

**Board of Pilot Commissioners for the Bays
of San Francisco, San Pablo, and Suisun**

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**DRAFT MINUTES TO BE APPROVED AT THE
NEXT FINANCE COMMITTEE MEETING**

**MINUTES
March 24, 2014
9:30 A.M.**

Committee members present

John Schneider, Chairman
Mike Jacob
John Cinderey

Staff present

Allen Garfinkle, Executive Director
Roma Cristia-Plant, Assistant Director
Kelly Dolcini, Staff Services Analyst
Sigrid Hjelle, Office Technician

Public present

Ray Paetzold, San Francisco Bar Pilots' general counsel

Open Meeting

1. Call to Order and Roll Call.

Chairman Schneider called the meeting to order at 9:30 a.m.

2. Approval of minutes of Committee meeting of December 9, 2013.

MOTION: Mr. Cinderey moved to approve the Minutes of December 9, 2013 meeting, with clerical, non-substantive changes. Mr. Jacob seconded the motion.

ACTION: The motion passed unanimously on a voice vote.

3. **Determine the number of licensed bar pilots anticipated on April 1, 2014 and prepare a report to the Board and possible recommendation for adjustment to pilotage rates for the calendar quarter beginning on that date as specified in Harbors and Navigation Code section 1190(a)(1). [Note that while retirements prior to April 1, 2014 are known, the number of new pilots who might be licensed on or prior to that date is not known. The recommendation to the Board may need to reflect several different possibilities, allowing the Board to authorize that which reflects the anticipated number of licensees as of the date of possible Board action.] Possible recommendation for Board action to specify bar crossing mill rate to be charged by licensees during the calendar quarter beginning April 1, 2014 pursuant to Harbors and Navigation Code section 1191 (a)(1)(A).**

As of March 24, 2014 there are 58 licensed Bar Pilots. There is one trainee in the evaluation stage who may become a pilot in this quarter. Based on the SFBP audited annual income for 2013, it is projected that the mill rate should be reduced from .0919 to .0918.

MOTION: Mr. Jacob moved that the Committee recommend to the Board that the mill rate should be lowered to .0918. Mr. Cinderey seconded the motion.

ACTION: The Committee approved the motion unanimously on a voice vote.

4. **Review BOPC fund condition, revenue and expenditure projections and monthly data for all pilotage fees and vessel moves and their effect on:**

- a) **Board operations surcharge (currently 1.0%) – develop possible recommendation to Board to adjust rates if necessary.**

The Committee reviewed this and declined to adjust the rate.

- b) **Pilot Continuing Education Surcharge (currently \$75/move) – develop possible recommendation to Board to adjust rates if warranted.**

The Committee reviewed and discussed the Continuing Education Surcharge fund condition and discussed possibly lowering the rate. They declined to take action at this time and will review the income statements at the next meeting to possibly develop a recommendation to the Board to lower it.

- c) **Trainee Training Surcharge (currently \$35/trainee/move) – develop possible recommendation to board to adjust rate if warranted.**

The Committee reviewed and discussed the Trainee Training fund condition and decided not to recommend any changes, as any costs related to the upcoming trainee exam also come from the trainee training fund.

MOTION: Mr. Cinderey moved that the Committee recommend that the Board make no changes to any surcharges at this time. Mr. Jacob seconded the motion.

ACTION: The motion passed unanimously on a voice vote.

5. **Review current Pilot Vessel Surcharge rate (currently at 3.27 mills -- \$.00327) revenue, expenditures and reserve balance. Develop possible recommendation to the Board for Pilot Vessel Surcharge rate adjustment, if warranted.**

Mr. Cinderey reported that there is a balance of \$256,000 in the Pilot Vessel Surcharge fund. The last unpaid vessel is the P/V DRAKE, which is being paid at \$92,000 per month. Mr. Cinderey suggested lowering the pilot vessel surcharge in order to reduce the balance increases. The Committee discussed this suggestion and Mr. Jacob proposed paying off the P/V DRAKE faster, thereby reducing the liability. He suggested re-evaluating at the next meeting.

MOTION: Mr. Jacob moved to recommend that the Board make no change to the Pilot Vessel Surcharge. Mr. Cinderey seconded the motion.

ACTION: The motion passed unanimously on a voice vote.

6. **Public comment on matters not on the agenda.**

There were no comments.

7. **Proposals for additions to next meeting agenda.**

There were no additions to the agenda. The Finance Committee will meet again on June 6, 2014 at 9:30 a.m.

8. **Adjournment.**

The Committee Adjourned at 10:35.

Respectfully submitted,

Kelly Dolcini,
Staff Services Analyst