

# Agenda

## Regular Meeting of the Board of Directors of Yuima Municipal Water District

Monday, July 27, 2020 2:00 P.M.  
34928 Valley Center Road, Pauma Valley, California

Roland Simpson, President  
Don Broomell, Secretary / Treasurer  
Richard Fontane, Director

Steve Wehr, Vice-President  
Laney Villalobos, Director

**IMPORTANT NOTICE: PER GOVERNOR NEWSOM'S EXECUTIVE ORDERS, THE ADGENDIZED MEETING WILL NOT BE HELD IN PERSON. THE DIRECTORS WILL BE PROVIDED TELEPHONIC OR ELECTRONIC ACCESS SEPARATELY. THE PUBLIC MAY ACCESS THE MEETING ELECTRONICALLY BY FOLLOWING THE INSTRUCTIONS INCLUDED AT THE END OF THIS AGENDA. PUBLIC COMMENTS MAY BE SUBMITTED VIA EMAIL BY 1:45 P.M. ON THE MEETING DAY TO [carmen@yuimamwd.com](mailto:carmen@yuimamwd.com). SUBMISSIONS WILL BE READ ALLOWED AT THE PUBLIC COMMENT PERIOD, OR AT THE TIME THE ITEM IS DISCUSSED DURING ACTION / DISCUSSION, TO THE EXTENT THEY FIT WITHIN THE THREE-MINUTE LIMIT.**

### AGENDA TOPICS

2:00 p.m.

1. **Roll Call** - Determination of Quorum
2. **Pledge of Allegiance**
3. **Approval of Agenda(Gov. Code Sec. 54954.2(b))** – In accordance with Government Code Section 54954.2 (the Brown Act), additions/changes to the agenda generally require a determination by a two-thirds vote of the members of the board present at the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present; that there is a need to take immediate action, and that the need for action came to the attention of the District subsequent to the agenda being posted.
4. **Public Comment** – This is an opportunity for members of the public to address the Board on matters of interest within the Board’s jurisdiction that are not listed on the agenda. The Brown Act does not allow any discussion by the Board or staff on matters raised during public comment except; 1) to briefly respond to statements made or questions posed; 2) ask questions for clarification; 3) receive and file the matter; 4) if it is within staff’s authority, refer it to them for a reply; or 5) direct that it be placed on a future board agenda for a report or action. Inquiries pertaining to an item on the agenda will be received during deliberation on that agenda item. No action can be taken unless specifically listed on the agenda (Government Code §54954.3).

Broomell

#### I. **SPECIAL REPORTS**

Joint Powers Fire Report

Bishop

## II. CONSENT CALENDAR

Consent Calendar items will be voted on together by a single motion unless separate action is requested by a Board Member, staff or audience member.

1. Approve minutes of the Regular Meeting of June 22, 2020 and Special Meeting of June 22, 2020.
2. Approve Accounts Paid and Payables for & Reporting under Government Code §53065.5 June 2020.
3. Accept Monthly Preliminary Financial Reports - June 2020, Treasurer's Report and Cash Statements.

## III. ACTION DISCUSSION

1. Approval of a Second Amendment to Lease Agreement Between Yuima Municipal Water District and Verizon Wireless.

Reeh

*Background:* Verizon Wireless approached the District in February of 2020 regarding structural changes to their existing cellular tower located at the Perricone Tank site. The District took this opportunity to negotiate the monthly lease amount and the annual escalator on said amount. The Second Amendment provides for a reduction in the ground footage from 340 square feet to 323 square feet an immediate 5.5% increase in the monthly rent with a 15% increase every 5 years thereafter until the end of the lease. The current lease allows for an increase based on the Construction Cost Index percentage increase.

*Recommendation:* That, should the Board agree, the Board approve the Second Amendment as presented.

2. Approval Purchase Order to CalPERS for a Payment of the Annual Unfunded Accrued Liability Payment for 2020/21 (\$140,295).

Simpson

*Background:* Under the Purchasing Policy the Board must approve any purchase order over \$35,000. This the required annual payment toward Yuima's Unfunded Accrued Liability. The District has a choice to pay a lump sum payment in July each year or make monthly payments. The district will save \$4,827 in interest charges by making the lump sum payment as opposed to monthly payments.

*Recommendation:* That, should the Board agree, they approve the purchase order as presented.

3. Proposed Resolution Requesting LAFCO to Take Proceedings for the Concurrent Annexation of Certain Territory to Yuima Municipal Water District and San Diego County Water Authority and Metropolitan Water District of Southern California.

Simpson

*Background:* At their June meeting, the San Diego County Water Authority accepted the terms and conditions set forth by the Metropolitan Water District for the Rancho Corrido annexation. The next step in the process is to submit an annexation application to LAFCO. This resolution is part of that application.

*Recommendation:* That, should the Board agree, they approve the resolution as presented.

4. Proposed Resolution amending Appendix "B" of the Conflict of Interest Code and Rescinding Resolution 1795-18.

Simpson

*Background:* Government Code Section 87306.5 requires every local Government Agency to review its Conflict of Interest Code biennially to determine if it is accurate or if the code requires amending.

*Recommendation:* That, should the Board agree, they approve the resolution as presented.

5. Acceptance of Class Action Lawsuit Settlement with Verison Wireless and Authorization of Interim General Manager to sign the Consent and Release Form to Receive Payment.

Reeh

*Background:* As a customer of Verison Wiress, the District was part of a class action lawsuit that has been concluded. The District's proceeds of the settlement is \$478.

*Recommendation:* That, should the Board agree, they accept the settlement and authorize the Interim General Manager to sign the consent and release form.

6. Discussion of Emergency Service Connection to Valley Center Municipal Water District and Authorization of Interim General Manager to Sign Emergency Service Agreement.

Reeh

*Background:* Valley Center MWD has generously offered to make an emergency service connection with Yuima near our McNally tanks. This connection will provide an additional 6 CFS to the District during the up coming shutdown for the Forebay connection and planned CWA shutdown in September.

*Recommendation:* That, should the Board agree, they authorize the Interi General Manager to sign the Emergency Services Agreement that will be reviewed by District Counsel.

#### IV. **INFORMATION / REPORTS**

These reports have been made available in the Board packet, however, in an effort to adhere to Health Agency directive and limit time spent in the presence of others these reports will not be verbally reviewed. Specific questions will be addressed if necessary.

1. **Board Reports / Meetings**

JPIA  
San Diego County Water Authority/MWD  
Other Meetings (SGMA/GSA)

Villalobos  
Reeh  
Simpson

- |  |          |
|--|----------|
| <b>2. Administrative &amp; Finance</b><br>General Information<br>Delinquent Accounts | Reeh     |
| <b>3. Capital Improvements</b>   | Reeh     |
| <b>4. Operations</b><br>General Information<br>Rainfall<br>Well Levels               | Simon    |
| <b>5. Counsel</b>  | Jungreis |
| <b>V. <u>OTHER BUSINESS</u></b>  | Reeh     |
| <b>VI. <u>ADJOURNMENT</u></b>  |          |

*NOTE: In compliance with the Americans with Disabilities Act, if special assistance is needed to participate in the Board meeting, please contact the General Manager at (760) 742-3704 at least 48 hours before the meeting to enable the District to make reasonable accommodations. The meeting begins at 2:00 p.m. The time listed for individual agenda items is an estimate only. Any writings or documents provided to a majority of the members of the Yuima Municipal Water District Board of Directors regarding any item on this agenda will be made available for public inspection during normal business hours in the office of the General Manager located at 34928 Valley Center Road, Pauma Valley.*

## Directions for Board Meeting via Videoconference

If you would like to participate in the meeting please email Carmen Rodriguez at [carmen@yuimamwd.com](mailto:carmen@yuimamwd.com) a password request by 12:00 p.m. on Monday, July 27, 2020.

Public Comments need to be received via email to [carmen@yuimamwd.com](mailto:carmen@yuimamwd.com) by Monday, July 27, 2020 at 1:45 p.m. to

To download on your Phone.

1. Install the Zoom application (iPhone users to download through the App Store, Android users download through Google Play) on your phone.
2. Click on join Meeting
3. Enter Meeting Number – **760 742 3704**
4. *Please enter password – provided by Carmen Rodriguez at Yuima MWD*
5. Click the Join button

Using Zoom on your PC or laptop.

1. Please go to zoom.com
2. Click Join Meeting
3. Enter Meeting ID number- **760 742 3704**
4. *Please enter password – provided by Carmen Rodriguez at Yuima MWD*
5. Click the Join button

I.  
SPECIAL REPORTS

# **YUIMA BOARD OF DIRECTORS MEETING**

## **FIRE REPORT**



**June 2020**

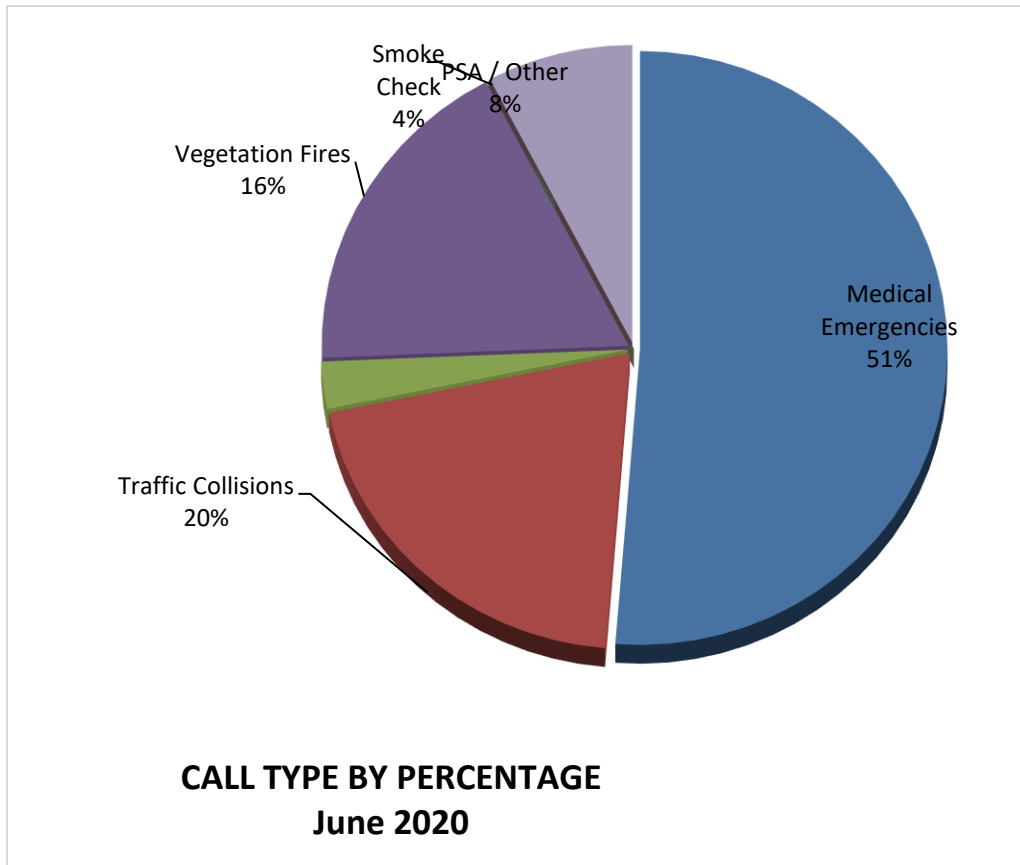
**CAL FIRE SAN DIEGO UNIT – RINCON STATION 70**  
**PROUDLY SERVING THE YUIMA MUNICIPAL WATER DISTRICT**

PREPARED BY FAE Vivar

<u>Response within IA</u>	<u>June</u>	<u>Jan - May</u>	<u>District YTD</u>
Medical Emergencies	20	97	117
Traffic Collisions	8	40	48
Vehicle Fires	1	2	3
Vegetation Fires	7	12	19
Structure Fires	0	5	5
Swift Water Rescues	0	1	1
Fire Alarm Ringing	0	5	5
Illegal Debris Burns	0	7	7
Smoke Checks	0	5	5
PSA / Other	3	28	31
Cancelled Enroute	10	50	60
Assist to Pauma Reservation Fire	1	1	2
Assist to La Jolla Reservation Fire	13	24	37
Assist to Rincon Reservation Fire	0	0	0
Assist to Valley Center Fire	0	6	6
Assist Palomar SDF	1	1	2
Assist to Pala Reservation Fire	3	3	3
<b>Month Total Responses</b>	<b>39</b>		
<b>Station YTD Responses</b>		<b>202</b>	<b>241</b>



## CALL TYPE BY PERCENTAGE JUNE 2020



## NOTABLE INCIDENTS FOR JUNE 2020

Both of our fire engines went to fire school in Camp Pendleton. Fire school is a great training opportunity where we participate in live fire training for wildland fires. Station 70 hosted a training for all local Fire Departments with Reach Air medical transport. Reach Air landed at the Pauma Valley Airpark and we trained on procedures to use during landing their helicopters at LZ's.



FF Paul Andrews training on being a Landing Zone Coordinator for Reach Air

II.  
CONSENT CALENDAR

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
June 22, 2020**

The Regular Meeting of the Board of Directors of the Yuima Municipal Water District was held at the office of the District, 34928 Valley Center Road, Pauma Valley, California on Tuesday, the 22<sup>nd</sup> day of June 2020.

**Regular Meeting  
06/22/2020**

**1. ROLL CALL – DETERMINATION OF QUORUM**

President Simpson called the meeting to order at 2:07 p.m.

**Call to Order  
2:07 p.m.**

Directors Present:

**Present: 5**

- Roland Simpson, President
- Steve Wehr, Vice-President
- Don Broomell, Secretary/Treasurer
- Laney Villalobos, Director (via teleconference)
- Rich Fontane, Director (via teleconference)

**Quorum Present**

President Simpson declared that a quorum of the Board was present.

Directors Absent:

**Absent: 0**

Others Present:

- Amy Reeh, Interim General Manager/Finance Manager
- Allen Simon, YMWD
- Carmen Rodriguez, YMWD
- Nick Bishop, CAL Fire (via videoconference)
- Jeremy Jungreis, Rutan & Tucker, LLP (via videoconference)
- Oggie Watson, T-Y Nursery
- Lori Johnson (via videoconference)
- Lani Lutar, MWD (via videoconference)

**Others Present**

**2. PLEDGE OF ALLEGIANCE**

President Simpson led those present in the Pledge of Allegiance.

Pledge of Allegiance

**3. APPROVAL OF AGENDA**

Interim General Manager Reeh requested that Action/Discussion Item #4 be removed from the agenda and Action/Discussion item #6 be moved to Item #1. Upon motion being offered by Director Wehr, seconded by Director Villalobos, Action/Discussion Item #4 was removed, and Action/Discussion Item #6 was moved to Action/Discussion Item #1 were approved by the following roll-call vote, to wit:

Approval of Agenda

AYES: Wehr, Villalobos, Broomell, Fontane, Simpson  
NOES: None  
ABSTAIN: None  
ABSENT: None

**4. PUBLIC COMMENT**

No speaker requests were received and no other indication to speak was offered by members of the public present.

Public Comment

**I. SPECIAL REPORTS**

Special Reports

**1. Joint Powers Fire Report**

Captain Nick Bishop from CAL Fire reported that Station 70 had a total of 36 incidents for the month of May. With the reopening of the county things are starting to go back to normal making the highways busier. There is now an Emergency Paramedic that has now been operating for the last 3 weeks at Station 70. Currently the station has 2 engines with 3 personnel per engine for the rest of the summer. On Saturday May 30, 2020 Captain Adam Gettman was promoted to Battalion Chief, his new assignment has him working in the Monte Vista Emergency Command Center. The new captain at Station 70 is Eli Bakkela.

**II. CONSENT CALENDAR**

Consent Items

Upon motion being offered by Director Wehr, seconded by Director Broomell, the Minutes of the Regular Meeting of May 26, 2020, Accounts Paid and Payables for May 2020 and Monthly Financial Reports for May 2020 were approved by the following roll-call vote, to wit:

AYES: Wehr, Villalobos, Broomell, Fontane, Simpson  
NOES: None  
ABSTAIN: None  
ABSENT: None

**III. CLOSED SESSION**

Closed Session

Closed Session was entered at 2:15 p.m. **1.** Possible initiation of litigation (Government Code Section 54956.9(d)(4): One potential case). **2.** Significant exposure to litigation (Government Code Section 54956.9(d)(2): one potential case). **REPORT FROM CLOSED SESSION:** There was no Board action taken during closed session to report. Closed Session exited at 2:57 p.m.

**IV. ACTION/DISCUSSION**

1. Discussion and Possible Action: Awarding Contract for Development of a Groundwater Sustainability Plan.

Groundwater Sustainability Plan

Following discussion and upon motion being offered by Director Wehr seconded by Director Fontane, *The Board Authorized the Interim General Manager to reject all bids submitted in response to the March 2019 RFQ and to expediate the bid process. Requesting the consultants to provide and updated proposal and timeline* was approved and carried unanimously by the following roll-call vote, to wit:

AYES: Villalobos, Wehr, Broomell, Fontane, Simpson  
NOES: None  
ABSTAIN: None  
ABSENT: None

2. Resolution 1860-20 Adopting the Operating and Capital Budgets for Fiscal Year 2020-2021.

**Resolution 1860-20 Adopting the Operating and Capital Budgets for Fiscal Year 2020-2021**

Following discussion and upon motion being offered by Director Broomell seconded by Director Wehr, *Resolution 1860-20 Adopting the Operating and Capital Budgets for Fiscal Year 2020/2021* was approved and carried unanimously by the following roll-call vote, to wit:

AYES: Villalobos, Wehr, Broomell, Fontane, Simpson  
NOES: None  
ABSTAIN: None  
ABSENT: None

3. Resolution 1861-20 Amending the Rules and Regulations Governing Water Service (Schedule of Rates, Rental, Fees, Deposits and Charges Section 2.27).

**Resolution 1861-20 Amending the Rules and Regulation of Governing Water Service (Schedule of Rates, Rental, Fees, Deposits and Charges Section 2.27)**

Following discussion and upon motion being offered by Director Bromell seconded by Director Wehr, *Resolution 1861-20 Amending the Rules and Regulations Governing Water Service (Schedule of Rates, Rentals, Fees, Deposits and Charges Section 2.27)* was approved and carried by the following roll-call vote, to wit:

AYES: Villalobos, Wehr, Fontane, Simpson  
NOES: Broomell  
ABSTAIN: None  
ABSENT: None

4. Resolution 1862-20 Approving Agreement for Water Service and Management Contract for the Lazy H Water Company and Rescinding Resolution No. 1822-19.

**Resolution 1862-20 Approving Agreement for Water Service and Management Contract for Lazy H Water Company and Rescinding Resolution No. 1822-19**

Following discussion and upon motion being offered by Director Broomell seconded by Director Wehr, *Resolution 1862-20 Approving Agreement for Water Service and Management Contract for Lazy H Water Company and Rescinding Resolution No. 1822-19* was approved and carried unanimously by the following roll-call vote, to wit:

AYES: Villalobos, Wehr, Broomell, Fontane, Simpson  
NOES: None

ABSTAIN: None

ABSENT: None

5. Resolution 1863-20 Approving Agreement for Emergency and Support Services for the Rancho Estates Mutual Water Company and Rescinding Resolution No. 1844-20.

Following discussion and upon motion being offered by Director Villalobos seconded by Director Wehr, *Resolution 1863-20 Approving Agreement for Emergency and Support Services for the Rancho Estate Mutual Water Company and Rescinding Resolution No. 1844-20* was approved by the following roll-call vote, to wit:

AYES: Villalobos, Wehr, Fontane

NOES: None

ABSTAIN: Broomell, Simpson

ABSENT: None

## V. INFORMATION/REPORTS

These reports have been made available in the Board packet, however, in an effort to adhere to Health Agency directive and limit time spent in the presence of other these reports will not be verbally reviewed. Specific questions will be addressed if necessary.

### 1. Board Reports/Meeting

Reports were available in the Board Packet.

### 2. Administrative

Reports were available in the Board Packet

### 3. Capital Improvement Program

Reports were available in the Board Packet.

Resolution 1863-20 Approving Agreement for Emergency and Support Services for the Rancho Estates Mutual Water Company and Rescinding Resolution No. 1844-20

Administrative

Capital Improvements Program



**4. Operations**

Allen gave an update to the Board on the Forebay Project.

Operations

**5. Counsel**

Counsel had nothing to report.

Counsel

**6.. Finance & Administrative Services**

Reports were available in the Board Packet.

Finance & Admin  
Services.

**VI. OTHER BUSINESS**

No other business was addressed.

Other Business

**VII. ADJOURNMENT**

There being no further business to come before the board the meeting was adjourned at 3:33 p.m.

Adjourned at 3:33  
p.m.

\_\_\_\_\_  
Don Broomell, Secretary/Treasurer

\_\_\_\_\_  
Roland Simpson, President

**MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
June 22, 2020**

The Special Meeting of the Board of Directors of the Yuima Municipal Water District was held at the office of the District, 34928 Valley Center Road, Pauma Valley, California on Monday the 22<sup>nd</sup> day of June 2020.

