

ANNUAL REPORT



2011-2012

Fiscal Year

Board of Maritime Pilots



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Board of Maritime Pilots
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On the cover: Container ship docked at Terminal 6 in Portland.

Why a Pilot Board?

The Board of Maritime Pilots licenses and regulates all pilots serving Oregon's designated pilotage grounds. The Board's major responsibilities include establishing license qualifications and training standards, setting rates for pilot service, and investigating maritime incidents. All of the nation's maritime states have similar pilotage authorities because the federal government delegates pilot regulation to the states.

Pilots are essential to Oregon's maritime commerce. They are navigational and ship handling experts who direct the transit of vessels calling on the ports of Coos Bay, Yaquina Bay, Astoria, Kalama, Longview, Vancouver, and Portland. Their functions have been regulated since 1846, making the Board of Maritime Pilots one of the oldest state agencies in Oregon, even preceding statehood.

Navigating Oregon's harbors demands the highest levels of piloting skill. The Columbia River bar has a reputation as one of the most hazardous bars in the world. Additionally, the Columbia and Willamette River transit is 85 nautical miles long, winding and shallow in relation to ship size and involves more than 80 charted course changes. The Coos/Yaquina Bay bars have the combined elements of both a breaking bar and a confined waterway. There is no substitute for pilot experience and continued professional training.

Pilots have special knowledge of local conditions including winds, weather, tide, current and geography. Using navigation aids, pilots guide ships to avoid conflicting marine traffic, congested fishing fleets, reefs, shoals and other hazards.

