

BUDGET AND FINANCE COMMITTEE REPORT relative to retention of outside counsel for potential pursuit of claims against American Express for fee overcharges.

Recommendation for Council action:

AUTHORIZE the City Attorney to retain the law firm of Strange and Butler on a purely contingency basis (20 percent of any recovery) to serve as co-counsel to assist the City Attorney to investigate and potentially pursue claims against American Express arising from its anti-steering rules.

Fiscal Impact Statement: None submitted by the City Attorney. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

SUMMARY

At its regular meeting held on August 8, 2016, the Budget and Finance Committee considered a report from the City Attorney dated April 15, 2016 relative to the retention of outside counsel, on a contingency compensation basis only, to assist in the investigation and potential pursuit of claims against American Express for fee overcharges related to American Express' anti-steering rules. The City Attorney reports that because of the highly specialized nature of litigation regarding credit card companies' anti-steering rules, securing co-counsel with expertise in this area would maximize any potential to recovery to the City and therefore, the City Attorney recommends the retention of the law firm of Strange & Butler on a contingency fee basis.

After providing an opportunity for public comment, the Committee approved the recommendation in the City Attorney report. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN:	YES
ENGLANDER:	YES
KORETZ:	ABSENT
BLUMENFIELD:	YES
BONIN:	YES

REW
8/8/16
FILE NO. 15-1397

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