

**San Francisco Bar Pilots'**

**Petition and Evidence  
in Support of  
Change in Pilotage Rates**

April, 2015



BEFORE THE BOARD OF PILOT COMMISSIONERS  
FOR THE BAYS OF SAN FRANCISCO, SAN PABLO AND SUISUN

In Re the Petition of the	)	SFBP Petition and Written Evidence
San Francisco Bar Pilots for	)	In Support of
A Change in Pilotage Rates	)	Change in Pilotage Rates

### Introduction

On February 23, 2015, the San Francisco Bar Pilots (SFBP) filed its petition requesting that this Board conduct a rate hearing, as provided by California Harbors and Navigation Code Sections 1200 – 1203 and Title 7, California Code of Regulations, Section 236.<sup>1</sup>

At its regular monthly meeting, on February 26, 2015, the Board scheduled the hearing for April 1, 2015, with April 2 and 3 as additional days, if needed to complete the taking of evidence and potentially for deliberations. Notice of the hearing date and location was issued by the Board on February 27, 2015 in compliance with 7 CCR 236(b).

The following is provided at least 30 days before the hearing, as required by 7 CCR 236(c).

### Negotiations

Prior to filing its petition, SFBP, the Pacific Merchant Shipping Association (“PMSA”) and other industry representatives commenced negotiations with a view towards obtaining consensus on a rate change or narrowing the issues raised by this petition. Those efforts are expected to continue. Stipulations that may significantly reduce the time set aside for the rate hearing will be reported to the Board when confirmed and, in any case, not later than the pre-hearing conference required by 7 CCR 236(g).

### Rates, Expenses and Pilotage Revenue - Background

The last increase in the statutory rates for bar pilotage and for ship movements and special operations not covered by bar pilotage was in 2006.<sup>2</sup>

1. Copies of the applicable statutes and regulations are attached in the appendix and are referred to herein as “HNC” followed by the section number and “7 CCR 236,” respectively.
2. In accordance with HNC 1190(a)(1)(A), between 2010 and 2014, there were periodic adjustments to reduce bar pilotage rates when the number of pilots fell below the authorized number of 60, and to increase those rates back to their 2006 levels when the number of pilots again reached 60. Pursuant to HNC 1190(a)(1)(A)(iv), that provision became inoperative in the 4<sup>th</sup> quarter of 2014 when the number of pilots reached 60.

In the nine intervening years, the expenses to the SFBP of providing pilot services have risen 33%, from \$9.9M in 2006 to \$13.2M in 2014. (McIsaac Decl. at para. 3.) During that same period, the Cost of Living Index for the Bay Area increased by 20.5%. (Cohen Decl. at para. 3.)

Largely as a result of variations in the number and size of ships, revenues from pilotage fees during that same period went from \$39.3M in 2006, to \$34.1M in 2009 (a drop of 13%), and gradually built back up to \$39.8M in 2014, a net increase of 1.3% over that nine-year period. (McIsaac Decl., Exh. (B-3).)

The remaining revenue after expenses, distributed as income to the pilots, and referred to as "net return" in the Board's regulations (7 CCR 236(f)(2)) varied during this period by 26% - from a high of \$29.5M in 2006 to a low of \$21.9M in 2010, building back up to \$26.7M in 2014, a net decrease of 9.5%. (McIsaac Decl., Exh. B-3.)

In a rate hearing held in 2011, this Board found that pilot income in San Francisco, as compared to income levels for pilots of the comparable ports for which information was available, was "about in the middle." (2011 Findings, at para. 39, attached to McIsaac Decl. as Exh. (C).) Yet the cost of living in the San Francisco Bay Area is one of the highest in the nation. (See Cohen Decl. at para. 8 and Exh. (C), attached thereto.)

While the comparable ports for which data is available have increased their pilotage rates an average of 11.2% since 2011, the pilotage rates that the SFBP must charge continue to remain at their 2006 levels. (Tylawsky Decl. at Exh. (B).)

#### Current Pilotage Revenue

As has been reported to this Board, 2015 is off to an abysmal start with a 28% decline in bar crossings and 30% decline in GRT. Billings are down 35%. SFBP reduced or postponed those expenses that could be without impacting safety or service, but most of the cuts have been to net pilot income, which has dropped nearly 50% from 2014 levels. SFBP currently anticipates that it will be a number of months before shipping and pilotage revenues return back to "normal," but what the new "normal" will look like after the backlog of cargo has been moved remains to be seen. (McIsaac Decl. at Exh. (D).) Updates to this information will be provided to the Board at its regular monthly meeting on March 26 and at the Rate Hearing on April 1.

#### Attracting Future Pilots

In the Board's Findings and Recommendations following the 2011 rate hearing, it addressed the net return to pilots sufficient to attract and hold qualified pilots as follows: "[T]he goal, given the unique and challenging navigational environment in which the pilots operate, is to attract the best pilots available, not simply those candidates who meet minimum requirements." (2011 Findings at para. 36, attached to McIsaac Decl. as Exh. (C).)

In 2014, despite the Board's efforts to increase the eligible pool of pilot trainee candidates, only 33 candidates meeting the Board's minimum requirements took the Board's written test for



entry into the pilot trainee training program. Of those, only 13 passed all elements of the selection process to be placed on the Board's eligibility list, which was intended to meet the Board's training needs for the next three years. Six of those candidates are currently in the training program. (Roberts Decl. at para. 4.)

Given recent pilot retirement projections and the Board's past experience, the current eligibility list may be exhausted before its intended 3-year life, and the Board may find itself again competing for a smaller pool of eligible candidates. (Roberts Decl. at para. 5.)

### **236(f) factors**

By statute (HNC 1203) and regulation (7 CCR 236(f)), the Board considers 11 identified factors in preparing its recommendations to the Legislature. The weight to be given to these factors varies depending on the circumstances and is left to the sound discretion of the Board. 7 CCR 236(f)(12). While these may be addressed in greater depth at the hearing, SFBP provides the following to assist interested parties and the Board:

(1) Costs of Providing Pilot Services. The SFBP provides the Board with annual audited financial statements. The quarterly meetings of the Board's Finance Committee provides additional opportunity to review SFBP expenses on a regular basis. As required by 7 CCR 236(e), SFBP filed additional copies of its 2013 audited financial statements and will file its 2014 statements upon completion of the annual audit. The 2014 statements are expected to be available by mid-March. Additional breakdown of SFBP's expenses from 2006 to 2014 and expense projections for 2015 to 2019 are attached to McIsaac Decl. at Exhs. (A) and (E), respectively. Evidence of the SFBP's present and future costs relative to navigation technology and piloting the new generation of Ultra Large Container Vessels is set forth in McCloy Decl. at para. 6 – 10 and in his Exhs. (A) and (B).

(2) Net Return to Pilots Sufficient to Attract and Hold Qualified Pilots. The Board's stated goal of attracting the best pilots, not merely those meeting minimum qualifications, was noted above at p. 2. The Net Return to Pilots ("average net income per pilot") in each of the years between 2006 and 2014 is provided in the financial statements filed with the Board and in the revenue summaries attached to McIsaac Decl. at Exh. (B-3).

As this Board recognizes, the pilots it licenses are not employees and do not earn wages, salaries or other guaranteed levels of income. Their income, or "net return," is dependent upon the rates set by law and the ships that call on the San Francisco Bay Area, and the expenses they must incur to offer the pilot service. Most of those expenses are fixed. As evident from the recent sharp downturn, a 30% drop in gross revenues can result in a 50% drop in net income, demonstrating the degree to which pilot income is dependent upon vessel traffic.

The Board's efforts to attract the best candidates to its pilot trainee training program, and the results of those efforts, are addressed in Roberts Declaration at para. 2.

(3) Cost of Living Index. The change in the annual consumer price indices (CPI) between the last rate hearing resulting in a rate change (2002) and the most recent 12-month period (2014) as described by 7 CCR 236(f)(3) is provided in Exhibit (B) to Cohen Declaration. The same exhibit also shows the change in the annual consumer price indices between (a) the last year that there was a rate change (2006) and 2014; and (b) between the year of the last rate hearing, albeit one that did not result in a rate change (2011), and 2014. Updated CPI information available at the time of the hearing will be made available to the Board at that time.

(4) Rates Charged for Comparable Services in Other Ports. The Board has identified eight ports in the U.S that it deems "comparable" for purposes of comparing rates and other pilot data. Available rate data from those ports for piloting a cross-section of ships from sea to dock, and the comparison with what SFBP charges under the current rates, is provided in Tylawsky Decl. at Exh. (A) and (C). Additionally, changes in the rates charged by comparable ports for which such data was available is provided in Tylawsky Decl. at Exh. (B).

(5) Income Paid for Comparable Services. Historically, this Board has recognized that pilot services are unique and not readily compared with other professional services, maritime or otherwise. The issue of the level of pilot income in other ports has taken up considerable time in past rate hearings as the Board has attempted to grapple with the nature and sources of the available evidence and the differences among the comparable ports in the composition of total compensation packages and what expenses are or are not borne by the pilots themselves. For purposes of this hearing, SFBP proposes to rely upon the Board's 2011 findings that the net income of local pilots was "about in the middle." Since then, while the rates at a cross-section of comparable ports rose an average of 11.2%, the rates that SFBP pilots must charge have remained at their 2006 levels.

Evidence of the cost of living differential between the ports deemed comparable by this Board and the San Francisco Bay Area for the years 2006 to 2014 is provided in Exhibit C to the Cohen Declaration, which is attached hereto.

(6) Methods of Determining Rates in Other Ports. Evidence of how pilotage rates are determined in other ports for those ports for which pilotage rates are also provided is set forth in Tylawsky Decl. at Exh. (D).

(7) Economic Factors Affecting Local Shipping. At the 2011 Rate Hearing, this Board found that there was no significant evidence that there would be diversion of ship traffic away from the Bay Area as a result of the rate increases then under consideration. SFBP is not aware of any compelling evidence to the contrary, as relates to the modest rate increases requested by this Petition.

(8) Volume of Shipping Traffic. Vessel movement and GRT data of vessels piloted by the SFBP is submitted monthly to the Board and is available as a public record of the Board. A summary of that data for 2002 to 2014 is attached to McIsaac Decl. at Exh. (B-1) and (B-2).

(9) Number of Pilots Available. The Board currently authorizes up to 60 licensed pilots. The actual number varies as pilots retire or become permanently disabled, and as pilot trainees complete the training program and are licensed. There are currently 59 licensed pilots, two of whom, the Port Agent and the Operations Pilot, are not themselves piloting vessels during the periods they act in those capacities.

(10) Risk to Pilots. The inherent risk to the personal safety of the pilots in providing pilotage services, including those risks posed by the physical characteristics of the pilotage grounds within the Board's jurisdiction, is well known to the Board. Additional risks will be addressed during the hearing, including those set forth at McIsaac Decl. at para. 8.

(11) Changes in Navigational and Safety Equipment/Pilot Support Activities. Evidence of the changing role of Navigation Technology in piloting is set forth in McCloy Decl. at para. 5 – 8.

#### 2011 Rate Hearing

In 2011, following a contested rate hearing, the Board recommended changes to the rates to provide for a fuel surcharge, a separate charge when a second pilot is required for safety considerations and increases of 1.5% per year for each of the following four years, beginning 2012 and ending 2015. (2011 Findings and Recommendations, at pgs. 8-10 attached to McIsaac Decl. as Exh. (C).)

The proposed legislation to enact those recommendations was withdrawn by its author and none of the Board's recommendations were enacted into law.

#### Purpose of this Petition

After 9 straight years without a rate increase, during which the SFBP saw a 33% rise in its expenses, the SFBP seeks to recover its increased expenses through a 5% annual increase in the rates for bar pilotage (HNC Section 1190) and ship movements and special operations not covered by bar pilotage (HNC 1191) for each of the years of 2016 and 2017, and a 4% annual increase in those rates for the years 2018 and 2019, thereby allowing SFBP and the Board to be competitive in attracting the best candidates to meet the anticipated needs while providing industry and the public with rate stability and foreseeability.

Respectfully Submitted



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San Francisco Bar Pilots

Business Director and General Counsel



# **Tab A**

Harbors and Navigation Code  
Division 5, sections 1190 -1198  
and 1200 - 1203



**HARBORS AND NAVIGATION CODE**  
**DIVISION 5, SECTIONS 1190 – 1198 and 1200 – 1203**

1190. (a) Every vessel spoken inward or outward bound shall pay the following rate of bar pilotage through the Golden Gate and into or out of the Bays of San Francisco, San Pablo, and Suisun:

(1) Eight dollars and eleven cents (\$8.11) per draft foot of the vessel's deepest draft and fractions of a foot pro rata, and an additional charge of 73.01 mills per high gross registered ton as changed pursuant to law in effect on December 31, 1999. The mill rates established by this paragraph may be changed as follows:

- (A) (i) On and after January 1, 2010, if the number of pilots licensed by the board is 58 or 59 pilots, the mill rate in effect on December 31, 2006, shall be decreased by an incremental amount that is proportionate to one-half of the last audited annual average net income per pilot for each pilot licensed by the board below 60 pilots. (ii) On and after January 1, 2010, if the number of pilots licensed by the board is fewer than 58 pilots, the mill rate in effect on December 31, 2006, shall be adjusted in accordance with the method described in clause (i) as though there are 58 pilots licensed by the board. (iii) The incremental mill rate adjustment authorized by this subparagraph shall be calculated using the data reported to the board for the number of gross registered tons handled by pilots licensed under this division during the same 12-month period as the audited annual average net income per pilot. The incremental mill rate adjustment shall become effective at the beginning of the immediately following quarter, commencing January 1, April 1, July 1, or October 1, as directed by the board. (iv) On and after January 1, 2010, if, during any quarter described in this paragraph, the number of pilots licensed by the board is equal to or greater than 60, clauses (i) to (iii), inclusive, shall become inoperative on the first day of the immediately following quarter.
- (B) There shall be an incremental rate of additional mills per high gross registered ton as is necessary and authorized by the board to recover the pilots' costs of obtaining new pilot boats and of funding design and engineering modifications for the purposes of extending the service life of existing pilot boats, excluding costs for repair or maintenance. The incremental mill rate charge authorized by this subparagraph shall be identified as a pilot boat surcharge on the pilots' invoices and separately accounted for in the accounting required by Section 1136. Net proceeds from the sale of existing pilot boats shall be used to reduce the debt on the new pilot boats and any debt associated with the modification of pilot boats under this subparagraph. The board may adjust a pilot boat surcharge to reflect any associated operational savings resulting from the modification of pilot boats under this subparagraph, including, but not limited to, reduced repair and maintenance expenses.

(C) In addition to the incremental rate specified in subparagraph (B), the mill rate established by this subdivision may be adjusted at the direction of the board if, after a hearing conducted pursuant to Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code, the board determines that there has been a catastrophic cost increase to the pilots that would result in at least a 2-percent increase in the overall annual cost of providing pilot services.

(2) A minimum charge for bar pilotage shall be six hundred sixty-two dollars (\$662) for each vessel piloted.

(3) The vessel's deepest draft shall be the maximum draft attained, on a stillwater basis, at any part of the vessel during the course of such transit inward or outward.

(b) The rate specified in subdivision (a) shall apply only to a pilotage that passes through the Golden Gate to or from the high seas to or from a berth within an area bounded by the Union Pacific Railroad Bridge to the north and Hunter's Point to the south. The rate for pilotage to or from the high seas to or from a point past the Union Pacific Railroad Bridge or Hunter's Point shall include a movement fee in addition to the basic bar pilotage rate as specified by the board pursuant to Section 1191.

(c) The rate established in paragraph (1) of subdivision (a) shall be for a trip from the high seas to dock or from the dock to high seas. The rate specified in Section 1191 shall not be charged by pilots for docking and undocking vessels. This subdivision does not apply to the rates charged by inland pilots for their services.

(d) The board shall determine the number of pilots to be licensed based on the 1986 manpower study adopted by the board.

(e) Consistent with the board's May 2002 adoption of rate recommendations, the rates imposed pursuant to paragraph (1) of subdivision (a) that are in effect on December 31, 2002, shall be increased by 4 percent on January 1, 2003; those in effect on December 31, 2003, shall be increased by 4 percent on January 1, 2004; those in effect on December 31, 2004, shall be increased by 3 percent on January 1, 2005; and those in effect on December 31, 2005, shall be increased by 3 percent on January 1, 2006.

(f) (1) There shall be a movement fee as is necessary and authorized by the board to recover a pilot's costs for the purchase, lease, or maintenance of navigation software, hardware, and ancillary equipment purchased after November 5, 2008, and before January 1, 2011. (2) The software, equipment, and technology covered by this subdivision shall be used strictly and exclusively to aid in piloting on the pilotage grounds. The movement fee authorized by this subdivision shall be identified as a navigation technology surcharge on a pilot's invoices and separately accounted for in the accounting required by Section 1136. The board shall



review and adjust as necessary the navigation technology surcharge at least quarterly. This subdivision shall become inoperative on January 1, 2011.

1190.1. Every vessel that uses a pilot under this division while navigating the waters of Monterey Bay shall pay the rate provided by subdivisions (a) and (e) of Section 1190.

1191. (a) The board, pursuant to Chapter 6 (commencing with Section 1200), shall recommend that the Legislature, by statute, adopt a schedule of pilotage rates providing fair and reasonable return to pilots engaged in ship movements or special operations if rates for those movements or operations are not specified in Section 1190. (b) A vessel using pilots for ship movements or special operations that do not constitute bar pilotage shall pay the rate specified in the schedule of pilotage rates adopted by the Legislature. (c) Consistent with the board's adoption of rate recommendations in May 2002, the minimum rates imposed pursuant to this section that are in effect on December 31, 2002, shall be increased by 26 percent on January 1, 2003; those in effect on December 31, 2003, shall be increased by 26 percent on January 1, 2004; those in effect on December 31, 2004, shall be increased by 14 percent on January 1, 2005; and those in effect on December 31, 2005, shall be increased by 14 percent on January 1, 2006.

1192. If a vessel that is subject to the payment of pilotage enters any port of Monterey Bay and the Bays of San Francisco, San Pablo, or Suisun solely by reason of being in distress or requiring care, it shall pay one-half the full pilotage rates.

1193. (a) Notwithstanding Section 1120, only the following noncommercial vessels that use pilotage services are exempt from the pilotage fees and surcharges established pursuant to this division, except for the board operations surcharge as established and calculated pursuant to Section 1159.1: (1) Maritime academy training vessels, whether foreign or domestic. (2) Vessels owned and operated by a nonprofit museum or foundation. (b) The vessels specified in subdivision (a) are subject to Section 1198.

1195. (a) In addition to other fees for pilotage, there shall be a surcharge in an amount established by the board for each movement of a vessel using pilot services for each pilot trainee who is enrolled in the pilot trainee training program established by the board. (b) The moneys charged and collected each month from the pilot trainee surcharge shall be paid to the board. The moneys shall be used only to fund the pilot trainee training program in the manner established by the board. (c) By action of the board, the board may adjust the amount established pursuant to subdivision (a) as necessary to efficiently administer the pilot trainee training program.

1195.1. (a) The moneys charged and collected each month from the pilot trainee surcharge pursuant to Section 1195 shall be paid to the Board of Pilot Commissioners' Special Fund pursuant to Section 1159. The moneys shall be used only to fund the pilot trainee training program referred to in subdivision (h) of Section 1171.5 and Section 1195.3. (b) Information regarding moneys remitted to the Board of Pilot Commissioners' Special Fund pursuant to

Section 1159 collected from the surcharge authorized pursuant to Section 1195, or otherwise collected by the board for that purpose, and information regarding moneys spent as pilot trainee training program expenses authorized by Section 1195.3 shall be made available to the public upon request and to the board or its finance committee.

1195.3. Expenses of the pilot trainee program shall include all costs incurred by the board in the operation and administration of the pilot trainee training program and all costs resulting from any contracts entered into for the purchase or lease of goods and services required by the board, including, but not limited to, the costs of testing, test preparation, advertising and soliciting for trainee applicants, trainee stipends, worker's compensation insurance premiums, reimbursement of costs of services provided to the board by other governmental entities, and for the costs for any other goods and services necessary for effectuating the purposes of training as determined by the board.

1196. (a) In addition to other fees for pilotage, there shall be a surcharge in an amount established by the board for each movement of a vessel using pilot services for the pilot continuing education program established by the board. (b) The moneys charged and collected each month from the pilot continuing education program surcharge shall be paid to the board. The moneys shall be used only to fund the pilot continuing education program in the manner established by the board. (c) By action of the board, the board may adjust the amount established pursuant to subdivision (a) as necessary to efficiently administer the pilot continuing education program.

1196.1. (a) The moneys charged and collected each month from the pilot continuing education surcharge pursuant to Section 1196 shall be paid to the Board of Pilot Commissioners' Special Fund pursuant to Section 1159. The moneys shall be used only to fund the pilot continuing education program referred to in subdivision (h) of Section 1171.5 and Section 1196.3. (b) Information regarding moneys remitted to the Board of Pilot Commissioners' Special Fund pursuant to Section 1159 collected from the surcharge authorized pursuant to Section 1196, or otherwise collected by the board for that purpose, and information regarding moneys spent as pilot continuing education expenses authorized by Section 1196.3 shall be made available to the public upon request and to the board or its finance committee.

1196.3. Pilot continuing education expenses shall include all costs incurred by the board in the operation and administration of the pilot continuing education program and all costs resulting from any contracts entered into for the purchase or lease of goods and services required by the board, including, but not limited to, the reimbursement of costs of services provided to the board by other governmental entities and for the costs for any other goods and services necessary for effectuating the purposes of continuing education as determined by the board.

1196.4. (a) Costs resulting from the provision of continuing education for currently licensed pilots regarding instruction in the proper utilization of portable pilot unit equipment and software, if determined to be necessary for effectuating the purposes of continuing education

by the board, shall be considered pilot continuing education expenses pursuant to Section 1196.3. (b) Subdivision (a) shall apply only to those costs incurred after January 1, 2013.

1196.5. (a) The board shall contract with an independent entity to conduct a study of the effects of work and rest periods on psychological ability and safety for pilots. The study shall evaluate sleep- and human-related factors for pilots, and shall include information and recommendations on how to prevent pilot fatigue and ensure the safe operation of vessels.

(b) The board shall, based on the results of, and recommendations contained in, the study, promulgate regulations for pilots establishing requirements for adequate rest periods intended to prevent pilot fatigue. (c) The study required to be conducted pursuant to subdivision (a) shall be funded by revenues received by the board from the board operation surcharge, as described in Section 1159.2. The board shall have authority, consistent with Section 1159.2, to collect and appropriate adequate funding to ensure that the study is completed.

1198. (a) Except as provided in subdivision (c), the rates and charges for pilotage services shall not include the cost of primary marine insurance insuring a pilot, an organization of pilots, or their officers or employees, from liability arising from negligence or errors in judgment in connection with the provision of pilotage service by pilots, organizations of pilots, or their officers or employees. (b) A pilot who holds a state license for the Bays of San Francisco, San Pablo, and Suisun shall arrange to have available, upon advance written notice, trip insurance, with coverage limits of thirty-six million dollars (\$36,000,000), naming as insureds the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, and insuring the named insureds against any civil claim, demand, suit, or action by whomsoever asserted, arising out of, or relating to, directly or indirectly, acts or omissions of the insureds in connection with the provision of pilotage service, except willful misconduct. (c) Every vessel, owner, operator, or demise or bareboat charterer hiring a pilot with a state license for the Bays of San Francisco, San Pablo, and Suisun shall either defend, indemnify, and hold harmless pilots pursuant to paragraph (1), or alternatively, notify pilots of an intent to pay for trip insurance pursuant to paragraph (2). If a vessel or its owner, operator, or demise or bareboat charterer does not provide written notice pursuant to paragraph (2) of an intent to exercise the trip insurance option, then the vessel and its owner, operator, and demise or bareboat charterer will be deemed to have elected the obligation to defend, indemnify, and hold harmless pilots pursuant to paragraph (1). (1) (A) Except for a vessel electing trip insurance pursuant to paragraph (2), a vessel subject to this subdivision, and its owner, operator, demise or bareboat charterer, and agent shall not assert any claim, demand, suit, or action against the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, for damages, including any rights over, arising out of, or connected with, directly or indirectly, any damage, loss, or expense sustained by the vessel, its owners, agents, demise or bareboat charterers, operators, or crew, or by any third parties, even if the damage results, in whole, or in part, from any act, omission, or negligence of the pilot, any organization of pilots to which the pilot belongs, and their officers and employees. (B) A vessel subject to this paragraph and its owner, operator, and demise or bareboat charterer shall defend, indemnify, and hold harmless the pilot, any organization of pilots to which the pilot belongs, and their officers and employees, with respect to liability arising from any claim, suit, or action, by whomsoever

asserted, resulting in whole, or in part, from any act, omission, or negligence of the pilot, any organization of pilots to which the pilot belongs, and their officers and employees. The obligation to indemnify under this paragraph shall not apply to the extent that it causes the amount recoverable from a vessel, its owner, operator, or demise or bareboat charterer to exceed the limits of liability to which it is entitled under any bill of lading, charter party, contract of affreightment, or provision of law. (C) The prohibition on claims by vessels, owners, operators, demise or bareboat charterers, and agents imposed by subparagraph (A) and the obligation to defend, indemnify, and hold harmless the pilot imposed by subparagraph (B) shall not apply in cases of willful misconduct by a pilot, any organization of pilots to which the pilot belongs, and their officers and employees. (D) A pilot who is the prevailing party shall be awarded attorney's fees and costs incurred in any action to enforce a right to indemnification provided pursuant to this subdivision. (2) In lieu of paragraph (1), a vessel subject to this subdivision and its owner, operator, demise or bareboat charterer, and agent may elect to notify the pilot, or the organization of pilots to which the pilot belongs, of intent to pay for trip insurance, as described in subdivision (b). If notice of this election is received, in writing, by the pilot, or the organization of pilots to which the pilot belongs, at least 24 hours prior to the time pilotage services are requested, the vessel, and its owner, operator, demise or bareboat charterer, and agent are not subject to the requirements of paragraph (1). The pilot shall take all steps necessary to have trip insurance coverage in place during the vessel movement for which it is requested. The pilot shall assess to the vessel the premium for the trip insurance at the pilot's cost, in addition to any other applicable rates and charges for the pilotage services provided. (d) Nothing in this section is intended to limit, alter, or diminish the liability of a vessel, owner, operator, or demise or bareboat charterer to any person who sustains loss or damage.

1200. The board shall, from time to time, review pilotage expenses and establish guidelines for the evaluation and application of these expenses regarding its recommendations for adjustments in rates.

1201. Any party directly affected by pilotage rates established under this chapter may petition the board for a public hearing on any of the matters set forth in Section 1200. Within 10 days from the filing of the petition the board shall call public hearings to be held not less than 30 nor more than 60 days of the date of call for the purpose of obtaining information and data relating to the issues raised in the petition. The board shall give notice of the hearings to all interested parties who have requested the notification. At the conclusion of the hearing or hearings, the board shall review and evaluate all evidence obtained and, within 120 days from the filing of the petition, shall submit to the Secretary of the Senate and the Chief Clerk of the Assembly a copy of its findings and recommendations for final determination, supported by a transcript of these proceedings of the board.

1201.5. (a) The board shall not receive written evidence at a public hearing held for the purpose of considering pilotage rates unless 10 or more copies of the evidence have been deposited with the board as public documents by the party proposing a rate adjustment

30 or more days prior to the date set for the commencement of the hearing. (b) The board shall not receive written evidence at the hearing from any party responding to the request unless the evidence is deposited with the board 10 or more days prior to the date set for the commencement of the hearing.

1202. Public hearings for the purpose of investigating pilotage rates shall be conducted in accordance with the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code) and a full record shall be kept of all evidence offered.

1203. In preparing recommendations to the Legislature with relationship to pilotage rates, the board may require an independent audit or audits by a public accountant selected by the board. The audits required by the board shall cover pilotage operations for those years which the board may specify. In preparing the recommendations, the board shall also give consideration to other relevant factors, including, but not limited to, the following: (a) The costs to the pilots, individually or jointly, of providing pilot service as required. (b) A net return to the pilot sufficient to attract and hold persons capable of performing this service with safety to the public and protection to the property of persons using the service; and the relationship of that income to any changes in cost-of-living indices. (c) Pilotage rates charged for comparable services rendered in other ports and harbors in the United States. (d) The methods of determining pilotage rates in other ports and harbors in the United States. (e) Economic factors affecting the local shipping industry, including prospective increases or decreases in income and labor costs. (f) Additional factors affecting income to pilots such as the volume of shipping traffic using pilotage, numbers of pilots available to perform services, income paid for comparable services, and other factors of related nature. (g) Changes in, or additions to, navigational and safety equipment necessary to insure protection of persons, ships, and waterways.

Source: <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hnc&group=01001-02000&file=1190-1198> and <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=hnc&group=01001-02000&file=1200-1203>. (February 28, 2015)



# **Tab B**

Title 7. Harbors and Navigation Code

Division 2. State Board of Pilot  
Commissioners for the Bays of San  
Francisco, San Pablo, and Suisun





## **CALIFORNIA CODE OF REGULATIONS**

### **Title 7. Harbors and Navigation Code**

#### **Division 2. State Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun**

##### **236. Rate Hearing Procedures.**

- (a) Pilotage rates are set by statute codified at Chapter 5 of Division 5 of the Harbors and Navigation Code, beginning with Section 1190. The Board's role in the setting of pilotage rates is to hold public hearings to investigate such rates and make recommendations to the Legislature. Any party directly affected by pilotage rates may petition the Board for such a rate hearing, as set forth in this section; however, nothing contained in this section shall preclude the Board from conducting a duly noticed rate hearing on its own motion.
- (b) Within ten (10) days after receipt by the Board of a petition for a rate hearing from a party directly affected by pilotage rates, the Board shall notice a public hearing to be held not less than thirty (30) nor more than sixty (60) days from the date of the notice. Such notice shall be given to all parties directly affected by pilotage rates and to all other interested parties who have requested such notification. The purpose of the hearing is to obtain information and data relating to the issues raised in the petition or notice.
- (c) The party proposing a rate adjustment shall have the burden of proving by a preponderance of the evidence that a change in the rates is justified. Ten (10) copies of all written evidence submitted in support of the petition shall be deposited with the Board at least thirty (30) days prior to the date set for the hearing. Such written evidence shall be available for public inspection during normal Board hours.
- (d) Any party wishing to respond to a petition for a rate adjustment shall submit ten (10) copies of all written evidence it relies on to support its response, and shall deposit them with the Board at least ten (10) days prior to the date set for the hearing. Such evidence shall be available for public inspection during normal Board hours.
- (e) Upon the filing of a petition for a rate hearing, copies of the most recent annual audited financial statements of the San Francisco Bar Pilots and of the San Francisco Bar Pilots Benevolent and Protective Association shall be deposited with the Board and made

available for public inspection during normal Board hours. The Board may also require an independent audit of pilot operations by a public accountant selected by the Board. The results of any such independent audit shall be made available for public inspection during normal Board hours and shall become a part of the record.

- (f) Factors to be considered by the Board in preparing its recommendation to the Legislature on pilotage rates include, but are not limited to, the following:
- (1) **Costs of Providing Pilot Services.** Parties directly affected by pilotage rates are encouraged to use the Board's process for periodic review of pilotage expenses to reach agreement on whether specific expense categories should be considered a "cost of providing pilot services" within the meaning of this section. Absent a showing that there was no reasonable opportunity to do so, the failure to make use of that process may result in the Board's refusal to approve an expense category not previously approved as a cost of providing pilot services or in the Board's refusal to reverse a previous decision to approve such an expense category.
  - (2) **Net return to Pilots Sufficient to Attract and Hold Qualified Pilots.** A party contending that the current rates result in a net return which is insufficient to attract or hold qualified pilots has the burden of persuading the Board of that point of view. In determining the issue, the Board may consider the level of qualifications and number of applicants meeting minimum qualifications for its pilot trainee training program, the number and circumstances of pilots resigning before their eligibility for statutory retirement benefits, and any other evidence relevant to the issue.
  - (3) **Cost of Living Index.** In assessing the adequacy of the net return to pilots, the Board will consider, as one factor, the change in the annual average, seasonally unadjusted consumer price indices between the last rate hearing and the most recent 12-month period for which such data is available from the U. S. Department of Commerce, Bureau of Labor Statistics, for the "Western Region" and for "All Urban Consumers, San Francisco-Oakland-San Jose."
  - (4) **Rates Charged for Comparable Services in Other Ports.** "Comparable services" means pilotage from sea to dock in ports with generally similar geographic and hydrographic parameters, vessel traffic in density and in size and type of vessels, number of vessel movements, length of transit, number of pilots, pilot work load and relative difficulty of pilotage and hazards encountered. While the Board recognizes that no port will be precisely the same in all these categories as the waters under the Board's jurisdiction, it encourages the parties to agree on a limited number of ports which are sufficiently comparable for this purpose and

for which accurate pilotage rate, pilot income and/or pilot expense data is reasonably available in the public record or is otherwise verifiable. Absent persuasive evidence to the contrary, the Board recognizes the following ports as comparable for purposes of this section: Columbia Bar/River, Houston, Tampa Bay, Sandy Hook (NY/NJ), New Orleans/Baton Rouge, St. Johns Bar (Jacksonville), Maryland (Chesapeake Bay) and Puget Sound (Seattle). Pilotage rate and pilot income and expense data for other ports shall be supported by evidence that the pilotage services for those ports are comparable as defined in this subsection.

- (5) **Income Paid for Comparable Services.** Parties submitting evidence of pilot income and expenses in other ports shall limit such evidence to ports providing comparable services, as defined in subsection (f)(4) above and for which accurate pilotage rate, pilot income and/or pilot expense data is reasonably available in the public record or is otherwise verifiable. Evidence of pilot income and expenses in other ports shall be accompanied by the cost of living differential between those ports and the San Francisco Bay Area for the period for which the pilot income and expense data applies if such differential information is available in the public record.
- (6) **Methods of Determining Rates in Other Ports.** Parties wishing to offer evidence of how pilotage rates are determined in other ports should do so for those ports for which pilotage rate or pilot income and expense data is also provided.
- (7) **Economic Factors Affecting Local Shipping.** The Board will consider such competent evidence as the parties may submit regarding economic factors affecting the local shipping industry, including prospective increases or decreases in income and labor costs. A party wishing to affect a rate change on the basis of such economic factors has the burden of persuading the Board that the evidence supports that party's argument.
- (8) **Volume of Shipping Traffic.** The Board may rely on data of vessels piloted as submitted monthly by the pilots. That data is available as a public record of the Board.
- (9) **Number of Pilots Available.** In preparing its recommendation on pilotage rates, the Board will consider the number of pilots actually licensed at the time of the rate hearing. Any issues regarding the adequacy of that number should be addressed in a duly noticed hearing held pursuant to Harbors and Navigation Code Sections 1170.1 and 1170.2.

- (10) Risk to Pilots. The Board recognizes the inherent risk to the personal safety of the pilots in providing pilotage services, including those risks posed by the physical characteristics of the pilotage grounds within the Board's jurisdiction. A party seeking to affect a rate change on the grounds that there have been material changes in those risks has the burden of proving such changes.
- (11) Changes in Navigational and Safety Equipment/Pilot Support Activities. The Board recognizes that, in recent years, there have been substantial changes in training requirements placed on pilots, in regulations which pilots must implement, and in the complexity and size of vessels which increases the professional demands on pilots. The Board also recognizes that pilots have provided services beyond the navigation of vessels. Such services are referred to as "pilot support activities." Changes in those pilot support activities that are necessary to providing pilot service may be considered in determining the appropriate pilotage rate. To the extent such changes have increased the costs to the pilots of providing pilot services, these costs should be addressed under subsection (f)(1) above. To the extent such changes have resulted in increased time demands, such demands should be addressed at a duly noticed hearing to determine the number of pilots under Harbors and Navigation Code Sections 1170.1 and 1170.2.
- (12) The weight to be given to each of the factors enumerated in this subsection may vary depending on prevailing circumstances and shall be left to the sound discretion of the Board.
- (g) At least seven (7) days prior to the hearing, or at such time as the President may direct, the representatives and/or counsel for the parties supporting and responding to the petition for a rate change shall meet with the President or his/her designee at the time and place directed by the President, to determine if the issues raised by the petition can be narrowed or resolved by stipulation, and to address the order of and anticipated length of the presentation of evidence; the number and identity of witnesses and the subject matter and scope of their testimony; identification and possible resolution of any evidentiary issues; and any other matter which promotes efficiency in conducting the rate hearing.
- (h) The President, or his/her designee, may issue a pre-hearing order setting forth any stipulations or limitations on the scope of the hearing or the issues to be presented as agreed to by all parties attending the pre-hearing conference. Participation by the President or any other Board member in the pre-hearing conference shall not disqualify him or her from participation in the rate hearing.

