

**ADMINISTRATIVE EXEMPTION and COMMUNICATION FROM CHAIR, TRADE, TRAVEL, AND TOURISM COMMITTEE** relative to extending the term of a Los Angeles World Airports (LAWA) contract with Morrison and Foerster, LLP, for legal services for litigation and appeals.

Recommendations for Council action:

1. **ADOPT** the determination by the Board of Airport Commissioners that the proposed action is administratively exempt under the California Environmental Quality Act (CEQA) in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.
2. **APPROVE** the Sixth Amendment to LAWA Contract No. DA-4859 with Morrison and Foerster, LLP, to extend the term through August 31, 2020, for legal services to assist LAWA and the City Attorney with litigation and appeals involving John Russo Industrial Sheetmetal, Inc.
3. **CONCUR** with the action taken by the Board of Airport Commissioners on August 16, 2018 by Resolution No. 26568 authorizing the Chief Executive Officer, LAWA, to execute the Sixth Amendment to Contract No. DA-4859 with Morrison and Foerster, LLP.

**Fiscal Impact Statement:** The City Administrative Officer (CAO) reports that this action will not impact the General Fund. A total of \$11,500,000 has been allocated to address the litigation and related issues involving Los Angeles International Airport (LAX) Runway 25L construction deficiencies, with \$894,937 in expenditure authority remaining for this contract as of the May, 2018 billing. The funding needed for the two-year extension is available from the LAWA's Fiscal Year 2018-19 Operating Budget in Cost Center No. 1110004 - Legal Services Division, Commitment Item No. 520 - Contractual Services. The LAWA will work with Morrison and Foerster, LLP, to develop a budget for the extended contract term.

According to the CAO, costs incurred under this contract will be recovered from landing fees, terminal rates and charges and non-aeronautical 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 financial policies.

**Community Impact Statement:** None submitted.

**TIME LIMIT FILE – OCTOBER 29, 2018**

**(LAST DAY FOR COUNCIL ACTION – OCTOBER 26, 2018)**

**SUMMARY**

In a report to the Mayor dated August 28, 2018, the CAO states that LAWA requests authority to execute a Sixth Amendment to Contract No. DA-4859 with the law firm of Morrison and Foerster, LLP, extending the term by two years without additional funds, of the existing five-year contract to assist LAWA with ongoing product liability litigation, including appeals, entitled City of Los Angeles vs. Tutor-Saliba Corporation / O and G Industries Inc., JV, etc., et al related to LAX

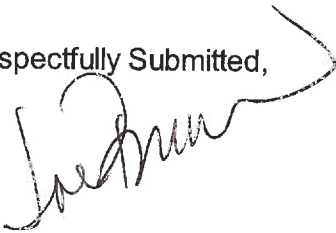
Runway 25L construction deficiencies. The City Attorney affirms the need to continue the contractor's services. No other substantive changes to the contract terms are proposed.

The CAO goes on to report that as a result of the continued need for written briefs for the appeals process and the fact that oral arguments in the case have yet to be scheduled, LAWA believes that it is important to retain the contractor and continue to benefit from the firm's demonstrated litigation and product liability expertise throughout the remainder of the legal proceedings.

On August 16, 2018, the Board of Airport Commissioners approved the proposed contract extension. The CAO concurs with this action.

At the Trade, Travel, and Tourism Committee meeting held September 18, 2018, the Committee Chair recommended that Council approve the amendment of the LAWA contract with Morrison and Foerster, LLP, as recommended by the Board of Airport Commissioners and the CAO.

Respectfully Submitted,



COUNCILMEMBER JOE BUSCAINO, CHAIR  
TRADE, TRAVEL, AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
BUSCAINO:	YES
BONIN:	ABSENT
KREKORIAN:	ABSENT

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**-NOT OFFICIAL UNTIL COUNCIL ACTS-**