

BOARD FOR BRANCH PILOTS
MEETING AGENDA
June 14, 2019 at 10:30 a.m.
Virginia Port Authority *Waterside Conference* Room
Norfolk, Virginia

1. Call to Order
2. Safety Evacuation Instructions
3. Approval of Agenda
4. Approval of Minutes: March 15, 2019
5. Public Comment Period*
6. Review Categories for Limited Branch Pilot Tonnage and Draft for March Meeting, letter dated September 27, 2018
7. Election of President and Vice President
8. Virginia Maritime Association, Annual Banquet Update
 - Distinguished Service Award – Tom Host
9. Port Stats, 2019 Virginia Maritime Guide
10. We're Building the Capacity for Greatness, The Port of Virginia ad, Virginia Business Magazine, May 2019
11. Periodic Regulatory Review
12. Financial Statements
13. Other Business
14. Conflict of Interest Forms / Travel Vouchers
15. Adjourn

NEXT MEETING SCHEDULED FOR SEPTEMBER 13, 2019 AT 11:00 A.M.

***Agenda materials made available to the public do not include disciplinary case files or application files pursuant to §54.1-108 of the *Code of Virginia*.**

*Persons desiring to participate in the meeting and requiring special accommodations or interpretative services should contact the Department at (804) 367-8514 at least ten days prior to the meeting so that suitable arrangements

can be made for an appropriate accommodation. The Department fully complies with the Americans with Disabilities Act.

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Call to Order

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Safety Evacuation Instructions

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Approval of Minutes

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**BOARD FOR BRANCH PILOTS MEETING
MINUTES**

The Virginia Board for Branch Pilots met on Friday, March 15, 2019, at the Virginia Port Authority, 600 World Trade Center, Norfolk, Virginia, with the following members present:

Captain E. Waightstill Avery
I. Vincent Behm, Jr.
Captain Robert H. Callis, III
Captain J.W. Whiting Chisman, III
Captain J. William Cofer
Michael Coleman, Esq.
Thomas P. Host, III
Christine N. Piersall

Board member, Patrick B. McDermott, was not present with regrets.

Staff present for all or part of the meeting were:

Mary Broz-Vaughan, Acting Director
Kathleen R. Nosbisch, Executive Director
Bonnie Davis, Administrative Assistant

Elizabeth Peay was not present with regrets.

Heather Hays Lockerman, Senior Assistant Attorney General, was present from the Office of the Attorney General.

Members of the Audience included:

Captain Joseph M. Schacherer III, Branch Pilot
Mark Coberly, Manager, Maritime Law Department, Representative from Vandeventer Black
William Burket Jr., Virginia Port of Authority, Director, MIRT and Emergency Operations

Finding a quorum of the Board present, Ms. Piersall, President, called the meeting to order at 11:01 a.m.

Call to Order

Mr. Burket of the Virginia Port Authority (VPA) advised the Board of the emergency evacuation procedure, and where first aid and emergency medical equipment could be located.

**Safety
Evacuation
Instructions**

Ms. Nosbisch introduced: Mary Broz-Vaughan, Acting Director of DPOR; Michael Coleman Esq, new citizen Board Member; Heather Hays Lockerman, Senior Assistant Attorney General from the Office of the Attorney General; Mark Coberly, Manager, Maritime Law Department, Representative from Vandeventer Black; Bill Burket, Jr., Virginia Port of Authority, Director, MIRT and Emergency Operations; and Captain Joseph M. Schacherer III, Branch Pilot. The Board members and staff introduced themselves to the new

**Welcome and
Introductions**

Board members.

Captain Chisman moved to approve the agenda. Ms. Piersall seconded the motion which was unanimously approved by Messrs., Mme. and Captains: Avery, Behm, Callis, Chisman, Cofer, Coleman, Host, and Piersall.

**Approval of
Agenda**

Captain Callis moved to approve the minutes from the December 13, 2018 Board meeting. Captain Avery seconded the motion which was unanimously approved by Messrs., Mme. and Captains: Avery, Behm, Callis, Chisman, Cofer, Host, and Piersall. Mr. Coleman abstained.

**Approval of
Minutes**

There were no public comments.

**Public Comment
Period**

Captain Cofer stated the initial letter requesting an increase in gross tonnage and draft limitations for Limited Branch Pilots was reviewed at the December 13, 2018 Board meeting. Captain Schacherer provided a presentation on the tonnage and draft limitation categories for limited Branch Pilots and also provided information demonstrating that the size of ships calling the waters of the Commonwealth continues to increase. The biggest change for the Limited Branch Pilot categories will be for the Hotel license, increasing gross tonnage from 75,000 to 91,000. The duration of Charlie and Delta licenses would decrease from six to three months, where Golf and Hotel licenses would increase from three to six months. The changes would become effective in 2020 and would affect the apprentices that are currently in their first year. If the Board has no further questions, this will be brought to a vote at the June 14, 2019 meeting.

