

AGENDA REPORT

Ordinance: Enactment of the Ordinance Necessary to Create the New Classification of Chief Operating Officer (“COO”). **Finance & Administration**

MEETING DATE: 12/12/19

AMOUNT: \$429,000 (estimated annual cost including benefits)
Operating Expense

PARTIES INVOLVED: N/A

SUBMITTED BY: Sara Lee, Chief Financial Officer

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Ordinance

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, Chief Operating Officer, who will report to the Executive Director.

BACKGROUND

Based on the Executive Director’s review of the Port’s management organizational structure, he has determined that the creation of the new classification of Chief Operating Officer is necessary to provide oversight to several functional areas of the organization in support of strategic objectives.

ANALYSIS

In 2013 the Port conducted an organizational analysis of the Port’s senior management structure that sought to better align the structure with business objectives. The analysis sought to eliminate functional duplications and to increase organizational accountability and cross-departmental collaboration. While the Port refined the senior management organizational structure by merging several functional areas, the analysis did not comprehensively address the Executive Director’s span of control or the need for management of Port-wide operations and compliance.

The creation of the Chief Operating Officer job classification has been identified as a necessity to address the Executive Director’s span of control, and to assist Executive Director in managing Port-wide operations and compliance and other duties as assigned. The classification will allow the Executive Director to focus on advancing the development and

implementation of the strategic plan, promoting the Port's role in the local and regional economies, as well as in international commerce, establishing principles and measures for sustainability, promoting local job growth, and aligning the organization for better accountability and efficiency.

The position will provide direct management and oversight over specific functional areas include port-wide operations and operational compliance with laws, regulations, industry standards and internal procedures. The Chief Operating Officer will also assist the Executive Director in planning, developing, and directing the activities of the Port as assigned or delegated. The incumbent will have a significant role in providing policy guidance to and determining the organization structure of assigned departments and will assist the Executive Director in developing and implementing strategic initiatives that enhance Port operations and compliance. Additionally, this position will provide oversight over day-to-day Port wide operations.

Article VII, Section 706(21) provides in pertinent part that "[a]ll offices and places of employment in the permanent service of the Board shall be created by ordinance duly passed." Accordingly, Port staff recommends that the Board enact the Ordinance necessary to create the Chief Operating Officer classification. Upon its creation, the Chief Operating Officer classification will be assigned to Port Employee Representation Unit H (Senior Management).

BUDGET & STAFFING

The estimated annual cost to the Port including benefits, is estimated to be \$429,000.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The matters contained in this Agenda Report do not fall within the scope of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) and the provisions of the MAPLA do not apply.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portofoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

Goal: Pursue Employee Excellence

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), do not apply because the requested action is not an agreement, contract, lease, or request to provide financial assistance within the meaning of the Living Wage Regulations.

SUSTAINABILITY

Port staff have reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. There are no sustainability opportunities related to this proposed action because it does not involve a development project, purchasing of equipment, or operations that presents sustainability opportunities. However, the position will enhance the Port's ability to comply with the Port's sustainability policies.

ENVIRONMENTAL

The matters contained in this Agenda Report were reviewed in conjunction with the requirements of the California Environmental Quality Act (CEQA) and the Port's CEQA Guidelines. The requested Board actions are not projects pursuant to CEQA Guidelines, Sections 15060(c)(3) and 15378(b)(2), and no environmental review is required.

GENERAL PLAN

This action does not change the use of any existing facility, make alterations to an existing facility, or create a new facility; therefore, a General Plan conformity determination pursuant to Section 727 of the City of Oakland Charter is not required.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

The Owner Controlled Insurance Program (OCIP) does not apply to the matters addressed by this Agenda Report as they are not capital improvement construction or design projects.

OPTIONS

1. The Board enact the Ordinance necessary to create the new classification of Chief Operating Officer.
2. The Board not enact the Ordinance necessary to create the new classification of Chief Operating Officer.

RECOMMENDATION

It is recommended that the Board enact the Ordinance necessary to create the new classification of Chief Operating Officer.