



Legislation Text

File #: 24-336, **Version:** 1

Report Prepared by: Craig J. Cornwell, City Attorney, City Attorney's Department

SUBJECT: Approval of Hanson Bridgett, LLP Third Amendment, Approval of Wilke Fleury, LLP Second Amendment, Best, Best & Krieger, LLP Second Amendment, Richards, Watson & Gershon First Amendment, and Prentice Long, PC First Amendment in a Total Amount not to Exceed \$296,000

REPORT IN BRIEF

Considers approving of a Hanson Bridgett, LLP Third Amendment, Approval of Wilke Fleury, LLP Second Amendment, Best, Best & Krieger, LLP Second Amendment, Richards, Watson & Gershon First Amendment, and Prentice Long, PC First Amendment in a total amount not to exceed \$296,000.

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving a Third Amendment to an Agreement for Professional Services with Hanson Bridgett LLP in an amount not to exceed \$150,000; and,
- B. Approving a Second Amendment to an Agreement with Wilke Fleury, LLP in an amount not to exceed \$26,000; and,
- C. Approving a Second Amendment to Agreement for Legal Services with Best, Best & Krieger, LLP in an amount not to exceed \$10,000; and,
- D. Approving a First Amendment to Legal Services Agreement with Richards, Watson & Gershon in an amount not to exceed \$70,000; and,
- E. Approving a First Amendment to Legal Services Agreement with Prentice Long, PC in an amount not to exceed \$40,000; and,
- F. Authorizing the Finance Officer to make the necessary budget adjustments; and,
- G. Authorizing the City Manager to execute the necessary documents.

ALTERNATIVES

- 1. Approve, as recommended by staff; or,
- 2. Approve, subject to conditions other than as recommended by staff; or,
- 3. Deny; or,
- 4. Continue to a future meeting.

AUTHORITY

Charter of the City of Merced, Section 200.

CITY COUNCIL PRIORITIES

As provided for in the 2023-24 Adopted Budget.

DISCUSSION

The Office of the City Attorney is responsible for representing the City of Merced in all legal actions involving the City unless the City Council determines contracting with a specialized law firm is prudent. Currently, the City Attorney's Office has two out of three attorney positions vacant, leaving the City Attorney to handle all matters requested of his office. The previous and current recruitments for the two attorney positions have been unsuccessful. These two vacancies have created salary savings of approximately \$296,000 for this fiscal year 2023/2024. This salary savings is being used to increase the funding to the current outside legal counsel agreements. These firms provide valuable assistance to the understaffed City Attorney's Office.

The following amendments to the current outside legal counsel agreements are requested as follows:

Hanson Bridgett's Third Amendment Request

On July 3, 2023, the City entered into an Agreement for Professional Services ("Agreement") with the law firm of Hanson Bridgett, LLP for legal services in support of the City Attorney's Department. The initial budget allocation was \$36,000.

On September 18, 2023, the City entered into a First Amendment to Agreement for additional funding in the amount of \$64,000. This First Amendment increased the not to exceed amount of the Agreement from \$36,000 to \$100,000.

On March 19, 2024, the City entered into a Second Amendment to Agreement for additional funding in the amount of \$20,000. This Second Amendment increased the not to exceed amount of the Agreement from \$100,000 to \$120,000.

This allocation has been sufficient to cover legal services thus far. However, additional funding in the amount of \$150,000 is necessary to ensure that funds are available for this firm's assistance to the City Attorney's Office for Pitchess Motions, Planning Commission advisory work, and Personnel Board appeal hearings. This Third Amendment will increase the not to exceed amount of the Agreement from \$120,000 to \$270,000.

Wilke Fleury LLP's Second Amendment Request

On January 12, 2023, the City entered into an Agreement for Legal Services with Wilke Fleury, LLP to assist the City with a Transient Occupancy Tax (TOT) collection matter. A TOT, also commonly known as "bed tax", is authorized under California State Revenue and Taxation Code Section 7280 and is charged to any person who occupies a room at a hotel, motel, inn, etc. for a period of less than thirty (30) consecutive calendar days.

On March 19, 2024, the City entered into a First Amendment to Legal Services Agreement for additional funding in the amount of \$25,000. The First Amendment increased the not to exceed amount of the Agreement from \$36,000 to \$61,000.

This matter requires an additional allocation to cover the legal fees to bring this matter to resolution. Staff is estimating \$26,000 is necessary to cover the anticipated legal fees in this matter. This Second Amendment will increase the not to exceed amount of the Agreement from \$61,000 to \$97,000.

Best, Best & Krieger LLP's Second Amendment Request

On May 5, 2022, the City entered into an Agreement for Legal Services with Best, Best & Krieger, LLP to serve as labor counsel for the City for Employment Risk Management Authority ("ERMA") covered claims and labor and employment matters in the amount of \$25,000.

On February 6, 2023, the City entered into a First Amendment to Agreement for Legal Services for additional funding in the amount of \$55,000. The First Amendment increased the not to exceed amount of the Agreement from \$25,000 to \$80,000.

This allocation has been sufficient to cover legal services thus far. However, additional funding in the amount of \$10,000 is necessary to ensure that funds are available for this firm's assistance to the City for ERMA covered claims and labor and employment matters. This Second Amendment will increase the not to exceed amount of the Agreement from \$80,000 to \$90,000.

Richards Watson & Gershon

On February 20, 2024, the City entered into a Legal Services Agreement with Richards Watson & Gershon to provide assistance to the City Attorney on general municipal law advisory and transactional matters in the amount of \$125,000.

This First Amendment to Legal Services Agreement will increase the not to exceed amount of the Agreement from \$125,000 to \$195,000.

Prentice Long, PC

On February 20, 2024, the City entered into a Legal Services Agreement with Prentice Long, PC to provide assistance to the City Attorney on code enforcement and other legal matters in the amount of \$75,000.

This First Amendment to Legal Services Agreement will increase the not to exceed amount of the Agreement from \$75,000 to \$115,000.

IMPACT ON CITY RESOURCES

Funding for these services is available within the City Attorney's current fiscal year operating budget.

ATTACHMENTS

1. Third Amendment for Hanson Bridgett, LLP
2. Second Amendment for Wilke Fleury, LLP
3. Second Amendment for Best, Best & Krieger, LLP
4. First Amendment for Richards Watson & Gershon
5. First Amendment for Prentice Long, PC