

REQUEST FOR COUNCIL ACTION**TO:** Mayor via City Secretary**SUBJECT:** Approve an ordinance authorizing a Professional Services Agreement with Susman Godfrey L.L.P. and the City of Houston for legal services related to, *The City of Houston v. Towers Watson & Co.: Civil Action No. 14-cv-02213*.**Category #****Page 1 of 2****Agenda Item #****FROM: (Department or other point of origin):**
Legal Department**Origination Date****Agenda Date****DIRECTOR'S SIGNATURE:**

Ronald C. Lewis, City Attorney

Council Districts affected:
All**For additional information contact:**

Lisa A. Ketai, Sr. Assistant City Attorney (832) 393-6447

Date and identification of prior authorizing Council Action: July 16, 2014 Ord. 2014-0725, November 16, 2016 Ord. 2016-0882**RECOMMENDATION: (Summary)**

Adopt an ordinance approving a Professional Service Agreement for legal services between the City of Houston and **Susman Godfrey L.L.P.**, for representation of the City in *The City of Houston v. Towers Watson & Co.: Civil Action No. 14-cv-02213*.

AMOUNT AND SOURCE OF FUNDING:

\$450,000.00 current allocation and maximum contract amount to be paid from the Property & Casualty Fund (1004).

Budget:**SPECIFIC EXPLANATION:**

The City sued WTW Delaware Holdings LLC f/k/a Towers Watson & Co. f/k/a Towers Perrin Towers in the case styled; *The City of Houston v. Towers Watson & Co.: Civil Action No. 14-cv-02213*. The lawsuit is currently set for trial in Federal District Court for the Southern District of Texas on May 1, 2018. The City asserts claims for negligence, negligent misrepresentations, and professional malpractice and seeks damages in an amount in excess of the minimal jurisdictional limits of the court.

The Firm has handled this complex matter for the City of Houston since 2014. The current contract needs to be replaced by a new contract which addresses state law requirements. The new Agreement also includes payment of a \$450,000.00 fee to the Firm by December 31, 2017 in consideration for a reduction of the City's contingent fee obligation. In addition, the \$450,000.00 payment will be deducted from any recovery before the contingent fee is calculated.

This Agreement will become effective upon approval by the Texas Comptroller of Public Accounts.

Pay or Play

The Firm has certified that it provides health benefits to eligible employees in compliance with the City policy.

M/WBE Subcontracting

The Office of Business Opportunity has approved an MWBE waiver.

Houston First

Susman Godfrey is a Houston based Firm.

REQUIRED AUTHORIZATION

Finance Director:

Other Authorization:

Other Authorization: