



**Office of the Mayor
City of Los Angeles**

ANTONIO R. VILLARAIGOSA

**FOR IMMEDIATE RELEASE
May 8, 2008**

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MAYOR VILLARAIGOSA VETOES OUTSIDE COUNSEL CONTRACTS FOR MAY 1ST LITIGATION

LOS ANGELES – Today Mayor Antonio Villaraigosa vetoed the April 25, 2008 City Council authorization for \$210,000 to be utilized for outside legal counsel to assist in May 1st litigation.

"Given what we know about what happened on May 1, the vast majority of these cases should settle, and they should settle in the most cost-effective manner possible," Mayor Villaraigosa said. "The City Attorney should adjust his strategy to achieve that end."

The text of the letter was as follows:

Honorable Members:

Today, I have vetoed the April 25, 2008 City Council action to transfer \$210,000 from the Unappropriated Balance/Reserve for Economic Uncertainties and to authorize the City Attorney to enter into contracts with nine law firms to assist in the May 1 litigation, Council File No. 08-0854. I believe that the number of law firms is excessive, and that the inevitable increase of outside counsel charges well beyond the sum being transferred here counsels against approval of this action. I urge you to act to authorize the retention of two law firms; I could readily support such a more reasonable allocation of resources, particularly during this difficult financial time for the City.

While the City Attorney has the right duty to determine how best to staff the cases filed against the City and to determine the strategy to achieve appropriate resolution, our collective duty is to ensure that the City is operating in a financially prudent manner. Commencing contracts with nine outside law firms – contracts that will extend into future fiscal years with inevitably increased tallies of hourly attorney charges – to assist in the litigation of claims related to the May 1

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demonstrations simply does not meet that test. It is my understanding that these claims, many of which are subsumed in a certified class action, are currently being scheduled for mediation with highly-qualified neutrals. The outcome of that mediation should be a mutually agreed process to efficiently resolve the validity of the claims and the appropriate compensation for demonstrated injuries. That process should be as cost-effective as possible, reducing legal costs on both sides of the litigation. While the process will not resolve every May 1 claim, it should significantly reduce the costs of resolution for the claims as a whole. Accordingly, it makes little sense to open contracts with nine law firms until the outcome of the mediation is known.

For these reasons, I have vetoed this Council action. However, I would welcome and approve a more limited transfer of funds to commence contracts with two outside law firms to assist in the May 1 litigation. I respectfully request your support of my decision and your enactment of a substitute Council action amended as here proposed.

Very truly yours,

ANTONIO R. VILLARAIGOSA
Mayor

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