



Executive Director's

Report to the
Board of Harbor Commissioners

DATE: SEPTEMBER 25, 2012

FROM: REAL ESTATE

**SUBJECT: RESOLUTION NO. _____ - PROPOSED FIRST AMENDMENT
TO EXECUTIVE DIRECTOR AGREEMENT NO. E6626 WITH PATRICIA
V. TUBERT DBA TUBERT CONSULTING**

SUMMARY:

Executive Director Agreement No. E6626 (Agreement) with Patricia V. Tubert dba Tubert Consulting (Tubert) provides for real estate consulting services and terminates on November 13, 2012. The proposed First Amendment (Amendment) to the Agreement is an extension of the term through June 30, 2013, with an additional \$150,000 to the compensation total. From October 2012 through June 2013, the estimated expenditure is \$16,666 per month, or approximately \$150,000 total. All other terms and conditions of the Agreement will remain the same. Tubert is based out of Los Angeles, California.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Approve the First Amendment to Executive Director Agreement No. E6626 with Patricia V. Tubert dba Tubert Consulting, which will extend the term through June 30, 2013 and add \$150,000 to the contract for a total compensation of \$300,000;
2. Authorize the Executive Director to execute and the Board Secretary to attest to the First Amendment to Executive Director Agreement No. E6626; and
3. Adopt Resolution No. _____.

DISCUSSION:

Background – In 2011, the City of Los Angeles Harbor Department (Harbor Department) released a Request for Proposals (RFP) to provide various professional, expert, and technical real estate and strategic planning advisory services. Tubert, the most qualified proposer, was selected to provide services that include assisting in negotiating real estate permits, acquisition transactions, development of real estate project proposals, as well as development of training competencies to improve real estate operations. Tubert is also working with the City Attorney on developing standardized templates for legal documents used in real estate transactions such as permits and specialized permits while ensuring all mitigation and other important provisions are covered in the best interest of the Harbor Department. Tubert is a qualified small business enterprise (SBE), as well as a women-owned business enterprise (WBE).

SUBJECT: FIRST AMENDMENT TO AGREEMENT NO. E6626 WITH TUBERT CONSULTING

During the initial months of this Agreement, the Real Estate Division had several vacancies and was in between directors. The vacated positions left a gap wherein the previous incumbents were senior level real estate professionals who were assigned several time-sensitive projects. Existing staff was able to absorb some but not all of the extra assignments due to their own workload. Under the existing scope of work of the Agreement, Tubert assisted in reviewing legal and environmental documents, assisted in negotiations, and worked with staff to bring closure to several of these projects. Completion of these assignments resulted in collection of over \$300,000 in additional annual revenue for the Harbor Department. However, the additional hours spent completing this work resulted in the budgeted funds being expensed at a faster rate than expected (\$16,000 to \$23,800 per month), and subsequently other items under the original scope of work were put on hold.

While Tubert has provided invaluable assistance thus far, other critical items still need to be completed. These include action items that were specified in the 2011 Real Estate Performance Audit, such as the development of various types of permit templates and assistance on development of the revised procedures (Transmittal 2). Additionally, this proposed Amendment (Transmittal 1) will allow Tubert to complete work on transactions involving permits that have been on holdover or have compensation that is overdue to be reset. Understanding the deliverables and the amount of time needed, the additional funds and time are sufficient to complete this work.

ENVIRONMENTAL ASSESSMENT:

The proposed action is an Amendment to an Executive Director Agreement with Tubert to continue real estate consulting services. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

ECONOMIC BENEFITS:

This Board action will have minimal direct employment effect, supporting less than one full-time-equivalent job in the five-county region.

FINANCIAL IMPACT:

The proposed Amendment provides services for work that is to be completed, as recommended by the 2011 Real Estate Division Audit. Hourly rates negotiated under the original Agreement will apply to the First Amendment. Since execution of the Agreement, the Harbor Department has remitted to Tubert a total of \$150,000 for services rendered. Tubert is currently not working due to other commitments but is expected to return in October upon approval of the First Amendment. In the current fiscal year, \$150,000 has been budgeted for real estate consulting services in Account 54290, Center 0424, Project 000.

DATE: SEPTEMBER 25, 2012

PAGE 3 OF 3

SUBJECT: FIRST AMENDMENT TO AGREEMENT NO. E6626 WITH TUBERT CONSULTING

Services provided by Tubert thus far have resulted in an additional \$300,000 in revenues (\$150,000 after subtracting costs to retain Tubert under the original contract).

CITY ATTORNEY:

The First Amendment has been approved as to form and legality by the Office of the City Attorney.

TRANSMITTALS:

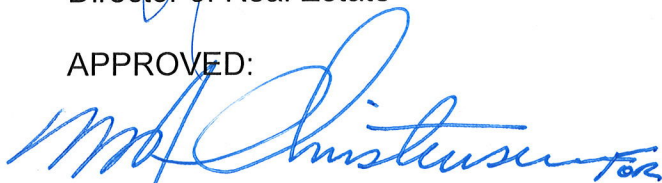
1. First Amendment
2. Project List

FIS Approval:  (initials)
CA Approval:  (initials)


JACK C. HEDGE
Director of Real Estate


KATHRYN McDERMOTT
Deputy Executive Director

APPROVED:


GERALDINE KNATZ, Ph.D.
Executive Director

GK:KM:JCH:EAB:mmm
Author: E. Benson
BL423 Tubert 1st Amendment