Port of Stockton
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Port of Stockton Strategic Plan Framework

2025-2030 • Strategic Action Plan Year-End Report

Fiscal Year 2026 • July 1, 2025 – June 30, 2026

Agenda

01 **Recap: Strategic Framework vs. Action Plans**
The multi-year strategic framework vs. annual action plans

02 **How We Measure Progress**
Milestones, status progress, quarterly check-ins, and sprints

03 **FY26 Results**
The year-end scorecard and momentum across all four focus areas

04 **Focus-Area Highlights**
Progress and notable wins in each priority area

05 **Looking Ahead to FY27**
The second annual action plan (in progress now), cadence, and how we plan to keep momentum going

Strategic Plan Framework

6 Core Values | **4** Priority Focus Areas | **10** Strategic Objectives

Vision

Our vision at the Stockton Port District is to be a dynamic economic catalyst for the region, and a sustainable hub of growth and innovation. We envision a thriving Port where global commerce and opportunity intersect. Through community partnerships, environmental initiatives, and financial transparency, we aim to ensure a prosperous future for all stakeholders.

Mission

The Stockton Port District connects local and regional economies with global markets by providing world-class port infrastructure and services, and creating opportunities that foster economic development and job growth.

Core Values

Integrity
We conduct ourselves with the highest level of honesty, transparency, and ethical standards.

Sustainability
We operate in a manner that protects environmental resources and supports the long-term social and economic health of our staff, the community, and the region.

Accountability
We are responsible for our actions, behaviors, performance, and decisions.

Collaboration
We work in partnership with our employees, customers, and community fostering trust, open communication, and respect.

Safety
We value the safety and well-being of our employees, customers, and the community.

Positive Culture
We support our team through a positive work environment, by encouraging staff development and growth, and promoting communication, inclusion, and creativity.

Priority Focus Areas

1.0 Operational Efficiency
Optimize processes through collaborative planning and innovation

2.0 Fiscal Sustainability
Ensure long-term economic viability through the strategic allocation of resources

3.0 Stakeholder Engagement
Incorporate Core Values to promote transformative internal and external partnerships

4.0 Infrastructure
Upgrade infrastructure to support evolving market demands and business needs

Strategic Objectives

- 1.1 Develop District-wide plans
- 1.2 Continuous process improvements
- 1.3 Leverage innovative technology
- 2.1 Implement a long-range financial plan
- 3.1 Implement Core Values
- 3.2 Foster consistent transparent communication
- 3.3 Enhance alignment and support
- 4.1 Continuously assess infrastructure
- 4.2 Modernize aging infrastructure
- 4.3 Proactive infrastructure maintenance strategy

The Port’s Strategic Journey

The Board’s multi-year strategic framework sets enduring direction.
Targeted Annual Action Plans turn that framework into progress, with detailed milestones, focused one year at a time.

1 Strategic Framework

Completed June 2025

Priority focus areas & long-term objectives; enduring by design

2 Annual Action Plan 1

FY26 - Complete

First year of implementation:
the subject of this update

3 Annual Action Plan 2

FY27 - Underway

Second year: builds directly on year 1 momentum

4 Future Action Plans

FY28 and beyond

Outlined and pending revisions as FY27 action plan progresses/ concludes

Objectives are intentionally long-term, enduring, and difficult to “achieve” outright, so we measure meaningful progress (milestones), and shifts in status, not just “completion” as indicators of success.

Development Timeline

Late 2020
A Strategic Plan was started with consultant support

May 2021
Kirk DeJesus was appointed new Port Director

Late 2021
Strategic Plan draft did not align with the Port's needs, and the Port Director shut down the project

Mid 2022
Leadership shifted to making critical internal changes focusing on organizational restructuring

Late 2023
The Port Director led the development of the Port's Vision, Mission, and Core Values with support from Deputy and Division Directors

Apr 2024
Board approved Mission, Vision, and Core Values.

Aug 2024
The Port sourced new consultant support for the development of the Strategic Plan Framework

Sept 2024
The Port Director and the new consultant team (Path Strategy LLC) facilitated a kick off meeting and updated the Ad Hoc Committee with a plan to move the project forward with a focus on improving internal alignment and ensuring accountability for implementation

Oct 2024
Fourteen one-on-one interviews were conducted with the Port Executive Leadership team and Board Commissioners

Nov 2024
Workshop #1: Developing Strategic Priorities and Focus Areas

Jan 2025
Workshop #2: Defining Priority Focus Areas

Feb 2025
Workshop #3 Developing Strategic Objectives

Mar 2025
Workshop #4 Developing SMART Goals

Mar 2025
Completion of Strategic Plan Framework. Begin Internal Action Plan development

June 2026
Completion of First Annual Action Plan.

Four Priority Focus Areas

Every action item in the plan is tied to one of four enduring focus areas defined in the Strategic Framework.

1.0 Operational Efficiency

Optimize processes through collaborative planning and innovation

3.0 Stakeholder Engagement

Incorporate Core Values to promote transformative internal and external partnerships

2.0 Fiscal Sustainability

Ensure long-term economic viability through the strategic allocation of resources

4.0 Infrastructure

Upgrade infrastructure to support evolving market demands and business needs

How We Measure Progress

Because the objectives are long-term, we track movement rather than a single finish line. Progress shows up in two complementary ways:

02 Status Progress

Each action item advances through defined stages:

Not Started → In Progress → Completed

“Sprint” flags an item as a near-term priority push.

02 Milestone Completion

We track the share of identified milestones that are in progress or completed out of the total defined—a rolling read on how much of the work is actually moving.

Operating Cadence

Quarterly Check-Ins

Leads review status and next steps every quarter

Sprints

Focused pushes on the highest-priority items

Continuous Updates

Progress logged as work happens, not just at year-end

3.0 Stakeholder Engagement

3.0

Stakeholder Engagement

Incorporate Core Values to promote transformative internal and external partnerships.

3.1

Implement Core Values

Systematically integrate the Port's Core Values into daily work and interactions through consistent education, communication, and reinforcement across all divisions, building a values-driven culture where behaviors and decisions connect everyday actions to the Port's Mission and purpose.

3.2

Foster Consistent Transparent Communication

Establish and maintain open, two-way communication and feedback mechanisms with all stakeholders, both internal and external, through clear, accessible, transparent information-sharing and targeted outreach to strengthen connections, build trust, and create more opportunities for collaboration and alignment.

3.3

Enhance Alignment and Support

Deepen understanding of stakeholder interests, both internal and external, and strengthen collaboration across Port Divisions and partners to ensure initiatives are strategically aligned, mutually supportive, and effectively coordinated to maximize resources and fosters mutual support of common goals.

3.0 Stakeholder Engagement

3.1

Implement Core Values

Systematically integrate the Port's Core Values into daily work and interactions through consistent education, communication, and reinforcement across all divisions, building a values-driven culture where behaviors and decisions connect everyday actions to the Port's Mission and purpose.

In Progress | Port Director

3.1.2
External Core Value Implementation Plan

17%

In Progress | Port Director

3.1.1
Internal Core Value Implementation Plan

50%

3.1.1 Internal Core Value Implementation Plan

5-YEAR MILESTONE PLAN

SMART GOAL DESCRIPTION

Internal Core Value Implementation Plan – The Port Director will develop a draft plan to implement the Core Values internally across Port Staff.

CURRENT STATUS In Progress

Activated since Dec 2025

LEAD Port Director

PROGRESS

50%

Progress across the 5-year plan. Flagged numbers show milestones planned in each fiscal year.

FY26

Completed	Deputy Port Director, Administration will develop an outline (skeleton draft) for the Core Values Implementation Plan, drawing on an existing list of roll-out ideas.
Completed	Complete the Draft Plan, including communications strategies, recommended platforms and tools, and key messages and reinforcement mechanisms.
Completed	Core Values Survey Due April 29, 2026

FY26- FY27

In Progress	Port Leadership to review and finalize plan, including communications strategies, recommended platforms and tools, and key messages and reinforcement mechanisms.

Strategic Plan Scorecard

Progress and status for every SMART goal, grouped by focus area and objective.

A Year of Building Momentum

28 **Active Goals**

In the first Annual Action Plan

16 **Goals Advanced**

Improved status during the year

21 **Goals Now Moving**

In progress or completed (of 28)

80 **Update Entries**

Narrative progress logged in FY26

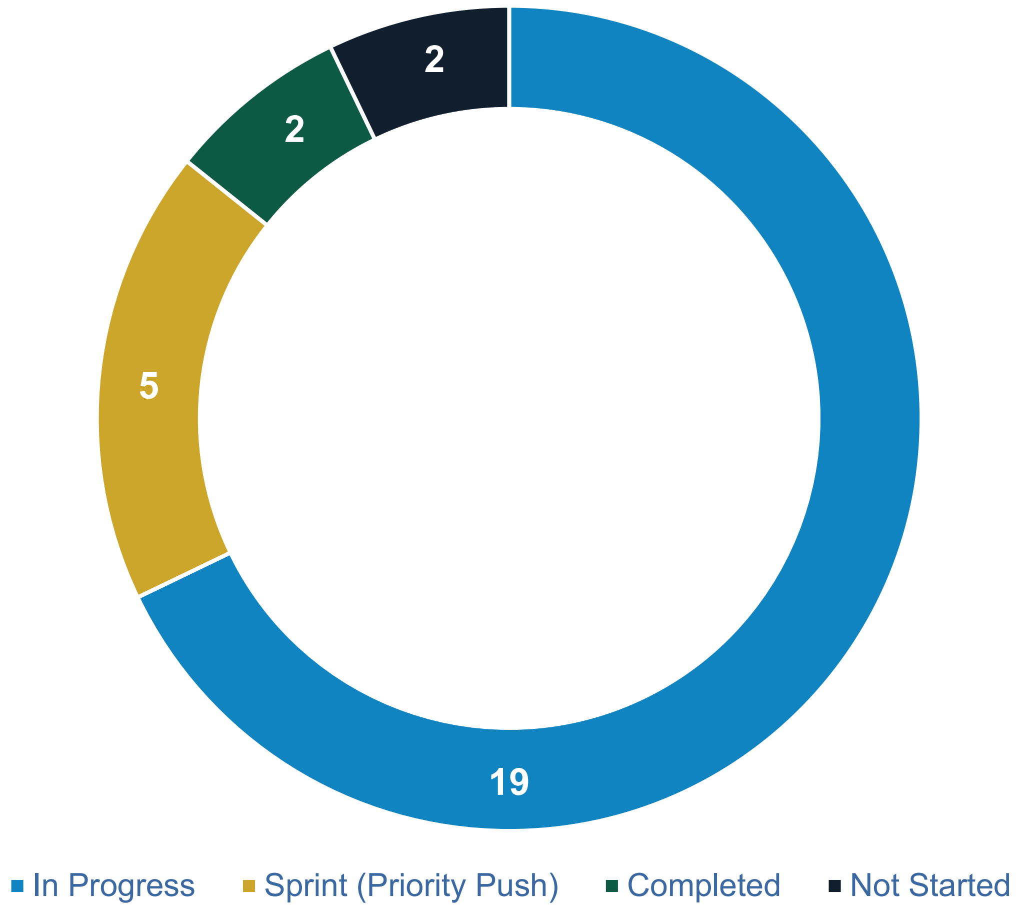
23 **Notable Wins**

Highlighted achievements

5 **Owner Check-Ins**

Lead submissions across the year

Where All 28 Goals Stand



75% **of goals are actively moving**

21 of 28 goals are in progress or complete. Two-thirds began the year as Not Started or not yet activated.

In Progress	19
Sprint (priority push)	5
Completed	2
Not Started	2

16 Goals Advanced This Year

Every goal below improved in status during FY26 – many activated from a standing start.

2 Reached Completed

3.2.1 Build Cross-Department Connections

3.2.4 Stakeholder Map

10 Advanced to In Progress

1.2.1 Evaluate Business Needs

2.1.1 Long-Range Financial Plan

3.1.1 Internal Core Values Plan

3.1.2 External Core Values Plan

3.2.3 Introduction of Strategic Plan

3.3.1 Awareness of Stakeholder Interests

3.3.2 Collaborative Stakeholder Projects

4.1.1b FICAP Marine Structural Expansion

4.1.1c Berth Inspection Data Integration

4.2.2 Leverage Market Analysis

4 Elevated to Sprint/Activated

1.2.3 Staff Development

1.2.4 Risk Management

4.2.3 Complete Priority Repairs

4.1.1d FICAP Asset Class Expansion

FOCUS AREA

1.0 Operational Efficiency

KEY GOALS & STATUS

Port Master Plan	In Progress
Utility/Power Plan	In Progress
Project Vetting	In Progress
Staff Development	In Sprint
Risk Management	In Sprint

9 Active Goals | **6** In Progress | **3** In Sprint

OBJECTIVES

1.1 Develop district-wide plans

1.2 Continuous process improvements

1.3 Leverage innovative technology

SPOTLIGHT WIN

Port Master Plan

The Port Master Plan is a massive undertaking. In FY26 the Action Plan this Goal drew multiple narrative updates including identifying 5 milestones, reflecting planning momentum.

