

Council Meeting of
June 26, 2012

Honorable Mayor and Members
of the Torrance City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: City Attorney – Approve Agreement Amendment to provide legal services.

Expenditure: \$300,000

RECOMMENDATION

Recommendation of the City Attorney that City Council:

1. Approve a second amendment to the fee agreement with Rutan & Tucker to provide legal services in the case of Bazilius v. City of Torrance for an additional \$300,000, for a total amount not to exceed \$460,000.
2. Appropriate \$300,000 from the Self-Insurance Reserve Fund.

Funding

Funding is available from the Self-Insurance Reserve Fund.

BACKGROUND AND ANALYSIS

On August 9, 2011, the City Manager entered into Fee Agreement (Contract No. C2011-155) in an amount not to exceed \$35,000 with the law firm of Rutan & Tucker, to provide legal representation to the City in the lawsuit of Bazilius v. City of Torrance, et al., LASC Case No. BC465060.

On January 10, 2012, the City Council approved a First Amendment to the Fee Agreement for an additional \$125,000 for a total not to exceed the amount of \$160,000.

Although there are no outstanding invoices, we do anticipate receiving May and June invoices from the law firm. The firm has advised that an additional \$300,000 is required to fund the litigation through trial. Trial is presently set on December 3, 2012.

The City Attorney recommends that City Council approve the Second Amendment to Fee Agreement (Attachment A) with the law firm of Rutan & Tucker for an additional \$300,000, for a total amount not to exceed \$460,000.

Respectfully submitted,

John L. Fellows III
City Attorney

By 

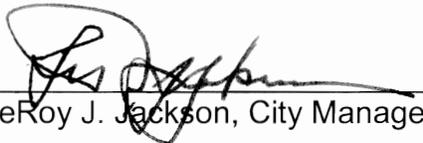
Alice Rusa
Law Office Administrator

CONCUR:



John L. Fellows III, City Attorney

NOTED:



LeRoy J. Jackson, City Manager

Attachment A) Second Amendment to Fee Agreement

**SECOND AMENDMENT TO FEE AGREEMENT FOR
LEGAL SERVICES (C2011-155)**

This Second Amendment to Fee Agreement for legal services (“Amendment”) is made and entered into as of May 1, 2012, by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and RUTAN & TUCKER, a limited liability partnership (“FIRM”).

RECITALS:

- A. CITY and FIRM entered into a Fee Agreement for Legal Services (“Fee Agreement”) on August 9, 2011, in the amount of \$35,000. A copy of that Fee Agreement for Legal Services relating to Bazilius v. City of Torrance, et al., LASC Case No. BC465060 is attached as Exhibit A (Contract No. C2011-155.)
- B. On January 10, 2012, the City Council approved a First Amendment to the Fee Agreement for an additional \$125,000 for a total not to exceed the amount of \$160,000.
- C. The CITY is satisfied with the level of service provided by FIRM.
- D. Both parties wish to amend the contract to add an additional \$300,000 to the contract for an amount not to exceed the sum of \$460,000.

AGREEMENT:

- 1. Services to be Performed by FIRM.
FIRM will continue to provide the services set forth in the Fee Agreement attached as Exhibit A and incorporated into this First Amendment by this reference. FIRM warrants that all services set forth in the Fee Agreement and this Amendment will be performed in a competent, professional and satisfactory manner.
- 2. FIRM’s Fee.
For services rendered, FIRM will be paid in accordance with the Fee Agreement; provided, however, that in no event will the total amount of money paid the FIRM, for services contemplated by the Fee Agreement, as amended, exceed the sum of **\$460,000** unless otherwise first approved in writing by CITY.

- 3. In all other respects, the Fee Agreement and the First Amendment dated January 10, 2012 are ratified and reaffirmed and remains in full force and effect.

CITY OF TORRANCE,
a municipal corporation

RUTAN & TUCKER,
a limited liability partnership

Frank Scotto, Mayor

By: _____
M. Katherine Jenson,
Partner

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Exhibit A) Fee Agreement

August 9, 2011

VIA ELECTRONIC MAIL
AND FIRST CLASS MAIL

John L. Fellows, City Attorney
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90503

Re: Fee Agreement for Legal Services -- Bazilius Litigation

Dear John:

This letter will serve as Rutan & Tucker, LLP's fee agreement for legal representation rendered to the City for the litigation filed by Zachary Bazilius. At this time, Rutan has only been asked to represent the City of Torrance and not the other Defendant, Martin McGee. It is possible that we may be asked in the future to jointly represent Mr. McGee, assuming there is not conflict of interest.

Pursuant to our discussion, Mark Austin will be the lead working attorney on this matter. Other attorneys and paralegals may assist on an as-needed basis. The hourly rate Rutan & Tucker will charge the City for legal services is the standard hourly rates of attorneys in our office which begin at \$225 per hour, with a cap of \$300 per hour. Paralegals would be billed at an hourly rate of \$135 per hour, and document clerks would be billed at \$45 per hour. Under this proposal, the City would be charged either the attorney's standard hourly rate, or the agreed rate, whichever is less.

Rutan & Tucker also requires reimbursement for various costs incurred in performing legal services, including long distance telephone charges for calls outside the Los Angeles/Orange County area, postage, parking, out-of-town travel expenses (not mileage), duplication (@ 19¢ per page), telecopying, messengers, computer-assisted research (e.g. LEXIS), and other out-of-pocket expenses.

Detailed monthly invoices will be sent directly to you.

If this proposal is acceptable to the City, please execute and return a copy of this letter to me.

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John L. Fellows, City Attorney
August 9, 2011
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If you have any questions regarding this proposal, please call me at 1-800-76RUTAN.

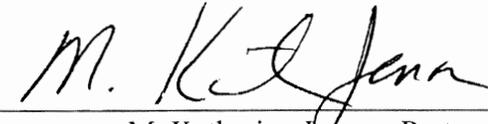
The City of Torrance accepts the above proposal.

CITY OF TORRANCE
a Municipal Corporation



John L. Fellows, City Attorney

RUTAN & TUCKER, LLP



M. Katherine Jensen, Partner



LeRoy J. Jackson, City Manager
City of Torrance