BEFORE THE HEARING EXAMINER THE CITY OF SEATTLE

In the Matter of the Appeals of

FOSS MARITIME COMPANY AND PORT OF SEATTLE,

from an Interpretation Issued by the Director, DEPARTMENT OF PLANNING AND DEVELOPMENT. Hearing Examiner File: S-15-001 and S-15-002

(Director's Interpretation: 15-001)

DECLARATION OF PATRICK J. SCHNEIDER

I, Patrick J. Schneider, hereby declare and affirm:

1. I am over the age of 18 years, and competent to be a witness herein;

2. Attached hereto is a true and correct copy of an excerpted portion of the verbatim hearing transcript of Paul Gallagher, as transcribed by Bonnie Reed, CETD and Marjorie Jackson, CETD, Reed Jackson Watkins. Excerpts from this transcript are quoted pages 7 and 8 of the Port of Seattle's Post-Hearing Brief.

4. Attached hereto is a true and correct copy of an excerpted portion of the verbatim hearing transcript of Andy McKim, as transcribed by Brian Killgore of ACE Transcripts, Inc. Excerpts from this transcript are quoted or referenced on pages 14, 15, 19 and 26 of the Port of Seattle's Post-Hearing Brief.

DECLARATION OF PATRICK J. SCHNEIDER - 1

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I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct. EXECUTED at Seattle, Washington this 10 th day of September, 2015.
Patrick J. Schneider, WSBA No. 11957 1111 Third Avenue, Suite 3400 Seattle, Washington 98101-3299 Telephone: (206) 447-4400 Facsimile: (206) 447-9700 Email: schnp@foster.com; winda@foster.com

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1	DECLARATION OF SERVICE
2	The undersigned declares under penalty of perjury under the laws of the State of
3	Washington that I am now and at all times herein mentioned a resident of the State of
4	Washington, over the age of eighteen years, not a party to the above-entitled action, and
5	competent to be a witness herein.
6	On September 10, 2015, I caused the foregoing document to be served as follows:
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11	DATED this 10th day of September, 2015.
12	9 Departs
13	Brenda Bole
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I

REBUTTAL DIRECT BY WEST/GALLAGHER

A. You have to have pilotage onboard. Certain local vessels
 that transit normally, the operators would get their
 pilotage, which is a test. But other vessels that are
 visiting must get a pilot onboard. And almost all the Shell
 vessels that travel in the system always have a Puget Sound
 Pilot onboard.

7 Q. So tell me what you did as a result of this suggestion from8 the pilots?

So there is a training institute down on the waterfront 9 Α. called Pacific Maritime Institute, PMI, and they have a very 10 technologically advanced simulator, much like a flight 11 simulator. And they have a model of Puget Sound, including 12 all of the terminals in Seattle and Elliott Bay. So we 13 created a simulation exercise for one day and we had the 14 Coast Guard, the Puget Sound Pilots, members from Western 15 Towboat, captains from Foss Tugs, captains from Transocean 16 and the people from Shell participate in this all-day 17 exercise where we modeled the location of the Polar Pioneer 18 and we had vessels, ships and barges pass by in daylight, in 19 nighttime and different weather conditions, and the vessels 20 would pass each other to make sure that all the vessels 21 could navigate safely in the West Duwamish Waterway when the 22 Polar Pioneer was there. 23

Q. And you said the Coast Guard was involved in this exercise?A. We had the Coast Guard captain of the Port who showed up, we

REBUTTAL DIRECT BY WEST/GALLAGHER

also had his staff. And we actually had the District 17 admiral of the Coast Guard who thought it was such an interesting exercise that he came by on that day to participate as well.

5 Q. And what was the result of the exercise?

A. The result of the exercise was that there was no impact to
commercial traffic. And in all the scenarios that we
created -- and we actually created worst-case scenarios, the
pilots felt that they could use the waterway safely and
navigate past the Polar Pioneer, and so they gave sort of
their stamp of approval of the mooring location of the Polar
Pioneer at Terminal 5.

