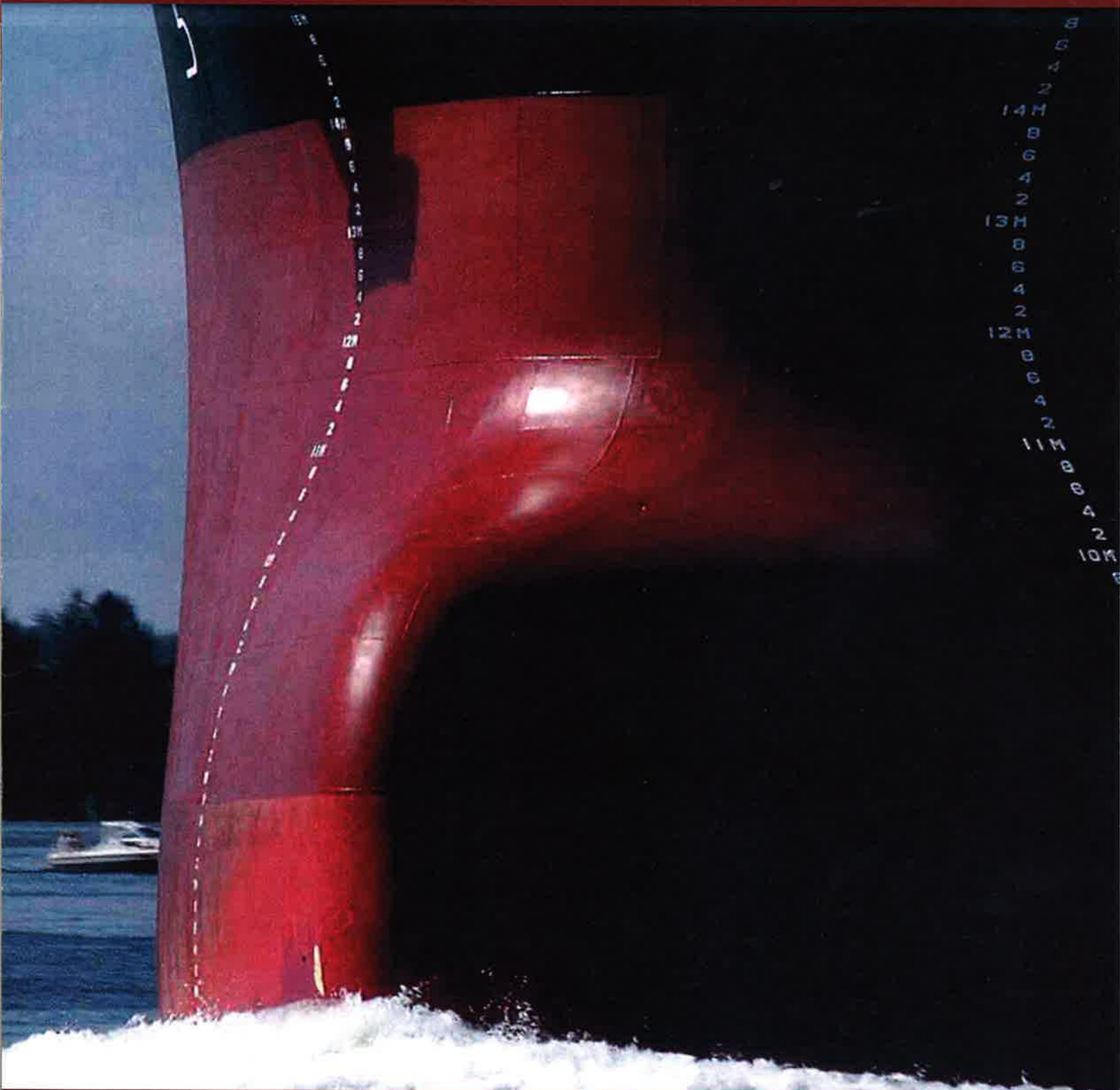


# Annual Report

Fiscal Year 2013-14



Oregon Board of Maritime Pilots



*Ladder to the ship's deck. Pilots must climb all the way to the bridge—windows at top right.*

