

Minutes February 24, 2005

The Board of Pilot Commissioners for the Bays of San Francisco, San Pablo and Suisun regular meeting was held in the Board of Pilot Commissioners office, Pier 9, Suite 102, San Francisco, CA, commencing at 9:30 a.m. on Thursday, February 24, 2005 Commissioner Falaschi presiding. A quorum was present, including Commissioners Rosequist, Wagner, Welch and Winn. Also in attendance were Port Agent Bill Greig, Board Counsel Raymond Paetzold and Secretary Alice Evans and various members of the public.

Commissioner Falaschi noted that a memorial service was held for SFBP Captain Rhodes who recently passed away. Captain Rhodes was a Pilot's Pilot, always there when needed, independent and dramatically loyal. He will be missed. Commissioner Falaschi then asked for a moment of silence for SFBP Captain Rhodes.

Request approval of Minutes of the January 27, 2005 regular Board meeting. The minutes were unanimously approved.

Correspondence and Activities since the January meeting; status of reappointments -- Commissioner Falaschi reported that no appointments have been made to date and encouraged interested parties to call the Appointments Secretary.

1. The Board received a letter dated February 3, 2005 from Port Agent Captain William Greig that he would be out of town February 4 through February 14, 2005 and that Captain Boriolo will serve as Acting Port Agent during his absence.
2. The Board received authorization dated January 31, 2005 from Peter Siggins, Legal Affairs Secretary Office of the Governor to continue to utilize outside counsel in matters related to maritime issues (subject to the determination of Attorney General in any given circumstance and a current general consent per March 2004 letter.)
3. The Board forwarded a letter dated February 16, 2005 to Andrea Lynn Hoch, Chief Assistant Attorney General Civil Division Department of Justice, requesting authorization for the Board to continue contracting for private maritime legal services.

Other Pilot Matters -- Commissioner Falaschi

1. The Board issued license renewals to SFBP Captains Atthowe, Greig, Hartshorn, Lobo, O'Laughlin, Pinetti, Roberts, Vilas and Wagner during the month of February.
2. The Board has received the manpower reports and statements for pilotage fees and surcharges collected from SFBP through December 2004 and Inland Pilot Slough through January 2005. Copies are available in the Board office.

Port Agent's Report -- SFBP Captain Bill Greig

1. SFBP Captain Rhodes passed away February 15.
2. NFFD: Captains Gans, Sweeney and O'Laughlin are being treated for illnesses and injuries not related to piloting.

Captain Shanower remains in the hospital recuperating from a leg injury sustained boarding off the M/V CLEAMAR on January 9. He is anticipating another surgery next week. He should be out of the hospital within two weeks.

Captain Cota is undergoing evaluation.

Captain Dohm, who has been off of the board caring for a terminally ill relative is now working full time as an operations pilot.

3. MRP Violations -- there were a total of 22 MRP violations since the last meeting.

There were 18 12-hour MRP violations on January 29. The shortest was 5 hr 55 minutes. There were 2 comp and 4 sick. These were caused by an unusual amount of Stockton traffic. There were 8 scheduled Stockton jobs plus their associated lower bay moves in a 24-hour period. The average is 1.5 Stockton moves per day. The port of Stockton issues 11 Commissions to Bar Pilots. Unfortunately 4 of those pilots were NFFD that day. We have 2 pilots training to apply for the Commission that had been issued to Captain Rhodes and for an additional Commission authorized by the port. An additional Pilot has applied for a Sacramento Commission, as the same potential problem exists there.

There was one 12-hour MRP on February 4 with a rest period of 11 hr 47 min.
There were two MRPs on February 8. The shortest had a rest period of 11 hr.
There was one MRP on February 16 with a rest period of 11 hr 30 min.

4. Pilot Vessels

The Pilot Vessel GOLDEN GATE collided with a log the night of February 10, causing damage to the port propeller and shaft seal. The boat returned to service on February 15.

5. Vessel Movements for the month of January as compared to the three-year average:

GRT	+12.3%
Bar Crossings	+6.3%
Bay Moves	-13.0%
River Moves	+25.0%
Total Moves	+3.7%

6. Legislation

At the Bar Pilots' request Assemblymen Leno and Torrico have introduced AB 852 that will allow the BOPC to authorize use of the pilot vessel surcharge to fund design and engineering modifications to extend the life of existing pilot boats. SFBP has talked with PMSA about this bill and as of now they have no problems with the bill. They are vetting it with their principals.

