


## CITY OF LOS ANGELES

## INTER-DEPARTMENTAL CORRESPONDENCE

DATE: May 7, 2026

TO: Honorable Members of the Rules, Elections and Intergovernmental Relations Committee

FROM: Eugene D. Seroka, Executive Director  
Harbor Department, Mail Stop 260 

**SUBJECT: RESPONSE TO RECOMMENDATIONS FROM THE CHARTER REFORM COMMISSION, CF#26-0489**

On April 2, 2026 the Charter Reform Commission provided its final recommendations to the Los Angeles City Council for consideration. The Harbor Department (POLA or the Port) has been actively engaged in discussion regarding Charter amendments that would impact operations, including a letter submitted to Council File #23-1027 and providing a presentation to the Personnel and Budget Committee of the Charter Reform Commission on January 15, 2026. The charter reform recommendations under consideration by the Rules, Elections and Intergovernmental Relations Committee include changes requested by POLA as well as ideas introduced via motion. The information attached is submitted in accordance with the directions provided by the Chief Legislative Analyst on April 29, 2026.

Questions regarding this report may be directed to Stephanie Magnien Rockwell, Chief of Staff at (310) 732-3440.

EDS/mew

cc: Steve Luu, Office of the Chief Legislative Analyst

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**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendation:** CRC 61 – Replaces language for the letting of contracts from "lowest responsive and responsible bidder" with "best value" language for competitive bidding and competitive sealed proposals, Section 371.

**Responding Department:** Harbor Department

**Administrative Impact:** Departments could consider multiple factors beyond bid amount in assessing the appropriate vendor, including factors like quality, performance, risk and value over time.

**Fiscal Impact:** The fiscal impact would be better and more responsible use of funds with potentially lowered likelihood of cost overruns, change orders, and delays, because of the ability to consider factors not available with the lowest bid procurement model.

**Administrative or Charter Amendment Required:** This recommendation requires a Charter Amendment, as it is a change to an existent direction in the current City Charter.

**Advantages/Disadvantages of Proposal(s):** This change was requested by all three proprietary departments and the Board of Public Works with a view to improving the results of current department procurement methods. This would bring the City into closer alignment with procurement best practices, as more government agencies have progressed beyond low bid criteria.

**Additional Concerns:** N/A

**Departmental Liaison Contact:** Stephanie Magnien Rockwell, Chief of Staff

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**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendation:** CRC 62 – Removes the ordinance requirement for the letting of contracts pursuant to competitive sealed proposals, Section 371 (b).

**Responding Department:** Harbor Department

**Administrative Impact:** Departments will no longer require an individual ordinance to be adopted by Council to proceed with competitive sealed proposals, significantly reducing the administrative burden and procurement timeline for alternate delivery methods.

**Fiscal Impact:** N/A

**Administrative or Charter Amendment Required:** This recommendation requires a Charter Amendment, as it is a change to an existent direction in the current City Charter.

**Advantages/Disadvantages of Proposal:** This change was requested by all three proprietary departments and the Board of Public Works with a view to streamlining the implementation of alternative delivery methods. Removing the requirement for an individual ordinance would take months off of the current process. Council would maintain its authority to assert jurisdiction over this matter pursuant to Charter Section 245.

**Additional Concerns:** N/A

**Departmental Liaison Contact:** Stephanie Magnien Rockwell, Chief of Staff

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**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendation:** CRC 63 – Allow exceptions to lowest bid requirements for critical infrastructure and software, Section 371(e).

**Responding Department:** Harbor Department

**Administrative Impact:** Exempting this tranche of contracts from lowest bid requirements would decrease the administrative burden.

**Fiscal Impact:** N/A

**Administrative or Charter Amendment Required:** This recommendation requires a Charter Amendment, as it is a change to an existent direction in the current City Charter.

**Advantages/Disadvantages of Proposal:** This change was requested by all three proprietary departments. Under the current Charter, departments have limited ability to sole source a contract, including servicing by original equipment manufacturers (OEM). Adding these contracts to listed exceptions to lowest bid requirements would streamline service and maintenance for critical equipment repairs, services and software.

**Additional Concerns:** N/A

**Departmental Liaison Contact:** Stephanie Magnien Rockwell, Chief of Staff

**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendations:** CF#25-0118 – Port of Los Angeles / Public Access Investment Plan / Leasing Policy / Charter Reform

CF#26-0426-S1 – Workforce Impact Report (WIR) / Economic and Employment Impacts / Port of Los Angeles Leasing Policy

CF#26-0426-S2 – Workforce Impact Report (WIR) / Port of Los Angeles/ Approval Processes/ Proposed Procedures / Framework

**Responding Department:** Harbor Department

**Administrative Impact:** The exact framework and requirements of the Workforce Impact Report have not been determined but may create significant administrative burdens and perceived risks for the Harbor Department and any of the department's applicants.

The Public Access Investment Plan (PAIP) is currently implemented and maintained by the Port, under the authority of the Board of Harbor Commissioners, and will not require administrative changes.

**Fiscal Impact:** The fiscal impacts of adding the PAIP and an updated Leasing Policy to the Charter are not yet known. Consistent with the Tidelands Trust and provisions of the Charter, the existing PAIP maintains the Board of Harbor Commissioners' control over Harbor Revenue Funds decisions and allows the Board discretion to make ongoing adjustments based on general economic trends, a potential declining financial outlook, and legal matters.

The fiscal impact of an updated Leasing Policy and/or Workforce Impact Report component to the Port's application process is not possible to calculate at this time, as the WIR process has not yet been established. The amount of economic analysis required for the WIR could be quite costly, depending on what the process requires. It is also unknown if the Port or its applicants would shoulder the cost of the WIR. There could also be a fiscal impact created by applicants being discouraged from working with the Port due to cumbersome administrative requirements built into the Charter.

**Administrative or Charter Amendment Required:** Both the PAIP and the Port's Leasing Policy are currently part of Port operations and have been adopted by the Board of Harbor Commissioners. No administrative or Charter changes are necessary for these policies to continue. The current Leasing Policy includes a workplace impact disclosure, but it does not include a WIR – however, adding this procedure to the Port's existing policies would not require a Charter amendment.

**Advantages/Disadvantages of Proposals:** The Charter delegates to the Board of Harbor Commissioners the authority to administer the Harbor Revenue Fund, consistent with State legislation including the Tidelands Trust. Including the PAIP and the Leasing

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Policy in the Charter impedes the Harbor Commission's ability to exercise that discretion in the manner contemplated by State law and the Charter.

Furthermore, the California State Lands Commission (CSLC) holds oversight authority over the Port of Los Angeles to ensure compliance with the Public Trust Doctrine. As stated in a letter dated April 14, 2026, from CSLC to the members of the Council's Trade, Travel and Tourism Committee land use and fiduciary obligations must be consistent with the City's management of lands granted to it by the State. Currently, it is not possible to make such a determination because the Charter amendment language and WIR policy are undeveloped.

**Additional Concerns: N/A**

**Departmental Liaison Contact: Stephanie Magnien Rockwell, Chief of Staff**

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**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendation:** CF#26-0637 – Port Warden II / Pension System Restrictions / November 2026 Ballot / Measure Amending Section 1700 / City Charter / Port Warden Pay Grade

**Responding Department:** Harbor Department

**Administrative Impact:** This update would allow any Port Warden, regardless of pay grade, hired from outside City service to elect to participate in either the Los Angeles Fire and Police Pension plan or the Los Angeles City Employees' Retirement System.

**Fiscal Impact:** The fiscal impact is likely to be negligible and may result in some small savings in benefits costs.

**Administrative or Charter Amendment Required:** This recommendation requires a Charter Amendment, as it is a change to an existent direction in the current City Charter.

**Advantages/Disadvantages of Proposal:** With this relatively small change, the Port Police will be able to ensure that the pension requirements are not an impediment to hiring the best qualified candidate.

**Additional Concerns:** N/A

**Departmental Liaison Contact:** Stephanie Magnien Rockwell, Chief of Staff

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**SUBJECT: RESPONSE TO CF#26-0489**

**Proposed Charter Reform Recommendation:** Allow for up to 3% of the Harbor Department's employees to be within exempt classifications.

**Responding Department:** Harbor Department

**Administrative Impact:** N/A

**Fiscal Impact:** No general fund impact. The salaries and benefits of employees assigned to the Harbor Department are supported by the Harbor Revenue Fund.

**Administrative or Charter Amendment Required:** An amendment to Section 1001 of the Charter would be required to implement this change.

**Advantages/Disadvantages of Proposal:** The Harbor Department and Airports currently share a pool of 10 exempt positions. Amending the City Charter to designate a number equal to 3% of the department's workforce would provide the certainty for the departments regarding the number of positions allocated to each and eliminate the need for sharing. Additionally, it provides flexibility to bring on personnel with the needed management, professional, scientific, technical or expert skillset.

**Additional Concerns:** N/A

**Departmental Liaison Contact:** Stephanie Magnien Rockwell, Chief of Staff