

August 24, 2021

Mr. Jim West, Jr. Board of Trade, Inc. P.O. Box 967 Nome, AK 99762

RE: REQUEST FOR NEGOTIATED RATE ON LARGE 2021 GRAVEL VOLUME

Dear Mr. West,

I am sorry to notify you that City Of Nome cannot give you a lower rate on your outbound gravel in a single project. When you first contacted the city on April 2, 2021 by email, I believed the process allowed the Port Director to negotiate the rate as referenced in Port Tariff Section 05.050, which would then require approval through my office. Much to my surprise, the Assistant City Solicitor for the City of Nome notified me that the Port Director nor I, as the City Manager, had that authority to negotiate essentially what is considered an established rate in the tariff.

As you are well aware, I went to the Port Commission to argue for the Board of Trade to receive support for a tariff reduction which would then be conveyed to the Nome Common Council to consider. The Common Council took my request under consideration at their meeting on August 23rd. After much discussion the Common Council decided not to proceed with a one-time rate reduction as proposed in the resolution before them.

First, I apologize for the substantial delay in providing a written response to the request, which was submitted prior to the start of the shipping season and should have been dealt with more efficiently. As I said at The Port Commission and Common Council meeting regarding this issue, I take full responsibility.

Therefore, based on language in Port Tariff 16.1, and advice from the city attorney, I must deny your request to negotiate a lower rate for your 2021 gravel/sand material export to Kotzebue.

Sincerely

Glenn Steckman

City Manager

Cc: Mayor and Nome Common Council

Nome Port Commission

Port Director