

MEMORANDUM

**TO: MAYOR AND CITY COUNCIL MEMBERS
ACTING CITY MANAGER WILDE
CITY CLERK CARLSON**

**FROM: JESSICA J. SPUHLER
HOLLY C. WELLS**

RE: FIRST QUARTER CITY ATTORNEY REPORT

CLIENT: CITY OF WHITTIER

FILE NO.: 507456.60

MEETING DATE: MAY 19, 2025

The purpose of this First Quarter City Attorney Report is to provide the City of Whittier with a summary of all legal work performed from January 1, 2025, through March 31, 2025. It will highlight any updates to the Council on pending projects and our team's priority projects as we move into the second quarter of 2025.

This report will provide a breakdown of the number of hours worked in general legal services and those worked on specific projects and matters. To assist the Firm in doing this in a cost-effective manner, additional files have been created to allow Council and Administration to carefully review the legal work required for each given project or specific matter. Furthermore, this report is broken into three primary sections: I) Summary of Hours Worked by Topic; II) Summary of Legal Work by Month; and III) Brief summary of recommendations regarding 2025 legal projects based on current and outstanding legal work. The Firm's approach to the report can be revised to fit the Council's needs and preferences.

I. SUMMARY OF HOURS WORKED BY TOPIC

This section of the report provides a summary of the hours worked by topic during this quarter.

- General 2024-2025 – 64.80 Hours Worked
- Eric Fleming Injunction – 25.20 Hours Worked
- Whittier Seafood Bankruptcy – 23.90 Hours Worked
- Title 3 Tax Revisions – 23.80 Hours Worked
- ASCHR Complaint – 3.10 Hours Worked
- Legislative Land Transfer 2024-2025 – 2.10 Hours Worked
- ARRC Master Lease Negotiations – 1.30 Hours Worked
- General Counsel Advice – 0.80 Hours Worked

- HOB Chugach Easement – 0.60 Hours Worked
- Alaska Railroad Real Estate Issues – 0.60 Hours Worked
- Head of Bay Project – Huna Totem – 0.40 Hours Worked

II. SUMMARY OF LEGAL WORK BY MONTH

The following provides a summary of legal services provided by month. Please be aware that attorney-client matters involving personnel or other confidential or privileged matters are noted only generally. To the extent Council would like an assessment of those matters, a separate attorney-client privileged report can be provided.

January 2025

Attorney Holly Wells conducted research and communicated with Attorney Michael Schwarz regarding eminent domain parameters and ARC exchange in relation to Alaska Railroad lease negotiations. Additionally, Attorney Wells conducted research and drafted responses to public records requests. She also prepared for and attended City Council meetings.

Attorney Jessica Spuhler corresponded with Huna counsel on electric agreement/costs at HOB and the tsunami warning system in relation to the Head of Bay Project, drafted an ordinance reflecting changes to reporting practices for the waterborne passenger fee, reviewed Title 2 revisions, drafted responses to ethics complaints inquiries, and helped engage the City with an administrative law judge in relation to an ethics complaint.

Attorney Jason Brandeis handled matters related to the City's conditional protest of the GOOD Cannabis retail marijuana store license application, including corresponding with GOOD Cannabis, AMCO, and the City Manager, reviewing the history of GOOD Cannabis' license application, and attending the City Council meeting where GOOD Cannabis' request for an extension of time to meet the conditions of the protest was heard.

Attorney William Earnhart met with an investigator and advised on a request for additional information in relation to an ASCHR complaint.

Attorneys George Pitts and Georgia Spies reviewed filings, researched Chapter 11 defenses, and communicated with the City to provide status updates and general advice in relation to the Whittier Seafood bankruptcy case.

Attorney Michael Schwarz reviewed documentation regarding lease representations and warranties.

February 2025

Attorney Wells continued to check in with the legal team regarding all ongoing matters, such as pending litigation and legislative projects. She prepared for and attended meetings with the City and continued to conduct research for such matters.

Attorney Spuhler prepared for and attended a meeting to discuss the ground passenger fee in relation to Title 3 Tax revisions, conducted a call with the Harbor Master in relation to the HOB Chugach Easement, and revised the City Attorney quarterly report.

Attorney Schwarz reviewed documentation and drafted responses regarding lease, tax issues, and WMCA matters.

Attorney Filippenko prepared for meetings regarding a public safety records request denial and drafted an appeal to that issue.

Attorneys Brian Gerd, Wells, and Spuhler collaboratively engaged in research and analysis regarding the litigation strategy for the Eric Fleming Injunction. The team also drafted and filed pleadings pertaining to a motion to strike and a motion for default judgment.

Attorney Pitts continued to provide updates to the City regarding the Whittier Bankruptcy matter.

March 2025

Attorney Wells performed research, reviewed, and revised the Title 3 election code. Additionally, she conducted research on conflicts of interest and proposed legislation. In relation to the legislative land transfer, she prepared correspondence for the ARRC land acquisition and conducted research on the Memorandum of Understanding. She also prepared for and attended City Council meetings.

Attorney Spuhler prepared for and attended a work session and special meeting with the City.

Attorney Jennifer Alexander reviewed and revised a consulting contract.

Attorney Schwarz drafted and revised a caboose location lease for the USCG.

Attorney Earnhart communicated with the City regarding the EEOC Determination for an ASCHR complaint.

Attorney Pitts reviewed filings, drafted response pleadings, attended hearings, and prepared a memorandum to advise the City concerning new developments and recommended actions in the Whittier Seafood bankruptcy case.

III. PRIORITIES FOR THE SECOND QUARTER OF 2025 (April 1 – June 30, 2025)

Based upon discussions with Council and the current projects not yet completed but directed by Council, the legal team requests Council confirmation that the following priorities remain Council's focus moving into the second quarter of 2025:

1. Ongoing negotiations with ARRC regarding lands governed by the master lease and the potential purchase of such lands.
2. Finalization and Negotiation of Lease Agreements
3. Revisions to Title 2.
4. Creation of a Land Allocation Plan and scheduling the first Land Allocation Plan.
5. Completion of City Council Policies and Procedures (pending Administration review and approval).
6. Election Education and Updates.
7. Revision of Title 17, Zoning.

IV. CONCLUSION

The first quarter of 2025 was yet another active period and marked further progress for ongoing projects. Attorney Spuhler will attend the May 2025 City Council meeting to answer any questions Council may have about this report and ongoing projects. While we made every attempt to be comprehensive in this report, the legal work performed on Whittier's behalf is extensive and this report provides only an overview of that work. To the extent Council members have specific questions that may require additional research, we encourage members to provide City Clerk Carlson those questions before the Council meeting so we are prepared to provide knowledgeable and thorough responses. Further, we also encourage Council members to review the list of priorities laid out for the second quarter, so that we can work together to amend these priorities as Council sees fit at its May meeting.