

**STATE OF ALASKA, DEPARTMENT OF COMMERCE,
COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING
BOARD OF MARINE PILOTS**

MINUTES OF MEETING

March 19, 2012

Teleconference

By the authority of AS 08.01.070(2), AS 08.62.030, and in compliance with the provisions of AS 44.62, Article 6, a meeting of the Board of Marine Pilots was held via teleconference on March 19, 2012, hosted in Juneau, Alaska.

19 March 2012

1300

Call to Order/Roll Call

The meeting was called to order at 1300 by Chairman Curtis Thayer. The Marine Pilot Coordinator (MPC) conducted roll call.

Members present constituting a quorum were:

Mr. Robert Arts	- Agent Member
Captain David Arzt	- Pilot Member
Mr. Rick Erickson	- Agent Member
Mr. Robert Richmond	- Public Member
Mr. Tylan Schrock	- Public Member
Mr. Curtis Thayer	- Commissioner's Designee

Pilot Member Captain Dale Collins was not present for the day's business. Captain Collins notified the Chair on March 1 that he was unavailable on March 19.

On the advice and counsel of the Attorney General's Office, Mr. Bob Arts, whose term expired on March 1, 2012, may continue to serve as a de facto Board member until the Governor appoints a new Agent Member to the Board (Sec. 08.01.035; AG Opinion 3066584-83, Aug 30, 1983; AG Opinion J66-051-80, July 4, 1979).

Staff present were:

James McDermott	MPC
Dan Branch	AAG, Department of Law
Don Habeger	Director, CBPL, DCCED

Public present in Juneau or Anchorage state offices were:

Ms. Kate Tesar	ASA
Mr. John Bitney	Representing Mr. Bob Evans
Captain Mike O'Hara	SWAPA

Public subscribers to the teleconference were:

Captain Richard Gurry	SEAPA
Captain Pete Garay	AMP
Ms. Debbie Azure	YSA
Mrs. Jenni Zielinski	SWAPA
Mr. Tom Reuter	AMA
Captain Carter Whalen	AMP
Captain Larry Pullin	SEAPA
Mr. James Lee	

Agenda Item 1

Review Agenda

02:56 There was only one other agenda item: 12 AAC 56.115 draft regulations.

Declaration of Potential Conflicts of Interest / Recusals

Upon review of the agenda there were no declarations of potential conflicts of interest or recusals from the Board.

Mr. Thayer explained the purpose of this meeting was to provide the public with the opportunity to present testimony restricted to proposed regulations that were heard at the February 16, 2012 Board meeting. At that time the proposed regulations had not been noticed in advance to inform the public that oral testimony would be heard.

Agenda Item 2

Proposed Regulations: 12 AAC 56.115 Pleasure Craft Exemptions

06:00 Mr. Habeger provided a succinct explanation for the nature of these draft regulations: they are four distinct provisions that 1) allow FPC applicants to provide a copy of a COFR application as required by certain nontank vessels over 400 GT; 2) establish the FPC's registry as the standard for determining LOA; 3) delete the current requirement for FPCs in violation of the Marine Pilotage Act to settle with the appropriate pilot organization before being considered for a pilotage exemption; and 4) amends the stipulations for the master or owner's mariner credentials.

14:00 Mr Thayer called for a recess until 1315 to take public testimony.

- 16:00 The Board reconvened and Mr. Thayer recognized Captain O'Hara from SWAPA.
- 18:10 Captain O'Hara directed his comments toward the fourth proposed regulation addressing the mariner's credentials of the master or owner of a FPC applying for a pilot exemption. He stated that this is a safety issue that needs to be weighed against the revenue generated by providing FPC applicants with an exemption based on relaxed standards of proficiency. Captain O'Hara advocated vetting 12 AAC 56.115(c) through a Board-appointed committee.
- Mr. Thayer stated that at the February 16, 2012 meeting the Board had tabled this proposal to go to the Foreign Yacht Working Group, and further stated that this meeting was intended to revisit this proposed regulation along with three others related to 12 AAC 56.115.
- 21:45 Ms. Debbie Azure of YSA stated that Yacht Services of Alaska believes the changes to the foreign pleasure craft regulations will have a positive impact on returning clients and help to attract new yachting business to Alaska. The operator of a pleasure craft seeking an exemption must employ a vessel agent to complete their exemption application. As vessel agents for these yacht owners, YSA is involved in the application process for the exemption and the COFR during the same timeframe. This change will maintain the status quo, as all vessels will still have to have a DEC approved COFR prior to receiving consideration by the Board of Marine Pilots for an exemption. In no instance would a vessel be allowed an exemption to operate in Alaska without a DEC-approved COFR. The current regulation, which allows the pilot groups to supplant the State when collecting money from yacht owners operating in violation of state law, should be updated; in no other instance in Alaska are fees in lieu of fines for violations of state statute collected by, and paid to, private-for-profit organizations. In closing, Ms. Azure referenced 12 AAC 56.115(c) as an issue that impacts the small class of FPC (65' -75' LOA) that are owned and operated by competent mariners who do not have the current required credentials; she advised that this clientele should be the focus of the Foreign Yacht Working Group's vetting of the regulation.
- 30:30 Mr. Thayer opened discussion from Board members regarding the testimony provided, and hearing none, entertained Broad for motion of the proposed regulations.
- 31:10 Mr. Arts moved to approve proposed regulations 12 AAC 56.115(a)(3)(H), 12 AAC 56.115(a)(4), and 12 AAC 56.115(b) and table 12 AAC 56.115(c), and refer to a working group and that having considered written and oral public comments and taken into consideration the potential financial impact of these regulations on individuals and businesses; Mr. Schrock seconded the motion.

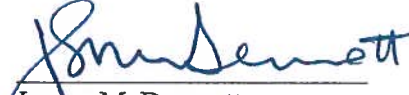
32:50 Mr. Thayer called for discussion on the motion. Captain Arzt requested clarification on the matter of referring the fourth proposed regulation to a working group. Mr. Thayer said that it would be referred to the foreign yacht working group to be comprised of retained and new constituents from the pilot organizations and industry. Mr. Thayer called for a roll-call vote and the Board


34:45 APPROVED the three proposed regulations and REFERRED the fourth draft regulation on a vote of 5-1.

Mr. Arts	Yes
Captain Arzt	No
Mr. Erickson	Yes
Mr. Richmond	Yes
Mr. Schrock	Yes
Mr. Thayer	Yes

Having concluded the Board's stated business, this teleconference meeting of the Board of Marine Pilots adjourned at 1335.

Respectfully submitted:


James McDermott
Marine Pilot Coordinator


Curtis W. Thayer, Chairman
AK Board of Marine Pilots