Authorization to Amend the Existing Legal Service Agreement With the Law Firm of Colantuono, Highsmith & Whatley, PC (Contract S17167696) to Increase the Contract Amount by an Additional $125,000 Bringing the new Not-to-Exceed Amount of the Contract to $295,000; to Increase the Term by one Year; and to Approve a Budget Amendment in the General Fund

Recommendation

The City Attorney recommends that the City Council:

1. Approve and authorize an increase the legal services agreement with the law firm of Colantuono, Highsmith & Whatley, PC for litigation defense in the case of Green v. City of Palo Alto, et al., Santa Clara Superior Court Case No. 16CV300760 (Contract S17167696) by an additional $125,000 for a total not to exceed amount of $295,000 and to extend the term to October 1, 2020.

2. Amend the Fiscal Year 2020 Budget Appropriation Ordinance for the General Fund by: (a) increasing the City Attorney Department appropriation for contractual services by $125,000; and (b) decreasing the General Fund Budget Stabilization Reserve by $125,000.

Discussion

In October 2016, the City retained Colantuono, Highsmith & Whatley, PC (Contract S17167696) to represent the City in the case of Miriam Green v. City of Palo Alto, et al., Santa Clara Superior Court Case No. 16CV300760. An additional $125,000 is needed to fund the City’s defense in the litigation.

Resource Impact

The estimated additional cost for the City’s contract for legal services with Colantuono, Highsmith & Whatley, PC exceeds the City Attorney’s Department budgeted funds for contractual services. The City Attorney and Chief Financial Officer recommend that the appropriation to fund needed legal defense services be offset by a reduction in the General Fund Budget Stabilization Reserve (BSR). The BSR will remain at or above the City Council
approved target level of 18.5%. This appropriation of additional funds requires a super majority if City Council votes, or 2/3 approval per the City’s Charter and Municipal Code.

**Environmental Review**

Amendment of legal services contracts is not a project requiring environmental review under the California Environmental Quality Act (CEQA).

Department Head: Molly Stump, City Attorney