



**MICHAEL N. FEUER**  
CITY ATTORNEY

REPORT NO. R 17 - 0 1 0 9

APR 1 4 2017

**REPORT RE:**

**DRAFT ORDINANCE AMENDING LOS ANGELES ADMINISTRATIVE CODE SECTION 10.49 TO ADD A DISABLED VETERANS BUSINESS ENTERPRISE PREFERENCE TO LOS ANGELES WORLD AIRPORTS' LOCAL AND LOCAL SMALL BUSINESS ENTERPRISE PROGRAM FOR PROCUREMENT OF GOODS, EQUIPMENT AND SERVICES, INCLUDING DESIGN AND CONSTRUCTION, WHEN THE CONTRACT INVOLVES AN EXPENDITURE IN EXCESS OF \$150,000**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Honorable Members:

This Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. The draft ordinance was initiated by Los Angeles World Airports (LAWA) and approved by the Board of Airport Commissioners (BOAC). It would add a "Local-State Disabled Veterans Business Enterprise" bid preference to LAWA's Local Business and Local Small Business bid preference program (Los Angeles Administrative Code Section 10.49) for LAWA's procurement of goods, equipment and services, including design and construction, when the contract involves an expenditure in excess of \$150,000.

Through the amendment, LAWA seeks to create a more level bidding environment for qualified disabled veterans' business enterprises to compete for LAWA contracting opportunities, and to discourage existing businesses from relocating to less expensive areas outside of the State of California.

Charter Section 371(a) authorizes bid preferences for State and County of Los Angeles-based businesses as determined by ordinance. Utilizing this section of the Charter, the City Council previously adopted Los Angeles Administrative Code Section 10.49, which created a bid preference program for Local and Local Small Business Enterprises by requiring a business seeking a LAWA contract to meet minimum bid percentages for local businesses or local small businesses.

The proposed amendment would create identical bid preferences for qualified local disabled veterans' enterprises. LAWA will determine on a project-by-project basis which contracts to require minimum bid preferences for qualified local disabled veterans enterprises.

Also enclosed is BOAC's Resolution No. 26205 recommending that the draft ordinance be transmitted to, and approved by, the City Council.

If you have any questions regarding this matter, please contact Senior Assistant City Attorney Raymond Ilgunas at (424) 646-5010. He or another member of this Office will be present when you consider this matter to assist LAWA in addressing questions concerning the draft ordinance.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By   
DAVID MICHAELSON  
Chief Assistant City Attorney

DM/RI:zc  
Transmittal