



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 4/30/2024

To: County of Sonoma Board of Supervisors, Sonoma County Water Agency Board of Directors, Sonoma County Agricultural Preservation and Open Space District, Board of Directors Community Development Commission, Northern Sonoma County Air Pollution Control District

Department or Agency Name(s): County Counsel

Staff Name and Phone Number: Tandra Curtis (707) 565-2421

Vote Requirement: 4/5th

Supervisorial District(s): All

Title:

Legal Services Agreement for Bankruptcy Legal Representation

Recommended Action:

Authorize County Counsel to execute a legal services agreement with the law firm Rimon PC, for advice and representation in various bankruptcy matters for a thirty-six (36) month initial term ending April 30, 2027, and a contract maximum limit not to exceed \$600,000; and to execute a one-time two (2) year renewal option based on satisfactory performance with an extension maximum limit not to exceed \$400,000. (4/5th Vote Required)

Executive Summary:

This requested Board action authorizes the County Counsel to execute an agreement for legal services with Rimon PC due to the specialized nature of their work related to bankruptcy matters.

Discussion:

County Counsel provides legal representation, advice and counsel to the County, its governing Board of Supervisors, County Departments, special districts, and other public agencies, as mandated and authorized by California statutes and local ordinances. From time to time, the County has retained various outside law firms to represent the County in a variety of legal matters. Outside law firms are retained only when County Counsel either does not have the capacity, lacks the expertise to handle these lawsuits in-house, or has an ethical conflict. These law firms are assigned cases based upon their proven legal ability and specific experience with public entity representation.

County Counsel previously requested qualifications from several outside law firms to establish contracts for legal representation and advice in bankruptcy matters. In the most recent request for proposals for legal bankruptcy services, Rimon PC was selected based on their expertise and proposed fee schedule. An agreement for legal bankruptcy services with Rimon PC was first entered into on August 1, 2021 for a one year period with a not to exceed amount of \$50,000. A First Amendment with a not to exceed amount of \$50,000 was entered into on August 5, 2022, extending the contract for an additional year, and a Second Amendment was entered into on August 1, 2023, extending the contract for an additional year, with a not to exceed amount of \$50,000. Rimon PC has been competently furnishing such services pursuant to these agreements. However, due to the recent increased need for legal expertise, advice and representation in various

Agenda Date: 4/30/2024

However, due to the recent increased need for legal expertise, advice and representation in various complicated bankruptcy matters, there is a need to increase the annual cap on the Legal Services Agreement.

The agreement proposed is a fee for service contract with no minimum amount of work guaranteed to the firm. The law firm will only be assigned work pursuant to the contract if County Counsel cannot handle the matter in house and if the affected department or agency identifies a budget source to pay for the legal work. The agreement also contains a termination clause that allows the County to terminate the agreement at any time. Actual costs will depend on future bankruptcy filings that impact the County and specific bankruptcy projects assigned to Rimon PC. County Counsel reviews all assignments pursuant to the contract and the law firm's proposed legal strategy. County Counsel monitors and approves the law firm's legal representation in all aspects. All legal services invoices are reviewed for payment by County Counsel.

The initial contract term is recommended for a thirty-six (36) month term with contract maximum limits not to exceed \$600,000, with the possibility of a one-time two (2) year renewal at the option of the County based on satisfactory performance. The two year extension has a maximum limit not to exceed \$400,000 during any such extension; for a potential total contract amount of \$1,000,000 over a five year period. Depending upon the number of case assignments and the size and scope of each case assigned, and based upon the historical spend for external counsel bankruptcy services, this limit will likely not be reached.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

None

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			

Agenda Date: 4/30/2024

Total Sources			
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Narrative Explanation of Fiscal Impacts:

Legal services for bankruptcy matters will be requested on an as-needed basis and will be billed to the department or agency that needs the representation when the need arises. No legal work will be assigned unless and until a budget source is identified.

Services are not guaranteed and thus usage will vary year-over-year, which prevents staff from defining specific annual fiscal impacts.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Legal Services Agreement

Related Items "On File" with the Clerk of the Board:

N/A