**Special Meeting  
06/22/2020**

**1. ROLL CALL – DETERMINATION OF QUORUM**

President Simpson called the meeting to order at 12:01 p.m.

**Call to Order  
12:01 p.m.**

Directors Present:

**Present: 5**

Roland Simpson, President  
Steve Wehr, Vice-President  
Don Broomell, Secretary/Treasurer  
Laney Villalobos, Director (via teleconference)  
Rich Fontane, Director (via teleconference)

**Quorum Present**

President Simpson declared that a quorum of the Board was present.

Directors Absent:

**Absent: 0**

Others Present:

Amy Reeh, Interim General Manager/Finance Manager  
Allen Simon, YMWD  
Carmen Rodriguez, YMWD  
Lani Lutar, MWD (via Zoom)  
Lori Johnson (via Zoom)

**Others Present**

**2. PLEDGE OF ALLEGIANCE**

President Simpson led those present in the Pledge of Allegiance.

Pledge of Allegiance

**3. APPROVAL OF AGENDA**

No changes to the agenda were proposed.

Approval of Agenda

**4. PUBLIC COMMENT**

No speaker requests were received and no other indication to speak was offered by members of the public present.

**I. ACTION/DISCUSSION**

- 1. Budget Workshop: The Board will review the proposed 2020-21 Preliminary Budget.

Budget Workshop

Interim General Manager Reeh presented the 2020-2021 Preliminary Budget to the Board. No action was taken at this time, for discussion only. Interim General Manager Reeh answered questions throughout the presentation. The possible adopting will be held at the Regular Board Meeting on June 22, 2020 at 2:00 p.m.

**II. OTHER BUSINESS**

No other business was addressed.

Other Business

**III. ADJOURNMENT**

There being no further business to come before the board the meeting was adjourned at 1:53 p.m.

Adjourned at 1:53 p.m.

\_\_\_\_\_  
Don Broomell, Secretary/Treasurer

\_\_\_\_\_  
Roland Simpson, President



**EXPENSE APPROVAL REPORT**  
 Yuima Municipal Water District  
 06/01/2020 - 06/30/2020

Payment Number	Vendor Name	Description (Item)	Amount
56094	VALIC GA#24515	Valic Deferred Compensation	800.00
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	9.57
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	208.56
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	59.42
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	110.63
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	148.26
56095	A-1 IRRIGATION, INC.	FY 19/20 OPEN PO	47.56
56096	ACWA/JPIA	Q3-2020 Workers Comp	5,766.07
56097	AIR CRAFT HEATING INC.	Bi Annual Service	132.00
56098	AL STEINBAUM'S JANITORIAL	FY 19/20 Janitorial Services	200.00
56099	CARQUEST	FY 19/20 Annual PO	146.42
56100	CIMA FIRE PROTECTION, INC.	FIRE EXTINGUISHER ANNUAL MAINTENANCE	450.00
56101	Consolidated Electrical Distributors, Inc	Transfer Switch	14,694.30
56102	EDCO	FY 19/20 Trash Services	183.07
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	37.50
56103	Eurofins Calscience LLC	4400038493	650.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	2,369.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	943.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	1,654.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	228.00
56103	Eurofins Calscience LLC	FY 19/20 Yuima Water Testing	17.50
56103	Eurofins Calscience LLC	FY 19/20 Yuima Water Testing	27.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	25.00
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	12.50
56103	Eurofins Calscience LLC	FY 19/20 Yuima Water Testing	12.50
56103	Eurofins Calscience LLC	FY 19/20 Yuima Water Testing	35.00
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	53.00
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	63.50
56103	Eurofins Calscience LLC	FY 19/20 IDA Water Testing	122.50
56103	Eurofins Calscience LLC	FY 19/20 Yuima Water Testing	17.50
56104	GLASER-BAILEY AWARDS, INC.	PHOTO NAME PLATES	54.49
56105	GLENNIE'S OFFICE PRODUCTS, INC	BOARD MEMEBER NAME PLATES	44.12
56106	MARK QUINN	FY 19-20 Boot Reimbursement	200.00
56107	MCMMASTER-CARR SUPPLY CO	FIRE EXTINGUISHER BRACKET 1031N24	12.27
56107	MCMMASTER-CARR SUPPLY CO	FIRE EXTINGUISHER BRACKET 1031N31	5.60
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	16.81
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	18.95
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	13.99
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	15.77
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	16.81
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	18.95
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	18.06
56108	PRUDENTIAL OVERALL SUPPLY	FY 19/20 Uniform Services	20.36
56109	RIK MAZZETTI & SONS GARAGE	TRUCK 6 MAINTENANCE	394.00
56110	RUTAN & TUCKER, LLP	MARCH GENERAL LEGAL FEES	2,437.50
56110	RUTAN & TUCKER, LLP	MARCH SGMA LEGAL FEES	1,137.50
56111	SAN DIEGO COUNTY WATER	April 2020 Water Purchase 100.9AF	190,713.80
56112	SDG&E	YUIMA WATER DISTRICT-PM NORTH	25,459.00
56113	Sherrill Ann Schoepe Revocable Trust, Sandra S. We	Schoepe Well Purchase	78,005.18
56114	Sunbelt Rentals, Inc	40 FT MANLIFT	783.59
56115	U.S. POSTMASTER	FY 20-21 PO Box	196.00
56116	VERIZON WIRELESS	SCADA Access	46.56
56116	VERIZON WIRELESS	SCADA Access	46.56
56117	WATERLINE TECHNOLOGIES	Station 1 CL2	363.00
56117	WATERLINE TECHNOLOGIES	Eastside CL2	181.50
56117	WATERLINE TECHNOLOGIES	Eastside Ammonia	249.00
56117	WATERLINE TECHNOLOGIES	Station 1 Ammonia	199.00
56117	WATERLINE TECHNOLOGIES	Station 1 CL2	242.00
56117	WATERLINE TECHNOLOGIES	Well #24 CL2	30.25
56117	WATERLINE TECHNOLOGIES	Eastside CL2	423.50
56117	WATERLINE TECHNOLOGIES	Schoepe CL2	121.00
56117	WATERLINE TECHNOLOGIES	Station 1 CL2	363.00
56118	ACWA JPIA	07-2020 Health Insurance Recon	1,862.58
56118	ACWA JPIA	07-2020 Health Insurance Recon	3,753.44
56118	ACWA JPIA	07-2020 Health Insurance Recon	(54.53)
56118	ACWA JPIA	07-2020 Health Insurance Recon	940.70

Payment Number	Vendor Name	Description (Item)	Amount
56118	ACWA JPIA	Dental Insurance	302.94
56118	ACWA JPIA	GTL Admin	4.70
56118	ACWA JPIA	GTL	234.42
56118	ACWA JPIA	Health Benefits	5,518.13
56118	ACWA JPIA	Vision	98.28
56118	ACWA JPIA	Dental Insurance	302.94
56118	ACWA JPIA	GTL	234.42
56118	ACWA JPIA	GTL Admin	4.70
56118	ACWA JPIA	Health Benefits	5,518.13
56118	ACWA JPIA	Vision	98.28
56119	ALBERT MAIORIELLO	FY 19/20 Open PO Monthly Security Service	165.00
56120	AT&T	SCADA Access	138.85
56121	BARTEL & ASSOCIATES LLC	Bi-Annual Valuation FY 19/20 & 20/21	1,700.00
56122	BRIAN ESCHBAUGH	ANNUAL CRANE INSPECTION	370.00
56123	CANYON SPRINGS ENTERPRISES,dba	Forebay Rehab	484,470.00
56124	Dexter Wilson Engineering	FOREBAY ADDITIONAL SERVICES	17,820.49
56125	GLENNIE'S OFFICE PRODUCTS, INC	NAMEPLATE JEREMY N. JUNGREIS GENERAL COUNSEL	14.71
56126	GRATZL TRUCK & EQUIPMENT RPR	Truck 10 Repair	1,116.39
56127	HACH COMPANY	NITRAVER TEST N TUBE REAGENT SET 50PK	334.16
56127	HACH COMPANY	NITRAVER TEST N TUBE REAGENT SET 50PK	668.41
56128	Hydrocurrent Well Services	STATION7 PUMP 3 SERVICE CALL	2,409.16
56129	MCMaster-CARR SUPPLY CO	Versa-Mount Polycarbonate Washdown Enclosure	298.11
56130	NETWORKFLEET, INC	GPS	52.00
56131	PITNEY BOWES INC.	FY 19/20 Postage Meter Rental	151.87
56132	RIK MAZZETTI & SONS GARAGE	TRUCK #1 OIL CHNAGE & BATTERY TERMINAL REPAIR	71.00
56132	RIK MAZZETTI & SONS GARAGE	TRUCK #4 OIL CHNAGE	46.00
56132	RIK MAZZETTI & SONS GARAGE	TRUCK #8 OIL CHNAGE	46.00
56133	RUTAN & TUCKER, LLP	APRIL GENERAL LEGAL FEES	5,882.50
56133	RUTAN & TUCKER, LLP	APRIL SIGMA LEGAL FEES	4,647.50
56134	SDCWA	SDCWA CAPACITY CHARGES FOR TY ACCOUNT 01-1132-00	28,147.00
56134	SDCWA	SDCWA CAPACITY CHARGES FOR TY ACCOUNT 01-1133-00	28,147.00
56135	TKE Engineering, Inc	Rincon Ranch Rd Pipeline Plans & Specs	18,545.33
56135	TKE Engineering, Inc	FOREBAY CONSTRUCTION MNGMNT	59,169.58
56135	TKE Engineering, Inc	FOREBAY CONSTRUCTION MNGMNT	30,999.81
56135	TKE Engineering, Inc	Rincon Ranch Rd Pipeline Plans & Specs	12,397.50
56136	TRAN CONTROLS SCADA SOLUTIONS	Mcnally troubleshooting	1,936.67
56136	TRAN CONTROLS SCADA SOLUTIONS	Server relocation	1,680.00
56137	UNDERGROUND SERV. ALERT	FY 19/20 DIG ALERT TICKETS	26.50
56137	UNDERGROUND SERV. ALERT	FY 19/20 DIG ALERT TICKETS	21.19
56138	VALLEY CENTER WIRELESS	Wireless Service	129.90
56139	VIC'S GARAGE	SMOG CHECKS	283.75
56140	WATERLINE TECHNOLOGIES	Station 1 CL2	363.00
56140	WATERLINE TECHNOLOGIES	Ammonia Deposits	(50.00)
56140	WATERLINE TECHNOLOGIES	Station 1 Ammonia	249.00
56140	WATERLINE TECHNOLOGIES	Ammonia Deposits	50.00
56140	WATERLINE TECHNOLOGIES	Eastside Ammonia	249.00
56140	WATERLINE TECHNOLOGIES	Ammonia Deposits	100.00
56140	WATERLINE TECHNOLOGIES	Station 1 Ammonia	498.00
56140	WATERLINE TECHNOLOGIES	Eastside CL2	242.00
56140	WATERLINE TECHNOLOGIES	Station 1 CL2	363.00
56141	VALIC GA#24515	Valic Deferred Compensation	800.00
56142	AT & T MOBILITY	FY 19/20 SCADA Access	24.75
56142	AT & T MOBILITY	FY 19/20 SCADA Access	24.75
56143	CALIF BANK & TRUST VISA	0518AR Office Supplies	101.98
56143	CALIF BANK & TRUST VISA	05-21 AR Office Supplies	47.38
56143	CALIF BANK & TRUST VISA	05-24 AR Office Supplies	62.22
56143	CALIF BANK & TRUST VISA	05-23 AR Office Supplies	52.03
56143	CALIF BANK & TRUST VISA	05-18AR Office Supplies	26.13
56143	CALIF BANK & TRUST VISA	0518 - AR Office Supplies	67.85
56143	CALIF BANK & TRUST VISA	05-18 AR Office Supplies	85.12
56143	CALIF BANK & TRUST VISA	05-23AR Office Supplies	25.96
56143	CALIF BANK & TRUST VISA	FY 19/20 Amy Reeh Open PO	3.90
56143	CALIF BANK & TRUST VISA	05-24 AR Office Supplies	31.52
56143	CALIF BANK & TRUST VISA	05-29 Board Meeting Sandwiches	74.60
56143	CALIF BANK & TRUST VISA	05-29 AR Drinks for Board Meeting	4.31
56143	CALIF BANK & TRUST VISA	0517AR Smartsheet	145.00
56143	CALIF BANK & TRUST VISA	06-02AR Google Email for Staff	120.00
56143	CALIF BANK & TRUST VISA	FY 19/20 Amy Reeh Open PO	4.39
56143	CALIF BANK & TRUST VISA	PLASTIC SPOONS	11.85
56143	CALIF BANK & TRUST VISA	PLASTIC FORKS	11.84
56143	CALIF BANK & TRUST VISA	PAPER PLATES	41.57
56143	CALIF BANK & TRUST VISA	PAPER PLATES	16.15

Payment Number	Vendor Name	Description (Item)	Amount
56143	CALIF BANK & TRUST VISA	PAPER BOWL	12.92
56143	CALIF BANK & TRUST VISA	06-10 AR	20.00
56143	CALIF BANK & TRUST VISA	PROPERTY OF SIGNS FOR SHOP/FIELD	1,502.99
56144	CARMEN RODRIGUEZ	Carmen Mileage Reimbursement	37.70
56145	CONTROLLED ENVIRONMENTS LLC	FY 19/20 Weed Abatement	663.00
56145	CONTROLLED ENVIRONMENTS LLC	FY 19/20 Weed Abatement	663.00
56146	FALLBROOK OIL COMPANY	UNLEADED FUEL	1,967.47
56147	HACH COMPANY	FREE CHLORINE REAGENT FOR CL17	911.82
56147	HACH COMPANY	CHLORINE ANALYZER MAINTENANCE KIT	732.23
56147	HACH COMPANY	CHLORINE ANALYZER MAINTENANCE KIT	1,464.69
56148	IMAGE SOURCE, INC.	FY 19/20 Copy Fee	164.33
56148	IMAGE SOURCE, INC.	FY 19/20 Copy Fee	185.31
56149	MATT MUNACO	FY 19/20 Boot Reimbursement	200.00
56150	Pitney Bowes Reserve Acct- ACCT#41097148	FY 19/20 Postage Refill	1,000.00
56151	SDG&E	05-8542	564.79
56151	SDG&E	05-6328	28,266.85
56151	SDG&E	05-9397	4,701.11
56151	SDG&E	05-6101	133.39
56151	SDG&E	05-7013	25.00
56151	SDG&E	05-1521	1,003.28
56151	SDG&E	05-1493	656.28
56151	SDG&E	05-3149	29.47
56151	SDG&E	05-4744	29,534.13
56151	SDG&E	05-9083	12,966.54
56151	SDG&E	05-1493	9,582.74
56151	SDG&E	05-1521	8,342.20
56151	SDG&E	05-3230	5,707.91
56151	SDG&E	05-1952	3,569.17
56151	SDG&E	05-1482	2,856.74
56151	SDG&E	05-3459	10,292.36
56151	SDG&E	05-7490	933.48
56151	SDG&E	05-7489	814.56
56151	SDG&E	05-7506	554.29
56151	SDG&E	05-7171	353.67
56151	SDG&E	05-7147	1,483.86
56151	SDG&E	05-7508	1,690.78
56151	SDG&E	05-7491	2,766.87
56151	SDG&E	05-7170	1,338.77
56151	SDG&E	05-7013	3.25
56152	WESTERN WATER WORKS SUPPLY CO.	700' 4" SDR21 YELLOW MINE PIPE	3,914.56
56153	AMY REEH	Mileage reimb - Forebay Road Repair	23.20
56154	LYNETTE BREWER	Reimb - Phone Replace	45.19
56164	COUNTY OF SAN DIEGO	Due to General Fund Repay Aparatus Bay GF Loan	(16,101.24)
56164	COUNTY OF SAN DIEGO	Yuima Fire District Fund Balance - CSA 135 Consoli	968.26
56164	COUNTY OF SAN DIEGO	Yuima Fire District Fund Balance - CSA 135 Consoli	195,587.80
DFT0000690	CALIF BANK & TRUST VISA	Net Payroll PPE 05/29/20	23,736.66
DFT0000691	CALPERS -FISCAL SERVICES DIV.	PEPRA Member Contributions	513.23
DFT0000692	CALPERS -FISCAL SERVICES DIV.	PEPRA Employer Contribution	531.10
DFT0000693	CALPERS -FISCAL SERVICES DIV.	PERS Classic Member Contribution	1,806.73
DFT0000694	CALPERS -FISCAL SERVICES DIV.	PERS Employer Classic Member Contribution	3,251.68
DFT0000695	CALPERS 457 PLAN	SIP 457 Director Def Comp ER	56.25
DFT0000696	CALPERS -FISCAL SERVICES DIV.	1959 Survivor Benefit	9.70
DFT0000697	Employment Development Department	State Withholding	1,240.17
DFT0000698	Employment Development Department	SDI Withholding	321.95
DFT0000699	EFTPS - Federal Payroll Tax	Federal Withholding	3,502.82
DFT0000699	EFTPS - Federal Payroll Tax	Medicare Withholding	955.42
DFT0000701	CALIF BANK & TRUST VISA	Net Payroll PPE 06/16/20	21,836.01
DFT0000702	CALPERS -FISCAL SERVICES DIV.	PEPRA Member Contributions	512.40
DFT0000703	CALPERS -FISCAL SERVICES DIV.	PEPRA Employer Contribution	530.24
DFT0000704	CALPERS -FISCAL SERVICES DIV.	PERS Classic Member Contribution	1,750.62
DFT0000705	CALPERS -FISCAL SERVICES DIV.	PERS Employer Classic Member Contribution	3,150.68
DFT0000706	CALPERS -FISCAL SERVICES DIV.	1959 Survivor Benefit	9.70
DFT0000707	Employment Development Department	State Withholding	1,076.57
DFT0000708	Employment Development Department	SDI Withholding	303.81
DFT0000709	EFTPS - Federal Payroll Tax	Federal Withholding	3,116.40
DFT0000709	EFTPS - Federal Payroll Tax	Medicare Withholding	881.06
DFT0000710	CALIF BANK & TRUST VISA	Net Payroll PPE 06/30/20	21,991.27
DFT0000722	Employment Development Department	Q1-2020 UI PYMT	2,730.00
DFT0000723	CALIF BANK & TRUST VISA	FY 19/20 PFP Bonus	30,487.38
<b>Grand Total:</b>			<b>1,502,063.36</b>

**Government Code 53065.5 Reporting  
FY 2019/20**

#		July	August	September	October	November	December	January	February	March	April	May	June	2019/20
1040	Allen										153.88			\$ 153.88
900	Mark				76.79				89.56			50.00	200.00	\$ 416.35
213	Mitch		249.96	105.00						45.26				\$ 400.22
1349	Matt										50.00		200.00	\$ 250.00
1772	Amy								139.73	134.06	50.00	58.00	23.20	\$ 404.99
1820	Abby					63.22	52.08		48.72		50.00			\$ 214.02
1823	Rich													\$ -
1827	Noel			200.00										\$ 200.00
1858	Lynette				46.75				67.24		50.00		45.19	\$ 209.18
1854	Carmen		41.18	54.52		67.28		22.62		50.00	107.88		37.70	\$ 381.18
1919	Andrew			173.94										\$ 173.94
1946	Breona										50.00			\$ 50.00
<b>TOTAL</b>		\$ -	\$ 249.96	\$ 105.00	\$ 123.54	\$ 130.50	\$ 52.08	\$ 22.62	\$ 345.25	\$ 229.32	\$ 511.76	\$ 108.00	\$ 506.09	\$ 2,853.76

**California Government Code Section 53065.5**

*Each special district, as defined by subdivision (a) of Section 53036, shall, at least annually, disclose any reimbursement paid by the district within the immediately preceding fiscal year of at least one hundred (\$100) for each individual charge for services or products received. "Individual charge" includes, but is not limited to, one meal, lodging for one day, transportation, or a registration fee paid to any employee or member of the governing body of the district. The disclosure requirement shall be fulfilled by including the reimbursement information in a document published or printed at least annually by a date determined by that district and shall be made available for public inspection.*

