



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Commerce, Community,
and Economic Development

BOARD OF MARINE PILOTS

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State of Alaska
Department of Commerce, Community and
Economic Development
Division of Corporations, Business and Professional Licensing

BOARD OF MARINE PILOTS

**MINUTES OF MEETING
October 05, 2022**

By authority of AS 08.01.070(2), and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Marine Pilots was held at the Gateway Hotel in Seward on October 05, 2022.

Agenda Item #1 - Roll Call/Call to Order - Select “Acting Chair” for Meeting

Chairman Curtis Thayer was absent from the meeting. In his stead, the board voted Richard Harris as “Acting Chair” for the meeting.

Upon a motion duly made by Les Cronk, seconded by Captain Edward Sinclair, and approved unanimously, it was

RESOLVED to have Richard Harris as Acting Chair for the meeting.

The meeting was called to order by Acting Chairman Richard Harris at 9:00 a.m. Those present, constituting a quorum of the Board were:

Richard Harris
Captain Edward Sinclair
Captain James Cunningham
Les Cronk
Lucas Hasenbank
Joe Tougas

Absent: Chairman Curtis Thayer - *Excused*

Present from the Department of Commerce, Community and Economic Development, Division of Corporations, Business and Professional Licensing, were:

Thomas Bay, Marine Pilot Coordinator
Michele Hearn, Investigator
Melissa Dumas, Administrative Operations Manager

Visitors present included:

Mike Tibbles, Alaska Steamship Association
Tom Reuter, Alaska Maritime Agencies
Andrew Mew, Alaska Maritime Agencies
Paul Axelson, North Pacific Maritime
Captain David Arzt, Alaska Marine Pilots (AMP)
Captain Clay Christy, Alaska Marine Pilots (AMP)
Captain Mark Lundamo, Southeast Alaska Pilots Association (SEAPA)
Jessie Li, Southeast Alaska Pilots Association (SEAPA)
Captain Derek Nystrom, SEAPA candidate
Ian Maury, Southwest Alaska Pilots Association (SWAPA)
Jenni Zielinski, Southwest Alaska Pilots Association (SWAPA)
Destiny Bell, Yacht Services of Alaska
1 unidentified caller joined the call over the course of the meeting

Agenda Item #2 – Review Agenda

Upon a motion duly made by Joe Tougas, seconded by Captain James Cunningham, and approved unanimously without any objections, it was

RESOLVED to approve the agenda as written.

Agenda Item #3 – Review/Approve Minutes

The Board reviewed the draft minutes for the March 08, 2022, board meeting. Richard Harris asked Mr. Bay to change “convivence” to “convenience.” With no other requests, the board approved the minutes as amended.

Upon a motion duly made by Richard Harris, seconded by Joe Tougas, and approved unanimously without any objections, it was

RESOLVED to approve the March 08, 2022, board meeting minutes as amended.

The board reviewed the draft minutes for the May 04, 2022, board meeting. Captain Edward Sinclair asked Mr. Bay to change “SWAPA” to “SEAPA” under agenda item #5, Regional Standards for Compliance, at the top of page 3. For clarification purposes, SWAPA was already listed under the section. With no other requests, the board approved the minutes as amended.

Upon a motion duly made by Les Cronk, seconded by Joe Tougas, and approved unanimously without any objections, it was

RESOLVED to approve the May 04, 2022, board meeting minutes as amended.

The board reviewed the draft minutes for the July 07, 2022, board meeting. The board did not have any requests for amending the minutes.

Upon a motion duly made by Joe Tougas, seconded by Captain James Cunningham, and approved unanimously without any objections, it was

RESOLVED to approve the July 07, 2022, board meeting minutes as written.

Being ahead of schedule, and having to wait for agenda item #5, Public Comment, at 9:30, the board decided to move agenda item #10, Association Reports, ahead of agenda item #5.

Upon a motion duly made by Les Cronk, seconded by Lucas Hasenbank, and approved unanimously without any objections, it was

RESOLVED to amend the agenda by moving agenda item #10, Association Reports, ahead of agenda item #5, Public Comment.

