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| <p>Meeting Date: September 21, 2023</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 19</p> |
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Board Members Present

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

Board Members Absent

Jennifer Ferrera Schmid, Vice President, Public Member
 Vacant, Wet Cargo Industry Member
 Vacant, Dry Cargo Industry Member

Board Staff Present (in person and by phone)

Allen Garfinkle, Executive Director
 Matthew Millspaugh, Assistant Director, present 10:15 am – 11:45 am
 Patrick Tuck, Board Counsel
 Alethea Wong, Licensing and Training Programs Manager
 Charles Louie, Administrative Assistant II
 Roma Cristia-Plant, Deputy Secretary, Administration and Audits, CalSTA, on loan to the Board (by phone)

Identified Public Present (in person and by phone)

Captain John Carlier, President of San Francisco Bar Pilots (SFBP) and Port Agent; Captain Anne McIntyre, SFBP Business Director (by phone); Kevin Baldwin, San Francisco Bar Pilots General Counsel; Captains Jonathan Olmsted, David McCloy, Dustin Slack.

OPEN MEETING AGENDA

1. Call to Order and Roll Call (President Tynan)

President Tynan called the meeting to order at 9:30 a.m. Administrative Assistant II, Louie called the roll and confirmed a quorum.

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

There were no public comments.

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3. Review and approval of Board meeting minutes (President Tynan)

Board action to approve the minutes from the Board meeting held on August 24, 2023.

Board members were presented with the draft board meeting minutes from August 24, 2023. Captain Carr requested a correction on the spelling of a licensee’s name.

MOTION: Commissioner Carr moved to approve the draft minutes of the meeting held on August 24, 2023, as amended. Commissioner Hayes-White seconded the motion.

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

ACTION: The motion was approved.

4. President Announcements and Activities (President Tynan)

President Tynan had no announcements.

5. Board Member Announcements and Activities (Board Members)

Commissioner Nyborg expressed a concern that licensees were being asked to participate in a sleep study while at the University of California San Francisco Division of Occupational, Environmental, and Climate Medicine (UCSF) for annual medical assessments, and that there may not be a budget for sleep studies. He felt that if this is a new procedure. and done on every pilot. it would be an invasion of privacy and should be taken up by the Pilot Fitness Committee prior to implementation. Commissioner Hayes-White inquired whether this study was related to sleep apnea. Executive Director Garfinkle confirmed that studies related to sleep apnea are covered under the contract with UCSF.

6. Directors’ Report (Executive Director Garfinkle/Assistant Director Millspaugh)

A) Correspondence and activities since the Board meeting held on August 24, 2023.

Executive Director Garfinkle reported the following:

- On August 24, 2023, he responded to a Public Records Act requests from Captains Barton and Davis, by providing the DOJ investigation summary (which is also posted on the Board’s website).
- On August 25, 2023, he was notified by Veronica Boe of California State University

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Maritime Academy (Cal Maritime or CMA) that Captain John Strong is joining the team at Cal Maritime and will be supporting the provision of the Combination Course.

