



MEETING MINUTES

27 June 2019

TELECONFERENCE ORIGINATING FROM THE STATE OFFICE BUILDING, 333 W. WILLOUGHBY AVE., JUNEAU

By authority of AS 08.01.070(2), AS 08.62.030 and in compliance with the provisions of AS 44.62, Article 6, a scheduled meeting of the Board of Marine Pilots was held.

Item 1. Roll call/Call to order

Chairman Curtis Thayer called the meeting to order at 0901.

Board members present were Chairman Curtis Thayer, Mr. Les Cronk, Mr. Richard Harris, Capt. Ed Sinclair. Board members not present were Ms. Peggy McLaughlin, Mr. Tom Rueter and Capt. Ron Ward.

A quorum to conduct business was present.

Marine Pilot Coordinator Charles Ward was present and recorded minutes.

Also present were Sharon Walsh, Deputy Director for the Division of Corporations, Business and Professional Licensing (CBPL); Cori Hondolero, Executive Administrator for the Board of Public Accountancy and the rising Marine Pilot Coordinator; Greg Francois, Chief Investigator for CBPL; Capts. Kathleen Flury, Robert Dersham, Ronald Leighton and Frank Didier from Southeast Alaska Pilots Association (SEAPA); Mr. Mike Tibbles from the Alaska Steamship Association; Capt. Andrew Wakefield and Ms. Jenni Zielinski from Southwest Alaska Pilots Association (SWAPA); Capt. David Arzt from Alaska Marine Pilots (AMP) and Mr. Bruce Wehyrauch, attorney for SEAPA.

Item 2. Review Agenda

Harris moved the agenda be approved as presented. Sinclair seconded. There was no discussion. The agenda was approved unanimously.

Item 3. Declarations/recusals

None.

Item 4. Approval of minutes

10 April 2019

Harris moved to approve the minutes of the 10 April 2019 board meeting as presented.

Sinclair seconded. There was no discussion. The minutes were approved unanimously.

17 January 2019

Harris asked if the presented draft of the 17 January 2019 meeting included the corrections requested by SEAPA.

Charles Ward said he had reviewed the proposed changes, compared them to his own notes and the recording of the meeting, and updated the draft. He said the presented draft represented incorporated those elements.

Cronk moved to approve the minutes of the 17 January 2019 as presented. Harris seconded.

There was no further discussion. The minutes were approved unanimously.

Item 5. Public comment

None.

Item 6. Financial report

Charles Ward reviewed the financials from the third quarter of Fiscal Year 2019, which are attached to these minutes as Appendix 'A.' He said the board had received a little bit less than \$150,000 in licensing fees in FY 2019, a renewal year. He said the number was down from the prior renewal year due to the fee reduction prior to the 2019-2020 license renewals. He said personal services were \$61,862, which was mostly his salary and benefits. He said the board was running a surplus of about \$45,000 for FY 2019, and had an overall surplus of \$291,375. He said most revenue from foreign pleasure craft (FPC) exemptions will come in the fourth quarter of FY 2019.

Harris said the board had some work towards a potential rate hearing, which included attorney time. Thayer said the attorney expense would be reflected under contractual expenses.

Item 7. Fiscal Year 2019 Annual Report

Charles Ward said he had prepared the draft report, which the board needed to approve either as presented or with amendments. He said the report needed to be submitted by 1 July.

Harris said there was a typo that he had reported to Charles Ward.

Harris said he believed the board took a more proactive role in the rate filing dispute than what the draft report indicated. He said the board also learned the rate hearing process had changed.

Harris moved the report be amended to add the following language: "The board was able to encourage the parties to reach resolution through amicable negotiations before a rate hearing occurred. The rate hearing filing issue also alerted the board that the rate hearing

procedures had been amended under AS 08.62.046(c), which may affect future consideration of rate hearing appeals before the board. Sinclair seconded. There was no further discussion. The amendment to the report passed unanimously.

Harris moved the annual report be approved as amended. Sinclair seconded. There was no discussion. The report was approved unanimously.

