

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 1 of 18</p>
---	---	----------------------------

Board Members Present

Jennifer Ferrera Schmid, President, Public Member
 Dave Connolly, Vice President, Public Member
 Captain George Livingstone, Pilot Member
 David Hoppes, Dry Cargo Industry Member
 Captain Einar Nyborg, Pilot Member
 John Schneider, Wet Cargo Industry Member
 Benjamin De Alba, Assistant Secretary for Rail and Ports, represented the Secretary of the California Transportation Agency

Board Members Absent

Vacant, Public Member

Staff Present

Allen Garfinkle, Executive Director
 Roma Cristia-Plant, Assistant Director
 Dennis Eagan, Board Counsel
 Luis Cruz, Staff Services Analyst

Public Present

Knute Michael Miller, Past Board President; Captain Joseph Long, Port Agent and San Francisco Bar Pilot (SFBP) President; Ray Paetzold SFBP Business Director-General Counsel; Captain George Dowdle, SFBP; Captain Ronald Greger, and Captain Douglas Alferts and family, Pilot Trainees

OPEN MEETING

1. Call to Order and Roll Call – President Schmid

President Schmid called the meeting to order at 09:32 a.m. Staff Services Analyst Cruz called the roll and confirmed a quorum.

2. Review and approval of Board meeting minutes – President Schmid

Board action to approve meeting minutes from the Board meeting held on August 24, 2017.

Board members were presented the draft minutes from the meeting held on August 24, 2017. Assistant Director Cristia-Plant noted Mr. Paetzold requested minor edits to the minutes. There was no further discussion of the minutes by the Board members or the public.

<p>Meeting Date: September 28, 2017</p>	<p align="center">Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p align="center">BOARD MEETING MINUTES</p>	<p align="center">Page 2 of 18</p>
---	---	---

- MOTION:** President Schmid moved to approve the minutes of the meeting held on August 24, 2017. Commissioner Hoppes seconded the motion.
- VOTE:** YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved.

3. President Announcements and Activities – President Schmid

President Schmid announced she met with members of the SFBP Diversity Outreach Committee, and discussed various outreach efforts and opportunities with local schools and maritime academies. She noted Port Agent Long was in attendance at the meeting.

4. Board Member Announcements and Activities – Board Members

There were no announcements.

5. Directors’ Report – Executive Director Garfinkle/Assistant Director Cristia-Plant

A) Correspondence and activities since the Board meeting held on August 24, 2017.

Executive Director Garfinkle reported on the correspondence and activities since the Board’s August meeting as follows:

- On August 28, 2017, he received an email from Mr. William Nugent, Vice President and Head of Ship Operations for International Seaways, Inc., thanking the Board for the opportunity to speak at the August Board meeting. Mr. Nugent stated he hoped he conveyed how seriously International Seaways Inc. takes safety as a core principle and that he looks forward to working with the Board and the Pilot Safety Committee to improve the safety of pilots boarding the company’s ships.
- On August 29, 2017, he received another email from Mr. Nugent that forwarded an email that was sent to all ships trading commercially along with the OVERSEAS LUZON that requested all ships to fully inspect their pilot boarding arrangements used on vessels calling on the U.S. West Coast.
- On August 30, 2017, he received a copy of a letter written by Board Counsel Dennis Eagan and sent to Mercy Hall, an attorney representing the children of Kathleen Nolan, now deceased, who was receiving pension payments under a dissolution of marriage settlement with Captain James Nolan. He reported that there is a dispute concerning the proper recipients of Ms. Nolan’s pension.
- Also on August 30, 2017, he and President Schmid co-drafted a letter that was sent to all Board pilot licensees soliciting their cooperation with responding to the fatigue

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 3 of 18</p>
---	---	----------------------------

study survey sent to them by researchers from the California State University San Jose Research Foundation.

