

BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION,

Complainant,

v.

PUGET SOUND PILOTS,

Respondent.

**DOCKET TP-190976**

**EXHIBIT TO  
TESTIMONY OF  
Jordan Royer  
ON BEHALF OF  
PACIFIC MERCHANT SHIPPING ASSOCIATION**

**BPC November 2012 Meeting Minutes**

May 27, 2020

*Revised July 8, 2020*

## MEETING MINUTES

## STATE OF WASHINGTON ~ BOARD OF PILOTAGE COMMISSIONERS

November 15, 2012

Present:

Chairman: Harry Dudley

Commissioners: Norm Davis, Ned Kiley, Chuck Adams, Pat Hannigan, Don Mayer, Grant Stewart,  
Phil Morrell and Elsie Hulsizer

Administration: Shawna Erickson, Peggy Larson

Andy Coe, Del Mackenzie, Ivan Carlson, Jonathan Ward, Dave Sanders, Larry Seymour, John Scragg,  
Jim Shaffer, Jostein Kalvoy, Mike Anthony, Stuart Mork, Ed Marmol, Dan Shaffer and Walt Tabler:

Puget Sound Pilots

John McLaurin, Mike Moore, Jordan Royer, Mike Jacob, Doug Coburn: Pacific Merchant Shipping Assn.

Gary Nelson, Mary Nelson, Art Blauvelt: Port of Grays Harbor (*by telephone*)

Fred Engstrom, Bill Lowery: PS Pilot Trainee

Scott Coleman: Pilot applicant

Linda Styrk: Port of Seattle

Lou Paulsen: Port of Tacoma

Gary Lewin: Columbia River Bar Pilots

Anne McIntyre, Paul Amos: Columbia River Pilots

Dick Berg, Del Kelly, Loren Lee, Mike Gavin, Jody Engstrom: Public

PUBLIC HEARING

A public hearing of the Board of Pilotage Commissioners was convened at 9:35 a.m. by Chairman Harry Dudley in the Alki Conference Room at 2901 Third Avenue, Seattle, Washington.

**WAC 363-116-300: Pilotage Rates for the Puget Sound Pilotage District.** RCW 88.16.035(4) requires the Board of Pilotage Commissioners to annually fix pilotage tariffs. Financial data used in this tariff hearing includes the previous year's audited financial statement in addition to some current-year unaudited data as well as some late-year projected data. The proposed rule filed with the Code Reviser reflects one new tariff category and a range of adjustments to be charged for pilotage services in the Puget Sound Pilotage District for the 2013 tariff year.

1) The Board will consider a new tariff category proposed by PSP called the *Variable Expense Component* (VEC). PSP is proposing a VEC charge to be levied by way of one or more charges up to the following amounts:

- a. surcharge of 17% of the total other charges in the tariff;
- b. per assignment charge of \$865;
- c. draft charge of \$26.33 per foot;
- d. tonnage charge of \$.0172 per gross ton;
- e. LOA charge of \$1.09 per foot;
- f. beam charge of \$7.55 per foot;
- g. waterway charge of \$728.56. (this would cover training and technology costs only).

PMSA is opposed to the addition of this new category of line items. The Board will consider from \$0.00 for each proposed charge (thus not creating a new category) up to the above-listed amounts.

2) The Board will consider an overall range of tariff adjustments between a decrease of 10% and an increase of 15% excluding the *Training Surcharge Category* and the *Transportation to Vessels on Puget Sound Category*. The low end of the range is proposed by the Pacific Merchant Shipping Association and the high end of the range is proposed by the Puget Sound Pilots. The 15% sought by PSP may be made up of across-the-board adjustments to the tariff and any or all of the VEC charges enumerated above. In total, PSP is not seeking increases in excess of the overall 15% range.

Also, the Board will consider an adjustment to the Transportation Charge portions only of the *British Columbia Direct Transit Charge*. PMSA proposes a 10% decrease. PSP proposes a 5.5% increase. The range being considered is between a decrease of 10% and an increase of 5.5%.

Subsequent to the filing of this proposed new rule, both PSP and PMSA submitted formal written proposals to the Board. PSP modified its request to reflect a change from the filed 15% increase to a 12% increase. The Board may adopt a rule that varies from the filed rule upon consideration of these proposals and all presentations and written comments from any interested party or member of the public.

All written documents submitted in accordance with the timetable established for tariff document submission were considered in today's tariff determination in addition to all other written and oral testimony from interested parties and members of the public.

