

To: Honorable Mayor and City Council Members

From: Steven Krokoff, City Manager

Date: Submitted on January 13, 2022, for the January 19, 2022, Regular Council Meeting

Agenda Item: Consideration of an Approval of a Resolution Appointing Jarrard & Davis, LLP as City Attorney, to Include Modified Rate Structure.

DocuSigned by:
Steven Krokoff
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Description:

The City of Milton contracts for legal representation with Jarrard & Davis, LLP and has done so for the past 14 years. In December 2021, the City of Milton received correspondence from Ken Jarrard notifying the City of an impending increase in rates driven by current economic and market conditions. These new rates will be effective February 1, 2022, and are as follows:

Partner Rates	
Founding Partners	\$275/hr
Partners and of Counsel	\$250/hr
Associate Rates	
Tier 1 Associate	\$200/hr
Tier 2 Associate	\$215/hr
Tier 3 Associate	\$225/hr
Tier 4 Associate	\$240/hr
Paralegal Rates	\$150/hr

Currently, the City is charged a flat \$175/hr for all attorney services and \$75/hr for paralegal services. That fee structure has been in place since October, 2016. Previous to that, the City was charged a flat \$150/hr for all attorney services and \$75/hr for paralegal services.

From a staff perspective, we find the services provided by Jarrard & Davis to be exemplary. Ken Jarrard, our city-appointed attorney, is always available and reliable. The firm instructs on legal matters throughout Georgia and is considered a leader in municipal legal representation.

Financial Impacts:

The fee structure is changing from a flat fee for attorney services to one that is tiered. Two methods were utilized to forecast future financial impacts. The first involved calculating two months of average service, affixing the new fee schedule to the new tiers and then calculating the difference. We utilized the months of September and October 2021—the most recent months billed and paid when the City received the notice of the increase. The average fee for the sample months was \$22,862.79 per month. The average fee for FY 2021 was \$21,414.88 per month—the sample should be accurate for forecasting purposes. Based upon the data, it is believed that the increased rate, on average, may result in an additional \$6,700 per month or approximately \$80,500 per year based upon the data sample used.

The second method involved forecasting the increase based upon the average yearly fee for the past five years, which was \$291,100. Based upon that figure, the increase would be approximately \$89,500 per year. It is important to note that the fees are charged hourly and therefore driven by workload and can vary significantly.

The Mayor and Council appoint the City Attorney via resolution.

Procurement Summary:

Purchasing method used: Other (See Comment Above)

Account Number: 100-1530-5212020000

Legal Review: N/A

Concurrent Review:

Attachment:

