

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

February 27, 2024

FROM

TOM BUNTON, County Counsel

VICTOR TORDESILLAS, Director, Department of Risk Management

SUBJECT

Agreement with Reed Smith LLP for Specialized Legal Services

RECOMMENDATION(S)

1. Approve **Agreement No. 24-176** with Reed Smith LLP for specialized legal services in connection with insurance recovery relating to six settlements in an amount not to exceed \$3,000,000 for the retroactive contract period of October 5, 2023 through October 4, 2025 (Four votes required).
2. Authorize the County Counsel or Chief Assistant County Counsel to amend Exhibit A to the agreement referenced in Recommendation No. 1, to change or add attorneys, paralegals or other legal staff, as needed.

(Presenter: Tom Bunton, County Counsel, 387-5455)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). The costs for the identified legal services are included in the Department of Risk Management (DRM) – General Liability Fund (7310004096). Sufficient appropriation and revenue are included in DRM's 2023-24 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

The recommended agreement will allow the County to continue to utilize Reed Smith LLP (Reed Smith) to represent the County in the litigation filed titled, *San Bernardino County v. Everest National Insurance Company, et al.*, Los Angeles Superior Court Case No. 23STCV02336, for insurance recovery legal services to obtain insurance coverage in connection with settlements reached in multiple matters.

On October 5, 2021 (Item No. 28), the Board of Supervisors (Board) approved Agreement No. 21-753 with Reed Smith for these legal services in the amount of \$1,250,000 for the term of October 5, 2021 through October 4, 2023. Reed Smith estimates costs will be approximately \$3,000,000 for this matter through October 2025. The services are needed until the litigation concludes. Due to an administrative oversight, the previous contract was not extended prior to its expiration on October 4, 2023. The County continues to require the services of Reed Smith in connection with the insurance recovery legal services. Four votes are required per

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Government Code section 25203, as the Board is approving employment of counsel to assist the County in an ongoing legal matter.

PROCUREMENT

On August 12, 2020, Reed Smith participated in a competitive procurement process completed by County Counsel and Risk Management for similar legal services to be provided in connection with insurance recovery relating to the Chino Airport volatile organic compound plume. Seventeen law firms were invited to participate in this process, six law firms submitted a proposal, and three were interviewed by an evaluation committee consisting of representatives from County Counsel, Risk Management, and the Department of Airports. Reed Smith was selected due to their availability and experience with similar legal matters.

Based on this competitive procurement and Reed Smith's experience, on March 2, 2021, pursuant to Title 1, Division 2, Chapter 19, Section 12.1908 of the County Code, the County Counsel's Office requested a Purchase Order and Purchase Order No. 4100186407 was issued in the amount of \$150,000 to retrain Reed Smith to advise on a strategy for procuring insurance coverage. On March 26, 2021, Purchase Order No. 4100186407 was increased by \$50,000, from \$150,000 to \$200,000. On June 8, 2021 (Item No. 41), the Board approved an increase to Purchase Order No. 4100186407 by \$40,000, from \$200,000 to \$240,000. On October 5, 2021 (Item No. 28), the Board approved Agreement No. 21-753 with Reed Smith for continued legal services in an amount not to exceed \$1,250,000 for the term of October 5, 2021 through October 4, 2023.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Laura Feingold, Chief Assistant County Counsel, Laurel A. Hoehn, Supervising County Counsel, and Eva Magana, Chief of Administration, 387-5455) on February 13, 2024; Risk Management (Victor Tordesillas, Director, 386-8623) on February 2, 2024; Purchasing (Jessica Barajas, Supervising Buyer, 387-2065) on February 2, 2024; Finance (Carl Lofton, Administrative Analyst, 387-5404) on February 16, 2024; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on February 16, 2024.

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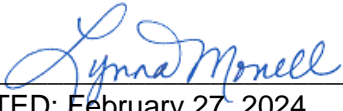
Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.

Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: February 27, 2024



cc: Counsel - Magana w/agree
Contractor - c/o Counsel w/agree
File - w/agree

CCM 03/1/2024