Unfinished Business

Following the Board's January meeting, concern was expressed that the public may not have had sufficient opportunity to comment on various items as noted in italics below. Accordingly, anyone wishing to comment on these items is invited to provide such comment at the February meeting. If additional comments are received, the Board may take further action on these items at that time

1. Authorization for Board President and/or Executive Director to sign the following contracts: FY05/06 legal contracts with The Paetzold Law firm up to \$300,000 and Farbstein & Blackman, APC up to \$30,000; FY05/06 miscellaneous office machine contracts; and Investigator Fred Jones for FY05/06, 06/07 and 07/08 up to \$7,000 per year. *Additional*

opportunity for public comment on recommendations made at January 27 meeting re authorizing contracts -- Possible Board action re same

2. Recommendations for Board actions pending possible loss of quorum re license issuance/renewal and re functioning of Incident Review Committee -- *Additional opportunity for public comment on recommendations made at January 27 meeting re authorizing IRC to proceed with hearing before ALJ alone in the event an accusation is filed -- Possible Board action re same*

Commissioner Falaschi referred to Board Counsel who restated the need for the public to be afforded the opportunity to comment on the above items. It had been observed at the last meeting that members of the public had not been expressly asked to comment. While regular attendees may be familiar with their right to comment and often provide input, those new to the process may need to be expressly informed of that right. Commissioner Falaschi asked for any additional comments from the Board or the members of the public on the above items. There were no comments.

3. Open Incidents -- Commissioner Executive Director Moloney

- a. M/V CMA-CGM YANTIAN, alleged violation of RNA speed restrictions, San Francisco Bay, September 19, 2004
- b. M/V MANDARIN GLORY, allision with Richmond Levin Terminal 5B, November 29, 2004, SFBP Captain F. Hoburg
- c. M/V PORT PEGASUS, grounding Lt. 31, San Joaquin River, January 19, 2005
- d. M/V PORT PEGASUS, UPRRB Incident, January 24, 2005

Commissioner Falaschi noted that Executive Director Moloney is in Japan and that extensions are needed for the above IRC reports. It was moved and seconded to extend IRC reports a., b., c. and d. until the next Board meeting. Commissioner Falaschi asked for discussion. There was no discussion and the motion passed unanimously.

4. Pilot Ladder reportable incidents -- Executive Director Moloney -- follow-up report on M/V EVER DIADEM, SFBP Captain Chadwick, first reported at Board's January 27 meeting.

Commissioner Falaschi referred to Board Counsel Paetzold who said that there had not been sufficient information obtained prior to the Executive Director's departure to complete the follow-up requested at the January meeting.

5. Rules and Regulations Committee -- Commissioner Welch said there is no report.

6. Finance Committee -- Commissioner Winn report on February 24, 2005 meeting -- possible recommendations to adjust Board Operations Surcharge (currently .05%), Pilot Vessel Surcharge (currently 6.60 mils), Pilot Training Surcharge (currently \$20.00 per move) and/or Pilot Trainee Surcharge (currently \$0), if warranted -- **possible Board action re same**

Commissioner Winn reported that the Committee met today and reviewed the SFBP year-end financial statement for 2004. Gross revenue is +9.5%, expenses +7.4% and expenses to gross revenue ratio was 28%.

The Committee reviewed the Board's expenses and status of funds. Department of Consumer Affairs' Budgets office is required to show a balanced budget for the next three years. The Finance Committee determined that DCA's request to increase the surcharges is too early to

allow the current surplus to be reduced sufficiently to reach a 3-month surplus level. Commissioner Winn recommended in the form of a motion, which was duly seconded, to provide the following projections to DCA Budgets office:

Effective March 1, 2006, increase Board Operations Surcharge from 0.5% to 2%;

Effective November 1, 2006, increase Serving Pilot Training Surcharge from \$20 per move to \$53 per move;

Effective March 1, 2006, increase Trainee Training Surcharge from \$0 to \$6 per pilot trainee per move.

Commissioner Falaschi asked for comments from the Board and public and for discussion. Commissioner Rosequist noted that the above recommendation is only for authorizing budget projections. There being no comments from the public and no further discussion the motion passed unanimously.

Commissioner Winn reported that the Committee reviewed the Pilot Vessel Surcharge and noted that the surplus is down to target levels. He then recommended in the form of a motion to decrease the Pilot Vessel Surcharge from 6.60 Mills to 5.3 Mills effective April 1, 2005. Commissioner Falaschi asked for comments and discussion. There were no comments from the public and no further discussion. The motion passed unanimously.

The next Finance Committee meeting is scheduled for March 24, 2005 at 8:45 a.m.

7. Pilot Training Curriculum Committee -- Commissioner Wagner said there is no report.
8. Pilot Evaluation Committee--Capt. Melvin -- Report on February 16 Committee meeting -- report on trainees' progress in training program -- expiration of trainee eligibility list (June 2005); possible recommendation to schedule testing for trainee selection; possible recommendation to appoint additional members on Pilot Evaluation Committee to fill anticipated vacancies; *additional opportunity for public comment on recommendations made at January 27 meeting re appointments to PEC* -- **possible Board action re same**

SFBP Captain Melvin reported that the Committee met February 16 and met with all of the trainees. All trainees are progressing well.

