



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

**DATE: DECEMBER 5, 2017**

**FROM: ENVIRONMENTAL MANAGEMENT**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - FIRST AMENDMENT TO AGREEMENT NO. 16-3436 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND ENVIRONMENTAL COMPLIANCE SOLUTIONS, INC. FOR AS-NEEDED ENVIRONMENTAL DOCUMENTATION AND SPECIAL ENVIRONMENTAL SERVICES**

**SUMMARY:**

Staff requests approval of the First Amendment (Amendment) to Agreement No. 16-3436 with Environmental Compliance Solutions, Inc. (ECS), which will increase the contract amount from \$1,300,000 to \$2,800,000. The additional funds are needed to provide continuing administrative and technical support for environmental documents that are currently in progress due to staffing vacancies in the City of Los Angeles Harbor Department's (Harbor Department) Environmental Management Division (EMD). There is no change to the contract term, which is due to expire on December 1, 2019. The Harbor Department is financially responsible for the \$1,500,000 increase.

**RECOMMENDATION:**

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

1. Find 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 as determined by the Director of Environmental Management;
2. Find that in accordance with City Charter Section 1022, work under the subject Amendment can be performed more feasibly by independent consultants rather than by City employees;
3. Approve the First Amendment to Agreement No. 16-3436 with Environmental Compliance Solutions, Inc. to increase the contract amount from \$1,300,000 to \$2,800,000;

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4. Authorize the Executive Director to execute and the Board Secretary to attest to said Amendment for and on behalf of the Board; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background/Context – On November 17, 2016, the Board approved a contract with ECS along with six other firms to provide as-needed environmental documentation and special environmental services. The firms were selected through a Request for Proposals (RFP) in 2016, in accordance with the City of Los Angeles' policy of open competition for contractual services. These agreements support EMD in its responsibilities for managing and conducting environmental assessments such as Environmental Impact Reports (EIRs) and special environmental studies associated with the CEQA and the National Environmental Policy Act (NEPA).

During the first year of the ECS contract, three CEQA staff members left the Harbor Department, two of which were Environmental Specialists and one was a Marine Environmental Supervisor. While these positions are being vetted and filled in accordance with City personnel procedures, ECS has been tasked with providing administrative and project management services for preparation of environment documents underway as well as those initiated during the first year of the contract. Consequently, in the first year of the contract, ECS has provided and continues to provide project management for five EIR/EISs and six Negative Declarations; they have also prepared two EIR Addendums as well as provided support for pre-project planning, processing of environmental assessments and space assignments, drafting board report language, space assignments, project directive processing, tracking budgets and schedules, review of coastal development permit language, permit review for environmental language, preparing Port Development Committee reports, review of CEQA documents as a Lead Agency, and attending on-going meetings associated with environmental assessments. EMD has further received applications for three new projects needing either EIRs or Negative Declarations for which ECS will provide project management until full time City staff can be hired and trained. At the end of year one of a three-year contract, \$1,290,000 of the original \$1,300,000 has already been committed for ECS to provide support to EMD. Given anticipated expenditures over the remaining term of this contract, the additional funds are expected to be sufficient to cover ECS's expected workload.

Services to be Performed – ECS was selected to provide special environmental services in the areas of air quality, toxic air contaminants, and greenhouse gases; mitigation monitoring and reporting; and in-house CEQA/NEPA project management. ECS is performing these services under Agreement No. 16-3436 for the following projects:

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- General CEQA support, including but not limited to, processing CEQA exemptions and preparing environmental assessment language for all Board reports
- In-house project management support to augment staff (up to four positions)
- Valero MOTEMs EIR
- Shell MOTEMs EIR
- PBF MOTEMS Negative Declaration
- Phillips 66/Kinder Morgan MOTEMS EIR
- Yang Ming Container Terminal EIR/EIS
- Pasha Peel Off Yard Negative Declaration
- WW Marine Composites Mitigated Negative Declaration
- Wilmington Waterfront environmental assessment
- San Pedro Boatworks Negative Declaration
- AltaSea environmental assessment

1022 Determination – When Agreement No. 16-3436 was approved by the Board on November 17, 2016, the Board found that in accordance with Charter Section 1022, the work proposed to be contracted could be more feasibly performed by a contractor than by a City employee. Since this proposed Amendment does not add a new labor component, the original 1022 determination elements are still accurate, a new 1022 determination is not required.

Proposed First Amendment – Agreement No. 16-3436 with ECS was approved for \$1,300,000. While this allocation was expected to be sufficient through the contract term ending on December 1, 2019, unanticipated workload and staffing issues require that the contract amount be increased by an additional \$1,500,000 for a not-to-exceed amount of \$2,800,000. ECS is certified as a Small Business Enterprise and Very Small Business Enterprise; therefore, 100% of their services will apply towards these goals. There is no change to the contract term, which is due to expire on December 1, 2019.

#### **ENVIRONMENTAL ASSESSMENT:**

The proposed action is approval of an Amendment to Agreement No. 16-3436 with ECS to increase the contract amount from \$1,300,000 to \$2,800,000 for CEQA/NEPA environmental documentation and special environmental services. As an administrative activity, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

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**FINANCIAL IMPACT:**

The proposed Amendment increases the Agreement No. 16-3436 by \$1,500,000. It is anticipated that the funds for the amendment will be expended as follows:

FY 17/18	\$ 525,000
FY 18/19	\$ 800,000
FY 19/20	\$ 175,000

In FY 2017/2018 \$205,000 is allocated for operational projects and \$320,000 is allocated for capital projects. Funding for operational projects is available in Account 54260, Center 330 (Environmental Management Division), Program 000. Funding for capital projects is funded out of Account 54260, Center 1000's (Capital Improvement Program), Program 000. Funding needed in future fiscal years will be requested through the annual budget adoption process.

The Harbor Department's financial obligations after the current fiscal year are contingent upon the Board appropriation of funds. If any subsequent fiscal year funds are not appropriated by the Board for the work required by Agreement No. 16-3436, the Agreement shall be terminated. However, such termination shall not relieve the parties of liability for any obligations previously incurred.

**CITY ATTORNEY:**

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

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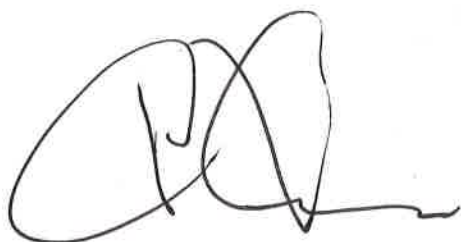
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**TRANSMITTALS:**

1. First Amendment to Agreement No. 16-3436 with Environmental Compliance Solutions, Inc.

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



CHRISTOPHER CANNON  
Director of Environmental Management

  
MICHAEL DIBERNARDO  
Deputy Executive Director

APPROVED:

  
FOR

EUGENE D. SEROKA  
Executive Director

CC/yo  
AUTHOR: D. HAGNER

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