

<p>Meeting Date: October 27, 2022</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 11</p>
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Board Members Present

Joanne Hayes-White, President, Public Member
Jennifer Ferrera Schmid, Vice President, Public Member
Captain Robert Carr, Pilot Member
Captain Einar Nyborg, Pilot Member
Karen Tynan, Public Member
Stephanie Dougherty, Designee of the Secretary of the California State Transportation Agency (CalSTA)

Board Members Absent

Vacant, Wet Cargo Industry Member
Vacant, Dry Cargo Industry Member

Board Staff Present

Allen Garfinkle, Executive Director
Roma Cristia-Plant, Acting Assistant Director (by phone)
Dennis Eagan, Board Counsel
Alethea Wong, Staff Services Manager I
Charles Louie, Administrative Assistant II

Public Present (in person)

Assembly Member Tim Grayson; Captain John Carlier, San Francisco Bar Pilots (SFBP) President and Port Agent; Captain Anne McIntyre, SFBP Business Director; Mike Jacob, Pacific Merchant Shipping Association (PMSA) Vice President and General Counsel; and Captains Eric Robinson, Dylan Epperson, and Zack Kellerman, SFBP; Stas Margarm; Alfredo Medina; Galmedo Jimenez; and Owen O’Mahony.

OPEN MEETING AGENDA

1. Call to Order and Roll Call (President Hayes-White)

President Hayes-White called the meeting to order at 9:31 a.m.

President Hayes-White provided some introductory remarks concerning the format of the meeting and then turned the floor over to Executive Director Garfinkle for further comments on the meeting format. In these remarks, he noted that while the meeting was being conducted in-person at the Board Office, Board members and members of the public could participate by telephone. Staff Service Manager I Wong called the roll and confirmed a quorum.

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2. Presentation on Assembly Bill 2056 (Assembly Member Grayson).

Comments by Assembly member Timothy Grayson on Assembly Bill No. 2056, concerning pilotage rates and pilot boat surcharge, which was signed by Governor Newsom on September 29, 2022.

President Hayes-White thanked Assembly Member Grayson and all the parties who collaborated in passing Assembly Bill No. 2056. She introduced Assembly Member Grayson who thanked the Commission and staff, San Francisco Bar Pilots (SFBP), and all other stakeholders for collaborating and carrying the bill through for the Governor’s signature, with the goal to maintain the safety of the waterways, keeping the supply chain working, and delivering services to the entire Bay Area.

3. Review and approval of Board meeting minutes (President Hayes-White)

Board action to approve the minutes from the Board meeting held on September 22, 2022.

Board members were presented with the draft minutes from September 22, 2022. Commissioner Carr requested for minor edits. There was no further discussion.

MOTION: Commissioner Nyborg moved to approve the minutes from September 22, 2022, as amended. Commissioner Carr seconded the motion.

VOTE: YES: Hayes-White, Schmid, Carr, Nyborg, and Tynan
NO: None
ABSTAIN: None

ACTION: The motion was approved.

4. Public comment on matters on the agenda or not on the agenda.

There were no comments.

5. President Announcements and Activities (President Hayes-White)

President Hayes-White announced that there will not be a Board meeting on November 10, 2022, and the last meeting of the year will be held on December 8, 2022.

6. Board Member Announcements and Activities (Board Members)

There were no announcements nor activities to report.

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7. Directors' Report (Executive Director Garfinkle)

A) Correspondence and activities since the Board meeting held on September 22, 2022.

Executive Director Garfinkle reported on the following:

