
CITY OF PORT LAVACA

Agenda

#9

PORT COMMISSION MEETING: MAY 4, 2021

DATE: 4.29.2021

TO: PORT COMMISSION

CC: JIM RUDELLAT, HARBOR MASTER

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: CONSIDER MORITORIUM ON RAIL CAR TARRIFF CHARGES RETROACTIVE TO OCT 1, 2020 TO PROVIDE TIME TO RECEIVE INPUT FROM HELENA CHEMICALS

At the City Council meeting on April 12, Council asked that Helena be provided time to gather information and then meet with myself, Jerry Smith, Jim Rudellat and representatives of the Port Commission to consider their information and reevaluate the tariff rates voted in last October and then bring a recommendation back to Council.

Therefore, in light of 1) the discussion at the City Council meeting on April 12 and 2) the fact that Helena has disputed the rail car rate in particular as being excessive and 3) there is a question of how many days are to be charged since the length of time the rail cars sit is out of Helena's control, and 4) Helena has therefor not paid any of this tariff to date, I am recommending to Port Commission to consider placing a moratorium on the \$75/day/car rail rate, retroactive to October 1, 2020, until such time this meeting requested by Council is accomplished and a recommendation is taken back to Council for any new action.

Note: Helena is also requesting a re-evaluation of other rates, but Helena has been paying - and will continue to pay - those charges as stipulated in the current rate structure, until a recommendation is made to Council for any change.