13 Q. And can you describe the types of vessels that are required 14 to have pilotage?

15 A. I don't know the exact rule, but I believe it's vessels of a 16 certain tonnage, over 300 tons possibly, that have to have 17 pilotage when they enter waters. It's a state and a federal 18 regulation.

19 O. So these are large vessels?

A. These are large vessels. The largest being some of the
container barges that are larger than the size of a football
field with containers stacked five high, and cement ships
that use the West Duwamish waterway which are approaching
700 feet long and very large commercial oceangoing ships.
Q. And then when the Polar Pioneer was present at the dock,

REBUTTAL DIRECT BY WEST/GALLAGHER

were there ever any occasions where there were safety 1 concerns about other vessels being able to navigate past the 2 Pioneer in the waterway? 3 Not to my knowledge, no. 4 Α. Did other vessels navigate past the Pioneer during that time 5 Ο. period? 6 It's a very busy waterway, so there were lots of vessels 7 Α. that navigated every day. I don't know the exact number, 8 but a considerable amount of vessels including all the deep 9 draft and large cargo vessels that use the terminals 10 upriver. 11 Could you take a look at Puget Sound Keeper Exhibit No. 1, 12 Q. please? Do you have those? 13 Yes, I do. 14 Α. And I want to focus on the second one. So this is the one 15 Ο. entitled: Worse-case scenario with Polar Pioneer at 16 Terminal 5 and Noble Discoverer at south end of Vigor 17 Shipyard. And looking at the -- so you see the blue 18 rectangle that's got the Noble Discoverer with an arrow 19 pointed at it? 20 Yes. 21 Α. Can you envision any scenario in which the Noble Discoverer 22 Q. would be moored in that configuration at Vigor Shipyard? 23

A. There's no place to tie it up in that configuration. It'snot a safe place to moor the vessel.

REBUTTAL CROSS BY GOLDMAN/GALLAGHER

1	Q.	So is that
2	Α.	So the answer would be, no, I can't think of any situation
3		where the vessel would tie up like that or any vessel of
4		similar size.
5		MR. WEST: Okay. That's all the questions I have.
6		MS. GOLDMAN: Can I ask (inaudible).
7		
8		REBUTTAL CROSS-EXAMINATION
9	BY M	S. GOLDMAN:
10	Q.	So the simulation that you described, was that including the
11		exclusion zones?
12	Α.	Yes.
13	Q.	Did the simulation also model the vessels coming in with a
14		500-yard exclusion zone?
15	A.	Yes.
16	Q.	And the determination was vessels could navigate around
17		around in the west waterway with the 500-yard exclusion?
18	Α.	As it was stated, with permission from the Coast Guard, they
19		could navigate through the safety zone.
20	Q.	Oh, with permission?
21	Α.	With permission from vessel traffic.
22	Q.	Oh. Was that here your testimony is that with permission
23		they could navigate around it?
24	Α.	By checking into vessel traffic, vessel traffic allows them
25		to pass through the zone.

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1		delivered somewhere else, correct?
2	A.	That's right.
3	Q.	And also because the primary function of the vessel isn't as
4		a cargo vessel, right?
5	А.	That's right.
6	Q.	Okay.
7		And there are oil spill response vessels at cargo
8		terminals. These are vessels that make sure if there is an
9		oil spill, there is a vessel that goes out and lays a bunch
10		of boom out to contain the spill?
11		Those can't moor at cargo terminals either, can they?
12	A.	That's right.
13	Q.	And in fact they can't load and unload their boom and
14		absorbants and all the other things that they use at a cargo
15		terminal either, right?
16	A.	That's right.
17	Q.	Who at DPD is the expert on the operation of cargo
18		terminals?
19	A.	I don't believe we have anybody with expertise in that
20		field.
21	Q.	Do you have expertise in that field?
22	A.	No.
23	Q.	Do you have expertise on moorage?
24	A.	No.
25	Q.	Do you have expertise on the operation of cargo vessels?
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1	A.	No.
2	Q.	Do you have expertise on the operation of any types of
3		commercial vessels?
4	A.	No.
5	Q.	Let's go back to the interpretation now, which is exhibit
6		number 1, and particularly to the definition of cargo
7		terminal, and that is set forth in section 7, correct, of
8		the findings of fact?
9	A.	Yes.
10	Q.	And you concluded in paragraph 6, which is on page 4, that
11		the unifying theme of this definition is that last phrase in
12		the first sentence: "In order to transfer them to other
13		locations," correct?
14	A.	"In order to be transferred to other locations."
15	Q.	To be transferred? Are we reading the same definition?
16		I am reading paragraph 7 of the interpretation. It
17		says, "in order to transfer them."
18	A.	Yes, that's right. I paraphrased in conclusion number 6.
19	Q.	Correct.
20		And if that last phrase, "in order to transfer them to
21		other locations," does not modify each of the three
22		paragraphs, or the three options ahead, there is no unifying
23		theme, correct?
24	А.	Well other than being a transportation facility.
25	Q.	Correct, and a transportation facility, as described here in

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Foss Maritime Company, et al. * No. S-15-001 & S-15-002* (8/13/2015) - P. 57 So you are relying on use reports in determining what Foss Ο. 1 was going to do at terminal 5? 2 I was relying on use reports about the two main vessels that 3 Α. we were talking about, yes. 4 You're talking about the drill rigs? 5 Q. Yes. Α. 6 The two drill rigs? 7 Ο. Α. Yes. 8 What about the ancillary support fleet? 9 Q. I did not rely on news reports about those. Α. 10 All right, but you also didn't consider whether or not Ο. 11 loading or unloading of those vessels was appropriate, 12 correct? 13 I don't think that I specifically looked at that, no. Α. 14 Okay. 15 Q. Foss told you, as well, that lay berthing is normal, 16 customary and an essential practice at marine cargo 17 terminals? Is that correct? 18 19 Α. Yes. And you didn't accept that as true? 20 Q. Α. No. 21 I'm sorry, at cargo terminals specifically, no. 22 Okay. 23 Q . And you concluded in fact that lay berthing is not 24 intrinsic unless there is some cargo vessel involved, 25 ACE Transcripts, Inc. (206) 467-6188 57

Foss Maritime Company, et al. * No. S-15-001 & S-15-002* (8/13/2015) - P. 71 Q. So this primary function test that you have adopted is not 1 in the definition; is that right? 2 It reflects our understanding of what the definition calls 3 Α. for. 4 Q. Your understanding, that is DPD's understanding? 5 Yes. Α. 6 And that understanding, has that ever been the subject of a 7 Ο. public hearing? 8 Not that I know of. 9 Α. Was it ever adopted by the city council? 10 Q. Not in so many words. Α. 11 Not in any words, correct? The primary function test has Ο. 12 never been identified to the city council as a test, 13 correct? 14 Not in so many words. 15 Α. Q. Has it ever been presented to the Department of Ecology for 16 their approval as an ordinance or a use in the shoreline 17 master program? 18 Not in so many words. Α. 19 Has the public had any opportunity to weigh in on whether or 20 Q • not the primary function test would work? 21 Not that I know of. 22 Α. Instead the primary function test was created by DPD by you; 23 Q. is that right? 24 It reflects our understanding of what the definition calls 25 Α.

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ı		sorts of vessels, so it is one of those things in terms of
2		that particular wording. It was meant as explanatory
3		when pressed in detail for six hours in my deposition.
4	Q.	So does that mean the primary function test that
5		articulation of the test did not exist until after the
6		interpretation was issued?
7	A.	I don't believe that we used that in so many words, but I
8		believe it is consistent with the interpretation.
9	Q.	So that is your explanation provided after the
10		interpretation was issued in response to questions at the
11		deposition?
12	A.	Yes.
13	Q.	And but that is the test that the port should use going
14		forward in determining which vessels can and cannot moor at
15		cargo terminals?
16	A.	I would say yes, which vessels would require could
17		what activities would be permitted in association with
18		vessels moored at cargo terminals versus moored at or at
19		locations with additional or other permits established, yes.
20	Q.	So if Greg Englin, who will testify after you, and is
21		responsible for moorage at T91 and a host of other places,
22		including portions of T5 not under lease to Foss, if he gets
23		a call from an agent saying a vessel is coming, and they
24		want to moor at a cargo terminal not to load and unload
25		cargo, but to lay berth or to do some minor repairs or