- On September 23, 2022, Board staff received the Pacific Merchant Shipping Association (PMSA) *West Coast Trade Report* for September 2022.
- Also, on September 23, 2022, he and members of the Board staff met with the California Department of Transportation (Caltrans) Information Technology (IT) team members to discuss initiating a enterprise database solution for digitizing the Board's record keeping. This will likely be a multi-year project, with the planning and budgeting phase to begin soon.
- On September 26, 2022, Board staff received the United States Coast Guard (USCG) Fleet Week Public Notice on restricted areas on the bay during the Parade of Ships and the Blue Angels airshow.
- On September 26, 2022, he received an invitation to the USCG Sector San Francisco Vessel Transportation Service's 50th Anniversary event, to be held on November 3, 2022.
- On September 28, 2022, he provided SFBP with the Surcharge Rate Letter for the fourth quarter of 2022.
- On September 29, 2022, BOPC staff was notified by Artelia, the company the runs the Port Revel Manned Model facility, that 2023 spots were filling up fast, and offered us open training opportunities for four sessions. At the time, we still did not have a contract with Artelia, but, requested them to hold three one-week sessions in 2023.
- On September 29, 2022, Board staff received copies of the surveys for PV PITTSBURG and PV GOLDEN GATE.
- On September 29, 2022, AB 2056 was signed by the Governor.
- On September 30, 2022, he attended the Selection Appeal Committee meeting.
- Also, on September 30, 2022, Board staff was notified that Tamie McGowen will be joining CalSTA as the Acting Deputy Secretary for Communications. Ms. McGowen was previously the Assistant Director of Public Affairs at Caltrans for the past 15 years, having been first appointed by Governor Schwarzenegger in 2007, again by Gov. Brown in 2012, and again by Gov. Newsom in 2020.
- On October 5, 2022, the San Francisco Chronicle published an article titled, *San Francisco sues Princess Cruise Lines, Tugboat company, over 2019 harbor mishap*. The article mentions and links to the Board's Incident Review Committee report on the M/V STAR PRINCESS.
- On October 10, 2022, he received a request from Conte Cicala, a partner at Clyde and Company, requesting a copy of the Board decision in the STAR PRINCESS incident.
- On October 18, 2022, Board staff learned that the Artelia Contract for manned model services had cleared DGS and was sent to Artelia for signature.

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- On October 19, 2022, he attended the start of the Pilot Evaluation Committee meeting.
- On October 21, 2022, he attended a virtual CalSTA director’s meeting.
- Also, on October 21, 2022, he sent CalSTA Secretary Omishakin a memo outlining what priorities he visualizes for the Board in the coming year.
- On October 24, 2022, he received a letter from licensee Captain Reuben Rocci, stating his intent to retire, with his last day as a licensee being December 31, 2022.
- Also, on October 24, 2022, Board staff received a copy of the National Transportation Safety Board (NTSB) *Safer Seas Digest, Lessons learned from Marine Investigations*, detailing 31 marine investigations.
- On October 25, 2022, Board staff received a copy of PMSA’s *West Coast Trade Report* for October 2022.
- On October 27, 2022, Board staff received a resignation letter from Commissioner Prada, who has relocated to the State of Texas.
- Lastly, there is a draft Board meeting calendar for 2023 in the Board member’s binders for consideration. There is no action to be taken on this today, but it is being provided for reference and consideration prior to the next meeting.

B) Report on pilot licensing matters since the Board meeting held on September 22, 2022.

Executive Director Garfinkle reported that since the September Board meeting, the Board has issued a license renewal to Captain Lowe.

C) Report on Board surcharges.

The Board surcharges collected for September 2022 totaled \$275,756.80 comprising the following surcharge amounts:

- Operations Surcharge \$151,400.72
- Pilot Training Surcharge \$33,891.64
- Trainee Surcharge \$90,464.44

D) Report of Pension Fiduciary.

As of October 1, 2022, there are 84 pensioners.

The pension surcharge rate was set for the third quarter of 2022 at \$0.06091, based on a 12-month tonnage lookback period that ran from April 2021 through March 2022.

With the pension surcharge rate set at 0.06091, and the tonnage for September at 20,122,845, the resulting collection totaled \$1,225,682.40, reduced by a true-up payment

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of \$61,796.07, resulting in target distributions of \$1,163,886.33. The target payments were \$1,158,023.82, resulting in a variance of \$5,862.51 over target (compared to the August 2022 variance of \$12,593.10 over target). Administrative costs for August were \$2,401.85. The total distribution for August was \$1,223,280.55.

The COLA last increase to the pension was April 1, 2020. According to Harbors and Navigation Code 1167, the Board must review the pension whenever there is a 12% change in the CPI or every three years. Board staff checked the CPI percentage change on October 11, 2022, and found a 10.728% change from December 2020, to August 2022.

E) Report on outstanding requirements of Board actions in response to Board determination and direction on Incident Review Committee reports.

There was nothing to report.

F) Report on legislative activities and contractual matters.

Staff Services Manager I Wong reported that AB 2056 was signed by the Governor on September 29, 2022.

Regarding the Report on Contractual Matters, Staff Services Manager I Wong stated that Board staff received notification that the NCB Justification was approved by DGS and is pending Artelia's signature.

8. Port Agent's Report (Port Agent Carlier)

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

Port Agent Carlier reported that the following pilots were absent for medical reasons (AFMR):

- Captain Rocci since March 28, 2022

Port Agent Carlier reported that the SFBP continually monitors the dispatch list for possible 12-hour minimum rest period (MRP) exceptions. For any potential exception that is likely to result in a rest period of less than 10 hours, SFPB will ensure that mitigating measures are enacted. Mitigating measures include, but are not limited to, suspending continuing professional development protocols, cancelling scheduled meetings, cancelling previously granted compensation time off request, suspending SFBP internal working rules, or calling in off-watch pilots.