- On September 6, 2017, Commissioner Schneider forwarded him a *Loss Prevention Hot-Spots* brochure on Pilot ladders, which included a checklist for proper rigging.
- On September 8, 2017, Board staff received a letter from Michael Cohen, Director of the Department of Finance, informing him that the Board must complete a State Leadership Accountability Act (SLAA) assessment of internal risks and controls, and submit a report due by the end of the calendar year.
- Also on September 8, 2017, he sent Pilot Trainee Training Program participant Captain Leigh McNamara a letter informing him of the Board's action to place him on probation for a time period of 60 days.
- On September 12, 2017, Vice President Connolly forwarded him a National Transportation Safety Board (NTSB) Marine Accident Brief on the Allison of the Tanker NORDBAY with the Mississippi River docks and water intakes.
- On September 15, 2017, Board staff received a copy of the PMSA *West Coast Trade Report* for September 2017. He reported that the report contains a commentary by Jock O'Connell entitled *Keystone Kops Waterfront Precinct*. He reported that the article takes issue with the Clean Air Action Plan (CAAP) issued by the Ports of Los Angeles and Long Beach, which could drive cargo away to less expensive gateways, ultimately defeating the goal of cleaner air by generating more greenhouse gas emissions due to longer shipping routes.
- On September 20, 2017, he sent a second reminder to all Board-licensees again encouraging participation in the pilot fatigue study survey.
- On September 22, 2017, he received a text message from a retired SFBP Captain James Nolan in which he expressed concerned that the Board was deciding the fate of his deceased ex-wife's pension and requested a continuance until after October 14, 2017. He reported that he was able to speak with a friend of Captain Nolan, and explain that there would not be any action on the pension issue at this meeting.

B) Report on pilot licensing matters in the past month and current month.

Executive Director Garfinkle reported on the following pilot licensing matters:

- Between the July and August Board meetings, staff renewed the licenses of Captains Coney, Laakso, and Burger.
- Since the August Board meeting staff renewed the licenses of Captains Merritt and LeSieur.

C) Report on Board surcharges.

Executive Director Garfinkle reported that the Board received a check from the SFBP for \$179,650.30 for surcharge revenues for the month of August 2017 as follows:

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 4 of 18</p>
---	---	----------------------------

- Board Operations Surcharge: \$108,277.80
- Continuing Education Surcharge: \$ 3,712.50
- Trainee Training Surcharge: \$ 67,660.00

D) Report on legislative activities and contractual matters.

Assistant Director Cristia-Plant reported that there was no legislation report. She reported the following on contractual matters:

- Board staff continue to work with the SFBP on the new 5-year contract.
- The California Highway Patrol (CHP) has assigned the Board a new contract analyst and has commenced arrangements to transfer the Board's contract work to the new analyst. As such, no contract work was completed in August. Pending contract procurements include the Commission Investigator contracts and retaining CPA services for the San Francisco Bar Pilot Pension Plan.
- Contract work has not yet commenced on procuring an actuary to update the 2009 actuarial study of the San Francisco Bar Pilot Pension Plan. Board staff will work with CHP to issue an Invitation for Bid to retain an actuary.
- Board staff are still awaiting a determination from the California Department of Human Resources (CalHR) if the two entities can enter into an interagency agreement for trainee drug testing under CalHR's master drug testing contract. CalHR's legal staff has confirmed that they are researching the issue.
- In addition to the contracts previously mentioned, six interagency agreements have recently expired or will be expiring this fiscal year. The contracts are with the State Controller's Office, two contracts with California Maritime Academy, the University of California, San Francisco Campus School of Occupational Medicine, CalHR, and the CHP. Staff will commence working on contract renewals with the other governmental entities and the CHP in the coming months

Assistant Director Cristia-Plant answered a question from President Schmid concerning the Board's Office Technician vacancy, and stated that Board staff is using this period as a chance to upgrade the vacant position to an Administrative Assistant II. She stated that revised duty statement has been sent to CHP for review.

Vice President Connolly thanked Executive Director Garfinkle for including the correspondence from International Seaways, Inc. He also noted his interest with the *Loss Prevention Hot-Spots* brochure on pilot ladders and the NTSB report on the Allison of the Tanker NORDBAY with Mississippi River docks and water intakes, and referred the pilot ladder issue to the Pilot Safety Committee.

Assistant Director Cristia-Plant confirmed for Commissioner Nyborg that the Board's contract with UCSF expires towards the end of the current fiscal year.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 5 of 18</p>
---	---	----------------------------

6. Port Agent's Report – Captain Joseph Long

A) Monthly report on San Francisco Bar Pilots (SFBP) pilot availability and absences.

As of September 27, 2017, Port Agent Long reported that Captain Pinetti has been not fit for duty since February 27, 2017, that Captains Dowdle and Coppo have been absent due to medical reasons since September 23, 2017, and September 27, 2017, respectively .

Port Agent Long reported the SFBP continually monitors the dispatch list for possible 12 hour minimum rest period (MRP) exceptions, and if the potential exception is likely to result in a rest period of less than 10 hours, mitigating measures are employed by the SFBP. He reported that the mitigating measures include, but are not limited to, suspending continuing professional development protocols, cancelling scheduled meetings, cancelling previously granted compensating time off requests, suspending SFBP internal working rules, or calling in off-watch pilots.

