



AGENDA REPORT

PROPOSED ACTION: Ordinance: Enactment of the Ordinance Necessary to Ratify and Set the Annual Salary for the Director of Utilities Job Classification at \$287,500. (Finance & Admin)	
<u>Submitted By:</u> Danny Wan, Executive Director	
<u>Parties Involved:</u> Non-Represented Positions in Port Employee Representation Unit H	<u>Amount:</u> \$287,500 annual salary plus benefits (operating expense)
EXECUTIVE SUMMARY: Port of Oakland (Port) Staff requests that the Board of Port Commissioners (Board) enact the Ordinance necessary to approve the creation of a new classification, Director of Port Utilities.	

BACKGROUND & ANALYSIS

Article IX, Section 2 and Article XII, Section 5e of the By-Laws of the Board of Port Commissioners and Administrative Policy and Procedure (AP) 432 provide the Executive Director with the authority to review and adjust the salaries and other related benefits of the positions in Unit H on an annual basis. Among the factors to be considered, the Executive Director may take into account the Port's financial sustainability, employee performance, salary adjustments provided to Port employees through the collective bargaining process, market competition, internal compaction, internal equity, and other benefits (e.g., leave; health).

On June 27, 2024 the Board enacted an ordinance to create the Director of Utilities job classification without a set compensation for the classification. A compensation analysis was subsequently conducted to determine an appropriate compensation level commensurate with the responsibilities of the Director of Utilities position. The internal Unit H compensation structure was the key consideration in determining an appropriate annual salary level. In this instance, the Director of Utilities is a revenue director with oversight of the development of future strategies including power purchase, rate setting and energy investment. The Director of Utilities will have 7 budgeted full time subordinate employees. Maintaining an adequate base salary differential between the Director of Utilities and its subordinates is key to preserving a healthy compensation structure. Accordingly, it is recommended that the annual salary level for the Director of Utilities classification be set at \$287,500.

To implement the salary allocation for the Director of Utilities position, the Board, by Ordinance, must specifically amend Port Ordinance No. 867 to ratify and set the salary. If approved, the second reading for the Ordinance amendment will be scheduled for the Board's regular meeting on February 13, 2025. The Ordinance shall become effective immediately after the second reading.

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 Director of Utilities position was not included in the FY 2025 Staffing Plan. However, there is no change in total headcount as an existing vacancy within the Utilities Division will be utilized. No budget impact is anticipated due to port wide 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.
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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 | |