

BOARD OF PILOT COMMISSIONERS
Minutes June 27, 2002

The Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun regular meeting was held in the Port of San Francisco, Bayside Room #1, Pier One, San Francisco, CA, commencing at 9:00 a.m. on Thursday June 27, 2002, Commissioner Falaschi presiding. A quorum was present, including Commissioners Bayer, Wagner, Welch and Winn. Also in attendance were Port Agent Captain McIsaac, Board Counsel Ray Paetzold, Executive Director Moloney and Secretary Alice Evans and various members of the public.

The Minutes of the May 23, 2002, meeting were unanimously approved as amended, page 4, line 3, ... change to "In hindsight, anchoring earlier until the electronics problems were corrected could have averted the grounding."

Correspondence and Activities since the May meeting – Executive Director Moloney

1. The Board received a letter dated June 4, 2002, from the Port of Stockton regarding the re-appointment of the following individuals as qualified Pilots of the Stockton Port District for the ensuing fiscal year: Captains Atthowe, Bowler, Haggerty, Hartshorn, Miller, O’Laughlin, Rhodes, Roberts, Shanower, Sweeney, Waugh and Inland Pilot Captain Slough.
2. The Board received a letter dated June 14, 2002, from the San Francisco Bar Pilots, requesting the Board consider starting one more trainee because two serving pilots have expressed their intent to retire within one year.

Other Pilot Matters -- Executive Director Moloney

1. There are no license renewals during the month of June.
2. The Board has received the manpower reports and statements for pilotage fees and surcharges collected from SFBP and Inland Pilot Slough through April 2002. Copies are available in the Board office.

Port Agent's Report -- Port Agent Captain McIsaac

1. There are currently two pilots NFFD. Captain Hughes continues to recover from heart surgery. Captain Keon suffered a concussion and fractured ribs in a fall from a ladder at his home on June 12. He expects to be FFD in mid-July. Captain Greig was NFFD from May 22 through June 20 after suffering a knee injury.
2. There were four MRP violations on May 31. The shortest rest period was ten hours 45 minutes. There were four pilots off the board with two on comp time, one on pilot business and one NFFD. There was one MRP violation on June 21, with a rest period of 10 hours 20 minutes. Five pilots were off the board; three were at training at Port Revel, one was on pilot business and one on comp time.

3. The SFBP office is currently without water service. On June 26 a 40' section of the main line that runs under the pier gave way and fell into the bay. The Port of SF maintenance crew is working on the problem. The fire suppression system is intact.
4. Through May 2002:

Bar Crossings	- 4.0%
Bay Moves	-17.0%
River Moves	+14.2%
Total Moves	- 5.9%
GRT	- .87%

Compared to same time last year.

Unfinished Business

1. Open Incidents – Executive Director Moloney
 - a. M/V ORIENTAL HOPE, allision at Parr 5B, Richmond, August 27, 2001, Pilot Captain D. Keon

Executive Director Moloney distributed copies of the revised findings of facts and photos of the Parr 5B pier and fendering and gave the following report.

PROBABLE CAUSE

At about 0350 on the morning of 27 Aug. 2001, Capt D. Keon boarded the Panamanian flag, bulk vessel M/V ORIENTAL HOPE at the offshore pilot station to pilot it to Richmond, Parr 5B. The inbound transit was uneventful, including the turn off the Richmond Long Wharf.

At about 0615 the assist tugs came alongside and were made up with two headlines each; the *Richard Foss* (3000 bhp) was forward and the *Keegan Foss* (4000 bhp) was aft. The turn into the Lauritzen Canal was uneventful, though potentially the most hazardous turn of the transit with exposed vertical I-beams on the corner of the pier.

Capt Keon landed the vessel at the berth with first line over at 0724. He was then requested to move the vessel ahead (20 or 70 feet, depending on report) a modest distance. To make the move Capt Keon had the stern lines slacked and pulled ahead on the aft springline. He also had the tugs twin-screw out to a 45° angle forward (port engine back, stbd engine ahead) and push at dead slow speed.

The effect of the tugs twin-screwing pulled the vessel slightly off the berth to the point that Capt Keon could see a couple feet of water between the vessel and the forward fender. He repositioned the vessel, then had the tugs come perpendicular, still at dead slow ahead, and pin it so lines could be run.

In the final positioning, the forward tug was pushing opposite the forward fender. The after fender was positioned forward of the vessels house, where the after tug was pushing. The after tug was more powerful than the forward tug and this created a lever action which lifted the vessel's bow off the forward fender. At this point the after fender was absorbing the force of both tugs pushing at dead slow ahead (which it should be expected to do easily).