Agenda Item #10 – Association Reports

AMP:

AMP's president, Captain Clay Christy, provided the report and informed the board that AMP has a current roster of nine fully licensed pilots, two deputy pilots and two trainees. He also informed the board that AMP had filed for a rate increase in line with the contracts they have with their customers and that it had been published in the Nome Nugget. He explained that AMP had their best season in over two years, which included smaller cruise ships and cable layers for fiber optics. He also explained that their tramper business had decreased a little bit because more fish had been going out in box ships versus the trampers, and that they were adapting to the change in dynamics to the area. Richard Harris asked Captain Christy if they had enough pilots to meet their obligations moving forward, to which he responded that they had enough, and were even a little heavy. Joe Tougas asked Captain Christy what the average age of their pilots are, to which he responded that he didn't know, but that he anticipated they would lose four pilots within the next six years. He followed by stating that with the two current trainees and the likelihood of adding a few more in the coming years, they should be fine. Mr. Tougas asked if any of the mine operations in the area affected them, to which Captain Christy said yes and that current mine operations were going strong and should continue to be. Mr. Tougas asked if the Nome harbor extension will have an effect on AMP, to which Captain Christy gave a definitive yes, stating that it was badly needed.

SEAPA:

SEAPA's president, Captain Mark Lundamo, provided the association report and informed the board that SEAPA has a current roster of 37 fully licensed pilots, 12 deputy pilots (eight at 110K GT, three at 95K GT, and one at 50K GT), and 18 trainees (four anticipated to be licensed by July 2023). He also informed the board that three pilots retired, but that they had an April 2023 exam scheduled to bring in more trainees. Joe Tougas asked Captain Lundamo if they anticipated any upcoming major shift in losing pilots in the near future, to which Captain Lundamo said that, with 18 trainees, they did not anticipate any major shifts, in regard to losing pilots and not being able to replace them. Richard Harris asked what their projection for 2023 looked like, to which

Captain Lundamo replied that there was supposed to be a three percent increase in ships, which would again make for an extremely busy season.

SWAPA:

SWAPA's president, Captain Ian Maury, provided the association report and informed the board that SWAPA has a current roster of 18 licensed pilots (15 that have full tonnage and are VLCC Valdez qualified, two at 110K GT (both anticipated to be Valdez qualified by early 2023), and one at 95K GT) and four trainees (one or two anticipated to be deputy pilots in 2023). He also informed the board that they had one retiree and would likely bring in a few more trainees in 2023 to replace the trainees that will become deputy pilots. He informed the board that SWAPA had a deal in place with crews and would be filing a rate increase for the upcoming year in mid-October. In regard to an outlook for 2023, Captain Maury explained that he didn't have enough information to provide an outlook because of various proposals for new terminals in the area. Joe Tougas asked how many of their trainees, percentage wise, make it all the way through the program, to which Captain Maury responded with roughly 90 percent.

Agenda Item #5 – Public Comment

Acting Chairman Richard Harris opened public comment at 9:30am. Nobody was present to provide comment, so Mr. Harris closed public comment and the board moved onto their next agenda item.

Agenda Item #6 – Investigative Report

The board's investigator, Michele Hearn, provided their Investigative Report for the period of March 03, 2022, thru September 19, 2022. She informed the board that there are seven open cases and that two had been closed since their last report. Captain Edward Sinclair asked Ms. Hearn what a contested license denial violation type is, to which she answered that it means that the board has denied a license at the application point and the applicant is contesting the denial. Captain Sinclair said that the board did not deny a license, but instead denied a special request, and that the violation type should reflect that it was not a license denial. Ms. Hearn explained that the system is not set up with specific situation types and that the violation type was likely chosen because it was the closest option related to this specific matter. The board was satisfied with the explanation. Richard Harris asked about an update to open case number 2019-000695, a case that Chairman Curtis Thayer had asked about at their last meeting. Ms. Hearn informed the board that the case had been referred to another agency for possible action and that they had to wait until the agency made a determination before they could move forward with the case. With no other questions from the board, Ms. Hearn left the meeting.

Acting Chair Richard Harris called for a break.

Off the record at 9:44 a.m.

On the record at 9:59 a.m.

