

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
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February 7, 2007

TO: Sacramento Local Agency Formation Commission
FROM: Peter Brundage, Executive Officer
RE: Miller, Owen & Trost Conflict Wavier Request

RECOMMENDATION

Authorize the Executive Officer to sign the attached Conflict Wavier Request from Miller, Owen & Trost.

DISCUSSION

Miller, Owen & Trost is your Commission's Attorney of Record. The City of Sacramento has requested Miller, Owen & Trost to represent the City of Sacramento on matters relating to the valuation of the downtown railyard property. The firm has accepted.

The Rules of Professional Conduct of the State Bar of California require the written consent of each affected party when an attorney has or has had a relationship with another party interested in the subject matter of the attorney's proposed representation of the client. Specifically, the City of Sacramento is an applicant before the Commission on the proposed Annexation of Greenbriar property to the City of Sacramento. The relationship of the City of Sacramento and Sacramento LAFCo is potentially adverse with respect to future action by LAFCo on the City's application. In addition, the City of Sacramento is likely to submit other proposals to LAFCo.

Miller, Owen & Trost will engage in the determination of the valuation of the City of Sacramento's acquisition of the downtown railyard property. ***There does not appear to be any direct conflict with the valuation of the railyard and the proposed annexation of the Greenbriar property.*** However, the potential exists for indirect impacts related to

confidential attorney - client communication and the potential for adverse consequences regarding an attorney favoring one client over another.

LAFCo may obtain independent legal advice prior to giving its consent. The matters and issues related to this request are not directly related to each other. I believe that Miller, Owen & Trost will act in the utmost professional manner to each of its clients. Therefore, I recommend that your Commission authorize me to sign the Request for Wavier.

PB:Maf
(MOT Wavier)