

BUDGET AND FINANCE COMMITTEE REPORT relative to retention of outside counsel on a contingency compensation basis only for subrogation litigation.

Recommendations for Council action:

1. AUTHORIZE the the City Attorney to enter into a contract with Rose, Klein & Marias, LLP, for the purpose of assisting in the recovery of monies for the City in subrogation matters on a contingency fee basis of one-third of the net recovery after deduction of costs on a per-case basis.
2. AUTHORIZE a waiver of any conflicts which would technically arise by virtue of the City defending worker's compensation matters brought by clients of Rose, Klein & Marias, LLP, while simultaneously employing Rose, Klein & Marias, LLP, to pursue subrogation matters on behalf of the City.
3. WAIVE any conflict arising from the Firm's representation of Miguel Garza and Rizolito Capinpin in pending worker's compensation claims against the City.
4. AUTHORIZE the City Attorney or designee to prepare Controller instructions for any necessary technical adjustments, subject to the approval of the City Administrative Officer (CAO), and AUTHORIZE the Controller to implement the instructions.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the CAO nor the Chief Legislative Analyst has submitted a financial analysis of this matter.

Community Impact Statement: None submitted.

(The City Council may recess to Closed Session, pursuant to Government Code Section 54956.9(d)(1) to confer with its legal counsel relative to the above matter)

SUMMARY

At its regular meeting held on December 8, 2014, the Budget and Finance Committee considered a report from the City Attorney relative to the retention of outside counsel on a contingency compensation basis only for subrogation litigation. The City Attorney reports that the Office of the City Attorney (Office) wishes to engage outside counsel with expertise relevant to subrogation litigation to assist the Office in pursuing reimbursement of monies paid out by the City in worker's compensation and other benefits, and in other matters that may arise where viable subrogation opportunities present themselves.

The Committee recessed into closed session to consider the City Attorney's confidential report. After returning into open session and having provided an opportunity for public comment, the Committee recommended to approve the City Attorney recommendations as detailed in the Committee recommendations above. This matter is now forwarded to Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	ABSENT

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-NOT OFFICIAL UNTIL COUNCIL ACTS-