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## Alameda Corridor Transportation Authority

June 8, 2017

<b>To:</b>	Governing Board
<b>From:</b>	James P. Preusch, Chief Financial Officer <i>JPP</i>
<b>Subject:</b>	<i>Legal Services Agreements – FY18 Amendments (APPROVAL)</i>

### Recommendation:

Authorize the Chief Executive Officer or Chief Financial Officer to:

1. Allocate \$740,000 in expenses in the FY18 Budget for services provided by 12 legal firms, excluding the Dominguez Channel Oil Release EPA Matter and UPRR Dolores Yard Crossover Project support;
2. Increase the total 5-year aggregate contract values (FY13-18), by \$560,000 for the 12 firms to \$3,140,000;
3. Issue contract value amendments to the 12 agreements incrementally as needed during FY18 provided the total cumulative amount of \$3,140,000 for all firms is not exceeded.

### Discussion:

FY18 will be the fifth year of 5-year agreements with 10 legal firms as approved by the Governing Board in June 2013, as well as the fifth year of an extension to a prior agreement with Jones Day also approved by the Board in June 2013. It will also be the fourth year of a 4-year agreement with Hanson Bridgett, LLP, which was approved by the Board in June 2014. A new Request for Proposals (RFP) will be issued during FY18 for the five fiscal years (FY19-FY23) beginning July 1, 2018.

The existing Board-approved not-to-exceed budget for FY14-FY17 for the 12 firms is \$2,730,000, of which staff has to date authorized the firms to expend \$150,000 less than the budgeted amount or \$2,580,000. A total of \$2,400,000 is estimated to be expended against the \$2,580,000 authorized amount through June 30, 2017, leaving an estimated unspent balance of \$180,000. The budgeted amount for FY18 is \$740,000. Therefore, \$560,000 (\$740,000-\$180,000) of contract value will be added incrementally when and as needed to the contracts. If approved, the new total budget for all 12 firms will be \$3,140,000 through June 30, 2018.



The attached table shows the new total budget for the 12 firms and the current estimated amount for each firm. However, the actual required amount for each firm, as determined during FY18, may be greater or less than what is shown. Therefore, it is requested that the CEO or CFO be authorized to issue amendments incrementally throughout FY18 as needed to manage legal service assignments provided that the total contract value of the 12 agreements does not exceed \$3,140,000, and do so in amounts that may differ from the exact amounts shown for each law firm in the attached table.

It is anticipated that the five firms to whose contracts the additional \$560,000 contract value will be added as needed include: Bergman, Dacey, Goldsmith (environmental and human resources matters); Gibbs, Giden, Locher (matters involving construction claims and procurement); Nossaman (property transfer matters); O'Melveny & Myers (matters involving ACTA bond indentures and agreements with the Railroads); and Polsinelli (matters involving ACTA bonds and disclosures)

**Background:**

In May 1996 the Finance Committee authorized the ACTA General Counsel to issue an RFP for legal services. At its January 1997 meeting, the Governing Board approved a list of firms for specialized work, including a list of additional firms as might be required. The contract value and term of the agreements were modified as necessary over the course of the next several years. Additional legal service providers were also brought on, as needs required.

A follow-up RFP for legal services was issued in April 2005, and in June 2005 the ACTA Governing Board approved legal service agreements with ten firms for a one-year term with a one-year extension option. Following Board approval of the one-year extension in June 2006, and an additional one-year extension in June 2007, those agreements expired on June 30, 2008.

In June 2007, the Board requested a new RFP for legal services, and in May 2008 it approved eleven firms for a five-year term through June 30, 2013.

In April 2013, a new RFP for legal services was issued, and at its June 2013 meeting the Governing Board approved new 5-year contracts (through June 30, 2018) with 10 firms and an amendment to a previous agreement with another firm, Jones-Day. An additional new agreement with Hanson Bridgett was approved by the Board in June 2014 for a total of 12 firms.

A new Request for Proposals (RFP) is anticipated to be issued in February 2018 for the five fiscal years (FY19-FY23) beginning July 1, 2018.

**Budget Impact:**

Funds for these services are included in the FY18 Program Budget. Costs are allocated to the particular funding source depending upon the services being performed.