*Front cover photo courtesy of Peter Schwarz, Raven's Moon Photography.*



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## 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 investing 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, St. Helens, 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

*Public:*

Mindy Ferris, Chair  
Term: 3/24/13-3/23/17

Kim Duncan, Vice Chair  
Term: 6/01/11-5/31/15

Tom Markgraf, Chair  
Term: 2/18/12-2/17/16

*Industry:*

Kip Callahan  
Term: 6/01/12-5/31/16

Andy Papachristopoulos  
Term: 10/01/14-9/30/18

Dan Phippen  
Term: 6/01/14-5/31/18

*Pilot:*

Capt. Elroy Olson  
Term: 12/12/14-12/11/18

Capt. Robert Johnson  
Term: 12/13/12-12/12/16

Capt. George Wales  
Term: 12/12/14-5/31/15

*Legal Counsel:* David Hutton, Assistant Attorney General since 2002  
*Staff:* Eric Burnette, Executive Director since 2014  
Susan Johnson, Administrator since 1993



## 2014 Initiatives — A Year of Change

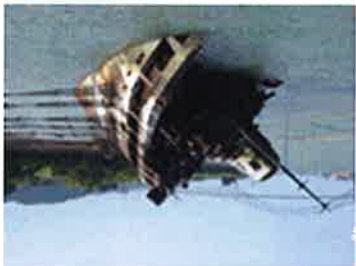
*At the Board's biannual planning meeting in June 2012, the need for professional expertise and strategic guidance for the Board became obvious. Volunteer Board members were over-worked and absent the professional background necessary for their demanding work. Numerous unmet challenges were identified. A successful initiative to fund and then hire an Executive Director was launched. It was approved by the Legislature in 2013.*

**An Executive Director Position is Filled:** Eric Burnette, the Board's first Executive Director, came on duty in April, 2014. The position is funded now at half-time by a surcharge made on every ship transit in Oregon. There are no general fund resources for this position. By late fall of 2014, it became obvious that the position needed to be full-time and that request was approved in the Governor's budget for 2015-17. The initial agenda for the Executive Director is outlined below:

