

*Annual Report*  
*Fiscal Year 2015*

**BOARD OF MARINE PILOTS**  
**July 2015**



**DIVISION OF CORPORATIONS, BUSINESS  
AND PROFESSIONAL LICENSING**

---

This Annual Performance Report is presented in accordance with Alaska Statute 08.01.070(1) and Alaska Statute 37.07.080(b). Its purpose is to report the accomplishments, activities, and the past and present needs of the licensing program.

**ALASKA STATE BOARD OF MARINE PILOTS  
FY 2015 ANNUAL REPORT**

**TABLE OF CONTENTS**

	<b><u>Page #</u></b>
IDENTIFICATION OF BOARD.....	1
IDENTIFICATION OF STAFF.....	2
NARRATIVE STATEMENT.....	3
BUDGET RECOMMENDATIONS.....	5
PROPOSED LEGISLATIVE RECOMMENDATIONS.....	7
REGULATION RECOMMENDATIONS.....	8
GOALS AND OBJECTIVES.....	9
SUNSET AUDIT RECOMMENDATIONS.....	10

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2015 ANNUAL REPORT**  
**IDENTIFICATION OF BOARD**

<b><u>Board Member</u></b>	<b><u>Date Appointed</u></b>	<b><u>Term Expires</u></b>
Chris Hladick Chairman (DCCED Commissioner AS 08.62.010)	March 20, 2015	Indefinite
Hans H. Antonsen Pilot Member	March 22, 2013	March 1, 2017
David Arzt Pilot Member	March 1, 2011	March 1, 2019
Richard A. Erickson Vessel Agent Member	March 1, 2010	March 1, 2018
Shirley R. Marquardt Public Member	March 1, 2015	March 1, 2018
Robert L. Richmond Public Member	January 1, 2011	March 1, 2016
Tom W. Rueter Vessel Agent Member	April 1, 2012	March 1, 2016

**ALASKA STATE BOARD OF MARINE PILOTS**

**FY 2015 ANNUAL REPORT**

**IDENTIFICATION OF STAFF**

Crystal Dooley, Marine Pilot Coordinator  
Department of Commerce, Community and Economic Development  
Division of Corporations, Business and Professional Licensing  
P.O. Box 110806  
Juneau, Alaska 99811-0806  
Work: (907) 465-2548  
Fax: (907) 465-2974

Janey Hovenden, Director  
Department of Commerce, Community and Economic Development  
Division of Corporations, Business and Professional Licensing  
P.O. Box 110806  
Juneau, Alaska 99811-0806  
Work: (907) 465-2144  
Fax: (907) 465-2974

ALASKA STATE BOARD OF MARINE PILOTS  
FY 2015 ANNUAL REPORT  
NARRATIVE STATEMENT

The Board of Marine Pilots met six (6) times during the fiscal year.

- October 30, 2014 in Anchorage, Alaska
- December 22, 2014 by teleconference
- January 29, 2015 in Juneau, Alaska
- March 31, 2015 by teleconference
- April 16, 2015 in Juneau, Alaska
- May 28, 2015 by teleconference

Over the course of the year, the Board continued their work to establish, audit and enforce the standard as set in Alaska Statute 08.62 to:

- Ensure that persons entering the practice meet rigorous standards of competency, and maintain such standards during their practice;
- Assist the public in the knowledge of who is licensed;
- Approve the standards by which pilot organizations are operated and trainees are selected;
- Approve or disapprove rates for pilotage services;
- Ensure that drug and alcohol testing is compliant;
- Ensure that sufficient pilots are available to provide service; and
- Vessels subject to pilotage have a licensed pilot while transiting compulsory waters.

Throughout the year, the Board maintained their review of applications for pleasure craft of foreign registry seeking exemption from pilotage. For FY 15, twenty seven (27) applications were received and issued an exemption for their pleasure craft between 65-ft and 175-ft in length, with twenty five (25) new exemption numbers issued to yachts visiting Alaska for the first time. The average LOA was 112-ft. A pleasure craft of foreign registry of more than 400 gross registered tons must also comply with Department of Environmental Conservation statutes regarding the proof of financial responsibility in the event of an oil spill. For FY15 five (5) pleasure craft were issued exemptions once a Certificate of Financial Responsibility (COFR) was secured. Over \$70K in application fees were generated.

Marine Pilot and Registered Vessel Agent licenses expired on December 31, 2014. The Board oversees and regulates licensing renewal qualifications and process. The Board delegates license renewal processing to the Marine Pilot Coordinator. FY 15 yearend has 86 active Board of Marine Pilot licensees: 74 Marine Pilots, 4 Deputy Marine Pilots, and 9 Registered Vessel Agents.

