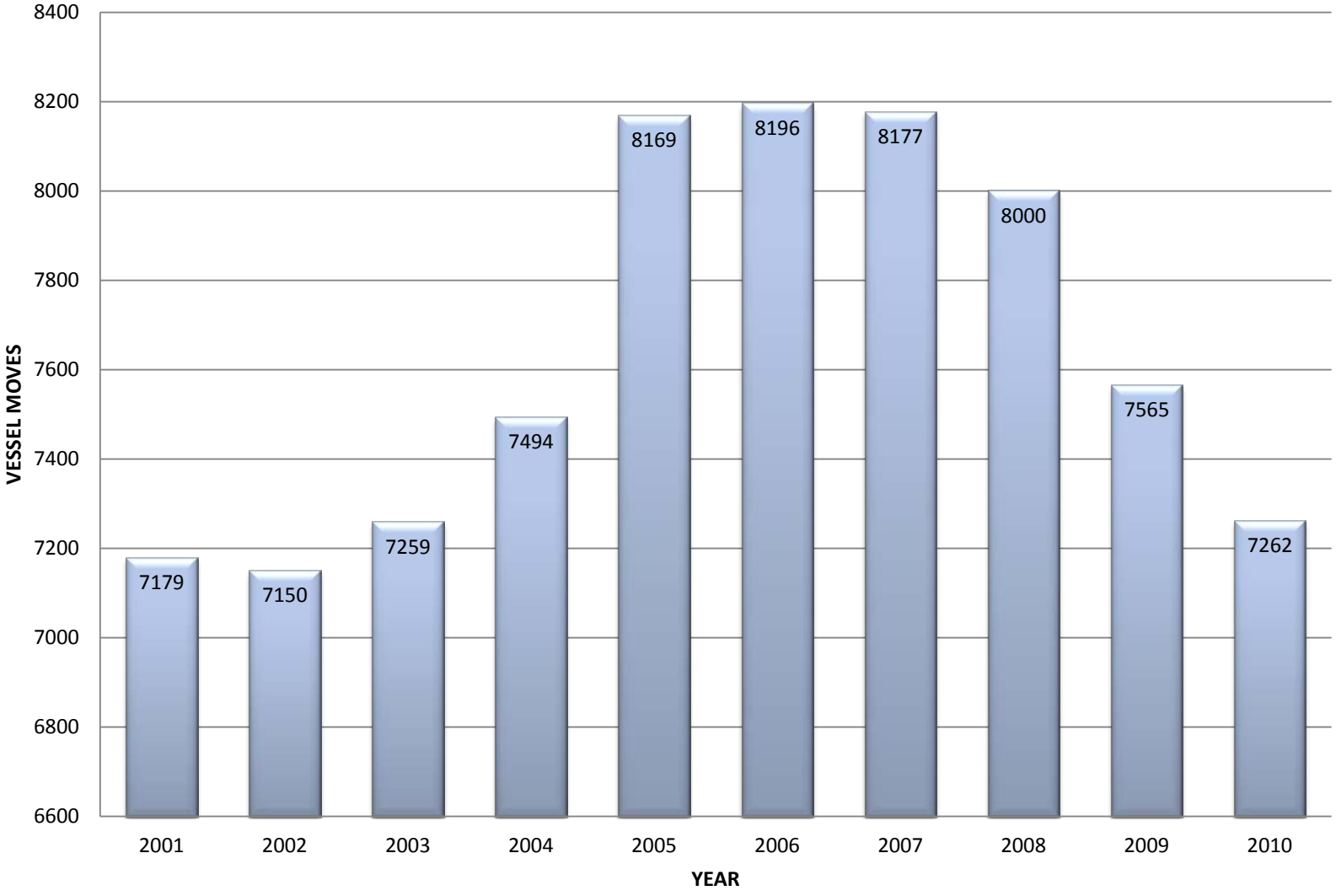
4 TOTAL PILOTAGE ASSIGNMENTS

PUGET SOUND PILOTAGE DISTRICT

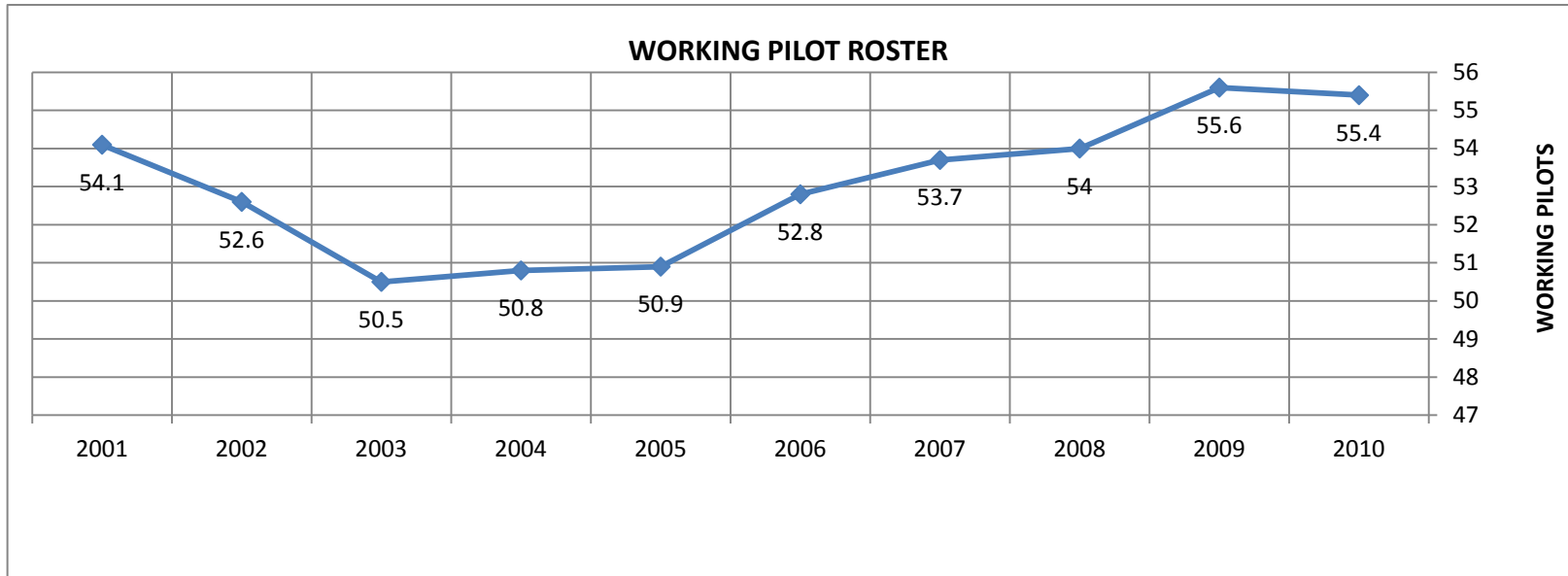
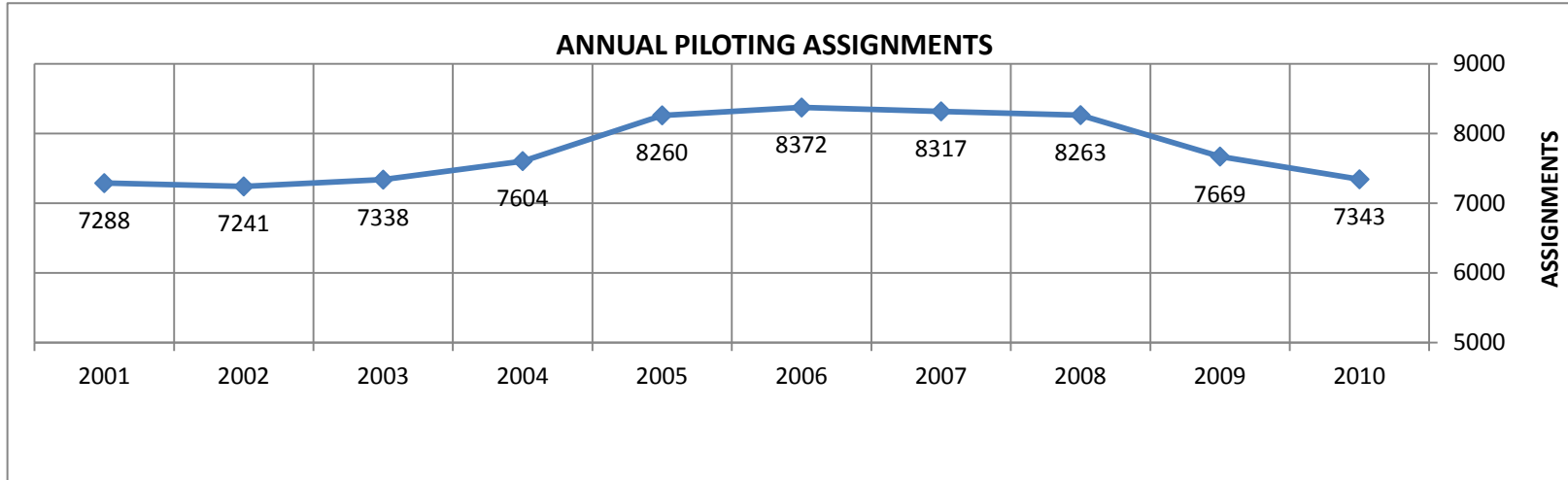
VESSEL TYPES AND ANNUAL TONNAGE - 2010

<u>Vessel Type</u>	<u>Piloting Assignments</u>	<u>Vessel Moves</u>	<u>Gross Tons</u>
Bulker		1,212	36,493,261
Car Carrier		399	19,273,750
Container		2,600	142,136,289
General Purpose		134	2,897,245
Naval		29	80,444
Other		77	403,495
Passenger		454	37,292,696
Reefer		10	91,625
Ro-Ro		295	9,566,005
Tanker		2,041	95,588,906
Wood Chip		11	353,590
Calendar Year - 2010	7,343	7,262	344,177,306
Calendar Year - 2009	7,669	7,565	355,239,348
Calendar Year - 2008	8,174	8,000	375,946,417
Calendar Year - 2007	8,315	8,177	389,923,989
Calendar Year - 2006	8,372	8,196	379,241,695
Calendar Year - 2005	8,260	8,169	364,577,150

