

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, after careful consideration, staff findings suggest that a General Rate Increase (GRI) across all Tariff Items would not be appropriate at this time and will consider a GRI during the next traditional annual Tariff review; and

WHEREAS, staff also recommends, after taking this proposed action in accordance with California Environmental Quality Act (CEQA), language revisions to amend the Tariff to include a three-dollar and eighty cent (\$3.80) rate decrease to Merchandise N.O.S.-Item No. 0600, effective January 1, 2022; a three-dollars and one cent (\$3.01) rate increase to Item No. 0647-Passenger Fees for (a) Cruise Ships Rate, effective July 1, 2022; amend to modify the Tariff language to Item No. 0705-Wharf Demurrage Rates for Six (6) Day and Beyond, Per Day and add corresponding rate structure, effective January 1, 2022; amend the Tariff language and add a new Item for Hazardous Surcharge-Item No. 0759, effective January 1, 2022; and amend the Tariff language and other minor language modifications, effective January 1, 2022; 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

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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, 2022; and

WHEREAS, the proposed Tariff rate amendments will result in a positive revenue impact of approximately \$767,000 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, and update Tariff format and language exempt from the CEQA as specified under Section 15273 of the CEQA Guidelines; and

WHEREAS, the Board conducted a public hearing on the proposed changes on November 9, 2021; 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 hearing and the considerations of this matter and all of the previous proceedings related thereto.
3. The proposed project (Project), generally consists of (2) an amendment to San Diego Unified Port District Port of San Diego Tariff No. 1-G to increase or decrease 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 three-dollar and eighty cent (\$3.80) rate decrease to Merchandise N.O.S.-Item No. 0600, effective January 1, 2022; a three-dollars and one cent (\$3.01) rate increase to Item No. 0647-Passenger Fees for (a) Cruise Ships Rate, effective July 1, 2022; amend to modify the Tariff language to Item No.

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0705-Wharf Demurrage Rates for Six (6) Day and Beyond, Per Day and add corresponding rate structure, effective January 1, 2022; amend the Tariff language and add a new Item for Hazardous Surcharge-Item No. 0759, effective January 1, 2022; and amend the Tariff language and other minor language modifications, effective January 1, 2022, 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 \$767,000 annually.

6. The proposed rate increases would aid in balancing the rising costs of maintenance and infrastructure associated with maritime operations while maintaining a rate structure that is comparable to competitor ports.

7. 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 _____.

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 9th day of November 2021, by the following vote: