



# City Council Memorandum

City of Arts & Innovation

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: November 27, 2018**

**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 July 1, 2018 through September 30, 2018, 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 SEPTEMBER 30, 2018**

LAW FIRM	MATTER/CASE NAME	BRIEF DESCRIPTION			EXPENDITURES		BALANCE
			Funding Source	Authorized Spending Limit	7/1/18 - 9/30/18	TOTAL AS OF 9/30/18	
<b>BAKER HOSTETLER</b>							
	<i>Cyber Security Breach</i>	Prevention/Advice	510	20,000	-	2,375	17,625
	<i>Business Tax Security</i>		630	4,000	1,838	1,838	2,162
<b>Subtotal</b>							
<b>BEST BEST KRIEGER</b>							
	<i>City HA v DOF</i>	*Note - HA allowance, costs split with several cities	280	37,388	-	37,534	(146)
	<i>General Advice</i>	Miscellaneous	101	25,000	-	14,987	10,013
	<i>General Advice</i>	RPU	101	13,000	-	5,918	7,082
	<i>RTRP/CPUC</i>	Advice	510	16,455	-	6,568	9,887
	<i>City v DOF</i>	Anticipated litigation	630	65,000	1,330	8,284	56,716
	<i>Riverwalk CSD Foreclosure</i>	Collection	101	10,000	1,205	1,871	8,129
<b>Subtotal</b>							
<b>BLAISDELL, CHURCH &amp; JOHNSON</b>							
	<i>Bond Counsel</i>	IPP Generation Plant	510	5,000	-	1,000	4,000
<b>Subtotal</b>							
<b>CHAPMAN AND CUTLER</b>							
	<i>Bond Counsel*</i>						

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<b>COLANTUONO HIGHSMITH &amp; WHATLEY</b>							
	<i>General matters</i>	Prop 218 and conflicts advice	520	40,400	-	36,704	3,696
	<i>General Advice</i>	CAO	101	15,000	-	13,771	1,229
	<i>General/RPU**</i>	Electric & Water Cost Service Study	520	25,000	-	65	24,935
	<i>Olquin, Richard v City</i>	Litigation re GFT	630	155,000	4,797	147,347	7,653
	<i>Parada, Summer v City</i>	UUT Claim Litigation	101	275,000	29,147	18,160	256,840
	<i>Parada II v City</i>	GFT Challenge/Litigation	101	162,500	3,120	3,120	159,380
	<i>Bailey, William R. v City***</i>	Litigation Initiated by Mayor	101	288,000	22,976	144,921	143,079
	<i>Clymer, R. Ben v City</i>	Challenge to Russo Contract	101	155,000	26,247	70,123	84,877
<b>Subtotal</b>							
<b>CONSTANTINE CANNON</b>							
	<i>State of California et al. ex rel. [Under Seal] v [Under Seal]</i>	Litigation re wireless cell service/contingency		-		-	-
<b>Subtotal</b>							
<b>COTCHETT PITRE &amp; McCARTHY</b>							
	<i>Bond Derivative Litigation</i>	Contingency*					
<b>Subtotal</b>							
<b>GIBBS GIDEN LOCHER TURNER SENET &amp;</b>							
	<i>Wasden, David*</i>	Construction project dispute	520	255,000	8,921	22,345	232,655
	<i>High Light Electric v City*</i>	Construction project dispute	520	265,000	58,732	83,688	181,312
<b>Subtotal</b>							