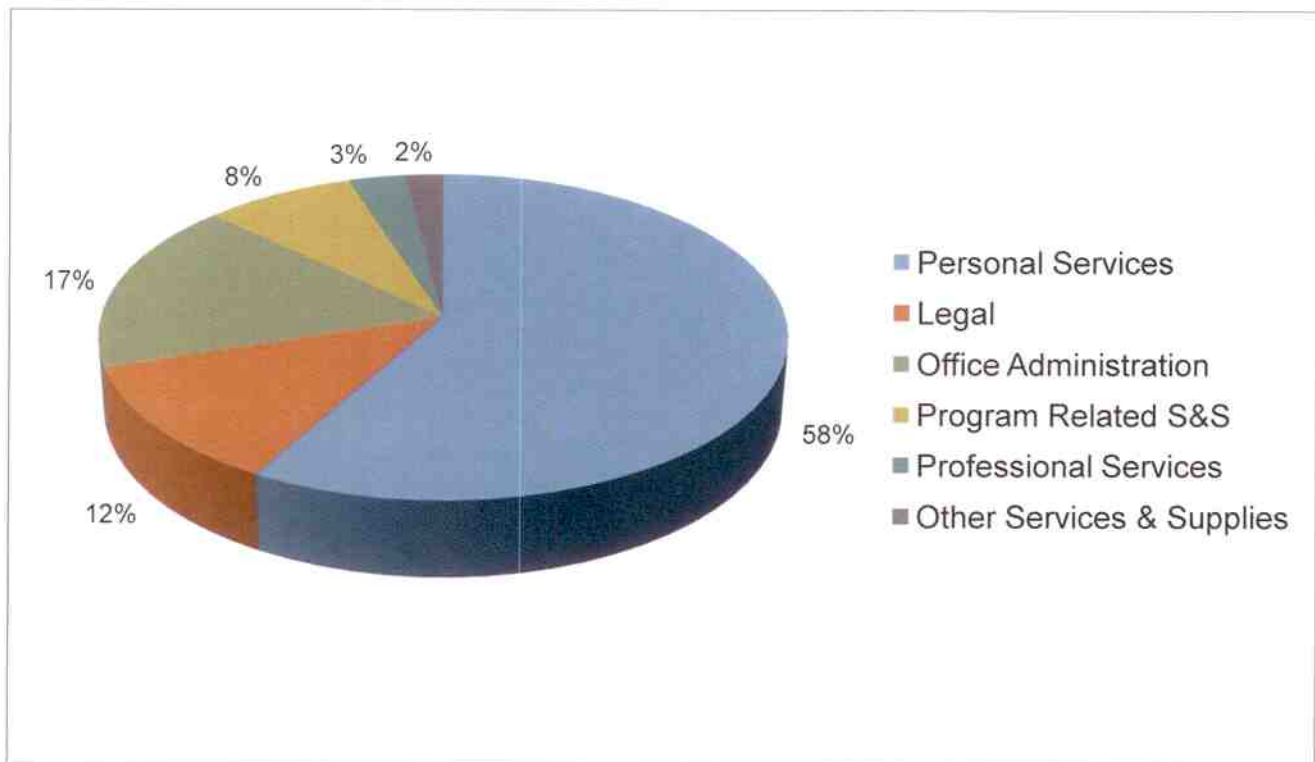
Board Members

<i>Public:</i>	<i>Industry:</i>	<i>Pilot:</i>
Kim Duncan, Chair Term: 6/01/11-5/31/15	Kip Callahan Term: 6/01/12-5/31/16	Capt. Anne McIntyre Term: 4/10/10-4/09/14
Tom Markgraf, Vice Chair Term: 2/18/12-2/17/16	Andy Papachristopoulos Term: 10/01/10-9/30/14	Capt. Thron Riggs Term: 9/27/08-9/26/12
Mindy Ferris Term: 3/24/09-3/23/13	Jeff Krug Term: 4/10/10-4/09/14	Capt. Steven Woods Term: 6/01/11-5/31/15

Legal Counsel: David Hatton, Assistant Attorney General since 2002

Staff: Susan Johnson, Administrator since 1993

2011-2013 Budget: \$318,940



Revenue

The Board's sole source of revenue comes from the annual license fees paid by the pilots to the Board. The annual license fee for 2011-13 is \$2,718.00 per pilot. License fees can only be changed by legislative action. They are subject to automatic biannual Cost of Living Adjustments (COLA) adjustments.

Expenses

Board expenses are primarily for administrative staff and legal costs. Legal services are provided by the Attorney General's staff. Legal expenses increase significantly when the Board is involved in a rate proceeding.

Board Activity Summary



Licensing
6 License examinations
6 License upgrades
53 License renewals
3 License retirements

Administrative
6 Board meetings
1 Planning Session
14 Committee meetings
3 New and amended rules related to license fees, continuing professional development and ratemaking

Legislative
1 Statutory amendment related to pilots and ship assist in Coos Bay (see page 16)

Safety
3 Renewed contract services for independent investigators for the 2011-2013 biennium
4 Incident reports

Rates
6 Tariff adjustments
1 Transportation Oversight Committee recommendation for annual tariff adjustment for transportation expenses
1 Helicopter replacement accomplished within existing tariff structure

Board Internal Performance Measures

The Board adopted internal performance measures in September 2009. This is the second full report on these measures.

1. **The Oregon Board of Maritime Pilots will provide for safe, competent and efficient maritime pilot service for Oregon's designated pilot grounds. (ORS 776.115)**
 - Pilots will assure the safety of maritime traffic on designated pilot grounds.
 - Each year incidents will be tracked and categorized by those caused by pilot error and those caused by other factors. Results will be compared to previous year results and trends, if any noted. **Report:** *See page 11.*
 - Following each incident and receipt of the incident report, the board administrator will review the report to assure that all rules and procedures were followed. Results will be reported annually. **Report:** *Procedures for written investigation summaries were updated to incorporate new rule provisions adopted in 2011.*
 - Each year the Board, pilot organizations and industry will report on any new work undertaken to assure the highest safety practices. This work may include, but not be limited to the use of existing and emerging technology, effective transportation systems, appropriate medical standards for selection and service; workload and fatigue balances; standards and practices of other pilot grounds equipment; medical standards for both potential entry and continuing pilots. **Report:** *See safety reports page 15.*
 - Pilot services will be provided in a timely manner.
 - Each year complaints and related issues will be tallied and analyzed, including an assessment of how effectively issues were resolved. Results will be compared to previous year results and trends, if any, noted. **Report:** *There were no complaints during this reporting period.*
 - On duty pilots will be skilled, knowledgeable, and professional.
 - Each year complaints and related issues will be tallied and analyzed including an assessment of how effectively issues were resolved. Results will be compared to previous year results and trends, if any, noted. **Report:** *There were no complaints relative to pilot conduct.*