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There are currently 50 licensed pilots.

In September, there were 8 MRP exceptions, with the shortest rest period being 10.1 hours.

B) Monthly report on SFBP ship piloting business activity.

For September 2022, there were normal operations for P/V CALIFORNIA, P/V DRAKE, and P/V SAN FRANCISCO. P/V GOLDEN GATE was offline from September 9, 2022 through September 16, 2022, due to a bent propeller. P/V PITTSBURG was laid up starting on March 9, 2022.

Billed vessel moves for September 2022 were as follows:

- Bar crossings 388 moves
- Bay Moves 122 moves
- River Moves 51 moves
- Total Moves: 561 moves
- Gross Registered Tons (GRT): 20.1 million

When comparing 2022 vessel move data with the same period in 2021, total moves were down 3.6%, and GRT was down 4.2%.

C) Monthly confidential written report of SFBP pilots who have been absent for medical reasons (AFMR). 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 discussion of this item.

9. Pilot Evaluation Committee (Captain Robinson)

(Executive Director Garfinkle presented the PEC Chairman report evaluation on behalf of Captain Eric Robinson.)

A) Report on the Pilot Evaluation Committee (PEC) meeting held on October 19, 2022.

Executive Director Garfinkle reported the following:

- The Pilot Evaluation Committee met on October 19, 2022. The members present were Captains Aune, Ruff, Slack, Wehr, and Robinson.

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- The eight active trainees include Adams, Barnum, Burns, Meyer, Olmsted, Pascucci, Sappington, and Snapp. The trainee’s range of time in the program spans from 6 months to 35 months.
- Adams, Olmstead, Barnum, Sappington, and Snapp have First Class Pilotage endorsement for unlimited tonnage upon San Francisco Bay issued by the Coast Guard on their federal license’s.
- Adams, Olmstead, Barnum, Sappington, and Snapp are handling in all areas. Adams remains on probation and continues to work on consistency in his piloting.
- Burns, Meyer, and Pascucci are acquiring route trips and handling or part handling vessels in all areas.
- In closed session, all trainees were individually interviewed and counseled on their progress in the training program. Most of the trainees are meeting the recommended benchmarks and are progressing at their own rates.
- The next PEC meeting is scheduled for November 16, 2022 at 7:30 a.m. in the Board office.

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 or off probation, or dismiss one or more trainees from the program.

There was no recommendation.

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

There was no recommendation.

D) Possible recommendation from the Executive Director for the Board to issue a state pilot license to a trainee who holds a Certificate of Completion from the Pilot Trainee Training Program. 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.

There was no recommendation.

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**10. 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 there were no safety standard violations.

**11. Incident Review Committee—Reportable Piloting Events (Executive Director Garfinkle)
(Reportable piloting events occurring up to the start of the meeting will be reported on.)**

Executive Director Garfinkle reported that there were no incidents since the last meeting.

**12. Significant Port Safety and Security Cases Report (Executive Director Garfinkle)
Report on marine casualties, navigational safety, and significant incident management cases relevant to the Board as reported by the U.S. Coast Guard in its Prevention / Response – San Francisco Harbor Safety Statistics report.**

Executive Director Garfinkle states that these reports are from the U.S. Coast Guard via the Harbor Safety Committee meeting. He reported two items of interest:

- A foreign flagged containership experienced a loss of propulsion while transiting from Anchorage 9 to Richmond, CA was caused by fuel switching. A setting on the Main Engine was not properly changed when switching from LSFO to LSMGO, causing the vessel to lose propulsion during astern propulsion. Case closed.
- A foreign flagged containership experienced a loss of propulsion while outbound from the Port of Oakland. The propulsion failure was due to software problems not attributed to fuel switching. Case closed.

13. Pilot Trainee Training Program Selection Examination (Executive Director Garfinkle)

A) Report on the 2022 Pilot Trainee Training Program Selection Examination and presentation of the Pilot Trainee Validation Report, prepared by California Department of Human Resources (CalHR), Selection Services Program.

Executive Director Garfinkle presented the exam validation report to the Board and noted that there were 38 candidates who applied to take the exam, 37 actually took the exam, 27 passed the written exam and qualified for the simulator exam and ten candidates were successful on the simulator portion. He congratulated the ten successful candidates from the June 2022 exam.

