

Meeting Date: January 25, 2024	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111 FINANCE COMMITTEE MEETING MINUTES	Page 1 of 5
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Committee Members Present:

Commissioner Captain Einar Nyborg, Committee Chairperson
Mike Jacob, Vice President & General Counsel, Pacific Merchant Shipping Association (PMSA)
Captain Anne McIntyre, Business Director, San Francisco Bar Pilots (SFBP)

Committee Members Absent:

None.

Staff Present:

Allen Garfinkle, Executive Director
Matthew Millspaugh, Assistant Director
Alethea Wong, Licensing and Training Programs Manager
Roma Cristia-Plant, Deputy Secretary, Administration and Audits, California State
Transportation Agency, on loan to the Board

Public:

Captain John Carlier (SFBP President and Port Agent).

OPEN MEETING

1. Call to Order and Roll Call. (Chair Nyborg)

Chair Nyborg called the meeting to order at 12:00 p.m. Assistant Director, Millspaugh called the roll and confirmed a quorum.

2. Public comments on matters on the agenda or not on the agenda. (Chairperson Nyborg)

There were no public comments.

**3. Approval of the minutes from the Committee meeting held on November 3, 2023.
(Chairperson Nyborg)**

Approval the 11/3/2023 Finance Committee minutes was differed to the February 27, 2024, Finance Committee meeting.

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4. Pilot Boat Program (Board Staff and Committee Members)

- a. Discussion and consideration of Board Resolution 2023-01, Section 3 which beginning January 2024 authorizes the Finance Committee to authorize the Executive Director of the of the Board of Pilot Commissioners (BOPC) to approve disbursement of monthly payments to the San Francisco Bar Pilots Benevolent and Protective Association (SFBP BPA) in arrears for loan payments made from funds borrowed to obtain the new P /V GOLDEN GATE until actual costs of obtaining the new P/V GOLDEN GATE are paid in full, up to \$9,410,006.19. **Possible Committee action to authorize the Executive Director of the BOPC to approve disbursement of Pilot Boat Program funds in arrears for loan payments made from funds borrowed to obtain the new P/V GOLDEN GATE until actual costs, of obtaining the new P/V GOLDEN GATE are paid in full, up to \$9,410,006.19.** (Executive Director Garfinkle)

MOTION: Captain Anne McIntyre moved that disbursement of Pilot Boat Program funds in arrears for loan payments made from funds borrowed to obtain the new P/V GOLDEN GATE until actual costs, of obtaining the new P/V GOLDEN GATE are paid in full, up to \$9,410,006.19 be delegated to Director Garfinkle.

VOTE: YES: Nyborg, Jacob and McIntyre.
NO: None.
ABSTAIN: None.

ACTION: The motion was approved.

- b. Discussion of the program and fiscal issues impacting the Pilot Boat Program, including:

- i. **Propose development of Pilot Boat Program data tracking document including: Board necessity, preliminary, and final determination information; fiscal year budgetary authority amounts and disbursements utilizing the budget authority; cumulative program revenue and account balance information; program disbursement data tracked against Board approvals and fiscal year budgetary authority; and, other program fiscal tracking information.**

The committee discussed development of a tracking document and agreed that Assistant Director, Millspaugh and Captain Anne McIntyre shall meet as needed and/or include in their regularly scheduled check-in meetings discussion towards the development of a tracking document.

The committee requested Assistant Director, Millspaugh contact Department of Finance regarding protocol for PMSA to reach out to DOF regarding the expenditure authority of Pilot Boat Program funds and report to Mike Jacob.

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ii. The status and project timeline for future pilot boat design and construction, including any estimates of the amounts and timing of projected funding needs.

Captain Anne McIntyre reported the next pilot boat vessel is in the design phase, however she expects construction of the next pilot boat vessel will be prolonged due to limited shipyard capacity. Captain McIntyre informed committee members the SFBP will update their control agencies as they may not make compliance timelines under the new CARB rules for harbor craft due to these delays.

iii. Program disbursement documentation and the timing of disbursements in relation to meeting commercial funding payment dates and budgetary constraints.

Committee members discussed upon better understanding of the authority to expend Pilot Boat Funds from previous fiscal years, the timing and disbursement of Pilot Funds may need to change, but in general the plan is to spend down each fiscal year authority before July 1 of each year.

iv. The status of the allocation of Surplus Money Investment Fund (SMIF) interest earnings to the program.

Assistant Director, Millspaugh reported at this time due to Pilot Boat Program funds and other Board funds being mixed together in the Boards one Fund, the SCO cannot calculate the exact SMIF earnings attributed to the Pilot Boat Program. He further reported that Board staff worked with California Highway Patrol (CHP) staff to calculate an estimate of SMIF earnings. In the meantime, Board staff are working to with CHP staff to ascertain if a separate fund can be created for Pilot Boat Program funds from which exact calculations of SMIF earnings can be obtained. Committee members reported the estimated SMIF earnings are acceptable while Board staff and CHP work through the development of a separate fund or sub-fund for Pilot Boat Program funds.

v. The status of program regulation amendments.

Director, Garfinkle reported Board staff will research what work was accomplished in 2023 towards the development of Pilot Boat Program regulations. The committee discussed setting a timeline in which Board staff shall work towards completion of the Pilot Boat regulations by September 1, 2024. Once Pilot Boat regulation regulations have been approved, intermittent authorizations for reimbursement of design and construction costs related to new pilot boats may be made. These intermittent authorizations and subsequent reimbursements will be tracked utilizing the proposed Pilot Boat Program tracking document.

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- vi. Status of the sale of the original PV GOLDEN GATE and application of any proceeds per HNC 1194(c).

Captain Anne McIntyre reported the vessel remains for sale listed at \$640,000 and they have received limited interest to date.

5. Public or Committee member comments on matters not on the agenda.

No comment received.

6. The next Committee meeting is scheduled for February 27, 2024. Review proposals for the next Committee meeting agenda.

No new agenda items proposed.

7. Adjournment.

MOTION: Captain Nyborg moved to adjourn the meeting.

VOTE: YES: Nyborg, Jacob and McIntyre.

NO: None.

ABSTAIN: None.

ACTION: The motion was approved, and the meeting adjourned at 1:30 p.m.

Submitted by:



Allen Garfinkle
Executive Director