**Proposal to
Review
Categories for
Limited Branch
Pilot Tonnage
and Draft for
March Meeting,
letter dated
September 27,
2018**

Ms. Nosbisch stated the drug testing policy and procedures was for informational purposes only. Captain Cofer stated that Federal guidelines for random drug testing have changed and licensees are complying with the new Federal guidelines. He added that in order to hold a Branch Pilot license one must be subject to random chemical testing as set forth in 18VAC45-20-50.

**Update on Drug
Testing Policy
and Procedures**

It was noted that regulatory review must occur every four years. The Board will conduct regulatory review again in July 2020.

**Regulatory
Update**

Ms. Broz-Vaughan provided an update on the JLARC report. She informed the Board that there were six bills introduced in the General Assembly resulting from the report. Of those, three bills passed:

HB2028 Legislation increasing or beginning regulation of an occupation; evaluation required. Provides that when any legislative bill requiring the Department of Professional and Occupational Regulation to increase or begin regulation of an occupation is filed during any session of the General Assembly, the Board for Professional and Occupational Regulation shall prepare an evaluation of the legislation using criteria outlined in current law

that the Board is required to use whenever the Board determines that a particular occupation should be regulated or that a different degree of regulation should be imposed on a currently regulated occupation.

HB2327 Permits the Director of the Department of Professional and Occupational Regulation, or his designee, to issue a notice to any person unlawfully engaging in unlicensed practice of an occupation to cease and desist such activity.

HB1939 Provides that following the close of any biennium, when the account for any regulatory board within the Department of Professional and Occupational Regulation shows that unspent and unencumbered revenue exceeds 20 percent or \$100,000 of the total expenses allocated to the regulatory board for the past biennium, whichever is greater, the regulatory board must (i) distribute all such excess revenue to current regulants of the board and (ii) reduce the fees levied by it for certification, licensure, registration, or permit and renewal thereof so that the fees are sufficient but not excessive to cover expenses. Under current law, these boards are required to adjust their fees when their account shows expenses allocated to it for the past biennium to be more than 10 percent greater or less than moneys collected on behalf of the board. Current law does not require the boards to distribute excess funds to regulants. The provisions of the bill requiring the distribution of excess revenue and the reduction of fees have a delayed effective date of July 1, 2022.

Additionally, the Board is required to evaluate certain licenses/certifications to determine whether they meet the criteria necessary for establishing licensing or certification program. The initial reports are due the end of 2019, the final reports due the end of 2020. Discussion was held on the definition of "evaluation" and "study" with regards to the process the Board will use going forward. Ms. Broz-Vaughan said that she will reach out to JLARC staff for clarification.

Ms. Nosbisch stated the financial statements were provided for informational purposes.

Captain Callis provided the Board with a report of examinations conducted by the Exam Administrators on March 15, 2019. The following report was made:

Ryan Robert Nienstedt answered oral questions related to the raise in grade from a Delta License (44,000 gross tons and 35 feet maximum draft) to an Echo License (52,000 gross tons and 37 feet maximum draft). The subjects included safe anchoring positions in Lynnhaven, Cape Charles and Sewell's Point, safe anchoring procedures, effects of wind on light draft vessels, under-keel clearance, reduced visibility, hazards of marine construction and dredging, port security and safe vessel speed.

Financial Statements

Other Business - Exam Administrators Report

Timothy Delaney Oksman answered oral questions related to the raise in grade from a Delta License (44,000 gross tons and 35 feet maximum draft) to an Echo License (52,000 gross tons and 37 feet maximum draft). The subjects included safe anchoring positions in Lynnhaven, Cape Charles and Sewell's Point, safe anchoring procedures, effects of wind on light draft vessels, under-keel clearance, reduced visibility, hazards of marine construction and dredging, port security and safe vessel speed.

Richard Austin Lyons answered oral questions related to the raise in grade from a Delta License (44,000 gross tons and 35 feet maximum draft) to an Echo License (52,000 gross tons and 37 feet maximum draft). The subjects included safe anchoring positions in Lynnhaven, Cape Charles and Sewell's Point, safe anchoring procedures, effects of wind on light draft vessels, under-keel clearance, reduced visibility, hazards of marine construction and dredging, port security and safe vessel speed.