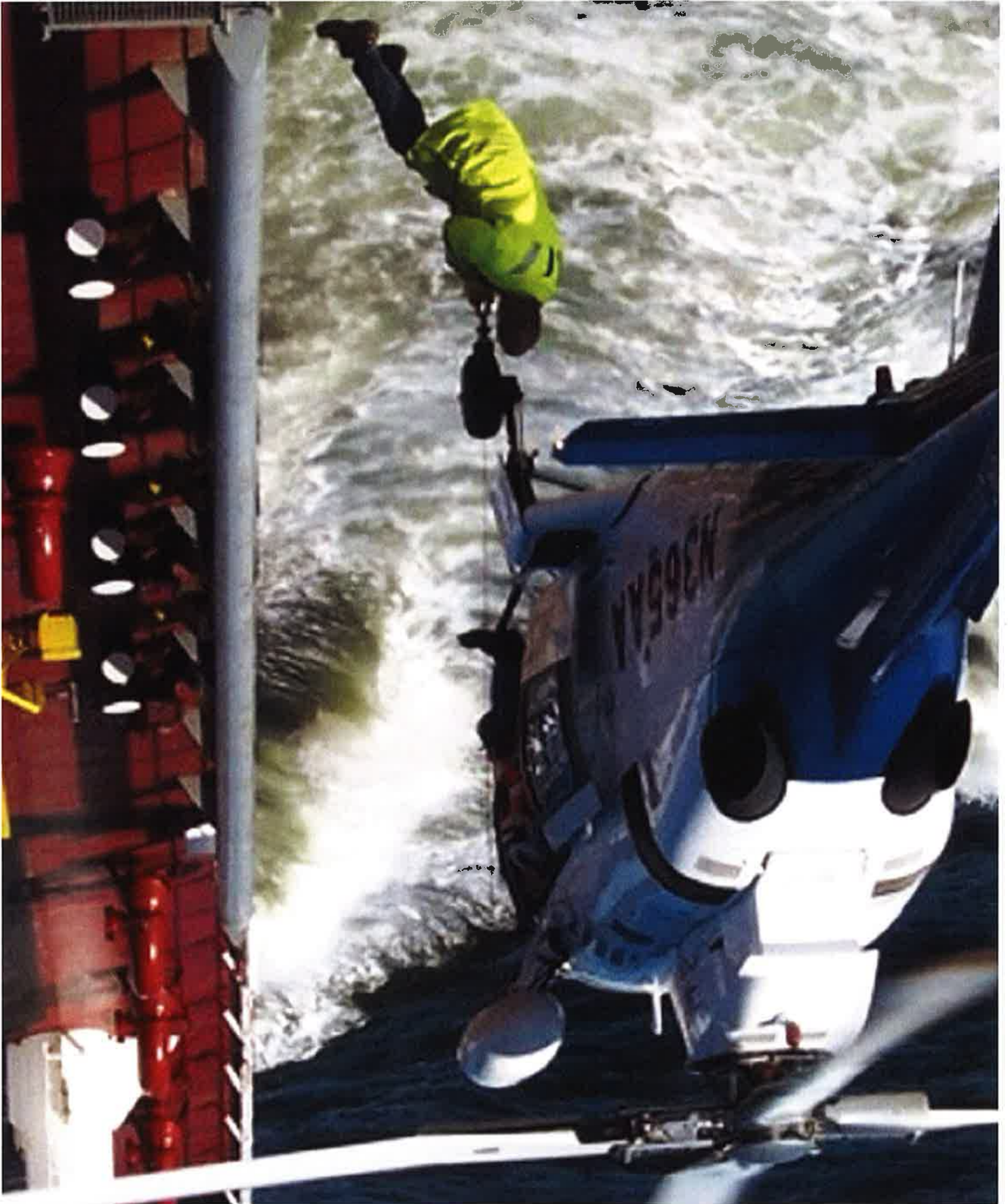
**Medical Oversight Initiative:** Under the Executive Director's guidance, the Board launched an overdue initiative to establish rigorous medical oversight processes. The program should be operational within the next year. It will involve the participation of a physician who, at minimum, will provide independent review of annual physical exams required of pilots. Physical health is core to successful piloting, and standards in some cases will be adjusted to address the specific demands of the job.

**Fatigue Management:** The Board is drafting administrative rules to implement the new fatigue management reporting systems adopted by the Bar and River pilot organizations in the last year. The National Transportation Safety Board has placed even higher value on and scrutiny of fatigue management after investigations of recent maritime incidents elsewhere identified pilot fatigue as a contributing factor. Monitoring and full implementation of these new programs on Oregon's pilotage grounds begin with the adoption of these rules. The Board and pilot organizations have recognized that disciplined implementation of fatigue rules has resulted in the need for additional pilots.

**Maritime Incident Investigation:** The third initiative undertaken by the new Executive Director is to identify new independent resources for maritime incident investigation. This is a highly specialized field with few readily available professionals. The Board is exploring partnerships with other West Coast state pilotage authorities to address this common need and to assure that incident investigations are conducted through an independent lens. The safety records of Oregon pilots are extraordinary, minimizing the activity of such a function. Yet, like any catastrophe preparation, resources need to be identified ahead of time.



*A Columbia River Bar pilot transfers to a ship by helicopter.*



## A Message from the Executive Director



Through its 168 year history, the Oregon Board of Maritime Pilots has never had an Executive Director. I am honored to be the first person to fill that role. As such it affords me a unique opportunity, under the guidance of the Board, to set the tone, direction, and priorities of one of Oregon's first regulatory agencies. A detailed list of the issues the Board has asked me to address can be found on page five.

