

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to proposed Agreement Nos. 47334-5 and 47335-5 with Kiesel Law LLP (Kiesel) and Paradis Law Group (Paradis), respectively.

Recommendation for Council action:

CONCUR with the Board of Water and Power Commissioner's (Board) action of April 23, 2015, Resolution No. 015-197, approving Agreement Nos. 47334-5 and 47335-5 with Kiesel and Paradis, respectively, for services as special counsel for matters related to the case of *City of Los Angeles v. PricewaterhouseCoopers, LLP*, Los Angeles Superior Court Case No. BC574690.

Fiscal Impact Statement: None submitted by the Los Angeles Department of Water and Power (LADWP). Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - JUNE 25, 2015**

**(LAST DAY FOR COUNCIL ACTION - JUNE 24, 2015)**

**(Council may recess into Closed Session, pursuant to Government Code Section 54956.9(d)(1), to confer with its legal counsel relative to the case of *City of Los Angeles v. PricewaterhouseCoopers LLP*, Los Angeles Superior Court Case No. BC574690 in connection with LADWP Agreement No. 47976 (the CISCON Contract), and related matters therein.)**

Summary:

On June 17, 2015, your Committee considered an April 27, 2015 Board report and Resolution No. 015-197 relative to proposed Agreement Nos. 47334-5 and 47335-5 with Kiesel and Paradis, respectively for services as special counsel for matters related to the case of *City of Los Angeles v. PricewaterhouseCoopers, LLP*, Los Angeles Superior Court Case No. BC574690. According to the Board, The proposed contracts are being recommended as a sole source due to the fact that competitive bidding at this juncture would not be practical or advantageous for the LADWP, as time is of the essence. Kiesel and Paradis are highly experienced attorneys in this area of law, and no lawyers have greater familiarity with the underlying facts at this time than they do.

Additionally, the LADWP's Legal Division does not have personnel with the expertise in the prosecution of civil claims for fraud in the context of the professional service agreement at issue here. The term of the contingency agreement commenced on January 1, 2015 and terminates upon resolution in litigation. The firms will advance all costs, and have agreed to share a contingency payment if successful in obtaining and collecting a recovery. The firms have no conflict of interest in representing the City.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of Resolution No. 015-197 to authorize the agreements with Kiesel and Paradis. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	ABSENT
HUIZAR:	YES
KORETZ:	YES

ARL  
6/17/15

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**