



# CITY COUNCIL STAFF REPORT

DATE: JANUARY 18, 2017 NEW BUSINESS

SUBJECT: APPROVAL OF AN AGREEMENT WITH CROWELL MORING TO PROVIDE SUPPLEMENTAL LEGAL SERVICES FOR THE CITY

FROM: David H. Ready, City Manager

BY: Douglas Holland, City Attorney

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## SUMMARY

The City Council will consider approval of an agreement with the law firm of Crowell Moring to provide legal services for the City in connection with current investigations and inquiries by local, state, and federal government entities.

## RECOMMENDATION:

Approve an Agreement with the law firm of Crowell Moring to provide legal services for the City in an amount not to exceed \$60,000 and authorize the City Manager to execute the Agreement on behalf of the City.

## STAFF ANALYSIS:

Consistent with past discussions with the City Council, the City Attorney has identified a need for the City to have legal representation in its interaction with the various agencies in their review of prior actions and project approvals of the City. The City Attorney has acknowledged he does not possess the expertise to adequately represent the City and its current officials and employees in this situation. This law firm of Crowell Moring possesses the expertise to perform this legal service. The firm would only represent the City and City officials and employees in their official capacities. It remains the intent and goal of the City Council to fully cooperate with these various agencies and retention of Crowell Moring will facilitate such cooperation.

## FISCAL IMPACT:

The cost for the agreement will be paid from the City's Risk Fund.

  
David Ready, City Manager

  
Douglas Holland, City Attorney

Attachment: Agreement

ITEM NO. 5.D.



Jeffrey H. Rutherford  
(213) 443-5596  
jrutherford@crowell.com

July 19, 2016

Douglas Holland  
City Attorney, City of Palm Springs  
Woodruff, Spradlin & Smart, PC  
555 Anton Blvd., Suite 1200  
Costa Mesa, CA 92626

Re: Retention of Crowell & Moring LLP

Dear Mr. Holland:

This letter will memorialize the agreement between the City of Palm Springs (“City”) and Crowell & Moring LLP (“Crowell & Moring”) for Crowell & Moring to advise the City, as requested by the City Attorney, in connection with investigations and inquiries by local, state, and federal governmental entities. Crowell & Moring’s current assignment for the City is limited to the matter described above.

I will be responsible for this matter. Other Crowell & Moring lawyers or paralegals may also work on this matter from time to time under our supervision as the need arises.

Crowell & Moring will charge the City an hourly fee for the time that our lawyers and paralegals spend on this matter. The current rates for the individuals likely to work on this assignment are \$600 an hour for my time, \$716-\$384 an hour for other lawyers (partners and associates), and \$160 an hour for paralegals. Our rates generally are reviewed for adjustment annually by the firm’s Management Board in the fall. We also bill for expenses and other services, including photocopies, word processing, travel, and messenger services. We will send you regular monthly bills, and payment is due upon receipt of such bills. Crowell & Moring carries professional liability insurance.

Crowell & Moring’s client for purposes of this engagement is the City only. Crowell & Moring is not undertaking the representation of any person or entity related to or affiliated with the City, including, but not limited to, any government agency, parent entity, subsidiary, member, officer, director, or employee (collectively referred to as “Related Entities”). Crowell & Moring will not be precluded by reason of undertaking this or any future engagement of the City from representing existing or future clients in legal matters relating to or adverse to any Related Entities. Also, it is our understanding that in the future the City may ask Crowell & Moring to represent one or more employees of the City in connection with the matter that is the

Douglas Holland  
City Attorney  
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subject of this letter. In such an event we will need to screen for client conflicts and execute a new engagement letter with each such employee.

Since Crowell & Moring represents a large number of diverse clients, which may include clients involved in activities affecting the City, we ask you to agree that the representation of the City by Crowell & Moring in the present and any future matters will not be grounds for asserting a conflict of interest in any work that the firm may do for other clients (including the City's competitors and adversaries such as the adverse parties in this matter) that is unrelated to Crowell & Moring's current or future representation of the City. Specifically, the City agrees that Crowell & Moring may represent other clients in matters that do not involve any confidential information that has been obtained by Crowell & Moring in the course of any representation of the City, even though our representation of the other client or clients may be adversarial to the City in business transactions, litigation, or judicial or administrative proceedings. Accordingly, the City waives any conflict of interest in any such matter, and will not assert any conflict of interest as a ground for disqualifying Crowell & Moring from representing other clients in any such matter.

The City may terminate Crowell & Moring's services at any time by written notice. After receiving such notice, Crowell & Moring will cease providing services. Crowell & Moring may also terminate its services to the City at any time by written notice. If we terminate our services, the City agrees to execute a substitution of attorney promptly and otherwise cooperate in effecting that termination. In either event of termination, Crowell & Moring will cooperate with the City in the orderly transfer of all related files and records to the City's new counsel. Termination of our services, whether by you or by us, will not relieve the obligation to pay for services rendered and costs incurred before our services formally ceased.

This agreement shall be governed by and construed in accordance with the laws of the State of California without regard to principles of conflicts of laws. Any action to enforce or interpret this Agreement shall be filed in the Superior Court of Riverside County, California or in the United States District Court for the Central District of California.

Finally, unless we receive different instructions from you, we will retain files from this matter for five years after its completion. At that time, documents other than those with intrinsic value (such as a deed or contract) may be destroyed.

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City Attorney  
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This agreement is effective July 19, 2016. If these terms and conditions are acceptable, please sign in the space below and return a copy of this letter to me within ten business days. If we do not receive the countersigned letter or any objection to it within ten days, and with your knowledge we begin work for you, we will treat the terms of this letter as having been accepted by you.

Sincerely yours,

CROWELL & MORING LLP

Jeffrey H. Rutherford

AGREED:

THE CITY OF PALM SPRINGS

By: \_\_\_\_\_  
Authorized Representative of the City of Palm Springs