He reported that there are currently 59 licensed pilots. He reported that there were 8 MRP exception in August, and that the shortest rest period was 8.7 hours.

B) Monthly report on SFBP ship piloting business activity.

Port Agent Long reported the following:

- The P/V SAN FRANCISCO went into the shipyard on August 7, 2017, for maintenance and repair items, as well as one project for the installation of a rubber mat to improve safety in the pilot landing area. Additionally, the ABS load line inspection was completed and the P/V SAN FRANCISCO was reported to continue to meet all the requirements of her Load Line Certificate.

Port Agent Long Reported the billed vessel moves for August 2017:

- Bar Crossings: 572 Moves
- Bay Moves: 140 Moves
- River Moves: 43 Moves
- Total Moves: 755 Moves
- Gross Registered Tons (GRT): 31.8 Million

He also reported that when comparing 2017 year-to-date vessel move and GRT data with the same eight month period in 2016, total moves were up 2.5% and GRT was down 1.5%.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 6 of 18</p>
---	---	----------------------------

- C) Monthly confidential written report of SFBP pilots who have been absent for medical reasons (AFMR) presented to Board. The Board may go into closed session to discuss contents of the Port Agent’s confidential report as authorized by Harbors and Navigation Code § 1157.1.**

There was no discussion of the confidential written report of pilots who have been absent for medical reasons. There was no closed session discussion of this item.

7. Pilot Evaluation Committee – Captain George Dowdle

- A) Report on the Pilot Evaluation Committee (PEC) meeting held on September 20, 2017.**

PEC Chairman Captain Dowdle reported the following:

- The PEC met on September 20, 2017.
- All trainees were interviewed individually in closed session.
- The seven current trainees include: Captains Alfery, Vogel, McNamara, Greger, Burchard, Freese, and Pullin. Their time in the program ranges from 1 to 18 months.
- There are two trainees in evaluation status.
- One trainee is on probation, and based upon a review of the trainee’s jobs and letters received from several pilots since August 16, 2017, the point in time the trainee was verbally advised by the PEC that the Committee would recommend to the Board to put the trainee on probation, the PEC determined that the trainee has not been making adequate progress meeting the conditions of probation.
- Another trainee is not meeting testing benchmarks.
- One trainee is not meeting the training benchmarks.
- Most trainees are progressing as expected.
- The PEC will meet next on October 18, 2017.

Captain Dowdle confirmed for Commissioner Hoppes that upon review of trips performed by the probationary trainee, it appears that there are still instances of the trainee losing situational awareness, and that the PEC would like to continue to monitor the trainee’s progress in the following month.

Board Counsel Eagan stated that the trainee was given oral notification of the PEC’s intention to recommend to the Board to place him on probation at the August 16, 2017, PEC meeting. He stated the Board voted to place the trainee on a 60-day probation period at its meeting on August 24, 2017, and subsequently a formal letter notifying the trainee of the Board’s decision was sent by Executive Director Garfinkle to the trainee on September 8, 2017. The letter noted a 60-day probationary period would commence on September 13, 2017. He noted that the Board’s regulations require that when a trainee is placed on

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 7 of 18</p>
---	---	----------------------------

probation, the PEC shall review and document the trainee's monthly progress during the probation period, and inform the trainee of his or her progress results in writing. He noted the probation evaluation periods are on October 13, 2017, and November 12, 2017. Captain Dowdle confirmed that the PEC sent the trainee the first of the two written probation evaluation reports informing the trainee of his training progress.

Commissioner Nyborg stated that the purpose of probation is to make the trainee aware of a problem, and for the PEC to provide a pathway to success. He stated that there have been instances where a probation period was not given to a trainee due to a non-trainable issue, resulting in the trainee being dismissed from the program. He stated that should the PEC recognize an issue that impacts public safety that is not trainable, the trainee should not be allowed a probationary period. Board Counsel Eagan noted that the Board is not confined to a probationary period, and the Board may dismiss a pilot trainee from the training program at any time during the first 12 months of training, without cause.

B) Possible PEC recommendation to place one or more Pilot Trainee Training Program trainees on probation, or dismiss one or more trainees from the program. Possible Board action to place one or more Pilot Trainee Training Program trainees on probation, or dismiss one or more trainees from the program.

There was no discussion or recommendation.

