



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: AUGUST 8, 2017
FROM: CITY ATTORNEY WARDS: ALL
SUBJECT: OUTSIDE COUNSEL EXPENDITURE REPORT

ISSUE:

The issue for City Council consideration is the Outside Counsel Expenditure Report for the period of 7/1/2015 through June 30, 2017, as provided in the outside counsel policy approved by City Council on June 16, 2015.

RECOMMENDATIONS:

That the City Council receives and files the attached report.

BACKGROUND:

In the continuing effort of transparency and accountability, City Council approved the City Attorney's recommendation of quarterly reporting of the outside counsel expenditures. This report includes the current spending for the prior quarter and the cumulative spending from inception of the matter grouped by law firm name. All closed matters are highlighted and will not be included in the next report. It should be noted that bond counsel and contingency payments are not paid through the City's accounts payable division and therefore must be manually added to information derived from the City's accounting system. In the case of bond counsel payments, the payments are typically made directly by the bond trustee from bond proceeds. In the case of contingency payments, the payments are typically deducted from the funds received prior to deposit by the City.

FISCAL IMPACT:

There is no fiscal impact at this time.

Prepared by: Gary G. Geuss
 City Attorney

Attachment: Outside Counsel Expenditure Report

**OUTSIDE COUNSEL EXPENDITURE REPORT
THROUGH JUNE 30, 2017**

LAW FIRM	MATTER/CASE NAME	BRIEF DESCRIPTION			EXPENDITURES		BALANCE
			Funding Source	Authorized Spending Limit	4/1/17 - 6/30/17	TOTAL AS OF 6/30/17	
BAKER HOSTETLER							
	<i>Cyber Security Breach</i>	Prevention/Advice	510	20,000	-	2,375	17,625
Subtotal					-	2,375	
BEST BEST KRIEGER							
	<i>City HA v DOF</i>	*Note - HA allowance, costs split with several cities	280	37,388	2,447	34,355	3,033
	<i>City v Jurupa Valley</i>	(Vernola Apts) CEQA litigation	510	155,842		109,985	45,857
	<i>Fresh & Easy</i>	Bankruptcy		7,200	7,110	7,110	90
	<i>General Advice</i>	Miscellaneous	101	25,000	157	13,810	11,190
	<i>General Advice</i>	RPU	101	13,000		5,918	7,082
	<i>RTRP/CPUC</i>	Advice	510	16,455	37	2,039	14,416
	<i>SCE v. Mitsubishi Nuclear Energy Systems</i>	San Onofre decommissioning (SONGS)	510	721,693	12,554	656,562	65,131
Subtotal					22,305	829,779	
BLAISDELL, CHURCH & JOHNSON							
	<i>Bond Counsel</i>	IPP Generation Plant	510	5,000	-	1,000	4,000
Subtotal						1,000	
CHAPMAN AND CUTLER							
	<i>Bond Counsel*</i>						

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COLANTUONO HIGHSMITH & WHATLEY							
	<i>General matters</i>	Prop 218 and conflicts advice	520	40,400	-	36,704	3,696
	<i>General Advice</i>	CAO	101	15,000	-	6,899	8,101
	<i>General/RPU</i>	City land transactions	510	5,000	-	6,208	(1,208)
	<i>General/RPU**</i>	Electric & Water Cost Service Study	520	25,000	-	-	25,000
	<i>Trask v City</i>	Ballot initiative/appeal	101	99,000	-	88,046	10,954
	<i>Olquin v City</i>	Litigation re GFT	630	95,000	11,182	85,782	9,218
Subtotal					11,182	223,639	
CONSTANTINE CANNON							
	<i>State of California et al. ex rel. [Under Seal] v [Under Seal]</i>	Litigation re wireless cell service/contingency		-		-	-
Subtotal							
COTCHETT PITRE & McCARTHY							
	<i>Bond Derivative Litigation</i>	Contingency*					
Subtotal							
GIBBS GIDEN LOCHER TURNER SENET & WITTBRODT							
	<i>Wasden, David</i>	Construction project dispute	520	5,000		1,626	3,374
	<i>General advice</i>	Prequalification re PW Bid Docs	510	7,500	-	7,500	0
Subtotal						9,126	

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GREINES MARTIN STEIN & RICHLAND							
	<i>Dunbar, Ulrike v City**</i>	Wrongful death	630	183,775	15,216	160,007	23,768
	<i>Easley, Michael v. City**</i>	Federal civil rights action	630	112,695	-	53,191	59,504
	<i>Jean-Louis, Jean v City</i>	Federal civil rights action	630	46,180	-	8,702	37,478
	<i>Nichols, Raymond v City</i>	Federal civil rights action	630	66,962	3,596	37,633	29,329
Subtotal					18,812	259,533	
HAWKINS DELAFIELD & WOOD							
	<i>Bond Counsel*</i>						
Subtotal							
JONES HALL							
	<i>Bond Counsel</i>	SIFMA		40,000		-	40,000
Subtotal							
LEWIS BRISBOIS BISGAARD & SMITH							
	<i>Buckley, John v City</i>	Dangerous condition	630	209,515		94,803	
	<i>Dunbar, Ulrike v City**</i>	Civil rights litigation	630	247,750	38,428	240,965	6,785
	<i>Easley, Michael v City**</i>	Civil rights litigation	630	341,500	2,727	284,730	56,770
	<i>Lacson, Maria v City</i>	Employment	630	151,000	13,978	13,978	137,022
Subtotal					55,133	634,476	

