

Agenda Item-No Attachments (PDF)

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REPORT TO COUNCIL

SUBJECT

Third Amendment to Outside Counsel Agreement with Rankin Stock Heaberlin for Litigation Services (Continued from March 15, 2016)

REPORT IN BRIEF

Approval is requested for a Third Amendment to the Outside Counsel Agreement with the law firm of Rankin Stock Heaberlin for legal services and representation of the City in the matter of *Gorla v. City of Sunnyvale*, Case No. 114CV262389, currently pending in the Santa Clara County Superior Court. This Third Amendment is needed to cover the costs associated with proceeding to trial on this case, which are estimated to be between \$75,000 to \$100,000.

BACKGROUND

David J. Stock, a partner in the law firm Rankin Stock Heaberlin in San Jose, is a trial lawyer specializing in construction law, civil litigation, business law, personal injury, estate litigation, insurance coverage and defense, mediation, and arbitration. Mr. Stock and his firm were retained by the City Attorney under Section 908 of the City Charter to represent the City and provide legal services, consultation and advice concerning the above referenced case in litigation. The Agreement was entered in March 2014, and the not to exceed amount has been increased twice to the current not to exceed amount of \$150,000. The term of the Agreement expires in December 2018.

DISCUSSION

The Rankin law firm has represented the City in many personal injury cases during the past years. This current case involves a wrongful death/dangerous condition lawsuit against the City. It is anticipated that the City may incur an additional \$75,000 to \$100,000 in legal fees for this case assuming it goes to trial without settling. Therefore, it is necessary to amend the Agreement to allow for an additional \$100,000 in potential legal expenses, for a new not-to-exceed amount of \$250,000.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" with the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378 (b) (4) in that it is a fiscal activity that does not involve any commitment to any specific project which may result in a potential significant impact on the environment.

FISCAL IMPACT

Funds are available in the FY 2015/16 Liability and Property Insurance Fund for this Third Amendment.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board

outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

Authorize the City Attorney to execute a Third Amendment, in substantially the same form as Attachment 1 to the report, to the Outside Counsel Agreement with the law firm of Rankin Stock Heaberlin to increase the not-to-exceed amount by \$100,000, for a new not-to-exceed contract amount of \$250,000.

Prepared by: Nichole Anglin, Paralegal Approved by: John A. Nagel, City Attorney

ATTACHMENT

1. Draft Third Amendment to Outside Counsel Agreement