

FIRST AMENDMENT TO AGREEMENT NO. E7213
BETWEEN THE CITY OF LOS ANGELES
AND
ERNST & YOUNG, LLP

THIS FIRST AMENDMENT to Agreement No. E7213 is made and entered into by and between the CITY OF LOS ANGELES, a municipal corporation ("City"), acting by and through its Board of Harbor Commissioners ("Board"), and ERNST & YOUNG, LLP, a Delaware limited liability partnership, 725 S. Figueroa St., Suite 500, Los Angeles, CA 90017 ("Consultant") as follows:

1. Section 3 is amended to extend the expiration date to September 30, 2025 and shall read:

"3. TERM OF AGREEMENT

"This Agreement shall expire on September 30, 2025."
2. Section 5(B) is amended to add \$150,000 to the maximum compensation and shall read:

"B. The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B), shall be Three Hundred Thousand Dollars (\$300,000)."
3. Exhibit A is removed in its entirety and replaced with Exhibit A-1 which is attached hereto and made a part hereof.
4. Exhibit B is removed in its entirety and replaced with Exhibit B-1 which is attached hereto and made a part hereof.
5. The effective date of this First Amendment shall be March 23, 2024.

Except as amended herein, all remaining terms and conditions of Agreement No. E7213 shall remain in full force and effect.

Subject to the provisions of Charter Section 245, the effective date of this Amendment shall be the date of its execution by Executive Director upon authorization of the Board. Consultant is aware that the City Council, pursuant to Charter Section 245 of the City of Los Angeles, has the right to review this Amendment. Accordingly, in no event shall this Amendment become effective until after the expiration of the fifth Council meeting day after Board action, or the date of City Council's approval of the Amendment.

(Signature page follows)

IN WITNESS WHEREOF, the parties have executed this First Amendment to Agreement No. E7213 on the date to the left of their signatures.

THE CITY OF LOS ANGELES
HARBOR DEPARTMENT

By signing below, I attest that I have no personal, financial, beneficial, or familial interest in this Agreement.

Dated: _____

By: _____
Executive Director

Dated: 11/13/2024

ERNST & YOUNG, LLP

By:  _____

ROBERT KARNER - Authorized Signatory/Principal
(Print/type name and title)

By: _____

(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

11-13, 2024
HYDEE FELDSTEIN SOTO, City Attorney
Steven Y. Otera, General Counsel

By  _____
MINAH PARK, Deputy

Date: 11/06/2024

Contractor/Vendor Name: ERNST & YOUNG E7213

Account#	544160	W.O. #	_____
Ctr/Div#	44010	Job Fac. #	_____
Proj#	000		
Budget FY:		Amount:	
2024-25		\$ 135,000	
2025-26		\$ 50,000	
	TOTAL:	\$ 185,000	

For Acct/Budget Div. Use Only

Verified By: Erin O'Malley Digitally signed by Erin O'Malley
Date: 2024.11.07
11:35:41 -08'00'

Verified Funds Available: *Frank* Digitally signed by Frank Liu
Date: 2024.11.12
11:23:37 -08'00'

Date Approved: 11/12/24

EXHIBIT A-1

Real estate, financial, and development feasibility analysis for the Harbor Department's Cruise Development Request For Proposal (RFP). The scope for the Consultant consists of assistance in the Harbor Department's selection process for a cruise development and operations proposal. Specific services include, but are not limited to the following:

- Participate in kick-off call with you to define expectations for RFP and to obtain information on work completed to date, including vision, concept, proposed uses, goals, third-party studies and latest drafts of RFP, bid term sheet and draft ground lease agreement.
- Obtain and read redevelopment plans, renderings, budgets, business plans, appraisals and any other relevant materials such as summary of informal market outreach conducted by Port and key feedback obtained, as available.
- Conduct regular meetings with Port; anticipated meeting schedule is weekly one-hour, in-person or telephonic touchpoints in the early stage of engagement to be followed by every other week (or other cadence agreed upon between Harbor Department and EY) touch points.
- Read and provide observations on RFP questions received from internal and external stakeholders. Hold discussions with you, as needed, to understand and revise Port's proposed responses.
- Provide Port with illustrative RFP templates, as applicable.
- Read and provide observations on revised RFP document drafted by you based on industry-leading practices and your objectives, including bid parameters and options to submit alternative commercial terms.
- Analyze proposed procurement process, timeline and evaluation criteria, and provide observations based on leading practices.
- Identify supporting materials for Port to distribute with final RFP documents.
- Provide Port with objective support to analyze key assumptions in developer proformas (e.g., cruise projections, revenue / expense forecasts, development costs, project feasibility) based on criteria defined by the Port.
- Assist Port with assessing developers' qualifications (i.e., financing plan, financial statements and capacity) based on objective criteria defined by the Port; prepare a comparison matrix of development proposals received based on objective scoring criteria/weightings defined by the Port.
- Provide Port support, as needed, during the post-selection contract negotiation with selected developer
- Read and provide observations on key financial and commercial terms included in the ground lease or other contractual documents
- Analyze financial impacts of changes to selected developer's proposal based on criteria defined by the Port
- All EY deliverables will be whitepaper/no EY branding.

EXHIBIT B-1

COMPENSATION

Compensation not-to-exceed fee of \$300,000 for the scope of work as Exhibit

A. The hourly rates are as follows:

#	Position Title	Hourly Rate
1	Partner or Principal	\$599
2	Managing Director	\$522
3	Senior Manager	\$500
4	Manager	\$429
5	Senior Associate	\$337
6	Associate	\$212
7	Global Delivery Services Staff	\$150