

EXECUTIVE SUMMARY

Pilotage Rate Review Board

I. General Information

Meeting Type: Rules Review, Site Visit – Port of Tampa, and Pilotage Rate Hearing
Meeting Date: Tuesday, November 18, 2008, through Thursday, November 20, 2008
Meeting Location: InterContinental Tampa
4860 West Kennedy Boulevard
Tampa, Florida 33609

Attendees:

Honorable Clarence Johnson, Chair
Rick Hugins, Vice Chair (Wednesday, November 19, 2008, and Thursday, November 20, 2008 only)
Daniel Corn
Erica Elliott
Steve Reynolds (Tuesday, November 18, 2008, only)
Evan Weston
Charlie Liem, Chief of Staff, Department of Business and Professional Regulation
Maureen Olson, Deputy Secretary, Department of Business and Professional Regulation
Robyn Barineau, Executive Director, Department of Business and Professional Regulation
Elise Rice, Government Analyst, Department of Business and Professional Regulation
Julie Rowland, Administrative Assistant, Department of Business and Professional Regulation
Ed Tellechea, Assistant Attorney General, Department of Legal Affairs
Richard Law, Certified Public Accountant and Board Consultant
Galen Dunton, Board Consultant
Warren Husband, Florida State Pilots Association
Stephen Gasecki, Florida State Pilots Association
Ben Borgie, Florida State Pilots Association
Allen L. Thompson, Jr., Executive Director, Tampa Bay Pilots Association
Jorge Viso, Tampa Bay Pilots Association
John Wrasse, Tampa Bay Pilots Association
Gary Maddox, Tampa Bay Pilots Association
Harold Brandenburg, Tampa Bay Pilots Association
Steve Cropper, Tampa Bay Pilots Association
Allen Lindsey, Tampa Bay Pilots Association
Joseph Shary, Tampa Bay Pilots Association
Kelley Fowler, Tampa Bay Pilots Association
Eric Bryson, St. Johns Bar Pilot Association
Tim McGill, St. Johns Bar Pilot Association
Reid Hansen, Palm Beach Pilots Association
Mike Jaccoma, Biscayne Bay Pilots Association
John Jacobsen, Biscayne Bay Pilots Association
George Quick, Vice President, International Organization of Master, Mates and Pilots
Cynthia Stephens, Dieter, Stephens and Durham Consulting

Finnie Cook, Dieter Consulting
Kyle Wood, Dieter Consulting
Charles Klug, Port Counsel and Deputy Port Director, Tampa Port Authority
John Thorington, Tampa Port Authority
Zelco Korinchek, Tampa Port Authority
Greg Lovelace, Tampa Port Authority
Wade Elliott, Tampa Port Authority
Steve Fiden, Tampa Port Authority
Bob Callahan, Tampa Port Authority
Joe Gontarski, Manatee Port Authority
Timothy P. Shusta, President, Port of Tampa Maritime Industries Association
Doug Wray, Ports America
Steve Erb, Ports America
Michele Paige, President, Florida-Caribbean Cruise Association
Adam Ceserano, Florida-Caribbean Cruise Association
Dominic Tringale, Carnival Cruise Lines
Gordon Buck, Carnival Cruise Lines
Matt Sams, Holland America
Tom O'Brien, President, AAA Auto Club South
Michael Stark, General Manager, Cargill
Doug Montgomery, Assistant Vice President, Mosaic Supply Chain
Thomas Flynn, Mosaic Supply Chain
Ron Kobosky, Mosaic Supply Chain
Walt Mitchell, Zim American Integrated Shipping Services Company, Inc.
Don Barber, DonBar Steamship Company, Inc.
D. Karasz, Gearbulk, Inc.
Mike Naugle, Green Effers, U.S.A.
Paul Foyt, General Steamship Corporation
Arthur Savage, A. R. Savage and Son
Bruce Schuck, JBS Shipping
Travis Claytor, Tampa Bay and Company
Drew F. Winters, Durst and Harndon, P.A.
Joseph Sachs, Certified Public Accountant
Jorge Valiente, Certified Public Accountant
Steve Huerra, St. Petersburg Times

II. Major Issues/Actions

- The board unanimously elected the Honorable Clarence Johnson as Chair of the Pilotage Rate Review Board, and Mr. Rick Hugins as Vice Chair of the Pilotage Rate Review Board.
- Based on a letter from the Joint Administrative Procedures Committee (JAPC) requesting comments from the board, the board discussed and took action on the following rules:
 - Rule 61E13-2.002, Florida Administrative Code – Pilotage Rates
The board agreed to repeal this rule.
 - Rules 61E13-2.004(1), Florida Administrative Code – Initiation of Rate Change
The board agreed to take no action at this time as the rule references a department form which is currently being reviewed.
 - Rule 61E13-2.004(2), Florida Administrative Code – Initiation of Rate Change

The board agreed to take no action at this time as the rule references a Department form, which is currently being reviewed.