- Also on August 25, 2023, he responded to a Public Records Act request from Captain Fronenbroek by providing him with the DOJ investigation Summary.
- Also on August 25, 2023, he received a copy of the PMSA West Coast Trade report for August which has an interesting commentary on the Beer Trade by Jock O’Connell.
- On September 5, 2023, he and Assistant Director Millspaugh attended a meeting at CalSTA offices in Sacramento.
- On September 6, 2023, he was invited to a State Leadership Forum to be held on October 5, 2023, in Sacramento.
- On Thursday, September 7, 2023, Board staff received a request for a Final Authorization on the build of the P/V GOLDEN GATE.
- On Monday, September 11, 2023, he attended at virtual meeting of the Joint Pilot Vessel/Finance Committee.
- Also on September 11, 2023, he received an email from an attorney at the Office of Administrative Law (OAL) suggesting some edits to the Fatigue Regulation package, some of which will require a new 15-day comment period.
- On September 13, 2023, he attended the start of the Pilot Evaluation Committee (PEC) meeting.
- On September 12, 2023, he received an invitation to attend a retirement celebration for Veronica Boe, to be held Friday, September 29, 2023, in the Compass Room at CMA.
- On September 15, 2023, he received a copy of a letter to Senators Feinstein and Padilla, signed by various maritime stakeholders, supporting the inclusion of the inner and outer harbor turning basin widening projects in future congressional action.
- On September 16, 2023, he received confirmation that our Fatigue Regulation package was withdrawn pending edits to the regulations.
- On September 18, 2023, he received a letter from the Department of Finance, approving the Operations Surcharge Rate change from 6% to 6.5%, pending Board action.
- On September 19, 2023, he received a request for a two-week leave of absence from Trainee Gallo to attend her upcoming nuptials, which was granted. He extended his congratulations to Captain Gallo.

B) Report on pilot licensing matters since the Board meeting held on August 24, 2023.

Since the August Board meeting, the Board has issued license renewals to Captain’s LeSieur and Alfors.

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C) Report on Board surcharges.

Board surcharges collected for the Month of August 2023, were \$1,016,648.12 comprising the following surcharge amounts:

- Operations Surcharge \$245,992.99
- Pilot Training Surcharge \$ 43,255.85
- Trainee Surcharge \$ 59,500.08
- Pilot Boat Surcharge \$667,899.20

D) Report of Pension Fiduciary for August:

As of September 1, 2023, there were 84 pensioners.

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| Surcharge Rate for the Quarter | \$0.05781/gross registered ton |
| Rolling Look Back Period | April 2022 through March 2023 |
| Monthly Tonnage | 28,926,004 |
| Surcharge Billing Total | \$1,672,208.75 |
| Administrative Costs for the Month | \$2,807.15 |
| Amount Distributed to Pension Beneficiaries | \$1,669,401.60 |
| Total Monthly Targe Rates | \$1,228,232.84 |
| Amount Over/(Under) Target | \$443,975.91 |

The last COLA increase to the pension was April 1, 2023.

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

Nothing to report.

F) Report on legislative activities and contractual matters.

(Staff Services Manager I, Alethea Wong, reported on behalf of Assistant Director Matthew Millspaugh.)

Legislative Report:

SB 143: Reinstated changes to the Bagley Keene Act made during the COVID19 pandemic that expired on June 30, 2023. Passed by the Legislature with an urgency clause, the bill was approved by the governor to be effective September 13, 2023. The bill authorized state

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entities to hold public meetings, subject to specified notice and accessibility requirements, through teleconferencing and allowing public meetings accessibility via telephone or electronically. This law sunsets on January 1, 2024.

SB 544: Provided that, in addition to the authorizing meetings via teleconference, a state body may hold an open or closed meeting by teleconference with a caveat that the meeting complies with specified requirements. Major provisions of the bill included:

- A majority of the members of the state body shall be physically present at the same teleconference location. Additional members of the state body in excess of a majority of the members may attend and participate in the meeting from a remote location.
- A remote location is not required to be accessible to the public. The notice and agenda shall not disclose information regarding a remote location.
- Authorize a member's remote participation, if the member has a need related to a disability and notifies the state body, as specified. Under the bill, that member would be counted toward the majority of members required to be physically present at the same teleconference location
- If a member of the state body attends the meeting by teleconference from a remote location, the member shall disclose whether any other individuals 18 years of age or older are present in the room at the remote location.
- Authorize an additional means of holding a meeting by teleconference by an advisory board, advisory commission, advisory committee, advisory subcommittee, or similar multimember advisory body, as prescribed, under specified requirements:
 - The location of a member of a state body who will participate remotely is not required to be disclosed in the public notice or email and need not be accessible to the public
 - Provides the state body shall designate the primary physical meeting location in the notice of the meeting where members of the public may physically attend the meeting, observe and hear the meeting, and participate.
 - Provides, at least one staff member of the state body shall be present at the primary physical meeting location during the meeting. The state body shall post the agenda at the primary physical meeting location but need not post the agenda at a remote location.
- The changes to this Act sunset January 1, 2026.

