

**TO THE COUNCIL OF THE
CITY OF LOS ANGELES**

Your TRADE, COMMERCE, AND TOURISM COMMITTEE

reports as follows:

ADMINISTRATIVE EXEMPTION, TRADE, COMMERCE, AND TOURISM COMMITTEE REPORT relative to proposed Third Amendment to Contract No. DA-4159 with Kaye Scholer, LLP for legal services related to Federal regulatory issues and litigation matters at Los Angeles International Airport (LAX).

Recommendations for Council action:

1. FIND that this action, as described in the October 13, 2010 Board of Airport Commissioners (Board) report and attached to the Council file, is exempt from the California Environmental Quality Act (CEQA) pursuant to Article II Section 2(f) of the Los Angeles City CEQA Guidelines.
2. APPROVE the Third Amendment to Contract No. DA-4159 with Kaye Scholer, LLP.
3. CONCUR with the Board's action of October 4, 2010 by Resolution No. 24249 authorizing the Executive Director to execute the Third Amendment to Contract No. DA-4159 with Kaye Scholer, LLP.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Third Amendment to Contract No. DA-4159 with Kaye Scholer, LLP will have no impact on the General Fund. Funding for the Third Amendment to Contract DA-4159 with Kaye Scholer, LLP is available in the Fiscal Year (FY) 2010-11 Los Angeles World Airports (LAWA) Operating Budget. Additional funding, if needed, will be requested as part of the annual budget process. Since the LAWA is only bound by the City Debt Management Policies, the City Financial Policies are not applicable.

Community Impact Statement: None submitted.

TIME LIMIT FILE - DECEMBER 13, 2010

(LAST DAY FOR COUNCIL ACTION – DECEMBER 10, 2010)

SUMMARY

On October 27, 2010, you Committee considered an October 13, 2010 Board report, October 7, 2010 CAO report and Resolution No. 24249 relative to proposed Third Amendment to Contract No. DA-4159 with Kaye Scholer, LLP (Kaye Scholer) for legal services related to Federal regulatory issues and litigation matters at LAX. According to the CAO, LAWA is requesting to extend the existing contract for legal services in support of the City Attorney with respect to complex legal matters involving litigation before the United States Court of Appeals for the District of Columbia. The proposed six-month extension to the current four-year agreement will allow LAWA to: 1) benefit from the contractor's unique expertise, experience, and history with these and related issues and maintain the existing level of legal services provided by the

contractor; and 2) maximize its chances for a successful conclusion to several pending legal matters for which Kaye Scholer has provided ongoing assistance and advice. Finally, budgeted and available funds, not to exceed \$659,627, will be used to finance the services during the extended term of the Agreement.

Additionally, the original agreement between LAWA and Kaye Scholer was executed in November 2006 for \$1.5 million for a term of three years. The First Amendment, executed in May 2007 increased the contract amount by \$2.5 million, for a total of \$4 million. A Second Amendment, executed in November 2009, further increased the contract amount by \$200,000, to a total of \$4.2 million and extended the agreement one year to November 2010. The firm of Kaye Scholer, LLP was originally selected from a list of qualified firms developed as a result of an in-depth RFP process.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Third Amendment to Agreement No. DA-4159 as detailed in the above recommendations. This matter is now forwarded to the Council for its consideration.

Respectfully submitted,

TRADE, COMMERCE, AND TOURISM COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
HAHN:	YES
ROSENDAHL:	YES
LABONGE:	YES

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Not Official Until Council Acts