



AGENDA REPORT

City Council

DATE:	July 19, 2022
TO:	Mayor Butt and Members of the City Council
FROM:	Mayor Tom Butt, Councilmember Demnlus Johnson III, and Councilmember Gayle McLaughlin
Subject:	Approval of the Agreement with Aleshire and Wynder for City Attorney Services
FINANCIAL IMPACT:	The legal services will cost approximately \$400,000 per quarter, for a total of annual contract amount of \$1,600,000. In the adopted Fiscal Year 2022-2023 the City Council appropriated \$1,500,000 for legal services; therefore, \$100,000 shall be funded from account string 01151014-400206. Salary savings and the reduction of other outside counsel costs is required and shall reduce the cumulative fiscal impact of legal service expenditures.
PREVIOUS COUNCIL ACTION:	On December 21, 2021, and May 17, 2022, the City Council approved an agreement and an amendment for interim city attorney services.
STATEMENT OF THE ISSUE:	The City Council is appointing a City Attorney. The proposed agreement between the City and Aleshire & Wynder, LLP provides for a full range of city attorney services, inclusive of a team of attorneys, and will improve cost efficiency by limiting the use of other outside counsel, while maintaining the current staff in the City Attorney's Office. This approach provides for a hybrid legal services delivery model.

RECOMMENDED ACTION:	APPROVE a sole source legal services agreement with Aleshire and Wynder for City Attorney services, with an agreement term beginning July 1, 2022, with a quarterly cost of approximately \$400,000, and a total of \$1,600,000 per year; and APPOINT Dave Aleshire as City Attorney – Councilmembers Demnlus Johnson III (510-620-6861) and Gayle McLaughlin (510-620-6565), and Mayor Tom Butt (510-620-6503).
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DISCUSSION:

The law firm of Aleshire & Wynder, LLP has been successfully serving as Interim City Attorney since the end of December 2021. Having Dave Aleshire, a named partner at Aleshire & Wynder continue to serve as City Attorney will best serve the City's needs at this time. He will continue to review and assess outside counsel costs, risk management, and general liability practices in order to reduce costs, improve efficiency, and increase service delivery.

The proposed agreement contemplates fees in the amount of \$400,000 per quarter, for a total contract amount of \$1,600,000. The fees shall be reviewed by City Council each quarter. The cost of the agreement shall be offset by salary savings in current vacant positions in the City Attorney's Office, and by the reduction of outside counsel costs

The proposed agreement with Aleshire & Wynder, LLC will enable Dave Aleshire to provide city attorney services with the backing of a team of attorneys from his firm and from the existing City Attorney's in-house attorneys and administrative staff, in a hybrid service delivery model.

Below is a breakdown of types of legal services, proposed hourly rates and the average hourly rates for other law firms that provide comparable services.

Services	Current A&W Hourly Rates	Proposed A&W Hourly Rates	Average Outside Hours¹
City Attorney General Services	\$250 Associate \$265 Partner	\$250 Associate \$265 Partner	\$272 Associate \$365 Partner
Special Services/Litigation*	\$265 Associate \$325 Partner	\$265 Associate \$345 Partner	\$338 Associate \$388 Partner

¹ Rates obtained from 2021 RFQ responses for the following law firms: Burke Williams; Downey Brand; Colantuono; Goldfarb; Meyers Nave; Jarvis Fay & Gibson; Remy, Moose, Manley; Best, Best & Krieger

Risk Management/Code Enforcement (or JPA rate)	\$250 Associate \$265 Partner	\$250 Associate \$265 Partner	\$306 Associate \$352 Partner
Public Finance Matters	\$280 Associate \$350 Partner	\$300 Associate \$450 Partner	\$585-\$625
Reimbursable (When Developer or 3 rd Party is Paying)	\$280 Associate \$350 Partner	\$295 Associate \$385 Partner	
Paralegals and Law Clerks	\$150	\$160	\$166
Document Clerks	\$75	\$75	

The agreement includes the following provisions among others:

1. Term: The term begins on July 1, 2022, and continues until terminated.
2. Termination: Either party may terminate the services without cause, but the firm is required to provide notice and comply with Rules of Professional Conduct of the State Bar. This would allow the time to find another attorney if necessary.
3. The fees for services shall be reviewed on a quarterly basis by the City Council.

DOCUMENT ATTACHED:

Attachment 1 – Original Contract

Attachment 2 – Sole Source