RESOLUTION NO 2011-115

A RESOLUTION OF THE COUNCIL OF THE CITY OF
FRESNO, CALIFORNIA, ESTABLISHING THE COUNCIL
MANAGEMENT AND TRANSPARENCY POLICY FOR THE
CITY ATTORNEY’S OFFICE.

WHEREAS, the Fresno City Attorney’s Office is charged by Charter §§ 800 and
803 to provide legal services to the City of Fresno; and

WHEREAS, it is incumbent upon the City Council to oversee the City Attorney,
who is appointed by and serves at the pleasure of the Council, and his/her management
of the City Attorney’s Office affairs and duties; and

WHEREAS, inherent to Council’s administrative authority is the responsibility to
evaluate the quality of the services provided by the City Attorney’s Office and the costs
associated with such services; and,

WHEREAS, by Council adopting the Council Management and Transparency
Policy for the City Attorney’s Office (see attached Exhibit ‘A”), the Council of the City of
Fresno shall receive from the City Attorney in April of each year a comprehensive Office
Report that identifies with particularity the financial and administrative conditions of the
City Attorney’s Office and quarterly a Services and Litigation Log; and,

WHEREAS, by Council adopting the Council Management and Transparency
Policy for the City Attorney’s Office, the City Attorney’s Office will implement a Work
Management Policy that requires the City Attorney to report to the Council President
projects that cumulatively exceed twenty-five (25) billable hours, and requires the City
Attorney to report to Council on projects that cumulatively exceed fifty (50) billable hours;

Adopted: 12-9-11
Approved: 12-16-11
Effective: 12-20-11

2011-115
WHEREAS, for purposes of respecting confidentiality, a general description of the work may suffice as determined by the City Attorney's Office; and,

WHEREAS, privileged and confidential information may be omitted as necessary from the public report as determined by the City Attorney's Office.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno that the City Attorney's Office will be required to produce the following:

1. An Annual City Attorney's Office Report.
3. Adhere to the Work Management Policy.

* * * * * * * * * * *

STATE OF CALIFORNIA  
COUNTY OF FRESNO  
CITY OF FRESNO  

I, REBECCA E. KLISCH, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the ___ day of June, 2011.

AYES : Baines, Borgeas, Olivier, Quintero, Brand
NOES : None
ABSENT : Westerlund
ABSTAIN : Xiong

REBECCA E. KLISCH  
City Clerk

APPROVED AS TO FORM:  
CITY ATTORNEY'S OFFICE

BY:  
JAMES C. SANCHEZ  
City Attorney

[Rev. 6/10/11]
Council Management & Transparency Policy for the City Attorney’s Office

Executive Summary:

The City Attorney’s Office (CAO) is charged by Charter §§ 800 & 803 to provide legal services to the City of Fresno. While placed under the administrative jurisdiction of the City Council, the CAO is expected to provide apolitical legal services City-wide to the Mayor, Council and Staff.

In the spirit of providing effective and transparent government, it is incumbent upon the City Council to oversee the City Attorney, who is appointed by and serves at the pleasure of the Council, and his/her management of the CAO’s affairs and duties. Inherent to Council’s administrative authority is the responsibility to evaluate the quality of the services provided by the CAO and the costs associated with such services.

Therefore, it is recommended Council adopt the “Council Management & Transparency Policy for the City Attorney’s Office.” This policy is intended to have the City Council hold the CAO to the same transparency and accountability standards of other City departments by requiring the CAO to do the following:

1) Produce an Annual City Attorney’s Office Report;
2) Produce a Quarterly Service and Litigation Log; and
3) Implement the Work Management Policy.

CITY OF FRESNO
CITY HALL • 2600 FRESNO STREET • FRESNO, CALIFORNIA 93721-3600 • (559) 621-8000 • FAX (559) 621-7892
district2@fresno.gov • www.fresno.gov

EXHIBIT A TO RESOLUTION
The City Attorney's Office Annual Report

The City Attorney's Office shall provide to the City Council a comprehensive annual report in the month of April of each year that identifies with particularity the financial and administrative conditions of the CAO. The City Manager, Risk Manager, and relevant staff shall help provide the CAO information related to claims and insurance administration.