- Issues related to safety, technology and training will be noted. If the Board anticipates these issues identify emerging concerns, the Board will so identify. *Report: See safety reports page 15.*

2. The Oregon Board of Maritime Pilots will establish and administer maritime pilot selection and licensing processes. (ORS 776.115, 776.300 – 776.755)

- Pilot appointment practices will produce the finest pilots possible.
 - The Board will maintain a ranked list of potential appointments. *Report: See page 13.*
 - Appointment standards and practices will be reviewed prior to any major interview processes but no longer than every five years, to assure the Board is fielding the highest quality applicant pool. *Report: There were no interviews conducted during the fiscal year.*
- New pilot training requirements will meet the highest professional standards.
 - Every five years a peer review of training programs of other pilotage authorities will be conducted and analyzed to improve practices in Oregon. *Report: Review set for 2014.*
 - Upon completion of new pilot training and one year following, each new pilot will be interviewed to provide the Board with an assessment of the training program. *Report: There were two training assessments provided by new pilots.*
 - Each calendar quarter pilot organizations will report to the Board on the progress of their current training programs. *Report: Pilot organizations submitted written quarterly reports to the Board on time.*

Outbound
at Astoria



- The Board will establish and maintain a pilot licensing system that assures safe, competent and efficient vessel passage.
 - All appointments will be made in accordance to rigorous qualifying requirements. **Report:** See page 5 – Licensing.
 - License renewals will be processed within 30 days of receipt of a complete application. **Report:** All renewals were processed within 30 days during the reporting period.
 - No longer than every five years, the Board will examine the licensing process, including but not limited to classes of licenses and license requirements, to assure that license requirements protect the safety of maritime commerce. **Report:** The Board continually updates license requirements to adapt to shipping trends. The most recent rule amendments were adopted in 2011.
 - All pilots will maintain currency with the continuing professional development (CPD) requirements of their respective organizations and the Board.
 - Each year pilot organizations will report on the status of continued professional development training fulfillment of their members. **Report:** All pilots were in compliance during the 2011-2012 reporting period.
 - Each quarter pilot organizations will report on safety and emergency drills including but not limited to the number of drills and number of participants. **Report:** Pilot organizations submitted quarterly written reports to the Board on time.
 - At the conclusion of each continuing professional development course, pilots will report on the effectiveness of the course to their respective organization and the Board. **Report:** See Continuing Professional Development page 14.
 - No longer than every five years, the Board will conduct a peer review of continuing professional development programs including manned model training, changes to model training facilities, changes in programs, technology and the continuing applicability to and for Oregon pilots. **Report:** The Board adopted rules in 2011 expanding the number of qualifying CPD courses and added mandatory personal safety training.
3. The Board will review for sufficiency the boundaries for pilot grounds in Oregon and recommend to the Legislature any appropriate changes on those grounds set by statute, (ORS 776.025 and ORS 776.115).
- The Board will regularly review boundaries.

- Every six years boundaries will be reviewed and statutory changes recommended as needed. **Report:** *Boundaries that were statutorily revised in the 2011 Legislative Session went into effect January 1, 2012.*

- The Board will alert stakeholders about boundary issues and changes in advance of and following any change in accordance with the Board's rules and effective communication practices.

- The Board administrator will assure that all stakeholders are alerted to the changes.

- The Board administrator will provide all shipping agents with current information.

Report: *Boundary changes effective January 1, 2012 were published in the U.S. Coast Guard's Local Notice to Mariners on 10/04/2011 and in the December, 2011 in the Coast Pilot. Boundary changes were also posted on the Board's website.*

4. The Board will conduct or authorize hearings and meetings, and develop and maintain effective administrative rules and related operating procedures in the execution of its duties. (ORS Chapter 776)

- The Board will conduct effective and informative board and committee meetings.

- The administrator will assure that Board members are well briefed on issues.

- The administrator and Board chair will assure that the Board addresses operational mandates and strategic and emerging issues affecting the Board, pilots, and the maritime industry.

- Each year Board members will assess their needs and satisfaction in an annual Board self-assessment. Self-assessments are conducted at the end of each calendar year.

- Biannually the Board will conduct a planning meeting.

Report: *All measures were followed. Board members conducted a self-assessment in December, 2011 and a planning session was conducted in June, 2012.*

- The Board will maintain and review its administrative rules and operating procedures for relevancy and effectiveness.

- The administrator will assure that rules and procedures are a living document that facilitates efficient operation and excellence of Board duties and performance.

- The Board will maintain current copies of the pilot organizational procedures to assure Board rules and procedures are and pilot rules and procedures are complementary. The administrator will identify issues for the Board.

Report: *Board member evaluations in 2011 demonstrated satisfaction with these measures. Administrative rules are reviewed on an ongoing basis. Current copies of pilot organization operating rules are on file.*

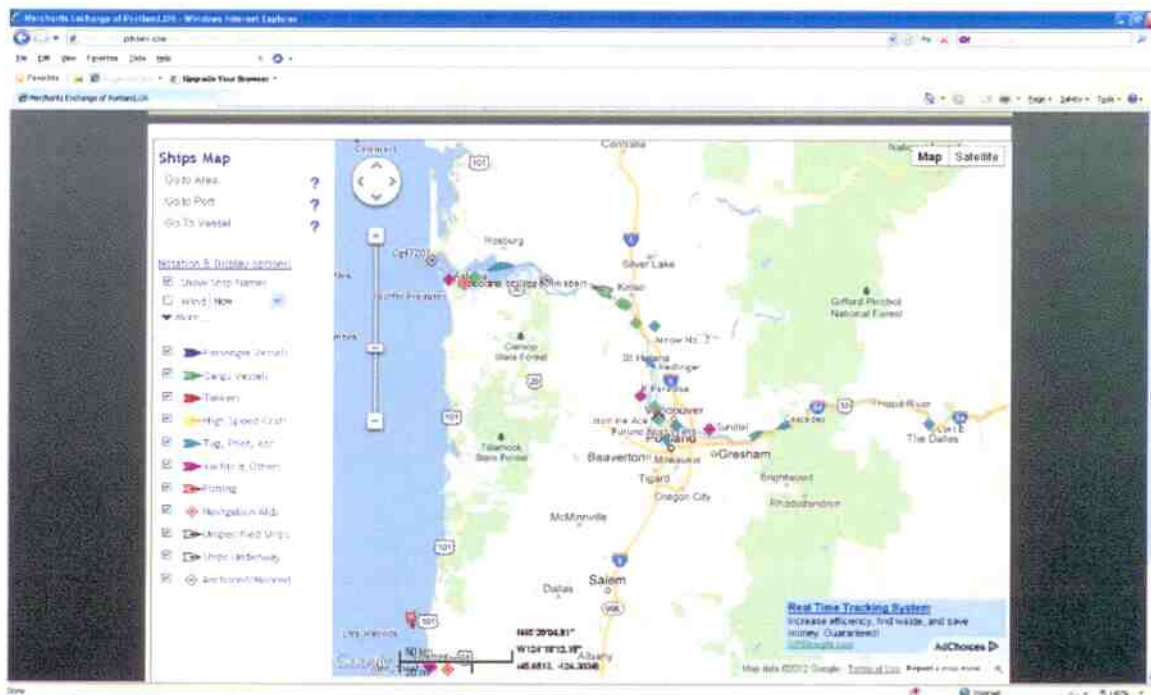
- The Board will conduct rate hearings and rate related activities in a clear procedural manner.