Oral testimony on behalf of the Puget Sound Pilots was presented by Walt Tabler and Captain Andy Coe. Oral testimony on behalf of the Pacific Merchant Shipping Association was presented by Captain Mike Moore. Lou Paulsen from the Port of Tacoma also provided oral testimony. Presentations and rebuttals were made in accordance with previously established "ground rules". The public hearing was closed by Chairman Dudley at 1:10 p.m.

**REGULAR MEETING**

The regular meeting of the Board was convened at 1:20 p.m. by Chairman Harry Dudley.

**Consideration of Preceding Hearing: WAC 363-116-300.** All written and oral testimony was reviewed and considered by the Board. Motion: Hulsizer/Kiley – the Board not adopt the new *Variable Expense Component* category – Carried with a vote of 6 in favor and 2 opposed. Motion: Hulsizer/Hannigan – increase the tariff overall in the existing tariff categories by 4% and the Transportation Charges portion of the British Columbia Direct Transit Charge by 5.5% and with the assumption the PPU's be purchased – Failed with a tie vote and the Chair opting not to vote to change the outcome. Motion: Adams/Kiley – increase the tariff overall in the existing tariff categories by 2% including the Transportation Charges portion of the British Columbia Direct Transit Charge and with the assumption the PPU's be purchased – Failed with a tie vote and the Chair opting not to vote to change the outcome. Motion: Kiley/Davis – increase the tariff 3% across-the-board except in the transportation charges and the training surcharge categories, and including the Transportation Charges portion of the British Columbia Direct Transit Charge, and with the expectation the PPU's be purchased – Friendly amendment: Hannigan – change 3% to 4% - the motioner Kiley stood on his motion – Failed. Motion to amend: Hannigan/Hulsizer – increase the tariff by 4% across-the-board and including the Transportation Charges portion of the British Columbia Direct Transit Charge – Failed with a vote of 3 in favor, 4 opposed, Kiley abstained. Original Kiley motion: Carried with a vote of 6 in favor and 2 opposed. The effective period of the new tariff is from 0001 hours on January 1, 2013 through 2400 hours on December 31, 2013. (1:45 p.m.)

**Minutes.** The October 24, 2012 and November 7, 2012 Minutes stand approved as written.

**NEW BUSINESS**

**Approval of Pilot License Upgrade Programs:** Captain Steve Semler is nearing completion of his fifth license year and Captain Scott Anacker his first. Motion: Hannigan/Adams - approve the license upgrade programs for these two captains as drafted by the TEC - Carried.

**Review and Consideration of Licensure of PSPD Pilot Trainee: Captain Fred Engstrom.** On behalf of the Trainee Evaluation Committee (TEC) Commissioner Hannigan reported that after a thorough review of all Captain Engstrom's *Trainee Trip Reports* submitted to the Board, his successful completion of all conning quizzes and local knowledge exams, and his compliance with all other training requirements, the TEC unanimously recommends the issuance of a state pilot license to Captain Engstrom. Motion: Hannigan/Kiley - Issue Captain Fred E. Engstrom state pilot license #185 for the Puget Sound Pilotage District - Carried. This action brings the number of licensed pilots in the PSPD to 53, the set number.

**Pilot's Report of Marine Safety Occurrence: ATB PRIDE, 10-22-12**

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|-------------------------------|---------------------------------|-----------------------------|---|
| Northbound in Rosario Straits | Lost power to port main engine. | Navigational Safety Concern | <u>Motion</u> : Adams/Kiley File as a Marine Safety Occurrence – Carried. |
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**Pilot's Report of Marine Safety Occurrence: WESTWOOD CASCADE, 10-23-12**

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|---|---|-----------------------------|---|
| In transit from Port Angeles to Everett | Main engine governor control lost selected telegraph "Bridge Control" & main engine was locked at 95 rpm. | Navigational Safety Concern | <u>Motion</u> : Adams/Kiley File as a Marine Safety Occurrence – Carried. |
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**Pilot's Report of Marine Safety Occurrence: OVERSEAS NIKISKI, 10-23-12**

|   |   |                             |   |
|---|---|-----------------------------|---|
| Outbound from Tesoro Refinery to Port Angeles | Sailboat crossed the loaded tanker's bow – unable to communicate – tanker was able to slow its speed. | Navigational Safety Concern | <u>Motion</u> : Adams/Kiley File as a Marine Safety Occurrence – Carried. |
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**Pilot's Report of Incident: PS Pilot D. Brusco/Trainee W. Carley – TOKOMARU BAY, 10-19-12**

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|--|--|---|
| Southbound traffic lanes near Apple Cove Point | Trainee Carley had the con. Vessel passed over a gill net that was strung across the southbound traffic lanes. Unable to communicate with fishing boat. No evidence of any damage. | <u>Motion</u> : Kiley/Adams File as an Incident with no apparent damage and no pilot error - Carried. |
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**BPC Investigative Report: PALANA, 12-18-07.** This item was deferred to the next meeting.