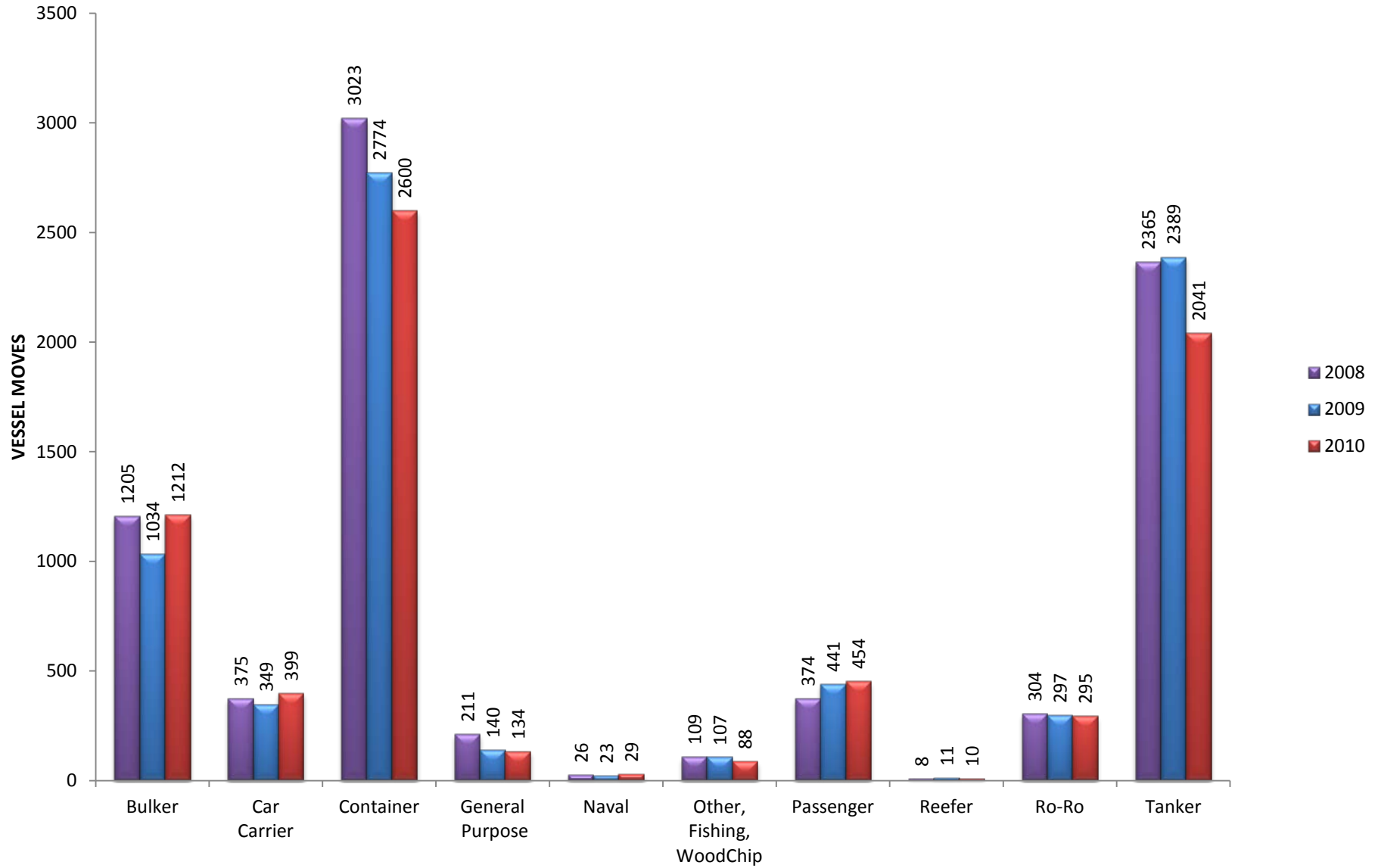
**PUGET SOUND DISTRICT
VESSEL MOVES 2001-2010**



PUGET SOUND DISTRICT



**PUGET SOUND DISTRICT
VESSEL TYPE 2008-2010**

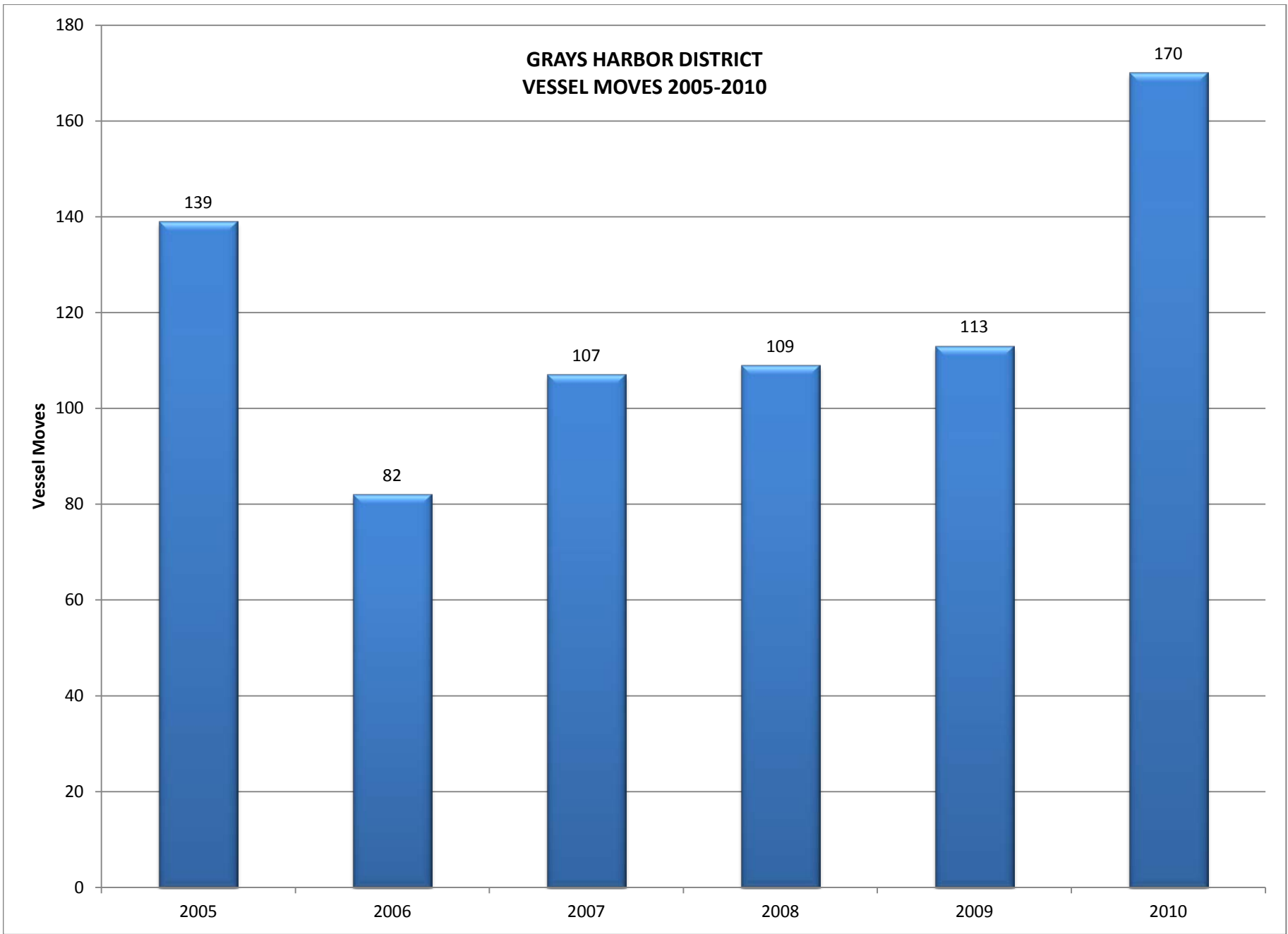


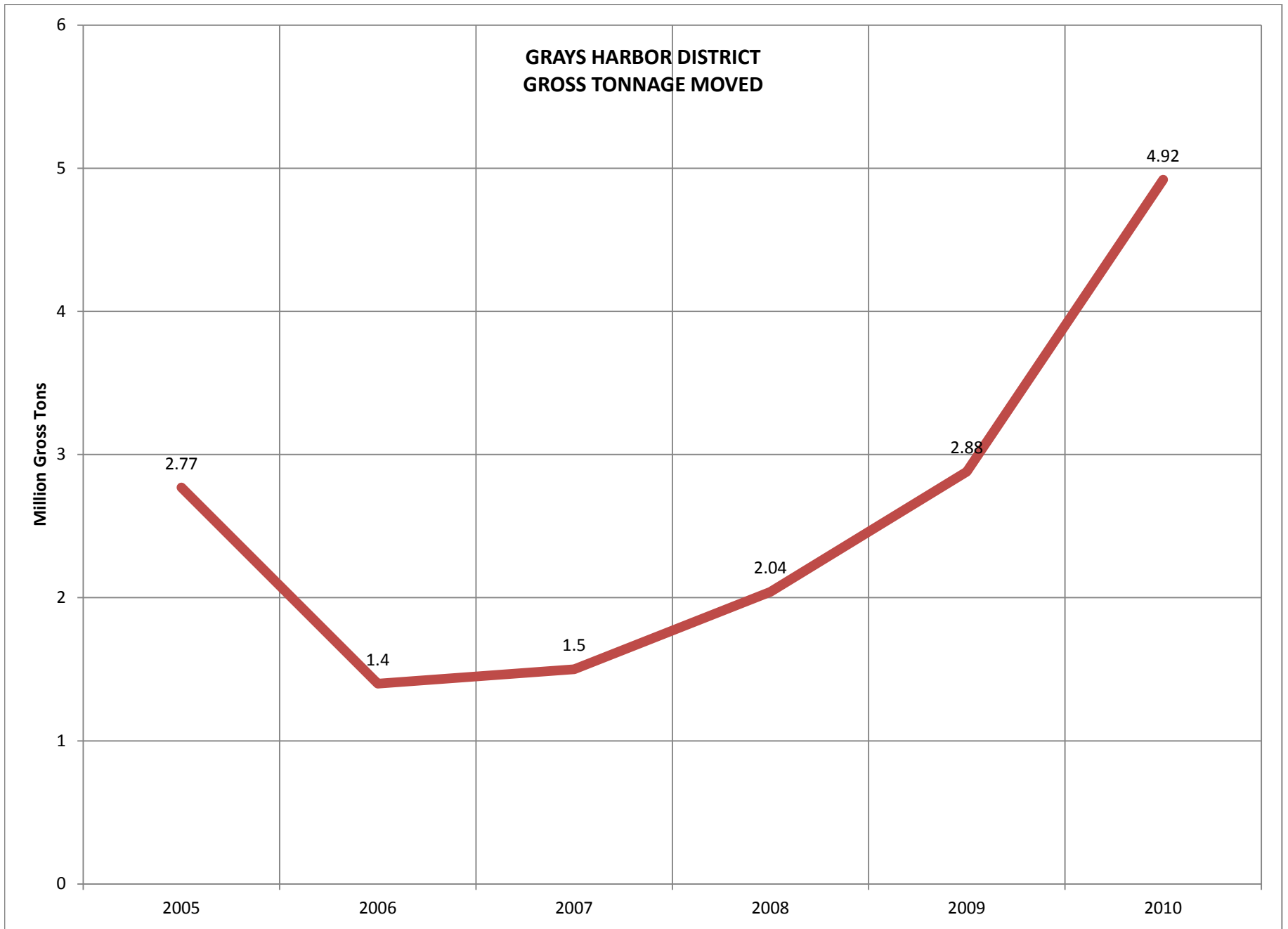
4 TOTAL PILOTAGE ASSIGNMENTS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

SHIP CALLS AND ANNUAL TONNAGE

<u>Ship Calls</u>	
Total Ship Calls 2010	67
Total Ship Calls 2009	47
Total Ship Calls 2008	48
Total Ship Calls 2007	45
Total Ship Calls 2006	33
Total Ship Calls 2005	58
<u>Assignments</u>	
Arrivals	67
Departures	66
Shifts	36
Cancellations	1
Total Assignments - 2010	170
Total Assignments - 2009	113
Total Assignments - 2008	109
Total Assignments - 2007	107
Total Assignments - 2006	82
Total Assignments - 2005	139
<u>Gross Tonnage</u>	
Calendar Year - 2010	4.92 million GT
Calendar Year - 2009	2.88 million GT
Calendar Year - 2008	2.04 million GT
Calendar Year - 2007	1.50 million GT
Calendar Year - 2006	1.40 million GT
Calendar Year - 2005	2.77 million GT





