

Agenda Report

File #: 2024-3686, **Version:** 1

FROM: Robert Thompson, General Manager
Originator: Lorenzo Tyner, Assistant General Manager

SUBJECT:

PROFESSIONAL CONSULTANT SERVICES AGREEMENT FOR GENERAL LEGAL SERVICES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION:

Authorize Board Chairman Chad P. Wanke, to enter into a Professional Consultant Services Agreement with Best Best & Krieger LLP for General Legal Services, Specification No. CS-2024-1440BD; and appoint Scott Smith as Principal General Counsel; for a five-year term beginning July 1, 2024 through June 30, 2029, with one (1) optional five-year renewal, in a form approved by Special Counsel.

BACKGROUND

In September 2023, the Steering Committee established the General Legal Services Ad Hoc Committee to review the current general legal services contract, the policy and process surrounding the contract, and potentially bid general counsel legal services.

The current general legal counsel, Woodruff and Smart, has been serving Orange County Sanitation District (OC San) since 1975. An informal competitive solicitation process was conducted in 2005, resulting in the incumbent being awarded a contract for the services, with Bradley R. Hogin named as Principal General Counsel. In 2008, the agreement was amended to annually adjust rates by Consumer Price Index.

RELEVANT STANDARDS

- Comply with applicable employment and labor laws
- Ensure the public's money is wisely spent
- Maintain positive employer-employee relations
- Provide a safe and collegial workplace

PROBLEM

A solicitation for general legal counsel services has not been conducted since 2005. The Steering Committee requested that the General Legal Services Ad Hoc Committee evaluate the need to conduct a formal solicitation for general legal counsel services.

PROPOSED SOLUTION

A rigorous procurement process overseen by the General Legal Services Ad Hoc Committee and the Steering Committee recommends approval of a Professional Consultant Services Agreement with Best Best & Krieger LLP for General Counsel and other Legal Services.

Approval of a Professional Consultant Services Agreement with Allen Matkins Leck Gamble Mallory & Natsis LLP (Allen Matkins) for Legal Services in the areas of Environmental Law and Air Quality to backup Best Best and Kreiger in the event of conflicts or other complications will be recommended in a separate agenda item.

TIMING CONCERNS

The RFP process was initiated in February 2024 and completed in June 2024, resulting in two (2) legal firms being identified for consideration by the Board of Directors to provide legal services.

RAMIFICATIONS OF NOT TAKING ACTION

Without approval of the agreement, access to legal guidance and consultation from this firm will be delayed.

PRIOR COMMITTEE/BOARD ACTIONS

N/A

ADDITIONAL INFORMATION

A Request for Proposal was issued on February 8, 2024, via PlanetBids. Proposals were due on March 7, 2024. OC San received nine (9) proposals which are valid for 180 calendar days from proposal submittal date.

The following firms submitted proposals:

- Aleshire & Wynder, LLP
- Allen Matkins
- BDG Law Group
- Best Best & Krieger LLP
- Burke, Williams & Sorenson, LLP
- Hanson Bridgett LLP
- Richard D. Jones
- Rutan & Tucker, LLP
- Woodruff & Smart

Firms were able to submit proposals on the following areas of law:

- General Counsel
- Public Construction
- Environmental Law
- Air Quality

- Utility Rate Setting
- Real Estate Matters and Related Matters
- General Contract

The table below shows the areas of law that each firm submitted a proposal on:

Area of Law	Aleshire & Wynders, LLP	Allen Matkin	BDG Law Group	Best Best & Krieger LLP	Burke, Williams & Sorensen, LLP	Hanson Bridge tt LLP	Richard D. Jones	Rutan & Tucker, LLP	Woodruff & Smart
General Counsel	X			X	X	X	X	X	X
Public Construction	X		X	X	X	X	X	X	X
Environmental Law	X	X	X	X	X	X	X	X	X
Air Quality	X	X		X	X	X	X	X	X
Utility Rate Setting	X			X	X	X	X	X	X
Real Estate & Related Matters	X	X	X	X	X	X	X	X	X
General Contract	X		X	X	X	X	X	X	X

All proposals were reviewed by OC San's Purchasing Division (Purchasing) and deemed responsive. The evaluation process then consisted of three rounds:

- Round 1 - Evaluation of written proposals
- Round 2 - Staff interviews on all areas of law
 - Second interviews for General Counsel area of law by the Steering Committee.
- Round 3 - Offered rates and reference checks

Individual scoring was the chosen method of evaluation for this procurement on each area of law, in each round.

Round 1 - Evaluation of Written Proposals

Prior to receipt of proposals, an evaluation team was formed consisting of Assistant General Manager (non-scorer), Director of Finance, Director of Environmental Services, and Director of Engineering. The team was chaired by a Purchasing representative as a non-voting member. On March 12, 2024, an evaluation kick-off meeting was held with the evaluation team to discuss the policies and procedures of the evaluation process.

Each area of law was evaluated based on the following criteria:

CRITERION	WEIGHT
1. Engagement Management	15%
2. Qualifications of Firm	35%
3. Staffing Qualifications	50%

Members of the team performed an independent review of the proposals for each area of law. After the individual scoring, the evaluators met as a group with the Buyer to discuss their preliminary scores and discuss any questions and concerns they had. Detailed scoring for each criterion can be found in attached.

