

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION FINDING THE AMENDMENT TO THE
SAN DIEGO UNIFIED PORT DISTRICT, PORT OF
SAN DIEGO TARIFF NO. 1-G, RATES AND
CHARGES, TO INCREASE CERTAIN RATES AND
UPDATE TARIFF FORMAT AND LANGUAGE IS
EXEMPT FROM THE CALIFORNIA
ENVIRONMENTAL QUALITY ACT (CEQA) AS
SPECIFIED UNDER SECTION 15273 OF THE
CEQA GUIDELINES**

WHEREAS, the San Diego Unified Port District (District) is a public corporation created by the legislature in 1962 pursuant to Harbors and Navigation Code Appendix 1, (Port Act); and

WHEREAS, consistent with the Public Trust Doctrine, Section 36 of the Port Act specifically gives the Board of Port Commissioners (Board) the authority to “by ordinance fix the rate[s] . . . or other charges which are appropriate for the use of any of the facilities owned and constructed or services furnished or provided by the [D]istrict” and therefore, it is within the District’s authority to set tariff rates on tidelands; and

WHEREAS, District staff conducts an annual review of the District Tariff No. 1-G (Tariff), which governs the rates, charges, rules and regulations applicable for all maritime-related commercial activity within the District’s jurisdiction; and

WHEREAS, staff recommends that, after taking this proposed action in accordance with the California Environmental Quality Act (CEQA), the Board adopt an amendment to the Port’s Tariff, for a General Rate Increase (GRI) of two and one-half percent (2.5%) for dockage, wharfage, passenger fees, demurrage, storage, space occupancy, and miscellaneous rates and charges, with the exception of Commercial Fishing Vessels and Pilotage Rates; and

WHEREAS, the 2.5% GRI is based on several factors, including the Western Region, All Urban Users Consumer Price Index (CPI) for the preceding year, recommendations of the California Association of Port Authorities (CAPA) Tariffs and Rates Committee, and actual rate increases by other CAPA member ports; and

WHEREAS, staff also recommends, after taking this proposed action in accordance with CEQA, language revisions to amend the Tariff to include five (5) new tariff items which consist of a District Services Fee, new wharfage rates for:

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aircraft, wind components, Free Time Exception 5, and Mobile Harbor Crane 0738B, and proposes other minor language modifications; and

WHEREAS, the District last implemented a 1.8% GRI in 2015 and 1.8% GRI in 2014; and

WHEREAS, the amendment to District Tariff No. 1-G to increase rates and charges and updated format and language is based on relevant economic indicators such as the Consumer Price Index for West Region for All Urban Consumers, the Producer Price Index for Port and Harbor Operations, and CAPA; and

WHEREAS, these proposed rate increases would become effective on August 1, 2017; and

WHEREAS, the amendment to District Tariff No. 1-G to increase rates and charges and update format and language is projected to increase revenues to the District by approximately \$487,000 annually; and

WHEREAS, the proposed collective amendment to the tariff is to meet operational expenses and to meet financial reserve needs and requirements of the District; and

WHEREAS, staff recommends the Board adopt a resolution finding the amendment to the San Diego Unified Port District, Port of San Diego Tariff No. 1-G, Rates and Charges, to increase rates, add new rates and items and update tariff format and language exempt from the California Environmental Quality Act as specified under Section 15273 of the CEQA Guidelines; and

WHEREAS, the Board conducted a public hearing on the proposed changes on June 20, 2017; and

WHEREAS, having reviewed and considered all testimony and materials made available to the Board, including, but not limited to, the staff reports and all of the testimony and evidence in the record of the proceedings with respect to the item, the Board took the actions hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED by the Board of Port Commissioners of the San Diego Unified Port District as follows:

1. The facts recited above are true and this Board of Port Commissioners has jurisdiction to consider, approve and adopt the subject of this Resolution.

2. The applicable provisions of CEQA, the State CEQA Guidelines, and the District Guidelines have been duly observed in conjunction with said

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hearing and the considerations of this matter and all of the previous proceedings related thereto.

3. The proposed project (Project), generally consists of (1) an amendment to Port of San Diego Tariff No. 1-G to increase rates and charges and update format and language based on relevant economic indicators such as the Consumer Price Index for West Region for All Urban Consumers, the Producer Price Index for Port and Harbor Operations, and CAPA, and (2) amend the Tariff to include five (5) new tariff items which consist of a District Services Fee, new wharfage rates for: aircraft, wind components, Free Time Exception 5, and Mobile Harbor Crane 0738B, and proposes other minor language modifications.

4. The proposed Project is more fully described in the Staff Report and the administrative record before the Board.

5. The proposed Project is projected to increase revenues to the District by approximately \$487,000 annually.

3. The proposed Project will maintain a rate structure that is competitive with other competitor ports.

4. The proposed Project is to meet operational expenses of the District and financial reserve needs and requirements of the District and while some of the fees may be used for maintenance activities, those maintenance activities will not involve capital projects for expansion of systems.

5. The proposed Project is not to obtain funds for capital projects for expansion of systems and will involve no expansion of use beyond that previously existing.

THEREFORE, BE IT FURTHER RESOLVED, that the proposed Project is exempt from CEQA as specified under Section 15273 of the CEQA Guidelines, as supported by the administrative record, including without limitation, the staff report and the Categorical Determination issued by the District on June 20, 2017.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 20th day of June, 2017, by the following vote: