

DRAFT**RESOLUTION 20xx-xxx****RESOLUTION FINDING THE AMENDMENT TO THE
SAN DIEGO UNIFIED PORT DISTRICT TARIFF
NO. 1-G, RATES AND CHARGES, TO INCREASE
RATES, ADD NEW RATES, AND UPDATE TARIFF
FORMAT AND LANGUAGE 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 I (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 “District” 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 District Tariff, for a General Rate Increase (GRI) of two percent (2%) for Dockage items, Wharfage items, Demurrage, Storage & Space Occupancy items, and Miscellaneous items, with exception to Commercial Fishing Vessels; Dockage for Transient Vessels; Passenger Fees for Cruise Ships; and Pilotage Rates and Charges; and

WHEREAS, the 2% GRI is based on several factors, including the Western Region Consumer Price Index for All Urban Consumers (CPI-U) for the nine (9)-month period of the CPI-U in Calendar Year 2020, recommendations of the California Association of Port Authorities (CAPA) Tariffs and Practices 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 a one-dollar (\$1.00) rate increase in General Item for Credit Rule (Minimum Delinquent Charge)—Item No. 0535; a fifty percent (50%) rate increase in Wharfage items for

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Merchandise N.O.S. (Not Otherwise Specified)—Item No. 0600 and Project Cargo Rates—Item No. 0631; a one-dollar and twenty-five cent (\$1.25) rate increase in Wharfage items for Vehicles (Import/Inbound) (Rail | Truck Transfer Fee)—Item No. 0660 and Commercial Vehicles (Light & Medium Weight) (Rail | Truck Transfer Fee)—Item No. 0663; add new item and definition for Anchorage—Item No. 0441 and corresponding rate in Rates for Full Dockage—Item No. 0575; add new item and definition Photography and Videography on the Terminal—Item No. 0541; and modify language for Free Time Allowed and add Free Time by Commodity Type for Vehicles, Hawaiian Trade—Item No. 0685, and proposes other minor language modifications; and

WHEREAS, the District last implemented a 3.3% GRI in 2019; 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 the West Region for All Urban Consumers and the California Association of Port Authorities; and

WHEREAS, these proposed rate increases would become effective on January 1, 2021; 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 \$454,000 annually; and

WHEREAS, the proposed collective amendment to the Tariff is to meet operational expenses as well as 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 update Tariff format and language exempt from the California Environmental Quality Act (CEQA) as specified under Section 15273 of the CEQA Guidelines; and

WHEREAS, the Board conducted a public hearing on the proposed changes on November 10, 2020; 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:

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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 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 San Diego Unified Port District Port of San Diego Tariff No. 1-G to increase rates and charges, and update format and language based on relevant economic indicators such Consumer Price Index for the West Region for All Urban Consumers and the California Association of Port Authorities, and (2) amend the Tariff to include a one-dollar (\$1.00) rate increase in General Item for Credit Rule (Minimum Delinquent Charge)—Item No. 0535; a fifty percent (50%) rate increase in Wharfage items for Merchandise N.O.S. (Not Otherwise Specified)—Item No. 0600 and Project Cargo Rates—Item No. 0631; a one-dollar and twenty-five cent (\$1.25) rate increase in Wharfage items for Vehicles (Import/Inbound) (Rail | Truck Transfer Fee)—Item No. 0660 and Commercial Vehicles (Light & Medium Weight) (Rail | Truck Transfer Fee)—Item No. 0663; add new language and definition for Anchorage—Item No. 0441 and corresponding rate in Rates for Full Dockage—Item No. 0575; add new language and definition Photography and Videography on the Terminal—Item No. 0541; and modify language for Free Time Allowed and add Free Time by Commodity Type for Vehicles, Hawaiian Trade—Item No. 0685, 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 \$454,000 annually.

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

7. The proposed Project is to meet operational expenses as well as financial reserve needs and requirements of the District.

8. The proposed Board action is not to obtain funds for capital projects for expansion of systems and will involve no expansion of use beyond that previously existing, however, some of the fees may be used for maintenance activities.

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 _____.

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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 10th day of November 2020, by the following vote: