

Meeting Date: September 11, 2023	Board of Pilot Commissioners for the Bays of San Francisco, San Pablo, and Suisun 660 Davis Street, San Francisco, CA 94111 Joint Pilot Boat Advisory Committee & Finance Committee Meeting Minutes	Page 1 of 4
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Committee Members Present

Captain Robert Carr, Committee Chair and Commissioner
Captain Einar Nyborg, Commissioner
Captain Anne McIntyre, San Francisco Bar Pilots (SFBP) Business Director
Mike Jacob, Vice President & General Counsel, Pacific Merchant Shipping Association (PMSA)
Martin Robbins, Engineering Professional, Water Emergency Transportation Authority (WETA)

Committee Members Absent

None.

Board Staff Present

Allen Garfinkle, Executive Director
Matthew Millspaugh, Assistant Director
Dennis Eagan, Board Counsel
Patrick Tuck, Board Counsel
Alethea Wong, Licensing and Training Programs Manager
Charles Louie, Administrative Assistant II
Roma Cristia-Plant, Deputy Secretary, Administration and Audits, California State
Transportation Agency, on loan to the Board

Identified Public Present

Captain John Carlier (SFBP President and Port Agent), Kevin Baldwin (San Francisco Bar Pilots
General Counsel), Captain David McCloy, Jason Covell (SFBP Marine Superintendent).

OPEN MEETING AGENDA

1. Call to order and roll call. (Chair Commissioner Carr)

Chair Carr called the meeting to order at 1:30 p.m. Administrative Assistant II Louie called the roll and confirmed a quorum.

2. Review and approval of Committee meeting minutes. (Chair Commissioner Carr)

Committee action to approve the meeting minutes from June 1, 2023.

MOTION: Committee Member Jacob moved to approve the draft minutes of the meeting held on June 1, 2023. Committee Member McIntyre seconded the motion.

VOTE: YES: Carr, Nyborg, McIntyre, Jacob, Robbins.
NO: None.
ABSTAIN: None.

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ACTION: The motion was approved.

3. Public comment on matters on the agenda or not on the agenda. (Chair Commissioner Carr)

In response to Executive Director Garfinkle mentioning that a complete review of the large volume of documents, provided shortly before the meeting, was very difficult, Committee Member McIntyre provided an apology for the late submission noting in the future she would endeavor to ensure a timelier submission of documents.

4. Review the P/V GOLDEN GATE Final Authorization Request and supporting documentation from the San Francisco Bar Pilots and develop recommendation on approval of final authorization. Committee to determine reasonableness of the request in light of the necessity determination. Possible recommendation to the Board on approval of the final authorization on the construction to the P/V GOLDEN GATE.

Committee Member McIntyre presented a financial synopsis of the second version of the *PV Golden Gate Request for Final Authorization and Reimbursement* letter that was addressed to Commissioner Tynan dated September 7, 2023. She thanked Deputy Secretary Cristia-Plant for the updated information that included a line of credit interest payment discrepancy. She reported that the SFBP received delivery of the new P/V GOLDEN GATE on September 2, 2023.

In response to the bank line of credit fees documentation asked for by Deputy Secretary Cristia-Plant, Committee Member McIntyre confirmed that she has the documentation and will re-evaluate the Loan Disbursement Schedule (Exhibit “B”) difference with the SFBP Controller. Committee Member McIntyre also clarified that the 2022 reimbursement requests submitted prior to the end of the year was done so SFBP could close the books out and avoid extended floating loan payments that are paid monthly to the bank. Deputy Secretary Cristia-Plant raised an awareness of the increasing costs of this project over the past three years.