When Capt Keon observed that the bow had lifted several feet, he stopped the after tug. The forward tug continued to push at dead slow ahead and the bow began to move back in toward the berth. The after tug was given a dead slow ahead order to keep the bow under control. As the bow landed on the forward fender, the fender collapsed, probably allowing the bow to contact the pier's rigid fendering system. When Capt Keon saw the fender collapse he backed the forward tug half astern, then stopped. The remaining lines were run and the vessel was fast at 0752.

OPINIONS

1. Environmental conditions for the job were routine.
2. The turn into the berth and the initial landing were uneventful and caused no damage to the forward fender.
3. The shift forward was accomplished without damage to the forward fender including a probable second landing on it.
4. With both tugs running dead slow ahead to pin the vessel while lines were being run, the more powerful after tug pushing from a position behind the after fender caused the bow to lift a few feet. Capt Keon stopped the after tug and the forward tug continue to push (dead slow ahead). As the bow came back to the berth he had the after tug come back ahead to slow the bow's landing. The tug operators confirm the low power orders.
5. When the bow settled on the forward fender it collapsed. The expulsion of air would account for the "burning rubber" smell noted by one surveyor. The collapse of the fender probably allowed the vessel to come in direct contact with the pier's outboard rigid fendering system causing some new damage. The sequence of orders and distance off the berth does not support the proposal that the landing was violent in nature or, aside from the collapse of the forward fender, anything other than routine.

RECOMMENDATIONS

1. Close this case as revisited. The Board requested additional information on the fendering system which was provided. No pilot error. The Incident Review Committee had a number of questions for Capt Keon's interview since conflicting reports seemed to have witnessed two separate dockings. His explanations allowed piecing together the various reports and coming to a conclusion.

It was moved and seconded to accept the revised IRC report. Commissioner Falaschi asked for discussion. The Board discussed the various scenarios of the I-beams that are shown in the photos and height of the tide that may have played a part in the damage to the fender. There being no further discussion the motion passed unanimously.

- b. M/V GAZ DIAMOND, grounding San Joaquin River, Lt 38, May 14, 2002 - this incident remains under investigation.
2. Pilot Ladder reportable incidents – Executive Director Moloney gave the following report:

VESSEL	DATE	PILOT	DEFICIENCY
SIRORAT NAREE	6/23/02	WAGNER	ladder did not have horizontal rungs

Executive Director Moloney said this report would be forwarded to the USCG.

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

3. Rules and Regulations Committee -- Commissioner Welch – no report
4. Finance Committee -- Commissioner Winn report results of meeting held June 25, 2002; possible recommendation to adjust Board Operations Surcharge (currently 2%) and Pilot Vessel Surcharge (currently 5.13 mills); **possible Board action**

Commissioner Winn reported that the Committee met June 25. It was reported that SFBP May 2002 income was down about 3% compared to the previous year, operating expenses for the month were also down about 8% from the previous year. Expense/income ratio was about 34%.

The Committee discussed the need to conduct an independent audit of the SFBP and concluded there is insufficient evidence to conduct such audit at this time. However, the Committee feels this issue should be reconsidered in the fall of 2004, which if approved by the Board then should allow sufficient time to carry out an independent audit and review the results prior to an anticipated rate hearing in the spring of 2006. In the meantime the SFBP continue to state that their financial records are open for inspection by the concerned parties and will continue to make available copies of their own audit results.

The Committee reviewed the pilot vessel surcharge. Currently the surplus in this account is \$461K, with an average shortfall of \$36K per month. It will take about 13 months to use up this surplus. At this time the Committee recommends to maintain the current surcharge rate. The Finance committee will continue to monitor the status of this surplus.

The BOPC monthly expenditures were reviewed and it was noted that even with the reduction in the surcharge from 4% to 2% in January of this year the surplus in this account continues to grow. Currently the surplus is approximately \$2.7 million. The Committee feels it is necessary to take further steps toward reducing the surplus. It was moved and seconded that the current Board Operations surcharge be reduced from the present rate of 2% of all pilotage fees charged to a rate of 0.5% of all pilotage fees charged. Commissioner Falaschi asked for discussion. There was no further discussion. The motion passed unanimously.

The next regular Finance Committee meeting is scheduled for Tuesday July 23, 2002 at 10:30 a.m., at the new Board office Pier 9, Suite 102, San Francisco.

5. Pilot Training Curriculum Committee -- Commissioner Wagner – report on evaluation of MITAGS “Anti-terrorism Awareness for Maritime Pilots” course

Commissioner Wagner reported that the Committee has not met since the last Board meeting. However, Captain McIsaac and Commissioner Wagner went to MITAGS to take the Anti-terrorism Awareness Course for Pilots on June 19. Several pilot groups attended, including Chesapeake Bay, Columbia River, Houston, and Port Everglades. Since the course given was too broad in nature and too generic at this time, the executive director of MITAGS considered this to be a workshop, and therefore did not charge a fee. With feedback from those who attended the course, MITAGS will streamline the course and tailor it specifically for pilots, perhaps only four hours in length. MITAGS requests the SFBP to return in August, with all expenses paid to take the course. Therefore there is no recommendation at this time.