Government Code 53065.5 reporting for the month of April 2020 is \$511.76.  
Breakdown available in the Finance Department

file-L-02-46.6



# Pooled Cash Report

Yuima Municipal Water District

For the Period Ending 6/30/2020

ACCOUNT #	ACCOUNT NAME	BEGINNING BALANCE	CURRENT ACTIVITY	CURRENT BALANCE	
<b>CLAIM ON CASH</b>					
<a href="#">01-1001-000</a>	Claim on Cash - General Fund	6,912,058.05	(111,218.36)	6,800,839.69	
<a href="#">02-1001-000</a>	Claim on Cash - IDA	2,761,330.23	383,306.49	3,144,636.72	
<a href="#">06-1001-000</a>	Claim on Cash - Fire Mitigation	968.26	15,133.45	16,101.71	
<a href="#">10-1001-000</a>	Claim on Cash - Yuima General Dist	(1,735,045.25)	(629,022.30)	(2,364,067.55)	
<a href="#">20-1001-000</a>	Claim on Cash - Improvement District Capital	(612,668.46)	(31,126.12)	(643,794.58)	
<b>TOTAL CLAIM ON CASH</b>		<u>7,522,230.63</u>	<u>(568,514.64)</u>	<u>6,953,715.99</u>	
<b>CASH IN BANK</b>					
<b>Cash in Bank</b>					
<a href="#">99-1000-000</a>	Petty Cash	500.00	0.00	500.00	
<a href="#">99-1000-010</a>	General Checking	138,708.29	52,139.05	190,847.34	
<a href="#">99-1100-015</a>	General Savings	10,050.54	0.18	10,050.72	
<a href="#">99-1100-016</a>	Fire Savings	27,750.70	(27,751.78)	(1.08)	
<a href="#">99-1100-017</a>	Official Pay Account	1,994.86	2.27	1,997.13	
<a href="#">99-1200-020</a>	LAIF State Treasury	5,561,127.25	(589,000.00)	4,972,127.25	
<a href="#">99-1300-030</a>	UBS Money Market	2,957.71	(2,799.36)	158.35	
<a href="#">99-1300-035</a>	Higgins Capital Management	16.78	0.00	16.78	
<a href="#">99-1400-049</a>	Goldman Sachs - 38148PCK1	101,284.00	(126.00)	101,158.00	
<a href="#">99-1400-050</a>	BMW Bank - 05580ALS1	254,805.00	(507.50)	254,297.50	
<a href="#">99-1400-055</a>	UBS Bank UT - 90348JJX9	100,839.00	(212.00)	100,627.00	
<a href="#">99-1400-056</a>	HSBC Bank USA-44329MBF9	201,680.00	(340.00)	201,340.00	
<a href="#">99-1400-057</a>	BMO Harris Bank-05581W5Q4	100,436.00	(154.00)	100,282.00	
<a href="#">99-1400-058</a>	Morgan Stanley Bank-61690UUH1	261,632.50	495.00	262,127.50	
<a href="#">99-1400-059</a>	Morgan Stanley Bank CUSIP 61765QM48	100,306.00	(165.00)	100,141.00	
<a href="#">99-1400-068</a>	American Express Natl Bank-02589AB50	257,605.00	292.50	257,897.50	
<a href="#">99-1400-069</a>	JP Morgan Chase-48128L8R3	100,522.00	(115.00)	100,407.00	
<a href="#">99-1450-060</a>	FFCB Bond CUSIP 3133ELH98	0.00	299,742.00	299,742.00	
<b>TOTAL: Cash in Bank</b>		<u>7,522,230.63</u>	<u>(568,514.64)</u>	<u>6,953,715.99</u>	
<b>TOTAL CASH IN BANK</b>		<u>7,522,230.63</u>	<u>(568,514.64)</u>	<u>6,953,715.99</u>	
<b>DUE TO OTHER FUNDS</b>					
<a href="#">99-2601-000</a>	Due to Other Funds	7,522,230.63	(568,514.64)	6,953,715.99	
<b>TOTAL DUE TO OTHER FUNDS</b>		<u>7,522,230.63</u>	<u>(568,514.64)</u>	<u>6,953,715.99</u>	
<b>Claim on Cash</b>	6,953,715.99	<b>Claim on Cash</b>	6,953,715.99	<b>Cash in Bank</b>	6,953,715.99
<b>Cash in Bank</b>	6,953,715.99	<b>Due To Other Funds</b>	6,953,715.99	<b>Due To Other Funds</b>	6,953,715.99
<b>Difference</b>	<u>0.00</u>	<b>Difference</b>	<u>0.00</u>	<b>Difference</b>	<u>0.00</u>



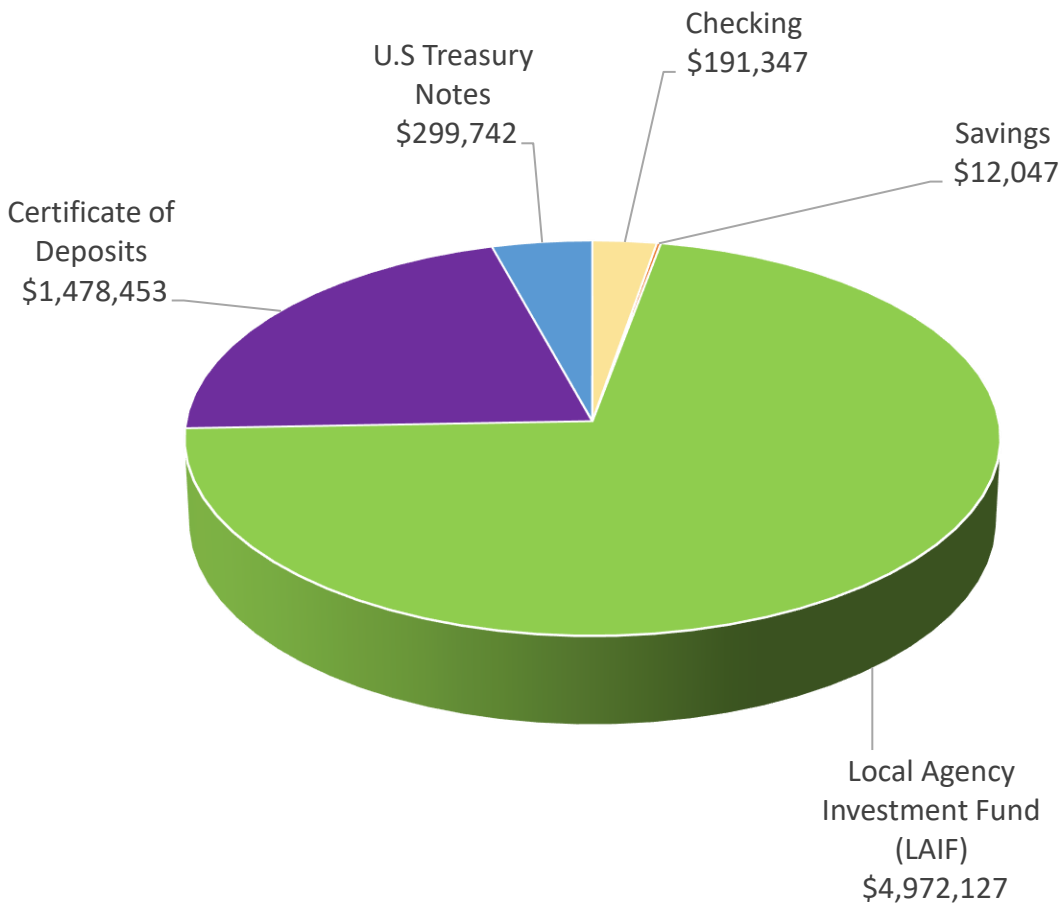
ACCOUNT #	ACCOUNT NAME	BEGINNING BALANCE	CURRENT ACTIVITY	CURRENT BALANCE	
<b>ACCOUNTS PAYABLE PENDING</b>					
<a href="#">01-2555-000</a>	AP Pending - General District	11,440.21	7,766.91	19,207.12	
<b>TOTAL ACCOUNTS PAYABLE PENDING</b>		<u>11,440.21</u>	<u>7,766.91</u>	<u>19,207.12</u>	
<b>DUE FROM OTHER FUNDS</b>					
<a href="#">99-1501-000</a>	Due From General District	(11,440.21)	(7,766.91)	(19,207.12)	
<b>TOTAL DUE FROM OTHER FUNDS</b>		<u>(11,440.21)</u>	<u>(7,766.91)</u>	<u>(19,207.12)</u>	
<b>ACCOUNTS PAYABLE</b>					
<a href="#">99-2555-000</a>	Accounts Payable	11,440.21	7,766.91	19,207.12	
<b>TOTAL ACCOUNTS PAYABLE</b>		<u>11,440.21</u>	<u>7,766.91</u>	<u>19,207.12</u>	
<b>AP Pending</b>	19,207.12	<b>AP Pending</b>	19,207.12	<b>Due From Other Funds</b>	19,207.12
<b>Due From Other Funds</b>	<u>19,207.12</u>	<b>Accounts Payable</b>	<u>19,207.12</u>	<b>Accounts Payable</b>	<u>19,207.12</u>
<b>Difference</b>	<u>0.00</u>	<b>Difference</b>	<u>0.00</u>	<b>Difference</b>	<u>0.00</u>

**Yuima Municipal Water  
District**

**Cash & Investments Data**

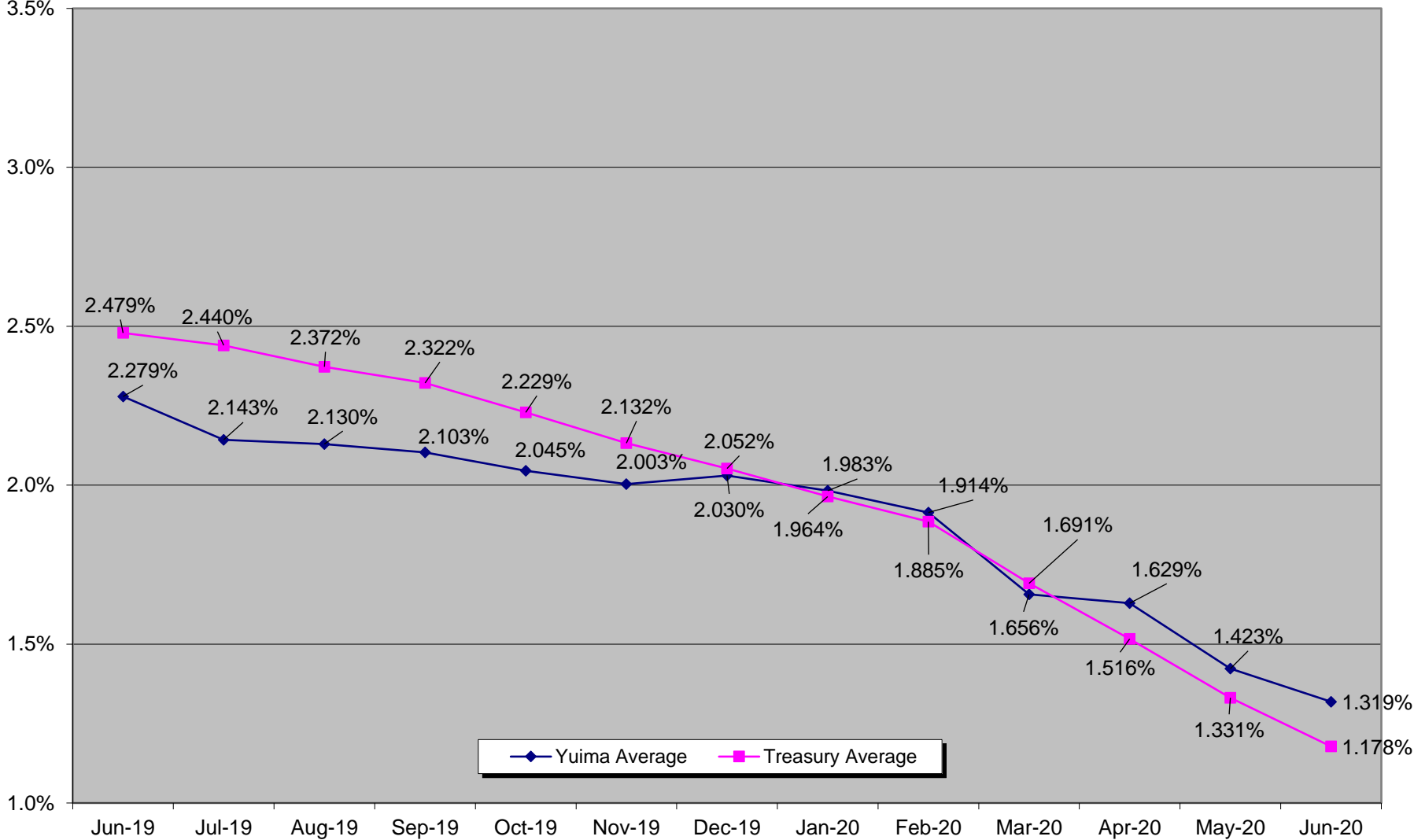
**June 30, 2020**

**\$6,953,715.99**



# Aggregate Yuima Portfolio Yield

June 2019 - June 2020





## State of California Pooled Money Investment Account Market Valuation 6/30/2020

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
1* United States Treasury:				
Bills	\$ 23,981,651,409.11	\$ 24,057,110,770.12	\$ 24,086,038,500.00	NA
Notes	\$ 28,916,240,318.04	\$ 28,914,282,796.34	\$ 29,340,004,500.00	\$ 125,755,726.50
1* Federal Agency:				
SBA	\$ 486,745,410.00	\$ 486,745,410.00	\$ 482,514,375.35	\$ 206,984.81
MBS-REMICs	\$ 17,080,376.76	\$ 17,080,376.76	\$ 18,042,305.76	\$ 79,578.32
Debentures	\$ 2,081,903,495.66	\$ 2,081,807,732.33	\$ 2,103,282,210.00	\$ 8,935,239.97
Debentures FR	\$ -	\$ -	\$ -	\$ -
Debentures CL	\$ 1,025,000,000.00	\$ 1,025,000,000.00	\$ 1,027,343,500.00	\$ 857,834.00
Discount Notes	\$ 16,570,990,090.25	\$ 16,612,067,694.50	\$ 16,617,801,000.00	NA
1* Supranational Debentures	\$ 614,688,043.27	\$ 614,656,765.49	\$ 619,258,800.00	\$ 3,295,333.75
1* Supranational Debentures FR	\$ 200,128,103.33	\$ 200,128,103.33	\$ 200,124,773.71	\$ 399,965.53
2* CDs and YCDs FR	\$ 500,000,000.00	\$ 500,000,000.00	\$ 500,132,000.00	\$ 110,622.74
2* Bank Notes	\$ 100,000,000.00	\$ 100,000,000.00	\$ 100,198,708.70	\$ 674,222.22
2* CDs and YCDs	\$ 12,700,650,610.28	\$ 12,700,428,388.06	\$ 12,706,251,524.80	\$ 40,862,527.80
2* Commercial Paper	\$ 7,719,088,172.29	\$ 7,736,449,795.89	\$ 7,741,500,020.04	NA
1* Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
1* Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
1* Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,488,990,000.00	\$ 5,488,990,000.00	\$ 5,488,990,000.00	NA
AB 55 & GF Loans	\$ 575,596,000.00	\$ 575,596,000.00	\$ 575,596,000.00	NA
<b>TOTAL</b>	<b>\$ 100,978,752,028.99</b>	<b>\$ 101,110,343,832.82</b>	<b>\$ 101,607,078,218.36</b>	<b>\$ 181,178,035.64</b>

Fair Value Including Accrued Interest

\$ 101,788,256,254.00

\* Governmental Accounting Standards Board (GASB) Statement #72

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (1.004912795). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$20,098,255.90 or \$20,000,000.00 x 1.004912795.



# PMIA/LAIF Performance Report as of 07/09/20



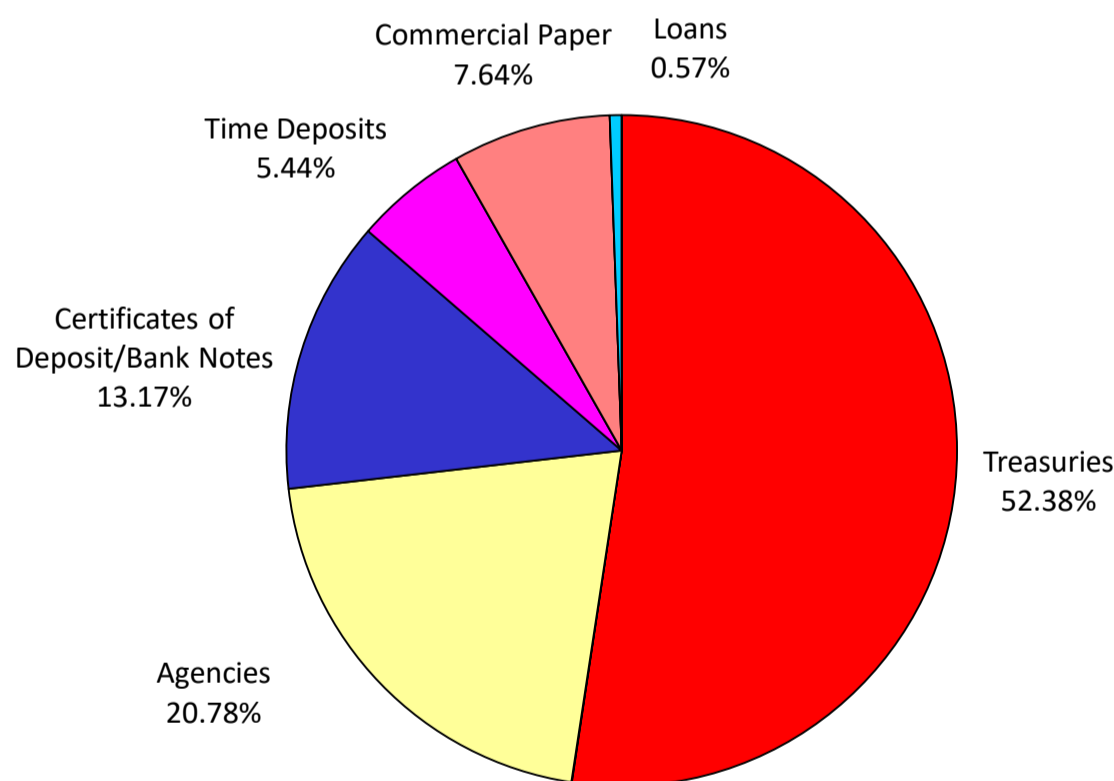
## PMIA Average Monthly Effective Yields<sup>(1)</sup>

Jun	1.217
May	1.363
Apr	1.648

## Quarterly Performance Quarter Ended 03/31/20

LAIF Apportionment Rate <sup>(2)</sup> :	2.03
LAIF Earnings Ratio <sup>(2)</sup> :	0.00005535460693046
LAIF Fair Value Factor <sup>(1)</sup> :	1.007481015
PMIA Daily <sup>(1)</sup> :	1.73%
PMIA Quarter to Date <sup>(1)</sup> :	1.89%
PMIA Average Life <sup>(1)</sup> :	208

## Pooled Money Investment Account Monthly Portfolio Composition <sup>(1)</sup> 06/30/20 \$101.0 billion



Percentages may not total 100% due to rounding

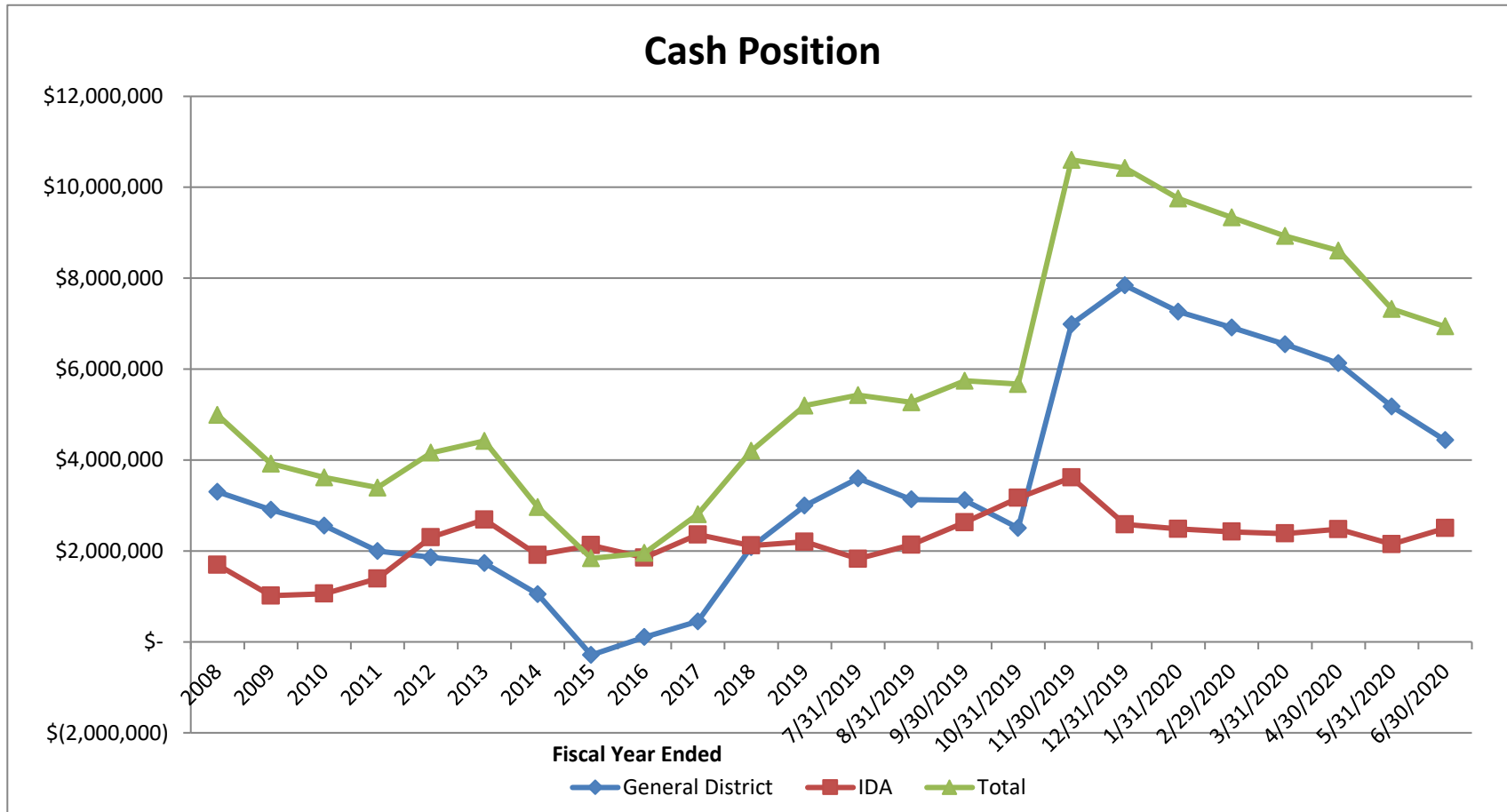
Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

<sup>(1)</sup> State of California, Office of the Treasurer

<sup>(2)</sup> State of California, Office of the Controller



\* Note: November 2019 General District Received Revenue Bond Funding \$4.8 million for Forebay Project

III.  
ACTION & DISCUSSION



July 27, 2020

**TO:** Honorable President and Board of Directors

**FROM:** Amy Reeh, Interim General Manager

**SUBJECT:** Approval of Second Amendment to Lease Agreement Between Yuima MWD and Verizon Wireless

**PURPOSE:** Possible lease amendment to change square footage leased and monthly lease escalation factor.

**SUMMARY:**

Verizon Wireless approached the District in February of 2020 regarding structural changes to their existing cellular tower located at the Perricone Tank site. The District took this opportunity to negotiate the monthly lease amount and the annual escalator on said amount.

The Second Amendment to the Lease Agreement provides for a reduction in the ground footage from 340 square feet to 323 square feet and an immediate 5.5% increase in the monthly lease amount. The future lease escalator will change from an annual increase based on the Construction Cost Index to a 15% increase every 5 years thereafter until the end of the lease. Historically, the annual lease increases amount to an average of 12% over 5 years; this would mean a 3% increase to the overall increase.

**Recommended Actions:**

To approve the Second Amendment to the Lease Agreement reducing the ground square footage of space leased and increasing the current monthly lease amount as well as changing the lease escalator factor.

**SUBMITTED BY:**

A handwritten signature in blue ink that reads "Amy Reeh". The signature is written in a cursive style and is positioned above a horizontal line.

**Amy Reeh**  
**Interim General Manager**



**SECOND AMENDMENT TO LEASE AGREEMENT  
BETWEEN  
YUIMA MUNICIPAL WATER DISTRICT  
AND  
VERIZON WIRELESS**

This Second Amendment to Lease Agreement (the "Amendment") entered into on \_\_\_\_\_, 2020 (the "Effective Date"), by and between Yuima Municipal Water District ("LESSOR") and Cellco Partnership, dba Verizon Wireless ("LESSEE"), in view of the following facts:

- A. WHEREAS, LESSOR is the owner of that real property located at 32798 Avenida De Las Estrellas, Pauma Valley, San Diego County, California (the "Property"); and
- B. WHEREAS, LESSOR and LESSEE, as successor-in-interest to Verizon Wireless (VAW) LLC, dba Verizon Wireless, are parties to that certain Lease Agreement dated May 25, 2004 (the "Original Lease", as amended by that certain First Amendment to Lease Agreement dated November 23, 2004 (the "First Amendment," and, together with the Original Lease, collectively, the "Agreement"), whereby LESSOR leases to LESSEE certain space at the Property for the operation and maintenance of a communications facility; and
- C. WHEREAS, LESSOR is willing to modify its lease with LESSEE under the terms and conditions set forth herein;

NOW THEREFORE, LESSOR and LESSEE agree that the Agreement shall be further amended as follows:

- 1. LESSEE shall be permitted to install certain improvements at the Property, as set forth in Exhibit "A-3" attached hereto and made a part hereof. Upon installation of LESSEE's proposed improvements, LESSEE shall lease from LESSOR: (a) approximately three hundred twenty-three (323) square feet of ground space at the Property (the "Equipment Space") for LESSEE's equipment shelter, generator and related improvements; and (b) approximately ten (10) square feet of ground space for LESSEE's two (2) antenna structures together with approximately one hundred eighty (180) square feet of aerial space beyond such ground space and above those portions of the Property over which the antennas, related appurtenances and branches of LESSEE's antenna structures may extend (collectively, the "New Support Space"), together with (c) the non-exclusive right (the "Rights-of-Way") for ingress and egress, seven (7) days a week, twenty-four (24) hours a day, subject to certain access procedures as set forth in Paragraph 5 below, on foot or motor vehicle, including trucks over or

along a twelve (12) foot right-of-way extending from the nearest public right-of-way to the Equipment Space and New Support Space, and for the installation and maintenance of utility wires, cables and conduits over, under or along one or more rights of way to, among and between the Equipment Space and New Support Space, with said Equipment Space, New Support Space and Rights-of-Way (hereinafter collectively referred to as the "Premises") being substantially as described herein in Exhibit "A-3" attached hereto, which Exhibit "A-3" shall supersede and replace Exhibits "A" and "A-1" referred to in the Original Lease and all exhibits attached to the First Amendment.

2. Commencing on the first day of the month following the Effective Date of this Amendment (the "New Rent Date"), LESSEE agrees to pay LESSOR the monthly rent amount of Two Thousand Five Hundred Fifty Dollars and no cents (\$2,550.00) on or before the first day of each month. LESSOR and LESSEE acknowledge and agree that the rent increase payment(s) shall not actually be sent by LESSEE until ninety (90) days after the New Rent Date.
3. Commencing on November 1, 2024, this Agreement shall automatically be extended for five (5) additional five (5) year terms unless the LESSEE terminates the Agreement at the end of the then current term by providing LESSOR a written notice of the intent to terminate at least six (6) months prior to the end of the then current term.
4. Commencing on November 1, 2024, the annual rent payable by LESSEE under the Agreement shall increase upon the commencement of each five (5) year extension term by fifteen percent (15%) of the annual rental in effect during the immediately preceding five (5) year term. As of the Effective Date of this Amendment, Paragraphs 3.C and 3.D of the Original Lease shall be of no further force or effect.
5. Access Restrictions and Procedures:
  - a. **Normal & After Hours Access.** For LESSEE to access the Premises during normal business hours of 7:00 a.m. to 4:00 p.m. Monday through Friday ("Normal Hours"), LESSEE or LESSEE's representative shall first check in at LESSOR's office located at 34928 Valley Center, Rd., Valley Center, CA 92082 and provide a valid photo ID to LESSOR. Additionally, for LESSEE to access the Premises outside of Normal Hours ("After Hours") for non-emergency purposes, LESSEE or LESSEE's representative shall schedule such After Hours access with LESSOR during Normal Hours, and provide a valid photo ID to LESSOR at that time as well. LESSOR shall authorize requests for such access under this Section 5(a), unless such access would be detrimental to the public health and safety. Unless authorized in

accordance with the foregoing policies, and except as provided in Subparagraph 5b below, LESSEE shall not access the Premises. In addition to the foregoing, LESSOR can provide written exceptions to these requirements in its sole and absolute discretion.

- b. **Emergency After Hours Access.** LESSEE may have After Hours access to the Premises where LESSEE must make emergency repairs to its facilities or to prevent immediate harm to property, environment, or the public (“Emergency After Hours Access”). In order to have Emergency After Hours Access, however, LESSEE shall provide advance telephonic notice to LESSOR at (760) 742-3704.
  - c. **Remedy for Non-Compliance.** Should LESSEE fail to comply with this Section 5, LESSEE shall incur, and LESSOR may impose, a financial penalty of One Thousand Dollars and no cents (\$1,000.00) per violation in lieu of immediate termination of this Agreement, for the first two violations in a calendar year. Should LESSEE commit a third or additional violation of this Section 5 in a given calendar year, LESSOR shall have the option to either (a) impose an additional financial penalty of One Thousand Dollars and no cents (\$1,000.00) per additional violation or breach, or (b) pursue any other remedies under this Agreement, including immediately exercising any of its rights under Paragraph 30(b) of this Agreement, and LESSEE shall have no right to cure. Any penalties imposed under this Section 5(c) shall be paid within thirty (30) days of LESSEE’s receipt of LESSOR’s notice of such violation.
6. Except as specifically modified herein, all of the terms, conditions and provision of the Agreement shall remain in full force and effect, and such terms, conditions and provisions are incorporated herein by reference. Should there be a conflict between the provisions of this Amendment, and the terms of the original Agreement or prior amendments thereto, the terms of this Amendment shall prevail.

**[Signatures appear on the following page]**

IN WITNESS WHEREOF, the parties hereto, LESSOR and LESSEE have executed this Second Amendment to Lease Agreement as of the day and year first written.

LESSOR: YUIMA MUNICIPAL WATER DISTRICT

\_\_\_\_\_  
W.D. Knutson, President

LESSEE: CELLCO PARTNERSHIP dba Verizon Wireless

By: \_\_\_\_\_  
Name \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT "A-3"**

**Premises**

**See attached.**

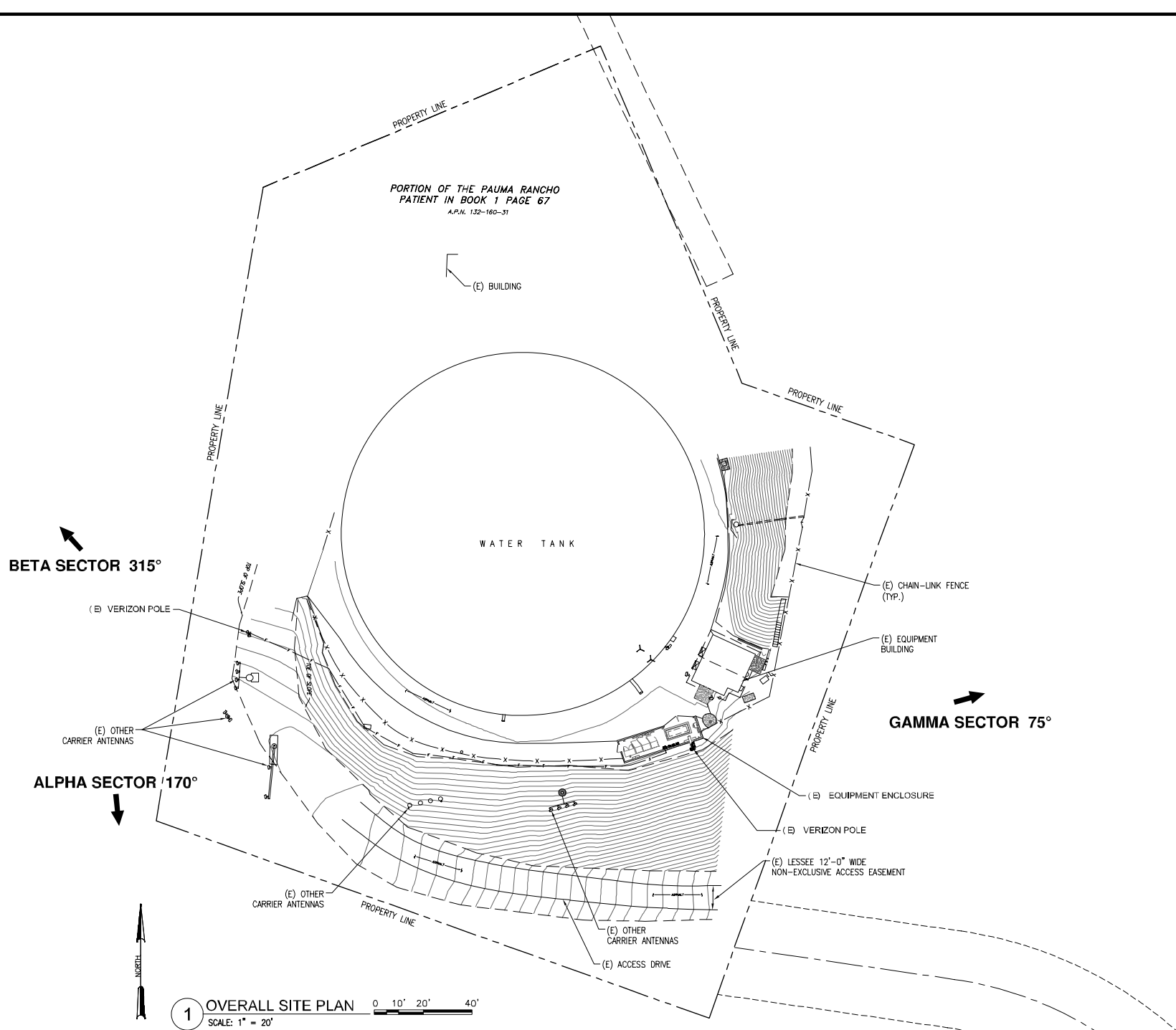
NOTICE: This drawing and the design shown are the property of Jacobs Engineering Group, Inc. The reproduction, copying, or use of this drawing without written consent is prohibited and any infringement will be subject to legal action.

DRAWINGS PLOTTED TO SCALE ON 24x36 SHEETS

BETA SECTOR 315°

ALPHA SECTOR 170°

GAMMA SECTOR 75°



**1** OVERALL SITE PLAN  
SCALE: 1" = 20'

PREPARED FOR:

**verizon**  
1500 SAND CANYON AVENUE  
BLDG. D, FIRST FLR.  
IRVINE, CALIFORNIA 92618  
949.286.7000

PREPARED BY:

**JACOBS**  
Jacobs Engineering Group, Inc.  
2600 MICHELSON DRIVE, SUITE 500  
IRVINE, CALIFORNIA 92612  
PHONE: 949-224-7900  
FAX: 949-224-7501

ENGINEER SEAL:

DESIGN REVISION:

4	2/5/10	90% CD	RU
3	1/17/19	90% CD	RU
2	11/28/18	90% CD	MB
1	7/20/18	90% CD	RU

NO. DATE REVISIONS BY  
NOT VALID WITHOUT SIGNATURE AND DATE

VERIZON SITE ID:

**RINCON**  
17024 HIGHWAY 76  
PAUMA VALLEY, CA 92061

TOWER OWNER SITE ID:

116458

PREPARED BY:

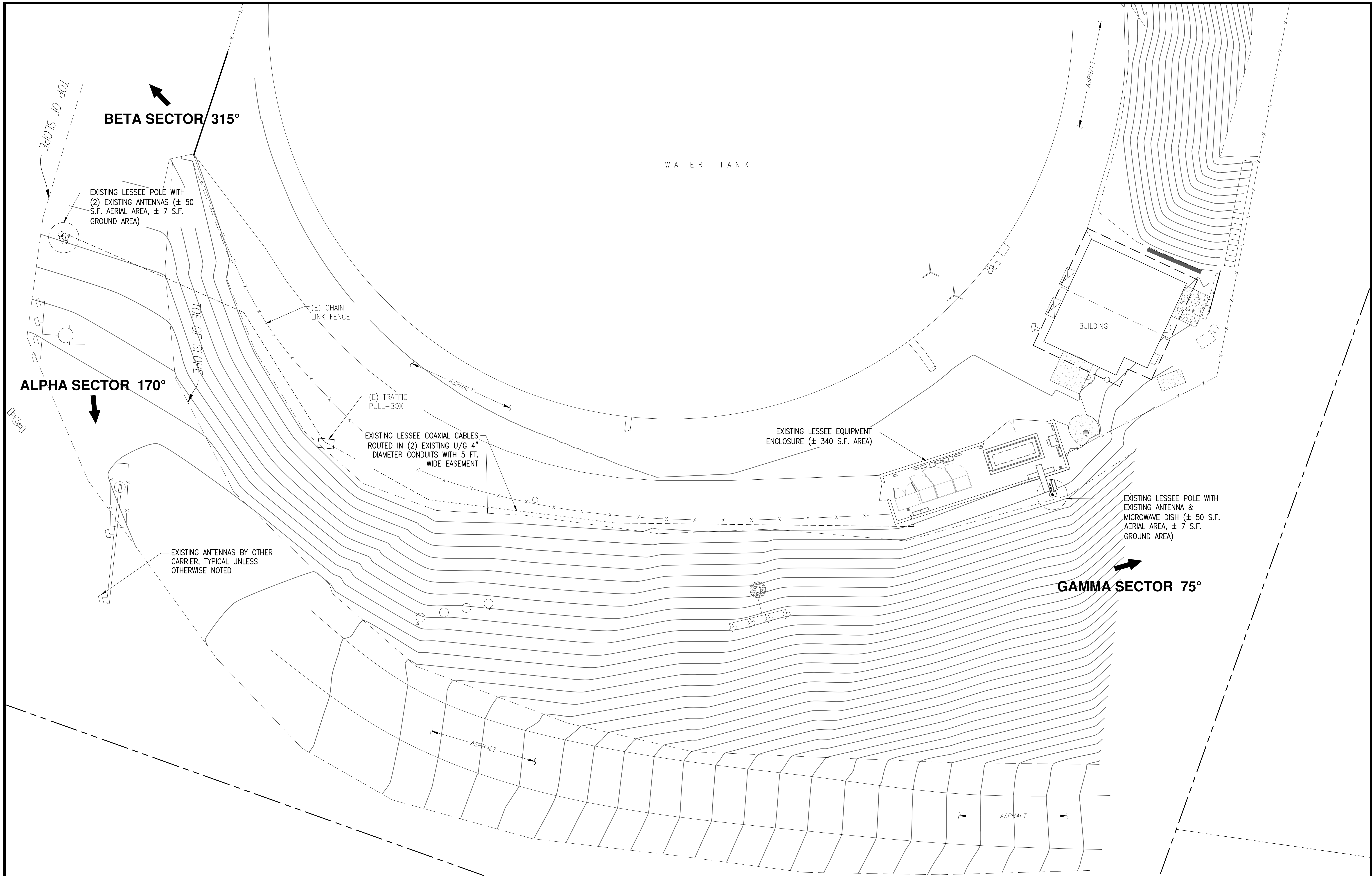
APPROVED BY: RK  
DESIGNED BY: AM  
PROJECT NO: ELV20105  
DATE: 10/25/18

DRAWING NAME:

OVERALL SITE PLAN

DRAWING NUMBER:

**A1**





**July 27, 2020**

**TO: Honorable President and Board of Directors**  
**FROM: Amy Reeh, Interim General Manager**  
**SUBJECT: Approval of Purchase Orders over \$35,000**

**PURPOSE:** To approve the purchase order for CalPERS Annual UAL Payment.

**SUMMARY:**

Under the Purchasing Policy the Board must approve any purchase order over \$35,000. This is the required annual payment toward Yuima's Unfunded Accrued Liability. The District has a choice to pay a lump sum payment in July each year or make monthly payments. The district will save \$4,827 in interest charges by making the lump sum payment as opposed to monthly payments.

**Recommended Actions:**

To approve the purchase order for CalPERS in the amount of \$140,295.00. This lump sum payment to PERS as opposed to a monthly payment will save the District \$4,827.

**SUBMITTED BY:**

A handwritten signature in blue ink that reads "Amy Reeh".

**Amy Reeh**  
**Interim General Manager**





# REQUISITION

**Requisition #:** REQ01009

**Date:** 07/06/2020

**Vendor #:** 1777

**ISSUED TO:** CalPERS Financial Reporting &  
PO Box 942703  
SACRAMENTO, CA 94229-2703

**SHIP TO:** Yuima Municipal Water District  
34928 Valley Center Road  
Pauma Valley, CA 92061

ITEM	UNITS DESCRIPTION	PROJECT #	PRICE	GL ACCOUNT NUMBER	AMOUNT
1	1 FY 20/21 UAL Payment		140,295.00	01-100-56-5400-213	140,295.00

**Detailed Description:**

**Authorized By:** \_\_\_\_\_

<b>SUBTOTAL:</b>	140,295.00
<b>TOTAL TAX:</b>	0.00
<b>SHIPPING:</b>	0.00
<b>TOTAL</b>	140,295.00

REQ 01009

Home Profile Reporting Person Information Education Pension Outlook Other Organizations

Manage Reports Billing and Payments Payroll Schedule Out-of-Class Validation Member Requests Health Reconciliation Retirement Appointm

Name: Yulma Municipal Water District CalPERS ID: 2011487775

Payment Request Acceptance

Your request for payment has been accepted

- To generate the employer payment report, please click the print button.
- If you need to contact us with questions regarding this payment, please have your Payment Confirmation Number for faster access.
- Your payment will reflect as paid in myCalPERS if your payroll has successfully posted. Once your payment is processed any credits will roll over to the same type of receivable in the next month, after your payroll has been processed.
- Your payment may take longer to post, depending upon your Financial Institution.

Payment Setup Total

Total Payment Amount: \$140,295.00

Payment Summary

Payment Confirmation Number	Payment Authorization Date	Receivable ID	Receivable Description	Payment Method	Payment Account Nickname	Selected Payment Amount
1001599683	07/31/2020	100000016090291	Employer Contributions - Unfunded Accrued Liability, Classic, 3909, CalPERS, 2020/2021	EFT - Debit	YMWD Checking	\$140,295.00

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Build: v8.8 Baseline: 200611\_083908\_v8.8\_Int.8947 UID: 318

\* scheduled to pay 7/31/20 on 7/6/2020 ✓ AC.

01-100-50-5400-213

OK to pay.  
 \$145,295 - Lump Sum  
 @ 7/6/2020



P.O. Box 942715 Sacramento, CA 94229-2715  
 888 CalPERS (or 888-225-7377) | Fax: (800) 959-6545  
 TTY: (877) 249-7442  
 www.calpers.ca.gov

California Public Employees' Retirement System

July 01, 2020

Amy L Reeh  
 Yuima Municipal Water District  
 P.O. BOX 177  
 PAUMA VALLEY, CA 92061-0177

Business Unit: 1900  
 CalPERS ID: 2011487775  
 Invoice Number: 100000016090291  
 Invoice Date: July 01, 2020  
 Payment Due Date: July 31, 2020

Description	Amount				
<p>Annual Unfunded Accrued Liability as of the June 30, 2018 Actuarial Valuation for Rate Plan Identifier 3909.</p> <p>The total minimum required employer contribution is the sum of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability Contribution Amount.</p> <p>Your agency's monthly amount due toward the Unfunded Accrued Liability is:</p> <table border="0"> <tr> <td>Amount</td> <td>Due Date</td> </tr> <tr> <td>\$12,093.50</td> <td>July 31, 2020</td> </tr> </table> <p>If you would like to prepay the entire Annual Payment toward your Plan's Unfunded Accrued Liability, you can submit the Annual Lump Sum Prepayment amount of <b>\$140,295.00 to the invoice number above by July 31, 2020</b> instead of the monthly amount listed.</p> <p>Please refer to the June 30, 2018 Actuarial Valuation report for the details of this calculation. Reports are available at CalPERS On-Line or by visiting <a href="http://www.mycalpers.ca.gov">www.mycalpers.ca.gov</a></p> <p>Unfunded Accrued Liability contributions are to be paid in full by the payment due date each month. Payments that are not received in full on or before this date will be assessed interest on the total outstanding balance due (Public Employees' Retirement Law § 20572 (b)). Please note that this monthly statement is a demand for payment in accordance with Public Employees' Retirement Law § 20572 (a).</p> <p>For questions concerning your invoice, please call our CalPERS Customer Contact Center at 888 CalPERS (or 888-225-7377) and ask to be referred to the Financial Office.</p>	Amount	Due Date	\$12,093.50	July 31, 2020	
Amount	Due Date				
\$12,093.50	July 31, 2020				
<p style="text-align: right;">Lump Sum MONTHLY</p>	<p style="text-align: right;">Total Due \$12,093.50</p>				

myCalPERS 2263





**July 27, 2020**

**TO: Honorable President and Board of Directors**

**FROM: Amy Reeh, Interim General Manager**

**SUBJECT: Proposed Resolution amending Appendix "B" of the Conflict of Interest Code and Rescinding Resolution 1795-18.**

**PURPOSE:** To complete a biennial review of the District's Conflict of Interest Code and amend Appendix "A" and "B" if necessary

**SUMMARY:**

Government Code Section 87306.5 requires every local Government Agency to review its Conflict of Interest Code biennially to determine if it is accurate or if the code requires amending. The only revisions recommended to the code is to remove the Treasurer from Appendix "A" and remove the District Engineer from Appendix "B".

**RECOMMENDATIONS:**

That the Board approve the proposed resolution and recommended changes.

**SUBMITTED BY:**

A handwritten signature in blue ink that reads "Amy Reeh".

**Amy Reeh**  
**Interim General Manager**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
YUIMA MUNICIPAL WATER DISTRICT  
AMENDING THE APPENDIX TO ITS  
CONFLICT OF INTEREST CODE – EXHIBIT “A” AND EXHIBIT “B”  
AND RESCINDING RESOLUTION 1795-18**

WHEREAS, the Political Reform Act, Government Code Section 81000 et seq, requires state and local government agencies to adopt and promulgate conflict of interest codes; and

WHEREAS, pursuant to the aforementioned Code, the Fair Political Practices Commission (“FPPC”) has adopted a regulation entitled Title 2, Division 6, Section 1873 (hereinafter CCR 18730), which regulation contains the terms of a standard conflict of interest code which may be incorporated by reference by public agencies in such agencies’ conflict of interest codes as mandated by the Act; and

WHEREAS, the Yuima Municipal Water District wishes to amend Appendix Exhibits A and B of its Conflict of Interest Code in order to comply more fully with the letter and spirit of the Act; and

WHEREAS, by prior resolution 1795-18, the Yuima Municipal Water District adopted the FPPC California Code of Regulation, Title 2 division 6, Section 18730 and any future amendments to it duly adopted by the FPPC by reference; and

NOW THEREFORE BE IT RESOLVED, that the terms of CCR 18730 and any amendments to duly adopted thereto by the FPPC are hereby incorporated by reference into the Conflict of Interest Code of the Yuima Municipal Water District; and

BE IT FURTHER RESOLVED that Appendix Exhibit A of the District’s code, which Appendix names the positions of designated employees who shall file a statement of economic interest, to include as subject to the Act those District Officials who manage public investments, as defined by 2 Cal. Code of Regs. §18701 (b), are NOT subject to the District’s Code, but are subject to the disclosure requirements of the Act; and

BE IT FURTHER RESOLVED that the Disclosure Categories that identify the types of investments, business entities, sources of income, or real property which the Designated Employee must disclose for each category to which he or she is assigned is hereby incorporated by reference in the Appendix to the Code as Exhibit “B”.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of YUIMA MUNICIPAL WATER DISTRICT held Monday, July 27, 2020 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

\_\_\_\_\_  
Roland Simpson, President

ATTEST:

\_\_\_\_\_  
Don Broomell, Secretary/Treasurer

# APPENDIX

## CONFLICT OF INTEREST CODE OF THE YUIMA MUNICIPAL WATER DISTRICT

(Amended July 27, 2020)

### EXHIBIT “A”

#### **OFFICIALS WHO MANAGE PUBLIC INVESTMENTS**

District Officials who manage public investment, as defined by 2 Cal. Code of Reg. § 18701(b), are NOT subject to the District’s Code but are subject to the disclosure requirement of the Act. (Government Code Section 87200 et seq.). [Regs. § 18739(b)(3)] These positions are listed here for information purposes only.

It has been determined that the positions listed below are officials who manage public investments.<sup>1</sup>

Members of the Board of Directors

General Manager

Finance & Administrative Services Manager

~~Treasurer~~

---

<sup>1</sup> Individual holding one of the above-listed positions may contact the FPPC for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The FPPC makes the final determination whether a position is covered by § 87200.

YUIMA MUNICIPAL WATER DISTRICT  
**DESIGNATED POSITIONS**

GOVERNED BY THE CONFLICT OF INTEREST CODE

<u>DESIGNATED EMPLOYEES'</u> <u>TITLE OF FUNCTION</u>	<u>DISCLOSURE CATEGORIES</u> <u>ASSIGNED</u>
Members of the Board of Directors	All
General Manager	All
Finance & Administrative Services Manager	All
<del>District Engineer</del>	<del>2, 3, 5</del>
General Counsel	1, 2
Consultants	*

\*Consultants shall be included in the list of Designated Employee and shall disclose pursuant to the broadest disclosure category in the Code subject to the following limitation:

The General Manager of the District may determine in writing that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirement described in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure requirement. Such determination shall be a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

YUIMA MUNICIPAL WATER DISTRICT

EXHIBIT “B”

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types on investments, business entities, sources of income, or real property which the Designated Employee must disclose for each disclosure category to which he or she is assigned.

Category 1: All investments and business positions in, and sources of income from, business entities that do business or own real property within the jurisdiction of the District, plan to do business or own real property within the jurisdiction of the District within the next year, or have done business or owned real property within the jurisdiction of the District within the past two (2) years.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in, and sources of income from, business entities that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District, plan to engage in such activities within the jurisdiction of the District within the next year, or have engaged in such activities within the jurisdiction of the District within the past two (2) years.

Category 4: All investments and business positions in, and sources of income from, business entities that are banking, savings and loan, or other financial institutions.

Category 5: All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 6: All investments and business positions in, and sources of income from, business entities that provide services, supplies, materials, machinery, vehicles or equipment of a type purchased or leased by the Designated Employee’s Department.



(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

**§ 18730. Provisions of Conflict of Interest Codes.**

(a) Incorporation by reference of the terms of this regulation along with the designation of employees and the formulation of disclosure categories in the Appendix referred to below constitute the adoption and promulgation of a conflict of interest code within the meaning of Section 87300 or the amendment of a conflict of interest code within the meaning of Section 87306 if the terms of this regulation are substituted for terms of a conflict of interest code already in effect. A code so amended or adopted and promulgated requires the reporting of reportable items in a manner substantially equivalent to the requirements of article 2 of chapter 7 of the Political Reform Act, Sections 81000, et seq . The requirements of a conflict of interest code are in addition to other requirements of the Political Reform Act, such as the general prohibition against conflicts of interest contained in Section 87100, and to other state or local laws pertaining to conflicts of interest.

(b) The terms of a conflict of interest code amended or adopted and promulgated pursuant to this regulation are as follows:

(1) Section 1. Definitions.

The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (Regulations 18110, et seq.), and any amendments to the Act or regulations, are incorporated by reference into this conflict of interest code.

(2) Section 2. Designated Employees.

The persons holding positions listed in the Appendix are designated employees. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

(3) Section 3. Disclosure Categories.

This code does not establish any disclosure obligation for those designated employees who are also specified in Section 87200 if they are designated in this code in that same capacity or if the geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction in which those persons must report their economic interests pursuant to article 2 of chapter 7 of the Political Reform Act, Sections 87200, et seq .

In addition, this code does not establish any disclosure obligation for any designated employees who are designated in a conflict of interest code for another agency, if all of the following apply:

(A) The geographical jurisdiction of this agency is the same as or is wholly included within the jurisdiction of the other agency;

(B) The disclosure assigned in the code of the other agency is the same as that required under article 2 of chapter 7 of the Political Reform Act, Section 87200; and

(C) The filing officer is the same for both agencies.<sup>1</sup>

Such persons are covered by this code for disqualification purposes only. With respect to all other designated employees, the disclosure categories set forth in the Appendix specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in the Appendix. It has been determined that the economic interests set forth in a designated employee's disclosure categories

are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.

(4) Section 4. Statements of Economic Interests: Place of Filing.

The code reviewing body shall instruct all designated employees within its code to file statements of economic interests with the agency or with the code reviewing body, as provided by the code reviewing body in the agency's conflict of interest code.<sup>2</sup>

(5) Section 5. Statements of Economic Interests: Time of Filing.

(A) Initial Statements. All designated employees employed by the agency on the effective date of this code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this code. Thereafter, each person already in a position when it is designated by an amendment to this code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1. If a person reports for military service as defined in the Servicemember's Civil Relief Act, the deadline for the annual statement of economic interests is 30 days following his or her return to office, provided the person, or someone authorized to represent the person's interests, notifies the filing officer in writing prior to the applicable filing deadline that he or she is subject to that federal statute and is unable to meet the applicable deadline, and provides the filing officer verification of his or her military status.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

(5.5) Section 5.5. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

(1) File a written resignation with the appointing power; and

(2) File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

(6) Section 6. Contents of and Period Covered by Statements of Economic Interests.

(A) Contents of Initial Statements.

Initial statements shall disclose any reportable investments, interests in real property and business positions held on the effective date of the code and income received during the 12 months prior to the effective date of the code.

(B) Contents of Assuming Office Statements.

Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Section 87302.6, the day after the closing date of the most recent statement filed by the member pursuant to Regulation 18754.

(D) Contents of Leaving Office Statements.

Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

(7) Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the agency, and shall contain the following information:

(A) Investment and Real Property Disclosure.

When an investment or an interest in real property<sup>3</sup> is required to be reported,<sup>4</sup> the statement shall contain the following:

1. A statement of the nature of the investment or interest;

2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds \$2,000, exceeds \$10,000, exceeds \$100,000, or exceeds \$1,000,000.

(B) Personal Income Disclosure. When personal income is required to be reported,<sup>5</sup> the statement shall contain:

1. The name and address of each source of income aggregating \$500 or more in value, or \$50 or more in value if the income was a gift, and a general description of the business activity, if any, of each source;

2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was \$1,000 or less, greater than \$1,000, greater than \$10,000, or greater than \$100,000;

3. A description of the consideration, if any, for which the income was received;

4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;

5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,<sup>6</sup> the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;

2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than \$10,000.

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

(8) Section 8. Prohibition on Receipt of Honoraria.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept any honorarium from any source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (a), (b), and (c) of Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Section 89506.

(8.1) Section 8.1. Prohibition on Receipt of Gifts in Excess of \$460.

(A) No member of a state board or commission, and no designated employee of a state or local government agency, shall accept gifts with a total value of more than \$460 in a calendar year from any single source, if the member or employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. This section shall not apply to any part-time member of the governing board of any public institution of higher education, unless the member is also an elected official.

Subdivisions (e), (f), and (g) of Section 89503 shall apply to the prohibitions in this section.

(8.2) Section 8.2. Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected



officer has been elected or over which that elected officer's agency has direction and control.

This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (c), (d), (e), (f), and (g) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed \$500 at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

(8.3) Section 8.3. Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

(8.4) Section 8.4. Personal Loans.

(A) Except as set forth in subdivision (B), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

- a. The date the loan was made.
- b. The date the last payment of \$100 or more was made on the loan.
- c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision (A), but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

(9) Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth \$2,000 or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth \$2,000 or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating \$500 or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating \$460 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

(9.3) Section 9.3. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be

made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

(9.5) Section 9.5. Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

(10) Section 10. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she should not make a governmental decision because he or she has a disqualifying interest in it, the determination not to act may be accompanied by disclosure of the disqualifying interest.

(11) Section 11. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Section 83114 and Regulations 18329 and 18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

(12) Section 12. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Section 87100 or 87450 has occurred may be set aside as void pursuant to Section 91003.

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<sup>1</sup> Designated employees who are required to file statements of economic interests under any other agency's conflict of interest code, or under article 2 for a different jurisdiction, may expand their statement of economic interests to cover reportable interests in both jurisdictions, and file copies of this expanded statement with both entities in lieu of filing separate and distinct statements, provided that each copy of such expanded statement filed in place of an original is signed and verified by the designated employee as if it were an original. See Section 81004.

<sup>2</sup> See Section 81010 and Regulation 18115 for the duties of filing officers and persons in agencies who make and retain copies of statements and forward the originals to the filing officer.

<sup>3</sup> For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

<sup>4</sup> Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and

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dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

<sup>5</sup> A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

<sup>6</sup> Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

Note: Authority cited: Section 83112, Government Code. Reference: Sections 87103(e), 87300-87302, 89501, 89502 and 89503, Government Code.

#### HISTORY

1. New section filed 4-2-80 as an emergency; effective upon filing (Register 80, No. 14).

Certificate of Compliance included.

2. Editorial correction (Register 80, No. 29).

3. Amendment of subsection (b) filed 1-9-81; effective thirtieth day thereafter (Register 81, No. 2).

4. Amendment of subsection (b)(7)(B)1. filed 1-26-83; effective thirtieth day thereafter (Register 83, No. 5).

5. Amendment of subsection (b)(7)(A) filed 11-10-83; effective thirtieth day thereafter (Register 83, No. 46).

6. Amendment filed 4-13-87; operative 5-13-87 (Register 87, No. 16).

7. Amendment of subsection (b) filed 10-21-88; operative 11-20-88 (Register 88, No. 46).
8. Amendment of subsections (b)(8)(A) and (b)(8)(B) and numerous editorial changes filed 8-28-90; operative 9-27-90 (Reg. 90, No. 42).
9. Amendment of subsections (b)(3), (b)(8) and renumbering of following subsections and amendment of Note filed 8-7-92; operative 9-7-92 (Register 92, No. 32).
10. Amendment of subsection (b)(5.5) and new subsections (b)(5.5)(A)-(A)(2) filed 2-4-93; operative 2-4-93 (Register 93, No. 6).
11. Change without regulatory effect adopting Conflict of Interest Code for California Mental Health Planning Council filed 11-22-93 pursuant to title 1, section 100, California Code of Regulations (Register 93, No. 48). Approved by Fair Political Practices Commission 9-21-93.
12. Change without regulatory effect redesignating Conflict of Interest Code for California Mental Health Planning Council as chapter 62, section 55100 filed 1-4-94 pursuant to title 1, section 100, California Code of Regulations (Register 94, No. 1).
13. Editorial correction adding History 11 and 12 and deleting duplicate section number (Register 94, No. 17).
14. Amendment of subsection (b)(8), designation of subsection (b)(8)(A), new subsection (b)(8)(B), and amendment of subsections (b)(8.1)-(b)(8.1)(B), (b)(9)(E) and Note filed 3-14-95; operative 3-14-95 pursuant to Government Code section 11343.4(d) (Register 95, No. 11).
15. Editorial correction inserting inadvertently omitted language in footnote 4 (Register 96, No. 13).



16. Amendment of subsections (b)(8)(A)-(B) and (b)(8.1)(A), repealer of subsection (b)(8.1)(B), and amendment of subsection (b)(12) filed 10-23-96; operative 10-23-96 pursuant to Government Code section 11343.4(d) (Register 96, No. 43).
17. Amendment of subsections (b)(8.1) and (9)(E) filed 4-9-97; operative 4-9-97 pursuant to Government Code section 11343.4(d) (Register 97, No. 15).
18. Amendment of subsections (b)(7)(B)5., new subsections (b)(8.2)-(b)(8.4)(C) and amendment of Note filed 8-24-98; operative 8-24-98 pursuant to Government Code section 11343.4(d) (Register 98, No. 35).
19. Editorial correction of subsection (a) (Register 98, No. 47).
20. Amendment of subsections (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 5-11-99; operative 5-11-99 pursuant to Government Code section 11343.4(d) (Register 99, No. 20).
21. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 12-6-2000; operative 1-1-2001 pursuant to the 1974 version of Government Code section 11380.2 and Title 2, California Code of Regulations, section 18312(d) and (e) (Register 2000, No. 49).
22. Amendment of subsections (b)(3) and (b)(10) filed 1-10-2001; operative 2-1-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 2).
23. Amendment of subsections (b)(7)(A)4., (b)(7)(B)1.-2., (b)(8.2)(E)3., (b)(9)(A)-(C) and footnote 4. filed 2-13-2001. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third

Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2001, No. 7).

24. Amendment of subsections (b)(8.1)-(b)(8.1)(A) filed 1-16-2003; operative 1-1-2003.

Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2003, No. 3).

25. Editorial correction of History 24 (Register 2003, No. 12).

26. Editorial correction removing extraneous phrase in subsection (b)(9.5)(B) (Register 2004, No. 33).

27. Amendment of subsections (b)(2)-(3), (b)(3)(C), (b)(6)(C), (b)(8.1)-(b)(8.1)(A), (b)(9)(E) and (b)(11)-(12) filed 1-4-2005; operative 1-1-2005 pursuant to Government Code section 11343.4 (Register 2005, No. 1).

28. Amendment of subsection (b)(7)(A)4. filed 10-11-2005; operative 11-10-2005 (Register 2005, No. 41).

29. Amendment of subsections (a), (b)(1), (b)(3), (b)(8.1), (b)(8.1)(A) and (b)(9)(E) filed 12-18-2006; operative 1-1-2007. Submitted to OAL pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2006, No. 51).

30. Amendment of subsections (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) filed 10-31-2008; operative 11-30-2008. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate

District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2008, No. 44).

31. Amendment of section heading and section filed 11-15-2010; operative 12-15-2010. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2010, No. 47).

32. Amendment of section heading and subsections (a)-(b)(1), (b)(3)-(4), (b)(5)(C), (b)(8.1)-(b)(8.1)(A) and (b)(9)(E) and amendment of footnote 1 filed 1-8-2013; operative 2-7-2013. Submitted to OAL for filing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not subject to procedural or substantive review by OAL) (Register 2013, No. 2).

33. Amendment of subsections (b)(8.1)-(b)(8.1)(A), (b)(8.2)(E)3. and (b)(9)(E) filed 12-15-2014; operative 1-1-2015 pursuant to section 18312(e)(1)(A), title 2, California Code of Regulations. Submitted to OAL for filing and printing pursuant to *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements) (Register 2014, No. 51).



**July 27, 2020**

**TO: Honorable President and Board of Directors**

**FROM: Amy Reeh, Interim General Manager**

**SUBJECT: Acceptance of Class Action Lawsuit Settlement with Verizon Wireless and Authorization of Interim General Manager to sign the Consent and Release Form to Receive Payment.**

**PURPOSE:**

To accept the settlement of \$478 from the class action lawsuit.

**SUMMARY:**

As a customer of Verizon Wireless, the District was part of a class action lawsuit that has been concluded. The District's proceeds of the settlement is \$478.

**RECOMMENDATIONS:**

That the Board accept the settlement as presented

**SUBMITTED BY:**

A handwritten signature in blue ink that reads "Amy Reeh".