The Governor has through October 14, 2023, to consider the bill, Board staff will continue tracking the bill and providing updates to the Board.

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Contracts Report:

SFBP—Trainee and Pilot Continuing Education Programs Support, and Surcharge Audit Support (23M900001)

Contract Expiration: June 30, 2023; New contract term is 5 years

DGS continues to review the NCB Justification. BOPC staff will provide information to DGS as requested but to-date has not received approval of the NCB Justification. Once the justification process is completed, then BOPC staff may go through the regular contracting process.

SFBP- Service Agreement – Continuing Education Travel Support (23M900005)

Board staff submitted contract documents to CHP September 13, 2023, for the development of a service agreement in the amount of \$9990, the service agreement will provide for reimbursement of travel costs related to the continuing education program with Artelia.

California State University Maritime Academy – Trainee Selection Exam Services

Contract Expiration: TBD

Board staff continue to put on hold a new contract with Cal Maritime for Trainee Selection Exam services as the university has not identified staffing for the next simulator exam test component. Cal Maritime also provides a test site for the Trainee Selection Exam written component.

State Controller’s Office – Pilot Boat Program Audit

Contract Expiration: TBD

Board staff are reviewing information received from the SCO in support of developing a new IAA for the Pilot Boat Program and will begin development of the new agreement.

Caltrans – IT Modernization Project Support

Contract Expiration Date: June 30, 2025

The contract has been approved by both Board staff and Caltrans. CHP is completing the final processing of the agreement. As this is an interagency agreement it does not need to go to DGS for approval.

Request for Offer – IT Modernization Project Manager (23M900002)

Contract Expiration Date: TBD

BOPC staff, Caltrans IT Staff and CHP Contract staff continue to work towards the release of a Request for Offer (RFO) to solicit proposals from state certified IT Project Manager. Board staff have completed extensive updates the draft and will provide to Caltrans for review. BOPC staff continue working closely with Caltrans to release the RFO at the earliest date possible.

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7. 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 Aune since March 27, 2023
- Captain Cvitanovic since August 30, 2023

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, SFBP will ensure that mitigating measures are enacted. Mitigating measures include, but are not limited to, suspending continuing professional development protocols, cancelling scheduled meetings or committee assignments, cancelling previously granted compensation time off, deferring scheduled training sessions, or calling in off-watch pilots.

He reported currently there are 52 licensees on the SFBP roster.

In August, there were 12 MRP exceptions, with the shortest rest period being 10 hours.

B) Monthly report on SFBP ship piloting business activity.

For the month of August 2023, Port Agent Carlier reported normal operations for P/Vs CALIFORNIA, DRAKE, and GOLDEN GATE. Due to a lack of qualified crew, P/V PITTSBURG was out of service as of 8/14/2023. P/V SAN FRANCISCO was in the shipyard from May 12, 2023, through August 25, 2023, and is back on station as of September 3, 2023.

Port Agent Carlier reported that vessel moves for August 2023 were as follows:

- Bar Crossings: 486
- Bay Moves: 130
- River Moves: 51
- Total Moves: 667
- Gross Registered Tons (GRT): 28.9 million

He also reported that when comparing 2023 year-to-date vessel move data with the same period in 2022, total moves were up 8.0% and GRT was up 24.0%.

In response to Executive Director Garfinkle’s question, Port Agent Carlier clarified that

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there indeed are two P/V GOLDEN GATE currently in operation with the new build transitioning to replace the older vessel. Commissioner Nyborg commented that in the new P/V GOLDEN GATE, the decibel level is much better for those spending 12 hours/day onboard compared to the older P/V GOLDEN GATE.

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 this item.

8. Pilot Evaluation Committee (Captain Robinson)

A) Report on the Pilot Evaluation Committee (PEC) meeting held on September 13, 2023.

On behalf of Captain Robinson, PEC Committee Member Captain Slack reported on the following:

- The PEC met on September 13, 2023, and in attendance were Committee members Captains Bridgman, Ruff, Slack, and Robinson. Captain Wehr was absent.
- Trainees were interviewed and counseled individually in closed session by the PEC members on their progress in the Pilot Trainee Training Program.
- There are currently four trainees: Captains Meyer, Olmsted, Barron, and Gallo. The trainees' range of time in the program is from 1 months to 35 months.
- Trainees Meyer and Olmsted have First-Class pilotage endorsements for unlimited tonnage on San Francisco Bay by the U.S. Coast Guard.
- Trainees Meyer and Olmsted are in the evaluation stage of the Pilot Trainee Training Program and are handling vessels as much as possible along with the occasional observation trip to watch a licensed pilot.
- Trainees Barron and Gallo are acquiring trips to obtain their First-Class Pilotage endorsement for unlimited tonnage upon San Francisco Bay. They are observing mostly and part handling the ship on some jobs under the supervision of a licensed pilot.
- In closed session, all trainees were individually interviewed and counseled on their progress in the training program.
- All trainees are progressing at their own rates.
- The next PEC meeting is scheduled for October 18, 2023, at 7:30 a.m. at the Board office.

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- 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.**

Captain Slack presented the details of Trainee Olmsted’s completion of the Pilot Trainee Training Program. He informed the Board that the PEC unanimously recommended that the Board issue a Certificate of Completion to Trainee Olmsted for successfully completing the Pilot Trainee Training Program.

Executive Director Garfinkle verified that Trainee Olmsted has met all requirements of §214 of the California Code of Regulations and recommended a Certificate of Completion be issued to Trainee Olmsted.

MOTION: Commissioner Nyborg moved to issue a Certificate of Completion to Trainee Olmsted, signifying successful completion of the Pilot Trainee Training Program, as of today, September 21, 2023.

Commissioner Hayes-White seconded the motion.

VOTE: YES: Tynan, Nyborg, Carr, and Hayes-White.

NO: None.

ABSTAIN: None.

ACTION: The motion was approved.

- 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.**

President Tynan made an inquiry of Executive Director Garfinkle if he had received an application for licensing from Captain Olmstead. Mr. Garfinkle replied that he had, and that Captain Olmsted had met all the requirements for licensure. He recommended that Captain Olmsted be granted a state pilot license.

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- MOTION:** Commissioner Carr moved to issue a state pilot license to trainee Olmsted as of today, September 21, 2023. Commissioner Hayes-White seconded the motion.
- VOTE:** YES: Tynan, Nyborg, Carr, and Hayes-White.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved.

*Recess at 10:05 a.m.
Captain Olmsted was sworn in as State licensee.
Open Session resumed at 10:15 a.m.*

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

None.

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

Regarding the following five reportable piloting events, Executive Director Garfinkle stated that all investigations are still on-going.

- A) Progress report on the June 30, 2023, event involving the moored M/V EVER FASHION, which when being passed by the M/V EVER LOGIC, suffered gangway damage as the result of hydraulic interaction. Possible IRC request and Board action on an extension to present this report at the October monthly Board meeting.**

- MOTION:** Commissioner Hayes-White moved to extend the M/V EVER LOGIC report to be presented at the October monthly Board meeting. Commissioner Carr seconded the motion.
- VOTE:** YES: Tynan, Nyborg, Carr, and Hayes-White.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved.

- B) Progress report on the July 6, 2023, event involving the P/V RUBY PRINCESS which made unintended contact with Pier 27. Possible request and Board action on an extension to present this report at the October monthly Board meeting.**

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MOTION: Commissioner Hayes-White moved to extend the P/V RUBY PRINCESS report to be presented at the October monthly Board meeting. Commissioner Nyborg seconded the motion.

