



City of Culver City

Mike Balkman
Council Chambers
9770 Culver Blvd.
Culver City, CA 90232
(310) 253-5851

Staff Report

File #: 16-1071, **Version:** 1

Item #: C-21.

CC - Approval of Amendments to Existing Legal Services Agreements with the Firms of Greenberg Glusker Fields Claman & Machtinger LLP and Best Best & Krieger LLP.

Meeting Date: May 30, 2017

Contact Person/Dept: Carol Schwab, City Attorney
Heather Baker, Assistant City Attorney

Phone Number: (310) 253-5660

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☒ No ☐

Public Hearing: ☐ **Action Item:** ☒ **Attachments:** ☐

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (05/24/17).

Department Approval: Carol Schwab (05/24/17)

RECOMMENDATION

Staff recommends the City Council: (1) approve an amendment to the existing legal services agreement with the law firm of Greenberg Glusker Fields Claman & Machtinger LLP (Greenberg Glusker) for a requested increase to the discounted hourly rate it charges the City; and (2) approve an amendment to the existing legal services agreement with Best Best & Krieger to allow services on an as-needed basis within the budgeted amount for legal services within the available legal services budget approved by City Council for the applicable fiscal year.

BACKGROUND:

The City Attorney's Office ("Office") is an in-house operation that provides a significant variety of legal services. The Office is comprised of four staff attorneys, a legal operations manager, and two administrative/clerical staff members. Although the Office provides the majority of legal services to the City Council and City Departments related to issues facing the City, there are certain legal functions which the Office does not handle on a regular basis, such as representation in specialized litigation matters; including, but not limited to, tort (trip and fall, etc.), employment,

and police defense cases, for which the Office retains and works with outside counsel.

As demonstrated during the past several years, there has been a number of issues that have arisen, which require consultation with attorneys who have specific expertise in certain areas, such as First Amendment, employment, environmental, telecommunications and tax law. The Office uses a core group of about a dozen law firms, most of which specialize in representing cities, that can be relied upon to provide consistent, high quality, legal representation of the City's and Community's interests. The combination of the City's in-house legal services, with outside counsel for specific tasks and expertise, is a model commonly used by in-house city attorney's offices. This continues to be an efficient and productive system.

The City Attorney's Office last presented rate increases to the City Council on September 8, 2014. At that time, the City Council also authorized the City Attorney to negotiate and approve limited future rate increases for all retained law firms in an aggregate amount not-to-exceed 10% of each law firm's existing rates. The Office's total budget for legal services is approved each fiscal year by the City Council. The City Council's authorization for the City Attorney to approve limited future rate increases does not authorize the expenditure of additional funds beyond the total amount appropriated by the City Council via the annual budget process. The Office cannot exceed the amount budgeted without additional authorization from the City Council.

As discussed further below, this item is presented to the City Council for consideration at this time due to the following: (1) Greenberg Glusker has requested a rate increase beyond the City Attorney's 10% authority; and (2) the City Attorney's Office has reached the \$30,000 cap on the administratively approved agreement with the firm of Best Best & Krieger, and there is a need to amend this agreement to cover continuing legal services related to telecommunications matters.

DISCUSSION:

Requested Rate Increase from Greenberg Glusker

Greenberg Glusker has provided legal services to the City for approximately 17 years and has an expertise in environmental and oil and gas production law and land use. Greenberg Glusker successfully assisted the City in the past with other environmental issues, including the clean-up of abandoned oil wells in Culver City Park, which led to the City's ability to reclaim and use valuable park space for City recreational amenities such as the Skateboard Park and Dog Park. In addition, they have advised the City on environmental compliance issues, including NPDES permits and waste disposal. Currently, and over the last 10 years, this firm has been assisting the City Attorney's Office with issues relating to the Inglewood Oil Field (IOF), including the challenge to the County's Baldwin Hills Community Standards District Environmental Impact Report and, most recently, legal issues involving the City's IOF Specific Plan Project.

Greenberg Glusker has not had a rate increase since approximately 2006. As previously authorized by the City Council, the City Attorney approved a 10% rate increase on January 1, 2017, as an interim accommodation until this firm's requested rate increase could be considered with the budget for Fiscal Year 2017-2018. The firm's total requested rate increase exceeds the City Attorney's 10% authority; therefore, City Council approval is needed. Greenberg Glusker

offers the City, as a municipality, a discounted rate in comparison to its other business clients. The firm's current discounted rate is \$456 (which includes the recent 10% increase). The requested rate is \$495, which remains a discounted rate.

Amendment to Best Best & Krieger Legal Services Agreement

On September 1, 2016, a legal services agreement with Best Best & Krieger (BBK) was administratively approved for a not-to-exceed amount of \$30,000. BBK has been providing expertise on the City's Wireless Communications Facilities (WCF) ordinance. Due to the significant work involved with updating the City's municipal code, the City Attorney's Office has exhausted the initial \$30,000 and is requesting an amendment to this agreement to continue work on the WCF ordinance, as well as other telecommunications issues as needed.

In 2007, the City Attorney's Office was authorized to amend agreements with several of its law firms on an as-needed basis to address the specialized needs of the Office. At that time, the City Council recognized that, in order to facilitate the handling of legal issues, the City Attorney needs to have flexibility in managing outside counsel through the use of on-going legal services contracts, and the authority to retain legal counsel as necessary pursuant to the overall direction of the City Council.

Consistent with this direction, the City Attorney's Office is requesting that the existing legal services agreement with BBK be amended to authorize services on an as-needed basis, within the available legal services budget approved by City Council for the applicable fiscal year.

FISCAL ANALYSIS

The funding for legal services is budgeted in the City Attorney's operating budget and the Liability Reserve Fund. The Liability Reserve Fund is used for defense of cases filed against the City and is supported by allocations from each City Department. The City Attorney's operating budget (Legal Services line item) covers expenses for legal assistance including, but not limited to, transactional work, litigation initiated by the City as a plaintiff, advisory opinions and investigations. At this time, the City Attorney's Office is not requesting an increase beyond those amounts identified in its Legal Services line item, as recommended in the City Manager's FY 2017-2018 budget.

ATTACHMENTS

None.

MOTION

That the City Council:

1. Approve an amendment to the existing legal services agreement with Greenberg Glusker Fields Claman & Machtinger LLP to allow for a rate increase as discussed in the staff report;
and

2. Approve an amendment to the existing legal services agreement with Best Best & Krieger to allow services on an as-needed basis within the available legal services budget approved by City Council for the applicable fiscal year.
3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.