- (i) The rate hearing shall be conducted at the time and place set forth in the Notice or in any amendment thereto and shall be conducted in accordance with the Bagley-Keene Open Meeting Act (Government Code Sections 11120, et seq.). A full record shall be kept of all evidence offered at the hearing, including a verbatim transcript of all testimony, which shall be given under oath.
- (j) Following the presentation of evidence in support of and in response to the petition for a rate hearing, any additional evidence requested by the Board, any evidence submitted in rebuttal, and the closing arguments of the parties, if any, the Board shall proceed with deliberation, including a review and evaluation of all the evidence received at the hearing and a determination of what pilotage rate change, if any, is warranted by the evidence. The Board's deliberation shall be conducted at a duly noticed meeting open to the public and shall be transcribed electronically or by a certified shorthand reporter, as the Board may direct.
- (k) Upon completion of its deliberation and within 120 days from the filing of the petition, the Board shall submit its findings and recommendations, supported by a transcript of the proceedings, to the Secretary of the Senate and the Chief Clerk of the Assembly.

Note: Authority cited: Section 1154, Harbors and Navigation Code: Reference: Sections 1190, 1191, 1200, 1201, 1201.5, 1202 and 1203, Harbors and Navigation Code.

Source:

<https://govt.westlaw.com/calregs/Browse/Home/California/CaliforniaCodeofRegulations>,

Updated May 29, 2014



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April, 2015

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Captain Peter McIsaac**



BEFORE THE BOARD OF PILOT COMMISSIONERS  
FOR THE BAYS OF SAN FRANCISCO, SAN PABLO AND SUISUN

In Re the Petition of the                   )  
San Francisco Bar Pilots for            )  
A Change in Pilotage Rates            )

DECLARATION OF  
CAPTAIN PETER McISAAC

I, Captain Peter McIsaac, provide the following declaration in support of the Rate Petition of the San Francisco Bar Pilots ("SFBP") filed with the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun ("Pilot Commission") on February 23, 2015:

1. I hold a current pilot license issued by the Pilot Commission, have been a member of the San Francisco Bar Pilots (SFBP) since January 1, 1994 and have served as Port Agent during the following periods: November 2000 through Nov. 2004, Nov. 2006 through Nov. 2010 and again from Nov. 2012 to date. The duties of a Port Agent include the general supervision and management of all matters relating to the business and official duties of the pilots, as more fully described in Section 218 of the Board's regulations.
2. The SFBP provide pilotage service to almost every large vessel passing through the Golden Gate and have done so since 1850. We board the vessel, assume navigational control and guide it safely to its destination [at any one of 100 terminals or berths in the greater San Francisco Bay Area from Redwood City to Stockton and Sacramento.] Pilots are on call every hour of every day in all weather conditions. Pilots are expected to act in the public interest and to maintain a professional judgment that is independent of any desires that do not comport with the needs of maritime safety.
3. The SFBP's annual expenses in 2014 were \$13.2M. That paid for 24 boat personnel, 5 dispatchers, 6 staff, operation, maintenance and repair of 5 pilot boats valued at approximately \$20M, dock and office space rental, insurance, fuel, land transportation, precision navigation equipment for Ultra Large Container Vessel's and other expenses related to operating a pilot service. Expenses have increased 33% since the rate was last raised in 2006. (See Summary of Operating Expenses 2006 – 2014, attached as Exh. (A).)
4. The SFBP currently operates a 24/7 dispatch service for the benefit of the vessels we serve. The goal is to never delay a vessel so a pilot's transportation is scheduled to ensure he or she is on board the vessel 30 minutes prior to sailing or available 30 minutes prior to the scheduled arrival time. While it's hard to quantify in dollars, there is an additional cost for providing this service that is borne by the SFBP, including costs related to staffing and those associated with the use of outside vendors for transportation.
5. Additional transportation costs are also incurred by the Continuing Professional Development Program, E-Pilots and fatigue mitigation.

6. **New or Expanded Service:** The SFBP has always worked with our customers or ports to assist them in evaluating the piloting phase of a new service or expanding a current one. When the Port of Oakland wanted to bring in Ultra Large Container Vessels, we worked with them to develop and simulate best practices to ensure that it could be done safely within the current limits of the waterway. When the Port of San Francisco wanted to build a new cruise terminal, we worked with them to develop and simulate operating parameters to ensure it could be accomplished safely. We are currently working with the Port of Stockton and the Army Corps of Engineers on their deepening project to allow larger vessels to call on that port. Our work in these efforts were at no cost to the Ports or the Corps.
7. **Expense Management:** The SFBP have sought to control costs and manage expenses while maintaining the highest level of service. In recent years we have reduced the size of our leased space at Pier 9, initiated a cost reduction program that included improved fuel management and the use of lower cost food and land transportation vendors.
8. **Increased Oversight and Personal Exposure:** Since 2011, the Board has adopted more rigorous regulations that increased medical oversight. In recent years there have been an increasing number of pilots who were forced into early retirement due to permanent disability.
9. The citizens in the Bay Area have zero tolerance for piloting incidents that have the potential of resulting in oil pollution. Since the COSCO BUSAN, pilots are faced with possible criminal prosecution for perceived piloting misconduct.
10. A true and correct copy of the Summary of Annual Vessel Moves and GRT Data as routinely provided to the Board is attached as Exh. (B).
11. A true and correct copy of the Findings and Recommendations of the Board of Pilot Commissioners in response to the 2011 Rate Petitions of PMSA and SFBP is attached as Exh. (C).
12. The recent ILWU / PMA labor dispute resulted in a 33% drop in billings in the past two months, causing the layoff of three employees, temporary shutdown of the Pittsburg pilot station and a nearly 50% reduction in pilot compensation. While the labor contract issues appear to have been resolved, the effects are expected to linger for months. The long term effects on vessel traffic are unknown. A true and correct update on port operations issued by Port of Oakland – Maritime through 25 Feb. 2015 is attached as Exh. (D).
13. A summary of our expense projections for the rest of 2015 through 2019 is attached as Exh. (E). These projections are intended to cover normal operating costs but do not include projected costs for extraordinary equipment failures, substantial repairs to Pier 9 or for upgrading navigation technology equipment, which will be addressed in a separate declaration by Captain McCloy.
14. The SFBP is seeking a rate increase spread over 4 years to recover the increased cost of providing the pilotage service. An increase will help stabilize revenue and provide assurance to potential pilot candidates that the SFBP business model is sustainable.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge. Executed at San Francisco, California this 27<sup>th</sup> day of February, 2015.

A handwritten signature in black ink, appearing to read "Peter Molsa". The signature is fluid and cursive, with a long horizontal stroke at the end.

Captain Peter Molsaac  
Port Agent



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**Exhibit (A)**  
**SFBP Operating Expenses,**  
**2006 - 2014**



[illegible]



OFFICE & DISPATCH EXPENSES											Change From	%
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2006	%	
Communications	56,627	42,672	47,704	47,022	45,696	43,760	41,405	38,842	47,265	(9,362)	-17%	
Employees' Retirement Plan	117,508	130,974	131,266	136,802	124,245	145,222	142,440	146,933	184,294	66,786	57%	
Equipment Rental	0	0	120,000	0	0	0	0	0	0	0	0%	
Food Supplies	26,516	30,831	29,396	31,710	22,177	27,710	26,434	18,338	19,555	(6,961)	-26%	
Maintenance and repair	56,989	41,119	32,063	50,886	58,747	58,766	87,390	66,909	72,171	15,182	27%	
Medical Insurance	87,894	103,404	91,410	114,017	132,287	163,398	190,612	190,837	199,966	112,072	128%	
Office Supplies	28,907	33,767	50,443	26,227	22,813	20,467	20,258	19,091	28,414	(493)	-2%	
Payroll Taxes	76,612	79,638	85,976	96,931	86,083	92,334	95,369	99,227	109,656	33,044	43%	
Pier 9 Rent (75% portion)	376,069	323,360	373,806	271,240	279,121	851,085	928,233	956,243	958,643	582,574	155%	
Salaries & Wages	1,047,046	1,136,531	1,197,000	1,237,761	1,181,373	1,225,559	1,270,008	1,267,822	1,522,505	475,459	45%	
Utilities	68,008	70,308	72,377	92,764	83,207	90,338	84,228	88,927	95,380	27,372	40%	
Workers' Comp. Insurance	34,162	34,717	35,858	45,464	38,534	40,001	37,467	38,741	21,365	(12,797)	-37%	
Other	6,983	22,943	9,223	9,515	15,472	10,774	11,529	9,876	12,120	5,137	74%	
TOTAL	\$1,983,321	\$2,050,264	\$2,276,522	\$2,160,339	\$2,089,755	\$2,769,414	\$2,935,373	\$2,941,786	\$3,271,334	\$1,288,013	65%	









											Change	
											From	
											2006	%
TERMINAL EXPENSES	2006	2007	2008	2009	2010	2011	2012	2013	2014			
Health and Welfare	36,286	38,782	39,488	39,413	42,166	45,988	42,806	47,779	53,081	16,795	46%	
Payroll Taxes	14,959	16,418	16,982	18,024	18,224	17,947	18,049	18,328	18,979	4,020	27%	
Pier 9 Rent (25% portion)	125,356	107,787	121,269	90,413	93,041	283,695	309,411	318,748	319,548	194,192	155%	
Retirement Benefits	26,128	37,163	30,929	37,662	30,878	32,369	33,816	33,738	39,459	13,331	51%	
Salaries & Wages	190,443	225,708	241,646	262,210	258,389	256,110	258,691	260,297	267,622	77,179	41%	
Workers Comp. (a)	0	0	0	74,799	59,545	52,191	52,231	52,743	13,989	13,989	nm	
Other	53,367	61,305	56,872	19,862	22,226	25,603	20,283	22,174	38,343	(15,024)	-28%	
TOTAL	\$446,539	\$487,163	\$507,186	\$542,383	\$524,469	\$713,903	\$735,287	\$753,807	\$751,021	304,482	68%	
(a) Prior to 2009, Workers Comp. was included in "Other"												
Memo: Rent will increase by 23% in 2020. The amount allocated to Terminal Expenses (25%) will increase to \$356,051												



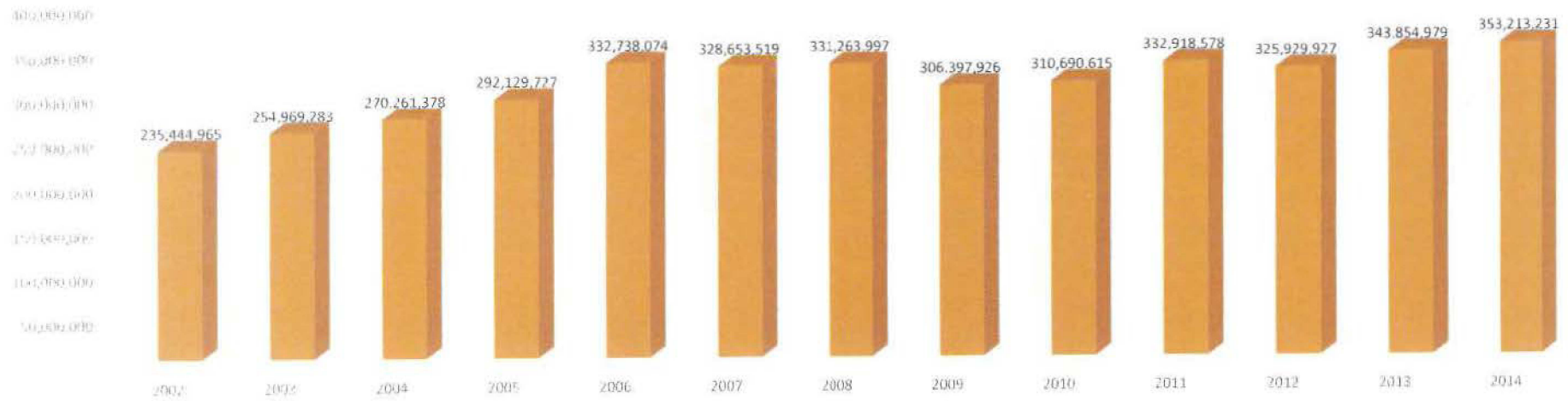
<b>GENERAL EXPENSES</b>										<b>Change From</b>	
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2006</b>	<b>%</b>
Business Taxes	29,050	36,850	35,050	40,057	39,866	36,310	40,920	37,200	93,617	64,567	222%
Donations	13,500	19,100	12,150	16,699	26,023	48,045	37,980	90,691	57,491	43,991	326%
Dues and Subscriptions	126,055	128,471	122,272	151,803	165,361	158,856	179,620	183,658	205,468	79,413	63%
Insurance	628,880	582,246	668,329	623,588	572,100	523,439	777,926	669,604	670,302	41,422	7%
Legal, Accounting, Bank Svc.	135,795	172,135	195,292	241,100	207,206	320,087	298,298	148,294	102,745	-33,050	-24%
Lobbying Expenses	108,000	110,400	123,600	145,113	139,047	153,643	191,478	222,197	236,732	128,732	119%
Political Contributions	143,250	116,450	204,050	119,600	107,900	70,300	113,281	76,500	88,370	-54,880	-38%
Professional Services	293,837	233,768	157,864	179,501	166,264	201,843	164,202	216,917	163,250	-130,587	-44%
Public Relations	55,527	97,763	121,386	114,058	90,215	99,444	265,735	142,225	172,694	117,167	211%
Taxi and Launch Service	846,702	842,052	813,678	660,432	665,481	746,502	742,969	726,131	555,266	-291,436	-34%
Travel and Meals	21,080	33,170	45,627	34,245	43,797	34,731	30,295	25,673	49,223	28,143	134%
Other	40,005	34,758	34,196	24,821	16,714	13,994	16,024	32,732	39,233	-772	-2%
<b>TOTAL</b>	<b>\$2,441,681</b>	<b>\$2,407,163</b>	<b>\$2,533,494</b>	<b>\$2,351,017</b>	<b>\$2,239,974</b>	<b>\$2,407,194</b>	<b>\$2,858,728</b>	<b>\$2,571,822</b>	<b>\$2,434,391</b>	<b>(\$7,290)</b>	<b>0%</b>



**Exhibit (B-1)**  
**GRT, 2002 - 2014**



SAN FRANCISCO BAR PILOTS  
GRT 2002 - 2014







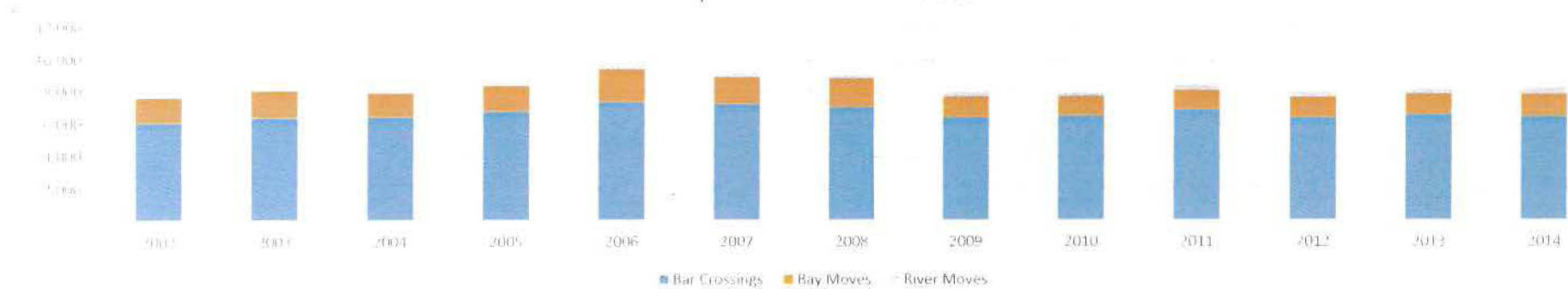
**Exhibit (B-2)**  
**Ship Movements,**  
**2002 - 2014**



**San Francisco Bar Pilots  
Ship Movements  
2002 - 2014**

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Bar Crossings</b>	6,064	6,386	6,437	6,781	7,366	7,240	7,056	6,439	6,545	6,921	6,463	6,623	6,499
<b>Bay Moves</b>	1,518	1,604	1,424	1,558	2,015	1,672	1,770	1,261	1,181	1,186	1,214	1,272	1,376
<b>River Moves</b>	421	354	374	426	425	384	330	235	282	427	427	431	515
<b>Total</b>	8,003	8,344	8,235	8,765	9,806	9,296	9,156	7,935	8,008	8,534	8,104	8,326	8,390

San Francisco Bar Pilots  
Ship Movements 2002 - 2014





**Exhibit (B-3)**  
**Pilotage Fees,**  
**Income 2006 - 2014**



San Francisco Bar Pilots  
2006 -2014

	2006	2007	2008	2009	2010	2011	2012	2013	2014
Total Pilotage Fees	39,264,873	37,523,239	37,330,873	34,071,805	34,456,762	37,281,993	36,341,646	38,276,060	39,754,055
Sea Marshal & Other Income	144,820	227,618	86,558	277,376	123,360	108,835	316,305	125,906	114,059
Total Revenues	39,409,693	37,750,857	37,417,431	34,349,181	34,580,122	37,390,828	36,657,951	38,401,966	39,868,114
Total Expenses	9,915,852	10,791,628	11,603,536	10,209,794	12,713,873	12,409,407	13,549,692	13,433,715	13,211,539
Net Income	29,493,841	26,959,229	25,813,895	24,139,387	21,866,249	24,981,421	23,108,259	24,968,251	26,656,575
Average Net Income Per Pilot	491,892	450,673	451,450	427,153	393,207	451,336	405,266	429,155	453,766





## **Exhibit (C)**

# **Findings and Recommendations of the Board of Pilot Commissioners in Response to the 2011 Rate Petitions of PMSA and SFBP**



**BEFORE THE BOARD OF PILOT COMMISSIONERS FOR THE  
BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN**

In re Petitions of the PACIFIC MERCHANT )  
SHIPPING ASSOCIATION and the )  
SAN FRANCISCO BAR PILOTS for an )  
Adjustment of Pilotage Rates under Harbors )  
and Navigation Code sections 1200-1203. )  
\_\_\_\_\_ )

**FINDINGS AND  
RECOMMENDATIONS**

**FINDINGS**

1. On February 11, 2011, the Pacific Merchant Shipping Association (PMSA) and the San Francisco Bar Pilots (SFBP) filed separate petitions for adjustment of pilotage rates under the provisions of sections 1200 through 1203 of the Harbors and Navigation Code. On February 18, 2011, in compliance with the notice requirements of Harbors and Navigation Code section 1201 and section 236(b) of its regulations,<sup>1</sup> the Board of Pilot Commissioners set April 6, 2011, as the date for a public hearing to obtain information and data relating to the issues raised in the petitions.

2. PMSA and SFBP submitted written evidence in support of their respective petitions and written evidence responding to each other's petitions within the time limits set forth in section 1201.5.

3. The Board's president convened a pre-hearing conference with the parties, as authorized by section 236(g), which was held on March 29, 2011. At that conference, the Board president requested submission of additional evidence as permitted by section 236(j).

4. Prior to the hearing, the Board, in compliance with section 236(e), was provided with copies of the audited annual financial statements for 2009 and 2010 of the San Francisco Bar Pilots and the San Francisco Bar Pilots Benevolent and Protective Association.

5. The public hearing to obtain information and data relating to the issues raised in the petitions commenced on April 6, 2011, and concluded on April 8, 2011. The hearing was conducted in accordance with the Bagley-Keene Open Meeting Act, and the proceedings were recorded by a certified shorthand reporter.

6. On April 28, 2011, following submission of closing briefs by PMSA and SFBP, the Board met to deliberate concerning what pilotage rate changes, if any, it should recommend to the Legislature, given the evidence before it. Members of the Board considered each of the

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<sup>1</sup> All references to sections 1201, 1201.5, 1202, or 1203 are to those sections of the Harbors and Navigation Code, unless otherwise specified. All references to section 236 are to section 236 of the Board's regulations (Cal. Code Regs., tit. 7, § 236), unless otherwise specified.

factors in section 1203 and section 236(f). The meeting was conducted in accordance with the Bagley-Keene Open Meeting Act and was recorded by a certified shorthand reporter. The Board voted on five different rate proposals, declining to recommend approval of two of the proposals—the ones submitted by SFBP and PMSA—and voting to recommend three others. The respective findings in support of each of those five votes are identified in Finding Nos. 8, 18, 23, 28, and 34 below. These findings reflect statements made by individual commissioners on the prevailing side of a vote and supporting evidence in the record. Because, in casting their votes on the prevailing side, individual commissioners may not have shared identical supporting reasons, individual findings may not reflect the unanimous view of all of the commissioners who were on the prevailing side.

### **Rate adjustments requested by SFBP**

7. The SFBP petition requested two surcharges, a transportation fee, additions to the Service Code and Charge Listing published by SFBP, and percentage increases in all rates, effective in 2014 and 2015, as follows:

(a) A fuel surcharge effective January 1, 2012, to cover fuel costs in operating pilot boats. The surcharge would cover the entire cost of fuel for the pilot boats, not just the cost of fuel over and above some base level of fuel cost. The surcharge would be calculated as follows: For the first quarter of 2012, a fuel surcharge mill rate would be obtained by dividing the actual fuel cost for the third quarter of 2011 by the total tonnage moved during that quarter. The mill rate thus obtained would be applied to the high gross registered tonnage of a vessel on all invoices for the first quarter of 2012. For the second quarter of 2012, the mill rate would be obtained by dividing the actual fuel cost for the fourth quarter of 2011 by the total tonnage moved during that quarter. Quarterly recalculation of the mill rate for subsequent quarters would continue in this way through the end of 2015.

(b) A rent surcharge effective January 1, 2012, to cover the amount of rent for that year set forth in the lease with the Port of San Francisco for SFBP's leased premises at the end of Pier 9 on the Embarcadero. The surcharge would cover the entire rental amount set forth in the lease, not just the rental cost over and above some base level of rent. The rent surcharge would be calculated as follows: For 2012, the rent surcharge mill rate would be obtained by dividing the 2012 rent provided for in the lease by the projected tonnage for 2012, which is the actual tonnage for 2010, totaling 310,651,138 tons. That mill rate would be applied to all invoices in 2012. Similar calculations would be made for 2013, 2014, and 2015, using the same actual 2010 tonnage figure as the projected tonnage for these years.

(c) A transportation fee would be charged for each vessel move to cover costs of returning pilots to their cars or the pilot office after completing a vessel move. The fee would be \$87.75 per vessel move in 2013, \$89.51 per vessel move in 2014, and \$91.30 per vessel move in 2015.

(d) Four new charges would be added to the Service Code and Charge Listing for ship movements or special operations, under Harbors and Navigation Code section 1191, as follows:

Code 892 IP, Additional Pilot, Pt. Blunt to Dock, 1/2 listed rates  
Code 892 OP, Additional Pilot, Dock to Pt. Blunt, 1/2 listed rates  
Code 815 TP, Two Pilot Requirement, double charge  
Code 841 CS, Cancel Service Less Than 8 Hours (Stockton/Sacramento), \$258

(e) A six-percent increase in the current rates per draft foot and per high gross registered ton imposed by Harbors and Navigation Code section 1190, effective January 1, 2014, and a further six-percent increase to those rates, effective January 1, 2015.

(f) A six-percent increase in the Service Code and Charge Listing as published by the SFBP, effective January 1, 2014, and an additional six-percent increase, effective January 1, 2015.

8. The Board declined to recommend approval of the rate adjustments proposed by the San Francisco Bar Pilots, as submitted, by a vote of four votes against the proposal, two votes in favor. Finding Nos. 9 through 16 below set forth the reasons for the rejection of SFBP's proposed rate adjustments, as submitted.

9. Neither the proposed fuel surcharge nor the proposed rent surcharge is a surcharge in the usual sense. Normally, surcharges are charges that apply above a certain base level of expense. These proposed charges encompass the entire cost of the expense item, starting with the first dollar of expense. Both surcharges would require shipping companies to bear the entire amount of these expenses, thereby removing any incentive for the SFBP to control these costs.

10. A proliferation of surcharges is bad policy. Surcharges or special fees for the normal expenses of a business that are either well known in advance or determinable within reasonable limits, such as rent or transportation, are just part of the mix of business expenses, and to the extent possible should be controlled by the owners of the business to maximize efficiency and net return. Surcharges for the entirety of those items shift all of the business risk associated with them to the rate-payers, who have no ability to intervene to control costs passed through to them.

11. The two proposed surcharges are unlike the pilot-vessel surcharge authorized by Harbors and Navigation Code section 1190(a)(1)(B), which funds acquisition of new pilot boats and the cost of design and engineering modifications for the purposes of extending the service life of existing pilot boats, excluding the costs of repair or maintenance. Such purchases and upgrades are infrequent events with large price tags. Further, shippers participate directly during the design phase and the open public process whereby the Board authorizes construction. The process is transparent. Industry has a voice.

12. The several surcharges mandated by statute relate to the duties of the Board of Pilot Commissioners and are not part of the business of SFBP, other than the pilot-vessel surcharge, and, for a brief period, the now-expired navigation-technology surcharge—another non-recurring, special-circumstance surcharge approved by the Legislature with the shippers' concurrence.

13. The proposed fuel surcharge is a more difficult case. The cost of fuel is a significant expense in the overall cost of providing pilotage service, is highly variable, and is largely beyond the control of the SFBP. There might be some savings to be had at the margin by reducing the speed at which the boats operate, or other operational modifications, but in the main, the cost of fuel is dictated by market conditions that cannot be controlled by either the pilots or by shippers. Fuel surcharges are common in other industries for similar reasons.

14. A major problem with the SFBP surcharge proposals and the proposed transportation fee is that they all start with the first dollar. With these new charges structured in that manner, the charges would cover not merely the marginal increase in expense experienced in recent years, but instead the entire expense. To the extent that the proposed new charges cover expenses that have been a part of the business mix for decades—rent, transportation, fuel—there is in fact a hidden generic rate increase. A generic rate increase may be justified, but it ought to be open and obvious—not hidden.

15. The proposals for the addition of four new charges in SFBP's Service Code and Charge Listing appear to be reasonable and in the public interest, both with respect to environmental and other public safety risks, and with respect to increasing the efficiency of maritime commerce on the waters within the Board's jurisdiction. With some clarifying modifications concerning when the charges apply, these changes appear appropriate.

16. With respect to the proposed six-percent across-the-board rate increases proposed for 2014 and 2015, some increase is justified, but the full increases requested seem excessive.

#### **Rate adjustments requested by PMSA**

17. The PMSA petition requested a percentage reduction in the bar pilotage mill rate established in section 1190 of the Harbors and Navigation Code, as follows:

- Minus 7.4 percent, effective January 1, 2012
- Minus 1.39 percent, effective January 1, 2013
- Minus 1.39 percent, effective January 1, 2014
- Minus 1.39 percent, effective January 1, 2015
- Minus 1.39 percent, effective January 1, 2016

18. The Board declined to recommend approval of the rate adjustments proposed by the Pacific Merchant Shipping Association, as submitted, by a vote of six votes against the proposal, none in favor. Finding Nos. 19 through 22 below set forth the reasons for the rejection of PMSA's proposed rate adjustments, as submitted.

19. The Board's responsibility is to assess the economic environment as it exists today, not the economic environment that existed nine years ago when the Board last authorized an adjustment in rates. The Board is not bound by assumptions used by the Board in 2002, either as to future shipping calls or that Board's apparent assumption that future levels of gross registered tonnage would remain "flat." Nor is the Board bound by any "trend line" for appropriate increases in pilot net income that may have been contemplated by the Board in 2002.

20. This Board must make its own present-day assessments and predictions regarding future shipping traffic across the bar and in the bay and its tributaries, and regarding the future costs of providing pilotage service.

21. Similarly, this Board must make its own present-day judgments concerning pilot compensation, given the evidence available to it in this proceeding.

22. PMSA's proposal focused predominantly on the Board's 2002 rate decision and the assumptions that may have motivated it. PMSA devoted relatively little attention to the factors listed in section 1203 and section 236(f) that the Board is to consider in preparing a recommendation to the Legislature. Based on the evidence presented to it in this proceeding, this Board does not believe that the rate rollback requested by PMSA is warranted.

#### **Other rate adjustments considered by the Board**

23. By a vote of six in favor, none against, the Board approved a recommendation that the Legislature adopt a fuel surcharge, effective January 1, 2012. The surcharge would be based on a benchmark per-gallon cost for California No. 2 Diesel Ultra Low Sulfur fuel (0-15 parts per million). If the average per-gallon cost to SFBP during a defined three-month period exceeded the benchmark per-gallon cost, the excess per-gallon cost over the benchmark figure, multiplied by gallons purchased, would be recoverable in the succeeding quarter on a per-move basis, with each vessel piloted paying the same amount as a fuel surcharge. The recoverable excess cost would be divided by total vessel moves by pilots during the same defined three-month period to get the cost per vessel to be charged in the succeeding quarter. The recommended fuel surcharge is described in more detail in Recommendation No. 1 below. Finding Nos. 24 through 27 below set forth the reasons for adoption of this fuel surcharge recommendation.

24. The cost of providing fuel to SFBP's five pilot boats is a significant element of SFBP's expenses and has recently increased sharply.

25. The cost of fuel is volatile and difficult to predict.

26. The level of fuel use and its consequent cost are largely beyond the ability of SFBP to control. There might be some savings to be had at the margin by reducing the speed at which the boats operate, or other operational modifications, but in the main, the cost of fuel is dictated by market conditions that cannot be controlled by either the pilots or shippers. Fuel surcharges are common in other industries for similar reasons, and they are appropriate here.

27. In response to the foregoing factors, it is appropriate to authorize a fuel surcharge to be recalculated for each quarter and charged and collected only in those circumstances where average per-gallon fuel costs exceed the benchmark per-gallon price.

28. By a vote of five in favor, one against, the Board approved a recommendation to add, effective January 1, 2012, four charges to those authorized by Harbors and Navigation Code section 1191. Two of the charges involve a charge equal to 50 percent of the mill rate under

Harbors and Navigation Code section 1190 where considerations of safety require that an additional pilot board the vessel within the bay to bring a vessel to or from the dock. A third charge involves a doubling of the charge for bay and river moves not covered by bar pilotage rates, again where considerations of safety require use of an additional pilot. The fourth charge sets the minimum time at eight hours for cancellation of requested services for vessel departures from the Ports of Sacramento and Stockton. These recommended charges are described in more detail in Recommendation No. 2 below. Finding Nos. 29 through 33 below set forth the reasons for adoption of this recommendation.

29. Considerations of safety may require that an additional pilot be used in the navigation of a vessel in transit or in its docking or departure from a dock. Such safety concerns may arise because the size or configuration of the vessel may limit visibility from the bridge or cause difficulties in handling, particularly in confined or shallow waters. Safety considerations may also be associated with the approaches to the dock or visibility restrictions caused by conditions of fog, weather, or darkness. Finally, the nature of the cargo may involve the need for an additional pilot to provide an additional margin of safety.

30. An additional pilot may need to board a vessel within the bay to help pilot it to or from a dock if the vessel is one of the new class of "mega-vessels" that may visit the bay in the future. The length and width of these vessels would closely approach the limiting sizes of channels and turning basins in the bay, particularly in the Port of Oakland. These close tolerances, together with visibility and handling difficulties associated with these vessels, require more precise navigational aids and may require an additional pilot. Simulations at the California Maritime Academy have been conducted at the request of the Port of Oakland to assess whether such vessels can be piloted safely within the bay. It was determined that such vessels can be piloted safely within the bay with the use of specialized aids to navigation and the services of an additional pilot on board.

31. River moves at night of certain vessels, particularly vessels carrying hazardous cargoes, such as anhydrous ammonia, may be conducted with safety, but only if a second pilot is used for the transit. In such situations, the second pilot would be on board for the entirety of a given segment of the transit for which a separate rate has been approved under section 1191 of the Harbors and Navigation Code. Accordingly, the rate would be doubled to reflect the presence of a second pilot for the entire segment. The doubled rate would not apply to bar pilotage mill rate established in section 1190.

32. The justifications for a second pilot that are set forth in Finding Nos. 29 through 31 are not the only situations in which a second pilot might be used, but they were mentioned as likely examples during testimony at the hearing.

33. Late cancellations of vessel departures from the Ports of Sacramento and Stockton are more costly than cancelled departures downriver from those ports or in the bay in terms of time lost and unnecessary travel expenses incurred by pilots, who must begin travel to those distant locations hours before the scheduled departure. Presently a late-cancellation charge is made for all cancellations when the cancellation occurs later than four hours prior to departure, regardless of point of departure. Establishing a separate minimum time of eight hours for cancellation of



departures from the Ports of Sacramento and Stockton will encourage shipping companies to give sufficient notice to avoid this expense and inconvenience to the pilots.

34. By a vote of five in favor and one against, the Board approved a recommendation that the rates under both Harbors and Navigation Code section 1190, subdivision (a)(1) and Harbors and Navigation Code section 1191 be increased in four annual increments of 1.5 percent each on January 1 of 2012, 2013, 2014, and 2015. These recommended rate adjustments are described in more detail in Recommendation Nos. 4 and 5 below. Finding Nos. 35 through 43 below set forth the reasons for adoption of this recommendation.

35. On average SFBP's costs have increased at a steady rate since the last rate adjustment in 2002 and can be expected to continue on that trend into the future. While there has been a significant rent increase for the office space occupied by SFBP at the end of Pier 9, that space is appropriate to SFBP's needs, as opposed to the shortcomings of alternative space considered by the pilots prior to their recent renewal of the lease with the Port of San Francisco. It makes sense to have the small office staff co-located with the pilot boats.

36. Concerning whether the net return to pilots is sufficient to attract and hold qualified pilots, the goal, given the unique and challenging navigational environment in which the pilots operate, is to attract the best pilots available, not simply those candidates who meet minimum requirements.

37. Since the last rate hearing in 2002, the Consumer Price Index has increased at an annual rate of between 2.2 percent (San Francisco-Oakland-San Jose Area) and 2.5 percent (West Region Area).

38. When compared to pilotage charges for other ports deemed comparable under section 236(f)(4), the current rates for the pilotage grounds served by the SFBP are "in the middle of the pack," neither the highest nor the lowest.

39. Similarly, the net income of the local pilots, compared to income levels for pilots of the comparable ports for which information was available, is again about in the middle, neither the highest nor the lowest. Concededly, there may be differences among the different pilot groups concerning the composition of their total compensation package and the expenses that are or are not borne by the pilots themselves, but there was no evidence that any such differences so skewed the income figures being compared as to render the comparison meaningless.

40. Concerning possible impacts of any rate adjustments on local shipping, there was no significant evidence that there would be diversion of ship traffic away from the Bay Area as a result of the rate increases under consideration. The preponderance of the evidence was to the contrary.

41. The volume of future ship traffic, both in terms of vessel calls and the gross registered tonnage of individual vessels—both of which have a direct effect on pilot net income—are difficult to predict. SFBP predicted that aggregate gross registered tonnage would remain at or about current levels for the next four or five years, while PMSA predicted a steady increase. The

PMSA prediction is more consistent with historical trends. It is likely that, given the gradual recovery from the recession and the recent statistics concerning bar crossings, that aggregate gross registered tonnage will gradually increase over the period covered by the recommended rate adjustments. Paired with the modest increase in rates recommended here, the increased shipping volume should produce an appropriate net income for the pilots.

42. Concerning the number of pilots available, 60 pilots have been authorized by the Board. The current number of pilots is 55, two of whom, the Port Agent and the Operations Pilot, are not themselves piloting vessels. Given the number of pilot trainees currently in the training program, the Board expects that the number of pilots will reach 60 within the next several years.

43. Those choosing to become pilots incur significant economic and career risks in addition to the physical risk that is inherent in the job. Among those risks are the following:

(a) There has been a significant increase in medical oversight as a result of legislation enacted in 2008, and that is likely to be further increased with the contemplated adoption of physical and mental fitness standards for pilots.

(b) Following the *COSCO BUSAN* incident, pilots are now faced with possible criminal prosecution for perceived misconduct.

(c) Economically, trainee applicants incur significant risk by abandoning their prior maritime employment and entering a one-to-three-year training program at substantially less income, not knowing if they will complete the program successfully and become licensed as a pilot.