The annual report shall include the following:

A. Financial Analysis
   • Total and categorical CAO operating costs (See Appendix A);
   • Payout amounts for settlements and lawsuits (See Appendix B);
   • Listing of all matters with payouts over 100k (See Appendix C);
   • Costs of outside counsel and consultants (See Appendix D);
   • Litigation costs;
   • City Manager will provide an analysis of the fiscal condition of the City’s self-insurance fund for incorporation into the annual report; and
   • Total yearly costs compared to total costs from previous years (i.e. goal is to maintain a multi-year log with averaging) (See Appendix F).

B. Allocation of Legal Resources
   • Categorize major practice areas (i.e. land use, litigation, labor etc.);
   • Identify the number of attorneys/staff assigned to each practice area (See Appendix G);
   • Number and percentage of billable hours used by each City department (See Appendix H); and
   • Number and percentage of billable hours used by Mayor, City Manager, and Council.

C. City Attorney and City Manager Management of Claims and Litigation
   • Categorize areas of claims and litigation (i.e. municipal infrastructure, police matters, City vehicle accidents, etc.);
   • Number of claims and lawsuits per above areas (See Appendix I);
   • Financial results of those settlements and lawsuits (See Appendix J);
   • Number and percentage of claims that evolved into lawsuits;
   • Criteria used in creating “percentile” system;
   • Comparison of “percent chance of success” as provided in closed-session staff reports vs. actual outcome;
   • Comparison of cases kept “in-house” vs. “outside counsel”;
   • Criteria used for selection of outside counsel (i.e. expertise, topic sophistication etc.); and
   • A cost-benefit analysis of in-house vs. selected outside counsel.
D. Office Profile and Personnel
   - Office hierarchy/chain of command;
   - Profiles of Attorneys (i.e. salary, experience); and
   - Changes in personnel (i.e. hired, left employment, transferred excluding any privileged personnel information).

E. Recommendations and Trends in Legal Services
   - City Manager to identify trends in claims and City Attorney to identify trends in litigation (i.e. spike in claims against police, bus accidents, increased use of outside counsel etc.) (See Appendix K);
   - Recommendations on allocations of resources (i.e. more transactional than litigation work, spikes in department specific work, etc.);
   - Risk assessment; and
   - Recommendations on preemptively reducing risks and liabilities.

It is important to note that in addition to the above referenced topics, the CAO will maintain the flexibility to report on other areas deemed relevant and important. The CAO Annual Report shall be posted and made available to the public on the City website. However, privileged and confidential information may be omitted as necessary from the public report as determined by the CAO.

CAO’s Quarterly Service & Litigation Log

The City Attorney’s Office shall supply to the Council and City Manager on a quarterly basis a Service & Litigation Log. This Log is designed to provide Council with a comprehensive status report on the following:

A. Services
   - List of “high priority” projects posing unusual demands on CAO resources;
   - Number and percentage of billable hours used by each City department; and
   - Number and percentage of billable hours used by Mayor, City Manager, and Councilmembers.

B. Litigation
   - City Attorney, in coordination with City Staff, to list status of claims against the City (i.e. in arbitration, mediation, settlement discussions) and amounts sought;
   - City Attorney to list claims currently in litigation and amounts sought;
   - List of recently closed/settled matters with relevant dollar amounts; and
   - Projected payouts and liabilities in the context of a fiscal analysis of City’s self-insurance fund (to be done in conjunction with City Manager and City Staff).
Work Management Policy

The City Attorney’s Office shall implement a Work Management Policy as follows:

- Projects estimated by the CAO to take more than 25 billable hours, or projects that cumulatively surpass that hour amount, shall be reported to Council President;
- Projects estimated by the CAO to take more than 50 billable hours, or projects that cumulatively surpass that hour amount, shall be reported to the Council;
- Council President, or a simple majority of Council, may direct the City Attorney to report to the Council in an appropriate setting on the nature of such projects;
- Matters authorized by a majority vote of Council, such as litigation, research, or claim resolution, or those inherent to the administration of the City Attorney’s Office, such as budget, hearings, and reporting requirements, are exempt from the Work Management Policy; and
- For purposes of respecting confidentiality, a general description of the work may suffice as determined by the CAO.

Action Requested:

Recommend Council adopt the: Council Management & Transparency Policy for the City Attorney’s Office.

