



CITY OF HOUSTON – CITY COUNCIL

Meeting Date: 10/21/2020

Item Creation Date: 10/15/2020

LGL-Ballard Spahr LLP Professional Services Agreement for GLO Harvey

Agenda Item#: 16

Summary:

An ordinance amending Ordinance No. 2020-427 (passed on May 13, 2020) to increase the maximum contract amount for a contract between Ballard Spahr LLP and the City of Houston for legal assistance to the City of Houston related to matters involving Affordable Housing Federal Grants; and providing a maximum contract amount.

Background:

Approve an Ordinance amending Ordinance No. 2020-427 (passed on May 13, 2020) to increase the maximum contract amount from \$700,000.00 to \$1,200,000.00 for the contract between Ballard Spahr LLP and the City of Houston for legal assistance to the City of Houston related to matters involving Affordable Housing Federal Grants.

Specific Explanation:

The City Attorney recommends that City Council approve an amending ordinance to increase the maximum contract amount from \$700,000.00 to \$1,200,000.00 for the contract between Ballard Spahr LLP and the City of Houston for legal assistance to the City of Houston related to matters involving Affordable Housing Federal Grants.

This contract was awarded by City Council on May 13, 2020, by Ordinance No. 202-427, for a three-year term with two one-year options in the amount of \$700,000.00. Ballard Spahr LLP was engaged to provide counsel on complex federal regulatory issues, assist with or handle federal, state or other dispute resolution proceedings, or litigation as may be necessary to protect and preserve the City of Houston's contractual right to implement disaster related programs, all as set forth in the contract. In the short time the contract has been in place, outside counsel handled a lawsuit in three Texas courts. In the trial court, a two-day hearing was held, and witnesses were presented and cross-examined by counsel. To prepare for the trial court proceedings, outside counsel and MWBE counsel had to review and analyze the entire program, including a recently launched Department of Housing and Urban Development Office of Inspector General investigation. Thereafter, the City obtained a temporary injunction that was challenged by the State in both the Austin Court of Appeals and the Texas Supreme Court, which required briefing. As a result, the maximum contract amount needs to be increased by \$500,000.00 to cover the need for continued legal services in connection with these matters.

MWBE Participation:

The contract was awarded with a 24% goal for MWBE participation. The firm's invoices to date reflect 40% MWBE participation, however, because the City is processing the invoices, payments have yet to be made. After the firm receives the City's payment and makes the corresponding payment to its subcontractors, the MWBE participation goal will reflect the actual MWBE participation.

Fiscal Note:

Funding for this item is included in the FY 2021 Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

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Jerry Adams

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Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

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Ronald Lewis

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Department Approval Authority

Estimated Spending Authority			
DEPARTMENT	FY2021	OUT YEARS	TOTAL
Legal Department	\$400,000.00	\$100,000.00	\$500,000.00

Prior Council Action:

Ordinance No. 2020-427 – Passed May 13, 2020

Amount of Funding:

\$500,000.00 — Property & Casualty Fund (1004)

Contact Information:

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