(d) Newer vessels are larger and more difficult to pilot in the bay's confined channels and difficult currents, thereby increasing a pilot's exposure to liability.

These factors may be impediments to persons considering a career as a pilot in the Bay Area, and pilot income has to be high enough to overcome any reservations about such a career change, so as to attract the best available potential candidates to the training program.

## RECOMMENDATIONS

1. The Board of Pilot Commissioners recommends approval of a fuel surcharge for all vessel moves by the San Francisco Bar Pilots. The surcharge would be effective January 1, 2012, and would be calculated and collected as follows:

(a) The benchmark price for California No. 2 Diesel Ultra Low Sulfur fuel (0-15 parts per million) will be set at \$2.75 per U.S. gallon, inclusive of tax, if any, paid by the San Francisco Bar Pilots.

(b) By December 5, March 5, June 5, and September 5 of each year, the SFBP shall provide the Board an accounting of (1) total gallons of fuel purchased for the exclusive use of the pilot boats during the three months that precede, respectively, December, March,

June, and September, (2) the average per-gallon price of that fuel, and (3) total vessel moves during the same three-month period. The first such accounting shall be due by December 5, 2011.

(c) For the purpose of this surcharge, the average price per gallon shall be the price paid by the SFBP, inclusive of tax, if any.

(d) If the average price paid per gallon for any three-month period exceeds the benchmark price, a fuel surcharge will be charged and collected for the appropriate quarter beginning January 1, April 1, July 1, and October 1.

(e) The total dollar amount subject to recovery by the surcharge will be obtained by subtracting \$2.75 from the average price per gallon paid over the three-month period, then multiplying the resulting figure by the total gallons of fuel purchased during the three-month period.

(f) The surcharge to be charged each vessel shall be obtained by dividing the total dollar amount subject to recovery by the surcharge by the total vessel moves during the three-month period.

(g) Annually, prior to April 1, the fuel surcharges for the previous calendar year ending December 31 shall be reconciled to ensure that the total surcharges collected for the year were not more or less in amount than those calculated in the manner set forth above. Any differential, positive or negative, shall be subtracted from or added to, as appropriate, the total dollar amount subject to recovery by the surcharge for the quarter beginning April 1.

2. The Board of Pilot Commissioners recommends the addition, effective January 1, 2012, of four new charges to the Schedule of Pilotage Rates for Ship Movements or Special Operations that are authorized by subdivision (a) of Harbors and Navigation Code section 1191 and that are restated in the Service Code and Charge Listing published by San Francisco Bar Pilots, as follows:

(a) Code 892 IP. When, because of safety considerations, an additional pilot is required between Pt. Blunt and the dock, the charge for the additional pilot shall be one-half the rate under subdivision (a)(1) of Harbors and Navigation Code section 1190.

(b) Code 892 OP. When, because of safety considerations, an additional pilot is required between the dock and Pt. Blunt, the charge for the additional pilot shall be one-half the rate under subdivision (a)(1) of Harbors and Navigation Code section 1190.

(c) Code 815 TP. When, because of safety considerations, two pilots are required in areas subject to rates prescribed under Harbors and Navigation Code section 1191, the charge shall be double the rate under Harbors and Navigation Code section 1191.

(d) Code 841 CS. If a requested departure from the Port of Sacramento or the Port of Stockton is canceled less than eight hours prior to the scheduled time for the move, the charge shall be \$262.

3. The Board of Pilot Commissioners recommends that the Legislature adopt the restatement of the Schedule of Pilotage Rates for Ship Movements or Special Operations, amended to include the four new charges set forth in Recommendation No. 2, that is attached as Appendix 1.

4. The Board of Pilot Commissioners recommends that the draft-foot and mill rates for bar pilotage in effect under subdivision (a)(1) of Harbors and Navigation Code section 1190, unaffected by adjustments under subdivision (a)(1)(A) of section 1190, be increased as follows: those rates that are in effect on December 31, 2011, shall be increased by 1.5 percent on January 1, 2012; those that are in effect on December 31, 2012, shall be increased by 1.5 percent on January 1, 2013; those that are in effect on December 31, 2013, shall be increased by 1.5 percent on January 1, 2014; and those that are in effect on December 31, 2014, shall be increased by 1.5 percent on January 1, 2015.

5. The Board of Pilot Commissioners recommends that the minimum rates for ship movements and special operations in effect under section 1191 of the Harbors and Navigation Code be increased as follows: those rates that are in effect on December 31, 2011, shall be increased by 1.5 percent on January 1, 2012; those that are in effect on December 31, 2012, shall be increased by 1.5 percent on January 1, 2013; those that are in effect on December 31, 2013, shall be increased by 1.5 percent on January 1, 2014; and those that are in effect on December 31, 2014, shall be increased by 1.5 percent on January 1, 2015.

6. Section 1122 of the Harbors and Navigation Code provides for a charge against the owner, operator, or agents of any vessel that carries a pilot to sea against his will or unnecessarily detains a pilot when a pilot vessel is standing by to receive the pilot. Past legislative approval of increases in this charge have been incorporated into the Schedule of Pilotage Rates for Ship Movements or Special Operations provided for under subdivision (a) of section 1191 of the Harbors and Navigation Code. In Recommendation No. 5 above, the Board recommends annual increases to this and other charges beginning January 1, 2012. The increase in this particular charge more properly belongs in section 1122. Accordingly, the Board recommends that the successive 1.5-percent annual increases in this charge that are provided for in Recommendation No. 5 be accomplished by amendment of Harbors and Navigation Code section 1122.

DATED:

May 25, 2011

  
K. MICHAEL MILLER  
President of the Board

# APPENDIX 1

## SCHEDULE OF PILOTAGE RATES FOR SHIP MOVEMENTS OR SPECIAL OPERATIONS

Pilotage Grounds for the Bays of San Francisco, San Pablo, and Suisun

Harbors and Navigation Code section 1191(a)

CODE	SERVICE AND CHARGE DESCRIPTION	CHARGE	
	<b>ADDITIONAL CHARGES TO INBOUND / OUTBOUND SHIP MOVEMENTS</b>		
892 IP	ADDITIONAL PILOT, Pt. BLUNT TO DOCK due to safety considerations	50% of Sec. 1190(a) rates	
892 OP	ADDITIONAL PILOT, DOCK TO Pt. BLUNT due to safety considerations	50% of Sec. 1190(a) rates	
617 SC	BETWEEN HUNTERS POINT AND SOUTH		\$1,515
618 SC	BETWEEN UNION PACIFIC RAILROAD BRIDGE - AVON, MARTINEZ TERMINAL		\$1,131
619 SC	BETWEEN UNION PACIFIC RAILROAD BRIDGE - PORT CHICAGO		\$1,344
620 SC	BETWEEN UNION PACIFIC RAILROAD BRIDGE - PITTSBURG		\$1,575
621 SC	BETWEEN UNION PACIFIC RAILROAD BRIDGE - ANTIOCH		\$1,704
622 SC	BETWEEN UNION PACIFIC RAILROAD BRIDGE - SACRAMENTO OR STOCKTON		\$3,208
	<b>BAY AND / OR RIVER MOVES / SHIP SHIFTING CHARGES</b>		
	<b>(BM = BAY / RIVER MOVE; BA = FLAT TOW)</b>	<b>BM</b>	<b>BA</b>
601 BM (BA)	SAN FRANCISCO (SOUTH OF NORTH END T. I.) TO HUNTERS POINT	\$871	\$1,742
602 BM (BA)	SAN FRANCISCO AREA TO RICHMOND, PT. SAN PABLO	\$1,003	\$2,006
603 BM (BA)	SAN FRANCISCO AREA TO SOUTH OF HUNTERS POINT	\$1,515	\$3,030
604 BM (BA)	SAN FRANCISCO AREA TO SEQUOIA, OLEUM	\$1,345	\$2,690
605 BM (BA)	SAN FRANCISCO AREA TO AVON, MARTINEZ TERMINAL	\$1,575	\$3,150
606 BM (BA)	BETWEEN OLEUM, UNION PACIFIC RAILROAD BRIDGE AND AVON	\$1,131	\$2,262
607 BM (BA)	BETWEEN AVON, PORT CHICAGO AND PITTSBURG	\$1,190	\$2,380
608 BM (BA)	SAN FRANCISCO AREA TO NORTH EXTREMITY SUISUN BAY	\$2,113	\$4,226
609 BM (BA)	SAN FRANCISCO AREA TO MARE ISLAND, VALLEJO, MARTINEZ, BENICIA	\$1,453	\$2,906
610 BM (BA)	BETWEEN SEQUOIA, OLEUM, MARE ISLAND AND UNION PACIFIC RAILROAD BRIDGE	\$1,158	\$2,316
611 BM (BA)	BETWEEN OLEUM, UNION PACIFIC RAILROAD BRIDGE AND NORTH SUISUN BAY	\$1,575	\$3,150
615 BM (BA)	SAN FRANCISCO AREA TO PORT CHICAGO	\$1,846	\$3,692
616 BM (BA)	BETWEEN OLEUM, UNION PACIFIC RAILROAD BRIDGE AND PORT CHICAGO	\$1,345	\$2,690
623 BM (BA)	BETWEEN SAN FRANCISCO AND SACRAMENTO	\$3,539	\$7,078
624 BM (BA)	BETWEEN SAN FRANCISCO AND STOCKTON	\$3,539	\$7,078
625 BM (BA)	SACRAMENTO TO STOCKTON	\$3,539	\$7,078
626 BM (BA)	STOCKTON TO SACRAMENTO	\$3,539	\$7,078
627 BM (BA)	SHIFTING AT SACRAMENTO OR STOCKTON	\$1,131	\$2,262
628 BM (BA)	SAN FRANCISCO AREA AND ANTIOCH	\$2,224	\$4,448
629 BM (BA)	BETWEEN OLEUM, UNION PACIFIC RAILROAD BRIDGE AND ANTIOCH	\$1,696	\$3,392
630 BM (BA)	BETWEEN OLEUM, UNION PACIFIC RAILROAD BRIDGE AND SACRAMENTO / STOCKTON	\$3,208	\$6,416
631 BM (BA)	BETWEEN AVON, PORT CHICAGO AND ANTIOCH	\$1,322	\$2,644
632 BM (BA)	BETWEEN AVON, PORT CHICAGO AND SACTO / STOCKTON	\$2,503	\$5,006
633 BM (BA)	BETWEEN PITTSBURG, ANTIOCH AND SACTO / STOCKTON	\$2,035	\$4,070
895SC	<b>ADDITIONAL VESSEL LENGTH CHARGES TO BAY AND / OR RIVER MOVES / SHIP SHIFTING CHARGES</b>		
Length in Feet			
600 - 624	A Base Bay or River Move Rate Plus	14%	
625 - 649	B 114% of Base Bay or River Rate Plus	4%	
650 - 674	C Sum of B Above Plus	4%	
675 - 699	D Sum of C Above Plus	4%	
700 and above	E Additional 4% Added for Each Increment of 25 Feet, Computed to the Nearest 25 Feet Level Below the Actual Length of the Vessel	4%	

# APPENDIX 1

## SCHEDULE OF PILOTAGE RATES FOR SHIP MOVEMENTS OR SPECIAL OPERATIONS

Pilotage Grounds for the Bays of San Francisco, San Pablo, and Suisun

Harbors and Navigation Code section 1191(a)

	MISCELLANEOUS SHIP MOVEMENT AND SPECIAL OPERATION CHARGES (BA = FLAT TOW) - The charges in column BA are computed as double standard for all dead ship or flat tow pilotage	BM	BA
815 TP	TWO PILOTS REQUIREMENT due to safety considerations	100% of Sec. 1191(a) rates	
817 DD	DOCK TO DOCK, EXCLUDING ABOVE ANTIOCH	\$431	\$862
818 AD	DOCK STERN-IN OR DOWN-TIDE (BM/BA) - There will be an additional charge equal to the greater of 14% of the base charge for the vessel movement or \$103 (if BM) or \$206 (if BA).		
821 AD	ADJUST COMPASS, RDF, RADAR - 1 SWING	\$1,006	
822 AD	ADJUST COMPASS, RDF, RADAR - 2 SWINGS	\$1,190	
831 SB	STANDBY TIME PER HOUR, charged in ¼ hour increments	\$214	
840 CP	CANCEL SERVICE WITH LESS THAN 4 HOURS NOTICE	\$262	
841 CN	CANCEL SERVICE AFTER PILOT REPORTS	\$536	
841 CS	CANCEL SERVICE REQUEST WITH LESS THAN 8 HOURS NOTICE; from Stockton or Sacramento	\$262	
845 EX	PILOT ON BOARD EXCESS 8 HOURS, PER HOUR	\$357	
851 ET	ENGINE OR DOCK TRIALS, PER HOUR	\$536	
853 AN	ANCHORING AFTER DEPARTURE	\$319	\$638
871 DT	DELAY ENROUTE, INCLUDING VTS ORDERED, PER HOUR Charged in ½ hour increments, 1 hour minimum	\$416	

## **Exhibit (D)**

**Update on Port Operations Issued by  
Port of Oakland, Maritime in  
Connections with ILWU and PMA  
Contract Negotiations through 2/26/15**







Documents

- > [FAQs \(PDF\)](#)
- > [February 4, 2015 - Port of Oakland Statement](#)
- > [November 24, 2014 - Port of Oakland Statement](#)
- > [Feinstein, Boxer Letter on California Ports](#)
- > [Letter from U.S. West Coast Port Directors to PMA and ILWU Urging Quick Resolution to Labor Negotiations \(PDF\)](#)
- > [PMA Calls for Federal Mediation in West Coast Longshore Negotiations \(PDF\)](#)
- > [National Retail Federation Call on President to Engage in West Coast Ports Contract Dispute](#)
- > [February 19, 2015 - SF Chronicle Editorial \(PDF\)](#)
- > [February 10, 2015 - SF Chronicle Editorial](#)
- > [December 26, 2014 - SF Chronicle Editorial](#)
- > [Seattle Times Editorial \(PDF\)](#)
- > [How We Got Here](#)
- > [Economic and Job Impacts](#)

**Thirteen ships await berths; lowest number in February**  
Last updated February 26, 9:40 a.m. PST

Port of Oakland marine terminals are open and fully operational today. Eleven vessels are at berth. Thirteen are anchored in San Francisco Bay or holding station outside the Golden Gate awaiting berths. This is the lowest number of vessels waiting for berths at the Port of Oakland in the month of February. Truck traffic is light-to-moderate at terminal gates.

**Terminals open and fully operational February 25**  
Last updated February 25, 9 a.m. PST

Marine terminals are open and fully operational today at the Port of Oakland. Ten vessels are at berth. Fifteen others await berths. All requests for longshore labor have been filled. Truck traffic is light at all terminal gates except Ports America Outer Harbor.

**Full operations at Port of Oakland Feb. 24**  
Last updated February 24, 9:15 a.m.

The Port of Oakland reports full operations today at its five marine terminals. Nine vessels are at berth. Seventeen are anchored in San Francisco Bay or holding station outside the Golden Gate awaiting berths. A full complement of longshore labor has reported for duty. Truck traffic is light at all terminal gates.

**Full night operations Feb. 23**  
Last updated February 23, 9:15 p.m. PST

Full operations are underway at the Port of Oakland on the evening shift. Eight vessels are being loaded and unloaded. No disruptions reported.

**Marine terminals open at Port of Oakland Feb. 23 day shift**  
Port of Oakland marine terminals are open this morning. Nine vessels are at berth and 18 are awaiting berths. Labor orders have filled for yard and gate operations. Vessel operations are limited due to a temporary shortage of experienced crane operators. Full operations are scheduled to resume on the night shift. Truck traffic is light at all terminal gates except TraPac.

**Vessel operations resume at Port of Oakland on Feb. 22 night shift**  
Last updated February 22, 8:17 p.m. PST

Vessel operations have resumed this evening at the Port of Oakland. Five vessels are being loaded and unloaded. Another three are scheduled for operations. Some requested jobs have gone unfilled.

**Statement on suspension of day shift operations Feb. 22**  
Last updated February 22, 3:17 p.m. PST

The Pacific Maritime Association today released the following statement: "An area arbitrator today ruled that longshoremen affiliated with Local 10 of the International Longshore and Warehouse Union (ILWU) conducted illegal work stoppages at the Port of Oakland, resulting in port operations being shut down during today's day shift. Employers have ordered labor for the night shift. "The Pacific Maritime Association will continue to address any future work stoppages by Local 10 through the grievance and arbitration process, and, if necessary, in court."

**Operations suspended during Feb. 22 day shift**  
Last updated February 22, 3 p.m. PST

Work resumed at the Port of Oakland Saturday night Feb. 21. It continued Sunday morning but then was suspended for the remainder of the day shift. The issue is a labor-management dispute over break time. Labor has been requested for the Sunday night shift Feb. 22. It remains to be seen if the labor request will be filled or if operations will resume. Vessel operations - with one or two exceptions - will be suspended again Monday, Feb. 23. It's hoped that the dispute will be settled in arbitration Monday, Feb. 23.

**Vessel operations expected to resume**  
Last updated February 21, 12:15 p.m. PST

Vessel operations are scheduled to resume tonight, Feb. 21, at the Port of Oakland, following the Feb. 20 announcement of a tentative settlement in the nine-month-long negotiations over a new West Coast waterfront labor contract. There are 11 vessels at berth at the Port today and 16 awaiting berths.

Resources

**Port of Oakland Marine Terminals and Operators**

- > [Ben E. Nutter Terminal \(STS/Evergreen\) \(510\) 645-2400](#)
- > [Matson Terminal \(510\) 272-2010](#)
- > [Oakland International Container Terminal \(SSA\) \(510\) 238-4400](#)
- > [Ports America Outer Harbor Terminal \(510\) 464-8600](#)
- > [Trapac Terminal \(510\) 286-8600](#)

**Other Business Partners**

- > [BNSF Railway \(510\) 268-3543](#)
- > [Union Pacific Railroad \(510\) 891-7669](#)
- > [Pacific Maritime Association \(415\) 576-3200](#)
- > [International Longshore and Warehouse Union \(ILWU\) \(415\) 775-0533](#)
- > [US Coast Guard \(510\) 772-8865](#)
- > [US Customs and Border Protection \(415\) 744-1530 Ext. 237](#)

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**Port of Oakland applauds contract settlement**

Last updated February 20, 7:15 p.m.

The Port of Oakland this evening applauded the tentative agreement of a new longshore labor contract for the West Coast waterfront. At the same time, it called for efforts to accelerate the movement of global container trade.

"We are pleased that an agreement has been reached," said Chris Lytle, the Port's Executive Director. "Now it's time for all sides to pull together and get cargo moving with the speed our importers and exporters need."

The Port praised the efforts of U.S. Secretary of Labor Thomas Perez, California Gov. Edmund Brown Jr, its congressional delegation and Oakland Mayor Libby Schaaf. It credited their intervention with accelerating a final resolution.

Tentative agreement on a new 5-year contract between waterfront employers, represented by the Pacific Maritime Association, and the International Longshore and Warehouse Union (ILWU) was announced this evening. The two sides had worked without a contract since last July, their impasse slowing containerized freight operations from Seattle to Southern California. Once finalized, the contract will cover 29 U.S. West Coast Ports. It awaits union ratification.

The Port of Oakland has prepared a status update on what the settlement means and how long it will take to clear out the cargo backlog that has developed at all major West Coast ports. To see the update, continue reading.

The Port of Oakland did not participate in the contract negotiations. As a landlord port, it leases facilities to marine terminal operators who employ longshore labor.

With a contract in place, the Port said its top priority is immediate resumption of uninterrupted cargo operations. It called on terminal operators, labor, truckers and ocean carriers to join forces and quickly restore productivity. "Shippers are looking to us to accelerate the flow of cargo," Mr. Lytle said. "We owe them our best effort."

**WHAT COMES NEXT?**

After more than nine months of negotiations, a tentative contract agreement has been reached on the West Coast waterfront. The Pacific Maritime Association and International Longshore and Warehouse Union announced their settlement the evening of Feb. 20. The contract covers 29 U.S. West Coast ports including the Port of Oakland. Here's a look at what the deal means for the maritime sector and global trade.

**THE CONTRACT**

Q: So this nine-month dispute is finally over?

A: Not quite. Union members must vote on the proposed contract. It's not certain yet when that vote will be taken.

Q: Will there be more slowdowns, stoppages and delays in the meantime?

A: Both labor and management will hopefully commit to full productivity at the ports while ratification of the contract is pending.

Q: Why did this take so long?

A: A number of issues were negotiated at length including labor jurisdiction, health and benefits, technology and arbitration.

Q: What are the highlights of the deal?

A: It's best to get that from the two negotiating parties. The Port of Oakland was not involved in the contract talks.

Q: What's the length of this contract?

A: Five years.

Q: Will it be more of the same at the next negotiation?

A: There's a history of challenging bargaining over waterfront contracts. The hope is that both sides will recognize the need to settle future contracts without further damaging the economy.

**RECOVERY**

Q: Now can the Port go back to normal?

A: It could take 6-to-8 weeks for Oakland and other West Coast ports to recover from the cargo backlog. Cargo movement should improve soon, but it will take time to restore full productivity.

Q: Why will it take so long to recover?

A: Ships, containers and chassis are all out of balance. They're not where they need to be to support cargo movement. Repositioning of these assets will take some time.

Q: What's the Port of Oakland going to do to expedite cargo movement?

A: We've already instituted a number of extraordinary measures. These include: weekend gates, express lanes, additional truck parking and daily status reports for shippers. We will work now with marine terminals, truck drivers and shipping lines on additional issues including chassis availability, demurrage charges and appointment systems.

Q: Will containers continue to be stranded for days and weeks inside the Port?

A: Terminal operators will develop plans to expedite the release of cargo. Once productivity is restored at the terminals and chassis and containers are back in full circulation, cargo delays should disappear.

Q: What about exports: will shippers be able to get their goods, especially perishables, on ships for foreign markets?

A: Export delays will disappear when shipping lines resume normal rotations. Some are omitting Oakland calls to compensate for significant delays after stopping in Southern California.

Q: What can cargo owners do to get their containers out of the Port?

A: They should contact the shipping line that transported their cargo or the marine terminal where it's awaiting release.

Q: Will we continue to see long lines of trucks at terminal gates?

A: Waiting times have declined significantly in the past month. Periodic traffic build-ups are likely while full productivity is being restored at the terminals.

Q: Can we expect more slowdowns and suspended operations while the contract awaits ratification?

A: Both negotiating parties will hopefully commit to full cooperation in assisting the full recovery of West Coast ports. That should help minimize disruptions and delays.

### **CURRENT PORT STATUS**

Q: What's the backlog at the Port of Oakland right now?

A: Thirteen vessels were at berth today and 16 were awaiting berths at the Port of Oakland. Those numbers should decline in coming days.

Q: What's the status of imports stored in marine terminals?

A: In some cases it could still take several days for imports to be released from terminals. Look for improvement soon now that a tentative agreement has been reached.

Q: What about exports – will they still be delayed in getting loaded to ships?

A: That situation will also improve as vessels that have bypassed Oakland to overcome schedule delays return to normal rotations.

Q: Will truckers still face long waits at terminal gates?

A: Depending on the time of day, wait times could still be extensive at several terminals. Best times are usually early mornings.

Q: Is the Port operating at full productivity?

A: No. The rate of movement on vessels and in container yards has declined over the past three months. That should improve now that the contract impasse has been resolved.

Q: Why were ships avoiding Oakland?

A: Vessels calling the U.S. West Coast stop first at the ports of Los Angeles and Long Beach. Because of significant delays there, some were bypassing Oakland, returning instead to Asia to make up lost time. That practice could end soon with announcement of a tentative contract agreement.

Q: What happens to Oakland cargo if vessels truncate voyages in Southern California?

A: It's discharged in Southern California and shipped via rail or truck to Oakland at additional cost.

Q: Is cargo volume increasing at the Port of Oakland?

A: It was. In 2014, the Port of Oakland set an all-time record for cargo volume. But volume declined 32% in January from the same period a year ago. Cargo volume has also declined at other major U.S. West Coast ports. Further declines are

expected for February when the latest statistics are released in mid-March. The decline is attributed to the nine-month contract dispute.

### **PORT OF OAKLAND'S ROLE**

Q: How could you let this contract dispute drag on for nine months?

A: The Port of Oakland was not part of the contract negotiations. The Port is a landlord, leasing facilities to marine terminal operators. Those operators hire longshore labor and negotiate contracts with the union.

Q: So you were powerless during this whole episode?

A: We had no authority to bring about a contract settlement. We did, however, advocate vigorously for a settlement and communicated continuously with the negotiators. We also worked closely with terminal operators, shippers and truckers to mitigate the effects of the dispute.

Q: If you're only the landlord, what can you do help restore normal operations at the Port?

A: We're already in discussions with the Port's stakeholders on new measures to expedite cargo flow and clear out the backlog. We're visiting other ports in search of new ideas. We're also stepping up communication to customers to help them restore their supply chains.

### **IMPACT OF THE DISPUTE**

Q: How much money did the Port of Oakland lose because of this dispute?

A: It's too soon to tell if there has been a financial impact. The real risk is jobs. If shippers divert cargo permanently away from U.S. West Coast ports, jobs will be at risk. More than 73,000 jobs depend on the Port of Oakland. A large number of those could be jeopardized if cargo owners choose alternative gateways.

Q: Why should shippers continue to use the Port of Oakland?

A: More than 85% of the imports routed through Oakland are for final destinations in Northern California. The Port of Oakland is the convenient gateway for that cargo. Likewise, for Bay Area and Central Valley exporters – Oakland is the best choice. The goal is to increase business through Oakland. The Port is gearing up with new developments that will make it the West Coast's leading transportation and logistics center. This will include warehousing, transloading, cold storage and grain transport. Oakland is also an improving intermodal cargo gateway with good rail connections to the U.S. interior.

Q: How do you keep faith with shippers who lost business and money because they couldn't get their cargo?

A: This is the top priority for the Port of Oakland. Service must improve. The Port must be easier to do business with. One-on-one meetings and customer forums help with understanding the needs of shippers. It's the Port's responsibility to meet those needs in collaboration with marine terminals, shipping lines and trucking companies.

### **Tentative contract settlement announced. Details to follow**

Last updated February 20, 6:25 p.m. PST

A tentative deal has been announced in the nine-month-long negotiations between the Pacific Maritime Association and International Longshore and Warehouse Union for a new West Coast waterfront contract. More details to follow.

### **Full operations resume at Port of Oakland Feb. 20**

Last updated February 20, 9:20 a.m. PST

Port of Oakland marine terminals resumed full operations this morning following a suspension of operations Feb. 19 for a labor meeting. Thirteen vessels are at berth today. Sixteen await berths. Truck traffic is heavy at the gates of Oakland International Container Terminal and Ports America Outer Harbor terminal. All requests for labor have been filled.

### **Labor secretary gives negotiating deadline**

Last updated Feb. 19, 10:15 p.m. PST

The U.S. Labor Secretary has given negotiators in the nine-month-old West Coast waterfront contract dispute a Friday, Feb. 20 deadline, according to the Associated Press. If no settlement is reached by then, according to the report, negotiators will be summoned to Washington, D.C. to continue bargaining. [click here](#)

### **Senators urge swift contract settlement**

Last updated February 19, 7 p.m. PST

In a letter to International Longshore and Warehouse President Robert McElrath and Pacific Maritime Association President and CEO James C. McKenna, senators Barbara

Boxer and Dianne Feinstein expressed their concern that despite a narrowing of differences, the parties have not been able to resolve the labor dispute because they cannot agree on the selection of an arbitrator. [click here](#)

#### **Labor meeting halts work at Port of Oakland marine terminals**

Last updated February 19, 9:15 a.m. PST

Port of Oakland marine terminal operations halted today as longshore workers took the day off for a union meeting. That means no gate, yard or vessel work on the 8 a.m. to 5 p.m. shift, the Port said. Vessel operations will stop on the evening shift as well under a month-old suspension of nighttime activity by terminal operators.

The decision not to work comes in the ninth month of contract negotiations between dockworkers and terminal operators at 29 West Coast ports. Full operations are expected to resume at the Port tomorrow, Feb. 20.

"The decision not to work is damaging to shippers who rely on the Port of Oakland to move their cargo, and to the thousands of people who depend on the Port for their livelihood," said Port Maritime Director John Driscoll. "Disruptions such as this one cripple our ability to support global trade and the economy of the Bay Area."

According to reports, the longshore union is taking the day off to conduct a monthly meeting. The meetings, known as "stop-work" meetings, have long been part of labor-management contracts at West Coast ports. Traditionally, however, those meetings have been held at night. Today's day-shift meeting coincides with the Port's peak period of activity.

The work stoppage means containers will not be loaded or unloaded on the 12 vessels at berth. It also precludes the release of import containers or acceptance of exports for overseas shipment.

#### **San Francisco Chronicle: port dispute has gone too long**

Last updated February 19, 7:45 a.m. PST

The San Francisco Chronicle says in an editorial today that the West Coast port contract dispute has gone on too long. It says that President Obama was right to involve U.S. Labor Secretary Tom Perez in the talks. It adds that shipping traffic numbers make clear that a slowdown is in effect at the ports. [click here](#)

#### **Labor Department statement on Feb. 18 meeting over port dispute:**

Last updated February 18, 7:30 p.m. PST

Labor Secretary Tom Perez today was joined by Commerce Secretary Penny Pritzker and Los Angeles Mayor Eric Garcetti for meetings with parties as they continue to work toward a resolution. The dispute continues to impact U.S. businesses and workers who are reliant on global supply chains. Secretaries Perez and Pritzker stressed the importance of reaching an immediate agreement before the dispute causes further economic damage. Global trade is vital to the strength of the U.S. economy, with exports of U.S. goods and services reaching a record \$2.35 trillion in 2014 and supporting 11.3 million American jobs. The administration will continue to work with both parties, in addition to business leaders, workers and elected officials as talks continue.

#### **West Coast governors urge settlement of waterfront contract dispute**

Last updated February 18, 2:25 p.m. PST

The governors of California, Oregon and Washington today called for a quick resolution of the contract impasse affecting West Coast seaports. "This impasse is disrupting international trade and jeopardizing thousands of jobs," California Gov. Edmund G. Brown Jr. said. "Get it done guys." [click here](#)

#### **Labor Dept. statement: Feb. 17 meetings on contract "positive and productive"**

Last updated February 18, 2 p.m. PST

Labor Secretary Tom Perez had positive and productive meetings with both parties of the West Coast Ports dispute, including leadership of the International Longshore and Warehouse Union and the Pacific Maritime Association. On behalf of President Obama, Secretary Perez made clear that the dispute has led to a very negative impact on the U.S. economy, and further delay risks tens of thousands of jobs and will cost American businesses hundreds of millions of dollars. While the parties have made tremendous progress, Secretary Perez stressed that it's imperative the parties come to an immediate agreement to prevent further damage to our economy and further pain for American workers and their employers. In addition to today's in-person meetings, Secretary Perez had calls with a number of state and local elected officials, including Governor Jay Inslee (D-WA), Governor Jerry Brown (D-CA), Los Angeles Mayor Eric Garcetti, Seattle Mayor Ed Murray, Long Beach Mayor Robert Garcia, Oakland Mayor Libby Schaaf, Tacoma Mayor Marilyn Strickland and San Francisco Mayor Ed Lee to discuss the impact of the ongoing dispute on their local, import-driven economies. Secretary Perez will continue to meet with both parties on Wednesday while continuing to regularly brief senior administration officials on the ongoing negotiations.



**Labor secretary to resume talks**

Last updated February 18, 1:20 p.m. PST

The Los Angeles Times reports that the U.S. Labor Secretary will resume talks in the San Francisco Bay Area today with both sides in the nine-month West Coast waterfront contract dispute. [click here](#)

**Marine terminals open, traffic light**

Last updated February 18, 9:30 a.m. PST

Port of Oakland marine terminals are open today. There are 10 vessels at berth and 17 awaiting berths. Requests for labor have been filled at all marine terminals. Truck traffic is light at terminal gates.

**Port of Oakland terminals open, vessel operations resume**

Last updated February 17, 11:50 a.m. PST

Port of Oakland marine terminals are open and fully operational. There are 11 vessels at berth and 19 awaiting berths. Vessel operations have resumed after West Coast terminal operators suspended them Feb. 14-16. Truck traffic at marine terminal gates is light. A full complement of labor reported for work on the waterfront.

**Port of Oakland cargo volume declined in January**

Last updated February 17, 9:30 a.m. PST

Port of Oakland cargo volume declined dramatically in January, the result of an ongoing West Coast waterfront labor dispute. The Port reported today that containerized imports were down 39% from January 2014. Exports declined 26%. Total volume was off 32%.

The Port attributed the decline to slowdowns arising from a dispute between dockworkers and employers over a new contract. Port operations at 29 West Coast ports have been affected by the impasse, now entering its ninth month.

"With a decline in productivity and a breakdown in vessel schedules at all U.S. West Coast ports, cargo volumes are far from normal," said Port of Oakland Maritime Director John Driscoll.

The Port said importers have begun diverting containerized cargo to gateways outside the U.S. West Coast. These include ports in Canada, Mexico and the U.S. East Coast. It added that exporters have been challenged in shipping cargo to overseas markets because of vessel delays and diversions.

**Labor Secretary Perez to Visit San Francisco**

Last updated February 16, 10:30 a.m. PST

Labor Secretary to Visit San Francisco Tuesday Over West Coast Ports Dispute. [click here](#)

**President Obama Sends Labor Secretary Into Port Dispute**

Last updated February 14, 1:00 p.m. PST

President Obama Sends Labor Secretary Tom Perez Into Port Dispute. [click here](#)

**Update On Weekend Operations At the Port of Oakland**

Last updated February 13, 2:00 p.m. PST

The Pacific Maritime Association has suspended vessel operations Feb. 14-16 at all U.S. West Coast ports, including the Port of Oakland. Vessel operations are expected to resume Feb. 17. Matson terminal will be open for night operations Monday. Ports America Outer Harbor will be open for limited operations Monday.

**Congressman Wants Port Contract Dispute Settled**

Last updated February 13, 12:00 p.m. PST

Rep. Kurt Schrader has spoken up in Congress on the need to settle the West Coast waterfront contract dispute. He has urged the President to intervene. To see the video, [click here](#)

**Port of Oakland Marine Terminals Are Open Today**

Last updated February 13, 10:15 a.m. PST

Port of Oakland marine terminals are open today. There are nine vessels at berth and 18 awaiting berths. Post-holiday truck traffic is heavy at many terminals. Requests for labor have been filled at most, but not all terminals.

**Members of Congress urge settlement of West Coast port dispute**

Last updated February 12, 5:10 PST

A bipartisan group of U.S. lawmakers on Thursday urged a swift end to the labor dispute that has throttled port activity on the West Coast: [click here](#)

**PMA decision**

Last updated February 11, 3:30 p.m. PST

PMA suspends vessel operations: Pacific Maritime Association website: [click here](#)

**Port of Oakland Holiday Schedule**

Last updated February 11, 3 p.m. PST

Port of Oakland marine terminals will be closed for holidays Feb. 12 and 16 with the exception of Ports America Outer Harbor, which will be open for limited operations; and Matson, which will be open Feb. 12. Contact terminal operators for details.

**Port of Oakland Operating Status, Waterfront Labor Talks**

Last updated February 11, 11 a.m. PST

The Port of Oakland today released the following update on seaport operations and the status of waterfront labor talks. The report addresses the significant cargo buildup that has slowed cargo movement on the U.S. West Coast. It also looks at prospects for a longshore labor contract settlement or the threat of a coast wide port shutdown. This status report can be reproduced, excerpted or posted. For quick, daily updates on the Port's status, go to [www.Portofoakland.com](http://www.Portofoakland.com)

**Status of Port operations**

Q: What's the situation at the Port of Oakland?

A: The Port of Oakland, like other major West Coast container seaports, is facing a significant cargo buildup. 10-12 vessels a day await berths at its marine terminals. Vessels are arriving late and off-schedule due to delays at previous stops in Southern California. Ships wait days for berths. Cargo movement inside terminals has slowed down. Truck drivers sometimes face long waits to collect containerized imports for delivery. Cargo can be delayed days in reaching final destination.

Q: What's causing the buildup?

A: An impasse between waterfront employers and longshore labor has led to disruptions, slowdowns and reduced port productivity. Other contributing factors include:

- U.S. Import volumes have increased with the strengthening economy;
- The introduction of megaships has strained the ability of ports - especially in Southern California - to efficiently handle cargo;
- Chassis, the truck trailers used to haul containers on the highway, are in short supply;
- Through much of last fall, shippers diverted a significant amount of cargo to Oakland to avoid port congestion in Los Angeles and Long Beach;
- Late-arriving vessels from Southern California are undermining berthing schedules.

Q: How long has this been going on?

A: Congestion in Southern California emerged in the late summer of 2014. The buildup in Oakland began in late November.

Q: Is this only affecting Oakland?

A: No, all West Coast ports are affected by these issues. The ports of Los Angeles and Long Beach are facing extreme congestion.

Q: Is there a lockout at Oakland or other West Coast ports?

A: No. Employers at West Coast ports suspended vessel loading and unloading Feb. 7-8 to clear container yards. Full operations resumed Feb. 9.

**Consequences of cargo buildup and labor impasse**

Q: Who's being hurt by the labor impasse and cargo buildup?

A: The impact is felt worldwide. Global supply chains - especially between Asia and the U.S. - have been disrupted. Multinational companies are reporting lost revenue and increased costs because they can't get products from overseas sources to markets or manufacturing centers. But the real impact is closer to home. Small business owners are unable to get goods on the shelf in time for long-planned merchandising programs. Some are paying high premiums for work-arounds such as airfreight. Manufacturers are at risk of closing down assembly lines because they don't receive parts shipments. California's Central Valley growers can't get perishable agricultural exports through the marine terminals quickly and onto ships for delivery to overseas markets. Thousands of independent harbor truckers are doing less business - and receiving less pay. Businesses are beginning to furlough workers because their operations are stymied by cargo delays.

Q: What is this situation doing to the Port?

A: The labor impasse and cargo buildup jeopardize the credibility and standing of West Coast ports. Shippers and ocean carriers are losing confidence in the reliability of the ports. They're diverting cargo to other gateways in Canada, Mexico or through the Panama and Suez canals to the U.S. East Coast. Some vessels are temporarily bypassing Oakland because they're behind schedule after Southern California calls.

Q: What's the financial impact to the Port?

A: It's too soon to say. Up until December, import volume was increasing at the Port of Oakland. However, cargo volume numbers for January are expected to show a decline when statistics are released. This could impact Port income. Its revenue is directly linked to cargo volume handled by marine terminal operators.

Q: Is there no recourse for shippers - especially small businesses - damaged by this impasse?

A: Shippers can talk to the ocean carriers they contract with or the marine terminal where their cargo is stored.

Q: Can't the Port help them?

A: The Port doesn't manage terminal operations or the movement of shippers' cargo. It works with terminal operators to mitigate the impact of the cargo buildup.

#### **Status of waterfront labor negotiations**

Q: Who's involved in the labor negotiations?

A: The Pacific Maritime Association is the group of ocean carriers and marine terminal operators that hires longshore labor on the West Coast. The International Longshore and Warehouse Union represents dockworkers, marine clerks and others who work at the ports. The two sides are negotiating a new contract.

Q: What's the hang-up on the labor front?

A: The last contract expired in July of 2014. Labor and management have operated without a contract since then. After months without reaching agreement on a new deal, both sides requested the participation of a federal mediator. Still, no agreement has been reached.

Q: What are the issues holding up agreement?

A: Neither side shares much detail about the negotiations. Traditionally, waterfront negotiations have involved issues of jurisdiction, compensation, benefits and the use of technology on the waterfront. Reports indicate that the right to dismiss appointed arbitrators for waterfront labor disputes has emerged as an issue.

Q: Why doesn't the mediator force a settlement?

A: The mediator can only facilitate discussion toward agreement. There's no prescribed power to enforce a settlement.

Q: What's the consequence of the impasse?

A: Management-labor disputes have led to terminal disruptions, sporadic suspension of operations, declining productivity and a slowdown in the movement of cargo.

Q: Why doesn't the government step in?

A: There's no legislative authority for government to intervene when the two sides aren't working under contract.

Q: Why doesn't the Port of Oakland step in?

A: The Port of Oakland doesn't hire longshore labor or manage terminals. It's not part of the negotiating process.



Q: Can't anyone solve this labor situation?

A: It's up to the negotiating parties to reach an agreement. Pressure from the public directed at lawmakers could help influence an outcome but so far there has been no politically inspired settlement effort.

#### **Port of Oakland's role**

Q: What part does the Port of Oakland play in resolving the labor dispute and cargo backlog?

A: The Port of Oakland is a landlord. It leases facilities to operators who manage marine terminals, contract with shipping lines and hire longshore labor. The Port doesn't hire dockworkers and has no role in the labor negotiations. Likewise the Port doesn't oversee terminal operations. It's the Port's responsibility to provide safe, efficient facilities and support maritime interests in moving cargo.

Q: Is the seaport the only business of the Port of Oakland?

A: No. The Port of Oakland also manages Oakland International Airport and more than 20 miles of commercial real estate on the city's waterfront. The real estate holdings include historic Jack London Square.

Q: Is the Port doing anything about the labor issue and the backlog?

A: Yes. The Port has advocated publicly for a settlement of the contract dispute. It's in daily contact with labor and management to understand the issues. It's working daily with terminal operators and shippers to mitigate the impacts of the dispute.

Q: What steps has the Port taken?

A: The Port has worked with terminal operators on extraordinary measures that include:

- > Weekend gates
- > Express lanes in terminals
- > Additional parking for trucks and containers
- > Daily status updates for shippers and their truckers

Q: What's the Port of Oakland's stand on the labor impasse?

A: The Port of Oakland issued the following statement Feb. 4: "The West Coast waterfront labor impasse needs to be settled....quickly. Importers and exporters are suffering significant cargo delays. Central Valley farmers can't ship their produce. Small business owners can't get goods to put on the shelf. Harbor truckers can't do their jobs. Everyone is suffering. If the situation, worsens....if West Coast ports shut down, the U.S. economy and the global supply chain will be jeopardized. In the San Francisco Bay Area, 73,000 jobs that depend on the Port of Oakland will be at risk. The impasse is good for no one. It is time to reach agreement on a new contract and put the disruptions and delays behind us."

#### **Outlook for West Coast ports**

Q: How much longer can this impasse go on?

A: There is no legislative or regulatory prescription for a settlement. The two sides have already been talking for nine months and still, there's no agreement. But recently the management negotiating group has said ports are nearing gridlock which could bring operations to a halt. That would likely precipitate federal intervention leading to an eventual settlement.

Q: Will there be a strike or shutdown at the Port?

A: That's up to the two sides negotiating for a new contract. Labor spokesmen have said the parties are close to agreement. Management has said West Coast ports are near gridlock which will soon result in a shutdown.

Q: If the dispute was settled, would ports go back to normal operations and cargo delays end?

A: Maritime officials estimate it could take 4-to-6 weeks after a contract agreement to clear out the cargo backlog on the West Coast.

Q: What are the immediate risks associated with a Port shutdown?

A:

- > A coast wide work stoppage would disrupt supply chains and bring cargo movement to a halt;
- > Tens of thousands of workers, from truckers and longshore labor to railroaders - could lose jobs;
- > Factories could shut down;

- > California's agricultural economy could be jeopardized;
- > Small business owners could be forced to shutter their companies;
- > Independent owner-operators could default on payments for their trucks;
- > Consumers could find goods in short supply;

Q: What are the long-term risks?

A:

- > Shippers could abandon West Coast ports for other U.S. gateways;
- > More than 70,000 Bay Area workers depend on the Port of Oakland for jobs and many of those jobs could be affected;
- > The U.S. consumer economy, which is based on low-cost sourcing of goods from Asia, could be undermined.

To sign up for operational status email alerts via GovDelivery, [click here](#).



### How We Got Here

Recent work stoppages at U.S. West Coast Ports stem from the lack of a labor contract between the Pacific Maritime Association (PMA) and International Longshore and Warehouse Union (ILWU). The ILWU have been working without a contract since July 1, and the ILWU represents 20,000 dockworkers across 29 West Coast ports. The Port of Oakland strongly urges both sides to come to an agreement quickly.

### Economic and Job Impacts

Every day, ocean carriers deliver cargo boxes that contain essential commodities that we rely upon in our daily lives such as food products, electrical machinery, apparel, and electronics. Any disruption to the flow of commerce has long-lasting effects, especially in a globally competitive maritime industry where cargo owners are making decisions daily about which ports they choose to ship their cargo. Typically, cargo owners will choose the path of least resistance, whether it's a Canadian port, Mexican port—or an all-water route through the Panama or Suez canals. If these decision-makers do not choose Oakland as their port of call, our Northern California region stands to lose local jobs and tax revenues that will be diverted to other ports in other cities and other countries. The Port of Oakland and its tenants support 73,000 jobs in the region—10,000 at the seaport alone—and impact 800,000 jobs nationwide.



Port of Oakland Marine Terminal Map



Port of Oakland Photo Gallery



Port of Oakland is a major port in the United States, and it is one of the busiest ports in the world. It is located in the San Francisco Bay Area, and it is a major hub for shipping and trade. The port is home to a large number of ships, and it handles a large volume of cargo. It is also a major center for maritime activities, and it is a key player in the global shipping industry.

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## **Exhibit (E)**

### **SFBP Expense Projections, 2015 - 2019**



**SFBP EXPENSE PROJECTIONS FOR 2015 - 2019**

<u>Operating Expenses:</u>	<u>Projected</u>									
	<u>2015</u>	<u>Chg from 2014</u>	<u>2016</u>	<u>Chg</u>	<u>2017</u>	<u>Chg</u>	<u>2018</u>	<u>Chg</u>	<u>2019</u>	<u>Chg</u>
Pilot Boat Expenses	\$7,153,459	6.0%	\$7,440,187	4.0%	\$7,732,529	3.9%	\$8,034,054	3.9%	\$8,360,401	4.1%
Pilot Office & Dispatch Expenses	\$2,963,650	-9.4%	\$3,044,917	2.7%	\$3,128,828	2.8%	\$3,214,313	2.7%	\$3,302,285	2.7%
Terminal Expenses	\$700,348	-6.7%	\$719,988	2.8%	\$740,270	2.8%	\$761,159	2.8%	\$782,676	2.8%
General Expenses	<u>\$2,491,052</u>	2.3%	<u>\$2,545,423</u>	2.2%	<u>\$2,602,828</u>	2.3%	<u>\$2,661,530</u>	2.3%	<u>\$2,721,557</u>	2.3%
<b><u>Total Operating Exp.</u></b>	<b><u>\$13,308,509</u></b>	0.8%	<b><u>\$13,750,515</u></b>	3.3%	<b><u>\$14,204,454</u></b>	3.3%	<b><u>\$14,671,055</u></b>	3.3%	<b><u>\$15,166,920</u></b>	3.4%
 <u>Total Op. Exp (excluding 40% of Lobby Exp. And 100% of Political Contributions)</u>	 <u>\$13,121,236</u>	 0.8%	 <u>\$13,559,310</u>	 3.3%	 <u>\$14,009,042</u>	 3.3%	 <u>\$14,471,344</u>	 3.3%	 <u>\$14,962,815</u>	 3.4%





# **PILOT BOAT EXPENSE PROJECTIONS**

	Projected										Notes
	2015	Chg for 2014	2016	Chg	2017	Chg	2018	Chg	2019	Chg	
Food Supplies	154,456	3.0%	159,090	3.0%	163,862	3.0%	168,778	3.0%	173,842	3.0%	
Fuel	1,149,165	6.9%	1,228,457	6.9%	1,313,221	6.9%	1,403,833	6.9%	1,500,697	6.9%	
Health & Welfare	548,443	5.0%	575,865	5.0%	604,659	5.0%	634,892	5.0%	666,636	5.0%	
Insurance	147,737	2.4%	151,283	2.4%	154,914	2.4%	158,632	2.4%	162,439	2.4%	
Maint. and Repair	1,225,334	4.0%	1,274,347	4.0%	1,325,321	4.0%	1,378,334	4.0%	1,433,467	4.0%	
Payroll Taxes	211,259	2.4%	216,329	2.4%	221,521	2.4%	226,837	2.4%	232,281	2.4%	
Retire. Benefits	473,391	2.4%	484,752	2.4%	496,386	2.4%	508,300	2.4%	520,499	2.4%	
Salaries & Wages	2,635,780	2.4%	2,699,038	2.4%	2,763,815	2.4%	2,830,147	2.4%	2,898,070	2.4%	
Other	34,825	2.3%	35,556	2.1%	36,338	2.2%	37,138	2.2%	37,955	2.2%	
Sub-Total	6,580,389	3.7%	6,824,718	3.7%	7,080,037	3.7%	7,346,890	3.8%	7,625,887	3.8%	
Charter Hire	<u>573,070</u>	44%	615,469	7.4%	652,491	6.0%	687,164	5.3%	734,515	6.9%	Note (A)
<b>TOTAL</b>	<b><u>\$7,153,459</u></b>	<b>6.0%</b>	<b><u>\$7,440,187</u></b>	<b>4.0%</b>	<b><u>\$7,732,529</u></b>	<b>3.9%</b>	<b><u>\$8,034,054</u></b>	<b>3.9%</b>	<b><u>\$8,360,401</u></b>	<b>4.1%</b>	
(A) Charter Hire was reduced in 2014 then restored to original monthly level (\$57,000) for 2015.											



# OFFICE & DISPATCH EXPENSE PROJECTIONS

	Projected										Notes
	2015	Chg for 2014	2016	Chg	2017	Chg	2018	Chg	2019	Chg	
Telephone	48,352	2.3%	49,368	2.1%	50,454	2.2%	51,564	2.2%	52,698	2.2%	
Emp. Retire. Plan	173,357	-5.9%	177,517	2.4%	181,778	2.4%	186,140	2.4%	190,608	2.4%	
Food Suplies	20,141	3.0%	20,746	3.0%	21,368	3.0%	22,009	3.0%	22,669	3.0%	
Maint. and Repair	73,831	2.3%	75,382	2.1%	77,040	2.2%	78,735	2.2%	80,467	2.2%	
Medical Insurance	207,487	3.8%	217,861	5.0%	228,754	5.0%	240,192	5.0%	252,202	5.0%	Note (A)
Office Supplies	29,067	2.3%	30,521	5.0%	32,047	5.0%	32,752	2.2%	33,472	2.2%	
Payroll Taxes	110,998	1.2%	113,662	2.4%	116,390	2.4%	119,183	2.4%	122,043	2.4%	Note (B)
Salaries & Wages	1,397,205	-8.2%	1,430,738	2.4%	1,465,076	2.4%	1,500,237	2.4%	1,536,243	2.4%	Note (B)
Pier 9 Rent (75%)	771,575	-19.5%	794,722	3.0%	818,564	3.0%	843,121	3.0%	868,414	3.0%	Per Contract
Utilities	97,574	2.3%	99,623	2.1%	101,814	2.2%	104,054	2.2%	106,343	2.2%	
Workers' Comp. Ins.	21,664	1.4%	22,119	2.1%	22,605	2.2%	23,103	2.2%	23,611	2.2%	
Other	12,399	2.3%	12,660	2.1%	12,938	2.2%	13,223	2.2%	13,514	2.2%	
<b>TOTAL</b>	<b>\$2,963,650</b>	<b>-9.4%</b>	<b>\$3,044,917</b>	<b>2.7%</b>	<b>\$3,128,828</b>	<b>2.8%</b>	<b>\$3,214,313</b>	<b>2.7%</b>	<b>\$3,302,285</b>	<b>2.7%</b>	
(A)	Reduction in staff - Business Director - then 5% healthcare increases										
(B)	Reduction in staff - Business Director - then Proj. CPI increases										



# **TERMINAL EXPENSE PROJECTIONS**

	Projected									
	2015	Chg for 2014	2016	Chg	2017	Chg	2018	Chg	2019	Chg
Health and Welfare	55,735	5.0%	58,522	5.0%	61,448	5.0%	64,520	5.0%	67,746	5.0%
Payroll Taxes	19,435	2.4%	19,901	2.4%	20,379	2.4%	20,868	2.4%	21,369	2.4%
Pier 9 Rent (25%)	257,192	-20%	264,908	3.0%	272,855	3.0%	281,041	3.0%	289,472	3.0%
Retirement Benefits	40,406	2.4%	41,376	2.4%	42,369	2.4%	43,386	2.4%	44,427	2.4%
Salaries & Wages	274,045	2.4%	280,622	2.4%	287,357	2.4%	294,253	2.4%	301,315	2.4%
Workers Comp.	14,311	2.3%	14,611	2.1%	14,933	2.2%	15,261	2.2%	15,597	2.2%
Other	39,225	2.3%	40,049	2.1%	40,930	2.2%	41,830	2.2%	42,751	2.2%
<b>TOTAL</b>	<b>\$700,348</b>	<b>-6.7%</b>	<b>\$719,988</b>	<b>2.8%</b>	<b>\$740,270</b>	<b>2.8%</b>	<b>\$761,159</b>	<b>2.8%</b>	<b>\$782,676</b>	<b>2.8%</b>



# GENERAL EXPENSE PROJECTIONS

	Projected										Notes
	2015	Chg for 2014	2015	Chg	2017	Chg	2018	Chg	2019	Chg	
Business Taxes	95,770	2.3%	97,781	2.1%	99,933	2.2%	102,131	2.2%	104,378	2.2%	
Donations	58,814	2.3%	60,049	2.1%	61,370	2.2%	62,720	2.2%	64,100	2.2%	
Dues and Subscriptions	210,193	2.3%	214,607	2.1%	219,329	2.2%	224,154	2.2%	229,085	2.2%	
Insurance	686,389	2.4%	702,862	2.4%	719,731	2.4%	737,005	2.4%	754,693	2.4%	
Legal	32,255	2.3%	32,932	2.1%	33,657	2.2%	34,397	2.2%	35,154	2.2%	
Accounting	54,869	2.3%	56,021	2.1%	57,254	2.2%	58,513	2.2%	59,801	2.2%	
Bank Services	17,984	2.3%	18,362	2.1%	18,766	2.2%	19,179	2.2%	19,601	2.2%	
Lobbying Expenses	242,176	2.3%	247,262	2.1%	252,702	2.2%	258,261	2.2%	263,943	2.2%	Note (A)
Political Contributions	90,402	2.3%	92,301	2.1%	94,331	2.2%	96,407	2.2%	98,528	2.2%	Note (B)
Professional Services	167,005	2.3%	170,512	2.1%	174,283	2.2%	178,097	2.2%	182,015	2.2%	
Public Relations	176,665	2.3%	180,376	2.1%	184,344	2.2%	188,400	2.2%	192,545	2.2%	
Land Transportation	497,571	2.3%	508,020	2.1%	519,197	2.2%	530,619	2.2%	542,293	2.2%	
Launch Service	70,466	2.3%	71,945	2.1%	73,528	2.2%	75,146	2.2%	76,799	2.2%	
Travel and Meals	50,355	2.3%	51,412	2.1%	52,543	2.2%	53,699	2.2%	54,881	2.2%	
Other	40,136	2.3%	40,978	2.1%	41,880	2.2%	42,801	2.2%	43,743	2.2%	
<b>TOTAL</b>	<b>\$2,491,052</b>	<b>2.3%</b>	<b>\$2,545,423</b>	<b>2.2%</b>	<b>\$2,602,828</b>	<b>2.3%</b>	<b>\$2,661,530</b>	<b>2.3%</b>	<b>\$2,721,557</b>	<b>2.3%</b>	
(A)	For Purposes of Rate Hearing - Deduct 40% of Lobbying Expenses as related to Rate Hearing Efforts										
(B)	For Purposes of Rate Hearing - Deduct 100% of Political Contributions										





# **Declaration of Captain David McCloy**



BEFORE THE BOARD OF PILOT COMMISSIONERS  
FOR THE BAYS OF SAN FRANCISCO, SAN PABLO AND SUISUN

In Re the Petition of the	)	DECLARATION OF
San Francisco Bar Pilots for	)	CAPTAIN DAVID McCLOY
A Change in Pilotage Rates	)	

I, Captain David McCloy provide the following declaration in support of the Rate Petition of the San Francisco Bar Pilots ("SFBP").

**Background and Experience:**

I hold a current pilot license issued by the Pilot Commission and am a member of the SFBP. In addition to piloting ships, I perform other duties for the SFBP, including serving as chairman of the Navigation Technology Committee ("NavTech") and acting as SFBP's Marine Operations Pilot.

The purpose of the NavTech Committee is to research new or evolving Portable Pilot Unit ("PPU") equipment and advise the SFBP membership on updating and implementing new systems. I have been a member of the NavTech Committee for three years. I also attend various national navigation technology conferences to stay up to date with current issues, regulations and advances in related equipment.

Prior to my role on the NavTech Committee, I was involved with installing and maintaining electronic chart systems on various vessels for approximately 11 years.

I also maintain and update the current SFBP PilotMate precision navigation equipment used in piloting Ultra Large Container Vessels ("ULCVs"). I have been maintaining SFBP's PilotMate equipment for 3 years and participate in providing SFBP pilots with continuing training in the use of the equipment. In that capacity, I have become familiar with the costs associated with the maintenance of the PilotMate equipment and the assignment of the "E-pilots" to operate that equipment, and the matters set forth in this declaration.

As SFBP's Marine Operations Pilot, my duties include acting as liaison between the SFBP membership, pilot boat crews and shore side management. I have held this position since 2008.

In that capacity, I became familiar with the costs associated with the maintenance and operation of the pilot boats and the matters set forth in this declaration.

Prior to becoming a San Francisco Bar Pilot I served as Port Captain and Harbor Tug Captain for Foss Maritime, a marine transportation and logistics company.

#### **Navigation Technology – Portable Pilot Units**

1. A Portable Pilot Unit (PPU) is a portable, computer-based system that a pilot brings onboard a vessel to use as a decision-support tool for navigating in confined waters. The PPU interfaces with a positioning sensor such as GPS/DGPS and shows the vessel's position/movement in real-time on an electronic chart display. In addition, PPUs can provide information about the location/movement of other vessels via an Automatic Identification System ("AIS") interface, which the PPU receives from the vessel piloted via a "Pilot Plug" connection on the bridge.
2. California Code of Regulations, Title 7, Section 219 (y) requires S.F. Bar Pilots to be equipped with a PPU unless its carriage creates an unacceptable safety hazard. The PPU must have the ability to display electronic charts, position, heading and other navigational information provided by a ship's pilot plug.
3. Since 2008 SFBP pilots have been using PPU's on all pilotage assignments. The PPU is comprised of a laptop, custom software and an AIS interface accessed through the ship's pilot plug.
4. According to a recent survey conducted by the American Pilots Association, the use of PPU's by pilots in U.S. waters increased from 65% in 2008 to 90% in 2014.
5. In recent years, evolving technology has made it possible to incorporate precision Differential GPS and Rate of Turn generators that provide increasing accuracy in determining and predicting vessel position and movement, in equipment that is sufficiently lightweight, durable and reliable that may make it suitable for SFBP's use. The SFBP NavTech committee has been testing and evaluating such equipment with the intent of developing recommendations for possible upgrading to a "next generation" PPU system.
6. The cost for current technology PPU equipment which includes precision DGPS, Rate of Turn Generator, Computer, specialized piloting software and support is approximately \$23,000 - \$24,000 per pilot or \$1.4M to \$1.5M for 60 pilots.

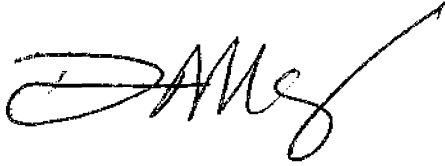
## Ultra Large Container Vessels – NavTech and the E-Pilot

7. In 2011, Ultra Large Container Vessels (“ULCV”) began calling on the Port of Oakland. Based on a study conducted by SFBP and the Port at the California Maritime Academy, certain additional procedures were adopted to safely guide these ultra large vessels in the narrow confines of the port. Included in these procedures is the assignment of a second pilot (who is referred to as an “E-Pilot”) to assist the primary pilot. The E-Pilot boards the ship inside the Bay and brings aboard a precision navigation system which is completely independent of the ship’s own equipment. The system used by SFBP is called “PilotMate” and comes in a bag about 26 inches long and weighing 20 lbs. The bag is either strapped to the pilot’s back when he or she boards the vessel, or is hauled aboard by the ship’s crew. The E-pilot operates the PilotMate equipment and is able to provide the primary pilot with substantially more precise information than that available from the ship’s equipment alone. This method of using two pilots is common in other pilotage areas handling ULCV’s such as Los Angeles, Long Beach and Seattle.
8. The first ULCV’s arrived in the Bay Area in 2011. There were 31 pilotage moves of ULCV’s in Oakland that year. In 2012, there were 125, in 2013 – 177 and in 2014 - 242. For planning purposes, SFBP currently projects 310 ULCV arrivals in 2015, 375 in 2016, 416 in 2017, 441 in 2018 and 454 in 2019. (See Exh. A, attached.)
9. The initial cost to SFBP of the PilotMate equipment it purchased in 2011 was \$59,134. In 2014 additional PilotMate equipment was purchased for \$13,000. Typical annual system maintenance and update expenses have been between \$3,300 and \$6,000 per year. The SFBP NavTech committee anticipates that SFBP will likely expend between \$100,000 and \$200,000 to upgrade, augment and/or replace this equipment over the next 2 to 3 years.
10. As the E-pilot must board and disembark the vessel inside the Bay, SFBP also incurs additional costs in the operation of its pilot boats. These costs were approximately \$116,886 in 2014. Based on projected increases in operating costs and in the number of ULCVs arriving in Oakland, SFBP projects its costs for pilot boat operations for transporting the E-pilot to and from these vessels at \$154,000 for 2015, \$193,000 for 2016 and \$223,000 for 2017, \$246,000 in 2018 and \$263,000 in 2019. (See Exh. B, attached hereto.)
11. SFBP operates a fleet of five pilot boats consisting of three 104’ ocean station boats (P/Vs SAN FRANCISCO, CALIFORNIA and DRAKE), one 67’ bay run boat (P/V GOLDEN GATE) and one 35’ river boat (P/V PITTSBURG). SFBP employs 23 full time captains, mates, crewmembers to operate these pilot boats and two shore side employees to help maintain them. These employees are all members of the Sailors Union of the

Pacific and are supervised by a Marine Superintendent. The average annual operating cost for the pilot boat fleet from 2004 to 2006 was \$4,707,909. From 2012 to 2014 that average annual cost was \$6,960,012, an increase of 47.8%.

12. The annual costs for maintenance and repair of the pilot boat fleet varies from year to year depending on dry docking, overhauls, classification society requirements and unexpected equipment damage or failures. Between 2004 and 2006 the average annual cost for maintenance and repair of the pilot boats was \$850,659. From 2012 to 2014, that average annual cost was \$1,156,607, an increase of 35.9%
13. The P/V SAN FRANCISCO and the P/V CALIFORNIA are each 15 years old and, as of the last survey, have an additional operational life expectancy of 17 years. The P/V DRAKE is 6 years old and has an additional operational life expectancy of 34 years. The P/V GOLDEN GATE is 22 years old and underwent life extension modifications in 2008 and currently has an additional operational life expectancy of 16 years. The P/V PITTSBURG underwent life extension modifications in 2014 and has an additional operational life expectancy of ten years. As these boats age, SFBP should expect to pay increased maintenance and repair costs.
14. SFBP anticipates an increase in pilot boat usage due both to a rise in E-Pilot dispatch demands, as set forth above, and in the implementation of fatigue mitigation work rules. Such increased use will be a factor in the overall maintenance and repair expenditures in the future.
15. SFBP currently projects its annual maintenance and repair costs for the pilot boat fleet to be \$1,225,000 in 2015, \$1,274,000 in 2016, \$1,325,000 in 2017, \$1,378,000 in 2018 and \$1,433,000 in 2019. These projected costs do not include extraordinary damage or equipment failures.
16. The average annual fuel cost for the pilot boats from 2004 through 2006 was \$666,665. From 2012 to 2014, that average annual cost was \$1,081,708, an increase of 62.3%.
17. Increased pilot boat usage due to increased ULCV arrivals and E-Pilot dispatch demands will be a factor in upcoming fuel costs. With current ULCV arrival projections and modest fuel price increases the estimated pilot boat annual fuel costs are expected to rise 3% - 10% per year through 2019. Annual estimates are \$1,149,000 in 2015, \$1,228,000 in 2016, \$1,313,000 in 2017, \$1,404,000 in 2018 and \$1,500,000 in 2019.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge. Executed at San Francisco, California this 26<sup>th</sup> day of February, 2015.

A handwritten signature in black ink, appearing to read 'D. McCloy', with a long, sweeping flourish extending upwards and to the right.

David McCloy



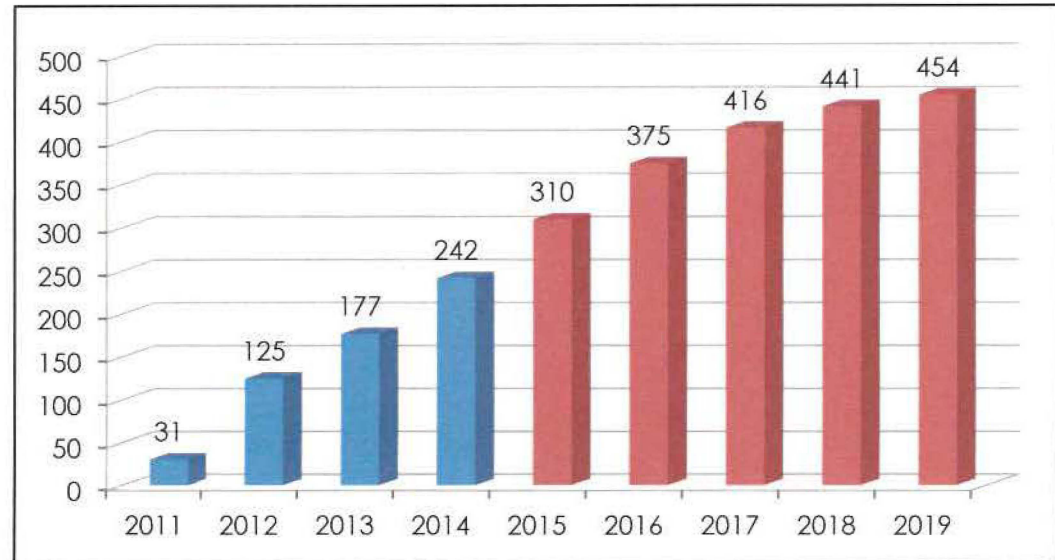


## **Exhibit (A)**

### **SFBP ULCV E-Pilot Data, 2011 -2014 and Projections through 2019**



# SF Bar Pilots ULCV E-Pilot Service Data 2011 to 2014 with Projections Through 2019



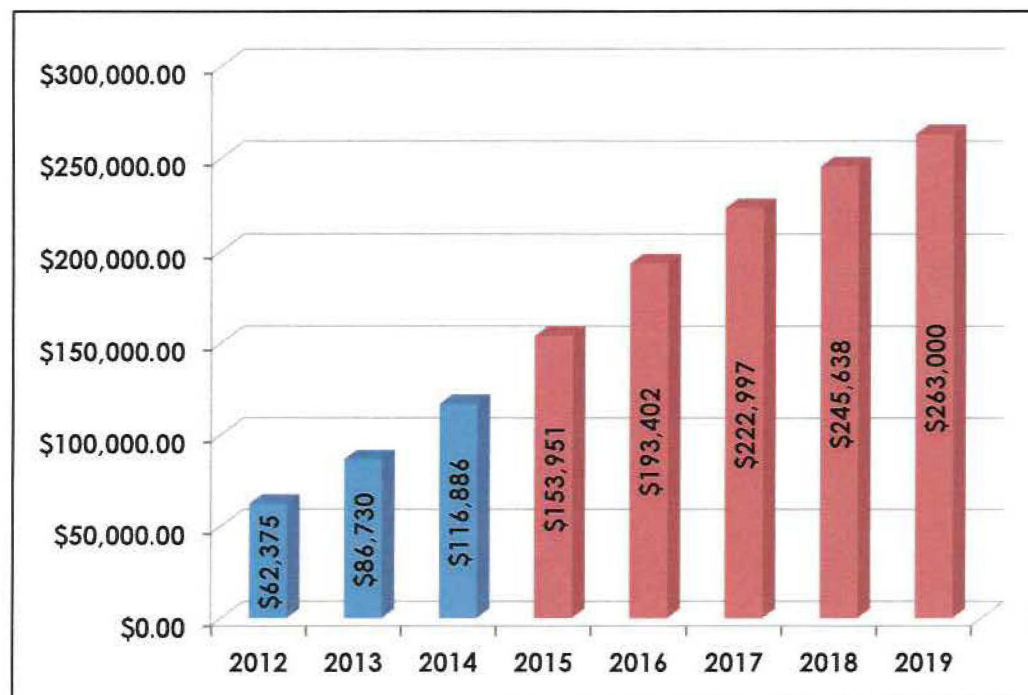
**Monthly E-Pilot Job Totals 2011-2014 and Projections for 2015-2019**

Year	Total Jobs	Annual Increase
2011	31	-
2012	125	303%
2013	219	42%
2014	313	37%
2015	407	28%
2016	501	21%
2017	595	11%
2018	689	6%
2019	783	3%

	2011	2012	2013	2014	2015	2016	2017	2018	2019
Jan	0	5	14	20	26	31	34	36	38
Feb	0	7	14	15	19	23	26	27	28
Mar	0	10	15	11	14	17	19	20	21
Apr	0	10	16	19	24	29	33	35	36
May	1	11	18	17	22	26	29	31	32
Jun	4	13	18	19	24	29	33	35	36
Jul	5	12	17	24	31	37	41	44	45
Aug	5	10	10	24	31	37	41	44	45
Sep	4	10	16	21	27	33	36	38	39
Oct	4	14	12	24	31	37	41	44	45
Nov	4	11	13	24	31	37	41	44	45
Dec	4	12	14	24	31	37	41	44	45
<b>Total</b>	<b>31</b>	<b>125</b>	<b>177</b>	<b>242</b>	<b>310</b>	<b>375</b>	<b>416</b>	<b>441</b>	<b>454</b>
<b>ACTUAL 2011-2014</b>					<b>PROJECTED 2015-2019</b>				



# SF Bar Pilots ULCV E-Pilot Transportation Costs 2012-2014 with Projections Through 2019



Pilot Vessel Operating Cost per E-Pilot Job

Year	2011	2012	2013	2014	2015	2016	2017	2018	2019
# of Jobs	31	125	177	242	310	375	416	441	454
Cost Per Job		499	490	483	497	516	536	557	579
Total Annual Cost		\$62,375	\$86,730	\$116,886	\$153,951	\$193,402	\$222,997	\$245,638	\$263,000



# **Declaration of Captain Gregory Tylawski**





In Re the Petition of the )  
San Francisco Bar Pilots for )  
A Change in Pilotage Rates )

1

- c. Where a vessel going from sea to a berth typical for that vessel must utilize the services of two or more pilot associations, the pilotage cost data for each pilot association is provided, as well as the compilation of the costs from sea to dock to comply with the requirements in 7 CCR 236(f)(4). That compilation is provided for the following:
    - i. Sea to Columbia River
    - ii. Sea to New Orleans (area) ports
    - iii. Sea to Baton Rouge (area) ports
  - d. The exhibit also includes a summary of the cumulative costs for all vessels arranged by comparable port in graphical form. The calculations on which the graphs are based are shown in Exhibit (C).
3. Exhibit (B) - "Pilotage Rate Increases in Comparable Ports since 2011" - is a document I prepared which details the various pilotage rate increases since 2011 at the Comparable Ports listed in 7 CCR 236 (f)(4).

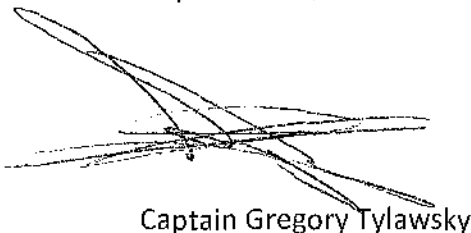
Methodology:

- a. For each of the Comparable Ports, information on rate increases was obtained that was reasonably available in the public record or otherwise verifiable.
- b. The year 2011 was chosen as Base Year (year of last rate hearing).

Average increases for each port and each year were calculated and are displayed along the table's right and lower margins.

4. Exhibit (D) - Methods of Determining Rates in Other Ports - provides the Rate and Tariff mechanisms under which pilotage rates are calculated in each of the Comparable Ports as required by 7 CCR 236 (f)(6). These were provided by each port or otherwise readily available in the public record.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge. Executed at San Francisco, California this 2nd day of March, 2015.



Captain Gregory Tylawsky

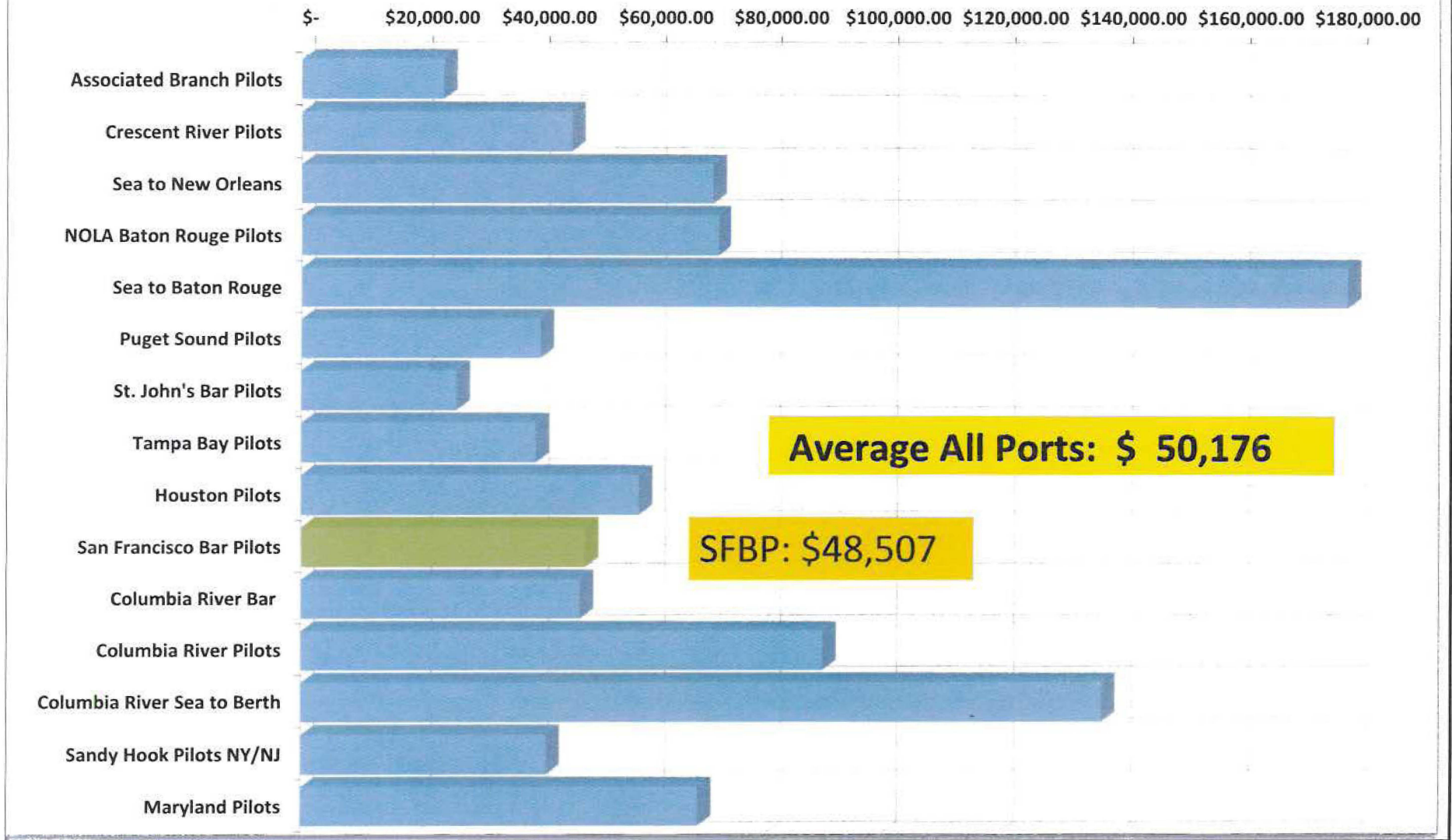
**Declaration of Captain Gregory Tylawski**

**Exhibit (A-1)**

**Total Pilotage Costs for all Comparable  
Ports, 2015 (bar graph)**



## Total Pilotage Costs for all Comparable Ports 2015



Exh. (A-1)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-2)**

**M/V GOLDEN STATE**



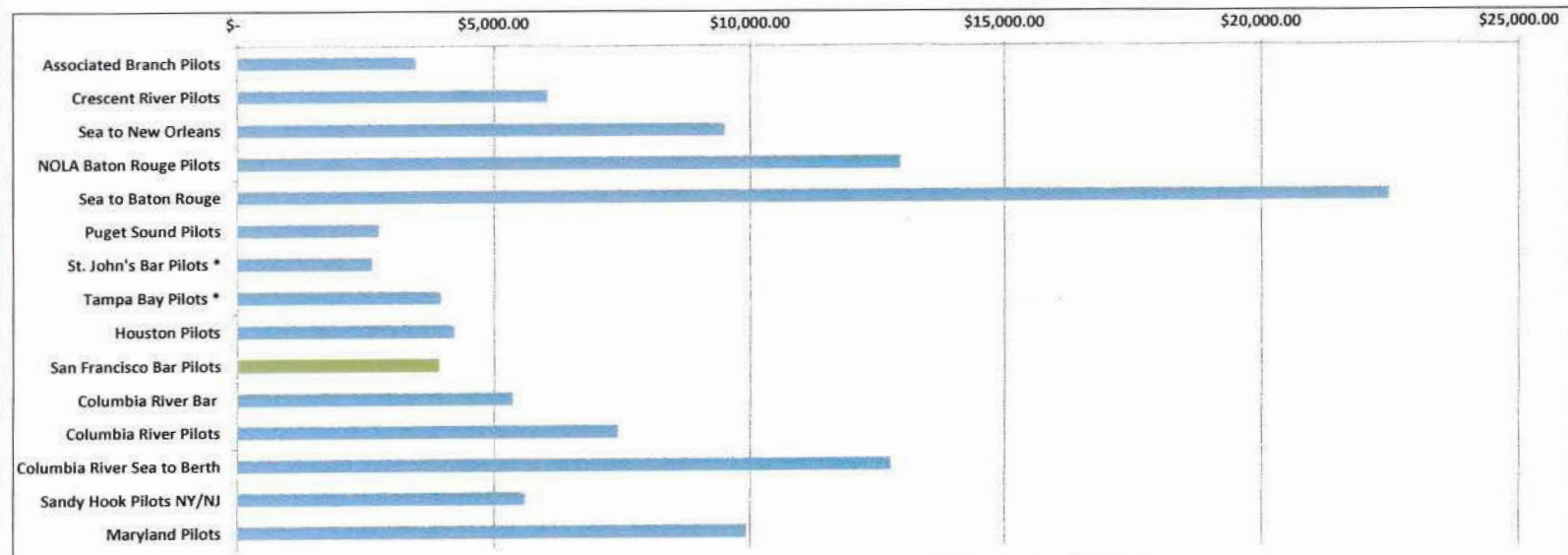


**M/V Golden State**

Ship Type: Tanker  
 Length x Breadth: 183 m X 32 m  
 Speed 12.4 knots  
 Flag: USA  
 Call Sign: WHDV  
 IMO: 9407562  
 GRT: 29,527



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots	\$ 971.43	\$ 1,881.49			\$ 486.32	\$ 112.00					\$ 20.00		\$ 3,471.24
Crescent River Pilots	\$ 1,067.30	\$ 2,075.37		\$ 1,663.83	\$ 1,026.14	\$ 4.50	\$ 43.00		\$ 112.12			\$ 45.90	\$ 6,038.16
Sea to New Orleans	\$ 2,038.73	\$ 3,956.86	\$ -	\$ 1,663.83	\$ 1,512.46	\$ 116.50	\$ 43.00	\$ -	\$ 112.12	\$ -	\$ 20.00	\$ 45.90	\$ 9,509.40
NOLA Baton Rouge Pilots	\$ 533.34	\$ 3,117.05		\$ 3,722.66	\$ 561.01	\$ 3,650.39	\$ 804.05			\$ 580.32			\$ 12,968.82
Sea to Baton Rouge	\$ 2,572.07	\$ 7,073.91	\$ -	\$ 5,386.49	\$ 2,073.47	\$ 3,766.89	\$ 847.05	\$ -	\$ 112.12	\$ 580.32	\$ 20.00	\$ 45.90	\$ 22,478.22
Puget Sound Pilots	\$ 943.49			\$ 1,164.00			\$ 247.50				\$ 60.00	\$ 348.00	\$ 2,762.99
St. John's Bar Pilots *	\$ 1,370.05	\$ 694.31								\$ 561.65			\$ 2,626.01
Tampa Bay Pilots *	\$ 2,105.28	\$ 1,286.09								\$ 571.00			\$ 3,962.37
Houston Pilots	\$ 1,272.00	\$ 2,600.40				\$ 210.00	\$ 138.24						\$ 4,220.64
San Francisco Bar Pilots	\$ 2,729.18	\$ 336.87			\$ 650.78	\$ 70.00					\$ 30.66	\$ 96.55	\$ 3,914.04
Columbia River Bar	\$ 5,363.19												\$ 5,363.19
Columbia River Pilots	\$ 5,196.75	\$ 1,032.78	\$ 305.94	\$ 558.99	\$ 275.67	\$ 45.00							\$ 7,415.13
Columbia River Sea to Berth	\$ 10,559.94	\$ 1,032.78	\$ 305.94	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,778.32
Sandy Hook Pilots NY/NJ	\$ 4,073.03				\$ 1,411.72							\$ 120.00	\$ 5,604.75
Maryland Pilots	\$ 9,356.19									\$ 571.00			\$ 9,927.19



Exh. (A-2)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-3)**

**MSC AURORA**



# MSC Aurora

**Ship Type:** ULCV  
**Length x Breadth:** 352m X 48m  
**Speed :** 24 K  
**Flag:** PANAMA  
**Call Sign:** 3FAT3  
**IMO:** 9484481  
**GRT:** 143,521



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots	\$ 4,387.07	\$ 2,578.95			\$ 1,544.94	\$ 112.00					\$ 20.00		\$ 8,642.96
Crescent River Pilots	\$ 4,889.98	\$ 2,851.65		\$ 2,980.10	\$ 3,259.82	\$ 4.50	\$ 48.41		\$ 112.12	\$ 529.51		\$ 45.90	\$ 14,721.99
Sea to New Orleans	\$ 9,277.05	\$ 5,430.60	\$ -	\$ 2,980.10	\$ 4,804.76	\$ 116.50	\$ 48.41	\$ -	\$ 112.12	\$ 529.51	\$ 20.00	\$ 45.90	\$ 23,364.95
NOLA Baton Rouge Pilots	\$ 5,602.50	\$ 4,293.90		\$ 961.31	\$ 2,726.90		\$ 218.59			\$ 648.40			\$ 14,451.60
Sea to Baton Rouge	\$ 14,879.55	\$ 9,724.50	\$ -	\$ 3,941.41	\$ 7,531.66	\$ 116.50	\$ 267.00	\$ -	\$ 112.12	\$ 1,177.91	\$ 20.00	\$ 45.90	\$ 37,816.55
Puget Sound Pilots	\$ 11,886.94			\$ 4,135.00		\$ 722.00	\$ 262.50				\$ 120.00	\$ 348.00	\$ 17,474.44
St. John's Bar Pilots*	\$ 6,659.37	\$ 954.02								\$ 561.65			\$ 8,175.04
Tampa Bay Pilots*	\$ 10,223.05	\$ 1,767.15								\$ 571.00			\$ 12,561.20
Houston Pilots	\$ 25,498.51	\$ 7,462.80				\$ 420.00	\$ 276.48						\$ 33,657.79
San Francisco Bar Pilots	\$ 13,265.16	\$ 495.01			\$ 3,163.20	\$ 70.00					\$ 136.61	\$ 469.31	\$ 17,499.29
Columbia River Bar	\$ 12,014.48												\$ 12,014.48
Columbia River Pilots	\$ 25,259.70	\$ 1,415.63	\$ 3,671.28	\$ 558.99	\$ 275.67	\$ 45.00							\$ 31,226.27
Columbia River Sea to Berth	\$ 37,274.18	\$ 1,415.63	\$ 3,671.28	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,240.75
Sandy Hook Pilots NY/NJ	\$ 7,040.20				\$ 2,319.19							\$ 120.00	\$ 9,479.39
Maryland Pilots	\$ 17,322.08									\$ 1,181.18			\$ 18,503.26



Exh. (A-3)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-4)**

**M/V ATLANTIC RUBY**



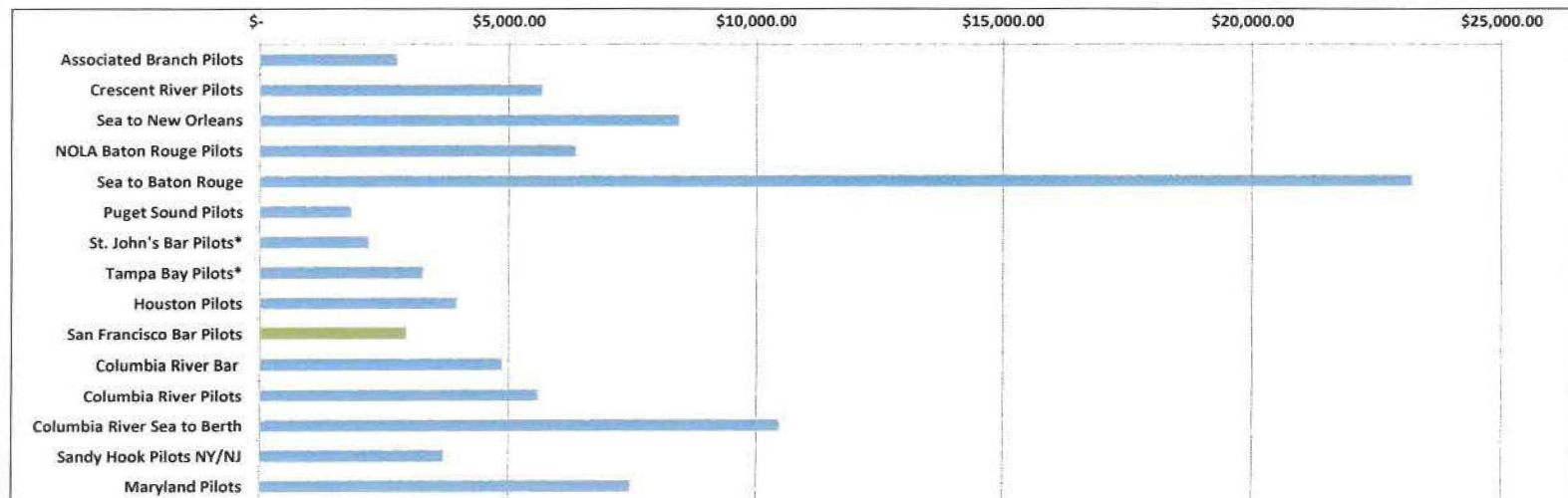


## Atlantic Ruby

**Ship Type:** Bulker  
**Length x Breadth:** 180m X 29m  
**Speed :** 14 K  
**Flag:** PANAMA  
**Call Sign:** HOLY  
**IMO:** 9628245  
**GRT:** 21,441



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots	\$ 566.68	\$ 1,719.30			\$ 336.80	\$ 112.00					\$ 20.00		\$ 2,754.78
Crescent River Pilots	\$ 612.95	\$ 1,901.10		\$1,848.70	\$ 710.65	\$ 4.50	\$ 48.41		\$ 112.12	\$ 389.96		\$ 45.90	\$ 5,674.29
Sea to New Orleans	\$ 1,179.63	\$ 3,620.40	\$ -	\$1,848.70	\$1,047.45	\$ 116.50	\$ 48.41	\$ -	\$ 112.12	\$ 389.96	\$ 20.00	\$ 45.90	\$ 8,429.07
NOLA Baton Rouge Pilots	\$ 210.62	\$ 2,862.60		\$2,000.32	\$ 407.37		\$ 290.03			\$ 580.32			\$ 6,351.26
Sea to Baton Rouge	\$ 2,569.88	\$ 10,103.40	\$ -	\$5,697.72	\$2,502.27	\$ 233.00	\$ 386.85	\$ -	\$ 224.24	\$1,360.24	\$ 40.00		\$ 23,209.40
Puget Sound Pilots	\$ 285.29			\$1,141.00			\$ 18.75				\$ 60.00	\$ 348.00	\$ 1,853.04
St. John's Bar Pilots*	\$ 994.86	\$ 636.01								\$ 561.65			\$ 2,192.52
Tampa Bay Pilots*	\$ 1,528.74	\$ 1,178.10								\$ 571.00			\$ 3,277.84
Houston Pilots	\$ 1,098.00	\$ 2,496.00				\$ 210.00	\$ 138.24						\$ 3,942.24
San Francisco Bar Pilots	\$ 1,981.79	\$ 307.80			\$ 472.56	\$ 10.00			\$ 60.00		\$ 22.90	\$ 70.11	\$ 2,925.16
Columbia River Bar	\$ 4,865.98												\$ 4,865.98
Columbia River Pilots	\$ 3,773.62	\$ 943.75		\$ 558.99	\$ 275.67	\$ 45.00							\$ 5,597.03
Columbia River Sea to Berth	\$ 8,639.600	\$ 943.750	\$ -	\$558.990	\$275.670	\$ 45.000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,463.010
Sandy Hook Pilots NY/NJ	\$ 2,662.34				\$ 922.77							\$ 120.00	\$ 3,705.11
Maryland Pilots	\$ 6,924.89									\$ 540.00			\$ 7,464.89



Exh. (A-4)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-5)**

**M/V VENICE BRIDGE**



## Venice Bridge

Ship Type: Container  
Length x Breadth: 294 m X 32 m  
Speed : 17.3 knots  
Flag: Panama [PA]  
Call Sign: 3EAU3  
IMO: 9293442  
GRT: 54,519  
Draft: 33-01



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots	\$ 1,443.25	\$ 1,896.01			\$ 649.89	\$ 112.00					\$ 20.00		\$ 4,121.15
Crescent River Pilots	\$ 1,577.98	\$ 2,096.28		\$ 2,682.09	\$ 1,371.27	\$ 4.50	\$ 43.00		\$ 112.12			\$ 45.90	\$ 7,933.14
Sea to New Orleans	\$ 3,021.23	\$ 3,992.29	\$ -	\$ 2,682.09	\$ 2,021.16	\$ 116.50	\$ 43.00	\$ -	\$ 112.12	\$ -	\$ 20.00	\$ 45.90	\$ 12,054.29
NOLA Baton Rouge Pilots	\$ 1,541.84	\$ 3,156.81		\$ 836.02	\$ 1,035.86		\$ 218.59			\$ 580.32			\$ 7,369.44
Sea to Baton Rouge	\$ 7,584.30	\$ 11,141.39	\$ -	\$ 6,200.20	\$ 5,078.18	\$ 233.00	\$ 304.59	\$ -	\$ 224.24	\$ 580.32	\$ 40.00		\$ 31,478.02
Puget Sound Pilots	\$ 3,050.15			\$ 1,526.00			\$ 18.75				\$ 60.00	\$ 348.00	\$ 5,002.90
St. John's Bar Pilots*	\$ 2,529.68	\$ 701.38								\$ 561.65			\$ 3,792.71
Tampa Bay Pilots*	\$ 3,887.20	\$ 1,299.05								\$ 571.00			\$ 5,757.25
Houston Pilots	\$ 3,173.35	\$ 2,531.20				\$ 210.00	\$ 138.24						\$ 6,052.79
San Francisco Bar Pilots	\$ 5,039.19	\$ 339.43			\$ 1,201.60	\$ 70.00					\$ 53.79	\$ 178.28	\$ 6,882.29
Columbia River Bar	\$ 6,805.72												\$ 6,805.72
Columbia River Pilots	\$ 9,595.34	\$ 1,279.41	\$ 2,447.52	\$ 558.99	\$ 275.67	\$ 45.00							\$ 14,201.93
Columbia River Sea to Berth	\$ 16,401.06	\$ 1,279.41	\$ 2,447.52	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,007.65
Sandy Hook Pilots NY/NJ	\$ 5,466.24				\$ 1,874.37							\$ 120.00	\$ 7,460.61
Maryland Pilots	\$ 11,565.41									\$ 632.15			\$ 12,197.56



Exh. (A-5)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-6)**

**M/V NEW NADA**





## New Nada

**Ship Type:** Car Carrier (RO/RO)  
**Length x Breadth:** 180 m X 32 m  
**Speed** 16.9 knots  
**Flag:** Panama [PA]  
**Call Sign:** 3ELP9  
**IMO:** 9021332  
**GRT:** 47,677



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots		\$ 1,690.65			\$ 143.04	\$ 112.00					\$ 20.00		\$ 1,965.69
Crescent River Pilots	\$ 1,037.01	\$ 1,869.42		\$1,663.83	\$ 1,005.98	\$ 4.50	\$ 43.00		\$ 112.12			\$ 45.90	\$ 5,781.76
Sea to New Orleans	\$ 1,037.01	\$ 3,560.07	\$ -	\$1,663.83	\$ 1,149.02	\$ 116.50	\$ 43.00	\$ -	\$ 112.12	\$ -	\$ 20.00	\$ 45.90	\$ 7,747.45
NOLA Baton Rouge Pilots	\$ 1,259.46	\$ 2,814.89		\$2,352.95	\$ 905.86		\$ 290.03			\$ 580.32			\$ 8,203.51
Mississippi Sea to Berth	\$ 3,333.48	\$ 9,935.03	\$ -	\$5,680.61	\$ 3,203.90	\$ 233.00	\$ 376.03	\$ -	\$ 224.24	\$ 580.32	\$ 40.00		\$ 23,698.41
Puget Sound Pilots	\$ 2,420.90			\$1,526.00		\$ 361.00	\$ 87.50				\$ 60.00	\$ 348.00	\$ 4,803.40
St. John's Bar Pilots*	\$ 2,212.21	\$ 625.41								\$ 561.65			\$ 3,399.27
Tampa Bay Pilots*	\$ 3,399.37	\$ 1,158.47								\$ 571.00			\$ 5,128.84
Houston Pilots	\$ 1,254.00	\$ 2,454.40				\$ 210.00	\$ 138.24						\$ 4,056.64
San Francisco Bar Pilots	\$ 4,406.79	\$ 302.67			\$ 1,050.80	\$ 70.00					\$ 47.09	\$ 155.90	\$ 6,033.25
Columbia River Bar	\$ 6,410.86												\$ 6,410.86
Columbia River Pilots	\$ 8,391.15	\$ 928.02		\$ 558.99	\$ 275.67	\$ 45.00							\$ 10,198.83
Columbia River Sea to Berth	\$ 14,802.01	\$ 928.02	\$ -	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,609.69
Sandy Hook Pilots NY/NJ	\$ 4,385.74				\$ 1,520.11							\$ 120.00	\$ 6,025.85
Maryland Pilots	\$ 6,094.92									\$ 561.65			\$ 6,656.57



Exh. (A-6)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-7)**

**T/V CHERRY GALAXY**

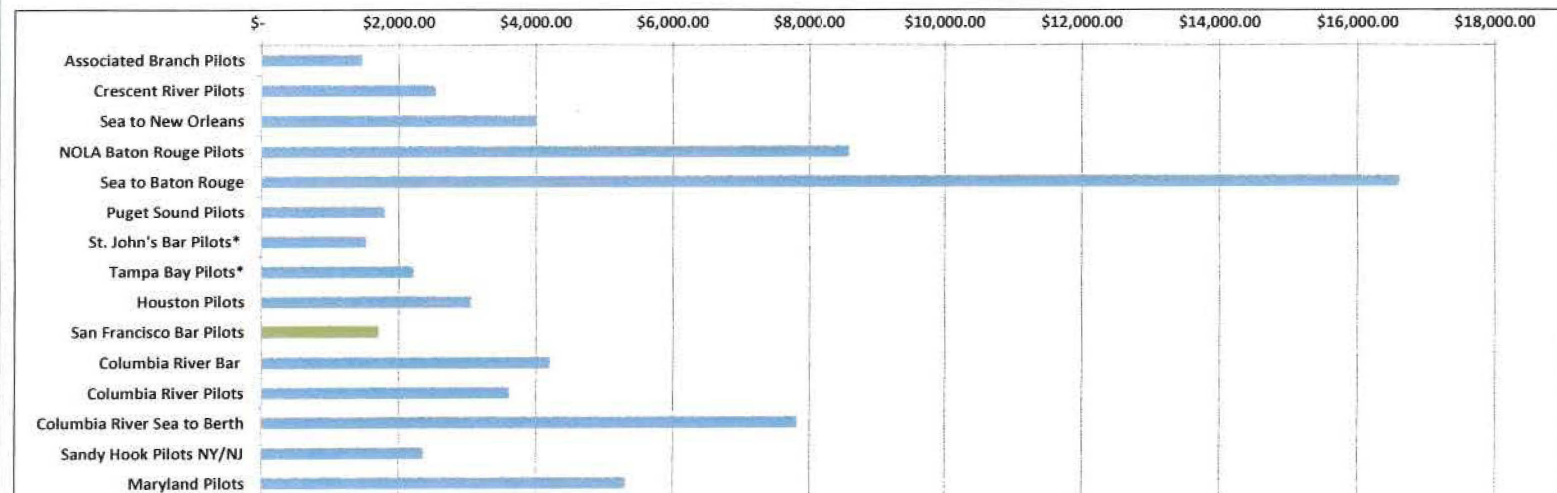


# Cherry Galaxy

**SHIP TYPE:** Chemical Tanker  
**Length x Breadth:** 147 m X 24 m  
**Speed** 13.1 knots  
**Flag:** Panama [PA]  
**Call Sign:** 3FSJ8  
**IMO:** 9161895  
**GRT:** 12,044



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots		\$ 1,146.14			\$ 193.65	\$ 112.00					\$ 20.00		\$ 1,471.79
Crescent River Pilots	\$ 658.35	\$ 1,267.40			\$ 408.60	\$ 4.50	\$ 43.00		\$ 112.12			\$ 45.90	\$ 2,539.87
Sea to New Orleans	\$ 658.35	\$ 2,413.54	\$ -	\$ -	\$ 602.25	\$ 116.50	\$ 43.00	\$ -	\$ 112.12	\$ -	\$ 20.00	\$ 45.90	\$ 4,011.66
NOLA Baton Rouge Pilots		\$ 1,908.40		\$3,164.76	\$ 228.84	\$ 1,908.40	\$ 804.05			\$ 580.32			\$ 8,594.77
Sea to Baton Rouge	\$ 1,316.70	\$ 6,735.48	\$ -	\$3,164.76	\$1,433.34	\$ 2,141.40	\$ 890.05	\$ -	\$ 224.24	\$ 580.32	\$ 40.00		\$ 16,618.09
Puget Sound Pilots	\$ 101.16			\$1,038.00			\$ 260.00				\$ 60.00	\$ 348.00	\$ 1,807.16
St. John's Bar Pilots*	\$ 558.84	\$ 413.41								\$ 561.65			\$ 1,533.90
Tampa Bay Pilots*	\$ 858.74	\$ 785.40								\$ 571.00			\$ 2,215.14
Houston Pilots	\$ 576.00	\$ 1,900.80		\$ 230.00		\$ 210.00	\$ 138.24						\$ 3,055.04
San Francisco Bar Pilots	\$ 1,113.23	\$ 200.07			\$ 265.45	\$ 10.00			\$ 60.00		\$ 13.13	\$ 39.38	\$ 1,701.26
Columbia River Bar	\$ 4,208.03												\$ 4,208.03
Columbia River Pilots	\$ 2,119.74	\$ 613.44		\$ 558.99	\$ 275.67	\$ 45.00							\$ 3,612.84
Columbia River Sea to Berth	\$ 6,327.77	\$ 613.44	\$ -	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,820.87
Sandy Hook Pilots NY/NJ	\$ 1,667.88				\$ 578.09							\$ 120.00	\$ 2,365.97
Maryland Pilots	\$ 4,772.56									\$ 540.00			\$ 5,312.56



Exh. (A-7)



**Declaration of Captain Gregory Tylawski**

**Exhibit (A-8)**

**M/V SEA PRINCESS**





# Sea Princess

**Ship Type:** Passenger  
**Length x Breadth:** 261 m X 32 m  
**Speed:** 23 knots  
**Flag:** Bermuda [BM]  
**Call Sign:** ZCBLU  
**IMO:** 9150913  
**GRT:** 77,499



	Tonnage Charge	Draft Charge	LOA Charge	Transit Fee	Pension	Misc	Transportation	Fuel	Safety	Docking	Commission	Pilot Boat	Total
Associated Branch Pilots		\$ 1,580.80			\$ 82.93	\$ 112.00					\$ 20.00		\$ 1,795.73
Crescent River Pilots (2011 Data)	\$ 731.50	\$ 1,747.74			\$ 174.98	\$ 4.50	\$ 48.41		\$ 112.12	\$ 529.51		\$ 45.90	\$ 3,394.66
Sea to New Orleans	\$ 731.50	\$ 3,328.54	\$ -	\$ -	\$ 257.91	\$ 116.50	\$ 48.41	\$ -	\$ 112.12	\$ 529.51	\$ 20.00	\$ 45.90	\$ 5,190.39
NOLA Baton Rouge Pilots	\$ 1,802.00	\$ 2,044.72	\$ 3,846.72	\$ 2,943.13	\$ 1,232.23	\$ 292.32	\$ 701.90			\$ 455.56			\$ 13,318.58
Mississippi Sea to Berth	\$ 3,265.00	\$ 8,701.80	\$ 3,846.72	\$ 2,943.13	\$ 1,748.05	\$ 525.32	\$ 798.72	\$ -	\$ 224.24	\$ 1,514.58	\$ 40.00		\$ 23,699.36
Puget Sound Pilots	\$ 5,288.40			\$ 1,387.00			\$ 18.75				\$ 60.00	\$ 348.00	\$ 7,102.15
St. John's Bar Pilots*	\$ 3,595.95	\$ 584.78								\$ 561.65			\$ 4,742.38
Tampa Bay Pilots*	\$ 5,525.68	\$ 1,083.07								\$ 571.00			\$ 7,179.75
Houston Pilots	\$ 1,361.23	\$ 1,055.20				\$ 210.00	\$ 138.24						\$ 2,764.67
San Francisco Bar Pilots	\$ 7,163.23	\$ 283.00			\$ 1,708.08	\$ 70.00					\$ 74.46	\$ 253.42	\$ 9,552.19
Columbia River Bar	\$ 8,012.23												\$ 8,012.23
Columbia River Pilots	\$ 13,639.82	\$ 867.72	\$ 1,835.64	\$ 558.99	\$ 275.67	\$ 45.00							\$ 17,222.84
Columbia River Sea to Berth	\$ 21,652.05	\$ 867.72	\$ 1,835.64	\$ 558.99	\$ 275.67	\$ 45.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,235.07
Sandy Hook Pilots NY/NJ	\$ 5,300.35				\$ 1,827.49							\$ 120.00	\$ 7,247.84
Maryland Pilots	\$ 7,263.85									\$ 563.00			\$ 7,826.85



Exh. (A-8)

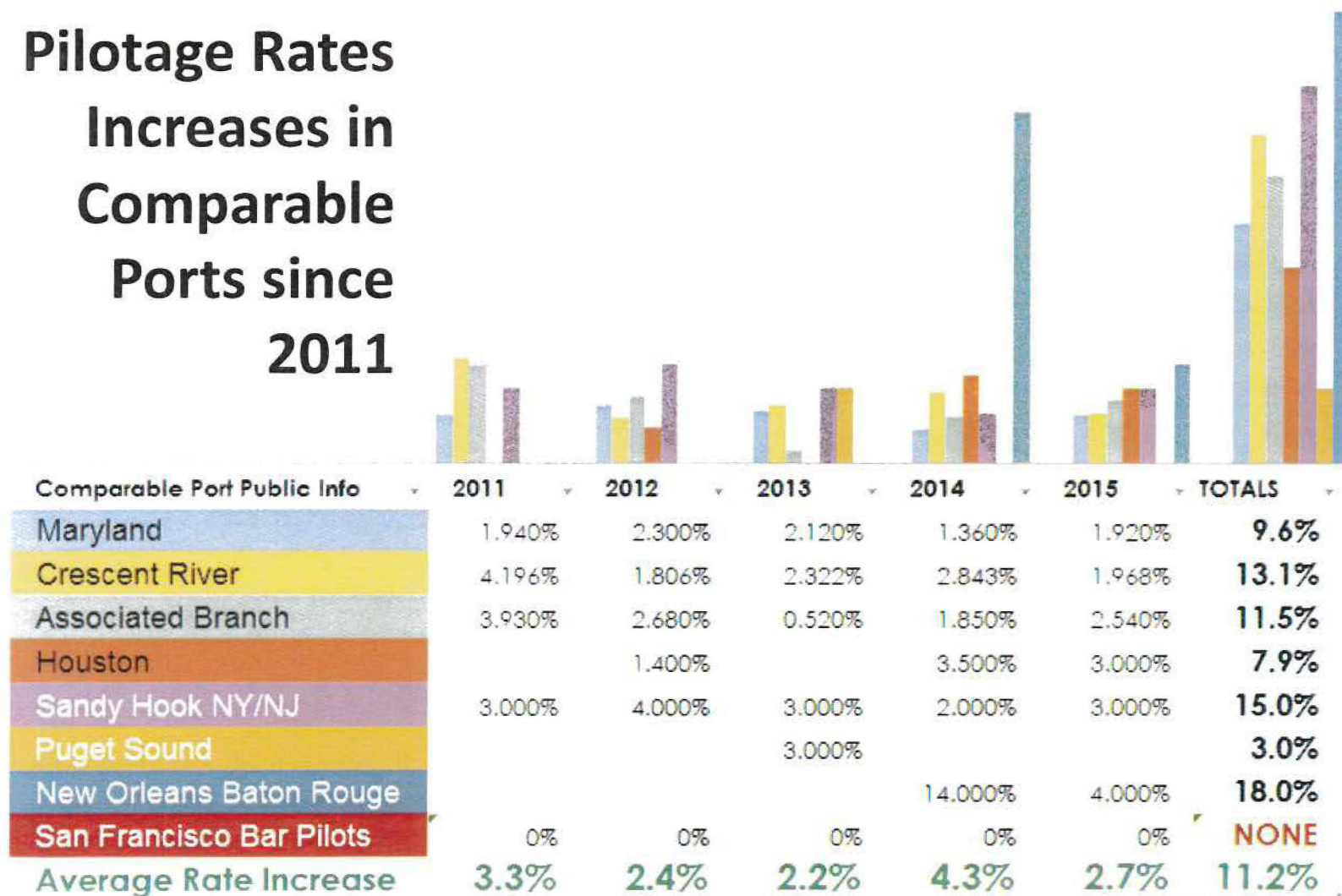


**Declaration of Captain Gregory Tylawski**  
**Exhibit (B)**

**Pilotage Rate Increases in Comparable  
Ports Since 2011**



# Pilotage Rates Increases in Comparable Ports since 2011



Rate increase information reflects all comparable ports where information was readily obtainable and in the public record.



**Declaration of Captain Gregory Tylawski**

**Exhibit (C)**

**Total Pilotage Costs – Comparable Ports  
(summary)**





Port	Total Pilotage Cost	Comparable Ports
Associated Branch Pilots	\$ 24,223.34	\$ 24,223.34
Crescent River Pilots	\$ 46,083.87	\$ 46,083.87
<i>Sea to New Orleans Area</i>	\$ 70,307.21	
NOLA Baton Rouge Pilots	\$ 71,257.98	\$ 71,257.98
<i>Sea to Baton Rouge Area</i>	\$ 178,998.05	
Puget Sound Pilots	\$ 40,806.08	\$ 40,806.08
St. John's Bar Pilots	\$ 26,461.83	\$ 26,461.83
Tampa Bay Pilots	\$ 40,082.39	\$ 40,082.39
Houston Pilots	\$ 57,749.81	\$ 57,749.81
<b>San Francisco Bar Pilots</b>	\$ 48,507.48	<b>\$ 48,507.48</b>
Columbia River Bar	\$ 47,680.49	\$ 47,680.49
Columbia River Pilots	\$ 89,474.87	\$ 89,474.87
<i>Sea to Columbia River</i>	\$ 137,155.36	
Sandy Hook Pilots NY/NJ	\$ 41,889.52	\$ 41,889.52
Maryland Pilots	\$ 67,888.88	\$ 67,888.88
	<b>Average</b>	<b>\$ 50,175.55</b>



**Declaration of Captain Gregory Tylawski**  
**Exhibit (D)**

**Methods of Determining Rate in**  
**Comparable Ports**



Declaration of Captain Gregory Tylawsky  
Exhibit D  
Methods of Determining Rates in Comparable Ports

- D-1 Associated Branch Pilots
- D-2 Crescent River Pilots
- D-3 Sea to New Orleans  
NOLA Baton Rouge Pilots  
Sea to Baton Rouge
- D-4 Puget Sound Pilots
- D-5 St. John's Bar Pilots
- D-6 Tampa Bay Pilots
- D-7 Houston Pilots
- D-8 San Francisco Bar Pilots
- D-9 Columbia River Bar Pilots  
Columbia River Pilots  
Columbia River Sea to Berth
- D-10 Sandy Hook NY/NJ Pilots
- D-11 Maryland Pilots

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**ASSOCIATED BRANCH PILOTS OF THE  
PORT OF NEW ORLEANS**

**TARIFF  
Effective January 01, 2015**

The said Associated Branch Pilots of the Port of New Orleans ("Bar Pilots") shall be entitled to ask and receive the following fees, charges, and surcharges for their pilotage services effective January 01, 2015, except as otherwise provided herein, pursuant to LSA-R.S. 34:954, 1121 and 1122.