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

ACTION: The motion was approved.

C) Progress report on the July 23, 2023, event involving the M/V NEW HANDY which made unintended contact with the San Joaquin River Light #39. **Possible request and Board action on an extension to present this report at the October monthly Board meeting.**

MOTION: President Tynan moved to extend the M/V NEW HANDY report to be presented at the October monthly Board meeting. Commissioner Hayes-White seconded the motion.

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

ACTION: The motion was approved.

D) Progress report on the July 24, 2023, event involving the M/V TURICUM which made unintended contact with the dock at Richmond, CA. **Possible request, and Board action on an extension to present this report at the October monthly Board meeting.**

The IRC reported to the Board that they evaluated the evidence obtained in this matter and concluded that there was clearly no pilot error and have discontinued the investigation.

Executive Director Garfinkle gave an initial report of a new event, which involved the M/V BOHOL ISLAND making unintended contact with the corner of Pier 2 in Sacramento on September 1, 2023. The investigation is ongoing, and the 90-day statutory deadline is November 29, 2023.

**11. 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 stated that these reports are from the U.S. Coast Guard via the Harbor Safety Committee meeting, and he noted three Loss of Propulsion (LOP) incidents:

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- (July 13) involved a foreign flagged tank vessel transiting inbound to in San Francisco in the Main Ship Channel. An assisting tug escorted the vessel to Anchorage 9 where repairs were conducted. The loss of propulsion was due to a hydraulic sensor failure in the No. 6 cylinder of the main engine. The loss of propulsion was not due to fuel switching. Class surveyors witnessed satisfactory operation of the engine in astern propulsion and the case was closed.
- (July 24) involved a foreign flagged bulk carrier transiting inbound to San Francisco. Assisting tugs escorted the vessel to the berth in Richmond to identify the cause and make repairs. A deteriorated spool seal caused air to internally leak, further preventing the engine from starting. The seal was replaced, and the engine started successfully. Class surveyors witnessed the engine operating normally. The LOP was not attributed to fuel switching, and the case was closed.
- (July 27) involved a foreign flagged containership transiting inbound to San Francisco in the Main Ship Channel. An oil mist detector on the No. 3 generator received an alarm for a density issue, causing the generator to shut down. The resulting shutdown cause the main engine to lose power due to a single generator being online during the transit. The vessel cleaned and repaired the oil mist detector. Class surveyors attended the vessel and witnessed satisfactory operation of the main engine and No. 3 generator. The LOP was not attributed to fuel switching, and the case was closed.

Commissioner Carr added that in addition to fuel switching, a new category affecting navigation to be considered is torque limitations. Commissioner Nyborg added that this is being done to comply with California emissions regulations and is a concern for both the captains and pilots. In response to President Tynan’s inquiry on winter traffic, Commissioner Nyborg confirmed that this torque limiter issue may be a much greater concern in the winter.

12. Finance Committee (Commissioner Captain Nyborg)

A) Report on the Finance Committee meeting held on August 14, 2023.

Commissioner Nyborg thanked both Deputy Secretary Cristia-Plant and Committee Member Captain McIntyre for their work on presenting the finance numbers as he presented a synopsis of the Finance Committee meeting held on August 14, 2023. He reported that the next Finance Committee meeting is scheduled for November 3, 2023, at 9:30 a.m., via WebEx.

