

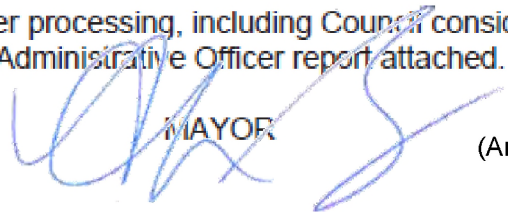
**TRANSMITTAL**

0150-10747-0003

|   |                        |                  |
|---|------------------------|------------------|
| TO<br>Justin Erbacci, Chief Executive Officer<br>Department of Airports | DATE<br>09/08/20       | COUNCIL FILE NO. |
| FROM<br>The Mayor   | COUNCIL DISTRICT<br>11 |                  |

**Proposed Seventh Amendment to Contract No. DA-4859 with Morrison & Foerster LLP, to Extend the Term by One Year to Continue Providing Legal Services Support To Los Angeles World Airport**

Transmitted for further processing, including Council consideration. See the City Administrative Officer report attached.



MAYOR

(Ana Guerrero for)

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: August 27, 2020

CAO File No. 0150-10747-0003

Council File No.

Council District: 11

To: The Mayor

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

Reference: Communication from the Los Angeles World Airports dated July 28, 2020; referred by the Mayor for a report July 28, 2020

Subject: **PROPOSED SEVENTH AMENDMENT TO CONTRACT NO. DA-4859 WITH MORRISON & FOERSTER LLP, TO EXTEND THE TERM BY ONE YEAR TO CONTINUE PROVIDING LEGAL SERVICES SUPPORT TO LOS ANGELES WORLD AIRPORT**

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### RECOMMENDATIONS

That the Mayor:

1. Approve a proposed Seventh Amendment (Amendment) to Contract No. DA-4859 (Contract) with Morrison & Foerster LLP, to extend the Contract term by one year, to August 31, 2021, to continue providing legal services support to Los Angeles World Airports (LAWA), subject to approval as to form by the City Attorney and compliance with the City's Standard Provisions applicable to contracts, including the: Affirmative Action Program, approved insurance documents in the terms and amounts required, on file with LAWA, Bidder Contributions City Ethics Commission Form 55, Business Tax Registration Certificate, Child Support Obligations, Contractor Responsibility Program, First Source Hiring Program for all non-trade Airport jobs, and Living Wage Ordinance;
2. Authorize the Chief Executive Officer to execute the proposed Amendment to the Contract after approval by the Los Angeles City Council, and prior to execution of the Amendment, must be determined by the Office of Contract Compliance to be in full compliance with the Equal Benefits Ordinance provisions; and,
3. Return the request to the Los Angeles World Airports for further processing, including Council consideration.

## **SUMMARY**

In September 2013, the Board of Airports Commissioners (BOAC) authorized the Executive Director of the Los Angeles World Airports (LAWA, Department) and the City Attorney's Office to enter into a three-year legal services agreement with law firm of Morrison & Foerster LLP (Firm). The Contract No. DA-4859 (Contract) with the Firm initially had a contract authority limit of \$400,000. Beginning with the initial Contract in September 2013, the Firm was hired to assist the City Attorney's Office in providing legal services to LAWA in connection with the City's litigation, and eventually appeals, involving John Russo Industrial Sheetmetal, Inc. (JRI). A first amendment to the Contract was approved in April 2014. The BOAC has approved six amendments for Contract No. DA-4859 and the current contract authority is \$11,500,000. Department staff notes the Firm brings a significant level of litigation depth and its assisting services for various cases are of an expert nature and closely managed by the City Attorney's Office.

According to Department staff, JRI is a firefighting truck manufacturer with whom LAWA had a contract to purchase four ARFF vehicles (special airport firefighting trucks). As explained, the first two vehicles did not comply with the relevant Federal Aviation Administration specifications, and therefore LAWA terminated the contract. The firefighting truck litigation began in 2012; JRI is the plaintiff in the JRI litigation and the Firm became involved in September 2013. Lawsuits filed by both parties were followed by a six-week jury trial and multiple appeals. Following the appeals, one issue regarding attorneys' fees has been remanded to the trial court. After numerous delays, a trial court hearing currently is on calendar in November. LAWA states the Firm is a well-known, highly regarded and has exceptional litigation proficiency in these particular types of actions. The City Attorney affirms the need to continue the Firm's services.

Approval of the proposed Seventh Amendment to Contract No. DA-4859 with the Firm will extend the term by one additional year to a revised expiration date of August 31, 2021. It is anticipated that a year should be enough time to handle final motions and any potential appeals. LAWA expresses the Firm has the litigation expertise necessary to successfully prosecute the final resolution of the matter. No additional funding is requested in the proposed Seventh Amendment. Department staff reports as of April 2020, a balance of \$326,402 is available from the current contract authority of \$11,500,000. No other substantive changes to the contract terms are being proposed.

The proposed Seventh Amendment was approved by the BOAC during its July 30, 2020 meeting.

## **FISCAL IMPACT STATEMENT**

Approval of a proposed Seventh Amendment (Amendment) to Contract No. DA-4859 (Contract) with Morrison & Foerster LLP, will extend the Contract term by one year, to August 31, 2021, to continue providing legal services support to Los Angeles World Airports (LAWA). No additional funds are requested in the proposed Seventh Amendment and its approval will have no impact on the General Fund. Funds for the Amendment are currently available in the Fiscal Year 2020-21 LAWA Operating Budget on Cost Center 1110004 - Legal Services Division, Commitment Item 520

- Contractual Services. Funds for subsequent periods will be requested as part of the annual budget process. The proposed actions comply with the Department of Airports' adopted Financial Policies.

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