



STAFF REPORT

MEETING DATE: May 8, 2024

PRESENTER: John Jansons, City Manager

SUBJECT: Amendment to Agreement for Legal Services with Montoy Law Corporation (JAJ)

RECOMMENDATION: Consider adoption of resolution approving Amendment No. 3 to agreement for legal services with Montoy Law Corporation adjusting rates effective July 1, 2024.

EXECUTIVE SUMMARY:

The City of Kerman has contracted with the Montoy Law Corporation (“Firm”) since 2015 to provide the City with municipal legal services. Ms. Montoy has requested an adjustment to her rates effective July 1, 2024. The resolution attached would approve Amendment No. 3 to the contract for services and increase rates and fees charged to the City of Kerman for legal services.

The proposed new rates are commensurate with Ms. Montoy’s high level of expertise and knowledge in municipal law. They are competitive in our geographic region and reasonable to keep pace with rising costs experienced by firms who serve cities in the Central Valley. See comparable rates under Discussion below.

DISCUSSION:

The City of Kerman has contracted with the Montoy Law Corporation (“Montoy”) since 2015 to provide the City with municipal legal services. Since that time, Hilda Cantu Montoy has served as City Attorney. Her rates have been adjusted twice in July 2021 and July 2023. Ms. Montoy has requested an adjustment to reflect rising costs to provide legal services and to ensure her rates are commensurate with her high level of expertise and knowledge in municipal law. The resolution attached, would approve Amendment No. 3 to the contract for services and increase rates charged to the City of Kerman for legal services.

Rates for general services would be increased from \$215 to \$250 and rates for litigation would be increased from \$260 to \$295. The proposed rates are competitive in our geographic region and reasonable to keep pace with rising costs. The following table reflects rates for general legal services for surrounding cities effective July 1, 2024:

Entity	Advisory Rate	Litigation Rate	Note:
Coalinga	\$265		
Del Rey CSD	\$260/hour	\$285/hour	
Firebaugh			\$6,500 monthly retainer
Fowler	\$235/hour		
Madera	\$265/hour	\$290/hour	
Mendota	\$255/hour		
Reedley	\$225/hour		
Selma	X	X	\$16,500 monthly retainer
AVERAGE	\$251.00/hr	\$287.00/hr	

Note: A similar rate adjustment is in progress with City of San Joaquin and City of Sanger.

The proposed new rates are responsible and are competitive for the region, available legal budget resources of Kerman, and for the complexity of routine issues requiring legal advisory services. At the rates proposed, Ms. Montoy will continue to be able to utilize some outside legal support as needed when circumstances dictate, at the Montoy firm rate, with exceptions.

FISCAL IMPACT:

The primary hourly fees charged to the City for general legal services will increase from \$215 per hour to \$250 per hour and \$260 per hour to \$295 per hour for litigation and special services.

ATTACHMENTS:

- A. Resolution w/Exhibit

RESOLUTION NO. 24-___

**RESOLUTION APPROVING AMENDMENT NO. 3 TO AGREEMENT FOR LEGAL SERVICES
WITH MONTOY LAW CORPORATION**

WHEREAS, the City of Kerman requires competent and professional municipal legal services and advice; and

WHEREAS, Hilda Cantu Montoy of Montoy Law Corporation (Firm) has served the City of Kerman since 2015 as contract City Attorney and both parties wish to continue this relationship; and

WHEREAS, a rate increase is warranted to keep pace with recent inflation and increased costs of doing business, as well as to recognize Ms. Montoy's high level of expertise and knowledge in municipal law; and

WHEREAS, the City deems the proposed increases reasonable and appropriate in the marketplace and a continuance of good value for competent and professional legal services; and

WHEREAS, Firm further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in Amendment No. 3 to Agreement.

NOW, THEREFORE, the City Council of the City of Kerman resolves as follows:

SECTION 1. The above recitals are true and correct and incorporated herein by reference.

SECTION 2. The City Council approves Amendment No. 3 to Agreement for Legal Services with Montoy Law Corporation (Exhibit 'A').

SECTION 3. The City Council authorizes the Mayor to execute the Amendment.

SECTION 4. This Resolution is effective upon its adoption.

The foregoing resolution was adopted by the City Council of the City of Kerman at a regularly scheduled meeting held on this 8th day of May 2024, by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

The foregoing resolution is hereby approved.

Maria Pacheco
Mayor

ATTEST:

Josie Camacho
Interim City Clerk