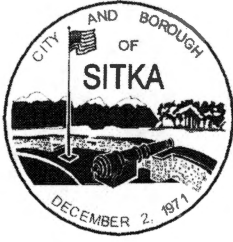


POSSIBLE MOTION

I MOVE TO approve Resolution 2020-02 on first and final reading increasing cruise ship tender fees, implementing cruise ship security fees, and increasing float plane tenant rate.



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Mayor Paxton and Assembly Members
From: Hugh Bevan, Interim Municipal Administrator *HB 2-10-20*
Date: February 10, 2020
Subject: Resolution No. 2020-02
Changes to Moorage Charges and Fees

Background

Resolution 2006-10 established fees for the float plane facility and Resolution 2015-08 established fees for cruise ship tender vessels. Since it has been many years since those fees were reviewed the Port and Harbor Commission considered them on January 8, 2020.

The Commission recommended the following:

1. Set tender rates for the 2020 season at \$1,265.16 per ship.
The old rate was \$1,145.87 per ship per day. (Increase = \$119.29 per ship)
2. Establish a security fee of \$500.00 per ship per day to help offset CBS costs for onshore security support. (This is a new fee and is a common charge at other cruise ports)
3. Set the float plane facility rate at \$250.00 per quarter.
The old rate of \$150.00 was established in 2006. (Increase = \$100.00 per quarter)

Fiscal Note

The proposed rate increases results in the following estimated revenues based upon 31 ships:

1. Tender rates = \$38,581.79 per year.
2. Security fees = \$15,500.00 per year
3. Float plane facility fees = \$4,000.00 per year.

Recommendation

Approve Resolution No. 2020-02

Sponsor: Interim Administrator

CITY AND BOROUGH OF SITKA

RESOLUTION NO. 2020-02

**A RESOLUTION OF THE CITY AND BOROUGH OF SITKA
INCREASING CRUISE SHIP TENDER FEES, IMPLEMENTING CRUISE SHIP SECURITY FEES,
AND INCREASING FLOAT PLANE TENANT RATE**

WHEREAS, Sitka General Code Section 13.06.010 Moorage charges and fees, subsection (A) states, Moorage fees and charges shall be established by resolution and approved by the Assembly; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to approve an increase in the tender fees for cruise ships to \$1,265.16 per ship per day; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to implement a security fee for cruise ships of \$500.00 per ship per day; and

WHEREAS, the Port and Harbors Commission voted on January 8, 2020 to approve an increase in the float plane tenant rate to \$250.00 per quarter; and

NOW, THEREFORE, BE IT RESOLVED that the Assembly of the City and Borough of Sitka, Alaska, hereby approves the following permanent moorage charges and fees, effective as stated:

Tender Fees (effective immediately):

\$1,265.16 per ship per day

Security Fees (effective immediately):

\$500.00 per ship per day

Float Plane Tenant Rate (effective immediately):

\$250.00 per quarter

PASSED, APPROVED AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska on this 25th day of February 2020.

Gary L. Paxton, Mayor

ATTEST:

Sara Peterson, MMC
Municipal Clerk

1st and final reading 2/25/2020

Sponsor: Interim Administrator