

HARBOR DIVISION

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DATE: OCTOBER 25, 2022

FROM: OFFICE OF THE CITY ATTORNEY

**SUBJECT: RESOLUTION NO. _____ - LEGAL SERVICES AGREEMENTS
BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND
BDG LAW GROUP APLC AND NOSSAMAN LLP FOR REAL ESTATE
MATTERS**

SUMMARY:

The Office of the City Attorney (Office) requests approval of two Agreements between the City of Los Angeles Harbor Department and Bergman Dacey Goldsmith Law Group APLC (Bergman) and Nossaman LLP (Nossaman) for legal services related to real estate matters. Each Agreement is for a proposed term of three years and proposed compensation of \$150,000 for total compensation of \$300,000 across the two Agreements. The Harbor Department is financially responsible for payment of expenses incurred under the proposed Agreements.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) under Article II Section 2(f) of the Los Angeles City CEQA Guidelines;

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2. Find in accordance to Charter Section 1022 that the scope of work of the proposed Agreements can be more economically and feasibly provided by an independent contractor than by City employees;
3. Approve a Legal Services Agreement with Bergman Dacey Goldsmith Law Group APLC in the amount of \$150,000 for a three-year term;
4. Approve a Legal Services Agreement with Nossaman LLP in the amount of \$150,000 for a three-year term;
5. Authorize the Executive Director and Board Secretary to execute and attest to the Agreements; and
6. Adopt Resolution No. _____.

DISCUSSION:

Background – In accordance with Charter Section 275, the Office has determined that it requires outside legal counsel to assist in the discharge of its duties to perform legal services in connection with real estate matters, litigation support, eminent domain and inverse condemnation requiring specialized expertise and resources that exceed staff resources in this highly specialized area of law. Previously, the Office contracted three law firms for real estate matters. The three-year agreements with AlvaradoSmith APC (AG 19-3675) and Bergman (AG19-3767) for such services expired on September 17, 2022. The three-year agreement with Nossaman (AG19-3668) was amended to increase the authority and extend the term to continue legal services for the Harbor Performance Enhancement Center (HPEC) litigation.

Need for Services and Scope of Work – There were three outside counsel law firms (AlvaradoSmithAPC, Bergman and Nossaman) with existing Agreements. These Agreements were for a three-year term and an authority of \$200,000 each. The term for these Agreements expired on September 17, 2022 and replacement counsel is needed to provide services to meet the Harbor Department's legal needs. These Agreements are necessary because the Harbor Department routinely engages in real estate matters. Due to the steady work in this area, the Office has in-house attorney staff performing the majority of work without the use of outside counsel. Despite this, the Office still has need for assistance from outside counsel when specialized expertise is necessary for complex or new legal issues, and/or temporary spikes in work volume exceeding the capacity of in-house resources.

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Competitive Counsel Selection Process – The Harbor Department issued a request for proposals (RFP) on June 22, 2022. That request sought firms with special expertise in real estate matters, litigation support, eminent domain and inverse condemnation. Based on a review of the eight written proposals submitted and interviews with four firms, the Office determined that Bergman and Nossaman were by far the most knowledgeable and experienced firms in the field with respect to real estate matters. Nossaman and Bergman Dacey Goldsmith stood out as having the scope of expertise and experience with Harbor Department issues this Office seeks in outside counsel.

PROPOSED AGREEMENT TERMS:

- **Term:** Three years from date of signature (approximately 2022-2025)
- **Contract Authority:** Maximum amount not to exceed \$150,000
- **Scope of Work:** Real estate matters, eminent domain and inverse condemnation
- **Standard City and City Attorney Agreement provisions**

ENVIRONMENTAL ASSESSMENT:

The proposed action is the approval of legal services agreements with Bergman and Nossaman for ongoing legal services for real estate matters, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The proposed action is for the approval of two Agreements for legal services with Bergman and Nossaman for a three-year term and total compensation of \$300,000 in aggregate. The Harbor Department is financially responsible for payment of expenses incurred under the proposed Agreements.

Funding in the amount of \$50,000 for Bergman and Nossaman has been included in the Fiscal Year 2022-23 Operating Budget within the Harbor Department City Attorney's Office Account No. 54410 (Legal Fees & Services), Center No. 0120 and Program No. 000. Funding for future fiscal years, if necessary, will be requested to be budgeted as part of the annual budget adoption process, upon Board approval. A funding out clause is included in the Agreements. Spending under the proposed Agreements is detailed below:

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Firm	FY 22/23	FY23/24	FY 24/25	FY 25/26	TOTAL
Bergman	\$25,000	\$50,000	\$50,000	\$25,000	\$150,000
Nossaman	\$25,000	\$50,000	\$50,000	\$25,000	\$150,000
TOTAL	\$50,000	\$100,000	\$100,000	\$50,000	\$300,000

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CITY ATTORNEY:

The Office of the City Attorney has prepared and approved the proposed Agreements as to form and legality.

TRANSMITTALS:

1. Legal Services Agreement with Bergman Dacey Goldsmith Law Group, APLC
2. Legal Services Agreement with Nossaman LLP

FIS Approval: JS

CA Approval: SO


Janet Karkanen

JANET KARKANEN
Deputy City Attorney

APPROVED:

By 
STEVEN OTERA
General Counsel, Harbor Department

APPROVED:

By 
EUGENE D. SEROKA
Executive Director