Report: The Board convened a Rate Subcommittee to address issues raised in the last rate hearing that concluded in May, 2010. The committee completed its work by adopting new and amended rules for the substantive elements of ratemaking that went into effect May 28, 2012. See OAR 856-010-0000.

The Board will manage its budget effectively.

- Each month the administrator will provide reports on budget status.
- Each quarter the administrator will lead a quarterly revenue and expense budget review.
- The budget will be built in accordance with an annual work plan designed by the administrator in consultation with the board chair and in accordance with the outcomes of the biannual planning meeting.
- Biannually the Board will participate in a budget development process in accordance with the state budget timelines.
- Annually, the Board will review the amount of the license fee and make recommendations for change as deemed necessary.
- The Board will facilitate and review the periodic state audit.

Report: All measures were followed. The Board also completed a performance audit survey requested by the Secretary of State's office in January, 2012.



The Automatic Identification System allows for tracking of vessels on the river system and along the coast. The system has improved maritime safety by preventing close-quarter situations.

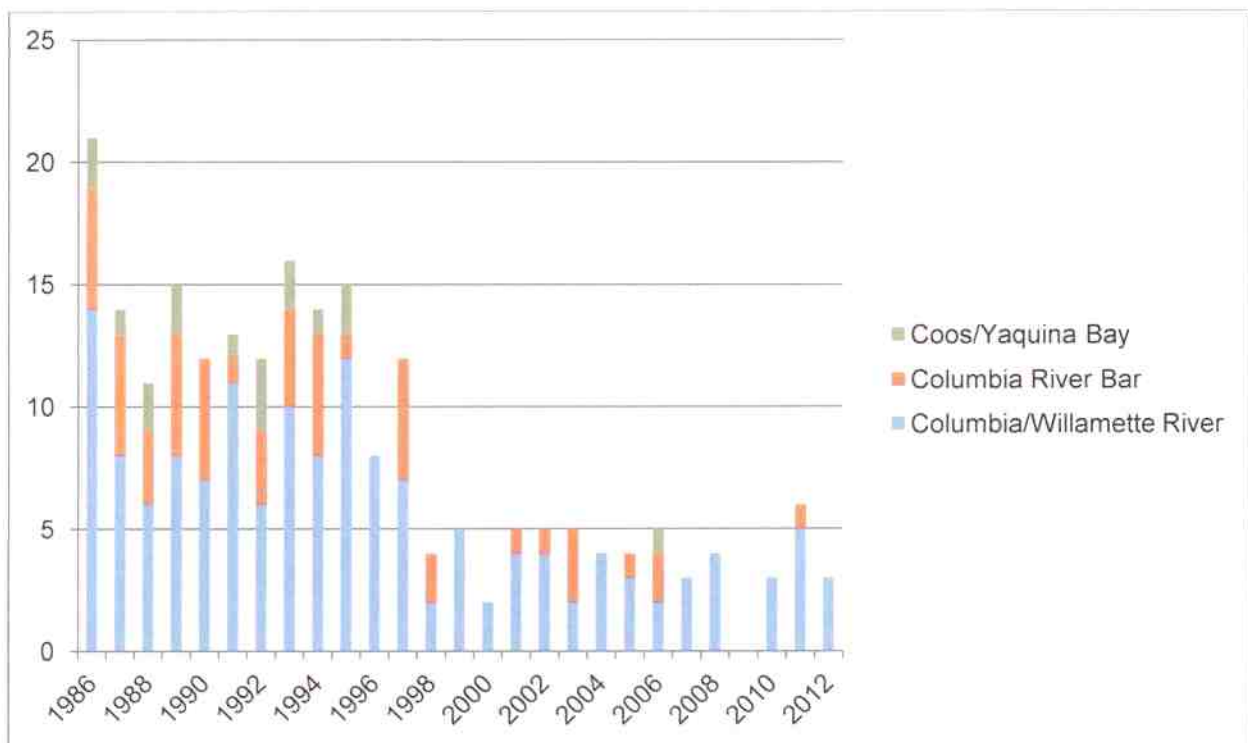
Incidents

The purpose of licensing pilots is to assure the safe passage of vessels on Oregon's waters. The occurrence of maritime incidents has dramatically declined in the last fifteen years. This decline has been linked to the implementation of a vessel tracking system and other technological developments, review of and improvements to pilots training and continuing education, improvements to pilot transfer systems, and a heightened sense of awareness among pilots. There were six incidents



