

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 9, 2019

CAO File No. 0220-05595-0000

Council File No. 19-0145

Council District: --

To: The Budget and Finance Committee

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Request for report back from the Chair of the Budget and Finance Committee

Subject: **SOURCE OF FUNDS FOR OUTSIDE COUNSEL CONTRACT WITH MEYERS NAVE FOR REMEDIATION OF THE SANTA SUSANA FIELD LABORATORY SITE**

RECOMMENDATIONS

That the Council, subject to the approval of the Mayor:

1. Authorize the City Attorney to enter into a contract with the law firm of Meyers Nave for a period of three years for the administrative proceedings and litigation with respect to the California Environmental Quality Act process associated with the remediation and closure of the Santa Susana Field Laboratory site, in an amount of \$120,000 designated from the City Attorney Fund No. 100.12, Account 009301, Outside Counsel;
2. Approve the City Attorney's request to disencumber \$120,000 from Contract No. 129460, Colantuono & Levin, PC within City Attorney Fund No. 100/12, Account 009301, Outside Counsel.

SUMMARY

On April 1, 2019, the Budget and Finance Committee approved a Motion (Smith/Wesson) to enact the following: release the final environmental documents by the California Department of Toxic Substances Control or the Federal Department of Energy relative to clean up of the Santa Susana Field Laboratory; retain the law firm of Meyers Nave as outside counsel to assist the City Attorney to preserve the City Council's position that the site be cleaned consistent with the 2010 Administrative Order on Consent; and, to authorize the City Attorney to retain the law firm of Meyers Nave based on a budget not to exceed \$600,000 to engage in all work necessary to prosecute legal action to ensure that the Santa Susana Field Lab site is remediated in a manner consistent to prior Council directives (C.F. 19-0145). The Committee also instructed the City Administrative Officer (CAO) to report back on a source of funds for this outside counsel contract.

The City Attorney and Meyers Nave anticipate a cost of \$120,000 in staff hours to be performed on this case in 2018-19, and \$480,000 in 2019-20.

The source of funds for \$120,000 is available in the City Attorney Outside Counsel Account in funds that were transferred from the Unappropriated Balance, Outside Counsel Including Workers' Compensation line item for various outside counsel contracts. The contracts for these current cases have not concluded; however, the schedule of work for these law firms is such that the \$120,000 can be paid in the next fiscal year, and therefore can be utilized to fund the work to be performed by Meyers Nave in 2018-19. A transfer or appropriation to the City Attorney Outside Counsel Account will be required to replace the \$120,000, which will be included in the 2018-19 Year-End Financial Status Report (FSR).

The source of funds for the \$480,000 balance to fund the anticipated work in 2019-20 has not been identified. If it is required, funding for this purpose should be included in the City Attorney's 2019-20 outside counsel appropriation. This Office will work with the City Attorney on future outside counsel appropriations necessary for Meyers Nave to complete the work on this matter.

FISCAL IMPACT STATEMENT

Approval of this recommendation will have no immediate impact to the General Fund as the City Attorney will use existing funds of \$120,000 to fund this contract. Depending on the source of funds identified in the Year-End FSR, there may be an additional General Fund impact. The 2019-20 cost of \$480,000 should be addressed in the next fiscal year, as part of the City Attorney's Budget.

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