Area of Law	Aleshire & Wynder, LLP	Allen Matkins	BDG Law Group	Best Best & Krieger LLP	Burke, Williams & Sorenson, LLP	Hanson Bridgett LLP	Richard D. Jones	Rutan & Tucker, LLP	Woodruff & Smart
General Counsel	54.8%	-	-	77.7%	77.1%	77.0%	64.0%	67.6%	74.5%
Public Construction	33.8%	-	67.0%	71.3%	70.3%	73.0%	39.3%	38.8%	69.6%
Environmental Law	33.8%	78.8%	62.3%	70.5%	70.7%	67.0%	37.9%	40.2%	69.6%
Air Quality	32.7%	68.3%	-	66.7%	59.0%	72.5%	37.9%	37.3%	27.0%
Utility Rate Setting	33.8%	-	-	72.8%	73.7%	67.2%	37.9%	37.3%	73.8%
Real Estate & Related Matters	39.7%	80.2%	69.7%	71.4%	73.2%	69.0%	39.3%	34.5%	70.3%
General Contract	39.5%	-	66.8%	71.9%	74.6%	71.6%	44.4%	43.0%	71.0%

The top firms in each area of law were selected to move on to Round 2 of the evaluation process:

Area of Law	Aleshire & Wynders, LLP	Allen Matkin	BDG Law Group	Best Best & Krieger LLP	Burke, Williams & Sorenson, LLP	Hanson Bridgett LLP	Richard D. Jones	Rutan & Tucker, LLP	Woodruff & Smart
General Counsel				X	X	X	X	X	X
Public Construction				X	X	X			X
Environmental Law		X		X	X				X
Air Quality		X		X		X			
Utility Rate Setting				X	X				X
Real Estate & Related Matters		X		X	X				
General Contract				X	X	X			X

Round 2 - Interviews

Scoring reset for Round 2 and the evaluation team for the interviews in all areas of law remained the same as in Round 1. The interviews were conducted on the week of May 6, 2024, and each area of law was evaluated based on the following criteria:

CRITERION	WEIGHT
1. Presentation	10%
2. Engagement Management	15%
3. Qualifications of Firm	30%
4. Staffing Qualifications	45%

Area of Law	Allen Matkins	Best Best & Krieger LLP	Burke, Williams & Sorenson, LLP	Hanson Bridgett LLP	Richard D. Jones	Rutan & Tucker, LLP	Woodruff & Smart
General Counsel		84.4%	75.2%	74.2%	61.5%	71.3%	68.4%
Public Construction		83.1%	70.9%	74.7%			64.9%
Environmental Law	83.1%	83.2%	64.7%				70.5%
Air Quality	84.6%	83.1%		76.6%			
Utility Rate Setting		85.8%	70.9%				69.5%
Real Estate & Related Matters	84.1%	83.6%	74.3%				
General Contract		81.9%	74.4%	74.4%			71.3%

The top firms for each area of law, excluding General Counsel, were advanced to round 3 of the evaluation process.

The top three firms for General Counsel were invited to a second interview on May 22, 2024, which comprised of a presentation and a set of questions. The evaluation team for the second interview for General Counsel consisted of all members of the Steering Committee, General Manager (non-scorer), and Assistant General Manager (non-scorer).

Criteria	Best Best & Krieger LLP	Burke, William & Sorenson, LLP	Hanson Bridgett LLP
Presentation (10%)	8.7%	4.6%	7.0%
Questions (90%)	78.3%	43.9%	58.5%
Total (100%)	87.0%	48.5%	65.5%

The top firm for General Counsel was advanced to Round 3 of the evaluation process. The following table shows all the firms that were moved to Round 3 of the evaluation process:

Area of Law	Allen Matkins	Best Best & Krieger LLP	Burke, Williams & Sorenson, LLP	Hanson Bridgett LLP	Richard D. Jones	Rutan & Tucker, LLP	Woodruff & Smart
General Counsel		X					
Public Construction		X		X			
Environmental Law	X	X					
Air Quality	X	X					
Utility Rate Setting		X	X				
Real Estate & Related Matters	X	X					
General Contract		X	X	X			

Round 3 - Offered Rates and Reference Checks

Round 3 of the evaluation process was to compare the rates offered by each firm in their respective areas of law, and to conduct reference surveys for each firm. The evaluation criteria considered the interview scoring from round 2 and was as follows:

CRITERION	WEIGHT
1. Interview	80%
2. Offered Rates	10%
3. References	10%

Area of Law	Allen Matkins	Best Best & Krieger LLP	Burke, Williams & Sorenson, LLP	Hanson Bridgett LLP
General Counsel		89.6%		
Public Construction		86.4%		78.4%
Environmental Law	80.8%	86.5%		
Air Quality	80.2%	86.4%		
Utility Rate Setting		85.8%	76.6%	
Real Estate & Related Matters	82.8%	86.8%		
General Contract		82.7%	79.4%	75.0%

All proposals were accompanied by a sealed rate sheet. Only the rate sheets for the firms in Round 3 were opened.

Based on these results, staff recommends approving a Professional Consultant Services Agreement with Best Best & Krieger LLP for General Counsel and other Legal Services in all areas of law listed in the table above. The term of these agreements will begin July 1, 2024 through June 30, 2029, with one (1) optional five-year renewal.

Approval of a Professional Consultant Services Agreement with Allen Matkins for Legal Services in the areas of Environmental Law and Air Quality to backup Best Best & Krieger LLP in the event of conflicts or other complications will be recommended in a separate agenda item.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (Budget FY 2024-25 and 2025-26, Section 5, Page 6, Legal) and the budget is sufficient for the recommended action.

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

- Detailed Scoring
- Professional Consultant Services Agreement