6. Ad Hoc Pilot Power Committee -- Commissioner Wagner – status report re recommendation to update the 1986 San Francisco Pilots Manpower Model – no report

7. Trainee Selection Process -- Executive Director Moloney -- report on results of examinations held week of April 22, 2002 and on report by Office of Examination Resources re trainee selection; OER recommendations re standby list; SFBP recommendation to increase number of pilot trainees from 2 to 3; possible **Board action re same**

Executive Director Moloney distributed copies of a letter dated June 7, 2002, from the Office of Examination Resources regarding the Selection Process Report and Recommendations and gave an overview of the recent trainee selection and standby list. The Board discussed OER's recommendation that only candidates who have achieved a passing score in both the written and bridge simulator examinations be placed on the list for selection in the order of highest to lowest based on their total overall score (total of experience, written and simulator points) and that the selection of candidates to fill available trainee billets (vacancies) in the program be selected sequentially from the top-scoring candidate down.

It was moved and seconded that all applicants who met minimum qualifications and achieved a passing score on the experience points, written exam and simulator exam remain eligible for selection as openings occur until the next examinations are given. Commissioner Falaschi asked for discussion. There was no further discussion. The motion passed unanimously.

The Board continued with SFBP recommendation to increase number of pilot trainees from 2 to 3. It was moved and seconded to increase the number of trainees to three and direct Board staff to prepare contract as necessary and Board President and/or Executive Director to sign same. Commissioner Falaschi asked for discussion. Port Agent Captain McIsaac reported that two pilots have stated, in confidence, that they plan to retire within the next year. It was noted that there would be 60 pilots as of July 1, 2002. The Board discussed the maximum number of trainees that the training system can handle comfortably and various reasons not to overload the training system, and the past experiences of trainees who completed the training program when the SFBP did not have openings. There being no further discussion, Commissioner Falaschi called for a roll call vote. Commissioners Bayer, Falaschi, Wagner, Welch and Winn voted "YES". The motion passed unanimously.

8. Pension Committee – Commissioner Bayer -- report on Committee meeting held May 17 -- Harbors and Navigation Code, Section 1167 regarding Review of Pension Benefits – **possible Board action re same**

Commissioner Bayer reported that the Committee met June 20 to review pension benefits as required by Harbors and Navigation Code Section 1167. This section authorizes the Board to increase monthly pension benefits by up to 50% of the cumulative increase in the Consumer Price Index for the San Francisco Bay Area since the last such increase, after considering any evidence of maritime industry practice in the United States brought to the Board's attention by interested parties. No such evidence was presented. The Consumers Price Index for All Urban Consumers in San Francisco, Oakland and San Jose in December 1998 was 167.4 and in December 2001, 190.6. This is an increase of 23.2 basis points or 13.86%. Since the code authorized increase cannot exceed 50% of the cumulative increase in the CPI, the maximum increase can only be 6.93%. The present cumulative pensioners benefit is \$136,762.72/month, the resulting increase will be \$9,246.93/month. With the retirement of Captain Rosen the total benefit paid to all pensioners will be about \$156,300/month.

The Pension Committee unanimously recommended the maximum increase of 50% of the cumulative three-year increase in the CPI.

It was moved and seconded that the pension benefits provided under the San Francisco Pilot Pension Plan be increased by 6.93%. This represents 50% of the cumulative increase in the CPI for the 3-year period ending December 2001; and that this increase be made effective retroactively to April 1, 2002. Pensioners retired less than three years will receive a pro-rata increase, as provided by Section 1167. Commissioner Falaschi asked for discussion. It was discussed that there are currently 45 retirees, plus one more anticipated effective June 30, 2002. There being no further discussion the motion passed unanimously.

Retired Pilot Captain Buttner, who was in the audience, thanked the Board for their consideration and a special thank you to Commissioner Wagner, for representing the retirees.

New Business

1. Public Comment on matters not on the agenda – there were none.
2. Proposals for additions to next month's agenda – there were none.
3. M/V MARE PHOENICIUM, allision with M/V GENERAL TIRONA, at OAK Inner Harbor turning basin (Schnitzer Dock), May 31, 2002
4. M/V FORMOSA TWO, allision with dock, at Rodeo lower berth, June 5, 2002

Executive Director said the two new incidents are under investigation.

Schedule next regular meeting -- July 25, 2002, at 9:30 a.m.
August 22, 2002
September 19, 2002

The Board meetings will be held in the new Board office Pier 9, Suite 102, San Francisco.

Adjournment – the meeting was adjourned.

Respectfully submitted,

Alice A. Evans
Secretary