Outbound in heavy seas.

during the reporting period. None of the incidents involved pilot error or damage to the vessels or the environment. The excellent safety record becomes more relevant when viewed in the context of vessel activity of 4,138 pilot assignments for the year.



Incidents 1986-2012

Vessel Activity

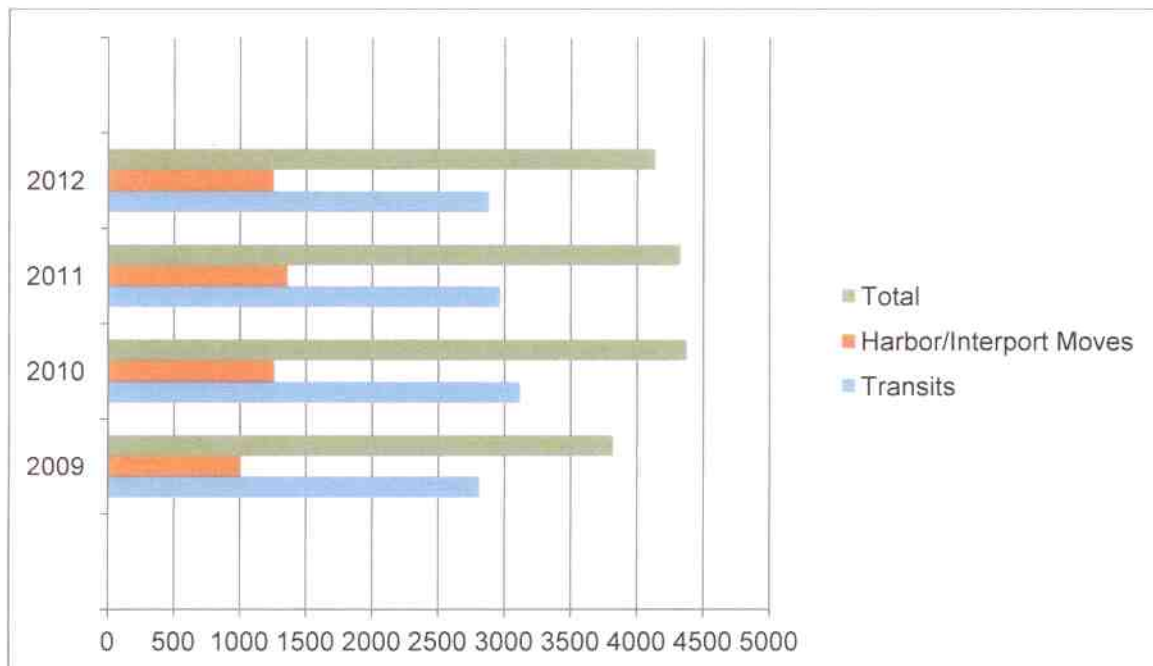
A transit is a one-way trip inbound or outbound between Portland and Astoria.

Harbor and interport moves are trips from dock to dock in port or individual trips between ports.

There has been a gradual recovery from the drop in shipping traffic in 2009.



Vessel passing by Terminal 5.



*Projected 2012 vessel movements through December 31, 2012:
Total movements – 4,138; harbor/interport moves – 1,252; transits – 2,886.*

Licensed Pilots

There are currently 60 licensees in the state: 43 on the Columbia-Willamette Rivers, 15 on the Columbia River bar and 2 on the Coos/Yaquina Bay bars. As of June 30, 2012, there were three retirements and six new pilots were selected. Capt. Paul Amos is the administrative pilot for the Columbia River Pilots and Capt. Gary Lewin is administrative pilot for the Columbia River Bar Pilots. Capt. Charles Yates is the administrative pilot for the Coos/Yaquina Bays.



