# Livermore Amador Valley Transit Authority

# STAFF REPORT

SUBJECT: One Year Extension to Legal Services Agreement with Hanson Bridgett LLP

FROM: Michael Tree, Executive Director

DATE: May 23, 2017

### **Action Requested**

Exercise the option to extend the contract with Hanson Bridgett through FY2018.

## Background

In June 2013 the Board of Directors awarded a contract to Hanson Bridgett to serve as general legal counsel for the Authority. The agreement was awarded for a fixed three year term with the right to extend the agreement for seven one-year periods. The initial three year agreement expired on June 30, 2016 and was extended by the Board of Directors through June 30, 2017. The final option year expires June 30, 2023. The terms specify that the extension price will be based on the CPI for the immediate prior calendar year.

#### **Discussion**

Michael Conneran and his colleagues at Hanson Bridgett have provided excellent legal service to this agency during the contract period. In addition to acting as legal counsel for all Board of Directors' activities, this past year, the firm has assisted staff with the preparation of numerous procurement and construction contracts, ensuring compliance with applicable funding requirements. Additionally, the firm has continued to provide guidance on general topics requiring legal compliance, such as ADA issues, employment matters and general federal procurement issues. Hanson Bridgett has monitored and will continue to monitor significant changes in federal transit policy, including revisions to charter service and school bus service regulations, and timely informed staff of proposed regulatory actions.

#### Recommendation

Staff recommends the Finance and Administration Committee exercise an option year and extend the legal services agreement from July 1, 2017 through June 30, 2018.

#### Attachment

- 1. Letter to Hanson Bridget Exercising Agreement Option
- 2. CPI Index (All Urban Consumers, All Items for the San Francisco Area)

June 5, 2017

Michael Conneran Hanson Bridgett LLP 425 Market Street, 26th Floor San Francisco, CA 94105

#### Dear Michael:

On July 1, 2013 LAVTA entered into an Agreement with your firm for the provision of legal services. In accordance with this Agreement, specifically, Attachment 1, Section II, 1.3, the initial period of the contract ended June 30, 2016, and LAVTA has sole discretion to extend the contract for seven (7) one-year periods, the first one year extension ends June 30, 2017. This letter confirms LAVTA's intention to exercise the option to extend this contract for the period of July 1, 2017 through June 30, 2018.

In addition, in accordance with Section 4 of this Agreement, this letter also confirms the change in hourly rate for FY18.

In the past, we have used the CPI as of February, and LAVTA accepts your proposal to do that as well moving forward. We have confirmed the calculations of the CPI for each category and rounded the amount up or down to the closes \$5 (keeping the actual number for the next calculation so the rounding doesn't affect the next year's number). The CPI (for All Urban Consumers All Items for the San Francisco-Oakland-San Jose area) changed 3.4% from February 2016 to February 2017. Here are the rates for FY18 starting July 1, 2017:

Attorney	2017 Rate	2017 Raw Rate	2017 Rate plus	Rounded Rate
Category			CPI (raw)	for FY 2018
Partner	\$360	\$362.16	\$374.47	\$375
Senior Counsel	\$320	\$318.89	\$329.73	\$330
Associate	\$295	\$297.30	\$307.41	\$305

It is a pleasure working with you.

Sincerely,

Michael Tree Executive Director

# CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE February 2017 ALL ITEMS INDEXES

(1982-84=100 unless otherwise noted)

	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
				Percent Change					Percent Change			
MONTHLY DATA	Indexes				1 Month	Indexes			Year		1 Month	
					ending				ending		ending	
	Feb 2016	Jan 2017	Feb 2017	Jan 2017	Feb 2017	Feb 2017	Feb 2016	Jan 2017	Feb 2017	Jan 2017	Feb 2017	Feb 2017
U. S. City Average	237.111	242.839	243.603	2.5	2.7	0.3	230.972	236.854	237.477	2.5	2.8	0.3
(1967=100)	710.278	727.439	729.727	-	-	-	687.995	705.517	707.371	-	-	-
Los Angeles-Riverside-Orange Co	247.113	252.373	253.815	2.1	2.7	0.6	238.262	242.735	244.254	1.7	2.5	0.6
(1967=100)	730.081	745.623	749.881	-	-	-	704.136	717.357	721.845	-	-	-
West	244.821	250.814	252.252	2.5	3.0	0.6	236.747	242.384	243.810	2.3	3.0	0.6
(Dec. 1977 = 100)	395.739	405.426	407.752	-	-	-	380.913	389.982	392.277	-	-	-
West – A*	251.196	257.949	259.316	2.8	3.2	0.5	241.486	247.442	248.896	2.4	3.1	0.6
(Dec. 1977 = 100)	409.609	420.622	422.851	-	-	-	390.918	400.561	402.914	-	-	-
West - B/C**(Dec. 1996=100)	144.128	146.469	147.451	1.8	2.3	0.7	143.283	145.963	146.832	1.9	2.5	0.6
		All Urban Consumers (CPI-U)					Urban Wage Earners and Clerical Workers (CPI-W)					
	Percent Change				nge				Percent Change			
BI-MONTHLY DATA	Indexes		Ye	Year 2 Months					Υe	ear	2 Months	
			ending		ending				ending		ending	
	Feb 2016	Dec 2016	Feb 2017	Dec 2016	Feb 2017	Feb 2017	Feb 2016	Dec 2016	Feb 2017	Dec 2016	Feb 2017	Feb 2017
San Francisco-Oakland-San Jose	262.600	269.483	271.626	3.5	3.4	0.8	257.141	263.222	265.569	3.0	3.3	0.9
(1967=100)	807.306	828.464	835.053	-	-	-	783.017	801.534	808.680	-	-	-
Seattle-Tacoma-Bremerton	250.942	256.821	259.503	2.6	3.4	1.0	246.464	252.286	255.471	2.5	3.7	1.3
(1967=100)	764.970	782.889	791.065	-	-	-	731.011	748.282	757.726	-	-	-

<sup>\*</sup> A = 1,500,000 population and over

Dash (-) = Not Available.

Release date March 15, 2017. The next monthly releases are scheduled for April 14, 2017. The next bi-monthly releases are scheduled for May 12, 2017.

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<sup>\*\*</sup> B/C = less than 1,500,000 population