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- B) **Presentation of the 2022 ranked candidate eligibility list of those candidates who were successful in passing the 2022 Pilot Trainee Training Program selection examination. Board action to accept the 2022 ranked candidate eligibility list of those candidates who were successful in passing the 2022 Pilot Trainee Training Program selection examination.**

There was a discussion about the timing of accepting the eligibility list, with Board member weighing the option and benefit of delaying acceptance.

MOTION: Commissioner Tynan motioned to delay item 13B to be an action item in the December 2022 Board meeting. Vice President Schmid seconded the motion.

VOTE: YES: Hayes-White, Schmid, Carr, Nyborg, and Tynan
NO: None
ABSTAIN: None

ACTION: The motion was approved

14. Pilot Vessel Condition and Valuation Surveys (Executive Director Garfinkle)

Review and of the Condition and Valuation Surveys for the Pilot Vessels PITTSBURG and GOLDEN GATE. Possible Board action to accept the Condition and Valuation Surveys for the Pilot Vessels PITTSBURG and GOLDEN GATE, and making a finding that the vessel is safe and suitable for pilotage service.

MOTION: Commissioner Nyborg motions to accept the Conditions and Valuation Surveys for the Pilot Vessels PITTSBURG and GOLDEN GATE, and making a finding that the vessels are safe and suitable for pilotage services. Commissioner Carr seconded the motion.

VOTE: YES: Hayes-White, Schmid, Carr, Nyborg, and Tynan
NO: None
ABSTAIN: None

ACTION: The motion was approved

15. Finance Committee’s recommendation to authorize the SFBP recovery of Pilot Vessel Maintenance expenditures. (Committee Chair Captain Nyborg)

Report on the Finance Committee’s recommendation for authorization of the San Francisco Bar Pilots Association’s recovery of Pilot Vessel Maintenance expenditures in the amount of \$386,636, as authorized by Harbors and Navigation Code Section 1190.5, as presented at the September 2022 Board meeting. Possible Board action, retroactive to September 22, 2022, to authorize the San Francisco Bar Pilots to recover Pilot Vessel Maintenance expenditures in the amount of \$386,636, consistent with recommendation

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and presentation made by the chairperson of the Finance Committee made at the September 2022 Board meeting (with total collection not to exceed \$1,400,000).

- Motion:** Commissioner Nyborg moved to retroactively authorize the San Francisco Bar Pilots to recover Pilot Vessel Maintenance expenditures in the amount of \$386,636, consistent with recommendation and presentation made the Finance Committee chairman at the September 2022 Board meeting (with total collection not to exceed \$1,400,000). Commissioner Tynan seconded the motion.
- VOTE:** YES: Hayes-White, Schmid, Carr, Nyborg, and Tynan
NO: None
ABSTAIN: None
- ACTION:** The motion was approved.

16. Report on shipping activity regionally and within the Board’s jurisdiction (Captain McIntyre)

Captain McIntyre reported that the shipping traffic continued to be down in volume since 2020-2021. Congestion in SoCal has been eliminated due to lower volumes and staged arrivals. Cargo diversions are an ongoing concern. Pacific Maritime Association (PMA)/International Longshore and Warehouse Union (ILWU) contract negotiations are ongoing. A strong dollar means less exports, and typically would result in higher imports, but due to inflationary pressures and softening market demand appears to translate to less cargo. There is no increase in traffic expected in the short term. Ship size increases meant less vessel moves even though there was greater tonnage.

17. Discussion of Assembly Bill 2056 progress and implementation. (Captain McIntyre)

Captain McIntyre stated that on October 1, 2022, San Francisco Bar Pilots had raised the rates on bay and river moves, and made changes on miscellaneous rates which will bring in additional revenue. Representatives of SFBP and PMSA met with Executive Director Garfinkle and Acting Assistant Director Cristia-Plant to discuss administrative procedures that may facilitate implementation of the new surcharges. Regarding the rate setting process, material from the Ad Hoc Committee to Review the Pilotage Rate Setting Process was incorporated into the statute, however some small amount of rulemaking still needs to occur, as the current regulations do not align with the new statute.

18. Public comment on matters not on the agenda. (President Hayes-White)

Former Commissioner Prada recognized and thanked the Board for guidance and support and welcomes the Board members to reach out to him if needed.

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Commissioner Tynan proposed that the next Board agenda contain the creation of a permanent Committee on Pilot Diversity.

19. Proposals for the next Board meeting agenda. (President Hayes-White)

Next Board meeting is scheduled for December 8, 2022.

20. Adjournment.

President Hayes-White adjourned the meeting at 11:43 a.m.

Submitted by:



Allen Garfinkle
Executive Director