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

- 1) To adjust or not adjust the Board Operations Surcharge rate (currently at 6.0% of all pilotage fees), and the revenues, expenditures, and reserve balance. **Possible Board action to adjust the Board Operations Surcharge rate.**

Commissioner Nyborg reported the Board Operations surcharge is currently at 6% of all pilotage fees and became effective July 1, 2022. The surcharge remains below the 7.5% maximum allowed in the Harbors and Navigation Code. The Committee’s goal is to set the Board Operations surcharge rate to maintain at least one year of fund balance to safeguard against fluctuations in tonnage or emergencies that may arise. The Committee considered projected pilotage fees for fiscal year 2023-24, which do not include Temporary Transit Fees. The Committee considered the current year’s budget, which will also include expenses related to the Board’s information technology modernization project, when reviewing the surcharge rate. The Committee also considered reductions in the other surcharges to help minimize impact to stakeholders from any increase to the Board Operations Surcharge. The Committee recommended that the Board increase the Board Operations Surcharge from 6% to 6.5% of all pilotage fees effective October 1, 2023. Executive Director Garfinkle added this process requires the approval from the Department of Finance.

- MOTION:** Commissioner Hayes-White moved the Board accept the recommendation to increase the Board Operations Surcharge from 6% to 6.5% of all pilotage fees effective October 1, 2023. Commissioner Carr seconded the motion.
- VOTE:** YES: Tynan, Carr, Hayes-White, and Nyborg.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved.

- 2) To adjust or not adjust the Pilot Continuing Education Surcharge rate (currently at \$60 per move). **Possible Board action to adjust the Pilot Continuing Education Surcharge rate.**

Commissioner Nyborg reported that the Pilot Continuing Education surcharge is currently at \$60 per move, which became effective July 1, 2022. The goal of managing this surcharge is to maintain one year of fund balance. The current fund balance is projected to exceed the fund balance objective at the current rate. The Committee recommends to the Board, a reduction of Pilot Continuing Education Surcharge rate to from \$60 to \$50 per move, effective Oct. 1, 2023.

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MOTION: Commissioner Hayes-White moved the Board accept the recommendation to reduce the Pilot Continuing Education Surcharge rate from \$60 to \$50 per move effective October 1, 2023. Commissioner Carr seconded the motion.

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

ACTION: The motion was approved.

- 3) To adjust or not adjust the Pilot Trainee Training Surcharge rate (currently \$20/trainee/move). **Possible Board action to adjust the Pilot Trainee Training Surcharge rate.**

Commissioner Nyborg explained the Trainee Training Surcharge currently at \$20 per trainee per move, in effect since January 1, 2022. The Committee considered vessel moves at an estimated 7500 moves per year and an average of 6 trainees in the program. The Committee’s fiscal year ending fund balance goal on this surcharge is one year of normal operating expenses, plus collecting enough revenue to amortize the costs to pay for a trainee selection exam likely to be held in 2026. The current fund balance is high and will exceed the fiscal year ending fund balance objective at the current rate. **The Committee recommends to the Board a reduction in the Trainee Training Surcharge rate from \$20 to \$15 per trainee per move, effective October 1, 2023.**

MOTION: Commissioner Hayes-White moved the Board accept the recommendation to reduce the Trainee Training Surcharge rate from \$20 to \$15 per trainee per move effective October 1, 2023. Commissioner Carr seconded the motion.

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

ACTION: The motion was approved.

- 4) To adjust or not adjust the Pilot Boat Surcharge rate (currently at \$0.0255 per gross registered ton). **Possible Board action to adjust the Pilot Boat Surcharge.**

Commissioner Nyborg reported that the Pilot Boat Surcharge is currently at \$.0225 per gross ton and became effective January 1, 2023. This surcharge collected \$2.6 million in the first half of 2023, which was consistent with the AB 2056 authorized budget authority of \$2.5 million. The budgetary and surcharge collection goal for the 2023-24 fiscal year is \$5M and is expected to remain the same for several fiscal

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years. The Committee determined that a surcharge collection that is slightly over the budget authority amount would be beneficial to all parties because the collected funds would generate accrued interest that could be used to reduce construction-financing costs to ratepayers in the long run. The Committee estimated gross tonnage for fiscal year 2023-2024 at approximately 300 million tons, which is projected to achieve a surcharge collection of nearly \$6 Million for fiscal year 2023-24. The Committee recommended to the Board that the Pilot Boat Surcharge rate be reduced from 0.0225 to \$.0200 per gross registered ton, effective October 1, 2023.

