

TAB 1

Point Paper
January 22, 2008
Legal Counsel for Bankruptcy Matters

Problem: Due to the current economic conditions, there has been an increase in the number of bankruptcy and foreclosure filings on property within the City. There are specific procedures that must be followed with respect to billing and collecting of utility fees from property owners that seek bankruptcy protection.

Background: Bankruptcy law is a specialized area and the City attorney would like to seek assistance in handling these matters. Special counsel will help minimize the potential loss to the City and ensure we protect our interest with respect to collecting past due utility bills. In time, the City attorney anticipates being able to handle the bulk of these matters without the assistance of special counsel. Staff has attached the retainer letter and waiver of conflicts letter for your review.

Alternatives:

1. Retain Grimes, Goebel, Grimes, Hawkins, Gladfelter & Galvano to represent the City in Bankruptcy matters at a rate of \$190 per hour on an as needed basis.
2. Do not retain special counsel.

Recommendation: Staff recommends alternative #1

Budget Impact: The City attorney budget includes \$25,000 for specialized legal service. The fees for bankruptcy legal services will not exceed the amounts that have been budgeted in line item 0015143107-Attorney Fees-Litigation.

GRIMES GOEBEL GRIMES
HAWKINS GLADFELTER & GALVANO, P.L.
ATTORNEYS AT LAW

Caleb J. Grimes
John D. Hawkins
Leslie Horton Gladfelter
William S. Galvano
Derin A. Parks
Sacha Ross
Shannon A. Treadway

E. Glenn Grimes 1888 - 1967
Clyde C. Goebel 1921 - 1991
William C. Grimes 1918 - 2007

Of Counsel For
Criminal Matters:
Neil G. Taylor

January 8, 2008

VIA UNITED STATES MAIL AND EMAIL
TO MSHLAWOFFICE@GMAIL.COM

City of Palmetto
c/o Michele Hall, Esq.
505 25th Street West
Bradenton, FL 34205

In re: Representation in Bankruptcy Matters

Dear Ms. Hall,

We are pleased to represent the interests of the City of Palmetto ("City of Palmetto") for its bankruptcy-related matters. This document sets forth the agreement concerning your representation. Fees and expenses incurred in your representation will be billed to you on a periodic basis. My fees will be charged at the rate of \$190.00 per hour. Paralegal rates range from \$50.00 per hour to \$150.00 per hour. We will appropriately allocate work to maximize results, while at the same time minimizing costs.

During the course of our representation, we may feel the need to retain services of experts and professionals including, but not limited to, private investigators, accountants, surveyors, appraisers, actuaries, physicians, psychologists and psychiatrists. Should we feel that it is necessary to engage any of these professionals we will discuss it with you prior to such retention. You would be responsible for those fees and associated expenses as well. You are entitled and should confer with any such professional or expert concerning their work for you.

We will compute periodic billing for fees based upon the amount of time that will be devoted to your case. It is not possible to determine in advance the amount of time that will be needed to complete your case. We shall use our best judgment to determine the amount of time, who is to perform the work, and the nature of the service to be performed in your best interest. We will keep you informed through periodic billings of the services performed on your behalf. We retain the sole discretion to increase our hourly billing rates, and we will keep you informed of any such changes.

P.O. Box 1550
Bradenton, FL 34206

www.grimesgoebel.com
1023 Manatee Avenue West
Bradenton, FL 34205

Tel: 941-748-0151
Fax: 941-748-0158

We will incur costs on your behalf during the proceedings. Costs would include, but are not limited to, long distance telephone calls, computer access legal data base research, photocopies, deposition expenses, and court costs. We will advance these sums on your behalf. In the event it is necessary to incur extraordinary costs, it may be necessary to request those monies from you or apply to the court for payment or reimbursement of those costs. We will keep you apprised of all costs incurred and will not incur any extraordinary costs without discussing it with you first.

We will be sending an itemized statement to you on a monthly basis. Each charge shown on the statement, whether fees or costs, is due and payable upon receipt of the statement. All sums not paid accordingly will accrue a service charge in the amount of one (1%) percent per month until paid. If your statement is paid in full within thirty (30) days from the date of the statement, there will be no service or carrying charges for that statement. There is no agreement for any obligation that is to become due us to be paid in installment payments. If there are any disputes or questions regarding the amount of the statement or the service charges, you should contact us at the below address or telephone number within the first thirty (30) days from the date of the disputed or questioned statement. You agree that we are authorized to satisfy outstanding invoices from monies received on your behalf.

We shall have a lien on all of your documents, property or money in our possession for the payment of all sums due to us from you under the terms of this Agreement. We have the right to request that the court impose a charging lien against all proceeds or assets which are involved in this proceeding. You agree that the Court may impose a charging lien against any of these assets or properties as security of the payment of our fee.

If you are unable to keep current on the monthly invoices we may request a mortgage on any real property or a security interest in other assets to protect payment of our fees. There is no obligation for us to consider accepting a mortgage or security interest and before so doing, I would want to make sure we have a full understanding of the arrangement. There are certain ethical rules which our firm must adhere to so as to not compromise your position in this regard. In the event we would elect to accept any mortgage or other security instrument, payment would be extended over a period of time that is fair to each of us under the circumstances. **Please understand that if our fees are not paid on a timely basis, or other arrangements satisfactory to the firm made regarding security for payment of fees, we will petition the Court to withdraw as your attorney.**

We consider that it is essential to maintain a good attorney/client relationship with you as our client. If you have any question concerning your representation, any fee or cost charged to you, or other matter affecting your case or our actions, please notify us immediately.

PLEASE READ THIS AGREEMENT CAREFULLY. DO NOT SIGN IT UNLESS YOU FULLY UNDERSTAND IT. IF YOU HAVE ANY QUESTIONS PLEASE CONTACT ME AND I WILL ANSWER THOSE QUESTIONS. BY SIGNING THIS

AGREEMENT, YOU ACKNOWLEDGE THAT YOU UNDERSTAND THE CONTENTS OF IT AND AGREE TO THE TERMS.

Sincerely yours,

GRIMES GOEBEL GRIMES HAWKINS,
GLADFELTER & GALVANO, P.L.

**SIGNED IN ATTORNEY'S ABSENCE
TO AVOID DELAY**

By: Sacha Ross/att.
Sacha Ross, Esq.

ACCEPTANCE

This legal representation is hereby accepted upon the terms stated herein.

I have read this letter and understood the above terms of this Retainer Agreement and acknowledge my acceptance of all terms thereof and receipt of a copy of same.

LAWRENCE E. BUSTLE, JR.,
MAYOR

Date: _____

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**GRIMES GOEBEL GRIMES
HAWKINS GLADFELTER & GALVANO, P.L.**

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**Of Counsel For
Criminal Matters:
Neil G. Taylor**

January 8, 2008

**VIA UNITED STATES MAIL AND EMAIL
TO MSHLAWOFFICE@GMAIL.COM**

City of Palmetto
c/o Michele Hall, Esq.
505 25th St. W
Bradenton, FL 34205

Re: Waiver of Conflicts

Dear Michele:

This correspondence is to confirm the waiver of conflicts for representation of the City of Palmetto (the "City") in bankruptcy matters. Over the years, our firm has been involved in many real estate transactions, specifically the representation of developers and eminent domain cases. While the City is involved in these cases, they are not necessarily adverse to the positions advanced by Grimes, Goebel, Grimes, Hawkins, Gladfelter and Galvano, PL ("Grimes Goebel"). Therefore, we do not consider the same a conflict under the Florida Rules of Civil Procedure; however, some of these files may have open invoices that will not be waived in conjunction with this conflict waiver.

The City has requested that we represent its interests in bankruptcy matters. This ensures that, to the extent that any conflicts are applicable to the City, the same are hereby waived. Grimes Goebel and the City understand that we will be unable to represent the City in any bankruptcy matter that concerns an existing client where the Rules prohibit.

In order for our firm to represent the City in these matters, I need the written consent of the Mayor of the City of Palmetto.

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City of Palmetto
Re: Waiver of Conflicts

January 8, 2008
Page 2

If acceptable, kindly have Mayor Lawrence E. Bustle, Jr. sign the bottom of this letter acknowledging a waiver of any conflict of interest as it relates to this particular matter. This document can be executed in counterparts and copies shall be deemed original. If you have any questions or concerns, please feel free to contact our office.

Sincerely yours,

**GRIMES GOEBEL GRIMES HAWKINS
GLADFELTER & GALVANO, P.L.**

NOTED BY ATTORNEY'S ABSENCE
BY MRS. DELAY


SACHA ROSS, ESQUIRE

ACKNOWLEDGMENT AND WAIVER

I have read this letter and understand the above terms of this letter and acknowledge and waive any conflict of interest as it relates to this particular transaction.

LAWRENCE E. BUSTLE, JR.,
MAYOR

Date: _____

SR/art

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