





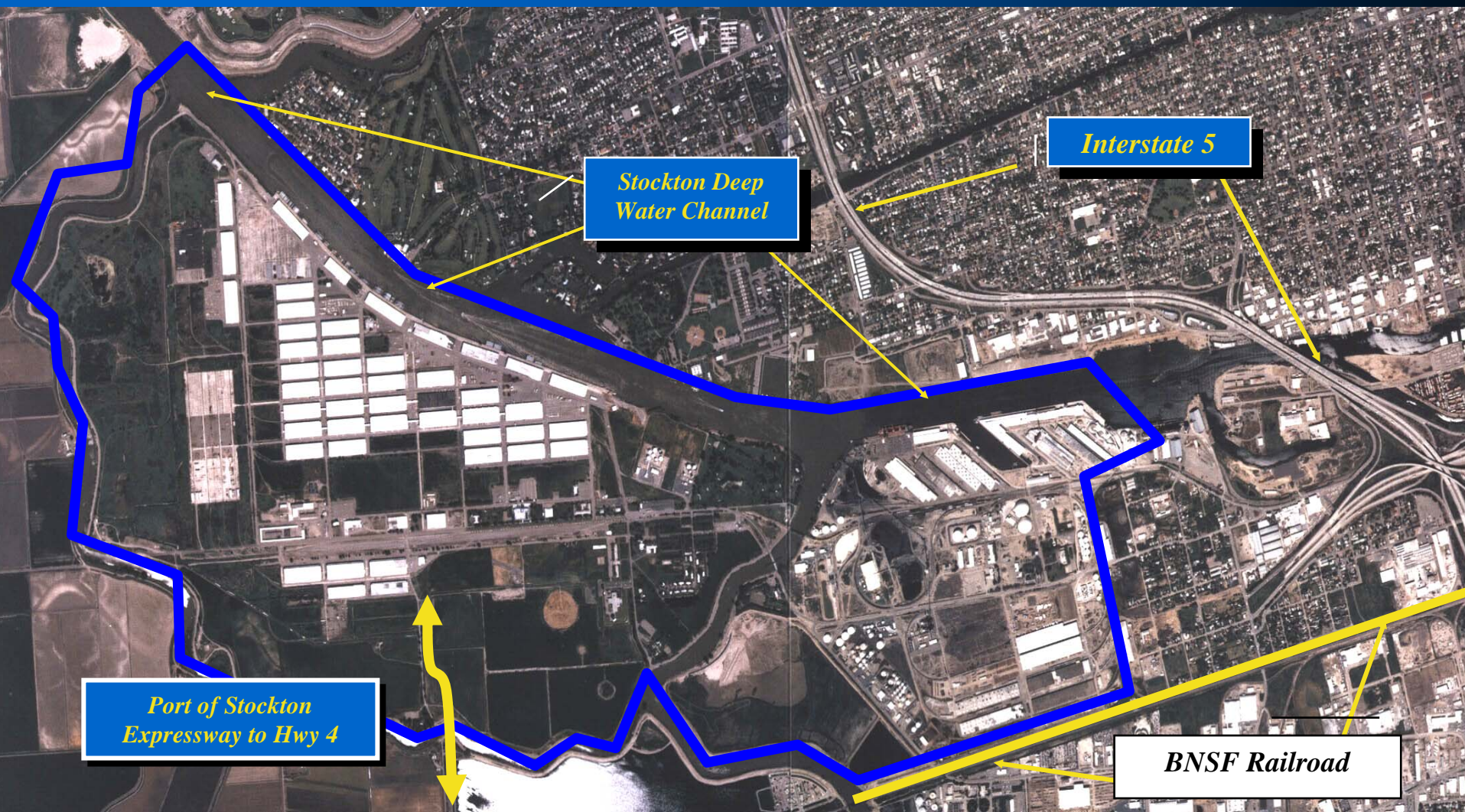
# *Port of Stockton - 2010 and Beyond*







# *The Port of Stockton Today*





# Economic Recession

Not unlike other ports in California and across the nation, the Port of Stockton is not immune to the impacts on port tonnage and revenues resulting from the meltdown of the United State's economy. The Port of Stockton experienced a nearly 50% drop in waterborne tonnage during 2008 and 2009. This was primarily due to a 90% drop in bulk cement imports as a result of real estate crisis in California.

With no building activity, there's no need for construction materials such as cement and steel products. Fortunately, the Port's non-maritime properties helped stabilize our revenue stream and the Port made budgetary adjustments to weather the storm. We are starting to see modest improvement in vessel traffic and tonnage in 2010 and believe the worst is behind us.



# Economic Recession

In addition, the recession prompted Port management to evaluate it's current business model to see if improvements could be made. Our maritime revenue was heavily dependent on construction materials and the housing crisis demonstrated our vulnerability.

The Port team decided to look for business opportunities that would be more recession proof. It was determined that regardless of the economic conditions, people always need food and energy.

Port management set a course to attract businesses involved in these markets and focused back on our long time core business of nitrogen fertilizer distribution supporting the agricultural interests located in the greater San Joaquin Valley. This diversification will help the Port balance its revenue stream as opposed to cargos that are cyclical in nature.





# *Castle & Cooke Cold Storage*

*Phase I & II of a four phase project. When completed the facility will have over 500,000 square feet of floor space with chill & flash freeze capabilities. It will also have a patented fumigation technology with a 90% recapture of methyl bromide gas. This is designed to be an import and export terminal when completed.*





# Wind Energy Components Direct Discharging to Rail for Unit Train Delivery Across the United States







# Yara North America Distribution Facility



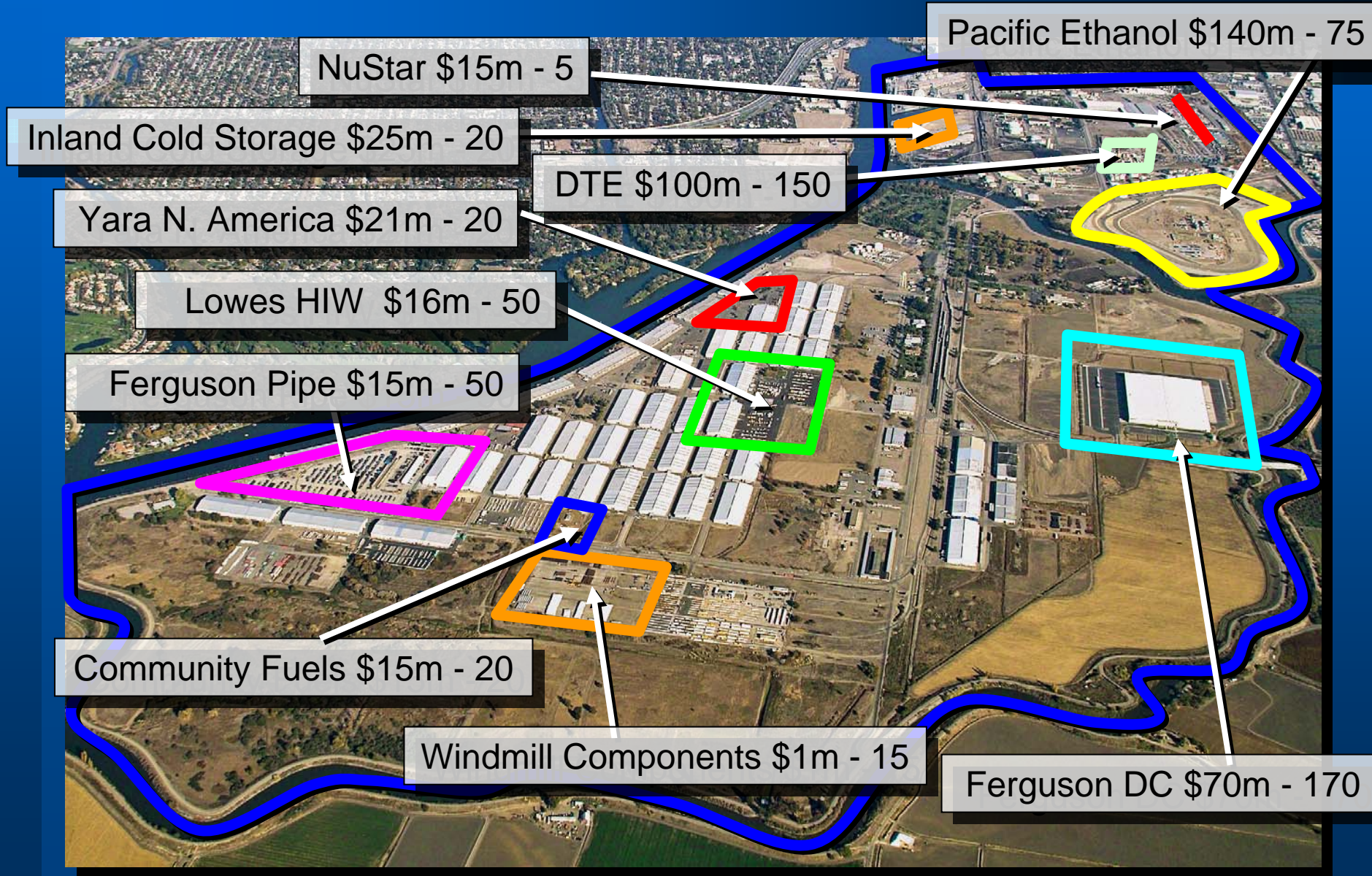
*Yara North American invested \$21 million in a state of the art import and distribution facility. Yara decided to consolidate their Northern California operations into one facility. Throughput is estimated at 200,000 metric tons per year.*



# *Port of Stockton*



## Approved Projects with Private Sector Capital & Jobs





# Federal, State and Local Grants

*The Port of Stockton has been very fortunate in receiving a multitude of grants during the past few years. ARRA/TIGER, Department of Homeland Security, California Prop 1B and the San Joaquin Valley Unified Air Pollution Control District and others have helped in providing the necessary infrastructure that will carry the Port of Stockton well into the future. They will also provide employment in our community reeling from a double digit unemployment rate. Over the next 18 months, the Port will be administering to nearly \$30 million in grant funding.*





# Port Security Grant Projects

1. Secure Systems PSG 2010

FED \$455,775

\*7 JOBS CREATED

2. GIS Mapping PSG 2008 / Prop I B

FED \$1,125,000 ST \$375,000

\*24 JOBS CREATED

3. TWIC Readers PSG 2009 ARRA

FED \$1,724,000

\*27 JOBS CREATED

4. Down River Surveillance PSG

2010 FED \$1,999,500

\*32 JOBS CREATED

5. Entrance & Gates PSG 2007

FED \$791,814 ST \$263,967

\*16 JOBS CREATED

6. Marine Terminal PSG 2007 FED \$1,066,250

\*17 JOBS CREATED

7. Wireless Comm PSG 2007

FED \$787,000 ST \$241,467

\*16 JOBS CREATED

8. Hydro Lift PSG 2007

FED \$86,900 ST \$23,000

\*1 JOB CREATED

9. Cent Util Hub PSG 2007B / Prop I B

FED \$562,500 ST \$87,500

\*12 JOBS CREATED

10. \*Training PSG 2007 FED \$225,000 NON-CONST.