MOTION: Commissioner Hayes-White moved the Board accept the recommendation to reduce the Pilot Boat Surcharge rate from 0.0225 to \$.0200 per gross registered ton effective October 1, 2023. Commissioner Carr seconded the motion.

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

ACTION: The motion was approved.

C) Finance Committee report to the Board on the Pilot Boat Maintenance Surcharge, billings, and collections, which surcharge ended of its own accord in December 2022.

Commissioner Nyborg reported that the Pilot Boat Maintenance Surcharge collection ceased at the end of 2022. The SFBP provided the Committee with surcharge billing data from its general ledger and identified a few discrepancies between the billing data provided to the Board in monthly reports and the general ledger. The final accounting was delayed due to late collection from several public vessel moves. It is estimated that this surcharge was slightly under collected and due to a change in accounting software at SFBP and that further time spent identifying the discrepancies would not be productive. The Committee agreed that this item be closed with no further action.

D) Finance Committee report to the Board of a review of the San Francisco Bar Pilots and San Francisco Bar Pilots Benevolent and Protective Association Consolidating Financial Statements for the calendar year ending on December 31, 2022.

Committee Member Captain McIntyre provided the Committee with a review of the SFBP B&P Association's 2022 Consolidated Annual Financial Report. This report was included in the Board meeting documents. She reported that this report may look different from previous reports, in that rent is reported as both a liability and as an asset, thus cancelling itself out. She also mentioned that despite various increases, SFBP operating costs remained flat.

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13. Joint Pilot Boat Advisory and Finance Committee (Commissioner Captain Carr)

A) Report on the Joint Pilot Boat Advisory and Finance Committee meeting held on September 11, 2023.

Captain McIntyre reported that SFBP is working with Glostent, a naval architecture and engineering firm, on the new station boat design. It is hoped that a Request for Information, followed by a Request for Proposals will be issued in the first quarter of 2024.

B) Review and discuss Joint Finance/Pilot Vessel Advisory Committee recommendation on the San Francisco Bar Pilots and San Francisco Bar Pilots Benevolent and Protective Association request for Final Authorization for P/V GOLDEN GATE, to include possible Board action on approval of final authorization, reimbursement of direct expenses and 2023 loan payments, and delegation of authority to approve future loan payments to Finance Committee approval. Possible Board action to approve Joint Pilot Boat Advisory and Finance Committee recommendation on San Francisco Bar Pilots and San Francisco Bar Pilots Benevolent and Protective Association request for Final Authorization for P/V GOLDEN GATE, to include possible Board action on approval of final authorization, reimbursement of direct expenses and 2023 loan payments, and delegation of authority to approve future loan payments to Finance Committee approval.

Captain McCloy presented a brief overview on the new P/V GOLDEN GATE, which was delivered in July, highlighting the improvements over the old “run boat”, particularly when comparing measurements of the interior sound, as well as the man-overboard recovery capability with forward-looking infrared sensors to efficiently find people in the water.

He noted that the build time was longer than expected due to COVID-19 labor challenges, which resulted in an increase in financing costs and project oversight management costs.

Executive Director Garfinkle thanked Deputy Attorney General, Patrick Tuck for drafting a resolution for the State Controller’s Office (SCO). Captain McIntyre noted that due to the acquisition of First Republic by JP Morgan, the lending party will be identified as “First Republic/JP Morgan”. Deputy Secretary Cristia-Plant identified two events that may affect the final costs for the new vessel including any funds obtained from the sale of the vessel being replaced must be used to offset the cost of the new vessel or donating the vessel to be replaced for a tax write-off may be a factor as well.

