MICHAEL N. FEUER
CITY ATTORNEY

REPORT NO. R16-0131

APR 15 2016

REPORT RE:

RETENTION OF OUTSIDE COUNSEL ON CONTINGENCY COMPENSATION BASIS ONLY FOR INVESTIGATION AND POTENTIAL PURSUIT OF CLAIMS AGAINST AMERICAN EXPRESS FOR FEE OVERCHARGES

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 15-1397

Honorable Members:

This report is in response to the City Council's January 20, 2016, request that the City Attorney report on all legal options available to pursue a potential recovery of artificially inflated credit card payment fees American Express (Amex) has charged the City of Los Angeles.

Recommendation:

As discussed in greater detail in the privileged and confidential report we are concurrently transmitting to you, we recommend that you authorize the City Attorney to retain Strange & Butler on a purely contingency basis (twenty percent (20%) of any

recovery) to serve as co-counsel to assist the City Attorney investigate and potentially pursue claims against American Express arising from its anti-steering rules.

Very truly yours,

MICHAEL N. FEUER, City Attorney

By

THOMAS PETERS
Chief Assistant City Attorney