5 ANNUAL EARNINGS OF INDIVIDUAL PILOTS AND TRAINEE STIPENDS EARNED

PUGET SOUND PILOTAGE DISTRICT

PILOT EARNINGS	<u>Total</u>	<u>Avg. Per Pilot</u> <small>(55.4 Full-time)</small>
Tariff Generated Pilotage Revenue	\$ 29,028,422	\$ 523,722
Operating Expenses of Puget Sound Pilots	(6,417,828)	(115,799)
Retirement Payments to Retired Puget Sound Pilots <i>(Note 1)</i>	(2,289,646)	(41,320)
Earnings after Deduction of Organization Expenses & Payments	<u>\$ 20,320,948</u>	<u>\$ 366,660</u>
 DISPOSITION OF EARNINGS		
Allocation of Pooled Revenue	\$ 16,921,555	\$ 305,323
Individual Business Expense <i>(Note 2)</i>	2,498,254	45,077
Transportation Allowances and Reimbursements	901,139	16,260
Distributed to Pilots	<u>\$ 20,320,948</u>	<u>\$ 366,660</u>

Note:

1. Amounts necessary for payment of benefits under the Puget Sound Pilots Trust Contract of 1952, the Puget Sound Pilots Retirement Agreement of 1978 and the Amended Retirement Program of Puget Sound Pilots are deducted and paid to the designated beneficiaries prior to distribution of income.
2. Individual Business Expense includes the provision paid for medical and disability insurance, state license fee, annual physical exam, Anacortes subsistence and lodging, and business communication costs.

Remarks:

Not shown above is "extra compensation as a separate category" per RCW 88.16.035. The expenses and payments reported above do not include additional deferred compensation programs or retirement benefits, if any, provided by the pilot organization.

TRAINEE STIPENDS EARNED

During all or part of the year there were seven pilot trainees working on their respective training programs. Not all were eligible to take the stipend every month during the twelve month period. The collective amount earned during 2010 totaled \$253,733.

Pilot trainees may choose whether to take a stipend during their training program. As a condition of receiving such stipend, agreement is made to forego any other full- or part-time employment which then prevents full participation in the training program. If the additional stipulations found in WAC 363-116-078(10) are met each calendar month, the stipend is paid at \$6,000 per month. The stipend is funded through a training surcharge in the tariff.

5 ANNUAL EARNINGS OF INDIVIDUAL PILOTS AND TRAINEE STIPENDS EARNED (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

	2010 Total	Per Pilot (2 Full time)
PILOT EARNINGS		
Tariff Generated Pilotage Revenue	\$ 917,423	\$ 429,797
Other Pilot Services Department Revenue	1,500	750
Transfer funds to Puget Sound Pilots Association for payments to Grays Harbor Pilot Retirees with service credit prior to 2001 <i>(Note 3)</i>	(40,670)	(20,335)
Operating Expenses - Port of Grays Harbor Pilot Services Department	(251,772)	(125,886)
Transfer to Port of Grays Harbor Pilot Services Reserve Fund	(17,927)	(8,964)
Total Earnings	\$ 608,554	\$ 275,362
DISPOSITION OF EARNINGS		
Pilot Wages	\$ 460,710	230,335
Employer Provided Benefits	112,533	56,266
Pilot Business Expenses paid by Port of Grays Harbor	14,262	7,131
Travel Allowance and Reimbursements	21,049	10,525
Distributed to Pilots	\$ 608,554	\$ 304,277

Note:

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 those funds to the Puget Sound Pilots to distribute to Grays Harbor pilot retirees with service credit prior to 2001.

Remarks:

Employer Provided Benefits includes health, life and disability insurance, federal and state taxes, and retirement funding paid by the employer. Pilot Business Expenses includes state license fee, training and business communication costs.

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS

PUGET SOUND PILOTAGE DISTRICT

TOTAL TARIFF GENERATED REVENUE \$ 29,028,422

SUMMARIZED EXPENSES

Seattle Office Operating Expenses	\$ 3,351,250
Port Angeles Station Operating Expenses	628,229
Pilot Boat Operating Expenses	2,325,281
Payments to Retired Pilots/Widows - Puget Sound District	2,289,646
Payments to Retired Pilots/Widows - Grays Harbor District (<i>Note 4</i>)	113,068
PUGET SOUND DISTRICT - TOTAL EXPENSES	\$ <u>8,707,474</u>

SEATTLE OFFICE OPERATING EXPENSES

Attorney fees	\$ 21,240
Computer maintenance	181,837
Computer programming	3,479
Conferences	3,882
Consulting services	69,040
CPA fees	65,004
Depreciation	265,844
Drug testing	6,647
Dues	152,180
Education	2,997
Employee benefits	254,333
Employee salaries	674,207
Equipment leases	1,394
Insurance	213,638
Interest	37,632
Lobbyist	114,761
Office maintenance & repair	4,979
Office supplies	32,628
Pilot training	235,953
Political contributions	46,600
Printing & publications	20,545
Rent & parking	146,333
Taxes on payroll	52,483
Taxes, other	1,424
Taxes on revenue	529,174
Travel, entertainment, promotion	172,659
Telephone & communications	40,357
SEATTLE TOTAL	\$ <u>3,351,250</u>

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)
PUGET SOUND PILOTAGE DISTRICT (cont'd)

PORT ANGELES STATION OPERATING EXPENSES

Depreciation	\$	92,446
Food		91,519
Insurance		19,468
Interest		17,845
Maintenance and repairs		69,836
Rent, tideland lease		3,629
Reposition pilots		258,681
Supplies		31,949
Taxes on property		11,277
Telephone & communications		13,520
Utilities		18,059
PORT ANGELES TOTAL	\$	<u>628,229</u>