C) Possible PEC recommendation for a determination that a trainee has or trainees have completed the Pilot Trainee Training Program. Possible Board action to award a Certificate of Completion to a trainee who has completed the Pilot Trainee Training Program.

Captain Dowdle reported that the PEC completed its final assessment of trainee Captain Douglas Alfes at its meeting on September 20, 2017, and determined that Captain Alfes successfully completed all elements of section 214(c) and (h) of the Pilot Trainee Training Program requirements listed in the Board's regulations. Captain Dowdle providing the following information:

- Captain Alfes has a total of 562 training jobs, of which 124 were as an observer and 438 were handled or partially handled, directing the navigation and control of the vessel under the direct supervision of a pilot.
- Captain Alfes acquired 100 jobs with PEC members, of which 25 were within the past 90 days.
- As required by regulation, Captain Alfes has maintained an average PEC evaluation score of 4.0 in each of the last 3 months, resulting in a 3 month average of 4.53.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 8 of 18</p>
---	---	----------------------------

- The PEC has determined that Captain Alfery has successfully completed the Pilot Trainee Training Program, and recommended that the Board issue Captain Alfery a Certificate of Completion from the program, effective September 28, 2017.

Executive Director Garfinkle confirmed for the Board that Captain Alfery has completed all of the Pilot Trainee Training Program requirements. There was no further discussion or comments from the Board or the public.

MOTION: President Schmid moved to award Captain Douglas Alfery a Pilot Trainee Training Program Certificate of Completion. Vice President Connolly seconded the motion

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

D) Possible recommendation from the Executive Director for the appointment of a new pilot or pilots. Possible Board action to accept a recommendation from the Executive Director that a trainee holding a Certificate of Completion from the Pilot Trainee Training Program be licensed as a state-licensed pilot.

Executive Director Garfinkle reported to the Board that he has received an application for licensing from Captain Douglas Alfery and that all requirements for licensing have been met. He recommended to the Board that a license be issued to Captain Alfery. There was no further discussion or comments from the Board or the public.

MOTION: Commissioner Nyborg moved that the Board issue a license to Captain Douglas Alfery. Commissioner Schneider seconded the motion

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

President Schmid called for a recess so that she could conduct the oath of office with Captain Alfery.

RECESS BEGAN: 10:06 a.m.
OPEN SESSION RESUME: 10:26 a.m.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 9 of 18</p>
---	---	----------------------------

**8. Reported Safety Standard Violations – Executive Director Garfinkle
(Reported safety standard violations occurring up to the start of the meeting will be reported on.)**

Executive Director Garfinkle reported that the Board received a Pilot Boarding Arrangements Deficiency Report from Captain Cloes involving a pilot ladder on the NYK DIANA boarding on September 11, 2017. He stated the report noted the ladder had very frayed manila ropes with uneven steps, worn seizing of the steps, and ladder chocks broken and out of place.

A brief discussion ensued concerning the role of and the authority of the Board, and the authority of the United State Coast Guard’s (USCG) Port State Control (PSC) over such safety standard violations. Captain Nyborg suggested that the development of a tracking database for pilot ladder boarding arrangement deficiency reports may be a useful tool.

Board Counsel Eagan expressed his concern with the PSC staff workload, and commented that rather than relying on Port State Control to take action on the vessels, the Board may want to consider exploring other alternatives to address the issue. Commissioner Hoppes noted that, in the time he has been on the Board, he has witnessed multiple pilot ladder boarding arrangement deficiency issues and echoed Board Counsel Eagan’s concern of relying on Port State Control.

Commissioner Livingstone commented that he recently read a study that estimated up to 20% of pilot boarding arrangements are deficient. Vice President Connolly stated that pilot ladder deficiencies are a critical safety issue, may not be resolvable for foreign ships, but that the Board could collect and disseminate the data on the deficiencies to keep the issue on the fore front. He also recommended that the Pilot Safety Committee consider the issue.

Port Agent Long stated that he plans to establish regular meetings with USCG representatives to discuss these issues, and that he would like to know the frequency of these issues, suspecting a growing trend. Commissioner Nyborg expressed his concern with foreign ship operators’ adherence to proper safety standards, and requested a report on all pilot ladder safety issues within the last 18 months.

**9. Reportable Piloting Events – Executive Director Garfinkle
(Reportable piloting events occurring up to the start of the meeting will be reported on.)**

A) Progress report of an event involving the M/V MSC KATIE bridge wing contact with a crane wire while docking at Oakland 58 on May 4, 2017. Possible Board action to grant the Incident Review Committee an extension to present the M/V MSC KATIE report at the Board meeting to be held on October 26, 2017.