Captain Melvin distributed the following report. Copies are available in the BOPC office. During the January meeting the Board took action on a recommendation from the Pilot Evaluation Committee to appoint two pilots to replace Captains Kelso and Maclachlan, respectively. In addition, we recommended that Captain Steve Roberts be appointed to replace Captain Gjevik, who intends to resign in June. Unfortunately that recommendation was not on the January agenda and was continued until today's meeting. As a result of discussion at the February 16 PEC meeting, the PEC submits Captain Roberts name today for reconsideration for that position. Captain Roberts has been a SFBP since 1985. He has shown a great deal of interest in pilot trainee training. (A complete summary of his professional experience had been provided to the Board at its January meeting.)

In addition, Captain Dohm has requested to resign due to a family illness and therefore, the PEC recommends Captain Lemke be appointed to replace Captain Dohm. Captain William Matthew Lemke is a graduate of the California Maritime Academy. He possesses an Unlimited Master's License with First Class Pilotage for not only San Francisco Bay and all Tributaries; Monterey Bay and Approaches, but also Los Angeles/Long Beach Harbors, San Diego Bay and Seal Beach Naval Weapons Harbor. Captain Lemke has been a San Francisco Bar Pilot since 1992. Before that he was a Los Angeles Harbor Pilot from 1990-1992. Captain Lemke has demonstrated a real interest in the training program. It is our pleasure to recommend him for appointment to fill the position vacated by Capt. Dohm at the Board's earliest convenience.

It was moved and seconded to appoint Captain Lemke to Captain Dohm's position effective immediately. Commissioner Falaschi asked for comments from the Board and the public and for discussion. The motion was amended to include the appointment of Captain Roberts to fill Captain Gjevik's position effective upon Capt. Gjevik's resignation of that position in June. Commissioner Falaschi asked if there was any comment from the public on the motion as amended or the recommendations regarding appointments to the Pilot Evaluation Committee made at the January 27 Board meeting. There were none. Commissioner Falaschi then asked for additional discussion. There being no further discussion the motion passed unanimously as amended.

9. Pension Committee -- Commissioner Bayer -- Report on status of review of statutory pension plan recommendations for the plan's interpretation and implementation, developing proposed procedures for submitting and handling requests for disability determination under the pension plan, fiduciary oversight and pension matters in event that Board loses quorum after February 2005 -- **possible Board action**

Commissioner Bayer, who is recovering from surgery, left word that he would report at the next opportunity.

10. Ad Hoc Pilot Power Committee -- Commissioner Wagner said there is no report.
11. Vessel Interactions -- Review incident frequency, Board's role in addressing the problem-- Commissioner Falaschi/Executive Director Moloney -- report on 2-year summary, possible reasons for decline in frequency of incidents. Commissioner Falaschi said there is no report.
12. Pilot Security -- Commissioner Falaschi said there is no report.
13. Ad hoc Committee for Pilot Fitness -- Commissioner Falaschi -- status of appointments of committee members -- Commissioner Falaschi said there is no report.
14. California Performance Review -- recommendations re Pilot Commission -- Executive Director Moloney -- review status of Governor's recommendation to eliminate Pilot Commission, transfer functions to Dept. of Consumer Affairs -- **possible Board action re same**

Commissioner Falaschi reported that the recommendation to eliminate the Pilot Commission had been withdrawn and that this item will be taken off the agenda. He again stated that no appointments have been made and encouraged everyone to call the Appointments Secretary.

15. UPRR Bridge - Reported decline in adhering to communications protocol

Board Counsel Paetzold reported that a sub-committee of the working group met to discuss several recent experiences at the UPRRB in which ships approaching the bridge had reportedly been provided late information of a train being on the bridge at the time of the pilot's second call for a lift. There has been a 50% turnover in the bridge tenders. New tenders are being trained in the importance of communications.
16. Pilot Vessel Life Extension Modifications, Proposed Legislation -- SFBP Port Agent Captain Greig -- this was reported under the Port Agent report above.

New Business

1. Public Comment on matters not on the agenda -- none.
2. Proposals for additions to next month's agenda -- none.

Commissioner Falaschi noted that this is Commissioner Rosequist's last meeting and thanked him for his participation on the Board. Commissioner Rosequist said it has been his pleasure and that he comes away with an enormous respect for the SFBP and the job that they do.

Schedule next regular meeting -- the next meeting is scheduled for March 24, 2005 at 9:30 a.m.

Adjournment -- the meeting was adjourned at 10:05 a.m.

Respectfully submitted,

Alice A. Evans
Secretary