PILOT BOAT OPERATING EXPENSES

Depreciation	\$	325,676
Employee benefits		180,376
Employee salaries		805,656
Fuel of "Juan de Fuca"		126,031
Fuel of "Puget Sound"		203,966
Insurance		120,711
Interest		28,569
Maintenance & operation of "Juan de Fuca"		326,520
Maintenance & operation of "Puget Sound"		129,246
Taxes on payroll		69,756
Taxes on property		8,774
PILOT BOAT TOTAL	\$	<u>2,325,281</u>

Note:

4. Funds derived from the application of the Grays Harbor Pilotage District tariff (Pension Charge), for the purposes of offsetting a proportionate share of pension expenses, are remitted to Puget Sound Pilots for payment to retirees of the Grays Harbor Pilotage District. Puget Sound Pilots reports the revenue and expenses in their annual audited Financial Statements.

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

PUGET SOUND PILOTAGE DISTRICT (cont'd)

SCHEDULE OF EMPLOYEES

<u>Employee</u>	<u>Position</u>
M. Acheson	Deckhand / Engineer
M. Arkins	AR Clerk
T. Burnell	Dispatcher/Clerk
J. Clark	Relief Deckhand/Engineer
A. Dreyer	Boat Operator
M. Gregson	Deckhand/Engineer
C. Hjarthorne	Accountant/Dispatcher/Clerk
K. Houston	Dispatcher/Clerk
M. Juskevich	Deckhand/Engineer
P. Moore	Accountant/Dispatcher/Clerk
T. Nicholson	Boat Operator
J. Rushton	Deckhand/Engineer
R. Shelton	Maintenance/Utility
D. Shideler	Lead Boat Operator
W. Tabler	Executive Director/General Counsel
B. Valentine	Dispatcher/Clerk
R. Welch	Boat Operator

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

6 ANNUAL EXPENSES OF PILOTAGE DISTRICTS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

PERSONNEL EMPLOYED

Captain R. D'Angelo	Full-time Pilot
Captain S. Cooke	Full-time Pilot

Tariff Generated Pilotage Revenue	\$	917,423
Other Pilot Services Department Revenue		1,500
TOTAL REVENUE	\$	<u>918,923</u>

GRAYS HARBOR DISTRICT EXPENSES

Advertising	\$	110
Benefits		112,533
Boarding/deboarding services		148,547
Depreciation		22,506
Dues & license fees		12,000
Insurance		2,117
Legal services		589
Miscellaneous other expenses		1,135
Pension Contribution to PSP for GH Retirees		40,670
Port administrative services		40,556
Port of Grays Harbor Pilot Services Reserve Fund		17,927
Repair/maintenance		20,411
Supplies		855
Taxes		15,241
Telephone		1,792
Training		175
Travel		21,049
Wages		460,710
GRAYS HARBOR DISTRICT TOTAL EXPENSES		<u>918,923</u>

7 PILOTAGE TARIFFS

PUGET SOUND PILOTAGE DISTRICT

Effective 0001 hours July 1, 2010 through 2400 hours June 30, 2011.

CLASSIFICATION	RATE
Ship length overall (LOA)	
Charges:	
Per LOA rate schedule in this section.	
Boarding charge:	\$48.00
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	\$349.00
Radio Direction Finder Calibration	\$349.00
Launching Vessels	\$524.00
Trial Trips, 6 hours or less (minimum \$954.00)	\$164.00 per hour
Trial Trips, over 6 hours (two pilots)	\$328.00 per hour
Shilshole Bay – Salmon Bay	\$205.00
Salmon Bay – Lake Union	\$159.00
Lake Union – Lake Washington (plus LOA zone from Webster Point)	\$205.00
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.)	

Waterway and Bridge Charges:

Ships up to 90' beam:

A charge of \$258.00 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 \$123.00 per bridge.

Ships 90' beam and/or over:

A charge of \$350.00 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 \$244.00 per bridge.

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

PUGET SOUND PILOTAGE DISTRICT (cont'd)

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 \$266.00 per hour standby. No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$266.00 for every hour or fraction thereof.

Sailing Delay:

No charge if delay is 60 minutes or less. If the delay is more than 60 minutes, charge is \$266.00 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 \$266.00 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 \$266.00 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 \$0.0082 a gross ton for all gross tonnage up to 20,000 gross tons.

20,000 to 50,000 gross tons:

Additional charge to LOA zone mileage of \$0.0846 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 \$0.1012 per gross ton.

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

PUGET SOUND PILOTAGE DISTRICT (cont'd)

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
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.

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:

PUGET SOUND PILOTAGE DISTRICT (cont'd)

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.	\$499.00
Transportation Charge Outports. Vessels departing or arriving at British Columbia ports other than those in the Vancouver-Victoria-New Westminster Range.	\$630.00

Training Surcharge:

A surcharge of \$10.00 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	255	396	675	1,006	1,354	1,757
450 - 459	266	403	679	1,021	1,376	1,766
460 - 469	268	407	690	1,038	1,395	1,774
470 - 479	277	419	698	1,059	1,399	1,777
480 - 489	285	426	701	1,078	1,408	1,785
490 - 499	289	432	712	1,098	1,424	1,794
500 - 509	304	440	722	1,110	1,436	1,805
510 - 519	306	448	729	1,127	1,451	1,812
520 - 529	310	464	740	1,132	1,464	1,826
530 - 539	319	470	749	1,145	1,487	1,847
540 - 549	324	476	766	1,157	1,510	1,864
550 - 559	331	492	771	1,174	1,522	1,882
560 - 569	343	512	786	1,185	1,536	1,899
570 - 579	350	516	789	1,190	1,552	1,912
580 - 589	365	524	808	1,199	1,561	1,931
590 - 599	382	536	813	1,205	1,584	1,954
600 - 609	396	552	824	1,209	1,604	1,963
610 - 619	418	557	838	1,214	1,619	1,981
620 - 629	434	564	846	1,229	1,638	2,004

