County of Los Angeles
CHIEF EXECUTIVE OFFICE
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
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WILLIAM T FUJIOKA
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

November 7, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

AMENDMENTS TO THE AGREEMENTS WITH MUNGER, TOLLES & OLSON LLP AND GLASER WEIL FINK JACOBS HOWARD AVCHEN & SHAPIRO LLP FOR REAL ESTATE CONSULTING SERVICES (FIRST AND FOURTH DISTRICTS) (3 VOTES)

SUBJECT

This Board letter recommends that the Chief Executive Officer, or his designee, be delegated the authority to amend the agreements with Munger, Tolles & Olson LLP (Agreement No. AO-12-010) and with Glaser Weil Fink Jacobs Howard Avchen & Shapiro LLP (Agreement No. AO-13-020) for the provision of real property consultation and negotiation services for Marina del Rey and the Los Angeles Civic Center area and for other similar services, as needed.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Chief Executive Officer, or his designee, to amend the agreement with Munger, Tolles & Olson LLP, for the provision of real property consultation and negotiation services for Marina del Rey and for other similar services, as needed, to remove the Los Angeles Civic Center area from the list of parcels included in the contract, and to reallocate a portion of the services for the Marina del Rey parcels for a maximum not-to-exceed cost of $875,000, upon approval by County Counsel and with notice to the Board.

2. Authorize the Chief Executive Officer, or his designee, to amend the agreement with Glaser Weil Fink Jacobs Howard Avchen & Shapiro LLP for the provision of real property consultation and negotiation services for the Los Angeles Civic Center area, to reallocate a portion of the services for the Marina del Rey parcels to the contract, as needed, for a maximum not-to-exceed cost of $260,000, upon approval by County Counsel and with notice to the Board.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since September 2001, Mr. Richard S. Volpert has provided intermittent work advising the Chief Executive Office (CEO) on strategy for development and leasing of County-owned property through a Delegated Authority Agreement with Munger, Tolles & Olson LLP (Munger Tolles). Mr. Volpert continues to advise and assist the County on strategy and negotiations for the Grand Avenue Project and other projects in the downtown Los Angeles Civic Center (Civic Center) area. In August 2011, the County worked with Mr. Volpert to craft a new agreement, rather than continuing to extend and amend the former Munger Tolles agreement, incorporating various negotiated changes.

Mr. Volpert is no longer of Counsel at Munger Tolles, but is now a partner at Glaser Weil Fink Jacobs Howard Avchen & Shapiro LLP (Glaser Weil). Mr. Volpert has been an invaluable member of the Marina del Rey and Civic Center area negotiation teams. In order to continue utilizing Mr. Volpert's distinctive skills and knowledge, we entered into an agreement with Glaser Weil on October 16, 2012 pursuant to the Board's approval on that date. However, we must move a portion of the services relating to several of the Marina del Rey parcels to the Glaser Weil contract to continue receiving Mr. Volpert's services on those Marina del Rey properties.

Implementation of Strategic Plan Goals

Amending the contracts with Munger Tolles and with Glaser Weil for real property-related advice and negotiation supports the County's Strategic Plan, Operational Effectiveness (Goal 1) Strategy 1, Fiscal Sustainability to promote sound, prudent, and transparent short- and long-range fiscal policies and practices.

FISCAL IMPACT/FINANCING

The proposed Munger Tolles Amendment will decrease the contract by $260,000 from $1,135,000 to a new Maximum Amount of $875,000. The proposed Glaser Weil Amendment will increase the contract by $105,000 from $155,000 to a new Maximum Amount of $260,000. Both contracts will continue to be funded by Nondepartmental Special Accounts (NDSA).

Funding is available in the NDSA Fiscal Year 2012-13 Budget for expenditures under these two contracts anticipated in the current year.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

For over ten years, Mr. Volpert has provided advice to the CEO and acted on behalf of the CEO in negotiation of leases for various properties. Through his deep understanding of requirements and practices of private sector development, Mr. Volpert has helped the County achieve the most favorable deals that can still be commercially reasonable for the lessees. Mr. Volpert has provided invaluable advice regarding the Marina del Rey and Civic Center area properties. Mr. Volpert has changed firms and is now working at Glaser Weil. Therefore, we are moving a portion of the Munger Tolles parcels and funding for them, including all of the Civic Center area parcels, to the new Glaser Weil contract.

CONTRACTING PROCESS

The proposed contract amendments are amendments to the sole-source agreements relying on the unique skills, knowledge, and relationships that Mr. Volpert brings to the County.

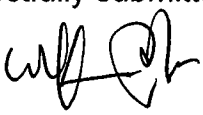
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Board authorization for the CEO to enter into the two contract amendments with Munger Tolles and Glaser Weil, for the services of Mr. Volpert and other staff, will allow the CEO to continue to receive the unique and important advice and negotiation services that we have received for the last decade.

CONCLUSION

Please return one adopted copy of this Board letter to the Chief Executive Office, Capital Projects Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

WTF:RLR:DJT
MV:SVG:mda

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller

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