

**SAN DIEGO UNIFIED PORT DISTRICT
ORDINANCE 2946**

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

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, the District Tariff No. 1-G (Tariff) governs the rates, charges, rules and regulations applicable for all maritime-related commercial activity within the District's jurisdiction; and

WHEREAS, the Tariff is reviewed annually to ensure that the District's rates and charges are competitive, the rules are current, and the rates and charges reflect the prevailing local and regional market conditions; and

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

WHEREAS, this year, CAPA's Tariffs and Practices Committee identified a 3.1% increase for the 12-month period ending in December 2018 as the 'floor' for ports considering general rate increases, and several CAPA member ports have or will be instituting a General Rate Increase (GRI), including the Ports of Hueneme, Long Beach, Oakland, Redwood City, Richmond and Stockton for an average GRI of four percent (4%); and

WHEREAS, staff recommends a three and three-tenths percent (3.3%) GRI in General items, Dockage items, Wharfage items, Demurrage, Storage & Space Occupancy items, and Miscellaneous items, with exception to Commercial Fishing Vessels, effective August 1, 2019; and

WHEREAS, Rates applicable to Hawaiian Trade have been modest over the last several years, generally resulting in a below-market rate structure for this item. Staff is addressing this item's rate structure incrementally and recommends a five percent (5%) rate increase, effective August 1, 2019; and

WHEREAS, in addition, staff recommends revisions to amend the Tariff to include new items including: Rail | Truck Transfer Fees, Grain Products and Sugar Products based on comparison of Southern California and Gulf Port prevailing rates and other minor language modifications; and

WHEREAS, staff conducted customer outreach through a Tariff Update Stakeholder Meeting, distributed notification letters via U.S. mail and electronic mail, and conducted follow-up telephone 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 was published and written notification of the proposed Tariff amendment given to shipping lines, ships' agents, stevedores, terminal operators, facilities users, maritime tenants, and the San Diego Port Tenants Association; and

WHEREAS, the Board of Port Commissions (Board) conducted a public hearing on the proposed changes on June 18, 2019; 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 August 1, 2019:

- Implement a three and three-tenths percent (3.3%) 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
- Implement a three and three-tenths percent (3.3%) increase in Permit Fees for Cargo Handling Permit Fee—Item No. 0515 and Vessel Repair Permit Fee—Item No. 0520
- Implement a three and three-tenths percent (3.3%) increase for Dockage in Rates for Full Dockage—Item No. 0575 and Dockage Charge for Transient Vessels—Item No. 0572

- Implement a three and three-tenths percent (3.3%) increase Wharfage Rates for all Commodities for Item Nos. 0600 through 0674
- Implement a three and three-tenths percent (3.3%) increase in Demurrage, Storage & Space Occupancy items for Demurrage Rates—Item No. 0705; 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
- Implement a three and three-tenths percent (3.3%) increase in Miscellaneous items for 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
- Implement a five percent (5%) Rate Increase (RI) in Hawaiian Trade—Item No. 0666
- Implement a three and one-tenths percent (3.1%) Rate Increase (RI) Pilotage Rates and Charges—Item No. 0800
- Add language and new commodities items for the following:

Rail | Truck Transfer Fee—Item No. 0211 and add new language as follows:

“Rail | Truck Transfer Fee” is a charge assessed against merchandise calculated in accordance with the wharfage charges named in this Tariff for the passage of merchandise onto, over, through or under wharves or wharf premises when that merchandise does not enter or exit a Port District facility through a vessel, barge, or other waterborne mode. It is a fee that applies to cargo received or delivered to a Port District facility by a non-waterborne mode.

Rail | Truck Transfer Fees are subject to the provisions of Item No. 0660—Vehicles (Import/Inbound) and Item No. 0663—Commercial Vehicles (Light/Medium Weight) of this Tariff.

Wharfage on Rail | Truck Transferred Cargo—Item No. 0596 and add new language as follows:

Rail | Truck Transferred Cargo, as defined in Item No. 0211, is cargo that arrives and/or departs from a Port of San Diego terminal facility without use of the San Diego Bay. Rail | Truck Transfer Fees are subject to the provisions of Item No. 0660 Vehicle (Import/Inbound) and Item No. 0663—Commercial Vehicles (Light & Medium Weight) of this Tariff.

Grain Products—Item No. 0626 and add new language and rate as follows:

Corn, cereal, flour, powder, bulk and bagged

(a) Bulk Cargo: \$2.61

(b) Bags or Cases

Less than 3,000 metric tons (per metric ton) \$5.31

In lots of 3,000 metric tons or more (per metric ton) \$3.96

Sugar Products—Item No. 0655 and add new language and rate as follows:

Crushed, raw or refined, or glucose, dextrose or maltose, other than liquid

(a) Bulk Cargo: \$2.61

(b) Bags or Cases

Less than 3,000 metric tons (per metric ton) \$5.31

In lots of 3,000 metric tons or more (per metric ton) \$3.96

Project Cargo—Item No. 0631 and revised language and rate as follows:

Ultra Heavy-Lift Project Cargo

Applicable to Ultra Heavy-Lift Project Cargo from a single unit or piece over ~~two hundred~~ one-hundred-fifty (200 150) metric tons. \$17.56

Vehicles (Import/Inbound)—Item No. 0660 and add new language and rates as follows:

RTTF (Rail | Truck Transfer Fee) \$ 13.00

Commercial Vehicles, Light and Medium Weight)—Item No. 0663 and add new language and rates as follows:

RTTF (Rail | Truck Transfer Fee) \$ 13.00

Free Time Allowed—Item No. 0685 and add new language as follows:

(a) Vehicles, Motor, on Wheels

(b) Containers, per Container

Inbound Trade 5 Days

Outbound Trade 7 Days

(c) All Other Commodities

Inbound Trade 7 Days

Outbound Trade 10 Days

Rail Demurrage or Detention—Item No. 0707 and revised rate as follows:

Railcars of bulk commodities that remain on Port District facilities and tracks after free time shall be per railcar per day or fraction thereof. \$75.00

Pilotage Rates and Charges—Item No. 0800 and add new language and rates as follows:

Overall Length of Vessel in Meters (Feet)		Dollars Per Movement Effective August 1, 2019	
Over	But Not Over	Entering or Leaving	Intra Harbor
310 (1,017.0)	316 (1,036.7)	\$2,243	\$1,344
316 (1,036.7)	322 (1,056.4)	\$2,288	\$1,370
322 (1,056.4)	328 (1,076.1)	\$2,332	\$1,396
328 (1,076.1)	334 (1,095.8)	\$2,376	\$1,422
334 (1,095.8)	340 (1,115.4)	\$2,421	\$1,448

- 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/Deputy

PASSED AND ADOPTED by the Board of Port Commissioners of the San Diego Unified Port District, this 18th day of June, 2019, by the following vote:

AYES: Bonelli, Castellanos, Merrifield, Moore, Valderrama, and Zucchet

NAYS: None.

EXCUSED: Malcolm

ABSENT: None.

ABSTAIN: None.



Garry J. Bonelli, Chairman
Board of Port Commissioners

ATTEST:



Donna Morales
District Clerk



(Seal)