It is also worth noting the trends and challenges facing each of the four Oregon pilotage grounds:

**Coos & Yaquina Bay Bars:** After a long decline, it appears that in 2015 Yaquina Bay will see some commercial cargo again move in piloted vessels. Farther south, the Coos Bay deep draft navigation channel is in the midst of a major engineering design study that, if constructed, could lead to significant improvements in safety and capacity. Moreover, while Coos Bay has seen a low but steady level of vessel traffic over recent years, it is seeing larger vessels. Finally, the proposed Jordan Cove LNG terminal in Coos Bay continues to be a possibility. The Board is tracking the project and its potential demands on pilotage services.

**Columbia River:** The River Pilots have successfully completed a major workplace-specific fatigue study by a nationally respected group specializing in such work. As a result, they have instituted an array of new practices that take into account the specific tasks and schedules demands of a Columbia River pilot. The River Pilots have taken on five new trainees. They should also be commended on their strategy to address the contentious and difficult situation encountered at grain terminals during the longshoremen's lockout, as they continued to safely guide vessels in and out of those berths, as required by Oregon law.

**Columbia River Bar:** The Bar Pilots continue to set the safety and efficiency standards for pilots working on hazardous offshore bars. The combination of helicopter and fast pilot boat continues to be highly effective. Their most recent fast pilot boat, launched in 2014, continues to perform well. The Bar Pilots have moved their boat facility to a location that will allow for better shoreside maintenance support. In addition, they have taken on four new trainees.

Thank you for this opportunity to acquaint you with the OBMP and the pilot groups we work with. Please feel free to contact me at any time for additional information.

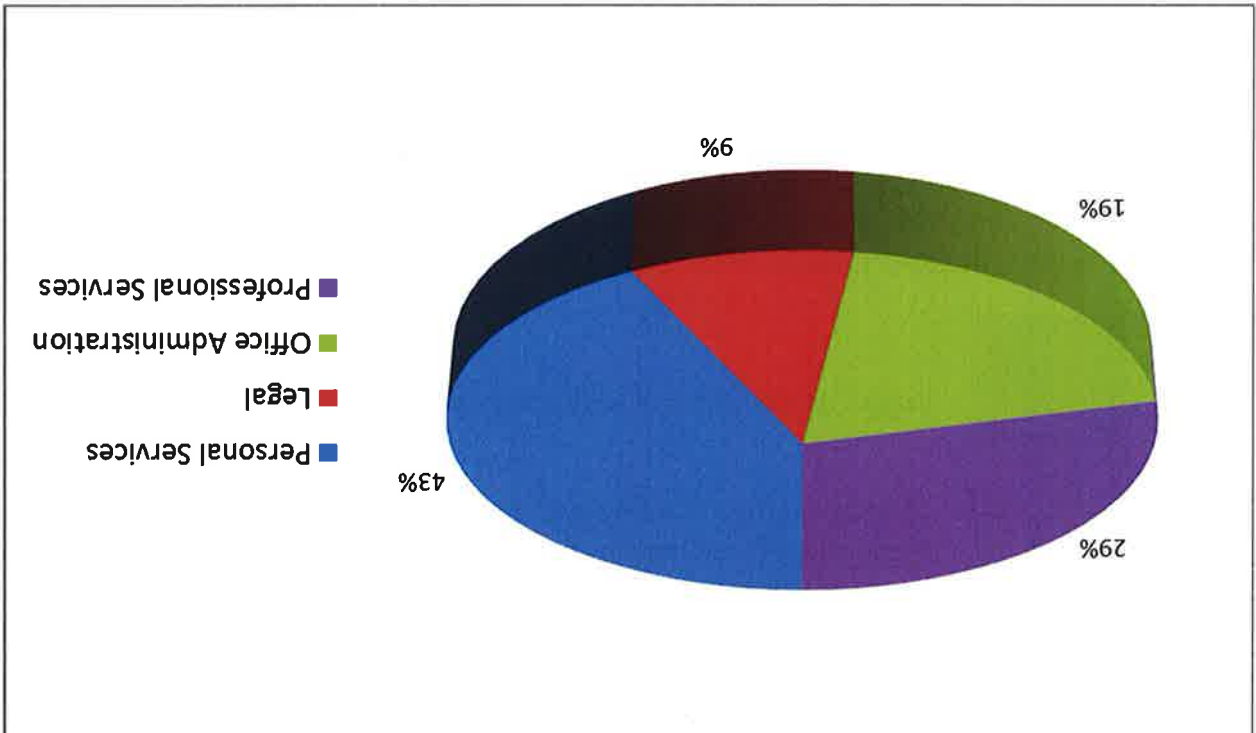


Board expenses are primarily for administrative staff and legal costs. Legal services are provided by the Attorney General's staff. Legal expenses increase significantly when the Board is involved in a rate proceeding or license action.

