

POSSIBLE MOTION

I MOVE TO approve, as recommended by the Gary Paxton Industrial Park Board, the proposed adjustments to the GPIP Port Tariff Fee Schedule No. 1.



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Monday, July 2, 2018

MEMORANDUM

To: Keith Brady, CBS Administrator
From: Garry White, Director
Subject: GPIIP Port Tariff Fee Schedule Adjustment

Introduction

The Gary Paxton Industrial Park (GPIIP) Board of Directors met on June 28th, 2018 and approved the following motion to adjust the GPIIP Port Tariff Fee Schedule:

MOTION: M/S: Jones/Finkenbinder Moved to recommend the City and Borough of Sitka Assembly approve to adjust the GPIIP Port Tariff Fee Schedule as presented by the GPIIP Director.

The GPIIP Director's proposed adjustments to the GPIIP Port Tariff Fee Schedule are listed below.

GPIIP Port Tariff

A Port Tariff is a document that contains published charges, rules, and requirements of the port. The Port Tariff is an implied contract that allows for rapid arrangements without the need for complicated agreements for use of the facility.

The attached Gary Paxton Industrial Park Port Tariff #1 was drafted, with input by the GPIIP Director and GPIIP Board, by Parrish, Blessing, & Associates Inc. (PBA), a regulatory and economics consulting firm from Anchorage. PBA has experience if port tariff development having worked with the Port of Alaska (formerly port of Anchorage) on its port tariff development and financial management.

The GPIIP Port is a "landlord" Port, which means that the GPIIP will charge users for real estate and dock use and are responsible for maintenance, management and upkeep. The GPIIP Port Tariff covers all properties of the GPIIP uplands and tidelands.

The GPIIP Port Tariff covers general rules and regulations for use of the port. Additionally, the tariff covers the schedule of charges for use of the port, including docking, wharfage, etc...

The GPIIP Board recommended and the City and Borough of Sitka Assembly approved the Gary Paxton Industrial Park Port Tariff #1 in February 2018. The GPIIP Board discussed the need to monitor the fee schedule and to adjust if need be over time.

Based off conversations with users of the facility, the Director is proposing some adjustments to the fee schedule.

Proposed Adjustments to the GPIIP Port Tariff Fee Schedule

Below are the proposed changes:

Dockage

1. Section 2 Definitions and Schedule of Charges – Item 200 Dockage (j)

Propose to add a Dockage Rate to allow for incidental use of the dock.

<u>Vessel Length (feet)</u>	<u>Dockage Rate (in Dollars)</u>
0 - 200 feet	\$25/hour for up to 4 hours (>4 hours goes to full daily rate)

Rationale: Request from potential users of the facility to quick offload of gear and equipment. Additionally, request to use the facility for staging of fishing vessels waiting to off load product.

Wharfage

2. Section 2 Definitions and Schedule of Charges – Item 220 Minimum Charges

Wharfage minimum charge - \$35

Rationale: Current tariff listed minimum charge at \$75. Minimum charge is being lowered to encourage more use of the facility.

3. Section 2 Definitions and Schedule of Charges – Item 254 Seine Skiffs

Propose to add a Wharfage rate to allow for the movement of Seine Skiffs.

<u>Commodity</u>	<u>Wharfage Rate (in Dollars)</u>
Item 254 Seine Skiffs	\$35/Skiff

Rationale: Current tariff does not have an associated cost for seine skiffs, which have been identified as a potential wharfage item to be moved across the dock.

4. Section 2 Definitions and Schedule of Charges – Item 255 Electrical Charges

<u>Commodity</u>	<u>Wharfage Rate (in Dollars)</u>
Item 255 30 Amp	\$8.00/day
Item 255 50 Amp	\$15/day
Item 255 100 Amp	\$20/4 hours

Rationale: Current tariff did not list a cost for 50 amp services.

Action

- Assembly approval of the proposed adjustments to the GPIIP Port Tariff Fee Schedule.