Executive Director Garfinkle stated that the Incident Review Committee (IRC) will present its report of the M/V MSC KATIE under agenda item #19.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 10 of 18</p>
---	---	-----------------------------

B) Initial report of an event involving the M/V KAI XAUN whip antenna contact with the Benicia-Martinez Union Pacific Railroad Bridge on an outbound transit from New York Point to Sea on July 30, 2017.

Executive Director reported that the piloting event involving the M/V KAI XAUN occurred on July 30, 2017, that the 90-day date for the IRC report is October 27, 2017, and that the investigation is ongoing.

**10. Loss of Propulsion/Low Sulfur Fuel Report – Executive Director Garfinkle
Report on loss of propulsion events arising in July and August 2017, as reported by the U.S. Coast Guard, including those events suspected to be due to low sulfur fuel issues.**

Executive Director Garfinkle reported that according to the USCG’s San Francisco Harbor Safety Statistics July report, there were four loss of propulsion incidents that month, and none were attributed to fuel switching. Additionally, he reported according to the August report, there were two loss of propulsion incidents in August, and none of the events were attributed to fuel switching.

11. Pilot Fitness Committee – Knute Michael Miller

A) Report on the Pilot Fitness Committee meeting held on September 26, 2017.

Pilot Fitness Committee (PFC) Chairman Miller reported that they met on September 26, 2017, and discussed the progress on the pilot fatigue study, and the potential need to tweak the pilot and trainee fitness regulations, now that the regulations have been implemented for the past several years. He noted that the PFC intends to eventually meet with the Rules and Regulations Committee to promulgate regulation amendments that will address the need to enlarge the availability of examining physicians, establish a time period during which a fitness review is still valid, and to take an overall review at the regulations for other changes.

He also noted that the Committee discussed the medical protocols at the University of California San Francisco (UCSF) campus, and some of the issues pilots and trainees have encountered scheduling appointments and receiving timely fit for duty determinations.

Commissioner Nyborg, Commissioner Livingstone and Port Agent Long individually commented that there appears to be room for improvement with the scheduling of medical appointments at UCSF, and that some pilot work schedules have had to be altered to accommodate limited physician availability during license renewal time frames.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 11 of 18</p>
---	---	-----------------------------

Executive Director Garfinkle stated the Board has had great success with the UCSF contract in that every pilot received his or her fitness determination in time to be issued an annual license renewal without delay during the last three years. He reinforced that pilots who encounter difficulties with scheduling appointments or receiving fitness determinations should report to him in writing so that he can be made aware of the exact issue and follow up with the UCSF staff. President Schmid thanked the Board and Port Agent Long for the discussion and stated she looks forward to resolving the various issues.

He stated that the next PFC meeting is anticipated in late October 2017.

B) Progress Report on the Pilot Fatigue Study being conducted by the San Jose State University Research Foundation.

Chairman Miller reported that Drs. Hobbs and Flynn-Evans apprised the Committee of the status of the pilot fatigue study, and presented a slide show of some of the analysis the researchers have completed of the work schedule data received from the SFBP. He noted that the analysis presented to the Committee will be in the final report to the Board.

He also commented that the researchers are currently conducting a survey of all pilots regarding factors that contribute to workplace fatigue, and that to date, 49 of the 59 licensed pilots have already completed the survey. He stated the Board will receive a copy of the survey once the survey is completed by the pilots.

Commissioner Nyborg praised the researchers for their professionalism regarding the study, and commented that he looks forward to learning more about fatigue at the conclusion of the study.

**12. Navigation Technology Equipment and Software Acquisition Update – SFBP Business Director-General Counsel Paetzold
Status report on the SFBP’s navigation technology equipment and software implementation.**

Mr. Paetzold reported the following:

- Both the precision docking system and the enhanced route piloting system equipment and software are in service and performing well.
- The total amount borrowed under a line of credit for the acquisition of the navigation technology was \$826,000.00, with interest only payments, until July 2018.
- The line of credit will be kept open until July 2018 to cover additional navigation technology expenditures, then closed and the outstanding balance will be converted to a long term loan with a maturity date of December 2020, to coincide with the sunset of the authorizing statutes.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 12 of 18</p>
---	---	-----------------------------

- The next navigation technology expenditure is forecasted for December, 2017, for the Rosepoint software update and upgrades used with the enhanced route piloting equipment. The total cost for the software update/upgrade is estimated at \$28,000.00.

Commissioner Livingstone noted that the new navigation technology is a substantial enhancement to piloting safety.

13. Finance Committee – Commissioner Hoppes

A) Report on the Finance Committee meeting held on September 26, 2017.

Finance Committee member Mr. Paetzold reported that the Finance Committee met on September 26, 2017, and elected, in his absence, Commissioner Hoppes as Committee chairman. He stated the Finance Committee reviewed the Board’s fund conditions statements, budgets and surcharges rates and that the Committee recommends no change to the Board Operations Surcharge, the Pilot Continuing Education Surcharge, the Pilot Trainee Training Surcharge, and the Navigation Technology Surcharge rates.

Mr. Paetzold reported that at midnight on September 18, 2017, the Pilot Boat Surcharge rate was adjusted to \$0.00 upon the final payoff of the vessel mortgage on September 18, 2017. He reported that all Pilot Boat Surcharge monies were accounted for and that the final payoff amount of less than \$2000 was paid for by the SFBP. He stated no action was necessary by the Board since the Pilot Boat Surcharge expired on its own accord, and that SFBP customers were notified in writing of the cessation of this surcharge.

B) Finance Committee recommendations to the Board on the following Board surcharges:

- a. To adjust the Board Operations Surcharge rate (currently 3% of all pilotage fees).
Possible Board action to adjust the Board Operations Surcharge rate.**
- b. To adjust the Pilot Continuing Education Surcharge rate (currently \$5 per move).
Possible Board action to adjust the Pilot Continuing Education Surcharge rate.**
- c. To adjust the Pilot Trainee Training Surcharge rate (currently \$20/trainee/move).
Possible Board action adjust the Pilot Trainee Training Surcharge rate.**
- d. To adjust the Pilot Boat Surcharge rate (currently at 2.62 mills or \$0.00262).
Possible Board action to adjust the Pilot Boat Surcharge rate.**
- e. To adjust the Navigation Technology Surcharge rate (currently at \$40/move).
Possible Board action to adjust the Navigation Technology Surcharge rate.**

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 13 of 18</p>
---	---	-----------------------------

MOTION: Vice President Connolly moved that the Board accept the Finance Committee’s recommendation of no change to the Board Operations, Pilot Continuing Education, Pilot Trainee Training, and Navigation Technology Surcharge rates. Commissioner Livingstone seconded the motion.

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

C) Finance Committee recommendation to the Board to accept the pilotage and surcharge audit report for 2016 calendar year prepared by the State Controller’s Office under contract with the Board in satisfaction of the contract scope of work. Possible Board action to accept the State Controller’s Office 2016 pilotage and surcharge audit.

Mr. Paetzold reported that the Finance Committee reviewed the audit report by the State Controller’s Office (SCO) for the 2016 calendar year, and confirmed that the report satisfied the scope of work provision of the Board’s contract with the SCO. He reported that no exceptions were found, and that the Committee recommends that the Board accept the audit report in satisfaction of the contract scope of work provision.

MOTION: Vice President Connolly moved to accept the State Controller’s Office pilotage and surcharge audit for the 2016 calendar year. President Schmid seconded the motion

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

Vice President Connolly and Commissioner Nyborg praised Assistant Director Cristia-Plant for her detailed work and efforts related to the Finance Committee reports and the SCO audit report.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 14 of 18</p>
---	---	-----------------------------

14. Fee and Surcharge Recovery Actions Involving Hanjin Shipping Company – SFBP Business Director-General Counsel Paetzold
Status report on the SFBP’s fee and surcharge recovery actions involving pilotage services provided to vessels operated by Hanjin Shipping Company.

Mr. Paetzold stated there was nothing new to report.

15. Board Meeting Calendar for 2018 – Executive Director Garfinkle
Presentation of proposed Board meeting calendar for 2018. Possible Board action to approve a Board meeting calendar for 2018.

Board members were presented the proposed Board meeting calendar for 2018. A brief discussion ensued regarding cancelling a summer month meeting. It was confirmed that the Board’s regulations call for a monthly meeting.

MOTION: President Schmid moved to accept the proposed Board meeting calendar for 2018. Commissioner Hoppes seconded the motion.

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

16. San Francisco Bar Pilot Pension Plan Litigation – Board Counsel Eagan
Status report on Craig E. Reeder vs. State Board of Pilot Commissioners litigation. The Board may go into closed session to discuss with Board Counsel any matters subject to attorney-client privilege as per Government Code §11126(e) of the Bagley-Keene Open Meeting Act.