**Expenses**

The 2013 Legislature approved an expenditure limitation increase for the 2013-15 biennium. The increase is intended to cover the addition of a .5 FTE Executive Director; contracting for independent incident investigation services; and implementing a new program of expanded medical oversight for licensees. The Board's revenue derives from annual license fees paid by the pilots. For the current biennium, that amount is \$2858 per pilot. There is also a \$50 surcharge per vessel transit. The surcharge was statutorily authorized to pay for new professional activities including the costs of an Executive Director.

**Revenue**



**2013-2015 Budget: \$802,980**





# Board Activity Summary



## Licensing

- 1 New License Examination
- 3 License Upgrades
- 53 License Renewals
- 4 License Retirements
- 15 River Pilot Trainee Applicant Evaluations
- 8 Bar Pilot Trainee Applicant Evaluations
- 1 License Proceeding

## Administrative

- 8 Board Meetings
- 12 Committee Meetings
- 1 Planning Session
- 4 Rule Amendments/New Rules

## Safety

- 4 Incident Investigations —
- 2 pilot injuries
- 1 engine failure/grounding
- 1 pilot ladder failure

## Rates

- 6 Tariff Adjustments
- 1 Transportation Oversight Committee Recommendation for annual tariff adjustment for a 7% increase in transportation expenses
- 1 Stipulated Agreement for Extension of Rate Order





## Board Internal Performance Measures

The Board adopted internal performance measures in September 2009. This is the third 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 14.*
  - 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: All rules and procedures were followed.*
  - 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: Initiatives in 2014 included adoption of fatigue mitigation standards and programs by the Bar and River Pilots. Preparation for a Medical Oversight Review program commenced. See information under 2014 Initiatives and in the Executive Director's message about both initiatives.*
- 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 issues related to timeliness nor any complaints on this subject filed this year.*
- 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: The Board is tracking Coos Bay channel deepening and Jordan Cove project, as there may be demand for additional Coos Bay pilots. See Executive Director's message. The Board is also tracking plans for a new pilot boat as they develop.*

**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 15.*
- 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: Interviews for River pilot trainees were conducted in July, 2013 and four were appointed to begin training. Bar pilot applicant evaluations were conducted in November, 2013 and three were appointed to begin training. Another round of evaluations are scheduled for January and March 2015.*
- 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: The review was not undertaken, but will be carried over to activities for 2015.*
- 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 was one training assessment provided by a new pilot.*

- Each calendar quarter pilot organizations will report to the Board on the progress of their current training programs. *Report: All pilots submitted training certifications for their annual license renewals.*

- 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: One new river pilot was licensed. See page 16.*

- License renewals will be processed within 30 days of receipt of a complete application. *Report: One renewal was delayed due to delay in federal license renewal.*





- 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 recently updated license requirements to adapt to shipping trends. The most recent rule amendments were adopted in 2014 to delay a training requirement because ships were no longer transiting through the Broadway Bridge. The next review is expected in 2016.*

- 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 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: Most pilots submit certifications for personal safety training for their annual license renewals. The Coos Bay Pilots are lacking annual personal safety training. Work is underway to provide Coos Bay with resources that will allow better safety and man-overboard (MOB) drills, similar to a program the Bar Pilots have in place.*

- 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 on page 17.*
- 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 next review is due in 2016.*

**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. No further action is needed on this in the near future.*

- 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.