Objective 1.1 — Develop District-Wide Plans

Next Milestone— Develop SOW

FOCUS AREA

2.0 Fiscal Sustainability

KEY GOALS & STATUS

Implement a long-range financial plan — In Progress

1 Active Goal | 1 In Progress | 4 Updates Logged

OBJECTIVES

2.1 Develop and implement a long-range financial plan

SPOTLIGHT WIN

HR payroll went live

Payroll moved into the new system in April 2026, providing the essential data needed to project additional staffing, a concrete foundation for long-range financial planning.

Milestone Completed — April 29, 2026
Next Milestone— Develop SOW for Conditional Assessment

FOCUS AREA

3.0 Stakeholder Engagement

KEY GOALS & STATUS

Build Cross-Dept. Connections	Completed
Stakeholder Map	Completed
Core Values Plan (Internal)	In Progress
Introduction of Strategic Plan	In Progress
Targeted Community Outreach	In Sprint

9 Active Goals | **2** Completed | **22%** Completion Rate

OBJECTIVES

3.1 Implement core values

3.2 Foster transparent communication

3.3 Enhance alignment and support

SPOTLIGHT WIN

Core Values survey shows strong staff buy-in

A staff survey (n=71) found 95% say the core values personally matter to them, 81% knew them beforehand, and 60% feel clear on their day-to-day meaning. The roll-out plan is drafted and underway.

Notable win — Cove Values Multimedia communications development, May 2026
Next Milestone— Launch internal core value campaign materials

FOCUS AREA

4.0 Infrastructure

KEY GOALS & STATUS

Scope Immediate Repairs	In Progress
Enterprise Asset Mgmt (EAM)	In Progress
FICAP Marine Expansion	In Progress
Leverage Market Analysis	In Progress
Complete Priority Repairs	In Sprint

9 Active Goals | **6** In Progress | **10** Updates on Top Goal

OBJECTIVES

4.1 Continuously assess infrastructure

4.2 Modernize aging infrastructure

4.3 Proactive maintenance strategy

SPOTLIGHT WIN

Asset management system is live and delivering

Capital assets are loaded into the EAM system and tied to work orders, the GIS interface is working with Tyler, and an RFP for on-call engineering drew 15 proposals — with priority repairs already being completed.

4 milestones completed— June 2026
Next Milestone— Confirm scope of asset mapping

Progress You Can Point To — People & Partners

Core Values, Put Into Practice

3.1 Stakeholder Engagement

Roll-out plan drafted and implementation begun; staff survey confirms 95% see the values as personally meaningful.

A Usable Stakeholder Map

3.2 Stakeholder Engagement

Stakeholder map built in a concise format with recommended next steps, completing the goal and enabling targeted outreach planning to continue (Comms plan underway)

Cross-Department Connections

3.2 Stakeholder Engagement

Completed work to build stronger connections across departments, improving transparent communication.

HR Payroll Live

2.1 Fiscal Sustainability

Payroll on the new system provides essential data to project staffing and support long-range financial planning.

Progress You Can Point To — Infrastructure

EAM System Operational

Capital assets loaded and tied to work orders; asset lists developed.

GIS Integration Working

GIS interface now working with Tyler, connecting spatial and asset data.

15 Proposals for On-Call Engineering

RFP issued and 15 proposals received – expanding engineering capacity.

East Complex Sewer Line, Phase 1

Rehabilitation project completed.

Shed 7/8 Roof Debris Removed

Priority repair completed.

Designers Selected for 3 Key Projects

West Complex erosion repair; Shed 14-20 restrooms, and Berth 10/11 deck capacity.

Objectives 4.2 (Modernize Aging Infrastructure) and 4.3 (Proactive Maintenance) saw the most milestone activity of any objectives this year.

Meaningful, Measurable Progress in Year 1

1

Momentum over a finish line

These objectives are enduring by design. The right measure is movement — and 16 of 28 goals advanced this year, with 21 now actively in progress or complete.

2

Work turned into evidence

80 update entries and 23 notable wins show the plan is being implemented in practice — from core-values roll-out to a live asset-management system.

3

A foundation for Year 2

First goals completed, systems stood up, and priorities sharpened into sprints — giving the second Annual Action Plan a running start.

The Second Annual Action Plan

FY27 (July 1, 2026 – June 30, 2027) carries the framework forward – converting Year 1 momentum into the next set of targeted milestones, and measurable progress.