PUGET SOUND PILOTAGE DISTRICT (cont'd)

630 - 639	454	574	855	1,232	1,652	2,021
640 - 649	472	587	864	1,234	1,666	2,036
650 - 659	505	597	880	1,244	1,686	2,057
660 - 669	515	605	887	1,251	1,705	2,073
670 - 679	534	620	896	1,274	1,724	2,086
680 - 689	541	630	908	1,284	1,739	2,106
690 - 699	557	640	922	1,307	1,757	2,150
700 - 719	582	661	939	1,324	1,791	2,174
720 - 739	616	679	963	1,342	1,826	2,210
740 - 759	640	712	982	1,354	1,864	2,250
760 - 779	665	734	1,006	1,376	1,899	2,279
780 - 799	698	767	1,021	1,395	1,931	2,320
800 - 819	726	789	1,041	1,402	1,963	2,355
820 - 839	749	818	1,065	1,424	2,004	2,382
840 - 859	781	851	1,086	1,441	2,034	2,423
860 - 879	810	880	1,105	1,478	2,073	2,458
880 - 899	838	905	1,127	1,512	2,106	2,494
900 - 919	863	935	1,146	1,551	2,150	2,528
920 - 939	890	963	1,174	1,584	2,172	2,563
940 - 959	922	988	1,191	1,619	2,210	2,594
960 - 979	943	1,017	1,212	1,652	2,250	2,633
980 - 999	974	1,041	1,233	1,686	2,279	2,667
1000 - 1019	1,034	1,108	1,288	1,776	2,387	2,782
1020 - 1039	1,062	1,141	1,328	1,826	2,459	2,863
1040 - 1059	1,094	1,169	1,367	1,882	2,529	2,948
1060 - 1079	1,127	1,210	1,407	1,938	2,608	3,035
1080 - 1099	1,161	1,244	1,448	1,994	2,684	3,127
1100 - 1119	1,194	1,282	1,492	2,056	2,765	3,221
1120 - 1139	1,231	1,323	1,538	2,116	2,848	3,317
1140 - 1159	1,266	1,360	1,582	2,179	2,934	3,418
1160 - 1179	1,304	1,399	1,632	2,245	3,021	3,518
1180 - 1199	1,344	1,442	1,679	2,312	3,113	3,625
1200 - 1219	1,385	1,485	1,728	2,382	3,206	3,732
1220 - 1239	1,424	1,530	1,779	2,453	3,300	3,844
1240 - 1259	1,467	1,575	1,831	2,526	3,400	3,958
1260 - 1279	1,510	1,621	1,887	2,602	3,503	4,077
1280 - 1299	1,555	1,671	1,945	2,680	3,605	4,200
1300 - 1319	1,603	1,718	2,001	2,759	3,714	4,324
1320 - 1339	1,651	1,771	2,063	2,842	3,824	4,455
1340 - 1359	1,698	1,824	2,124	2,926	3,939	4,589
1360 - 1379	1,750	1,877	2,187	3,016	4,055	4,724
1380 - 1399	1,801	1,933	2,254	3,104	4,178	4,868
1400 - 1419	1,856	1,992	2,319	3,196	4,302	5,013
1420 - 1439	1,911	2,052	2,389	3,293	4,433	5,163
1440 - 1459	1,970	2,114	2,462	3,391	4,565	5,317
1460 - 1479	2,025	2,175	2,534	3,492	4,702	5,474
1480 - 1499	2,087	2,240	2,609	3,596	4,841	5,639
1500 Over	2,150	2,308	2,686	3,706	4,985	5,807

7 PILOTAGE TARIFFS (cont'd)

GRAYS HARBOR PILOTAGE DISTRICT

Effective 0001 hours August 1, 2010, through 2400 hours July 31, 2011.

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	\$100.12 per meter or \$30.51 per foot
Tonnage	\$0.287 per net registered ton
Minimum Net Registered Tonnage	\$1,004.00
Extra Vessel (in case of tow)	\$562.00

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 \$5,562.00 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	\$1,030.00
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Harbor Shifts:

For each shift from dock to dock, dock to anchorage, anchorage to dock, or anchorage to anchorage	\$699.00
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Delays per hour	\$164.00
Cancellation charge (pilot only)	\$274.00
Cancellation charge (boat or helicopter only)	\$822.00

Pension Charge:

Charge per pilotage assignment, including cancellations	\$271.00
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Travel Allowance:

Transportation charge per assignment	\$100.00
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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 \$931.00 for each day or fraction thereof, and the travel expense incurred.

Bridge Transit:

Charge for each bridge transited	\$301.00
Additional surcharge for each bridge transited for vessels in excess of 27.5 meters in beam	\$833.00

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.

8 INCIDENT REPORTS & MARINE SAFETY OCCURRENCES

PUGET SOUND PILOTAGE DISTRICT

INCIDENT REPORTS

Four Incident Reports were filed in the Puget Sound Pilotage District this year.

DATE	VESSEL	PILOT	LOCATION	BOARD DECISION
16-Jun-2010	Alucia	Marmol	Seattle, N. of Shilshole Bay	Mechanical damage, no pilot error
8-Aug-2010	Prague Express	Mayer	Seattle, East Waterway	Damage, no pilot error
9-Oct-2010	YM Orchid	Sliker	Tacoma, Pier 7D	Damage, no pilot error
3-Nov-2010	Salvatore Cafiero	Kalvoy	Tacoma, Temco Grain Dock	Damage, no pilot error

GRAYS HARBOR PILOTAGE DISTRICT

INCIDENT REPORTS

One Transfer Incident Investigation was filed in the Grays Harbor Pilotage District.