### **Board Membership**

The Board is comprised of two (2) public members, two (2) pilot members, two (2) vessel agents and the Commissioner or his designee (AS 08.62.010). During FY15 one (1) new public member seat and one (1) pilot member seat is appointed and re-appointed, respectively, by the Governor.

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2014 ANNUAL REPORT**  
**NARRATIVE STATEMENT CONTINUED**

**Investigations**

In FY15 one investigation opened during FY14 was closed. No new investigations were opened.

**Public Information**

The Board website makes it possible to provide online access to meeting and exam schedules, agendas, Board minutes, meeting materials, and notices for proposed regulation. Web based distribution helps the Board reduce costs and ensure accessibility for current and historical information and for ease of public access. The public may sign up to the Board's ListServ to receive timely information concerning board business via periodic emails sent out by the Marine Pilot Coordinator.

**Drug and Alcohol Monitoring**

The Board continues to maintain their oversight of mandatory drug and alcohol testing by licensed Marine Pilots, Deputy Marine Pilots, trainees and apprentices. As administered by the pilot associations, results are monitored by the Marine Pilot Coordinator. The Board annually reviews this data to ensure compliance.

**Regulations**

The Board amended regulation 12 AAC 56.120, Pilot Stations or Pickup Points, by changing coordinates to two (2) existing pilot stations and establishing four new stations. All changes to pilot stations for FY15 occur in Region 3 (Western Alaska). The Board conducted a thirty day public comment period and received zero comments on proposed regulation changes.

**Rate Filings**

In FY15 the Board did not receive any proposals for their approval to change published tariffs for pilotage services.

**Working Groups**

The Board is reviewing process, procedure, and role assignment during an investigation into violations of the Board of Marine Pilots' licensing law. A working group is established to review existing procedure and structure and to bring back to the Board recommend changes, if necessary, to ensure a licensee receives a fair investigative process and outcome. The work is ongoing.

**Pending Issues**

The next Board of Marine Pilots meeting is scheduled for October 27, 2015 in Anchorage, Alaska.

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2015 ANNUAL REPORT**  
**BUDGET RECOMMENDATIONS FOR FY 2016**

**TRAVEL REQUESTS:** Rank in order of the board’s priority. Provide the best estimates based on past actuals and seasonal trends in travel, such as summer hotel rooms or increased fuel costs. Calculate on full costs and note any third-party fiscal offsets. Expand the tables below as needed.

**Board Meetings**

Date	Location	# of Board Members	# of Staff	Total Estimated Cost (total of airline, hotel, mileage, M&IE, parking, rental car, taxi, etc.)
10/27/2015	Anchorage, AK	7	1	\$5,750.00
TBA	TBA (more remote community or port)	7	1	\$8,250.00
TBA	TBA	7	1	\$5,750.00

**Travel Required to Perform Examinations**

Date	Location	# of Board Members	# of Staff	Total Estimated Cost (total of airline, hotel, mileage, M&IE, parking, rental car, taxi, etc.)
TBA	TBA		1	\$2,000.00
Description of meeting and its role in supporting the mission of the board: Passage of written examination is a requirement of licensure; the Marine Pilot Coordinator administers the exam.				
Description of meeting and its role in supporting the mission of the board:				

**Out-Of-State Meetings and Additional In-State Travel**

Rank in order of the board’s priority. “Reimbursement” refers to payment to the division to cover travel costs. “Direct” refers to an offer by a company to secure travel arrangements on behalf of the board member.

Rank	Date	Location	# of Board Members	# of Staff	Total Estimated Cost		Total Potential Third-Party Offset
					(total of airline, hotel, mileage, M&IE, parking, rental car, taxi, etc.)	Conference Fee	<input type="checkbox"/> Reimbursement <input type="checkbox"/> Direct
1							
	Description of meeting and its role in supporting the mission of the board:						
2							<input type="checkbox"/> Reimbursement <input type="checkbox"/> Direct
	Description of meeting and its role in supporting the mission of the board:						
3							<input type="checkbox"/> Reimbursement <input type="checkbox"/> Direct
	Description of meeting and its role in supporting the mission of the board:						
4							<input type="checkbox"/> Reimbursement <input type="checkbox"/> Direct
	Description of meeting and its role in supporting the mission of the board:						

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2015 ANNUAL REPORT**  
**BUDGET RECOMMENDATIONS FOR FY 2016 CONTINUED**

**NON-TRAVEL BUDGET REQUESTS**

**Dues/Memberships/Resources/Online Training/Teleconferences/Examination Contracts**

Provide details of the budgetary request. Break down into specific events, where applicable.