Item 8. Review of board actions

Board actions – 1 April 2019 through 17 June 2019

Date	Motion	Voting Tabulation	Action
5 April 2019	Approve FPC application ICE BEAR	Rueter (Y), Sinclair (Y), Cronk (Y), Ward (Y).	Approve application
5 April 2019	Approve FPC application LADY K	Harris (Y), Cronk (Y), Rueter (Y), Sinclair (Y), Ward (Y).	Approve application
11 April 2019	Approve FPC application CALLIOPE	McLaughlin (Y), Rueter (Y), Ward (Y), Sinclair (Y).	Approve application
6 May 2019	Approve FPC application EVVIVA	Cronk (Y), Ward (Y), Thayer (Y), Sinclair (Y), Harris (Y), Rueter (Y).	Approve application
6 May 2019	Approve FPC application CV-9	Sinclair (Y), Cronk (Y), Rueter (Y), Ward (Y), Thayer (Y), Harris (Y)	Approve application
17 May 2019	Approve FPC application MLR	Cronk (Y), Ward (Y), Thayer (Y), Harris (approve pending), Rueter (Y), Sinclair (Y).	Approve application
28 May 2019	Approve FPC application PIONEER	Ward (Y), Cronk (Y), Thayer (Y), Sinclair (Y), Harris (Y), Rueter (Y)	Approve application
21 May 2019	Approve marine pilot license for Ian MAURY	Ward (Y), Cronk (Y), Thayer (Y), Harris (Y), Rueter (Y).	Approve license
21 May 2019	Approve VLCC endorsement for Ian MAURY	Ward (Y), Thayer (Y), Cronk (Y), Harris (Y), Rueter (Y).	Approve endorsement
28 May 2019	Approve FPC exemption application AQUARIUS	Thayer (Y), Ward (Y), Rueter (Y), Sinclair (Y), Harris (Y).	Approve application
5 June 2019	Approve FPC exemption application CYGNUS MONTANUS	Ward (Y), Cronk (Y), Sinclair (Y), Thayer (Y), Harris (Y), McLaughlin (Y), Rueter (Y).	Approve application
17 June 2019	Approve upgrade to 65KGT for Todd CARLETON	Ward (Y), Cronk (Y), Harris (Y), Sinclair (Y), McLaughlin (Y), Thayer (Y).	Approve application

Item 9. Senate Bill 29 (Board of Marine Pilot renewal)

Charles Ward said SB 29 had passed the Senate 18-0 and the House 35-1. He did not know if the bill had been transmitted to the Governor or signed. He said he had heard no indication whatsoever the bill would not be signed.

Item 10. Staffing update

Charles Ward said he had submitted his resignation as Marine Pilot Coordinator, which was effective 31 July. He said his last day in the office would be 26 July. He said he was sitting for the bar exam at the end of July. He said Hondolero would be stepping in to take on the duties of the Marine Pilot Coordinator that pertained to licensing and administration. He said the investigations would be handled by the Investigations Unit.

Francois said the board currently had five open investigative matters. He said he would be taking over those five cases to be sure there are no gaps. He said an investigator would be assigned to be the permanent board investigator.

Thayer asked if the investigations could be closed out, or if they would be long-term investigations.

Francois said he could not answer that question. He said at this point, he anticipated they would be closed out in several months.

Charles Ward said Hondolero was currently the Executive Administrator for the Board of Public Accountancy. He said Hondolero had been in that role for at least five years, and had been with the Division for nearly 17 years. He said Hondolero was very good at what she does and knew how to do both the licensing functions and the executive administration functions. He said he had been working with Hondolero for about a month and would be working together through the end of July to facilitate the transition.

Harris asked if Hondolero would be doing FPC exemptions.

Charles Ward said she would. He said Hondolero had been running the recent FPC exemption checklists, with his review following.

Hondolero said she had just learned of the permanency of her appointment yesterday. She said there was discussion about more intensive training, possibly including Hondolero travelling to Juneau for training for a time.

Hondolero said she saw no scheduling conflicts with her current board.

Thayer asked if she would be working with both boards.

Hondolero said she would be.

Thayer said he would like to have a better understanding of the transition. He said the Marine Pilot program has a dedicated position. He said the board wanted to understand how that would work. He said there had been previous marine pilot coordinators who had performed the position full time, and were at capacity in doing it. He said there had been others who had been able to do other duties within the division, but there had never been one with split duties. He said he would also like

to discuss moving the program to Anchorage. He said the job had traditionally been in Juneau. He said there were political considerations with the Legislature in moving a job from Juneau to Anchorage, and that the largest marine pilot association was in Southeast.

Hondolero said this was new, and she did not yet know all the details of the transition.

Sinclair said he echoed Thayer's concerns. He said a full-time position may become critical, given the large increase in SEAPA's trainees.

Harris said he agreed with Thayer. He said the move from Juneau was a "red flag." He asked how to communicate with the marine pilot coordinator during the transition.