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<b>GREINES MARTIN STEIN &amp; RICHLAND</b>							
	<i>Corona, Amador v City</i>	Appellate advice	630	45,000	4,779	4,779	40,221
	<i>Easley, Michael v. City**</i>	Federal civil rights action	630	112,695	20,549	91,829	20,866
	<i>Brokaw, Dennis v City</i>	Appellate advice	630	3,500	-	2,233	1,267
	<i>Nichols, Raymond v City</i>	Federal civil rights action	630	66,962	1,151	54,069	12,893
<b>Subtotal</b>							
<b>HAWKINS DELAFIELD &amp; WOOD</b>							
	<i>Bond Counsel*</i>						
<b>Subtotal</b>							
<b>JONES HALL</b>							
	<i>Bond Counsel</i>	SIFMA		40,000	-	-	40,000
	<i>Bond Counsel</i>	Electric and Water Bonds 2018		45,000	-	-	45,000
<b>Subtotal</b>							
<b>LEWIS BRISBOIS BISGAARD &amp; SMITH</b>							
	<i>Easley, Michael v City**</i>	Civil rights litigation	630	341,500	9,462	319,738	21,762
	<i>Marshal, Paul v City</i>	Employment	630	100,000	-	16,354	83,646
<b>Subtotal</b>							

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<b>LIEBERT CASSIDY WHITMORE</b>							
	<i>RPOA v City</i>	Labor	101	252,500	4,160	8,820	243,680
	<i>RFA/Fenske v City</i>	Employment/Labor	101	125,000	22,029	22,029	102,971
	<i>General Advice</i>	Misc	101	1,000	-	447	553
<b>Subtotal</b>							
<b>MANNING &amp; KASS</b>							
	<i>Wells Fargo v. City -1 and 2**</i>	Civil penalties on Tax Rolls Validity	630	146,520	248	114,411	32,109
<b>Subtotal</b>							
<b>MILLER AXLINE &amp; SAWYER</b>							
	<i>City v Black &amp; Decker (U.S), Inc.</i>	Perchlorate litigation/contingency*				-	
<b>Subtotal</b>							
<b>OLSON HAGEL &amp; FISHBURN</b>							
	<i>Conflict of Interest Advice</i>	Misc.	510	10,000	9,124	9,124	876
<b>Subtotal</b>							
<b>SMITH LAW OFFICES</b>							
	<i>Amicone, Lorraine v City</i>	Employment Litigation	630	170,200	1,137	1,137	169,063
	<i>Louis, Jean-Louis v City</i>	Civil rights litigation	630	176,000	12,110	12,110	163,890
	<i>Nichols, Raymond v City</i>	Civil rights litigation (Federal)	630	81,956	-	37,771	44,185
	<i>Nichols, Raymond v City</i>	Civil rights litigation (State)	630	70,550	-	10,345	60,205
<b>Subtotal</b>							

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<b>SOHAGI LAW GROUP</b>							
	<i>Ag Park</i>	CEQA	101	8,750	-	2,975	5,775
<b>Subtotal</b>							
<b>STRADLING YOCCA CARLSON &amp; RAUTH</b>							
	<i>Bond Counsel</i>	Pension Obligation Bonds 2017		45,000	45,000	45,000	0
	<i>Bond Counsel</i>	2017B Equipment Financing		10,000	10,000	10,000	0
	<i>Bond Counsel</i>	2006 Lease Revenue (Galleria)		55,000	-	-	55,000
	<i>Bond Counsel</i>	2018 Sewer Revenue Bonds		65,000	-	-	65,000
<b>Subtotal</b>							
<b>THINK LEGAL360</b>							
	<i>Harris, Bobby v. City</i>	Employment Litigation	630	270,000	14,141	89,014	180,986
<b>Subtotal</b>							
<b>THOMPSON COBURN</b>							
	<i>FERC**</i>	Regulatory	510	575,000	163,180	163,180	411,820
	<i>LADWP Transmission Agreements</i>	Potential Extension	510	25,000			
<b>Subtotal</b>							
<b>TOTAL</b>					<b>475,383</b>		

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<i>Note: Plaintiff's Case - Outside Counsel Retained for Recovery</i>							
<b>BURKE WILLIAMS SORENSEN</b>							
	<i>City v. Jurupa/Rubidoux CSD, et al.**</i>	Recovering contribution obligation for RWQCP project	550	4,782,326	143,114	<b>3,870,268</b>	912,058

**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
- (4)\*\*Change order issued/adjustment; amount increased for current FY
- (5)\*\*\*Litigation initiated by Mayor