After considering the results of the examination, Captain Callis moved that Ryan Robert Nienstedt be raised in grade from a Delta classification (44,000 gross tons and 35 feet maximum draft) to an Echo classification (52,000 gross tons and 37 feet maximum draft). Mr. Behm seconded the motion which was unanimously approved by Messrs., Mme. and Captains: Avery, Behm, Callis, Chisman, Cofer, Coleman, Host, and Piersall.

After considering the results of the examination, Captain Callis moved that Timothy Delaney Oksman be raised in grade from a Delta classification (44,000 gross tons and 35 feet maximum draft) to an Echo classification (52,000 gross tons and 37 feet maximum draft). Mr. Behm seconded the motion which was unanimously approved by Messrs., Mme. and Captains: Avery, Behm, Callis, Chisman, Cofer, Coleman, Host, and Piersall.

After considering the results of the examination, Captain Callis moved that Richard Austin Lyons be raised in grade from a Delta classification (44,000 gross tons and 35 feet maximum draft) to an Echo classification (52,000 gross tons and 37 feet maximum draft). Mr. Host seconded the motion which was unanimously approved by Messrs., Mme. and Captains: Avery, Behm, Callis, Chisman, Cofer, Coleman, Host, and Piersall.

Ms. Nobsch thanked the Board members for completing their yearly statement of economic interests (SEI).

Conflict of Interest forms and travel vouchers were completed by all members present.

**Statement of
Economic
Interest**

**Conflict of
Interest Forms
and Travel
Vouchers**

There being no further business, the meeting was adjourned at 11:47 a.m.

Adjourn

Christine Piersall, President

Mary Broz-Vaughan, Acting Secretary

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Public Comment

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Virginia Pilot Association

TELEPHONE: 757-496-0995
FACSIMILE: 757-496-9324
email: dispatch@vapilotassn.com
3329 SHORE DRIVE
VIRGINIA BEACH, VA 23451

September 27, 2018

Mr. Meade Stone
President, Board for Branch Pilots
Department of Professional Regulation
Perimeter Ctr., Suite 400
9960 Mayland Dr.
Richmond, Virginia 23233

Dear Board for Branch Pilots,

The purpose of this letter is to introduce two proposals adopted by the Virginia Pilot Association's board of directors to be presented for consideration by the Board for Branch Pilots for changes to the Limited Branch Pilot (LBP) license. These two proposals are to increase the LBP license limitations and to adjust the duration of certain LBP license time periods. With your permission, a more detailed explanation will be presented to the Board on December 13, 2018.

As a brief review, an apprentice of the Virginia Pilot Association is issued a LBP license by the Board for Branch Pilots upon successful completion of comprehensive objectives and exams in the first two years of the apprenticeship. For the next three years, this apprentice is now a LBP and is piloting vessels.

Each LBP license has limits on vessel draft and gross tonnage. The first LBP license is an Alpha license and every three or six months the LBP is examined by the Board for a possible advancement to the next respective license with increased draft and gross tonnage limitations. Adjustments have been previously made to the LBP license limitations to correlate with the size of vessels calling to Virginia and to ensure proper experience is gained by the LBPs. Like other East Coast ports, the Port of Virginia is continuing to experience an increase in ship dimensions, particularly containerships. Many of these larger-size ships are replacing ships of lesser size.

Therefore, an increase in LBP license limits is being proposed.

<i>License</i>	Current Draft	Proposed Draft	Current Gross Tons	Proposed Gross Tons
<i>Alpha</i>	27	28	21,000	25,000
<i>Bravo</i>	30	31	33,000	34,000
<i>Charlie</i>	33	34	38,000	38,000
<i>Delta</i>	35	36	44,000	45,000
<i>Echo</i>	37	39	52,000	55,000
<i>Foxtrot</i>	41	42	57,000	65,000
<i>Golf</i>	43	44	68,000	75,000
<i>Hotel</i>	46	47	75,000	91,000

In addition, an adjustment to the time frame for the duration of certain LBP licenses is also being proposed. This will allow LBPs more opportunities to pilot ships in their respective categories.