<b>Product or service:</b> Teleconference	<b>Provider:</b> TBA	<b>Cost per event:</b> \$500.00
Description of item and its role in supporting the mission of the board: During FY14 the Board held three meetings via teleconference to conduct business. Estimated total for FY15 is \$1,500.		
<b>Product or service:</b>	<b>Provider:</b>	<b>Cost per event:</b>
Description of item and its role in supporting the mission of the board:		
<b>Product or service:</b>	<b>Provider:</b>	<b>Cost per event:</b>
Description of item and its role in supporting the mission of the board:		

**Other Items with a Fiscal Impact:**

<b>Product or service:</b>	<b>Provider:</b>	<b>Cost per event:</b>
Description of item and its role in supporting the mission of the board:		
<b>Product or service:</b>	<b>Provider:</b>	<b>Cost per event:</b>
Description of item and its role in supporting the mission of the board:		

**Summary of FY16 Fiscal Requests**

Board Meetings	<b>\$19,750.00</b>
Travel for Exams	<b>\$ 2,000.00</b>
Out-Of-State and Additional In-State Travel	
Dues/Memberships/Resources/Online Training/Teleconferences	<b>\$ 1,500.00</b>
Total Potential Third-Party Offset	
Other	
<b>Total Requested:</b>	<b>\$23,250.00</b>

**Additional information:**

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2015 ANNUAL REPORT**  
**ANTICIPATED PROPOSED LEGISLATION FOR FY 2016**

The Board has no recommendations for proposed legislation at this time.

**ALASKA STATE BOARD OF MARINE PILOTS  
FY 2015 ANNUAL REPORT  
ANTICIPATED REGULATIONS FOR FY 2016**

The Board has no recommendations for proposed regulations at this time.

**ALASKA STATE BOARD OF MARINE PILOTS**  
**FY 2015 ANNUAL REPORT**  
**GOALS AND OBJECTIVES FOR FY 2016**

The mission of the Alaska State Board of Marine Pilots' is to provide efficient and competent pilotage service for the protection of shipping, the safety of human life and property, and the protection of the marine environment.

The Board's goals and objectives for FY15:

1. The Board will continue to assess and evaluate their written examinations for licensing.
2. The Board will continue to provide input and comment on any proposed legislation/regulations involving the protection of shipping, the safety of human life and property, and the protection of the marine environment;
3. The Board will continue to ensure fair and equal access to the experience necessary to obtain or upgrade a pilot's license;
4. The Board will continue to ensure equitable and nondiscriminatory dispatch of pilots for prompt pilotage service;
5. The Board will continue to assess and evaluate standards for training of deputy trainees, apprentices, and Deputy Marine Pilots.
6. The Board will continue to assess and evaluate standards for continuing competency of Marine Pilots.
7. The Board will continue to assess and evaluate the licensing of Marine Pilots.
8. The Board will continue to evaluate the impact of current regulations.
9. The Board will continue to leverage the professional expertise of both the Marine Pilots and the maritime industry to provide a comprehensive perspective to decisions that impact the safety and sustainability of the Alaskan maritime resources.
10. The Board will continue to assess the impact and management of foreign pleasure craft as vessel traffic increases and situations arise.

The Board meets their goals and objective through scheduled board meetings, teleconferences, and work groups. All board meetings are open to the public. Input from the public, licensees, pilot associations, registered agents, and industry on matters under the Board's jurisdiction as defined by AS 08.62 is routine. The Board's unique makeup of two public members, two licensed pilots, two registered vessel agents, and the DCCED Commissioner allows for thorough issue deliberations and judicious decisions on Board matters and to meet their goals and objectives. The Marine Pilot Coordinator assists the Board in completing goals, objectives, and daily program administration as per AS 08.62.050

In FY16 the Alaska State Board of Marine Pilots adopts FY15 goals and objectives.

**ALASKA STATE BOARD OF MARINE PILOTS  
FY 2015 ANNUAL REPORT  
SUNSET AUDIT RECOMMENDATIONS**

Date of last Legislative Audit: November 05, 2012

Board sunset date: June 30, 2019

**Audit Recommendation #1: The Marine Pilot Coordinator should improve administration of BMP operational activities.**

Action taken: The Marine Pilot Coordinator (MPC) improves administration through program and statute/regulation familiarity and longevity (second year as MPC), development and use of checklists, and persistence in obtaining missing or required licensing information.
Next Steps: Continual process and procedure review and making improvements when necessary.
Date completed: On going.

**Audit Recommendation #2:**

Action taken:
Next Steps:
Date completed:

**Audit Recommendation #3:**

Action taken:
Next Steps:
Date completed:

**Audit Recommendation #4:**

Action taken:
Next Steps:
Date completed: