



## City Council Report

915 I Street, 1<sup>st</sup> Floor

Sacramento, CA 95814

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**File ID:** 2020-00236

March 24, 2020

**Consent Item 02**

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**Title:** Amendment to Contract No. 2018-1299 for Legal Services for Collections  
(M16-008)

**Location:** Citywide

**Recommendation:** Pass a Motion amending Contract No. 2018-1299 by \$99,000 and authorizing the City Attorney to execute a supplemental contract with Silver & Wright LLP in an amount not to exceed \$198,000 to represent the City and collect outstanding judgements in favor of the City, including but not limited to, cannabis monetary judgements.

**Contact:** Gustavo Martinez, Supervising Deputy City Attorney, (916) 808-5346, Office of the City Attorney

**Presenter:** None

**Attachments:**

1-Description/Analysis

2-Amendment to Contract No. 2018-1299

## Description/Analysis

**Issue Detail:** Staff is seeking Council approval to supplement the current legal services agreement with Silver & Wright, a Professional Law Partnership, in an amount not to exceed \$198,000 for expenses associated with collecting cannabis penalties from delinquent property owners. The law firm has been and will continue to demand payment from property owners in cases where cannabis penalties have been upheld following an administrative appeal hearing or in cases where property owners refuse to pay invoices on cannabis penalties that have been determined to be final. This amendment has become necessary due to the significant volume of enforcement cases that have now reached the collection stage and are viable candidates for collection efforts.

The City Attorney's Office maintains a pre-approved list of qualified outside counsel available to assist with litigation matters. Silver & Wright LLP has been selected as the most qualified firm to strongly represent and collect outstanding cannabis and code enforcement monetary judgements on behalf of the City.

It is recommended that the Council authorize the City Attorney to enter into a contract for legal services with Silver & Wright LLP in an amount not to exceed \$198,000.

**Policy Considerations:** This approval is required to represent and collect outstanding cannabis monetary judgements on behalf of the City.

**Economic Impacts:** Not applicable.

**Environmental Considerations:** Contracting for outside legal services is an administrative activity that will not result in direct or indirect physical changes in the environment and is not a project subject to CEQA review. CEQA Guidelines section 15378 (b) (5).

**Sustainability:** Not applicable.

**Commission/Committee Action:** Not applicable.

**Rationale for Recommendation:** Silver & Wright LLP has been selected as the most qualified firm to strongly represent and collect outstanding cannabis and code enforcement monetary judgements on behalf of the City. The law firm has a history of collecting judgments on code enforcement cases and expertise in the area of code enforcement.

**Financial Considerations:** There is enough funding in Project Number I03000100 to pay for the additional cost of the legal services.

**Local Business Enterprise (LBE):** Not applicable.

## SUPPLEMENTAL AGREEMENT

**Project Title and Job Number: Cannabis Penalty Collections**  
**Purchase Order #:**

**Date: 02-20-20**  
**Supplemental Agreement No.: 1**

The City of Sacramento ("City") and Silver & Wright LLP (Contractor), as parties to that certain Legal Services Agreement designated as Agreement Number 2018-1299, including any and all prior supplemental agreements modifying the agreement (the agreement and supplemental agreements are hereafter collectively referred to as the "Agreement"), hereby supplement and modify the Agreement as follows:

1. The scope of Services specified in Exhibit A of the Agreement is amended as follows:

The scope of work has not changed.

2. The term of this agreement is amended as follows:

There is no change in the term of the agreement.

3. In consideration of the additional and/or revised services described in section 1 and 2, above, the maximum not-to-exceed amount that is specified in Exhibit B of the Agreement for payment of Contractor's fees and expenses, is **increased** by \$99,000, and the Agreement's maximum not-to-exceed amount is amended as follows:

Agreement's original not-to-exceed amount:	<u>\$99,000</u>
Net change by previous supplemental agreements:	<u>\$-0-</u>
Not-to-exceed amount prior to this supplemental agreement:	<u>\$99,000</u>
<b>Increase</b> by this supplemental agreement:	<u>\$99,000</u>
New not-to exceed amount including all supplemental agreements:	<u>\$198,000</u>

4. Contractor agrees that the amount of increase or decrease in the not-to-exceed amount specified in section 2, above, shall constitute full compensation for the additional and/or revised services specified in section 1, above, and shall fully compensate Contractor for any and all direct and indirect costs that may be incurred by Contractor in connection with such additional and/or revised services, including costs associated with any changes and/or delays in work schedules or in the performance of other services or work by Contractor.
5. Contractor warrants and represents that the person or persons executing this supplemental agreement on behalf of Contractor has or have been duly authorized by Contractor to sign this supplemental agreement and bind Contractor to the terms hereof.
6. Except as specifically revised herein, all terms and conditions of the Agreement shall remain in full force and effect, and Contractor shall perform all of the services, duties, obligations, and conditions required under the Agreement, as supplemented and modified by this supplemental agreement.

**Approval Recommended By:**

**Approved As To Form By:**

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Attorney

**Approved By:**

\_\_\_\_\_  
Curtis Wright

**Attested To By:**

**Approved By:**

\_\_\_\_\_  
City of Sacramento

\_\_\_\_\_  
City Clerk