



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: OCTOBER 24, 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 July 1, 2017 through September 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 SEPTEMBER 30, 2017**

LAW FIRM	MATTER/CASE NAME	BRIEF DESCRIPTION			EXPENDITURES		BALANCE
			Funding Source	Authorized Spending Limit	7/1/17 - 9/30/17	TOTAL AS OF 9/30/17	
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	106	34,461	2,927
	<i>City v Jurupa Valley</i>	(Vernola Apts) CEQA litigation	510	155,842	-	109,985	45,857
	<i>Fresh & Easy</i>	Bankruptcy		7,200	83	7,193	7
	<i>General Advice</i>	Miscellaneous	101	25,000	-	13,810	11,190
	<i>General Advice</i>	RPU	101	13,000	-	5,918	7,082
	<i>RTRP/CPUC</i>	Advice	510	16,455	-	2,039	14,416
	<i>SCE v. Mitsubishi Nuclear Energy Systems</i>	San Onofre decommissioning (SONGS)	510	721,693	1,244	657,806	63,877
	<i>Riverwalk CSD Foreclosure</i>		101	10,000	-	-	
Subtotal					1,433	831,212	
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	1,430	87,212	7,788
	<i>Parada v City</i>	UUT Claim/Potential Litigation	101	275,000	3,942	3,942	271,058
Subtotal					5,372	229,011	
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
	<i>High Light Electric v City</i>	Construction project dispute	520	15,000	5,849	5,849	9151
Subtotal					5,849	14,975	

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GREINES MARTIN STEIN & RICHLAND							
	<i>Dunbar, Ulrike v City**</i>	Wrongful death	630	183,775	6,174	166,181	17,594
	<i>Easley, Michael v. City**</i>	Federal civil rights action	630	112,695	117	53,308	59,387
	<i>Nichols, Raymond v City</i>	Federal civil rights action	630	66,962	1,363	38,996	27,966
Subtotal					7,654	258,485	
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>Dunbar, Ulrike v City**</i>	Civil rights litigation	630	247,750	7,700	248,665	(915)
	<i>Easley, Michael v City**</i>	Civil rights litigation	630	341,500	5,844	290,574	50,926
	<i>Lacson, Maria v City</i>	Employment	630	151,000	4,936	18,914	132,086
Subtotal					18,480	558,153	

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LIEBERT CASSIDY WHITMORE							
	<i>General Advice</i>		101	1,000	447	447	
	<i>Bonome, Jr., Camilo**</i>	Petition re CCW denial	630	63,775	35	63,971	(196)
Subtotal					482	64,418	
MANNING & KASS							
	<i>Wells Fargo v. City -1 and 2</i>	Civil penalties on Tax Rolls Validity	630	44,652	15,328	39,145	5,507
	<i>(Consolidated Cases)</i>						
Subtotal					15,328	39,145	
MILLER AXLINE & SAWYER							
	<i>City v Black & Decker (U.S), Inc.</i>	Perchlorate litigation/contingency*			-	-	
Subtotal							

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SMITH LAW OFFICES							
	<i>Lacson v City</i>	Labor/Employment Litigation	630	158,832	9,707	27,008	131,824
	<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	69,533	129,808	(7,808)
	<i>Roberts v City</i>	Employment litigation	630	180,000	14,652	61,890	118,110
Subtotal					93,892	329,685	
SOHAGI LAW GROUP							
	<i>Ag Park</i>	CEQA	101	8,750	-	2,975	-
Subtotal						2,975	
STRADLING YOCCA CARLSON & RAUTH							
	<i>Bond Counsel</i>	2011A Revenue Bonds		10,000		10,000	0
	<i>Bond Counsel</i>	Pension Obligation Bonds 2017		45,000		0	45,000
	<i>Bond Counsel</i>	Master Equipment Financing		15,000		15,000	0
	<i>Bond Counsel</i>	2008A and C Revenue Bonds		30,000		30,000	0
	<i>Bond Counsel</i>	2017B Equipment Financing		10,000		-	10,000
	<i>Bond Counsel</i>	2006 Lease Revenue (Galleria)		55,000		-	55,000
Subtotal						55,000	
THINK LEGAL360							
	<i>Bobby Harris v City</i>	Employment Litigation	630	270,000	2,710	53,717	216,283
Subtotal					2,710	53,717	

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THOMPSON COBURN							
	FERC**	Regulatory	510	575,000	163,119	594,774	(19,774)
	LADWP Transmission Agreements	Potential Extension	510	25,000	-	15,991	9,009
Subtotal					163,119	610,765	
TOTAL					314,319		

LAW FIRM	MATTER/CASE NAME	BRIEF DESCRIPTION			EXPENDITURES		BALANCE
			Funding Source	Authorized Spending	7/1/17 - 9/30/17	TOTAL AS OF 9/30/17	
<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	273,984	2,964,563	111,924

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
FY2017-18**

Funding Source	Adopted Budget FY 17/18	Authorized Fees Since Case Inception FY 17/18	Official Audited Data				Unaudited	Projected	Invoices Received by CAO	
			FY14	FY15	FY16	FY17	FY18	FY18	Q1 FY18	YTD FY18
101 General Fund	192,000	453,950	56,201	39,664	186,654	125,546	436	191,564	4,472	4,472
2XX Community Development	10,000	37,388	-	-	2,733	3,569	-	10,000	106	106
510 Electric Fund	1,075,000	1,531,490	961,873	605,541	776,173	615,199	54,854	1,020,146	164,363	164,363
520 Water Fund	197,900	85,400	169,559	176,428	205,396	135,165	-	197,900	5,849	5,849
550 Sewer Fund	350,000	3,076,487	243,633	449,503	1,739,204	1,357,181	-	350,000	273,984	273,984
610 W/C Fund	444,000	827,090	412,215	330,662	341,501	386,751	100,182	343,818	-	-
630 Liability Trust Fund	1,300,000	2,294,963	2,279,581	1,858,733	1,179,104	1,473,654	142,870	1,157,130	139,529	139,529
RDA	50,000	-	2,630	14,045	-	-	-	-	-	-
Grand Total	\$ 3,618,900	\$ 8,306,768	\$4,125,692	\$3,474,576	\$4,430,765	\$4,097,065	\$ 298,342	\$3,270,558	\$588,303	\$ 588,303