A bar pilot prepares to land on deck.

Pilot Applicants

The piloting profession is widely considered the pinnacle of a maritime career. Oregon's bar pilots come from careers as masters on ocean-going vessels. Oregon's river pilots usually come with experience on inland vessels such as tugboats. All state pilots typically have ten to fifteen years of maritime experience. Pilot apprentices come from non-traditional maritime backgrounds and have training tailored to their unique needs. The Board qualifies pilot applicants and selects pilot trainees and apprentices through an application and periodic interview process. Applicants are assigned a point score based upon education, experience, licensure and interview, which culminates in a ranked list of candidates from which to select pilot trainees.

There are currently:

- Nine candidates on the ranked list for the Columbia River;
- Eleven candidates on the ranked list for the Columbia River Bar;
- One candidate on the ranked list for the Coos/Yaquina Bay Bars; and
- Four candidates on the ranked list for the Columbia River Apprentice Program.

Pilot Training

Initial licenses are issued only after a pilot trainee has completed rigorous program requirements and passed a written examination. New pilots on all grounds are issued limited licenses for a period of at least two years, until they have met qualifications to receive unlimited licenses.

- There were six pilot trainees during the fiscal year training to qualify for an initial license. Five of those trainees received their licenses.
- There were nine pilots working on limited licenses during this time period – one of whom received an unlimited license.



Pilot change in Astoria.

Continuing Professional Development

All unlimited licensed pilots are required to complete continuing professional development (CPD) training over a five-year cycle and all are in compliance. Required training certifications are submitted as part of the annual license renewal. Qualified course options were significantly expanded, and personal safety training was added to the rule requirements in December 2011.

Summary of CPD Training July 2011 – June 2012

Course	# Completed	Course	# Completed
Personal Safety Training	27	Bridge Resources Management	8
Manned Model	3	Electronic Navigation	5



Safety Reports

Pilot organizations make quarterly reports to the Board on issues related to the personal safety of each pilot. Pilots are required to complete at least one day of personal safety training per year. Most of the safety training is incorporated into continuing professional development (CPD) and pilot training programs.

River Pilots:

- Developed a course in escort/ship assist team training.
- Developed new courses for pilot boat drills, man overboard and recovery drills.
- Held monthly safety meetings.
- Reported pilot illness attributed to fumigation on board a grain vessel.



Climbing the Jacob's ladder

Bar Pilots:

- Conducted 89 man-overboard drills, including three joint man-overboard drills with the Coast Guard.
- Conducted 37 search and rescue drills, four helicopter/boat safety meetings, 21 safety committee meetings, 25 fire drills and two abandon ship drills.
- Nearing completion of an under-keel clearance study.

Additionally:

- The Board convened a committee to address a National Transportation Safety Board (NTSB) recommendation to state pilot licensing boards to promulgate hours-of-service rules for pilots. The work of this committee will continue into 2013.

Rate Hearings & Adjustments

There were no ratemaking hearings within the past year and the Board is unaware of any prospect for new ratemaking in 2013.

Adjustments – Rate orders and settlement agreements typically include periodic adjustments to reflect economic factors. Tariffs are adjusted quarterly to reflect changes in ship traffic, and annually for cost of living, continuing education, and pension adjustments. There were six tariff adjustments in the last fiscal year. These periodic adjustments keep rates stable through economic swings.

Go to www.oregon.gov/PUC/BMP for the latest tariff publication.



2012 Legislative Report

A statutory amendment to ORS Chapter 776 was enacted in the last Legislative Session, which prohibits state-licensed pilots from providing ship assist services to vessels to which they provide pilotage services in Coos Bay and Yaquina Bay. Public statements were made of alleged misconduct by a Coos Bay pilot. A Department of Justice investigation has been convened on behalf of the Board, the results of which are expected to be released by the end of 2012.





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