Appendices:

A: Example chart of “Costs to Provide Legal Services”…page 05
B: Example chart of “Claims and Lawsuits Results”…page 06
C: Example table of “All matters with payouts of more than $100,000”…page 07
D: Example graph of “Outside Counsel Costs”…page 08
E: Example of “Cost Benefit Analysis: In-House vs. Outside Counsel”…page 09
F: Example graph of “Multi-Year Costs of Legal Services”…page 10
G: Example chart of “Allocation of Attorneys”…page 11
H: Example graph of “Billable Hours by Department”…page 12
I: Example table of “Types of Claims & Lawsuits Received”…page 13
J: Example graph of “Payouts of Claims and Lawsuits by Category”…page 14
K: Example graph of “Trend of Lawsuits and Claims Filed”…page 15
APPENDIX A

Costs to Provide Legal Services for FY 2011-12

- Operating
- Payouts of Claims and Lawsuits
- Outside Counsel Costs
- Litigation Expenses

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
Claims and Lawsuit Results

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
## APPENDIX C

### Payouts of Claims, Lawsuits & Arbitrations of more than $100,000

<table>
<thead>
<tr>
<th>Case</th>
<th>Type</th>
<th>Attorney</th>
<th>In House / Outside</th>
<th>Amount Sought</th>
<th>Payout</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joe Smith</td>
<td>Police</td>
<td>Carl King</td>
<td>In house</td>
<td>$300,000</td>
<td>$300,000</td>
</tr>
<tr>
<td>Adam Davis</td>
<td>Public Works</td>
<td>Jane Egan</td>
<td>Outside</td>
<td>$2,000,000</td>
<td>$900,000</td>
</tr>
<tr>
<td>David Jones</td>
<td>Vehicle Accident</td>
<td>Larry Guzman</td>
<td>In house</td>
<td>$1,000,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.***
APPENDIX D

Outside Counsel Costs

**Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.**
Cost Comparison: In-House v. Outside Counsel

<table>
<thead>
<tr>
<th>Litigation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy City Attorney (Salary and Benefits)</td>
<td>$150,000</td>
</tr>
<tr>
<td>(1500 billable hours)</td>
<td></td>
</tr>
<tr>
<td>Costs for Outside Counsel to handle same work</td>
<td>$202,500</td>
</tr>
<tr>
<td>($135 x 1500 hours)</td>
<td></td>
</tr>
<tr>
<td>Potential Additional Cost to the City</td>
<td>$52,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Transactional/Advisory</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deputy City Attorney (Salary and Benefits)</td>
<td>$150,000</td>
</tr>
<tr>
<td>(1500 billable hours)</td>
<td></td>
</tr>
<tr>
<td>Costs for Outside Counsel to handle same work</td>
<td>$300,000</td>
</tr>
<tr>
<td>($200 x 1500 hours)</td>
<td></td>
</tr>
<tr>
<td>Potential Additional Cost to the City</td>
<td>$150,000</td>
</tr>
</tbody>
</table>

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.***
Multi-Year Costs of Legal Services

- 2008-09: $3.00
- 2009-10: $4.00
- 2010-11: $4.50
- 2011-12: $3.70

Costs in Millions

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
APPENDIX G

Allocation of Attorneys

- General Litigation: 4
- Prosecution: 5
- General Government: 2
- Public Works: 3
- Land Use: 2
- Labor: 1

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
Billable Hours by Department

- Other: 2000
- Mayor: 15000
- Council: 10000
- Fire: 5000
- Finance: 5000
- Public Works: 25000
- Police: 30000

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes."
## APPENDIX I

### Types of Claims Received

<table>
<thead>
<tr>
<th>Category</th>
<th>06-07</th>
<th>07-08</th>
<th>08-09</th>
<th>09-10</th>
<th>10-11</th>
<th>5-year average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>210</td>
<td>200</td>
<td>230</td>
<td>170</td>
<td>190</td>
<td>200</td>
</tr>
<tr>
<td>Police Matters</td>
<td>130</td>
<td>140</td>
<td>138</td>
<td>136</td>
<td>120</td>
<td>132.8</td>
</tr>
<tr>
<td>City Vehicle Accidents</td>
<td>50</td>
<td>55</td>
<td>40</td>
<td>47</td>
<td>38</td>
<td>46</td>
</tr>
<tr>
<td>Other</td>
<td>60</td>
<td>62</td>
<td>47</td>
<td>55</td>
<td>52</td>
<td>55.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>450</strong></td>
<td><strong>457</strong></td>
<td><strong>455</strong></td>
<td><strong>402</strong></td>
<td><strong>400</strong></td>
<td><strong>432.8</strong></td>
</tr>
</tbody>
</table>

