

**AMENDED**  
**at the meeting**  
 (see meeting video or minutes)



Los Angeles World Airports

## REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

Item Number  
2

<p style="text-align: center;"><u>D. Dazé</u>          D Dazé (Dec 29, 2021 13:34 PST)</p> <hr/> <p style="text-align: center;">Approved by: Tim Dazé</p> <p style="text-align: center;"><u>D. Dazé</u>          D Dazé (Dec 29, 2021 13:34 PST)</p> <hr/> <p style="text-align: center;">Reviewed by: Tim Dazé</p> <p style="text-align: center;"><u>Brian C. Ostler</u>          Brian Ostler (Dec 29, 2021 14:14 PST)</p> <hr/> <p style="text-align: center;">City Attorney, Brian C. Ostler</p> <p style="text-align: center;"><u>Justin Erbacci</u>          Justin Erbacci (Dec 29, 2021 14:26 PST)</p> <hr/> <p style="text-align: center;">Justin Erbacci, Chief Executive Officer</p>	<p><u>Meeting Date:</u></p> <p style="text-align: center;">1/6/2022</p>																														
<p><u>CAO Review:</u></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><input type="checkbox"/></td> <td>Completed</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Pending</td> </tr> <tr> <td><input type="checkbox"/></td> <td>N/A</td> </tr> </table>	<input type="checkbox"/>	Completed	<input checked="" type="checkbox"/>	Pending	<input type="checkbox"/>	N/A	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; font-size: small;">Reviewed for</th> <th style="text-align: left; font-size: small;">Date</th> <th style="text-align: left; font-size: small;">Approval Status</th> <th style="text-align: left; font-size: small;">By</th> </tr> </thead> <tbody> <tr> <td>Finance</td> <td>11/29/2021</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA</td> <td>JS</td> </tr> <tr> <td>CEQA</td> <td>11/29/2021</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N</td> <td>VW</td> </tr> <tr> <td>Procurement</td> <td>12/28/2021</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond</td> <td>BG</td> </tr> <tr> <td>Guest Experience</td> <td>12/29/2021</td> <td><input checked="" type="checkbox"/> Y <input type="checkbox"/> N</td> <td>TB</td> </tr> <tr> <td>Strategic Planning</td> <td>11/30/2021</td> <td><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA</td> <td>KC</td> </tr> </tbody> </table>	Reviewed for	Date	Approval Status	By	Finance	11/29/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	JS	CEQA	11/29/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW	Procurement	12/28/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	BG	Guest Experience	12/29/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	TB	Strategic Planning	11/30/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KC
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**SUBJECT**

Request to approve the Fifth Amendment to Contract No. DA-5355 with the law firm of Anderson & Krieger, LLP, for legal services to assist Los Angeles World Airports and the Los Angeles City Attorney with federal regulatory work and related matters, including litigation. The Fifth Amendment will increase the three-year contract by ~~\$1,300,000~~ for a total not-to-exceed amount of ~~\$5,000,000~~ and add an additional year to the contract.

increase amount **amended**  
 from \$1,300,000 to **\$900,000**

**RECOMMENDATIONS**

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines.
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
4. APPROVE the Fifth Amendment to Contract No. DA-5355 with the law firm of Anderson & Krieger LLP, for legal services to assist Los Angeles World Airports and the Los Angeles City Attorney with federal regulatory work and related matters, including litigation. The Fifth

increase amount **amended**  
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Amendment will increase the three-year contract by ~~\$1,300,000~~ for a total not-to-exceed amount of ~~\$5,000,000~~ and add an additional year to the contract term.

5. AUTHORIZE the Chief Executive Officer to execute the Fifth Amendment to Contract No. DA-5355 with Anderson & Krieger LLP after the approval as to form by the City Attorney and approval by the Los Angeles City Council.

## DISCUSSION

### 1. Purpose

To approve the Fifth Amendment to Contract No. DA-5355 with the law firm of Anderson & Krieger, LLP (Firm), for legal services to assist Los Angeles World Airports (LAWA) and the Los Angeles City Attorney (City Attorney) with federal regulatory work and related matters, including litigation, to increase the three-year contract by ~~\$1,300,000~~ for a total of ~~\$5,000,000~~ and add an additional year to the contract so that the new termination date of the contract will be February 28, 2023.

increase amount **amended**  
from \$1,300,000 to **\$900,000**

### 2. Prior Related Actions

- **May 2, 2019 – Resolution No. 26748 (DA-5355)**  
The Board of Airport Commissioners (Board) approved a three-year contract with the law firm of Anderson & Krieger, LLP, in the amount of \$200,000 to assist the City Attorney and LAWA with legal services. The Firm was retained after a comprehensive search conducted by the Los Angeles City Attorney's Office through a Request for Proposal (RFP) process. Under the contract, the Firm is paid on an hourly basis for services performed.
- **December 19, 2019 – Resolution No. 26909 (DA-5355A)**  
The Board approved a First Amendment to the contract with the law firm of Anderson & Krieger, LLP, in the amount of \$1,000,000 to assist the City Attorney and LAWA with legal services.
- **June 18, 2020 – Resolution No. 27037 (DA-5355B)**  
The Board approved a Second Amendment to the contract with Anderson & Krieger, LLP, in the amount of \$500,000, to assist the City Attorney and LAWA with legal services.
- **November 19, 2020 – Resolution No. 27133 (DA-5355C)**  
The Board approved a Third Amendment to the contract with Anderson & Krieger, LLP, in the amount of \$900,000, to assist the City Attorney and LAWA with legal services.
- **August 12, 2021 – Resolution No. 27315 (DA-5355D)**  
The Board approved a Fourth Amendment to the contract with Anderson & Krieger, LLP, in the amount of \$1,100,000, to assist the City Attorney and LAWA with legal services.