**Consideration of Request for Vessel Exemption:**

**Motor Yacht MARAMA** – 124', 456 gt, Cook Islands registry, Captain Justin Lloyd.

Motion: Davis/Stewart – concur with Chair's granting of a one-year exemption renewal – Carried.

**Committee Reports.**

**Trainee Evaluation Committee:**

- The TEC met on November 13<sup>th</sup>
- Training Program progress was reviewed for Captains Carley, Lowery, Coryell and Brouillard
- Captain Bud Carley is unable to finish his training program due to the lack of Terminal 86 jobs. The TEC recommends a modification to his program. Motion: Hannigan/Kiley – substitute all available inbound jobs that dock at TEMCO, Tacoma between now and the next TEC meeting in December for the Terminal 86 job requirements – Carried.
- Motion: Hannigan/Davis – upgrade conning quiz software as necessary – Carried.
- Captain Brouillard missed a hard-to-get Bellingham trip. Motion: Hannigan/Kiley – reduce his monthly stipend by \$1,000 – Carried.
- The Train-the-Trainer Course is scheduled for December 3<sup>rd</sup> and 5<sup>th</sup>. The T-t-T subcommittee met with the course trainers last week to finalize the curriculum and administration plan.

**Legislative/WAC Committee:** After last month's Grays Harbor tariff hearing there was an unresolved issue concerning the mechanics of creating an alternative method of funding the trainee stipend program other than by way of the required tariff surcharge. It was determined that a WAC amendment is necessary to allow the Port of Grays Harbor to contribute revenue for the payment of stipends. Motion: Hannigan/Adams – file amendatory language, as an Emergency Rule, amending WAC 363-116-078: *Training Program*, to allow stipend funding in the GHPD to be derived from a source other than a tariff line item surcharge – Carried. It is necessary to make this rule amendment in time for a trainee to begin his/her training program.

**Tariff Policy Committee:** Work will begin to revise and improve the tariff setting process.

**Pilot Exam Committee:** The deadline for applicants to file a request to review their Simulator Evaluation results is 5:00 PST today. Motion: Hannigan/Kiley – the Board appoint Commissioners Hannigan and Mayer as the Review Committee to review the Simulator Evaluation reviews – Carried. The final ranked list with names will not be established until the review process is complete.

**Activity Reports.** Gary Nelson, representing Port of Grays Harbor and Captain Andy Coe, representing Puget Sound Pilots presented current and projected statistical data as well as updates on current maritime events. Captain Ed Marmol updated the Board on PSP's acquisition of new PPU's.

**Correspondence Review.** A request was made by Westport Shipyard for a blanket vessel exemption for a certain class of yachts on which they perform sea trials, as well as all operators of these vessels. Chair Dudley will respond with respect to what our statutory and regulatory requirements allow – the vessels require individual exemptions, but the operators could be considered as an approved group.

**Confirmation of Next Regular Meeting Date.** The next regular meeting scheduled for December 13<sup>th</sup> is rescheduled to December 11<sup>th</sup> at 9:30 a.m. at the request of Commissioner Hannigan. The meeting will be held in the Alki Conference Room, 5<sup>th</sup> floor, 2901 3<sup>rd</sup> Avenue, Seattle.

**Review of Pilot/Trainee Physical Examination Reports.** Motion: Stewart/Adams - accept the physicians' reports for Captains J.A. Hannuksela and G.P. Thoreson for annual pilot license renewal and Captain F.E. Engstrom for initial pilot licensure - Carried. Motion: Mayer/Stewart - accept the physician's report for Captain W.M. Carley and W.W. Lowery for annual trainee license renewal – Carried. Motion: Hannigan/Adams – affirm Chairman Dudley's action on 10-30 to reinstate Captain R.F. McCurdy's license following his review of a satisfactory physician's report – Carried.

There being no further business to come before the Board, Chairman Dudley adjourned the regular session Board meeting at 3:10 p.m.

Respectfully submitted,

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Peggy Larson, Executive Director

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Harry H. Dudley, Chairman

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Norman W. Davis, Acting Vice Chairman

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Commissioner Elsie J. Hulsizer

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Commissioner Charles F. Adams

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Commissioner Edmund I. Kiley

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Commissioner Patrick M. Hannigan

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Commissioner Donald W. Mayer

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Commissioner Philip Morrell

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Commissioner J. Grant Stewart