DATE	VESSEL	PILOT	LOCATION	BOARD DECISION
7-Apr-2010	Crystal Ocean	Cooke	Grays Harbor, transfer between vessel and pilot boat	Sussman Consulting report accepted, no action taken by Board

PUGET SOUND AND GRAYS HARBOR DISTRICTS

MARINE SAFETY OCCURRENCES

Nineteen MSO reports in the Puget Sound District: fifteen vessel equipment malfunctions or failures, one maneuver to avoid gillnets, and two avoidance maneuvers taken due to inability to communicate with the other vessel.

One MSO report in the Grays Harbor District: equipment malfunction.

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.

9 PETITIONS FOR VESSEL EXEMPTION

PUGET SOUND DISTRICT

During some or all of the months of 2010, the following foreign flag vessels were granted an exemption from the requirement to have a licensed pilot on board while operating exclusively in the waters of the Puget Sound Pilotage District and lower British Columbia.

<u>VESSEL NAME</u>	<u>LENGTH OVERALL</u>	<u>GROSS TONNAGE</u>	<u>APPROVED OPERATOR</u>	<u>COUNTRY OF ORIGIN</u>
ACERO AZUL	98 FT	136 GT	Petrina	Marshall Islands
AL3AGRAB	112 FT	208 GT	Catania	Cayman Islands
ALESIA MARIA	112 FT	208 GT	Alterio	British Virgin Islands
BLUE STAR	144 FT	430 GT	Harrison / Thornburn	Cayman Islands
BOARDWALK	164 FT	492 GT	Judson / Catania	Cayman Islands
C1	96 FT	190 GT	Daw	Cayman Islands
CHIMERA	90 FT	123 GT	Turner	United Kingdom
CIELO MARE	106 FT	247 GT	Angulo / Laws	Marshall Islands
COPASETIC	141 FT	491 GT	Esztergomy	Cayman Islands
CRESCENDO	112 FT	208 GT	Lane	Marshall Islands
CV-9	131 FT	322 GT	Lee	Marshall Islands
DIONE SKY	149 FT	499 GT	Harrison	Cayman Islands
ESTANCIA	112 FT	208 GT	McDowell / Jones	Cayman Islands
EVVIVA	164 FT	492 GT	Trailer / Benge	British Virgin Islands
FERIA	65 FT	95 GT	Brennikmeijer	Netherlands
GOLDEN BOY II	115 FT	236 GT	Campbell	Marshall Islands
HARMONY	164 FT	492 GT	Heath	Cayman Islands
KAUHALE KAI	90 FT	156 GT	Rushworth	Marshall Islands
LARA / HURACAN	125 FT	360 GT	Catlett	Cayman Islands
LAST MANGO	55 FT	53 GT	Lee	Great Britain
MEA CULPA	130 FT	302 GT	Hein	Cayman Islands
PELAGIAL	71 FT	76 GT	Carter	Marshall Islands
PEPPER XIII	112 FT	208 GT	Sheer / Catania	Cayman Islands
QUIVIRA	116 FT	246 GT	Twyman	Marshall Islands
ROSEHEARTY	183 FT	499 GT	Potter / Green	Isle of Man
SHEAR FANTASEA	113 FT	221 GT	Nolander	Marshall Islands
SILVERTIP B	112 FT	114 GT	MacLeod	United Kingdom
SLOJO	151 FT	495 GT	Herregods	Cayman Islands
SWEET HOPE	65 FT	73 GT	Morgan-Harris	United Kingdom
VANGO	164 FT	490 GT	Hagerman	Cayman Islands
VICTORIA CLIPPER	127 FT	427 GT	Various	Netherlands Antilles

Certain foreign flag vessels may petition for a three-month or one-year exemption from pilotage requirements if the vessel meets the qualifications and remits payment as set forth in RCW 88.16 .070 and WAC 363.116.360.

10 PILOT EXAMINATIONS & TRAINING PROGRAMS

PUGET SOUND PILOTAGE DISTRICT

The last exam for entry into a pilot training program for the Puget Sound District was held in the fall of 2008. A waiting list of the top fourteen candidates was established from that exam and at December 31, 2010, has six remaining to be called into the program

After successfully completing his program, the Board deemed one trainee qualified for issuance of a license, but delayed licensing until there is a need for another pilot in the Puget Sound District. A post-training program was developed for this situation and he will remain unlicensed until a pilot position becomes available.*

Status of Successful 2008 Exam Applicants as of 12/31/2010:

1.	Stephan Moreno (T-019)	Licensed (#178):	12/10/09
2.	John Scragg (T-020)	Licensed (#180):	07/08/10
3.	David Brusco (T-021)	Licensed (#179):	03/11/10
4.	James Caspers (T-022)	Training program ended:	09/29/10
5.	D. Scott Anacker (T-023)	Entered training program:	09/01/09
6.	Blair Bouma (T-024)	Qualified, licensing delayed:	11/09/10*
7.	James Kearns (T-025)	Entered training program:	06/01/10
8.	Michael Anthony (T-026)	Entered training program:	07/01/10
9.	Robert D'Angelo		
10.	Fred Engstrom		
11.	Warren Carley		
12.	William Lowery		
13.	Thomas Coryell		
14.	Daniel Brouillard		

GRAYS HARBOR PILOTAGE DISTRICT

The last pilot exam for the Grays Harbor District was held in 1992. The waiting list for entry into a training program for this district has been exhausted.

When the board determines the demand for pilots requires entry of an applicant into the training program, it shall issue a training license to that applicant, but under no circumstances may an applicant be issued a training license more than four years after taking the written entry examination. Chapter 88.16.090(4) RCW.