Advance
What's Moving

- Push in-progress goals toward completion through quarterly check ins
- Convert current sprints into finished milestones
- Keep district-wide plans progressing
- Flag "blockers" early and communicate often

Activate
What's Next

- **Stay focused:** Continue to take steps to complete planned milestones, measuring the shift in goal status from "in progress" to "complete"
- **Plan Ahead:** Confirm details and define new milestones under each goal for FY28

Deepen
How We Work

- Full core values roll-out (internal first, then externally)
- Targeted stakeholder outreach to deepen connection, strengthen relationships, and reinforce objective 3.2: Foster Consistent Transparent Communication
- Long-range financial plan implementation

Quarterly Check-Ins & Sprints

A consistent rhythm keeps the plan moving and gives the Board regular, comparable read-outs on progress.

Q1

JUL – SEP 2026

Set sprints & baselines

Q2

OCT – DEC 2026

Mid-year progress review

Q3

JAN – MAR 2027

Adjust priorities

Q4

APR – JUN 2027

Year-end results

What the Board can expect Each Quarter

% of Milestones

In progress or completed vs. total defined

Status Shifts

goals moving Not Started → In Progress → Completed

Sprint Outcomes

Results from focused, high-priority pushes

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Year 1 complete. Year 2 underway.

Thank you to the Board of Commissioners for your continued partnership on the Port's strategic journey.

PUBLIC HEARING
3031 Navy Drive and 3019 Navy Drive
YARA NORTH AMERICA INC.
Proposed Long-Term Lease
JULY 20, 2026

YARA NORTH AMERICA, INC.
LONG-TERM LEASE
9.65 ACRES ON NAVY DRIVE
EAST COMPLEX

Project Vicinity Map

Project Aerial Map

Background

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Yara North America, Inc

- Part of Yara International ASA, Norway-based mineral fertilizer company
- Supports the Central Valley agricultural industry through liquid and dry fertilizer operations.
- Port customer for over 40 years, leasing its original East Complex site since 1979
- One of Port's Top 10 customers based on combined maritime and real estate revenue
- Yara operates two long-term facilities at the Port: East Complex (liquid fertilizer) and West Complex (dry fertilizer storage and warehouse operations)

Background

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- 5-year Lease was executed in 2018, after a Port-required relocation due to Navy Drive improvements
- Yara has successfully operated at the East Complex location and now is requesting a new long-term Lease
- Yara remained in holdover status during Lease negotiations

Discussion

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- The proposed lease establishes a new 10-year term, effective July 1, 2026, providing long-term stability for Yara's East Complex liquid fertilizer operations
- The Proposed lease includes approximately 9.65 acres on the East Complex:
  - 4.81 acres north of Washington Street
  - 4.84 acres south of Washington Street
- Proposed transaction maintains similar lease structure

Lease Terms

- **Lease Terms**
  - Initial ten (10) year lease term
  - Rent at approximately $31,807 ($35,355 per acre north parcel, $28,284 per acre south parcel) – Discount for location and maritime.
  - Two (2) five (5) year renewal options
  - Fair market value adjustments if options exercised
  - Annual CPI-based rent escalations with a floor of zero and no cap
  - Minimum Annual Guarantee of 150,000 metric tons
- **Effective Date:** July 1, 2026 - regardless of actual lease execution timing - streamlines annual rent and tariff adjustments

Lease Terms

- Base Rent Comparison: from the prior lease economics to the CPI-adjusted proposed annual lease

Parcel	Prior Lease Initial Rent (2018)	Current Holdover Rent	New Lease Rent	Increase Over Holdover
North Parcel, 4.81 acres	$ 96,800	$ 154,572	$ 170,046	10%
South Parcel, 4.84 acres	$ 48,100	$ 124,429	$ 136,891	10%
Combined Total	**$ 144,900**	**$ 279,002**	**$ 306,937**	**10%**

MTSA

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- Marine Terminal Services Agreement (MTSA) - coterminous with the proposed lease term
- Non-exclusive berth access at Berths 9 and 12/13 and updated wharfage rates effective July 1, 2026
- MTSA re-evaluation on option exercise or future expansion activity
- Updated operational and legal language consistent with current Port standard form agreements

CEQA

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- Proposed action is Categorically Exempt under the California Environmental Quality Act (CEQA)
- CEQA Guidelines Section 15301, Class 1 – Existing Facilities
- No change in existing use or expansion
- If approved, staff will file a Notice of Exemption following Board approval

RECOMMENDATION

Staff recommends that the Board:

- Adopt the CEQA exemption for the proposed action.
- Adopt Ordinance No. 265 approving Stockton Port District Lease No. 2026-06 with Yara North America, Inc.
- Authorize the Port Director to finalize and execute:
  - The Lease and exhibits
  - Notice of Exemption; and
  - Related documents, subject to final review and approval by Port Counsel and Port staff for non-substantive changes

THANK YOU