<i>License</i>	Duration (Months) Current	Duration (Months) Proposed
<i>Alpha</i>	3	3
<i>Bravo</i>	3	3
<i>Charlie</i>	6	3
<i>Delta</i>	6	3
<i>Echo</i>	6	6
<i>Foxtrot</i>	6	6
<i>Golf</i>	3	6
<i>Hotel</i>	3	6

Sincerely,



Captain Joseph M. Schacherer, III

Election of President and Vice President

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Maritime Symposium Update

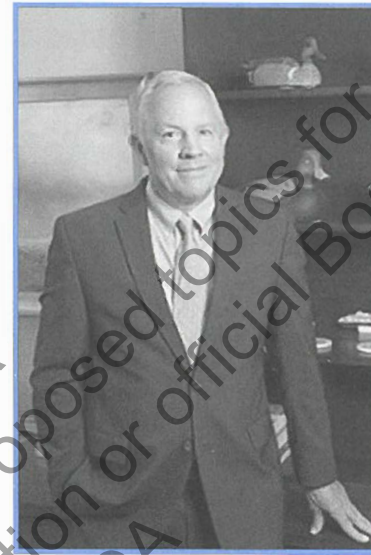
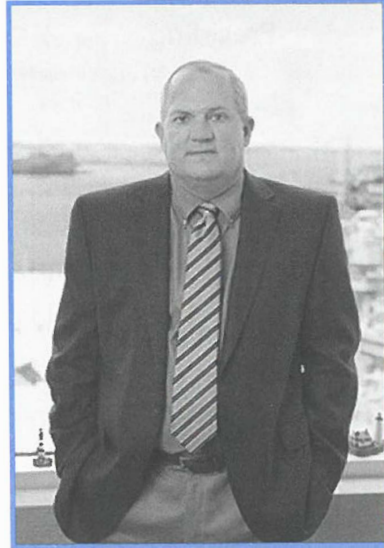
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DISTINGUISHED SERVICE AWARD

DISTINGUISHED SERVICE AWARD

DAVID F. HOST

T. Parker Host



THOMAS P. HOST, III

T. Parker Host

David Host was born in Newport News, Virginia and was educated in Virginia schools, graduating from Hampden-Sydney College in 1976 and later receiving his master's degree from William & Mary. In 1977, he joined the shipping agency established by his grandfather in 1923, T. Parker Host, Inc., as the third-generation of family leadership. Since 1977, David has worked in all capacities within the company structure.

Currently he serves on many local boards associated with the maritime and coal industries including the Hampton Roads Shipping Association, the Mariners' Museum, the Association of Ship Brokers and Agents, the National Cargo Bureau, the Virginia Maritime Association, and the Eastern Coal Council. Since 1996, he has served as the Honorary Consul for Finland for Virginia and West Virginia, and since 1988 he has served as a member on the Planning Board for Ocean Shipping for the North Atlantic Treaty Organization (NATO).

For the greater Hampton Roads community, David sits on the Board of Governors for the Town Point Club and is the Norfolk District Port Champion for the U.S. Army Corps of Engineers.

Tom Host was born and raised in Newport News, Virginia and graduated from Campbell University with a bachelor's in business. In 1977, Tom joined T. Parker Host, Inc., his family's shipping agency, which was founded in 1923 by his grandfather, T. Parker Host, Senior. Since joining the company, Tom has worked in all capacities within the company structure.

Active in the maritime community, Tom has served on the Commonwealth of Virginia Board for Branch Pilots since 2007 and the Old Dominion University Ports and Logistics Advisory Council since 2004. In addition, Tom has served as the Honorary Consul of Brazil, one of the Port of Virginia's major trade partners, for Hampton Roads since 2007. He is also a member of the Barrier Islands Center Board of Directors.

For the greater Hampton Roads community, Tom currently serves on the Norfolk Convention and Visitors Bureau Board and the Greater Norfolk Council Board, and he is a member of the Virginia Club of Norfolk. Tom previously served on the Southern Bank Advisory Board, the Norfolk Airport Authority Board, the Downtown Norfolk Council, Nauticus' National Maritime Center Foundation, the England/Norfolk City Sister Association, and the Virginia Maritime Association's Board of Directors.

Top 5 commodities by value

EXPORTS ¹			IMPORTS ¹		
1	Nuclear reactors, boilers, machinery	\$2,793	Nuclear reactors, boilers, machinery	\$10,859	
2	Pharmaceutical products	2,228	Electrical machinery	3,760	
3	Plastics	1,899	Pharmaceutical products	3,338	
4	Oil seeds	1,165	Vehicles, other than railway	2,981	
5	Organic chemicals	1,005	Furniture and bedding	2,867	

¹ In millions of U.S. dollars in 2018

Top 5 commodities by short tons

EXPORTS ¹			IMPORTS ¹		
1	Minerals fuels, mineral oils	42,151	Nuclear reactors, boilers, machinery	1,072	
2	Oil seeds	3,234	Salt; sulfur; earths and stone	976	
3	Wood	2,680	Furniture and bedding	923	
4	Residues	1,912	Plastics	777	
5	Woodpulp, etc.	1,634	Beverages; spirits and vinegar	548	

