

**MINUTES OF THE MEETING  
PILOTAGE RATE REVIEW COMMITTEE**

**Four Seasons Resort  
2800 South Ocean Boulevard  
Palm Beach, FL**

**May 2, 2013 – 3:30 p.m.  
Site Visit – Port of Palm Beach  
No Board Business Will be Transacted**

**May 3, 2013**

**CALL TO ORDER**

Chair Viso called the meeting to order at 9:02 a.m.

**Members Present**

Jorge Viso, Chair  
John Fernandez  
John Fox  
Matthew Sams, Vice-Chair  
Thayer Smith  
Bob Swindell  
Carlos Trueba

**Others Present**

Robyn Barineau, Executive Director  
Elise Rice, Government Analyst  
Clark Jennings, Board Counsel  
Richard Law, Board Consultant  
Galen Dunton, Board Consultant  
Reid Hansen, Palm Beach Pilots Association (PBPA)  
Matt Rigby, PBPA  
William Roden, PBPA  
Bill Wetzel, Ft. Pierce Pilots Association  
Warren Husband, Florida Harbor Pilots Association (FHPA)  
Stuart Lilly, FHPA  
Steve Gasecki, FHPA  
Ben Borgie, FHPA  
Sam Stephenson, FHPA  
Andy Edelstein, Port Everglades Pilots Association (PEPA)  
Mike Cunningham. PEPA  
Allen Thompson. Tampa Bay Pilots Association  
Alexandra Ramirez, Court Reporter

## **PRELIMINARY DISCUSSION AND PROCEDURAL REVIEW – RICHARD LAW/CLARK JENNINGS**

Mr. Jennings reviewed the procedures to be followed in the proceedings.

### **STAFF PRESENTATION – RICHARD LAW**

#### **Investigative Committee's Report**

##### **Application From Palm Beach Pilots Association**

Mr. Law reviewed the Investigative Committee Report. He informed the Committee that there was an 8.5% rate increase for draft and a 3% increase in tonnage. The overall rate increase would be a 9% revenue increase to the pilots. There would be approximately a 10 to 12 % cost increase to the primary users.

Mr. Law informed the Committee that the number of ships was not going to change due to the size of the port. Eighty percent of the traffic is from two customers and they do not have big ships using this port. Mr. Law stated that the rates are some of the lowest in the state and the number of pilots in Palm Beach was five even with a drop in handles. They have a heavy workload with the five pilots.

Mr. Law stated that Palm Beach had a decrease over the last six years in income and they have cut their expenses to the bare minimum.

Mr. Law reported that when he was doing the investigation, Tropical Shipping was complimentary of the pilots, however, they were not in favor of the rate increase. They did indicate that the pilots minimized the costs.

Commander Dunton addressed the size of the port. He informed the Committee that the Gulf Stream has the closest range to the port of any port.

### **INTERESTED PARTIES PRESENTATION**

Captain Hansen and Captain Rigby, Palm Beach Pilots Association, were sworn in by court reporter.

Captain Hansen gave a presentation regarding the rate request and provided information at the meeting.

Mr. Jamie Mahoney, Tropical Shipping

Mr. Mahoney was sworn in by the court reporter. He read a letter, addressed to Ms. Barineau, that Tropical Shipping strongly opposed the rate increase.

In discussion, Mr. Mahoney indicated they will not change from using this port at this time if an increase is approved.

### **REBUTTAL(S)**

Captain Hansen indicated that only three of Tropical's' vessels call on this port.

## **DELIBERATION AND DETERMINATION OF REQUEST FOR INCREASE IN THE RATE OF PILOTAGE – BOARD MEMBER DISCUSSION ONLY**

Following discussion by the Committee, the following action was taken.

**MOTION:** Commissioner Fernandez made a motion that the Committee approve the rate application as submitted.

**SECOND:** Chair Viso seconded the motion.

In discussion, Commissioner Fox asked if changes could be made to the application. Chair Viso responded that the Committee can make adjustments to the rate.

Following discussion, the following action was taken.

**MOTION:** Commissioner Fox made a motion that the Committee approve 50% of the requested increase that was requested on the application.

**SECOND:** Commissioner Smith seconded the motion which passed with Commissioner Fernandez, Commissioner Swindell and Commissioner Trueba voting against the motion.

Commissioner Trueba stated that he did not support the motion because he felt that the increase should be done in two phases.

**MOTION:** Commissioner Fernandez made a motion to amend the motion by Commissioner Fox to grant 50% of the increase on August 1, 2013, and 50% of the increase on August 1, 2014.

**SECOND:** Commissioner Swindell seconded the motion which passed with Commissioner Fox, Commissioner Sams, and Commissioner Smith voting against the motion.

### **OLD BUSINESS**

There was no old business to come before the Committee at this time.

### **NEW BUSINESS**

There was no new business to come before the Committee at this time.

### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 12:25 p.m.