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**Pilotage Fees:**

\$57.31 per foot of water drawn in fresh water by vessels piloted by them provided that should any vessel have a draft of 20 feet or less, the pilotage charge shall be \$1,146.14, which shall be the minimum charge for such service. Draft charges shall be calculated to the nearest inch.

**Tonnage Fees:**

The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage in the above paragraph, an additional charge based on the greater deadweight tonnage listed in Lloyd's Register, as follows:

\$223.43 for vessels of at least 21,000 deadweight tons with increments of \$27.07 for each 1,000 deadweight tons in excess of 21,000 deadweight tons to at least 60,000 deadweight tons and \$32.89 for each 1,000 deadweight tons in excess of 60,000 deadweight tons.

**Boat Service:**

Boat service charges for embarking or disembarking a pilot shall be paid by the vessel.

**Detention Charge:**

In the event a pilot is detained for any cause more than one (1) hour, a detention charge shall apply thereafter, up to and including the fourth hour, and be paid per hour, or fraction thereof, at an hourly rate of \$260.37; and after the fourth hour, the detention charge shall be \$444.12 per hour or fraction thereof.

### **Three-Hour Notice Charge:**

Pilot services shall be ordered for outbound vessels at least three hours in advance, and pilots shall report aboard the vessel at the time ordered. Whenever a pilot is ordered with less than three hours notice, a charge of \$246.76 shall apply unless the order is canceled before the Pilot is en route.

Vessels inbound to Southwest Pass or the Mississippi River-Gulf Outlet from another Gulf port shall provide an ETA to the Bar Pilots upon the vessel's outbound crossing of the bar at the other Gulf port. Vessels inbound from ports outside the Gulf shall provide ETA's 24 hours in advance. If an ETA changes by more than two hours, the Bar Pilots shall be advised at least 6 hours prior to the original ETA or the vessel's arrival, whichever is earlier. ETA's given as "A.M." shall be assumed to be 0600 local time; ETA's given as "P.M." shall be assumed to be 1800 local time. A vessel or the vessel's agent can revise the vessel's original ETA as often as necessary as long as the 6-hour rule is followed.

All ETA's and revised ETA's must be given in local time.

ETA's and revised ETA's should be sent via email to the Bar Pilots' offices at the following email address: **ops@barpilot.com** or faxed to the Bar Pilots' offices at the following fax numbers:

VENICE FAX -- (504) 522-7929 -- 24 HOURS

ETA's and revised ETA's may be provided by telephone to the Bar Pilots at (504) 524-3474.

Vessels arriving at Southwest Pass or the Mississippi River-Gulf Outlet without an ETA will have the option of waiting its turn for a pilot or having a pilot dispatched immediately. The Bar Pilots will advise the vessel or the vessel's agent of the expected wait time. Vessels without an ETA requesting immediate pilotage service will pay a surcharge of \$1,585.93 in addition to all other applicable charges in the tariff.

Vessels providing ETA's and revised ETA's as per the above paragraphs but arriving more than two hours before their ETA or revised ETA shall have the option of having a pilot dispatched immediately and paying the surcharge in the above paragraph, or waiting for a pilot to be dispatched for the vessel's original or latest revised ETA.

Vessels ordering pilots for South Pass or the Mississippi River-Gulf Outlet and providing ETA's as per the above paragraphs but arriving more than two hours after their ETA or revised ETA shall pay a detention charge per hour at the applicable detention rate up to the maximums as stated in the above paragraphs. Detention charges begin after the second hour past the ETA or revised ETA.



Vessels ordering pilots for Southwest Pass and arriving between two and four hours after their ETA or revised ETA shall pay a detention charge at the applicable rate for up to two hours. Vessels arriving more than four hours after their ETA or revised ETA shall have the option of paying a detention charge up to the maximums referenced above and a pilot will be immediately dispatched, or paying for two hours of detention and a pilot will be dispatched when available. The Bar Pilots will advise the vessel or the vessel's agent of the expected wait time.

Local agents for vessels incurring charges hereunder shall be so advised by the Bar Pilots via FAX or email within one working day of the vessel's arrival. Local agents shall not be responsible for charges hereunder if a vessel cancels its call before pilot services are rendered.

#### **Carrying Pilot out to Sea Charge:**

If through the fault or request of the master or owner, any vessel carries the pilot to sea when a boat is attending to receive him, or if the pilot is taken to sea for the convenience or safety or preservation of the vessel under severe weather conditions during which a boat is not attending to receive him, the master or owner shall, in addition to the pilotage charges fixed herein, pay the sum of \$3,448.37 per day or fraction thereof, until the pilot is returned to the Port of New Orleans, Louisiana, and pay for first-class accommodations of the pilot and first-class transportation and expenses for the return of the pilot to the Port of New Orleans, Louisiana.

#### **Communication Charge:**

All vessels incurring regular pilotage charges shall pay a \$3.00 communication charge.

#### **Surcharges:**

##### **1. Capital Improvement Surcharge:**

The said Bar Pilots shall also be entitled to demand and receive, from every vessel subject to pilotage, a capital surcharge of \$75.00 per vessel, per turn. This charge shall be in addition to all charges stated above and will become effective July 1, 2003 and remain in effect until otherwise revised and/or modified by Louisiana Pilotage Fee Commission order.

##### **2. Pension Surcharge:**

The said Bar Pilots shall also be entitled to demand and receive, from every vessel, per turn, subject to pilotage, a pension surcharge in the form of mills per

DWT. The pension surcharge will become effective January 1, 2015 and will be 10.00 mills per DWT per vessel, per turn for the first quarter of 2015. The pension surcharge shall be adjusted quarterly as provided herein. Prior to the end of each quarter, the pension surcharge will be adjusted based upon actual and projected pension costs plus the cost to administer the pension surcharge funds divided by the total forecasted DWT's for the vessels to be piloted in the next quarter. This charge will be in addition to all charges stated herein.

**3. Vessel Traffic Service (VTS) Surcharge:**

The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage, a VTS surcharge in the form of mills per DWT, per turn of that vessel. The VTS surcharge shall become effective in two phases. Effective April 1, 2000, the VTS surcharge shall be 3.02 mills per DWT. Upon the commencement of the operations of the VTS Center, the VTS surcharge shall be 3.92 mills per DWT, subject to adjustment annually on 1 July of each year beginning 1 July 2000 due to the escalation of the Bar Pilots' compensation by the ATRAM as provided in LPSC Order No. T-23689. The continued charging of the VTS surcharge shall be subject to the conditions as set forth in Louisiana Public Service Commission Order No. T-23689. The Bar Pilots are not currently collecting this surcharge due to VTS not being in operation along our route.

**4. Katrina Related Pilot Station Construction and Loss Fund:**

This surcharge shall become effective August 1, 2006 and remain in effect until otherwise revised and/or modified, subject to true-up and audit, pursuant to the order issued by the Louisiana Pilotage Fee Commission on July 20, 2006 under order number P-06003. The said Bar Pilots shall also be entitled to demand and receive from every vessel subject to pilotage, a Katrina Related Pilot Station Construction and Loss Fund surcharge of \$34.00 per vessel, per turn.

**Collections for Pilotage Fee Commission Funding:**

**1. Louisiana Pilotage Fee Commission Funding Surcharge**

The said Bar Pilots shall demand and receive from every vessel subject to pilotage, a pass-through fee of \$20.00 per vessel, per turn, to be disbursed to the Louisiana Pilotage Fee Commission upon collection by the Bar Pilots. This pass-through fee is to provide funding to the Louisiana Pilotage Fee Commission and does not serve as income to the Bar Pilots.

**Miscellaneous:**

**1. Refusal of Pilot Services:**

When pilot services are timely offered and refused, said vessel shall pay such charge.

**2. Vessels Requiring Pilots:**

Vessels of one hundred tons or under, lawfully engaged in coastwise trade of the United States, shall not be required to take a pilot, unless the master of such vessel demands pilot services.

**3. Special Services:**

Bar Pilots shall be entitled to enter into agreements with the Masters and Owners of ships, or their representatives, for special services that are not described herein, and for which fees are not provided herein, and the hire of boats and equipment, at such rates and for such sums as may be agreed upon between them as provided in LSA-R.S. 34:954.

**4. Credit Policy:**

An account shall remain on a cash basis with all fees and charges due upon completion of pilotage services until a history of paying invoices for pilotage services has been established. The Associated Branch Pilots of the Port of New Orleans shall have a lien and privilege upon any vessel for which pilot services were provided by a Bar Pilot for non-payment of pilotage fees, charges and surcharges as provided in LSA-R.S. 34:964.

**5. Compliance with LSA-R.S. 34:1122:**

The increases in pilotage fees and rates set forth herein have been approved by the Louisiana Public Service Commission pursuant to Order No. T-23689 dated September 21, 1999, sitting as the Fee Commission pursuant to LSA-R.S. 34:1121(C) and 1122(D), after giving due regard to the factors set forth in LSA-R.S. 34:1122.

The tariff shall remain in effect until otherwise amended and/or revised by the appropriate regulatory body. This limitation, however, does not intend to preclude the historical practice of the Bar Pilots from seeking approval from the appropriate regulatory body of the recovery of expenses incurred due to *force majeure* events.



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# **CRESCENT RIVER PORT PILOTS' ASSOCIATION**

8712 Highway 23  
Belle Chasse, LA 70037  
Telephone (504) 392-8001  
FAX (504) 392-7598

Office Open Nights, Sundays and Holidays

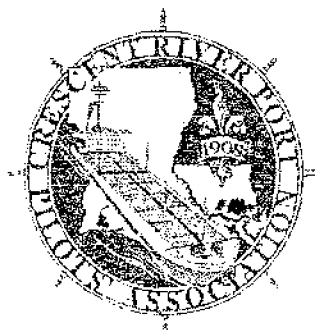
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## **TARIFF**

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**RIVER PORT PILOTAGE TO, FROM, AND  
WITHIN THE PORT OF NEW ORLEANS  
INCLUDING THE INDUSTRIAL AND  
HARVEY CANALS AND THE  
INTRA-COASTAL CANAL TO THE  
TURNING BASIN AT  
MICHoud**

**Effective January 1, 2015  
Pursuant to  
Louisiana Pilotage Fee Commission  
Orders No. P07-001 and P10-002**



## PILOTAGE FEES

### REGULAR PILOTAGE FEES

Pilotage between Pilottown and New Orleans and all intermediate points, or vice-versa. Regular pilotage fees shall include charges for Draft, Zones, and if applicable, Tonnage.

- 1) Vessels requiring up to 8 hours - regular pilotage fees.
- 2) Vessels requiring in excess of 8 hours - regular pilotage fees plus a proportional hourly rate based on that vessel's regular pilotage fee; minimum hourly rate - \$456.61, one hour minimum.

### DRAFT

Per foot, deepest Freshwater Draft.....	\$ 63.37
Minimum Draft (20 feet).....	\$1,267.40

### TONNAGE

Vessels shall be charged a tonnage fee based on the greater Deadweight Tonnage listed in Lloyd's Register.	
Greater Deadweight Tonnage for vessels of at least 21,000 DWT.	\$249.47
Each 1,000 DWT in excess of 21,000 DWT, to at least 60,000 DWT, increments of.....	\$ 30.29
Each 1,000 DWT in excess of 60,000 DWT, increments of.....	\$ 36.80

### ZONE CHARGE

Vessels shall be charged a zone fee for each zone in which pilotage service is performed based on the greater Deadweight Tonnage listed in Lloyd's Register.

#### Mississippi River Zones

1. Pilottown Wingdam Lt. (1.5) to Jump Wharf Lt. (10.5)
2. Jump Wharf Lt. (10.5) to Fort Jackson (20.0)
3. Fort Jackson (20.0) to Empire Canal (29.5)
4. Empire Canal (29.5) to Nestor Canal Lt. (39.7)
5. Nestor Canal Lt. (39.7) to Rock Island Dock Lts. (49.3)
6. Rock Island Dock Lts. (49.3) to Ironton Lt. (60.0)
7. Ironton Lt. (60.0) to Oakville Lt. (69.9)
8. Oakville Lt. (69.9) to Upper Limits of 12 Mile Anchorage (80.8)
9. Upper Limits of 12 Mile Anchorage (80.8) to Upper Limits of Quarantine Anchorage (91.6)
- 9A. Algiers Canal
10. Upper Limits Quarantine Anchorage (91.6) to Upper End of Henry Clay Ave. Wharf (101.1)
- 10A. Harvey Canal
11. Upper End of Henry Clay Ave. Wharf (101.1) to South Port (104.7)

#### ICWW and Inner Harbor Navigation Canal Zones

Zone B-1	Light 128 A (59.9) Eastward	
Zone B-2	Light 128 A (59.9) to Florida Ave. or I. & N Bridge	
Zone C-1	Florida Ave. Bridge to the Industrial Canal Locks	
Zone C-2	I. & N Bridge to Lake Pontchartrain	
(a)	Vessels under 21,000 Deadweight Tons, per zone.....	\$ 73.15
(b)	Vessels 21,000 Deadweight Tons to 60,000 Deadweight Tons, per zone.....	\$184.87
(c)	Vessels over 60,000 Deadweight Tons, per zone.....	\$298.01

### DOCKING OR UNDOCKING

Docking or undocking vessels, an additional fee based on the vessel's overall length listed in Lloyd's Register, as follows:

Under 300 feet.....	\$180.66
300 feet and under 600 feet.....	\$389.96
600 feet and over.....	\$529.51

The above docking or undocking fees shall apply when vessels are moored or unmoored to or from mooring buoys. Vessels shifting on lines shall incur a docking fee.

Docking and Undocking vessels, head-down, an additional.....	\$170.69
Docking and Undocking vessels, stern first, an additional.....	\$170.69

### SHIFTING

1. All shifts within the harbor of New Orleans (Southport to Metairie), including the Industrial Canal, Algiers Canal and Harvey Canal.....
2. Shifting from Anchorages, or from docks, below Metairie, and including Poverty Point, or vice-versa, when not passing a dock or anchorage

Shifting from Lower Nine Mile and Lower Twelve Mile Anchorages to Point-à-l'Ancre, or vice-versa.....	\$722.22
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of the availability of a pilot and expected waiting time, if any. Vessels providing an ETA but arriving more than two hours before their ETA shall have the option of having a pilot dispatched immediately, if available, and paying the charge of \$890.40 or waiting for a pilot to be dispatched for the vessel's latest ETA. Vessels arriving more than two hours after their ETA shall pay a detention charge at the applicable rate for each hour it arrives after this ETA. However, this charge shall not exceed \$890.40. Vessels not arriving within four hours of their ETA or revised ETA shall be considered to have become disabled or diverted and no longer calling at this port. The vessel or her agent shall notify the Crescent River Port Pilots as soon as it is known that she has become disabled or has been diverted. If a vessel arrives off Southwest Pass more than four hours later than her ETA, it shall pay the \$890.40 charge plus detention for each hour, or fraction thereof, after four hours from this vessel's ETA. If this vessel revises the ETA prior to its ETA, this vessel shall not be subject to pay the detention charge, but shall pay the \$890.40 charge. The Crescent River Port Pilots will advise the vessel or her agent if there shall be a delay to the vessel for pilotage service. Whenever a vessel arrives off Southwest Pass and a charge of \$890.40 is applicable, the vessel so arriving shall pay the Transportation charge to Venice.

4. The Crescent River Port Pilots' Association or its members may enter into agreements with the masters or owners of vessels, agents representing masters or owners of vessels, or other affected entities or their representatives, pertaining to pilotage rates, including but not limited to: tasks requiring assignments of more than one pilot simultaneously; requests for the assignment of a pilot or pilots to a vessel during those periods when all duty pilots have assignments, or have not received proper rest; a change in a vessel's original ordered destination is requested; or for special services and transportation costs not covered in the tariff, and for the hire of boats and equipment for such rates and for such sums as may be agreed between them. No special service agreements shall be made when deemed unsafe.
5. If the time aboard a vessel is deemed excessive to complete the pilotage service, the pilot may be relieved; however, such exchange shall not increase the cost of the applicable regular pilotage fees, unless the vessel's original destination is changed, then Section 4 applies.
6. All vessels incurring a regular pilotage fee shall pay a surcharge which provides monies for the River Port Pilots' Pension Plan. This plan is on file with the Louisiana Pilotage Fee Commission (the "Commission"). The surcharge shall be based on the volume of shipping; the rate charged shall be based on each vessel's greater Deadweight Tonnage listed in Lloyd's Register, calculated to the nearest one hundredth of a mill; and subject to quarterly adjustments based on the plan's total expense for the current benefit payment period as determined by the Board of Administrators or its agent.
7. All vessels incurring a regular pilotage fee shall pay a \$4.50 communication charge.
8. Effective January 1, 2010, tariff rates and fees required to provide the appropriate target average annual compensation for pilots shall be adjusted by a cost-of-living adjustment equal to one hundred percent (100%) of the preceding five (5) year rolling average of the Consumer Price Index-All Urban Consumers-South Urban Area, as reported June 30th of the prior year.
9. Effective January 1, 2010, tariff rates and fees shall be adjusted to mitigate the over or under-recovery of operating and administrative costs and expenses of pilotage. The annual adjustment shall be made pursuant to the "true-up" methodology approved by Order of the Commission.
10. Vessels of one hundred gross tons or less, or those vessels exempted by the laws of the United States shall not be required to take a pilot. However, nothing shall prevent such vessels from requesting pilotage service.
11. All vessels shall employ a river port pilot when navigating the operating territory described in LA. R.S. 34:996, except as provided in Section 11. When pilot services are timely offered and refused, said vessel shall pay such charges as provided in LA. R.S. 34:997.
12. All vessels shall be subject to pay any and all pilotage fees, charges, and surcharges which are authorized by the appropriate regulatory body. The Crescent River Port Pilots' Association shall have a lien and privilege upon any vessel employing a river port pilot for the non-payment of pilotage fees, charges, and surcharges as provided for in LA. R.S. 34:1000.
13. For a twenty (20) year period beginning October 1, 2011, a capital improvement surcharge of \$112.12 per inbound/outbound turn shall be imposed for construction and amortization of a pilot station at Pilottown, subject to true-up on an annual basis.
14. For a ten (10) year period beginning October 1, 2011, a capital improvement surcharge of \$45.90 per inbound/outbound turn shall be imposed for construction and amortization of two (2) purpose-built pilot boats, subject to true-up on an annual basis.

- 3 Shifting from Anchorages, or from docks, below Poverty Point, to and including Venice, or vice-versa, when not passing a dock or anchorage. Shifting from Boothville Anchorage to Pilotown, or vice-versa..... \$818.76
4. Dead ships to be charged a double shifting fee.

### DETENTION, DISCHARGE, AND AWAITING BERTH

1. In the event a pilot is detained more than one hour for any cause, except for awaiting berth, a detention charge shall apply and be paid per hour, or fraction thereof, including payment for the first hour up to and including the third hour.  
This charge shall be..... \$235.86
2. In the event a pilot is detained more than three hours for any cause, except for awaiting berth, a detention charge shall apply for each hour, or fraction thereof, after the third hour. This charge shall be..... \$456.43
3. When aboard vessels at a berth or at anchor, pilots shall be required to stand by such vessels up to three hours from the time ordered, unless discharged earlier by the vessel's master or agent. Nothing shall prevent a pilot from standing by for more than three hours, and the detention charge shall be paid at the applicable rate. When awaiting vessels ordered point-underway, pilots shall standby until discharged by the vessel's master or agent and the applicable detention charge shall apply
4. Discharge within the Port of New Orleans..... \$460.95
5. Discharge outside the Port of New Orleans..... \$497.70
6. Whenever a vessel must standby, anchor, or remain at anchor for more than twenty minutes because its berth is occupied, an awaiting berth charge shall apply for each hour, or fraction thereof, from arrival off berth or getting underway from at anchor. This charge shall be..... \$235.85
7. In the event a pilot is detained more than three hours, the awaiting berth charge for each hour, or fraction thereof, beyond the third hour shall apply. This charge shall be..... \$456.61

### MISCELLANEOUS

1. Transportation costs to or from vessels at the Transportation Tariff Rate and boat service to or from vessels at anchor or underway shall be borne by the vessel. When the Crescent River Port Pilots' boat is used to embark or disembark a pilot on a vessel at Boothville, a charge of \$512.28 shall be applicable.
2. Pilot services, except as provided in Section 3, shall be ordered for vessels at least three hours in advance. Whenever a pilot is ordered with less than three hours notice, a charge of \$341.40 shall be applicable.
3. Vessels inbound to Southwest Pass from another U.S. Gulf Port or its anchorage, shall provide an ETA to the Crescent River Port Pilots' Office at least six hours prior to their arrival off the Pass. This ETA shall be revised upon the vessel's departing the other U.S. Gulf Port, or its anchorage, if necessary. Vessels inbound from an origin other than a U.S. Gulf Port or its anchorage, shall provide an ETA at least twenty-four hours in advance. If this vessel fails to provide this ETA at least twenty-four hours in advance, this vessel shall pay \$445.20. If an ETA changes by more than two hours, the Crescent River Port Pilots shall be advised at least six hours prior to the original ETA or the vessel's arrival, whichever is earlier. An ETA given as "A.M." shall be assumed to be 0600 hours local time, an ETA given as "P.M." shall be assumed to be 1800 hours local time. A vessel or her agent can revise its original ETA as often as necessary as long as the six hour rule is followed. The latest ETA received shall be considered the vessel's ETA. An ETA or revised ETA must be given in local time. The ETA and revised ETA may be provided by fax or telephone.

Crescent River Port Pilots' Association

Fax (504) 392-7598 - 24 Hours

Crescent River Port Pilots' Association

Office (504) 392-8001 - 24 Hours

Vessels arriving off Southwest Pass without an ETA shall pay a charge of \$890.40, in addition to all other applicable charges in the tariff. A vessel shall be considered to have arrived off Southwest Pass when she is one mile off the sea buoy. The Crescent River Port Pilots will notify the vessel or its agent



**New Orleans - Baton Rouge Steamship Pilots Association**  
**Tariff Revisions Effective 1/1/2015**

<u>Components of Tariff</u>	<u>Tariff Effective 1/1/2015</u>
Draft (minimum draft 20')	\$95.42
Detention	
A 1 through 3 hours	\$412.79
B 4th hour	\$481.68
C 5th or more	\$565.50
Shifting	
A Between mile 104.0 - 127.9	\$1,037.71
B Between mile 128.0 -201.6	\$1,149.15
C Between mile 201.7 - 233.9	\$1,037.71
Tonnage	
A Vessels of at least 21,000 dwt	\$210.62
Plus	
B Vessels greater than 21,000 dwt, but less than 60,000 dwt	\$40.34
C Vessels greater than or equal to 60,000 dwt	\$45.94
Dock, Undock, Head down, and Turning	
A Vessels less than 300 feet length over all	\$528.38
B Vessels between 300 and 599 feet	\$580.32
C Vessels at least 600 feet	\$648.40
Discharge	
A Mile 90.5 - 106.0	\$679.71
B Mile 106.1 - 222.0	\$779.03
C Mile 222.1 - 232.2	\$679.71
Mileage	
A Vessels less than 21,000 dwt	\$22.35
B Vessels between 21,000 and 59,999 dwt	\$26.29
C Vessels greater than or equal to 60,000 dwt	\$30.23
Head Down	\$156.86
Compass Adjusting	\$156.86
Communication Charge	\$7.59



**New Orleans-Baton Rouge  
Steamship Pilots Association**

2805 Harvard Avenue, Suite 102 • Metairie, Louisiana 70006 • USA

**TRANSPORTATION TARIFF**

Effective: January 1, 2014

**LA. P.F.C. DOCKET NO. P13-001**

Point Underway	\$ 52.67
General Anchorage	\$ 52.67
City Docks	\$ 59.28

**EASTBANK**

Harahan	\$ 68.82
St. Rose	\$ 113.16
Destrehan	\$ 113.16
Goodhope	\$ 116.23
Norco	\$ 116.23
Bonnet Carré	\$ 127.51
Reserve	\$ 172.10
Gramercy	\$ 179.66
Granview / Paulina	\$ 220.29
Convent	\$ 220.29
Burnside	\$ 220.29
Mile 175 - 180	\$ 237.36
Geismar	\$ 237.36
St. Gabriel	\$ 261.56
White Castle	\$ 290.11
Petro United	\$ 290.11
Baton Rouge	\$ 310.80

**WESTBANK**

Algiers	\$ 55.80
Gretna	\$ 65.27
Harvey	\$ 65.27
Marrero	\$ 65.27
Westwego	\$ 76.46
Avondale	\$ 76.46
American Cyanamid	\$ 133.87
Amn	\$ 165.92
Luling	\$ 165.92
Taft	\$ 191.22
St. James	\$ 277.60
Donaldsonville	\$ 277.60
Plaquemines	\$ 290.11

Main Office  
Phone: 504-832-1199

Board of Directors  
Phone: 504-219-2600  
Fax: 504-456-6456

Marine Operations  
Phone: 504-219-2611  
Fax: 504-455-2942



**New Orleans-Baton Rouge  
Steamship Pilots Association**

2805 Harvard Avenue, Suite 102 • Metairie, Louisiana 70006 • USA

**PENSION SURCHARGE**

**01-01-2015 TO 03-31-2015**

**PENSION---.019**

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Main Office

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Board of Directors

Phone: 504-219-2600

Fax: 504-456-6456

Marine Operations

Phone: 504-219-2611

Fax: 504-455-2942

9

9

9



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WACs > Title 363 > Chapter 363-116 > Section 363-116-300

[363-116-2051](#) << [363-116-300](#) >> [363-116-315](#)

## WAC 363-116-300

[Agency filings affecting this section](#)

### Pilotage rates for the Puget Sound pilotage district.

Effective 0001 hours January 1, 2015, through 2400 hours June 30, 2015.

CLASSIFICATION	RATE
Ship length overall (LOA)	
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.)	

### 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.

#### 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.

*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.

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
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:

<b>Direct Transit Charge</b>	\$2,107.00
<b>Sailing Delay Charge.</b> 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
<b>Slow Down Charge.</b> 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
<b>Cancellation Charge.</b> 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
<b>Transportation Charge Vancouver Area.</b> Vessels departing or arriving at ports in the Vancouver-Victoria-New Westminster Range of British Columbia.	\$514.00
<b>Transportation Charge Outports.</b> Vessels departing or arriving at British Columbia ports other than those in the Vancouver-Victoria-New Westminster Range.	\$649.00

**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

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
740 - 759	659	685	945	1,304	1,795	2,167
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

[Statutory Authority: RCW 88.16.035. WSR 14-24-014, § 363-116-300, filed 11/20/14, effective 1/1/15; WSR 14-02-092, § 363-116-300, filed 12/31/13, effective 1/1/14; WSR 12-24-055, § 363-116-300, filed 11/30/12, effective 1/1/13; WSR 11-23-176, § 363-116-300, filed 11/23/11, effective 1/1/12; WSR 11-10-051, § 363-116-300, filed 4/29/11, effective 5/30/11. Statutory Authority: Chapter 88.16 RCW. WSR 10-24-085, § 363-116-300, filed 11/30/10, effective 12/31/10. Statutory Authority: RCW 88.16.035. WSR 10-12-059, § 363-116-300, filed 5/27/10, effective 7/1/10; WSR 09-12-072, § 363-116-300, filed 5/29/09, effective 7/1/09; WSR 08-12-018, § 363-116-300, filed 5/28/08, effective 7/1/08; WSR 07-12-028, § 363-116-300, filed 5/30/07, effective 7/1/07; WSR 07-01-084, § 363-116-300, filed 12/19/06, effective 1/20/07; WSR 06-12-009, § 363-116-300, filed 5/26/06, effective 7/1/06. Statutory Authority: Chapter 88.16 RCW and 2005 c 26. WSR 05-18-021, § 363-116-300, filed 8/29/05, effective 10/1/05. Statutory Authority: RCW 88.16.035. WSR 05-12-055, § 363-116-300, filed 5/26/05, effective 7/1/05; WSR 04-12-014, § 363-116-300, filed 5/24/04, effective 7/1/04; WSR 03-12-019, § 363-116-300, filed 5/28/03, effective 7/1/03; WSR 02-12-008, § 363-116-300, filed 5/23/02, effective 7/1/02; WSR 01-18-050, § 363-116-300, filed 8/30/01, effective 9/30/01; WSR 01-12-032, § 363-116-300, filed 5/29/01, effective 7/1/01; WSR 00-11-119, § 363-116-300, filed 5/22/00, effective 7/1/00; WSR 99-12-027, § 363-116-300, filed 5/25/99, effective 7/1/99; WSR 98-12-008, § 363-116-300, filed 5/22/98, effective 7/1/98; WSR 97-12-017, § 363-116-300, filed 5/28/97, effective 7/1/97. WSR 97-08-042, recodified as § 363-116-300, filed



3/28/97, effective 3/28/97. Statutory Authority: RCW 88.16.035. WSR 96-12-017, § 296-116-300, filed 5/29/96, effective 7/1/96; WSR 95-12-018, § 296-116-300, filed 5/30/95, effective 7/1/95; WSR 94-12-044, § 296-116-300, filed 5/27/94, effective 7/1/94; WSR 93-12-133, § 296-116-300, filed 6/2/93, effective 7/3/93; WSR 92-14-007, § 296-116-300, filed 6/19/92, effective 7/20/92; WSR 91-11-074, § 296-116-300, filed 5/20/91, effective 6/20/91; WSR 90-20-116, § 296-116-300, filed 10/2/90, effective 11/2/90; WSR 90-08-095, § 296-116-300, filed 4/4/90, effective 5/5/90; WSR 89-08-041 (Order 89-2, Resolution No. 89-2), § 296-116-300, filed 3/31/89. Statutory Authority: RCW 88.16.050. WSR 88-05-039 (Order 88-1, Resolution No. 88-1), § 296-116-300, filed 2/16/88, effective 3/18/88. Statutory Authority: RCW 88.16.035(4). WSR 87-01-081 (Orders 86-9 and 86-10, Resolution Nos. 86-9 and 86-10), § 296-116-300, filed 12/19/86; WSR 86-19-066 (Order 86-6, Resolution No. 86-6), § 296-116-300, filed 9/16/86; WSR 86-02-035 (Order 86-1, Resolution No. 86-1), § 296-116-300, filed 12/30/85; WSR 85-02-048 (Order 84-5, Resolution No. 84-5), § 296-116-300, filed 12/31/84; WSR 84-04-006 (Order 84-1, Resolution No. 84-1), § 296-116-300, filed 1/20/84; WSR 83-17-055 (Order 83-6, Resolution No. 83-6), § 296-116-300, filed 8/17/83; WSR 82-13-065 (Order 82-4, Resolution No. 82-4), § 296-116-300, filed 6/16/82. Statutory Authority: RCW 88.16.035. WSR 81-12-017 (Order 81-2, Resolution No. 81-2), § 296-116-300, filed 5/29/81; WSR 80-06-084 (Order 80-1, Resolution No. 80-1), § 296-116-300, filed 5/28/80. Statutory Authority: RCW 88.16.035(4). WSR 79-07-033 (Order 79-4, Resolution No. 79-4), § 296-116-300, filed 6/19/79. Statutory Authority: Chapter 88.16 RCW and 1977 ex. sess. c 337, §§ 1 and 4. WSR 78-02-008 (Order 78-1), § 296-116-300, filed 1/6/78, effective 2/10/78; Order 77-18, § 296-116-300, filed 9/20/77, effective 11/1/77; Order 76-24, § 296-116-300, filed 7/22/76; Order 75-3, § 296-116-300, filed 2/10/75; Order 74-2, § 296-116-300, filed 1/8/74; Order 73-8, § 296-116-300, filed 6/20/73 and Emergency Order 73-10, filed 7/19/73, effective 8/14/73; Order 70-7, § 296-116-300, filed 7/16/70; 7/25/67; 2/18/64; 10/29/62; 12/28/60; 3/23/60.]



## Pilotage Rates for Port of Jacksonville Effective January 1, 2004

**St. Johns Bar Pilot Association**  
**4910 Ocean Street, Mayport, FL 32233**  
**(904) 249-5631**

Standard Pilotage Charges for Draft and Tonnage	
Deepest Draft	International Gross Registered Tonnage*
\$21.20 per foot, minimum of 15 feet	\$0.04640 per ton, minimum of 3,000 GRT

Shifting Vessels Within the Port		
Zone A	Zone B	Zone C
CSX Bldg to ST Services	ST Services to Marker 38	Marker 38 to Mayport Naval Station
Shift		Charge
Shift within a single zone		1/2 Standard Pilotage Charge
Shift between zones or to Green Cove Springs		Standard Pilotage Charge

Special Situations	
Situation	Charge
Detention of Pilot	\$200 per hour or fraction thereof, \$400 maximum
Canceled or delayed sailing after pilot reports aboard (not due to weather)	\$200 per hour or fraction thereof, \$400 maximum
Failure to amend ETA before pilot arrives on station	\$200 per hour or fraction thereof, \$400 maximum
Standby of pilot when presence is required on board as in, but not limited to, a vessel at anchor	\$200 per hour or fraction thereof, no maximum
Pilot kept on board vessel when vessel departs Jacksonville	\$250 per day plus First-class return transportation

Towing	
Dead ship towed with tugs alongside	Standard pilotage for ship
Dead ship towed with tug on hawser (1 pilot)	Standard pilotage for ship and tug
Dead ship towed with tug on hawser (2 pilots required by Navigation Guidelines)	Standard pilotage for ship and tug plus minimum charge for 2 <sup>nd</sup> pilot
Barge towed with tug on hawser or alongside	Standard pilotage for tug and for barge
Barge pushed ahead by tug in notch	Draft charge on deeper unit, tonnage charge on larger unit

Special Pilot Boat Services	
Deliver Orders to Vessels	Inside Jetties: \$100
	Outside Jetties: \$150
Water Transportation (when boat is available)	With Pilot: \$25 per person
	Without pilot: \$25 per person, \$150 minimum

\* Largest International Gross Registered Tonnage according to Lloyd's Register of Shipping. If vessel has more than one listed, the larger will prevail.

Any invoice outstanding after 30 days is subject to a 1.5% charge for each 30 days outstanding unless prior arrangements have been made.

Note: This is a summary of the Pilotage Rates as set by the Florida State Rate Review Board. Copies of the Board's Final Order are available from the pilot station.