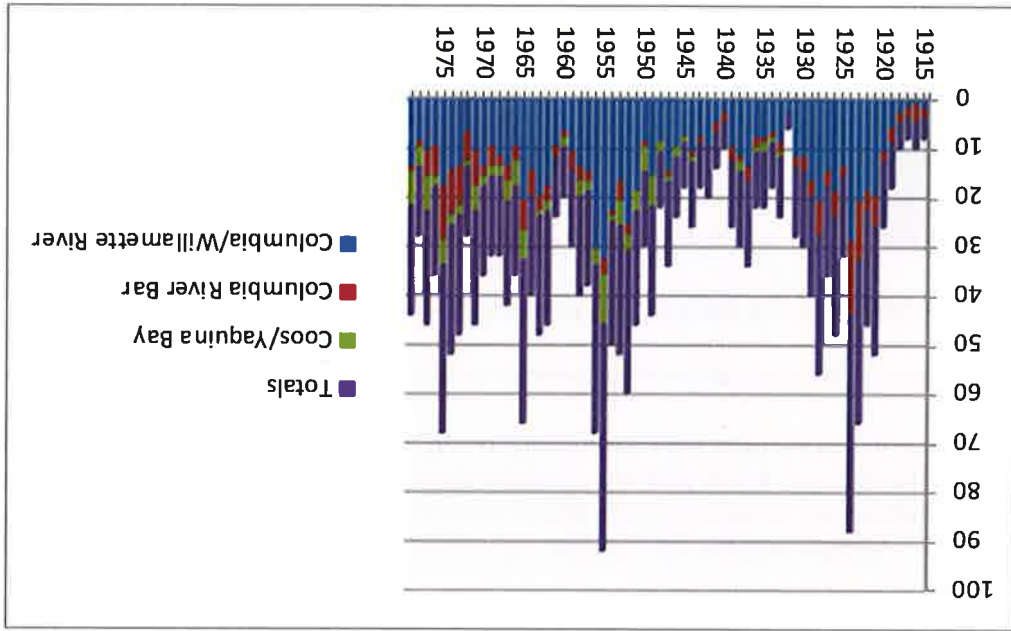
- The Board administrator will assure that all stakeholders are alerted to the changes.
- The Board administrator will provide all shipping agents with current information. *Report: There is nothing new for this reporting period.*



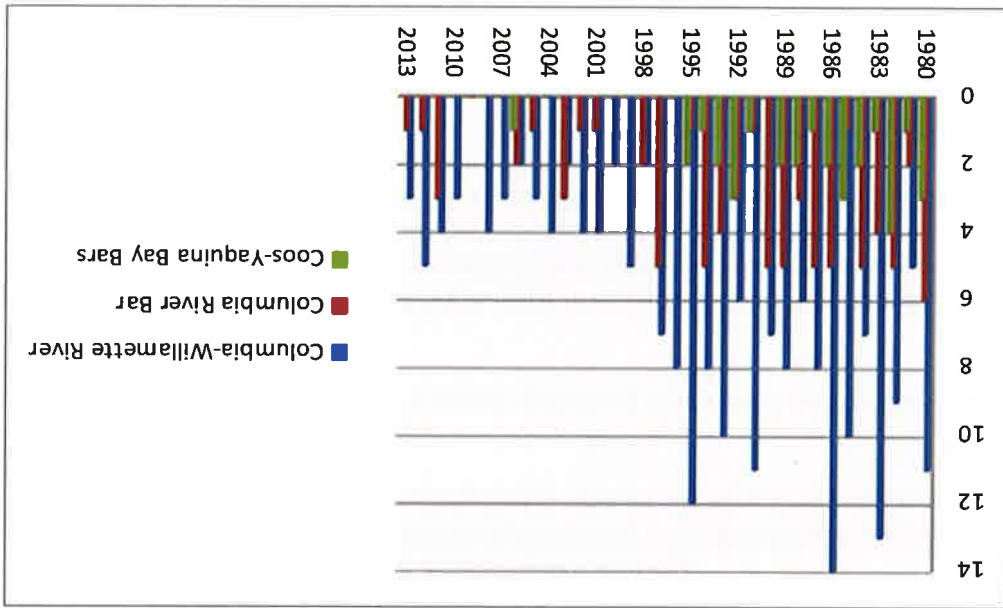


**4. The Board will conduct or authorize hearings and meetings, and develop and maintain effective administrative rules and related operating procedures in the execution of its duties. (ORS Chapter 776.115)**

