

HARBOR DIVISION

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**DATE: APRIL 6, 2021**

**FROM: OFFICE OF THE CITY ATTORNEY**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - LEGAL SERVICES AGREEMENT  
BETWEEN THE CITY OF LOS ANGELES HARBOR DEPARTMENT AND  
HUNT ORTMANN PALFFY NIEVES DARLING & MAH INC FOR  
CONSTRUCTION MATTERS**

**SUMMARY:**

The Office of the City Attorney (Office) requests the Board of Harbor Commissioners' (Board) approval of a Legal Services Agreement (Agreement) between the City of Los Angeles Harbor Department (Harbor Department) and Hunt Ortmann Palffy Nieves Darling & Mah, Inc. (Hunt Ortmann) for legal services for construction matters. The proposed term of the Agreement is three years. The proposed compensation authority is \$150,000. The Harbor Department is financially responsible for payment for legal services rendered under the proposed Agreement.

**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 Hunt Ortmann in the amount of \$150,000 for a three-year term;
4. Authorize the Executive Director and Board Secretary to execute and attest to the Agreements; and
5. Adopt Resolution No. \_\_\_\_\_.

**DISCUSSION:**

Background – In accordance with Charter Section 275, the Office has determined that it requires outside legal counsel to assist it in the discharge of its duties to perform legal services including drafting, reviewing and, if necessary, litigating private industry and municipal construction documents. Experience with electronic bidding and expertise in construction documents exceed staff resources in this highly specialized area of law. Since 2006 through the present, the Office has had outside counsel agreements for legal services for construction matters, with different counsel over the years. The immediately prior Agreement with Hunt Ortmann had a term of one year and expired on September 15, 2020.

Need for Services and Scope of Work – The Harbor Department has started and shortly will commence a number of major development projects, which will entail the evaluation of significant contracts using electronic bidding. To facilitate this development effort, the Office has engaged with the Department's engineering and construction divisions in a detailed review and revision of Department construction documents. The proposed Agreement with Hunt Ortmann (Transmittal 1) is necessary to assist in these tasks.

Competitive Counsel Selection Process – On January 28, 2021, the Office issued a competitive Request for Proposals (RFP) for outside legal counsel for construction matters. Based upon the review of thirteen written proposals, the Office determined Hunt Ortmann was the most knowledgeable, experienced, and responsive firm in the area of construction legal services. This 15-lawyer boutique firm practices only construction law and is located in Pasadena. It has a longstanding and excellent reputation among public entity clients, peer law firms and the bar for excellent work product. As a matter of background, Hunt Ortmann has previously represented the Harbor Department, Los Angeles World Airports (LAWA) and Los Angeles Department of Water and Power (LADWP) in construction matters. The firm's proposal demonstrated a deep and broad-

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based expertise in all areas identified in the RFP and was the strongest among the other firms the review team identified. Hunt Ortmann was the most qualified firm and the review team determined it was in the best interests of the Harbor Department to select the firm to provide legal services for construction matters. An additional benefit Hunt Ortmann possesses is its prior history and working understanding of the City and the Harbor Department. The fact that Hunt Ortmann, as a result of this background knowledge, will not have to undergo a learning curve that the other strong proposers under this RFP would, further distinguished their proposal in terms of cost-effectiveness and the ability to provide quick turnaround on the review of construction documents for the projects the Department desires to bid in the near term.

**PROPOSED AGREEMENT TERMS:**

- **Term:** Three years from date of signature (approximately 2021-2024)
- **Contract Authority:** Maximum amount not to exceed \$150,000
- **Scope of Work:** Legal services for construction matters
- **Standard City and City Attorney Agreement provisions**

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of legal services agreement with Hunt Ortmann Palffy Nieves Darling & Mah Inc. for ongoing legal services for construction 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 an Agreement for legal services for a three-year term and a total compensation authority of \$150,000. The Harbor Department is financially responsible for payment for legal services rendered under the proposed Agreements. Funding in the amount of \$15,000 has been included in the Fiscal Year 2020-21 Operating Budget within the Harbor Department City Attorney's Office Account No. 54410 (Legal Fees & Services), Division 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 Agreement. Spending under the proposed Agreements is expected to occur as follows:

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FY 2020-21	\$15,000
FY 2021-22	\$50,000
FY 2022-23	\$50,000
FY 2023-24	\$35,000
<b>Total</b>	<b>\$150,000</b>

**CITY ATTORNEY:**

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

**TRANSMITTALS:**

1. Proposed Legal Services Agreement with Hunt Ortmann

FIS Approval: MB

CA Approval: SO

*Steven Otera*  
STEVEN OTERA  
Assistant City Attorney

APPROVED:

By *Steven Otera*  
JANNA B. SIDLEY  
General Counsel, Harbor Department

APPROVED:

By *Marla Bleavins*  
EUGENE D. SEROKA  
Executive Director