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SAN DIEGO UNIFIED PORT DISTRICT

ORDINANCE xxxx

**ORDINANCE AMENDING THE SAN DIEGO
UNIFIED PORT DISTRICT, PORT OF SAN DIEGO
TARIFF NO. 1-G, RATES AND CHARGES, ADD
NEW RATES, AND UPDATE TARIFF FORMAT AND
LANGUAGE**

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

WHEREAS, the Port Tariff No. 1-G (Tariff) governs the rates and charges applicable for all maritime-related commercial activity under the Port's jurisdiction; and

WHEREAS, the Tariff is reviewed annually to ensure that the Port's rates and charges are competitive, the rules are current and the rates and charges reflect the prevailing market rates and economic climate; and

WHEREAS, there are several factors that are considered during staff's Tariff analysis, including relevant economic indicators such as the Consumer Price Index for the West Region, All Urban Consumers, rate recommendations made by California Association of Port Authorities' (CAPA) member ports, actual rate increases by other CAPA ports, and regional market conditions; and

WHEREAS, this year, several CAPA ports will be instituting a General Rate Increase, increases for Cruise Ship Passenger Fees and new rates for Ultra-Heavy Lift Project Cargo; and

WHEREAS, staff conducted customer outreach through a Tariff Update Stakeholder Meeting and Teleconference calls with customers during early April 2018; notification letters were distributed via electronic mail to affected customers on April 11, 2018; and staff conducted follow-up phone calls and met in-person with other customers who had questions in regards to the proposed changes; and

WHEREAS, in accordance with Government Code Section 54954.6(a) (1) (2), a notice of public hearing has been published and written notification of the proposed Tariff amendment was given to shipping lines, ships agents, stevedores, terminal operators, facilities users, maritime tenants, and San Diego Port Tenants Association; and

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WHEREAS, the Board of Port Commissions (Board) conducted a public hearing on the proposed changes on May 8, 2108; 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, the Board of Port Commissioners of the San Diego Unified Port District does ordain as follows:

Section 1. Tariff No. 1-G, posted on the website for the San Diego Unified Port District at www.portofsandiego.org (Organization No. 011576 Tariff No. 1-G), is hereby amended as follows, effective July 1, 2018:

- Implement a two and eight-tenths percent (2.8%) increase in General Items for Minimum Charge-Item No. 0510; Petroleum Products-Item No. 0650; Temporary Area Assignments-Item No. 0737; Fresh Water Service Rates-Item No. 0740; Electrical Service Rates-Item No. 0745; Electrical Service for Shore Power-Item No. 0748, effective July 1, 2018.
- Implement a two and eight-tenths percent (2.8%) increase in Permit Fees for Cargo Handling Permit Fee-Item No. 0515 and Vessel Repair Permit Fee-Item No. 0520, effective July 1, 2018.
- Implement a two and eight-tenths percent (2.8%) increase for Dockage in Rates for Full Dockage-Item No. 0575 and Dockage Charge for Transient Vessels-Item No. 0572, effective July 1, 2018.
- Implement a two and eight-tenths percent (2.8%) increase for Wharfage Rates for all Commodities and Cruise Passenger Fees for Item Nos. 0600 through 0674, effective July 1, 2018.
- Implement a two and eight-tenths percent (2.8%) increase in Demurrage, Storage & Space Occupancy for Demurrage Rates-Item No. 0705 and Rail Demurrage or Detention-Item No. 0707; Wharfage Storage Rates-Item No. 0720; Per Container Wharf Storage Rates-Item No. 0725; Space Occupancy Rates-Item No. 0735; and Temporary Office Occupancy-Item No. 0736; Temporary Area Assignments-Item No. 0737, effective July 1, 2018.
- Implement a two and eight-tenths percent (2.8%) increase in Mobile Harbor Crane-Item No. 0738; Electrical Service for Refrigerated Containers-Item No. 0747; Redelivery of Merchandise-Item No. 0750; Environmental Surcharge for Dry Bulk-Item No. 0758, effective July 1, 2018.

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- Implement a one and nine-tenths of a percent (1.9%) Annual Rate Increase (ARI) in Cruise Ship Passenger Fees-Item No. 0647, effective July 1, 2019; July 1, 2020; and July 1, 2021.
- Perform an amendment of the Tariff to add language, add a new commodity and deletion of an item for the following, effective July 1, 2018:
 - Weight on Wharves-Item No. 0360 add language as follows: *All costs associated with the movement of Ultra Heavy-Lift cargos (over 200 metric tons), including hazardous materials, and other non-containerized cargos requiring special access and technical assessment to the District's terminals, are the sole responsibility of the owner, operator or agent(s).*
 - Project Cargo Rates-Item No. 0631 added new commodity language as follows: *(i) Ultra Heavy-Lift Project Cargo rate from a single unit or piece over two-hundred (200) Metric Tons-New Rate of \$17.00.*
 - Hazardous and Dangerous Cargo Permit-Item No. 0522 deletion of item and language as follows: The fee to handle, transport, load, discharge or store hazardous materials or dangerous cargos at District-owned facilities shall be one-hundred and seventy-two dollars (\$172.00) per year, payable in advance, per shipment.
 - Perform an amendment of Tariff language and other minor language modifications as referenced in Attachments E, G, H, L, N, P, X, AA, BB, CC, DD, EE, FF, GG, HH, II, JJ and KK.
- Other minor language modifications.

Section 2. This Ordinance shall take effect on the 31st day from its passage by the Board of Port Commissioners.

APPROVED AS TO FORM AND LEGALITY:
GENERAL COUNSEL

By: Assistant/Senior/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 8th day of May 2018, by the following vote: