



## REPORT TO COUNCIL City of Sacramento

915 I Street, Sacramento, CA 95814-2604  
www. CityofSacramento.org

CONSENT  
January 15, 2008

**Honorable Mayor and  
Members of the City Council**

**Title:** Agreement for Legal Services with the Law Offices of Martha H. Lennihan

**Location/Council District:** Citywide

**Recommendation:** Adopt a **Resolution** authorizing the City Attorney to enter into an agreement with the Law Offices of Martha H. Lennihan, to provide specialized legal services to the City with respect to water supply, water resources and water rights issues and proceedings, for an annual amount not to exceed \$150,000.

**Contact:** Gary Reents, Director of Utilities (808-1433)  
Joe Robinson, Senior Deputy City Attorney (808-2009)

**Presenters:** N/A

**Departments:** City Attorney; Department of Utilities

**Division:** N/A

**Organization No:** 0500 (City Attorney); 3311 (Department of Utilities)

**Description/Analysis:**

**Issue:** This report seeks authorization to contract for the continued specialized legal services of outside water counsel.

**Policy Considerations:** Along with the significant legal services provided on water matters by the City Attorney's office, Ms. Lennihan's continued participation as part of the City's "water team" will assist the City as it proceeds with a number of significant water supply and water-related activities. Ms. Lennihan is on the City Attorney's list of approved outside counsel.

**Committee/Commission Action:** None



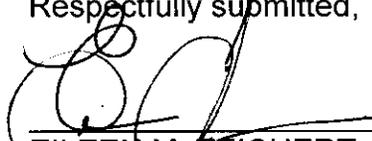
**Environmental Considerations:** Approval of the agreement is not subject to the California Environmental Quality Act (CEQA), because it can be seen with certainty that there is no possibility that such approval may have a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

**Rationale for Recommendation:** Ms. Lennihan's specialized legal services provide a valuable supplement to the legal services provided by the City Attorney's office in the area of water rights and water supply.

**Financial Considerations:** Although Ms. Lennihan will be retained by the City Attorney's Office, funding for her legal services will be provided by the Department of Utilities from its Water Fund (Org # 3311, Fund 413).

**Emerging Small Business Development (ESBD):** Ms. Lennihan's firm is certified by the City as a Small Business Enterprise.

Respectfully submitted,

  
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EILEEN M. TEICHERT  
City Attorney

  
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GARY A. REENTS  
Director of Utilities

RECOMMENDATION APPROVED:

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RAY KERRIDGE  
City Manager

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**Attachment 1**

**BACKGROUND:**

- The City's water rights and water supply facilities are among the City's most important assets, and the protection and development of these rights and facilities is vital to the City and the City's water service customers.
- Due to the significance of these activities to the City, City staff utilizes a team approach to address and resolve numerous complex water supply issues pertaining to water rights, environmental review, regulatory approvals and other matters. In conjunction with the City Attorney's Office, City staff from the Department of Utilities and other City offices, and outside engineering and biological consultants, the City's outside water counsel functions as an important member of this team.
- Since 1998, the City Attorney's Office has retained Martha H. Lennihan, a Sacramento attorney who specializes in water supply, water resources and water rights matters, to provide specialized legal advice and representation to assist the City Attorney's Office and the City as it proceeded with a number of significant water rights and water supply activities: (1) Regulatory issues pertaining to the City's water supply projects, including the City's 2 water intake projects and 2 treatment plant expansion projects on the Sacramento and American Rivers; (2) Regulatory issues pertaining to the City's participation in the Sacramento River Water Reliability Project, a multi-agency planning effort for the future construction of new water supply facilities in the vicinity of Sacramento International Airport; and (3) Assistance with water supply issues pertaining to the City's water rights and U.S. Bureau of Reclamation water rights settlement contract.
- Ms. Lennihan's specialized legal services provide an invaluable supplement to the legal services provided by the City Attorney's office in the area of water rights and water supply. The City Attorney's office has developed, and will continue to develop, significant legal expertise in these areas and plays a very significant role in the City's water matters. The retention of Ms. Lennihan provides additional specialized expertise that substantially benefits the City due to her familiarity with current developments and contacts with various regulatory agencies, as well as her ongoing involvement in regional and statewide water issues impacting the City and the City's projects. The need for specialized legal counsel as part of the City's water team will continue as the City proceeds with significant water-related projects and activities.
- The proposed agreement specifies an annual not-to-exceed amount of \$150,000, with authorization for the City Attorney to renew the agreement for up to two successive one-year terms (for a total potential term of 3 years), provided that sufficient funds have been allocated to the Department of Utilities Water Fund for such purpose in the City Council's annual budget appropriation. Ms. Lennihan's billing rate for 2008 is \$270 per hour, which is comparable to or below rates paid by other public agencies for services of outside water counsel possessing Ms. Lennihan's qualifications and experience.

**RESOLUTION NO.**

Adopted by the Sacramento City Council

**AUTHORIZING LEGAL SERVICES AGREEMENT WITH THE LAW  
OFFICES OF MARTHA H. LENNIHAN**

**BACKGROUND:**

- A. Since 1998, the City Attorney's Office has retained Martha H. Lennihan, a Sacramento attorney who specializes in water supply, water resources and water rights matters, to provide specialized legal advice and representation to assist the City Attorney's Office and the City as it proceeded with a number of significant water rights and water supply activities.
- B. The need for specialized legal counsel as part of the City's "water team" will continue as the City proceeds with significant water-related projects and activities.
- C. Ms. Lennihan is on the City Attorney's list of approved outside counsel.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL  
RESOLVES AS FOLLOWS:**

- Section 1. The City Attorney is authorized to execute a Legal Services Agreement with the Law Offices of Martha H. Lennihan for an annual not-to-exceed amount of \$150,000. The City Attorney is authorized to renew the agreement for up to two successive one-year terms (for a total potential term of 3 years), provided that sufficient funds have been allocated to the Department of Utilities Water Fund in the City Council's annual budget appropriation.