Agenda Item #7 – Division Update

The division's Administrative Operations Manager, Melissa Dumas, provided the board with their FY22 3rd Quarter Fiscal Report. She informed the board that they had a large surplus in revenue, which in turn caused a fee change of their license fees, reducing them from \$1,500 to \$700, effective October 28th, 2022. She said the fee change will reduce their usual revenue at time of renewal, but because they have a large surplus, they are still in a good place. Mr. Harris asked Ms. Dumas if the division was planning on lowering their license fees again in the future, to which Ms. Dumas said that she would monitor their revenue moving forward and that if they stayed in a large surplus, the division would again consider lowering their license fees.

Agenda Item #8 – Review of Public Comment – Regulation Amendments – 12 AAC 56.080 – Biennial License Renewal

Mr. Bay informed the board that their regulations project regarding changes to their renewal requirements was back from the public comment period and was ready to be adopted. The board did not receive any new public comment for the proposed regulation changes to 12 AAC 56.080 in the supplemental notice. After a brief discussion, the board adopted the regulation amendments.

Upon a motion duly made by Les Cronk, seconded by Captain Edward Sinclair, and approved unanimously without any objections, it was

RESOLVED, after considering public comments received and having no additional cost to private persons, to adopt the proposed regulation changes dealing with biennial license renewal section 12 AAC 56.080, as proposed in the supplemental notice.

Captain Sinclair asked Mr. Bay if he could send out an update to all licensees regarding their upcoming renewal, specifically a timeline of when the renewals would likely be available. Mr. Bay said that there was no specific timeline on when the renewals would be available, but that he would send out an update to all licensees via the Listserv, informing them that renewals will be available no later than December 1, 2022, in accordance with AS 08.01.050.

Agenda Item #9 – CLIA Update – Lalanya Downs, Sr. Director, Community Relations & Public Affairs

Lalanya Downs, Senior Director of Community Relations & Community Relations for Cruise Lines International Association (CLIA) Alaska, provided an overview of CLIA's 2022 season and an outlook for 2023. Ms. Downs informed the board that CLIA's 2022 season was much better than their truncated 2021 season. She said that their ships were averaging about 74% capacity and that they were still in recovery mode from past seasons because of COVID. She explained that their COVID protocols worked to keep their passengers and crew safe, and that although the CDC lifted their cruise ship program, CLIA still had to deal with Canada's restrictions, which was in effect until the end of the season. She informed the board that nearly 100% of their ships worldwide were in operation and that their outlook for 2023 is strong and should be around their 2019 levels (pre-Covid). She informed the board that their carbon footprint could have a big impact on future itineraries, but that it should not affect their overall numbers in the near future. Mr. Harris asked if CLIA coordinated with the pilot associations regarding the demand for vessel traffic and need for pilots. Ms. Downs informed the board that

CLIA is a part of the Alaska Steamship Association and that they do work with pilot associations regarding the demand for vessel traffic and need for pilots.

Having finished with the CLIA update, the board moved forward on the agenda. Mr. Bay informed the board that agenda item #11, SEAPA – Pilotage Rates for 2023, was accidentally put on the agenda and was just informational for the board. Being ahead of schedule, the board decided to move all agenda items scheduled after lunch to before lunch.

Upon a motion duly made by Les Cronk, seconded by James Cunningham, and approved unanimously without any objections, it was

RESOLVED to amend the agenda by moving agenda items #13-#19 ahead of agenda item #12 (lunch).

Agenda Item #13 – Foreign Pleasure Craft Exemptions
Review of Exemptions Issued for 2022 Season

Mr. Bay informed the board that there were 23 Foreign Pleasure Craft (FPC) exemptions issued, which was four less than the 2021 season, and that the revenue brought in was \$77,582.50. Mr. Harris asked if there were issues finding available pilots for FPC exemptions. Captain Sinclair suggested having SEAPA's president, Captain Mark Lundamo, provide an update. Captain Lundamo informed the board that SEAPA was able to pilot the critical water ways but that, due to pilot shortage, not all FPC's had a pilot on them. He said that another issue with providing pilots was because they would get such short notices, sometimes 24-hour notices, which did not provide enough time for scheduling. With no additional questions for Captain Lundamo, the board decided to move agenda item #18, Schedule Future Meeting Date(s), in front of agenda item #14, Exemption Request.

