

**DRAFT**



**Aviation**



**Port Utility**

# Budget Summary

**One-Year Operating and Capital Budget**

Fiscal Year Ending June 30, 2027

**Five-Year Operating Forecast and Capital Improvement Plan**

Fiscal Years Ending June 30, 2027 Through 2031



**PORT OF  
OAKLAND**

A Component Unit of the City of Oakland



**Commercial Real Estate**



**Maritime**

## **One-Year Operating and Capital Budget Fiscal Year 2026-27**

**and**

## **Five-Year Operating Forecast and Capital Improvement Plan Fiscal Years 2026-27 Through 2028-31**



**PORT OF  
OAKLAND**

### **Board of Port Commissioners of the City of Oakland**

Andreas Cluver, President  
Jahmese Myres, First Vice President  
Barbara Leslie, Second Vice President  
Stephanie Dominguez Walton, Commissioner  
Arabella Martinez, Commissioner  
Derrick Muhammad, Commissioner  
Alvina Wong, Commissioner

### **Executive Management**

Kristi McKenney, Executive Director  
Mary Richardson, Port Attorney  
Andre Basler, Director of Port Utility  
Bryan Brandes, Director of Maritime  
Craig Simon, Director of Aviation  
Dorin Tiutin, Acting Chief Commercial Real Estate Officer  
Julie Lam, Chief Financial Officer  
Justin Berton, Director of Communications  
Katherine Buckley, Acting Chief Audit Officer  
Matthew Davis, Chief Public Engagement Officer  
Daria Edgerly, Secretary of the Board  
Colleen Liang, Director of Environmental Programs and Planning  
Michael Mitchell, Director of Human Resources  
Kyle Mobley, Director of Technology and Innovation  
Emilia Sánchez, Director of Engineering

### **Prepared by:**

#### **Financial Planning Department**

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## DISCLOSURE

This Budget Summary is disclosed publicly for general information relating to the Port of Oakland (Port) only and should not be construed as an offering document nor part of the Port's Annual Report pursuant to SEC Rule 15c2-12 for the Port's revenue bonds or commercial paper notes. The information and expressions of opinion in this Budget Summary are subject to change without notice after the date hereof, and future use of this Budget Summary shall not otherwise create any implication that there has been no change in the matters referred to in this Budget Summary since the date hereof. The goals and objectives of the Port set forth in this Budget Summary should not be construed as commitments by the Port that such goals and objectives will, in fact, be achieved or occur within such time frames. The goals and objectives are subject to change.

Certain statements included or incorporated by reference in this Budget Summary constitute "forward-looking statements." Such statements are generally identifiable by the terminology used such as "plan," "expect," "assume," "anticipate," "intend," "believe," "estimate," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward looking statements are based upon certain assumptions and involve known and unknown risks, uncertainties and other factors, including business levels during the relevant periods, that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Actual results will vary and may vary materially. The Port does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based change.

The Port has not yet obtained funding for all the capital projects described in this Budget Summary, some of which may not ultimately be implemented by the Port. Furthermore, the overall cost of the 5-Year Capital Improvement Plan is subject to change, and the variance from the cost estimates described in this Budget Summary could be material. Failure to complete the projects may adversely affect the Port's ability to generate the currently anticipated revenues.

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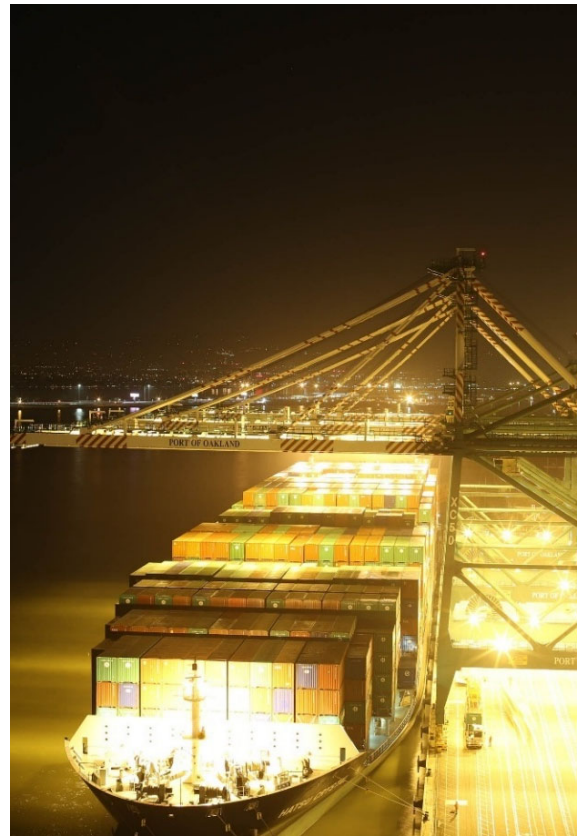
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# OVERVIEW



*Aerial View of the Seaport*

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# PORT OF OAKLAND COMMISSIONERS



**Andreas Cluver**  
President



**Jahmese Myres**  
First Vice-President



**Barbara Leslie**  
Second Vice-President



**Stephanie Dominguez  
Walton**  
Commissioner



**Arabella Martinez**  
Commissioner



**Derrick Muhammad**  
Commissioner



**Alvina Wong**  
Commissioner

## Mission Statement

We are stewards of public assets. We lead our four lines of business - seaport, airport, commercial real estate, and utilities - in a fiscally sound and socially beneficial way.

## Vision Statement

The Port of Oakland is the preferred gateway for trade, travel and recreation.

## SAN FRANCISCO BAY AREA MAP



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## Port of Oakland Overview

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The Port of Oakland (Port) is an independent department of the City of Oakland, California (City). The Port manages four lines of business: Aviation, Maritime, Commercial Real Estate, and Port Utility.

- The Aviation business line comprises Oakland San Francisco Bay Airport, including both commercial and general aviation facilities (**OAK; Airport**);
- The Maritime business line comprises the Oakland Seaport (**Seaport**), which includes marine terminals, rail yards, transloading facilities, facilities for truck staging, container storage and other maritime support services;
- The Commercial Real Estate business line comprises various commercial, industrial, and recreational properties (collectively, **CRE**); and
- The Port Utility business line develops and manages the electrical distribution grid infrastructure and procures energy to serve all of OAK and most of the Seaport (collectively, **Port Utility**).

The Port is located in the City of Oakland, along approximately 19 miles of waterfront on the Oakland Estuary and San Francisco Bay (Bay). The City is one of 14 cities in Alameda County, and one of the three major cities in the nine-county region known as the San Francisco Bay Area (Bay Area), a large metropolitan area with a population of about 7.6 million. Most of the Port's land was granted by the State of California (State) in the early 20<sup>th</sup> century, subject to the State Tidelands Trust, which requires the land be used for statewide public purposes including commerce, navigation, fisheries, and other recognized uses. The Port acts as trustee on behalf of the State for all Port property.

### GOVERNANCE

An amendment to the City Charter in 1927 delegates governance of the Port to a seven-member Board of Port Commissioners (Board). The Oakland Mayor nominates the Commissioners and the Oakland City Council appoints them. Port Commissioners serve staggered four-year terms without compensation and must be residents of the City.

The Board has complete and exclusive power over the Port. The Board has a duty for and on behalf of the City to oversee all Port facilities and property, real and personal, all income and revenues, and all bond proceeds for Seaport, Airport, Commercial Real Estate, and Port Utility improvements, and for any other purpose. The Board has the power under the City Charter to fix, alter, change, or modify the rates, tolls, fees, rentals, and other charges for the use of the Port's facilities and any services provided in connection with the Port's facilities. The Board appoints an Executive Director to administer operations.

Unlike some ports, the Port does not receive funding from local tax revenues and, as an independent department of the City, must generate sufficient revenues to support its day-to-day operations. However, the City does provide a variety of services to the Port, such as fire, police, and treasury services. The Port anticipates paying the City approximately \$21.4 million in fiscal year (FY) 2027 for these services, as well as for maintenance of Tidelands Trust property (including approximately \$2.0 million for Lake Merritt), and for parking and utility taxes collected on the City's behalf.

## PORT STRATEGIC PLAN

The Port's 5-year strategic plan (Strategic Plan) is centered on investing in both its people and its infrastructure assets, with the goal of leveraging these strengths to drive job creation, economic prosperity, and business and environmental sustainability in the communities the Port serves. It recognizes that the Port engages in enterprises that compete with other ports, airports, and attractions for cargo, passengers, and visitors. To compete successfully, the Port must continuously evolve. Maintaining a modern infrastructure, a well-prepared workforce to take advantage of job opportunities, and a deliberate strategy to maximize the value of the Port-managed real estate is essential to sustaining long-term success.

To achieve these outcomes, the Strategic Plan identifies five key goals for the next five years:

**Capture the Port's Market and Grow the Economic Base.** This goal focuses on enhancing Seaport and Airport performance. At the Seaport, this involves optimizing maritime operations, increasing cargo visibility, reshaping market and marketing strategies, solidifying Seaport market advantages, and establishing off-Port logistics linkages. At the Airport, the focus will be expanding flight services to top 10 underserved domestic and international destinations (as supported by market area demographics) and improving the overall passenger experience.

**Modernize and Upgrade Infrastructure.** This objective prioritizes the completion of deferred maintenance and regulatory compliance projects, investments in roadway, rail efficiency and safety projects, completion of environmental review work for port efficiency and capacity enhancing projects, and funding and implementation of major capital improvement projects.

**Transition to Zero-Emissions and Build Climate Resilience.** The Port will draft and adopt a comprehensive Port wide zero-emissions plan supported by measurable outcomes, invest in clean energy infrastructure and equipment, expand energy capacity, and integrate climate resilience into the design and construction of future projects.

**Maximize Land Use Value and Revenues.** This includes completing a market study of real assets, updating and adopting a land use plan, and identifying and pursuing development opportunities. Additionally, the Port is committed to revitalizing Jack London Square as a secure, inclusive space for celebrations and public gatherings, as well as partnering with the surrounding community to better activate Jack London Square and the Oakland waterfront.

**Workforce Training and Jobs Development.** The Port will strengthen opportunities for local contractors and suppliers and implement the "Everyone's Port" community engagement initiative to ensure residents are informed and connected to the Port's programs, workforce pathways, and economic opportunities.

# PORT OF OAKLAND PROPERTIES MAP



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## Port Business Lines and Operations

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The Port's major business lines generate and support economic activity locally, regionally, nationally, and globally.

### AVIATION

OAK is one of three major commercial airports serving the San Francisco Bay Area, comprising approximately 2,600 acres of aviation-related facilities. It is the top airport in the region for air cargo, second busiest by aircraft movements and third busiest by number of passengers. In calendar year (CY) 2025, OAK welcomed 9.2 million passengers, a 14.7% decrease from CY 2024. In July 2026, OAK will see 212 peak day passenger flights between OAK and 31 destinations in the United States (U.S.), Mexico and El Salvador. In addition to serving passengers, OAK provides air cargo services; in CY 2025, a total of 1.15 billion pounds of air freight and mail was transported through OAK, an increase of 1.98% from CY 2024 totals.

In FY 2025, Aviation generated approximately 50.5% of the Port's total operating revenues.<sup>1</sup> Aviation operating revenues come from three primary sources: landing fees and terminal rents paid by airlines; parking and ground access charges; and leases and concessions.

### MARITIME

The Seaport is comprised of approximately 1,300 acres of maritime-related facilities, including approximately 780 acres of marine terminals. The Seaport is one of the 10 busiest container ports in the U.S., and one of four major gateways for containerized shipments on the West Coast of the U.S. It serves as the principal ocean gateway for international containerized cargo shipments to and from Northern California, California's agricultural Central Valley, and western Nevada. The Seaport is also a key gateway for the "Intermountain States" including Colorado and Utah and serves as one of several gateways for cargo destined for the continental United States. In CY 2025, approximately 2.25 million twenty-foot equivalent units (TEUs) moved through the Seaport; approximately 93% of this activity was associated with international trade, while the remaining seven percent represented domestic trade within the U.S.

The Seaport generated approximately 39.5% of the Port's total operating revenues in FY 2025.<sup>2</sup> Most of these operating revenues are derived from lease agreements with marine terminal operators. In FY 2025, total cargo throughput was 3.7% higher than in FY 2024 due to recovery in import volumes supported by higher consumer spending in the U.S. (imports) and Asia (exports). Based on the first eight months of FY 2026, total cargo throughput for the whole year is projected to be 3.2% below FY 2025 Actuals. Looking ahead to FY 2027, the Port anticipated annual growth of containerized cargo growth of 1%, which is generally consistent with the long-term historical average.

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<sup>1</sup> Based on Annual Comprehensive Financial Report For the Years Ended June 30, 2025 and 2024

<sup>2</sup> Ibid.

## COMMERCIAL REAL ESTATE

CRE includes all Port properties not used for maritime or aviation purposes. These properties total about 837 acres of land along the Oakland Estuary and include warehouses, public parking, hotels, offices, shops, restaurants, public parks and open space.

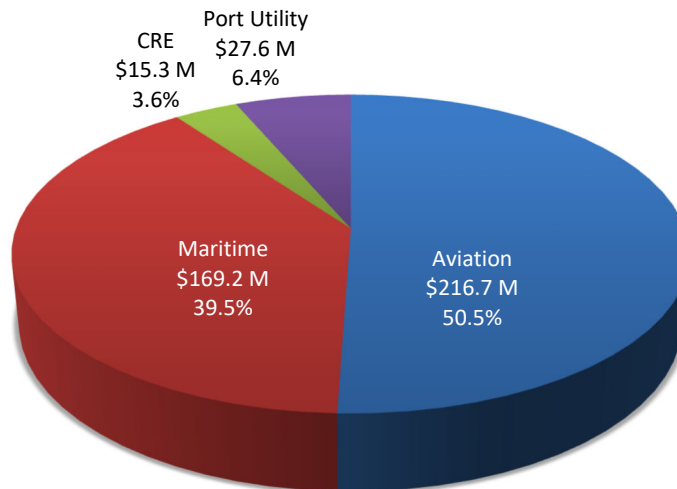
In FY 2025, CRE generated approximately 3.6% of the Port's total operating revenues<sup>1</sup>. CRE revenues are derived primarily from lease agreements and parking revenues. In FY 2025, the revenues generated from public parking facilities operated by CRE were approximately \$2.4 million, compared to the FY 2024 parking revenues of \$1.9 million and pre-COVID FY 2019 parking revenues of \$2.7 million<sup>2</sup>. Parking revenues are a reflection of the number of visitors coming to dine in local restaurants and attend public events, as well as the number of office employees working on-site and in the vicinity of Jack London Square.

## PORT UTILITY

The Port provides electric utility services to Port facilities (both tenant-operated and Port-operated) in support of the Port's Aviation and Maritime business lines. The Port is the only major seaport and airport in California that operates a publicly owned electric utility (POU). Water, sewer, and gas services are provided through retail transactions with the East Bay Municipal Utility District (EBMUD) and Pacific Gas & Electric (PG&E) on a pass-through basis.

In FY 2025, electric utility sales, including pass-through revenues, generated approximately \$27.6 million or 6.4% of the Port's total operating revenue.<sup>3</sup>

### FY 2025 Port Revenues: \$428.8 million



<sup>1</sup> Based on Annual Comprehensive Financial Report For the Years Ended June 30, 2025 and 2024

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

## Aviation

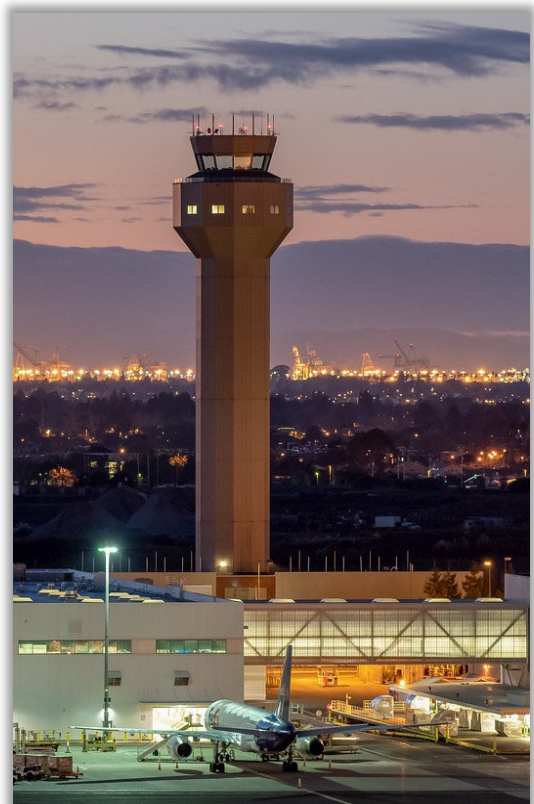
OAK has served the air travel and air cargo needs of the Bay Area for nearly a century. In 1927, work crews constructed what was then the world's longest runway, a 7,020-foot-long strip that served as the takeoff point for the first trans-Pacific flight from the U.S. mainland to the State of Hawaii. It also was the departure point for Australian World War I ace Sir Charles Kingsford-Smith, who made the first flight between North America and Australia in 1928.

Famous aviators frequented OAK, including Albert Hegenberger, Amelia Earhart, Bessie Coleman, and Lester Maitland. OAK was also the West Coast terminus for United Airlines' newly introduced service to New York in 1937. In 1962, Terminal 1 and Runway 12/30 were opened to accommodate growth and technological advancements in the aviation industry. A second eight-gate terminal (Terminal 2) was opened in 1985 and expanded to 13 passenger gates in 2007.

### RANKINGS

OAK airport is designated by the Federal Aviation Administration (FAA) as a Medium Hub Airport within the National Plan of Integration Airports Systems and appears in various rankings of air traffic and capacity:

- According to the most recent U.S. Bureau of Transportation Statistics, in CY 2025, by passenger traffic, OAK is the 48<sup>th</sup> busiest U.S. airport in the United States, ranked between Columbus (CMH) and Pittsburgh, PA (PIT). It fell from the 45<sup>th</sup> busiest in 2024.
- According to the most recent Airports Council International - North America statistics, in CY 2024 OAK ranked 15<sup>th</sup> between Honolulu (HNL) and San Francisco (SFO) for air cargo tonnage.
- According to Airports Council International - North America statistics in CY 2024 OAK ranked 49<sup>th</sup> between Montreal (YUL) and Memphis (MEM) for aircraft movements.



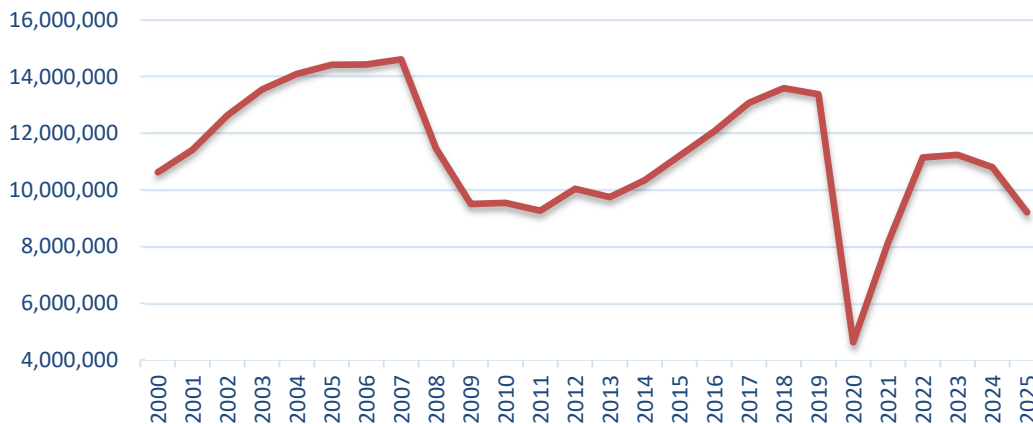
*Control Tower, OAK Airport*

OAK is located on approximately 2,600 acres of land and includes terminals, airfields, a consolidated rental car center, parking, air cargo, corporate and general aviation, a municipal golf course, and airport support and maintenance facilities. The Airport's commercial passenger terminals, Terminal 1 and Terminal 2, collectively have 29 gates and include the International Arrivals Building. The main commercial runway, Runway 12/30, is 10,000 feet in length and primarily serves commercial air carrier operations and corporate jet departures. There are three additional runways used primarily for corporate and general aviation purposes.

## PASSENGER TRAFFIC AND AIR SERVICE

OAK provides easy-to-use airport facilities and convenient access to the entire Bay Area. In CY 2025, the Airport served 9.2 million passengers, a decrease of 14.7% from CY 2024. Based upon current schedules, the Airport will serve 31 nonstop destinations in July 2026. Southwest Airlines remains OAK's dominant carrier with a 78.2% market share at OAK.<sup>1</sup>

Aviation Passenger Statistics CY 2000 – CY 2025



## AIR SERVICE BUSINESS DEVELOPMENT

The Airport is continuously looking to attract new carriers and destinations to better serve the region, while maintaining and strengthening its current portfolio:

- OAK continues to be a major North American gateway to the State of Hawaii for passengers via Southwest Airlines and Alaska Group's Hawaiian Airlines as well as for air cargo via FedEx and UPS.
- In April 2026, Alaska Airlines commenced four times daily service between OAK and San Diego (SAN).



<sup>1</sup> Market share calculated as the proportion of OAK passenger traffic flown by Southwest Airlines in July 2025 – March 2026

## CORPORATE AVIATION

OAK has two fixed-base operators (FBOs) that serve local, national, and international corporate and dignitary customers with full-service facilities. FBOs provide fueling, maintenance, charter aircraft passenger services, and aircraft parking and storage on OAK's airfield and in Port-owned hangars. The two FBOs are: KaiserAir, Inc. (KaiserAir) which has operated at OAK since 1954; and Signature Flight Support (Signature), which commenced operations in late 2011 and acquired the holdings of Business Jet Center in 2013. Along with handling general aviation and corporate clients, KaiserAir also operates its proprietary (Part 121) aircraft with weekly membership based scheduled charter flights to the State of Hawaii. Signature brings its expertise from operations at almost 200 airports across the world. In addition to these two FBOs, JSX operates its unique, all-premium air service to Hollywood-Burbank, CA (BUR), Carlsbad, CA (CLD), Las Vegas, NV (LAS), Dallas-Love Field, TX (DAL), and Scottsdale/Phoenix, AZ, (SCF).

## AIR CARGO

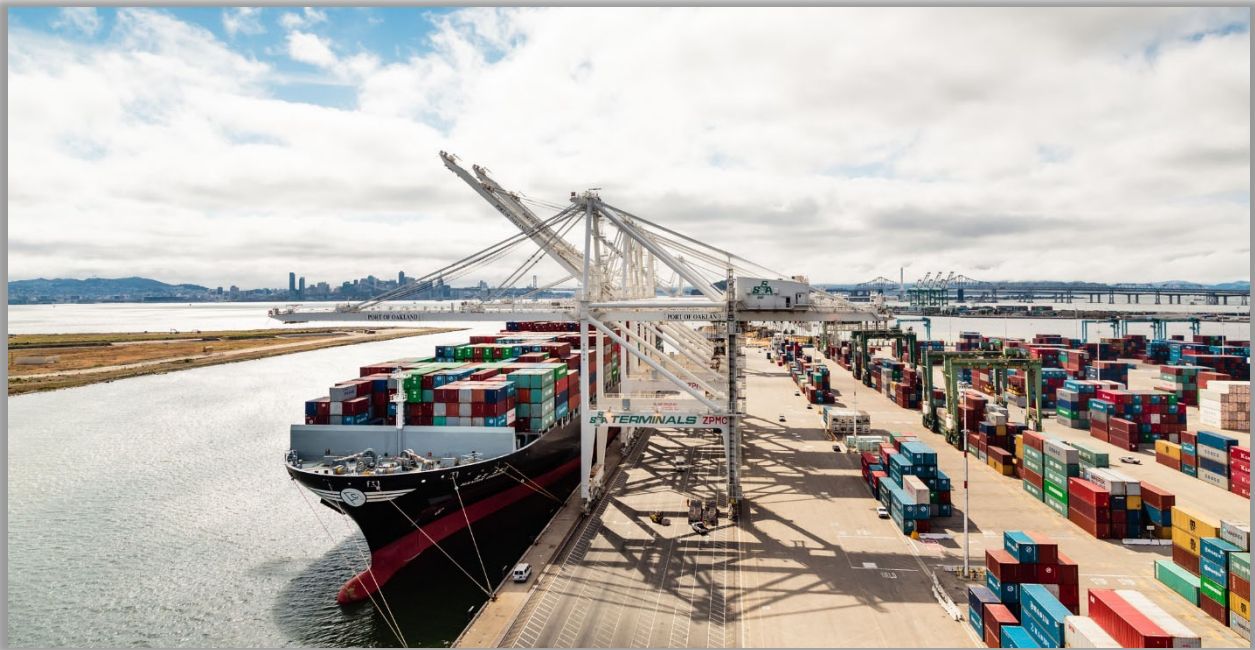
In addition to its status as a major passenger airport, OAK serves the top two global air cargo leaders, Federal Express (FedEx) and United Parcel Services (UPS). OAK is the North American West Coast hub for FedEx. FedEx performs intermodal sorting and distribution of freight and overnight packages around the world. OAK also serves as the primary Northern California air cargo facility for UPS with a major off-Airport sort facility on land leased from the Port and on-Airport transfer and loading facilities. In CY 2025, OAK handled approximately 1.15 billion pounds of air cargo (freight and mail), a 1.98% increase from CY 2024. FedEx is the major operator of freight aircraft with an average of 16 departures per day and 876 million pounds of cargo handled in CY 2025. UPS operated an average of six departures a day and handled 259 million pounds of cargo in CY 2025. Passenger airlines, general aviation aircraft, and a small number of charter aircraft carry the remaining cargo at OAK.

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| Aviation Operations At -A-Glance   |   |   |
|--|---|---|
| Major All-Cargo Carriers:  | FedEx<br>UPS  |   |
| Commercial Daily Departures:<br>(passenger and cargo)                          | 138 average (CY 2025)<br>164 peak (July 2025)   |   |
| Acreage:   | 2,600 acres (approximate)   |   |
| Passenger Facilities:  | Two terminals (556,000 sq ft)<br>29 boarding gates  |   |
| Runways:   | 12/30 (South Field): 10,520 feet<br>10R/28L (North Field): 6,213 feet<br>10L/28R (North Field): 5,457 feet<br>15/33 (North Field): 3,376 feet |   |
| Number of Employees:   | 8,500 Port and tenant employees (approximate)<br>About one-third of tenant employees are in cargo-related jobs                                |   |
| Largest Airport Employers:   | Southwest Airlines (2,435 incl. crew base)<br>FedEx (1,300)<br>UPS (350)<br>Port of Oakland (261)   |   |
| Public Parking:  | 7,000 vehicle capacity  |   |
| Cargo Sort Facilities:   | FedEx<br>UPS  |   |
| U.S. Customs:  | International Arrivals Building (42,000 sq ft)  |   |
| Domestic Airlines (Carriers)   |   | International-Only Airlines                       |
| Advanced Air<br>Alaska Airlines<br>Delta Air Lines<br>Hawaiian Airlines<br>JSX | KaiserAir<br>Southwest Airlines <i>(serves primarily domestic routes with Los Cabos, Mexico, as a seasonal international destination)</i>     | Viva (Mexico)<br>Volaris (Mexico and El Salvador) |

## MARITIME

To accommodate growing international shipping demand in the first part of the 20<sup>th</sup> century, Oakland voters approved bonds in 1925 to finance the construction and development of a municipal port overseen by an autonomous Board of Port Commissioners. Two years later, the Port was officially established as an independent department of the City. The maritime facilities would serve the Port for the next 40 years with relatively few changes, until containerized shipping dramatically changed maritime operations in the 1960s. The Port became one of the pioneers of large-scale containerization in the U.S. by becoming the first major port on the U.S. West Coast to build marine terminals for container ships. Since then, the Port has been growing sustainably and modernizing to meet regional, national, and global cargo transport needs for the 21<sup>st</sup> century and beyond.



*OICT Container Terminal at the Port of Oakland Seaport*

## INTERNATIONAL GATEWAY

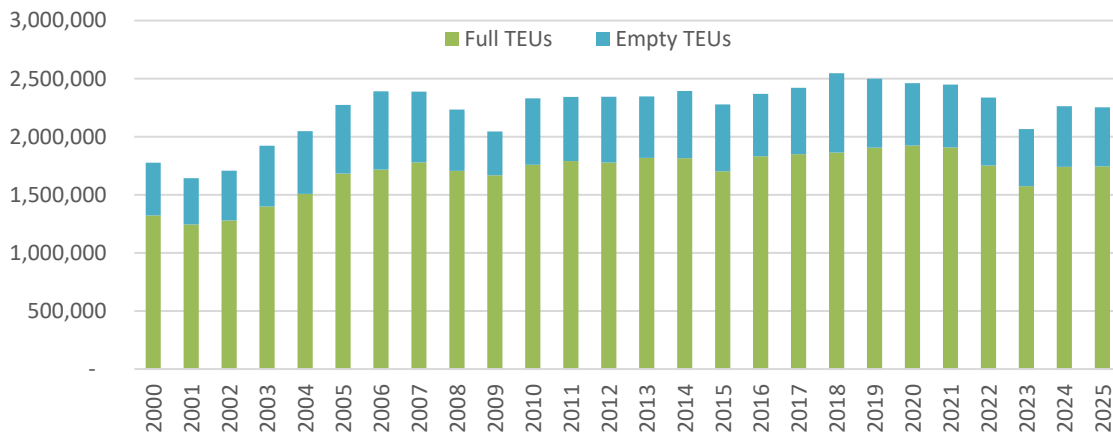
The Seaport serves as a major gateway for international containerized trade, connecting U.S. markets with Asia, Central and South America, Europe, Australia/New Zealand, Indian Subcontinent, and Africa. Among other California container ports, the Seaport offers some of the shortest transit times to and from Asia, its primary regional trading partner. All major ocean container carriers serve the Port, linking the Bay Area with direct all-water service routes to most of the world's major producing, consuming, and trading economies.

In addition to Asia, other major trading partners (with direct service routes) include Europe, the Mediterranean, Australia/New Zealand, and Central America. The Seaport is primarily a second port of call, which, combined with its proximity to Asia and California's primary growing region, makes it a strong export gateway, moving California agricultural products and other U.S. goods overseas to foreign markets.

As a second port of call, the Seaport experiences import cargo growth primarily in direct relation to the strength of the local and regional economies, while export cargo varies primarily with global economic factors such as the strength of the U.S. dollar and consumer demand in foreign markets. In CY 2025, containerized cargo throughput at the Seaport was essentially flat to CY 2024 (decline of 0.4%). Consumer demand remained generally strong in CY 2025, and demand in Asian markets for agricultural goods remained strong and continued to support the Seaport’s exports. In summary, in CY 2025:

- Approximately 2.25 million TEUs, or about 1.24 million containers moved through the Seaport – a slight decline of 0.4% compared to CY 2024.
- Of the total, approximately 1.75 million (or 77.4%) were full TEUs; the remainder were empty. Full import and full export TEUs declined 0.6% and increased 1.4%, respectively; empty TEUs declined 2.7%.
- Imports and exports accounted for approximately 55% and 45% of full TEUs, respectively. On the U.S. West Coast, this “balance” of full imports and exports is unique to the Seaport.
- Approximately 93% of the Port’s total trade was with international regions/partners and approximately 7% was domestic. Asia is the Port’s largest trading partner; in CY 2025, about 78% of the full TEUs that moved through the Port either originated from or were destined for Asia.

### Maritime Cargo Statistics (Total TEUs) CY 2000 – CY 2025<sup>1</sup>



<sup>1</sup> Although de minimis, TEUs include restows and shifts in CY 2000 through CY 2011. Starting in CY 2012, restows and shifts are no longer counted.

## SEAPORT FACILITIES

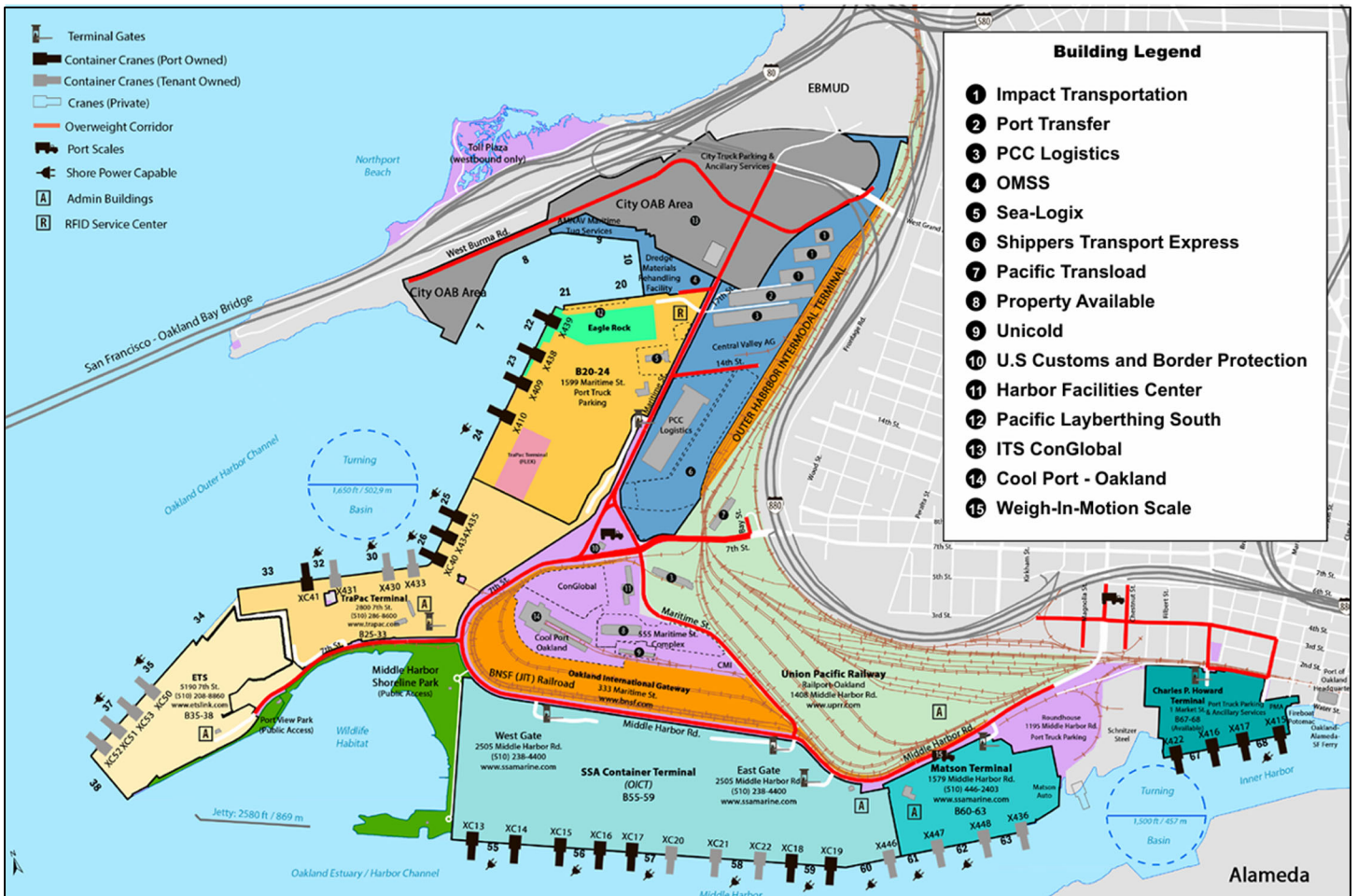
The Seaport is served by the Oakland Harbor federal navigation waterway, which generally consists of the Entrance Channel, the Outer Harbor, and the Inner Harbor. Directly alongside this waterway, the Port offers deep-water berths (most with 50 feet or 15 meters of water depth) and container cranes along approximately 21,000 linear feet of wharf. Currently, the Port has four active container marine terminals, and a bulk terminal under development.

The Seaport is backed by a network of local roads and interstate freeways, warehouses, and two Class I railroads – Burlington Northern Santa Fe Railway Company (BNSF) and Union Pacific Railroad (UP) – that collectively link the Seaport to national markets, including the Midwestern U.S.



*Aerial view of Seaport Facilities at the Port of Oakland*





Map of Seaport Facilities at the Port of Oakland

Three areas of the Seaport are currently leased for varied and interim purposes, and are under review for long-term development:

- The Outer Harbor Terminal (Berths 20-24; OHT), which has historically been a container terminal, is currently being used for a variety of purposes, including container terminal operations, logistics tenants, container staging, and a new 18-acre bulk terminal for sand and aggregates located at Berths 20-22, which is expected to be under construction in FY 2027 and begin operating in FY 2028. Long-term, the whole OHT will be modernized for bulk and container operations.
- In the 2000s, the Port acquired approximately 241 acres of land and water of the former Oakland Army Base (OAB), located adjacent to then-existing Seaport facilities. While the property is currently fully leased for maritime-related uses, the Port is developing the OAB into new maritime facilities, including a state-of-the-art logistics center known as the Seaport Logistics Complex.
- The Charles P. Howard Terminal (Howard Terminal), previously operated as a container terminal, remains in use by tenants that provide maritime support services, including layberthing, longshore labor training facilities, and a truck parking/container depot. Prior negotiations with the Athletics Investment Group, LLC dba the Oakland Athletics, LLC for redevelopment of the Howard Terminal have ended and the Port is now pursuing other opportunities for this property.

| Maritime Operations At-A-Glance  |   |                                       |
|----------------------------------|---|---------------------------------------|
| CY 2025 Cargo Vessel Arrivals:   | 1,030   |                                       |
| Deepwater Ship Berths:           | 18 (approximate, depending on vessel size)  |                                       |
| Container Gantry Cranes:         | 33 (19 Port-owned)  |                                       |
| Container Terminals Acreage:     | 780 acres (approximate)   |                                       |
| Railroads:                       | BNSF Railway Company<br>Union Pacific Railroad  |                                       |
| Freeways Serving Port:           | Interstate 80 (north & eastbound)<br>880 (southbound)<br>580 (eastbound)<br>980 (eastbound) |                                       |
| Marine Terminals <sup>1</sup>    | Operator  | Berths                                |
| Ben E. Nutter Terminal           | Everport Terminal Services, Inc.  | 34-38                                 |
| Charles P. Howard Terminal       | Various ancillary uses  | 67-68                                 |
| Matson Terminal                  | SSA Terminals, LLC  | 61-63                                 |
| Oakland Int'l Container Terminal | SSA Terminals (Oakland), LLC  | 55-60                                 |
| Outer Harbor Terminal            | TraPac, LLC (short-term); Eagle Rock Aggregates, Inc.; various ancillary uses               | 20-24                                 |
| TraPac Terminal                  | TraPac, LLC   | 25-33                                 |
| Shipping Lines <sup>2</sup>      |   |                                       |
| American President Lines (APL)   | Maersk  | Orient Overseas Container Line (OOCL) |
| ANL                              | Matson  | Pasha                                 |
| CMA-CGM                          | Mediterranean Shipping Company (MSC)  | Polynesia Line                        |
| COSCO SHIPPING Lines             | Neptune Pacific Direct Line   | SM Line                               |
| Evergreen Line                   | Ocean Network Express (ONE)   | Wan Hai                               |
| Hapag-Lloyd                      |   | Yang Ming                             |
| Hyundai Merchant Marine (HMM)    |   |                                       |
| Major Exports <sup>3</sup>       |   |                                       |
| Beverages                        | Iron/Steel  | Sugars and Candy                      |
| Cereals                          | Meats   | Waste Paper and Wood Pulp             |
| Dairy Products                   | Prepared Fruits and Vegetables  |                                       |
| Edible Fruits/Nuts               | Rice and Grains   |                                       |
| Major Imports <sup>4</sup>       |   |                                       |
| Articles of Iron/Steel           | Electric Vehicles and Batteries   | Iron and Steel Products               |
| Beverages and Spirits            | Furniture   | Plastic and Articles of Plastic       |
| Clothing                         | Glass/Glassware   | Toys, Games, Sporting Goods           |
| Consumer Electronics             |   | Wood Products                         |

<sup>1</sup> Container terminals, unless indicated otherwise.

<sup>2</sup> Does not include bulk carriers scheduled to commence operations in FY 2028.

<sup>3</sup> Port of Oakland and U.S. Department of Commerce, Bureau of Census.

<sup>4</sup> Ibid.

## COMMERCIAL REAL ESTATE

Commercial Real Estate includes approximately 837 acres of land along the Oakland Estuary that is not used for aviation or maritime purposes. Much of this land, particularly land located between the ferry terminal at Jack London Square (JLS) and Hegenberger Road, was historically used for industrial purposes. Over time, it is being transformed with new development, including entertainment uses, hotels, offices, shops, restaurants, industrial developments, as well as public recreational areas and open space.

Most of CRE's properties are leased to developers or tenants under long-term agreements, wherein the developer or tenant is responsible for the development, subleasing, operation, and maintenance of the improvements on the properties. The primary challenge for CRE is to enhance profitability of the Port's real estate portfolio in an environment of intense competition and complex regulatory oversight.

CRE properties are categorized into four distinct geographic areas – JLS, Embarcadero Cove, Oakland Airport Business Park/Distribution Center, and Brooklyn Basin. Within each of these areas, there are a number of public parks and open space areas which, in total acreage, comprise approximately 75% of the total land area within the CRE portfolio. The most significant new development activity is occurring at JLS and Brooklyn Basin, as summarized on the following pages.



*Jack London Square at Night*

## JACK LONDON SQUARE

The Port property that likely has the greatest direct visibility and familiarity to most Bay Area residents and visitors is JLS, a mixed-use, waterfront commercial development located along the Oakland Estuary at the foot of Broadway, approximately one-half mile from the City’s downtown. The history of JLS dates back to the Gold Rush when ships carrying cargo and ferry boats serving San Francisco and Oakland, docked at the foot of Broadway. In 1852, when the State Legislature incorporated the Town of Oakland, the first meeting of the board of Town Trustees was held in this location. JLS is named for American author Jack London, who wrote “The Sea Wolf” and many other popular books. Jack London spent much of his boyhood on the Oakland waterfront.

The JLS area is steeped in a rich history of maritime activity. Over the last 20 years, the Port has worked to strengthen JLS’s traditional reputation as a restaurant, administration, and entertainment center with the addition of complementary retail and abundant access to transportation options and public recreation spaces along the waterfront. The Port has assigned numerous long-term ground leases in JLS to CIM Group, a prominent, nationally recognized, real estate investment company with substantial experience in developing and operating mixed-use complexes in urban areas throughout the U.S. The Port and CIM Group continue to work together to attract tenants to JLS and, more specifically, to advance the Jack London Square Phase II (JLS Phase II Project) development.



*Outdoor Festival at Jack London Square*

Recently, CIM Group secured new land-use entitlement approvals for two multi-family residential buildings adjacent to JLS on privately owned land: the first of these two buildings, Channel House (a 333-unit apartment building) was completed and is currently leasing units to new waterfront residents; the second residential building has been approved by the City Planning Division, but permits are pending. CIM Group also has secured final design review approvals and approval of the City Planning Division for a hotel on the last remaining parcel within the JLS Phase II Project. Once operational, the JLS Phase II Project is expected to provide important public benefits, including 650 jobs during the construction phase, up to 2,000 permanent jobs, and an additional \$2.9 million in annual taxes for the City.

Despite a competitive real estate market, over 80% of the Port-owned space at JLS is leased and new tenants have recently opened or plan to open soon, including:

- Dave & Buster's, a restaurant and entertainment venue, located on the first floor of the Market Hall, opened in May 2026.
- Reem's California is planning to open in Summer of 2026.

The recently approved California Senate Bill 304 temporarily lifts Public Trust Doctrine restrictions on after-acquired lands in Jack London Square through February 2066. This provides the Port with a 40-year runway to lease these properties for broader commercial purposes, optimizing our real estate portfolio and driving economic development while preserving public rights.



*Dave & Buster's new location in Jack London Square opened May 2026*

## **BROOKLYN BASIN**

The Brooklyn Basin waterfront district is a former industrial area centrally located on the Oakland Estuary minutes from JLS and downtown Oakland, comprised of approximately 64 acres of waterfront property bounded by Embarcadero Road, Oak Street, Tenth Avenue, and the Oakland Estuary. The district is under redevelopment by a private developer, Zarsion-OHPI, LLC (ZOHP), to create a revitalized, mixed-use waterfront community known as Brooklyn Basin. Approximately one half of the property is owned by ZOHP and the other half is still owned by the Port and leased to ZOHP.

When completely built out, the Brooklyn Basin Project will provide up to 3,100 housing units, up to 200,000 square feet of neighborhood serving retail space, approximately 32 acres of public open space and parks, and two renovated recreational marinas. ZOHP estimates that the Brooklyn Basin Project will be a \$1.5 billion investment. Former California Governor Edmund G. Brown Jr. estimated that the Brooklyn Basin Project, when complete, would have the potential to deliver 10,000 short and long-term

jobs. Redevelopment is ongoing and expected to last several years. Some residential units and open space are already complete.



*Rendering of Future Brooklyn Basin Project*

## **OAKLAND AIRPORT BUSINESS PARK**

The Land Use and Development Code (LUDC) regulates the construction, alternation, and operations of buildings and structures within the Oakland Airport Business Park (OABP). The LUDC ensures the orderly and appropriate development of the OABP with land uses consistent with the City of Oakland General Plan, City of Oakland Charter, the Alameda County Airport Land Use Compatibility Plan, and compatible with the operation and safety requirements of Oakland San Francisco Bay Airport. In March 2025, the Port conducted an assessment of the market and uses at the OABP to understand the market demand and potential future uses with the goal to modernize and revitalize the OABP. The LUDC requires an update to reflect new land uses that emerged in the past decade, lift use restrictions that no longer reflect the market forecast, and better align the code to the OABP revitalization and visioning efforts. Port staff are currently in the visioning phase and anticipate revising the LUDC in FY 2027.

## **WATERFRONT VISION**

The Oakland Waterfront Vision Study establishes a vision for 20 miles of shoreline extending from the Oakland-San Francisco Bay Bridge to the Oakland San Francisco Bay Airport. This study provides a vision for Port-owned waterfront assets along the shoreline that will help guide internal planning, tenant engagement, and cross-agency coordination.

## PARKS AND PUBLIC ACCESS

The Port's waterfront has evolved through the decades to include industrial, commercial, and recreational uses as well as significant public access areas. Approximately 630 acres of public parks and public access are located within CRE's portfolio of properties, comprising over 75% of the CRE portfolio of holdings. While these open space properties do not generate revenue for the Port, they provide an important waterfront recreational amenity for the public throughout the region.

In 1999, the Port and the City approved The Oakland Estuary Policy Plan, which established public access policies for 5.5 miles of urban waterfront located between the Seaport and Airport. See *Parks and Open Spaces* section under Environmental Stewardship for more information.

Several years ago, the Port executed agreements with the City to enable the City to construct the last few waterfront Bay Trail segments located on CRE properties. To date, all but one of these pending new trail segments have been constructed by the City. Once the last segment is finished, the Bay Trail will be open on all Port-owned waterfront CRE properties.



*Middle Harbor Shoreline Park*

*This space intentionally left blank.*

## Commercial Real Estate Operations At-A-Glance

|                                     |  |
|-------------------------------------|--|
| Land Area Managed:                  | 837 acres (approximate)                                |
| Public Parking:                     | 1,309 Port-owned spaces in Jack London Square          |
| Gross Sales (CY 2024): <sup>1</sup> | \$72.7 million   |
| Public Access and Open Space:       | 630 acres (approximate; 75% of total CRE land acreage) |

## Major Developments Planned or Constructed by Private Developer

### **Jack London Square Phase II Project:**

|   |               |           |
|---|---------------|-----------|
| Retail/Entertainment/Office Space         | 300,000 sq ft | completed |
| Public Parking Garage                     | 1,100 spaces  | completed |
| Full-Service Hotel                        | 150 rooms     | planned   |
| Public Access Improvements throughout JLS |               | completed |

### **Brooklyn Basin:**

|                   |               |                              |
|-------------------|---------------|------------------------------|
| Residential Units | 3,100 units   | under construction in phases |
| Commercial Space  | 200,000 sq ft | under construction by phase  |
| Marinas           | 2             | planned                      |
| Open Space        | 32 acres      | under construction in phases |

## Current Tenant Mix

|                          |  |
|--------------------------|--|
| Office Agreements        | 4  |
| Restaurant Agreements    | 9  |
| Retail Agreements        | 10   |
| Warehouse Agreements     | 10   |
| Hotel Agreements         | 3  |
| Various Other Agreements | 36 (Parking, Billboards, Radio Towers, Land, etc.) |

## Land Use Standards

The majority of CRE properties are subject to City land use jurisdiction, which is unique to the CRE holdings, as well as Tidelands Trust restrictions. The properties in the Oakland Airport Business Park are subject to Port land use jurisdiction and authority.

