

AGENDA REPORT

Ordinance: Enactment of the Ordinance Necessary to Ratify and Set the Salary Increase and the Salaries for Certain Port of Oakland Non-Represented Employees in Port Employee Representation Unit H. **(Finance & Admin.)**

MEETING DATE: 2/13/2020

AMOUNT: \$48,000 for FY 2019-2020 (6 months)
Operating Expense

PARTIES INVOLVED: Non-Represented Employees in Port Employee Representation Unit H

SUBMITTED BY: Danny Wan, Executive Director

APPROVED BY: Danny Wan, Executive Director

ACTION TYPE: Ordinance

EXECUTIVE SUMMARY

Port staff recommends that the Board of Port Commissioners ("Board") enact the ordinance necessary to ratify and set a 3% salary increase for certain non-represented employees in Port Employee Representation Unit H (hereinafter, "Unit H").

BACKGROUND

Article IX, Section 2 and Article XII, Section 5e of the By-Laws of the Board of Port Commissioners and Administrative Policy and Procedure 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 organization'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). In addition, Article XII, Section 2 of the By-Laws provides that the Board may adjust the salaries and other related benefits of certain direct reports: in this particular matter, the Secretary of the Board and the Chief Audit Officer.

ANALYSIS

In an effort to provide an equitable and fair compensation plan for the Port's Unit H staff and consistent with the factors outlined in AP 432 which include Port financial stability, employee general performance, salary adjustments provided to represented Port employees through the collective bargaining process, internal compaction and internal equity, a one-time three percent (3%) salary increase retroactive to the first day of the pay period containing January 1, 2020 is recommended for certain Unit H employees referenced in the "Salary Table for Non-Represented Employees" ("Salary Table") which is attached as Attachment A. The Salary Table sets forth the proposed three percent (3%) salary increase and the proposed salaries for the following non-represented employee positions in Unit H: (1) two positions that directly report to the Board: Chief Audit Officer and Secretary of the Board; (2) Directors of: Aviation, Maritime, Commercial Real Estate, Communications, Human Resources, Governmental Affairs, Environmental Programs and Planning, and Social Responsibility; and (3) the Chief Financial Officer and the Chief Operating Officer.

In order for the Board to implement the salary adjustments for the non-represented employees as described above and as set forth in the attached Salary Table, the Board, by Ordinance, must specifically amend Port Ordinance No. 867 to ratify and set the salary increases and salaries. The second reading for the Ordinance amendment will be scheduled for the Board's regular meeting on February 27, 2020. The Ordinance shall become effective immediately after the second reading.

BUDGET & STAFFING

No impact to budget or staffing. Salary adjustments were estimated in the budget.

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.

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 amend Port Ordinance No. 867 to ratify and set the three percent (3%) salary increase retroactive to the first day of the pay period containing January 1, 2020 and the salaries for certain Port of Oakland non-represented employees in Unit H, as listed in Attachment A (Salary Table for Certain Non-Represented Employees in Port Employee Representation Unit H).
2. The Board not enact the proposed Ordinance and direct staff to prepare an ordinance to adjust Unit H salary in different amounts or in accordance with another compensation program.
3. Take no action.

RECOMMENDATION

1. The Board enact the Ordinance necessary to amend Port Ordinance No. 867 to ratify and set the three percent (3%) salary increase retroactive to the first day of the pay period containing January 1, 2020 and the salaries for certain Port of Oakland non-represented employees in Unit H, as listed in Attachment B ("Salary Table for Certain Non-Represented Employees in Port Employee Representation Unit H).

Attachment A: Salary Table for Certain Non-Represented Employees in Port Employee Representation Unit H