Board Counsel Eagan stated there was nothing to report.

17. Litigation Regarding Pension Payments of Capt. James Nolan – Board Counsel Eagan
A dispute exists concerning entitlement to a portion of the pension payments of Captain James Nolan, a retired pilot. It is likely that resolution of the dispute will involve litigation. The Board may go into closed session to discuss with Board Counsel any matters subject to the attorney-client privilege, in accordance with the Bagley-Keene Open Meeting Act, Government Code section 11126(e).

This agenda item was deferred to the end of the meeting.

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 15 of 18</p>
---	---	-----------------------------

18. Board Discussion of Best Practices in Maritime Safety – Vice President Connolly

A Board discussion of best practices in maritime safety and/or lessons learned from Incident Review Committee incident reports or other sources, and possible directions to staff to develop safety policies and procedures. Possible Board action to direct staff to develop maritime safety policies and procedures.

Vice President Connolly praised the International Seaways follow-up regarding the pilot ladder event on the OVERSEAS LUZON. He also commented about the usefulness of the Hot Spots pilot ladder article provided by Commissioner Schneider.

Vice President Connolly commented about the NTSB report of the allision involving the Tanker NORDBAY with docks and water intakes, and emphasized that any type of communication should not distract the pilot and/or master from a safe transit. Commissioner Nyborg provided a comparison between cellular phone and Very High Frequency (VHF) radio usage, noting that it is the Pilot’s duty to manage all sorts of distraction. Commissioner Nyborg also confirmed distraction is a key element tested within the Pilot Trainee Training Program Selection Examination. He requested this report be referred to the Pilot Safety Committee.

President Schmid called for a short recess.

RECESS BEGAN: 11:53 A.M.
RETURN TO OPEN SESSION: 12:01 P.M.

President Schmid delegated the Chairman duties to Vice President Connolly, and assumed her position as a member of the Incident Review Committee along with Executive Director Garfinkle.

19. Incident Review Committee incident report on the M/V MSC KATIE - President Schmid

A presentation of the Incident Review Committee report on the event involving the M/V MSC KATIE bridge wing contact with a crane wire while docking at Oakland 58 on May 4, 2017. Board deliberation and decision with respect to possible pilot error. Board determination with respect to further actions, if appropriate. The Board may go into closed session for the deliberation of the incident report presented under this item pursuant to Harbors and Navigation Code §1180.6(a) and Government Code §11126(c)(3).

Executive Director Garfinkle presented the Incident Review Committee (IRC) report to the Board, and reported that on the morning of May 4, 2017, the M/V MSC KATIE (MSC KATIE) was transiting from sea to the Port of Oakland, Berth 58. Captain Jubal Hirschfeld was assigned to the ship with Captain Drew Aune assigned as the Supervisory Pilot. Captain

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 16 of 18</p>
---	---	-----------------------------

Hirschfeld was the sole pilot from the sea buoy to the city front, and this leg of the transit was uneventful. Captain Aune joined the trip from the city front to the Port of Oakland, Berth 58.

On the transit to the Oakland Inner Harbor, the MSC KATIE passed two ships moored at Oakland Berths 56 and 57, and the gantries located at Berth 58 were boomed up to the 45 degrees from horizontal position. As Captain Hirschfeld lined up the MSC KATIE for docking at Berth 58, with the ship approximately 90 feet off the face of the dock, the terminal representative located on the pier contacted Captain Hirschfeld on the hand-held VHF radio and notified him that his current position was good and to bring the ship straight in, ultimately placing the ship approximately 40 feet astern from where the bridge marker would have indicated.

Captain Hirschfeld proceeded to bring the ship alongside at the new designated position, which placed the bridge of the ship adjacent to a gantry crane leg, and as the ship approached the face of the dock, the collision wire on the boom of the gantry was in danger of fouling on the bridge wing awning structure. When it became apparent the collision wire would make contact with the awning, Captain Hirschfeld ordered dead slow ahead in an effort to clear the wire. Eventually the collision wire snagged the top side of the awning structure. This caused the wire to cut into the plywood and steel awning structure, and it also snagged a bridge-mounted searchlight, shearing a searchlight mounting bolt from the surface of the bridge wing rail. When the wire met this resistance, it parted. Following the parting of the collision wire the ship proceeded to moor without further incident. No injuries were reported and damaged was estimated at \$650.00.

