



AGENDA REPORT

Mayor's Office

DATE:	April 30, 2024
TO:	Members of the City Council
FROM:	Mayor Eduardo Martinez, Vice Mayor Claudia Jimenez, and Councilmember Cesar Zepeda
Subject:	Recommendations from the Management and Performance Audit of the Port of Richmond
FINANCIAL IMPACT:	To be determined.
PREVIOUS COUNCIL ACTION:	April 16, 2024 (Item X.2.)
STATEMENT OF THE ISSUE:	Richmond City Council has identified the Port of Richmond as a priority area for city investment and policy focus, given its profound potential for local job creation and municipal revenue enhancement. This item begins implementation of Port of Richmond operational improvements identified by an outside auditor.
RECOMMENDED ACTION:	DIRECT the city manager to appropriate funds in the Fiscal Year 24-25 budget for finance manager and maintenance manager positions for the Port of Richmond; to consider all increased costs associated with these two staff positions and incorporate them when setting future fees, tariffs, and lease rates; and work with all City departments referenced in the Recommendations List of the Port of Richmond Audit to return in September of 2024 with action plans and timelines for the listed recommendations - Mayor Eduardo Martinez (510-620-6502), Vice Mayor Claudia Jimenez (510-620-6565), and Councilmember Cesar Zepeda (510-620-6593).

DISCUSSION:

On direction from the Richmond City Council, the City of Richmond contracted with GPP Analytics Inc. to conduct a management and performance audit of the Port of Richmond. This audit, which began in June 2023, aimed to determine the efficacy, efficiency, and overall effectiveness of the port's operations, covering aspects like public funds use, regulatory compliance, internal controls, resource management, technological use, stakeholder responsiveness, lease integrity, and financial protocols.

Of the recommendations made in this audit, the need for additional staffing resources at the Port was made abundantly clear, particularly in order to support increased contract compliance, interdepartmental resource management, facilities maintenance, and alignment with industry best practices.

As the City Council enters its Fiscal Year 2024-2025 budget deliberations, this item establishes some of these audit recommendations as budgetary priorities for the Council. In addition, the City Manager is requested to ensure that relevant City Departments are incorporating the audit recommendations into their workflow, so that the City Council may receive updates and manage expectations on this policy priority.

DOCUMENTS ATTACHED:

Attachment 1 — Spreadsheet of Recommendations from the Management and Performance Audit of the Port of Richmond