<sup>1</sup> Sales generated by Port tenants and sub-tenants for CY 2024.

## PORT UTILITY

The Port is the only major seaport and airport in California that operates a publicly owned electric utility. All Aviation customers and approximately 80% of Maritime customers are served by Port Utility. Port Utility procures energy through ownership in generation assets, long term power purchase agreements



*Port of Oakland Electrical Substation*

and market purchases (as needed), and provides safe, reliable, affordable and sustainable power to its local customers. As a publicly owned utility, Port Utility does not have shareholders and is governed locally by its Board. Our customers enjoy rates significantly lower than those of investor-owned and other energy providers in the region.

In 2018, the California state legislature passed Senate Bill 100, which aims to achieve 100% clean electricity by 2045. It includes interim targets of 60% renewable energy by 2030 and requires regular reporting on progress and challenges in meeting these goals. Port Utility is in full compliance with its Renewables Portfolio Standard (RPS) mandate.

The Port provides natural gas on a very limited, pass-through basis from the local investor-owned utility, PG&E. The Port also provides water distribution and sanitary sewer collection infrastructure, through which EBMUD provides

water and sewer treatment services. Since FY 2025, all transactions associated with providing natural gas, water and sanitary sewer services to Port and Port tenants on a pass-through basis will be recorded as revenues and expenses of Aviation, Maritime, or CRE

### Port Utility Operations At-A-Glance

|  |   |                 |
|--|---|-----------------|
| FY 2025 Energy Sold (MWh):   | Airport: 34,411                             | Seaport: 85,444 |
| FY 2025 Peak Power Demand (MW):  | Airport: 5.8                                | Seaport: 18.9   |
| CY 2024 Electric Sources:  | Geothermal                                  | 38%             |
|  | Large Hydroelectric                         | 24%             |
|  | Biomass & Biogas                            | 11%             |
|  | Solar                                       | 10%             |
|  | Small Hydroelectric                         | 3%              |
|  | Unspecified Power                           | 14%             |
| Greenhouse Gas Emissions Intensity (lbs of CO <sub>2</sub> e emitted per megawatt hour): | 140 (compared to CA Utility Average of 359) |                 |

## SECURITY

Airport and Seaport security continues to be a national and local concern. The Federal Bureau of Investigation (FBI) and U.S. Department of Homeland Security (DHS) have assessed that U.S. commercial aviation continues to be a key target for certain foreign terrorist organizations. Current focus areas at U.S. commercial airports are perimeter security and insider threats (those posed by airport employees with access to sensitive areas at airports). The Port continues to work with the Transportation Security Administration (TSA) to introduce risk-based screening and security initiatives to OAK.

Looking ahead at the Seaport, safety and security of the federally designated maritime critical infrastructure remains in focus. The Port will continue to monitor and mitigate all threats and vulnerabilities in accordance with updated federal regulations, and best practices; incorporate additional technologies; and foster law enforcement partnerships. The overall goal of these efforts is to improve safety, security, resilience, and promote better information sharing among stakeholders during security breaches or other security-related events.

The Port works with local, regional, State, and federal law enforcement agencies, as well as the private sector, to maintain a secure operating environment as outlined below:

- At OAK, the Port works with the TSA, U.S. Customs and Border Protection (CBP), and the Alameda County Sheriff's Office (ACSO) to implement TSA and other security-related regulations and best practices, and to evaluate and address law enforcement and security-related issues. The Airport also uses a private security firm for additional security needs.
- At the Seaport, the Port works primarily with the U.S. Coast Guard, FBI, CBP, California Highway Patrol (CHP), Oakland Police Department (OPD), private security firms, maritime tenants and customers to enhance and enforce security measures.
- For areas within the CRE portfolio, including public areas such as JLS, the Port relies on private security firms to help ensure safety of the public and security of Port facilities, in cooperation with the OPD.
- In the Port's Technology & Innovation Division (T&I), Port staff continuously elevate the Port's cybersecurity posture. T&I performs regular vulnerability assessments and continuously updates its readiness roadmap to strengthen its defenses. Employees are regularly trained on being alert to new attack methods in both their business and personal lives.
- Port Utility utilizes the Port's security to protect critical utility infrastructure from both physical and cyber threats. Additionally, Port Utility participates in the Electricity Information Sharing and Analysis Center (E-ISAC), part of the North American Electric Reliability Corporation (NERC), to prepare for and respond to cyber and physical threats.

Security requirements and regulations continue to evolve as various agencies, such as DHS, respond to and learn from anticipated threats and security events. The cost of meeting security guidelines is rising as more requirements are put into place and as newly installed infrastructure must be operated and maintained at direct cost to the Port. Where applicable, the Port will continue to apply for federal and State grants to fund security enhancements and to operate existing infrastructure protections.

## PUBLIC ENGAGEMENT

### PUBLIC ENGAGEMENT OFFICE

The Public Engagement Office (PEO) advances the Port of Oakland’s mission by fostering transparency, trust, and collaboration with stakeholders, including the public, elected officials, regulatory agencies, community members, business partners, and labor groups, among others. Formally established in 2023, the PEO unites three key public-facing divisions—Social Responsibility, Communications, and Government Affairs — to amplify the Port’s voice, strengthen relationships, and coordinate staff efforts to improve stakeholder engagement across all divisions.

### SOCIAL RESPONSIBILITY

The Social Responsibility Division helps the Port of Oakland meet its strategic goals by:

- Ensuring fairness, equity, and access in contracting and economic opportunities for local, small, and disadvantaged businesses.
- Supporting job creation and sustainable wages through workforce development programs and compliance with labor and wage standards, including the Port’s Maritime and Aviation Project Labor Agreement (MAPLA).
- Engaging communities through outreach, education, and strategic partnerships.
- Promoting and ensuring inclusive participation in Port programs and services.
- Managing community initiatives such as the free Public Harbor Tour program, the Community Investment Program, Summer Internships, and Middle Harbor Shoreline Park, including a Naturalist educational program for local OUSD students.



*Summer Interns at the Port of Oakland in 2025*

The Social Responsibility Division (SRD) leads the Port's efforts to advance economic inclusion and community engagement. SRD oversees four key areas: Community Relations, Workforce Development, Contract Compliance (including administration of MAPLA), and administration of Middle Harbor Shoreline Park. The team develops and implements policies and programs that ensure regulatory compliance while also expanding economic opportunity and fostering community collaboration and goodwill.

SRD supports the Port's mission by delivering outreach and education programs, facilitating stakeholder partnerships, and ensuring adherence to Federal, State, and Port policies such as Disadvantaged Business Enterprise (DBE), Airport Concessions DBE, Port Living Wage, Prevailing Wage, Title VI (Civil Rights), and the Port's Small and Local Business contracting policies. The division also advises other Port departments and takes a lead role in stakeholder process design, equity in contracting, and community benefit strategies.

## COMMUNICATIONS

The Communications Division leads the Port's strategic messaging across internal and external platforms to all audiences. It supports every Port division by creating clear, timely, and effective content for stakeholders including employees, media, community members, tenants, and governmental partners. The team also manages daily news digests, weekly reports, monthly newsletters, large-scale events and education campaigns, and remains ready to respond to urgent communications needs at any time. The Division strives to constantly increase awareness of the Port's mission at the community, regional, national, and international levels by:

- Creating compelling content that elevates the Port's accomplishments across all four of its business lines.
- Proactively engaging with local and national media to enhance the Port's reputation and elevate its global presence.
- Providing and distributing dynamic and timely social media updates across the Port's Facebook, Instagram, LinkedIn, X (formerly Twitter), and YouTube platforms.
- Offering residents unique opportunities to learn about its Seaport operations through harbor tours, which are free and open to the public from Spring to Fall.

## GOVERNMENTAL AFFAIRS

Governmental Affairs Division works across the Port's departments to develop and implement legislative, regulatory and advocacy strategies by engaging with elected officials, government agencies, and trade association representatives at all levels. The team supports Port leadership and departments by shaping policy, securing funding, and managing relationships with external stakeholders. It also coordinates the Port's lobbying efforts, including overseeing State and Federal contract lobbyists, and helps develop strategic positions on key legislative and regulatory issues.

The Port of Oakland's Government Affairs Division supports the mission of the Port by:

- Enhancing the quality of the Port's relationships with elected officials, business partners, trade associations, government agency and community stakeholders who influence public policy through the development and implementation of an active engagement strategy in support of Port objectives.

- Educating and advocating on behalf of the Port on a wide range of policy and funding issues.
- Maximizing grant funding opportunities and policy support from local, regional, State, and federal government officials and agencies.
- Ensuring that senior level Port staff are informed about relevant policy and political decisions being considered at all levels of government.
- Identifying and strategically managing policy and/or political issues that can potentially impact the objectives of the Port.

## ENVIRONMENTAL STEWARDSHIP

### ZERO EMISSIONS

The Port continues to enhance the design of its infrastructure and facilities to improve operational flow, enhance energy efficiency, and reduce the emissions of pollutants. The Port also continues to review alternative fuel sources such as hydrogen and renewable natural gas to support its zero-emissions goal. To enable the clean energy transition of Port and Port tenant operations (for example, replacing diesel cargo-handling equipment with an electrified fleet), the Port is working to replace electrical substations nearing end-of-life and to modernize its electric infrastructure with higher-capacity infrastructure.

#### Seaport

The technologies and initiatives currently in full-scale operation or demonstration at the Seaport to reduce air pollutant emissions include electric and/or hybrid diesel-electric cargo-handling equipment (such as top-picks and yard tractors), hydrogen fuel cell and battery-electric drayage trucks, diesel truck replacements with cleaner model-year engines, and shore power for ocean-going vessels.

The Port also has several Seaport electrical infrastructure projects planned for the coming years: a new charging facility for battery-electric drayage trucks; and several upgrades and improvements to support the electrification of Port-owned equipment.



*Electric Vehicle Charger at Port's Harbor Facilities Complex*

In addition to these investments in Port and tenant infrastructure and equipment, the Port supports or facilitates initiatives of other Port stakeholders where there is synergy with Seaport operations. In collaboration with community-based organizations and industry stakeholders, the Port has been awarded a \$322 million grant under the Environmental Protection Agency Clean Ports Program. This community-led grant program includes deploying over 475 zero emission drayage trucks and replacing approximately 188 pieces of diesel cargo handling equipment to zero emission units. The grant program also includes community engagement and facilitation support, installation of fence-line air quality monitors, workforce development, and a truck loaner program.

## Airport

The Airport continues to review and implement sustainability opportunities to reduce the environmental impacts from its operations. The Airport placed five new electric-powered shuttle buses into service and completed construction of an electric shuttle bus charging depot in OAK's North Field, which includes five fast chargers and room for 15 additional chargers to serve a future electrified fleet of 40 buses. Looking towards the future, the Airport completed a Laneside Electric Vehicle Readiness Study to investigate the feasibility of adding additional Electric Vehicle (EV) charging stations.



*Solar Panels at OAK Airport*

On the airside, the Airport seeks to help air carriers minimize emissions while enabling their transition to an all-electric ground support equipment (GSE) fleet. On July 24, 2025, the Board approved an update to Title 9, Chapter 9.01 Environmental Provisions of the Port's Administrative Code, requiring applicable airport tenants to provide an implementation plan to transition its GSE to zero emissions or near zero emission by March 31, 2026. Port staff continue to collaborate with tenants to support their implementation plans.

Also, OAK completed a Terminal Energy and Decarbonization Audit that provides recommendations for reducing energy costs, energy use, and carbon emissions over the next five years. This audit is being used to program and prioritize capital projects that will improve energy efficiency.

Similar to the Seaport, the Airport also partners with industry stakeholders and community members to advance zero emission operations. In partnership with United Parcel Service (UPS), the Port was awarded the EPA Clean Heavy-Duty Vehicles Grant in the amount of \$10 million. This grant will support the replacement of 60 UPS delivery trucks with battery-electric vehicles and the installation of chargers at three San Francisco Bay Area logistics center (including 40 in East Oakland).

## SUSTAINABILITY PROGRAMS

The Port Sustainability Policy promotes sustainability in its planning, management, development, and operations. Key initiatives have included pursuing solar energy, water recycling, waste reduction and reuse of materials. The Port is currently developing its Sustainability Management Plan which will provide a roadmap for minimizing resource consumption, reducing greenhouse gas emissions, enhancing environmental resilience, and promoting environmental justice and social responsibility. The Port is also finalizing its Waste Management Plan that will improve the Port's waste diversion rate across Port facilities.

The Port participates in the Airport Council International's Airport Carbon Accreditation (ACA) program, an international program that commits airports to carbon footprint reductions. In 2025, the Port received a Level 4 accreditation from the ACA, which offers seven levels of accreditation. The Port will continue to assess, manage, and implement carbon emissions reduction measures at OAK in alignment with the Port's goal of zero-emission operations at the Airport.

The Port continues to receive certification under the Green Marine Program, a leading environmental certification program for the maritime industry. This program supports the Port's initiative to improve air quality and mitigate pollution of soil/groundwater and surface waters.

Other environmental initiatives on the horizon include preparing a Port-wide zero emissions plan, drafting a policy to promote use of zero emission construction equipment, and encouraging the use of unleaded aviation gasoline and sustainable aviation fuel.

## **CLIMATE RESILIENCE**

Climate change is projected to raise sea and groundwater levels as well as intensify the impact of meteorological activity. Sea-level rise (SLR) and increased storm severity could lead to shoreline flooding of Port facilities. Groundwater intrusion (GWI) is a condition where subsurface groundwater levels are elevated by encroaching subsurface sea levels. Taken together, SLR and GWI could damage or destroy subsurface utilities, impact legacy groundwater contamination, and critically impair ground-level Port infrastructure.

To gain a better understanding of future vulnerabilities, the Port began an extensive study of SLR and GWI at all Port areas in 2025 and anticipates completing the vulnerability assessment report in 2026. Communities and cities near the Port may also be impacted by SLR and GWI, so the Port is partnering with the City of Oakland and its neighborhoods to include waterfront communities in its SLR/GWI assessment and development of an adaptation plan. The Port also engages with neighboring cities, such as the City of Alameda, to share available information and partner in addressing and adapting to the threats of climate change. The Port is a member of Oakland Alameda Adaptation Committee (OAAC), a group including cities (Alameda, Oakland), local agencies (East Bay Regional Park District, East Bay Municipal Utilities District), and a state agency (Caltrans). OAAC is conducting a grant-funded study aimed at SLR adaptation projects.

At the Airport, the Airport Perimeter Dike (APD) provides tidal flood protection. Originally built in 1960, the perimeter dike was upgraded and rehabilitated in 1983. The APD was further improved in 2021-2022 to current Federal Emergency Management Agency (FEMA) levee standards, which included addressing SLR. Construction of seismic stability improvements of the APD began in March 2025 and is scheduled to be completed in Fall 2026. In 2023, the Port completed studies on two aspects of surface water management at the Airport: The North Field Vulnerability Assessment (Vulnerability Assessment) and an updated Airport Stormwater Management Plan (Stormwater Management Plan).



*OAK Airport Perimeter Dike*

The Vulnerability Assessment examined the extent of floodwater resilience in the North Field of the Airport and provided recommendations for an adaptive strategy of implementing projects to address tidal flooding hazards. Based on these initial findings, the Port is continuing to assess solutions to protect the Airport's North Field from flood inundation and is working with adjacent communities and agencies to develop regional solutions. The Stormwater Management Plan performed updated hydraulic modeling of the stormwater infrastructure and recommended improvements to maintain the system and improve throughput. Capital program improvements for pumphouse and stormwater piping were identified and prioritized for inclusion in the Aviation Capital Improvement Plan (CIP).

## **ENVIRONMENTAL COMPLIANCE**

In addition to the initiatives discussed above, the Port has ongoing environmental compliance obligations and oversight requirements for its own activities as well as those of its tenants. Two major areas of compliance are as follows:

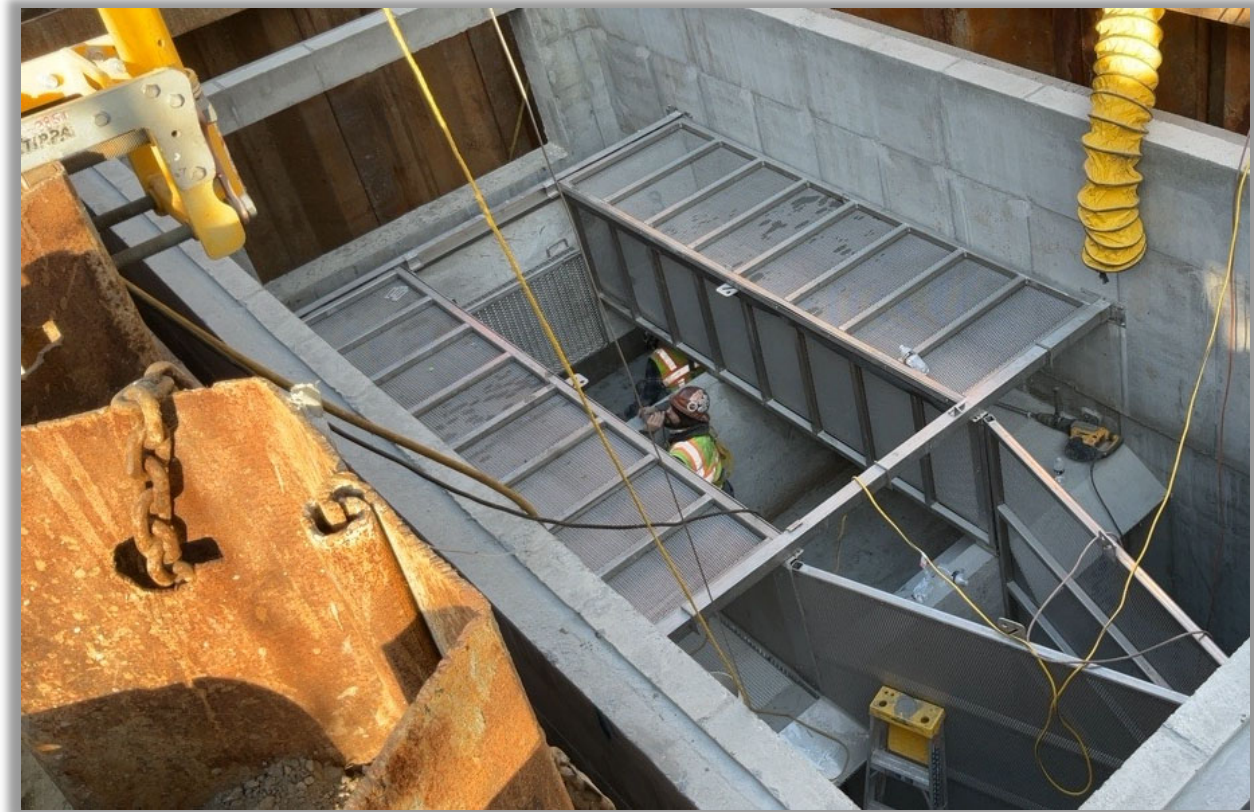
### **Storm Water Management**

The Port is implementing the requirements of the State of California's National Pollutant Discharge Elimination System (NPDES) permit program including, but not limited to, discharge of storm water from construction and industrial activity and from the Port's Municipal Separate Storm Sewer System (MS4):

- **Construction and Industrial Activities:** The Port works with its tenants and its own contractors to help prevent contaminants from entering the Bay from industrial operations and construction projects. The Port conducts pollution prevention training sessions, performs inspections, and monitors storm water discharge at various sites throughout the Port.
- **MS4:** In 2013, the Port established its MS4 program to reduce pollutants in storm water discharges and eliminate unauthorized, non-storm water discharges to the Port's MS4. General elements of the MS4 program include public education and outreach, public involvement and participation, illicit discharge detection and elimination, construction site storm water runoff

control, post-construction storm water management, and program effectiveness assessment. To support implementation and administration of the MS4 program, the Board adopted the Port Storm Water Ordinance on January 15, 2015.

The Port is proactively engaged with State and Regional Water Quality Control Boards as they adopt new regulations that apply to the Port (for example, the Full Trash Capture Program).



*Installation of a trash capture device at the Seaport in 2025*

## **Remediation and Hazardous Materials Management**

The Port actively conducts soil, groundwater, and soil gas remediation to comply with federal and State laws and protect human health and the environment with oversight from various local, State, and federal regulatory agencies. The Port also oversees storage, transportation, and disposal of Port-generated hazardous and non-hazardous waste in accordance with all local, State, and federal regulations.

## **PARKS AND OPEN SPACES**

The City's waterfront has evolved through the decades to include industrial, commercial, and recreational uses as well as significant public access and restored natural habitat areas. The following are the major public access and open space areas along the Oakland waterfront:

- *Port View Park and Middle Harbor Shoreline Park (MHSP)* – These two parks, located in the Middle Harbor area of the Seaport, are physically connected. Together, they comprise approximately 40 acres of park and open space adjacent to the Seaport’s large marine terminals. MHSP’s features include an amphitheater, open space natural areas, interpretive exhibits, an observation tower, nature trails, and views of the San Francisco Bay. Additionally, MHSP provides observation points where visitors can view active marine terminal operations and shore birds. Port View Park features a play area for children, an exhibit within the historic railroad building, bayside walkways, and a public fishing pier.



*Middle Harbor Shoreline Park*

- *Union Point Park* – Union Point Park comprises nine acres of property located in the San Antonio/Fruitvale district. The Port leases this park to the City to provide waterfront recreational space near the San Antonio and Fruitvale neighborhoods.
- *Martin Luther King, Jr. Regional Shoreline* – This shoreline park comprises approximately 600 acres of land and water area in the Oakland Airport Business Park. The Port leases this park to the East Bay Regional Park District (EBRPD). The regional shoreline offers facilities for picnicking, fishing, hiking, bicycling, boating, and bird watching.
- *Estuary Park and the Jack London Aquatic Center* – Estuary Park is a seven-acre City park located on property leased from the Port, featuring the Jack London Square Aquatic Center, a 16,000 square-foot boathouse and community center for which the construction was partially Port-funded. The City is currently undergoing design planning and public outreach for a complete re-envisioning and redevelopment of this park.
- *Portions of the San Francisco Bay Trail* – 19 miles of the 450 miles of San Francisco Bay Trail will be located within the City and Port’s footprint when this regional public access project is completed. The Port has already constructed and improved numerous segments of the San Francisco Bay Trail on Port-owned properties located between JLS and Embarcadero Cove, as well as other public access segments within JLS and connector trails, such as the Class I bicycle trail along Ron Cowan Parkway at OAK. Significant portions of the Bay Trail have also been constructed by the Port and the City to link bicycle and pedestrian access between the cities of Emeryville, Alameda, Oakland, and San Leandro.
- *Brooklyn Basin* – Construction of approximately 32 acres of public open space on land leased from the Port is planned as part of the mixed-use development project at Brooklyn Basin. Construction of the park and open space areas is anticipated to occur in phases, with some portions already open to the public. When completed, the park and open space areas will provide significant new public access for the Brooklyn Basin area of the Oakland Estuary for Oakland residents and visitors.

## WETLAND AND HABITAT RESTORATION

The Port is the local sponsor of the U.S. Army Corps of Engineers' (USACE) restoration of the 189-acre Middle Harbor Enhancement Area (MHEA), a former U.S. Navy vessel berthing area in the Middle Harbor (located adjacent to MHSP). The MHEA beneficially reused 5.5 million cubic yards of clean dredged material from the Port's 50-foot harbor deepening/dredging project. The purpose of the MHEA is to create a shallow subtidal habitat, with 15 acres of eelgrass beds, a three- to five-acre educational marsh, and an avian roosting habitat. The MHEA project is still in Phase I of the eelgrass planting, which started in 2019. This will be followed up with a Phase II planting, if required, for the project to reach the 15-acre goal. Portions of the project have entered a 10-year monitoring period for the completed portions of the restoration while USACE awaits funding for building out the educational marsh and a public beach area. The 10-year monitoring for the educational marsh and public beach area would start upon completion of construction. Once the monitoring period is completed, the MHEA project will be transferred to the Port in perpetuity.

## ECONOMIC IMPACT

The Port is a key driver of economic activity and growth in the Bay Area. Enormous economic vitality arises from cargo volumes that pass through the Seaport, passenger and air freight activity at OAK, and the many businesses served by the Port's Commercial Real Estate portfolio, as well as from revenue generated from the Port Utility.

An economic impact study published in 2023 showed that the Port of Oakland is the second largest job generator in Oakland and the fifth largest job generator in the region. This study is based on the Port's activity levels, economic analysis models, and surveys of those impacted by the Port. Download a copy of the Economic Impact Study [HERE](#).<sup>1</sup>

According to the Port's most recent Economic Impact Study, the Port's activities, along with those of its tenants and customers:

- Support more than 98,000 jobs across the region (direct, indirect, and induced) of which approximately one in four are direct Port jobs held by Oakland residents.
- Touch more than one million jobs across the nation (trade, travel, and tourism related jobs).
- Provide overall economic value from business revenue, consumer spending and the total value of goods and services, in excess of \$174 billion.
- Generate \$970 million in annual local, State, and federal taxes.
- Generate more than \$7.5 billion in personal income/local consumption.

Trade, travel, and tourism related jobs generated by the Port have numerous positive characteristics, including:

- The majority of Port-related jobs are above-average wage jobs.
- Port-related jobs generally cannot be outsourced overseas.
- Port opportunities range from entry-level to advanced-degree jobs.

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<sup>1</sup> [www.portofoakland.com/files/PDF/PortOakland\\_2021\\_consolidatedEIS\\_report\\_public.pdf](http://www.portofoakland.com/files/PDF/PortOakland_2021_consolidatedEIS_report_public.pdf)

## FINANCIAL POLICY GUIDELINES

### GENERAL GUIDELINES

The basis on which the budget is prepared is consistent with the basis of accounting used, as promulgated by the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Section 1700.116. The operating budget is presented on the accrual basis of accounting, wherein revenues are recognized when they are earned, not when received, and expenses are recognized when they are incurred, not when paid.

The Port adopts a balanced budget in which total sources equal or exceed total expenditures.

All known expected revenues and expenses are reflected.

Expected future revenue, which may not be guaranteed with signed contracts, is budgeted to the extent such expectation is reasonable.

Incremental revenue from new capital projects, some of which are completed and others of which are expected to be completed within the budget period, are included as revenue only to the extent such expectation is reasonable.

The capital planning process and development of the 5-Year Capital Improvement Plan is primarily focused on regulatory compliance, life and safety, revenue maintenance, asset management, and essential infrastructure improvement. The Board approves a Capital Budget every year, and if project costs exceed a pre-determined amount, the Board must grant budget and contract authority before funds can be disbursed or encumbered.

- Funding sources for operating and capital expenditures are identified, including Port-generated cash, debt proceeds, grant proceeds, Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), and Cap & Invest (formerly Cap-and-Trade), Low Carbon Fuel Standard (LCFS) credit sales, Port Utility capacity charges, direct assignment, and miscellaneous third party funding sources.
- The City of Oakland Charter requires the Port to send its adopted budget to the City by the third Monday in July.

### BOND COVENANT

- The Port's Bond Indentures require a minimum debt service coverage ratio (DSCR) of 1.25 for Senior Lien and 1.10 for Intermediate Lien debt service.

### PORT DEBT POLICY

- The Port's debt policy provides a structured framework for the issuance and management of bonds and other forms of indebtedness of the Port, together with any credit, liquidity or other security instruments and agreements that may be executed in connection with the issuance of bonds and other forms of indebtedness. Key objectives of the Port's debt policy are to (a) ensure cost-effective access to financial markets through prudent debt management practices, (b) maintain manageable debt levels and sustainable debt service through effective long-term financial planning, (c) support major capital improvements with reasonable debt financing, (d) structure long-term financings to minimize transaction-specific and portfolio-side risks to the Port, (e) preserve financial flexibility to adapt to changing social conditions, (f) maintain the highest

feasible credit ratings to reduce borrowing costs, (g) foster strong investor relationship through timely dissemination of material financial information, (h) strengthen public trust and accountability through transparent financial practices, (i) provide user-friendly, publicly accessible online portal for timely dissemination of material financial disclosures, and (j) ensure full compliance with all bond covenants and applicable law.

- Under the Port's debt policy, each Port line of business and the Port on a consolidated basis must maintain annual debt service coverage ratio of at least 1.40x as calculated on both an indenture and cash basis. Indenture debt service coverage ratio calculation is in accordance with the methodology and terms defined in the applicable bond trust indenture. Cash basis debt service coverage calculations reverse non-cash accounting adjustments and take into account impacts to cash flow from non-operating activities. In addition, each line of business is subject to (i) meeting an Additional Leverage Test, which varies by line of business, prior to issuance of new debt to fund new capital projects, (ii) maintaining a minimum days cash on hand (365 days by business line and 400 days Port wide), and (iii) operating expense ratio of 65% or less. Temporary declines below items (ii) and (iii) targets are permitted with approval from the Port's Chief Financial Officer, provided that projections demonstrate compliance with the respective minimums by the end of the five-year projection period.

## BOARD RESERVES

- Port Operating Reserve Fund established at 12.5% of operating expense budget.
- Port Bond Reserve Fund (separate from Debt Service Reserve Funds held by Trustee) established at \$30 million.
- Capital Reserve Fund established at \$15 million.

## FINANCIAL REPORTING PRACTICE

- Financial statements are prepared in accordance with accounting principles generally accepted in the U.S., as promulgated by GASB and audited by independent external auditors.
- An Annual Comprehensive Financial Report (ACFR) is prepared which includes: Statement of Net Position; Statement of Revenues, Expenses and Changes in Net Position; Statement of Cash Flows; and other statistical data.
- Monthly unaudited financial statements and quarterly capital budget variance reports are prepared and distributed to the Board to monitor performance and determine if corrective action is needed.
- The external auditors prepare an annual management letter addressed to the Board.
- The Port is an independent department of the City and accounted for as a discrete component unit of the City. The Port maintains separate accounting records and issues an ACFR that is incorporated into, but reported separately, in the ACFR of the City.
- The Port does not use fund accounting. For budgeting purposes, the Port reports all of its operations similar to a single enterprise fund.

**DRAFT**

# OPERATING BUDGET



*Headquarters Building, 530 Water Street*

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- ❖ Operating Budget Process and Timeline
- ❖ Operating Budget Highlights and Assumptions
- ❖ Statement of Revenue, Expenses and Change in Net Assets
- ❖ Operating Expenses by Category
- ❖ Port of Oakland Organization Chart
- ❖ Staff Summary
- ❖ Personnel Costs by Division

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## Operating Budget Process and Timeline

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The Port's operating budget is an essential and major component in the Port's overall planning and management process. The operating budget is a plan for each division's operating revenues and expenses and for Port-wide non-operating income and expenses. The Port's operating budget is intended solely for planning purposes, and nothing in this operating budget should be construed as an assurance of actual results. Actual results will vary and may vary materially.

Preliminary budget policies are determined early in the cycle by the Port's senior management team. Preliminary budget meetings provide the opportunity for discussion and review of operational needs, and proposed increases in revenues and expenses. Budget instructions, forms, and worksheets based upon the outcome of these meetings are distributed in February to all divisions responsible for budget preparation. Each division is also responsible for preparing a seasonally-adjusted proposed budget.

The upcoming fiscal year operating budget is adopted through resolution of the Board. The operating budget may only be amended by a resolution of the Board. During the fiscal year, monthly variance reports are prepared comparing actual monthly results to seasonally-adjusted monthly budgets. Copies of the adopted budget are provided to various City officials in accordance with the City Charter.

In conjunction with the development of its operating budget, the Port also develops financial forecasts for the subsequent four fiscal years, which are provided for informational and conceptual purposes only. Actual results will vary and may vary materially.

### FY 2027 BUDGET CALENDAR

#### JANUARY – FEBRUARY 2026

- Planning and policy meetings
- Preliminary budget meetings
- Budget Guidelines – preparation and distribution

#### MARCH – APRIL 2026

- Baseline budget preparation
- Divisions submit revenue and operating budgets
- Preliminary operating budget analysis and compilation, including iterations
- Preliminary proposed budget drafted

#### MAY – JUNE 2026

- Distribute Draft Budget Summary Book for review by Divisions and Executive Management
- Internal due diligence meetings with Port Divisions
- Final budget revisions and budget document preparation
- Presentation of proposed FY 2027 Budget to Board for Board approval on June 25

#### JULY – AUGUST 2026

- Budget Summary Book distribution via Port's website
- Copy of Adopted Budget filed with the City by the third Monday of July
- Budget Detail Book production and distribution via Port's intranet

## Operating Budget Highlights and Assumptions

### OBJECTIVES

- Develop a balanced budget in which total sources equal or exceed total expenditures.
- Develop an operating budget that targets a minimum debt policy debt service coverage ratio (DSCR) of 1.40x Port wide and by revenue division.<sup>1</sup>
- Maintain a minimum General Fund cash balance at the end of each fiscal year or by the end of the five- year projection period equal to approximately 400 days-cash-on-hand (DCOH)<sup>2</sup> Port wide and between 365 and 500 DCOH by revenue division, taking into account future anticipated needs such as capital improvements and accrued liabilities.
- Target a maximum operating expense ratio of 65.0% or less across the Port and within each revenue division (except Port Utility) by fiscal year or by the end of the five-year projection period. If achieving this target requires more than five years, the projections over the next five fiscal years should demonstrate annual progress toward achieving the goal.
- Maintain Board reserves at levels consistent with Port policy of approximately \$81.6 million.
- Maintain discipline of paying down outstanding bonds and commercial paper notes.

### GENERAL<sup>3</sup>

- FY 2027-31 Operating Revenues for Aviation, Maritime, CRE, and Port Utility are based on divisional input incorporating known market and competitive factors, existing contracts, and the anticipated execution of future contracts. Projected revenues assume Port tenants will comply with their contractual obligations.
- The impacts of GASB 87<sup>4</sup> Lease Accounting are reflected in the Operating Revenues and Interest Income for FY 2025 Actual, FY 2026 Budget, FY 2027 Budget and FY 2028-2031 Projections.
- FY 2027 Operating Expenses include targeted cost reductions and/or deferrals to mitigate the impact of significantly lower than anticipated revenue projections than presented previously.
- FY 2028 through FY 2031 Operating Expenses incorporate known and anticipated cost increases and decreases but in general, assumes that expenses unless otherwise identified will grow by 2.0% per annum.
- No assurances can be given that projections and future results discussed in the operating budget will be achieved. Future results, for example, could be adversely impacted by such factors as (i) decreases in revenues and/or business activity levels, (ii) the on-going impact of tariffs and oil prices on business activity levels and construction costs, (iii) potential labor and service disruptions at U.S. West Coast ports during the next ILWU contract negotiations in July 2028, (iv) ability to staff at budgeted levels, (v) unanticipated increases in expenditures, (vi) tenant defaults, (vii) unavailability of assumed funding sources, (viii) construction delays or cost overruns, or (ix) other adverse and unforeseen macroeconomic or industry specific events or conditions affecting the Port.

<sup>1</sup> Debt policy DSCR calculation as defined in Administrative Policy 514 (Debt Policy).

<sup>2</sup> Including Board Reserves. See *Debt Service and Cash Flow* section.

<sup>3</sup> Throughout the document, summary amounts in tables and charts may not total due to rounding.

<sup>4</sup> GASB 87 adjustments are non-cash entries reflecting the amortization of Port leases. The adjustments made to Operating Revenues do not represent a reduction in actual cash collected from operations nor do the adjustments made to Interest Income represent an increase in actual cash earned.

## FY 2027 REVENUE BUDGET HIGHLIGHTS AND ASSUMPTIONS

Note: All comparisons are to FY 2026 Budget, unless otherwise noted.

### BUDGETED REVENUE BY DIVISION

FOR FISCAL YEARS 2026 and 2027  
(\$ Thousands)

|                                      | Budget<br>2025-26 | Forecast<br>2025-26 | Budget<br>2026-27 | Variance<br>2027B<br>vs.<br>2026B<br>B/(W) | Variance<br>2027B<br>vs.<br>2026F<br>B/(W) |
|--------------------------------------|-------------------|---------------------|-------------------|--|--|
| <b>Operating Revenue</b>             |                   |                     |                   |  |  |
| Aviation                             | \$213,583         | \$217,332           | \$209,103         | \$(4,480)                                  | \$(8,229)                                  |
| Maritime                             | 176,295           | 178,428             | 171,962           | (4,333)                                    | (6,466)                                    |
| CRE                                  | 17,632            | 17,063              | 18,002            | 369  | 938  |
| Port Utility                         | 33,980            | 33,647              | 37,063            | 3,083                                      | 3,416                                      |
| Intercompany Elimination             | (6,343)           | (5,681)             | (6,341)           | 2  | (660)                                      |
| <b>Total Gross Operating Revenue</b> | <b>\$435,148</b>  | <b>\$440,789</b>    | <b>\$429,789</b>  | <b>\$(5,360)</b>                           | <b>\$(11,001)</b>                          |
| GASB 87 Leases Revenue<br>Adjustment | (17,799)          | (19,853)            | (24,420)          | (6,621)                                    | (4,567)                                    |
| <b>Total Net Operating Revenue</b>   | <b>\$417,349</b>  | <b>\$420,937</b>    | <b>\$405,369</b>  | <b>\$(11,980)</b>                          | <b>\$(15,568)</b>                          |

- Gross Port-wide Operating Revenues are projected to be \$429.8 million, which is \$5.4 million lower than FY 2026 Budget and \$11.0 million lower than FY 2026 Anticipated Actuals. Port-wide Operating Revenues net of GASB 87 adjustments (Net Operating Revenues) are projected to be \$405.4 million which is \$12.0 million lower than FY 2026 Budget and \$15.6 million lower than FY 2026 Anticipated Actuals.

### AVIATION REVENUE

FOR FISCAL YEARS 2026 and 2027  
(\$ Thousands)

|                                      | Budget<br>2025-26 | Forecast<br>2025-26 | Budget<br>2026-27 | Variance<br>2027B<br>vs.<br>2026B<br>B/(W) | Variance<br>2027B<br>vs.<br>2026F<br>B/(W) |
|--------------------------------------|-------------------|---------------------|-------------------|--|--|
| <b>Operating Revenue</b>             |                   |                     |                   |  |  |
| Aviation Gross Operating Revenue     | \$213,583         | \$217,332           | \$209,103         | \$(4,480)                                  | \$(8,229)                                  |
| GASB 87 Leases Revenue<br>Adjustment | (2,415)           | (4,536)             | (4,499)           | (2,084)                                    | 37   |
| <b>Total Net Operating Revenue</b>   | <b>\$211,168</b>  | <b>\$212,796</b>    | <b>\$204,604</b>  | <b>\$(6,564)</b>                           | <b>\$(8,192)</b>                           |

- Gross Aviation Operating Revenues are projected to be \$209.1 million, which is \$4.5 million lower than FY 2026 Budget and \$8.2 million lower than FY 2026 Anticipated Actuals. Aviation Operating

Revenues net of GASB 87 adjustments (Net Operating Revenues) are projected to be \$204.6 million which is \$6.6 million lower than FY 2026 Budget and \$8.2 million lower than FY 2026 Anticipated Actuals. Aviation Revenues reflect lower anticipated passenger activity at OAK and lower airline leased space when compared to FY 2026 Budget. FY 2027 passenger volumes are forecasted at 58.7% of FY 2019 levels (pre-pandemic).

- Total passengers are projected to be 8 million (7% lower than FY 2026 anticipated passengers of 8.6 million)
- Airfield revenue is projected to decrease by \$3.1 million in FY 2027 compared to FY 2026 Budget, while decreasing by \$1.7 million relative to the FY 2026 anticipated actuals of \$51.4 million.
- Terminal rent is projected to decrease by \$0.5 million in FY 2027 compared to FY 2026 Budget and decrease \$4.4 million relative to FY 2026 anticipated actuals of \$66.9 million.
- Parking and ground access revenues are projected to decrease \$2.5 million in FY 2027 compared to FY 2026 Budget and decrease by \$1.6 million relative to FY 2026 anticipated actuals of \$39 million.
- Other Airport rentals are projected to increase \$0.7 million in FY 2027 compared to FY 2026 Budget, and by \$0.3 million relative to FY 2026 anticipated actuals of \$38.2 million.
- Car rental revenue is projected to be flat to FY 2026 Budget in FY 2027 and flat to FY 2026 anticipated actuals of \$11.3 million.
- Terminal concession revenues are budgeted at \$6.4 million and projected to decrease by \$0.6 million compared to FY 2026 Budget and decrease by \$0.9 million compared to FY 2026 anticipated revenues of \$7.3 million.
- Fueling revenue is projected to increase \$0.2 million in FY 2027 compared to FY 2026 Budget and flat relative to FY 2026 anticipated actuals.

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## MARITIME REVENUE FOR FISCAL YEARS 2026 and 2027 (\$ Thousands)

|                                    |                   |                     |                   | Variance<br>2027B<br>vs.<br>2026B<br>B/(W) | Variance<br>2027B<br>vs.<br>2026F<br>B/(W) |
|------------------------------------|-------------------|---------------------|-------------------|--|--|
| Operating Revenue                  | Budget<br>2025-26 | Forecast<br>2025-26 | Budget<br>2026-27 |  |  |
| Maritime Gross Operating Revenue   | \$176,295         | \$178,428           | \$171,962         | (\$4,333)                                  | (\$6,466)                                  |
| GASB 87 Leases Revenue Adjustment  | (13,070)          | (13,294)            | (17,660)          | (4,590)                                    | (4,366)                                    |
| <b>Total Net Operating Revenue</b> | <b>\$163,225</b>  | <b>\$165,134</b>    | <b>\$154,302</b>  | <b>(\$8,923)</b>                           | <b>(\$10,832)</b>                          |

- Concerns about the U.S.-Iran conflict on oil price impacts on global trade, and lingering uncertainty about federal tariffs on imports and exports, present challenges when forecasting Maritime Division revenues. Based on the assumption that global markets have adjusted to the majority of the tariff impact, and that the recent volatility stemming from conflict in the Middle East will stabilize, gross Maritime Operating Revenues are projected to grow modestly over the next five years, after a temporary decline in FY 2027 and FY 2028 due to redevelopment activities, certain changes to operations, and revised agreements with tenants. Gross Maritime Operating Revenues are projected to be \$172 million which is \$4.3 million lower than FY 2026 Budget and \$6.5 million lower than FY 2026 Anticipated Actuals. Maritime Operating Revenues net of GASB 87 adjustments (Net Operating Revenues) are projected to be \$154.3 million which is \$8.9 million lower than FY 2026 Budget and \$10.8 million lower than FY 2026 Anticipated Actuals.
  - Full TEUs are projected to be 1.73 million, or 1.0% higher compared to FY 2026 Anticipated Actuals of 1.72 million Full TEUs. Empty TEUs are projected at 0.48 million, an increase of 1.0% from FY 2026 Anticipated Actuals. Total TEUs (full and empty) are projected at 2.22 million, or 1.0% higher than FY 2026 Anticipated Actuals of 2.20 million.
  - Marine Terminal revenue is projected to decrease by \$3.5 million from FY 2026 Anticipated Actuals of \$130.1 million primarily due to certain land being removed from operation for the construction of improvements and anticipated rent abatements resulting from permitting and construction delays.
  - Revenue from Rail Terminals is projected to decrease \$0.4 million from FY 2026 Anticipated Actuals of \$1.7 million resulting from revised rent terms and the postponement of new on-dock rail facilities. Relative to FY 2026 Budget, Rail Terminal revenues are anticipated to increase by \$0.3 million.
  - Revenue from other (non-marine and non-rail) tenants is projected to be approximately \$3.9 million lower than FY 2026 Anticipated Actuals of \$44.9 million due primarily to closure of one of the Port's truck parking/container depot lots, partially offset by additional revenue from new tenancies, a Tariff rate increase, and/or scheduled rent increases and approximately \$3.8 million lower than FY 2026 Budget for the same reasons.
  - Other revenue is projected to be approximately \$1.4 million higher than FY 2026 Anticipated Actuals of \$1.9 million due to higher shore power maintenance and vessel commissioning revenues.

## COMMERCIAL REAL ESTATE REVENUE

FOR FISCAL YEARS 2026 and 2027  
(\$ Thousands)

|                                      |                           |                             |                           | Variance<br>2027B<br>vs.<br>2026B<br>B/(W) | Variance<br>2027B<br>vs.<br>2026F<br>B/(W) |
|--------------------------------------|---------------------------|-----------------------------|---------------------------|--|--|
| <b>Operating Revenue</b>             | <b>Budget<br/>2025-26</b> | <b>Forecast<br/>2025-26</b> | <b>Budget<br/>2026-27</b> |  |  |
| CRE Gross Operating Revenue          | \$17,632                  | \$17,063                    | \$18,002                  | \$369                                      | \$938                                      |
| GASB 87 Leases Revenue<br>Adjustment | (2,313)                   | (2,023)                     | (2,261)                   | 52   | (238)                                      |
| <b>Total Net Operating Revenue</b>   | <b>\$15,319</b>           | <b>\$15,040</b>             | <b>\$15,741</b>           | <b>\$422</b>                               | <b>\$701</b>                               |

- Gross CRE Operating Revenues are projected to be \$18 million, which is \$0.4 million higher than FY 2026 Budget and \$0.9 million higher than FY 2026 Anticipated Actuals. CRE Operating Revenues net of GASB 87 adjustments (Net Operating Revenues) are projected to be \$15.7 million which is \$0.4 million higher than FY 2026 Budget and \$0.7 million higher than FY 2026 Anticipated Actuals.
  - CRE revenues are based on anticipated lease expirations, new leases, percentage rents, and scheduled rent adjustments.

## PORT UTILITY REVENUE

FOR FISCAL YEARS 2026 and 2027  
(\$ Thousands)

|                                      |                           |                             |                           | Variance<br>2027B<br>vs.<br>2026B<br>B/(W) | Variance<br>2027B<br>vs.<br>2026F<br>B/(W) |
|--------------------------------------|---------------------------|-----------------------------|---------------------------|--|--|
| <b>Operating Revenue</b>             | <b>Budget<br/>2025-26</b> | <b>Forecast<br/>2025-26</b> | <b>Budget<br/>2026-27</b> |  |  |
| Port Utility Gross Operating Revenue | \$33,980                  | \$33,647                    | \$37,063                  | \$3,083                                    | \$3,416                                    |
| Intercompany Elimination             | (6,343)                   | (5,681)                     | (6,341)                   | 2  | (660)                                      |
| <b>Total Net Operating Revenue</b>   | <b>\$27,637</b>           | <b>\$27,966</b>             | <b>\$30,722</b>           | <b>\$3,085</b>                             | <b>\$2,756</b>                             |

- Gross Port Utility Operating Revenues are projected to be \$37.1 million, which is \$3.1 million higher than FY 2026 Budget and \$3.4 million higher than FY 2026 Anticipated Actuals. Port Utility Operating Revenues net of Intercompany Elimination (Net Operating Revenues) are projected to be \$30.7 million which is \$3.1 million higher than FY 2026 Budget and \$2.8 million higher than FY 2026 Anticipated Actuals.
  - Electricity revenues increase by \$1.8 million in comparison to the FY 2026 Budget due to higher shore power sales of \$1.0 million, higher wholesale sales of \$0.1 million at the Airport, higher wholesale sales at Harbor Transportation Center (HTC) of \$1.0 million partially offset by lower

retail sales of \$0.3 million. Electricity revenues are higher by \$2.7 million relative to FY 2026 Anticipated Actuals of \$31.9 million.