**Amy Reeh**  
**Interim General Manager**

RECEIVED  
JUN 25 '20 AM 11:42

## CONSTANTINE | CANNON

SAN FRANCISCO | NEW YORK | WASHINGTON | LONDON

Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
(415) 639-4001

June 19, 2020

Yuima Municipal Water District  
Attn: Richard Williamson  
General Manager  
P.O. Box 177  
34928 Valley Center Rd  
Pauma Valley, CA 92061

**Re: Notice of settlement with New Cingular Wireless National Accounts, LLC d/b/a Cingular Wireless, now known as AT&T Mobility National Accounts LLC in *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517 (Sacramento Superior Court)**

Dear Sir or Madam:

You are receiving this letter because Yuima Municipal Water District is a non-intervening real party in interest (“Non-Intervenor”) in *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517, which is pending in the Superior Court for Sacramento County. Defendant New Cingular Wireless National Accounts, LLC d/b/a Cingular Wireless, now known as AT&T Mobility National Accounts LLC (“AT&T”) and Plaintiffs have entered into a Settlement Agreement in the case.

Yuima Municipal Water District has been identified as a party that did not make purchases from AT&T under the contracts at issue in the case during the relevant time period, and therefore will not receive a share of the AT&T settlement payment. No further action is required from you at this time. However, if you would like more information about the settlement, or if you would like to object to the settlement:

**Download filings regarding settlement**

Copies of documents filed with the Court in support of the settlement, which include the Settlement Agreement and the Court’s order approving this notice procedure, may be downloaded at: <https://constantinecannon.box.com/v/Non-Intervenor>. In addition, you may contact counsel identified below to obtain the documents.

**Hearing**

The Court has set a hearing for final approval of the Settlement Agreement for **September 24, 2020, at 11:00am** in Department 92 or 96 of the Sacramento Superior Court, located at 9605 Kiefer Boulevard, Sacramento, California. The purpose of the hearing is to determine whether the terms of the Settlement Agreement – including but not limited to the dismissal of the California Action with prejudice as to AT&T, the releases, and the Proposed Allocation among the Parties, Relator, and Plaintiffs’ counsel – are in all respects fair, adequate, and reasonable, and in the best interests of the parties involved, serve the public purposes behind the CFCA, and should be finally approved.

Yuima Municipal Water District  
June 19, 2020  
Page 2

In the event that it becomes necessary to postpone this hearing, then Relator's counsel will, within 5 calendar days of the Court's postponement order, (a) serve the order on you by mail, and (b) make the order available on the website: <https://constantinecannon.box.com/v/Non-Intervenor>

Similarly, in the event that it becomes necessary to disallow in-person appearances at the hearing, then within 5 calendar days of the Court's order requiring any attendance at the hearing to be remote/telephonic rather than in-person, Relator's counsel will (a) serve the order on you by mail, and (b) make the order available on the website. Such service shall include an updated notice that contains meeting identification number(s) and login information, if any, that are necessary for remote attendance.

### **How to object**

The Court has ordered that any Non-Intervenor who objects to the approval of the proposed settlement may appear at the Hearing to show cause why the proposed settlement should not be approved. Pursuant to the Court's order, objections to the settlement shall be heard, and any papers or briefs submitted in support of said objections shall be considered by the Court.

Any Non-Intervenor wishing to make an objection is requested to file written notice of its intention to object, together with supporting papers stating specifically the factual basis and legal grounds of the objection, and to serve copies thereof upon counsel for Plaintiffs and AT&T, on or before September 17, 2020.

### **Additional information**

If you have any questions about this notification, or the terms of the settlement agreement, you may contact counsel for the Relators and Intervenors:

Constantine Cannon LLP  
150 California Street, Suite 1600  
San Francisco, CA 94111  
Telephone: (415) 639-4001

Wayne Lamprey	<a href="mailto:wlamprey@constantinecannon.com">wlamprey@constantinecannon.com</a>
Anne Hartman	<a href="mailto:ahartman@constantinecannon.com">ahartman@constantinecannon.com</a>
Ari Yampolsky	<a href="mailto:ayampolsky@constantinecannon.com">ayampolsky@constantinecannon.com</a>

If the recipient of this letter is not an attorney who represents Yuima Municipal Water District in civil legal proceedings, you may want to consult with such counsel.

Sincerely,

CONSTANTINE CANNON LLP



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Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
Attorneys for Plaintiffs Regents of the  
University of California, et al. and Plaintiff-  
Relator OnTheGo Wireless, LLC

# CONSTANTINE | CANNON

SAN FRANCISCO | NEW YORK | WASHINGTON | LONDON

Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
(415) 639-4001

June 19, 2020

DATE RECEIVED  
JUN 25 '20 AM 11:41

Yuima Municipal Water District  
Attn: Richard Williamson  
General Manager  
P.O. Box 177  
34928 Valley Center Rd  
Pauma Valley, CA 92061

Re: *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517 (Sacramento Superior Court)  
**Settlement with Verizon: Action Required**

Dear Sir or Madam:

The enclosed Notice of Settlement is directed to Yuima Municipal Water District as a non-intervening real party in interest ("Non-Intervenor") in the above case, in the form required by order of the Court with respect to a settlement between Plaintiffs and Defendant Cellco Partnership d/b/a Verizon Wireless ("Verizon").

**YOUR RESPONSE TO THIS NOTICE WILL DETERMINE THE AMOUNT OF MONEY THAT Yuima Municipal Water District WILL RECEIVE AS A RESULT OF THE SETTLEMENT WITH VERIZON.** The settlement payment to Yuima Municipal Water District can be calculated from information in the enclosed pleadings. For your convenience, we outline the calculations here:

Total settlement amount for California government entities	\$68,231,673
Verizon revenue from Yuima Municipal Water District during relevant time period <sup>248</sup>	\$9,672
Share of all Verizon California revenue and settlement for Yuima Municipal Water District	0.001%

<sup>248</sup> Verizon provided revenue information in discovery, subject to a court confidentiality order. Information about the determination of Verizon revenues and the calculation of total optimizable charges is set forth in the Declaration of Philip Kline in the enclosed pleadings. To review an unredacted version of the Kline Declaration, you must acknowledge the confidentiality designation; please contact us to do so and receive an unredacted copy.



Gross settlement allocation to Yuima Municipal Water District (0.001% of \$68,231,673)	\$839
Requested relator's share of Non-Intervenor recoveries, subject to court approval	43%
<b>Net settlement allocation to Yuima Municipal Water District after Relator's Share</b>	<b>\$478</b>

**In order to receive the entire Net Settlement Allocation, Yuima Municipal Water District must execute the Consent Page, as set forth in the attached, and return it to Plaintiffs' counsel by September 17, 2020.** Pursuant to the terms of the settlement, if Yuima Municipal Water District does not return an executed Consent Page by that date, its **settlement allocation will be reduced by 10%.**

Please note that a separate Consent Page must be returned for each settling defendant.

We encourage you to contact us directly with any questions about the Verizon Settlement or the enclosed notification and documents. You can leave a message for Wayne Lamprey, Anne Hartman, or Ari Yampolsky at (415) 639-4001.

Sincerely,

CONSTANTINE CANNON LLP



Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
Attorneys for Plaintiffs Regents of the  
University of California, et al. and Plaintiff-  
Relator OnTheGo Wireless, LLC

# CONSTANTINE | CANNON

SAN FRANCISCO | NEW YORK | WASHINGTON | LONDON

Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
(415) 639-4001

June 19, 2020

Yuima Municipal Water District  
Attn: Richard Williamson  
General Manager  
P.O. Box 177  
34928 Valley Center Rd  
Pauma Valley, CA 92061

Re: **Notice of settlement with defendant Cellco Partnership d/b/a Verizon Wireless, and distribution of settlement proceeds in *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517 (Sacramento Superior Court)**

Dear Sir or Madam:

You are receiving this letter because Yuima Municipal Water District is a non-intervening real party in interest (“Non-Intervenor”) in *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517, which is pending in the Superior Court for Sacramento County. Defendant Cellco Partnership d/b/a Verizon Wireless (“Verizon”), and Plaintiffs have entered into a Settlement Agreement in the case, and Yuima Municipal Water District has been identified as a party that will receive a share of the Verizon settlement payment.

## **The lawsuit**

The lawsuit was filed by Relator OnTheGo Wireless, LLC on July 5, 2012, pursuant to the California False Claims Act (“CFCA”), on behalf of real parties in interest the State of California and political subdivisions identified therein. The lawsuit, which named several defendants, including Verizon, generally alleged that Defendants failed to comply with the terms of cooperative purchasing agreements the Western States Contracting Alliance (“WSCA”) awarded to Defendants to provide wireless equipment and services to California government entities. As relevant here, Plaintiffs allege the WSCA agreements, and other agreements related to them, required Verizon to provide its California government customers purchasing wireless services pursuant to those agreements with “rate plan optimization reports” and wireless services at the lowest cost available. Verizon’s alleged failure to comply with these provisions resulted in overcharges to those California government customers. Verizon disputes and denies all of the Relator’s allegations and maintains that it complied in full with the WSCA agreements.

### **The settlement**

The parties have agreed to settle this case with respect to Verizon. Copies of documents filed with the Court in support of the settlement, which include the Settlement Agreement and the Court's order approving this notice procedure, are included herewith. Copies of these documents may also be downloaded at: <https://constantinecannon.box.com/v/Non-Intervenor>

To receive the full amount of the share allocated to a Non-Intervenor in the Proposed Allocation, if any, the Non-Intervenor must execute the Consent Page provided in the Addendum and return the executed Consent Page to Plaintiffs' counsel by **September 17, 2020**. By doing so, a Non-Intervenor affirmatively consents to the terms of the Settlement Agreement, including the general release contained therein. Original signatures are not required.

The executed Consent Page may be returned to Plaintiffs' counsel by PDF to:

**E-mail to: [WirelessOptIn@constantinecannon.com](mailto:WirelessOptIn@constantinecannon.com)**

You will receive a reply confirming receipt of the Consent Page. Please use this address for the submission of Consent Pages only. Contact information for any questions is below.

If a Non-Intervenor does not execute the Consent Page, and therefore does not agree to be bound by the Terms of the Settlement Agreement, then the Non-Intervenor will receive only 90% of the amount allocated to it in the Proposed Allocation.

In addition, Plaintiffs will apply to the Court for a Relator's share pursuant to California Government Code section 12652(g)(3) and attorney fees pursuant to California Government Code section 12652(g)(8). As set forth in the Motion for Approval and the Proposed Allocation, Plaintiffs are requesting a Relator's share of 43% with respect to any amounts allocated to Non-Intervenors, and have entered into a Settlement Agreement with Verizon to receive attorneys' fees.

### **Hearing**

The Court has set a hearing for final approval of the Settlement Agreement for **September 24, 2020, at 11:00am** in Department 92 or 96 of the Sacramento Superior Court, located at 9605 Kiefer Boulevard, Sacramento, California. The purpose of the hearing is to determine whether the terms of the Settlement Agreement – including but not limited to the dismissal of the California Action with prejudice as to Verizon, the releases, and the Proposed Allocation among the Parties, Relator, and Plaintiffs' counsel – are in all respects fair, adequate, and reasonable, and in the best interests of the parties involved, serve the public purposes behind the CFCA, and should be finally approved.

In the event that it becomes necessary to postpone this hearing, then Relator's counsel will, within 5 calendar days of the Court's postponement order, (a) serve the order on you by mail, and (b) make the order available on the website: <https://constantinecannon.box.com/v/Non-Intervenor>

Similarly, in the event that it becomes necessary to disallow in-person appearances at the hearing, then within 5 calendar days of the Court's order requiring any attendance at the hearing to be remote/telephonic rather than in-person, Relator's counsel will (a) serve the order on you by mail, and (b) make the order available on the website. Such service shall include an updated notice that contains meeting identification number(s) and login information, if any, that are necessary for remote attendance.

**How to object**

The Court has ordered that any Non-Intervenor who objects to the approval of the proposed settlement may appear at the Hearing to show cause why the proposed settlement should not be approved. Pursuant to the Court's order, objections to the settlement shall be heard, and any papers or briefs submitted in support of said objections shall be considered by the Court.

Any Non-Intervenor wishing to make an objection is requested to file written notice of its intention to object, together with supporting papers stating specifically the factual basis and legal grounds of the objection, and to serve copies thereof upon counsel for Plaintiffs and Verizon, on or before September 17, 2020.

**Additional information**

If you have any questions about this notification and settlement payment, or the terms of the Settlement Agreement, please contact:

Constantine Cannon LLP  
150 California Street, Suite 1600  
San Francisco, CA 94111  
Telephone: (415) 639-4001

Wayne Lamprey	wlamprey@constantinecannon.com
Anne Hartman	ahartman@constantinecannon.com
Ari Yampolsky	ayampolsky@constantinecannon.com

If the recipient of this letter is not an attorney who represents Yuima Municipal Water District in civil legal proceedings, you may want to consult with such counsel.

Yuima Municipal Water District  
June 19, 2020  
Page 4

Sincerely,

CONSTANTINE CANNON LLP



---

Wayne T. Lamprey  
Anne Hayes Hartman  
Ari Yampolsky  
Attorneys for Plaintiffs Regents of the  
University of California, et al. and Plaintiff-  
Relator OnTheGo Wireless, LLC

**Consent and Release for Non-Intervenors**

1. The undersigned has received and reviewed a copy of the Settlement and Release Agreement executed by and between Defendant Cellco Partnership d/b/a Verizon Wireless ("Verizon"), Relator OnTheGo Wireless, LLC, and the political subdivisions that intervened in *State of California ex rel. OnTheGo Wireless, LLC v. Cellco Partnership d/b/a Verizon Wireless, et al.*, Case No. 34-2012-00127517, which is pending in the Superior Court for Sacramento County ("Settlement Agreement"), the Notice of Proposed Settlement, and the Order of the California Court approving the settlement approval process.

2. The undersigned hereby represents and warrants that he or she is fully authorized to provide binding consent on behalf of the Non-Intervenor identified below.

3. By signing below and returning this document to Plaintiffs' counsel pursuant to the terms of and by the deadline set forth in the Court's Order, the identified Non-Intervenor hereby agrees to be bound by the terms of the Settlement Agreement, including specifically the releases contained therein, and to be treated as a Party to the Settlement Agreement for all relevant purposes.

Dated: June 25, 2020

Amy Reeh  
Signature

Print Name: Amy Reeh

Title: Interim General Mgr.

On behalf of:

Yuima Municipal Water District  
Non-Intervenor Name

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12 Telephone: (212) 336-8330  
13 Facsimile: (212) 336-8340

14 [Additional Counsel for Plaintiffs on Signature  
15 Page]

16 Attorneys for Plaintiffs  
17 Regents of the University of California, et al.  
18 and Plaintiff-Relator OnTheGo Wireless, LLC

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19 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
20 FOR THE COUNTY OF SACRAMENTO

21 STATE OF CALIFORNIA et al., ex rel. OnTheGo  
22 Wireless, LLC

23 Plaintiffs,

24 vs.

25 CELCO PARTNERSHIP, doing business as  
26 VERIZON WIRELESS, et al.

27 Defendants.

Case No. 34-2012-00127517

28 PLAINTIFFS' NOTICE OF LODGING  
OF UNREDACTED RECORDS IN  
SUPPORT OF THE MOTION TO  
APPROVE RELATOR'S SETTLEMENT  
WITH VERIZON

Date: September 24, 2020  
Time: 11:00 a.m.  
Dept. 92 or 96, Hon. Judy Holzer Herther

Case No. 34-2012-00127517

PLAINTIFFS' NOTICE OF LODGING OF UNREDACTED RECORDS

1 Plaintiffs hereby lodge provisionally under seal the unredacted versions of the following  
2 documents, which are submitted in support of Plaintiff's motion for Approval of  
3 Relator's Settlement with Verizon, dated June 12, 2020:

- 1 Notice of Motion and Memorandum of Points and Authorities
- 2 Declaration of Philip Klme
- 3 Declaration of Steven Shepard

4 The publicly filed versions of these documents were redacted to remove references to  
5 revenue data that was designated by Verizon and Sprint as CONFIDENTIAL subject to the  
6 Protective Order in this case. The unredacted versions of these documents (lodged provisionally  
7 under seal) use highlighting to indicate which parts were redacted from the public versions.

8 Plaintiffs hereby give written notice to Verizon and Sprint that the "records and the other  
9 documents lodged" will "be placed in the public court file" unless Verizon and Sprint "file[] a timely  
10 motion or application to seal the records under this rule." Cal. Rule of Court 2.551(b)(3)(A)(iii)

11 DATED: June 12, 2020

12 ARUN SUBRAMANIAN  
13 STEVEN SHEPARD  
14 AMANDA K. BONN  
15 MENG XI  
16 NICHOLAS N. SPEAR  
17 ROHIT NATH  
18 ARI S. RUBEN  
19 JESSE-JUSTIN CUEVAS  
20 SUSMAN GODFREY L.L.P.

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BRANDON DAVIS (Pro Hac Vice)  
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2

Case No. 34-2012-00127517

PLAINTIFFS' NOTICE OF LODGING OF UNREDACTED RECORDS

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5 Telephone: (713) 651-9366  
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7 WAYNE T. LAMPREY  
8 ANNE HAYES HARTMAN  
9 ARIM. YAMPOLSKY  
10 CONSTANTINE CANNON LLP

11 JOSEPH S. GENSHEA (36369)  
12 joe@genshealaw.net  
13 JOE GENSHEA LAW & MEDIATION  
14 400 Capitol Mall, Suite 1740  
15 Sacramento, CA 95814  
16 Telephone: (916) 824-9952

17 By: Amanda Bonn  
18 Attorneys for Plaintiffs Regents of  
19 the University of California, et al. and  
20 Plaintiff-Relator OnTheGo Wireless, LLC

3

Case No. 34-2012-00127517

PLAINTIFFS' NOTICE OF LODGING OF UNREDACTED RECORDS

1 **PROOF OF SERVICE**

2 I, the undersigned, declare:

3 I am employed in the County of Los Angeles, State of California. I am over the age of 18  
4 and not a party to the within action. my business address is 1900 Avenue of the Stars, Suite 1400,  
5 Los Angeles, California 90067-6029

6 On June 12, 2020, I served the foregoing document(s) described as follows:

7 **PLAINTIFFS' NOTICE OF LODGING OF UNREDACTED RECORDS**

8 on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes  
9 addressed as stated on the attached service list, as follows:

10 BY MAIL I am "readily familiar" with the firm's practice of collection and processing  
11 correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal  
12 Service on that same day with postage thereon fully prepaid at Los Angeles, California in the  
13 ordinary course of business. I am aware that on motion of the party served, service is presumed  
14 invalid if postal cancellation date or postage meter date is more than one day after date of deposit for  
15 mailing in affidavit.

16 BY PERSONAL SERVICE  
17 I caused to be delivered such envelope by hand to the offices of the addressee

18 BY FEDERAL EXPRESS OR OVERNIGHT COURIER

19 BY TELECOPIER  
20 I served by facsimile as indicated on the attached service list.

21 X BY ELECTRONIC MAIL  
22 I caused said documents to be prepared in portable document format (PDF) for e-mailing and  
23 served by electronic mail as indicated on the attached service list.

24 Executed on June 12, 2020, at Los Angeles, California.

25 XX (State) I declare under penalty of perjury under the laws of the State of California that the  
26 above is true and correct.

27 (Federal) I declare that I am employed in the office of a member of the bar of this Court at  
28 whose direction the service was made

Helen Danielson  
(Type or Print Name)

Helen Danielson  
(Signature)

4

Case No. 34-2012-00127517

PROOF OF SERVICE

SERVICE LIST

1		
2	W. Scott Cameron (SBN 229828) scameron@kslaw.com KING & SPALDING LLP 621 Capitol Mall, Suite 1500 Sacramento, CA 95814	Attorneys for Defendant New Cingular Wireless National Accounts, LLC, d/b/a Cingular Wireless n/a AT&T Mobility National Accounts
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4	Margaret Farquhar Thomas (Pro Hac Vice) mfarquhar@kslaw.com Jenna Carly Stern (Pro Hac Vice) jstern@kslaw.com Jessica Rapoport (Pro Hac Vice) Jrapoport@kslaw.com David Matern (Pro Hac Vice) dmatern@kslaw.com Kelli Gubite (Pro Hac Vice) kgubite@kslaw.com Christina Kung (SBN 324754) ckung@kslaw.com Jacqueline Duobinis JDuobinis@kslaw.com	
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6	Bailey J. Langer (SBN 307753) blanger@kslaw.com KING & SPALDING LLP 101 Second Street, Suite 2300 San Francisco, CA 94105 Telephone: (415) 318-1214 Facsimile: (415) 318-1300	
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PROOF OF SERVICE

Case No. 34-2012-00127517

2

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PROOF OF SERVICE

Case No. 34-2012-00127517

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6	Jeremy A. Meier jmeier@glaw.com Sharon Zohar zohars@glaw.com David A. Choff dchoff@glaw.com GREENBERG TRAURIG LLP 1201 K Street, Suite 1100 Sacramento, CA 95814	Attorneys for Defendant Celco Partnership d/b/a Verizon Wireless
7	Matthew F. Bruno (Pro Hac Vice) mbruno@glaw.com Eric D. Wong (Pro Hac Vice) ewong@glaw.com	

PROOF OF SERVICE

Case No. 34-2012-00127517

4

1	GREENBERG TRAURIG LLP 500 Campus Drive, Suite 400 Florham Park, NJ 07932	
---	--	--

PROOF OF SERVICE

Case No. 34-2012-00127517

5



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13 Attorneys for Plaintiffs  
 Regents of the University of California, et al.  
 14 and Plaintiff-Relator OnTheGo Wireless, LLC

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 16 FOR THE COUNTY OF SACRAMENTO

18 STATE OF CALIFORNIA et al., *ex rel.* OnTheGo  
 Wireless, LLC

19 Plaintiffs,

20 vs.

21 CELCO PARTNERSHIP, doing business as  
 VERIZON WIRELESS, et al.

22 Defendants.

Case No. 34-2012-00127517

23 DECLARATION OF ARI YAMPOLSKY  
 IN SUPPORT OF MOTIONS FOR  
 APPROVAL OF SETTLEMENTS WITH  
 AT&T AND VERIZON DEFENDANTS

Date: September 24, 2020  
 Time: 11:00 a.m.  
 Dept. 92 or 96, Hon. Judge Holzer Hershner

Case No. 34-2012-00127517

DEC. OF A. YAMPOLSKY ISO MOT. FOR APPROVAL OF AT&T & VERIZON SETTLEMENTS

1 I, Ari M. Yampolsky, declare as follows:

2 I am an attorney admitted to practice law in California, a member of the bar of this  
 3 Court, and an associate in the law firm of Constantine Cannon LLP ("Constantine Cannon"),  
 4 where I am one of the lead attorneys for Relator OnTheGo Wireless ("OTG" or "the Relator") and  
 5 the intervening political subdivisions in this matter ("the Interveners"). I have personal  
 6 knowledge of the matters set forth herein, and if called as a witness I could and would  
 7 competently so testify. I make this declaration in support of Plaintiffs' Motion for Approval of  
 8 Settlement with the Verizon and AT&T Defendants.

9 2. More specifically, I make this declaration in support of (1) Relator's request for a  
 10 43% Relator's share of the Non-Interveners' settlement allocation, which equals \$21,608,625  
 11 million from the Verizon settlement and \$11,981,871 from the AT&T settlement; and (2)  
 12 Relator's counsel's request for \$23,450,000 in statutory attorneys' fees and costs from the Verizon  
 13 settlement and \$13,000,000 in statutory attorneys' fees and costs from the AT&T settlement.  
 14 Below, I set forth Relator's efforts and sacrifices to bring this case, as well as the reasonable fees  
 15 and costs advanced by Constantine Cannon. The fees and costs incurred by our co-counsel at  
 16 Susman Godfrey L.L.P.—as well as costs that our firms paid together as part of a Joint Litigation  
 17 Fund—are set forth in the separate declaration of Amanda Bonn.

18 Pre-Filing and Under Seal Investigation

19 3 Over eight years ago, Relator—based on its experience providing rate plan  
 20 optimization services—discovered and reported to the government a fraudulent scheme by the  
 21 four major wireless carriers, about which the government was unaware.

22 4. Pursuant to that scheme, Verizon and AT&T—along with Sprint and T-Mobile—  
 23 knowingly failed to provide the State of California and hundreds of its political subdivisions with  
 24 wireless services at the "lowest cost available" via quarterly "rate plan optimization."<sup>1</sup> This,  
 25 despite the fact that (1) Verizon was contractually obligated to do so under the California Wireless  
 26 Contract ("CWC") and Western States Contracting Alliance ("WSCA") contracts under which the

28 <sup>1</sup> Relator also revealed that Defendants engaged in the same conduct with respect to the States of  
 Nevada, Hawaii, Montana, Iowa, New Mexico, and Florida.

- 2 -

Case No. 34-2012-00127517

DEC. OF A. YAMPOLSKY ISO MOT. FOR APPROVAL OF AT&T & VERIZON SETTLEMENTS

1 State of California and hundreds of its political subdivisions purchased wireless services and (2)  
 2 AT&T had the same obligations under the WSCA contracts.

3 5. Relator ultimately retained Constantine Cannon and Susman Godfrey L.L.P.  
 4 (collectively, "Counsel") to prosecute this *qui tam* case. Relator and Counsel spent years doggedly  
 5 engaging in motion practice and wide-ranging discovery in order to obtain an outstanding result  
 6 for California government plaintiffs.

7 6. Constantine Cannon has the largest dedicated whistleblower practice in the country,  
 8 with over 20 attorneys specializing in *qui tam* work. Over the past ten years, the firm has  
 9 recovered more than \$5 billion for its clients and tens of billions of dollars more in injunctive  
 10 relief. This is in addition to the \$1.3 billion our whistleblower lawyers have recovered for the  
 11 government and \$240 million they have recovered for our whistleblower clients in cases on which  
 12 they have served as lead counsel.

13 7. Two of the partners at my firm, Mr. Lamprey and Ms. Harman, began working on  
 14 this matter in May 2012 when they were partners at Goodin, MacBride, Squeri, Day & Lamprey,  
 15 LLP. They later joined Constantine Cannon—an internationally recognized law firm with over 70  
 16 lawyers in four offices located in New York, Washington, San Francisco, and London—where  
 17 they continued to pursue this case.

18 8. Relator, along with Wayne Lamprey, Anne Hartman, and myself, helped the  
 19 government identify the contracts with the Defendants that required the Defendants to provide  
 20 rate-plan optimization in order to satisfy the Defendants' attendant obligation to provide service at  
 21 the "lowest cost available." Relator and Constantine Cannon gathered contract documents and  
 22 analyzed them to understand the operation of agreements that consist of at least six sources of  
 23 interrelated provisions.

24 9. Relator also demonstrated that Defendants failed to provide rate-plan optimization,  
 25 which led Defendants to fail to provide the government with the "lowest cost available" for  
 26 wireless services as well. To do so, Relator brought to bear years of experience in the field of  
 27 telecommunications expense management to show that Defendants did not produce genuine rate-  
 28 plan optimization reports. Relator knew the Defendants produced a multiplicity of reports to their

- 3 -

Case No. 34-2012-00127517

DEC. OF A. YAMPOLSKY ISO MOT. FOR APPROVAL OF AT&T & VERIZON SETTLEMENTS

1 customers that might look like – and in some cases even be called – rate-plan optimization reports.  
 2 However, Relator also knew that real optimization reports required specific elements that  
 3 Defendants' reports lacked—a line-by-line analysis of historic usage, consideration of all rate  
 4 plans available to the user, and, critically, a selection from those available rate plans of the one  
 5 that would yield the lowest cost. Relator also knew that Defendants did not provide such analyses  
 6 to their government customers on a regular basis.

7 10. Relator and its counsel evaluated the claims of many California government entities,  
 8 reviewing their records and interviewing their employees. More than three dozen California  
 9 political subdivisions intervened in the action, while the State of California declined to intervene.

10 11. Investigating the matter prior to filing required significant research to determine the  
 11 documents that comprised the contracts at issue and understand their interrelated requirements.  
 12 This required a thorough assessment of three contracts under which thousands of government  
 13 entities in over a dozen states purchased billions of dollars of wireless services each year.

14 12. After filing the matter under seal, my colleagues and I spent considerable time  
 15 assisting the California Attorney General's Office in its investigation, suggesting investigative  
 16 directions, providing draft document requests, and analyzing records Defendants produced. We  
 17 also responded to legal issues that arose in the investigation in the form of legal memos and less  
 18 formal communications. The Attorney General spent over three years investigating Relator's  
 19 claims.

20 13. The Attorney General's investigation focused on (1) the CWC and the California  
 21 Participating Addendum to the WSCA contracts and (2) the relationship between the State of  
 22 California and the wireless carriers who were party to those contracts (including AT&T and  
 23 Verizon). My colleagues and I therefore devoted significant efforts to investigating AT&T and  
 24 Verizon's contractual relationships with California political subdivisions. Counsel expended  
 25 considerable time communicating with and investigating the claims of political subdivisions,  
 26 multiplying our necessary efforts exponentially, as it necessitated dozens of discussions, meetings,  
 27 and presentations with political subdivisions' employees, counsel, and leaders.

- 4 -

Case No. 34-2012-00127517

DEC. OF A. YAMPOLSKY ISO MOT. FOR APPROVAL OF AT&T & VERIZON SETTLEMENTS

1 14. Relator ultimately revealed a fraud about which the government did not know. Until  
2 Relator stepped forward, the government did not know about the fraud because (1) the contracts  
3 were complex, (2) the government did not have access to the information needed to understand  
4 that the government's wireless lines were not optimized (such as detailed usage data and the  
5 elements and price terms of all rate plans available under the contracts); and (3) Verizon and  
6 AT&T did provide, from time to time, misleading analyses that they tried to pass off as rate-plan  
7 analysis or rate-plan optimization, but were a far cry from the genuine article. Relator's  
8 investigation made clear that this same conduct stemmed from systemic actions by the carriers that  
9 affected numerous government entities.

10 15. The State of California ultimately declined to intervene in the matter. In my firm's  
11 experience, the State's declination is often the death-knell for a CFCA case, and many such cases  
12 end with only a nuisance-value recovery. My firm went to great efforts to persuade dozens of  
13 political subdivisions to intervene in the case notwithstanding the State's declination—an effort  
14 that was no small feat, but that sent a message to Defendants that this case was one to be taken  
15 seriously.

16 16. Even after California's declination, lead counsel sought to efficiently resolve this  
17 case through outreach to the Defendants, including AT&T and Verizon. My colleagues and I  
18 requested that Defendants show they complied with the contractual requirements at issue, as they  
19 claimed. Defendants' unwillingness to produce evidence outside of formal discovery led Relator  
20 and approximately three dozen intervening political subdivisions to prosecute the claims against  
21 all the Defendants, including AT&T and Verizon.

22 17. Relator personally made sacrifices to pursue this case. After the State of California  
23 declined to intervene, Verizon terminated all dealings with Relator, thereby ending Relator's  
24 business, and blackballing its founder and owner, Jeffrey Smith, from further work in the industry.  
25 Verizon also threatened to sue Relator for breach of contract, and to seek sanctions against  
26 Relator if Relator moved forward with the False Claims Act claims. Relator persevered on behalf  
27 of non-intervenors despite the real costs, and the real risks, it endured.

#### 1 Demurrers and Active Discovery

2 18. Once the seal was lifted, Defendants—including AT&T and Verizon—filed three  
3 joint demurrers to the complaint. These demurrers challenged practically every aspect of  
4 Plaintiffs' case, arguing that (1) Plaintiffs' interpretation of the contracts was wrong, (2) Plaintiffs  
5 had failed to plead with the requisite specificity, and (3) the public disclosure bar foreclosed the  
6 complaint. Constantine Cannon successfully briefed and argued their opposition to these  
7 demurrers—moving the case from the pleading stage into active discovery.

8 19. Once the demurrers were overruled, Constantine Cannon and Susman Godfrey  
9 litigated this case for years, handling active discovery, extensive motion practice, and additional  
10 demurrers to Plaintiffs' subsequent Third Amended Complaint.<sup>2</sup> Constantine Cannon and Susman  
11 Godfrey have the capacity to thoroughly and vigorously represent relators and government entities  
12 in complex cases such as this one. The firms have committed all necessary resources to do so.

13 20. Collectively, Constantine Cannon and Susman Godfrey have decided staffing levels  
14 as appropriate for each stage of litigation, often changing staffing levels in reaction to Defendants'  
15 litigation strategy and the support requested by the government, including the State of California  
16 and the intervenors. At all times, Counsel have made every reasonable attempt to not duplicate  
17 efforts and to handle issues efficiently.

18 21. Constantine Cannon devoted significant resources to continuing to manage  
19 Intervenor relationships during the course of extensive discovery. As set forth in Ms. Bonn's  
20 declaration, the Susman Godfrey team assigned one associate and one staff attorney to serve as  
21 liaisons and discovery managers for each Intervenor. Throughout active discovery in this case,  
22 three Constantine Cannon associates were assigned to be defensive Intervenor discovery managers  
23 and liaisons, engaging in witness interviews, document collection, deposition preparation, and  
24 preparation of written discovery responses.

25 22. Constantine Cannon also played an active role throughout the case in developing  
26 case strategy, editing briefs in connection with extensive motion practice, coordinating with  
27

28 <sup>2</sup> SG appeared as co-counsel in January 2017.

1 Relator and Intervenor, appearing and arguing at hearings before the Court and the Discovery  
2 Referee, and participating in mediation and settlement discussions.

#### 3 Settlements with AT&T and Verizon

4 23. My colleagues and I have been actively involved in the mediations and subsequent  
5 negotiations that led to the finalized settlements with AT&T and Verizon. It is our opinion that  
6 these settlements represent an exceptional result for California government entities. Indeed, to our  
7 knowledge, this is the second-largest *quid pro quo* recovery under the California False Claims Act,  
8 outside of the healthcare context.

9 24. As set forth in greater detail in the declaration of Steven M. Shepard, the Verizon  
10 and AT&T settlements exceeds the Sprint "benchmark." By holding out for this greater  
11 settlement, Relator ensured that Non-Intervenors recovered millions of dollars more than they  
12 would have received if Relator had accepted only the Sprint "benchmark."

13 25. In connection with the Sprint settlement, the Court approved a 42% Relator's share.  
14 Increasing Relator's share here to 43% will provide Relator with (1) an additional \$502,526 from  
15 the Verizon settlement allocation to Non-Intervenors and (2) an additional \$278,648 from the  
16 AT&T settlement allocation to Non-Intervenors. This means that if Relator is awarded a 43%  
17 share, he will receive an additional \$781,174.

18 26. I respectfully submit that this increased Relator's share is justified by the  
19 significantly greater efforts that Relator and Counsel were required to contribute in order to obtain  
20 these exceptional settlements from AT&T and Verizon. Despite the fact that this case has been  
21 pending for years, nearly 21,000 hours of Counsel's time was billed to this matter after Sprint and  
22 T-Mobile had both settled (approximately one-third of all billable attorney time). And even before  
23 those settlements, Relator and Counsel were required to expend significantly greater efforts with  
24 respect to pursuing their claims against both AT&T and Verizon. AT&T waged an aggressive  
25 discovery campaign against Plaintiffs during the time period that Sprint and T-Mobile were still  
26 involved in the case, while Plaintiffs were forced to move aggressively against Verizon in order to  
27 obtain the necessary discovery to prove their claims. These efforts, and the exceptional result that  
28 Relator ultimately achieved, merit a 43% Relator's share.

1 27. In addition, this Relator's share is also warranted based on the significant efforts that  
2 Intervenor have contributed to discovery in this matter. Intervenor retained Constantine Cannon  
3 and Susman Godfrey to represent them in this matter. As part of that retention agreement,  
4 Intervenor agreed to a Relator's share of 25% and a contingency fee to counsel of 8% (in addition  
5 to counsel's statutory attorneys' fees and costs). Thus, Intervenor will ultimately contribute 33%  
6 of their settlement allocation to Relator and Relator's counsel. A 43% Relator's share from Non-  
7 Intervenor's settlement allocation therefore rewards Intervenor for their participation in active  
8 discovery in this matter with a 10% greater net recovery.

9 28. This 10% differential between Intervenor's and Non-Intervenors' net recovery is  
10 appropriate based on the tremendous sacrifices that Intervenor made to participate in this case.  
11 These burdens caused one-third of the initial 45 Intervenor to drop out of the case, withdrawing  
12 their intervention rather than continuing to be bombarded with burdensome discovery. The 30  
13 Intervenor who continued to participate actively in this case devoted considerable resources to  
14 responding to written discovery, collecting massive quantities of electronically stored information  
15 and other documents, and preparing and presenting witnesses for depositions—as set forth in the  
16 declaration of Amanda Bonn. By contrast, the case required much less from Non-Intervenors, the  
17 overwhelming majority of whom did not participate in discovery at all. The case settled before any  
18 Non-Intervenor, including the State of California, had to produce a single witness for a deposition.  
19 Few Non-Intervenors produced any documents, and those few who did collectively produced less  
20 than 10% of the number of documents the Intervenor produced.

21 29. The Office of the Attorney General of the State of California has indicated it does  
22 not object to a 43% Relator's share of Non-Intervenors' settlement allocations from AT&T and  
23 Verizon.

#### 24 Constantine Cannon's Reasonable Fees and Costs

25 30. As set forth in greater detail below, Constantine Cannon has incurred  
26 \$12,411,783.80 in reasonable fees and costs pursuing this litigation (excluding amounts which  
27 Constantine Cannon contributed to the Joint Litigation Fund, which are explained in the  
28 declaration of Amanda Bonn).

1 31. Wayne Lamprey of Constantine Cannon graduated from the University of  
2 California, Berkeley School of Law in 1980 and was admitted to the California bar the same year  
3 During the early 1980s, Mr. Lamprey was associated with Armour, Goodin, Schlotz & MacBride  
4 and then with Heller, Ehrman, White & McAuliffe, in San Francisco. From 1987 to 1991, Mr.  
5 Lamprey practiced with Jackson Tufts Cole & Black, LLP in San Francisco, where he pursued and  
6 won one of the largest financial-institution-fraud cases, recovering \$100 million for the Federal  
7 Deposit Insurance Corporation (FDIC). Mr. Lamprey was an Assistant United States Attorney in  
8 the Criminal Division of the Northern District of California from 1991 to 1997, where he  
9 prosecuted white-collar crime in many areas of fraud, including securities, bank, savings and loan,  
10 government contract, healthcare, and investment. After serving as a federal prosecutor, Mr.  
11 Lamprey rejoined Goodin, MacBride, Squeri, Day & Lamprey, LLP, where he was a name partner  
12 and founding head of the whistleblower practice group, bringing actions under the False Claims  
13 Act. At Constantine Cannon, which he joined in 2015, Mr. Lamprey is co-head of the firm's  
14 whistleblower practice group. An accomplished trial lawyer, Mr. Lamprey is a fellow of the  
15 American College of Trial Lawyers. A more complete recitation of Mr. Lamprey's background  
16 appears at <https://constantinecannon.com/attorney/wayne-l-lamprey/>.

17 32. Anne Hartman of Constantine Cannon is a 1996 graduate of Berkeley Law School.  
18 She also received a Master's in Public Policy from the Goldman School of Public Policy in 1996.  
19 She has been in private practice in the San Francisco Bay Area since then, first at Jackson Tufts  
20 Cole & Black, LLP, then at Goodin, MacBride, Squeri, Day & Lamprey, LLP, before coming to  
21 Constantine Cannon in 2015. For the last 18 years, she has focused on whistleblower work,  
22 including being on the legal team that won a \$225 million judgment after trial on behalf of several  
23 Los Angeles and California agencies against an electric utility for overcharging its government  
24 customers. A more complete recitation of her background appears at  
25 <https://constantinecannon.com/attorney/anne-haves-hartman/>.

26 33. I, Ari Yampolsky, received my J.D., *magna cum laude*, in 2012 from the University  
27 of California, Irvine School of Law, where I was a senior editor of the UC Irvine Law Review.  
28 Following law school, I clerked for the Honorable Jane Bramstetter Stranch of the U.S. Court of

1 engaged in antitrust class actions. More information about Mr. Baker's qualifications can be  
2 found at: <https://constantinecannon.com/attorney/edward-baker/>

3 36. Associate attorney Chris McLamb is a 2016 graduate of Stanford Law School,  
4 where he served as an Articles Editor of the *Stanford Law Review*. Prior to law school, Chris  
5 graduated *suumo cum laude* from Washington University in St. Louis, where he was inducted into  
6 the Phi Beta Kappa society and received the Lynde Cooper Harvey Writing Prize in American  
7 Culture Studies. While in law school, Mr. McLamb worked as a summer associate at a San  
8 Francisco law firm that focuses on consumer, employment, and civil-rights matters. He joined  
9 Constantine Cannon in 2016, and his practice focuses on *qui tam* litigation under the Federal and  
10 various state False Claims Acts. More information about Mr. McLamb's qualifications may be  
11 found at: <https://constantinecannon.com/attorney/chris-mclamb/>.

12 37. Associate attorney Halle Noecker received her J.D., *cum laude*, from University of  
13 California, Hastings College of the Law in 2015, where she was an editor of the *International &*  
14 *Comparative Law Review*. Ms. Noecker joined Constantine Cannon after law school, focusing  
15 her practice on *qui tam* cases. More information about Ms. Noecker's qualifications may be found  
16 at <https://constantinecannon.com/new-attorneys/halle-noecker/>.

17 38. Staff attorney Ronny Valdes graduated *cum laude* from American University  
18 Washington College of Law in 2015, where he served as the Executive Editor for the *American*  
19 *University Business Law Review*. Mr. Valdes joined Constantine Cannon in 2016, focusing his  
20 practice on *qui tam* cases. More information about Mr. Valdes's qualifications may be found at  
21 <https://constantinecannon.com/attorney/ronny-valdes/>.

