



Executive Director's
Report to the

Board of Harbor Commissioners

DATE: MAY 2, 2018

FROM: WATERFRONT & COMMERCIAL REAL ESTATE

SUBJECT: RESOLUTION NO. _____ - APPROVE FIRST AMENDMENT TO AGREEMENT NO. E6900 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND ECONOMIC & PLANNING SYSTEMS, INC.

SUMMARY:

Staff requests approval of the First Amendment to Agreement No. E6900 with Economic & Planning Systems, Inc. (EPS), which expires on May 22, 2018. EPS provides financial, real estate, and economic consulting services to the City of Los Angeles Harbor Department (Harbor Department) for development projects for the San Pedro and Wilmington waterfront areas. The First Amendment to Agreement No. E6900 will become effective May 23, 2018 and will: (1) extend the agreement from a one-year term to a three-year term and (2) increase the contract in the additional amount of \$300,000 for subsequent work, which will change the total contract amount from \$150,000 to \$450,000. The billing rates will remain the same for the entire life of the contract. The Harbor Department will continue to be responsible for expenses incurred under the Agreement. Funds for Fiscal Years 2018-2019 and 2019-2020 will be provided from the Waterfront and Commercial Real Estate Division budget, Account Number 54290, Center Number 0429, and Program Number 000.

RECOMMENDATION:

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

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. Approve the First Amendment to Agreement No. E6900 with Economic & Planning Systems, Inc.;

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3. Authorize the Executive Director to execute and Board Secretary to attest to the First Amendment; and
4. Adopt Resolution No. _____.

DISCUSSION:

Background – On May 22, 2017, the Executive Director of the Harbor Department entered into Agreement No. E6900 with EPS to provide financial, real estate and economic consulting services. Agreement No. E6900 was approved for a one-year term which is expiring on May 22, 2018. The maximum amount payable under this agreement was \$150,000.

Staff requests Board approval of the First Amendment (Transmittal 1) to Agreement No. E6900 with EPS effective May 23, 2018, to extend the term to three years, and to increase the contract in the additional amount of \$150,000. The new total contract amount will change from \$150,000 to \$450,000.

The EPS consulting team may provide support to the Harbor Department in the solicitation process for a developer/operator to operate the Cabrillo Way Marina and develop the adjacent land area or pads, which was included in their initial proposal of services. EPS will also assist in the solicitation process for the Warehouse One development opportunity. The Division will also require additional funds for the following Fiscal Years to initiate completion of subsequent tasks.

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of the First Amendment to Agreement No. E6900 with EPS to provide financial, real estate and economic consulting services to the Harbor Department, 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:

Approval of the First Amendment to Agreement No. E6900 will extend the term of the existing one-year contract by two additional years and will add \$300,000 to the original contract amount of \$150,000. To date, \$109,500 has been expended under the contract. Extending the existing length of the contract with Economic & Planning Systems, Inc. will provide continuation of financial, real estate and economic consulting services. Funds for Fiscal Years 2018-2019 and 2019-2020 will be provided from the Waterfront and Commercial Real Estate Division budget, Account Number 54290, Center Number 0429, and Program Number 000.

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CITY ATTORNEY:

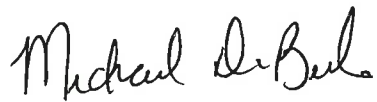
The First Amendment to Agreement No. E6900 has been reviewed and approved as to form and legality by the Office of the City Attorney.

TRANSMITTAL:

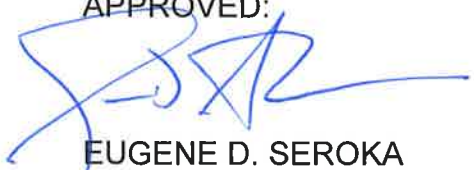
1. First Amendment

FIS Approval: MB
CA Approval: CB


MICHAEL J. GALVIN
Director of Waterfront & Commercial Real Estate


MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:


EUGENE D. SEROKA
Executive Director

ES:MD:MG:VD:raw
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BL728raw EPS Amendment