

FIRST AMENDMENT TO AGREEMENT NO. E6428
BETWEEN THE CITY OF LOS ANGELES AND
NORNE, INC.

This First Amendment 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, and NORNE, INC. ("Consultant") as follows:

1. Section III "TERM OF AGREEMENT" is replaced by the following:

This Agreement shall be in full force and effect commencing from the date of execution and shall continue until the earlier of the following occurs:

1. Two (2) years have lapsed from the effective date of this Agreement;

or

2. The Board of Harbor Commissioners, in its sole discretion, terminates and cancels all or part of this Agreement for any reason upon giving to Consultant ten (10) days' notice in writing of its election to cancel and terminate this Agreement.

2. Subsection B of Article IV "COMPENSATION AND PAYMENT" is replaced by the following:

B. The maximum payable under this Agreement, including reimbursable expenses, shall be Four Hundred Fifty Thousand Dollars (\$450,000).

3. Exhibit A is amended to add the following:

Item 15

In addition to the above, Norne, Inc. will provide financial, strategic, and management advice regarding the development and implementation of the Department's Clean Truck Program.

4. Exhibit B is replaced with a new Exhibit B, attached to this Amendment.

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Except as amended herein, all remaining terms and conditions of Agreement No. E6428 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this First Amendment to Agreement E6428 on the date to the left of their signatures.

Dated: 4/15/08

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

By [Signature] for Executive Director

Attest _____ Board Secretary

Dated: 4/4/08

NORNE, INC.

By [Signature]

Kevin Scott, President
(Type/Print Name and Title)

APPROVED AS TO FORM
April 15, 2008
ROCKARD J. DELGADILLO, City Attorney

By [Signature]
HEATHER M. BURNS, Deputy

Account #	<u>54290</u>	W.O. #	
Ctr/Div #	<u>0620</u>	Job Fac. #	
Proj/Prog #	<u>053</u>	Budget FY:	Amount:
		<u>FY 07/08</u>	<u>150,000</u>
		<u>FY 08/09</u>	<u>150,000</u>
		TOTAL	<u>300,000</u>

For Acct/Budget Div. Use Only:

Verified by: T. GREEN

Verified Funds Available: [Signature]

Date Approved: 4/14/08

HW

**Exhibit B
Compensation and Payment**

Fee for Financial, Strategic and Managerial Advisory Services: Consultant will bill the Department on an hourly basis for advisory services rendered during any one-month period. The hourly rate for the Consultant shall not exceed \$300. Billing will be consistent with the scope of work agreed to between the Department and Consultant.

With the approval of the Executive Director or her designee, Consultant may add staff to serve the Department and their services shall be billed at an hourly rate commensurate with their experience, but in no case higher than \$300.

Fee for Clean Truck Program Advisory Services: Consultant will bill the Department on an hourly basis for advisory services rendered during any one-month period. The hourly rate for the Consultant shall not exceed \$250. Billing will be consistent with the scope of work agreed to between the Department and Consultant.

With the approval of the Executive Director or her designee, Consultant may add staff to serve the Department on its Clean Truck Program and their services shall be billed at an hourly rate commensurate with their experience, but in no case higher than \$225.

For this engagement, Consultant proposes hourly rates as presented in the following table.

Norne, Inc.				
	Clean Truck Program Advisory Services		Financial, Strategic and Managerial Advisory Services	
	Staff	Consultant Professional	Staff	Consultant Professional
Hourly Rates	\$225	\$250	\$150	\$300

Initial Work Product Deliverable: The Department shall pay and reimburse the Consultant following delivery of a specific work product deliverable associated with this Agreement as described in Exhibit A, Item 14. This initial work product deliverable will be due December 11, 2007. Compensation for this deliverable will be \$35,000.00.

Out-of Pocket Expenses: Consultant will also seek reimbursement for reasonable out-of-pocket expenses for travel and related expenses subject to the pre-approval of the Department and consistent with the Department's policies.

RESOLUTION NO. _____

A Resolution of the Board of Harbor Commissioners of the City of Los Angeles authorizing the Executive Director to execute the First Amendment (Amendment) to Agreement No. E6428 with Norne, Inc. (Norne).

WHEREAS, on December 13, 2007, the Department entered into Executive Director Agreement No. E6428 with Norne for financial, strategic, and management advisory services in connection with the Department's existing and proposed financing arrangements and questions related thereto; and

WHEREAS, the term of the Agreement was one (1) year after execution and for a not-to-exceed amount of \$150,000; and

WHEREAS, Norne has completed most of the work as outlined in Exhibit A of Agreement No. E6428; and

WHEREAS, the Amendment increases the scope of work by requesting Norne to provide financial, strategic, and management advice regarding the development and implementation of the Clean Truck Program; and

WHEREAS, the Amendment increases the term of the Agreement from one year to a not to exceed term of two years from the effective date; and

WHEREAS, the Amendment provides for an additional amount of \$300,000, which will result in a total not-to-exceed amount of \$450,000; and

WHEREAS, the Department does not employ personnel with the required expertise, nor is it feasible to do so on a temporary or occasional basis;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Harbor Commissioners of the City of Los Angeles that:

Section 1. The First Amendment with Norne, adding a second year term and authorizing an additional \$300,000, for a total not-to-exceed amount of \$450,000, for the purpose of providing financial, strategic, and management advice regarding the development and implementation of the Clean Truck Program is hereby approved.

Sec. 2. Funding for the First Amendment, in the amount of \$300,000 is hereby appropriated in Account No. 54290-000, Debt Management Division, Division No. 0620.

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Sec. 3. The Executive Director and the City Attorney are authorized to execute and the Board Secretary to execute and attest to the First Amendment for and on behalf of the Board.

I HEREBY CERTIFY that the foregoing Resolution was adopted by the Board of Harbor Commissioners at its meeting held

ROSE M. DWORSHAK
Acting Board Secretary

APPROVED AS TO FORM

April 4, 2008
ROCKARD J. DELGADILLO, City Attorney

By, 
HEATHER M. BURNS, Deputy