- o Sales of CAP & Invest allowances decrease by \$0.2 million compared to FY 2026 Budget and \$0.7 million compared to FY 2026 Anticipated Actuals of \$1.2 million. AB1890 sales increase by \$71k compared to FY 2026 Budget and \$52k relative to FY 2026 Anticipated Actuals of \$550k.

## FY 2027 OPERATING EXPENSE BUDGET HIGHLIGHTS AND ASSUMPTIONS

Note: All comparisons are to FY 2026 Budget, unless otherwise noted.

### BUDGETED EXPENSES BY TYPE

FOR FISCAL YEARS 2026 and 2027  
(\$ Thousands)

| Operating Expense                                 | Budget<br>2025-26 | Forecast<br>2025-26 | Budget<br>2026-27 | Variance<br>2027B     | %<br>Variance<br>2027B |
|---|-------------------|---------------------|-------------------|-----------------------|------------------------|
|   |                   |                     |                   | vs.<br>2026B<br>B/(W) | vs.<br>2026F<br>B/(W)  |
| Personnel Services                                | \$153,931         | \$151,856           | \$157,107         | \$3,176               | \$5,251                |
| Contractual Services                              | 108,039           | 100,696             | 100,863           | (7,175)               | 168                    |
| Supplies  | 6,947             | 6,127               | 6,971             | 24                    | 845                    |
| General & Administrative                          | 26,083            | 25,449              | 25,477            | (606)                 | 27                     |
| Cost of Commodity                                 | 23,874            | 21,590              | 22,877            | (996)                 | 1,287                  |
| Departmental Credits                              | (12,798)          | (12,750)            | (14,409)          | (1,611)               | (1,659)                |
| Intercompany Elimination                          | (6,343)           | (5,681)             | (6,341)           | 2                     | (660)                  |
| <b>Operating Expenses before<br/>Depreciation</b> | <b>\$299,733</b>  | <b>\$287,287</b>    | <b>\$292,546</b>  | <b>(\$7,187)</b>      | <b>\$5,259</b>         |
| Depreciation & Amortization                       | 123,467           | 128,702             | 128,173           | 4,706                 | (529)                  |
| <b>Total Operating Expenses</b>                   | <b>\$423,200</b>  | <b>\$415,990</b>    | <b>\$420,720</b>  | <b>(\$2,480)</b>      | <b>\$4,730</b>         |

- Port-wide Operating Expenses before Depreciation and Amortization are budgeted at \$292.5 million, a decrease of \$7.2 million (-2.4%), driven by strategic cost reductions and cost deferrals to offset rising personnel costs and align operating expenses to projected lower operating revenues.

## PERSONNEL COSTS

(\$ Thousands)

|  | Actual<br>2024-25 | Budget<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 |
|--|-------------------|-------------------|-------------------|-------------------|
| Salaries and Wages                       | \$76,134          | \$80,664          | \$83,271          | \$84,365          |
| Pension                                  | 27,894            | 29,594            | 29,333            | 30,160            |
| Health Care – Retirement                 | 12,686            | 6,009             | 14,000            | 13,500            |
| Health Care – Active                     | 12,691            | 13,496            | 14,597            | 16,676            |
| Overtime                                 | 5,994             | 4,879             | 4,042             | 4,351             |
| Workers' Compensation                    | 351               | 2,625             | 2,931             | 2,000             |
| Vacation/Sick Leave                      | 2,412             | 2,351             | 2,404             | 2,404             |
| Medicare                                 | 1,256             | 1,170             | 1,207             | 1,223             |
| Life, Disability, Accident Insurance     | 1,267             | 1,168             | 1,202             | 1,382             |
| Training and Education                   | 550               | 671               | 703               | 663               |
| Other                                    | 927               | 410               | 240               | 382               |
| <b>Total Personnel Costs<sup>1</sup></b> | <b>\$142,162</b>  | <b>\$143,037</b>  | <b>\$153,931</b>  | <b>\$157,107</b>  |
| FTEs                                     | 478 <sup>2</sup>  | 550               | 534               | 534               |
| Vacancy Factor <sup>3</sup>              | n/a               | 45                | 29.5              | 47.5              |

- Personnel costs are budgeted to increase by \$3.2 million (+2.0%); personnel costs represent 53.7% of the Operating Expense Budget before Depreciation and Amortization.
  - 534 Full-time Equivalent (FTEs).
  - Salaries are higher by \$1.1 million (+1.3%) due to the net impacts of an assumed 2.5% cost of living adjustment (COLA) effective July 1, 2026, 3% COLA increase on January 1, 2026, step increases, offset by increases in vacancy factor.
  - The Port's employer pension contribution is anticipated to increase \$0.8 million to \$30.2 million due to a projected increase in pension rate from approximately 34.6% to 35.2% on July 1, 2026.

<sup>1</sup> Totals may not add up due to rounding.

<sup>2</sup> On June 30, 2025, there were 478 FTEs on payroll.

<sup>3</sup> Due to normal attrition and lags in hiring.

- FY 2027 medical costs are projected to increase 5.75% on January 1, 2027. Dental, Vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027, and by changes in employee-elected coverage levels.
- Engineering and Maritime overtime higher by \$0.2 million and \$0.1 million, respectively.
- Workers' compensation budgeted to decrease by \$0.9 million based on changes in estimates.
- A vacancy factor of 47.5 FTEs assumed due to retirements, normal attrition, and normal hiring lag.
- Contractual services are budgeted to decrease \$7.2 million (-6.6%). Utilities Cost of Commodities is budgeted to decrease by \$1.0 million (-4.2%). General and Administrative expenses are budgeted to decrease by \$0.6 million (-2.3%). Supplies are budgeted to remain flat to FY 2026 Budget. Intercompany electricity expense credit of \$6.3 million included in General and Administrative (Port use electricity revenue billed by Port Utility). Within these categories, notable items include:
  - Lower Maritime truck parking of \$2.7 million.
  - Lower Alameda County Sheriff's Office of \$1.9 million.
  - Lower contractual services with tenants of \$1.3 million.
  - Lower Engineering consulting of \$1.4 million.
  - Lower major maintenance for Maritime of \$1.1 million
  - Lower Airport Rescue Fire Fighting (ARFF) of \$1.0 million.
  - Lower electricity cost of commodity by \$1.0 million (net).
  - Higher dredging of \$1.3 million.

## FY 2027 NON-OPERATING REVENUE & EXPENSE BUDGET HIGHLIGHTS AND ASSUMPTIONS

*Note: All comparisons are to FY 2026 Budget, unless otherwise noted.*

- Interest income of \$44.4 million (gross \$18.3 million excluding GASB 87) is higher by gross \$7.1 million due to a higher percentage of unrestricted cash funds assumed to be available for investment and higher GASB 87 interest income (see below). The assumed interest rate decreased from 3.7% in FY 2026 to 2.4% in FY 2027. GASB 87 related interest income totals \$25.9 million and is broken down as follows by revenue divisions: \$4.9 million (Aviation), \$17.8 million (Maritime), and \$3.2 million (CRE).
- Interest expense of \$10.6 million, which includes letter of credit (LOC) fees and accounting accruals, is lower by \$1.0 million (-8.9%).
  - The Port assumes a 3.9% interest rate on its outstanding Commercial Paper (CP) Notes in FY 2027.
- Passenger Facility Charges (PFCs) of \$13.9 million are \$4.2 million (-23.2%) lower compared to FY 2026 Budget, reflecting lower projected passenger activity level for FY 2027. The ability to use certain PFCs to fund eligible capital improvement projects in the five-year CIP is subject to approval of a new PFC application that is currently in process with the FAA. See *Capital Budget and 5-Year Capital Improvement Plan* section.

- Customer Facility Charges (CFCs) of \$6.1 million are \$2.6 million (74.4%) higher compared to FY 2026 Budget due to implementation of a per day CFC-rate structure to replace the per transaction rate structure assumed in FY 2026. CFCs are used to reimburse rental car shuttle bus operating costs and to fund any improvements of the rental car facility at OAK. See *Capital Budget and 5-Year Capital Improvement Plan* section.
- Gain (loss) on sale (disposal) and abandonment of capital assets includes loss on demolition of capital assets of \$6.6 million and \$0.3 million in abandoned capital assets.
- Other income (expense) includes the sale of LCFS credits of \$3.2 million, \$1.9 million in zero emission and environmental grants offsetting Port consultants costs, \$0.7 million net in pass-through grant income and expenses, (\$3.3) million in payments to the City for general services and Lake Merritt maintenance, (\$1.3) million in net miscellaneous non-operating income and expenses.
- Grants from government agencies include \$46.2 million in Aviation grants (AIP, ATP, AIG) for reimbursement of certain capital expenditures, \$85.7 million in Maritime grants for numerous infrastructure repairs and improvements, and \$7.6 million in grants for Port Utility upgrades. See *Capital Budget and 5-Year Capital Improvement Plan* section.

## FY 2028 TO 2031 REVENUE PROJECTION HIGHLIGHTS AND ASSUMPTIONS

- Port-wide net Operating Revenues (including GASB 87 adjustments and Intercompany elimination for Port Utility Port-Use Electricity) projected to increase from \$405.4 million in FY 2027 to \$473.5 million in FY 2031, for a compound annual growth rate of 4.0%.
- Net Operating Aviation Revenues are projected to increase from \$204.6 million in FY 2027 to \$232.5 million in FY 2031 for a compound annual growth rate of 3.3%.
  - Enplanements are assumed to increase by 7.0% in FY 2028 and 2.0% annually in FY 2029 through FY 2031.
  - Landing fees and terminal rent revenues are in general projected to increase due to forecasted increases in operating and capital costs.
  - Parking revenues are forecasted to increase by 6.7% in FY 2028, and approximately 2.0% annually in FY 2029 through FY 2031.
  - TNC revenues are forecasted to increase by 2.0% annually in FY 2028 to FY 2029, flat in FY 2030 before increasing by 2.0% in FY 2031.
  - Lease revenues projected to increase in accordance with existing or anticipated lease terms.
- Net Operating Maritime Revenues projected to increase from \$154.3 million in FY 2027 to \$184.8 million in FY 2031, for a compound annual growth rate of 4.6%. While TEU growth is anticipated at 1.0% annually, anticipated growth in FY 2028 revenues are higher because of new bulk cargo once operations anticipated to start in FY 2028, scheduled fixed and variable rent increases, new tenancies and assumed higher utilization of certain facilities assumed in completion of construction projects and development of Outer Harbor Terminal.
  - Full TEUs assumed to increase 1.0% annually in FY 2028 through FY 2031.

- An annual increase to certain Tariff rates, at least commensurate with inflation, is assumed for certain tenancies.
- Marine terminal revenues are projected in accordance with existing or anticipated lease terms, and with the anticipated distribution of cargo throughput among terminals. Leases due to expire are generally expected to renew at similar or more favorable terms, commensurate with market values for industrial property.
- Rail terminal revenue is based on 1.0% activity growth in FY 2028 through FY 2031, as well as current and anticipated lease terms.
- Revenue from other tenants (non-marine terminal and non-rail terminal) assumes scheduled or anticipated lease terms, rent increases driven by anticipated Tariff increases or fair market value adjustments, anticipated new tenancies, and anticipated loss of tenancies (or revenue from continuing tenancies) due to development activities.
- Net CRE Revenues are projected to increase from \$15.7 million in FY 2027 to \$21.4 million in FY 2031, for a compound annual growth rate of 8.0%. CRE revenues assume improving parking revenues, new hotel operator for the former Waterfront Hotel, new tenancy on the former Hilton site, less vacancies, projected increase in percentage rents, and minimum rent adjustments due to projected lease renewals and scheduled rent adjustments.
- Net Port Utility Revenues after Intercompany elimination are projected to increase from \$30.7 million in FY 2027 to \$34.7 million in FY 2031, for a compound annual growth rate of 3.1%. Revenues in FY 2027 and beyond reflect a series of future electric rate increases.

## FY 2028 TO 2031 OPERATING EXPENSE PROJECTION HIGHLIGHTS AND ASSUMPTIONS

- Net Operating Expenses before Depreciation and Amortization (after Intercompany elimination for Port use electricity in Aviation, Maritime, and CRE) are assumed to increase from \$292.5 million in FY 2027 to \$315.6 million in FY 2031, for a compound annual growth rate of 1.9% per year from FY 2027 through FY 2031.
- Personnel costs assumed to increase at a compound annual growth rate of 2.3% from FY 2027 through FY 2031 as per the following assumptions:
  - FTEs assumed unchanged at 534.
  - Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031.
  - CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. The Port's projections reflect estimated pension payments to CalPERS and does not reflect the impact of adjustments to pension expense related to GASB No. 68, *Accounting and Financial Reporting for Pensions*.
  - No salary adjustments other than step increases assumed through FY 2031. Actual Cost of Living Adjustments (COLA) based on current MOU.
  - Assume vacancy factor of 47.5 FTEs due to retirements, normal attrition, and normal lags in hiring.

- Contractual services, general and administrative costs, and supplies consider anticipated changes, but otherwise assumed to increase by approximately 2% in FY 2028 and each year thereafter. Contractual services are assumed to increase at a compound annual growth rate of 1.0%. Compound interest rates for general and administrative costs, and supplies increase 2.5%, and 1.9%, respectively, for this time period.
- Utility Cost of Sales changes are driven by anticipated changes in customer usage and rates.

## **FY 2028 TO 2031 NON-OPERATING REVENUE & EXPENSE PROJECTION HIGHLIGHTS AND ASSUMPTIONS**

- Interest income (including GASB 87) is anticipated to increase in FY 2028 by 1.4%, decrease in FY 2029 by 11.9%, decrease in FY 2030 by 11.7%, and increase FY 2031 by 0.7%. General Fund interest rates are assumed to be 3.5% in FY 2028, 3.8% in FY 2029, 3.8% in FY 2030, and 4.3% in FY 2031. Interest income projections for GASB 87 are as follows: FY 2028 total of \$22.0 million [\$4.3 million (Aviation), \$14.6 million (Maritime), and \$3.1 million (CRE)], FY 2029 total of \$18.2 million [\$3.9 million (Aviation), \$11.2 million (Maritime), and \$2.9 million (CRE)], FY 2030 total of \$14.8 million [\$3.9 million (Aviation), \$8.2 million (Maritime) and \$2.8 million (CRE)], and FY 2031 total of \$12.1 million [\$3.8 million (Aviation) \$5.7 million (Maritime) and \$2.6 million (CRE)].
- Interest expense anticipated to fluctuate up and down due to reduction in interest associated with scheduled repayment of outstanding bond principal and projected repayment of existing CP notes, offset by increases in interest associated with projected issuance of new CP Notes and CP Note takeout bond financings (see Debt Service and Cash Flow section) in FY 2028 through FY 2031.
- PFCs projected to increase at the same rate as projected passenger growth rate.
- CFCs projected to increase at the same rate as projected passenger growth rate.
- Other income (expense) assumes (\$3.4) million for City general services and Lake Merritt maintenance increases 3.0% annually, zero emission and environmental grants offsetting Port consultants costs, and 100% grant funded corridor improvements.
- Loss on abandoned and demolished assets assumed to be \$5.9 million in FY 2028 primarily due to the demolition of old and obsolete buildings and demolition of the Oakland Maintenance Center (OMC) at the Airport (3-year project). FY 2029 through FY 2031 assumes additional demolition of obsolete maritime and aviation buildings.
- Grants from government agencies include anticipated Aviation and Maritime grants for reimbursement of certain expenditures based on the 5-Year CIP. See *Capital Budget and 5-Year Capital Improvement Plan* section.

## **DEPRECIATION AND AMORTIZATION**

The budget for Depreciation and Amortization reflects the anticipated in-service date and life expectancy of capital assets.

## STATEMENT OF REVENUE, EXPENSES AND CHANGE IN NET ASSETS

FOR THE FISCAL YEARS ENDED JUNE 30, 2025 THROUGH 2031

(\$ Thousands)

| Division   | Actual<br>2024-25  | Budget<br>2025-26  | Budget<br>2026-27  | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 | Variance<br>2027B vs.<br>2026B<br>B/(W) | %Variance<br>2027B vs.<br>2026B<br>B/-W |
|--|--------------------|--------------------|--------------------|----------------------|----------------------|----------------------|----------------------|---|---|
| <b>Operating Revenue</b>                         |                    |                    |                    |                      |                      |                      |                      |   |   |
| Aviation   | \$221,186          | \$213,583          | \$209,103          | \$217,324            | \$223,853            | \$229,891            | \$235,267            | (\$4,480)                               | -2.1%                                   |
| Maritime   | 178,385            | 176,295            | 171,962            | 176,325              | 186,098              | 193,583              | 200,982              | (4,333)                                 | -2.5%                                   |
| CRE  | 17,088             | 17,632             | 18,002             | 19,860               | 22,439               | 23,068               | 23,724               | 369                                     | 2.1%                                    |
| Port Utility                                     | 32,806             | 33,980             | 37,063             | 38,384               | 38,667               | 40,136               | 41,679               | 3,083                                   | 9.1%                                    |
| Intercompany Elimination                         | (5,166)            | (6,343)            | (6,341)            | (6,585)              | (6,830)              | (6,884)              | (6,941)              | 2                                       | 0.0%                                    |
| GASB 87 Leases Revenue Adjustment                | (15,529)           | (17,799)           | (24,420)           | (27,377)             | (26,137)             | (24,346)             | (21,233)             | (6,621)                                 | 37.2%                                   |
| <b>Total Operating Revenue</b>                   | <b>428,770</b>     | <b>417,349</b>     | <b>405,369</b>     | <b>417,931</b>       | <b>438,090</b>       | <b>455,448</b>       | <b>473,478</b>       | <b>(11,980)</b>                         | <b>-2.9%</b>                            |
| <b>Operating Expenses</b>                        |                    |                    |                    |                      |                      |                      |                      |   |   |
| Aviation   | (133,692)          | (126,354)          | (126,403)          | (129,388)            | (132,950)            | (135,604)            | (138,328)            | (49)                                    | 0.0%                                    |
| Maritime   | (46,929)           | (45,163)           | (46,992)           | (47,554)             | (48,820)             | (49,379)             | (50,782)             | (1,830)                                 | 4.1%                                    |
| Commercial Real Estate                           | (8,590)            | (9,215)            | (9,365)            | (11,620)             | (9,732)              | (9,929)              | (10,129)             | (150)                                   | 1.6%                                    |
| Port Utility                                     | (21,834)           | (26,701)           | (26,759)           | (26,860)             | (28,571)             | (29,307)             | (30,080)             | (58)                                    | 0.2%                                    |
| Engineering                                      | (24,092)           | (25,218)           | (19,285)           | (19,750)             | (20,377)             | (20,782)             | (21,198)             | 5,933                                   | -23.5%                                  |
| Environmental                                    | (6,818)            | (7,582)            | (7,869)            | (6,819)              | (5,917)              | (5,283)              | (5,259)              | (287)                                   | 3.8%                                    |
| Technology and Innovation                        | (8,825)            | (11,116)           | (11,598)           | (11,853)             | (12,159)             | (12,401)             | (12,649)             | (482)                                   | 4.3%                                    |
| Executive  | (1,415)            | (1,471)            | (1,159)            | (1,185)              | (1,221)              | (1,244)              | (1,267)              | 312                                     | -21.2%                                  |
| Public Engagement Office                         | (5,366)            | (6,104)            | (6,489)            | (6,638)              | (6,825)              | (6,959)              | (7,098)              | (385)                                   | 6.3%                                    |
| Board  | (783)              | (751)              | (843)              | (863)                | (889)                | (906)                | (923)                | (92)                                    | 12.3%                                   |
| Audit  | (1,264)            | (1,623)            | (1,576)            | (1,614)              | (1,668)              | (1,701)              | (1,735)              | 47                                      | -2.9%                                   |
| Legal  | (5,458)            | (6,243)            | (6,708)            | (6,867)              | (7,085)              | (7,223)              | (7,365)              | (465)                                   | 7.4%                                    |
| Finance & Administration                         | (22,693)           | (24,886)           | (24,659)           | (25,326)             | (26,175)             | (26,837)             | (27,522)             | 226                                     | -0.9%                                   |
| Non-Departmental Expenses                        | (21,578)           | (26,043)           | (23,481)           | (23,766)             | (24,062)             | (24,369)             | (24,687)             | 2,562                                   | -9.8%                                   |
| Absorption of Labor & Overhead to Capital Assets | 12,070             | 12,393             | 14,299             | 15,537               | 15,848               | 16,165               | 16,488               | 1,906                                   | 15.4%                                   |
| Depreciation & Amortization                      | (120,165)          | (123,467)          | (128,173)          | (134,297)            | (151,012)            | (167,984)            | (185,731)            | (4,706)                                 | 3.8%                                    |
| Intercompany Elimination                         | 5,166              | 6,343              | 6,341              | 6,585                | 6,830                | 6,884                | 6,941                | (2)                                     | 0.0%                                    |
| <b>Total Operating Expenses</b>                  | <b>(412,267)</b>   | <b>(423,200)</b>   | <b>(420,720)</b>   | <b>(432,279)</b>     | <b>(454,786)</b>     | <b>(476,860)</b>     | <b>(501,324)</b>     | <b>2,480</b>                            | <b>-0.6%</b>                            |
| <b>Operating Income (A)</b>                      | <b>16,503</b>      | <b>(5,851)</b>     | <b>(15,351)</b>    | <b>(14,348)</b>      | <b>(16,695)</b>      | <b>(21,412)</b>      | <b>(27,846)</b>      | <b>(9,500)</b>                          | <b>162.4%</b>                           |
| <b>Non-Operating Items</b>                       |                    |                    |                    |                      |                      |                      |                      |   |   |
| Interest Income                                  | 37,488             | 14,629             | 18,430             | 23,035               | 21,499               | 20,192               | 23,178               | 3,801                                   | 26.0%                                   |
| GASB 87 Interest Income Adjustment               | 33,364             | 22,705             | 25,956             | 21,983               | 18,162               | 14,839               | 12,081               | 3,252                                   | 14.3%                                   |
| Interest Expense                                 | (12,308)           | (11,630)           | (10,600)           | (9,653)              | (9,899)              | (9,516)              | (20,663)             | 1,030                                   | -8.9%                                   |
| Passenger Facility Charges (PFCs)                | 16,139             | 18,052             | 13,855             | 15,013               | 15,504               | 16,010               | 16,529               | (4,197)                                 | -23.2%                                  |
| Customer Facility Charges (CFCs)                 | 6,100              | 3,494              | 6,093              | 6,030                | 6,150                | 6,273                | 6,399                | 2,599                                   | 74.4%                                   |
| Customer Facility Charge Expenses                | (5,555)            | (3,494)            | (5,488)            | (5,708)              | (5,936)              | (6,174)              | (6,421)              | (1,995)                                 | 57.1%                                   |
| Gain (Loss) on Sale (Disposal) of Capital Assets | (228)              | (162)              | (6,926)            | (5,876)              | (800)                | (650)                | (800)                | (6,764)                                 | 4175.3%                                 |
| Other Income (Expenses)                          | (4,238)            | 127                | 1,171              | 3,388                | (1,633)              | (2,620)              | (1,592)              | 1,044                                   | 822.3%                                  |
| <b>(B)</b>                                       | <b>70,762</b>      | <b>43,721</b>      | <b>42,491</b>      | <b>48,212</b>        | <b>43,048</b>        | <b>38,356</b>        | <b>28,711</b>        | <b>(1,230)</b>                          | <b>-2.8%</b>                            |
| <b>Capital Contributions</b>                     |                    |                    |                    |                      |                      |                      |                      |   |   |
| Grants from Government Agencies (C)              | 31,157             | 81,725             | 139,483            | 116,799              | 32,504               | 33,508               | 26,498               | 57,758                                  | 70.7%                                   |
| <b>CHANGE IN NET ASSETS (A+B+C)</b>              | <b>\$118,422</b>   | <b>\$119,595</b>   | <b>\$166,623</b>   | <b>\$150,663</b>     | <b>\$58,856</b>      | <b>\$50,452</b>      | <b>\$27,364</b>      | <b>\$47,028</b>                         | <b>39.3%</b>                            |
| Net Assets, Beginning of the Year                | 1,844,990          | 1,646,740          | 2,088,774          | 2,255,397            | 2,406,059            | 2,464,916            | 2,515,368            | 442,033                                 | 26.8%                                   |
| Beg. Balance Adj for GASB 87                     |                    |                    |                    |                      |                      |                      |                      |   |   |
| <b>Net Assets, End of the Year</b>               | <b>\$1,963,412</b> | <b>\$1,766,366</b> | <b>\$2,255,397</b> | <b>\$2,406,059</b>   | <b>\$2,464,916</b>   | <b>\$2,515,368</b>   | <b>\$2,542,731</b>   | <b>\$489,061</b>                        | <b>27.7%</b>                            |
| Senior Lien Debt Svc. Coverage Ratio             | 8.54               | 5.64               | 5.53               | 4.33                 | 4.62                 | 4.74                 | 3.37                 |   |   |
| Int. Lien Debt Service Coverage Ratio            | 2.65               | 2.00               | 1.94               | 2.02                 | 2.10                 | 2.18                 | 2.62                 |   |   |
| Aggregate Debt Service Coverage Ratio            | 2.47               | 1.87               | 1.87               | 1.89                 | 2.07                 | 2.14                 | 2.58                 |   |   |
| Funded FTE's (Full-Time Equivalent)              | 550                | 534                | 534                | 534                  | 534                  | 534                  | 534                  |   |   |

## OPERATING EXPENSES BY CATEGORY

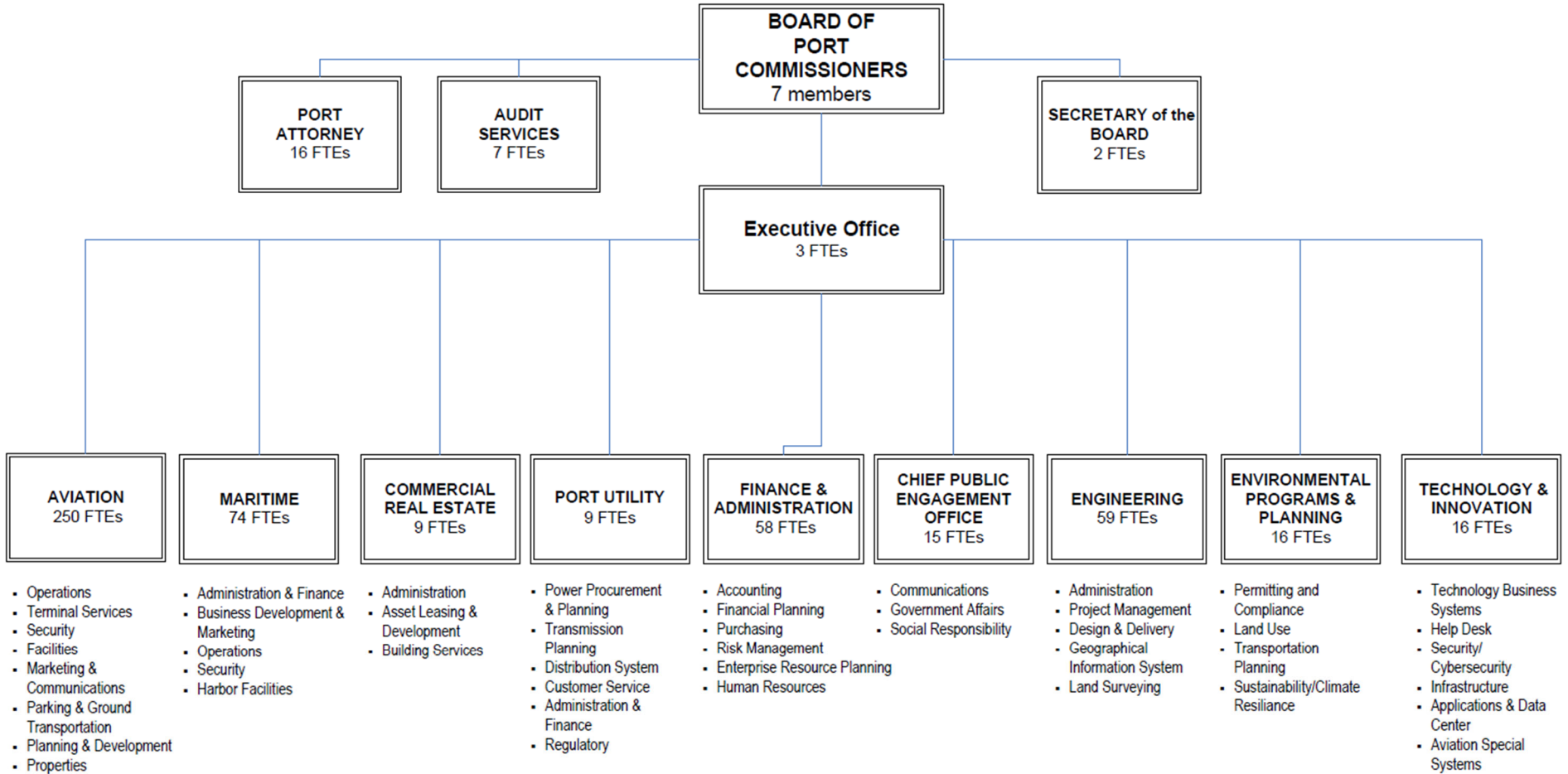
FOR THE FISCAL YEARS ENDED JUNE 30, 2025 THROUGH 2031  
(\$ Thousands)

|   | Actual<br>2024-25 | Budget<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Variance<br>2027B<br>vs.<br>2026 B/(W) | %<br>Variance<br>2027B<br>vs.<br>2026 B/(W) | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|---|-------------------|-------------------|-------------------|-------------------|--|---|----------------------|----------------------|----------------------|----------------------|
|   |                   |                   | [A]               | [B]               | [A-B=C]                                |   |                      |                      |                      |                      |
| Personnel Services                                | \$142,162         | \$143,037         | \$153,931         | \$157,107         | \$(3,176)                              | (2.1%)                                      | \$160,656            | \$165,593            | \$168,750            | \$171,988            |
| Contractual Services                              | 113,764           | 113,422           | 108,039           | 100,863           | 7,175                                  | 6.6%  | 102,757              | 101,640              | 102,469              | 104,794              |
| Supplies  | 7,300             | 6,794             | 6,947             | 6,971             | (24)                                   | (0.3%)                                      | 7,096                | 7,237                | 7,382                | 7,530                |
| General &<br>Administrative                       | 26,114            | 27,447            | 26,083            | 25,477            | 606                                    | 2.3%  | 26,042               | 26,814               | 27,483               | 28,162               |
| Utilities   | 20,332            | 27,894            | 23,874            | 22,877            | 996                                    | 4.2%  | 23,665               | 25,282               | 25,957               | 26,668               |
| Departmental Credits                              | (12,405)          | (12,307)          | (12,798)          | (14,409)          | 1,611                                  | (12.6%)                                     | (15,649)             | (15,962)             | (16,282)             | (16,607)             |
| Intercompany<br>Elimination                       | (5,166)           | (6,162)           | (6,343)           | (6,341)           | (2)                                    | (0.0%)                                      | (6,585)              | (6,830)              | (6,884)              | (6,941)              |
| <b>Operating Expenses<br/>before Depreciation</b> | <b>\$292,101</b>  | <b>\$300,124</b>  | <b>\$299,733</b>  | <b>\$292,546</b>  | <b>\$7,187</b>                         | 2.4%  | <b>\$297,982</b>     | <b>\$303,773</b>     | <b>\$308,876</b>     | <b>\$315,593</b>     |
| Depreciation &<br>Amortization                    | 120,165           | 110,256           | 123,467           | 128,173           | (4,706)                                | (3.8%)                                      | 134,297              | 151,012              | 167,984              | 185,731              |
| <b>Total Operating<br/>Expenses</b>               | <b>\$412,267</b>  | <b>\$410,380</b>  | <b>\$423,200</b>  | <b>\$420,720</b>  | <b>\$2,480</b>                         | <b>0.6%</b>                                 | <b>\$432,279</b>     | <b>\$454,786</b>     | <b>\$476,860</b>     | <b>\$501,324</b>     |

## PORT OF OAKLAND ORGANIZATION CHART

FISCAL YEAR 2026-27

534 FTES (FULL-TIME EQUIVALENTS)



## STAFF SUMMARY

The Port continues to evaluate its staffing needs to ensure operational and customer needs are achieved while balancing against available financial resources.

FY 2027 staffing levels of 534 FTEs remain the same as those assumed in the FY 2026 budget. A summary of staffing by Division is provided in the chart on the following page.

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## STAFF SUMMARY (FULL-TIME EQUIVALENT)

|                               | Actual<br>2024-25 | Budget<br>2024-25 <sup>1</sup> | Budget<br>2025-26 | Projected<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-------------------------------|-------------------|--------------------------------|-------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b><u>FTEs</u></b>            |                   |                                |                   |                      |                      |                      |                      |                      |
| Aviation                      | 228               | 261                            | 250               | 250                  | 250                  | 250                  | 250                  | 250                  |
| Maritime                      | 73                | 74                             | 74                | 74                   | 74                   | 74                   | 74                   | 74                   |
| Commercial Real Estate        | 8                 | 8                              | 9                 | 9                    | 9                    | 9                    | 9                    | 9                    |
| Port Utility                  | 6                 | 8                              | 8                 | 9                    | 9                    | 9                    | 9                    | 9                    |
| Executive Office <sup>2</sup> | 2                 | 3                              | 3                 | 3                    | 3                    | 3                    | 3                    | 3                    |
| Public Engagement Office      | 9                 | 16                             | 16                | 15                   | 15                   | 15                   | 15                   | 15                   |
| Engineering                   | 55                | 64                             | 59                | 59                   | 59                   | 59                   | 59                   | 59                   |
| Environmental                 | 16                | 16                             | 16                | 16                   | 16                   | 16                   | 16                   | 16                   |
| Technology and Innovation     | 14                | 16                             | 16                | 16                   | 16                   | 16                   | 16                   | 16                   |
| Board of Port Commissioners   | 2                 | 2                              | 2                 | 2                    | 2                    | 2                    | 2                    | 2                    |
| Audit Services                | 4                 | 7                              | 7                 | 7                    | 7                    | 7                    | 7                    | 7                    |
| Port Attorney                 | 14                | 16                             | 16                | 16                   | 16                   | 16                   | 16                   | 16                   |
| Finance and Administration    | 47                | 59                             | 58                | 58                   | 58                   | 58                   | 58                   | 58                   |
| <b>Total FTEs<sup>3</sup></b> | <b>478</b>        | <b>550</b>                     | <b>534</b>        | <b>534</b>           | <b>534</b>           | <b>534</b>           | <b>534</b>           | <b>534</b>           |

<sup>1</sup> Prior to FY 2025, Port Utility staff were included in Engineering's FTEs. Beginning in FY 2025 Port Utility became a standalone Revenue Division.

<sup>2</sup> Includes Chief Operating Officer

<sup>3</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## PERSONNEL COSTS BY DIVISION <sup>1</sup>

(\$ Thousands)

|   | Actual<br>2024-25 | Budget<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|---|-------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Aviation                                    | \$55,136          | \$55,319          | \$56,840          | \$59,031          | \$60,528             | \$62,560             | \$63,857             | \$65,192             |
| Maritime                                    | 19,464            | 19,897            | 20,521            | 21,329            | 21,819               | 22,548               | 23,011               | 23,473               |
| Commercial Real Estate                      | 1,993             | 2,106             | 2,368             | 2,500             | 2,563                | 2,650                | 2,704                | 2,759                |
| Port Utility                                | 1,514             | 1,382             | 2,194             | 2,559             | 2,623                | 2,712                | 2,768                | 2,825                |
| Executive Office                            | 1,224             | 1,319             | 1,242             | 930               | 952                  | 984                  | 1,002                | 1,020                |
| Public Engagement Office                    | 3,453             | 4,510             | 3,823             | 3,951             | 4,048                | 4,183                | 4,265                | 4,349                |
| Engineering                                 | 16,561            | 17,364            | 17,153            | 16,945            | 17,362               | 17,942               | 18,299               | 18,665               |
| Environmental                               | 3,452             | 3,661             | 4,180             | 3,959             | 4,058                | 4,196                | 4,281                | 4,367                |
| Technology and Innovation                   | 3,711             | 4,073             | 4,487             | 4,858             | 4,979                | 5,147                | 5,249                | 5,354                |
| Board of Port Commissioners                 | 599               | 575               | 572               | 625               | 640                  | 661                  | 674                  | 687                  |
| Audit Services                              | 1,278             | 1,980             | 1,592             | 1,538             | 1,576                | 1,629                | 1,661                | 1,694                |
| Port Attorney                               | 5,015             | 5,249             | 5,248             | 5,717             | 5,857                | 6,055                | 6,172                | 6,294                |
| Finance and Administration                  | 12,743            | 14,099            | 13,861            | 14,743            | 15,071               | 15,581               | 15,893               | 16,215               |
| Non-Departmental <sup>2</sup>               | 16,019            | 11,503            | 19,853            | 18,422            | 18,580               | 18,745               | 18,916               | 19,094               |
| <b>Total Personnel Services<sup>3</sup></b> | <b>\$142,162</b>  | <b>\$143,037</b>  | <b>\$153,931</b>  | <b>\$157,107</b>  | <b>\$160,656</b>     | <b>\$165,593</b>     | <b>\$168,750</b>     | <b>\$171,988</b>     |

<sup>1</sup> Includes, but not limited to: salaries, fringe benefits, retiree medical costs, workers' compensation, overtime, temporary help, wellness program, professional development, continuing education, training, college tuition program, and meal allowance. Vacancy factor of 45 FTEs assumed in FY 2025 Budget, 29.5 FTEs in FY 2026 Budget, 47.5 FTEs in FY 2027 Budget and in the FY 2028-31 projections. Vacancy factor is due to normal attrition and lags in hiring.

<sup>2</sup> Non-Departmental personnel costs include, but are not limited to, retiree medical expenses, workers' compensation costs, vacation and sick leave accruals, retroactive pension costs, and unemployment insurance.

<sup>3</sup> Totals may not add up due to rounding.

# DIVISION BUDGETS



*New Ticketing Counters  
at OAK Terminal 1*

AVIATION



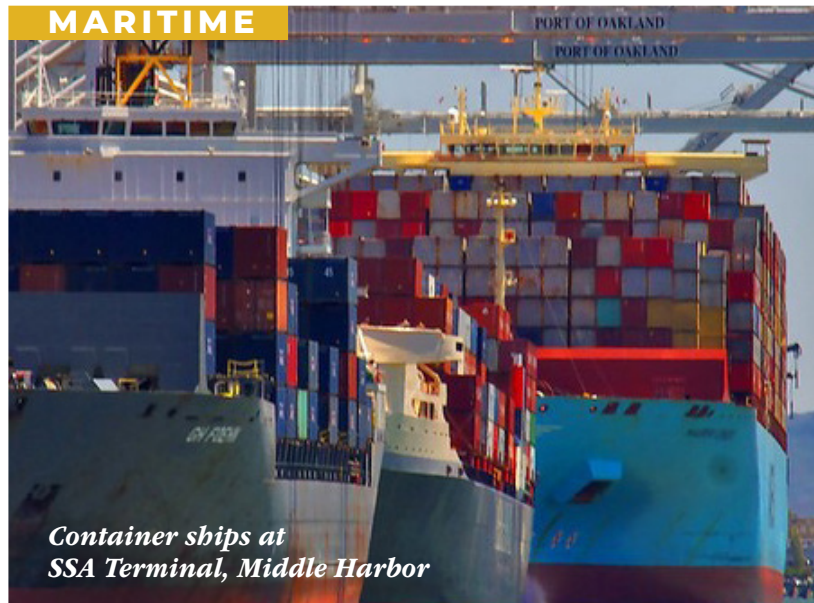
*Bay Trail Segment at  
Jack London Square*

COMMERCIAL REAL ESTATE



*Electric Substation at  
Davis and Cuthbertson*

PORT UTILITY



*Container ships at  
SSA Terminal, Middle Harbor*

MARITIME

## CONTENTS

- ❖ Aviation
- ❖ Maritime
- ❖ Commercial Real Estate
- ❖ Port Utility
- ❖ Engineering
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- ❖ Technology and Innovation
- ❖ Finance and Administration
- ❖ Executive
- ❖ Office of the Chief Public Engagement Officer
- ❖ Port Attorney's Office
- ❖ Office of Audit Services
- ❖ Office of the Board of Port Commissioners
- ❖ Non-Departmental

## AVIATION DIVISION



*Aircraft parked at main ramp, Terminal 2, OAK Airport*

### AVIATION ADMINISTRATION

Aviation Administration manages, promotes, and enhances the airport's transportation facilities to benefit travelers and tenants, with a focus on safety, security, and customer experience. Our work aims to maximize OAK's economic value to Oakland and the region while maintaining strong stewardship of the community and environment.

### AIRPORT OPERATIONS

Airport Operations ensures safe and efficient airport activity around the clock with oversight of safety, security, fire and emergency medical services; assigns and manages aircraft gates; manages noise and environmental issues; manages airfield surfaces; and coordinates with Airport Facilities Maintenance and Airport Planning and Development regarding the maintenance and improvement of facilities. Staff inspect and maintain the Airport's operational facilities to ensure compliance with FAA, TSA, CBP, and other regulatory requirements on a daily basis. Staff also assist in ensuring facilities are safe, secure, and serve Airport customers by monitoring terminal and landside areas such as checkpoint and ticket counter activities.

### AIRPORT TERMINAL SERVICES

Airport Terminal Services manages passenger terminal facilities and operations 24/7, working closely with airlines to support passenger processing, queuing, and the assignment of ticket counters. The team ensures that terminal facilities effectively serve Airport customers and oversees custodial services and the Airport signage program.

The Department coordinates with TSA on security checkpoint screening areas and with CBP on international passenger processing. Additionally, the team manages the Airport's Lost and Found Office, Volunteer Program, and Airport Music Program.

## **AVIATION SECURITY**

Aviation Security oversees all airport security functions, including background vetting, airport worker training and the issuance of identification badges. The department also develops contingency plans for security-related emergencies at OAK, manages contracts with outside agencies for law enforcement and security guard services, operates the Airport's automated access control and video management systems, and coordinates with the TSA on terminal and perimeter security matters including the operation of the security checkpoints.

## **AVIATION FACILITIES MAINTENANCE**

Aviation Facilities Maintenance is responsible for the maintenance, repair, and construction of all Airport grounds, facilities, and physical plant systems across the 2,600-acre campus, ensuring compliance with all applicable federal safety and security regulations. This includes building exteriors; airfield and landside pavement such as runways, taxiways, and roadways; drainage systems; fencing; dikes; and landscaping. The division also maintains all utility systems, including electrical distribution, water, and sewer, and the interior systems within the Airport terminals, such as electrical and lighting systems, HVAC, baggage handling systems, elevators, escalators, and passenger loading bridges.

## **AVIATION PARKING AND GROUND TRANSPORTATION**

Aviation Parking and Ground Transportation manages Airport public and employee parking facilities and ground transportation services. This includes operational oversight, revenue management, shuttle services, and administration of supporting contracts all aimed at ensuring a safe, secure, and convenient customer and employee experience on the Airport's landside.

## **AVIATION MARKETING**

Aviation Marketing develops, implements, and manages initiatives aimed at maintaining and increasing passenger and cargo traffic at OAK. The department oversees OAK's brand, directs advertising, sponsorships, and community marketing programs, and administers the air service incentive program. It also executes cooperative marketing campaigns to support new routes and new entrant airlines.

## **AVIATION AIR SERVICE BUSINESS DEVELOPMENT**

Aviation Air Service Business Development executes a business development strategy that seeks to sustain current levels of air service as well as grow the number of destinations served nonstop from OAK, with special focus on the top unserved air service markets.

## **AVIATION PLANNING AND DEVELOPMENT**

Aviation Planning and Development evaluates and identifies Airport facility needs, develops plans and capital improvements to meet local and federal compliance regulations. The team also explores funding options and oversees the full lifecycle of aviation capital projects to achieve the established scope, schedule, and budget targets.

## AVIATION PROPERTIES

Aviation Properties manages the leasing, acquisition, and disposition of on-airport properties. This includes all commercial airline lease agreements, principal land and building leases, in-terminal concessions, telecommunication services, and rental car agreements. Additionally, this department manages agreements with fixed base operators (FBOs), general aviation tenants, the airline fuel consortium, aircraft ground handlers, cargo operators, outdoor advertising, and a municipal golf course. Aviation Properties also coordinates with Aviation Planning and Development for the redevelopment of non-terminal facilities and underutilized assets.

The tables and notes on the following pages outline the Aviation Division's Key Operating Statistics and provide details on Operating Revenues and Expenses over the 5-year planning horizon of the Port.

### CY 2025 OAK Passenger Activity and Market Share by Carrier

| Marketing Airline                    | Passengers       | Market Share |
|--------------------------------------|------------------|--------------|
| Southwest Airlines <sup>1</sup>      | 7,109,599        | 77.2%        |
| Volaris <sup>2</sup>                 | 681,018          | 7.4%         |
| Hawaiian Airlines                    | 337,408          | 3.6%         |
| Alaska/Horizon Airlines <sup>3</sup> | 335,360          | 3.6%         |
| Spirit Airlines                      | 309,759          | 3.4%         |
| Skywest Airlines <sup>4</sup>        | 137,688          | 1.5%         |
| Viva                                 | 100,881          | 1.1%         |
| JSX Public Charter                   | 92,069           | 1.0%         |
| Allegiant Air                        | 55,656           | 0.6%         |
| Delta Air Lines                      | 29,291           | 0.3%         |
| Advanced Air                         | 11,476           | 0.1%         |
| Sun Country Airlines                 | 6,793            | 0.1%         |
| Charter <sup>5</sup>                 | 3,511            | 0.1%         |
| <b>Total</b>                         | <b>9,210,509</b> | <b>100%</b>  |

<sup>1</sup> Includes Southwest International

<sup>2</sup> Includes Vuela El Salvador, S.A. DE C.V., DBA Volaris El Salvador

<sup>3</sup> Horizon Air and Alaska Airlines are wholly owned subsidiaries of Alaska Air Group

<sup>4</sup> Skywest Airlines is a regional carrier operating at OAK under a contract with Delta Air Lines and Alaska Airlines

<sup>5</sup> Includes charter operations by Alaska Airlines and Sun Country Airlines

## OAK Passenger and Cargo Statistics

|  | CY 2025   | CY 2024    | % Change |
|--|-----------|------------|----------|
| <b>PASSENGERS</b>                                      |           |            |          |
| Enplaned   | 4,595,430 | 5,390,990  | -14.8%   |
| Deplaned   | 4,615,079 | 5,412,392  | -14.7%   |
| Total  | 9,210,509 | 10,803,382 | -14.7%   |
| <b>FREIGHT (in 000 lbs)</b>                            |           |            |          |
| Inbound  | 542,584   | 549,942    | -1.3%    |
| Outbound   | 513,147   | 536,758    | -4.4%    |
| Total  | 1,055,731 | 1,086,701  | -2.8%    |
| <b>MAIL (in 000 lbs)</b>                               |           |            |          |
| Inbound  | 45,836    | 18,495     | 147.8%   |
| Outbound   | 46,790    | 20,817     | 124.8%   |
| Total  | 92,626    | 39,312     | 135.6%   |
| <b>TOTAL AIR CARGO</b><br>(Freight & Mail, in 000 lbs) | 1,148,357 | 1,126,012  | 2.0%     |
| <b>LANDED WEIGHT (in 000 lbs)</b>                      | 8,698,618 | 9,479,815  | -8.2%    |
| <b>AIRCRAFT OPERATIONS</b>                             | 196,017   | 205,570    | -4.6%    |

## Aviation Activity Levels

(Thousands)

|                         | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Total<br>Passengers     | 9,953             | 9,317             | 7,986             | 8,545                | 8,716                | 8,890                | 9,068                |
| % Growth                | (11.4%)           | (6.4%)            | (14.3%)           | 7.0%                 | 2.0%                 | 2.0%                 | 2.0%                 |
| Enplaned<br>Passengers  | 4,967             | 4,658             | 3,993             | 4,273                | 4,358                | 4,445                | 4,534                |
| % Growth                | (11.4%)           | (6.2%)            | (14.3%)           | 7.0%                 | 2.0%                 | 2.0%                 | 2.0%                 |
| Landing<br>Weight       | 9,249,874         | 8,675,289         | 7,591,355         | 8,061,184            | 8,222,408            | 8,386,856            | 8,554,593            |
| % Growth                | (5.2%)            | (6.2%)            | (12.5%)           | 6.2%                 | 2.0%                 | 2.0%                 | 2.0%                 |
| Parking<br>Transactions | 728               | 660               | 606               | 649                  | 662                  | 675                  | 688                  |
| % Growth                | (8.9%)            | (14.8%)           | (8.2%)            | 7.0%                 | 2.0%                 | 2.0%                 | 2.0%                 |

### Notes on Aviation Activity Levels:

- Budgeted FY 2027 passengers are 8.0 million or 14.3% lower than FY 2026 Budget and lower by 7% to anticipated FY 2026 passengers of 8.6 million.
- Passenger growth is projected to increase 7.0% in FY 2028 and 2.0% annually FY 2029 through FY 2031.
- Budgeted FY 2027 landing weight is 7.6 billion pounds or 12.5% lower than FY 2026 Budget, and 6.2% lower than anticipated FY 2026 landing weight of 8.1 billion pounds.
- Budgeted FY 2027 parking transaction volume is 606,232 or 8.2% lower than FY 2026 Budget, and 7% lower than anticipated FY 2026 parking transactions of 651,862. Parking transaction volume is anticipated to increase by 7.0 in FY 2028 and increase by 2% from FY 2029 through FY 2031.

