



**THE PORT  
OF LOS ANGELES**  
Executive Director's  
Report to the

Board of Harbor Commissioners

**DATE: MAY 13, 2013**

**FROM: GOVERNMENT AFFAIRS**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - TERMINATION OF AGREEMENT  
NO. 10-2905 WITH ALCALDE & FAY, LTD. FOR FEDERAL  
GOVERNMENT ADVOCACY SERVICES**

**SUMMARY:**

The Government Affairs Division is requesting that Agreement No. 10-2905 between the City of Los Angeles Harbor Department (Harbor Department) and Alcalde & Fay, Ltd., a Commonwealth of Virginia Corporation (Consultant), be terminated pursuant to Article X, Termination Provision, of the Agreement. Article X states that the Los Angeles Board of Harbor Commissioners (Board) has the right to terminate and cancel all or any part of the Agreement for any reason upon giving the Consultant ten (10) days advance, written notice.

**RECOMMENDATION:**

It is recommended that the Los Angeles Board of Harbor Commissioners:

1. Approve the Termination to Agreement No. 10-2905 with Alcalde & Fay, Ltd.;
2. Authorize the Executive Director to execute and transmit a written notice of termination to the Consultant, effective May 28, 2013; and
3. Adopt Resolution No. \_\_\_\_\_.

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**DISCUSSION:**

Background and Context – Agreement No. 10-2905 with the Consultant was approved by the Board of Harbor Commissioners on October 7, 2010, following a Request for Proposals (RFP) selection process that began in December 2009. The Agreement provides the City of Los Angeles Harbor Department with federal government advocacy services. The Agreement commenced on November 1, 2010 for an initial period of one-year, for a total Agreement term not to exceed three-years from the effective date, and a not-to-exceed compensation amount of \$150,000 per year to an aggregate amount of \$450,000 for up to three-years. The first exercise option to renew the Agreement occurred on October 31, 2011, and the second exercise option to renew the Agreement occurred on October 31, 2012.

Proposed Action – Article X (Termination Provision) of this Agreement states: “The Board of Harbor Commissioners, at its sole discretion, shall have the right to terminate and cancel all or any part of the Agreement for any reason upon giving the Consultant ten (10) days advance, written notice of the Board’s election to cancel and terminate this Agreement.” It is requested the Board exercise this right in order to terminate the Agreement.

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the termination of existing Agreement No. 10-2905 between the Harbor Department and Consultant. As an administrative action, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of 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 no employment effect in the five-county region.

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**FINANCIAL IMPACT:**

No funding is requested of this action. The Harbor Department will realize approximately \$56,250 in cost savings from termination of this Agreement. The compensation for this Agreement is based on a monthly retainer in the amount of \$12,500. Currently, \$18,750 is budgeted in FY 12/13, and \$37,500 is budgeted in FY 13/14 through October 31, 2013. Should this item not be approved, the Harbor Department will continue to be obligated to pay the Consultant under the existing Agreement up to the not-to-exceed amount of \$56,250. Approximately \$56,250 in cost savings will be realized in Account No. 54290, Center No. 260, Program No. 000.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed this Board Report and there are no legal issues at this time.


**TRANSMITTALS:**

1. Agreement No 10-2905 with Alcalde & Fay, Ltd.
2. First Option Letter dated October 31, 2011
3. Second Option Letter dated October 31, 2012

FIS Approval: LR (initials)

CA Approval: CR (initials)

DAVID LIBATIQUÉ  
Senior Director, Government Affairs

  
CYNTHIA M. RUIZ  
Deputy Executive Director, External Relations

APPROVED:

  
for GERALDINE KNATZ, Ph.D.  
Executive Director