



**THE PORT
OF LOS ANGELES**
Executive Director's
Report to the
Board of Harbor Commissioners

DATE: JUNE 12, 2012

FROM: REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE FIRST AMENDMENT TO EXECUTIVE DIRECTOR AGREEMENT NO. E6613 WITH FIDELITY NATIONAL TITLE INSURANCE COMPANY

SUMMARY:

On September 1, 2011, the City of Los Angeles Harbor Department (Harbor Department) awarded Executive Director Agreement No. E6613 (Agreement No. E6613) to Fidelity National Title Insurance Company (Fidelity), located in Los Angeles, CA, for a term of one year in the amount of \$25,000 to perform real property title searches, provide title insurance, and other miscellaneous real property title consulting services.

The First Amendment to Agreement No. E6613 will extend the term of this agreement an additional two years, from August 31, 2012 through August 31, 2014, with all other existing terms and conditions remaining the same. The First Amendment will increase the amount payable under Agreement No. E6613 by \$25,000 per year, for a total of \$50,000. To date, Fidelity has satisfactorily performed real property title consulting services for the Harbor Department.

RECOMMENDATION:

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

1. Approve the First Amendment to Agreement No. E6613 with Fidelity National Title Insurance Company;
2. Authorize the Executive Director to execute and the Board Secretary to attest to the First Amendment to Agreement No. E6613 upon approval by the Board; and
3. Adopt Resolution No. _____.

DISCUSSION:

During the normal course of doing business in the Real Estate Division, services of real estate consultants are occasionally needed to perform real property title searches and provide title insurance in order to complete various real estate-related transactions. An agreement for real property title consulting services is essential to ensure that real property title searches and title insurance services are provided expeditiously to avoid delays in handling time-sensitive projects.

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The Harbor Department released a Request for Proposals (RFP) for real estate title consultants on March 22, 2011, and two proposals were received in response. Based on qualifications, past experience, record of past performance, proposed work plan, and rates and fees, Fidelity was chosen and awarded Agreement No. E6613, with authorized funding not to exceed \$25,000.

Staff reviewed projects expected to be completed within the next two years that will require real property title consulting services and ensured sufficient funding is requested for the First Amendment. The proposed First Amendment to Agreement No. E6613 (Transmittal 1) will increase the compensation authority by \$25,000 per year for a total agreement amount of \$75,000, and extend the term for an additional two years through August 31, 2014, for a total term of three years, with all other existing terms and conditions remaining the same. This will ensure continuity of real property title consulting services on an as-needed basis.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of an amendment to Agreement No. E6613 with Fidelity for real property title consulting services to extend the term of the agreement by two years. 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 proposed action will have no direct employment impact for the five-county region.

FINANCIAL IMPACT:

The proposed First Amendment to the existing Agreement No. E6613 with Fidelity for real title consulting services would increase the term for an additional two years, for a total term of three years, and increase the compensation authority under this amendment commensurately by an additional \$25,000 per year, or \$50,000 for those additional two years designated in the proposed First Amendment, for a total sum of no more than \$75,000 over three years of the Agreement. To date, of the original \$25,000 authority amount for Fiscal Year (FY) 2011/2012, no funds have been expended, with an unknown anticipated amount to be expended through the end of this current FY. The funds for FY 2011/2012 in the amount of \$25,000 have been budgeted in Account 54250, Center/Div 000/0424, Program 000. Funds for FY 2012/2013 have been budgeted in Account 54250, Center/Div 000/0424, Program 000. Funds for future FY 2013/2014 will be requested as part of the annual budget adoption process upon Board approval.

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CITY ATTORNEY:

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

TRANSMITTAL:

1. First Amendment to Agreement No. E6613



JACK C. HEDGE
Director of Real Estate

FIS Approval: DC (initials)
CA Approval: DM (initials)



KATHRYN McDERMOTT
Deputy Executive Director

APPROVED:



GERALDINE KNATZ, Ph.D.
Executive Director

KM:JH:RG:AB:raw
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