## Aviation Operating Revenues

(\$ Thousands)

|                                  | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|----------------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Airfield                         | \$52,664          | \$52,854          | \$49,733          | \$54,485             | \$57,753             | \$59,802             | \$61,995             |
| Terminal                         | 64,209            | 61,935            | 62,480            | 62,376               | 64,184               | 66,491               | 68,153               |
| Parking and Ground<br>Access     | 43,109            | 39,927            | 37,396            | 39,648               | 40,428               | 41,086               | 41,899               |
| Other Airport Rentals            | 38,122            | 37,782            | 38,519            | 39,577               | 40,072               | 40,914               | 41,433               |
| Car Rental                       | 11,149            | 11,292            | 11,280            | 11,280               | 11,280               | 11,280               | 11,280               |
| Terminal Concessions             | 8,177             | 7,011             | 6,397             | 6,646                | 6,807                | 6,973                | 7,144                |
| Fueling                          | 2,807             | 2,663             | 2,891             | 2,891                | 2,891                | 2,891                | 2,891                |
| Miscellaneous & Other<br>Charges | 788               | 216               | 234               | 241                  | 248                  | 255                  | 262                  |
| Utilities                        | 213               | 155               | 172               | 181                  | 190                  | 200                  | 210                  |
| Subtotal                         | 221,238           | 213,833           | 209,103           | 217,324              | 223,853              | 229,891              | 235,267              |
| Bad Debt Reserve                 | (53)              | (250)             | 0                 | 0                    | 0                    | 0                    | 0                    |
| Total                            | 221,185           | 213,583           | 209,103           | 217,324              | 223,853              | 229,891              | 235,267              |
| GASB 87 Adjustment               | (4,464)           | (2,415)           | (4,499)           | (4,219)              | (2,718)              | (2,718)              | (2,718)              |
| <b>NET TOTAL<br/>REVENUE</b>     | <b>\$216,722</b>  | <b>\$211,169</b>  | <b>\$204,604</b>  | <b>\$213,105</b>     | <b>\$221,135</b>     | <b>\$227,173</b>     | <b>\$232,549</b>     |

### Notes on Aviation Operating Revenues:

- **FY 2027:** Assumes a 14.3% decrease in enplaned passengers compared to FY 2026 Budget of 4.7 million and 7% decrease relative to FY 2026 anticipated actuals of 4.3 million. Assumes aircraft landed weight 12.5% lower compared to FY 2026 Budget of 8.7 billion pounds and 6.2% lower relative to anticipated FY 2026 actuals of 8.1 billion pounds. Concessions and rental car revenues calculated on a percentage of MAG or percentage of sales basis, whichever is greater.
  - Total FY 2027 Aviation revenues budgeted at \$204.6 million, a decrease of \$6.6 million or 3.1% below FY 2026 Budget of \$211.2 million and \$8.2 million or 3.8% lower than anticipated FY 2026 actuals of \$212.8 million.
  - In FY 2027, GASB 87 adjustments reduce Aviation operating revenues by \$4.5 million and increase Aviation interest income (Non-Operating Revenue) by \$5.0 million. GASB 87

adjustments are non-cash entries reflecting the amortization of Port leases. The adjustments made to Operating Revenues do not represent a reduction in actual cash collected from operations, nor do the adjustments made to Interest Income represent an increase in actual cash earned.

- Airfield revenue is projected to decrease by \$3.1 million in FY 2027 compared to FY 2026 Budget, while decreasing by \$1.7 million relative to the anticipated FY 2026 actuals of \$51.4 million. The decrease reflects \$2.1 million in credits to airlines for over-collection of landing fees in FY 2025, and projected higher non-airline airfield revenues, which help partially offset cost center expenses subject to recovery through airline rates.
- Terminal rent is projected to increase by \$0.5 million in FY 2027 compared to FY 2026 Budget and decrease \$4.4 million relative to FY 2026 anticipated actuals of \$66.9 million. The small increase in FY 2027 is a result of multiple factors, including increase in baggage make-up space leased in Terminal 2, increase in terminal rental rates, partially offset by fewer preferential gates leased in Terminal 1 and a decrease in the number of baggage carousels leased in Terminal 1.
- Parking and ground access revenues are projected to decrease \$2.5 million in FY 2027 compared to FY 2026 Budget and decrease by \$1.6 million relative to FY 2026 anticipated actuals of \$39 million. The decrease in FY 2027 Budget is driven by further decline in anticipated passenger traffic at OAK.
- Other Airport rentals are projected to increase \$0.7 million in FY 2027 compared to FY 2026 Budget, and by \$0.3 million relative to FY 2026 anticipated actuals of \$38.2 million. Other airport rentals increase due to higher anticipated cargo rents and space rents, reflecting lease escalators built into tenant agreements.
- Car rental revenue is projected to be flat to FY 2026 Budget in FY 2027 and flat to FY 2026 anticipated actuals of \$11.3 million.
- Terminal concession revenues are budgeted at \$6.4 million and projected to decrease by \$0.6 million compared to FY 2026 Budget and decrease by \$0.9 million compared to FY 2026 anticipated revenues of \$7.3 million. FY 2027 concession revenues projected lower due to delays in the build out of space by the new retail concessionaires operating at OAK and anticipated declines in passenger traffic at OAK.
- Fueling revenue is projected to increase \$0.2 million in FY 2027 compared to FY 2026 Budget and flat relative to FY 2026 anticipated actuals.
- Utilities revenue includes gas and sewer increase in FY 2027 due to higher pass-through rates.
- **FY 2028 - FY 2031:** Revenue is based on forecasted passenger growth, aircraft landed weight, airline seat capacity and current or anticipated lease terms. Highlights include:
  - Higher Airfield revenue and terminal rent increases reflect cost recovery of higher anticipated operating expenses, higher debt service payments and Port cash use amortization to fund Airfield and Terminal cost center capital projects.
  - Parking and ground access revenues projected to increase based on forecasted passenger growth.
  - Other Airport rentals increase based on contractual lease adjustments.
  - Sewer and gas revenues are anticipated to increase between 5% to 5.3% per annum.

## Aviation Operating Expenses

(\$ Thousands)

|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services          | \$55,136          | \$56,840          | \$59,031          | \$60,528             | \$62,560             | \$63,857             | \$65,192             |
| Contractual Services        | 63,716            | 57,368            | 54,077            | 55,159               | 56,262               | 57,387               | 58,535               |
| Supplies                    | 4,391             | 3,080             | 3,210             | 3,259                | 3,324                | 3,390                | 3,458                |
| General & Administrative    | 10,293            | 8,925             | 9,912             | 10,262               | 10,613               | 10,770               | 10,933               |
| Utilities Cost of Commodity | 157               | 141               | 173               | 182                  | 191                  | 200                  | 210                  |
| <b>TOTAL EXPENSE</b>        | <b>\$133,692</b>  | <b>\$126,354</b>  | <b>\$126,403</b>  | <b>\$129,388</b>     | <b>\$132,950</b>     | <b>\$135,604</b>     | <b>\$138,328</b>     |
| <i>FTEs (headcount)</i>     | 228 <sup>1</sup>  | 250               | 250               | 250                  | 250                  | 250                  | 250                  |

### Notes on Aviation Operating Expenses:

#### Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA, step increases, and the elimination of 11 previously vacant positions. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Overtime decreases \$1.3 million. Vacancy factor of 14 FTEs or \$2.7 million assigned directly to Aviation compared to vacancy factor of 27 FTEs or \$5.1 million in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 22.75 FTEs or \$4.75 million assigned directly to Aviation compared to vacancy factor of 14 FTEs or \$2.7 million in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## Contractual Services

- **FY 2026:** \$6.3 million lower mainly due to lower Alameda County Sheriff's Office (ACSO) expense of \$3.0 million, Airport Rescue Fire Fighting (ARFF) of \$1.2 million, consulting services of \$1.3 million, security and live safety services of \$0.6 million, runway repairs of \$0.5 million, pavement and roadway repairs of \$0.3 million, taxi dispatching of \$0.2 million. These expense reductions are partially offset by higher parking lot shuttle services of \$0.6 million, parking lot operations of \$0.4 million, computer systems of \$0.2 million, and elevator and escalator maintenance of \$0.2 million.
- **FY 2027:** \$3.3 million lower mainly due to lower Alameda County Sheriff's Office (ACSO) expense of \$1.9 million, Airport Rescue Fire Fighting (ARFF) of \$1.0 million, disposal services of \$0.4 million, taxi dispatching of \$0.2 million, and other consulting services of \$0.1 million. These expense reductions are partially offset by higher security and life safety services of \$0.2 million and parking lot shuttle services of \$0.1 million.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## Supplies

- **FY 2026:** Decrease of \$1.3 million due to lower maintenance materials of \$0.5 million, janitorial supplies of \$0.2 million, mechanical supplies of \$0.4 million, plumbing supplies of \$0.1 million, and safety supplies of \$0.1 million.
- **FY 2027:** Increase due primarily to higher janitorial supplies, maintenance supplies, and expendable equipment.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## General & Administrative

- **FY 2026:** Lower cooperative marketing and marketing and advertising of \$1.5 million, port use water and sewer of \$0.2 million, and port use gas of \$0.1 million partially offset by higher port use electricity of \$0.5 million.
- **FY 2027:** Lower cooperative marketing and marketing and advertising of \$0.5 million, partially offset by higher port use electricity of \$0.6 million and port use water and sewer of \$0.8 million.
- **FY 2028 through FY 2031:** Excluding utilities, expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter. Port use water, sewer and gas anticipated to increase 5% annually, while port use electricity is anticipated to increase approximately 3.5% annually in FY 2028 and FY 2029 and remain flat thereafter.

## Utilities Cost of Commodity

- **FY 2026:** Sewer and gas cost of commodity for tenant billings anticipated modestly lower than FY 2025.
- **FY 2027:** Sewer and gas cost of commodity for tenant billings anticipated modestly higher than FY 2026 Budget.
- **FY 2028 through FY 2031:** Sewer and gas cost of commodity for tenant billings anticipated to increase 5% annually.

## MARITIME DIVISION



*Container Ships, Oakland Seaport*

The Maritime Division leases, manages, promotes, and develops maritime-related logistics facilities, services and programs, which stimulate international trade and generate revenue – all to support the mission of the Port and promote economic growth in the Bay Area, Northern California, and beyond.

### **MARITIME ADMINISTRATION AND FINANCE**

Maritime Administration and Finance assist in the overall management of the Division, including strategic planning, facility planning, budgeting, and real estate agreements. This department:

- Performs negotiation and administration of long-term lease agreements.
- Provides facility pricing, contract negotiations and compliance, revenue billing, overall Tariff enforcement and administration, and audit support.
- Conducts financial analysis and projections, including budget development and monitoring, as well as statistical data collection and analysis.
- Performs strategic planning and analysis of environmental, legislative, and regulatory initiatives.
- Executes day-to-day management of administrative matters.

## MARITIME OPERATIONS

Maritime Operations is responsible for day-to-day knowledge of field conditions and acts as liaison with maritime tenants and agency partners such as CBP, San Francisco Bar Pilots, and Marine Exchange of the San Francisco Bay Region. This department:

- Administers short-term lease agreements for various types of facilities.
- Coordinates rail access and planning, as well as the Port's dredging program.
- Enforces Tariff where applicable.
- Identifies and monitors maintenance needs.
- Coordinates with tenants and users on various operational matters, such as traffic management and extended terminal gate hours.

## MARITIME SECURITY

Maritime Security is responsible for day-to-day liaison with maritime tenants and agency partners for matters related to the security of Seaport operations and facilities. This department:

- Acts as a liaison between the U.S. Coast Guard, CBP, local law enforcement, and the Port's marine terminal operators for security regulations and enforcement strategies.
- Ensures compliance with all mandates of the Federal Maritime Transportation Security Act and U.S. Coast Guard regulations related to maritime security.
- Monitors security and communications systems and coordinates patrol services in response to Seaport incidents.
- Plans, develops, implements, and evaluates Seaport security programs, projects, and public safety activities in the Seaport.

## MARITIME BUSINESS DEVELOPMENT AND MARKETING

Maritime Business Development and Marketing develops, recommends, and implements a broad range of targeted marketing and business development programs to address the commercial, operational, and strategic needs of the Seaport and its customers. This department:

- Gathers and analyzes statistical data and other market intelligence.
- Seeks opportunities in domestic and foreign markets and formulates and executes market entry strategies.
- Develops and implements strategies to promote the Seaport as a preferred gateway.
- Markets available properties within the Seaport and manages the business development process.
- Manages marketing communications consistent with overall Division objectives.

## MARITIME PROJECT MANAGEMENT

Maritime Project Management (PM) is responsible for day-to-day oversight and delivery of various projects ranging from major maintenance to construction of new capital assets. This department:

- Oversees and works with other Port departments to deliver a wide range of projects, including tenant-constructed projects.
- Manages various consultant contracts in support of planning and development.
- Interfaces with regulatory agencies and stakeholders to ensure project delivery.
- Manages the Division's CIP budget.
- Identifies and pursues grant funding opportunities to deliver projects.

## HARBOR FACILITIES

Harbor Facilities is responsible for maintaining Port-owned utilities, facilities, and equipment primarily in the Maritime and CRE areas and, to a lesser extent, at OAK and the Airport Business Park. As such, Harbor Facilities resources are shared across the Port's business lines. Harbor Facilities also provides support during construction of capital projects, performs regular and preventive maintenance, assists with operational needs such as traffic management, and provides first response during natural disasters and other emergencies. Below are the major functions of the department:

- *Facilities Management* plans, leads, organizes and controls the department's budget, programs, resource management, and cost allocation.
- *General Maintenance* performs a wide variety of maintenance services such as roofing, paving, building maintenance, signage, landscaping, and maintenance and sweeping of Port-controlled roads.
- *Utility Maintenance* maintains most Port-owned water and power distribution systems within the Seaport and CRE areas. Responsibilities include maintenance and/or installation of fire prevention services; electrical substations and sewer lift station lighting; electrical and mechanical systems for certain buildings; and above/underground utilities.
- *Fleet Maintenance* maintains and services Port vehicles, construction equipment, and aircraft crash and fire rescue vehicles.
- *Diving Services* plans, coordinates, and performs inspection and repair of the Port's waterfront marine structures throughout the Maritime area, as well as in the CRE areas and various water-side structures and equipment at OAK. The Diving Services group can provide a variety of water-based services such as on-call response for aircraft and ferry boat accidents in the San Francisco Bay, and first response on waterside oil spill containment.

The tables and notes on the following pages outline the Maritime Division's Key Operating Statistics and provide details on Operating Revenues and Expenses over the 5-year planning horizon of the Port.

## United States Container Port Activity by Volume (TEUs)

| PORT                        | CY 2025    | CY 2024    | % CHANGE |
|-----------------------------|------------|------------|----------|
| LOS ANGELES (CA)            | 10,239,318 | 10,297,352 | -0.6%    |
| LONG BEACH (CA)             | 9,881,595  | 9,649,724  | 2.4%     |
| NEW YORK/NEW JERSEY (NY/NJ) | 8,708,251  | 8,697,767  | 0.1%     |
| SAVANNAH (GA)               | 5,691,480  | 5,545,557  | 2.6%     |
| HOUSTON (TX)                | 4,303,345  | 4,139,911  | 4.0%     |
| HAMPTON ROADS (VA)          | 3,648,219  | 3,523,512  | 3.5%     |
| NW SEAPORT ALLIANCE (WA)    | 3,156,598  | 3,340,733  | -5.5%    |
| CHARLESTON (SC)             | 2,565,297  | 2,497,143  | 2.7%     |
| OAKLAND (CA)                | 2,254,009  | 2,262,921  | -0.4%    |

Source: Respective port web sites.

## Oakland Container Activity by Volume (TEUs)<sup>1</sup>

| CONTAINER TYPE     | CY 2025          | CY 2024          | % CHANGE     |
|--------------------|------------------|------------------|--------------|
| <b>FULL TEU</b>    |                  |                  |              |
| IMPORT             | 958,256          | 964,240          | -0.6%        |
| EXPORT             | 787,288          | 776,100          | 1.4%         |
| <b>TOTAL FULL</b>  | <b>1,745,544</b> | <b>1,740,340</b> | <b>0.3%</b>  |
| <b>TOTAL EMPTY</b> | <b>508,465</b>   | <b>522,582</b>   | <b>-2.7%</b> |
| <b>TOTAL TEUS</b>  | <b>2,254,009</b> | <b>2,262,921</b> | <b>-0.4%</b> |

<sup>1</sup> Numbers may not sum exactly due to rounding. Includes estimates.

## Maritime Activity Levels

|                         | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Vessel Calls            | 1,042             | 1,030             | 1,008             | 1,008                | 1,008                | 1,008                | 1,008                |
| Total TEUs <sup>1</sup> | 2,269,925         | 2,215,076         | 2,218,983         | 2,241,171            | 2,263,583            | 2,286,219            | 2,309,082            |
| % Growth                | 3.7%              | (2.4%)            | 0.2%              | 1.0%                 | 1.0%                 | 1.0%                 | 1.0%                 |
| Full TEUs               | 1,742,131         | 1,707,115         | 1,733,876         | 1,751,214            | 1,768,726            | 1,786,414            | 1,804,279            |
| % Growth                | 2.6%              | (0.2%)            | 1.6%              | 1.0%                 | 1.0%                 | 1.0%                 | 1.0%                 |
| Empty TEUs              | 527,794           | 507,961           | 485,107           | 489,957              | 494,857              | 499,805              | 504,803              |
| % Growth                | 7.3%              | (3.7%)            | (4.5%)            | 1.0%                 | 1.0%                 | 1.0%                 | 1.0%                 |

### Notes on Maritime Activity Levels:

- FY 2027 Vessel Calls:** The number of Vessel Calls is difficult to project in future years and is not a direct indicator of cargo activity or revenue. For simplicity, Vessel Calls in FY 2027 through FY 2031 are held flat to FY 2026 Anticipated Actuals.
- FY 2027 Cargo Throughput:** Total cargo throughput at marine terminals (i.e., Total TEUs) is projected to be 0.2% higher than the FY 2026 Budget and 1.0% higher than FY 2026 Anticipated Actual, reflecting modest growth in FY 2027. Full TEUs is projected to be 1.6% higher than the FY 2026 Budget and 1.0% higher than the FY 2026 Anticipated Actual.
- FY 2027 Rail Cargo:** Rail terminal cargo is budgeted at approximately 27,847 lifts. Some of the cargo handled at the marine terminals is transported directly to adjacent rail yards for transport inland. For the railyards owned by the Port, rail cargo throughput in FY 2027 is anticipated to grow 1.0% relative to FY 2026 Anticipated Actuals, consistent with cargo growth assumptions at marine terminals.
- FY 2028 – FY2031:** Total TEU growth is assumed at 1.0% annually (generally consistent with the Seaport’s historic average rate of growth). Current projections over the 5-year period do not anticipate a full recovery to pre-COVID-19 throughput (2.6 million TEUs in FY 2019); current projections are for 2.3 million TEUs in FY 2031, which is approximately equal to FY 2016 throughput. Rail cargo volume is assumed to grow by 1.0% annually consistent with marine terminal cargo growth.

<sup>1</sup> TEU – Twenty-Foot Equivalent Unit. Does not include restows and shifts. Unaudited.

## Maritime Operating Revenues

(\$ Thousands)

|                          | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|--------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Marine Terminals         | \$127,059         | \$128,832         | \$126,614         | \$130,922            | \$144,388            | \$148,370            | \$153,477            |
| Rail Terminals           | 4,438             | 1,025             | 1,336             | 1,350                | 1,364                | 1,382                | 1,397                |
| Other Properties         | 45,857            | 44,809            | 41,012            | 41,875               | 38,153               | 41,639               | 43,915               |
| Other <sup>1</sup>       | 2,299             | 1,597             | 2,819             | 2,017                | 1,967                | 1,965                | 1,965                |
| Utilities                | 29                | 282               | 431               | 411                  | 477                  | 478                  | 479                  |
| <b>Subtotal</b>          | <b>179,682</b>    | <b>176,545</b>    | <b>172,212</b>    | <b>176,575</b>       | <b>186,349</b>       | <b>193,834</b>       | <b>201,233</b>       |
| Bad Debt Reserve         | (1,299)           | (250)             | (250)             | (250)                | (250)                | (250)                | (250)                |
| <b>Total</b>             | <b>178,383</b>    | <b>176,295</b>    | <b>171,962</b>    | <b>176,325</b>       | <b>186,099</b>       | <b>193,584</b>       | <b>200,983</b>       |
| GASB 87 Adjustment       | (9,203)           | (13,070)          | (17,660)          | (20,913)             | (21,113)             | (19,349)             | (16,181)             |
| <b>NET TOTAL REVENUE</b> | <b>\$169,180</b>  | <b>\$163,225</b>  | <b>\$154,302</b>  | <b>\$155,412</b>     | <b>\$164,986</b>     | <b>\$174,235</b>     | <b>\$184,802</b>     |

### Notes on Maritime Operating Revenues:

Changes in Maritime revenues are not always or entirely correlated with changes in cargo activity (discussed above) because of the terms of lease agreements, all of which provide for fixed rent independent of cargo activity. Nevertheless, cargo activity is a direct indicator of the overall health of the Seaport.

- **FY 2027 Total Maritime Revenue** (before GASB 87) is budgeted at \$172.0 million:
  - A decrease of \$4.3 million or 2.5% lower than FY 2026 Budget.
  - A decrease of \$6.5 million or 3.6% lower than FY 2026 Anticipated Actual of \$178.4 million.
  - GASB 87 adjustments decrease Maritime operating revenues by approximately \$17.7 million. GASB 87 adjustments are non-cash entries reflecting the amortization of Port leases. The adjustments made to Operating Revenues do not represent a reduction in actual cash collected from operations, nor do the associated adjustments to Interest Income (non-operating expense) represent an increase in actual cash earned.
  - Includes revenue from the Common Area Electric Utility Assessment (CAEUA), gas, sewer, as well as shore power vessel commissioning and maintenance fees. Each of these revenues is intended to recover costs incurred by the Port.
- **FY 2027 Marine Terminals Revenue** is budgeted at \$126.6 million, which is:
  - A decrease of \$2.2 million or 1.7% lower than FY 2026 Budget.

<sup>1</sup> Beginning in FY 2025, Other Revenue includes miscellaneous revenue unique to a given year, as well as maintenance and vessel commissioning charges for the Port's shore power system.

- A decrease of \$3.5 million or 2.7% lower than FY 2026 Anticipated Actual of \$130.1 million. This decrease is due to certain land being removed from operation for the construction of improvements and anticipated rent abatements resulting from permitting and construction delays.
- **FY 2027 Rail Terminals Revenue** is budgeted at \$1.3 million, which is:
  - An increase of \$0.3 million or 30.3% higher than FY 2026 Budget due to the partial-year effect of renegotiated (lower) fixed rent at the Joint Intermodal Terminal (JIT), offset by higher-than-budgeted activity and the postponement of an anticipated conversion to on-dock rail.
  - A decrease of \$0.4 million or 22.2% lower than FY 2026 Anticipated Actual of \$1.7 million due to full-year effect of renegotiated (lower) fixed rent at the JIT and updated activity projections.
- **FY 2027 Other Properties Revenue** is budgeted at \$41.0 million, which is:
  - A decrease of \$3.8 million or 8.5% less than FY 2026 Budget. This decrease in FY 2027 is due primarily to closure of one of the Port's truck parking/container depot lots, partially offset by additional revenue at other properties due to new tenancies, a Tariff rate increase, and/or scheduled rent increases.
  - A decrease of \$3.9 million or 8.7% lower than Anticipated FY 2026 Actual of \$44.9 million. This is for the same reasons discussed directly above.
- **FY 2027 Utilities and Other Revenues** are comprised of registration fees for the Port's Comprehensive Truck Management Plan (CTMP); the CAEUA, as well as gas and sewer charges; and shore power fees discussed above. In total, FY 2027 Other Revenue increases to \$3.3 million from \$1.9 million in the FY 2026 Budget, primarily due to additional CAEUA revenue, updated shore power commissioning estimates, and a one-time reimbursement for certain dredging.
- **FY 2028 – FY2031: Total Maritime Revenue** is based on forecasted cargo activity growth at the Seaport, as well as current or anticipated lease terms. Specific revenue contributors include:
  - TEU growth of 1% annually, which is generally consistent with the Port's historical average growth in cargo volumes.
  - Growth of bulk cargo to 2.2 million metric tons through FY 2031 once operations at a new marine terminal commence in FY 2028 (anticipated).
  - Scheduled fixed rent increases, and variable rent increases based on cargo activity.
  - Assumed rent increases upon scheduled lease renewals.
  - Completion of construction projects, returning certain lands to revenue-generating status.
  - Anticipated new revenue from development/modernization of certain land at the Outer Harbor Terminal for marine terminal operations.

## Maritime Operating Expenses

(\$ Thousands)

|                           | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|---------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services        | \$19,464          | \$20,521          | \$21,329          | \$21,819             | \$22,548             | \$23,011             | \$23,473             |
| Contractual Services      | 22,192            | 18,662            | 19,527            | 19,408               | 19,848               | 19,766               | 20,537               |
| Supplies                  | 2,584             | 3,293             | 3,209             | 3,274                | 3,339                | 3,406                | 3,474                |
| General & Administrative  | 2,696             | 2,731             | 2,960             | 3,087                | 3,119                | 3,231                | 3,332                |
| Departmental Credits      | (13)              | (50)              | (50)              | (51)                 | (52)                 | (53)                 | (54)                 |
| Utility Cost of Commodity | 5                 | 5                 | 17                | 18                   | 19                   | 20                   | 21                   |
| <b>TOTAL</b>              | <b>\$46,929</b>   | <b>\$45,163</b>   | <b>\$46,992</b>   | <b>\$47,554</b>      | <b>\$48,820</b>      | <b>\$49,379</b>      | <b>\$50,782</b>      |
| <i>FTEs (headcount)</i>   | 73 <sup>1</sup>   | 74                | 74                | 74                   | 74                   | 74                   | 74                   |

### Notes on Maritime Operating Expenses:

#### Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. No vacancy factor assumed in Maritime compared to vacancy factor of 1.5 FTEs or \$0.4 million in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 2.5 FTEs or \$0.7 million assigned directly to Maritime compared to no vacancy factor in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## **Contractual Services**

- **FY 2026:** Lower by \$3.5 million (-16%) primarily due to lower consulting services and lower contractual services with tenants, offset by higher maintenance of railroad tracks and signals.
- **FY 2027:** Higher by \$0.9 million (4.6%) due to the transfer of maintenance dredging costs from the Engineering Division to the Maritime Division, partially offset by savings in consulting services and ancillary (truck parking/container depot) expense due to the closure of one depot lot.
- **FY 2028 through FY 2031:** Relatively flat in FY 2028 through FY 2030, followed by an increase of \$0.8 million (3.9%) in FY 2031 due to higher anticipated major maintenance, mitigation costs and miscellaneous contractual services.

## **Supplies**

- **FY 2026:** Higher by \$0.7 million primarily due to higher maintenance materials and electrical supplies.
- **FY 2027 through FY 2031:** Expenses approximately flat to FY 2026, with annual variability ranging from -2.5% to 2.0%.

## **General & Administrative**

- **FY 2026:** Expenses approximately flat.
- **FY 2027:** Higher by \$0.2 million (8.4%) due to higher electricity cost.
- **FY 2028 through FY 2031:** Higher by 1.0% to 4.3% depending on the year, primarily driven by higher utility rates.

## **Utilities Cost of Commodity**

- **FY 2026:** Expenses approximately flat.
- **FY 2027:** Higher by \$12,000 due to higher water and sewer cost of commodity.
- **FY 2028 through FY 2031:** Sewer and gas cost of commodity for tenant billings anticipated to increase 5.0% annually.

## COMMERCIAL REAL ESTATE DIVISION



*Aerial view, Jack London Square*

The Commercial Real Estate Division manages, promotes, develops, and enhances the City's urban waterfront for economic benefit and public enjoyment. CRE customers include:

- Tenants and individuals who manage, develop, and/or lease Port land, buildings, marinas, and other facilities.
- Employees and patrons of those businesses.
- Users of public spaces such as plazas, piers, paths, and promenades.
- Other Port Divisions and departments.

The CRE Division performs several major functions: marketing and managing Port assets; providing information, services, and special events to the public; planning and facilitating new development on the urban waterfront; and providing building services support to all Port Divisions.

The tables and notes on the following pages detail the Commercial Real Estate Division's Operating Revenues and Expenses over the 5-year planning horizon of the Port.

## Commercial Real Estate Operating Revenues

(\$ Thousands)

|  | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|--|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Jack London Square                       | \$8,644           | \$8,555           | \$8,470           | \$10,115             | \$10,844             | \$11,165             | \$11,499             |
| Embarcadero Cove                         | 3,263             | 2,967             | 3,039             | 3,156                | 3,257                | 3,353                | 3,456                |
| Business Park and<br>Distribution Center | 3,406             | 3,881             | 3,755             | 3,833                | 5,504                | 5,634                | 5,769                |
| Other Areas                              | 2,409             | 2,415             | 2,923             | 2,997                | 3,075                | 3,157                | 3,242                |
| <b>Subtotal</b>                          | <b>17,723</b>     | <b>17,817</b>     | <b>18,187</b>     | <b>20,101</b>        | <b>22,680</b>        | <b>23,309</b>        | <b>23,965</b>        |
| Bad Debt Reserve                         | (633)             | (185)             | (185)             | (241)                | (241)                | (241)                | (241)                |
| <b>Total</b>                             | <b>17,090</b>     | <b>17,632</b>     | <b>18,002</b>     | <b>19,860</b>        | <b>22,439</b>        | <b>23,068</b>        | <b>23,724</b>        |
| GASB 87 Adjustment                       | (1,862)           | (2,313)           | (2,261)           | (2,245)              | (2,307)              | (2,279)              | (2,334)              |
| <b>NET TOTAL REVENUE</b>                 | <b>\$15,228</b>   | <b>\$15,319</b>   | <b>\$15,741</b>   | <b>\$17,615</b>      | <b>\$20,133</b>      | <b>\$20,788</b>      | <b>\$21,389</b>      |

### Notes on Commercial Real Estate Operating Revenues:

FY 2027 CRE gross revenues before GASB 87 adjustments are projected to total \$18.0 million, an increase of \$0.4 million (2.1%) compared to FY 2026 Budget. Taking into account GASB 87 adjustments, FY 2027 Budget net operating revenues are projected to be \$15.7 million which is \$0.4 million (2.8%) higher than FY 2026 Budget. In FY 2027, GASB 87 adjustments reduce CRE operating revenues by \$2.3 million while they increase interest income (Non-Operating Revenue) by \$3.3 million. GASB 87 adjustments are non-cash entries reflecting the amortization of Port leases. The adjustments made to Operating Revenues do not represent a reduction in actual cash collected from operations nor do the adjustments made to Interest Income represent an increase in actual cash earned.

#### Jack London Square

- **FY 2026:** Lower office rents at Port headquarters building and hotel vacancy.
- **FY 2027:** Decreased rental revenue driven by temporary restaurant rent deferrals and extended office leasing timelines partially offset by higher parking revenues.
- **FY 2028 through FY 2031:** Increase in parking revenues, percentage rents, and minimum rent adjustments due to projected lease renewals, new tenants, and scheduled rent adjustments.

#### Embarcadero Cove

- **FY 2026:** Lower hotel percentage rents.
- **FY 2027:** Higher hotel percentage rents and scheduled minimum rent adjustments.

- **FY 2028 through FY 2031:** Increase in percentage rents, and minimum rent adjustments due to projected lease renewals and scheduled rent adjustments.

### **Business Park and Distribution Center**

- **FY 2026:** Lost rent from hotel closure nearly offset by higher land, building, and warehouse rents.
- **FY 2027:** Scheduled increases in minimum rents.
- **FY 2028 through FY 2031:** Assumes minimum rent adjustments for projected lease renewals and scheduled rent adjustments. Revenue increases in FY 2028 derived from the optimal use of the land under the demolished former Hilton hotel.

### **Other Areas**

- **FY 2026:** Higher land rents due to new tenancy.
- **FY 2027:** Scheduled minimum rent increases and increased revenue generated from billboard lease renewals.
- **FY 2028 through FY 2031:** Projected increase in percentage rents, and minimum rents due to projected lease renewals and scheduled rent adjustments.

## Commercial Real Estate Operating Expenses

(\$ Thousands)

|                          | Actual<br>2024-25    | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|--------------------------|----------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services       | \$1,993              | \$2,187           | \$2,500           | \$2,563              | \$2,650              | \$2,704              | \$2,759              |
| Contractual Services     | 6,279                | 6,494             | 6,454             | 8,637                | 6,652                | 6,785                | 6,921                |
| Supplies                 | 17                   | 30                | 29                | 29                   | 30                   | 30                   | 31                   |
| General & Administrative | 531                  | 554               | 383               | 392                  | 400                  | 409                  | 418                  |
| Departmental Credits     | (230)                | (230)             | 0                 | 0                    | 0                    | 0                    | 0                    |
| <b>TOTAL EXPENSE</b>     | <b>\$8,590</b>       | <b>\$9,034</b>    | <b>\$9,365</b>    | <b>\$11,620</b>      | <b>\$9,732</b>       | <b>\$9,929</b>       | <b>\$10,129</b>      |
| <i>FTEs (headcount)</i>  | <i>8<sup>1</sup></i> | <i>9</i>          | <i>9</i>          | <i>9</i>             | <i>9</i>             | <i>9</i>             | <i>9</i>             |

### **Notes on Commercial Real Estate Operating Expenses:**

#### **Personnel Services**

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA, step increases, and the transfer in of 1 previously vacant position from Finance. CalPERS pension employer contribution rate is assumed at

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026.

- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027.
- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### **Contractual Services**

- **FY 2026:** Higher one-time building maintenance costs of \$0.3 million and consulting fees \$0.1 million partially offset by partially offset by lower parking lot operations costs of \$0.2 million.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** Excluding one-time items related to Washington Street Garage maintenance, expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

### **General & Administrative**

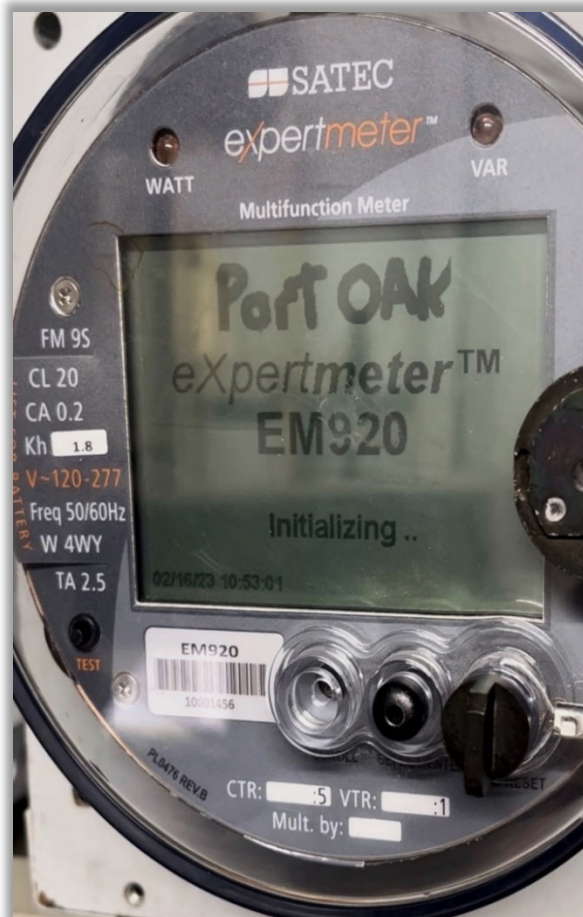
- **FY 2026:** Lower promotional expenses of partially offset by higher Port-Use water. All other expenses assumed to remain flat.
- **FY 2027:** Lower Port-Use Electricity and Port Use of Water and Sewer utilities as more utilities are passed on to tenants.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter excluding Port-Use utilities with Port-Use Electricity increasing 1% and Port Use of Water and Sewer increasing at 5% annually.

## PORT UTILITY DIVISION

The Port Utility is the publicly owned electric utility operated by the Port of Oakland, uniquely serving both a major seaport and airport. As a municipal utility, it is locally governed, not-for-profit, and focused on delivering safe, reliable, affordable, and increasingly clean electricity to Port tenants and facilities.

The utility procures power through a diversified portfolio that includes ownership interests in generation resources, long-term power purchase agreements, and participation in wholesale energy markets. This approach supports cost stability, operational flexibility, and long-term resource planning aligned with customer needs.

Port Utility provides a competitive advantage to Port tenants through rates that are significantly lower than those of investor-owned utilities, while maintaining high standards of reliability and service. Port Utility also supports the Port's economic development by enabling electrification of port operations, transportation, and industrial activities.



*Port Utility electric meter*



*Port Utility solar array*

strategic investment in infrastructure, Port Utility plays a critical role in supporting the Port of Oakland's operations, sustainability objectives, and long-term growth.

Consistent with California's clean energy policies, including California Senate Bill 100, Port Utility continues to advance a low-carbon energy portfolio. In 2024, approximately 86% of its power supply was carbon-free, reflecting ongoing progress toward the State's goal of 100% clean electricity.

In addition to electric service, the Port facilitates limited natural gas service through Pacific Gas and Electric Company and maintains water and sewer infrastructure, with treatment services provided by East Bay Municipal Utility District.

Through local control, cost-effective service, and

The tables and notes on the following pages detail Port Utility Revenue and Operating Expense over the 5-year planning horizon of the Port.

## Port Utility Revenue

|                         | (\$Thousands)     |                   |                   |                      |                      |                      |                      |
|-------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|                         | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
| Electricity – Retail    | \$6,789           | \$7,329           | \$7,000           | \$7,070              | \$7,141              | \$7,212              | \$7,284              |
| Electricity – Wholesale | 11,550            | 11,844            | 13,053            | 13,685               | 14,340               | 15,009               | 15,700               |
| Electricity – Capacity  | 165               | 167               | 176               | 1,415                | 180                  | 182                  | 184                  |
| Shore Power             | 7,896             | 7,116             | 8,091             | 8,576                | 9,089                | 9,725                | 10,407               |
| Inter-Company           | 5,166             | 6,343             | 6,341             | 6,585                | 6,830                | 6,884                | 6,941                |
| Cap & Invest            | 699               | 650               | 420               | 420                  | 420                  | 420                  | 420                  |
| AB 1890                 | 541               | 531               | 603               | 634                  | 668                  | 705                  | 744                  |
| Direct Assignment       |                   |                   | 1,380             |                      |                      |                      |                      |
| <b>TOTAL REVENUE</b>    | <b>\$32,806</b>   | <b>\$33,980</b>   | <b>\$37,063</b>   | <b>\$38,384</b>      | <b>\$38,667</b>      | <b>\$40,136</b>      | <b>\$41,679</b>      |

### Notes on Port Utility Revenue:

FY 2027 Port Utility revenues are budgeted at \$37.1 million including inter-company revenues, and \$30.7 million excluding inter-company revenues. Higher revenues in FY 2027 are due to slightly higher usage from Port tenants and scheduled electric rate increases.

### Electricity Retail

- **FY 2026:** Increase due to higher electricity rates.
- **FY 2027:** Decrease due to reduction in usage.
- **FY 2028 through FY 2031:** Anticipated 1% annual growth.

## **Electricity Wholesale**

- **FY 2026:** Increase due to higher electricity rates and slightly increased usage at the airport and harbor.
- **FY 2027:** Increase due to higher electricity rates and slightly increased usage at the airport and harbor.
- **FY 2028 through FY 2031:** Increases due to increased usage, and anticipated rate increases.

## **Electricity Capacity**

- **FY 2026:** Higher by \$2k or +1.2%.
- **FY 2027:** Approximately 1% annual growth.
- **FY 2028:** One-time capacity charge of \$1.2 million net.
- **FY 2029 through FY 2031:** Excluding the one-time capacity charge, anticipated 1% annual growth.

## **Shore Power**

- **FY 2026:** Lower usage due to less vessel calls and rate decrease.
- **FY 2027:** Rates anticipated to increase in FY 2027.
- **FY 2028 through FY 2031:** Revenues are projected to grow approximately 6.0% annually.

## **Inter-Company Revenue**

- **FY 2026:** Higher by 22.8% compared to FY 2025 Actuals due to rate increases and higher usage.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** Anticipated to grow annually at approximately 2.3% due to increase in electricity usage and future rate increases.

## **Cap & Invest**

- **FY 2026 through FY 2031:** Revenue varies by year based on sale of allowances.

## **AB 1890**

- **FY 2026:** Expenses approximately flat.
- **FY 2027 through FY 2031:** Higher due to increase in electricity usage and future rate increases.

## **Direct Assignment**

- **FY 2027:** Revenue anticipated for infrastructure improvements.

## Port Utility Operating Expenses

(\$ Thousands)

|                         | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services      | \$1,514           | \$2,194           | \$2,559           | \$2,623              | \$2,712              | \$2,768              | \$2,825              |
| Contractual Services    | 107               | 680               | 1,393             | 649                  | 661                  | 675                  | 688                  |
| Supplies                | 32                | 88                | 78                | 80                   | 81                   | 83                   | 84                   |
| General & Admin         | 10                | 12                | 42                | 43                   | 44                   | 44                   | 45                   |
| Electricity – Retail    | 6,775             | 8,129             | 7,000             | 7,070                | 7,141                | 7,212                | 7,284                |
| Electricity – Wholesale | 9,770             | 11,360            | 10,913            | 11,255               | 12,500               | 12,825               | 13,271               |
| Shore Power             | 3,395             | 3,661             | 4,224             | 4,591                | 4,882                | 5,150                | 5,333                |
| Cap & Invest            | 187               | 540               | 468               | 468                  | 468                  | 468                  | 468                  |
| AB 1890                 | 43                | 37                | 82                | 82                   | 82                   | 82                   | 82                   |
| <b>TOTAL EXPENSE</b>    | <b>\$21,834</b>   | <b>\$26,701</b>   | <b>\$26,759</b>   | <b>\$26,860</b>      | <b>\$28,571</b>      | <b>\$29,307</b>      | <b>\$30,080</b>      |
| <i>FTEs (headcount)</i> | 6 <sup>1</sup>    | 8                 | 9                 | 9                    | 9                    | 9                    | 9                    |

### Notes on Port Utility Operating Expenses:

#### Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Vacancy factor of 2 FTEs or \$0.4 million assigned directly to Port Utility compared to vacancy factor of 3 FTEs or \$0.7 million in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 1 FTE or \$0.3 million assigned directly to Port Utility compared to vacancy factor of 2 FTEs or \$0.4 million in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030, and 36.0% in FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

## **Contractual Services**

- **FY 2026:** Higher consultant expenses related to rate setting and utility support of \$0.5 million.
- **FY 2027:** One-time transformer maintenance higher by \$0.8 million, along with higher computer systems of \$0.1 million partially offset by lower consulting services of \$0.1 million.
- **FY 2028 through FY 2031:** Excluding one-time transformer maintenance, expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## **Supplies**

- **FY 2026:** Higher electrical and plumbing supplies.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## **General & Administrative**

- **FY 2026:** Higher dues and registration and business meals and hosting expenses partially offset by lower travel expenses.
- **FY 2027:** Higher travel anticipated.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## ENGINEERING DIVISION

The Engineering Division supports the development, renewal, and compliance of the physical infrastructure of the Port through planning support, design, construction and asset integration of Port facilities. Engineering's primary role is to help develop and manage capital and expense projects and programs of the Port. Engineering also supports the revenue Divisions with tenant projects and coordinates with Facilities Departments who are responsible for asset management through their maintenance activities. Engineering work performed on behalf of the Port and tenants is critical to the Port's drive to Zero Emissions across all its business activities.

Engineering provides planning support, scoping, engineering design, engineering project management, construction management, cost estimating, scheduling, facility inspections/assessments, review and inspection of tenant improvements, and technical studies to support the Port's revenue Divisions' infrastructure and development needs. Preparations of plans and specifications are accomplished largely through outside professional services contracts with oversight and management being provided by staff. In conjunction with the Social Responsibility Division (SRD), the Engineering team ensures that there is compliance with the Port's non-discrimination and small and local business utilization policy. Also, working with other Divisions, the Engineering team supports the application for and implementation of outside grants/funding sources as these relate to Port projects.

While maintenance dredging resides with the Maritime Division budget, Engineering manages the water depth of the channels and berths to provide for safe and efficient maritime navigation at the Port. This responsibility includes the Port's berth maintenance dredging program, coordination with the U.S. Army Corps of Engineers for federal channel maintenance dredging, and deepening projects, as applicable.

Engineering is additionally responsible for the structural integrity and major operational maintenance of Port-owned container cranes, including project management and construction administration, construction inspection, testing, loading, delivery, unloading, and commissioning of cranes.

Finally, Engineering provides a variety of engineering-related support services to the Port, Port tenants, and the public, including:

- **Contract Administration** - administering the consultant and construction contracts that are issued by the Division and assisting in the management of the Maritime and Aviation Project Labor Agreement (MAPLA) as well as maintaining a comprehensive project contract file archive.
- **Document Control** - administering the bid process for public works contracts and long-term management of project manuals and engineering documents.
- **Geomatics (Surveys and Land Records)** - providing survey, mapping, and land records management services to support the Port's development needs.
- **Geographical Information System Mapping Technology (GIS)** - verifying and developing mapping solutions for information sharing and data retention to support the Port operations.

The tables and notes on the following pages detail the Engineering Division's Operating Expenses over the 5-year planning horizon of the Port.

## Engineering Division Operating Expenses

(\$ Thousands)

|                                   | Actual<br>2024-25     | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------------|-----------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services                | \$16,561              | \$17,153          | \$16,945          | \$17,362             | \$17,942             | \$18,299             | \$18,665             |
| Contractual Services              | 7,390                 | 7,958             | 2,234             | 2,279                | 2,324                | 2,371                | 2,418                |
| Supplies                          | 54                    | 29                | 32                | 32                   | 33                   | 34                   | 34                   |
| General &<br>Administrative       | 95                    | 78                | 75                | 76                   | 78                   | 79                   | 81                   |
| Departmental<br>Charges (Credits) | (8)                   | 0                 | 0                 | 0                    | 0                    | 0                    | 0                    |
| <b>TOTAL EXPENSE</b>              | <b>\$24,092</b>       | <b>\$25,218</b>   | <b>\$19,285</b>   | <b>\$19,750</b>      | <b>\$20,377</b>      | <b>\$20,782</b>      | <b>\$21,198</b>      |
| <i>FTEs (headcount)</i>           | <i>55<sup>1</sup></i> | <i>59</i>         | <i>59</i>         | <i>59</i>            | <i>59</i>            | <i>59</i>            | <i>59</i>            |

### Notes on Engineering Division Operating Expenses:

#### Personnel Services

- FY 2026** Assumes salaries adjusted for a 1.2% COLA, step increases, and the elimination of 5 previously vacant positions. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Overtime decreased \$0.2 million. Vacancy factor of 3 FTEs or \$0.8 million assigned directly to Engineering compared to vacancy factor of 6 FTEs or \$1.5 million budgeted in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 5.75 FTEs or \$1.6 million assigned directly to Engineering compared to vacancy factor of 3 FTEs or \$0.8 million in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## Contractual Services

- **FY 2026:** Higher consulting including but not limited to support EPMO initiative of \$0.6 million, maintenance dredging of \$0.1 million and electrical repairs of \$0.1 million partially offset by lower crane maintenance of \$0.3 million.
- **FY 2027:** Crane maintenance, maintenance dredging and dredging professional services moved to Maritime contractual services. Additionally, lower consulting services related to EPMO initiative of \$1.7 million.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## Supplies

- **FY 2026:** Lower expendable equipment, computer supplies, and safety and security supplies.
- **FY 2027:** Expenses approximately flat.  
**FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## General & Administrative

- **FY 2026:** Lower travel, legal advertising, dues and registration fees, personnel advertising, promotional incentives, and books & subscriptions mostly offset by higher port issued cellular devices.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## Departmental Credits

- **FY 2026 through FY 2031:** No Bill to Others for Port labor assumed in the budget.

## ENVIRONMENTAL PROGRAMS AND PLANNING DIVISION

The Environmental Programs and Planning Division (EP&P) has primary responsibility to promote Port business development, including the 5-Year CIP, through environmental stewardship and ensuring environmental compliance with all federal, State, and local statutes and regulations in all Port plans, activities, operations, and development programs and projects. There are three core functions within the EP&P: (1) Sustainability; (2) Planning; and (3) Environmental Compliance. Programs within each category include:

### **Sustainability**

- Zero Emission planning and technology evaluation and strategy.
- Port/tenant, community, and other stakeholder engagement and collaboration for clean equipment and infrastructure.
- Development of long-term strategies, plans and programs to address critical environmental issues, such as air quality, climate resilience, sea level rise, storm water, and waste management.

### **Planning**

- Environmental planning and assessment as Lead Agency or Responsible Agency pursuant to the California Environmental Quality Act and review under the National Environmental Policy Act.
- Technical planning services, expertise, and management to support the Port's current and long-range planning efforts and reactivation of waterfront properties and business park areas, including studies, specific plans, site plans, land use and transportation plans.
- Environmental policy and advocacy vis a vis public regulatory bodies, trade associations, community and environmental organizations.
- Support to community relations and media activities to raise awareness of Port environmental stewardship activities, programs, and accomplishments.
- Environmental grant funding management including monitoring opportunities, pursuing grant programs, and managing awarded contracts.

### **Environmental Compliance**

- Regulatory programs and permitting for Port operations, maintenance, and capital improvement projects and coordination with regulatory agencies.
- Environmental hazardous materials management and remediation, including soil and groundwater pollution clean-up, remediation, and prevention; sediment management; abatement, and disposal of hazardous materials and waste; and environmental liability insurance recovery technical support.
- Port development permits, City building permits, and code compliance support for the Port, its tenants and other landowners within the Port Area.

The tables and notes on the following pages detail the Environmental Programs and Planning Division's Operating Expenses over the 5-year planning horizon of the Port.

## Environmental Programs and Planning Division Operating Expenses

(\$ Thousands)

|                                   | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services                | \$3,452           | \$4,180           | \$3,959           | \$4,058              | \$4,196              | \$4,281              | \$4,367              |
| Contractual Services              | 3,308             | 3,456             | 3,622             | 2,773                | 1,734                | 1,016                | 905                  |
| Supplies                          | 6                 | 2                 | 1                 | 1                    | 1                    | 1                    | 1                    |
| General &<br>Administrative       | 137               | 70                | 347               | 48                   | 48                   | 49                   | 50                   |
| Departmental<br>Charges (Credits) | (85)              | (125)             | (60)              | (61)                 | (62)                 | (64)                 | (65)                 |
| <b>TOTAL EXPENSE</b>              | <b>\$6,818</b>    | <b>\$7,582</b>    | <b>\$7,869</b>    | <b>\$6,819</b>       | <b>\$5,917</b>       | <b>\$5,283</b>       | <b>\$5,259</b>       |
| <i>FTEs (headcount)</i>           | 16 <sup>1</sup>   | 16                | 16                | 16                   | 16                   | 16                   | 16                   |

### Notes on Environmental Programs and Planning Division Operating

#### Expenses: Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. No vacancy factor assumed compared to 2 FTEs or \$0.4 million budgeted in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 2 FTEs or \$0.5 million assigned directly to Environmental and Planning as compared to no vacancy factor budgeted in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## Contractual Services

- **FY 2026:** Higher environmental consulting costs of \$0.4 million partially offset by lower municipal storm water permits, hazardous material testing and ongoing permitting fees of \$0.25 million (net).
- **FY 2027:** Higher ongoing permitting fees of \$0.2 million and hazardous materials testing of \$0.1 million.
- **FY 2028:** Lower environmental consulting costs of \$0.8 million due to completion of Port Wide Zero Emissions Plan, completion of the Seaport Plan, and significant progress on the Sustainability Management Plan. Additionally, lower municipal storm water permits expenses of \$0.1 million.
- **FY 2029:** Lower environmental consulting costs of \$1.0 million due to significant progress of Port Vulnerability and Resiliency Planning & Assessment and significant progress on the Sustainability Management Plan.
- **FY 2030:** Lower environmental consulting costs of \$0.7 million due to completion of Port Vulnerability and Resiliency Planning & Assessment.
- **FY 2031:** Lower environmental consulting costs of \$0.2 million due to completion of the Sustainability Management Plan.

## Supplies

- **FY 2026:** Lower office supplies and expendable equipment.
- **FY 2027 through FY 2031:** Expenses assumed flat in FY 2027 through FY 2031.

## General & Administrative

- **FY 2026:** Lower hazardous waste, travel, dues and registration fees, and personnel advertising.
- **FY 2027:** Higher special event expenses \$0.3 million related to creation of the Port's Centennial - History Book partially offset by lower hazardous waste expenses.
- **FY 2028 through FY 2031:** Expenses assumed to increase approximately 2% in FY 2028 and each year thereafter.

## Departmental Credits

- **FY 2026:** Higher Environmental Permit Fee recoveries anticipated.
- **FY 2027 through FY 2031:** Lower Environmental Permit Fee recoveries in FY 2027 and assumed to increase approximately 2% in each year thereafter.

## TECHNOLOGY AND INNOVATION DIVISION

The Technology and Innovation Division (T&I) is responsible for the planning, development, management, operation, security, and maintenance of the Port's business systems, special systems and technology portfolio.

The division collaborates with Port Divisions and stakeholders to provide long-term technology planning and guidance; facilitate the integration of technology solutions into Port operations to support overall goals and strategies; manage technology resources to ensure that the Port's business systems run efficiently with minimal service disruptions; maintain the integrity, availability, and security of Port business systems and technology infrastructure; and support the Port's continuity of operations by preparing and exercising contingency and disaster recovery plans.

The tables and notes that follow detail the Technology and Innovation Division's Operating Expenses over the 5-year planning horizon of the Port.

### Technology and Innovation Division Operating Expenses

|                          | (\$ Thousands)    |                   |                   |                      |                      |                      |                      |
|--------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|                          | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
| Personnel Services       | \$3,711           | \$4,668           | \$4,858           | \$4,979              | \$5,147              | \$5,249              | \$5,354              |
| Contractual Services     | 4,190             | 5,431             | 5,626             | 5,738                | 5,853                | 5,970                | 6,089                |
| Supplies                 | 90                | 339               | 320               | 326                  | 332                  | 339                  | 346                  |
| General & Administrative | 834               | 860               | 795               | 811                  | 827                  | 843                  | 860                  |
| <b>TOTAL EXPENSE</b>     | <b>\$8,825</b>    | <b>\$11,297</b>   | <b>\$11,598</b>   | <b>\$11,853</b>      | <b>\$12,159</b>      | <b>\$12,401</b>      | <b>\$12,649</b>      |
| <i>FTEs (headcount)</i>  | 14 <sup>1</sup>   | 16                | 16                | 16                   | 16                   | 16                   | 16                   |

#### Notes on Technology and Innovation Division Operating Expenses:

##### Personnel Services

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. No vacancy factor assumed compared to a vacancy factor of 1 FTE or \$0.3 million budgeted in FY 2025.
- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 0.5 FTE or \$0.1 million assigned directly to Technology and Innovation as compare to no vacancy factor assumed in FY 2026.

- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### **Contractual Services**

- **FY 2026:** Higher equipment repairs and maintenance repair (net \$0.5 million), computer systems of \$0.5 million, and other consulting expenses of \$0.2 million.
- **FY 2027:** Lower equipment repairs and maintenance repair (net \$0.7 million) offset by higher computer systems of \$0.9 million.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

### **Supplies**

- **FY 2026:** Higher expendable equipment of \$0.3 million partially offset by lower computer and office supplies.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

### **General & Administrative**

- **FY 2026:** Higher landline and data services.
- **FY 2027:** Lower landline and data services.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## FINANCE AND ADMINISTRATION DIVISION

The Finance and Administration Division provides the Port with short and long-term financial guidance in the areas of financial planning, financial management, capital project funding, and internal and external financial reporting. This Division is also responsible for risk management, purchasing, and the ERP information technology function. Additionally, the Human Resources Division reports to the Chief Financial Officer.

### FINANCE

- **Accounting** is overseen by the Port Controller and provides centralized accounting and financial statement reporting services for the entire Port. Accounting develops and maintains a system of internal controls to help maintain reliable financial reporting and plays an important role in safeguarding assets and preventing and detecting fraud. The primary functions of the department include: producing and delivering invoices to tenants, processing payments to suppliers, preparing and distributing payroll, custody and maintenance of the general ledger, preparing monthly financial statements, managing of grant reimbursements, and managing the annual external audits which includes the production of the Port's Annual Comprehensive Financial Report (ACFR). Additionally, Accounting works closely with the Port's Audit Services Division on internal audits and with Financial Planning on certain reports and studies.
- **Financial Planning** prepares the Port's annual operating and capital budgets, prepares financial analyses and forecasts, and develops and coordinates the funding of capital projects. The department is also responsible for Aviation Rates and Charges, cash management, debt management, debt compliance, and long-range financial planning.
- **Purchasing** facilitates and manages the acquisition of supplies, equipment and services for the Port, except for those items and services which are procured through construction bids (public works).
- **Risk Management** is responsible for identifying, evaluating and recommending risk transfer of insurable loss exposures faced by the Port. The department coordinates and directs various risk transfer functions, including risk analysis, insurance purchase, claims administration, selection of agents/brokers, and allocation of risk charges to operating departments. Risk Management reviews Port contracts and recommends and tracks insurance protection levels for tenants, vendors, consultants, and suppliers. The department also administers the Port's Owner-Controlled Insurance Program (OCIP) for capital improvement projects.

### ENTERPRISE RESOURCE PLANNING

The Enterprise Resource Planning (ERP) Group provides technical and functional support to users of the Oracle eBusiness Suite. The Port utilizes Oracle eBusiness Suite in the following business areas: Financials, Human Resources, Payroll, Projects & Grants, Procurement, Enterprise Asset Management, Property Management, and Maritime Tenant Revenue.

## HUMAN RESOURCES

Human Resources (HR) is responsible for servicing and advising the Port on matters related to human resources administration.

- **Talent Services** is responsible for the administration of the Personnel Rules and Procedures of the Port of Oakland (Port Personnel Rules); and maintains and administers provisions related to classification and compensation, recruitment and selection, certification, appointment, and performance management.
- **Payroll and Benefits** is responsible for the effective delivery of services related to payroll, wellness, and benefits administration.
- **Employee and Labor Relations** is responsible for the administration of the four labor contracts at the Port; engages with Port labor unions in the negotiation of successor contracts; when appropriate, meets and confers with labor unions over changes in wages, hours, and working conditions; assists and guides management in handling grievances, employee discipline matters, and employee relations issues; and provides support to the Port Attorney's Office for litigation or arbitrations arising out of employment related contract disputes.
- **Equal Opportunity** is responsible for policies and programs that ensure the Port is free of discrimination and harassment pursuant to rules and regulations promulgated by the Department of Fair Employment and Housing (DFEH) and the Equal Employment Opportunity Commission (EEOC). Equal Opportunity is also responsible for the Accessibility and Accommodation Program, which prohibits discrimination against persons with disabilities in employment, transportation, public accommodation, communications, governmental activities, and telecommunication.
- **Workers' Compensation** maintains and operates a self-insured, self-funded workers' compensation program in compliance with all applicable laws and statutes. Workers' Compensation investigates each industrial injury or illness, reports suspected fraudulent claims, monitors medical treatment, arranges medical consultations, determines eligibility for workers' compensation benefits, provides information on benefits to employees, communicates with Port management on return-to-work status and coordinates with reporting agencies and other Port Divisions to resolve work-related illness or injury issues.
  - **Organizational Effectiveness** is responsible for the delivery of an array of training programs designed to enhance staff morale and develop and promote an efficient and high performing workforce.
  - **Employee Health and Safety** implements and administers the Port's Safety Program including pertinent safety monitoring and control, training, disaster/emergency response, accident prevention and other related functions to reduce safety hazards and loss for the Port. It also provides technical consultation to Port departments to ensure compliance with the Occupational Safety and Health Act and other federal, State, and local ordinances pertaining to hazardous waste, toxic substances, and safety.

The tables and notes that follow detail the Finance and Administration Division's Operating Expenses over the 5-year planning horizon of the Port.

## Finance and Administration Operating Expenses

(\$ Thousands)

|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services          | \$12,743          | \$13,861          | \$14,743          | \$15,071             | \$15,581             | \$15,893             | \$16,215             |
| Contractual Services        | 2,482             | 2,992             | 2,709             | 2,761                | 2,816                | 2,871                | 2,928                |
| Supplies                    | 106               | 72                | 72                | 74                   | 75                   | 77                   | 78                   |
| General &<br>Administrative | 7,362             | 7,960             | 7,135             | 7,421                | 7,703                | 7,996                | 8,301                |
| <b>TOTAL EXPENSE</b>        | <b>\$22,693</b>   | <b>\$24,886</b>   | <b>\$24,659</b>   | <b>\$25,326</b>      | <b>\$26,175</b>      | <b>\$26,837</b>      | <b>\$27,522</b>      |
| <i>FTEs (headcount)</i>     | 47 <sup>1</sup>   | 58                | 58                | 58                   | 58                   | 58                   | 58                   |

### Notes on Finance and Administration Operating Expenses:

#### Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA, step increases, and the transfer out of 1 previously vacant position to CRE. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Vacancy factor of 5.5 FTEs or \$1.1 million assigned directly to Finance and Administration compared to vacancy factor of 4 FTEs or \$0.8 budgeted in FY 2025.
- FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 6.5 FTEs or \$1.6 million assigned directly to Finance and Administration compared to vacancy factor of 5.5 FTEs or \$1.1 million in FY 2026.
- FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## **Contractual Services**

- **FY 2026:** Higher computer systems costs of \$0.3 million, financial consultants of \$0.1 million, and HR and ERP consulting services of \$0.1 million.
- **FY 2027:** Lower HR and ERP consultant costs of \$0.4 million partially offset by higher computer system costs of \$0.1 million.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## **Supplies**

- **FY 2026:** Lower safety supplies.
- **FY 2027:** Expenses assumed flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## **General & Administrative**

- **FY 2026:** Higher insurance premiums of \$0.5 million driven by a \$0.8 million increase in liability insurance costs partially offset by lower fire insurance costs of \$0.2 million.
- **FY 2027:** Lower Insurance premiums of \$0.8 million.
- **FY 2028 through FY 2031:** Insurance premiums are generally assumed to increase by approximately 4% starting in FY 2028 and each year thereafter. Other expenses assumed to increase by between 0%-2% starting in FY 2028 and each year thereafter.

## EXECUTIVE OFFICE

The Executive Office provides leadership, vision, and direction to all Port Divisions. The Executive Director, who is appointed by the Board, is the Port's top management official. In accordance with Board direction, the Executive Director is responsible for the formulation, interpretation, and implementation of all Port policy. Divisions that directly report to the Executive Director include Aviation, Maritime, Commercial Real Estate, Port Utility, Finance and Administration, Office of the Public Engagement Officer, Engineering, Environmental Programs and Planning, and Technology and Innovation.

The tables and notes that follow detail the Executive Office's Operating Expenses over the 5-year planning horizon of the Port.

### Executive Office Operating Expenses

(\$ Thousands)

|                             | Actual<br>2024-25 <sup>1</sup> | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------|--------------------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services          | \$1,224                        | \$1,242           | \$930             | \$952                | \$984                | \$1,002              | \$1,020              |
| Contractual Services        | 14                             | 25                | 25                | 26                   | 26                   | 27                   | 27                   |
| Supplies                    | 1                              | 1                 | 1                 | 1                    | 1                    | 1                    | 1                    |
| General &<br>Administrative | 176                            | 202               | 202               | 206                  | 211                  | 215                  | 219                  |
| <b>TOTAL EXPENSE</b>        | <b>\$1,415</b>                 | <b>\$1,471</b>    | <b>\$1,159</b>    | <b>\$1,185</b>       | <b>\$1,221</b>       | <b>\$1,244</b>       | <b>\$1,267</b>       |
| <i>FTEs (headcount)</i>     | 2 <sup>2</sup>                 | 3                 | 3                 | 3                    | 3                    | 3                    | 3                    |

#### Notes on Executive Office Operating Expenses:

##### Personnel Services

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026.
- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1,

<sup>1</sup> Includes Chief Operating Officer

<sup>2</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 1 FTE or \$0.4 million directly to Executive Office compared to 0 FTE vacancy factor assumed in FY 2026.

- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### **Contractual Services**

- **FY 2026:** Higher consulting.
- **FY 2027:** Expenses assumed flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

### **General and Administrative**

- **FY 2026:** Higher special events of \$0.1 million.
- **FY 2027:** Expenses assumed flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## OFFICE OF THE CHIEF PUBLIC ENGAGEMENT OFFICER

The Office of the Chief Public Engagement Officer (Office of the CPEO) serves as a central point of coordination for internal and external affairs of all the Port Divisions. The Public Engagement Office comprises the Communications, Social Responsibility, and Governmental Affairs departments, among other functional responsibilities.

### COMMUNICATIONS

Communications oversees the Port's media relations, crisis communications, and social media outreach for Port stakeholders. The functions are designed to increase public awareness and understanding of the Port, including projects and policies, as well as the following:

- Develops and implements communication strategies to promote and strengthen the Port's reputation.
- Handles ongoing media outreach to local, national, international and industry-specific news outlets.
- Manages press conferences, special events and prepares public presentations including web site management.
- Produces employee communications.
- Provides reprographic services to all Port Divisions including digital printing, binding, and copying.

### GOVERNMENTAL AFFAIRS

Governmental Affairs works with other Port Divisions to develop and implement legislative, regulatory and advocacy strategies to establish the Port's position on legislative and regulatory proposals. The department manages and coordinates the Port's relationships with local, regional, State, and federal governments and leads the initiatives to identify and secure governmental agency funding for Port projects and programs.

### SOCIAL RESPONSIBILITY

Social Responsibility (SRD) aims to facilitate inclusion, fairness, equity, and access to economic opportunities, programs, and services of the Port for the people and businesses in the Port community through innovative policies and programs, strategic partnerships, and outreach. In addition, the roles of SRD include the following:

- Promotes inclusion of small, local, and/or disadvantaged business enterprises in procurement and contracting opportunities at the Port.
- Promotes the hiring of local residents on Port-related projects.
- Promotes and facilitates job opportunities and sustainable wages for the local community.
- Defines, develops, and administers comprehensive community education and outreach programs, and manages community engagement planning for the organization.
- Ensures the Port's compliance with Title VI of the Civil Rights Act of 1964.

The tables and notes that follow detail the Office of the Chief Public Engagement Officer's Operating Expenses over the 5-year planning horizon of the Port.

## Office of the CPEO Operating Expenses

|                             | (\$ Thousands)       |                   |                   |                      |                      |                      |                      |
|-----------------------------|----------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|                             | Actual<br>2024-25    | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
| Personnel Services          | \$3,453              | \$3,823           | \$3,951           | \$4,048              | \$4,183              | \$4,265              | \$4,349              |
| Contractual Services        | 1,147                | 1,341             | 1,553             | 1,586                | 1,617                | 1,650                | 1,683                |
| Supplies                    | 7                    | 7                 | 6                 | 6                    | 6                    | 6                    | 6                    |
| General &<br>Administrative | 759                  | 933               | 979               | 998                  | 1,018                | 1,039                | 1,059                |
| <b>TOTAL EXPENSE</b>        | <b>\$5,366</b>       | <b>\$6,104</b>    | <b>\$6,489</b>    | <b>\$6,638</b>       | <b>\$6,825</b>       | <b>\$6,959</b>       | <b>\$7,098</b>       |
| <i>FTEs (headcount)</i>     | <i>9<sup>1</sup></i> | <i>16</i>         | <i>15</i>         | <i>15</i>            | <i>15</i>            | <i>15</i>            | <i>15</i>            |

### Notes on the Office of the CPEO Operating Expenses:

#### Personnel Services

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Vacancy factor of 2.5 FTEs or \$0.7 million assigned directly to Communications and SRD compared to no vacancy budgeted in FY 2025.
- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 2.5 FTEs or \$0.7 million assigned directly to Communications and SRD compared to no vacancy budgeted in FY 2026.
- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## **Contractual Services**

- **FY 2026:** Higher communications and stakeholder engagement consulting.
- **FY 2027:** Higher strategic, management and communications consulting.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## **General and Administrative**

- **FY 2026:** Higher marketing and awareness campaigns.
- **FY 2027:** Higher promotional and special events.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## PORT ATTORNEY'S OFFICE

The Port Attorney's Office, as provided under City Charter Section 706, paragraph 20, passes upon the form and legality of all contracts within the jurisdiction of the Board; gives legal advice to the Board, its officers and employees on all matters within its jurisdiction; defends and prosecutes or compromises all actions at law or equity and special proceedings for or against the City related to Port activities or any Port officers in their official capacity; prepares all legal briefs and memoranda, contracts, ordinances, resolutions, and other documents of the Port; and makes all appearances in actions and proceedings on behalf of the Port. The Port Attorney, who reports directly to the Board, discharges these duties directly and through assistants and deputies. Duties are assigned among the staff attorneys on a case-by-case basis with some specialization in maritime, aviation, commercial real estate, utilities, environmental, insurance, litigation, public finance, construction, open meeting laws, tax, and labor/employment.

The tables and notes that follow detail the Port Attorney's Office's Operating Expenses over the 5-year planning horizon of the Port.

### Port Attorney's Office Operating Expenses

|                             | (\$ Thousands)    |                   |                   |                      |                      |                      |                      |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
| Personnel Services          | \$5,015           | \$5,248           | \$5,717           | \$5,857              | \$6,055              | \$6,172              | \$6,294              |
| Contractual Services        | 345               | 905               | 897               | 915                  | 934                  | 952                  | 971                  |
| Supplies                    | 5                 | 3                 | 3                 | 3                    | 3                    | 3                    | 3                    |
| General &<br>Administrative | 92                | 88                | 90                | 92                   | 93                   | 95                   | 97                   |
| <b>TOTAL EXPENSE</b>        | <b>\$5,458</b>    | <b>\$6,243</b>    | <b>\$6,708</b>    | <b>\$6,867</b>       | <b>\$7,085</b>       | <b>\$7,223</b>       | <b>\$7,365</b>       |
| <i>FTEs (headcount)</i>     | 14 <sup>1</sup>   | 16                | 16                | 16                   | 16                   | 16                   | 16                   |

#### Notes on the Port Attorney's Office Operating Expenses:

##### Personnel Services

- FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Vacancy factor of 1 FTE or \$0.2 million assigned directly Port Attorney's Office.

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 1 FTE or \$0.2 million assigned directly Port Attorney's Office similar to FY 2026.
- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### **Contractual Services**

- **FY 2026:** Higher legal services of \$0.6 million anticipated.
- **FY 2027:** Legal expenses approximately flat in FY 2027.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

### **Supplies**

- **FY 2026:** Lower office supplies anticipated.
- **FY 2027:** Office supplies anticipated to be flat in FY 2027.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

### **General & Administrative**

- **FY 2026:** Higher travel anticipated.
- **FY 2027:** Higher books & subscriptions and dues and registration expenses anticipated.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% starting in FY 2028 and each year thereafter.

## OFFICE OF AUDIT SERVICES

The Office of Audit Services provides independent and objective reviews and evaluations of the Port’s financial and operational activities to assist the Board and management in the effective discharge of their oversight responsibilities. These assessments assist Port management in promoting operational efficiency, effectiveness, compliance, and ethics. The Office of Audit Services also manages and administers the Port’s Whistleblower Program.

### INTERNAL AUDIT

Internal Audit conducts performance and compliance audits to ascertain the adequacy and effectiveness of the Port’s internal controls over financial reporting, safeguarding of assets, compliance with all applicable laws and regulations, and efficiency of operations. Internal Audit furnishes constructive recommendations for process and internal control improvements. Internal Audit also conducts investigations of whistleblower hotline reports.

### FIELD AUDIT

Field Audit conducts concession and contract audits to verify that revenues received from Port tenants and expenditures reimbursed/paid to Port consultants/contractors are properly calculated and reported.

The tables and notes that follow detail the Office of Audit Services Operating Expenses over the 5-year planning horizon of the Port.

### Office of Audit Services Operating Expenses

(\$ Thousands)

|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services          | \$1,278           | \$1,592           | \$1,538           | \$1,576              | \$1,629              | \$1,661              | \$1,694              |
| Contractual Services        | 23                | 24                | 32                | 32                   | 33                   | 34                   | 34                   |
| Supplies                    | 1                 | 1                 | 1                 | 1                    | 1                    | 1                    | 1                    |
| General &<br>Administrative | (38)              | 5                 | 5                 | 5                    | 5                    | 5                    | 5                    |
| <b>TOTAL EXPENSE</b>        | <b>\$1,264</b>    | <b>\$1,623</b>    | <b>\$1,576</b>    | <b>\$1,614</b>       | <b>\$1,668</b>       | <b>\$1,701</b>       | <b>\$1,735</b>       |
| <i>FTEs (headcount)</i>     | 4 <sup>1</sup>    | 7                 | 7                 | 7                    | 7                    | 7                    | 7                    |

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

## Notes on the Office of Audit Services Operating Expenses:

### Personnel Services

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB 68 assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026. Vacancy factor of 1.5 FTE or \$0.4 million assigned directly to Office of Audit Services due to normal attrition compared to no vacancy factor assumed in FY 2025.
- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027. Vacancy factor of 2 FTE or \$0.6 million directly to Office of Audit Services due to normal attrition compared to 1.5 FTE vacancy factor assumed in FY 2026.
- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### Contractual Services

- **FY 2026:** Higher audit software licensing costs.
- **FY 2027:** Higher audit software licensing costs.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

### General & Administrative

- **FY 2026:** No audit fee recoveries budgeted in FY 2026 compared to \$44k in FY 2025.
- **FY 2027 through FY 2031:** Expenses assumed flat.

## OFFICE OF THE BOARD OF PORT COMMISSIONERS

The duty of the Board, as established in the City Charter, is to promote and assure the comprehensive development of the Port through continuity of control, management, and operation. Pursuant to the City Charter, the exclusive control and management of the Port is vested in the Board, comprised of seven members who are nominated by the Mayor of Oakland and appointed by the Oakland City Council. The Board is specifically charged with the tasks presented in Article 7 of the City Charter.

The Board Secretary and Assistant Secretary manage the functions of the Office of the Board of Port Commissioners. Key duties include assuring the public's right to know and participate in a meaningful way in the decision-making processes of the Port; publishing the Board Agendas, Minutes, Resolutions, and Ordinances in conformance with the City Charter, Ralph M. Brown Act, and the Port's Sunshine Ordinance; receiving and publicly opening all sealed bids; coordinating Public Information Requests; and managing on behalf of the Port and Board the annual filing of the Fair Political Practices Commission's Form 700 Statement of Economic Interest.

The tables and notes that follow detail the Office of the Board of Port Commissioners Operating Expenses over the 5-year planning horizon of the Port.

### Office of the Board of Port Commissioners Operating Expenses

(\$ Thousands)

|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Personnel Services          | \$599             | \$572             | \$625             | \$640                | \$661                | \$674                | \$687                |
| Contractual Services        | 10                | 6                 | 6                 | 6                    | 6                    | 7                    | 7                    |
| Supplies                    | 7                 | 3                 | 11                | 11                   | 11                   | 11                   | 11                   |
| General &<br>Administrative | 168               | 170               | 202               | 206                  | 210                  | 214                  | 218                  |
| <b>TOTAL EXPENSE</b>        | <b>\$783</b>      | <b>\$751</b>      | <b>\$843</b>      | <b>\$863</b>         | <b>\$889</b>         | <b>\$906</b>         | <b>\$923</b>         |
| <i>FTEs (headcount)</i>     | 2 <sup>1</sup>    | 2                 | 2                 | 2                    | 2                    | 2                    | 2                    |

#### Notes on the Office of the Board of Port Commissioners Operating Expenses:

##### Personnel Services

- **FY 2026:** Assumes salaries adjusted for a 1.2% COLA and step increases. CalPERS pension employer contribution rate assumed at 34.6%. No pension adjustment for the impact of GASB No. 68

<sup>1</sup> FY 2024-25 Total FTEs represent the number of FTEs on payroll as of June 30, 2025.

assumed. Medical premiums are assumed to increase 5.0% on January 1, 2026. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2026.

- **FY 2027:** Assumes salaries adjusted for a 2.5% COLA and step increases. CalPERS pension employer contribution rate assumed to increase to 35.2% from 34.6%. No pension adjustment for the impact of GASB No. 68 assumed. Medical premiums are assumed to increase 5.75% on January 1, 2027. Dental, vision, and Employee Assistance Program (EAP) premiums are assumed to increase 3% on January 1, 2027.
- **FY 2028 through FY 2031:** Assumes salaries adjusted for step increases. CalPERS pension employer contribution rate assumed to increase to 35.4% in FY 2028, 37.0% in FY 2029, 36.5% in FY 2030 and 36.0% FY 2031. No GASB No. 68 adjustments budgeted. Medical premiums are assumed to increase 5.25% in FY 2028, 5% in FY 2029, and 4.75% in FY 2030 and FY 2031. Dental, vision, and EAP premiums are assumed to increase 3% annually. No additional FTEs assumed.

### **Contractual Services**

- **FY 2026:** Lower computer systems and repair and maintenance expenses.
- **FY 2027:** Expenses assumed flat.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

### **Supplies**

- **FY 2026:** Lower general office supplies.
- **FY 2027:** Higher expendable equipment.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

### **General & Administrative**

- **FY 2026:** Expenses approximately flat.
- **FY 2027:** Higher travel expenses assumed.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## NON-DEPARTMENTAL

Non-Departmental is a cost center that collects Port-wide non-discretionary expense items which are not initially allocated directly to Port Divisions. These expenses include, but are not limited to: retiree medical expenses, workers' compensation costs, supplemental pension expense for high earning retirees, vacation and sick leave accruals, unemployment insurance, certain City services and assessments, insurance claims, utilities for Port usage, and certain legal and environmental costs. Also included are departmental credits, which are mostly labor and overhead costs allocated to the capital budget.

The tables and notes that follow detail Non-Departmental Operating Expenses over the 5-year planning horizon of the Port.

### Operating Expenses

|                             | (\$ Thousands)    |                   |                   |                      |                      |                      |                      |
|-----------------------------|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
|                             | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
| Personnel Services          | \$16,019          | \$19,853          | \$18,422          | \$18,580             | \$18,745             | \$18,916             | \$19,094             |
| Contractual Services        | 2,562             | 2,696             | 2,709             | 2,789                | 2,873                | 2,960                | 3,050                |
| General &<br>Administrative | 2,997             | 3,494             | 2,350             | 2,397                | 2,445                | 2,494                | 2,544                |
| Departmental Credits        | (12,070)          | (12,393)          | (14,299)          | (15,537)             | (15,848)             | (16,165)             | (16,488)             |
| <b>TOTAL EXPENSE</b>        | <b>\$9,509</b>    | <b>\$13,650</b>   | <b>\$9,182</b>    | <b>\$8,229</b>       | <b>\$8,214</b>       | <b>\$8,204</b>       | <b>\$8,199</b>       |

### Notes on Non-Departmental Operating Expense

#### Personnel Services

- **FY 2026:** Higher OPEB expense of \$1.2 million assumed and higher workers compensation of \$2.6 million.
- **FY 2027:** Lower workers' compensation costs of \$0.9 million.
- **FY 2028 through FY 2031:** Higher projected workers' compensation costs based on projected increases in medical premiums.

## **Contractual Services**

- **FY 2026:** Higher City personnel services of \$0.2 million offset by lower police services of \$0.1 million.
- **FY 2027:** Expenses approximately flat.
- **FY 2028 through FY 2031:** City services and JLID costs assumed to increase approximately 4% each year while City of Oakland Landscaping and Lighting Assessment District (LLAD) is anticipated to remain flat.

## **General & Administrative**

- **FY 2026:** Higher pollution remediation of \$1.0 million offset by lower legal contingency of \$0.5 million anticipated.
- **FY 2027:** Lower pollution remediation of \$0.7 million and lower legal contingency of \$0.4 million.
- **FY 2028 through FY 2031:** Expenses assumed to increase by approximately 2% in FY 2028 and each year thereafter.

## **Departmental Credits**

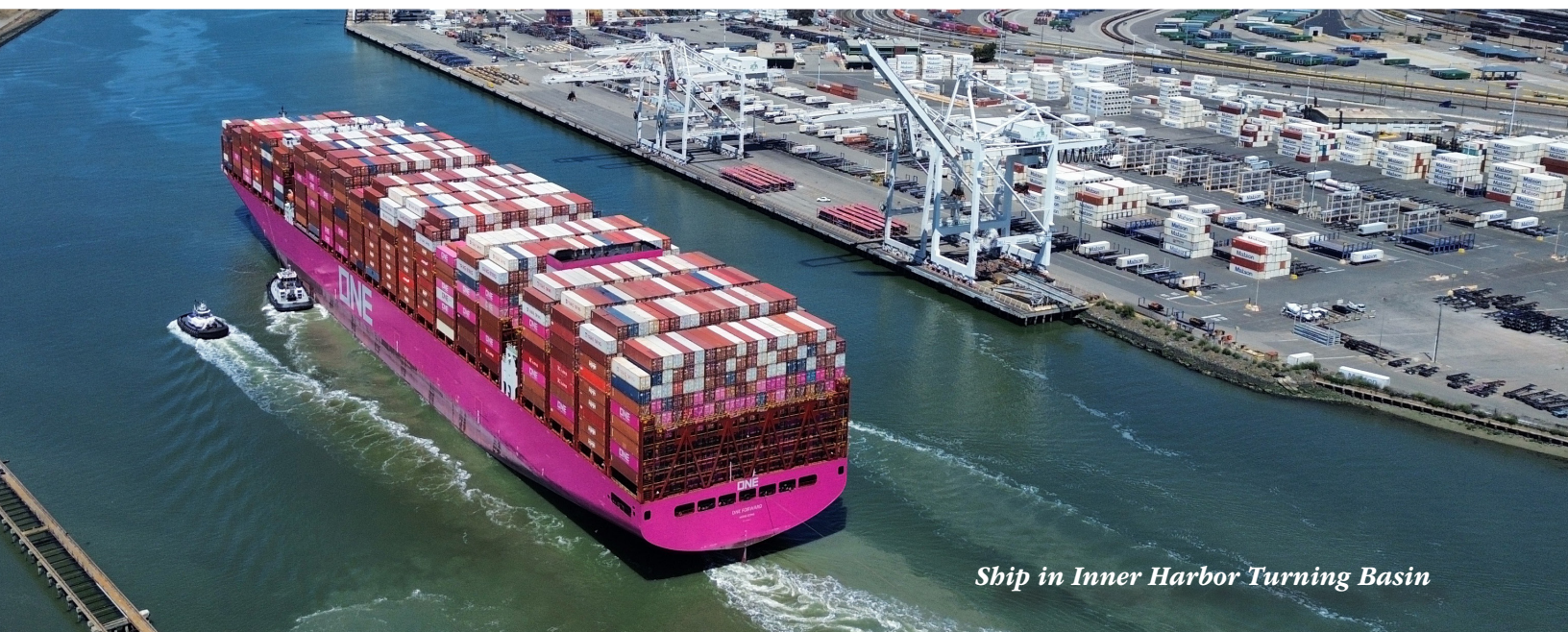
- **FY 2027 through FY 2031:** Increased percentage of Port labor assumed to be charged to capital projects with the Port's priority to deliver major capital projects in the 5-Year CIP.

**DRAFT**



*OAK Perimeter Dike Seismic Upgrades Project*

# **CAPITAL BUDGET**



*Ship in Inner Harbor Turning Basin*

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- ❖ FY 2027 Capital Budget Projects
- ❖ 5-Year Capital Improvement Plan
- ❖ Capital Project Funding Sources
- ❖ Capital Projects Reference Guide

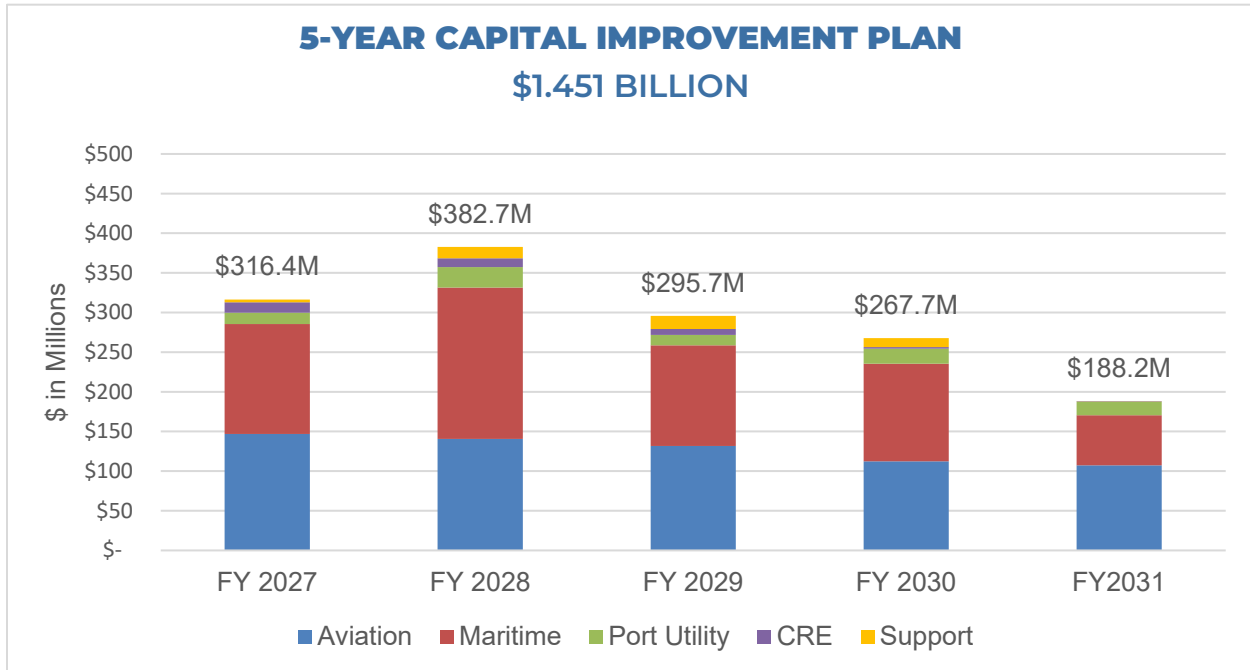
## Capital Budget and 5-Year Capital Improvement Plan

A total FY 2027 Capital Budget of \$316,400,000 is requested from the Board, which is intended to fund the capital projects summarized below. The amounts shown are expected expenditures for FY 2027 only and do not include prior or subsequent fiscal year expenditures for projects spanning multiple fiscal years.

### FY 2027 CAPITAL BUDGET \$ 316.4 MILLION

| Project  | FY 2027<br>(\$ millions) | % of Total    |
|--|--------------------------|---------------|
| Marine (Seaport) Terminal Projects               | \$78.9                   | 24.9%         |
| Airport Terminal Projects                        | \$65.9                   | 20.8%         |
| Airfield Projects (Primarily Taxiways)           | \$44.2                   | 14.0%         |
| Maritime (Seaport) Utility Projects              | \$42.8                   | 13.5%         |
| Aviation (Airport) Utility Projects              | \$17.2                   | 5.4%          |
| Port Utility Electric Projects                   | \$14.1                   | 4.5%          |
| CRE: Various Building and Tenant Improvements    | \$13.3                   | 4.2%          |
| Airfield Perimeter Dike Improvements             | \$10.0                   | 3.2%          |
| Maritime (Seaport) Capital Equipment             | \$9.0                    | 2.9%          |
| Maritime Dredging Projects                       | \$6.8                    | 2.1%          |
| Aviation Ground Access & Parking Projects        | \$3.6                    | 1.1%          |
| Information Technology (IT) Equipment & Systems  | \$3.4                    | 1.1%          |
| Aviation Capital Equipment                       | \$3.3                    | 1.0%          |
| Aviation Security Projects                       | \$2.2                    | 0.7%          |
| Port Wide Miscellaneous Projects                 | \$1.3                    | 0.4%          |
| Middle Harbor Shoreline Park (MHSP) Improvements | \$0.5                    | 0.2%          |
| <b>Total</b>                                     | <b>\$316.4</b>           | <b>100.0%</b> |

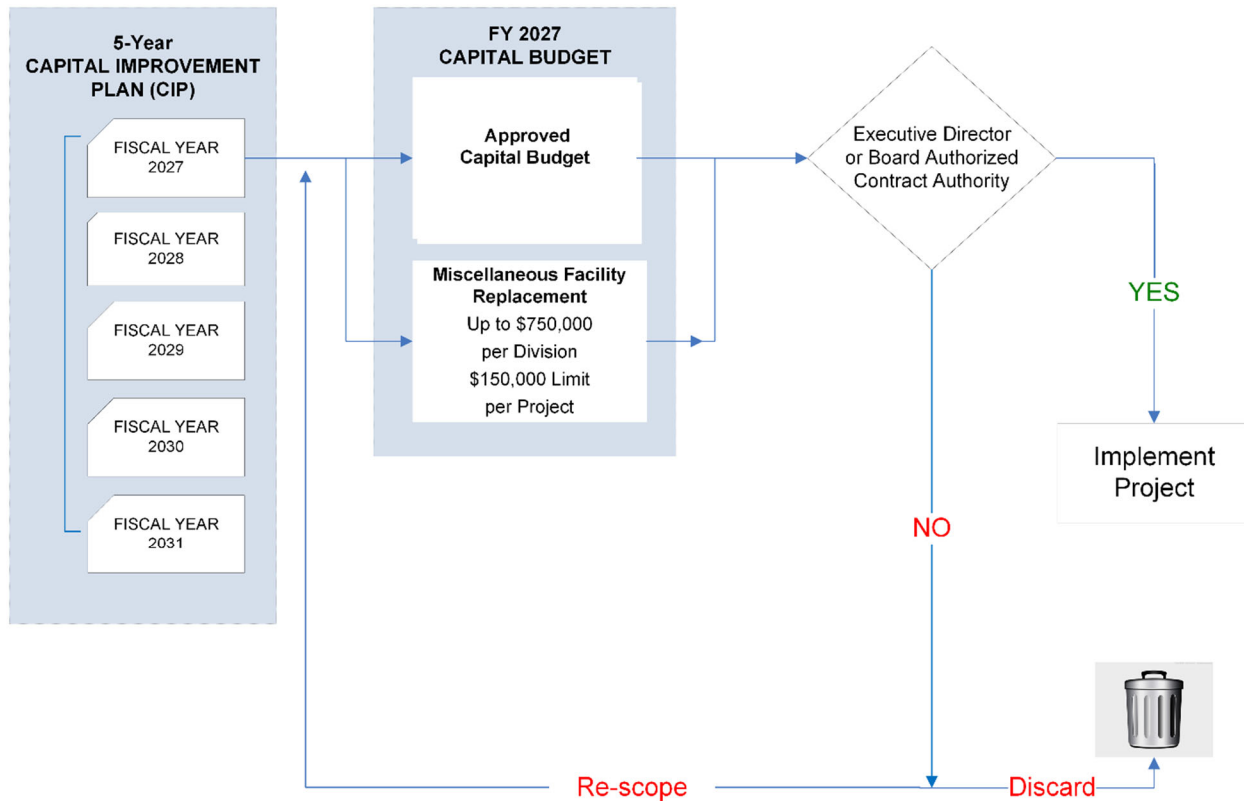
## 5-Year Capital Improvement Plan



Beyond the FY2027 Capital Budget, the Port maintains a 5-Year Capital Improvement Plan (CIP), which consists of anticipated expenditures and funding sources for capital projects the Port plans to undertake over the next five fiscal years. The 5-Year CIP is updated annually and is currently estimated at \$1.451 billion for FY 2027-FY 2031.

The Capital Improvement Plan is designed to deliver investments that respond to the needs of the Port's various stakeholders and provide sustainable stewardship over the resources to which it has been entrusted by the State. Additionally, the plan is tailored so it can be reasonably deployed given the constraints posed by available funding sources; staffing resources; legal, safety, and environmental concerns; stakeholder impact; and various logistical considerations. The essential infrastructure improvements contained in the 5-year CIP reflect the Port's larger commitment to health and life safety, regulatory compliance, policy and contractual obligations, and sustaining or growing revenue. The CIP is also fundamentally driven by the Port's asset management framework which seeks to upgrade and maintain infrastructure elements to be compliant with regulation and ensure that key revenue-producing assets remain operational over a long planning horizon.

No assurances can be made that the funding sources identified to fund the CIP will be available in the amounts projected or that the Port will be able to staff projects adequately to complete every project included in the 5-Year CIP (see Capital Project Funding Sources section). The cost estimates and available funding sources for these projects are subject to uncertainty; as such, these estimates are subject to change. Any increase in cost estimates or reduction in funding estimates could be material and may result in the Port issuing additional indebtedness, including Senior or Intermediate Lien Bonds, sooner than anticipated or in amounts greater than currently projected, or delaying or not undertaking certain projects outlined in the CIP. The failure to complete certain projects included in the 5-Year CIP may significantly affect projected future Port revenues.



*Port of Oakland Capital Budget Approval Process*

The Port has previously secured and continues to pursue federal and State grants to partially fund its 5-year CIP. To the extent the Port successfully funds certain projects with grants, the Port may redirect constrained staffing and financial resources towards such projects to ensure they are delivered in accordance with grant timelines and cost-sharing agreements. In certain cases, the Port may delay, re-scope, or cancel non-grant funded projects if in the judgement of the Port such action is necessary to meet its obligations to deliver grant-funded projects under the terms of its various grant agreements.

### CAPITAL PROJECTS NOT IN THE 5-YR CIP

In addition to the capital projects enumerated in the 5-Year CIP, the Port continually evaluates its physical plant in accordance with its asset management framework and identifies future capital investments that may be required to sustain and grow revenue, respond to evolving stakeholder needs, or address urgent and unforeseen situations. Some of these capital projects are only partially captured in the 5-Year CIP because they have significant scope and cost extending beyond the CIP's five-year horizon; other future projects are not currently incorporated in the CIP and if approved by the Board would constitute additional capital projects beyond those enumerated in the \$1.5 billion 5-year CIP.

The Port is always evaluating the feasibility of executing and funding its future mix of capital projects given its operational, financial, legal, and stakeholder constraints. Any capital projects above and beyond

those currently captured in the 5-Year CIP will require additional sources of funds and may also require additional Port staff in order to deliver such projects on a cost-effective and timely basis.

Examples of possible future Port projects not included in the current 5-year CIP are:

- Airport Terminal Modernization and Development Project to modernize existing Terminals 1 and 2 facilities, and build a New Terminal at OAK;
- Airport Pavement Rehabilitation projects, including various taxiways, aprons and a major rehabilitation of Runway 12/30, which is OAK's primary Commercial Aviation Runway;
- Airport flood mitigation projects and water system upgrades;
- Seaport redevelopment of portions of the former Oakland Army Base (OAB) and the Outer Harbor Terminal;
- Seaport terminal and rail enhancements to enable the installation of a new on-dock-rail capability; and
- Redevelopment of Howard Terminal at the Port's Inner Harbor for various potential marine and non-marine uses.

## Aviation Projects

The Aviation capital program for FY 2027 – FY 2031 focuses on needed infrastructure upgrades across the Airport as well as customer amenity improvements in the passenger terminals. The projects included in this 5-year CIP are intended to maintain safe and secure airport operating conditions through improved airfield pavement and lighting systems; address compliance and reliability needs of key infrastructure elements with upgrades and repairs to its sewer, water, and electric systems; and improve the customer experience in the airport terminals including enhancing restrooms and replacing aging roofs and HVAC systems.

When prioritizing the mix of projects, consideration was given to their eligibility to be funded by available grants, federal Infrastructure Investment and Jobs Act (IIJA) appropriations, and Passenger Facility Charge (PFC) collections.

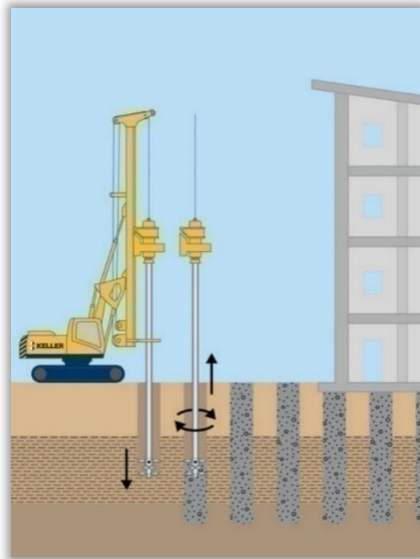
The 5-Year CIP includes approximately \$639.0 million of Aviation capital projects as follows:

- Over the 5-year period (FY 2027 – FY 2031):
  - Airport Perimeter Dike seismic upgrades: project completion costs of \$10 million;
  - Airfield pavement improvements totaling \$171.5 million;
  - Terminal improvements totaling \$243.2 million;
  - Ground Access and Parking upgrades totaling \$71.7 million;
  - Security improvements of \$6.7 million;
  - Utilities projects totaling \$115.9 million; and
  - Aviation Administration (capital equipment and miscellaneous facilities investments) of \$20.0 million.

- In the FY 2027 capital budget:
  - \$146.8 million is planned for essential projects to support Airport operations, regulatory compliance and customer service.
  - Of the \$146.8 million in the Aviation capital budget, about 71% (\$104.1 million) is allocated to projects that have already been bid for construction in FY 2026 and have already started construction in FY 2026 or will start construction in early FY 2027. These include the Airport Perimeter Dike Seismic Improvements; Restroom Upgrades Phase 2; Taxiway Whiskey, Phase 3; M103 Roof and Air Handler Replacement; and South Field Airside Sewer Improvements, Phase 2.

Key projects starting in or continuing through FY 2027 are highlighted in the following pages:

## AIRPORT PERIMETER DIKE SEISMIC IMPROVEMENTS



*Dike Perimeter Seismic Improvements*

The Airport Perimeter Dike (APD) is a 4.5 mile structure that separates the OAK airfield from the waters of the San Francisco Bay and protects the South Field of the Airport from storm events and rising Bay water levels. The Port is currently completing a two-phase, multi-year improvement project for the APD.

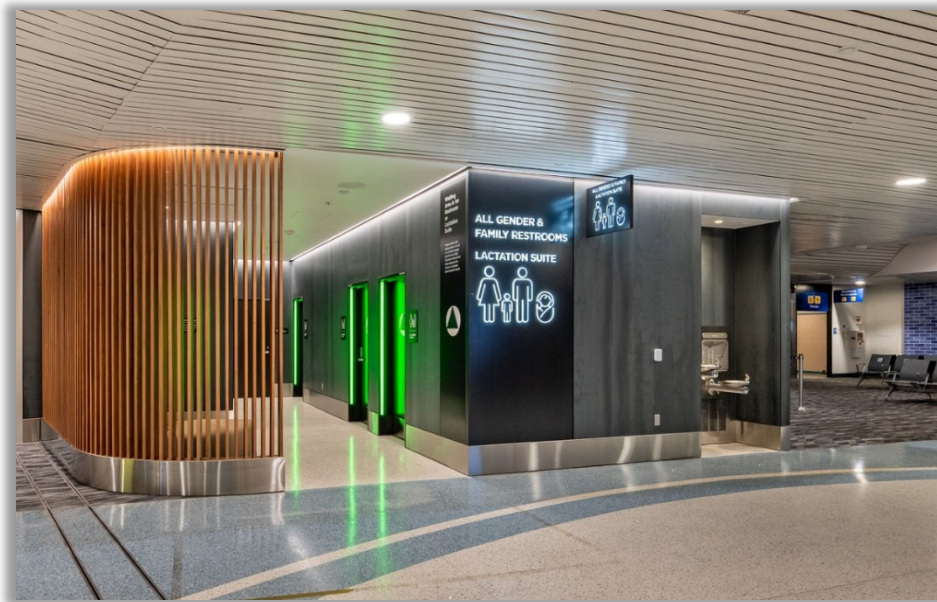
The first phase of APD improvements (completed in January 2022) enhanced the structure to comply with Federal Emergency Management Agency (FEMA) certification standards and prepare for the impacts associated with a projected mid-century increase in sea-level. Phase 2 of the APD improvements consists of geotechnical engineering intended to protect the APD from catastrophic damage during a major earthquake. The Phase 2 improvements involve mixing onsite soil with cement grout to reinforce and densify the granular soils that comprise much of the perimeter dike. The construction of the Phase 2 APD seismic improvements has progressed during FY 2026 and the final critical work will be concluded in FY 2027.

The project construction cost is estimated at approximately \$43.7 million, of which \$10.0 million in completion costs are included in the FY 2027 capital budget. Various grants, including an Airport Improvement Program (AIP) Grant and an Airport Infrastructure Grants (AIG), provided \$32.4 million to help fund this project. Passenger Facility Charges (PFCs) and Port cash are covering the balance of this project's cost.

## TERMINAL RESTROOM UPGRADES (PHASE 2 AND PHASE 3)

The terminal restrooms at OAK have been in service for over 15 years, have far exceeded their useful life, and no longer meet the passenger and operational needs of the Airport. A complete renovation of the Terminal 1 and Terminal 2 restrooms is currently underway to meet current standards and enhance this crucial touchpoint of the passenger experience. The scope of work includes building gender-neutral facilities, upgrading key elements with modern finishes, and installing low-water-use fixtures that meet current water conservation standards, extend asset life, and ease ongoing maintenance requirements. Across all terminal locations, the design of the new restrooms delivers a unified, upscale experience that combines functionality, durability, intuitive wayfinding, and visual appeal.

Phase 1 of the project was completed in Summer 2025 and involved the restoration of facilities in Terminal 1: the women's restroom at Gate 4; the men's restroom at Gate 3; and a conversion of the men's restroom at Gate 7 into family restrooms with a lactation suite and waiting area. Since the completion of



*Entrance to new All-Gender and Family Restrooms and Lactation Suite, OAK Terminal 1*

Phase 1, passengers have responded positively to the upgraded facilities, noting improvements in cleanliness, brightness, accessibility, and ease of use. The hospitality-inspired design and unified aesthetic have elevated the overall perception of the terminal and enhanced the passenger experience. The Phase 1 Restroom Program was recently recognized by Airport Business news as a recipient of the 2026 Project of the Year.

The Phase 2 restroom upgrades began in January 2026 and include upgrading restrooms servicing gates in both Terminal 1 and 2 (located at Gates 12, 15, 23, 27) as well as restrooms in areas before the security checkpoints, flex restrooms at Terminal 2 Baggage Claim, and a Lactation Suite and Universal Adult Changing Room in Terminal 2. Construction on Phase 2 is expected to be completed in Spring of 2027.

Phase 3 of the restroom upgrade project continues upgrading facilities serving gates in both Terminal 1 and 2 (located at Gates 5, 25, and 29) as well as the men's and women's restrooms in Terminal 2 Baggage Claim. Design of this final phase is currently underway and construction is expected to begin in Spring 2027 and be completed by the end of 2028.

The 5-Year CIP includes \$73.1 million for Phase 2 and 3 of the restroom upgrade project, of which approximately \$31.3 million is for Phase 2 and about \$41.8 million is for Phase 3. The restroom program has been funded using \$10 million of IIJA competitive Airport Terminal Program (ATP) grant funding for Phase 1. Other funding sources are comprised of IIJA AIG grants, Passenger Facility Charges, and Port cash.



*Interior of Renovated Women's restroom near Gate 4 in OAK Terminal 1*

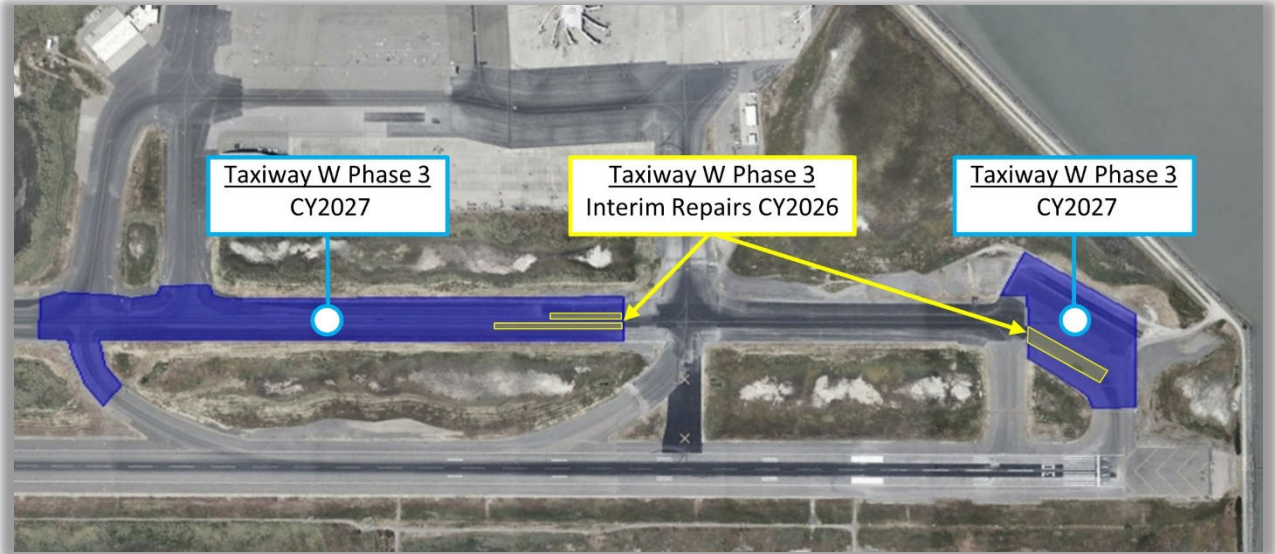
### **TAXIWAY WHISKEY, PHASE 3**

Taxiway Whiskey is operationally critical to the Airport, serving as the only taxiway parallel to OAK's primary Runway 12-30 in the Airport's South Field. This taxiway is being rehabilitated in three phases, of which the first two phases have already been completed. Phase 3 is the final phase of the Taxiway Whiskey rehabilitation and is slated to begin construction in FY 2027.

The Taxiway Whiskey Phase 3 Pavement Rehabilitation project includes design and construction of runway pavement, pavement markings, and drainage and lighting systems. The scope also includes an interim repair to be completed in 2026. The majority of the construction will address the section of Taxiway Whiskey between Taxiways W2 and W4 as well as Holding Bay improvements at the Runway 30 end, to improve operations and queuing for departure.

Design is complete and a contractor has been selected. Interim repairs are expected to be executed between late summer and October 2026. The construction of the major rehabilitation is expected to begin in February 2027 and reach substantial completion by July 2027.

The total project cost of Phase 3 of the Taxiway Whiskey Rehabilitation is estimated at approximately \$40 million, with \$37.5 million budgeted for FY 2027 and FY 2028 and the balance of costs incurred in prior fiscal years. The project is being funded with a combination of AIP grants, Passenger Facility Charges, and Port cash.



*Taxiway Whiskey, Phase 3 Rehabilitation – Area of Work*

## M103 ROOF AND AIR HANDLER REPLACEMENT

Both the roof membrane and four rooftop air handler units (AHUs) in OAK’s Terminal 1 concourse (Building M-103) have exceeded their 42-year service life. Full replacement is necessary to maintain operational reliability and safety. This project also presents an opportunity to reassess all of Building M-

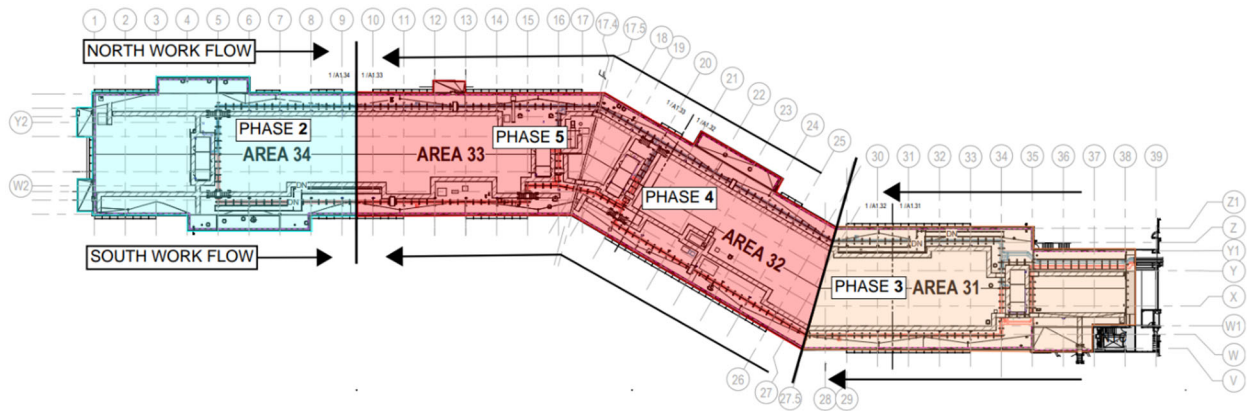


*Aerial View of M103 Roof*

103’s heating and cooling needs and improve the energy efficiency of the building’s envelope and its complement of HVAC equipment.

This project incorporates energy efficient systems aligned with the Port’s long-term sustainability and resilience goals. The scope includes: replacing the four existing air handlers with high-efficiency systems; removing the AHU pits to improve access and maintenance; replacing the roof membrane to restore building envelope integrity; replacing existing rainwater leaders;

installing perimeter roof railing and roof davits; and extending the hydronic piping to support a centralized modern heating and cooling system.



*Proposed Phasing of M103 (Terminal 1) Roof and AHU Replacement*

To minimize impact on tenants and passengers, construction will be delivered in five (5) phases over 16 months starting in Summer 2026. Phase 1 will not impact the concourse and will focus on the hydronic systems and guardrails while utilizing temporary AHU's. Phases 2 through 5 will occur within the concourse, with a scaffold system in place to maintain safe and uninterrupted passenger flow through the Terminal.

The project advanced to final design in 2025 and bids have been received for construction. Construction will commence Fall 2026 and is expected to be completed in 2028. The FY2027 and FY2028 phases are budgeted for \$37.9 million, including \$22.8 million in FY 2027 and \$15.1 in FY 2028. The project is expected to be funded using a combination of PFCs and Port cash.

## SANITARY SEWER INFRASTRUCTURE IMPROVEMENTS



*Sewer undergoing repairs at OAK*

As part of the Port's sanitary sewer Condition Assessment Program (CAP) and OAK's continuing effort to upgrade aging infrastructure, the Airport began the process of assessing all sewer lines in both the North and South Fields in FY 2020. Condition assessment, including camera and visual review of almost 50,000 linear feet of gravity sewer lines, took place between April and December 2020. Lines were assigned a grade of 1 through 5, with 1 being the best condition and 5 being the worst. Lines with severe defects were addressed immediately with standalone repairs. The assessment identified approximately 19,000 linear feet of sewer lines that contain structural defects – these are defined as segments receiving a Grade 3, 4, or 5.

Design and engineering work for remediating and repairing the identified deficient sewer line sections began in FY 2021, with construction slated to be completed in FY 2029. \$37.1 million is included in the 5-Year CIP for these improvements, which is being executed in a phased approach. Phase 1, completed in May 2023, addressed manholes and plugging sewer lines across the entire Airport footprint that are no longer in service. Phase 2 is currently underway and addresses sewer lines in the South Field airside areas of the Airport. Phase 2 will be completed in December 2026. Phases 3 and 4 are future phases planned for FY

2027 – FY 2029. Phase 3 focuses on the South Field landside areas and Phase 4 is centered around the North Field campus; both of these phases will begin design in FY 2027 with construction planning to be complete in FY 2029.

### Maritime Projects

Maritime's 5-Year CIP provides for ongoing modernization of core Seaport infrastructure to meet changing and growing regulatory compliance requirements and address industry needs. This entails improvements and repairs to key Seaport assets such as marine terminal yards, wharves, and utilities. The CIP also includes several projects that support the Port's transition to zero emission operations, many of which are primarily funded through State and federal grants.

The 5-Year CIP is not reflective of all the capital investments at the Seaport but rather includes only those capital investments that the Port will own, perform, and directly finance. There are several major Seaport investments that are currently planned or underway that are excluded from the CIP. These projects are being executed and managed by various Port stakeholders and are as follows:

- The 7<sup>th</sup> Street Grade Separation East project (7SGSE project), a \$350 million investment to be delivered by Alameda CTC and funded through State and regional sources that broke ground in late 2023;

- A new 18-acre bulk sand/aggregate marine terminal at the Outer Harbor that is expected to break ground in Summer 2026 and reflects a private investment of approximately \$65 million;
- Four new ship-to-shore cranes anticipated to be placed into service in Summer/Fall 2026 at the Trapac Terminal, representing a private investment of approximately \$70 million; and
- The deployment of 663 pieces of zero-emissions equipment (475 drayage trucks and 188 cargo-handling units) at the Seaport by various grant partners, an investment totaling approximately \$468 million. This is partly funded by \$322 million in grant funds awarded to the Port of Oakland by the U.S. Environmental Protection Agency (EPA).

The 5-Year Port CIP includes approximately \$642.6 million in Capital expenditures at the Seaport and is comprised of the following projects:

- Over the 5-year period from FY 2027 – FY 2031:
  - Marine Terminal improvements totaling approximately \$262.6 million. The majority (\$186.3 million) of the total is comprised of three large projects: Berth 33-34 Leveling (\$41.8 million), Berth 24 Backlands Redevelopment (\$85.0 million), and Berth 24-26 Crane Rail and Wharf Upgrades (\$59.5 million). The remaining \$76.3 million is spread among 19 projects primarily consisting of wharf repair and upgrades, paving projects, and the installation of mobile shore power facilities;
  - Capital Dredging projects totaling \$225.6 million, which consists of the Port's cost share of a multi-year program being undertaken with the United States Army Corps of Engineers (USACE) to widen the diameter of the Port's two ship turning basins located at the Inner Harbor and Outer Harbor. (This program is to be cost-shared with the USACE);
  - Utility improvements totaling \$113.9 million, the majority of which (\$92.0 million) are for the Green Power Microgrid project that will enable electrification of ground transportation equipment used at the Seaport;
  - Roadway improvements totaling about \$0.3 million; and
  - Miscellaneous capital expenditures totaling \$39.4 million, of which \$26.3 million is for improvements at Middle Harbor Shoreline Park related to permit compliance and \$13.1 million is for purchases of new capital equipment.
- FY 2027 capital budget:
  - \$138.8 million total capital expenditures of which \$78.9 million are for projects at the Marine Terminals, \$42.8 million are for Utilities infrastructure improvements, \$9.0 million is for purchases of capital equipment, and \$6.8 million is for preliminary design and engineering work for the turning basin widening program.

Key projects starting or continuing in FY 2027 are highlighted below:

## **BERTH 24 BACKLANDS REDEVELOPMENT**

The Port has completed engineering design plans to redevelop the backlands at Berth 24 located at the Port's Outer Harbor Terminal. The backlands of a terminal is the region typically set back from the shoreline that is reserved for staging and storing cargo as well as hosting other logistics and support activities of import and export operations. The Berth 24 Backlands project was designed to integrate into existing marine terminal operations and will improve the Port's ability to accommodate supply chain uncertainties as well as absorb and respond to surges in cargo volumes – particularly agricultural exports requiring refrigeration. The improvements will also provide significant operational efficiencies. The improvements will consist of approximately 25 acres of new pavement, installation of LED high-mast lighting, expansion of the refrigerated container and ground storage footprint, and electrical substation improvements required to expand the Port's electrical grid capacity and bolster power reliability and resiliency. This project is anticipated to commence in late Summer or Fall 2026 and is estimated to cost \$85.0 million. The main funding sources are expected to consist of \$61.2 million in various grants and \$23.8 million in Port cash.

## **BERTH 33 - 34 LEVELING**

Berths 33 and 34 are located in the Outer Harbor and each contain a large footprint of backland regions that are geographically adjacent but functionally separated by a significant elevation difference that precludes their operational integration. Presently, this elevation difference is not an operational problem because the two yards are leased to two different marine terminal operators – TraPac and Everport. However, the future functionality of the Port's 7th Street and Outer Harbor Terminal complex is constrained by this elevation difference. To ameliorate this constraint, the Port plans to raise and reconstruct approximately 25 acres of backlands area to level the two backland regions to the same elevation. The scope of work will also include several adjacent areas currently used for staging and stockpiling Port-owned materials and will place over 5-acres of land currently used for soil stockpiling back into productive use. Environmental review and design is now complete and construction commenced in April 2026. Approximately \$41.8 million is included in the 5-Year CIP for this work, of which \$35.4 million is funded by various grants and \$6.4 million in Port cash.

## **BERTH 24 - 26 CRANE RAIL AND WHARF UPGRADES**

This project seeks to modify Berths 24 -26 in the Outer Harbor to better accommodate the larger ship-to-shore cranes needed to serve the increasingly larger container vessels calling at the Port. This project includes strengthening the wharf at Berths 24-26 as well performing other needed structural repairs, which include crane girder upgrades, beam strengthening, and crane rail replacement. The project will also convert existing ship-to-shore cranes to a new power system: currently the cranes utilize a bus bar system, which the project would replace with a cable reel system. The total cost of this project is estimated at \$59.5 million, with \$49.5 million coming from Federal grants and \$10.0 million from Port cash.

## WIDENING OF INNER AND OUTER HARBOR TURNING BASINS

The Port has partnered with the U.S. Army Corps of Engineers to widen the diameter of the two Oakland Harbor turning basins, which are part of the federal waterway that serves the Seaport. Vessels use the Inner and Outer Harbor Turning Basins (Turning Basins) to turn around upon arrival or departure and are critical to Seaport operations. However, the Turning Basins were constructed in the early 2000s and designed for smaller vessels than those in operation today as well as those coming online as container shipping fleets evolve.

Due to the inadequate diameter of the present Turning Basins, vessels are currently highly restricted as to when and how they can turn. A feasibility study completed by the USACE in 2024 recommended widening the Basins to reduce these restrictions and improve vessel transit efficiencies. The project is federally authorized and included in the Water Resource and Development Act of 2024.



*Container Ship in Port of Oakland Inner Harbor Turning Basin*

The first phase of design to widen the Turning Basins commenced November 2025 and is anticipated to conclude in late 2027. Construction is anticipated to start in 2028 and finish in late 2030.

The USACE and the Port will share the cost of the widening project, which preliminarily is estimated at approximately \$700 million. The Port's anticipated cost share of this amount is currently estimated at approximately \$225.6 million which will entirely be funded by Port cash and proceeds from the issuance of various debt instruments by the Port.

## GREEN POWER MICROGRID

Approximately \$92.0 million is included in the 5-Year CIP to accommodate the Seaport's transition to zero-emission cargo operations. This requires the development of several new electric power assets under the umbrella of the Green Power Microgrid project. This project encompasses a wide range of electrical infrastructure and related assets, including electric vehicle chargers, battery storage, and electrical distribution upgrades. Environmental review and engineering design of this project is complete, and construction is anticipated to commence in Spring 2026. This project is funded through a combination of \$38.7 million in State grants, approximately \$8.5 million in revenues from the sale of Low Carbon Fuel Standard (LCFS) credits, and \$44.8 million in Port cash and debt.

## 7<sup>TH</sup> STREET GRADE SEPARATION EAST (NOT INCLUDED IN 5-YR PORT CIP)

The 7SGSE project, which includes the road segment between I-880 and Maritime Street, is a key access point to and within the Seaport. Even though this project is not included in the Port's 5-Year CIP, it is discussed here because it is a major and long-awaited improvement for the Seaport. The 7SGSE project

is managed by the Alameda CTC with cooperation and oversight from the Port and the City of Oakland. Ownership, operation and maintenance of this asset will be transferred to the Port and City upon its completion.



*Rendering of 7<sup>th</sup> Street Grade Separation East Project*

Construction of the 7SGSE project is underway with construction scheduled for completion in late 2028. The total project cost of 7SGSE is anticipated to exceed \$350 million with funding coming from a combination of the Measure BB Tax Measure, State/local grants, and a very small contribution of non-capital Port Funds.

## Port Utility Projects

The 5-Year CIP for Port Utility includes \$89.4 million in electrical infrastructure projects, including replacement of two electrical substations at the Seaport and modernization of the Airport power grid to improve reliability, resiliency, and meet increasing electrification demand. The FY 2027 capital budget for the Port Utility is approximately \$14.1 million. Key projects starting or continuing in FY 2027 are highlighted below.

### **POWER GRID MODERNIZATION (AIRPORT)**

The Airport's existing electrical grid consists of legacy infrastructure that is often oversized, underutilized, and configured in radial distribution arrangements that constrain operational flexibility. The Power Grid Modernization initiative will transition the Airport's power grid to a modern 21 Kilovolt (kV) looped distribution system featuring 600-amp north and south primary loops, 200-amp sub-loops, automated switching, and dual-voltage 12/21 kV infrastructure. This upgraded configuration will enhance reliability, resiliency, and operational efficiency while providing scalable capacity to support long-term growth and sustainability objectives. At this time, only the initial phases of the project are included in the CIP, whereupon the Port will evaluate feasibility, projected costs, and implementation timelines. Findings will inform the design phase with scope and schedule for subsequent implementation.

A total of \$10.0 million is included in the 5-Year CIP for this project, of which the entirety will be funded by a combination of Port cash and debt.

## 115kV SUBSTATION REPLACEMENTS, DAVIS & CUTHBERTSON (SEAPORT)

The Port is planning the construction of two new substations, named Alpha and Bravo, which will support projected power needs at the Seaport and contribute significantly to the Port Utility's reliability and resilience. These new substations will replace the existing Davis/Cuthbertson substation (located at the northwest corner of 7th Street and Maritime Street) which currently serves as the Seaport's primary connection to the California electrical grid via a 115 kV overhead transmission line. The new Alpha and Bravo substations will ensure that this critical infrastructure continues to reliably serve the Seaport's growing electrical power demands.



*Port of Oakland Davis / Cuthbertson Electrical Substation*

The project will extend well beyond the current 5-Year CIP horizon of FY 2027 - FY 2031 and is estimated to cost \$108.1 million in total, with approximately \$57.1 million (or 52.8%) included in the current 5-Year CIP and the balance of \$51 million forecasted in the subsequent fiscal years. Project completion is expected in FY 2032 for substation Alpha and FY 2034 for substation Bravo.

## Commercial Real Estate Projects

The 5-Year CIP includes about \$34.1 million for projects related to CRE, of which \$13.3 million is included in the FY 2027 capital budget. A large portion of the CIP (\$25.7 million) is focused on just three major initiatives: replacement of the boardwalk in Jack London Square (\$6.7 million), improvements to the Port's headquarters building at 530 Water Street (\$9.9 million), and sanitary sewer rehabilitation across several segments of the CRE footprint (\$9.1 million). The remaining CIP is for Washington Street parking garage improvements and building and tenant improvements, primarily in JLS, Embarcadero Cove and the Airport Business Park.

## Support Division Projects

The 5-Year CIP includes \$45.5 million for Port information technology system needs, most of which (\$40 million) is for a planned upgrade to the Port's Enterprise Resource Planning (ERP) System which is planned to deploy over the three fiscal years in FY 2028 – FY 2030.

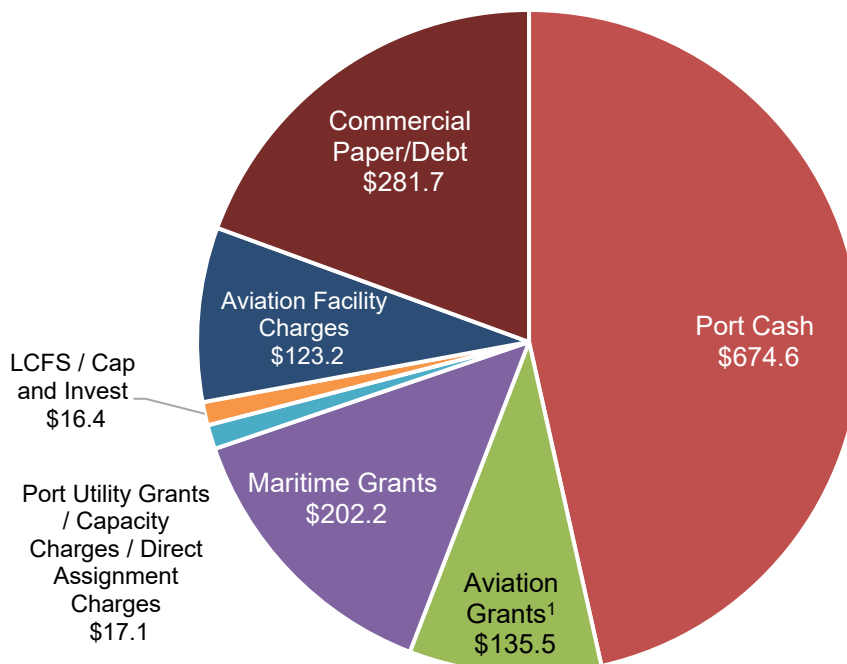
## Capital Project Funding Sources

Capital projects at the Port are funded by a combination of federal and State grants, PFCs, CFCs, sales of LCFS credits, sales of Cap-and-Invest (formerly Cap-and-Trade) emission allowances, Port-generated cash, and debt. For the 5-Year CIP spanning FY 2027 – FY 2031, approximately \$1.0 billion or 66% of the total cost of \$1.5 billion is expected to be funded by either Port cash or the proceeds of new debt instruments issued by the Port. The remaining \$0.5 billion or 34% of the CIP cost is anticipated to be funded by a combination of grants, aviation facility charges, sales of LCFS and Cap-and-Invest credits, Port Utility electrical capacity charges and direct assignment charges, and other miscellaneous third-party funding sources.

### 5-YEAR CIP FUNDING SOURCES

\$1.451 BILLION, FY 2027 - 2031

(IN \$MILLION)



The Port has not yet secured all the funding required for each of the projects in the 5-Year CIP. Further, the Port can provide no assurance that all anticipated grants and miscellaneous third-party funding sources will be received in full, that reimbursable Port costs will be reimbursed in a timely manner, or that changes in project circumstances will not preclude award or receipt of grant funds. The amount projected to be available from each funding source is based on the estimated cost of certain projects and various other assumptions. Such estimates and assumptions are subject to change. Any such changes could have an impact on the Port's plans for funding the 5-Year CIP, and such changes could be material.

<sup>1</sup> Includes miscellaneous third-party funding sources.

If grants, PFCs, LCFS credit sales, Cap-and-Invest allowances sales, Port Utility electrical capacity/direct-assignment charges, and Port cash do not provide the funding amounts anticipated, the Port will need to use other sources of funds for these projects, including funds provided through the issuance of various forms of debt. These debt funding options include proceeds obtained from the issuance of additional Commercial Paper (CP) Notes, Senior Lien Bonds, or Intermediate Lien Bonds. Alternatively, the Port may delay, abandon, or cancel certain projects if adequate funding cannot be identified. The failure to complete certain projects could significantly impact Port revenues in the future.

A description of the anticipated funding sources for Port capital projects in the 5-year CIP is described below.

## Grants

The Port relies on a variety of grants to fund a portion of its 5-year CIP. For the FY 2027 – 2031 period, grants are projected to contribute a total of \$338.6 million, or 23.3%, of the estimated \$1.5 billion cost of the CIP. Below are the key types of grants that are forecasted to comprise the grant funding received by the Port during the 5-year CIP planning horizon:

### **FEDERAL AVIATION ADMINISTRATION AIRPORT IMPROVEMENT PROGRAM (AIP) GRANTS AND OTHER AVIATION GRANTS**

Current FAA rules stipulate that AIP grants can fund approximately 80% of AIP-eligible costs for Airport projects at OAK, but actual grant awards may provide lower rates of project reimbursement depending on the FAA's annual calculation of entitlement grants (based on passenger volumes and cargo tonnage) and the competition for available discretionary funding among the airports in the region. Any project costs not covered by these grants must be funded by a combination of PFCs, internally generated Port cash, or debt.

From FY 2027 through FY 2031, total anticipated AIP grants for OAK (consisting of both AIP entitlement and discretionary funds) are estimated to be about \$79.5 million if fully funded. In FY 2027, OAK anticipates using approximately \$24.4 million in AIP grants. The AIP grants will be used on grant-eligible portions of the Airport Perimeter Dike seismic improvements, Taxiway Whiskey Rehabilitation Phase 3, and Airfield Geometric Improvements.

In addition, the 5-Year CIP includes federal Infrastructure Investment and Jobs Act (IIJA) funding estimated at \$20.3 million of FAA Airport Infrastructure Grant entitlement grant funds to pay for eligible portions of the Airport Perimeter Dike seismic improvements, airfield runway and taxiway projects.

### **MARITIME GRANTS**

The Port was awarded \$102.0 million in California State Transportation Authority Port and Freight Infrastructure Program (PFIP) funding for various marine terminal modernization projects, including funding for the Berth 33 – 34 Leveling project, the Berth 24 Backlands Redevelopment project, and a program to replace all diesel-powered yard tractors and top handlers at the Matson Terminal with equipment based on zero emission technology.

Other grants included in the 5-Year CIP timeframe are as follows:

- 2022 Maritime Administration Port Infrastructure Development Program (MARAD PIDP): A \$35.5 million grant for the Berth 24 Backlands Redevelopment project described above. The total cost of this project is estimated at \$85.0 million.
- 2024 Maritime Administration Port Infrastructure Development Program (MARAD PIDP): A \$49.5 million grant for the Berth 24-26 Crane Rail and Wharf Upgrades project as described above. The total cost of this project is estimated at \$59.5 million.
- SB1/Trade Corridor Enhancement Program (TCEP): \$41.6 million grant award to support the Green Power Microgrid Project. As described in greater detail above, this project will upgrade electrical infrastructure and install zero-emission vehicle charging equipment and ancillary assets throughout the Seaport at a cost of approximately \$92.0 million.
- Bay Area Air Quality Management District / VW Mitigation Trust Fund Grant: \$5.0 million grant award for installation of a dual-outlet, 7,500 kW shore power system at Berth 22 located in the Port's Outer Harbor. This award is a disbursement from the Volkswagen Mitigation Trust established to fund California's Beneficiary Mitigation Plan to reduce nitrogen oxide emissions caused by VW's installation of emissions-testing defeat devices on certain vehicles. This grant is administered as part of the plan's Zero-Emission Freight and Marine Projects (ZEFM) program.

## PORT UTILITY GRANTS (Maritime)

The Port was awarded \$5.2 million in federal funding through the 2021 Maritime Administration Port Infrastructure Development Program (MARAD PIDP) grant for the Port's "Powering the Future" project. This project involves replacing an existing substation (SS-R-14) with a new substation (SS-R-10) as well as updating connecting circuitry. The total project cost inclusive of prior year expenditures is estimated at \$19 million and is planned to be completed in FY 2027.

## Aviation Facility Charges

Passenger Facility Charges (PFCs) may be used to fund certain types of projects at the Airport and in the 5-Year CIP spanning FY 2027 – 2031 are forecasted to contribute \$123.2 million or 19.3% to the total Aviation CIP of \$639.0 million and 8.5% of the total 5-Year CIP. CFCs are not expected to fund any portion of the 5-Year CIP.

### **PASSENGER FACILITY CHARGES (PFC)**

PFCs are a user fee charged by the Airport and collected by the airlines when tickets are sold to revenue passengers enplaning at OAK. The current PFC is \$4.50 per enplaned revenue passenger. Passengers using frequent flyer award certificates and non-revenue passengers, such as airline employees, do not pay a PFC. Airlines retain \$0.11 (2.4%) per PFC to cover administrative costs and disburse the remaining amount collected (\$4.39) to the Port. PFCs are due to the Port by the last day of the month following the month in which they are collected. Initiated at OAK in September 1992, PFCs are approved by the FAA and are used to fund eligible capital improvement projects. The Port received approximately \$16.9 million in PFCs in FY 2025, the most recent fiscal year completed.

The Port anticipates that approximately \$123.2 million in PFC revenues will fund the costs of certain projects currently in the 5-Year CIP. Amounts available for funding capital projects may vary from projections depending on future air travel demand. Additional FAA PFC imposition and use authority is needed for certain projects that are anticipated to occur in the 5-Year CIP and beyond.

### **CUSTOMER FACILITY CHARGES (CFC)**

CFCs can fund costs to finance, design, and construct a consolidated rental car facility and to finance, design, construct, and operate a common use transportation system. The Port's primary use of CFCs is to fund the operating costs for common use rental car buses.

Currently, the Port charges a per-transaction-day CFC rate of \$7.50 for on-Airport and \$7.42 for off-Airport rental car operators, not to exceed five transaction-days. The revenue from the new CFC rate may be allocated to cover all current and projected future common busing operating and maintenance expenses and to fund future CFC-eligible capital expenditures. Potential expenditures include the acquisition and operation of electric buses, the bus system's proportionate share of cost to construct an electric bus charging depot, and related infrastructure.

Amounts available to rental car or shuttle busing operations may vary from projections depending on future air travel demand. No CFC revenues are assumed to fund projects in the 5-Year CIP that spans FY 2027 – FY 2031.

## Environmental Credits and Allowances

### LOW CARBON FUEL STANDARD (LCFS) FUNDS

California Air Resources Board's (CARB) Low Carbon Fuel Standard (LCFS) regulation is designed to reduce greenhouse gas emissions associated with the life cycle of transportation fuels used in California.

By participating in CARB's LCFS program, the Port earns credits by providing electricity for shore power and subsequently sells those credits in the LCFS market. Revenue earned in the program must be applied to projects that reduce the carbon intensity of transportation systems, including electrification initiatives. The Port registered its shore power equipment and electric car charging stations in the LCFS program and has been earning LCFS credits since January 2019.

At its last auction on August 13, 2020, the Port generated \$4.4 million in LCFS revenues through the sale of 23,729 LCFS credits generated over five quarters. These proceeds are restricted by the State as outlined above. The Port anticipates that approximately \$16.4 million in revenue from future LCFS credit sales will fund eligible projects in the 5-Year CIP.

### CALIFORNIA CAP-AND-INVEST (FORMERLY CAP-AND-TRADE) PROGRAM

The California Cap-and-Invest (formerly Cap-and-Trade) Trade program (AB 1207/SB 840) sets a total permissible level of greenhouse gas emissions in the State (i.e., the "cap"), and issues no-cost emission allowances to businesses which are required to adhere to the "capped" level of emissions. Because the Port does not have any electricity generation facilities nor directly imports electricity from outside the State, the Port does not have any direct compliance costs associated with Cap-and-Invest.

However, the Port does incur indirect compliance costs with a portion of its electric rates paid to electricity grid providers. This is because electricity providers typically embed into their rates their compliance costs for Cap-and-Invest. The California Air Resources Board (CARB), who manages the Cap-and-Invest program, compensates the Port for these indirect compliance costs by granting the Port emission allowances that can in turn be sold by the Port to greenhouse gas emitters. Revenues derived from the sale of emission allowances are restricted to spending on projects that further reduce greenhouse gas emissions. These Cap-and-Invest eligible projects typically focus on renewable energy, infrastructure for transportation electrification, fuel switching or fuel substitution, or reductions in the use of sulfur hexafluoride, a greenhouse gas.

In the 5-year CIP for FY 2027 – FY 2031, the Port does not anticipate that Cap-and-Invest will contribute any material funding to the mix of projects planned.

## Other Sources

### PORT UTILITY CAPACITY CHARGES AND DIRECT ASSIGNMENT CHARGES

The Port Utility may collect a Capacity Charge (sometimes referred to as a Buy-In Charge) from Port Utility customers requesting new or expanded electrical service. This is a one-time fee established for recovery of a portion of the cost of future improvements required to the Port's electrical infrastructure to accommodate any increase in peak load imposed by the new or expanded service. This fee is calculated based on current electrical system replacement value with a limited credit reflecting the contribution of the customer's new electricity sales revenue towards distribution costs.

The Port Utility may also impose a Direct Assignment Charge to Port Utility customers. This is a charge imposed for infrastructure improvements that: are assigned for the Customer's use at a point of interconnection; directly benefit that Customer; are not otherwise needed for the Port's electric distribution system; and are owned, constructed, and/or installed by the Port to interconnect and serve the Customer at the Customer's request.

During the FY 2027 – FY 2031 period of the 5-year CIP, the Port anticipates receiving approximately \$10.2 million in Port Utility Capacity Charges and Direct Assignment Charges, which represents approximately 0.7% of the CIP cost of \$1.5 billion.

### MISCELLANEOUS THIRD-PARTY FUNDING SOURCES

Occasionally, the Port receives capital funding, or anticipates receiving capital funding, from various third-party sources, such as contractors, tenants, and other Port stakeholders, that are intended for specific projects. Normally these take the form of cost-share agreements which directly reduce the Port's capital expenses. However, occasionally these agreements take the form of reimbursements for project costs incurred by the Port. These funding amounts are categorized as Miscellaneous Third-Party Funding Sources. In FY 2027 – FY 2031, the Port anticipates receiving approximately \$6.0 million of such funds, which represents approximately 0.4% of the estimated 5-Year CIP cost of \$1.5 billion.

## Cash and Debt

### PORT CASH

Approximately \$674.6 million of cash on hand and cash generated from operation and retained by the Port is assumed to fund a portion of the 5-Year CIP. This represents approximately 46.5% of the estimated \$1.5 billion expense for the 5-Year CIP.

### PORT DEBT

Approximately \$281.7 million of Commercial Paper debt is assumed to be issued to fund portions of the 5-Year CIP. This represents approximately 19.4% of the estimated \$1.5 billion expense for the 5-Year CIP.

## FY 2026-27 CAPITAL BUDGET EXPENDITURE AND FUNDING SOURCES (\$ THOUSANDS)

### FY 2027 EXPENDITURE BY DIVISION

| Division               | \$ (000s)        | %             |
|------------------------|------------------|---------------|
| Aviation               | 146,774          | 46.4%         |
| Maritime               | 138,797          | 43.9%         |
| Port Utility           | 14,145           | 4.5%          |
| Commercial Real Estate | 13,269           | 4.2%          |
| Support                | 3,373            | 1.1%          |
| <b>Total Uses</b>      | <b>\$316,358</b> | <b>100.0%</b> |

### FY 2027 FUNDING SOURCES

| Funding Sources  | \$ (000s)        | %             |
|--|------------------|---------------|
| <b>Aviation</b>  |                  |               |
| Airport Improvement Program (AIP) Grants <sup>1</sup>        | 24,447           | 16.7%         |
| Airport Terminal Program (ATP) Grants <sup>1</sup>           | 2,133            | 1.5%          |
| Airport Infrastructure (AIG) Grants <sup>1</sup>             | 19,612           | 13.4%         |
| Miscellaneous Third-Party Funding Sources <sup>1</sup>       | 6,000            | 4.1%          |
| PFC Pay-Go <sup>2</sup>                                      | 34,716           | 23.7%         |
| Cash   | 59,866           | 40.8%         |
| <b>Total Aviation</b>  | <b>\$146,774</b> | <b>100.0%</b> |
| <b>Maritime</b>  |                  |               |
| CA State Transportation Auth (CalSTA) Grant                  | 39,331           | 28.3%         |
| Trade Corridor Enhancement Program (TCEP) Grant              | 26,600           | 19.2%         |
| MARAD Port Infrastructure Development (PIDP) Grant           | 16,800           | 12.1%         |
| Other Grants   | 3,000            | 2.2%          |
| LCFS Funds <sup>3</sup>                                      | 5,800            | 4.2%          |
| Cash   | 47,266           | 34.1%         |
| <b>Total Maritime</b>  | <b>\$138,797</b> | <b>100.0%</b> |
| <b>Port Utility</b>  |                  |               |
| CA State Transportation Auth (CalSTA) Grant                  | 1,360            | 9.6%          |
| MARAD Port Infrastructure Development (PIDP) Grant           | 5,000            | 35.3%         |
| Other Grants/Direct Assignment/Capacity Charges <sup>1</sup> | 1,200            | 8.5%          |
| Cash   | 6,585            | 46.6%         |
| <b>Total Port Utility</b>                                    | <b>\$14,145</b>  | <b>100.0%</b> |
| <b>Commercial Real Estate</b>                                |                  |               |
| Commercial Paper   | 8,200            | 61.8%         |
| Cash   | 5,069            | 38.2%         |
| <b>Total Commercial Real Estate</b>                          | <b>\$13,269</b>  | <b>100.0%</b> |
| <b>Support</b>   |                  |               |
| Cash   | \$3,373          | 100.0%        |
| <b>Total Sources</b>   | <b>\$316,358</b> |               |

<sup>1</sup> The Port has not yet obtained grant funding for all capital projects.

<sup>2</sup> Portions of the Port's Aviation CapEx are subject to FAA approval of future PFC applications, otherwise partially funded with Port cash and the Port's most recently-approved PFC application, PFC-18.

<sup>3</sup> Subject to market conditions for LCFS credits. Revenue from LCFS credit sales may be lower or higher.