- 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: The Board conducted a planning session with the new Executive Director in June, 2014. Results of that session are detailed in the Executive Director's message and the New Initiatives report on page 5.*
- 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: The Board committed to a complete administrative rule review and potential reorganization in 2015.*
- The Board will conduct rate hearings and rate related activities in a clear procedural manner.
  - Report: There was one stipulated agreement for the Columbia River Bar to continue a rate order through 2019 in this reporting period. See page 18.*
- 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.*



Incidents 1915-1979

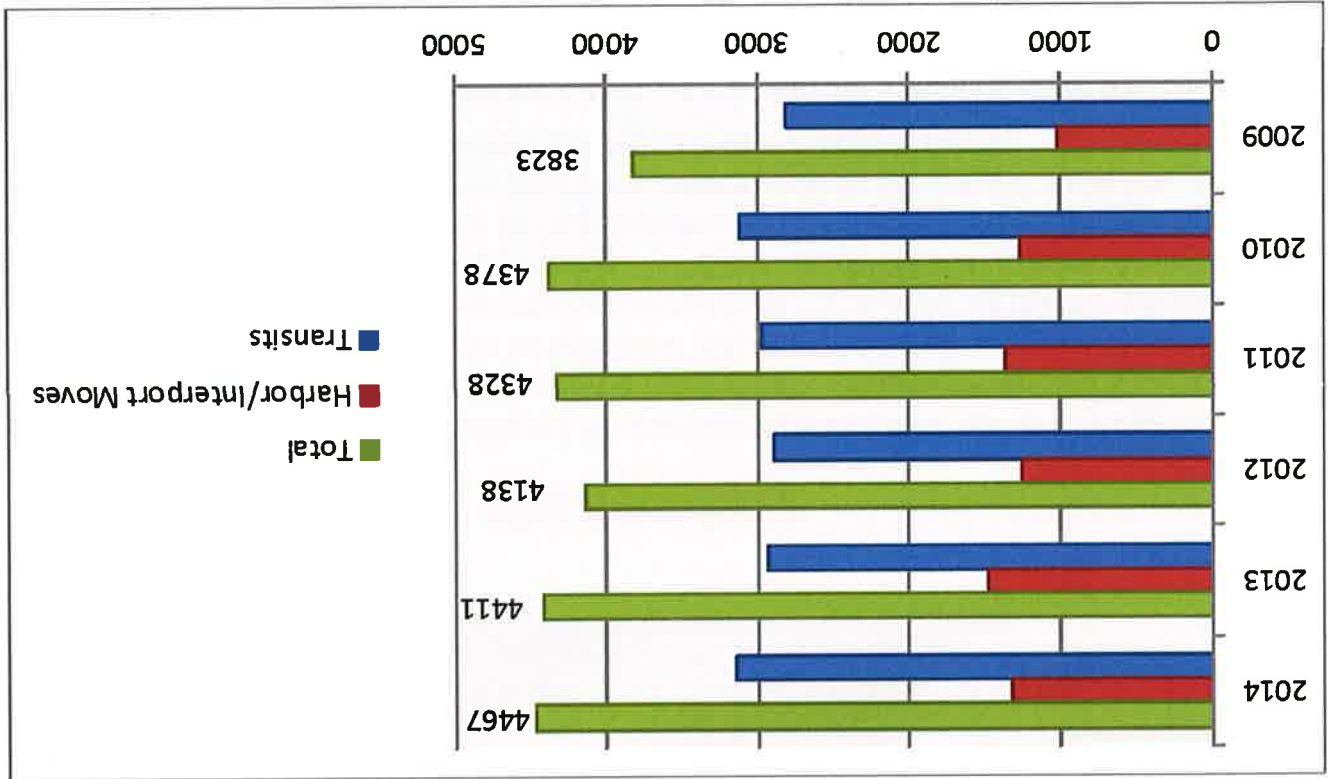


Incidents 1980-2013

The purpose of licensing pilots is to assure the safe passage of vessels on Oregon's waters. The Board has historic records documenting incidents that date back to 1898. The occurrence of maritime incidents has dramatically declined over the years. This decline has been linked to technological developments, improvements to pilot training and continuing education, and a heightened sense of awareness among pilots. There were four incidents during the reporting period: separate boarding incidents that injured two pilots, a light vessel grounding, and a pilot ladder failure where the pilot was recovered without injury.

# Incidents





A transit is a one-way trip in-bound or outbound between Portland and Astoria. Harbor and interport moves are trips from dock to dock in port or individual trips between ports. These statistics reflect shipping activity on the Columbia-Willamette River system.

## Vessel Activity



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.

The Board will be conducting pilot applicant evaluations with the Columbia River Bar pilots in January and March, 2015, to fill positions opened by upcoming retirements. There will likely be similar evaluations for Columbia River pilot applicants in the next year. Coos/Vaquina Bay pilots do not anticipate a need for trainees in the next year, but may have significant needs in the coming years depending upon the outcome of the Jordan Cove LNG project.