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LIEBERT CASSIDY WHITMORE							
	<i>Bonome, Jr., Camilo**</i>	Petition re CCW denial	630	63,775	3,387	63,936	(161)
Subtotal					3,387	63,936	
MANNING & KASS							
	<i>Wells Fargo v. City - 1 and 2</i>	Civil penalties on Tax Rolls Validity	630	26,577	2,409	11,295	15,282
	<i>Wells Fargo v City</i>	Civil penalties on Tax Rolls Validity	630	18,075	12,522	12,522	5,553
Subtotal					14,931	23,817	
MILLER AXLINE & SAWYER							
	<i>City v Black & Decker (U.S), Inc.</i>	Perchlorate litigation/contingency*			-	-	
Subtotal							

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SMITH LAW OFFICES							
	<i>Jean Louis, Jean v. City**</i>	Civil rights litigation	630	180,000	907	138,259	41,741
	<i>Lacson v City</i>	Labor/Employment Litigation	630	158,832	13,536	17,301	141,531
	<i>Luong, Jason v City</i>	Civil rights litigation (Federal)	630	114,510	-	50,888	50,888
	<i>Luong, Jason v City</i>	Civil rights litigation (State)	630	84,376	-	12,931	12,931
	<i>Nichols, Raymond v City</i>	Civil rights litigation (Federal)	630	81,956	-	37,771	37,771
	<i>Nichols, Raymond v City</i>	Civil rights litigation (State)	630	70,550	-	9,389	9,389
	<i>Nguyen v City</i>	Employment litigation	630	122,000	9,540	60,275	69,815
	<i>Roberts v City</i>	Employment litigation	630	180,000	20,950	47,238	132,762
Subtotal					44,933	374,052	
SOHAGI LAW GROUP							
	<i>Ag Park</i>	CEQA	101	8,750	2,975	2,975	-
Subtotal					2,975	2,975	
STRADLING YOCCA CARLSON & RAUTH							
	<i>Bond Counsel</i>	2011A Revenue Bonds		10,000	10,000	10,000	0
	<i>Bond Counsel</i>	Pension Obligation Bonds 2017		45,000	0	0	45,000
	<i>Bond Counsel</i>	Master Equipment Financing		15,000	15,000	15,000	0
	<i>Bond Counsel</i>	2008A and C Revenue Bonds		30,000	30,000	30,000	0
Subtotal					55,000	55,000	
THINK LEGAL360							
	<i>Bobby Harris v City</i>	Employment Litigation	630	270,000	28,615	51,007	218,993
Subtotal					28,615	51,007	

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THOMPSON COBURN							
	FERC**	Regulatory	510	575,000	118,390	431,655	143,345
	LADWP Transmission Agreements	Potential Extension	510	25,000		15,991	9,009
Subtotal					118,390	447,646	
TOTAL					375,663	2,978,361	

2016/17 FISCAL YEAR GRAND TOTAL \$1,302,734

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			Funding Source	Authorized Spending	4/1/17 - 6/30/17	TOTAL AS OF 6/30/17	
<i>Note: Plaintiff's Case - Outside Counsel Retained for Recovery</i>							
BURKE WILLIAMS SORENSEN							
	City v. Jurupa/Rubidoux CSD, et al.**	Recovering contribution obligation for RWQCP project	550	3,076,487	257,234	2,690,579	385,908

Please note:

- (1) Some totals may include costs
- (2) Items shaded in blue are closed
- (3) *Contingency bond counsel payments are per individual bond transactions or recovery received

**Change order issued; amount increased

Outside Counsel Expenditure Report Summary
FY2016-17

Funding Source	Adopted Budget FY 16/17	Authorized Fees Since Case Inception FY 16/17	Official Audited Data				Unaudited	Projected	Invoices Received by CAO				
			FY13	FY14	FY15	FY16	FY17	FY17	Q1 FY17	Q2 FY17	Q3 FY17	Q4 FY17	YTD FY17
101 General Fund	575,035	304,436	89,004	56,201	39,664	186,654	125,063	139,441	12,207	4,635	4,702	25,242	46,786
22X Community Development	25,022	37,388	5,000	-	-	2,733	3,569	2,152	-	419	2,987	2,447	5,853
510 Electric Fund	1,557,284	1,566,490	441,695	961,873	605,541	776,173	565,407	609,713	120,857	123,762	118,223	170,981	533,823
520 Water Fund	258,398	80,400	251,704	169,559	176,428	205,396	128,651	171,534	16,677	-	-	-	16,677
550 Sewer Fund	350,000	3,076,487	255,775	243,633	449,503	1,739,204	1,162,948	1,071,470	351,843	170,679	110,926	257,234	890,682
610 W/C Fund	444,000	827,090	350,585	412,215	330,662	341,501	386,751	392,513	-	-	-	-	-
630 Liability Trust Fund	1,573,848	3,164,863	3,072,984	2,279,581	1,858,733	1,179,104	1,261,304	1,100,000	270,167	111,473	140,962	176,993	699,595
RDA	50,000	-	104,984	2,630	14,045	-	-	-	-	-	-	-	-
Grand Total	\$ 4,833,587	\$ 9,057,154	\$4,571,731	\$4,125,692	\$3,474,576	\$4,430,765	\$3,633,692	\$3,486,823	\$771,751	\$410,968	\$377,800	\$632,897	\$2,193,416