



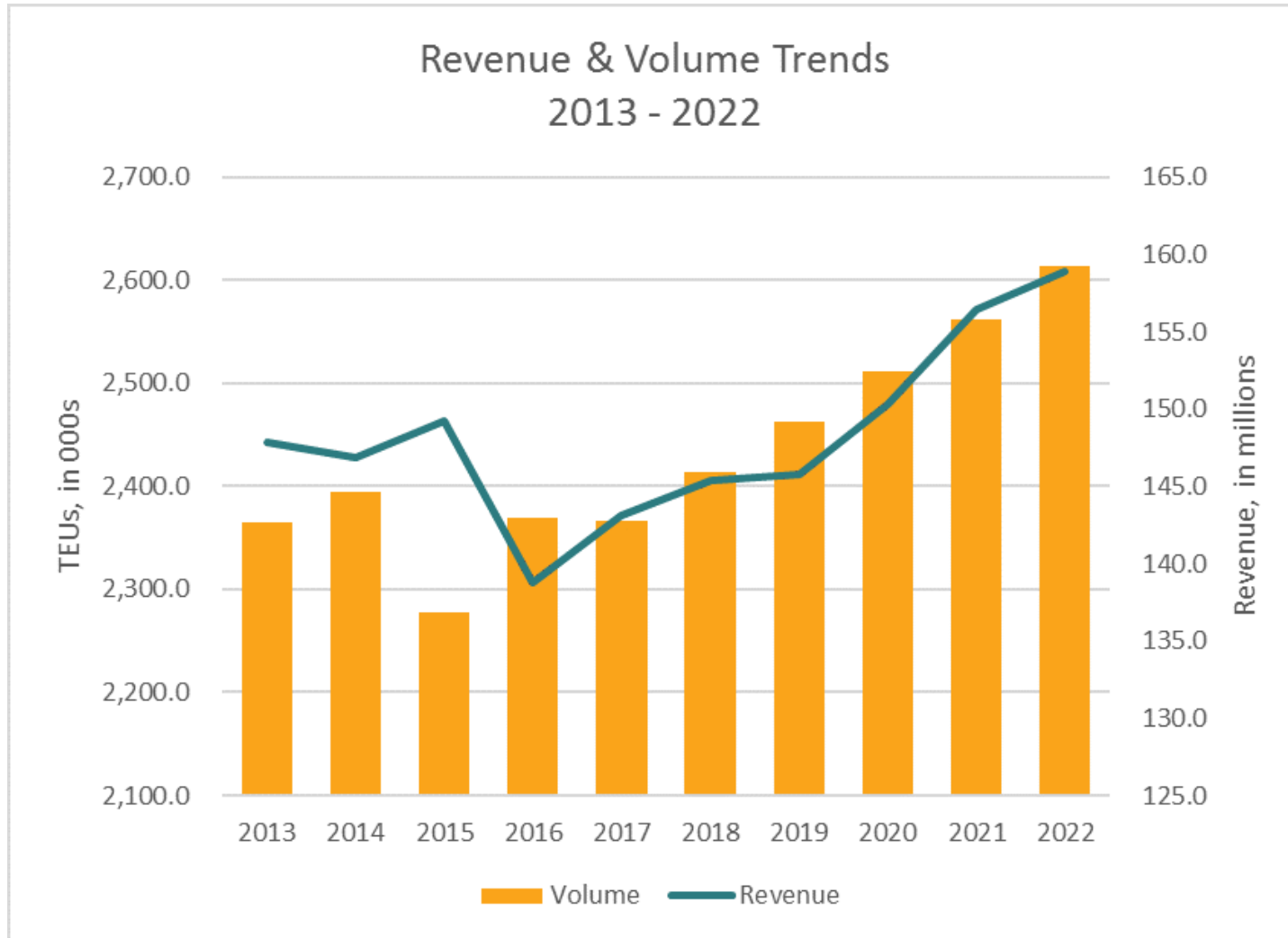
Strategic Maritime Roadmap

Overview

- **Operational Stability**
- **Key Industry Trends**
- **Commercial Strategy**
- **Land Use Strategies**
- **Conclusion**

Operational Stability

Today vs. 2015



2017 – 2022 are forecasts

Marine Terminal Improvements

- **\$50 million** in TraPac Terminal
- **\$104 million** in Oakland International Container Terminal
- **\$28 million** in Ben E. Nutter Terminal

- Extended **Gate Hours**
- **Appointment Systems**
- Off-Dock **Container Yard**

Trends Impacting Ports

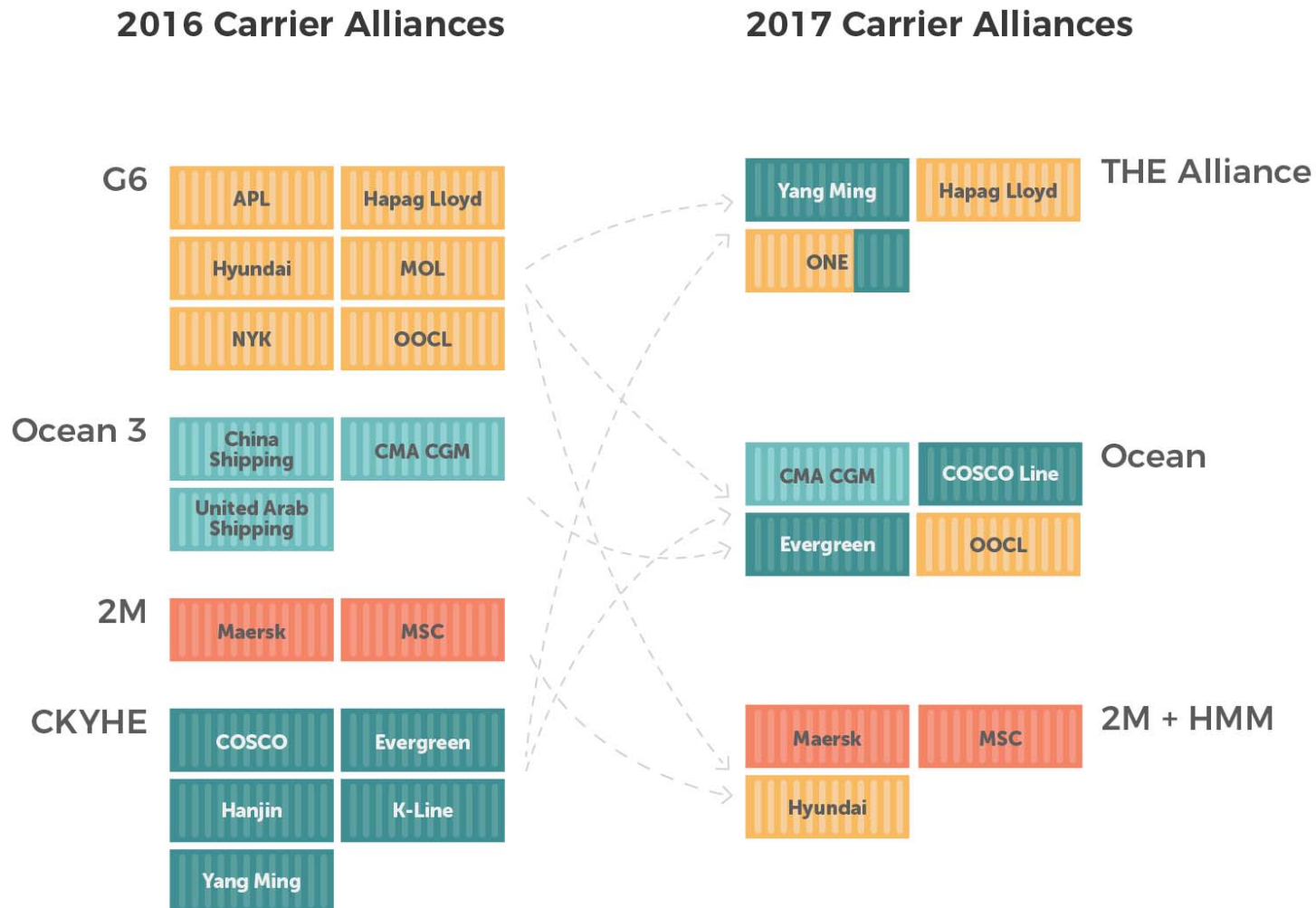
GDP growth along with

Ocean Carrier changes and trends

- Carrier Alliances & Consolidation
- Vessel Size
- Freight Rates
- Terminal Stakes

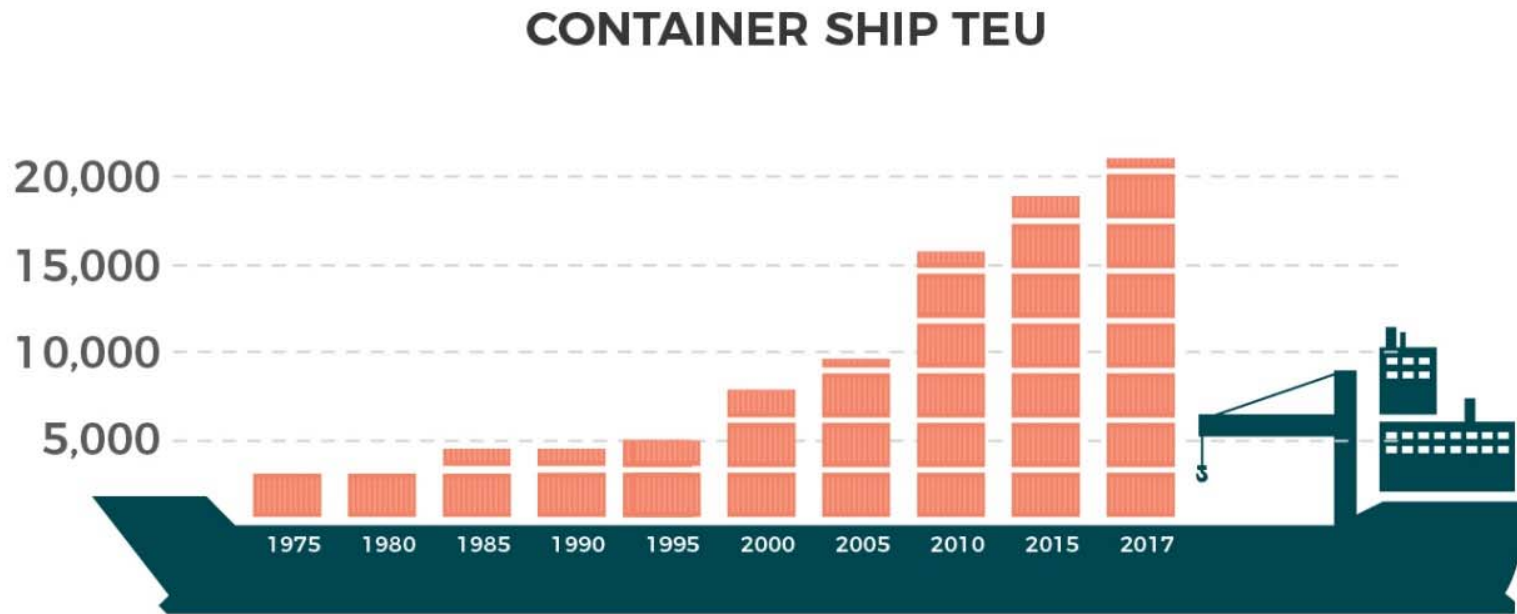
drive a Port's **infrastructure demands**

Ocean Carrier Alliances & Consolidation



Despite major realignment of ocean carrier alliances in early 2017, the Port has maintained operational stability and terminal throughput.

Vessel Size



Increasing vessel size has implications for yard and berth space requirements

Vessel Size

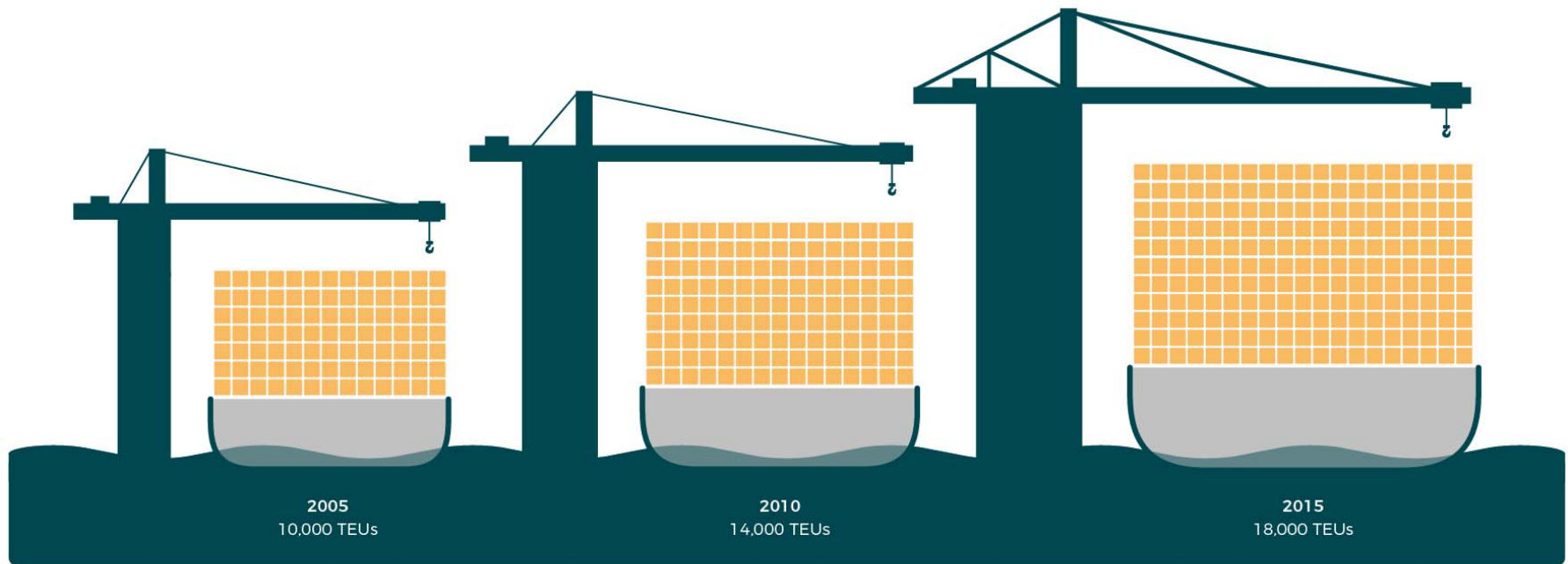
What does it mean for Oakland?

Over the next fifteen years, the average size of the **Trans-Pacific vessels calling Oakland** is expected to **grow by over 35%**. Ships will average over 10,000 TEUs.

Vessel Size	2017	2021	2026	2031
< 5,000 TEUs	11	7	5	6
Between 5,000 – 9,999 TEUs	14	16	15	14
Between 10,000 – 13,999 TEUs	3	6	9	11
Between 14,000 – 17,999 TEUs	1	1	3	0
> 18,000 TEUs	0	0	1	0
Total No. of Vessel Services	29	30	33	31
Avg T/P Vessel Size, in TEUs	7,789	9,367	10,386	10,556

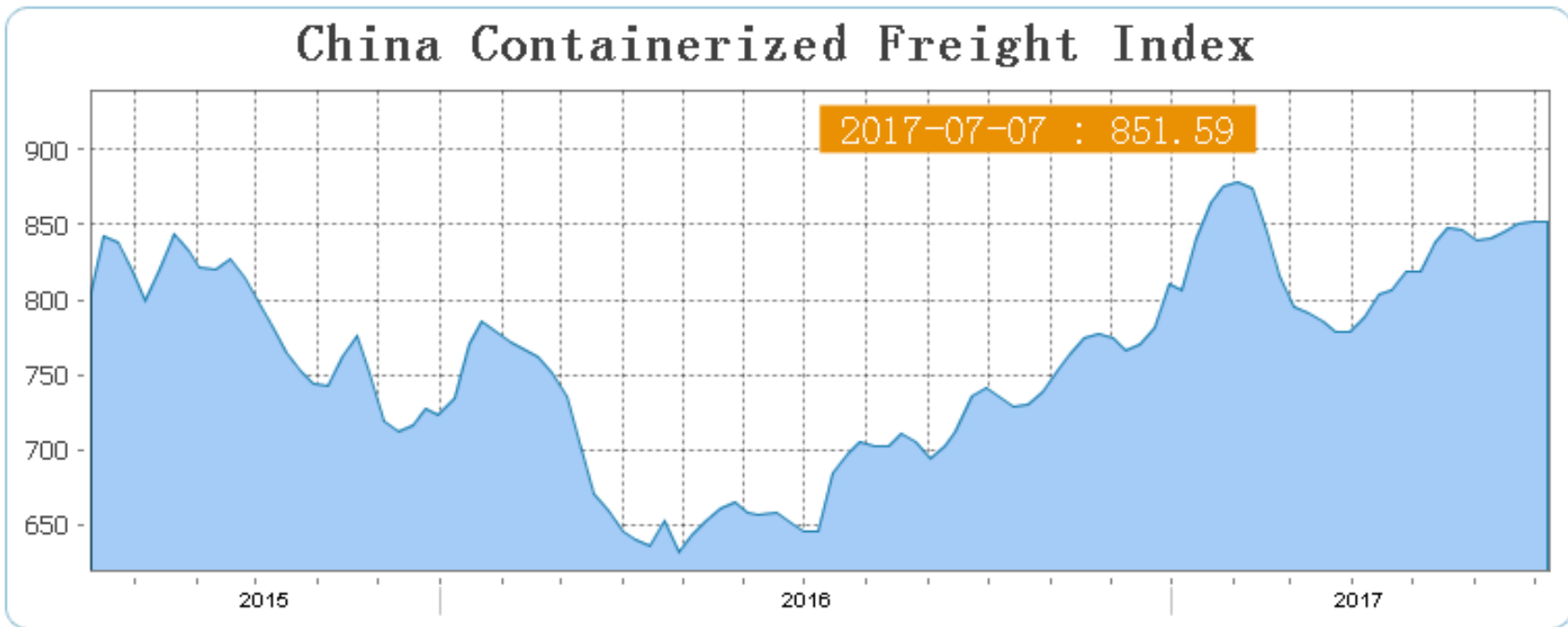
Vessel Size Infrastructure Demands

Crane Raising



Freight Rates

After hitting the lowest levels seen in years, freight rates are on the rise after a series of mergers, acquisitions and one bankruptcy.



Source: Shanghai Shipping Exchange

Strategy - Commercial

- Serve and grow our **local & regional market**
- Maintain market leader position in **Central Valley** exports
- Increase **mid-western grain & frozen protein** exports
- Develop **logistics facilities** – Seaport Logistics Complex & Cool Port – for incremental over-the-dock cargo
- Increase **discretionary intermodal cargo** to 15%
- Grow **refrigerated** exports by 10% and imports by 5%
- Explore **automotive import** growth opportunities
- Cargo recapture, especially **Utah / Colorado market**
- Continue to pursue **First Inbound Vessel Call** – PETF workgroup

Strategy - Commercial

Distribution & Warehouse Space

“It is unclear if industrial real estate development can keep up with demand. National vacancy rates in the first quarter hit a 17-year low and average rental rates are up 10 percent from a year ago in the hottest coastal markets.”



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[Bill Mongelluzzo, Senior Editor](#) | Jun 13, 2017 6:20PM EDT

Strategy – Land Use

Operations & Infrastructure Needs

Off-Dock
Container
Yards

Truck
Staging &
Parking

Bollards,
Fenders &
Wharves

Fumigation

Container &
Chassis
Storage

Transload &
Crossdock
Services

Cranes

Shore Power

Warehousing

Near Dock &
Short Haul
Rail

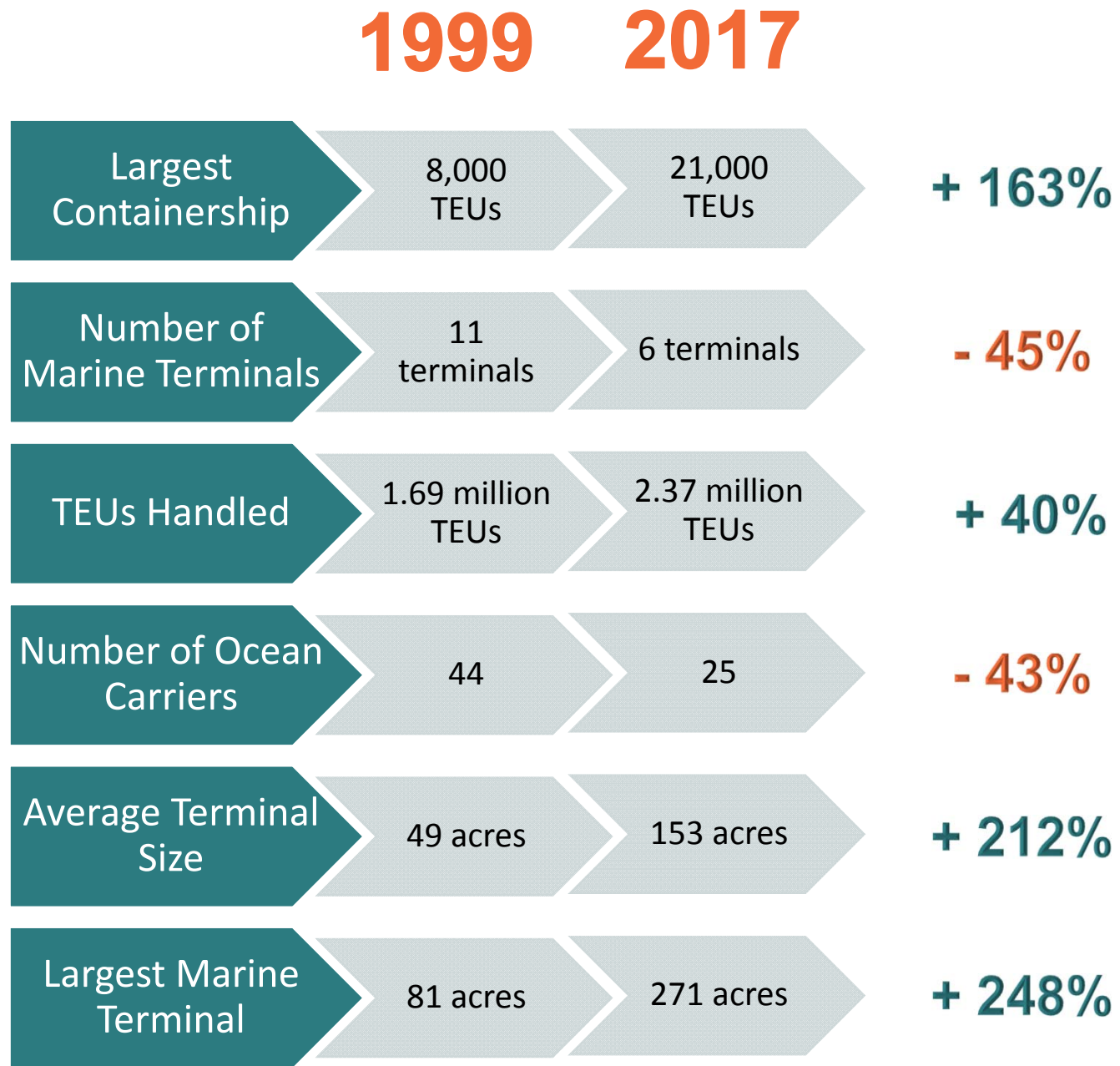
Traffic
Management

Customs

Strategy – Land Use

- **Finite water and land holdings**
- **Capacity**
- **Diversification**
- **Velocity, complex-wide**

Conclusion



Conclusion