In response to Commissioner Nyborg’s comparison of the preliminary authorization costs against the total final costs, Committee Member Jacob explained that the discrepancies in the documentation and all issues raised by Deputy Secretary Cristia-Plant needed to be addressed before the next Board meeting. Committee Member McIntyre explained the factors impacting both the fixed rate loan and direct expenses incurred by SFBP Benevolent and Protective Association (SFBP B&P). Deputy Secretary Cristia-Plant commented from a state auditor’s perspective that State Treasury funds would not cover pilot travel expenses that are beyond what a state employee would be entitled to and, in addition, she recommended that the Board do a comparison of the preliminary cost and

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final costs as a means to highlight the changes. In response to Deputy Secretary Cristia-Plant's comment that some of the receipts, invoices, and contracts were addressed to SFBP instead of being addressed to SFBP B&P, Committee Member McIntyre replied that the recipient for State reimbursement of all expenses should be SFBP B&P.

MOTION: Committee Member Jacob moved to recommend that the Board approve the final authorization of reimbursement for the San Francisco Bar Pilots (SFBP) Benevolent and Protective Association in the amount of up to \$9,407,963.19, subject to the submission of documentation and bank fee corrections. Committee Member Nyborg seconded the motion.

VOTE: YES: Carr, Nyborg, McIntyre, Jacob, Robbins.

NO: None.

ABSTAIN: None.

ACTION: The motion was approved.

(Re: the following motion refers to the discussion in Item 6)

MOTION: Chair Carr moved to have Board staff authorize the reimbursement from the Pilot Boat Surcharge funds to the San Francisco Bar Pilots (SFBP) Benevolent and Protective Association for the 2023 loan payments and direct expenses as soon as a process is in place. Committee Member Jacob seconded the motion.

VOTE: YES: Carr, Nyborg, McIntyre, Jacob, Robbins.

NO: None.

ABSTAIN: None.

ACTION: The motion was approved.

5. Update on pilot station boat replacement program, projected timeline and costs for the planning, construction, and acquisition of new pilot station boats, projected surcharge disbursement schedule. Possible discussion and development of processes for administration of pilot boat fund. (SFBP Business Director Captain McIntyre)

Committee Member McIntyre reported that the pre-engineering and design is continuing with Glostien with the Request for Information (RFI) being completed in about of month while the Request for Proposals (RFP) will go out sometime in the first quarter of 2024. She stated that costs are currently still a moving target. Mr. Covell noted that the timeline for construction of the vessels is realistically 18 months and estimated to be approximately \$15 million to \$16 million dollars per boat. In response to Chair Carr's inquiry of the possibility of a shorter boat construction timeline, SFBP Marine Superintendent Covell believed that building two vessels concurrently could shorten the second vessel's build time to 12 months while the first vessel might take 18 months. In response to Deputy

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Secretary Cristia-Plant question if more necessity determinations are needed, Committee Member McIntyre replied that what they currently have is sufficient.

Executive Director Garfinkle stated that there are unresolved open questions regarding Pilot Boat fund withdrawals therefore it is still unclear what the State Controller's Office and program auditors are going to ask for whether it be a Board resolution, documentation, or a repayment contract with SFBP B&P.

6. Public comment on matters not on the agenda. (Chair Commissioner Carr)

Executive Director Garfinkle repeated the need for a motion on Item 4 regarding (retroactive/prospective) reimbursements of the actual expenses due to the very tight timeline. Deputy Secretary Cristia-Plant interjected that she believed there is an option for the State to make a regular bank loan payment directly, or SFBP B&P can carry the payments for the next few months until it is decided how BOPC will disperse funds out of the state treasury. Committee Member McIntyre responded that SFBP B&P does not need money in advance, however, timely quarterly payment disbursements would be acceptable.

(Item 4 was reopened to add a new motion)

7. Schedule next Committee meeting, and proposals for items on the next meeting agenda, if necessary. (Chair Commissioner Carr)

Committee Member Jacob felt it was premature to schedule another joint meeting until the committee is clear on the actual timeline for preliminary authorization.

8. Adjournment.

Chair Carr adjourned the meeting at 3:26 p.m.

Submitted by:



Allen Garfinkle
Executive Director