

RESOLUTION 2023-01

**RESOLUTION OF THE BOARD OF PILOT COMMISSIONERS FOR THE
BAYS OF SAN FRANCISCO, SAN PABLO, AND SUISUN APPROVING
FINAL AUTHORIZATION AND REIMBURSEMENT TO SAN FRANCISCO
BAR PILOTS BENEVOLENT AND PROTECTIVE ASSOCIATION FOR
COSTS OF ACQUIRING A NEW P/V GOLDEN GATE**

September 21, 2023

WHEREAS, the California Air Resources Board recently amended its regulations regarding permissible air emissions from harbor craft engines, requiring the acquisition of a new pilot boat (P/V) by pilots licensed by the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun (Board), organized as the San Francisco Bar Pilots (SFBP), and its association, the San Francisco Bar Pilots' Benevolent and Protective Association (SFBP BPA); and

WHEREAS, in 2022, the Legislature adopted section 1159.1 of the Harbors and Navigation Code, establishing a Pilot Boat Surcharge Account in the Board's Special Fund to, among other things, fund the pilot boat costs of obtaining new pilot boats; and

WHEREAS, section 236.1 of the California Code of Regulations sets forth the process for requesting a Necessity Determination, Preliminary Authorization, and Final Authorization by the Board for recovery of the pilots' costs of obtaining new pilot boats; and

WHEREAS, on October 22, 2020, the Board approved a Necessity Determination and on November 12, 2020, the Board approved a Preliminary Authorization, both of which were requested by the SFBP and SFBP BPA for the purchase and eventual recovery of costs related to the acquisition of a replacement boat for the existing P/V GOLDEN GATE; and

WHEREAS, on September 7, 2023, the SFBP confirmed that it had obtained a replacement P/V GOLDEN GATE on September 2, 2023, and has requested Final Authorization from the Board for reimbursement for the costs related to obtaining the new P/V GOLDEN GATE; and

WHEREAS, the SFBP BPA has provided documentation to the Board that it has both directly paid for costs and has secured a loan from First Republic Bank/JP Morgan Chase Bank to design, construct, and acquire the new P/V GOLDEN GATE; and

WHEREAS, the Board wishes to issue a Final Authorization approving the costs for obtaining the new P/V GOLDEN GATE to be reimbursed and disbursed to the SFBP BPA,

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board as follows:

1. Pursuant to Harbors and Navigation Code section 1194.1, the Final Authorization for the new P/V GOLDEN GATE is hereby approved, and SFBP BPA shall be reimbursed from the Board's Pilot Boat Surcharge Account in a total amount not to exceed \$9,410,006.19 (Nine million, four hundred ten thousand, and six dollars, and nineteen cents) for the costs of obtaining the new P/V GOLDEN GATE.

2. The initial amount to be disbursed to the SFBP BPA shall be \$1,106,983.75, comprised of the following:

- a. \$891,755.68 in previously incurred direct costs for obtaining the new P/V GOLDEN GATE; and
- b. \$2,330.07 in direct costs for a previously incurred loan payment to First Republic Bank/JP Morgan Chase Bank for September 2023; and
- c. \$212,898 for monthly loan payments to the SFBP BPA in arrears for the loan payment amounts SFBP BPA will have paid to First Republic Bank/JP Morgan Chase Bank for October, November, and December 2023 for funds borrowed to obtain the new P/V GOLDEN GATE, subject to submission of evidence of payment to the Executive Director of the Board and upon the approval of the Executive Director.

3. Beginning with SFBP BPA's January 2024 loan payment, the Board's Finance Committee shall be authorized to authorize the Executive Director to approve disbursement of monthly payments to SFBP BPA in arrears for loan payments made for funds borrowed to obtain the new P/V GOLDEN GATE. Such approval by the Executive Director shall be contingent on submission of sufficient evidence of payment of each loan payment by SFBP BPA, and shall be subject to all applicable state laws, regulations, and policies. Such approval of loan payments may occur until such time that the total amount in number 1 above is expended, or the actual costs of obtaining the new P/V GOLDEN GATE are paid in full, whichever occurs first. The Finance Committee shall report back to the Board regarding any and all disbursements authorized by the Committee and approved by the Executive Director pursuant to this Resolution.

CERTIFICATION

As President of the Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun, I certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted by the Board of Pilot Commissioners at its meeting of September 21, 2023.


Karen Tynan, President, Board of Pilot Commissioners