¹ In thousands of short tons in 2018

Trade lanes

	Exports ¹	Imports ¹
Africa	\$1,367	\$528
Asia, Northeast	4,668	14,889
Asia, Southeast	2,149	4,812
Caribbean	191	51
Central America	286	126
Europe, North	8,953	16,998
India & others	1,406	3,937
Mediterranean	2,011	5,137
Middle East	1,377	589
North America	106	60
Oceania	255	61
South America	1,680	2,026

¹ In millions of U.S. dollars in 2018

Trade overview (Hampton Roads harbor)

	Total (short tons) ¹	Export (short tons) ¹	Import (short tons) ¹
Total cargo	69,417	57,111	12,305
General cargo	21,975	10,741	11,234
Container cargo	21,785	10,706	11,080
Breakbulk cargo	189	36	154
Container units	1,612,886	844,247	768,639
TEUs	2,855,904	1,505,835	1,350,069
Total cargo dollar value (millions)	\$73,797	\$24,583	\$49,214
Vessel calls	2,570		
Coal loadings	43,075		

¹ In thousands in 2018

Source: U.S. Department of Commerce, U.S. Census Bureau, Virginia Maritime Association, The Port of Virginia, American Association of Port Authorities

U.S. East Coast Ports

	TEUs	East Coast market share ¹
New York/New Jersey	7,179,792	32.4%
Savannah, Ga.	4,351,919	19.6
The Port of Virginia	2,855,911	12.9
Charleston, S.C.	2,316,256	10.5
Jacksonville, Fla.	1,288,091	5.8
Port Everglades, Fla.	1,111,193	5.0
Miami	1,085,323	4.9
Baltimore	1,023,161	4.6
Philadelphia	626,036	2.8
Wilmington, N.C.	324,212	1.5

TEU: 20-foot equivalent unit

¹ In 2018

Compiled by: The Port of Virginia, Strategic Planning & Analytics

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Periodic Regulatory Review

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**Department of Professional and Occupational Regulation
Statement of Financial Activity**

**Board for Branch Pilots
954190**

2018-2020 Biennium

April 2019

	April 2019 Activity	Biennium-to-Date Comparison	
		July 2016 - April 2017	July 2018 - April 2019
Cash/Revenue Balance Brought Forward			22,951
Revenues	0	2,700	2,640
Cumulative Revenues			25,591
Cost Categories:			
Board Expenditures	198	1,434	1,962
Board Administration	13	113	132
Administration of Exams	0	0	0
Enforcement	0	0	1
Legal Services	1	4	4
Information Systems	12	78	95
Facilities and Support Services	4	34	44
Agency Administration	5	79	59
Other / Transfers	0	0	0
Total Expenses	233	1,741	2,297
Ending Cash/Revenue Balance			23,294

Actual Callahan Percentage at End of Previous Biennium	374.9%
Target Callahan Percentage at End of Current Biennium	382.0%

Number of Regulants

Current Month	44
Previous Biennium-to-Date	49

Department of Professional and Occupational Regulation
 Supporting Statement of Year-to-Date Activity
 Board for Branch Pilots - 954190
 Fiscal Year 2019

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Fiscal YTD Charges	Planned Annual Charges	Current Balance	Projected Charges at 6/30	Projected Variance Favorable (Unfavorable)	
																Amount	%	
Board Expenditures	280	0	306	136	0	614	36	15	377	198	0	0	1,962	3,670	1,707	2,349	1,321	36.0%
Board Administration	19	13	13	12	12	12	13	13	13	13	0	0	132	185	54	149	37	19.7%
Administration of Exams	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Enforcement	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	1	0	21.5%
Legal Services	0	1	0	1	0	0	1	0	0	1	0	0	4	3	-1	5	-2	-60.0%
Information Systems	6	15	10	5	9	10	15	9	4	12	0	0	95	133	38	112	21	15.6%
Facilities / Support Svcs	1	2	3	3	8	14	4	3	3	4	0	0	44	36	-8	52	-17	-46.4%
Agency Administration	9	6	6	5	6	6	6	5	5	5	0	0	59	85	26	67	18	20.8%
Other / Transfers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total Charges	316	37	338	162	35	655	75	45	401	233	0	0	2,297	4,113	1,816	2,735	1,378	33.5%

Other Business

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Conflict of Interest / Travel Vouchers

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