### Types of Lawsuits Received

<table>
<thead>
<tr>
<th>Category</th>
<th>06-07</th>
<th>07-08</th>
<th>08-09</th>
<th>09-10</th>
<th>10-11</th>
<th>5-year average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Works</td>
<td>45</td>
<td>40</td>
<td>42</td>
<td>38</td>
<td>38</td>
<td>40.6</td>
</tr>
<tr>
<td>Police Matters</td>
<td>34</td>
<td>30</td>
<td>31</td>
<td>20</td>
<td>28</td>
<td>28.6</td>
</tr>
<tr>
<td>City Vehicle Accidents</td>
<td>21</td>
<td>30</td>
<td>27</td>
<td>32</td>
<td>24</td>
<td>26.8</td>
</tr>
<tr>
<td>Other</td>
<td>10</td>
<td>15</td>
<td>10</td>
<td>10</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>110</strong></td>
<td><strong>115</strong></td>
<td><strong>110</strong></td>
<td><strong>100</strong></td>
<td><strong>110</strong></td>
<td><strong>109</strong></td>
</tr>
</tbody>
</table>

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APPENDIX J

Payouts of Claims and Lawsuits by Category

<table>
<thead>
<tr>
<th>Year</th>
<th>General Government</th>
<th>City Vehicle Accidents</th>
<th>Public Works</th>
<th>Labor</th>
<th>Police</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011-12</td>
<td>$1.00</td>
<td>$1.50</td>
<td>$2.00</td>
<td>$3.00</td>
<td>$4.00</td>
</tr>
<tr>
<td>2010-11</td>
<td>$0.50</td>
<td>$1.00</td>
<td>$2.00</td>
<td>$3.50</td>
<td>$4.00</td>
</tr>
<tr>
<td>2009-10</td>
<td>$0.50</td>
<td>$1.00</td>
<td>$2.50</td>
<td>$3.00</td>
<td>$4.00</td>
</tr>
<tr>
<td>2008-09</td>
<td>$1.00</td>
<td>$1.50</td>
<td>$3.00</td>
<td>$3.50</td>
<td>$4.00</td>
</tr>
</tbody>
</table>

Costs in millions

Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
APPENDIX K

Trend of Police Claims and Lawsuits Filed

***Information contained in the graphs and charts herein are wholly inaccurate, and are used only for example purposes.
June 10, 2011

TO: MAYOR ASHLEY SWEARENGIN
FROM: REBECCA E. KLISCH, CMC
City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 06/09/11, Council adopted the attached Resolution No. 2011-115 entitled Approve Council Management & Transparency Policy for City Atty’s Office, as amended to include a one year review, by the following vote:

Ayes : Baines, Borgeas, Olivier, Quintero, Brand
Noes : None
Absent : Westerlund
Abstain : Xiong,

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk’s office on or before June 20, 2011. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk’s office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor’s signed approval.

Thank you.

*******************************************************************************

APPROVED:

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)


Ashley Swearengin, Mayor

Date: _____________

COUNCIL OVERRIDE ACTION:

Ayes : 
Noes :
Absent :
Abstain :

Date: _____________
RESOLUTION NO. 2012-237

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, AMENDING THE COUNCIL MANAGEMENT AND TRANSPARENCY POLICY FOR THE CITY ATTORNEY'S OFFICE

WHEREAS, the Fresno City Attorney's Office is charged by Charter §§ 800 and 803 to provide legal services to the City of Fresno; and,

WHEREAS, it is incumbent upon the City Council to oversee the City Attorney, who is appointed by and serves at the pleasure of the Council, and his/her management of the City Attorney's Office affairs and duties; and

WHEREAS, inherent in Council's administrative authority is the responsibility to evaluate the quality of the services provided by the City Attorney's Office and the costs associated with such services; and,

WHEREAS, Council adopted Resolution No. 2011-115, which established the Council Management and Transparency Policy for the City Attorney's Office on June 9, 2011; and,

WHEREAS, historical implementation of the Council Management and Transparency Policy ("Policy") for the City Attorney's Office, in conjunction with the cessation of the billing practices of the City Attorney's Office as a General Fund Department, require changes in reporting wherein portions of the Policy should be amended to address only those matters that expose the City to high risks, and require investment of substantial time and resources, thereby permitting Council to properly oversee legal matters of significance; and,

WHEREAS, privileged and confidential information may be omitted as necessary from

Date Adopted: 12/20/2012
Date Approved: 12/21/2012
Effective Date: 12/21/2012

Resolution Amending The Council Management and Transparency Policy for the City Attorney's Office Resolution No. 2012-237
the public report as determined by the City Attorney's Office.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno that the Council Management and Transparency Policy will be amended and restated as follows:

1. The City Attorney will provide a written report to Council on a quarterly basis that includes those legal matters that are reasonably estimated to require more than 100 hours of attorney time; the quarterly report shall list first those matters deemed by the City Attorney to be "high value" or "high exposure" in terms of potential monetary risk, exposure to an award of attorney's fees and costs, and/or are high profile, or involve significant political/policy considerations;

2. In all litigated matters a written budget shall be provided to and maintained by the City Attorney's Office; the City Attorney will provide a written quarterly report to Council on all legal matters that are reasonably estimated to exceed a budgeted sum of $150,000 for the City's attorney's fees and costs; the City Attorney shall report to Council when any matter is anticipated to exceed $500,000 in attorney's fees and costs;

3. The City Attorney is charged with the retention of contract counsel, as necessary to represent the City's interest, and will not retain contract counsel whose fees exceed $400 per hour, unless the contract counsel has specialized skills justifying a higher amount; in such a case, the City Attorney shall report the retention of attorneys at the higher hourly rate to Council;

4. The City Attorney's Office will be required to produce the following to Council, which shall be amended to conform to this resolution:

1. An Annual City Attorney's Office Report.

3. Adhere to the Work Management Policy.

* * * * * * * * * * *

STATE OF CALIFORNIA  
COUNTY OF FRESNO  
CITY OF FRESNO  

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 20th day of December, 2012.

AYES : Borgeas, Brand, Westerlund, Quintero, Xiong
NOES : None
ABSENT : Baines, Olivier
ABSTAIN : None

Mayor Approval:  ________________________________  December 21, 2012
Mayor Approval/No Return:  ____________________  N/A  2012
Mayor Veto:  ________________________________  N/A  2012
Council Override Vote:  _______________________  N/A  2012

YVONNE SPENCE, CMC
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY’S OFFICE

Francine M. Kanne, Interim City Attorney

Resolution Amending The Council Management and Transparency Policy for the City Attorney’s Office
Resolution No. 2012-237
December 21, 2012

TO: MAYOR ASHLEY SWEARENGIN
FROM: STACEY WOO Deputy City Clerk
FOR: YVONNE SPENCE, CMC City Clerk

SUBJECT: TRANSMITTAL OF COUNCIL ACTION FOR APPROVAL OR VETO

At the Council meeting of 12/20/12, Council adopted the attached Resolution No. 2012-237 entitled Amending the Council Management and Transparency Policy for the City Attorney’s Office. Item No. 3A, by the following vote:

Ayes: Borgeas, Brand, Westrlund, Quintero, Xiong
Noes: None
Absent: Baines, Olivier
Abstain: None

Please indicate either your formal approval or veto by completing the following sections and executing and dating your action. Please file the completed memo with the Clerk’s office on or before December 31, 2012. In computing the ten day period required by Charter, the first day has been excluded and the tenth day has been included unless the 10th day is a Saturday, Sunday, or holiday, in which case it has also been excluded. Failure to file this memo with the Clerk’s office within the required time limit shall constitute approval of the ordinance, resolution or action, and it shall take effect without the Mayor’s signed approval.

Thank you.

APPROVED/NO RETURN: _____

VETOED for the following reasons: (Written objections are required by Charter; attach additional sheets if necessary.)

______________________________________________
Ashley Swearengin, Mayor

Date: 12/21/12

COUNCIL OVERRIDE ACTION:
Ayes:
Noes:
Absent:
Abstain: