

HARBOR DIVISION

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**DATE: MAY 2, 2018**

**FROM: OFFICE OF THE CITY ATTORNEY**

**SUBJECT: RESOLUTION NO. \_\_\_\_\_ - LIMITED DELEGATION OF AUTHORITY TO THE EXECUTIVE DIRECTOR TO MAKE CERTAIN RECOMMENDATIONS TO HIRE OUTSIDE COUNSEL PURSUANT TO CITY OF LOS ANGELES CITY CHARTER SECTION 275**

**SUMMARY:**

The Office of the City Attorney requests that the Board of Harbor Commissioners (Board) approve the proposed Resolution which delegates the Board's authority to the Executive Director to recommend the hiring of outside counsel to assist the City Attorney in providing legal services to the Harbor Department when the proposed contract is within the Executive Director's contracting authority and the City's requirements regarding competitive bidding and selection procedures have been followed. There is no financial obligation at this time in approving the proposed Resolution.

**RECOMMENDATION:**

It is recommended that the Board of Harbor Commissioners:

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;
2. Adopt Resolution No. \_\_\_\_\_.

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**SUBJECT: RECOMMENDATION TO APPROVE A RESOLUTION DELEGATING CERTAIN OUTSIDE COUNSEL HIRING RECOMMENDATIONS UNDER CHARTER SECTION 275 TO THE EXECUTIVE DIRECTOR**

**DISCUSSION:**

City of Los Angeles City Charter ("Charter") Section 275 authorizes the Board of Harbor Commissioners ("Board") to make recommendations, with the written consent of the City Attorney, for the City to contract with attorneys outside of the City Attorney's Office to assist the City Attorney in providing legal services to the Harbor Department ("Department").

Generally, the Office of the City Attorney enters into long term (e.g., three year) contracts for on-going legal services required by the Department, which currently include services related to certain litigation matters, environmental review projects under CEQA and public finance (i.e. bond sales and commercial paper transactions). In the instances where the legal services are typically known as necessary (e.g. bond counsel), there is significant time to select law firms and obtain approval of the Board for the contracts. However, in some circumstances, the City Attorney has required focused legal expertise and/or attorneys located in a particular jurisdiction, and often in a short time frame, to provide legal services to the Department. Areas of expertise where these circumstances have arisen in the past include intellectual property matters (e.g. patent law), federal regulatory issues (e.g. Federal Maritime Commission matters in Washington, D.C.) and bankruptcy law (e.g. Hanjin bankruptcy filing in New Jersey). In these cases, despite the immediate need to respond with focused legal expertise and the proposed contract terms being within the Executive Director's contracting authority, additional time was needed to obtain the recommendation and approval of the Board for these outside counsel contracts.

In order to address the instances where limited, specialized legal expertise is necessary, the proposed Resolution delegates the authority granted under Charter Section 275 to the Executive Director to recommend the hiring of outside attorneys when doing so is within his contracting authority as provided for in the City Charter and Administrative Code, which at this time authorizes contracts that are under one year in length and under \$150,000 in total compensation. It is expected that the Executive Director will typically make the hiring recommendation in place of the Board in order to address the immediate need for the legal services, but in all instances the competitive bidding and selection procedures of the City Charter and Administrative Code will be followed. In the event that a contract entered into with this delegated authority subsequently requires additional time or compensation in excess of the Executive Director's authority, an amendment or new agreement will be brought before the Board for approval.

The proposed Resolution includes a requirement that on at least an annual basis the Executive Director provide a report to the Board on the contracts entered into under this delegated authority so that the Board may stay apprised of its utilization.

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**SUBJECT: RECOMMENDATION TO APPROVE A RESOLUTION DELEGATING CERTAIN OUTSIDE COUNSEL HIRING RECOMMENDATIONS UNDER CHARTER SECTION 275 TO THE EXECUTIVE DIRECTOR**

**ENVIRONMENTAL ASSESSMENT:**

The proposed action is the approval of a Resolution delegating certain authority to the Executive Director to make limited recommendations to hire outside attorneys to assist the City Attorney in providing legal services to the Department, which is an administrative activity. Therefore, the Director of Environmental Management has determined that the proposed action is administratively exempt from the requirements of the California Environmental Quality Act (CEQA) in accordance with Article II, Section 2(f) of the Los Angeles City CEQA Guidelines.

**FINANCIAL IMPACT:**

The proposed action is the recommendation to approve a Resolution authorizing the delegation of certain authority to the Executive Director to make recommendations to hire outside attorneys when doing so is within the contractual authority of the Executive Director and competitive bidding and selection procedures have been followed. Approval of the proposed Resolution does not entail financial obligation of the Department at this time, however, future recommendations to hire outside attorneys will have a financial obligation component whose funding will adhere to the adopted budget for any given fiscal year as the contracts are approved.

**CITY ATTORNEY:**

The Office of the City Attorney has reviewed and approved the proposed Resolution as to form and legality.

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SUBJECT: RECOMMENDATION TO APPROVE A RESOLUTION DELEGATING CERTAIN OUTSIDE COUNSEL HIRING RECOMMENDATIONS UNDER CHARTER SECTION 275 TO THE EXECUTIVE DIRECTOR

TRANSMITTALS:

1. Resolution No. \_\_\_\_\_.


FIS Approval: MB

CA Approval: MB



HEATHER M. McCLOSKEY  
Deputy City Attorney

APPROVED:

By   
JANNA B. SIDLEY  
General Counsel, Harbor Department

APPROVED:

By   
EUGENE D. SEROKA  
Executive Director

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Board Meeting: