



AGENDA REPORT

| | |
|--|---|
| PROPOSED ACTION: Ordinance: Enactment of the Ordinance Necessary to Ratify and Set the Annual Salary for the Secretary of the Board to \$245,000 Retroactive to the First Day of the Pay Period Containing October 9, 2025 (Board Secretary/Finance & Admin) | |
| <u>Submitted By:</u> Michael Mitchell, Director of Human Resources; Board of Port Commissioners | |
| <u>Parties Involved:</u> Secretary of the Board, a Non-Represented Position in Port Employee Representation Unit H | <u>Amount:</u> \$16,429 (Operating Expense) |
| EXECUTIVE SUMMARY: The referenced Ordinance, if enacted by the Board of Port Commissioners (Board), will ratify and set an annual salary of two hundred and forty-five thousand dollars (\$245,000) for the Secretary of the Board retroactive to the first day of the pay period containing October 9, 2025. | |

BACKGROUND & ANALYSIS

Article XII, Section 2 of the By-Laws and Administrative Rules of the Board of Port Commissioners (By-Laws) and Administrative Policy and Procedure 432 (Annual Compensation Adjustments for Employees in Unit H; AP 432) provides that the Board may prescribe and fix the compensation of its Direct-Reporting Officers, including the Secretary of the Board. In doing so, the Board may consider, among other factors, employee performance as well as salary adjustments provided to Port employees through the collective bargaining process, internal compaction, and internal equity.

Consistent with the above authority, this Agenda Report proposes a salary increase for the Secretary of the Board. The proposed salary increase is fourteen thousand, three hundred and seventy-two dollars (\$14,372) or approximately six percent and would increase the Board Secretary’s annual salary from \$230,628 to \$245,000 retroactive to the first day of the pay period containing October 9, 2025.

The salary for the Secretary of the Board was not fixed and was indefinite prior to and at the start of fiscal year 2025-2026 because of ongoing financial considerations, negotiations, and other factors. As the Port must ensure the continued recruitment and retention of qualified and competent employees, a salary increase of \$14,372 retroactive to the first day of the pay period containing October 9, 2025, is recommended for the Secretary of the Board position.

In order for the Board to implement the salary adjustment for the Secretary of the Board as described above, the Board, by Ordinance, must amend Port Ordinance No. 867 to ratify and set the new salary of \$245,000. The second reading for the Ordinance amendment will be scheduled for the Board’s regular meeting on May 14, 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.
- Not a "Project" under CEQA, as defined in Public Resources Code § 21065.
- "Common Sense" exemption under CEQA Guidelines Section 15061(b)(3).
- Other/Notes:

BUDGET

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

Analysis: The FY 2026 budget did not account for any salary increases. FY 2026 additional costs are expected to be approximately \$16,429, including related employer taxes and pension contributions. These unanticipated personnel costs are expected to be absorbed by cost savings from current vacancies.

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:

SUSTAINABLE OPPORTUNITIES:

Applies? **No.**

Reason:

GENERAL PLAN (City Charter § 727):

Conformity Determination:

| | |
|--|--|
| | No Project – conformity determination not required because proposed action does not change use of or make alterations to an existing facility, or create a new facility. |
|--|--|

STRATEGIC PLAN. The proposed action would help the Port achieve the following goal(s) and objective(s) in the Port’s Strategic Business Plan:

- | | |
|---|--|
| <input type="checkbox"/> Grow Net Revenues | <input type="checkbox"/> Modernize and Maintain Infrastructure |
| <input type="checkbox"/> Improve Customer Service | <input checked="" type="checkbox"/> Pursue Employee Excellence |
| <input type="checkbox"/> Strengthen Safety and Security | <input type="checkbox"/> Serve Our Community |
| <input type="checkbox"/> Care for Our Environment | |