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**Tampa Bay Pilotage Rates**

**Regular Draft Charge:** \$39.27 per Draft Foot  
**Minimum Draft Charge:** UNDER 10,000 GRT 12 Feet Minimum  
OVER 10,000 GRT 20 Feet Minimum

**Regular Tonnage Charge:** \$0.0713 per International Gross Ton (GT)  
**Minimum Tonnage Charge:** 2600 GT Minimum

**Vessels without Power and/or Steering:** Double Regular Charges

**Arrival or Sailing:** Regular draft plus regular tonnage charges.

**Shifting:**

ZONE A (under 3 miles) \$14.73 per draft foot plus \$0.02674 per GT (min. \$347.33)  
ZONE B (3 to 7 miles) \$29.45 per draft foot plus \$0.0535 per GT  
ZONE C (over 7 miles) Draft plus tonnage rate

**Docking or Undocking:** UNDER 5000 GT - \$72.00  
5000 GT to 10000 GT - \$107.00  
OVER 10000 GT - \$143.00

**Anchoring or Heaving:** UNDER 5000 GT - \$100.00  
5000 GT to 10000 GT - \$150.00  
OVER 10000 GT - \$200.00

**Cancellation Charge:** \$100.00 - charged for any cancellation after the pilot is dispatched .

**Detention Charge:** \$50.00 per half hour, no charge for any delay less than half an hour.

- Charged for delayed sailing or late arrival at sea buoy unless a change in orders is received prior to the pilot being dispatched
- Charged for delays in transit requested by Master or Agent
- No charge for delays due to weather or traffic
- Charged for miscellaneous services en route, such as compass adjustment, RDF calibration, engine repairs or testing
- Charged for miscellaneous services, such as holding vessel to dock with tugs standing by at anchor, etc.
- Charged from time vessel is securely moored or anchored until a safe method for the pilot to disembark is provided

**NOTES:** - In the event a vessel has more than one tonnage, the higher tonnage will prevail.

- All invoices are due on receipt. Any invoice unpaid after 30 days from date of invoice shall be considered delinquent and subject to a late charge of 1.5% for each 30 days outstanding. Any charges not paid within 60 days will result in cash operations

**EFFECTIVE:** February 1, 2010



# HOUSTON PILOTS 2015 TARIFF

The Rates for Pilotage on the Houston Ship Channel and to or from the Houston Ship Channel and sea or Bolivar Roads are as follows commencing January 1, 2015.

## I. DRAFT RATES

Zones	40 feet and under	Over 40 feet
1. Sea – to and including Barbours Cut	76.51	82.92
2. Baytown – to and including Lynchburg	77.85	155.69
3. Above Lynchburg – to and including Shell	79.20	158.39
4. Above Shell – to and including Targa	80.48	160.97
5. Above Targa – to and including U.S. Gypsum	81.90	163.79
6. Above U.S. Gypsum – to and including Turning Basin	83.20	

The over 40 feet rate applies to the entire draft of vessels with a draft over 40 feet.

Vessels 450 feet and over in length will be charged for Minimum Draft of 24 feet.

## II. UNIT RATES

In addition to the draft charge vessels will pay a unit charge. The unit charge equals the units of a vessel times the unit rate. The units of a vessel are determined by multiplying the vessel's length overall in feet times the vessel's extreme breadth in feet, divided by 100. The length overall is the distance between the forward and after extremities of the vessel. The extreme breadth is the maximum breadth between the outside of the shell platings of the vessel. The unit rates are as follows:

Units	Unit rate	Units	Unit rate	Units	Unit rate
0-200	1.500	1101-1150	4.101	1651-1700	6.245
201-300	1.500	1151-1200	4.118	1701-1750	6.332
301-400	1.500	1201-1250	5.456	1751-1800	6.420
401-500	2.000	1251-1300	5.544	1801-1850	6.508
501-600	2.000	1301-1350	5.633	1851-1900	6.594
601-700	2.000	1351-1400	5.721	1901-2000	6.682
701-800	2.158	1401-1450	5.807	2001-2100	6.950
801-900	2.442	1451-1500	5.894	2101-2200	7.221
901-1000	2.995	1501-1550	5.981	2201-2300	7.491
1001-1050	3.102	1551-1600	6.070	2301-2400	7.762
1051-1100	3.746	1601-1650	6.157	2401-over	8.032

The minimum of a draft charge plus the unit charge is \$1,989.92.

## III. RATES FOR SHIFTING

The charge for shifting is the total of a zone charge and a unit charge. A movement to or out of Bayport is a transit and is not a shift.

The shifting zones are:

1. Barbours Cut to Baytown
2. Baytown to Lynchburg
3. Lynchburg to Shell
4. Shell to Targa
5. Targa to U.S. Gypsum
6. U.S. Gypsum to the Turning Basin

a. Shifting rate per zone

The charge based on zones for shifting depends on the number of zones the vessel is in during the shift, as follows:

Confined to one zone	1,174.43
Using two zones	1,291.80
Using three zones	1,409.25
Using four zones	1,526.70
Using five zones	1,644.14
Using six zones	1,761.53

b. Unit shifting charge

Units are defined in Section II. The unit charge for shifting is the units multiplied by the following rate:

Units	Unit rate	Units	Unit rate	Units	Unit rate
0-200	0.000	701-800	1.879	1301-1400	3.738
201-300	0.315	801-900	2.189	1401-1500	4.047
301-400	0.630	901-1000	2.498	1501-1600	4.357
401-500	0.942	1001-1100	2.808	1601-1700	4.666
501-600	1.252	1101-1200	3.117	1701-1800	4.977
601-700	1.571	1201-1300	3.428	1801-over	5.287

The minimum shifting charge is \$1,329.48.

IV. DEAD SHIPS

The charge for dead ships is double the regular pilotage charge of shifting charge.

V. ANCHORAGE AT BOLIVAR ROADS

An anchorage fee of \$707.13 is charged in addition to the regular pilotage fee for moving a ship from anchorage to port or from the port to anchorage; and in addition to the regular pilotage fee for moving a ship from the sea buoy to anchorage in Bolivar Roads or from anchorage in Bolivar Roads to the sea buoy.



## VI. DETENTION

When a pilot is ordered but the vessel is not ready to be moved when ordered, the following charge will apply unless the delay is caused by weather.

On dock	After 30 minutes	\$450
On bar	After one hour	\$450

There is no detention or cancellation charge if the vessel is on an automatic order and the delay is attributable to a vessel occupying the intended berth.

## VII. CHARGE FOR FAILURE TO TIMELY DISCHARGE PILOT AND HOLDING CHARGES

The standard rate for holding a pilot other than failure to timely discharge a pilot is \$450 per hour.

Transit time will be billed to all vessels requesting or requiring a pilot to slow down or hold a vessel for any reason other than weather such as the availability of dock or mechanical difficulties. Holding in transit will not be charged when delays are attributable to weather including foggy conditions, or waiting on tug boats.

Holding a pilot on the vessel during arrivals at the dock, any time over 35 minutes after first line will be billed at \$200 for the first ten minutes, and then \$200 per five minutes with a maximum of \$1,200 until pilot away.

When tows require over seven hours of transit time (boarding to first line; last line to pilot off), the holding rate applies in addition to normal pilotage fees.

When vessels movements require over seven hours of transit time (boarding to first line; last line to pilot off), the holding rate applies in addition to normal pilotage fees.

## VIII. CANCELLATIONS

For those vessels electing automatic ordering at the beginning of a calendar quarter a charge of \$250 per movement will apply. Vessels may opt in or out at the end of each quarter. Automatic ordering procedures are in a test phase, so the requirements for, and procedures of, automatic ordering may be changed to improve efficiency and the utilization of pilot time.

Nonparticipating vessels are under no obligation to participate but will be subject to cancellation charges when a pilot is ordered and then the order is cancelled:

	Two hours	One hour
At dock	\$500	\$1,000
	Four hours	Two hours
On bar	\$750	\$1,500

#### IX. SPECIAL TARIFF CLAUSE

The rates for pilotage services for vessels of unusual size or construction or with unusual maneuvering characteristics, or with restricted vision, or other services not covered in this tariff will be by specific agreement made before movement.

#### X. SECOND PILOT REQUIREMENTS

Requirements for two pilot jobs are specified in the Houston Pilot Navigational Safety Guidelines which are incorporated by reference. The rate for the second pilot is the same as the first.

#### XI. CRUISE SHIPS

The rate for a cruise ship is 50% of the rate calculated under this tariff. This discount will apply until December 31, 2016.

#### XII. PORT COMMUNICATIONS

A charge for each move of \$210.00 will be charged for port communications.

#### XIII. TRANSPORTATION

A charge for each move and each cancellation of \$138.24 – which will be adjusted each year based on actual fuel costs incurred for the preceding fiscal year.

#### XIV. SHORT NOTICE CHARGE

If a vessel requests a move with less than four hours notice, there will be an additional \$230 charge for the move.

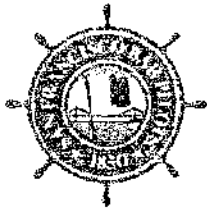
#### XV. PILOT INFORMATION AND OUTREACH

Pilots will continue to investigate technologies and procedures to increase efficiency. Pilots will host quarterly industry outreach meetings.

#### XVI. CUSTOMER INQUIRES

For questions concerning Invoices or Billing Issues, contact Ms. Trisha Willis, (281) 476-8212 or by email at [trisha@houston-pilots.com](mailto:trisha@houston-pilots.com).

Our Presiding Officer is also available at ext. 504 or through Ms. Willis, to discuss billing issues where further review is desired.



**SAN FRANCISCO BAR PILOTS ASSOCIATION**

Pier 9 East End

San Francisco, CA 94111

415-362-5436 Fax 415-362-0861

January 1, 2015

**RE: BAR PILOTAGE RATES AS DEFINED IN  
THE HARBORS AND NAVIGATION CODE  
STATE OF CALIFORNIA**

To All Customers: As of January 1, 2015 the following mill rate will be in effect:

**The basic Bar Pilotage rate** (mill rate) per high gross registered ton will be 92.43 mills (\$0.09243), and ten dollars and twenty-six cents (\$10.26) per draft foot of the vessel's deepest draft and fractions of a foot pro rata, pursuant to Section 1190(a)(1). The minimum charge for bar pilotage, pursuant to Section 1190(a)(2), will be \$662 for each vessel piloted plus the following additional charges.

**The Pilot Pension Plan Surcharge**, authorized by Section 1165, will be 22.04 mills (\$0.02204) per high gross registered ton for each vessel piloted as provided by Section 1165(a)(1). This portion of the total mill rate, shown separately on our invoices, is calculated quarterly for the adjustment of tonnage and any changes in the number of pensioners.

**A Pilot Boat Surcharge**, authorized by Section 1190 (a)(1)(B), will be 3.27 mills (\$0.00327) per high gross registered ton for each vessel subject to the bar pilotage fee described above.

**The Board Operations Surcharge**, authorized by Section 1159.1, will be one percent (1.0%) of all pilotage fees as per the direction of the State Board of Pilot Commissioners, effective January 1, 2013.

**The Pilot Continuing Education Surcharge**, authorized by Section 1196, is \$10.00 per move per the State Board of Pilot Commissioners, effective January 1, 2015.

**The Pilot Trainee Surcharge**, authorized by Section 1195 is \$10.00 per trainee per move per the State Board of Pilot Commissioners, effective January 1, 2015.

The Service Codes for 2015 remain the same as 2014. It is anticipated that these fees will remain constant throughout 2015, with the exception of the quarterly Pension Plan Surcharge and the Pilot Boat Surcharge and Trip insurance. Trip insurance coverage, if accepted, will be \$6,283 per move. Please advise if you need a copy of the Service Code Listing or Trip Insurance information.

Sincerely,

Captain Peter Melsaac

Port Agent

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**San Francisco Bar Pilots**  
**SERVICE CODE AND CHARGE LISTING**  
January 1, 2015

NOTE: The only rate change since January 1, 2013 has been an annual increase in the Optional Trip Insurance Coverage.

<u>CODE</u>	<u>SERVICE DESCRIPTION</u>	<u>CHARGE</u>
<b>INBOUND/OUTBOUND BAR PILOTAGE</b>		
891 IN	PILOTAGE FROM SEA TO BERTH, ANCHORAGE	Per Rates Listed
891 OT	PILOTAGE FROM BERTH, ANCHORAGE TO SEA	Per Rates Listed
894 IN	HALF-CHARGE, PILOTAGE FROM SEA TO BERTH, ANCHORAGE	Variable

*When Bar Pilots are required to perform duties other than the uninterrupted passage of vessels from sea to all ports and berths of San Francisco, San Pablo and Suisun Bays, between the UP Bridge and Hunters Point; or, return from these ports and berths to sea, additional charges shall be made as detailed below:*

**SURCHARGES - ADDITIONAL TO INBOUND/OUTBOUND CHARGES**

617 SC	BETWEEN HUNTERS POINT AND SOUTH	\$1493
618 SC	BETWEEN S P BRIDGE - AVON, MARTINEZ TERMINAL	1114
619 SC	BETWEEN S P BRIDGE - PORT CHICAGO	1324
620 SC	BETWEEN S P BRIDGE - PITTSBURG	1552
621 SC	BETWEEN S P BRIDGE - ANTIOCH	1679
622 SC	BETWEEN S P BRIDGE - SACRAMENTO OR STOCKTON	3161

**BAY AND/OR RIVER MOVES/SHIFT CHARGES**  
**(BM = BAY/RIVER MOVE; BA = FLAT TOW)**

		<b>BM</b>	<b>BA</b>
601 BM (BA)	S F (SOUTH OF NORTH END T. I.) TO HUNTERS POINT	\$858	\$1716
602 BM (BA)	S F AREA TO RICHMOND, PT. SAN PABLO	988	1976
603 BM (BA)	S F AREA TO SOUTH OF HUNTERS POINT	1493	2986
604 BM (BA)	S F AREA TO SEQUOIA, OLEUM	1325	2650
605 BM (BA)	S F AREA TO AVON, MARTINEZ TERMINAL	1552	3104

Service Code and Charge Listing  
January 1, 2015  
Page 2

<u>CODE</u>	<u>SERVICE DESCRIPTION</u>	<u>CHARGE</u>	
CONT'D	BAY AND/OR RIVER MOVES/SHIFT CHARGES (BM = BAY/RIVER MOVE; BA = FLAT TOW)	BM	BA
606 BM (BA)	BETWEEN OLEUM, S P BRIDGE AND AVON	1114	2228
607 BM (BA)	BETWEEN AVON, PORT CHICAGO AND PITTSBURG	1172	2344
608 BM (BA)	S F AREA TO NORTH EXTREMITY SUISUN BAY	2082	4164
609 BM (BA)	S F AREA TO MARE ISLAND, VALLEJO, MARTINEZ, BENICIA	1432	2864
610 BM (BA)	BETWEEN SEQUOIA, OLEUM, MARE ISLAND AND S P BRIDGE	1141	2282
611 BM (BA)	BETWEEN OLEUM, S P BRIDGE AND NORTH SUISUN BAY	1552	3104
615 BM (BA)	S F AREA TO PORT CHICAGO	1819	3638
616 BM (BA)	BETWEEN OLEUM, S P BRIDGE AND PORT CHICAGO	1325	2650
623 BM (BA)	BETWEEN SAN FRANCISCO AND SACRAMENTO	3487	6974
624 BM (BA)	BETWEEN SAN FRANCISCO AND STOCKTON	3487	6974
625 BM (BA)	SACRAMENTO TO STOCKTON	3487	6974
626 BM (BA)	STOCKTON TO SACRAMENTO	3487	6974
627 BM (BA)	SHIFTING AT SACRAMENTO OR STOCKTON	1114	2228
628 BM (BA)	S F AREA AND ANTIOCH	2191	4382
629 BM (BA)	BETWEEN OLEUM, S P BRIDGE AND ANTIOCH	1671	3342
630 BM (BA)	BETWEEN OLEUM, S P BRIDGE AND SACTO/STOCKTON	3161	6322
631 BM (BA)	BETWEEN AVON, PORT CHICAGO AND ANTIOCH	1302	2604
632 BM (BA)	BETWEEN AVON, PORT CHICAGO AND SACTO/STOCKTON	2466	4932
633 BM (BA)	BETWEEN PITTSBURG, ANTIOCH AND SACTO/STOCKTON	2005	4010

Service Code and Charge Listing

January 1, 2015

Page 3

895SC VESSEL LENGTH SURCHARGE

*Computed for vessels 600 ft. or longer on base rate charges of Surcharges and Bay/River Moves listed above. Vessels from 600 ft. to 625 ft. in length overall shall be charged an additional 14 percent of the base rate. Thereafter, an additional 4 percent shall be charged for each increment of 25 ft., computed to the nearest 25 ft. level below the actual length of the vessel.*

<u>LENGTH FT.</u>	<u>ADDITIONAL CHARGE</u>	
600 - 624	A Base Rate Plus	14%
625 - 649	B 114% of Base Rate Plus	4%
650 - 674	C Sum of B Above Plus	4%
675 - 699	D Sum of C Above Plus	4%
Et Cetera		

CODE SERVICE DESCRIPTION - MISCELLANEOUS CHARGES CHARGE

*Those charges noted in separate column for BA are computed as double standard for all dead ship or flat tow pilotage.*

			BA
817 DD	DOCK TO DOCK, EXCLUDING ABOVE ANTIOCH	\$425	850
818 AD	DOCK STERN-IN OR DOWN-TIDE (BM/BA)		
	The higher of 14% of Pilotage Fee or \$101		Doubled
821 AD	ADJUST COMPASS, RDF, RADAR - 1 SWING	991	
822 AD	ADJUST COMPASS, RDF, RADAR - 2 SWINGS	1172	
831 SB	STANDBY TIME PER HOUR, charged in ½ hour increments	211	
840 CP	CANCEL SERVICE LESS THAN 4 HOURS	258	
840 DT	PILOT CARRIED AWAY, PER DAY, plus expenses incurred in returning	2028	
841 CN	CANCEL AFTER PILOT REPORTS	528	

Service Code and Charge Listing

January 1, 2015

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<u>CODE</u>	<u>SERVICE DESCRIPTION - MISCELLANEOUS CHARGES</u>	<u>CHARGE</u>	
CONT.			BA
845 EX	PILOT ON BOARD EXCESS 8 HOURS, PER HOUR	352	
851 ET	ENGINE OR DOCK TRIALS, PER HOUR	528	
853 AN	ANCHORING AFTER DEPARTURE	314	628
871 DT	DELAY ENROUTE, INCLUDING VTS ORDERED, PER HOUR Charged in ½ hour increments, 1 hour minimum	410	
899 CM	CREDIT MEMO	Varies	
899 DM	DEBIT MEMO	Varies	
TPINS	TRIP INSURANCE COVERAGE (per move, if accepted)	6,283	



# OREGON PILOTAGE TARIFF NO. A-10



*naming rates and charges for:*

## **COLUMBIA RIVER BAR**

Original Issue Date: June 1, 2010

Revised Effective: January 15, 2015

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## **COLUMBIA AND WILLAMETTE RIVER**

Original Issue Date: June 1, 2010

Revised Effective: September 1, 2014

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## **COOS BAY BAR YAQUINA BAY BAR**

Original Issue Date: May 1, 2002

Revised Effective September 1, 2014



Oregon Board Of Maritime Pilots  
State Office Building, Suite 507  
800 N.E. Oregon Street #15  
Portland, Oregon 97232  
Fax: (971) 673-1531  
(971) 673-1530

## OREGON PILOTAGE TARIFF NO. A-10

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#### NOTES:

1. This tariff supersedes the last published rates for Oregon Pilotage Tariff No. A-9. Changes from the last issued rates are noted in bold type. Revisions will be made by printing the revised pages, or reprinting of the entire tariff, subject to the number of revisions.
2. Board Orders 09-02 (Amends Order 08-01), 10-01 & 14-01 (Amends Order 10-02) continue, for each pilotage ground, to fund Continuing Professional Development (CPD). Each pilotage group is required to report annually to the Board any excess or deficit in fees collected, and all expenditures in connection with CPD. This charge may be adjusted annually to reflect any excess or deficit amounts.
3. Board Order 09-02 for the Coos/Yaquina Bay pilotage grounds initiated a 25% increase in most tariff items effective May 1, 2009, to address a severe decline in shipping.
4. **Helicopter Transportation System.** Board Order 14-01 (Columbia River Bar pilotage ground) funds all aspects of the helicopter/ pilot boat transportation system with a single surcharge in tariff item 1 of Section 2. Tariff item 12 is a surcharge to fund the annual cost of the mortgage payments on the pilot boats *Chinook*, and *Columbia*. This is a quarterly adjustment based on an annualized vessel transit formula.
5. **Board Operations Fee.** A Board operations fee was approved by the 2013 Legislature to fund expenditures related to regulatory oversight of pilotage in the State of Oregon.

#### Automatic Adjustments. There are five automatic rate adjustment mechanisms:

- **Inflation:** Board Orders 09-02, 10-01 and 14-01 continue an annual automatic rate adjustment that started September 1993, to reflect changes in the Consumer Price Index (CPI). This adjustment will continue to apply to most tariff items each September as long as this tariff remains in effect.
- **Fare-box Benefit Expenses:** Board Order 14-01 continues an annual automatic rate adjustment applicable to the Columbia-Willamette River pilotage ground, to reflect changes in fare-box benefit expenses from deaths or retirements. The adjustment is made pursuant to the formulae prescribed by the order. Each adjustment occurs immediately after the corresponding CPI adjustment. This adjustment does not apply to the surcharges and pension assessments listed in items 1, 9, 10, 11, 14, 15, and 16 of Section 3, or the surcharges in Section 2. The pension assessments are subject to the automatic CPI adjustment.
- **Fuel Pass-Through Cost:** Board Order 14-01 continues adjustment mechanism applicable to aviation fuel for the helicopter and diesel fuel for the pilot boats. The adjustments will be made on a quarterly basis on actual fuel expenses during the prior quarter.
- **Number of Pilots/TGI:** Board Order 14-01 continues a quarterly adjustment mechanism for the Columbia River Bar pilotage ground, whereby the number of pilots funded by the tariff and the target gross income will be adjusted quarterly (but not lower than 17.07 FTE) based on changes in vessel transits, billable vessels, average vessel draft and average vessel gross registered tons.
- **Traffic-Related Increases:** Board Orders 10-01 and 14-01 implement a sliding scale for adjusting tariff rates when vessel transit projections exceed certain levels.

## OREGON PILOTAGE TARIFF NO. A-10

### Section 1. GENERAL INFORMATION

#### A. Application

The rates, terms, conditions and rules specified in this tariff apply to all pilotage services provided by Oregon licensed pilots. If a dispute should arise concerning the applicability of any provision in this tariff, resolution of the dispute shall include consideration of custom and practice. In resolving disputes, consideration shall also be given to the rate order making the tariff effective and to the factual record supporting the rate order.

#### B. Responsibility and Insurance

The provisions of ORS 776.510 and ORS 776.540 are incorporated into and made a part of this tariff. By reason of the option granted by ORS 776.510, the rates and charges named in this tariff do not include the cost of marine insurance insuring the licensee, trainee and any organization of pilots to which the licensee or trainee belongs, the vessel, its owners, agents or operators from the consequences of negligence or errors in judgment of the licensees, trainees or organizations of pilots.

However, upon reasonable notice to the licensees in writing from the vessel, its master, owners, agents or operators, the licensees parties hereto will procure such insurance on a "trip" basis in an amount equal to the value of the vessel and its cargo, or such other amount as may be agreed upon between the licensees and the vessel, its master, owners, agents, or operators, insuring the licensees and the organization of pilots to which they belong against all claims or demands arising from or based upon, directly or indirectly, pilotage of the vessel. The premium for such insurance shall be assessed in addition to the rates and charges specified herein.

The election of the vessel, its master, owners, agents or operators not to request licensees parties hereto to procure such insurance and thereby elect to have the pilots parties hereto perform services on the rates and charges specified herein shall constitute a binding and irrevocable agreement on the part of the vessel, its master, owners, agents or operators to the terms and conditions of the following:

*It is understood and agreed, and is the essence of the contract under which services of the licensee are tendered to and accepted by the vessel, its master, operators, and owners, that:*

1. The services rendered hereunder are rendered by a licensee;
2. The services of any individual licensee have been voluntarily accepted and are voluntarily rendered pursuant to the election authorized by ORS 776.510;
3. Such services are advisory in nature only, the master of the vessel remains at all times in full command of the vessel and empowered to relieve the licensee of duties;
4. The services of the licensee and, if applicable, trainee are accepted on the express understanding that when the licensee and trainee go aboard the vessel the licensee and trainee become the servants of the vessel and its owners and operators. Except as to such personal liability and rights over as may arise by reason of willful misconduct or gross negligence of the licensee or trainee, the master, owners, or operators of the vessel expressly covenant and agree:
  - (a) Not to assert directly or indirectly, any personal liability against the licensee, trainee, any organization of pilot to which the licensee or trainee belongs, and any members of such organization;

## OREGON PILOTAGE TARIFF NO. A-10

- (b) Not to respond in damage (including any rights over) arising out of or connected with, directly or indirectly, any damage, loss or expense sustained by the vessel, its master, owners, operators and crew, and any third parties (including cargo), even though resulting from acts or omissions of any organization of pilots to which the licensee or trainee belongs, from acts or omissions of its members, or any acts or omissions of the licensee or trainee; and
- (c) To defend, indemnify and hold harmless the licensee, trainee, any organization of pilots to which the licensee or trainee belongs, and any members of such organization, from any claims whatsoever for damages, loss or expense arising out of, or connected with any acts or omissions of the licensee, trainee or organization of pilots which relate, directly or indirectly, to pilotage of the vessel;
- 5. The master, owners and operators of the vessel shall not be liable to indemnify and hold harmless the licensee, trainee and any organization of pilots to an extent greater than the amount to which the liability of the vessel, its owners and operators, is limited by reason of contract, bill of lading or statute, including but not limited to, the Limitation of Liability Act (46 U.S.C. §§ 181-189), the Harter Act (46 U.S.C. §§ 190-195), the Carriage of Goods by Sea Act (46 U.S.C. §§ 1300-1315), and the Federal Water Pollution Control Act (33 U.S.C. § 1321); and
- 6. The fees charged for the services rendered by the licensee and trainee have been computed and are assessed in accordance with and based upon the above stipulations.

### C. Liability for Charges

Attention is directed to the provisions of ORS 776.445, reading as follows: *"In addition to the lien of the licensee upon the vessel for any sum due for piloting, the master, owner, and consignee or agent are jointly and severally liable to the licensee therefor."* This shall apply whether the person or persons ordering such services are doing so on behalf of a disclosed or undisclosed principal.

### D. Orders for Services

Orders for pilots should be made to the pilots' dispatching offices during the hours set forth and in the manner requested under the sections for each respective ground. Due care shall be exercised in placing orders and in keeping the pilots informed with respect to any changes in time of operations in order that efficient service may be provided.

### E. Services for Which Rates Not Fixed

*(Extraordinary pilotage services, services to vessels in distress, salvage services, etc.)*

With respect to services for which rates are not fixed by this tariff, the pilot shall invoice reasonable charges for services rendered. Within ten (10) days after invoice is presented, the party invoiced may apply to the Oregon Board of Maritime Pilots for a reduction or modification of the charges. In the event of such application, the decision of the Board shall be final and binding.

## **OREGON PILOTAGE TARIFF NO. A-10**

### **F. Vessel Assistance**

If weather, tide, or other conditions warrant, the pilot may recommend a tug or tugs, but the final decision shall be that of the master.

### **G. Rates and Charges**

Rates are in dollars per move or per item of service for each pilot employed.

### **H. Definitions**

1. **Draft and Tonnage Rates.**—The rates established by the Oregon Board of Maritime Pilots pursuant to ORS 776.115 are based on the actual deepest draft and the international gross registered tonnage of the vessel being piloted.

2. **Detention (Stand-by).** Detention is the delay of a pilot for any period of time in excess of that normally required to commence or terminate pilotage services. Detention shall specifically include the detaining of a pilot aboard a vessel or craft after the termination or during interruption of services; and the interval between reporting for duty as ordered and the actual time of commencement of pilotage.

#### **(a) Commencement**

1. When anchoring for any reason whatsoever, when anchor is let go.
2. After arrival at a shore structure or other moorings; when the order is given "finished with engines", or when tugs are dismissed from tow.
3. The time a pilot is ordered to report to the vessel by the person ordering the services and the pilot reports as ordered.

#### **(b) Termination**

1. When departing from anchorage; the time when anchor is aweigh.
2. When adequate facilities are provided and are ready for the pilot to leave the vessel.
3. The time a pilot gives the first orders relative to commencement of regular pilotage service.

Detention shall not include any additional time required to pilot the vessel or craft by reason of any act of God, or any other force majeure acting directly on the vessel itself, but shall include, however, without limitation, delays or additional time occasioned by fog or adverse weather; breakdown of the vessel, its machinery and equipment; impassability of the waterway being traversed; conditions requiring the pilot to reduce speed or engage in unusual maneuvers to delay the arrival of a vessel at berth or anchorage; operating a vessel under reduced boiler capacity (or reduced horsepower); and time lost in standing by or anchoring because the vessel cannot be moored; or for any other reason apart from normal pilotage.



# OREGON PILOTAGE TARIFF NO. A-10

## Section 2.

COLUMBIA RIVER BAR PILOTAGE GROUND 503-325-2641			
ITEM	SERVICE	RATES & CHARGES	MINIMUM
1	Inbound or outbound between Astoria and the sea  Transportation Surcharge Pilot Boat Surcharge Fuel Surcharge Traffic Adjustment Continuing Professional Development Charge	\$ 12,2108 per draft foot and \$ 0.0595 per gross registered ton  \$ 1,916.38 \$ 263.73 \$ 204.54 \$ 307.71 \$ 50.02	
2	Vessel under tow inbound or outbound between Astoria and the sea	Towing vessel - per Item 1 Each towed vessel - per Item 1	\$ 400.00 \$ 400.00
3	Shifting vessels ( <i>applies to shifts between docks, between anchorages, and/or between docks and anchorages</i> )	\$ 750.00	
4	Pilot reporting where in his/her good judgment it is safe to proceed, but master declines to proceed	\$ 300.00	
5	Pilot reporting and ship movement canceled ( <i>Not applicable if upon advice of the pilot, cancellation due to stress of weather or tidal conditions</i> )	\$ 300.00	
6	Swing ship for compass adjustment or calibration ( <i>If weather and/or tide conditions warrant, tug or tugs will be recommended by the pilot, but the final decision relating thereto shall be that of the master.</i> )	\$ 300.00	
7	When vessel enters from sea to put a person ashore or aboard a small craft or other like purpose and then returns to sea: 1. If vessel does not proceed past Clatsop Spit Buoy No.12 2. If vessel proceeds past Clatsop Spit Buoy No.12	1½ times regular inbound pilotage fee Full inbound and outbound pilotage fee	

**OREGON PILOTAGE TARIFF NO. A-10****Section 2. COLUMBIA RIVER BAR PILOTAGE GROUND**

ITEM	SERVICE	RATES & CHARGES	MINIMUM
8	Vessel proceeds to sea and later returns to Astoria to anchorage: 1. If vessel does not proceed past Clatsop Spit Buoy No.12 2. If vessel proceeds past Clatsop Spit Buoy No.12	1½ times regular inbound pilotage fee Full inbound and outbound pilotage fee	
9	Detention or standby, per hour or fraction thereof  <i>No charge for first hour unless pilot detained over one hour, in which case all detention will be charged</i>	\$ 150.00 First hour \$ 300.00 Each additional hour	
10	Pilot carried off station unwillingly or through no fault of pilot	Expenses incurred in return to station in Astoria, plus \$ 300.00 per day from the time pilot is carried off station until again in a position to resume duties in Astoria	
11	Moving vessels not propelled by their own power	\$ 1,150.00	
12	Pilot is ordered to board vessel at other than regular and customary boarding stations and, as a consequence, transportation expenses in excess of those normally incurred are actually expended	Actual expenses incurred in excess of those normally expended	
13	Inbound between the sea and Astoria: Board Operations Fee	\$50.00	

**OREGON PILOTAGE TARIFF NO. A-10**

**Section 3.**

<b>COLUMBIA AND WILLAMETTE RIVER PILOTAGE GROUND</b> <b>503-289-9922</b>			
ITEM	SERVICE	RATES & CHARGES	MINIMUM
1	Inbound from Astoria or Outbound to Astoria Transit Fee: Continuing Professional Development Charge: Pension Assessment:	\$ 31.4584 per draft foot and \$ 0.1760 per gross registered ton \$ 558.99 \$ 45.00 \$ 275.67	500 gross registered tons or less, \$ 611.81 over 500 gross registered tons, \$ 764.72
1a	Length charge	\$ 305.94 each 50 feet, or fraction thereof, more than 599' LOA, inbound or outbound	
2	Stopping at points between Astoria and Portland (either inbound or outbound), each stop	\$ 1,162.41	
3	Pilot reporting and ship movement canceled within Portland or Vancouver harbor, in addition to regular detention charge, if any	\$ 214.16	
4	Pilot reporting and ship movement canceled outside Portland or Vancouver harbor, in addition to detention charge, if any	\$ 305.94	
4a	Pilot made available and ship movement canceled at Astoria, in addition to regular detention charge, if any	\$ 458.88	
5	Detention per hour or fraction thereof  <i>No detention if pilot detained one hour or less. If pilot detained more than one hour, detention for first hour will be charged.</i>  Maximum charge per day	\$ 183.56 First hour \$ 275.26 Each additional hour  \$ 1,853.87	



**OREGON PILOTAGE TARIFF NO. A-10**

**Section 3. COLUMBIA AND WILLAMETTE RIVER PILOTAGE GROUND**

ITEM	SERVICE	RATES & CHARGES	MINIMUM
6	Whenever a vessel has to stand by, or anchor, and cannot proceed to berth because occupied or for any other reason, the indicated charge will be made, per hour or fraction thereof, in addition to shift charge to berth.  Maximum charge per day	\$ 183.56 First hour \$ 275.26 Each additional hour  \$ 1,853.87	
7	Launch service necessary for transportation of pilots to or from vessels will be for the account of the vessels, except launch service at Astoria, which will be paid for by the pilot but invoiced to the vessel by the pilot at pilot's cost.	At cost	
8	Docking a vessel stern first in slip, or head down, at master's, owner's or agent's request (Not applicable to harbor moves)	\$ 305.94	
9	Shifting or turning vessels at dock in Portland Harbor Continuing Professional Development Charge: Pension Assessment:	\$ 856.45 and \$ 31.4584 per draft foot \$ 45.00 \$ 88.70	
10	Shifting or turning vessels outside Portland Harbor Continuing Professional Development Charge: Pension Assessment:	\$ 978.84 and \$ 31.4584 per draft foot \$ 45.00 \$ 88.70	
11	Moving vessels not propelled by their own power outside Portland or Vancouver Harbor Continuing Professional Development Charge: Pension Assessment:	Double regular pilotage \$ 45.00 \$ 275.67	
12	Shifting vessels not propelled by their own power in Portland or Vancouver Harbors, or from distances of less than 10 miles outside Portland or Vancouver Harbor Continuing Professional Development Charge:	One and one-half times regular shift charge \$ 45.00	

**OREGON PILOTAGE TARIFF NO. A-10**

**Section 3. COLUMBIA AND WILLAMETTE RIVER PILOTAGE GROUND**

ITEM	SERVICE	RATES & CHARGES	MINIMUM
13	Swing ship for compass adjustment, three turns or less	\$ 458.88	
	Each additional turn	\$ 183.52	
14	Harbor moves, Portland Harbor	\$ 856.45 and \$ 31.4584 per draft foot	
	Continuing Professional Development Charge:	\$ 45.00	
	Pension Assessment:	\$ 88.70	
15	Interport moves	\$ 1,162.41 and \$ 31.4584 per draft foot	
	Continuing Professional Development Charge:	\$ 45.00	
	Pension Assessment:	\$ 88.70	
16	Barges under tow:		
	Nine hours or less pilotage service	Regular pilotage	\$ 611.81
	Over nine hours - under fifteen hours	1-½ times regular pilotage	\$ 917.66
	Over fifteen hours	Double regular pilotage	\$ 1,223.51
	Continuing Professional Development Charge:	\$ 45.00	
	Pension Assessment:	\$ 88.70	
17	Outbound to Astoria: Board Operations Fee	\$50.00	

**OREGON PILOTAGE TARIFF NO. A-10****Section 4.**

<b>COOS BAY BAR PILOTAGE GROUND</b> <b>541-267-6555</b>			
<b>ITEM</b>	<b>SERVICE</b>	<b>RATES &amp; CHARGES</b>	<b>MINIMUM</b>
1	Inbound or outbound  Continuing Professional Development Charge Board Operations Fee	\$ 49.3624 per draft foot and \$ 0.2828 per gross registered ton  \$ 54.70 \$ 50.00	\$ 3,130.48
2	Vessels under tow, inbound or outbound  Continuing Professional Development Charge	Towing vessel - per item 1 Each towed vessel - per item 1  \$ 54.70	\$ 3,130.48 \$ 3,130.48
3	Boat service: Whenever necessary for a pilot to use boat service to and from a vessel any place in Coos Bay, the cost shall be borne by the vessel	At cost	
4	Harbor moves:  A. From lower to upper bay & vice versa, through bridges, including turning at upper or lower basin  B. Moving vessels in upper or lower bay, including turning at either of two basins  C. Moving vessels from dock to dock including turning (upper or lower bay)  D. Moving vessels from anchorage to dock, or dock to anchorage	  \$ 1,899.66  \$ 1,899.66  \$ 1,899.66  \$ 1,899.66	
5	Pilot carried away from station	Actual expenses and per diem of \$ 947.94	