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1		Crowley tug companies would need to divide their vessels
2		into those that assist cargo vessels and those that don't in
3		order to know which ones could moor at a cargo terminal?
4	A.	No, I would say if they are in the business of providing
5		both moorage associated with cargo terminal use of
6		transportation of goods, as we have described it, and also
7		that they use the facility or provided the facility moorage
8		on a commercial basis or a you know, things that aren't
9		cargo vessels, then it would be reasonable, and if they get
10		permits establishing both of those things, then the tug
11		could do either of both of those things.
12	Q.	Well again my question is about not what about future
13		permits someone might obtain, but right now at a cargo
14		terminal using the primary function test, wouldn't Foss and
15		Crowley have to divide the sheep from the goats the tugs
16		that assist cargo vessels from those that don't?
17	A.	Well I think the bottom line would be that they just
18		couldn't have the goats unless they established got a
19		permit for the goats.
20	Q.	So the answer then is yes, vessels tugs cannot moor at a
21		cargo terminal under the interpretation if those tugs are
22		assisting vessels that aren't that don't pass the primary
23		function test?
24		Is that fair?
25	Α.	Yeah.
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1		What I am saying is that if you have a cargo terminal
2		and yeah, you can't have vessels that aren't carrying
3		cargo or else cargo or vessels or else vessels that
4		are assisting vessels that carry cargo.
5	Q.	Okay.
6		How about icebreakers, pass or fail the primary
7		function test?
8	Α.	My again uneducated understanding would be that an
9		icebreaker, that the function is not to carry cargo, and
10		therefore that it wouldn't be a cargo terminal use. A
11		different moorage use should be established for it.
12	Q.	Okay, the next category is offshore oil supply vessels.
13		I think you responded to a question from Mr. West about
14		those and indicated that they would pass the test?
15	A.	Yes, if they are carrying carrying products from here to
16		an offshore oil drilling facility, that would be a
17		legitimate cargo terminal use.
18	Q.	Okay, so if they were carrying supplies up to the Polar
19		Pioneer in the Arctic, that would be okay?
20	А.	Yes.
21	Q.	And now we get to ships of state, which I sort of lumped in
22		with the government vessels earlier, and your answer to that
23		is?
24	A.	Again, you know, as I have said, I am not an expert in what
25		happens on any of these types of vessels, but based on my
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Foss Maritime Company, et al. * No. S-15-001 & S-15-002* (8/13/2015) - P. 128 understanding of what a ship of state is, it is not there to 1 pick up or deliver products, and so it would not be a cargo 2 terminal use. 3 Q. Okay. 4 So research vessels? For example, we will hear from 5 Mr. Englin that one of the vessels that is moored today at 6 T91 is the Tommy Thompson. It is a research vessel operated 7 by the University of Washington. 8 Does it pass or fail the primary function test? 9 I would say that that would not be a cargo terminal. 10 Α. How about diving vessels? 11 Ο. Again, I don't believe that that would be a cargo terminal Α. 12 use. 13 Oil spill response vessels? 14 Q. No, I don't believe that would be, either. 15 Α. Pilot vessels? 16 Ο. T don't know what that is. Α. 17 A pilot vessel is a vessel that takes a harbor pilot out to 18 0. meet an ongoing ocean vessel. The pilot is on the vessel 19 and then brings it into its birth. 20 I suppose if the pilot vessel were being used in conjunction 21 Α. with bringing a vessel carrying cargo to that particular 2.2 facility, it would be similar to a tugboat being used to 23 assist a cargo vessel, so it might be allowed as an 24 accessory use. 25

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