



shortfall between the number of licensed Bar Pilots and the number of full time equivalent pilot positions funded by the quarterly formula that determines the number of funded full time equivalent (FTE) pilot positions. Adoption of the stipulated changes to the formula to create a floor for the funding of all licensed pilots will remove the economic disincentive to CRBP to staff up to the number of fully funded pilot positions.

2. The establishment of a floor for funding pilot positions will facilitate the implementation of a fatigue risk management system by CRBP that has been approved by Dr. Charles Czeisler, Director of the Division of Sleep Medicine at the Harvard Medical School and a recognized national expert in sleep medicine.

3. An extension of the term of Final Order 10-02 for a period of four years from May 19, 2015 through May 18, 2019 will promote pilotage rate stability on the Columbia River Bar pilotage ground.

4. There is a strong public interest in prompt, safe and efficient pilotage service on the Columbia River Bar pilotage ground. Adoption of the Stipulated Amendment to Final Order 10-02 attached as Exhibit A will create an appropriate funding floor for licensed Bar Pilot positions, maintain rates which are substantially similar to those presently existing and promote rate stability for an additional period of four years.

5. The Board's pre-petition notice and dispute resolution process is designed to encourage interested parties to use mediation and alternative dispute resolution processes to settle or narrow and simplify issues as much as possible. CRBP, CRSOA and the Ports engaged in their own dispute resolution process that resulted in their agreeing to Stipulated Amendments to Final Order 10-02. Hence, there is no need for the parties to file a pre-filing notice or to engage in an additional dispute resolution process.

C. Conclusions of Law.

1. Due regard has been given to each of the factors required to be considered for ratemaking under ORS Chapter 776 and OAR Chapter 856 Division 30.

2. The Board waives any and all provisions related to the pre-petition notice and dispute resolution process pursuant to OAR 856-030-0002(6).

3. The new tariff rates for the Columbia River Bar pilotage ground resulting from implementation of the Stipulated Amendment to Final Order 10-02 attached as Exhibit A are reasonable and just.

4. The new tariff rates for the Columbia River Bar pilotage ground as adjusted by Stipulated Amendment to Final Order 10-02 will go into effect as of midnight on April 15, 2014.

Dated this 8<sup>th</sup> day of April, 2014.

OREGON BOARD OF MARITIME PILOTS



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Tom Markgraf, Chair

**NOTICE OF RIGHT TO APPEAL**

You have the right to appeal this Order to the Oregon Court of Appeals pursuant to ORS 183.482. To appeal you must file a petition for judicial review with the Court of Appeals within 60 days from the day this Order was served on you. If you do not file a petition for judicial review within the 60-day time period, you will lose your right to appeal.

**BEFORE THE BOARD OF MARITIME PILOTS  
OF THE STATE OF OREGON**

**BP-10**

**IN THE MATTER OF THE PETITION  
OF THE COLUMBIA RIVER BAR  
PILOTS FOR A CHANGE IN PILOTAGE  
RATES**

**STIPULATED AMENDMENT TO  
FINAL ORDER 10-02**

The Columbia River Bar Pilots ("CRBP"), the Columbia River Steamship Operators Association ("CRSOA"), and the Ports of Portland, Vancouver, Longview, Kalama and Astoria (collectively the "Ports") hereby stipulate and agree to an amendment to Final Order 10-02 as follows:

1. **Term.** The term of Final Order 10-02 is extended from May 19, 2015 to May 18, 2019. In the event annualized vessel transits fall below 2600 for two consecutive quarters, any party to this Stipulated Amendment shall have the option to initiate a rate proceeding for the Columbia River Bar pilotage ground.
  
2. **Funded Number of Pilots.** The number of pilots funded by the tariff and TGI will continue to be adjusted quarterly as described in Exhibit A, "Automatic Tariff Adjustment Mechanism," which is attached to Final Order 10-02 within the attached Settlement Agreement (CRBP Exhibit 1/Appendix A); however, to provide a sufficient number of pilots for safe, efficient, economical and reliable pilotage services,<sup>1</sup> the number of pilots funded by the tariff as of January 15, 2014 of 17.07 pilots shall operate as a floor or minimum number of pilots during the extended term of Final Order 10-02 and CRBP shall promptly request additional pilots to staff up to a minimum of 17 full-time equivalent (FTE) pilots. The minimum number of pilots shall remain at 17.07 until CRBP adds or reduces staffing as set out in paragraphs 3 and 4. In addition, the traffic-related tariff

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<sup>1</sup> See ORS 776.115

to Final Order 10-2) effective on January 15, 2014 shall be maintained at that level even if shipping levels drop below the transit numbers identified in paragraph 10 of the Settlement Agreement, and subject to an annual COLA adjustment throughout the extended term of Final Order 10-02.

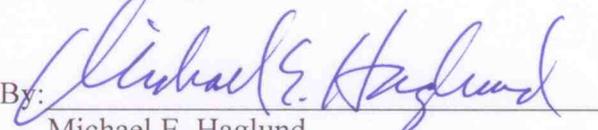
3. **Rounding Factor.** Where the automatic tariff adjustment formula generates an additional .50 to .99 FTE per quarter (above a round number) for two consecutive quarters, the tariff will be revised to provide funding for 1.0 additional FTE at the time CRBP requests an additional pilot to staff that additional FTE.

4. **Reduction in Vessel Traffic.** In any quarter where the formula generates a number of FTE that is 1.0 FTE lower than either the minimum number of 17.07 FTE or the number of licensed and requested FTE under paragraph 3 above, the tariff shall continue to fund the higher number of FTE (licensed and requested) unless CRBP elects to reduce the number of FTE by natural attrition or annualized vessel transits fall below 2850. In the event a pilot retires in a quarter following a quarter in which annualized vessel transits fall below 2850, the retiring pilot will not be replaced until annualized vessel transits reach 2850 or above and the tariff will be adjusted to reflect that reduction in pilot staffing by retirement.

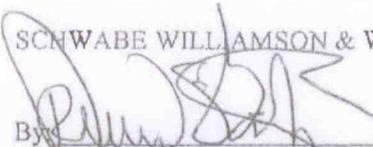
5. **Reasonable Rates.** CRBP, CRSOA and the Ports agree that the above amendment to the Board's Final Order 10-02 maintains pilotage rates for the Columbia River Bar pilotage grounds that are fair and reasonable. All other terms of Final Order 10-02 shall remain in full force and effect.

DATED this 7<sup>th</sup> day of April, 2014.

HAGLUND KELLEY LLP

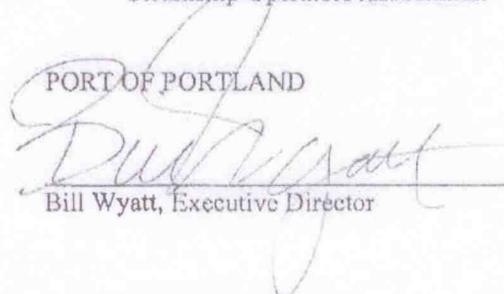
By:   
Michael E. Haglund  
Attorneys for the Columbia River Bar  
Pilots

SCHWABE WILLAMSON & WYATT

By: 

David F. Bartz, Jr.  
Attorneys for the Columbia River  
Steamship Operators Association

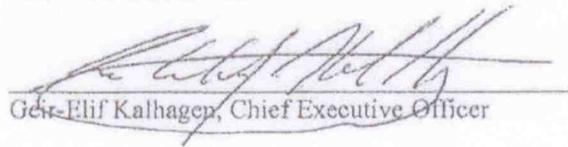
PORT OF PORTLAND

  
Bill Wyatt, Executive Director

PORT OF VANCOUVER

\_\_\_\_\_  
Todd Coleman, Chief Executive Officer

PORT OF LONGVIEW

  
Geir-Elif Kalhagen, Chief Executive Officer

PORT OF ASTORIA

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Michael Weston II, Interim Chief Executive Officer

SCHWABE WILLIAMSON & WYATT

By: \_\_\_\_\_  
David F. Bartz, Jr.  
Attorneys for the Columbia River  
Steamship Operators Association

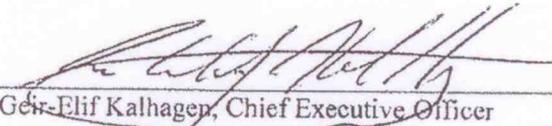
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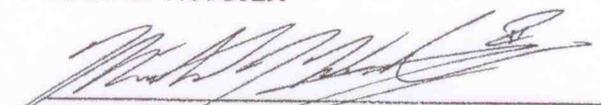
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Todd Coleman, Chief Executive Officer

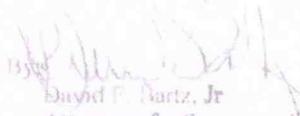
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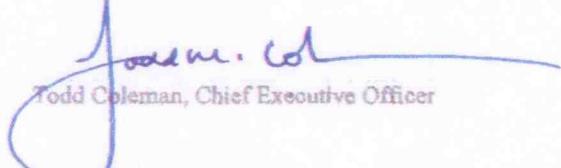
NEW WATSON, WILSON & WYATT

  
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Attorneys for the Columbia River  
Steamship Operators Association

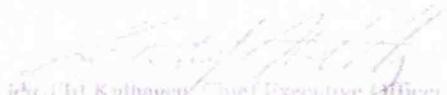
PORT OF PORTLAND

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PORT OF VANCOUVER

  
Todd Coleman, Chief Executive Officer

PORT OF LONGVIEW

  
Ichiro Kishimoto, Chief Executive Officer

PORT OF ASTORIA

Michael Weston II, Interim Chief Executive Officer



March 27, 2014

Oregon Board of Maritime Pilots  
800 NE Oregon St. #15  
Suite 507  
Portland, OR 97232

RE: BP-10; Petition of the Columbia River Bar Pilots for a change in rates  
Stipulated Amendment to Final Order 10-02

Members of the Board:

The Port of Kalama does not take exception to the Stipulated Amendment to Final Order 10-02  
(attached for reference).

The Port of Kalama was not signatory to Final Order 10-02, and therefore elects not to become signatory  
to the amendment.

A handwritten signature in blue ink that reads "Mark Wilson".

Mark Wilson  
Executive Director

c: Gary Lewin, Columbia River Bar Pilots