**OREGON PILOTAGE TARIFF NO. A-10**

**Section 4. COOS BAY BAR PILOTAGE GROUND**

ITEM	SERVICE	RATES & CHARGES	MINIMUM
6	Uncorrected orders: When vessels, owners, or agents do not correct their estimated time of arrival within four hours of ETA last given, compensation will be charged and applied starting at the last estimated time of arrival given until arrival	\$ 237.04 per hour	
7	Pilot requested to board a vessel other than at normal station	Actual expenses plus \$ 947.94 per diem	
8	Detention per hour or fraction thereof  <i>No detention if pilot detained one hour or less. If pilot detained more than one hour, detention for first hour will be charged.</i>  Maximum detention charge per day	\$ 427.16     \$ 2,847.27	
9	Boarding Fee: Per each boarding/disembarking from a vessel	\$ 660.61	

**OREGON PILOTAGE TARIFF NO. A-10****Section 5.**

<b>YAQUINA BAY BAR PILOTAGE GROUND</b> <b>541-267-6555</b>			
<b>ITEM</b>	<b>SERVICE</b>	<b>RATES &amp; CHARGES</b>	<b>MINIMUM</b>
1	Inbound or outbound  Continuing Professional Development Charge  <del>Board Operations Fee</del>	\$ 49.3624 per draft foot and \$ 0.2828 per gross registered ton  \$ 54.70  <del>\$ 50.00</del>	\$ 3,130.48
2	Vessels under tow, inbound or outbound    Continuing Professional Development Charge	Towing vessel - per item 1 Each towed vessel - per item 1   \$ 54.70	\$ 3,130.48 \$ 3,130.48
3	Launch and service necessary for transportation of pilot to or from vessels	At cost	
4	Harbor moves	\$ 1,899.66	
5	Pilot carried away from station	Actual expenses and per diem of \$ 947.94	
6	Uncorrected orders: When vessels, owners, or agents do not correct their estimated time of arrival within four hours of ETA last given, compensation will be charged and applied starting at the last estimated time of arrival given until arrival.	\$ 237.04 per hour	

**OREGON PILOTAGE TARIFF NO. A-10****Section 5. YAQUINA BAY BAR PILOTAGE GROUND**

ITEM	SERVICE	RATES & CHARGES	MINIMUM
7	Pilot requested to board a vessel other than at normal station	Actual expenses plus \$ 947.94 per diem	
8	Detention per hour or fraction thereof  <i>No detention if pilot detained one hour or less. If pilot detained more than one hour, detention for first hour will be charged.</i>  Maximum detention charge per day	\$ 427.16      \$ 2,847.27	
9	Boarding Fee: Per each boarding/disembarking from a vessel	\$ 660.61	

*Sandy Hook Pilots Transporting Fees – Port of New York & New Jersey Effective January 1, 2011*

CHARGES IN DOLLARS FOR SERVICES BETWEEN ANY TWO POINTS ON THIS CHART ARE NOTED IN THE INDIVIDUAL BOXES.	Upper Bay and Gravesend Bay	Hudson River South of George Washington Bridge	Hudson River at Yonkers	East River South of Hell Gate	East River West of Hunts Point	Newark Bay and Tributaries	Kill Van Kull and Arthur Kill North of Tufts Point	Jamaica Bay	Leonardo via Chapel Hill Channel	Leonardo via Ambrose and Sandy Hook Channels	Perth Amboy	Raritan River	Arthur Kill, South of Tufts Point	Kill van Kull, Arthur Kill, & Newark Bay, Southway
Upper Bay and Gravesend Bay	400	500	500	500	600	500	500	500	500	23 M	32 M	34 M	38 M	42 M
Hudson River South of George Washington Bridge	500	400	500	500	600	600	600	600	600	34 M	43 M	45 M	49 M	53 M
Hudson River at Yonkers	600	500	400	600	700	700	700	700	700	41 M	51 M	53 M	57 M	60 M
East River South of Hell Gate	500	500	600	400	500	600	600	600	600	31 M	40 M	42 M	46 M	50 M
East River West of Hunts Point	600	600	700	500	400	600	700	700	700	35 M	44 M	46 M	50 M	54 M
Newark Bay and Tributaries	500	600	700	600	700	400	500	700	700	31 M	40 M	42 M	46 M	50 M
Kill Van Kull and Arthur Kill North of Tufts Point	500	600	700	600	700	500	400	600	600	44 M	53 M	55 M	59 M	63 M
Jamaica Bay	500	600	700	500	700	700	600	400	600	Approximate Mileage Between Points. *See Note.				
Leonardo via Chapel Hill Channel	500	600	700	600	700	700	600	600						

*For transporting vessels between points, indicated above on the right, the fee shall be \$2.50 per pilotage unit, with a minimum charge of \$500, and a maximum charge of \$1,000.*

*Every Foreign vessel and every American vessel under register entering or departing from the Port of New York by the way of Sandy Hook or by the way of Sands Point or Execution Rocks making more than ten port calls per month, shall receive a discount of fifty percent of the charges set forth in columns 2 and 3 for each port call in excess of ten. This discount is to be calculated for each calendar month.*

## United New York and New Jersey Sandy Hook Pilots' Benevolent Associations

### A COMPLETE PILOTAGE SERVICE FOR THE PORT OF NEW YORK AND NEW JERSEY

**\*\*\*\*Please order pilots directly through this Office – Service available 24 Hours\*\*\*\***



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**E-Mail:** [dispatch@sandyhookpilots.com](mailto:dispatch@sandyhookpilots.com)

*For vessels inbound or outbound, charges shall be based on "Pilotage Units"*

**TIMOTHY D. MCGOVERN, AGENT**  
 201 EDGEWATER STREET • STATEN ISLAND, NY 10305

# PILOTAGE FEES

## PORT OF NEW YORK & NEW JERSEY

### SANDY HOOK PILOTS

PILOTAGE FEE = BASE TARIFF (COLUMN 2) + PENSION TARIFF (COLUMN 3)

PILOTAGE UNITS	BASE TARIFF (COLUMN 2)	PENSION TARIFF (1/1/14) (COLUMN 3)
0 TO 24.99	\$705.00	<i>\$240.79</i>
25 TO 49.99	\$827.00	<i>\$287.16</i>
50 TO 99.99	\$1,022.00	<i>\$352.55</i>
100 TO 499.99	$$(10.30 \times \# \text{ P.U.})$	$$(3.57 \times \# \text{ P.U.})$
500 AND UP	$$(\# \text{ P.U.} - 500) \times 1.38 + 5,150$	$$(\# \text{ P.U.} - 500) \times .39 + 1,785$

Effective 0001 January 1, 2015, after which time quarterly adjustments may be made to Pension Tariff to reflect pension funding requirements. *(Figures in italics, Column 3)*

**NOTE:** Effective May 1, 2014 a Capital Expense Fund Surcharge of \$120.00 will be added to the Pilotage Fee.

**"Pilotage Units"** as used in this subdivision shall be determined by multiplying the overall length of the vessel by the extreme breadth by the depth to the uppermost continuous deck and dividing the total by ten thousand, as expressed by the following:

$$\frac{\text{Overall Length} \times \text{Extreme Breadth} \times \text{Depth to the Uppermost Continuous Deck}}{10,000} = \text{Pilotage Units}$$

All measurements shall be in feet and inches (U.S.). The Board of Commissioners shall be the sole arbiter with respect to any questions concerning these definitions. The decision of the Board shall be final.

The measurement of overall length, extreme breadth and depth, shall be made available to the pilot by the master or the agent for the purpose of computation of pilotage fees.

Failure to provide the measurements so required shall subject the vessel to maximum pilotage tariff

### CHARGES FOR OTHER SERVICES\*

SERVICE	FEE	CODE
Un-established Transporting Fee	\$400.00	M
Vessel Returning From Sea Due to Stress of Weather	Full Pilotage	M
Detention Due to Delay for Convenience of Vessel	\$100.00 Per 1/2 Hour or Part of 1/2 Hour	W
Detention Due to Delay for Awaiting Favorable Tide or Berth **	\$100.00 Per 1/2 Hour or Part of 1/2 Hour	W
Dismissal of Pilot without Rendering Service	\$1,000.00 or Base Pilotage Tariff, whichever is less	S
Standing By on Vessel for Convenience of Vessel	\$100.00 Per 1/2 Hour with Minimum of \$500.00	M
Additional Pilot at request of vessel	One-Half of Base Pilotage Tariff	-
<u>Docking Fees:</u>		-
* Without Assistance of Tugs or Bow Thruster	33 Percent of Base Pilotage Tariff	D3
* Without Assistance of Tugs, with Bow Thruster	26 Percent of Base Pilotage Tariff	D2
* With Assistance of Tug or Bow Thruster	20 Percent of Base Pilotage Tariff	D1
Swinging Vessel for Compass or Calibration of Instruments	\$150.00 In Addition to Regular Pilotage	C
Anchoring in Vicinity of Pilot Station at Request of Vessel	\$500.00	A
Vessel On Station Requesting Pilot Less Than 24 Hours Notice	20 Percent of Base Pilotage Tariff, Minimum Charge of \$500.00	M2
Cancellation Less Than Six Hours Before Scheduled Arrival Time	20 Percent of Base Pilotage Tariff, Minimum Charge of \$500.00	M1
Vessel Arriving More Than Two Hours Late without Six Hours Notice from Scheduled Arrival Time	\$100.00 Per 1/2 Hour, not to exceed 20 Percent of Base Pilotage Tariff, Minimum Charge of \$500.00	M3
Sailing Order Received Less Than Three Hours Prior To Sailing Time	\$300.00	M4

\*Effective 0001 January 1, 2011

\*\* Except where Section 96, Part 4 of the Navigation Law is applicable





# ASSOCIATION OF MARYLAND PILOTS

3720 DILLON STREET BALTIMORE, MARYLAND 21224-5239

OFFICE: (410) 276-1337 FAX: (410) 276-1364

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## TARIFF SHEET NO. 11

These rates to become effective 0001 hours January 1, 2015

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### MARYLAND PILOTAGE RATES AND CHARGES

Pilotage services in the State of Maryland are subject to two regulated rate structures. The Bay Rates and Charges govern rates and charges for the pilotage of vessels in the Chesapeake Bay and tributaries. The Docking Rates and Charges govern rates and charges for docking, undocking, and shifting vessels. These rates and charges are established by the Public Service Commission of Maryland pursuant to Section 11-502(a) of the Business Occupations and Professions Article and Section 4-303 of the Public Utilities Article of the Annotated Code of Maryland.

#### DEFINITIONS

These definitions apply to both Bay Rates and Docking Rates:

"Overall Length" is the extreme length of the vessel.

"Extreme Breadth" is the maximum breadth to the outside of the vessel's structure.

"Depth" is the vertical distance at amidships from the top of the keel plate to the uppermost continuous deck fore and aft, and which extends to the sides of the vessel. The continuity of a deck shall not be considered to be affected by the existence of tonnage openings, engine space, or a step in the deck.

"Vessel" is a ship, tug, barge, yacht, integrated tug/barge, drydock, drydock gate, or other vessel that takes a pilot pursuant to Section 11-501 of the Business Occupations and Professions Article of the Annotated Code of Maryland.

All measurements shall be in feet and decimal feet but may be supplied in either feet or meters.

Ship measurements for the purpose of computation of pilotage fees shall be those published in Lloyd's Register of Shipping (or its electronic equivalent) unless they are missing or demonstrably erroneous, in which case certifiably correct figures must be provided by the master or his agent.

## BAY RATES AND CHARGES

The rates and charges for pilotage of vessels on the Chesapeake Bay and its tributaries shall be based on "Bay Units," which shall be determined by the following formula:

$$\frac{\text{Overall Length} \times \text{Extreme Breadth} \times \text{Depth to Uppermost Continuous Deck}}{10,000} = \text{Bay Units}$$

### **I. BAY CHARGES AND HOURLY RATES**

#### **A. Hourly Rates**

The charge for pilotage of a vessel on the Chesapeake Bay and its tributaries shall be calculated by multiplying the time underway by the total hourly pilotage rate applicable to that vessel. The hourly Bay Rates shall be as follows:

1. For vessels having no more than 100 Bay Units:  
\$267.87 per hour. This is the basic service rate ("BSR").
2. For larger vessels \$267.87 per hour, plus
  - (a) \$2.68 per hour per Bay Unit over 100 and up to 300, inclusive, plus
  - (b) \$1.38 per hour per Bay Unit over 300 and up to 500, inclusive, plus
  - (c) \$0.93 per hour per Bay Unit over 500 and up to 700, inclusive, plus
  - (d) \$0.66 per hour per Bay Unit over 700
3. Minimum hours billed for any vessel movement shall be 3 hours, except that the minimum hours billed for shifts to or from the Annapolis Anchorage or to or from berths outside of the Key Bridge shall be 2.5 hours and that the minimum hours billed for movements taking place entirely within Baltimore Harbor (including Sparrows Point) shall be 2 hours. The maximum hours billed shall be 16 hours.

#### **B. C & D Canal Surcharge**

The surcharge for vessels transiting the Chesapeake and Delaware ("C&D") Canal shall be as follows:

- |   |            |
|---|------------|
| 1. Vessels of no more than 100 Bay Units                  | \$1,049.87 |
| 2. Vessels of over 100 and up to 300 Bay Units, inclusive | \$1,173.59 |
| 3. Vessels of over 300 and up to 500 Bay Units, inclusive | \$1,292.53 |
| 4. Vessels of over 500 Bay Units                          | \$1,428.26 |

### **C. Commencement and Termination of Charges**

1. For all inbound movements, charges shall commence when the pilot boards or, if the vessel is anchored, at anchor aweigh and terminate as follows:

- (a) For vessels inbound to Baltimore, charges shall terminate at the Key Bridge.
- (b) For vessels inbound to Sparrows Point, charges shall terminate at North Point.
- (c) For all other inbound vessels, charges shall terminate at finished with engines or at such time as docking services commence.

~~NOTE - When the vessel docks without tug assistance and with the master of the vessel maneuvering the vessel, a pilot shall remain on board, and Bay charges shall terminate at finished with engines. When the vessel shifts without tug assistance and with the master of the vessel maneuvering the vessel, a pilot shall be assigned, and Bay charges shall commence at last line away or anchor aweigh and terminate at finished with engines, subject to the minimum hours provisions above.~~

2. For outbound movements, charges shall commence at last line away or anchor aweigh and shall terminate at pilot away.

3. For all other movements, charges shall commence when the pilot boards and shall terminate at pilot away.

### **D. Delay and Cancellation Charges and Surcharges**

1. After a pilot has reported aboard a vessel, if the trip or movement is delayed beyond one hour from the time the pilot was ordered (time counting from the time the pilot was ordered until last line away or anchor aweigh), the vessel shall be charged a surcharge of \$89.29 (equivalent to 1/3 of the BSR) for each 20-minute interval or fraction thereof, commencing 20 minutes after the time of the original order. If a vessel is delayed at berth due to involuntary operational necessity (e.g., vessel mechanical failure, weather, or traffic congestion), the vessel shall be charged at a rate of \$133.94 per hour or fraction thereof. (Equivalent to 1/2 the BSR.) If a movement is cancelled after a delay, the larger of the charges for delay or cancellation will apply.

2. After a pilot has been ordered and the movement is cancelled, the vessel shall be charged a cancellation fee of \$535.74. (Equivalent to two times the BSR.) A vessel that has not arrived at the Cape Henry boarding area within two hours of its reported estimated time of arrival ("ETA") shall be considered to have cancelled and shall be charged the cancellation fee in addition to any regular fee unless at least six hours notification of revised ETA has been provided.

3. If a vessel is anchored during any movement for the convenience of the vessel, the ship shall be charged at a rate of \$267.87 per hour. (Equivalent to the BSR.) If a vessel is anchored due to involuntary operational necessity (e.g., vessel mechanical failure, weather, or traffic congestion), the vessel shall be charged at the rate of \$133.94 per hour or fraction thereof. (Equivalent to 1/2 the BSR.) These charges shall be applied from the time the vessel is anchored to anchor aweigh or pilot away.

### E. Charges for Ships Carrying Designated Hazardous Cargos

All passages by vessels carrying liquid natural gas ("LNG") or other designated hazardous cargos that are required by regulation to be assigned two pilots to work simultaneously shall be charged for each pilot at the usual applicable rate. For such passages, all other charges or surcharges shall be double the applicable rates.

## II. INCENTIVE DISCOUNTS

Any vessel-operating company that at the end of the calendar year has either a history of continuous use of the Port of Baltimore or a contract with the Maryland Port Administration for such future use that together total the designated number of years and has during that year completed the designated number of full pilotage passages (Baltimore to or from sea, Annapolis to or from sea, Baltimore to or from C & D Canal) may apply to receive the tabulated discount incentive deductions from the regular hourly based pilotage charges and C & D Canal surcharges otherwise applicable as an incentive discount. The cumulative total deduction at the end of each year for any qualifying vessel-operating company shall be applied as a reduction in the total pilotage charges invoiced to that vessel-operating company on the first invoice after the beginning of the following calendar year, to a maximum of 10 percent of each invoice total, and then in the same way to each successive invoice until the total tabulated deduction has been applied and absorbed or until the calendar year has expired.

For the purposes of this Incentive Discount provision and the Incentive Discount provisions of the Docking Rates, "vessel-operating company" means a person or entity that owns or operates vessels and its wholly owned affiliates or subsidiaries and does not include entities in which the vessel-operating company has only a partial, *i.e.*, less than 100 percent, interest.

NUMBER OF PILOTED FULL-PASSAGES	YEARS OF CONTINUOUS USAGE, PAST OR FUTURE			
	0 to 5 years	5 years or more	10 years or more	20 years or more
Up to 100 passages	0%	0%	0%	0%
Passages greater than 100, up to 350	2%	3%	4%	5%
Passages greater than 350, up to 600	4%	6%	8%	10%
Passages greater than 600, up to 850	6%	9%	12%	15%
Over 850 passages	8%	12%	16%	20%

## **DOCKING RATES AND CHARGES**

The rates and charges for docking, undocking, or shifting vessels shall be based on "Docking Units," which shall be determined by the following formula:

$$\frac{\text{Overall Length} \times \text{Extreme Breadth}}{100} = \text{Docking Units}$$

These Docking Rates and Charges shall not apply if the vessel docks, undocks, or shifts without tugs and with the master of the vessel maneuvering the vessel, in which circumstance a pilot shall be assigned, and the rates and charges set out in provision I.A. of the Bay Rates and Charges shall apply.

### **II. DOCKING CHARGES**

#### **A. Arrivals and Sailings**

1. Fees for docking and undocking services shall be charged as follows:

(a)	Under 800 feet overall length.....	\$0.90 per Docking Unit
(b)	800-850 feet overall length.....	\$0.72 per Docking Unit
(c)	Over 850 feet overall length.....	\$0.62 per Docking Unit
	Minimum of 600 Docking Units	

2. If tug services are provided outside the Key Bridge or, for Sparrows Point, outside North Point.....\$1.38 per Docking Unit

3. If on sailing required tug services include placing vessel in Fort McHenry channel from Port Covington or Locust Point.....\$1.38 per Docking Unit

4. Flat rate for Piney Point, Cambridge, and Annapolis.....\$1,171.68 per movement

5. Flat rate for Cove Point..... \$3,280.00 per movement

**B. Shifts.** Fees for movements from pier to pier, anchorage to pier, pier to anchorage, and anchorage to anchorage within a port shall be charged as follows:

1. Other than Piney Point or Cove Point:

(a)	Under 800 feet overall length.....	\$1.38 per Docking Unit
(b)	800-850 feet overall length.....	\$1.08 per Docking Unit
(c)	Over 850 feet overall length.....	\$0.96 per Docking Unit
	Minimum of 600 Docking Units	

2. Flat rate for Piney Point.....\$1,605.63 per movement

3. Flat rate for Cove Point.....\$4,658.00 per movement

### **C. Special Services**

Fees for boarding and directing movement through C&D Canal, boarding grounded vessels, or escort work with tug assistance shall be \$1.74 per Docking Unit per four-hour period or fraction thereof in addition to applicable Bay charges.

### **D. Dead Ships**

Fees for the movement of a vessel without power or a vessel electing not to use all of its propulsion and maneuvering systems shall be double all applicable rates.

### **E. Delay and Cancellation Charges and Surcharges**

1. After a pilot has reported aboard a vessel, if the movement is delayed beyond one hour due to circumstances beyond the pilot's control, a surcharge of \$53.82 per 20-minute interval or fraction thereof shall be charged from original order time until last line or anchor aweigh. At Cove Point, this surcharge shall be \$94.00 per 20-minute interval or fraction thereof from the original order time until last line or anchor aweigh.

2. If a vessel requires more than 30 minutes to complete mooring after first line is ashore, a fee of \$53.82 per 20-minute interval or fraction thereof shall be charged until the mooring is completed. At Cove Point this fee shall be \$94.00 per 20-minute interval or fraction thereof until the mooring is completed.

3. If a cancellation occurs, the base rate for the movement, plus any other applicable charges or surcharges, shall be charged.

## **III. INCENTIVE DISCOUNTS**

### **A. Volume Discount**

Vessel-operating companies providing regular, scheduled liner service in specified quantities may apply for and receive discounts from the docking rates set forth above. Specifically, for each 12-month period beginning October 1, a vessel-operating company shall pay full docking rates for the first 300 movements using docking services. For all movements between 301 and 400 within a 12-month period, a 15 percent discount from the docking rates shall apply. For all movements over 400 within a 12-month period, a 20 percent discount from the docking rates shall apply. Each October 1, a new 12-month period shall begin for purposes of calculating the volume discount, if any, applicable to a vessel-operating company. The cumulative total deduction at the end of each year for any qualifying vessel-operating company shall be applied as a reduction in the total docking charges invoiced to that vessel-operating company on the first invoice after the beginning of the following calendar year, to a maximum of 10 percent of each invoice total, and then in the same way to each successive invoice until the total deduction has been applied and absorbed or until the calendar year has expired.

**B. New Liner Service**

Vessel-operating companies commencing regular liner service to the Port of Baltimore on or after October 1, 2000, and making not less than three calls per month, may apply for and receive a discount of 20 percent of calculated docking charges for the first 12 months of their service to the Port of Baltimore. For the calendar year that a vessel-operating company is receiving the discount for new liner service, those vessels shall not be included in the volume discount incentive.





# **Declaration of Captain Steven Roberts**



In Re the Petition of the )  
San Francisco Bar Pilots for )  
A Change in Pilotage Rates )

1. I hold a current pilot license issued by the Pilot Commission and am a member of the SFBP. I served as a Pilot Commissioner on this Board from February 2009 to February 2015. During that period I served on the following Committees: Pilot Power Committee (chair) from 2009 to 2014; Pilot Safety Committee (chair) from 2014 to 2015; Pilot Fitness Committee (chair) from 2009 to 2014. Before my service on the Commission, I served as a member and chair of the Pilot Evaluation Committee from 2005 to 2009 and participated in four trainee selection cycles. In those capacities, I became familiar with the Board's trainee selection process, pilot fitness oversight, the process the Board uses to determine the number of pilots needed to meet anticipated demands for pilot service and the number of trainees needed to fill anticipated vacancies in the number of pilot licenses issued by the Board.
2. In 2014 the Board amended its regulation providing minimum qualifications to enter the Board's pilot trainee training program and to expand the pool of qualified candidates. For the 2014 selection process only, it permitted candidates who could qualify under either the new or the old standards to take the test. It was thought that this would significantly expand the pool of qualified applicants.
3. Over the course of the several trainee selection cycles in which I participated, the Board attempted to increase its outreach to potential qualified candidates by providing information regarding prospective openings in the pilot trainee training program, the selection exams and the trainee selection process to the various Maritime Academies and maritime officers' unions in the US, and by advertising in Professional Mariner magazine, sending such information to those who had expressed an interest in the program, and providing the information on its website.
4. In 2014, the Board received 38 applications from candidates who met minimum qualifications, 33 of whom actually took the written exam. 25 passed that exam and went on to take the simulator exam. 13 of those passed the simulator exam and were placed by the Board on the selection list. Six of those 13 have since entered the training program.

5. In January 2015, the Board's Pilot Power Committee reviewed the results of the latest retirement survey and concluded that 15 pilots indicated that, everything else being equal, they planned to retire by the year 2019.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge. Executed at San Francisco, California this 27th day of February, 2015.

A handwritten signature in black ink, appearing to read 'Steve Roberts', with a stylized flourish at the end.

Captain Steve Roberts

## **Declaration of Mark Cohen**



BEFORE THE BOARD OF PILOT COMMISSIONERS  
FOR THE BAYS OF SAN FRANCISCO, SAN PABLO AND SUISUN

In Re the Petition of the                    )  
San Francisco Bar Pilots for                )  
A Change in Pilotage Rates                 )

DECLARATION OF  
MARK COHEN

I, Mark Cohen, declare:

1. As Chief Economist of Cohen | Volk Economic Consulting Group, I have been retained by the San Francisco Bar Pilots to assist with economic issues related to the San Francisco Bar Pilots' Petition for a Change in Pilotage Rates, including evaluating consumer price indices and costs of living differentials between ports and their application to pilot income. All facts stated herein are true to the best of my knowledge, and if called as witness, I am competent to testify thereto.
2. Attached hereto as Exhibit A is my current CV. In addition to the qualifications indicated in my CV, I have evaluated earning rates of workers, the cost of living in different urban areas and changes in the cost of living thousands of times. Over my career, I have given approximately 550 depositions and have testified approximately 150 times in federal and state courts in California, Oregon and Washington.
3. With respect to changes in the cost of living, I have attached Exhibit B, which is a summary of the Consumer Price Indices for All Urban Consumers, Seasonally Unadjusted for the Urban West, San Francisco-Oakland-San Jose, and additional regions that may be useful from 2002 to 2014. This index is published by the Bureau of Labor Statistics and is commonly used as an index to measure the changes on a year by year basis in various regions. The San Francisco-Oakland-San Jose index change in the cost of living from 2006 to 2014 was 20.5%.
4. With respect to cost of living differentials between other ports and the San Francisco Bay Area, I have attached Exhibit C, the Cost of Living Index for different locations from 2006 to 2014. I have averaged the 2010 to 2014 indices for each location as an additional consideration for users of this information. The index is published by the U. S. Census in the annual Statistic Abstract in collaboration with work done by the Council for Community and Economic Research. The index is recognized by the U.S. Census Bureau, the Bureau of Labor Statistics and the President's Council of Economic Advisors.

5. The index on which Exhibit C is based is intended to provide a useful measure of the cost of living differences among urban areas. It is used by Government agencies, utility companies, community and economic development agencies, Chambers of Commerce, scholars and private corporations and consultants as an authoritative source for cost of living differentials. The index is helpful in setting employee compensation packages consistent with the local cost of living and at a level sufficient to attract individuals to particular regions.
6. The index on which Exhibit C is based is made up of different components in the cost of living including housing, transportation, food, utilities and other typical living expenditures. The components are weighted. The weights assigned to relative costs are based on expenditure patterns for professional and executive households in the top income quintile.
7. The index on which Exhibit C is based assigns a number to each urban area relative to the cost of living in the average city surveyed, with the statistical average assigned the number 100. This means that if a specific city's index is 89, it costs 11% less there than it costs to live in the average city surveyed in the United States. If a specific city's index is 170, it costs 70% more to live in that city than it costs to live in the average city surveyed in the study.
8. One can use this data to compare how much a pilot makes in different regions after adjusting for the cost of living differences in each of those cities. For example, in 2010, San Francisco Bar Pilots had a reported average net income of \$395,714 and New Orleans Bar Pilots' reported income was \$411,985. The 2010 index for the cost of living in San Francisco was 163.8. In the same year, the cost of living index for New Orleans was 96.9. If one were to normalize income as a function of the cost of living based on the nationwide average, the average pilot in New Orleans had income the equivalent of  $(100/96.9 \times \$411,985)$  or \$425,165. The average San Francisco pilot in the same year had an income of the equivalent of  $(100/163.8 \times \$395,714)$  or \$241,583.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 2<sup>nd</sup> day of March 2015 at Walnut Creek, CA.



MARK COHEN, Chief Economist of Cohen | Volk Economic Consulting Group



**Declaration of Mark Cohen**  
**Exhibit (A)**  
**Curriculum Vitae**



**EXHIBIT A**

**MARK COHEN**

**CURRICULUM VITAE**

**FINANCIAL, STATISTICAL & REHABILITATION ECONOMIST**

COHEN VOLK ECONOMIC CONSULTING GROUP, Walnut Creek, CA, 1995  
to Present.

Principal, Chief Economist. Valuation of businesses and economic losses in business, personal injury, wrongful death, labor and marital litigation. Preparation of statistical analyses, vocational, labor and job market consultation and studies. Development and placement of structured settlement alternatives.

BAY AREA PSYCHOTHERAPY TRAINING INSTITUTE, Lafayette, CA, 1994 to 2001.

Member, Board of Directors. Consultation in the business development and management of this non-profit training institute.

THE UDINSKY GROUP, Berkeley, CA, 1984 to 1995.

Vice President. Valuation of businesses and economic losses in business, personal injury, wrongful death, labor and marital litigation. Preparation of statistical analyses, labor and job market consultation and studies. Development and placement of structured settlement alternatives.

**TEACHING EXPERIENCE**

DOMINICAN UNIVERSITY, San Rafael, CA, 1992 to 1998.

Adjunct Professor of Graduate Level International Finance, Monetary Systems and Investments, M.B.A. Program; Undergraduate Level International Finance and Investments, Business School Program.

EUROPEAN BUSINESS SCHOOL, Brussels, Belgium, 1991.

Adjunct Professor of Undergraduate Level Money and Banking, Statistics, and Management.

**EDUCATION**

UNIVERSITY OF CALIFORNIA AT BERKELEY. Bachelors of Science, Business Administration, 1982. Emphasis in Finance.

BOSTON UNIVERSITY. Masters of Science, Management, 1991. Emphasis in International Finance. Graduated first in class.

### **EDUCATION CONTINUED**

ST. MARY'S COLLEGE. Masters of Arts, Counseling, 1998. Emphasis in Vocational Rehabilitation and Career Counseling.

LINDENWOOD COLLEGE: (1) Principles of Business Valuation, (2) Business Valuation Theory and Methodology, (3) Business Valuation: Selected Advanced Topics.

### **PUBLICATIONS AND INVITED PRESENTATIONS**

"Income and Net Worth Analysis for Punitive Damages Testimony," presented to the American Rehabilitation Economics Association Reno, Nevada, June 2014.

"Economic Issues For Vocational Experts To Consider in Vocational Analysis," presented to the California Association of Rehabilitation and Re-Employment Professionals, Oakland, November 2002.

"Estimating Economic Loss To Injured Self Employed Workers," presented to the American Rehabilitation Economics Associations (AREA), Reno, May 1998.

"Methodologies to Improve Economic and Vocational Analysis in Personal Injury Litigation," with Thomas Yankowski, M.S., C.V.E., Litigation Economics Digest, National Association of Forensic Economics, Missouri. Volume II, Issue No. 2, Summer 1997. Also published in Vocational Evaluation and Work Adjustment Journal, The Professional Journal of The Vocational Evaluation and Work Adjustment Association, Volume 31, No. 3/4, Fall/Winter 1998.

"Vocational Evaluation and Economic Analysis in Personal Injury and Wrongful Termination Cases," with Thomas Yankowski, M.S., C.V.E., presented to the National Association of Rehabilitation Professional in the Private Sector, San Francisco, April 1995.

"The Economics of Employment Discharge and Your Case," with Jerald H. Udinsky, Ph.D., A.S.A., The Lawyer's Brief, Business Laws, Inc., Ohio. Volume 20, Issue No. 5, March 15, 1990.

"Estimation of Future Medical and Rehabilitation Care Costs: Issues and Questions for The Attention of Rehabilitation Professionals," presented to the Registered Nurses Professionals Association, Santa Clara Valley Medical Center, January 1990.

### **LICENSES, CERTIFICATIONS AND ASSOCIATIONS**

Certified Earnings Analyst, American Rehabilitation Economics Association.  
American Society of Appraisers, Business Valuation.  
California State Licensed Life Insurance Agent.  
American Economics Association.  
Western Economic Association.  
National Association of Forensic Economics.

**Declaration of Mark Cohen**  
**Exhibit (B)**  
**Consumer Price Index**



## Exhibit B

### Consumer Price Index - All Urban Consumers

Not Seasonally Adjusted

Item: All items  
 Base: 1982-84=100  
 Period:  
 Years: 2002 to 2014

Year	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
	West Urban	San Francisco- Oakland-San Jose, CA	Tampa-St. Petersburg- Clearwater, FL	New Orleans/Baton Rouge	Washington- Baltimore, DC- MD-VA-WV	New York- Northern New Jersey-Long Island, NY-NJ- CT-PA	Portland- Salem, OR- WA	Houston- Galveston- Brazoria, TX	Seattle- Tacoma- Bremerton, WA
2002	184.700	193.000	153.900	N/A	113.000	191.900	183.800	159.200	189.300
2003	188.600	196.400	158.100	N/A	116.200	197.800	186.300	163.700	192.300
2004	193.000	198.800	162.000	N/A	119.500	204.800	191.100	169.500	194.700
2005	198.900	202.700	168.500	N/A	124.300	212.700	196.000	175.600	200.200
2006	205.700	209.200	175.200	N/A	128.800	220.700	201.100	180.600	207.600
2007	212.230	216.048	184.288	N/A	133.464	226.940	208.556	183.838	215.656
2008	219.646	222.767	190.136	N/A	139.499	235.782	215.389	189.967	224.719
2009	218.822	224.395	189.905	N/A	139.814	236.825	215.647	190.495	226.028
2010	221.203	227.469	193.504	N/A	142.218	240.864	218.344	194.172	226.693
2011	227.485	233.390	198.938	N/A	146.975	247.718	224.590	200.495	232.765
2012	232.376	239.650	203.637	N/A	150.212	252.588	229.779	204.213	238.663
2013	235.824	245.023	206.786	N/A	152.500	256.833	235.528	207.574	241.563
2014	240.215	251.985	N/A	N/A	N/A	260.230	N/A	213.365	246.018
Total Change:									
2002-14:	30.1%	30.6%	N/A	N/A	N/A	35.6%	N/A	34.0%	30.0%
2006-14:	16.8%	20.5%	N/A	N/A	N/A	17.9%	N/A	18.1%	18.5%
2011-14:	5.6%	8.0%	N/A	N/A	N/A	5.1%	N/A	6.4%	5.7%





**Declaration of Mark Cohen**

**Exhibit (C)**

**Cost of Living Index**



## Exhibit C

### Cost of Living Index

<u>Port</u>	<u>Metro</u>	<u>Average 2010-14</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
San Fransicso	San Francisco CA	<b>163.4</b>	165.5	161.6	163.3	162.7	163.8	162.9	172.1	168.5	172.9
St. Johns Bar (Jacksonville)	Jacksonville FL	<b>95.4</b>	98.4	95.3	96.7	93.9	92.9	93.8	97.1	98.7	97.7
Tampa Bay	Tampa Bay FL	<b>92.3</b>	91.3	93.2	93.0	91.8	92.4	93.8	97.3	98.6	98.2
New Orleans/Baton Rouge	New Orleans LA	<b>96.9</b>	98.4	98.8	94.6	95.6	96.9	106.1	98.0	99.6	101.3
Maryland (Chesapeake Bay)	Baltimore-Columbia MD	<b>115.2</b>	108.5	113.0	116.2	119.1	119.3	121.5	121.9	118.0	120.4
Sandy Hook (NY/NJ)	Bergen-Passaic NJ	<b>132.0</b>	128.5	133.7	134.9	131.6	131.2	129.5	132.7	128.8	131.8
Sandy Hook (NY/NJ)	Brooklyn NY	<b>176.6</b>	168.6	171.5	178.5	182.7	181.5	177.8	n/a	n/a	n/a
Columbia Bar/River	Portland OR	<b>116.6</b>	124.9	117.6	115.7	113.6	111.2	116.5	116.1	120.8	121.1
Houston	Houston TX	<b>94.6</b>	97.0	99.2	94.8	89.8	92.2	89.3	90.7	87.7	90.0
Puget Sound (Seattle)	Seattle WA	<b>120.8</b>	131.3	119.1	115.2	117.1	121.2	123.3	123.0	121.0	n/a

