



Los Angeles World Airports

Item Number
3

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

D. Dazé

Approved by: Tim Dazé

D. Dazé

Reviewed by: Tim Dazé

Raymond S. Ilgunas

City Attorney – Ray Ilgunas

Justin Erbacci, Chief Executive Officer

Meeting Date:

10/15/2020

CAO Review:

- Completed
- Pending
- N/A

| Reviewed for | Date | Approval Status | By |
|--------------------|-----------|--|------|
| Finance | 10/2/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | CI |
| CEQA | 9/30/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | VW |
| Procurement | 10/2/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond | MJ |
| Guest Experience | 10/1/2020 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | TB |
| Strategic Planning | 9/30/2020 | <input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA | KCDL |

SUBJECT: Approve Third Amendment to Contract No. DA-5250 with Demetriou, Del Guercio, Springer & Francis LLP

Approve the Third Amendment to Contract No. DA-5250 with the law firm of Demetriou, Del Guercio, Springer & Francis LLP, to assist Los Angeles World Airports (LAWA) and the Los Angeles City Attorney (City Attorney) with real estate legal services. The Third Amendment will extend the contract one year to 10/22/2021.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is administratively 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 LAWA employees.

4. Approve the Third Amendment to Contract No. DA-5250 with the law firm of Demetriou, Del Guercio, Springer & Francis LLP to assist LAWA and the City Attorney with real estate legal services. The Third Amendment will extend the contract one year to 10/22/2021.
5. AUTHORIZE the Chief Executive Officer to execute the above referenced contract upon approval as to form by the City Attorney.

DISCUSSION:

1. Purpose

Approve the Third Amendment to Contract No. DA-5250 with the law firm of Demetriou, Del Guercio, Springer & Francis LLP (the Firm), to assist LAWA and the City Attorney with real estate legal services. The Third Amendment will extend the contract one year to 10/22/2021.

It has been the standard practice to have two law firms under contract to assist LAWA with real property matters in the event that a conflict of interest arises with one of the firms.

Additionally, the City Attorney's Office is in the process of issuing a Request for Proposals (RFP) for real estate legal services, including litigation. When the RFP process is finished the Board will be asked to approve new contracts for outside counsel to assist with real estate matters for LAWA.

2. Prior Related Actions

November 2, 2017 – Resolution No. 26367 (DA-5250)

The Board of Airport Commissioners (BOAC) authorized the Chief Executive Officer and the City Attorney's Office to enter into a three-year legal services agreement with the Firm. The initial Contract amount was for \$500,000. The Contract called for work to be paid on an hourly basis.

December 20, 2018 – Resolution No. 26666 (DA-5250A)

The Board of Airport Commissioners (BOAC) authorized the Chief Executive Officer and the City Attorney's Office to approve the First Amendment with the Firm. The First Amendment increased the funding by \$100,000.

October 10, 2019 – Resolution No. 26857 (DA-5250B)

The Board of Airport Commissioners (BOAC) authorized the Chief Executive Officer and the City Attorney's Office to approve the Second Amendment with the Firm. The Second Amendment increased the funding by \$300,000. There is approximately \$205,000 remaining in the Firm's contract authority. The Contract called for work to be paid on an hourly basis.

3. Current Action

The Firm has been representing LAWA and the City in numerous matters, including the Flying Food Group litigation, assistance with the development of the CONRAC contract with the various rental car companies, Manchester Square related matters, leases for non-LAWA tenants at the LAWA owned Skyview Office complex, assistance with leases with tenants at VNY, and ongoing advice. Additionally, the Firm has been assisting with ongoing matters dealing with the CONRAC, assisting with the drafting of the Smart Parking Contract and Southwest Airlines sublease and the NASA deluge system matter in Palmdale. It has also

assisted with the LAX Northside Ground Lease, Inglewood ITS Escrow Agreement, Common Use Lounge Concession Agreement and the LAX Sign District.

Due to ongoing real property advice and related services we recommend to extend the contract one year to 10/22/2021.

Action Requested

Approve the Third Amendment to Contract No. DA-5250 with the law firm of Demetriou, Del Guercio, Springer & Francis, LLP to assist LAWA and the City Attorney with real estate legal services. The Third Amendment will extend the contract one year to 10/22/2021.

Fiscal Impact

There is no fiscal impact because the Third Amendment to the Contract does not increase contract authority.

4. Alternatives Considered

• ***Take No Action***

There is insufficient in-house City Attorney staff with this specialized expertise. Also, hiring additional in-house City Attorney staff for this work is impractical as it would not meet the immediate need for counsel with specialized expertise and experience on this matter. The City Attorney's Office will continue to provide legal services as well as closely manage the Firm's services.

APPROPRIATIONS:

Funds for this amendment are currently available in the Fiscal Year 2020-21 Los Angeles World Airports 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.

STANDARD PROVISIONS:

1. This action, as a continuing administrative activity, is administratively 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. Demetriou, Del Guercio, Springer & Francis, LLP is required to comply with the provisions of City Charter Section 609(e) and related ordinances.
5. Demetriou, Del Guercio, Springer & Francis, 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 Programs.

7. Demetriou, Del Guercio, Springer & Francis, LLP is required by contract to comply with the provisions of the Affirmative Action Program.
8. Demetriou, Del Guercio, Springer & Francis, LLP has been assigned Business Tax Registration Certificate No. 0000030203-0001-8.
9. Demetriou, Del Guercio, Springer & Francis, LLP is required by contract to comply with the provisions of the Child Support Obligations Ordinance.
10. Demetriou, Del Guercio, Springer & Francis, LLP has approved insurance documents, in the terms and amounts required on file with the Los Angeles World Airports prior to execution of contract.
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. Demetriou, Del Guercio, Springer & Francis, LLP has submitted the Contractor Responsibility Program Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Ordinance.
13. Demetriou, Del Guercio, Springer & Francis, LLP has been determined by Public Works, Office of Contract Compliance, to be in compliance with the provisions of the Equal Benefits Ordinance.
14. Demetriou, Del Guercio, Springer & Francis, LLP will comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
15. Demetriou, Del Guercio, Springer & Francis, LLP has submitted the Bidder Certification CEC Form 50 and Bidder Contributions CEC Form 55 and will comply with its provisions.