

RESOLUTION NO. 2019-82

AUTHORIZING AN EIGHT-MONTH EXTENSION TO CONTRACT 2014-055 WITH LITTLER MENDELSON, P.C. FOR OUTSIDE LABOR COUNSEL SERVICES, IN AN AMOUNT NOT TO EXCEED \$250,000.00, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$840,000.00 (GENERAL FUND, LEGAL DEPARTMENT BUDGET)

WHEREAS, the Authority must retain the services of outside labor counsel to handle various legal matters; and

WHEREAS, Section 284.03(i) of the Code of Regulations of the Greater Cleveland Regional Transit Authority sets the Authority's fee schedule for outside legal counsel and establishes a maximum rate of \$350.00 per hour; and

WHEREAS, the contract was awarded in 2014 under a competitive negotiated procurement to Littler Mendelson, P.C. for Outside Labor Counsel Services, for a period of three years with two, one year options, in an amount not to exceed \$500,000.00; and

WHEREAS, on May 29, 2019, the Interim CEO, General Manager/Secretary-Treasurer approved a \$90,000.00 increase to this contract, resulting in a total contract amount not to exceed \$590,000.00; and

WHEREAS, due to the need for an eight-month extension to the current contract, a contract amendment is now required; and

WHEREAS, Littler Mendelson, P.C. has agreed to the Authority's request to extend the contract from October 7, 2019 through June 7, 2020 within the maximum billable hourly rate of \$350.00, in an amount not to exceed \$250,000.00, for a total contract amount not to exceed \$840,000.00; and

WHEREAS, the Interim CEO, General Manager/Secretary-Treasurer deems an eight-month contract extension with Littler Mendelson, P.C. to be in the best interest of the Authority and recommends acceptance thereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the recommendation to extend the Outside Labor Counsel contract with Littler Mendelson, P.C., from October 7, 2019 through June 7, 2020, be and the same is hereby accepted.

Section 2. That the Interim CEO, General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to amend Contract No. 2014-055 with Littler Mendelson, P.C. to extend said contract through June 7, 2020.

Section 3. That said amendment shall be payable from the General Fund, Legal Department budget, in an amount not to exceed \$250,000.00, for a total contract amount not to exceed \$840,000.00.

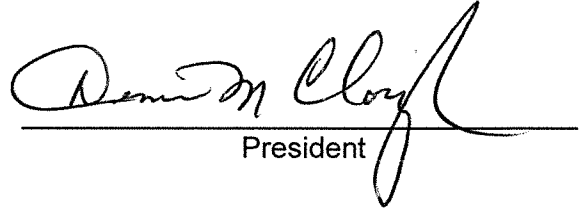
Section 4. That said contract, as amended, shall be binding upon and an obligation of the Authority contingent upon future funding, compliance by the contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2015-76; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Interim CEO, General Manager/Secretary-Treasurer's change order authority is reinstated in its entirety.

Section 6. That all other terms and conditions of the original contract remain unchanged.

Section 7. That this resolution shall become effective immediately upon its adoption.

Adopted: July 16, 2019



President

Attest: 

Interim CEO, General Manager/Secretary-Treasurer



TITLE/DESCRIPTION: CONTRACT: AUTHORIZING AN INCREASE AND EXTENSION TO CONTRACT 2014-055, OUTSIDE LABOR COUNSEL SERVICES VENDOR: LITTLER MENDELSON, P.C. AMOUNT: INCREASE IN AMOUNT NTE \$250,000.00 FOR TOTAL CONTRACT AMOUNT NTE \$840,000.00	Resolution No.: 2019-82
	Date: July 11, 2019
	Initiator: Legal
ACTION REQUEST: <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action is to authorize an amendment to Contract No. 2014-055, Outside Labor Counsel Services with Littler Mendelson, P.C. to extend the contract by eight months, from October 7, 2019 to June 7, 2020.

- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority is required to employ outside labor counsel when, for example, a particular area of expertise may not exist within the Authority's legal staff, or due to conflicts of interest or workload demands. Section 284.03(e) of the Codified Rules and Regulations of the Greater Cleveland Regional Transit Authority provides for the CEO, General Manager/Secretary-Treasurer to retain legal counsel in emergency situations. In accordance with this policy, the CEO, General Manager/Secretary-Treasurer retained Littler Mendelson, P.C. as legal counsel via Contract No. 2014-005, Outside Labor Counsel Services, for a period of three years with two, one-year options. Due to the prolonged labor contract negotiations and the increased need for outside labor counsel services on several confidential matters, the Authority requests approval to extend the current contract with Littler Mendelson, P.C., which will expire on October 7, 2019, by an additional eight months, resulting in a new expiration date of June 7, 2020. To fund legal services under this extension, an additional \$250,000.00 is required.

- 3.0 **PROCUREMENT BACKGROUND:** On January 24, 2017, the Board of Trustees, by Resolution No. 2017-005, approved an amended fee schedule for outside labor counsel, at a maximum billable rate of \$350.00 per hour. Per Resolution 2017-005, Board of Trustees approval is not required for outside labor counsel contracts if the negotiated hourly billable rate is \$350.00 or below. On October 7, 2014, the Authority entered into a contract with Littler Mendelson, P.C. in the amount of \$300,000.00 for the base three years, and an amount not to exceed \$100,000.00 for each option year, for a total contract amount not to exceed \$500,000.00. The billable hourly rate for Littler Mendelson was within the Board of Trustees-established competitive billable hourly rate. On September 28, 2017, the CEO, General Manager/Secretary-Treasurer approved the exercise of Option Year 1, resulting in a total contract amount not to exceed \$400,000.00. On May 12, 2018, the CEO, General Manager/Secretary-Treasurer approved no-cost Change Order No. 1 to authorize an increase to partner, associate, and paralegal bill rates. On August 19, 2018, CEO, General Manager/Secretary-Treasurer approved the exercise of Option Year 2, resulting in a total contract amount not to exceed \$500,000.00. On May 29, 2019, the Interim CEO, General Manager/Secretary-Treasurer approved Change Order No. 2, a \$90,000.00 increase due to prolonged labor contract negotiations and increased need for outside labor counsel services on several confidential matters, for a total contract amount not to exceed \$590,000.00.

The Authority now requests approval to extend the current contract with Littler Mendelson, P.C., which will expire on October 7, 2019, by an additional eight months, resulting in a new expiration date of June 7, 2020. To fund legal services under this extension, an additional \$250,000.00 is required, for a new total contract amount not to exceed \$840,000.00. This change order was reviewed by the Change Order Committee.

- 4.0 AFFIRMATIVE ACTION/DBE BACKGROUND: All Affirmative Action requirements have been met. A 0% DBE goal was established for this procurement due to the lack of subcontracting opportunities.
- 5.0 POLICY IMPACT: Does not apply.
- 6.0 ECONOMIC IMPACT: This increase shall be payable from the General Fund, Legal Department budget, in an amount not to exceed \$250,000.00, for a total contract amount not to exceed \$840,000.00
- 7.0 ALTERNATIVES: Reject this offer. Rejection of this extension and increase would leave the Authority without the services of this firm on numerous legal and litigation matters.
- 8.0 RECOMMENDATION: It is recommended that the extension and increase be accepted and the resolution passed authorizing the Interim CEO, General Manager/Secretary-Treasurer to modify the contract.
- 9.0 ATTACHMENTS: None.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.


FOR: Interim CEO, General Manager/Secretary-Treasurer