

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: March 6, 2020

CAO File No. 0150-09615-0006

Council File No.

Council District: 6, 11

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Communication from the Los Angeles World Airports dated February 7, 2020; referred by the Mayor for report on February 7, 2020

Subject: **REQUEST TO APPROVE A CONTRACT WITH THE SOHAGI LAW GROUP FOR LEGAL SERVICES IN SUPPORT OF CITY ATTORNEYS FOR THE LOS ANGELES WORLD AIRPORTS RELATIVE TO ENVIRONMENTAL ISSUES**

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### RECOMMENDATIONS

That the Mayor:

1. Approve the contract between the Los Angeles World Airports and the Sohagi Law Group for a one-year term, at a cost of \$825,000, to support the City Attorney in its management of complex and ongoing environmental-related legal issues, subject to City Attorney approval as to form and compliance with the City's Standard Provisions for Contracts including the Living Wage Ordinance, Affirmative Action Program, Child Support Obligations Ordinance, Contractor Responsibility Ordinance, Equal Benefits Ordinance, the First Source Hiring Program for all non-trade airport jobs, and the City Ethics Commission Form 55 pertaining to bidder contributions;
2. Authorize the Chief Executive Officer of the Los Angeles World Airports to award a contract to the Sohagi Law Group; and,
3. Return the proposed contract to the Department for further processing, including Council consideration and City Attorney approval.

### SUMMARY

The Sohagi Law Group is a Los Angeles-based law firm specializing in environmental and land use law that has been assisting the City Attorney with airport-related matters since 2008. Recently, the firm has been advising the Los Angeles World Airports (LAWA, Department) on its response to a CEQA (California Environmental Quality Act) writ (a written order usually issued by a judge) involving the Landside Access Modernization Program (LAMP) and other Los Angeles International Airport (LAX) modernization projects. In that the existing three-year contract expired on February 3, 2020, the Department is requesting a new one-year agreement in order to (1) retain the firm's expertise and assistance with a number of ongoing complex and technical legal matters and (2)

provide time to develop and release a Request for Proposals (RFP) for such services.

As a consequence, the LAWA Chief Executive Officer requests approval to award a one-year contract to the Sohagi Law Group in order to maintain continuity with respect to support for ongoing litigation and legal analysis of related land use matters using \$825,000 of the expired contract's \$1,290,000 remaining balance.

The proposed contract's term will be from February 6, 2020 to February 5, 2021. Both the term and the proposed budget reflect the number and complexity of environmental and land use issues facing the Department including, but not limited to, the following:

- o Preparing for the upcoming LAMP trial, which has been delayed pending additional settlement negotiations
- o Developing the CEQA Draft and Final EIR (Environmental Impact Report), as well as the NEPA (National Environmental Policy Act) and Clean Air Act Conformity analysis documents for the LAX ATMP (Airfield and Terminal Modernization Project)
- o Developing legal documents related to compliance with settlement agreements and airport development projects (e.g., Northside RFP and development, the Century Cargo Complex, and terminal projects unrelated to the ATMP)

The new contract will allow the Department to (1) continue the services of a law firm with the history, expertise, and experience with LAWA's environmental and land use issues and the complexities of related litigation; (2) adequately address specific litigation concerning the CEQA LAMP writ action; and (3) retain sufficient legal staff and expert advice to support other pending capital projects such as the ATMP and various CEQA review processes.

The Sohagi Law Group was first selected using a competitive process. As such, LAWA is recommending that approval of the proposed contract be exempt from the provisions of Charter Section 371(e)(2) and (e)(10), "Competitive Bidding; Competitive Sealed Proposals; Exceptions." The Department finds that the use of competitive bidding would be undesirable, impractical or impossible given the complexities of the applicable environmental law, the history of LAX litigation, the length of the learning curve required to become conversant with the related issues, and the need to avoid delays in addressing ongoing litigation.

The contract authority for the new one-year agreement is \$825,000. That amount represents a 139 percent increase in the average annual expenditure rate of \$345,000 for the previous contract's three-year term. The Department notes, however, that the estimated increase in annual expenditures is attributable to (1) delays in the LAMP trial and start of the ATMP, funding for which was included in the original Sohagi contract that was unexpended, thereby reducing the average annual expenditure rate; and (2) the number and complexity of the projects enumerated above that require significant legal resources. All expenditures for this contract will be recovered through landing fees and terminal rates and charges, as well as through non-aeronautical revenues (e.g., concessions, parking lot revenue, rental cars, and food and beverage).

The proposed contract was approved by the Board of Airport Commissioners at its meeting of February 6, 2020.

## **FISCAL IMPACT STATEMENT**

Approval of the one-year contract with the Sohagi Law Group will have no impact on the City's General Fund. Funding for the agreement, in the amount of \$825,000, is available in the Los Angeles World Airports' Fiscal Year 2019-20 Operating Budget, Fund 700. Future years' funding, if required, will be requested as part of the annual budget process. The use of outside legal services complies with the Department of Airports' adopted Financial Policies.

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