Upon a motion duly made by Joe Tougas, seconded by Les Cronk, and approved unanimously without any objections, it was

RESOLVED to amend the agenda by moving agenda item #18 ahead of agenda item #14.

Agenda Item #18 – Schedule Future Meeting Date(s)

After a brief discussion, the board scheduled their next exams on January 24, 2023, and their next meeting on January 25, 2023, both of which will be held in Anchorage.

Upon a motion duly made by Joe Tougas, seconded by Lucas Hasenbank, and approved unanimously without any objections, it was

RESOLVED to have the board's next exams on January 24, 2023, and their next meeting on January 25, 2023, in Anchorage.

Acting Chair Richard Harris called for a break.

Off the record at 10:43 a.m.

On the record at 11:06 a.m.

Agenda Items #14 and #15 – Exemption Request and Board Action

The board’s next agenda item was an exemption request, something that was required to be reviewed in Executive Session.

On a motion duly made by Les Cronk, seconded by Joe Tougas, and approved unanimously without any objections, it was

RESOLVED to enter into executive session in accordance with AS 44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing, “subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion.” Division staff, Thomas Bay, was approved to stay during the session.

*The board entered Executive Session at 11:09 a.m.
The board left Executive Session at 11:31 a.m.*

Acting Chair Richard Harris stated that there was no business conducted while in Executive Session. The board approved an exemption request for Captain Tiffany Keefe, who had requested an exemption for a requirement in regulation, per 12 AAC 56.028(a)(1)(E), that requires a SEAPA applicant, for the Local Knowledge Exam, to complete an in-person mooring/unmooring, something that was unavailable in the past 12 months.

On a motion duly made by Les Cronk, seconded by James Cunningham, and approved unanimously by a roll call, it was

RESOLVED to grant a waiver for Tiffany Keefe for the physical mooring requirement, per 12 AAC 56.028(a)(1)(E), per the waiver authority of 12 AAC 56.028(H).

Board Member	Approve	Deny	Recuse
Richard Harris	X		
Captain Edward Sinclair	X		
Captain James Cunningham	X		
Les Cronk	X		
Lucas Hasenbank	X		
Joe Tougas	X		

Agenda Item #16 and #17 – Candidate Interviews and Board Action – Deputy Pilot Candidates

The board’s next agenda item was a candidate interview, something that was required to be held in Executive Session.

On a motion duly made by Les Cronk, seconded by Lucas Hasenbank, and approved unanimously without any objections, it was

RESOLVED to enter into executive session in accordance with AS 44.62.310(c), and Alaska Constitutional Right to Privacy Provisions, for the purpose of discussing, “subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion.” Division staff, Thomas Bay, and the candidate, Derek Nystrom, were approved to stay during the session.

The board entered Executive Session at 11:36 a.m.

The board left Executive Session at 11:47 a.m.

Acting Chair Richard Harris stated that there was no business conducted while in Executive Session. The board approved Captain Derek Nystrom for licensure as a Deputy Marine Pilot.

On a motion duly made by Captain Edward Sinclair, seconded by Les Cronk, and approved unanimously by a roll call, it was

RESOLVED to approve a Deputy Marine Pilot license for 50,000 Gross Tons for Region 1 with the exception of Klawock Inlet and West Coast Prince of Wales for Derek Nystrom – Badge Number 239, license #103544.

Board Member	Approve	Deny	Recuse
Richard Harris	X		
Captain Edward Sinclair	X		
Captain James Cunningham	X		
Les Cronk	X		
Lucas Hasenbank	X		
Joe Tougas	X		

Having nothing left to address, the Alaska Board of Marine Pilots’ Acting Chairman, Richard Harris, adjourned the meeting at 11:50 a.m.

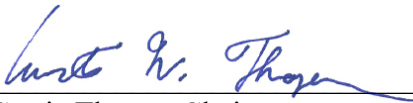
Off record at 11:50 a.m.

Respectfully Submitted:

Thomas Bay

Thomas Bay
Marine Pilot Coordinator

Approved:

A handwritten signature in blue ink, appearing to read "Curtis Thayer", written over a horizontal line.

Curtis Thayer, Chair
Alaska Board of Marine Pilots

Date: 04/12/2023