Annual Report

Fiscal Year 2016

ALASKA STATE BOARD OF MARINE PILOTS

DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING

This annual performance report is presented in accordance with Alaska statute AS 08.01.010.

Its purpose is to report the accomplishments, activities, and the past and present needs of the licensing program.

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Identification of the Board

Board Member	Date Appointed	Term Expires
Chris Hladick, Chairman DCCED Commissioner AS 08.62.010	Mar 20, 2015	Indefinite
Hans H. Antonsen Pilot member	Mar 22, 2013	Mar 01, 2017
David Arzt Pilot member	Mar 01, 2011	Mar 01, 2019
Richard A. Erickson Agent member	Mar 01, 2010	Mar 01, 2018
Tom W. Rueter Agent member	Apr 01, 2012	Mar 01, 2019
Shirley R. Marquardt Public member	Mar 01, 2015	Mar 01, 2018
Andrew Mack Public member	Mar 01, 2016	Mar 01, 2019
	Click here to enter a date.	Click here to enter a date.

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Identification of Staff

Sara Chambers
Acting Marine Pilot Coordinator/Division Operations Manager
Department of Commerce, Community & Economic Development
Division of Corporations, Business and Professional Licensing
Post Office Box 110806
Juneau, Alaska 99811-0806
(907) 465-2144

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Narrative Statement

Board of Marine Pilots met eight times during the fiscal year.

- February 25, 2015 by teleconference
- March 17, 2015 by teleconference
- July 24, 2015 by teleconference
- October 27, 2015 in Anchorage, Alaska
- January 28, 2016 in Anchorage, Alaska
- April 12, 2016 in Juneau, Alaska
- May 17, 2016 by teleconference
- June 17, 2016 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 16, XXX applications were received and issued an exemption for their pleasure craft between 65-ft and 175-ft in length, with XXX new exemption numbers issued to yachts visiting Alaska for the first time. The average LOA was XXX. 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 XXX pleasure craft were issued exemptions once a Certificate of Financial Responsibility (COFR) was secured. XXX in application fees were generated.

FY 2016 Narrative Statement (continued)

Board Membership

The Board is comprised of two public members, two pilot members, two vessel agents and the Commissioner or his designee (AS 08.62.010). During FY16 one new public member seat was appointed by the Governor.

Investigations

In FY16 six investigations were opened. Two remain open. (Double check this with Angela closer to the date)

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 from 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 56.205 (b), 12 AAC 56.029(2), 12 AAC 56.990(a)(34), 12 AAC56.960(d) and is in the process of amending 12 AAC 56.990(a)(40) ← that's if the Board decides to public notice that suggestion at the June 17 meeting. The Board conducted a thirty day public comment period and received both written and oral comment on proposed regulation changes. The Foreign Yacht Committee was utilized for suggested on 12 AAC 12 AAC 56.990(a)(40).

Rate Filings

In FY16 the Board did not receive any proposals for their approval to change published tariffs for pilotage services.

Working Groups

The Foreign Yacht Committee is a sub-committee that meets at direction for the Board. During FY 15, the Yacht Committee met once to discuss a proposed regulation.

FY 2016 Narrative Statement (continued)

Pending Issues:

The next Board of Marine Pilots meeting is tentatively scheduled for October 12, 2016, in Anchorage. The Board recognizes the current fiscal climate and is engaging in the use of teleconferences and using State of Alaska meeting space instead of renting private conference rooms.

The Board of Marine Pilots will be hiring a staff member in FY17.

