



**Outside Counsel
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 25
AGENDA DATE: Thu 07/29/2004
PAGE: 1 of 1

SUBJECT: Authorize negotiation and execution of an amendment to the outside counsel contract with SCOTT, DOUGLASS & MCCONNICO, L.L.P., Austin, TX, in *S.R. Ridge Limited Partnership v. City of Austin and Stratus Properties, Inc.*, Cause No. A03CA832 SS in the U.S. District Court for the Western District of Texas, Austin Division, in the amount of \$300,000, with a total contract amount not to exceed \$360,000.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$300,000 is available in the fiscal year 2003-2004 Approved Operating Budget of the Liability Reserve Fund.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

**REQUESTING Law
DEPARTMENT:**

**DIRECTOR'S
AUTHORIZATION:** Dana Johnson

FOR MORE INFORMATION CONTACT: David Smith, City Attorney / 974-2268; Laurie Eiserloh, Assistant City Attorney / 974-2188

PRIOR COUNCIL ACTION: A contract extension was approved on March 11, 2004 in the amount of \$50,000.

BOARD AND COMMISSION ACTION: N/A

This amendment increases the amount of the legal services contract with Scott, Douglass & McConnico, L.L.P., for representation in *S.R. Ridge Limited Partnership v. City of Austin and Stratus Properties, Inc.* This case concerns a claim that the City breached a 1996 agreement settling litigation over development rights on property located within the Edwards Aquifer Recharge Zone at Slaughter and MoPac, based on Wal-Mart's decision not to continue with development plans.

The Law Department contracted with this firm on March 8, 2004 for an original contract amount of \$10,000. The council authorized an expenditure of an additional \$50,000, which was funded by the Economic Development Fund.

Additional payment authority of \$300,000 is necessary to pay anticipated fees through the end of the fiscal year, resulting in a total contract amount of \$360,000.