

FIRST AMENDMENT TO AGREEMENT NO. 21-9816
BETWEEN THE CITY OF LOS ANGELES AND
AMERICAN MARINE CORPORATION

THIS FIRST AMENDMENT to Agreement No. 21-9816 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 AMERICAN MARINE CORPORATION ("Consultant") as follows:

1. Additional funding in the amount of Five Hundred Thousand Dollars (\$500,000) is added to the Agreement and Section 5(B) is amended to read:

"B. The maximum payable under this Agreement, including reimbursable expenses (see Exhibit B-1), shall be Four Million Seven-Hundred Thousand Dollars (\$4,700,000).

2. Exhibit B-1, attached hereto, is made a part of the Agreement, showing rates that shall be in effect starting on the effective date of this First Amendment and apply through the remainder of the Agreement term unless revised through a written amendment.

Except as amended herein, all remaining terms and conditions of Agreement No. 21-9816 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.

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IN WITNESS THEREOF, the parties hereto have executed this First Amendment to Agreement No. 21-9816 on the date to the left of their signatures.

THE CITY OF LOS ANGELES, by its Board of Harbor Commissioners

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

Dated: _____

By _____
EUGENE D. SEROKA
Executive Director

Attest _____
AMBER M. KLESGES
Board Secretary

Dated: 2/21/24

AMERICAN MARINE CORPORATION

By: [Signature]
Stephen Shahnazarian, VP
(Print/type name and title)

Attest: [Signature]
Megan Keane, VP/Secretary
(Print/type name and title)

APPROVED AS TO FORM AND LEGALITY

February 26, 2024
HYDEE FELDSTEIN SOTO, City Attorney
Steven Y. Otera, General Counsel

By [Signature]
Heather M. McCloskey, Deputy

Account #	55040	W.O. #	Various
Ctr/Div #	Various	Job Fac. #	Various
Proj/Prog #	Various		
Budget FY:		Amount:	
	2023-2024	\$	300,000
	2024-2025	\$	200,000
	TOTAL	\$	500,000

For Acct/Budget Div. Use Only:

Verified by: see attached

Verified Funds Available: _____

Date Approved: _____



DAILY COST FOR FIRST AMENDMENT OF POLA CONTRACT # 21-9816

All Inclusive Daily Cost for Diving Services (Equipment and Tool Included)

Regular Hours

Note: Per California Labor Law and Prevailing Wage guidelines, when diving operations occur and the diver descends below the surface, an 8 hour minimum will apply.

Dive Team (3man: Diver, Stand by Diver/Tender, Asst. Tender), Dive Vessel, Diving Equipment, Punt, Equipment and Tools (listed below):

	Primary Team 1&2	As Needed Team
Per 8 hour regular straight time day per dive team (Monday-Friday)	\$ <u>3,796.14</u>	\$ <u>3,796.14</u>

Per hour for less than 8-hour shift (Rate applies for *non-diving operations only*;

	Primary Team 1&2	As Needed Team
Minimum 2-hour show up pay required) per hour/per team (3-man team)	\$ <u>344.00</u>	\$ <u>344.00</u>

Overtime/Weekends/Holiday

Dive Team (3man: Diver, Stand by Diver/Tender, Asst. Tender), Dive Vessel, Diving Equipment, Punt, Equipment and Tools (listed below):

	Primary Team 1&2	As Needed Team
Per overtime hour (Monday-Friday)	\$ <u>597.00</u>	\$ <u>597.00</u>
Per 8 hour overtime day (Saturday)	\$ <u>4,834.00</u>	\$ <u>4,834.00</u>
Per 8 hour double time day (Sunday & Holidays)	\$ <u>6,182.00</u>	\$ <u>6,182.00</u>

Hull Cleaning Charge – Per Hour \$ 434.00

Note:

Please note that there are less costly options for hull cleaning services than using this contract which requires OSHA and ADCI and prevailing wage compliant surface supplied hard hat diving services. Due to the stipulations of this contract, and the regulations to which we are held as a commercial diving company, we have required minimum manning standards and pay grades. It is for this reason that we generally do not perform hull cleaning services as we are not competitive in this arena. Should POLA require these services to be performed under this contract, the above rates would apply.

Rate to be charged, in addition to diving team Per Day/Shift rate, for diving from 50 to 100 feet, per foot of depth, per day \$ 7.50





Included Equipment and Tools on each dive boat- at no charge:

- Hydraulic power unit, 150ft hose; U/W hydraulic, chainsaw, spares, blades, U/W hydraulic drill (1/2" chuck, variety of auger bits/sizes);
- Air Lift 8" diameter with 150 ft of air supply hose
- 5,000lbs lift bags (assorted sizes to lift 5,000lbs from sea floor)
- U/W diver operated 8"eductor with 20ft discharge (POLA provided pump)
- U/W hydraulic chipping/jack hammer and Hydraulic power unit, 150ft hose
- U/W digital wide angle camera with flash (professional quality)
- Complete U/W digital video & audio recording system with deck monitor
- High pressure water blaster equipment (rated at 10,000 psi) with pump, hoses and power source for hydraulic displacement of marine growth.
- Saltwater jet pump (16HP min.) with 150ft of discharge hose
- U/W diver operated hand jet and/or 4"eductor system
- 2,000lbs boat mounted air winch
- 300 Amp welding unit with oxygen and leads
- U/W burning gear-200ft system all inclusive (rods reimbursed by POLA)
- Portable generator with 110V output

DISCOUNT

No discount provisions

ANNUAL INCREASE:

In line with the planned Union Labor Wage and Benefit increases during the 3 year term of the contract, a 3% annual increase in all listed prices will apply. Increases will coincide with contract annual renewal timeline.

BOND BREAKOUT (not included in daily rate cost on previous page):

The following depicts the bonding rate for specific contractual values. The first \$500,000 is charged at 1.3%. For additional revenue from \$500,000-\$2,000,000 the bonding rate is 0.79%. From \$2,000,000 to \$5,000,000 the bonding rate is 0.63% and from \$5,000,000 up to \$7,500,000 the bonding rate is 0.57%. (Therefore if the entire contract value is \$4,500,000 the total bond costs will be \$38,700).

<u>Contract Value:</u>	<u>Rate:</u>
\$0-\$500K	1.3%
\$500K-\$2M	0.79%
\$2M-\$5M	0.63%
\$5M-\$7.5M	0.57%

Based on the RFP anticipated quantities of annual usage the bond fee for the 3 year contract should equate to the following:
2 Teams: \$38,700.00 for the 3 year contract OR \$29.31 / day / team

Bond fees will be invoiced upon contract award at the anticipated 3 year contract value. At the end of the 3 year contract, the bond fees will be adjusted depending upon actual usage. If more dollars are spent than anticipated, American Marine Corporation will invoice the Harbor Department for the additional bond fees associated with the additional revenue. If fewer dollars are spent than anticipated, American Marine Corporation will issue the corresponding credit.