Charles Ward said it would not be a bad idea to begin ccing Hondolero on emails. He said her email was cori.hondolero@alaska.gov.

Hondolero also asked if emails could be cc'd to the boardofmarinepilots@alaska.gov email address. She said that might aid in prioritizing emails.

Item 11. Correspondence

Thayer said there was a tractor tug report from SEAPA in the board packet. He said there were emails from Petro Marine and White Pass Railroad on the same topic. He said those were included for informational purposes.

Item 12. Pilot association reports

SEAPA

Flury said SEAPA had two proposed changes to its operating rules. The first change addressed its "Do Not Dispatch" rules and the second addressed its anti-harassment rules.

Flury said SEAPA had 47 pilots, with two pilots scheduled to receive their deputy marine pilot licenses today. If licensed, that would give SEAPA five deputy pilots – one at 90,000 gross tons, two at 65,000 gross tons and two at 50,000 gross tons. She said SEAPA had 24 trainees in its program, 12 of whom were training at the conn. She said SEAPA expected to license eight more pilots in calendar year 2020, three more in 2021, four in 2022 and nine in 2023. She said she did not know how many retirements there would be, but she said she expected some at the end of the 2019 season and some prior to the 2020 renewal.

She said port calls for cruise ships have increased 13.6 percent since 2018, 25 percent since 2016 and there is a projected increase of 7 percent for 2020.

She thanked Charles Ward for his service to the board.

SWAPA

Wakefield said SWAPA had 15 marine pilots with Very Large Crude Carrier (VLCC) endorsements. He said SWAPA had one deputy at 90,000 gross tons who should be eligible for his full license and VLCC endorsement by the end of CY 2019. He said SWAPA had two deputies at 65,000 gross tons. He said SWAPA had five trainees, with three training at the conn.

He thanked Charles Ward for his service.

AMP

Arzt said AMP had nine pilots and two trainees who were training at the conn and working toward their federal licensing requirements. He said the trainees would be ready for licensure in about 18 months.

Item 13. Next meeting

Thayer said the next meeting was scheduled for 9-10 October in Anchorage. He said the meeting was likely to be at the Alaska Energy Authority offices. He said SEAPA's proposed changes to its operating rules would be discussed and voted on. He said SEAPA's question regarding the interpretation of 12 AAC 56.960(c) would be discussed at that meeting. He said if board members had additional items to add, board members should contact Charles Ward or Hondolero.

Harris asked about the action item from the 10 April meeting, where questions were going to be sent to SEAPA regarding pilot staffing for its review and research.

Thayer said the pilot staffing issue would be on the October agenda.

Charles Ward asked what the deadline for questions should be.

Thayer suggested the deadline for questions to SEAPA should be 15 August. Flury agreed that would be a good deadline.

Sinclair asked who the questions should be directed to. Thayer said they should go to the marine pilot coordinator.

Flury asked about SEAPA's proposed changes to its operating rules and suggested addressing those at this meeting.

Thayer said he asked those proposed changes to be moved to the October meeting because there were three board members not in attendance at this meeting, and he believed they wanted to participate in the discussion.

Item 14. Executive session

Harris moved the board enter executive session for the purpose of discussing the applications of Robert Dersham and Ronald Leighton for deputy marine pilot licenses, with Dersham, Leighton, Charles Ward and Hondolero to remain. Cronk seconded. There was no discussion. The motion passed unanimously.

Off record at 0938.

Back on record at 1019.

Sinclair moved the Board of Marine pilots issue a deputy marine pilot's license of not more than 50,000 gross tons to Leighton. Harris seconded. There was no discussion. The motion passed unanimously.

Sinclair moved the Board of Marine pilots issue a deputy marine pilot's license of not more than 50,000 gross tons to Dersham, with an exclusion for the west coast of Prince of Wales Island. Cronk seconded. There was no discussion. The motion passed unanimously.

Charles Ward said Leighton had been issued Badge No. 222, and Dersham had been issued Badge No. 223.

Item 15. Adjournment

Harris and Thayer thanked Charles Ward for his service.

Harris moved to adjourn. Cronk seconded. There was no discussion. The motion passed unanimously.

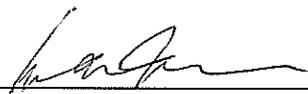
Off record at 1024.

Respectfully submitted:

fw 

Charles Ward
Marine Pilot Coordinator

Date: 10/9/19



Curtis Thayer
Chairperson

Date: 12/6/19