### 3. Current Action

The firm of Anderson & Krieger LLP is currently under contract with the City Attorney's Office to assist the Office with federal regulatory advice and litigation, including the case of Turo, Inc. v. City of Los Angeles, case number 2:18-cv-06055-CAS (GJSx) ("Turo Litigation").

## **Procurement Process**

The Firm currently is under contract with the City Attorney's Office to assist the Office with the federal regulatory advice and litigation, including the case of Turo, Inc. v. City of Los Angeles, Case No. 2:18-cv-06055-CAS (Turo). For the Turo case, in addition to defending the City and LAWA in the civil lawsuit brought against the City and LAWA by Turo, Inc., the City and LAWA also brought affirmative claims against Turo, Inc., and some of its so-called "Super Hosts," alleging that they are engaged in an unlawful commercial rental car business that violates LAWA ground transportation rules at Los Angeles International Airport (LAX) and constitutes a trespass upon LAWA's LAX property. There are extensive amounts of legal proceedings that are ongoing in the Turo, Inc. litigation, including competing discovery motions and requests for protective orders.

At the end of October 2021, a court ordered mediation was held. At the conclusion of the twelve hour session, a partial settlement was achieved. However, a second mediation session is required in order to clarify a few salient points. The mediation's second session will be taking place in January 2022.

Additionally, the Firm's legal assistance has been utilized in additional matters including assistance with the Northside development project, the ARSAC mediation, the Airline Cost Stabilization and Recovery Plan, issues regarding the use of LAWA property for people experiencing homelessness at LAX, lease negotiations concerning property located at Van Nuys Airport and other inquiries regarding FAA regulations. Further assistance from the Firm will be required ongoing for these matters as well. Therefore, additional funding is required to support these critical legal activities.

## **Fiscal Impact**

increase amount **amended** from \$1,300,000 to **\$900,000**, thus **changing the new not-to-exceed total accordingly**

The contract is for a term of three years and, if the amendment is approved, the contract authority will be increased to a not-to-exceed amount of ~~\$5,000,000~~ and the term will be extended for an additional year so that the new termination date for the contract will be February 28, 2023. Costs incurred under this contract are recovered through landing fees, terminal rates and charges, and non-aeronautical revenues.

## **4. Alternatives Considered**

- **Take No Action**

Presently, the City Attorney's Office does not have sufficient in-house expertise to handle certain complex federal regulatory and related litigation matters and, therefore, requires outside counsel's assistance. While the City Attorney's Office provides legal services and closely oversees and manages the firm's services, LAWA's continued need for specialized legal services exceeds in-house capacity. Given the highly complex, technical, and often a need to look to outside counsel to assist in fully addressing these aspects of advice, both in transactional and litigation matters, it is necessary to use the services of outside counsel such as Anderson & Krieger, LLP.

## **APPROPRIATIONS**

Funds for this amendment are available in the Fiscal Year 2021-22 Los Angeles World Airports Operating Budget in LAX Cost Center 1110004 – Legal Services Division, Commitment Item 520 – Contractual Services. Funds for subsequent years will be requested as part of the annual budget process.

## STANDARD PROVISIONS

1. This action, as a continuing administrative activity, is exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f. of the Los Angeles City CEQA Guidelines.
2. The City Attorney has approved this item.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. Anderson & Krieger, LLP is required to comply with the provisions of City Charter Section 609(e) and related ordinances.
5. Anderson & Krieger, LLP is required by contract to comply with the provisions of the Living Wage Ordinance.
6. This item is not subject to the provisions of the SBE/LBE/LSBE/DVBE Program.
7. Anderson & Krieger, LLP is required by contract to comply with the provisions of the Affirmative Action Program.
8. Anderson & Krieger, LLP has been assigned Business Tax Registration Certificate No. 0002330068-0001-1.
9. Anderson & Krieger, LLP is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
10. Anderson & Krieger, LLP has approved insurance documents, in the terms and amounts required, on file with the Los Angeles World Airports.
11. Pursuant to Charter Section 1022, it has been determined that the work specified in this contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
12. Anderson & Krieger, LLP has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
13. Anderson & Krieger, LLP has been determined by the Public Works, Office of Contract Compliance, to be in full compliance with the provisions of the Equal Benefits Ordinance.
14. Anderson & Krieger, LLP will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
15. Anderson & Krieger, LLP has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
16. Anderson & Krieger, LLP has submitted the MLO Bidder Contributions CEC Form 50 and will comply with its provisions.
17. Anderson & Krieger, LLP will be required to comply with the provisions of the Iran Contracting Act of 2010 Affidavit.