

Annual Report

Fiscal Year 2014-15



Oregon Board of Maritime Pilots



Descending to the pilot boat from the ladder using manropes.

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 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, 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.

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.

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.

Board Members

Public:

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

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

Gary Piercy
Term: 11/20/15-11/19/19

Industry:

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

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

Dan Pippenger
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: 6/01/15-5/31/19

Legal Counsel: Jason Jones, Assistant Attorney General since 2015

Staff: Eric Burnette, Executive Director since 2014
Susan Johnson, Administrator since 1993



Accomplishments & Initiatives

2016 will see a greater integration of the OBMP into our parent agency, the Oregon Public Utility Commission. This will allow us to take greater advantage of the resources and talent within the OPUC. Specifically, we will be able to gather and better analyze information from our pilotage system.

In 2015, we negotiated and signed a Memorandum of Understanding (MOU) between the OBMP and the U.S. Coast Guard regarding the conduct of joint investigations. This MOU allows us to coordinate effectively with the Coast Guard when we are simultaneously investigating a vessel incident. Good coordination is critical in coming to the quick and accurate conclusions that are necessary to future intelligent risk minimization. Our MOU has already been successfully tested.

Our work on medical oversight continues. In 2016, we plan to retain an Occupational Medicine policy specialist to help us define medically and professionally appropriate policy language. Following that we will revise our OARs as needed and institute an ongoing medical oversight system.

OBMP is monitoring the progress of the proposal for LNG export facility in Coos Bay. The Board is ready to work with all stakeholders to provide appropriate and fully qualified pilotage services should the project move into construction.

The OBMP was named in the Washington State Bill 1449 as a key stakeholder in their oil transposition safety study. The OBMP Executive Director, and Oregon pilots Capt. Rick Gill and Capt. Dan Jordan, sit on Washington Department of Ecology working group that will guide the study of oil transportation safety on the Columbia River.

One of our long-term priorities is to start to improve the participation of women and minorities in Oregon Pilotage. The U.S. Coast Guard tells us there are currently 4022 federally licensed pilots in the U.S. (this includes all Oregon Pilots) but only 109 are women. In Oregon two of our 62 active pilots are women, so we are generally representative of pilots across the nation. Regardless, we are pursuing qualified talent that may help us start to remedy this imbalance over time.

Oregon pilots Capt. Rebecca Henderson (front) and Capt. Anne McIntyre (right) frequently mentor maritime academy students on working in the maritime industry and becoming pilots.



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



A Message from the Executive Director

One of the primary goals of the Board in seeking the creation of the position of Executive Director was to develop a consistent liaison with the Legislature and State Government, and with federal representatives when necessary. Over the past year I have reached out to a number of the legislators whose districts are affected by maritime transportation and pilotage. This effort will continue unabated in 2016. Elsewhere in this annual report you will find discussions of progress made in 2015 and initiatives underway in 2016. Now though, I wish to offer a personal note.



Four Retirements:

In 2015 OBMP saw the departure of four experienced and dedicated professionals:

Kim Duncan finished her second term as a volunteer member of the OBMP. She was a driving force behind most of the initiatives that are now complete or underway. She was instrumental in moving the OBMP away from a pattern of frequent rate cases towards a system where rates and tariffs are adjusted based on mutually agreed formulas. Patient when indicated, impatient when appropriate, Kim kept us pointed in the right direction, moving forward, and usually laughing in the process.

Tom Markgraf is finishing his second term as a volunteer member of the OBMP. Tom brought an immense volume of knowledge of state and federal process to the Board at a critical time. Perhaps Tom's most important work was to create the Transportation Oversight Committee with the Bar Pilots, the structure under which the Board and the Pilots jointly manage the state-of-the-art helicopter and fast pilot boat system used on the Columbia River Bar. Without his knowledge of how things *actually* get done, this Board could never have made the strides it has.

David Hatton retired as the Oregon Department of Justice Counsel assigned to OBMP. David first started working with OBMP in 2002 and over the intervening 13 years could always be counted on to be the voice of quiet and rational wisdom when it mattered most. David left his fingerprints on virtually all of the current policies and practices that allow Board to function so well.

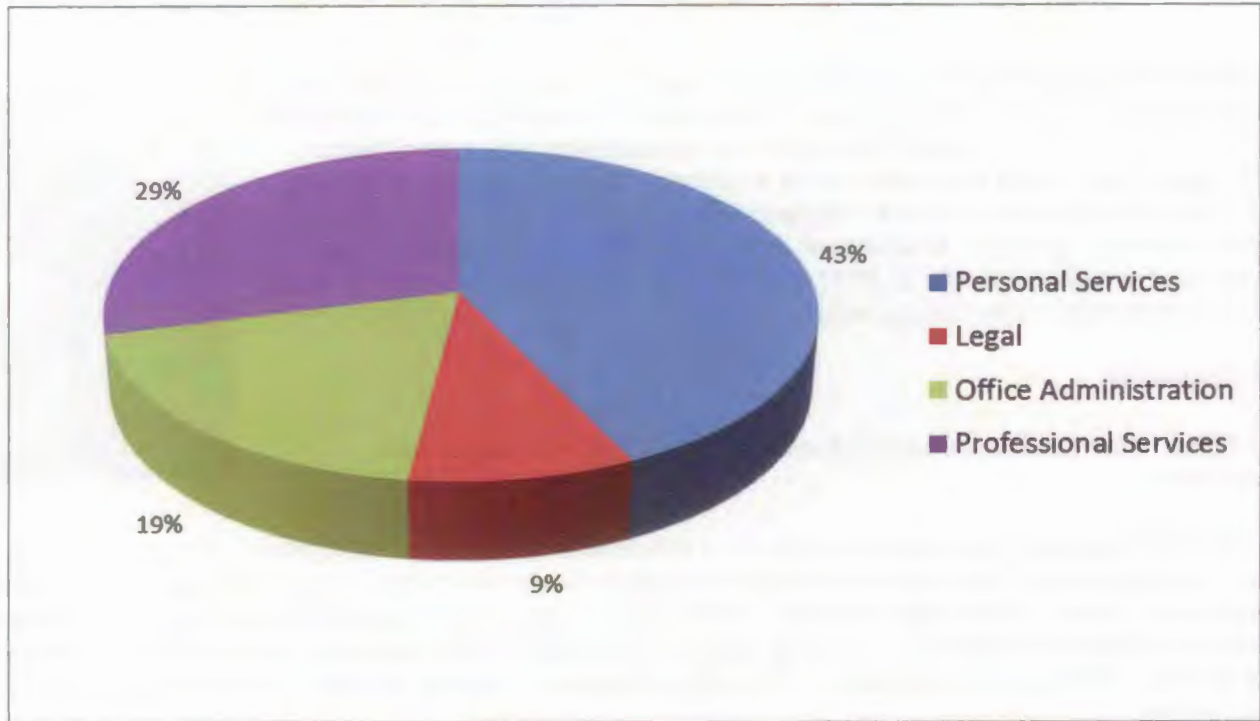
Finally, **Gary Lewin** retired after over 30 years of leadership within the Columbia River Bar Pilots. Gary's years of visionary work led to the creation, adoption, and ongoing refinement of the helicopter/fast pilot boat transportation system now used on the Bar. More important, Gary built a system of continuous adaptive management inside a pervasive safety culture. This is the foundation of the exceptional efficiency and safety record of the Columbia River Bar Pilots. More than any other person, Gary Lewin is the reason that pilot organizations around the world look to the Columbia River Bar Pilots as a cutting edge resource for technical, operational, and safety best practices. He is a pilot's pilot.

I wish to thank all four for their contributions. Each was instrumental in developing modern Oregon Pilotage. Collectively, they leave a gap that will be very hard to fill.

Eric Burnette



2013-2015 Budget: \$802,980



2015-2017 Legislatively Adopted Budget: \$770,150

Revenue

The 2015 Legislature approved moving the Executive Director from half-time to a full-time equivalent. The Board's revenue derives from annual license fees paid by the pilots. For the new biennium, that amount is \$2,995 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.

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 or license action.



Board Activity Summary



Licensing

- 8 New License Examinations
- 4 License Upgrades
- 57 Licensee Renewals
- 3 License Retirements
- 14 Bar Pilot Trainee Applicant Evaluations

Administrative

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

Rates

- 5 Tariff Adjustments
- 1 Transportation Oversight Committee Recommendation for annual tariff adjustment for transportation expenses

Safety

- 5 Incident Investigations —
- 1 pilot injury
 - 2 engine failure/groundings
 - 1 buoy contact
 - 1 dock/vessel damage



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. The Board is currently pursuing the collection of data to develop a system of oversight. The Medical Oversight Review program is currently being developed.*
- 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. There was one complaint filed regarding tariff charges, which were found to be appropriate and the complaint was withdrawn.*
- 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.*

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: Bar pilot applicant evaluations were conducted in 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 2016.*
 - 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 submitted by new pilots.*
 - 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: Eight new pilots were licensed. See page 16.*
 - License renewals will be processed within 30 days of receipt of a complete application. *Report: All renewals were processed in a timely manner.*





- 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 2015. 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: All pilots submitted certifications for personal safety training for their annual license renewals.*
 - 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 next planning session will be scheduled in 2016.
- 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, and pilot rules and procedures, are complementary. The administrator will identify issues for the Board.
Report: The Board will conduct a rule review and potential reorganization after developing the new Medical Oversight program.
- The Board will conduct rate hearings and rate related activities in a clear procedural manner.
Report: There were no hearings conducted during the reporting period.
- 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.
 - The Board will facilitate and review the periodic state audit.
Report: All measures were followed.

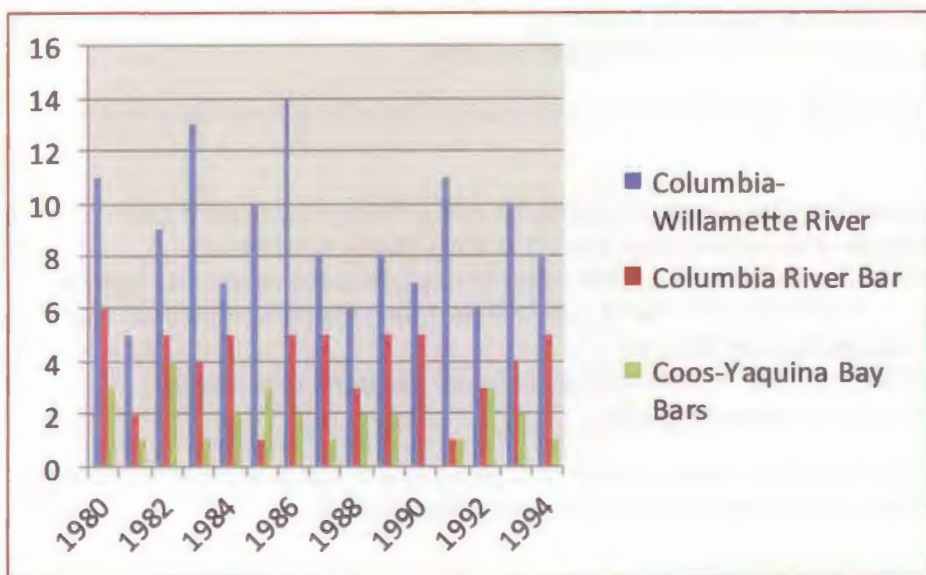




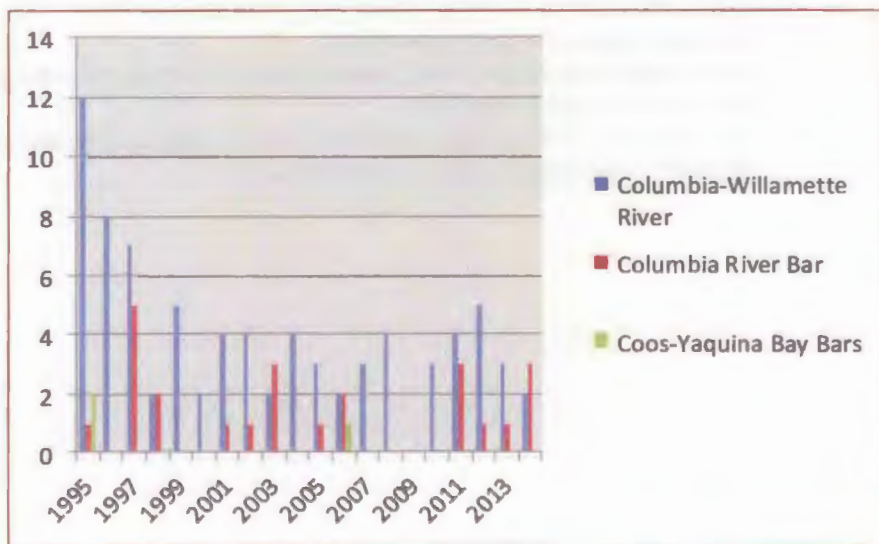
Incidents

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 five incidents during the reporting period, none serious. When taken in the context of the number of ship movements, there is one incident for every 893 vessels annually.