Executive Director Garfinkle stated that the standard of care in cases of negligence is whether the pilot acted with the same degree of care as the average San Francisco Bar Pilot. He stated for the purpose of clarity, the IRC separately reviewed the roles of the conning pilot, supervisory pilot, and the effects of commercial pressures on the pilots.

While the report by the IRC focused on the role of the supervisory pilot, as regulations state he or she is the pilot responsible for safe pilotage and did not consider whether Captain Hirschfeld was negligent, during the presentation and ensuing discussion, Executive Director Garfinkle acknowledge that the IRC had not considered that both or either could be found to have acted below the standard of care. The IRC report concluded the supervisory pilot would be held to a standard of care of average San Francisco Bar Pilot supervising the work of a pilot in the professional development program, though during discussion and through analysis provided by Board Counsel Eagan, it was noted that the Board could find pilot error for both the conning pilot and the supervising pilot, and each would be evaluated based on the facts surrounding their individual roles.

The Executive Director also spent some time discussing how pilots are regularly presented with commercial pressures that may not be consistent with the role of the pilot as a

<p>Meeting Date: September 28, 2017</p>	<p>Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111</p> <p>BOARD MEETING MINUTES</p>	<p>Page 17 of 18</p>
---	---	-----------------------------

representative of the people of California. These pressures may come from a variety of sources including ship masters, shipping company agents, or terminal representatives. It is the pilot's job to recognize when a commercial pressure is inconsistent with safe practices and act accordingly. This role is challenging, particularly to younger or less experienced pilots, who may go out of their way to accommodate the needs of the customers. It was noted that some of these pressures may have contributed to this incident.

After a discussion on the various aspects of the role of the supervisory pilot, the Board found that, strictly on the facts of this case, that Captain Aune met the standard of care of a supervising pilot and accepted the IRC recommendation of a finding of no pilot error. The report suggested that a valuable lesson about resisting commercial pressures was learned by the conning pilot, and that the case be closed with no further action.

Vice President Connolly praised the IRC for the thorough review of an area where the Board's regulations are not clear. He stated that more work needs to be done clarifying the role of a supervisory pilot.

Commissioner Nyborg stated that although pilots are trained to be flexible and to accommodate the needs of the customers, it is the responsibility of a pilot to recognize dangerous conditions as they develop and be cognizant of safety issues. He also stated that one pilot needs to be held accountable. He commented that he appreciated IRC's view on commercial pressures, explaining that it may be difficult for a less experienced pilot to hold pressures off and that he supported the IRC's findings.

Board members further discussed the position of the crane relative to the vessel, various methods of mitigating commercial pressures placed on pilots, and the differences between the conning pilot's and the supervisory pilot's standard of care as compared to the average San Francisco Bar Pilot.

MOTION: Vice President Connolly moved to accept the Incident Review Committee's recommendation regarding the event involving the M/V MSC KATIE bridge wing contact with a gantry crane collision wire while docking at Oakland 58 on May 4, 2017, that the Board find no pilot error, and that the investigation be closed without further action. Commissioner Hoppes seconded the motion.

VOTE: YES: Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

Vice President Connolly then yielded the Chairman duties back to President Schmid
President Schmid then convened a closed session to discuss Agenda item 17.

Meeting Date: September 28, 2017	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111 BOARD MEETING MINUTES	Page 18 of 18
---	--	----------------------

CLOSED SESSION BEGAN:

1:17 P.M.

17. Litigation Regarding Pension Payments of Capt. James Nolan – Board Counsel Eagan

A dispute exists concerning entitlement to a portion of the pension payments of Captain James Nolan, a retired pilot. It is likely that resolution of the dispute will involve litigation. The Board may go into closed session to discuss with Board Counsel any matters subject to the attorney-client privilege, in accordance with the Bagley-Keene Open Meeting Act, Government Code section 11126(e).

OPEN MEETING RESUMED:

1:35 P.M.

There was not report out of the closed session.

20. Public comment on matters not on the agenda.

There were no comments from the public.

21. Proposals for the next Board meeting agenda.

Commissioner Livingstone requested the next Board agenda include a report from the Pilot Power Committee.

Meeting Date: September 28, 2017	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111 BOARD MEETING MINUTES	Page 19 of 18
---	--	----------------------

22. Adjournment.

MOTION: President Schmid moved to adjourn the meeting. Vice President Connolly seconded the motion.

VOTE: YES: Schmid, Connolly, Hoppes, Livingstone, Nyborg, and Schneider.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved. The meeting was adjourned at 1:35 p.m.

Submitted by:



Allen Garfinkle, Executive Director