

**Council Meeting: June 29, 2010****SUBJECT: Amendment of Outside Counsel Agreement with Rankin, Landsness, Lahde, Serverian & Stock for Litigation Advice and Services****REPORT IN BRIEF**

Approval is requested for a contract amendment with the law firm of Rankin, Landsness, Lahde, Serverian & Stock, to assist the City with certain personal injury and personnel cases that are currently in litigation. The current contract began in 2008 provides for fees not to exceed \$99,000. This first amendment is required to reflect the fact that the City is currently defending itself against several personal injury cases and a complex personnel case.

BACKGROUND

Michael J. Serverian, a partner in the law firm Rankin, Landsness, Lahde, Serverian & Stock in San Jose, is a trial lawyer specializing in defense of public entities in personal injury and personnel cases. Mr. Serverian 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 certain litigation cases. The City's original contract with Rankin, Landsness, Lahde, Serverian & Stock commenced on July 1, 2008, in an amount not to exceed \$99,000.

DISCUSSION

The Rankin law firm has represented the City of Sunnyvale in numerous personal injury cases over the last several years. The City Attorney is pleased with its work and continued successes, including a recent jury trial verdict in the City's favor relating to a law suit involving a trip-and-fall. The firm continues to handle several other personal injury cases as well as a complex and ongoing personnel matter. In addition to the current cases, the City Attorney's Office would like to have the ability to retain the Rankin firm to handle future litigation. The cost estimate is based on the hourly rate for partners at \$190.00 per hour. The City Attorney finds this rate to be competitive with other legal firms providing similar services and that work performed to date has been efficient and demonstrated good cost control. Therefore, the contract should be increased to allow for up to an additional \$151,000, bringing the total not to exceed amount to \$250,000 and extending the term to 2013.

FISCAL IMPACT

Funds are available in the budgeted 09-10 and 10-11 City Attorney operating budget, and are anticipated to be budgeted in future operating budgets.

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 Web site.

ALTERNATIVES

1. Approve a first amendment to increase the contract with the law firm of Rankin, Landsness, Lahde, Serverian & Stock in a total contract amount not to exceed \$250,000.
2. Do not approve a first amendment to the contract with Rankin, Landsness, Lahde, Serverian & Stock.

RECOMMENDATION

Alternative 1, Council approve a First Amendment to the Outside Counsel Services Agreement with Rankin, Landsness, Lahde, Serverian & Stock for legal services in a total contract amount not to exceed \$250,000.

Prepared and reviewed by:

David E. Kahn, City Attorney
City Attorney's Office

Attachments:

Attachment A – Draft First Amendment to Outside Counsel Services Agreement

**FIRST AMENDMENT TO
OUTSIDE COUNSEL SERVICES AGREEMENT
BETWEEN THE CITY OF SUNNYVALE AND
RANKIN, LANSDNESS, LAHDE, SERVERIAN, & STOCK**

THE OUTSIDE COUNSEL SERVICES AGREEMENT commencing July 1, 2008, by and between the CITY OF SUNNYVALE, a municipal corporation (“City”) and RANKIN, LANSDNESS, LAHDE, SERVERIAN, & STOCK (“Outside Counsel) is hereby amended, effective June 29, 2010, as to Sections 1.0, 2.0 and 4.0, as follows:

1. Section 1.0 is hereby amended to read as follows:

1.0 SCOPE OF SERVICES. Outside Counsel will associate as counsel of record, in association with the City Attorney and/or designee. To provide legal services in connection with tort litigation defense and employment litigation matters.

2. Section 2.0 is hereby amended to read as follows:

2.0 TIME OF PERFORMANCE. The term of this Agreement shall be from July 1, 2008, through December 31, 2013.

3. Section 4.0 is hereby amended to read as follows:

4.0 COMPENSATION, REIMBURSEMENT AND METHOD OF PAYMENTS.

4.1 Compensation. Fees for all legal services provided hereunder shall be charged in accordance with Exhibit “A” which is attached and incorporated by reference. Exhibit “A” may be amended, from time to time, to alter fees and charges applicable hereto provided that a letter agreement is duly signed and approved by the City Attorney. The total amount of fees and expenses shall not exceed \$250,000.00.

4. Except as amended above, all other terms and conditions of the Agreement commencing, July 1, 2008, shall remain in effect.

IN WITNESS WHEREOF, City and Outside Counsel have executed this Third Amendment to Outside Counsel Agreement.

Dated: _____, 2010

Dated: _____, 2010

CITY OF SUNNYVALE
A Municipal Corporation

RANKIN, LANSDNESS, LAHDE,
SERVERIAN, & STOCK
A Professional Corporation

By _____
David E. Kahn, City Attorney

By _____
Michael C. Serverian, Partner

EXHIBIT A

RANKIN, LANSDNESS, LAHDE, SERVERIAN, & STOCK

RATE SCHEDULE

Partners	\$190
Associates	\$155
Paralegal/Law Clerks	\$110