- Rule 61E13-2.005, Florida Administrative Code – Contents of Application by a Pilot
The board agreed to take no action at this time as the rule references a Department form, which is currently being reviewed.
- Rule 61E13-2.005(8), Florida Administrative Code – Contents of Application by a Pilot
The board agreed to strike, “and adopted by the Florida Board of Accountancy in Rule 61H1-20.0094, F.A.C.,” as the reference is outdated and no longer necessary.
- Rule 61E13-2.006, Florida Administrative Code – Contents of Application by Persons Other Than a Pilot
The board agreed to take no action at this time as the rule references a Department form, which is currently being reviewed.
- Rule 61E13-2.006(4), Florida Administrative Code – Contents of Application by Persons Other Than a Pilot
The board agreed to take no action at this time as the rule references a department form, which is currently being reviewed.
- Rule 61E13-2.011, Florida Administrative Code – Request for Hearing Pursuant to Administrative Procedure Act
The board agreed to update the reference of “Florida Administrative Code Rule 28-5.201 of the Model Rules of Procedure,” to “Florida Administrative Code Rule 28-106.104 of the Uniform Rules of Procedure.”
- Rule 61E13-2.015, Florida Administrative Code – Analysis of Data for Request of Changes of Rates
The board agreed to repeal this rule.
- The Tampa Bay Pilots Association provided a tour of the Ports of Tampa and their association offices for board members and other interested parties on November 19, 2008.
- At the rate hearing on November 20, 2008, the board’s consultant, Mr. Richard Law, provided the board with a brief orientation which included the role of the board, the application process, factors impacting pilot income, information on the various Florida ports, and information on the piloting organizations and their operations. Mr. Law also detailed all the information contained in his investigative report, which was included in the agenda. Commander Galen Dunton, the board’s consultant, provided the board with an overview of the Deputy Pilot application, examination and selection processes.
- Captains Gary Maddox and John Wrasse, Pilots from the Tampa Bay Pilots Association; Mr. Allen L. Thompson, Jr., Executive Director, Tampa Bay Pilots Association; Mr. George Quick, Vice President, International Organization of Master, Mates and Pilots; and Ms. Cynthia Stephens, Dieter, Stephens and Durham Consulting provided the board and other meeting attendees with an overview of the Tampa Bay Pilots Association, the piloting challenges of Tampa Bay, the reasons for the requested fuel surcharge, the national perspective of piloting, and the explanation behind the requested rate increases.
- The following individuals addressed the board relating to their opposition of proposed rate increase:
 - Ms. Michele Paige, President, Florida-Caribbean Cruise Association
 - Mr. Michael Stark, General Manager, Cargill
 - Mr. Doug Montgomery, Assistant Vice President, Mosaic Supply Chain
 - Mr. Walt Mitchell, Zim American Integrated Shipping Services Company, Inc.
 - Mr. John Thorington, Tampa Port Authority (read a letter from Mr. Tom O'Brien, President, AAA Auto Club South

- Mr. Matt Sams, Holland America
- Mr. Joe Gontarski, Manatee Port Authority
- Mr. Steve Erb, Ports America
- Mr. Travis Claytor, Tampa Bay and Company
- Mr. Charles Klug, Port Counsel and Deputy Port Director, Tampa Port Authority
- Mr. Zelco Korinchek, Tampa Port Authority
- Mr. Timothy P. Shusta, President, Port of Tampa Maritime Industries Association, and
- Mr. Don Barber, DonBar Steamship Company, Inc.
- After all presentations were completed, the board deliberated and denied the requested fuel surcharge as there was no statutory authority for such a charge. The board voted to approve an increase for the first year of three percent, and three percent for the second year, with the effective date of the increase of January 1, 2009.

III. Legislation/Rule Promulgation

- Mr. Ed Tellechea, Assistant Attorney General, will move forward with the repeal of Rules 61E13-2.002 and 61E13-2.015, Florida Administrative Code; amendment of Rules 61E13-2.005(8) and 61E13-2.011; and he will respond to JAPC on Rules 61E13-2.004(1), 61E13-2.004(2), 61E13-2.005, 61E13-2.006, and 61E13-2.006(4), Florida Administrative Code.

IV. Action Required

- Mr. Tellechea will prepare a final order in this matter and forward the order to the board office for filing. A conference call will be scheduled for the board to discuss and approve the final order on December 19, 2008, at 10 a.m.

Robyn Barineau
Executive Director
November 25, 2008