



Los Angeles World Airports

Item Number
4

REPORT TO THE BOARD OF AIRPORT COMMISSIONERS

D. Dazé

D. Dazé

R. S. Ilgunas

[Signature]

Approved by: Tim Dazé

Reviewed by: Tim Dazé

City Attorney – Ray Ilgunas

Justin Erbacci, Chief Executive Officer

Meeting Date:

2/18/2021

CAO Review:

☐ Completed
☒ Pending
☐ N/A

Reviewed for	Date	Approval Status	By
Finance	1/19/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	CI
CEQA	1/21/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	VW
Procurement	1/21/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond	LK
Guest Experience	1/27/2021	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	TB
Strategic Planning	1/19/2021	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KC

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

Approve the Fourth 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 Fourth Amendment will increase the contract authority by \$275,000 and extend the contract six months to April 22, 2022.

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 Fourth 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 Fourth Amendment will increase the contract authority by \$275,000 and extend the contract six months to April 22, 2022.

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 Fourth 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 Fourth Amendment will increase the contract authority by \$275,000 and extend the contract six months to April 22, 2022.

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.

October 15, 2020 – Resolution No. 27122 (DA-5250C)

The Board of Airport Commissioners (BOAC) authorized the Chief Executive Officer and the City Attorney's Office to approve the Third Amendment with the Firm. The Third Amendment extended the contract by one year to October 22, 2021.

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, litigation with NASA, assistance with leases with tenants at VNY, assistance with the rent relief amendments of the various leases and concession agreements at LAX and VNY, negotiations with tenants at VNY for rental rate adjustments, assistance in the development of the RFP for the Northside development, and ongoing advice. NASA is seeking in excess of Eight Million Dollars in damages based on several allegations, including breach of contract and breach of implied covenant of quiet enjoyment. The U.S. Attorney's Office, which represents NASA, served LAWA with the original complaint in October 2020. It filed a first amendment complaint on January 21, 2021. Discovery is underway. Due to

the ongoing litigation with NASA, assistance with the Northside RFP process, including the drafting of the draft lease agreement, assistance with rental rate adjustments, and real property advice and related services, we recommend to increase the contract authority by \$275,000 and to extend the contract by six months to April 22, 2022. The extension of the contract by an additional six months will allow for the completion of the RFP process for the choosing of outside counsel to assist with real property advice and litigation services.

Action Requested

Approve the Fourth 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 Fourth Amendment will increase the contract authority by \$275,000 and extend the contract by six months to April 22, 2022.

Fiscal Impact

The Fourth Amendment will increase the contract authority by \$275,000 to \$1,175,000.

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 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 the Office of Contract Compliance to be in full compliance with the provisions of the Equal Benefits Ordinance.
14. Demetriou, Del Guercio, Springer & Francis, LLP will be required to 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.