



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: October 7, 2014
TO: Mayor and Councilmembers
FROM: City Attorney's Office
SUBJECT: Amendment To Agreement With Jarvis, Fay, Doporto & Gibson, LLP,
For Legal Services Relating To *Jacks v. City Of Santa Barbara*

RECOMMENDATION: That Council:

- A. Authorize the City Attorney to execute an amendment to the professional services agreement (Contract No. 24,107) with the law firm of Jarvis, Fay, Doporto & Gibson, LLP, to amend the Compensation and Costs provision, increasing the contract amount by \$25,000, from \$50,000 to \$75,000; and
- B. Allocate \$25,000 from the General Fund appropriated reserves to the City Attorney's Office Fiscal Year 2015 budget.

DISCUSSION:

Council will recall that the *Jacks* case involves a challenge to the City's 2% franchise fee collected via Southern California Edison. The City prevailed in the trial court against arguments that the fee was an unlawful tax. Plaintiffs appealed.

Council will also recall that we were successful in garnering the support of the League of California Cities by their agreement to prepare an *amicus curiae* brief in support of the City's position.

In March of 2012, the City retained the Jarvis, Fay firm to assist with the trial court proceedings. We have found it advantageous to have them handle the appellate process as well, and accordingly need to increase their contract authorization to cover the costs of the appeal.

We request that Council allocate funding from appropriated reserves. We originally funded this litigation out of self-insurance reserves, but do not think this is appropriate at the present time given the increases in reserve requirements pursuant to recent actuarial evaluation.

PREPARED BY: Ariel Calonne, City Attorney
APPROVED BY: City Administrator's Office