## 5-YEAR CAPITAL IMPROVEMENT PLAN EXPENDITURE AND FUNDING SOURCES FY 2026-27 TO FY 2030-31 (\$ THOUSANDS)

### 5-YEAR EXPENDITURE BY DIVISION

| Divisions    | FY 26-27         | FY 27-28         | FY 28-29         | FY 29-30         | FY 30-31         | Estimated Expenditures |
|--------------|------------------|------------------|------------------|------------------|------------------|------------------------|
| Aviation     | 146,774          | 140,680          | 131,747          | 112,415          | 107,352          | 638,968                |
| Maritime     | 138,797          | 190,725          | 126,875          | 122,995          | 63,175           | 642,567                |
| Port Utility | 14,145           | 25,978           | 13,100           | 19,000           | 17,175           | 89,398                 |
| CRE          | 13,269           | 10,941           | 7,525            | 1,950            | 450              | 34,135                 |
| Support      | 3,373            | 14,330           | 16,455           | 11,295           | 65               | 45,518                 |
| <b>Total</b> | <b>\$316,358</b> | <b>\$382,654</b> | <b>\$295,702</b> | <b>\$267,655</b> | <b>\$188,217</b> | <b>\$1,450,586</b>     |

### 5-YEAR FUNDING SOURCES

| Funding Source  | FY 26-27         | FY 27-28         | FY 28-29         | FY 29-30         | FY 30-31         | Estimated Funding  |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Aviation</b>   |                  |                  |                  |                  |                  |                    |
| Airport Improvement Program (AIP) Grants <sup>1</sup>         | 24,447           | 2,026            | 9,929            | 16,793           | 26,323           | 79,518             |
| Airport Terminal Program (ATP) Grants <sup>1</sup>            | 2,133            | 25,209           | 2,382            | 0                | 0                | 29,724             |
| Airport Infrastructure (AIG) Grants <sup>1</sup>              | 19,612           | 665              | 0                | 0                | 0                | 20,277             |
| Miscellaneous Third-Party Funding Sources                     | 6,000            | 0                | 0                | 0                | 0                | 6,000              |
| PFC Pay-Go <sup>2</sup>                                       | 34,716           | 25,675           | 30,712           | 17,493           | 14,586           | 123,182            |
| Commercial Paper  | 0                | 0                | 0                | 0                | 3,714            | 3,714              |
| Cash  | 59,866           | 87,105           | 88,724           | 78,129           | 62,729           | 376,553            |
| <b>Total Aviation</b>   | <b>\$146,774</b> | <b>\$140,680</b> | <b>\$131,747</b> | <b>\$112,415</b> | <b>\$107,352</b> | <b>\$638,968</b>   |
| <b>Maritime</b>   |                  |                  |                  |                  |                  |                    |
| CA State Transportation Auth (CalSTA) Grant                   | 39,331           | 32,520           | 0                | 0                | 0                | 71,851             |
| Trade Corridor Enhancement Program (TCEP) Grant               | 26,600           | 12,113           | 0                | 0                | 0                | 38,713             |
| MARAD Port Infrastructure Development (PIDP) Grant            | 16,800           | 33,713           | 16,393           | 16,715           | 0                | 83,620             |
| Environmental Protection Agency (EPA) CalSTART Grant          | 0                | 4,998            | 0                | 0                | 0                | 4,998              |
| Other Grants  | 3,000            | 0                | 0                | 0                | 0                | 3,000              |
| LCFS Funds <sup>3</sup>                                       | 5,800            | 9,100            | 1,500            | 0                | 0                | 16,400             |
| Commercial Paper  | 0                | 21,900           | 84,750           | 75,100           | 43,800           | 225,549            |
| Cash  | 47,266           | 76,382           | 24,233           | 31,180           | 19,375           | 198,436            |
| <b>Total Maritime</b>   | <b>\$138,797</b> | <b>\$190,725</b> | <b>\$126,875</b> | <b>\$122,995</b> | <b>\$63,175</b>  | <b>\$642,567</b>   |
| <b>Port Utility</b>   |                  |                  |                  |                  |                  |                    |
| CA State Transportation Auth (CalSTA) Grant                   | 1,360            | 555              | 0                | 0                | 0                | 1,915              |
| MARAD Port Infrastructure Development (PIDP) Grant            | 5,000            | 0                | 0                | 0                | 0                | 5,000              |
| Other Grants <sup>1</sup> /Direct Assignment/Capacity Charges | 1,200            | 5,000            | 3,800            | 0                | 175              | 10,175             |
| Commercial Paper  | 0                | 3,250            | 3,250            | 13,000           | 14,600           | 34,100             |
| Cash  | 6,585            | 17,173           | 6,050            | 6,000            | 2,400            | 38,208             |
| <b>Total Port Utility</b>                                     | <b>\$14,145</b>  | <b>\$25,978</b>  | <b>\$13,100</b>  | <b>\$19,000</b>  | <b>\$17,175</b>  | <b>\$89,398</b>    |
| <b>Commercial Real Estate</b>                                 |                  |                  |                  |                  |                  |                    |
| Commercial Paper  | 8,200            | 3,636            | 6,458            | 0                | 0                | 18,294             |
| Cash  | 5,069            | 7,305            | 1,067            | 1,950            | 450              | 15,841             |
| <b>Total Commercial Real Estate</b>                           | <b>\$13,269</b>  | <b>\$10,941</b>  | <b>\$7,525</b>   | <b>\$1,950</b>   | <b>\$450</b>     | <b>\$34,135</b>    |
| <b>Support</b>  |                  |                  |                  |                  |                  |                    |
| Cash  | 3,373            | 14,330           | 16,455           | 11,295           | 65               | 45,518             |
| <b>Total</b>  | <b>\$316,358</b> | <b>\$382,654</b> | <b>\$295,702</b> | <b>\$267,655</b> | <b>\$188,217</b> | <b>\$1,450,586</b> |

<sup>1</sup> The Port has not yet obtained grant funding for all capital projects.

<sup>2</sup> Portions of the Port's Aviation CapEx are subject to FAA approval of future PFC applications, otherwise partially funded with Port cash and the Port's most recently-approved PFC application, PFC-18.

<sup>3</sup> Subject to market conditions for LCFS credits. Revenue from LCFS credit sales may be lower or higher.

## 5-YEAR CAPITAL PROJECTS REFERENCE GUIDE

### EXPENDITURES AND FUNDING SOURCES BY PROJECT

#### FY 2026-27 TO FY 2030-31

#### (\$ THOUSANDS)

| Project #                          | Project Description   | FY<br>2027      | FY<br>2028      | FY<br>2029      | FY<br>2030      | FY<br>2031      | FY Total<br>2027-2031 |
|------------------------------------|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------------|
| <b>SUMMARY</b>                     |   |                 |                 |                 |                 |                 |                       |
|                                    | <b>TOTAL PORT CIP</b>   | <b>316,358</b>  | <b>382,654</b>  | <b>295,702</b>  | <b>267,655</b>  | <b>188,217</b>  | <b>1,450,586</b>      |
|                                    | TOTAL AVIATION  | 146,774         | 140,680         | 131,747         | 112,415         | 107,352         | 638,968               |
|                                    | TOTAL MARITIME  | 138,797         | 190,725         | 126,875         | 122,995         | 63,175          | 642,567               |
|                                    | TOTAL PORT UTILITY  | 14,145          | 25,978          | 13,100          | 19,000          | 17,175          | 89,398                |
|                                    | TOTAL CRE   | 13,269          | 10,941          | 7,525           | 1,950           | 450             | 34,135                |
|                                    | TOTAL SUPPORT   | 3,373           | 14,330          | 16,455          | 11,295          | 65              | 45,518                |
| <b>AVIATION</b>                    |   |                 |                 |                 |                 |                 |                       |
| <b>PERIMETER DIKE IMPROVEMENTS</b> |   |                 |                 |                 |                 |                 |                       |
| A20039202                          | Airport Perimeter Dike Improvements - Seismic                           | 10,000          | -               | -               | -               | -               | 10,000                |
|                                    | <b>Subtotal PERIMETER DIKE IMPROVEMENTS</b>                             | <b>\$10,000</b> | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>\$10,000</b>       |
| <b>AIRFIELD</b>                    |   |                 |                 |                 |                 |                 |                       |
| A22025019                          | Taxiway Whiskey Rehabilitation - Phase 3                                | 35,461          | 2,000           | -               | -               | -               | 37,461                |
| New Project                        | Vehicle Service Road (VSR) Repair @ Taxiway Charlie                     | -               | -               | 3,440           | -               | -               | 3,440                 |
| New Project                        | Airfield Geometric Improvements Hotspot 3 (Package 1)                   | -               | 1,260           | 14,900          | 25,200          | 34,600          | 75,960                |
| New Project                        | Airfield Geometric Improvements (Package 2)                             | -               | -               | -               | -               | 2,900           | 2,900                 |
| New Project                        | Airfield Geometric Improvements (Package 3)                             | -               | -               | -               | -               | 2,000           | 2,000                 |
| New Project                        | JSX Apron Rehabilitation (Longer Term)                                  | -               | -               | 600             | 9,000           | -               | 9,600                 |
| New Project                        | Hangar 3 & 4 Apron + Interior Pavement Rehabilitation                   | -               | -               | -               | 4,590           | 8,500           | 13,090                |
| New Project                        | North Field Roofs (Hangars 7 & 8)                                       | -               | 480             | 7,080           | -               | -               | 7,560                 |
| New Project                        | Taxilane Sierra Reconstruction  | 255             | 9,720           | -               | -               | -               | 9,975                 |
| New Project                        | Terminal Bowl VSR Redesign  | -               | -               | 1,000           | -               | -               | 1,000                 |
| New Project                        | Apron Pavement Rehabilitation   | 2,000           | -               | -               | -               | -               | 2,000                 |
| New Project                        | Runway 10R/28L Mitigation   | 6,000           | -               | -               | -               | -               | 6,000                 |
| New Project                        | Vehicle Service Road (VSR) Repair near UPS                              | 500             | -               | -               | -               | -               | 500                   |
|                                    | <b>Subtotal AIRFIELD</b>  | <b>\$44,216</b> | <b>\$13,460</b> | <b>\$27,020</b> | <b>\$38,790</b> | <b>\$48,000</b> | <b>\$171,486</b>      |
| <b>TERMINAL</b>                    |   |                 |                 |                 |                 |                 |                       |
| A22024021                          | Restroom Upgrades - Phase 2   | 30,200          | 1,050           | -               | -               | -               | 31,250                |
| A22026004                          | Restroom Upgrades - Phase 3   | 3,000           | 35,450          | 3,350           | -               | -               | 41,800                |
| A22023003                          | M103 Roof, Drain Pipe, and Air Handler Replacement                      | 22,800          | 15,100          | -               | -               | -               | 37,900                |
| New Project                        | M130 & M363 Air Handler Units Upgrades                                  | -               | 2,000           | 21,690          | 21,500          | 2,760           | 47,950                |
| New Project                        | M103 Energy Efficient Retrofit/Upgrades (Ceiling work/Windows/Finishes) | -               | 2,000           | 10,350          | 10,825          | 2,000           | 25,175                |
| New Project                        | Passenger Boarding Bridge Refurbish (9, 11, 14)                         | 1,242           | -               | -               | -               | -               | 1,242                 |
| A22026007                          | Passenger Boarding Bridge Replacement (4, 8, 8A)                        | 1,390           | 11              | 2,857           | -               | -               | 4,258                 |
| New Project                        | Passenger Boarding Bridge Replacement (26, 27, 24, 25)                  | -               | 2,012           | 11              | 4,039           | -               | 6,062                 |
| A22021014                          | New Concession Infrastructure Support                                   | 2,175           | -               | -               | -               | -               | 2,175                 |
| A22026008                          | Holdroom Electrification/Charging Stations                              | 500             | 1,100           | -               | -               | -               | 1,600                 |
| New Project                        | Jetway Flooring Replacement   | 70              | -               | -               | -               | -               | 70                    |
| New Project                        | Public Address System Replacement                                       | 700             | -               | -               | -               | -               | 700                   |
| New Project                        | Conference Room Upgrades  | 160             | -               | -               | -               | -               | 160                   |
| AA2026003                          | IT Infrastructure Replacement (Aviation portion)                        | 745             | -               | -               | -               | -               | 745                   |
| New Project                        | Multi-user Flight Display, Airport Ops Database and Content Mgmt System | 400             | 100             | -               | -               | -               | 500                   |
| New Project                        | Gate Podium Replacement 20-25   | 250             | 500             | 1,500           | 5,000           | -               | 7,250                 |
| New Project                        | Fire Alarm Replacement  | 500             | 5,000           | 5,000           | -               | -               | 10,500                |
| New Project                        | Terminal Signage Replacement  | 250             | 2,500           | 1,500           | -               | -               | 4,250                 |
| A22023006                          | Air Operations Center (AOC) Modernization                               | -               | -               | 400             | 1,200           | -               | 1,600                 |
| New Project                        | Refresh of T1 Information Booth   | -               | -               | -               | 300             | 800             | 1,100                 |
| New Project                        | T1 Trash Lift and Washout Containment                                   | -               | 472             | 1,263           | -               | -               | 1,735                 |
| New Project                        | M103 Lower Level Flooring Replacement                                   | -               | -               | -               | 300             | 2,600           | 2,900                 |
| New Project                        | Passenger Boarding Bridge Replacement (29, 21, 23)                      | -               | -               | 1,734           | 13              | 3,353           | 5,100                 |
| New Project                        | Passenger Boarding Bridge Replacement (30, 1, 3)                        | -               | -               | -               | 1,811           | 13              | 1,824                 |
| New Project                        | Passenger Boarding Bridge Replacement (6, 7, 20)                        | -               | -               | -               | -               | 1,836           | 1,836                 |
| A22026001                          | Passenger Analytics System  | 500             | 2,000           | -               | -               | -               | 2,500                 |
| New Project                        | Carpet Replacement (IAB)  | 240             | -               | -               | -               | -               | 240                   |
| New Project                        | T2 Upgrades   | 500             | -               | -               | -               | -               | 500                   |
| New Project                        | Terminal Fire System Circuit Upgrades                                   | 150             | -               | -               | -               | -               | 150                   |
| New Project                        | AOA High Mast & Area Lighting Replacement                               | 90              | -               | -               | -               | -               | 90                    |
|                                    | <b>Subtotal TERMINAL</b>  | <b>\$65,862</b> | <b>\$69,295</b> | <b>\$49,655</b> | <b>\$44,988</b> | <b>\$13,362</b> | <b>\$243,162</b>      |

| Project #                                 | Project Description   | FY 2027         | FY 2028         | FY 2029         | FY 2030         | FY 2031         | FY Total 2027-2031 |
|---|---|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|
| <b>GROUND ACCESS AND PARKING</b>          |   |                 |                 |                 |                 |                 |                    |
| A22025014                                 | EV Charging - Daily Parking Lot                                 | 250             | 350             | -               | -               | -               | 600                |
| A22026009                                 | Ron Cowan/John Glenn Parking Activation                         | 1,397           | 11,367          | 2,537           | 5,227           | -               | 20,528             |
| New Project                               | Ron Cowan Off-Ramp Left Turn                                    | 100             | -               | -               | -               | -               | 100                |
| New Project                               | Shuttle Bus Procurement/Replacement Phase 2                     | -               | -               | 300             | 500             | 2,500           | 3,300              |
| New Project                               | Bus Lot Admin Building  | -               | -               | -               | 500             | 8,000           | 8,500              |
| New Project                               | Main Parking Bowl Paving Rehabilitation                         | -               | -               | -               | 830             | 10,300          | 11,130             |
| New Project                               | Landside/Curbside Paving Rehabilitation                         | -               | -               | 750             | 6,100           | 6,000           | 12,850             |
| New Project                               | EV Charging - Neil Armstrong Parking Lot                        | 100             | -               | -               | -               | -               | 100                |
| A22022002                                 | Neil Armstrong Access Control                                   | -               | 650             | 5,400           | -               | -               | 6,050              |
| New Project                               | Turn Lane Conversion at 98th Ave and Airport Access             | -               | 500             | -               | -               | -               | 500                |
| New Project                               | PARCS Replacement   | -               | -               | 250             | 1,000           | 4,000           | 5,250              |
| New Project                               | Landside Landscaping  | 700             | -               | -               | -               | -               | 700                |
| New Project                               | North Field Paving Rehabilitation (Parking Lot)                 | 500             | -               | -               | -               | -               | 500                |
| New Project                               | South Field Landside Paving Rehabilitation (Roadway)            | 460             | 1,045           | -               | -               | -               | 1,505              |
| New Project                               | Management Parking Lot Improvements                             | 50              | -               | -               | -               | -               | 50                 |
| <b>Subtotal GROUND ACCESS AND PARKING</b> |   | <b>\$3,557</b>  | <b>\$13,912</b> | <b>\$9,237</b>  | <b>\$14,157</b> | <b>\$30,800</b> | <b>\$71,663</b>    |
| <b>SECURITY</b>                           |   |                 |                 |                 |                 |                 |                    |
| A12026011                                 | L-311 Men's Locker Room Remodel                                 | 175             | -               | -               | -               | -               | 175                |
| New Project                               | CCTV Program Expansion (Curbside & Terminal)                    | -               | -               | 1,270           | 2,600           | -               | 3,870              |
| A12026002                                 | North Field Fiber Upgrades and Radios (Wireless CBRS)           | 700             | -               | -               | -               | -               | 700                |
| New Project                               | North Field to South Field Fiber Optic Cable Installation       | 500             | -               | -               | -               | -               | 500                |
| New Project                               | L-311 Upgrades  | 500             | 700             | -               | -               | -               | 1,200              |
| New Project                               | New Crash Phone   | 300             | -               | -               | -               | -               | 300                |
| <b>Subtotal SECURITY</b>                  |   | <b>\$2,175</b>  | <b>\$700</b>    | <b>\$1,270</b>  | <b>\$2,600</b>  | <b>-</b>        | <b>\$6,745</b>     |
| <b>AVIATION UTILITIES</b>                 |   |                 |                 |                 |                 |                 |                    |
| New Project                               | Trash Capture - Small Units                                     | 1,450           | 950             | 1,190           | -               | -               | 3,590              |
| AA00520019                                | Southfield Airside Sewer Improvements, Phase 2                  | 5,620           | -               | -               | -               | -               | 5,620              |
| A200520017                                | Southfield Landside Sewer Improvements, Phase 3                 | 1,000           | 4,900           | 9,150           | -               | -               | 15,050             |
| A20052009                                 | Airport Drive Sewer Line Improvements/Upgrades                  | 400             | 3,300           | -               | -               | -               | 3,700              |
| AA00520013                                | Lift Station 1  | 600             | 5,000           | -               | -               | -               | 5,600              |
| New Project                               | Northfield Sewer Improvements, Phase 4                          | 1,000           | 5,600           | 9,800           | -               | -               | 16,400             |
| New Project                               | AP155P Southwest Provisioning Bldg Lift Station                 | 87              | 870             | -               | -               | -               | 957                |
| New Project                               | AP137P Tank Farm/Swissport Lift Station                         | 87              | 780             | -               | -               | -               | 867                |
| New Project                               | AP911P ARFF Lift Station  | 110             | 920             | -               | -               | -               | 1,030              |
| New Project                               | ARFF Oil Water Separator Replacement                            | 50              | 210             | 1,420           | -               | -               | 1,680              |
| New Project                               | AP912P Ground Run-up Equipment (GRE) Lift Station               | 110             | 920             | -               | -               | -               | 1,030              |
| AA2025015                                 | Post-construction Stormwater Mitigation                         | 775             | 4,000           | -               | -               | -               | 4,775              |
| A22023015                                 | Southfield Airfield Lighting Generator Replacement and Upgrades | 2,900           | 1,300           | -               | -               | -               | 4,200              |
| New Project                               | Terminal 1 Generator in M104                                    | -               | 50              | 500             | 3,500           | 1,000           | 5,050              |
| New Project                               | Hangar 8 Fire Suppression Replacement                           | 400             | -               | -               | -               | -               | 400                |
| New Project                               | Storm Water - Pump House 7                                      | -               | 2,700           | 9,300           | -               | -               | 12,000             |
| New Project                               | Storm Water - Pump House 2                                      | -               | 800             | 800             | 2,800           | -               | 4,400              |
| New Project                               | Storm Water - Pipe W of Twy D                                   | -               | -               | 700             | -               | -               | 700                |
| New Project                               | Flood Mitigation - Alt 4 short term tidal                       | -               | -               | -               | 1,500           | 10,100          | 11,600             |
| New Project                               | Water Distribution Upgrades                                     | 900             | 6,185           | 7,440           | -               | -               | 14,525             |
| New Project                               | Scada   | -               | -               | 250             | -               | -               | 250                |
| New Project                               | Substation SS-1 Protection Relays Upgrade                       | 350             | -               | -               | -               | -               | 350                |
| New Project                               | Lift Station 5 (LS5) FedEx                                      | 45              | 300             | -               | -               | -               | 345                |
| New Project                               | Transformer Replacement   | 200             | 500             | -               | -               | -               | 700                |
| A12026013                                 | EV Bus Lot Permanent Power                                      | 1,000           | -               | -               | -               | -               | 1,000              |
| New Project                               | M103 Load Center Controller Replacement                         | 105             | -               | -               | -               | -               | 105                |
| <b>Subtotal AVIATION UTILITIES</b>        |   | <b>\$17,189</b> | <b>\$39,285</b> | <b>\$40,550</b> | <b>\$7,800</b>  | <b>\$11,100</b> | <b>\$115,924</b>   |
| <b>FACILITIES MAINTENANCE</b>             |   |                 |                 |                 |                 |                 |                    |
| New Project                               | Miscellaneous Fac Mtc Capital Purchases                         | \$500           | \$500           | \$500           | \$500           | \$500           | \$2,500            |
| <b>Subtotal FACILITIES MAINTENANCE</b>    |   | <b>\$500</b>    | <b>\$500</b>    | <b>\$500</b>    | <b>\$500</b>    | <b>\$500</b>    | <b>\$2,500</b>     |
| <b>AVIATION ADMIN</b>                     |   |                 |                 |                 |                 |                 |                    |
| Cap Equip                                 | Capital Equipment   | \$3,275         | \$3,528         | \$3,515         | \$3,580         | \$3,590         | \$17,488           |
| <b>Subtotal AVIATION ADMIN</b>            |   | <b>\$3,275</b>  | <b>\$3,528</b>  | <b>\$3,515</b>  | <b>\$3,580</b>  | <b>\$3,590</b>  | <b>\$17,488</b>    |

| Project #                                 | Project Description  | FY 2027         | FY 2028          | FY 2029         | FY 2030         | FY 2031         | FY Total 2027-2031 |
|---|--|-----------------|------------------|-----------------|-----------------|-----------------|--------------------|
| <b>MARITIME</b>                           |  |                 |                  |                 |                 |                 |                    |
| <b>MARINE TERMINALS</b>                   |  |                 |                  |                 |                 |                 |                    |
| M25005                                    | Wharf/Crane Rail/Bollard/Fender Design (CalSTA Grant)                | 5,000           | 6,700            | -               | -               | -               | 11,700             |
| M25001                                    | B33/34 Leveling Project (CalSTA Grant)                               | 24,200          | 17,600           | -               | -               | -               | 41,800             |
| New Project                               | Pile Stabilization Program   | 275             | 3,400            | -               | -               | -               | 3,675              |
| M21001                                    | Mobile Shore Power Outlets at B55 and B59                            | -               | -                | -               | -               | 6,500           | 6,500              |
| M25007                                    | Maritime/17th Street Landscaping                                     | 1,640           | 100              | 100             | -               | -               | 1,840              |
| New Project                               | B20/21 Fender System   | -               | -                | -               | -               | 175             | 175                |
| M23003                                    | B24 Backlands Redevelopment (2022 MARAD Grant)                       | 30,800          | 54,200           | -               | -               | -               | 85,000             |
| M24015                                    | Berth 22 Shore Power (Eagle Rock Development)                        | 5,800           | 7,100            | -               | -               | -               | 12,900             |
| M24001                                    | ETS Pavement   | 1,200           | -                | -               | -               | -               | 1,200              |
| M24004                                    | STE Bioswale   | 655             | 75               | -               | -               | -               | 730                |
| M24013                                    | Delamination ETS   | 5,000           | 5,000            | -               | 5,000           | -               | 15,000             |
| M24014                                    | Delamination Matson  | -               | -                | 5,000           | -               | 5,000           | 10,000             |
| New Project                               | Misc Paving  | -               | 1,000            | 1,000           | 1,000           | 1,000           | 4,000              |
| New Project                               | B24 - 26 Crane Rail/Wharf Upgrades (FY24 MARAD PIDP)                 | -               | 19,750           | 19,750          | 20,000          | -               | 59,500             |
| New Project                               | OHT- S Line Grind and pave   | 875             | -                | -               | -               | -               | 875                |
| New Project                               | OHT - NevCal Grind and pave  | 700             | -                | -               | -               | -               | 700                |
| New Project                               | Building 107 Rehab   | 250             | 1,500            | -               | -               | -               | 1,750              |
| M26007                                    | B60-B63 Bollard/Wharf Face Repairs                                   | 300             | 2,750            | -               | -               | -               | 3,050              |
| New Project                               | OHT - ABM  | 1,750           | -                | -               | -               | -               | 1,750              |
| M25011                                    | Trapac Spreaders   | 325             | -                | -               | -               | -               | 325                |
| New Project                               | X434/X435 Machine House AC Replacement                               | 150             | -                | -               | -               | -               | 150                |
| <b>Subtotal MARINE TERMINALS</b>          |  | <b>\$78,920</b> | <b>\$119,175</b> | <b>\$25,850</b> | <b>\$26,000</b> | <b>\$12,675</b> | <b>\$262,620</b>   |
| <b>SEAPORT LOGISTICS COMPLEX</b>          |  |                 |                  |                 |                 |                 |                    |
| New Project                               | Admiral Toney Way Rail Crossing                                      | 750             | -                | -               | -               | -               | 750                |
| <b>Subtotal SEAPORT LOGISTICS COMPLEX</b> |  | <b>\$750</b>    | <b>-</b>         | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>\$750</b>       |
| <b>DREDGING</b>                           |  |                 |                  |                 |                 |                 |                    |
| M26004-1                                  | Inner Harbor Turning Basins Widening (Oakland Side)                  | 1,000           | 14,600           | 27,800          | -               | -               | 43,400             |
| M26004-2                                  | Inner Harbor Turning Basins Widening (Alameda Side)                  | 4,800           | 500              | 54,250          | 75,100          | -               | 134,650            |
| M26005-3                                  | Outer Harbor Turning Basins Widening                                 | 1,000           | -                | 2,700           | -               | 43,800          | 47,500             |
| <b>Subtotal DREDGING</b>                  |  | <b>\$6,800</b>  | <b>\$15,100</b>  | <b>\$84,750</b> | <b>\$75,100</b> | <b>\$43,800</b> | <b>\$225,550</b>   |
| <b>MARITIME UTILITIES</b>                 |  |                 |                  |                 |                 |                 |                    |
| M21010-06                                 | Sewer Compliance: JITA, B59-63, Roundhouse, Schnitzer Steel, MH Road | 25              | -                | -               | -               | -               | 25                 |
| New Project                               | Fire Sprinkler System Reconstruction @B20-21                         | -               | -                | -               | -               | 250             | 250                |
| M25006                                    | General Upgrade of Vault Lids  | 2,000           | 2,000            | -               | -               | -               | 4,000              |
| M23010                                    | Trash Capture Compliance (MAR-12, MAR-17, MAR-19)                    | 300             | -                | -               | -               | -               | 300                |
| New Project                               | Trash Capture Compliance (OICT: MAR-7, MAR-8, MAR-9, MAR-10)         | 1,300           | -                | -               | 5,350           | 5,350           | 12,000             |
| New Project                               | Trash Capture Compliance (Outer Harbor: MAR-14)                      | -               | -                | 425             | 2,945           | -               | 3,370              |
| M26002                                    | Green Power Microgrid (TCEP Grant) EV Chargers (Terminal Locations)  | 23,000          | 34,600           | 4,700           | -               | -               | 62,300             |
| M26001                                    | Green Power Microgrid (TCEP Grant) EV Chargers (Harbor Facilities)   | 15,000          | 14,700           | -               | -               | -               | 29,700             |
| New Project                               | Trash Capture Compliance - Small Devices                             | 870             | 500              | -               | -               | -               | 1,370              |
| New Project                               | Power House 80/81 Stairs and Railing Code Compliance                 | 300             | 300              | -               | -               | -               | 600                |
| <b>Subtotal MARITIME UTILITIES</b>        |  | <b>\$42,795</b> | <b>\$52,100</b>  | <b>\$5,125</b>  | <b>\$8,295</b>  | <b>\$5,600</b>  | <b>\$113,915</b>   |
| <b>ROADWAY</b>                            |  |                 |                  |                 |                 |                 |                    |
| New Project                               | Rail Crossing Arm (Maritime/Middle Harbor)                           | -               | 300              | -               | -               | -               | 300                |
| <b>Subtotal ROADWAY</b>                   |  | <b>-</b>        | <b>\$300</b>     | <b>-</b>        | <b>-</b>        | <b>-</b>        | <b>\$300</b>       |
| <b>OTHER</b>                              |  |                 |                  |                 |                 |                 |                    |
| M23005                                    | MHSP Baseline Improvements (excluding Elevator and 7th St Bike Path) | -               | 500              | 5,000           | 12,600          | -               | 18,100             |
| M22003                                    | MHSP - (Elevator)  | 500             | 1,900            | -               | -               | -               | 2,400              |
| M24003                                    | MHSP - 7th Street Bikepath   | -               | 650              | 5,150           | -               | -               | 5,800              |
| <b>Subtotal OTHER</b>                     |  | <b>\$500</b>    | <b>\$3,050</b>   | <b>\$10,150</b> | <b>\$12,600</b> | <b>-</b>        | <b>\$26,300</b>    |
| <b>MARITIME ADMIN</b>                     |  |                 |                  |                 |                 |                 |                    |
| Cap Equip                                 | Capital Equipment - Maritime   | 9,032           | 1,000            | 1,000           | 1,000           | 1,100           | 13,132             |
| <b>Subtotal MARITIME ADMIN</b>            |  | <b>\$9,032</b>  | <b>\$1,000</b>   | <b>\$1,000</b>  | <b>\$1,000</b>  | <b>\$1,100</b>  | <b>\$13,132</b>    |

| Project #  | Project Description  | FY 2027         | FY 2028         | FY 2029        | FY 2030         | FY 2031         | FY Total 2027-2031 |
|--|--|-----------------|-----------------|----------------|-----------------|-----------------|--------------------|
| <b>PORT UTILITY</b>                                |  |                 |                 |                |                 |                 |                    |
| <b>ELECTRIC PROJECTS - AIRPORT SYSTEM</b>          |  |                 |                 |                |                 |                 |                    |
| New Project  | Airport Power Grid Modernization                                 | 2,000           | 4,000           | 4,000          | -               | -               | 10,000             |
| New Project  | SS-1A Upgrades   | 95              | -               | -              | -               | -               | 95                 |
| <b>Subtotal ELECTRIC PROJECTS – AIRPORT SYSTEM</b> |  | <b>\$2,095</b>  | <b>\$4,000</b>  | <b>\$4,000</b> | <b>-</b>        | <b>-</b>        | <b>\$10,095</b>    |
| <b>ELECTRIC PROJECTS - SEAPORT SYSTEM</b>          |  |                 |                 |                |                 |                 |                    |
| M20009   | 115kV Main Substation Replacement (Davis/Alpha) - Harbor         | 500             | 14,500          | 5,000          | 5,000           | 12,000          | 37,000             |
| M21009   | 115kV Main Substation Replacement (Cuthbertson/Bravo)            | 300             | 500             | 300            | 14,000          | 5,000           | 20,100             |
| M22001   | SS-R-14 Substation Replacement (14th/Maritime)                   | 7,050           | -               | -              | -               | -               | 7,050              |
| M25009   | (SS-E-1) Matson CHE Electrical Infrastructure Upgrades (CalSTA)  | 1,700           | 1,725           | -              | -               | -               | 3,425              |
| UTM26003   | SS-E-2 Upgrades (New Circuit from E-1)                           | 1,300           | 253             | -              | -               | -               | 1,553              |
| New Project  | 7th Street Circuit to Nutter/Outer Harbor from Davis/Cuthbertson | 1,200           | 5,000           | 3,800          | -               | -               | 10,000             |
| New Project  | B9/10 Electrical Dist Upgrades                                   | -               | -               | -              | -               | 175             | 175                |
| <b>Subtotal ELECTRIC PROJECTS – SEAPORT SYSTEM</b> |  | <b>\$12,050</b> | <b>\$21,978</b> | <b>\$9,100</b> | <b>\$19,000</b> | <b>\$17,175</b> | <b>\$79,303</b>    |
| <b>COMMERCIAL REAL ESTATE</b>                      |  |                 |                 |                |                 |                 |                    |
| <b>JACK LONDON SQUARE (JLS)</b>                    |  |                 |                 |                |                 |                 |                    |
| P10000001  | Tenant Improvements in JLS                                       | 500             | 1,100           | -              | -               | -               | 1,600              |
| C19002   | HVAC Equipment Upgrades/Replacement at 530 Water Str             | 150             | 120             | 125            | 125             | 125             | 645                |
| New Project  | 530 Water Chiller Replacement                                    | 1,400           | -               | -              | -               | -               | 1,400              |
| New Project  | Double Door Replacement on Each Lobby Level - 530 Water Street   | -               | 120             | -              | -               | -               | 120                |
| New Project  | 530 Water St Window Enhancement (noise mitigation)               | 25              | 250             | -              | 1,500           | -               | 1,775              |
| New Project  | Washington Street EV Chargers (full buildout)                    | 250             | -               | -              | -               | -               | 250                |
| New Project  | Boardwalk Replacement by Waterfront Hotel                        | -               | 175             | 6,500          | -               | -               | 6,675              |
| New Project  | 530 Water Street Roof Gutter Drain System Rehabilitation         | 175             | 300             | -              | -               | -               | 475                |
| New Project  | JLS concrete wharves rehab                                       | -               | 50              | 250            | -               | -               | 300                |
| New Project  | Roof Replacement - 530 Water Street                              | -               | 1,100           | -              | -               | -               | 1,100              |
| New Project  | Building Improvements - Waterfront Hotel                         | 1,000           | -               | -              | -               | -               | 1,000              |
| New Project  | 530 Water Fire Panel Replacement                                 | 306             | -               | -              | -               | -               | 306                |
| New Project  | 530 Water Elevator Modernization                                 | -               | 2,000           | -              | -               | -               | 2,000              |
| New Project  | 530 Water HVAC Controls, pneumatic to DDC                        | -               | 1,200           | -              | -               | -               | 1,200              |
| New Project  | 530 Water Boiler Replacement                                     | 250             | -               | -              | -               | -               | 250                |
| New Project  | Underground Garage Elevator Modernization                        | -               | 400             | -              | -               | -               | 400                |
| C23002   | Sanitary Sewer Rehab - JLS                                       | -               | 1,900           | -              | -               | -               | 1,900              |
| New Project  | Generator Replacement - 530 Water Street                         | 500             | -               | -              | -               | -               | 500                |
| New Project  | Generator Replacement - Washington Garage                        | -               | 90              | -              | -               | -               | 90                 |
| New Project  | Generator Replacement - Underground Garage                       | -               | 55              | -              | -               | -               | 55                 |
| New Project  | Spalling - Washington Garage                                     | 85              | -               | -              | -               | -               | 85                 |
| New Project  | Signage - Washington Garage                                      | 135             | -               | -              | -               | -               | 135                |
| New Project  | Signage - Underground Garage                                     | 35              | -               | -              | -               | -               | 35                 |
| New Project  | 530 Water - Kitchen Remodel                                      | 150             | -               | -              | -               | -               | 150                |
| <b>Subtotal JACK LONDON SQUARE</b>                 |  | <b>\$4,961</b>  | <b>\$9,360</b>  | <b>\$6,875</b> | <b>\$1,625</b>  | <b>\$125</b>    | <b>\$22,946</b>    |
| <b>EMBARCADERO COVE</b>                            |  |                 |                 |                |                 |                 |                    |
| P20066302  | Environmental Remediation / Permits Union Pt Basin Park          | 308             | -               | -              | -               | -               | 308                |
| C23002   | Sanitary Sewer Rehab - Embarcadero                               | 5,500           | -               | -              | -               | -               | 5,500              |
| New Project  | 1285-1363 Embarcadero Parking Lot Pavement Rehabilitation        | 175             | -               | -              | -               | -               | 175                |
| New Project  | Embarcadero Paving   | -               | 500             | -              | -               | -               | 500                |
| <b>Subtotal EMBARCADERO COVE</b>                   |  | <b>\$5,983</b>  | <b>\$500</b>    | <b>-</b>       | <b>-</b>        | <b>-</b>        | <b>\$6,483</b>     |
| <b>BUSINESS PARK</b>                               |  |                 |                 |                |                 |                 |                    |
| New Project  | Tenant Improvements at Business Park                             | -               | 636             | 325            | -               | -               | 961                |
| New Project  | Trash Capture Device Installation - Airport Business Park        | -               | 120             | -              | -               | -               | 120                |
| New Project  | Roof Replacement - 7727 Oakport                                  | 300             | -               | -              | -               | -               | 300                |
| C23002   | Sanitary Sewer Rehab - Airport Business Park                     | 1,700           | -               | -              | -               | -               | 1,700              |
| <b>Subtotal BUSINESS PARK</b>                      |  | <b>\$2,000</b>  | <b>\$756</b>    | <b>\$325</b>   | <b>-</b>        | <b>-</b>        | <b>\$3,081</b>     |
| <b>OTHER</b>                                       |  |                 |                 |                |                 |                 |                    |
| New Project  | Misc. Facility Replacement Projects, CRE                         | 325             | 325             | 325            | 325             | 325             | 1,625              |
| <b>Subtotal OTHER</b>                              |  | <b>\$325</b>    | <b>\$325</b>    | <b>\$325</b>   | <b>\$325</b>    | <b>\$325</b>    | <b>\$1,625</b>     |

| Project #                             | Project Description   | FY<br>2027     | FY<br>2028      | FY<br>2029      | FY<br>2030      | FY<br>2031  | FY Total<br>2027-2031 |
|---------------------------------------|---|----------------|-----------------|-----------------|-----------------|-------------|-----------------------|
| <b>SUPPORT</b>                        |   |                |                 |                 |                 |             |                       |
| <b>EQUIPMENT AND SYSTEMS</b>          |   |                |                 |                 |                 |             |                       |
| New Project                           | Telecom and Conf Room Refresh - DT and Maritime                   | 210            | -               | -               | -               | -           | 210                   |
| Cap Equip                             | JLS Access Switch Replacements                                    | -              | -               | 1,000           | -               | -           | 1,000                 |
| Cap Equip                             | JLS Wi-Fi   | -              | -               | -               | -               | -           | -                     |
| Cap Equip                             | MDR Hardware Replacement  | -              | -               | 250             | -               | -           | 250                   |
| Cap Equip                             | Cisco Smartnet Subscription                                       | -              | -               | 500             | -               | -           | 500                   |
| Cap Equip                             | HSM Replacement   | 30             | -               | -               | -               | -           | 30                    |
| SQ0002603                             | IT Infrastructure Replacement (Equipment, Design, and Consulting) | 110            | -               | -               | -               | -           | 110                   |
| Cap Equip                             | JLS & HTC Gen 10 VMware Server Replacement (9)                    | 270            | 135             | -               | -               | -           | 405                   |
| Cap Equip                             | Replacement of Commvault HSX Nodes                                | 188            | -               | -               | -               | -           | 188                   |
| Cap Equip                             | Cloud Phone System Subscription                                   | 65             | 65              | 65              | 65              | 65          | 325                   |
| New Project                           | ERP System Upgrade  | -              | 14,130          | 14,640          | 11,230          | -           | 40,000                |
| New Project                           | EPMO System   | 2,500          | -               | -               | -               | -           | 2,500                 |
| <b>Subtotal EQUIPMENT AND SYSTEMS</b> |   | <b>\$3,373</b> | <b>\$14,330</b> | <b>\$16,455</b> | <b>\$11,295</b> | <b>\$65</b> | <b>\$45,518</b>       |

**DRAFT**



# DEBT SERVICE & CASH FLOW

*Ship at Oakland International Container Terminal, Middle Harbor*

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- ❖ Debt Service
- ❖ Cash Flow and Fund Organization

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## Debt Service

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Debt service as reflected in this budget is based on the scheduled annual principal and interest payments required of the Port's outstanding bonds and projected future bonds, as well as interest and principal repayment planned for outstanding and future Commercial Paper notes (CP Notes).

### OUTSTANDING AND PLANNED DEBT

The Port does not have taxing power and has issued debt secured by a pledge of Port revenues (with certain exceptions).

#### *Outstanding Debt*

The Port currently has Senior Lien Bonds (Series R), Intermediate Lien Bonds (Series D, E, G and H), and CP Notes outstanding. The Port's Senior Lien Bonds are rated A+, A1 and A+ by Fitch, Moody's and Standard & Poor's, respectively. The Intermediate Lien Bonds are rated A, A2 and A by Fitch, Moody's and Standard & Poor's, respectively. In addition, the Port maintains a rating of A3 from Moody's and an A rating from Fitch for Bank Notes issued in connection with its CP program, however, the CP notes themselves take on the rating of the Letter of Credit (LOC) provider supporting the CP program. In this case, the ratings on the CP notes are those assigned to Bank of America N.A. (BANA), the Port's LOC provider. The ratings for these notes are F1+, P-1, and A-1 from Fitch, Moody's and Standard & Poor's, respectively. Please see below for a more detailed explanation of the Port's CP program and the LOC provider.

| <b>Outstanding Debt</b> | <b>Unaudited<br/>June 1, 2026</b> |
|-------------------------|-----------------------------------|
| Senior Lien Bonds       | \$ 230,745,000                    |
| Intermediate Lien Bonds | 164,620,000                       |
| CP Notes                | 10,193,000                        |
| <b>Total</b>            | <b>\$ 405,558,000</b>             |

The current outstanding revenue bonds (Senior Lien and Intermediate Lien) were issued in 2017, 2020, and 2021 at fixed rates ranging from 1.517% to 5.00% with remaining principal repayments scheduled for FY 2027 through FY 2033. The final principal payment for the current Intermediate Lien bonds will be made on November 1, 2029, while the final principal payment for the current Senior Lien bonds will be made on May 1, 2033. The Port currently has no California State Parks Division of Boating and Waterways (DBW) loans outstanding.

The Port initiated a \$300 million CP program in 1998 to provide flexibility to borrow funds on short notice to (1) fund a portion of the capital program, (2) provide interim financing for cash management (e.g., lags

in grant reimbursement), and (3) provide emergency funding. CP Notes may be repaid with cash, PFCs, other legally available sources or refinanced with long-term debt. The interest rate on the CP Notes is variable, resets every 1 to 270 days, and is assumed to range between 2.9% and 3.9% in FY 2027 through FY 2031. Under the CP Indenture, the maximum CP Notes interest rate allowed is 12% with a maximum term of 270 days. The Port's current commercial paper balances are expected to be fully paid off by FY 2028.

The Port has two letters of credit with BANA securing the CP Notes set to expire on December 31, 2026. One LOC facility secures \$150 million (Series ABC) in CP Notes and a second LOC facility secures \$50 million (Series DEF) in CP Notes.

The priority of payment for the Port's debt from top-to-bottom is as follows:

1. Senior Lien Bonds
2. DBW Loans
3. Intermediate Lien Bonds
4. CP Notes

### ***Planned Debt***

During the FY 2027-2031 forecast period, the Port has programmed the issuance of \$281.7 million of non-PFC eligible CP Notes to fund capital projects in the Maritime, Aviation, CRE and Port Utility divisions. It is anticipated that these short-term Notes will be refunded with the issuance of long-term revenue bonds starting FY 2028.

From FY 2028 through FY 2031, the Port plans to issue long-term Intermediate Lien bonds to refinance \$37.0 million, \$94.5 million, \$88.1 million and \$62.1 million of CP Notes, respectively. This will result in approximately \$328.0 million in new long-term bonds being issued by the Port during this time. Beyond the 5-year planning horizon, the Port anticipates issuing an additional \$31.4 million in long-term bonds between FY 2032 and FY 2034.

Additionally, the Port assumes that capitalized interest funds may be established in connection with future bond issuances to pay capitalized bond interest expenses in the amount of \$0.9 million, \$4.8 million, \$10.5 million, \$1.6 million, and \$0.3 million in FY 2028 – FY 2032, respectively.

The actual amount of CP notes issued will depend on the capital expenditures incurred by the Port and the cross-section of fund sources available to defray these expenditures. Actual timing and amount of CP Notes refinanced with long-term revenue bonds may vary from current projections. The amount of capitalized interest may be adjusted from that currently planned. Finally, the creditworthiness of the Port or the general interest rate environment could change from that assumed, which could materially impact the costs of borrowing and the Port's debt service payment schedule.

### ***Repayment of Outstanding CP Notes***

As of June 1, 2026, approximately \$7.9 million of the Port's outstanding CP Notes is non-PFC eligible, meaning PFCs cannot be used to pay principal and interest on these non-PFC eligible CP Notes. Going forward, the Port plans to make annual principal repayments of \$2.7 million and \$5.2 million in FY 2027 and 2028, respectively, as part of an overall plan to pay down its outstanding non-PFC eligible CP Notes Balance.

As of June 1, 2026, \$2.3 million of the Port's outstanding CP Notes is PFC-eligible and is expected to be redeemed from PFC revenues. During the FY 2027 – FY 2031 forecast period, the Port does not anticipate the issuance of new PFC-eligible CP Notes to fund PFC-eligible capital costs. Absent any new issuances of PFC-eligible CP Notes, it is anticipated that the current outstanding balance of PFC-eligible CP Notes will be fully repaid by the end of FY 2028.

## DEBT COVENANTS

The Port has covenanted in the Bond Indentures and in the LOC Agreements to maintain Net Revenues (as defined in the Bond Indentures) at or above specified multiples of the annual debt service paid by the Port in each fiscal year. The minimum debt service coverage ratio (DSCR) for Senior Lien Bonds is 1.25x and the minimum DSCR for the Intermediate Lien Bonds is 1.10x. Under the LOC Agreements, the Port has also agreed to maintain a minimum Intermediate Lien DSCR of 1.10x.

## DEBT SERVICE COVERAGE RATIOS

The Senior Lien, Intermediate Lien, and Aggregate DSCRs are shown in the Debt Service Coverage Table that is presented as the first exhibit. The Intermediate Lien DSCR includes debt service on Senior Lien Bonds and Intermediate Lien Bonds that are to be paid with net operating revenues. The Aggregate DSCR includes debt service on Senior Lien Bonds, Intermediate Lien Bonds, and CP Notes that are to be repaid with net operating revenues, including the Port's plan to make annual principal payments on CP Notes (non-PFC eligible) in FY 2027 and FY 2028. The Aggregate DSCR does not include debt service on CP Notes anticipated to be repaid with PFCs. Also excluded from the DSCR calculation are operating expenses and debt service paid from non-operating revenues including grants and capitalized interest (CAPI) funds.

## DEBT SERVICE

Three exhibits are provided to illustrate how the Port intends to service its debt obligations over the forecasted period FY 2027 – FY 2031.

The first exhibit provided is the Debt Service Coverage table which shows the extent to which the Port's projected net revenues will be able to service its debt as captured in the three Debt Service Coverage Ratios shown. The key parameters used to derive the Port's three DSCR's are presented, including forecasted annual bond and commercial paper debt service payments and net revenues available to pay the debt service. In accordance with applicable Bond Indenture terms, the debt service is adjusted to exclude debt service paid with PFCs, grants, and capitalized interest funds and the net revenues are defined as operating revenues less operating expenses (excluding depreciation and grant-funded operating expenses).

As seen in the table, aggregate debt service steps up in FY 2027 and FY 2028, driven by the Port's repayment of outstanding CP Notes and interest due on new CP Note issuances in those years. New CP Notes are planned to be issued to fund on an interim basis a portion of the Port's future capital improvement plan and long-term bonds are in turn slated to be issued to refinance the new CP Notes from FY 2028 through FY 2034. In FY 2028, the Port will begin making debt service payments on these newly-issued bonds which will cause aggregate debt service to increase. In FY 2031, aggregate debt service will significantly step down after the Port's existing Intermediate Lien Bonds mature on November 1, 2029 (FY 2030). However, increases in other components of the Port's debt service will offset some of this decrease. First, the debt service for the future long-term bonds will step up in FY 2031 as the Port begins making principal payments on these bonds and the portion of interest expense paid from the

capitalized interest fund steps down. Secondly, in FY 2031, the Port's existing Senior Lien bonds will require a principal payment that is substantially higher than in the immediately preceding and following years.

The second exhibit presented is the Debt Service Schedule. This table summarizes bond debt service through FY 2031 by bond series. In addition, commercial paper debt service is broken out into amounts paid from passenger facility charges and amounts paid using Port funds. The debt service amounts shown in this table are significantly higher than those reported in the Debt Service Coverage table because this table shows debt service on a gross basis before subtracting debt service paid from capitalized interest, grants, and PFCs.

The final exhibit presented is the Bond Debt Service Profile chart. This chart summarizes the Port's debt service net of capitalized interest through FY 2036. Debt service payments from future bond issuances extending beyond FY 2036 are not shown.

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## DEBT SERVICE COVERAGE

FY 2024-25 TO FY 2030-31

(\$ THOUSANDS)

|   | Actual<br>2024-25 | Budget<br>2025-26 | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|---|-------------------|-------------------|-------------------|----------------------|----------------------|----------------------|----------------------|
| Operating Revenues                              | \$428,772         | \$417,349         | \$405,369         | \$417,931            | \$438,090            | \$455,448            | \$473,478            |
| Operating Expenses <sup>1</sup>                 | (289,435)         | (298,067)         | (290,608)         | (296,794)            | (303,773)            | (308,876)            | (315,593)            |
| Interest Earned <sup>2</sup>                    | 67,713            | 35,692            | 43,156            | 43,617               | 38,653               | 34,033               | 33,999               |
| <b>Net Revenues</b>                             | <b>207,050</b>    | <b>154,974</b>    | 157,917           | 164,754              | 172,970              | 180,605              | 191,884              |
| <u>Debt Service<sup>3</sup></u>                 |                   |                   |                   |                      |                      |                      |                      |
| Debt Service – Senior Lien Bonds                | 24,231            | 27,489            | 28,560            | 38,040               | 37,470               | 38,080               | 56,896               |
| Debt Service – Senior & Intermediate Lien Bonds | 78,165            | 77,630            | 81,295            | 81,472               | 82,289               | 83,035               | 73,309               |
| Debt Service – Aggregate <sup>4</sup>           | 83,828            | 83,083            | 84,527            | 87,277               | 83,753               | 84,445               | 74,334               |
| <u>Debt Service Coverage Ratio</u>              |                   |                   |                   |                      |                      |                      |                      |
| Senior Lien <sup>5</sup>                        | 8.54              | 5.64              | 5.53              | 4.33                 | 4.62                 | 4.74                 | 3.37                 |
| Intermediate Lien <sup>6</sup>                  | 2.65              | 2.00              | 1.94              | 2.02                 | 2.10                 | 2.18                 | 2.62                 |
| Aggregate <sup>7</sup>                          | 2.47              | 1.87              | 1.87              | 1.89                 | 2.07                 | 2.14                 | 2.58                 |

<sup>1</sup> Excludes depreciation and amortization, as well as expenses reimbursed with federal and State grants.

<sup>2</sup> Interest Earned is interest income in accordance with generally accepted accounting principles and does not include the interest earned on PFC and CFC funds.

<sup>3</sup> The amounts listed do not include debt service paid from PFCs, capitalized interest, or reimbursed with federal and State grants. This is because debt services paid from these sources are excluded from DSCR calculations pursuant to terms outlined in the Port's bond indentures. See Debt Service Schedule table on the succeeding page for debt service payment amounts before the application of other debt proceeds or other grant funds. Includes debt service on future bond and CP Note issuances which are subject to change.

<sup>4</sup> Includes planned principal payments on outstanding CP Notes of \$2.7 million and \$5.2 million in FY 2027 and 2028, respectively, as part of an overall plan to repay the existing CP Notes down. It excludes principal and interest payments made with PFC funds.

<sup>5</sup> Senior Lien DSCR equals Net Revenues divided by Debt Service – Senior Lien Bond.

<sup>6</sup> Intermediate Lien DSCR equals Net Revenues divided by Debt Service -- Senior & Intermediate Lien Bonds.

<sup>7</sup> Aggregate DSCR equals Net Revenues divided by Debt Service – Aggregate.

## DEBT SERVICE SCHEDULE FY 2026-27 TO FY 2030-31 (\$THOUSANDS)<sup>1</sup>

| Description                                 | FY 2026-27    |                       |               | FY 2027-28    |                       |               | FY 2028-29    |                       |               | FY 2029-30    |                       |               | FY 2030-31    |                       |               |
|---|---------------|-----------------------|---------------|---------------|-----------------------|---------------|---------------|-----------------------|---------------|---------------|-----------------------|---------------|---------------|-----------------------|---------------|
|   | Principal     | Interest <sup>2</sup> | Total         | Principal     | Interest <sup>2</sup> | Total         | Principal     | Interest <sup>2</sup> | Total         | Principal     | Interest <sup>2</sup> | Total         | Principal     | Interest <sup>2</sup> | Total         |
| <u>Senior Lien Revenue Bonds</u>            |               |                       |               |               |                       |               |               |                       |               |               |                       |               |               |                       |               |
| 2020 Refunding Bonds Series R               | \$23,720      | \$4,840               | \$28,560      | \$33,595      | \$4,445               | \$38,040      | \$33,680      | \$3,790               | \$37,470      | \$34,980      | \$3,100               | \$38,080      | \$54,530      | \$2,366               | \$56,896      |
| <b>Subtotal Sr. Lien Rev. Bonds</b>         | <b>23,720</b> | <b>4,840</b>          | <b>28,560</b> | <b>33,595</b> | <b>4,445</b>          | <b>38,040</b> | <b>33,680</b> | <b>3,790</b>          | <b>37,470</b> | <b>34,980</b> | <b>3,100</b>          | <b>38,080</b> | <b>54,530</b> | <b>2,366</b>          | <b>56,896</b> |
| <u>Intermediate Lien Revenue Bonds</u>      |               |                       |               |               |                       |               |               |                       |               |               |                       |               |               |                       |               |
| 2017 Refunding Bonds Series D               | 6,085         | 1,553                 | 7,638         | 8,895         | 1,178                 | 10,073        | 9,460         | 719                   | 10,179        | 9,655         | 241                   | 9,896         | -             | -                     | -             |
| 2017 Refunding Bonds Series E               | 15,715        | 985                   | 16,700        | 3,740         | 498                   | 4,238         | 4,075         | 303                   | 4,378         | 4,020         | 101                   | 4,121         | -             | -                     | -             |
| 2017 Refunding Bonds Series G               | 2,550         | 354                   | 2,904         | 3,075         | 265                   | 3,340         | 3,290         | 162                   | 3,452         | 3,285         | 54                    | 3,339         | -             | -                     | -             |
| 2021 Refunding Bonds Series H               | 20,955        | 4,539                 | 25,494        | 21,795        | 3,491                 | 25,286        | 23,100        | 2,401                 | 25,501        | 24,925        | 623                   | 25,548        | -             | -                     | -             |
| Future Bonds                                | -             | -                     | -             | -             | 1,360                 | 1,360         | -             | 6,131                 | 6,131         | -             | 12,516                | 12,516        | 449           | 17,584                | 18,033        |
| <b>Subtotal Int. Lien Rev. Bonds</b>        | <b>45,305</b> | <b>7,430</b>          | <b>52,735</b> | <b>37,505</b> | <b>6,792</b>          | <b>44,297</b> | <b>39,925</b> | <b>9,717</b>          | <b>49,642</b> | <b>41,885</b> | <b>13,535</b>         | <b>55,420</b> | <b>449</b>    | <b>17,584</b>         | <b>18,033</b> |
| <b>Total Sr. &amp; Int. Lien Rev. Bonds</b> | <b>69,025</b> | <b>12,270</b>         | <b>81,295</b> | <b>71,100</b> | <b>11,237</b>         | <b>82,337</b> | <b>73,605</b> | <b>13,506</b>         | <b>87,111</b> | <b>76,865</b> | <b>16,635</b>         | <b>93,500</b> | <b>54,979</b> | <b>19,949</b>         | <b>74,929</b> |
| Commercial Paper (Non-PFC) <sup>3</sup>     | 2,658         | 574                   | 3,232         | 5,193         | 612                   | 5,805         | -             | 1,464                 | 1,464         | -             | 1,410                 | 1,410         | -             | 1,025                 | 1,025         |
| <b>Total including CP Notes (Non-PFC)</b>   | <b>71,683</b> | <b>12,844</b>         | <b>84,527</b> | <b>76,293</b> | <b>11,848</b>         | <b>88,141</b> | <b>73,605</b> | <b>14,971</b>         | <b>88,576</b> | <b>76,865</b> | <b>18,044</b>         | <b>94,909</b> | <b>54,979</b> | <b>20,974</b>         | <b>75,953</b> |
| Commercial Paper (PFC) <sup>3,4</sup>       | 0             | 91                    | 91            | 2,342         | 34                    | 2,376         | -             | -                     | -             | -             | -                     | -             | -             | -                     | -             |

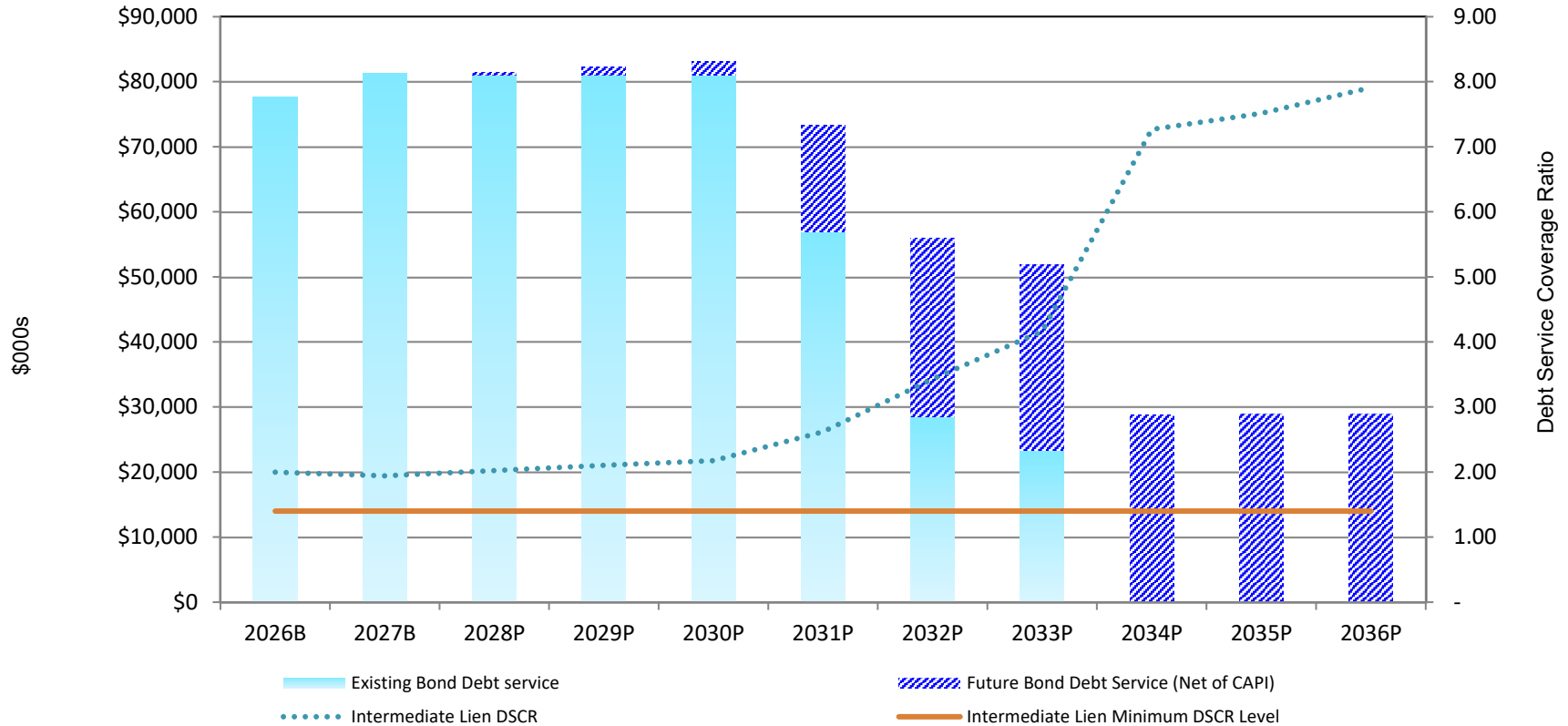
<sup>1</sup> Summary amounts may not total due to rounding.

<sup>2</sup> Interest shown on this table is on a cash basis.

<sup>3</sup> The Port plans to make principal payments on outstanding non-PFC CP Notes of \$2.7 million and \$5.2 million in FY 2027 and FY 2028, respectively. The Port plans to make principal payments on outstanding PFC CP Notes of \$2.3 million in FY 2028. The interest rate on CP Notes is assumed to range between 2.9% - 3.9% in FY 2027 - FY 2031.

<sup>4</sup> Reflects CP Notes payable from PFCs. Preliminary, subject to change based on amount of PFCs available prior to redemption.

## BOND DEBT SERVICE PROFILE FY 2025-26 TO FY 2035-36 (\$ THOUSANDS)



- ❑ Debt Service Coverage Ratio (DSCR) measures the Port's ability to make debt service payments after accounting for day-to-day operating expenses and the Port's resiliency to weather downturns in the economy and the Port's lines of business. DSCR is calculated as net annual revenues divided by the sum of Senior Lien, DBW Loans, and Intermediate Lien annual debt service (excluding repayments of outstanding CP Notes, as well as debt service to be paid from draws on any future CAPI funds). Net revenues are defined as operating revenues less operating expenses (excluding depreciation and grant-funded operating expenses).
- ❑ The above profile shows debt service net of capitalized interest through FY 2036. Debt service from future bond issues will extend beyond FY 2036.
- ❑ The above profile assumes \$328.0 million in new Intermediate Lien bonds issued between FY 2028 and FY 2031 and an additional \$31.4 million issued between FY 2032 and FY 2034, with \$18.0 million in interest expense paid from a capitalized interest fund from FY 2028 – FY 2032.

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## Cash Flow and Fund Organization

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### FUND ORGANIZATION AND FLOW OF FUNDS

The Port is a fiscally independent, legally separate component unit of the City of Oakland established in 1927, and its financial reporting is shown discretely as a single enterprise fund in the City of Oakland’s government-wide financial statements. The Port is required by City charter to deposit all income and revenue from operations of the Port or from Port facilities in a special fund in the City Treasury and to be designated as the “Port Revenue Fund.” The City is in turn responsible for investing and managing such funds. Deposits in the Port Revenue Fund are to be applied as follows:

1. To pay principal and interest on any or all general obligation bonds of the City issued for Port purposes (no general obligation bonds are outstanding);
2. To pay the principal and interest on revenue bonds;
3. To pay all costs of maintenance and operation of the facilities together with general costs of administration and overhead allocable to such facilities;
4. To defray the expenses of any pension or retirement system applicable to the employees;
5. For necessary additions, betterments, improvements, repairs or replacements of any facilities;
6. To establish and maintain reserve or other funds to ensure the payment on or before maturing of any or all general obligation bonds of the City issued for any facility under the control of the Board. To establish and maintain reserve or other funds to insure the payment on or before maturity of any or all revenue bonds;
7. To establish and maintain such other reserve funds pertaining to the facilities of the Board as determined by a resolution(s) of the Board; and
8. For transfer to the General Fund to the City, to the extent that the Board determines that surplus moneys exist in such fund which is not then needed for any of the above purposes.

### BOARD ESTABLISHED CASH RESERVES

The following reserves will be established as of July 1, 2026:

| <b>Board Reserves</b> |                     |
|-----------------------|---------------------|
| Port Bond Reserve     | \$30,000,000        |
| Operating Reserve     | 36,568,000          |
| Capital Reserve       | 15,000,000          |
| <b>Total</b>          | <b>\$81,568,000</b> |

The Board established Reserve Funds are to be used as follows:

- Bond Reserve Fund – Fixed at \$30.0 million. Amounts may be withdrawn from the reserve fund for the following purposes:
  - to pay principal of, and interest on, indebtedness of the Port in the event that reserve funds established under the various indentures relating to such indebtedness and revenues of the Port are insufficient to pay such principal or interest then due and owing by the Port; or
  - to pay for emergency capital expenditures or extraordinary operating and maintenance expenditures of the Port.
- Operating Reserve Fund – Adjusted each July 1 to equal 12.5% of the Port’s approved annual operating expense budget (before depreciation and amortization). The Port may withdraw funds for unanticipated working capital requirements.
- Capital Reserve Fund – Fixed at \$15.0 million. The reserve may be used for the following purposes:
  - to pay principal of, and interest on, indebtedness of the Port in the event that reserve funds established under the various indentures relating to such indebtedness and revenues of the Port are insufficient to pay such principal or interest then due and owing by the Port; or
  - to pay for extraordinary capital improvements or extraordinary operating and maintenance expenditures of the Port.

## UNRESTRICTED CASH

Unrestricted cash refers to available cash and cash equivalents that are not subject to legal or contractual restrictions on their use. These funds are available to support the Port’s general operations, address unexpected financial needs, pay debt service, or invest in strategic initiatives at the discretion of the Board of Port Commissioners or Port management. While unrestricted in nature, these funds are internally designated for specific purposes to promote fiscal discipline and financial planning. The Port’s unrestricted cash is allocated into the following internal funds:

- Debt Service Fund – Used to capture regular monthly se-aside deposits in advance of scheduled principal and interest payments on outstanding debt obligations;
- Self-Insurance Fund – Reserved to cover anticipated liabilities such as worker’s compensation claims, employee health benefits and other self-insured risks;
- Working Capital Fund – Maintained to support the Port’s day-to-day operating needs and obligations, including pension contributions, other post-employment benefits (OPEB), environmental compliance, and general operations; and
- Capital Investment Fund – Set aside to finance current and future capital improvement projects.

## RESTRICTED CASH

Restricted cash are deposits whose use is designated for a specific purpose by federal or State legislation, bond indenture, or legal contract, and cannot be used for any other purpose. The Port's restricted cash including internally-designated restricted cash are as follows:

- Bond Reserve/Rebate Funds – As stated in the indentures, bond reserve funds are established and held by the bond trustee to pay debt service if the Port has insufficient funds. Rebate funds are held by the bond trustee under the indentures to hold rebate payments to be made to the U.S. Treasury;
- Bond Construction Funds – Funds received from bond proceeds to pay for qualifying capital improvement costs;
- Passenger Facility Charge – A user fee charged by OAK and collected by the airlines for revenue passengers enplaning air carrier flights. The FAA approves the PFCs which are used to fund eligible Airport capital improvements;
- Customer Facility Charge – A daily fee (subject to a cap) charged by rental car companies on behalf of OAK. CFCs are used to fund ground transportation (including buses and shuttle services) and construction related to rental car facilities;
- Construction Escrows – A portion of the amount due to a contractor that is set aside in a construction escrow account until the project has been signed off and placed into service;
- Low Carbon Fuel Standard – A program implemented by the California Air Resources Board (CARB) to decrease GHG emissions in the transportation sector. Program participants can generate credits by implementing projects to achieve this goal. Revenue from the credits may only be applied to fund additional GHG reduction efforts;
- Public Benefits Programs – Per Assembly Bill (AB) 1890, the Port is required to collect and spend 2.85% of its electricity sales on cost effective energy efficiency, new renewable generation, low-income energy programs, and new electric technologies research and development. The spending of this program will be processed on a first come first serve basis for projects that meet program requirements and amounts are within available funds; and
- California Cap-and-Invest (Formerly Cap-and-Trade) Program – Another program implemented by CARB, AB 1207 / Senate Bill (SB) 840 sets a total permissible level of emissions in the State (i.e, the “cap”), and issues cost-free allowances to businesses which are required to adhere to the “capped” level of emissions. Because the Port does not have any electricity generation facilities nor directly imports electricity from outside the State, the Port does not have any direct compliance costs associated with Cap-and-Invest. However, the Port does incur indirect compliance costs with a portion of its electric rates paid to electricity grid providers. This is because electricity providers typically embed into their rates their compliance costs for Cap-and-Invest. The California Air Resources Board, who manages the Cap-and-Invest program, compensates the Port for these indirect compliance costs by granting the Port emission allowances that can in turn be sold by the Port to greenhouse gas emitters. Revenues derived from the sale of emission allowances are restricted to spending on projects that further reduce greenhouse gas emissions. These Cap-and-Invest eligible projects typically focus on renewable energy, infrastructure for transportation electrification, fuel switching or fuel substitution, or reductions in the use of sulfur hexafluoride, a greenhouse gas.

## STATEMENT OF CASH FLOWS

FY 2026-27 to FY 2030-31  
(\$ Thousands)

|   | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|---|-------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund <sup>1</sup>                       | 606,142           | 545,240              | 417,653              | 372,020              | 341,000              |
| Port Bond Reserve Fund                          | 30,000            | 30,000               | 30,000               | 30,000               | 30,000               |
| Operating Reserve Fund                          | 36,568            | 37,248               | 37,972               | 38,609               | 39,449               |
| Capital Reserve Fund                            | 15,000            | 15,000               | 15,000               | 15,000               | 15,000               |
| Beginning Balance                               | 687,711           | 627,488              | 500,625              | 455,629              | 425,449              |
| <b>Sources</b>                                  |                   |                      |                      |                      |                      |
| Operating Revenues <sup>2</sup>                 | 429,789           | 445,308              | 464,227              | 479,794              | 494,711              |
| PFCs for Debt Service and Fees <sup>3</sup>     | 102               | 2,387                | -                    | -                    | -                    |
| Interest Income <sup>4</sup>                    | 17,927            | 22,532               | 20,996               | 19,689               | 22,675               |
| Trsfr In LCFS <sup>5</sup>                      | 2,576             | 2,735                | -                    | -                    | -                    |
| Other <sup>6</sup>                              | 183,480           | 176,079              | 50,907               | 17,983               | 5,531                |
| Total Receipts                                  | 633,873           | 649,041              | 536,130              | 517,466              | 522,916              |
| AIP, PFC Pay-Go, CFC, Other Grants <sup>7</sup> | 182,137           | 143,662              | 63,216               | 51,001               | 41,084               |
| Debt Proceeds <sup>8</sup>                      | 8,200             | 28,786               | 94,457               | 88,100               | 62,114               |
| Debt Proceeds (PFC-Supported) <sup>8</sup>      | -                 | -                    | -                    | -                    | -                    |
| Total Capital and Financing Proceeds            | 190,337           | 172,447              | 157,673              | 139,101              | 103,198              |
| <b>TOTAL SOURCES</b>                            | <b>824,210</b>    | <b>821,488</b>       | <b>693,803</b>       | <b>656,567</b>       | <b>626,114</b>       |
| <b>Uses</b>                                     |                   |                      |                      |                      |                      |
| Operating Expenses                              | (290,921)         | (296,940)            | (303,317)            | (309,004)            | (316,333)            |
| Bond and DBW Debt Service                       |                   |                      |                      |                      |                      |
| Principal                                       | (69,025)          | (71,100)             | (73,605)             | (76,865)             | (54,979)             |
| Interest <sup>9</sup>                           | (12,270)          | (10,372)             | (8,684)              | (6,170)              | (18,330)             |
| Total Bond Debt Service                         | (81,295)          | (81,472)             | (82,289)             | (83,035)             | (73,309)             |
| CP Notes  |                   |                      |                      |                      |                      |
| Principal <sup>10</sup>                         | (2,658)           | (7,535)              | -                    | -                    | -                    |
| Interest <sup>11</sup>                          | (665)             | (646)                | (1,464)              | (1,410)              | (1,025)              |
| Total CP Notes Payments                         | (3,323)           | (8,181)              | (1,464)              | (1,410)              | (1,025)              |
| Capital Expenses <sup>12</sup>                  | (316,358)         | (382,654)            | (295,702)            | (267,655)            | (188,217)            |
| Trsfr Out (LCFS)                                | (936)             | (1,094)              | (2,032)              | (3,948)              | (4,150)              |
| Other Payments <sup>13</sup>                    | (191,601)         | (178,011)            | (53,994)             | (21,697)             | (8,582)              |
| <b>TOTAL USES</b>                               | <b>(884,433)</b>  | <b>(948,351)</b>     | <b>(738,799)</b>     | <b>(686,748)</b>     | <b>(591,616)</b>     |
| <b>Net Cash Flow (Sources less Uses)</b>        | <b>(60,223)</b>   | <b>(126,863)</b>     | <b>(44,996)</b>      | <b>(30,180)</b>      | <b>34,498</b>        |
| <b>Ending Balance</b>                           | <b>627,488</b>    | <b>500,625</b>       | <b>455,629</b>       | <b>425,449</b>       | <b>459,947</b>       |

Notes to Statement of Cash Flows:

- 1 Beginning General Fund balance for FY 2027 is an estimate. General Fund balances in subsequent years are projected.
- 2 Excludes non-cash accounting entries for GASB 87.
- 3 PFCs anticipated to be used to pay for debt service related to PFC-eligible CP Notes.
- 4 Excludes non-cash accounting entries (e.g. GASB 87) and interest accrual. Also excludes interest income on PFC and CFC fund balances. Assumes interest rates of 2.40%, 3.50%, 3.80%, 3.80%, 4.30% in FY 2027 through FY 2031, respectively.
- 5 This line item, transferring in Low Carbon Fuel Standard cash balances, may fund either operating or capital costs.
- 6 Includes net gain on sales of assets, other non-operating income and releases from bond reserves.
- 7 The Port has not yet obtained grant funding for all capital projects described, some of which may not be ultimately implemented by the Port. Ability to use PFC to fund eligible capital projects is pending FAA approval of new PFC application.
- 8 Assumes that the Port's CP program will be utilized.
- 9 Excludes debt service paid from capitalized interest. Includes debt service from future long-term bond issuances to takeout CP Notes issued to finance on an interim basis portions of the CIP.
- 10 Includes principal repayments of outstanding and future CP Notes of \$2.7 million and \$7.5 million in FY 2027 and FY 2028, respectively, including anticipated repayment of PFC-eligible CP Notes, based on 5-Year CIP and PFC revenue projections. See Capital Budget and 5-Year Capital Improvement section.
- 11 Assumes interest rates of 3.90%, 2.90%, 3.10%, 3.20%, 3.30% in FY 2027 through FY 2031, respectively, and CP Notes balance at end of FY 2027 of \$15.7 million and \$0 at the end of subsequent fiscal years due to annual refinancing with long-term bonds. Interest expense is estimated based on the following assumptions: future CP Note issuances occur at the beginning of the fiscal year and future refinancing with long-term bonds occurs six months into the fiscal year.
- 12 Based on the Port's 5-Year CIP. See Capital Budget and 5-Year Capital Improvement Plan section.
- 13 Includes LOC fees, certain non-operating costs, City payments and deferred prior year maintenance.

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## STATEMENT OF CASH FLOWS - RESTRICTED FY 2026-27 to FY 2030-31 (\$ Thousands)

|  | Budget<br>2026-27 | Projected<br>2027-28 | Projected<br>2028-29 | Projected<br>2029-30 | Projected<br>2030-31 |
|--|-------------------|----------------------|----------------------|----------------------|----------------------|
| Bond Reserve Funds                                   | 42,703            | 44,098               | 53,502               | 61,250               | 60,265               |
| Bond Construction Funds                              | -                 | -                    | -                    | -                    | -                    |
| Passenger Facility Charge                            | 71,046            | 51,286               | 39,575               | 25,293               | 24,715               |
| Customer Facility Charge                             | 1,151             | 1,783                | 2,168                | 2,464                | 2,658                |
| AB1890   | 6,629             | 7,507                | 8,555                | 9,735                | 11,045               |
| Cap & Invest (formerly Cap & Trade)                  | 6,500             | 6,608                | 6,792                | 7,002                | 7,220                |
| Construction Escrows                                 | 677               | 677                  | 677                  | 677                  | 677                  |
| Low Carbon Fuel Standard                             | 5,735             | 3,240                | 601                  | 1,536                | 4,306                |
| Beginning Balance                                    | \$134,441         | \$115,199            | \$111,870            | \$107,958            | \$110,886            |
| <b>Passenger Facility Charge (PFC)</b>               |                   |                      |                      |                      |                      |
| Beginning Balance <sup>1</sup>                       | 71,046            | 51,286               | 39,575               | 25,293               | 24,715               |
| PFC Revenues   | 13,855            | 15,013               | 15,504               | 16,010               | 16,529               |
| PFC Interest Income <sup>2</sup>                     | 1,202             | 1,339                | 926                  | 905                  | 1,146                |
| PFC-Eligible Debt Proceeds <sup>3</sup>              | -                 | -                    | -                    | -                    | -                    |
| Less: Interest on PFC-Eligible CP Notes <sup>4</sup> | (91)              | (34)                 | -                    | -                    | -                    |
| Less: PFC-Eligible CP Fees                           | (11)              | (11)                 | -                    | -                    | -                    |
| Less: PFC Capital Expenditures <sup>3</sup>          | (34,716)          | (25,675)             | (30,712)             | (17,493)             | (14,586)             |
| Less: Repayment of PFC-Eligible CP Notes             | (0)               | (2,342)              | -                    | -                    | -                    |
| Ending Balance                                       | \$51,286          | \$39,575             | \$25,293             | \$24,715             | \$27,804             |
| <b>Customer Facility Charge (CFC)</b>                |                   |                      |                      |                      |                      |
| Beginning Balance <sup>1</sup>                       | 1,151             | 1,783                | 2,168                | 2,464                | 2,658                |
| CFC Revenues   | 6,093             | 6,030                | 6,150                | 6,273                | 6,399                |
| CFC Interest Income <sup>2</sup>                     | 28                | 62                   | 82                   | 94                   | 114                  |
| Less: CFC Capital Expenditures <sup>3</sup>          | -                 | -                    | -                    | -                    | -                    |
| Less: CFC Expenditures                               | (5,488)           | (5,708)              | (5,936)              | (6,174)              | (6,399)              |
| Ending Balance                                       | \$1,783           | \$2,168              | \$2,464              | \$2,658              | \$2,772              |
| <b>AB1890</b>  |                   |                      |                      |                      |                      |
| Beginning Balance <sup>1</sup>                       | 6,629             | 7,484                | 8,481                | 9,578                | 10,756               |
| AB1890 Revenues                                      | 778               | 817                  | 857                  | 896                  | 936                  |
| AB1890 Interest Income <sup>2</sup>                  | 159               | 262                  | 322                  | 364                  | 462                  |
| Less: AB1890 Capital Expenditures <sup>3</sup>       | -                 | -                    | -                    | -                    | -                    |
| Less: AB1890 Expenditures                            | (82)              | (82)                 | (82)                 | (82)                 | (82)                 |
| Ending Balance                                       | \$7,484           | \$8,481              | \$9,578              | \$10,756             | \$12,072             |
| <b>Cap &amp; Invest (formerly Cap &amp; Trade)</b>   |                   |                      |                      |                      |                      |
| Beginning Balance <sup>1</sup>                       | 6,500             | 6,608                | 6,792                | 7,002                | 7,220                |
| Cap & Invest Revenues                                | 420               | 420                  | 420                  | 420                  | 420                  |
| Cap & Invest Interest Income <sup>2</sup>            | 156               | 231                  | 258                  | 266                  | 310                  |
| Less: Cap & Invest Capital Expenditures <sup>3</sup> | -                 | -                    | -                    | -                    | -                    |
| Less: Cap & Invest Expenditures                      | (468)             | (468)                | (468)                | (468)                | (468)                |
| Ending Balance                                       | \$6,608           | \$6,792              | \$7,002              | \$7,220              | \$7,482              |
| <b>Low Carbon Fuel Standard (LCFS)</b>               |                   |                      |                      |                      |                      |
| Beginning Balance <sup>1</sup>                       | 5,735             | 3,240                | 601                  | 1,536                | 4,306                |
| LCFS Revenues  | 3,167             | 6,348                | 2,412                | 2,712                | 2,648                |
| LCFS Interest Income <sup>2</sup>                    | 138               | 113                  | 23                   | 58                   | 185                  |
| Less: LCFS Capital Expenditures <sup>3</sup>         | (5,800)           | (9,100)              | (1,500)              | -                    | -                    |
| Less: LCFS Expenditures                              | -                 | -                    | -                    | -                    | -                    |
| Ending Balance                                       | \$3,240           | \$601                | \$1,536              | \$4,306              | \$7,140              |

Notes to Statement of Cash Flows - Restricted:

- 1 Beginning fund balances for FY 2027 are estimates; subsequent years are projected.
- 2 Assumes interest rates of 2.40%, 3.50%, 3.80%, 3.80%, 4.30% in FY 2027 through FY 2031, respectively.
- 3 Based on the Port's 5-year CIP. See Capital Budget and 5-Year Capital Improvement Plan section.
- 4 Assumes interest rates of 3.90%, 2.90%, 3.10%, 3.20%, 3.30% in FY 2027 through FY 2031, respectively.

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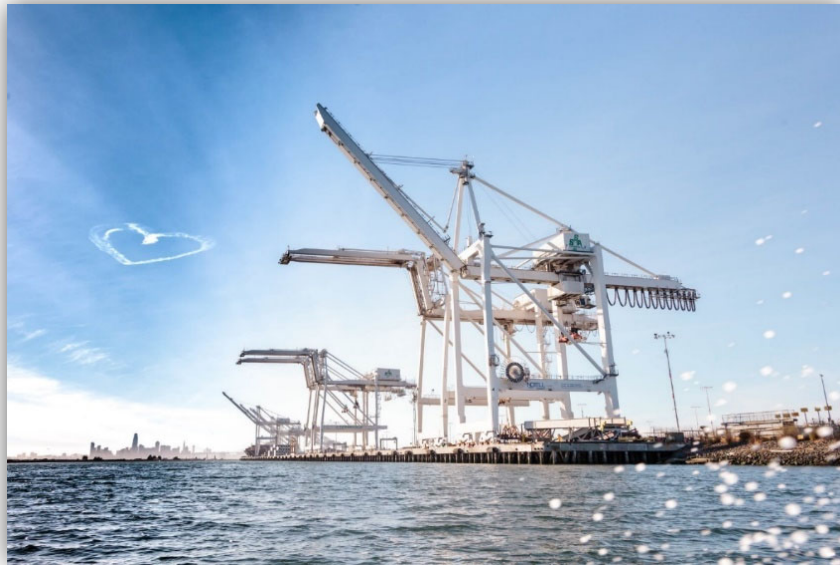


# GLOSSARY

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- ❖ Acronyms
- ❖ Definitions



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## Acronyms

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|         |   |
|---------|---|
| ACA     | Airport Carbon Accreditation                  |
| ACFR    | Annual Comprehensive Financial Report         |
| AHU     | Air Handling Unit                             |
| AIG     | Airport Infrastructure Grant                  |
| AIP     | Airport Improvement Program                   |
| APD     | Airport Perimeter Dike                        |
| ARFF    | Aircraft Rescue and Fire Fighting             |
| ACSO    | Alameda County Sheriff Office                 |
| ATP     | Airport Terminal Program                      |
| BNSF    | Burlington Northern-Santa Fe Railway Company  |
| CAEUA   | Common Area Electric Utility Assessment       |
| CalPERS | California Public Employees Retirement System |
| CalSTA  | California State Transportation Authority     |
| CARB    | California Air Resource Board                 |
| CBP     | U.S. Customs and Border Protection            |
| CEQA    | California Environmental Quality Act          |
| CFC     | Customer Facility Charge                      |
| CFI     | Charging and Fueling Infrastructure           |

|          |   |
|----------|---|
| CHE      | Cargo Handling Equipment                            |
| CHP      | California Highway Patrol                           |
| CIP      | Capital Improvement Plan                            |
| COLA     | Cost of Living Adjustment                           |
| COVID-19 | Coronavirus disease of 2019                         |
| CP       | Commercial Paper                                    |
| CRE      | Commercial Real Estate                              |
| CTMP     | Comprehensive Truck Management Program              |
| CY       | Calendar Year                                       |
| DBW      | Department of Boating and Waterways                 |
| DC       | Direct Current                                      |
| DCOH     | Days Cash on Hand                                   |
| DHS      | U.S. Department of Homeland Security                |
| DSCR     | Debt Service Coverage Ratio                         |
| EAP      | Employee Assistance Program                         |
| EBMUD    | East Bay Municipal Utility District                 |
| EBRPD    | East Bay Regional Park District                     |
| E-ISAC   | Electricity Information Sharing and Analysis Center |
| EPA      | U.S. Environmental Protection Agency                |
| EP&P     | Environmental Programs and Planning                 |
| ERP      | Enterprise Resource Planning                        |
| ETS      | Everport Terminal Services                          |
| EV       | Electric Vehicle                                    |
| FAA      | Federal Aviation Administration                     |
| FBI      | Federal Bureau of Investigation                     |
| FBO      | Fixed-Base Operator                                 |
| FedEx    | FedEx Corporation                                   |
| FEMA     | Federal Emergency Management Agency                 |
| FTE      | Full-Time Equivalent                                |
| FY       | Fiscal Year   |
| GASB     | Governmental Accounting Standards Board             |
| GHG      | Greenhouse Gas                                      |
| GIS      | Geographical Information System Mapping Technology  |
| GSE      | Ground Support Equipment                            |
| GWI      | Groundwater Intrusion                               |
| HR       | Human Resources                                     |

|       |   |
|-------|---|
| HVAC  | Heating, Ventilation, and Air Conditioning  |
| IAB   | International Arrivals Building   |
| ILWU  | International Longshore and Warehouse Union                                       |
| IIJA  | Federal Infrastructure Investment and Jobs Act                                    |
| IT    | Information Technology  |
| JIT   | Joint Intermodal Terminal   |
| JLID  | Jack London Improvement District  |
| JLS   | Jack London Square  |
| LCFS  | Low Carbon Fuel Standard  |
| LED   | Light Emitting Diode  |
| LEED  | Leadership in Energy and Environmental Design                                     |
| LOC   | Letter of Credit  |
| LUDC  | Land Used and Development Code  |
| MAG   | Minimum Annual Guarantee  |
| MAPLA | Maritime and Aviation Project Labor Agreement                                     |
| MHEA  | Middle Harbor Enhancement Area  |
| MHSP  | Middle Harbor Shoreline Park  |
| MOU   | Memorandum of Understanding   |
| MS4   | Port's municipal separate storm sewer system                                      |
| NEPA  | National Environmental Policy Act   |
| NERC  | North American Reliability Corporation  |
| NPDES | National Pollutant Discharge Elimination System                                   |
| OAAC  | Oakland Alameda Adaptation Committee  |
| OAB   | Oakland Army Base   |
| OAK   | Oakland Airport   |
| OCIP  | Owner-Controlled Insurance Program  |
| OHT   | Outer Harbor Terminal (Berths 20-24)  |
| OICT  | Oakland International Container Terminal  |
| OIG   | Oakland International Gateway (also known as Joint Intermodal Terminal - "JIT")   |
| OMC   | Oakland Maintenance Center  |
| OPD   | Oakland Police Department   |
| OPEB  | Other Post-Employment Benefits  |
| PFC   | Passenger Facility Charge   |
| PFIP  | California State Transportation Authority Port and Freight Infrastructure Program |
| PG&E  | Pacific Gas and Electric  |
| PIDP  | Maritime Administration Port Infrastructure Development Program                   |

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| POU   | Publicly Owned Utility                         |
| RNG   | Renewable Natural Gas                          |
| RPS   | Renewables Portfolio Standard                  |
| RTG   | Rubber Tire Gantry Cranes                      |
| SFO   | San Francisco International Airport            |
| SHOPP | State Highway Operation and Protection Program |
| SJC   | San Jose Mineta International Airport          |
| SLR   | Sea Level Rise                                 |
| SRD   | Social Responsibility Division                 |
| T1    | Oakland Airport Terminal 1                     |
| T2    | Oakland Airport Terminal 2                     |
| T&I   | Port Technology & Innovation Division          |
| TCEP  | Trade Corridor Enhancement Program             |
| TEU   | Twenty-Foot Equivalent Unit                    |
| TNC   | Transportation Network Company                 |
| TSA   | Transportation Security Administration         |
| TWG   | Truckers Working Group                         |
| UP    | Union Pacific Railroad                         |
| UPS   | United Parcel Service, Inc.                    |
| US    | United States                                  |
| USACE | United States Army Corps of Engineers          |
| VALE  | Voluntary Airport Low Emissions                |
| VSR   | Vehicle Service Road                           |
| ZOHP  | Zarsion-OHPI, LLC                              |

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## Definitions

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**Aircraft operation** - Refers to landing and subsequent takeoff (also known as a “turn”).

**Airport Business Park** - A business park near Oakland International Airport and Oakland-Alameda County Coliseum Complex. The park consists of 340 acres, of which 280 acres are privately owned.

**Airport Improvement Program (AIP)** - Federal program that provides funding from the Airport and Airway Trust Fund for airport development, airport planning, noise compatibility planning, and to carry out noise compatibility programs.

**Americans with Disabilities Act (ADA)** - Federal legislation that prohibits discrimination against all individuals with mental or physical disabilities.

**Amortization** - See *Depreciation and Amortization*

**Annual Comprehensive Financial Report of the City of Oakland (ACFR)** - Document published annually by the City detailing financial, statistical, budgetary, and demographic data to be distributed to the public. It includes the Port's financial information.

**Balanced Budget** – A budget in which revenues equal or exceed expenditures incurred during a given period.

**Calendar Year (CY)** – A twelve-month period starting with January 1 and ending with December 31, and which has 365 days in a non-leap year and 366 days in a leap year.

**Capital Expenditure** – A cost incurred to purchase, construct, transport or make ready a capital asset for its intended purpose if it meets the following conditions: can be directly identified with a specific capital asset; is incurred after the planning phase of a project has completed, and the Port has demonstrated its commitment to execute a construction plan or purchase the asset. The Port will only apply capitalization procedures to individual asset purchases that cost \$5,000 or more, and have an economic useful life of two or more years.

**Component Unit in the City of Oakland Basic Financial Statement** - The account the City uses to record the financial activities of the Port due to the enterprise nature of the Port's operations. The Port is a department of the City.

**Comprehensive Truck Management Program (CTMP)** - The CTMP is the Port's Comprehensive Truck Management Program, a plan to address air quality, safety and security, community impacts, and business operation issues related to trucks serving the Port's maritime facilities. The CTMP seeks to balance the needs of its customers with those of its neighboring community in an effort to improve commerce and quality of life for those living and working in and around the Seaport.

**Consumer Price Index (CPI)** - An inflationary indicator that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation.

**Contractual services** - Professional and support personnel services used by the Port other than employees or temporary agencies.

**COVID-19** - Coronavirus disease of 2019 (COVID-19) is the official name given by the World Health Organization (WHO) to the disease caused by SARS-CoV-2 , the new coronavirus that surfaced in 2019 and spread around the globe.

**Cranes, post-panamax** - Container cranes designed to handle cargo vessels that are too large to fit through the Panama Canal. See *Post-panamax vessels*

**Cranes, super post-panamax** - Container cranes designed to handle cargo vessels that are too large to fit through the Panama Canal. See *Super post-panamax vessels*

**Department** - An organizational unit within the Port which is part of a division.

**Departmental credits** - The application of direct labor and overhead to capital projects or the transfer of expenses from one unit, department, or division to another.

**Demonstration project** – a project that provides the means to introduce and experience innovative ideas and approaches and prepare the way for replication and up-scaling.

**Depreciation and Amortization** - The value of an asset is reduced through use, deterioration, or obsolescence. Depreciation describes the decrease in the value of the asset over its estimated useful life. Tangible assets, such as buildings and equipment are depreciated. Amortization refers to intangible assets such as computer software and noise easements. Intangible assets are amortized over the estimated service capacity of the asset.

**Division** - A major administrative segment of the Port which indicates overall management responsibility for an operation or a group of related operations within a functional area.

**Dockage** - The charge levied against a vessel for berthing space.

**Dredging** - Removal of sediments on the bottom of a waterway for the safe passage of vessels.

**Embarcadero Cove** - Recreational marina area on the waterfront south of Lake Merritt Channel which includes marinas, a public fishing pier, shops, offices, hotels, and restaurants.

**Enterprise Fund** - A fund established to account for government operations financed and operated in a manner similar to private business enterprises.

**Federal Aviation Administration (FAA)** - The federal agency responsible for regulating and funding U.S. airports.

**Fiscal year (FY)** - A twelve-month time period signifying the beginning and ending period for recording financial transactions. The Port has specified July 1 through June 30 as its fiscal year.

**Fueling revenue** - Port revenue for providing facilities for fuel storage (tank farm) and delivery (fuel hydrant system) for aircraft and ground vehicles. A fuel consortium of passenger and cargo airlines operating at OAK, under lease, reimburses the Port for all costs associated with its use of the fueling infrastructure. The consortium contracts with a third-party operator to provide fueling services.

**Full-Time Equivalent (FTE)** - A measure of employment used when the work force includes full-time employees.

**General aviation** - Aviation activity not air carrier related, such as private aircraft, business aircraft, and corporate aviation activities. OAK's North Field is considered a general aviation airport, although some air carrier activity takes place there.

**General Services** - See *Payments to the City, General Services*

**Generally Accepted Accounting Principles (GAAP)** - A widely accepted set of rules, conventions, standards, and procedures for reporting financial information, as established by the Financial Accounting Standards Board.

**Governmental Accounting Standards Board (GASB)** - The independent private-sector organization, formed in 1984 that establishes and improves financial accounting and reporting standards for state and local governments.

**Inland Point Intermodal (IPI)** - Refers to inland points (non-ports) that can be served by carriers (shipping lines) on a through bill of lading.

**Jack London Square (JLS)** - A 25-acre mixed-use development area at the foot of Broadway.

**Lake Merritt payments** - See *Payments to the City, Lake Merritt*

**Leadership in Energy and Environmental Design (LEED)** - A nationally recognized green building rating system established by the U.S. Green Building Council.

**Loss on abandoned and demolished assets** - Abandonment losses result on projects written off because it is not feasible to complete the project or the project does not result in an asset. Losses on demolished assets result when a depreciable asset is destroyed, usually to make way for another project.

**Net assets** - The amount by which the value of a company's assets exceeds its liabilities.

**Non-operating items** - Income or expenses that are not associated with operations. In the Port's financial reporting, these include interest income, interest expense, and other income and expenses that are either nonrecurring in nature or do not result from its ordinary operations.

**Northern California** - The northern portion of the State of California, defined generally as those areas including and north of the Monterey, Kings, Tulare, and Inyo counties.

**Owner-Controlled Insurance Program (OCIP)** - Port-managed program for consolidated purchase of insurance to, among other matters, assist small and local businesses to participate in Port capital projects.

**Panamax vessels** - Those vessels that fit through the Panama Canal and are no more than 13 containers wide. See *Post-panamax and Super post-panamax vessels*

**Pandemic** - an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people.

**Passenger traffic** - Enplanements, deplanements, and connecting passenger activity. Enplanement is an originating passenger who boards a flight; deplanement is a passenger whose final destination is OAK; and connecting passenger is a passenger who uses OAK to connect between flights. Connecting passengers are considered enplanements for the purpose of collecting PFCs.

**Payments to the City, General Services** - General Services include police and fire services.

**Payments to the City, Lake Merritt** - Reimbursement to the City for expenditures of local funds for Lake Merritt tideland trust purposes.

**Payments to the City, Special Services** - Reimbursement to the City for services, such as City Clerk personnel, City Treasury, and special police services.

**Personnel services** - Expenditures related to employee compensation including wages and fringe benefits such as medical, dental, and retirement.

**Post-panamax vessels** - Those vessels that are more than 13 containers but less than 18 containers wide. See *Panamax and Super post-panamax vessels*

**Super post-panamax vessels** - Vessels that are at least 18 containers wide. See *Panamax and Post-panamax vessels*

**Taxilane** - the portion of the Airport apron area, or any other area, used for access between taxiways and aircraft parking or storage area

**Tidelands Trust** - All Port of Oakland lands and assets are held in trust for the people of the State of California, subject to a public trust, commonly known as the Tidelands Trust. The State Lands Commission has jurisdiction over these lands. Permitted uses under the Tidelands Trust generally include maritime commerce, harbors and aviation, as well as uses of statewide interest, such as fishing, public recreation, and enjoyment of the waterfront.

**Twenty-foot equivalent unit (TEU)** - A TEU or Twenty-foot Equivalent Unit is an international standard of measurement for the volume of business that moves through a container port. Containers vary in length, from 20 feet to 53 feet with the majority of the containers being 40 feet. One forty-foot container is equal to two TEUs.