

**DRAFT**

April 11, 2014

The Honorable Members of the  
City Council of the City of Los Angeles

**Subject: Council File No. 13-1501- Report to City Council on the TraPac Terminal Development Program**

On November 19, 2013, the City Council requested (Council File No. 13-1501) that the Los Angeles Harbor Department provide a report on the progress relative to the TraPac Terminal Development Program addressing the following:

- I. Specific procedural changes that will be made to rectify the issues raised in the reporting of this program to ensure that such issues do not reoccur.
- II. A study on the impacts of container terminal automation, specifically on the impacts on the port, workforce, community, etc.; and a cost/benefit analysis that takes into consideration the competitive challenges facing the port.
- III. A plan for integrating a liaison between Labor and the Harbor Department vendors.

The three actions requested by the City Council are summarized in this document and supported by the detailed transmittals attached.

**I. Procedural Changes.**

The Bronner Group LLC (Bronner) was selected through an expedited competitive proposal process to perform a review and provide recommendations to identify necessary “best practices” and address the City Council’s requests. Bronner started its work by reviewing the existing After Action Review along with the supporting source documents and highlighted gaps in the Harbor Department’s operating framework. Bronner identified a set of “best-practices” components for organizational effectiveness that include six individual actions focused on two basic themes, 1) improved integration across the entire Harbor Department organization, and 2) strengthened risk management. The six recommended actions and their relative priorities are as noted below and are detailed in the attached Bronner report.

1. Restructure and re-institutionalize the Harbor Department’s Project Development Committee
2. Create a project lifecycle ownership structure
3. Implement independent validation and verification in project budgeting and control
4. Establish active roles in project control for finance and audit