

**ITEM NO.** 4.

**DATE:** MARCH 26, 2012

**FROM:** MARY SILVERSTEIN, EXECUTIVE DIRECTOR  
MARK VARGAS, MISSION INFRASTRUCTURE

**SUBJECT:** REVIEW AND APPROVAL OF CONTRACT, IN SUBSTANTIAL FORM, WITH BAY AREA COUNCIL ECONOMIC INSTITUTE (BACEI) TO PERFORM AN INITIAL SHORT TERM OFF PORT IMPACT STUDY ON LAND USE

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**RECOMMENDATION:**

Staff Recommends approval of the Contract, in substantial form, for Services with the Bay Area Council Economic Institute, with Scope of Work revised February 20, 2012 and March 15, 2012 (Exhibit A), and Fees & Rate Schedule (Exhibit B) in the amount of \$288,976, for performance of an initial short-term off-port impact study on land use.

Staff requests Board authorization to present the contract with a request for a disbursement of funds from the Port Community Mitigation Trust Fund, to the Board of Harbor Commissioners (BOHC)

**DISCUSSION:**

Section VI. of the TraPac Memorandum of Understanding (TraPac MOU), titled "OFF-PORT IMPACT STUDIES," contains a paragraph "A" which calls for the Port to "fund an initial study of off-Port impacts." The entire paragraph is cited here:

*"The Port will fund an initial study of off-Port impacts, with a maximum price of \$300,000. If the cost of the study exceeds this amount, then money shall be augmented from section VB funds. The study will consist of an analysis of off-port impacts on health and land use in Wilmington and San Pedro. The land-use analysis will take into consideration the applicability of the California Air Resources Board's April 2005 study "Air Quality and Land Use Handbook: A Community Health Perspective" and the health impacts analysis will take into consideration the applicability of the biannual survey by the UCLA Center for Health Policy Research called the California Health Interview Survey, which already does a more concentrated interview process in LA County. A third party entity selected through an RFP process shall carry out the study. It is envisioned that this initial study will take six months. The Port will not be involved in the execution of this study, but rather, this initial study shall be commissioned by the interim entity identified within section VC. A report on the scope of the study as articulated within the RFP shall be made to the Trade, Commerce and Tourism Committee of the Los Angeles City Council before being issued. In addition, periodic updates on the study progress shall be made to the Trade, Commerce and Tourism Committee of the Los Angeles City Council."*

The process for funding such a study predated the formation of the Harbor Community Benefit Foundation. The appellants to the TraPac MOU (“Appellants”) designated the Natural Resources Defense Council (NRDC) to develop an RFP for presentation to the Trade, Commerce and Tourism Committee of the Los Angeles City Council. The NRDC drafted RFP was submitted to City Council and approved by the Trade, Commerce and Tourism Committee on March 26, 2010 (see Council File No 10-0442). The NRDC solicited the RFP after the approval of the City Council Committee. A panel of Appellants assisted in the final selection of Beacon Economics, led by Jon Haveman, in April 2011.

The Operating Agreement of the TraPac MOU (Operating Agreement) was finalized and approved on March 25, 2011. The language of the Operating Agreement transferred all non-obligated funds related to the TraPac MOU to the Port Community Mitigation Fund under the California Community Foundation (PCMTF). This included the funds dedicated to the initial study of off-port impacts (Study) contemplated in Paragraph A of Section VI of the TraPac MOU. The Operating Agreement gives specific guidelines as to how money can be withdrawn from the PCMTF. These guidelines include a formal request to the BOHC from the HCBF for release of the funds.

Now that the PCMTF includes the funds for the Study, the Study must receive the approval of the HCBF Board before it can be funded, as per the Operating Agreement. The Appellants have requested that the HCBF approve the proposal by the Bay Area Council Economic Institute (Jon Haveman has moved from Beacon Economics to “BACEI” since the RFP was first solicited in April, 2010) for the Study.

In August, 2011, the Board, by majority vote, voted unanimously to approve the selection of BACEI as contractor to conduct the Land Use Study. As per direction of both the Appellants and the HCBF Board, the health component of the Study has been eliminated, but it is contemplated that an RFP will be issued to solicit vendors who specialize in the health field to conduct a health study specific to the requirements outlined in the TraPac MOU.

In prior HCBF Board meetings, the HCBF Board has worked hard to balance the desire to expedite the request of the Appellants for approval of the study with the need to take seriously its fiduciary responsibility of oversight of the PCMTF funds. With the assistance of Board Member Sadd, and Public Counsel, the HCBF staff have worked with Jon Haveman and his team to develop revisions to the scope of work and deliverables to ensure that the proposal meets HCBF Board approval. This included strengthening and clarifying performance metrics and deliverables plus a local hire and reporting component, with a requirement of at least 1300 hours of work for residents of San Pedro and Wilmington.

**FINANCIAL ANALYSIS:**

The Contract and Scope of Work for the Land Use Study call for a not-to-exceed amount of \$288,976.

In addition, HCBF staff intends to retain independent experts to assist with project oversight, in an amount not-to-exceed \$11,024 for a total of \$300,000

**COMMUNITY IMPACT:**

It is anticipated the study will be completed in six months, including community outreach and surveys. BACEI has agreed to dedicate a minimum of 1300 hours to local hire (San Pedro and Wilmington zip codes), lead by Dr. Kristen Monaco, CSULB professor. Although the project is short term, the community will benefit from job training and local hire opportunities. BACEI must provide monthly reports on the number of local hires, for each zip code.

**ATTACHMENTS:**

Form of Contract prepared by Public Counsel

Exhibit A: Abridged Scope of Work, revised February 20, and March 15, 2012

Exhibit B: Fees & Rate Schedule