



DATE: JANUARY 17, 2019

FROM: LABOR RELATIONS & WORKFORCE DEVELOPMENT

**SUBJECT: RESOLUTION NO. _____ - FIRST AMENDMENT TO AGREEMENT
18-3580 WITH ICF INCORPORATED, LLC FOR WORKFORCE
TRAINING CONSULTANT**

SUMMARY:

Staff requests approval of a first amendment (First Amendment) to Agreement No. 18-3580 with ICF Incorporated, LLC (ICF). The proposed First Amendment replaces Exhibit B with Exhibit B-1 to effectuate a technical change in the Compensation Exhibit that will: (1) direct ICF to follow the City of Los Angeles travel policy for travel cost reimbursements under this agreement; and (2) add clarifying language for specific indirect General & Administrative (G&A) cost rates and charges that ICF included in the proposed costs amount in Exhibit B. The proposed language does not change the scope, term period, or compensation amounts in the current agreement.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners:

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;
2. Find that in accordance with the Los Angeles City Charter Section 1022, it is more feasible for outside contractors to perform this work than City employees;
3. Approve the proposed First Amendment to Agreement No. 18-3580 with ICF Incorporated, LLC for the additional language to Compensation Exhibit by replacing Compensation Exhibit B with Compensation Exhibit B-1 of the Agreement;
4. Authorize the Executive Director to execute and the Board Secretary to attest to the proposed First Amendment to Agreement No. 18-3580 with ICF; and
5. Adopt Resolution No. _____

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DISCUSSION:

Background -- The Port of Los Angeles is America's largest container port by volume, handling a record 9.3 million twenty-foot equivalents (TEUs, an industry standard measure of container cargo) in 2017. In 2017, staff estimates the cargo throughput at the Port of Los Angeles is related to more than 147,000 jobs (about one in 13 jobs) in the City of Los Angeles and 526,000 jobs (or one in 17 jobs) in the five-county Southern California region, and 1.6 million jobs nationally.

Maintaining the Port's role as an economic and job creation engine, while navigating a rapidly changing maritime shipping industry, is the key to the future of the Port and the region. Investment in human capital is a key component of this effort. In support of this role, the Port is committed to developing new and innovative ways to develop a workforce training environment at the Port that supports workforce development in the San Pedro Bay community and across the entire goods movement sector in the greater Los Angeles area.

As a first step in creating this environment, the Harbor Department is working in partnership with the International Longshore and Warehouse Union (ILWU) and Pacific Maritime Association (PMA), along with oversight by the Office of the Mayor, to develop a pilot for a joint ILWU-PMA training program. This pilot program is hopefully the first of many innovative training programs that the Harbor Department seeks to develop to promote workforce training in skills and occupations around the Port and through the goods movement sector.

To support these efforts, the Harbor Department received two grants totaling \$600,000 from the High Road Training Partnership grant program administered by the California Workforce Development Board (CWDB) and the California Employment Development Department (EDD). In May 2017, CWDB and EDD awarded the grant to the Harbor Department, and in October 2017, the Board approved receipt of the first part of the grant award for \$500,000. Then, in January 2018, the Harbor Department was awarded a subsequent \$100,000 grant from the same grant program, which the Board approved receipt of in June 2018.

To develop this new training program, the ILWU, PMA, and Harbor Department sought assistance from a consultant with expertise in establishing training partnerships between labor and management and developing and implementing training curriculum and programs for use by members of labor unions. In addition, the consultant will conduct an occupation and skills sector assessment across the goods movement sector in the greater Los Angeles area to guide the Harbor Department's broader efforts in creating a workforce training environment.

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In May 2018, the Board approved an agreement for consulting services with ICF. The agreement is for a one-year term, with an option for a second year, and an amount for services not to exceed \$300,000. Since then, ICF's participation has been instrumental in the effort to develop the pilot program. ICF provides substantial expertise in curriculum development and continues to play a critical role in developing and drafting the curriculum material for this pilot program. In addition, ICF is currently drafting the sector assessment as requested by the Harbor Department.

Need for Amendment – The proposed amendment provides clarifying language for the fees and rates for the previously agreed upon services. Currently, Exhibit B to the operative agreement provides rates for labor, travel, and Other Direct Costs (ODCs). The proposed amendment will replace the current Exhibit B with a new Compensation Exhibit - Exhibit B-1. Exhibit B-1 does not change any of the dollar amounts, tasks, or the listed "Total Proposed Time and Materials Price." Exhibit B-1 only adds clarifying language to require that ICF follow the City of Los Angeles travel policy for travel cost reimbursements under this agreement and to specify indirect G&A cost rates and charges that were included in the total proposed amounts listed under travel and ODCs in the Compensation Exhibit. There are no changes to the Agreement itself. Neither the Harbor Department nor ICF seeks to change any dollar amounts or labor rates. The proposed amendment will provide clarifying language to the Compensation Exhibit and confirm the authority and compliance for the City's disbursements to pay for travel cost reimbursements and indirect G&A charges that are listed in ICF's monthly invoices.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an amendment to an Agreement with ICF to provide consulting services to support the Harbor Department's development of a workforce training program, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively 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.

FINANCIAL IMPACT:

The proposed First Amendment will have no financial impact as it is primarily administrative in nature and does not change the term of Agreement 18-3580 or compensation amounts listed in Agreement 18-3580 with ICF.

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CITY ATTORNEY:

This agreement has been prepared and approved as to form and legality by the City Attorney's office.

TRANSMITTALS:

1. First Amendment to Agreement No. 18-3580 between the City of Los Angeles and ICF Incorporated, LLC.

FIS Approval: MB
CA Approval: CRB



AVIN SHARMA
Director of Labor Relations &
Workforce Development



DAVID J. LIBATIQUE
Deputy Executive Director
Stakeholder Engagement

Approved:



EUGENE D. SEROKA ^{FDR}
Executive Director