



AGENDA REPORT

PROPOSED ACTION: Ordinance: (a) Approve Amendments to Tariff No. 2-A, Effective July 1, 2026, to Implement a General Rate Increase of Three Percent with Certain Exceptions, Establish New Rates, Establish Vessel Commissioning Rules and Rates for Shore Power Use, and Implement Various Administrative Changes, Generating Approximately \$580,000 in FY 2027; (b) Adopt Tariff No. 2-A as Chapter 5.01 of the Port of Oakland Administrative Code (POAC) by Amending and Restating Port Ordinance No. 2833, as Amended; and (c) Approve Amendments to POAC Chapter 10.03 (Utility Rates and Charges) and Appendix F (Master Utility Fee Schedule) to Remove the Provisions Relating to Vessel Commissioning Corresponding to the Proposed Tariff Amendments **(Maritime)**

Submitted By: Bryan Brandes, Maritime Director; Kristi McKenney, Executive Director

Parties Involved: Various tenants, customers, and users of the Port of Oakland Maritime Area

Amount: \$580,000 (FY 2027)
Operating Revenue

EXECUTIVE SUMMARY: Port of Oakland (Port) Staff recommends three actions regarding Port Tariff No. 2-A (Tariff). The first action is to approve various amendments to the Tariff effective July 1, 2026, to increase various rates, establish new rates, and implement administrative changes. These amendments will ensure proper valuation of the Port’s Maritime area (Seaport) facilities and consistency with Port policy, law, and best practices. These amendments are anticipated to generate incremental revenue of approximately \$580,000 in FY 2027. The second action is to incorporate the Tariff into the Port of Oakland Administrative Code (POAC), presented as Attachment A to this Report. Currently, the Tariff is a stand-alone ordinance that governs rates, charges, rules, and other requirements specific to the Seaport. Once incorporated into the POAC, the POAC would serve as the authoritative source of these provisions relating to the Seaport. The third action is to remove the provisions in Chapter 10.03 (Utility Rates and Charges) and Appendix F (Master Utility Fee Schedule) of the POAC that relate to vessel commissioning rules and rates, as these are being incorporated into the Tariff.

BACKGROUND & ANALYSIS

Tariff Amendments

The Tariff sets forth rates, charges, and general rules and requirements for Seaport facilities. From time to time (typically, annually), Port Staff recommends amending the Tariff to reflect changes in Seaport facilities, remain consistent with Port policies and laws, ensure our land and facilities are properly valued, and update requirements based on best practices and experience. It is important that the Tariff reflect current market rates because it is the Port’s published rules and schedule of rates and charges for the Seaport. For example, in the absence of negotiated terms with a tenant or user, Tariff rates and

terms govern. Even under negotiated agreements, the Tariff remains applicable and rent negotiations typically consider Tariff rates as one of many inputs. Further, increases to Tariff rates are the primary mechanism by which the Port can keep pace with inflation and market conditions. Rent adjustments of some long-term leases are also tied to changes to these rates.

The Tariff was last amended effective July 1, 2025, to increase Space Assignment rates three and one-half percent (3.5%); increase the food vendor rate 40 percent (40%); increase Containerized Cargo Not Otherwise Specified (N.O.S.) rate 10 percent (10%); and various administrative updates. The most recent general rate increase (GRI) was effective July 1, 2024, consisting of a five percent (5%) increase with a few exceptions.

Port Staff recommends the following amendments to be effective July 1, 2026:

1. Implement a GRI of three percent (3%) with the following exceptions¹:
 - a. At the Port's Truck Parking/Container Depot²:
 - i. Increase the monthly rate for tractor (i.e., bobtail) parking from \$225 to \$250, or about 11 percent (11%).
 - ii. Increase the daily rate for tractor (i.e., bobtail) parking from \$40 to \$50, or 25 percent (25%).
 - b. Increase the Crane Rental rate component for electric power six and one-half percent (6.5%) based on anticipated public utility rate increases.
 - c. Increase the Common Area Electric Utility Assessment (CAEUA) from \$0.01 to \$0.011 per square foot per month, to cover taxes (primarily) and certain anticipated public utility rate increases.
 - d. No increase to the maintenance charge for the Port-owned shore power system.
2. Establish a new commodity and rate for rock aggregates: sand and gravel; \$2.35 per metric ton.
3. Establish a new rate for vessels connected to low-voltage shore power that cannot be metered and therefore cannot be billed on electricity consumption: V-CAEUA; \$870 per day.
4. Add a new section regarding vessel commissioning for vessels using the Port's high voltage shore power system. Vessel commissioning rules and rates would be transferred from Chapter 10.03 of the POAC, with clarifying changes but no rate change, as discussed later in this Report.

¹ Rates are rounded after the increase is applied. Wherever possible, convention of significant digits is maintained for consistency and administrative efficiency. As a result, final rates may deviate from a 3% increase.

² Depot rates were last increased about 18% on July 1, 2022.

5. Edit wharfage and dockage provisions to clarify that they apply to the berth where the majority (more than 50 percent (50%)) of the vessel resides as measured by length. This codifies historical and standard practice.
6. Throughout the Tariff, update legal and code references to laws and regulations promulgated by others.
7. Update rates to reflect pre-approved rate adjustments so that they are current as of July 1, 2026.
8. Update the Port Staff directory and Board appointments; correct typographical errors.
9. Make administrative and editorial changes necessitated by incorporation of the Tariff into the POAC, as summarized later in this Report.

The proposed increases for July 1, 2026, are consistent with several financial metrics including rates at comparable ports, industrial property rates/values, local and regional consumer price indices (CPI), and Seaport-specific factors. Based on the current and anticipated FY 2027 tenant portfolio, the proposed rate increases are expected to generate approximately \$580,000 of incremental revenue in FY 2027, which would carry forward to future years assuming a similar tenant portfolio. Port Staff does not anticipate any tenants to vacate Seaport property in response to the proposed amendments to the Tariff.

Incorporation of Tariff into POAC

Changes Resulting from Incorporation

The POAC serves as the public repository of all policies approved by Board ordinance that apply generally to the public; the Port's stakeholders, customers, and users; and Port employees. The POAC is available at https://library.municode.com/ca/port_of_oakland. Separately, the Tariff is available at [Tariff 2-A - Oakland Seaport](#). The Tariff is not currently part of the POAC.

Port Staff proposes to incorporate the Tariff into the POAC as new Chapter 5.01, attached hereto as Attachment A. After the Tariff is incorporated into the POAC, the POAC would serve as the authoritative source of these provisions relating to the Seaport. The Tariff will no longer exist as a stand-alone document. Any future edits to the Tariff would be made within the POAC. The incorporation does not entail any material amendments to the Tariff; however, incorporation into the POAC does require non-material changes to the text of the Tariff to address administrative issues, as summarized below:

- Ensure consistency of definitions within and between the Tariff and POAC.
- Create new definitions to define terms previously not defined and/or to avoid conflicts with the overall POAC (e.g., Seaport vs. Port Area).
- Remove certain definitions already in the POAC (e.g., "Board" for Board of Port Commissioners).

- Create, consolidate, or remove certain data/rate tables (e.g., move tables into an appendix).
- Conform to POAC style conventions.

The proposed incorporation of the Tariff into the POAC would supersede Port Ordinance No. 2833 and all of its amendments, including without limitation the following Port Ordinances: 2837, 2850, 2880, 2904, 2929, 2930, 2967, 2988, 2993, 3010, 3023, 3031, 3040, 3045, 3054, 3060, 3062, 3079, 3094, 3101, 3117, 3123, 3143, 3155, 3158, 3169, 3178, 3181, 3184, 3202, 3205, 3231, 3241, 3263, 3269, 3295, 3303, 3331, 3318, 3327, 3329, 3359, 3360, 3368, 3416, 3485, 3516, 3521, 3539, 3600, 3609, 3624, 3698, 3777, 3779, 3784, 3788, 3792, 3844, 3847, 3889, 3997, 4101, 4112, 4151, 4261, 4339, 4377, 4414, 4469, 4519, 4559, 4600, 4642, 4701, 4747, 4772, and 4794.

Limited Pre-Authorization of Future Changes

As part of the incorporation into the POAC, Port Staff also proposes that the Board authorize the Executive Director to make future administrative updates to Chapter 5.01 of the POAC from time to time, specifically:

- Revision of rates subject to pre-approved increases (e.g., CPI-based escalators), for the user's ease in determining current pricing.
- Updates to references to code(s) or other law(s) when those source documents are updated by others.
- Updates to the Port Staff directory and various other contact information.
- Updates to the Board member roster.
- Correct typographical or grammatical errors.
- Re-organization or formatting.

Changes to POAC Chapter 10.03 and Appendix F

The vessel commissioning rules and rates proposed for incorporation into the Tariff are currently set forth in Chapter 10.03 (Utility Rates and Charges) and Appendix F (Master Utility Fee Schedule) of the POAC. The proposed transfer of these provisions into the Tariff (i.e., into Chapter 5.01), requires the corresponding provisions to be removed from Chapter 10.03 and Appendix F (see Attachment B).

Related Tariff Approvals

Changes to the Tariff are typically submitted to the California Association of Port Authorities (CAPA), which reviews changes to port tariffs. Although not required, CAPA approval of changes to the Port Tariff is desirable. Port Staff obtained unanimous approval of the proposed Tariff changes from CAPA at its regularly scheduled meeting of the Tariffs and Practices Committee on April 21, 2026.

OTHER FINDINGS AND PROVISIONS

ENVIRONMENTAL REVIEW

The proposed action was analyzed under the California Environmental Quality Act (CEQA) and was found to be:

- Categorically exempt under the following CEQA Guidelines Section:

Choose an item.

- "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).
- Other/Notes: The proposed action is "Not a Project" under CEQA Guidelines Section 15378(b)(4)(5). Government funding mechanisms which do not involve any specific project and organizational or administrative government activities that will not result in direct or indirect physical changes in the environment are not subject to CEQA.

BUDGET

- Administrative (No Impact to Operating, Non-Operating, or Capital Budgets); OR

Operating Non-Operating Capital

Analysis: The proposed changes to the Tariff will result in an estimated \$580,000 of incremental annual revenue. This revenue is included in the FY 2027 Maritime Division operating revenue budget currently under development.

STAFFING

- No Anticipated Staffing Impact.
- Anticipated Change to Budgeted Headcount.
Reason:
- Other Anticipated Staffing Impact (e.g., Temp Help).
Reason:

MARITIME AND AVIATION PROJECT LABOR AGREEMENT (MAPLA):

Applies? No (Not Aviation or Maritime CIP Project) – proposed action is not covered work on Port's Capital Improvement Program in Aviation or Maritime areas above the threshold cost.

- Additional Notes:

LIVING WAGE (City Charter § 728):

Applies?

No (No Covered Agreement) – proposed action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage requirements.

- Additional Notes:

<p><u>SUSTAINABLE OPPORTUNITIES:</u></p> <p><u>Applies?</u> No.</p> <p><u>Reason:</u></p> <p>There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities.</p>	<p><u>GENERAL PLAN</u> (City Charter § 727):</p> <p><u>Conformity Determination:</u></p> <p>Not Required – conformity determination not required because proposed action does not change use of or make alterations to an existing facility, or create a new facility.</p>
<p><u>STRATEGIC PLAN.</u> The proposed action would help the Port achieve the following goal(s) in the Port’s Strategic Plan:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Capture Our Market and Grow the Economic Base <input type="checkbox"/> Modernize and Upgrade Infrastructure <input type="checkbox"/> Transition to Zero-Emissions and Build Climate Resilience <input checked="" type="checkbox"/> Maximize Land Use Value and Revenues <input type="checkbox"/> Workforce Training and Jobs Development <input type="checkbox"/> Create Opportunities for Local Businesses and Community Economic Development 	