HARBOR DIVISION

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DATE:

NOVEMBER 2, 2020

FROM:

OFFICE OF THE CITY ATTORNEY

- APPROVE THIRD AMENDMENT TO SUBJECT: RESOLUTION NO.

AGREEMENT No. 15-3310 BETWEEN THE CITY OF LOS ANGELES

HARBOR DEPARTMENT AND THE SOHAGI LAW GROUP PLC

SUMMARY:

The Office of the City Attorney requests approval of the Board of Harbor Commissioners (Board) for a Third Amendment to Agreement No. 15-3310 (Third Amendment) with The Sohagi Law Group PLC (Sohagi). The Third Amendment extends the term of the Agreement by three years through February 28, 2024 and increases the compensation by \$250,000 for a total authority of \$1,383,547. The term extension and additional compensation are necessary due to ongoing professional legal services for environmental matters. The City of Los Angeles Harbor Department (Harbor Department) is financially responsible for payment of expenses under the proposed Amendment.

RECOMMENDATION:

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

1. Find that the Director of Environmental Management has determined that the proposed actions are 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. Approve the Third Amendment to Agreement No. 15-3310 with The Sohagi Law Group, extending the three-year term to a total of nine years with \$250,000 additional compensation;
- 3. Authorize and direct the Board Secretary to forward the Third Amendment to the City Council for its approval pursuant to Section 373 of the City Charter and Section 10.5 of the Los Angeles Administrative Code;
- 4. Authorize the Executive Director to execute and the Board Secretary to attest to the Second Amendment to Agreement No. 15-3310; and

Adopt Resolution No	
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DISCUSSION:

Background and Context - The Sohagi Law Group was retained under Board Agreement No. 15-3310. The term for Agreement 15-3310 commenced March 1, 2015 and will terminate on February 28, 2021. The firm provides professional legal services for environmental matters including laws, rules and regulations governing and impacting the Harbor and their operations which include, but are not limited to, the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). The term extension and additional compensation are necessary to complete ongoing assignments related to the Harbor Department's environmental matters.

<u>Selection Process</u> - The Sohagi Law Group was retained in 2015 using a competitive RFP process. The RFP Review Committee selected Sohagi as part of a three-firm panel for agreements with the Harbor Department. The initial contract authority was \$425,000 and allocated for the certain environmental and land use matters (Transmittal 1). On July 21, 2016, the First Amendment was approved and provided additional funds (\$208,547) for Agreement No. 15-3310, to assist the Office with litigation services (Transmittal 2). On March 28, 2018, the City Council approved the Second Amendment to Agreement extending the term by three years from 2018-2021 for a total term of six years, and increased the compensation by \$500,000. The primary scope of the Second Amendment was assistance in ongoing environmental litigation and transactional matters.

<u>Proposed Third Amendment</u>- The Third Amendment to Agreement No. 15-3310 with Sohagi extends the term of the agreement by three years from March 1, 2021 to February 28, 2024, and increases the compensation by \$250,000. The term extension and additional compensation are necessary due to ongoing legal services and related litigation services for environmental legal matters. Further explanation of the potential proposed legal work to be performed under the Third Amendment is set forth in a separate privileged and confidential legal memorandum from our Office to the Board.

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<u>City Council Approval</u>- The term extension will increase the existing term to a total of nine years. As this is a nine-year Agreement, the Harbor Department is required by the City Charter Section 373 and Los Angeles Administrative Code Section 10.5 to obtain City Council approval for a long-term contract.

ENVIRONMENTAL ASSESSMENT:

The proposed actions are the approval of a Third Amendment to Agreement No. 15-3310 with Sohagi to extend the term of the Agreement and increase compensation for ongoing legal service for environmental matters, which are administrative activities. Therefore, the Director of Environmental Management has determined that the proposed actions are administratively exempt from the requirements of CEQA in accordance with Article II Section 2(f) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

Approval of the proposed Third Amendment to Agreement No. 15-3310 will extend the term of the Agreement by three years, from six to nine years, and to increase the compensation authority by \$250,000 from \$1,133,547 to \$1,383,547. To date (through July 2020), the amount expended has been \$729,026, with \$404,521 remaining under the existing authority. Funding in the amount of \$215,813 has been approved for this Agreement as part of the annual budget adoption process in the FY 20/21 Operating Budget within the Harbor Department City Attorney's Office in Division No. 0120, Account No. 54410 (Legal Services and Fees) 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 Agreement No. 15-3310. The schedule of compensation broken down by fiscal year is as follows:

2015-18	\$571,917.00
2018-19	\$96,354.00
2019-20	\$57,512.00
2020-21	\$215,813.00
2021-22	\$215,184.00
2022-23	\$142,061.00
2023-24	\$84,706.00
TOTAL	\$1,383,547.00

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CITY ATTORNEY:

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

TRANSMITTALS:

- 1. Agreement No. 15-3310
- 2. First Amendment Agreement No. 15-3310
- 3. Second Amendment Agreement No. 15-3310
- 4. Proposed Third Amendment to Agreement No. 15-3310

FIS Approval: 75

CA Approval:

JOY CROSE

Assistant City Attorney

APPROVED:

General Counsel, Harbor Department

By EUGENE D. SEROKA

Executive Director

Author: Joy Crose/ksh

Board Meeting: ___/__/2020