



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

**DATE: FEBRUARY 9, 2011**

**FROM: ENGINEERING DIVISION**

**SUBJECT: RESOLUTION NO. \_\_\_\_ FIRST AMENDMENT - PERSONAL SERVICES AGREEMENT NO. 2673 BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND TETRA DESIGN, INC., FOR THE DOWNTOWN WATERFRONT HARBOR PROJECT PLANNING, ENGINEERING, ARCHITECTURAL, AND LANDSCAPING DESIGN SERVICES**

**SUMMARY:**

Agreement No. 2673 (Agreement) between the City of Los Angeles (City) and Tetra Design, Inc., Los Angeles, California (Consultant), provides planning, engineering, architectural, and landscape design services for the Downtown Waterfront Harbor Project (Project). The Agreement was approved by the Board of Harbor Commissioners (Board) on May 1, 2008 for a term of three years in the amount of \$8,986,412 (Transmittal No. 1).

This First Amendment will revise the Project's scope of work to eliminate Project elements from this contract, reallocate funds to the remaining Project elements, and increase the contract term by five years from the current expiration date of June 1, 2011 to June 1, 2016 (Transmittal No. 2). The extension, if approved by the Board and the Los Angeles City Council (City Council), will provide additional time necessary to complete the Project design and provide design support services during construction. No additional funding is required.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

1. Find that in accordance with the City of Los Angeles (City) Charter Section 1022, work covered under the subject Amendment can be performed more feasibly by an independent consultant rather than by City employees;
2. Approve the First Amendment to Agreement No. 2673 with Tetra Design, Inc. to revise the Project's scope of work to eliminate Project elements from this contract, reallocate funds to the remaining Project Elements, and increase the

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contract term by five years from the current expiration date of June 1, 2011 to June 1, 2016;

3. Direct the Board Secretary to forward the First Amendment to Agreement No. 2673 to the City Council for its approval pursuant to Section 373 of the City Charter;
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 – The original three-year agreement provided design services for the Downtown Waterfront Harbor as a single phase project development. Due to budget considerations, this project has been split into two phases. The construction completion of the entire Downtown Waterfront Harbor project is now anticipated to be in 2016.

The effort required to develop this two-phase approach increased design services costs by \$498,766. However, we are also eliminating design services for the Salinas de San Pedro Promenade and the Port Maritime Office Building, which fees will be used to offset the cost increase associated with phasing the project as shown on Transmittal No. 4. These program elements will be performed under a future agreement to allow this agreement to focus on delivery of the Downtown Harbor. The Port Maritime Office Building was intended to serve tug boat and other ancillary operations. The need for these facilities will be reconsidered when planning the area designated for the North Harbor.

The Phase 1 and Phase 2 improvements (Transmittal No. 3) integrate additional berthing opportunities, cultural uses, educational vessels, a grand waterfront promenade and public open space. The completed Project will transform the Downtown Harbor into a gateway to Downtown San Pedro capturing the expression of the downtown area, the region's history, and the existing maritime heritage of San Pedro per the approved EIR.

Since the Agreement was adopted, substantial progress has been made on the Project. Two public workshops have been conducted as described in the San Pedro Waterfront Implementation Guidelines. The design of the Waterside portion of Phase 1 is at 80% design completion. The landside design portion of Phase 1 is at 50% design

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completion, and Phase 2 is currently in preliminary conceptual design. This contract amendment for a time extension will retain the Consultant to complete design and maintain a single responsible party for professional liability.

First Amendment - The Agreement authorizes the Consultant to be compensated in an amount not to exceed \$8,986,412. Of this amount, \$2,688,494 has been incurred to date, leaving a balance of \$6,297,918 available for the remaining term of the Agreement, including the proposed five-year extension.

In addition to the five-year extension, this Amendment (Transmittal No. 2) includes revisions to Project Description (Exhibit A-1), Scope of Work (Exhibit B-1), Method of Compensation (Exhibit D-1), and Schedule of Work (Exhibit E-1) to reflect the elimination of the Port Maritime Office Building and the Salinas de San Pedro Promenade Project elements, the reallocation of funds to the remaining Project elements, and the division of the Project into Phase 1 and Phase 2.

The term of the Agreement expires on June 1, 2011. The Consultant will provide design support services throughout project construction of Phase 1 and Phase 2 of the Project, which is anticipated to be complete in 2016. Staff therefore recommends the contract term be increased by five years, for a total of eight years, with the current expiration date of June 1, 2011, extended to May 31, 2016.

Small Business Enterprise Participation - Throughout the term of the Agreement, the Consultant will continue to maintain compliance with the City's contracting requirements and will comply with the City of Los Angeles Harbor Department's Very Small Business Program. The Consultant's overall small business enterprise participation rate currently is 38% and is in compliance with the Very Small Business Program.

#### **ENVIRONMENTAL ASSESSMENT:**

The proposed project is a time extension to an existing contract. As such, the Director of Environmental Management has determined that, the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article III, Section 2(f) of the Los Angeles City CEQA Guidelines.

#### **ECONOMIC BENEFITS:**

This Board action will reallocate design spending between Project Elements without changing the total amount spent; therefore, this action will have no additional employment impact.

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**FINANCIAL IMPACT:**

There is no financial impact associated with the proposed five-year extension and if approved by the Board, will bring the total contract period to eight years.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the First Amendment to Agreement No. 2673 as to form and legality.

**TRANSMITTALS:**

1. Agreement No. 2673 between the City of Los Angeles and Tetra Design, Inc.
2. First Amendment to Agreement No. 2673 between the City of Los Angeles and Tetra Design, Inc.
3. Downtown Waterfront Harbor Project Phase 1 and Phase 2 Illustrative Plan
4. Cost Summary Table of Project Elements of the Downtown Harbor



ANTONIO V. GIOIELLO  
Chief Harbor Engineer

FIS Approval Erf (initials)



FOR MICHAEL R. CHRISTENSEN, P.E.  
Deputy Executive Director, Development

APPROVED:



GERALDINE KNATZ, Ph.D.  
Executive Director

JC:sc  
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