



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Scott P. Johnson
Assistant City Administrator

SUBJECT: Informational Report Presenting the
Port of Oakland Receivables

DATE: April 5, 2013

City Administrator

Date

Approval

/s/ **Deanna J. Santana**

4/5/13

INFORMATION

This is an *Informational Report* regarding payments due to the City of Oakland from the Port of Oakland for services rendered by the City to the Port of Oakland from 1997 to December 31, 2012. This is an informational report only and there is no fiscal impact.

Under service agreements, the City has provided the following services to the Port: General Services & Lake Merritt Tidelands Trust, Special Services, Airport Rescue & Fire Services, and Airport Police Security Services. The Port also pays for CALPERS Prefunding (Port's share of CALPERS payment), and special assessment for the Landscape & Lighting Assessment District (LLAD) Services.

The following is a brief description of the services provided by the City of Oakland to the Port:

1. General Services and Lake Merritt Tidelands Trust:

General services include general police services, fire services, streets, trees and traffic maintenance service provided to the Port of Oakland; Lake Merritt Tidelands Trust area services include Lakeside Parks & Recreation Services, Park Grounds and Facilities Maintenance, Security, Algae control, and expenditures in support of the Necklace of Lights surrounding Lake Merritt.

2. Special Services:

Special services include police security services within Jack London Square and enforcement of all laws and regulations pertaining to Port related maritime trucking activities in the City of Oakland; maintenance of various Port documents and City documents pertaining to the Port by City Clerk; coordinate Civil Service Board appeals for Port employees.

3. Airport Rescue and Fire Services:

Airport rescue and fire services include fire suppression, emergency medical services and airport firefighting services to the Oakland International Airport.

Every year, the City invoices the Port for reimbursement of services rendered. In FY 2011-12, the City budgeted approximately \$8.6 million for the services provided to the Port as well as the anticipated revenue reimbursement from the Port for such services. As of June 30, 2012, the balance due from Port was \$11.1 million. As of December 31, 2012, the balance due from the Port was \$4 million as the Port has paid \$5.3 million dollars through December 31, 2012. Additional invoices totaling \$693,364 was billed to the Port in FY 2012-13.

Last fiscal year (FY 2011-12), through Mayor Quan's efforts in meeting and negotiating with the Port, the City received approximately \$16.8 million for reimbursements of services provided to the Port.

City Administration continues to meet with Port staff to resolve any outstanding issues related to bringing the amount due to the City current. The payment is not additional revenue available to the City as the revenues were already budgeted and accounted for. The funds that are received as payment provided to the Port are deposited back into the fund/account that provided the services. The payments reimburse those funds/accounts for expenses that were incurred in order to provide the service, and are not new unanticipated revenues to the City.

For questions please contact Osborn Solitei at (510) 238-3809.

Respectfully submitted,

/s/

SCOTT P. JOHNSON
Assistant City Administrator

Attachment (1):

1. City of Oakland Schedule of Due from PORT of Oakland

**CITY OF OAKLAND
SCHEDULE OF DUE FROM PORT OF OAKLAND**

Description of Services	Balance as of 06/30/12	FY 2013 Invoices and Invoice Adjustments	FY 2013 Payments	Balance as of 12/31/12
General Fund (1010):				
FY01-02 Special Services	\$ 207,869			\$ 207,869
FY02-03 Special Services	201,580			201,580
FY03-04 Special Services	94,408			94,408
FY04-05 Special Services	85,300			85,300
FY05-06 Special Services	184,109			184,109
FY06-07 Special Services	242,286			242,286
FY07-08 Special Services	388,479			388,479
FY08-09 Special Services	385,472			385,472
FY09-10 Special Services	290,688	(92,952)		197,736
FY10-11 Special Services	234,400	(35,460)		198,940
FY11 -12 Special Services (Fund 1010)	850,129	(28,570)		821,469
FY04-05 OPD Security-July-Dec04	9,496			9,496
FY04-05 OPD Security-Jan-Jun05	769			769
FY06-07 OPD Security-Jan-Jun07	174,464			174,464
FY07-08- CALPERS Sharing (7/3/07-4/4/08)	406,058		406,058	-
Parking Tax Settlement	432,400		432,400	-
FY11 -12 General Services & Lake Merritt Maintenance	2,095,526		2,095,526	-
FY11 -12 ARFF (Fund 1010)	2,002,005		2,002,005	-
Total General Purpose Fund (1010)	\$ 8,285,438	\$ (157,002)	\$ 4,935,989	\$ 3,192,367
Measure Y Fund (2251)				
Parking Tax Settlement	367,600		367,600	-
Total Measure Y Fund	367,600		367,600	-
LLAD Fund (2310):				
FY97-99 - LLAD	495,634			495,634
FY99-01 - LLAD	295,968			295,968
FY01-02 - LLAD	148,333			148,333
FY02-03 - LLAD	148,333			148,333
FY03-04 - LLAD	153,708			153,708
FY04-05 - LLAD	153,708			153,708
FY05-06 - LLAD	153,688			153,688
FY06-07 - LLAD	155,379			155,379
FY07-08 - LLAD	155,379			155,379
FY08-09 - LLAD	155,379			155,379
FY09-10 - LLAD	155,379			155,379
FY10-11 - LLAD	155,379			155,379
FY11-12 - LLAD	155,379			155,379
FY12-13 - LLAD		850,447		850,447
Total LLAD (Fund 2310)	\$ 2,481,645	\$ 850,447	-	\$ 3,332,092
Total Balance Due From Port of Oakland	\$ 11,134,683	\$ 693,365	\$ 5,303,589	\$ 6,524,458
Reconciliations to CAFR:				
Less: LLAD for Airport	(2,481,645)			(2,481,645)
Parking Tax Settlement	(800,000)			-
CALPERS Payments	(406,058)			-
OPD Security Services Payments	(10,265)			(10,265)
Add: difference in FY11-12 Port estimated and actual City billing	438,666			-
Total Port's liability to the City of Oakland per CAFR	\$ 7,875,281			\$ 4,032,648