

ADMINISTRATIVE EXEMPTION and COMMUNICATION FROM CHAIR AND MEMBER, INNOVATION, GRANTS, TECHNOLOGY, COMMERCE, AND TRADE COMMITTEE, relative to the fifth amendment to the contract with Morrison and Foerster LLP for continued litigation support for Los Angeles World Airports (LAWA).

Recommendations for Council action:

1. ADOPT the determination by the Board of Airport Commissioners (Board) that the proposed action is exempt under the California Environmental Quality Act (CEQA) as provided in Article II Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the fifth amendment to Contract DA-4859 with Morrison and Foerster LLP to increase funding by \$5,400,000 for continued litigation support for LAWA.
3. CONCUR with the Board's action of June 1, 2017 by Board Resolution No. 26246 authorizing the Chief Executive Officer, LAWA, to execute the fifth amendment to Contract DA-4859 with Morrison and Foerster LLP to increase funding by \$5,400,000 for continued litigation support for LAWA.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that approval of the fifth amendment will have no impact on the City's General Fund. As of the December 2016 billing, there was approximately \$109,853 in authorized funds remaining for this contract. LAWA continues to work with Morrison and Foerster LLP to develop a budget for the remainder of the contract term, which requires this funding increase. With the approval of the proposed amendment, authorized funding will be increased by an additional \$5.4 million for a total of \$11.5 million to address the litigation and issues involving Runway 25L construction at LAX. The required funds will be available from LAWA's Fiscal Year 2017-18 Operating Budget in Cost Center 1110004 - Legal Services Division, Commitment Item 520 - Contractual Services. Costs incurred under Contract No. DA-4859 will be recovered from landing fees, terminal rates and charges, and nonaeronautical revenues (e.g., concessions, parking lot revenue, etc.). Future years' funding, if needed, will be requested as part of the annual budget process. The use of outside legal services complies with LAWA's adopted Financial Policies.

Community Impact Statement: None submitted.

TIME LIMIT FILE – AUGUST 12, 2017

(LAST DAY FOR COUNCIL ACTION – AUGUST 11, 2017)

SUMMARY

At the meeting held on June 20, 2017, the Committee Chair and member of your Innovation, Grants, Technology, Commerce and Trade Committee considered a Board transmittal relative to the fifth amendment to the contract with Morrison and Foerster LLP for continued litigation support for LAWA. The CAO reports that the Chief Executive Officer of LAWA is requesting approval to execute a fifth amendment to Contract No. DA-4859 with the law firm of Morrison and Foerster, LLP to increase the contract funding by \$5.4 million, for a total of \$11.5 million, for the

remaining 14 months of the contract. The requested increase is needed to continue the provision of legal services in support of pending litigation involving the City vs. Tutor-Saliba Corporation/O and G Industries Inc., JV, etc., et al related to LAX Runway 25L construction. The City Attorney affirms the need to continue Morrison and Foerster LLP's services. No other substantive changes to the contract terms are being proposed. An opportunity for public comment was held. After a brief discussion, the Committee Chair and member moved to approve the recommendations contained in the Board's transmittal. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

INNOVATION, GRANTS, TECHNOLOGY, COMMERCE AND TRADE COMMITTEE



MEMBER	VOTE
BLUMENFIELD:	YES
BONIN:	ABSENT
KREKORIAN:	YES
BUSCAINO:	ABSENT

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-