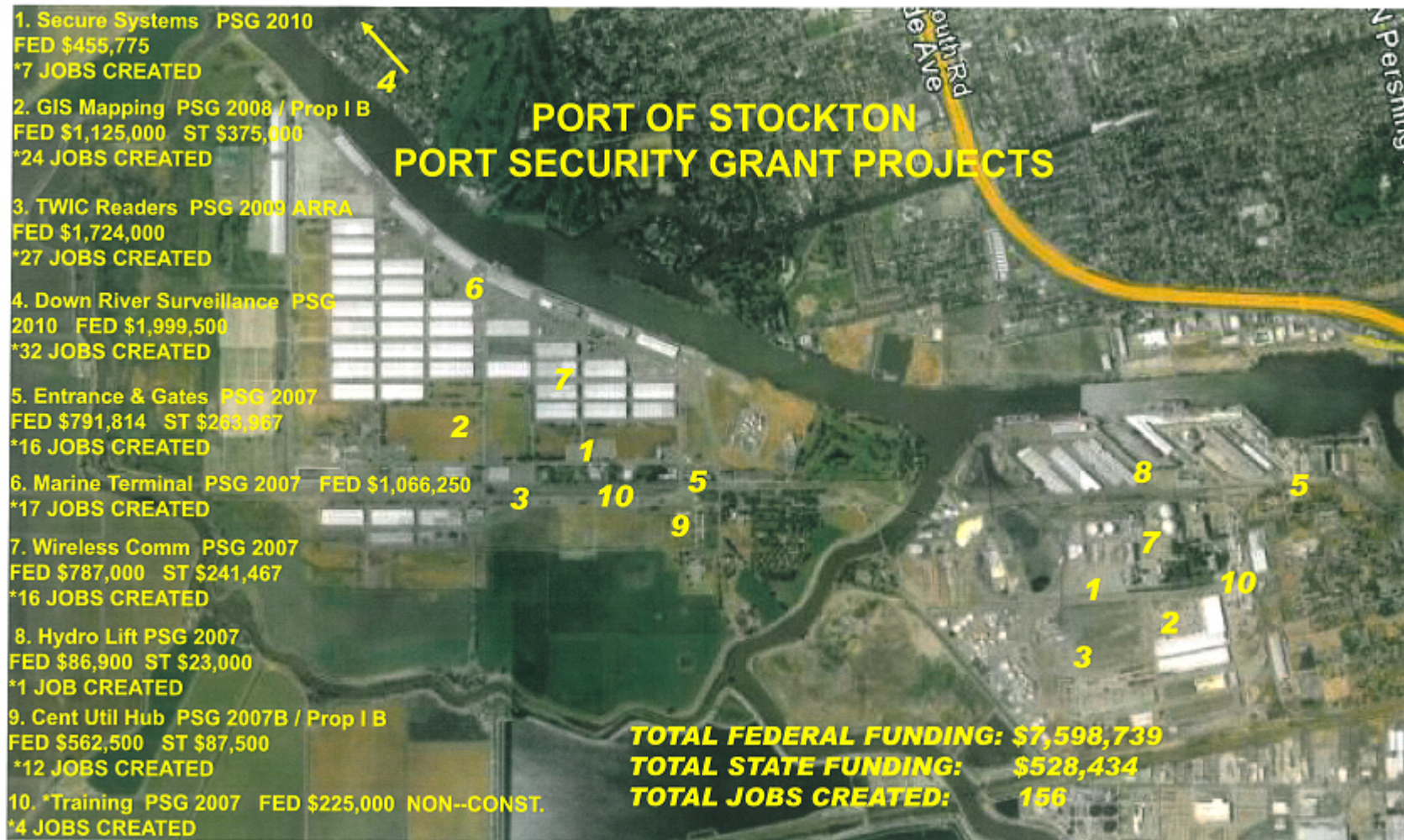
\*4 JOBS CREATED

## PORT OF STOCKTON PORT SECURITY GRANT PROJECTS

**TOTAL FEDERAL FUNDING: \$7,598,739**

**TOTAL STATE FUNDING: \$528,434**

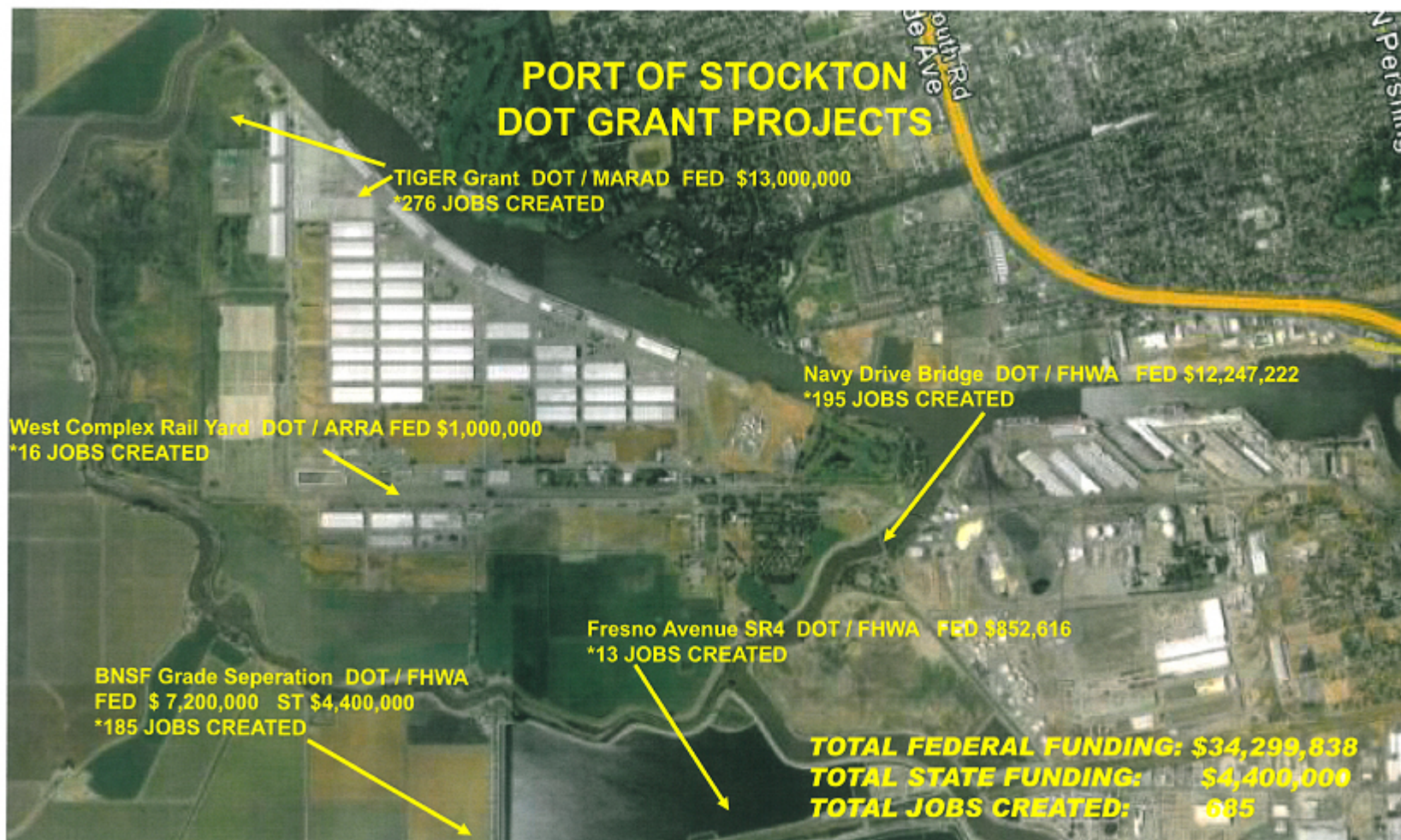
**TOTAL JOBS CREATED: 156**







# *DOT Grant Projects*











# ***M-580 Marine Highway Corridor***



*The U.S. Department of Transportation recently designated the San Joaquin and Sacramento ship channels as strategic corridors supporting the future needs of transportation and goods movement.*



# Americas Marine Highway Project

## ARRA/TIGER GRANT

The Port of Stockton received \$13 million as part of a shared grant of \$30 million with the Ports of Oakland and West Sacramento. This is to facilitate the acquisition and construction of infrastructure to develop a container on barge service between the three respective ports. Stockton will acquire the following:

- Two 140 ton mobile harbor cranes
- Construction of a rail served container yard
- Demolition of a boiler room and an old rail mounted container crane
- Completion of a loop railroad system on the West Complex allowing for unit train delivery
- Shared purchase of a barge with Oakland and West Sacramento
- Targeted service start up is February 2012



# *Port of Stockton*

*An Integral Part of Central  
California's Economic Future*

*Visit Our Award Winning Web Site:*

[www.portofstockton.com](http://www.portofstockton.com)





*Questions?*