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- MOTION:** Commissioner Hayes-White moved approval the San Francisco Bar Pilots and San Francisco Bar Pilots Benevolent and Protective Association request for Final Authorization for the P/V GOLDEN GATE, reimbursement of direct expenses, 2023 loan payments and delegation of authority to approve future loan payments to the Finance Committee, with the draft amended to identify JP Morgan as the loan guarantor on behalf of First Republic Bank.
Commissioner Nyborg seconded the motion.
- VOTE:** YES: Tynan, Carr, Hayes-White, and Nyborg.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved.

14. Status report on the regulatory process for mitigating pilot fatigue (Executive Director Garfinkle)

Executive Director Garfinkle reported that he received feedback from the Office of Administrative Law (OAL) on the Fatigue Regulations package. In addition to some ministerial corrections, they recommended clarification on the following:

- The basis for the Board accepting or rejecting the Fatigue Risk Management System (FRMS) document.
- The definition of “rest opportunity” when used to extend the length of night work by resting on the Pilot Boat.
- The definition of “rest break” when used to reset circadian rhythm at the midpoint of a two-week work cycle.
- The definition of “rest period” to define time between assignments.

If the Board amends the regulations to address these recommendations, the changes will likely require a new two-week comment period.

Director Garfinkle stated that in his discussions with OAL, he learned that due to the timing of OAL’s review, the regulations would not be effective October 1, 2023, so an additional two-week comment period would not disrupt the effective date of January 1, 2024. He added the Pilot Fitness Committee will be meeting Friday, September 29, 2023, to review OAL’s comments and make recommendations for Board approval.

15. Status report on the Board’s Information Technology Modernization Project. (Executive Director Garfinkle/Assistant Director Millspaugh)

Executive Director Garfinkle stated that the business details of the Information Technology Modernization Project is still being worked out including the Request for Offer for Project

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Manager and Inter-agency Agreement with the Department of Transportation, therefore, he recommended that this agenda item remain on the agenda.

- 16. Board discussion concerning Board of Pilot Commissioners website protocols. Discussion and possible formation of Ad Hoc Committee to review website protocols (Executive Director Garfinkle/Board Counsel Eagan)**

Executive Director Garfinkle stated that the Board is responsible for balancing transparency vs. confidentiality and requested that stakeholder’s flag sensitive information. Because the legal analysis is still ongoing, President Tynan requested to leave this item on the agenda for next month. Commissioner Nyborg recommended postponing the creation of an Ad Hoc Committee as it may not be necessary pending Board Counsel Tuck’s research. Deputy Secretary Cristia-Plant reminded the Board of the BOPC severe staff shortage therefore, late receipt of meeting documents affects accurate and timely distribution to stakeholders.

- 17. Report on shipping activity regionally and within the Board’s jurisdiction (Mike Jacob, Pacific Merchant Shipping Association/Captain McIntyre, SFBP)**

Captain McIntyre reported that the outlook for the Port of Oakland is not good because it relies on agriculture exports to China. She also added that a new California regulation has come into effect that includes emission fees on tugboats, trucks, etc.

- 18. Presentation of the proposed Board meeting calendar for 2024. Possible Board action to approve a Board meeting calendar for 2024.**

MOTION: Commissioner Hayes-White moved to approve the Board meeting calendar for 2024. Commissioner Carr seconded the motion.

VOTE: YES: Tynan, Schmid, Nyborg, Carr, and Hayes-White.

NO: None.

ABSTAIN: None.

ACTION: The motion was approved.

- 19. Public comment on matters not on the agenda. (President Tynan)**

There were no public comments.

- 20. Proposals for the next Board meeting agenda. (President Tynan)**

None.

- 21. Adjournment.**

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- MOTION:** Commissioner Nyborg moved to adjourn the meeting.
Commissioner Carr seconded the motion.
- VOTE:** YES: Tynan, Schmid, Nyborg, Carr, and Hayes-White.
NO: None.
ABSTAIN: None.
- ACTION:** The motion was approved. Meeting was adjourned at 12:05 p.m.

Submitted by:



Executive Director