Incidents 1980-1994



Incidents 1995-2014



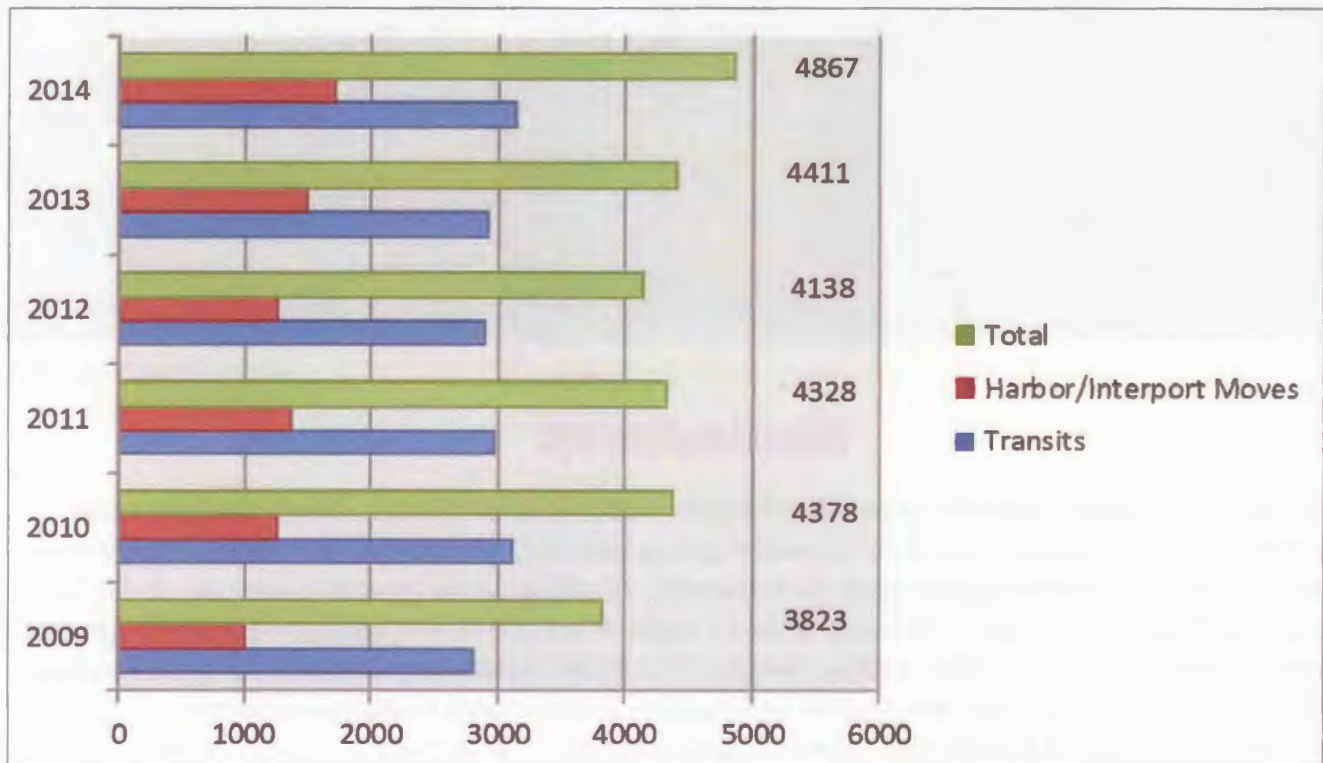


Vessel Activity

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.

These statistics reflect shipping activity on the Columbia-Willamette River system.





Licensed Pilots

There were 61 licensees in the state for the reporting period: 44 on the Columbia-Willamette Rivers, 15 on the Columbia River bar and 2 on the Coos/Yaquina Bay bars. As of June 30, 2015, there were three retirements and eight new pilots were licensed. Capt. Rick Gill is the administrative pilot for the Columbia River Pilots and Capt. Dan Jordan for the Columbia River Bar Pilots, and Capt. Charles Yates is senior pilot for the Coos Bay Pilots.



At the Broadway Bridge

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 evaluation 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 conducted pilot applicant evaluations for Columbia River Bar trainees in January and March, 2015, to fill positions created by upcoming retirements.



Pilot Training

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.

- There were eight pilot trainees during the fiscal year training to qualify and receive an new license on the Columbia River pilotage ground.
- There were five pilots working on limited licenses during this time period – one of whom received an unlimited license on the Columbia River pilotage ground.

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. Pilots are required to submit CPD evaluations upon completion of training. (Note: BRMP means Bridge Resources Management for Pilots)

Summary of CPD Evaluations July 2014 – June 2015

Manned Model Training	Score*	Other Courses (PMI)	Score
Port Ash, Australia (1)	1.00	E-Navigation/Charting (1)	1.58
Port Revel, France (1)	1.49	Escort & Ship Assist (2)	1.52
Basic Safety Training (1)	1.11	Emergency Shiphandling (7)	1.18
Basic Firefighting (1)	1.11	Docking Simulator (3)	1.48
BRMP (13)	1.46	Piloting LNG (2)	1.82

**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 in parentheses.*



Man overboard (MOB) training exercise



Rate Hearings & Tariff Adjustments

There were no rate hearings conducted during the reporting period.

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 five tariff adjustments in the last fiscal year. These periodic adjustments keep rates stable through economic swings.

Go to www.puc.state.or.us/BMP for the latest tariff publication.



The new dry dock Vigorous passes under the St. John's Bridge while being escorted to the Port of Portland.



More images of the dry dock Vigorous on its transit to Swan Island. It was transported by the world's largest heavy-lift ship. Arriving in three parts, it was later assembled into a single 960-foot long unit.

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