## Pilot Applicants



There are currently 56 licenses in the state: 41 on the Columbia-Willamette Rivers, 13 on the Columbia River bar and 2 on the Coos/Vaquina Bay bars. As of June 30, 2014, there were four retirements and one new pilot was licensed. 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, and Capt. Charles Yates is senior pilot for the Coos Bay Pilots.

## Licensed Pilots





Bridge Simulator at PMI



*in parentheses.*

*\*Scores reflect an average of all scores assigned to a particular course given to the training by the pilots. The scoring range is from 1 (excellent) to 4 (poor). The total number of attendees appears*

Manned Model Training	Score*	Other Courses (PMI)	Score
Warsash, England (1)	1.76	E-Navigation/TV32 (8)	1.85
Port Revel, France (4)	1.39	Escort & Ship Assist (8)	1.49
Massachusetts Maritime (1)	1.82	Emergency Shiphandling (3)	1.05
BRMP (California Maritime—8)	1.75	Advanced Scenarios (1)	1.48
		Extreme Conditions (1)	1.13

**Summary of CPD Evaluations July 2013 – June 2014**

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. Pilots are required to submit CPD evaluations upon completion of training.

**Continuing Professional Development**

- There was one pilot trainee during the fiscal year training to qualify and receive an new license on the Columbia River pilotage ground.
- There were four pilots working on limited licenses during this time period – three of whom received an unlimited license on the Columbia River pilotage ground.
- New licenses are issued only after a pilot trainee has completed rigorous program requirements and passed a written examination. New pilots are issued limited licenses for a period of at least two years, until they have met qualifications to receive unlimited licenses.

**Pilot Training**



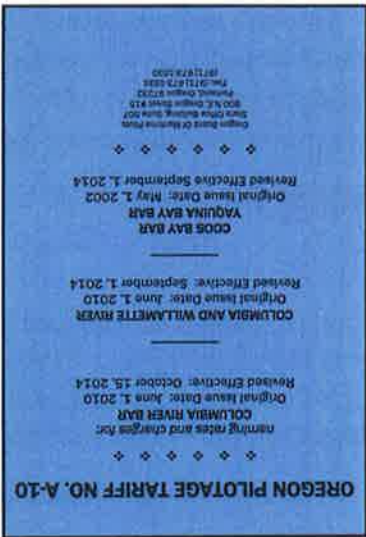


## Rate Hearings & Tariff Adjustments

The Board approved a stipulated agreement to extend the current rate order for the Columbia River Bar pilotage ground, which would have expired in 2015, through May, 2019. Most terms of the order remain in effect. The stipulation requires a minimum number of 17 pilot full-time equivalents.

*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.puc.state.or.us/BMP](http://www.puc.state.or.us/BMP) for the latest tariff publication.







**Board of Maritime  
Pilots**

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