Board Meeting Date	Location	# Board	# Staff
Oct 12, 2016	Anchorage, AK	7	1
	☒ Airfare:		$3,000.00
	☒ Hotel:		$1,600.00
	☐ Ground:		$300.00
	☒ Other: Meals		$1,000.00
Total Estimated Cost:			**$5,900.00**

Board Meeting Date	Location	# Board	# Staff
Jan 26, 2017	Anchorage, AK	7	1
	☒ Airfare:		$3,000.00
	☒ Hotel:		$1,600.00
	☒ Ground:		$300.00
	☒ Other: Meals		$1,000.00
Total Estimated Cost:			**$5,900.00**
Spring meeting	Juneau, AK	7	
	☒ Airfare:		$2,600.00
	☒ Hotel:		$1,500.00
	☒ Ground:		$400.00
	☒ Other: Meals		$600.00
Total Estimated Cost:			**$5,100.00**

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Budget Recommendations for FY 2017 (continued)

Travel Required to Perform Examinations

☒ Not applicable

Date	Location	# Board	# Staff

Description of meeting and its role in supporting the mission of the Board:

☐ Airfare:	$0.00
☐ Hotel:	$0.00
☐ Ground:	$0.00
☐ Conference:	$0.00
☐ Other:	$0.00
Total Estimated Cost:	**$0.00**

Out-of-State Meetings and Additional In-State Travel

☐ Not Applicable

Date	Location	# Board	# Staff
TBD	TBD		1

Description of meeting and its role in supporting the mission of the Board:
CLEAR NCIT Basic and Advanced training for new MPC.

☐ Airfare:	$0.00
☐ Hotel:	$0.00
☐ Ground:	$0.00
☐ Conference:	$0.00
☐ Other:	$0.00
☐ Direct Third-Party Offset:	$0.00
☐ Reimbursed Third-Party Offset:	$0.00
Net Total Estimated Cost:	**$2,000.00**

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Budget Recommendations for FY 2017 (continued)

Non-Travel Budget Requests

☒ Not Applicable ☐ Resources ☐ Examinations
☐ Membership ☐ Training ☐ Other

Product or Service	Provider	Cost Per Event
		$0.00

Description of item and its role in supporting the mission of the Board:

Other Items with a Fiscal Impact

☒ Not Applicable

Product or Service	Provider	Cost Per Event
		$0.00

Description of item and its role in supporting the mission of the Board:

Summary of FY 2017 Fiscal Requests

Board Meetings	$8,500.00
Travel for Exams	$0.00
Out-of-State and Additional In-State Travel	$2,000.00
Dues, Memberships, Resources, Training, Teleconferences	$0.00
Total Potential Third-Party Offsets	$0.00
Other:	$0.00
Total Requested:	**$10,500.00**

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Recommendations for Proposed Legislation for FY 2017

☒ **No Recommendations**
The Board has no recommendations for proposed legislation at this time.

☐ **Recommendations**
The Board has the following recommendations for proposed legislation:

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Regulation Recommendations for FY 2017

☐ **No Recommendations**
The Board has no recommendations for proposed regulations at this time.

☒ **Recommendations**
The Board has the following recommendations for proposed regulations:

Write something about the LOA regulation and where it's at within the regulation process. Also, talk to Jun about the Kiska regulation. He may lump it with the LOA rgulation so there's two regulations in one project.

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Goals and Objectives

Part I

FY 2016's goals and objectives, and how they were met:

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 specifically focused on fair and equal access to experience necessary to obtain or upgrade a pilot's license, equitable dispatch of pilots, and competency of marine pilots. The Board meets their goals 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 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.

Part II

FY 2017's goals and objectives, and proposed methods to achieve them. Describe any stengths, weaknessness, opportunities, threats and required resources:

The Board continues to fine-tune regulations, especially in support of the foreign pleasure-craft exemption program. The Board of Marine Pilot's greatest strength is the balance between pilots, agents, and public members in that multiple vantage points and experience is brought to the Board table. The Board requests continued discussion about the allocation of resources from the Legislative level for travel budgets in that the Board strongly urges that face-to-face meetings are more effective than teleconferences.

The Board's staff member position (Marine Pilot Coordinator) is currently vacant and is expected to be filled in FY 17. The Board recommends the new Marine Pilot Coordinator attend CLEAR NCIT Basic Investigative training within their first six months of employment.

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Sunset Audit Recommendations

Date of Last Legislative Audit:	**11/5/2012**
Board Sunset Date:	**6/30/2019**

Audit Recommendation:	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, development and use of checklists, and persistence in obtaining licensing information.
Next Steps:	Next Steps: Continual process and procedure review and making improvements when necessary.
Date Completed:	