22 39. Former associate attorney Molly Knobler received her law degree in 2011 from  
23 Stanford University Law School, where she was Submissions Editor and Co-Editor-in-Chief of  
24 the *Stanford Journal of Animal Law and Policy*. She has significant experience representing  
25 whistleblowers and has handled *qui tam* cases involving Medicare and Medicaid fraud, Stark  
26 violations, kickbacks in the healthcare industry, overcharging by government contractors,  
27 cybersecurity vulnerabilities in tech products, customs fraud and other types of fraud against the  
28 government. Ms. Knobler began her *qui tam* practice at Phillips & Cohen LLP in 2011, before

1 Appeals for the Sixth Circuit and the Honorable Kevin Hunter Sharp of the U.S. District Court for  
2 the Middle District of Tennessee. I began my *qui tam* practice at Phillips & Cohen LLP in 2014,  
3 before joining Constantine Cannon as an associate attorney in 2015. More information about my  
4 qualifications may be found at <https://constantinecannon.com/attorney/eri-yampolsky/>.

5 34. Associate attorney Sarah Peppy Alexander is a 2012 graduate of Harvard Law  
6 School, where she served as Editor in Chief of the *Harvard Civil Rights-Civil Liberties Law*  
7 *Review*. She obtained her M.A. in Political Science in 2007 from the University of California,  
8 Berkeley. Ms. Alexander served as a law clerk to the Honorable Martha Craig Daughtrey of the  
9 United States Court of Appeals for the Sixth Circuit. Before joining Constantine Cannon, Ms.  
10 Alexander practiced civil litigation at Rosen, Bien, Galvan & Grunfeld LLP in San Francisco, CA,  
11 a litigation boutique dedicated to complex class action litigation in trial and appellate courts in the  
12 areas of antitrust, employment, civil rights, banking and consumer law, voting rights, and  
13 disability rights. Ms. Alexander was on the litigation team that successfully settled a civil rights  
14 class action against the Monterey County Jail, resulting in three published opinions in this court.  
15 She joined Constantine Cannon in 2016 to focus her practice on *qui tam* litigation. Ms. Alexander  
16 was named a Rising Star by Northern California Super Lawyers in 2016. More information about  
17 Ms. Alexander's qualifications may be found at <https://constantinecannon.com/attorney/sarah-peppy-alexander/>.

18 35. Of Counsel Edward Baker is a 2001 graduate of University of Wisconsin-Madison  
19 Law School, where he was a Managing Editor of the *Wisconsin Law Journal*. He also has an  
20 M.A. in Religion from Yale University and an M.A. in Philosophy from Tufts University. Prior to  
21 joining Constantine Cannon in 2018, Mr. Baker was an Assistant U.S. Attorney in the Eastern  
22 District of California within the Affirmative Civil Enforcement practice group. He previously  
23 served within the Vermont Office of the Attorney General as the Director of the Medicaid Fraud  
24 and Residential Abuse Unit, prosecuting civil and criminal Medicaid fraud cases. He began his  
25 professional career in civil litigation at Nutter McClellens & Fish in Boston, where he focused on  
26 government enforcement defense, and at Boies Schiller & Flexner in New Hampshire, where he

27  
28

1 joining Constantine Cannon as an associate attorney in 2015. Ms. Knobler rejoined Phillips &  
2 Cohen LLP in 2017. More information about her qualifications may be found at  
3 <https://www.phillipsandcohen.com/attorney/molly-bell-knobler/>.

4 40. Francine T. Radford of Goodin, MacBride, Squeri, Day & Lamprey, LLP,  
5 graduated from Golden Gate University School of Law with high honors in 1993. Ms. Radford  
6 has been with Goodin MacBride's business litigation group since 1993. She has been an adjunct  
7 professor at Golden Gate University School of Law, has served as an arbitrator for the Bar  
8 Association of San Francisco's Homeless Shelter Pro Bono Arbitration Project, and as a member  
9 of the board of the San Francisco Women Lawyers Alliance. More information about Ms.  
10 Radford's qualifications may be found at [https://www.goodinmacbride.com/attorney-  
11 profile/attorney-francine-t-radford.html](https://www.goodinmacbride.com/attorney-profile/attorney-francine-t-radford.html).

12 41. Keith E. Johnson, of counsel at Goodin, MacBride, Squeri, Day & Lamprey, LLP,  
13 received his J.D. from the University of Houston Law Center in 1991. Prior to joining Goodin  
14 MacBride in 1993, Mr. Johnson was a partner with the litigation firm of Goforth, Lewis &  
15 Williams in Houston, Texas. Mr. Johnson has represented clients in state and federal court in  
16 cases involving product liability, toxic tort, personal injury, employment discrimination, and  
17 business litigation, including audit malpractice, director and officer liability, and unfair business  
18 practice cases. He has worked on whistleblower claims, white collar defense cases, and has  
19 handled administrative matters before regulatory/licensing agencies. More information about Mr.  
20 Johnson's qualifications may be found at [https://www.goodinmacbride.com/attorney-  
21 profile/attorney-keith-e-johnson.html](https://www.goodinmacbride.com/attorney-profile/attorney-keith-e-johnson.html).

22 42. Paralegals at Constantine Cannon are college graduates with extensive work  
23 histories. Janice LeBon, our former paralegal on this matter, graduated from the University of  
24 California, Berkeley, in 2000. She has worked as a paralegal for over 13 years. Ms. LeBon began  
25 specializing in *qui tam* matters in 2011, before joining Constantine Cannon in 2015.

26 43. Karen Yang, our paralegal on this matter, graduated from the University of  
27 California, San Diego, in 2008. She has worked as a paralegal for 7 years. She joined  
28 Constantine Cannon in 2018, where she began specializing in *qui tam* matters.

44. Research librarian Janice Kelly received her Bachelor of Arts degree in 1974 from Binghamton University and her Masters in Library and Information Science in 1980 from the University of California, Berkeley. Ms. Kelly has worked as a reference and research librarian at UC Hastings College of Law, Berkeley Law (University of California), the US Attorney's Office for the Northern District of California, and several law firms. Ms. Kelly's experience in *qui tam* litigation began during her time at the US Attorney's Office, from 1988 to 1996. She has focused on that area since 1996. Ms. Kelly joined Constantine Cannon in 2015.

45. We have also relied on our specialized litigation support team to streamline all data in this matter to expedite attorney review. Tuan Nguyen-Huyub is the supervisor of our litigation support team, a role he has held for nine years. Mr. Nguyen-Huyub has worked in litigation support for over 18 years and graduated from Bernard M. Baruch College in 2003. Jenna Bradford graduated from Shaw University in 2006, and has been working in litigation support since then, or approximately 11 years. Tomas Ernshtayn holds an associate's degree from ASA College, and has been working in litigation support since 2010.

46. Counsel's billing rates and practices are wholly consistent with comparable attorneys and legal staff in the San Francisco Bay Area and Northern California for work comparable to that performed in the instant case.

47. As one of relatively few practitioners in California who specialize in high-stakes CFCA litigation on the plaintiff-side, I am familiar with the *qui tam* bar in California, including in the Sacramento legal market. To my knowledge, and the knowledge of my colleagues Anne Hartman and Wayne Lamprey, there are no firms in Sacramento that would fit the criteria necessary to litigate a plaintiff-side, *qui tam* case of this magnitude on a contingency basis, given a variety of factors, including: (1) the complexity of the litigation, (2) the resources of the multiple defense firms hired to litigate this case, (3) the significant investment of costs required to litigate this case; and (4) the resources necessary to staff a case of this magnitude, particularly given that counsel were required to represent over 30 separate, government entities with respect to their defensive discovery obligations. There is only one experienced, plaintiff-side CFCA litigator in Sacramento with whom we are familiar. But even he typically calls in Constantine Cannon—or

1 other firms from larger legal markets with greater resources—to help him handle larger CFCA cases rather than handling them alone and with purely local, Sacramento counsel.

48. Thus, the San Francisco Bay Area legal market should reasonably be considered part of the local legal community necessary to handle a large, plaintiff-side *qui tam* case in Sacramento.

49. Constantine Cannon's billing rates are charged to and paid by clients who pay the firms by the hour on a monthly billing basis, in matters arising both inside and outside the State of California. They are also the rates that Constantine Cannon claims in fee applications other whistleblower matters pursuant to the federal False Claims Act, 31 U.S.C. § 3730(d). These rates contain no contingency, delay, or preclusion components. The 2020 hourly rate for each CC timekeeper included in the lodestar calculation is set forth in the tables below, along with the professional time the attorneys and staff of Goodin MacBride put into this matter. We cannot feasibly apportion the time spent prosecuting the claims against any of the four Defendants, as many tasks overlapped.

50. All counsel and staff, including myself, keep contemporaneous and reliable time records of the amount of time spent on each activity related to this case. Firm billing records typically assign a single time charge to separate tasks related to the same matter that are completed the same day.

51. In addition to detailing each timekeeper's hourly rates, the table below summarizes the professional time the attorneys and staff of Constantine Cannon and Goodin MacBride put into their representation of Relator in litigation of the Covered Conduct. We cannot feasibly apportion the time spent prosecuting the claims against any of the four Defendants, as many tasks overlapped. In the exercise of billing judgment, we have eliminated all hours by professionals who billed fewer than 50 hours in total. The data is current through May 30, 2020.

Table: Professional Time and Fees

Timekeeper (Position) <sup>1</sup>	Grad Year	Firm <sup>2</sup>	2020 Rate	Total Hours	Professional Fees
Alexander, Sarah P. (A)	2012	CC	\$340	176.25	\$59,515
Baker, Ed (OC)	2001	CC	\$780	92.75	\$72,345
Bradford, Jenna (LS)		CC	\$285	97.80	\$27,873
Ernshtayn, Tomas (LS)		CC	\$300	253.50	\$76,050
Hartman, Anne (P)	1996	CC/GM	\$905	4,916.75	\$4,449,659
Johnson, Keith (OC)	1991	GM	\$780	347.50	\$271,050
Kelly, Janice (PL)		CC	\$405	79.50	\$32,198
Knobler, Molly (A)	2011	CC	\$340	62.50	\$33,750
Lamprey, Wayne (P)	1980	CC/GM	\$1,090	3,512.60	\$3,828,734
LeBon, Janice (PL)		CC	\$345	1,193.25	\$412,361
McLamb, Christopher (A)	2016	CC	\$435	868.75	\$377,906
Nguyen-Huyub, Tuan (LS)		CC	\$450	119.75	\$53,888
Noecker, Hallie (A)	2015	CC	\$445	559.50	\$248,978
Radford, Francine (P)	1993	GM	\$345	91.30	\$86,279
Valdes, Ronny (SA)	2015	CC	\$390	166.50	\$64,935
Yampolsky, Ari (A)	2012	CC	\$340	3,601.00	\$1,944,540
Yang, Karen (PL)		CC	\$335	389.25	\$130,399
<b>Totals</b>				<b>16,330.45</b>	<b>\$12,206,120</b>

52. All the work claimed by Counsel was necessary, and was performed by skilled and able counsel, who appropriately organized the work, with a significant portion of the work performed by associates and legal staff. Timekeepers have demonstrated their high levels of skill and have worked to avoid undue duplication of effort or inefficiency.

53. Relator's counsel have spent nearly eight years investigating, prosecuting, and settling this case against AT&T and Verizon on a fully contingent basis, receiving no

<sup>1</sup> "A" stands for associate, "P" stands for partner, "OC" stands for of counsel, "PL" stands for paralegal, "SA" stands for staff attorney, and "LS" stands for litigation support.  
<sup>2</sup> "CC" stands for Constantine Cannon, "GM" stands for Goodin MacBride.

1 compensation for the duration of the action and fronting significant litigation expenses. This was over two years longer than they litigated against T-Mobile, for which a 40% non-intervenor relator share was awarded, and approximately nine months longer than they litigated against Sprint, for which a 42% non-intervenor relator share was awarded. Further, approximately one-third of the more than 63,000 hours Relator's counsel's put into this matter were spent after Sprint settled in February 2019, since that time, Relator's counsel has spent nearly 21,000 hours litigating against the two remaining Defendants, Verizon and AT&T. Relator's counsel paid the wages of lawyers and other legal staff over the course of several years to fund the prosecution of this case. The time and labor required for this matter, committed on a contingent basis, precluded Relator's counsel from productive work on other whistleblower cases.

54. In addition, Relator's counsel has advanced necessary litigation expenses. The majority of the litigation expenses flowed through the Joint Litigation Fund, which was managed by Susan Godfrey, and to which Constantine Cannon contributed \$3,151,058. In addition, Constantine Cannon and Goodin MacBride separately incurred the following costs outside of the Joint Litigation Fund. I have reviewed these costs and expenses and believe each of the costs incurred was directly related and necessary to the prosecution of this case.

Table: Litigation Costs and Expenses

Description	Cost
Court Fees	\$17,551.55
Database & Research Expenses	\$24,824.91
Document Processing & Copying	\$53,409.34
Expert Witness & Consultant	\$13,823.11
Hotel	\$8,339.88
Mail, Shipping & Messengers	\$20,360.00
Meals - Travel & Meeting	\$7,993.91
Telecommunications	\$6,416.82
Travel & Transport	\$35,610.90
Depositions & Court Reporters	\$3,286.61
Discovery Referee & Mediation	\$14,046.77
<b>Grand Total</b>	<b>\$205,663.80</b>



55. Plaintiffs will continue to incur costs attributable to the AT&T and Verizon settlements, including mailing and notice costs, which Constantine Cannon estimates to be approximately an additional \$25,000.

56. The total adjusted attorney time and fees incurred by Constantine Cannon—excluding costs that Constantine Cannon contributed to the Joint Litigation Fund, which is accounted for in the Bonn declaration—can therefore be summarized as set forth in the table below:

*Table: Total Professional Fees and Costs*

	Total Hours	Total Fees or Expenses
Professional Time and Fees	16,530.45	\$12,206,128
Litigation Costs and Expenses		\$205,663.80
<b>Totals</b>	<b>16,530.45</b>	<b>\$12,411,793.80</b>

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 11th day of June 2020 at San Francisco, California.

**CONSTANTINE CANNON LLP**

By:   
Ari M. Yampolsky

*Attorney for Plaintiffs Regents of the University of California, et al. and Plaintiff-Relator OnTheGo Wireless, LLC*

**PROOF OF SERVICE**

I, the undersigned, declare:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 1900 Avenue of the Stars, Suite 1400, Los Angeles, California 90067-6029.

On June 12, 2020, I served the foregoing document(s) described as follows:

**DECLARATION OF ARI YAMPOLSKY IN SUPPORT OF MOTIONS FOR APPROVAL OF SETTLEMENTS WITH AT&T AND VERIZON DEFENDANTS**

on the interested parties in this action by placing true copies thereof enclosed in sealed envelopes addressed as stated on the attached service list, as follows:

       BY MAIL:  
I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

       BY PERSONAL SERVICE:  
I caused to be delivered such envelope by hand to the offices of the addressee.

       BY FEDERAL EXPRESS OR OVERNIGHT COURIER

       BY FAX  
I served by facsimile as indicated on the attached service list.

XX BY ELECTRONIC MAIL:  
I caused said documents to be prepared in portable document format (PDF) for e-mailing and served by electronic mail as indicated on the attached service list.

Executed on June 12, 2020, at Los Angeles, California.

XX (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

       (Federal) I declare that I am employed in the office of a member of the bar of this Court at whose direction the service was made.

Heidi Danielson   
(Type or Print Name) (Signature)

**SERVICE LIST**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
 FOR THE COUNTY OF SACRAMENTO

STATE OF CALIFORNIA et al., *ex rel.*  
 OnTheGo Wireless, LLC

Plaintiffs,

vs.

CELCO PARTNERSHIP, doing business as  
 VERIZON WIRELESS, et al.  
 Defendants.

Case No. 34-2012-00127517

DECLARATION OF AMANDA BONN  
 IN SUPPORT OF RELATOR'S  
 MOTIONS FOR APPROVAL OF  
 SETTLEMENTS WITH AT&T AND  
 VERIZON DEFENDANTS

Date: September 24, 2020  
 Time: 11:00 a.m.  
 Dept: 92 or 96, Hon. Judy Holzer Hetscher

Case No. 34-2012-00127517

DECLARATION OF AMANDA BONN IN SUPPORT OF RELATOR'S MOTIONS FOR APPROVAL OF  
 SETTLEMENTS WITH AT&T AND VERIZON DEFENDANTS

e. In January 2020, Relator and AT&T reached a settlement in principle and executed a binding Settlement Term Sheet to settle this case and the related action pending in Nevada, *State of Nevada et al. ex rel. OnTheGo Wireless v. Celco Partnership et al.*, 2d Judicial District Washoe County Case No. CV 12-03093, filed December 12, 2012 (the "Nevada Action") for a combined \$51,000,000.

f. Relator's counsel and AT&T negotiated a separate settlement in principle and executed a term sheet to settle Relator's counsel's claim for statutory attorneys' fees and costs pursuant to Cal. Gov't Code §12652(g)(8) for \$13,000,000.

g. In the months since the mediation, the parties have executed the Long Form Settlement Agreement, as described and attached to the declaration of Steven M. Shepard as Exhibit D. Intervenor have either approved (or are in the process of approving) the settlement terms and form of the settlement agreement. Plaintiffs will secure Intervenor's signatures on the settlement agreement and submit them prior to the settlement approval hearing.

h. In addition, by the time of the approval hearing, Relator's counsel will have fulfilled the Court-approved notice procedure for notifying Non-Intervenor Customers and providing them with (1) an opportunity to object and (2) instructions for executing a Consent and Release by which such Non-Intervenor may join the Settlement Agreement as parties.

3. Mediation and Settlement with Verizon: After SG prevailed on the motion to bifurcate the trials against AT&T and Verizon and obtained damaging admissions from Verizon deponents, Verizon and Relator agreed to mediate.

a. Verizon and Plaintiffs participated in day-long mediation sessions on October 24, 2019 and November 21, 2019, before the Hon. Gary Fees, with representatives of several intervenors in attendance. SG drafted persuasive

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Case No. 34-2012-00127517

DECLARATION OF AMANDA BONN IN SUPPORT OF RELATOR'S MOTIONS FOR APPROVAL OF  
 SETTLEMENTS WITH AT&T AND VERIZON DEFENDANTS

1. Amanda Bonn, declare as follows:

1. I am a member of the State Bar of California and a partner with the law firm of Susman Godfrey L.L.P. ("SG"), counsel for Plaintiffs Regents of the University of California, et al. and Plaintiff-Relator OnTheGo Wireless, LLC ("Plaintiffs"). I am admitted to practice before this Court. I submit this declaration in support of Relator's Motions for Approval of Settlements with the AT&T and Verizon Defendants. I have personal knowledge of the matters set forth herein, and if called as a witness I could and would competently so testify.

AT&T and Verizon Settlements for California Government Entities

2. Mediation and Settlement with AT&T: After T-Mobile and Sprint had settled—and after SG's successful motion practice to sanction AT&T—AT&T approached Plaintiffs about mediation.

a. Plaintiffs participated in three mediations with AT&T—one on July 9, 2019, another on September 10, 2019, and a third on November 10, 2019. SG drafted persuasive mediation briefs citing testimony and documents in connection with these mediations and pushed for those briefs to be shared with AT&T's principals.

b. The first two mediations were conducted by the Hon. Gary Fees of Phillips ADR. Judge Fees is a former federal judge, a former False Claims Act practitioner, and is deeply knowledgeable about this case based on his experience successfully mediating the Sprint settlement. For more details about Judge Fees, see <http://www.phillipsadr.com/bios/gary-fees/>.

c. The third mediation was conducted by the Hon. Layne Phillips, a former federal judge who is widely regarded as one of the best (if not the best) mediators in the nation. For more details, see <http://www.phillipsadr.com/bios/layne-phillips/>.

d. Following the final mediation session, the parties continued to negotiate settlement with the assistance of Judge Phillips.

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Case No. 34-2012-00127517

DECLARATION OF AMANDA BONN IN SUPPORT OF RELATOR'S MOTIONS FOR APPROVAL OF  
 SETTLEMENTS WITH AT&T AND VERIZON DEFENDANTS

mediation briefs before both sessions incorporating Verizon's hot documents and damaging admissions that Plaintiffs' counsel had elicited in recent depositions. Once again, Plaintiffs' counsel pushed for the mediation briefs to be shared with Verizon's principals.

b. After the conclusion of the second mediation session, the parties executed a binding Settlement Term Sheet to settle this case and the related Nevada Action for a combined \$76,000,000.

c. Verizon and Relator's counsel negotiated a separate settlement in principle and executed a term sheet to settle Relator's counsel's claim for statutory attorneys' fees and costs pursuant to Cal. Gov't Code §12652(g)(8) for \$23,450,000.

d. In the months since the mediation, the parties have executed the Long Form Settlement Agreement, as described and attached to the declaration of Steven M. Shepard as Exhibit A. Intervenor have either approved (or are in the process of approving) the settlement terms and form of the settlement agreement. Plaintiffs will secure Intervenor's signatures on the settlement agreement and submit them prior to the settlement approval hearing.

e. In addition, by the time of the approval hearing, Relator's counsel will have fulfilled the Court-approved notice procedure for notifying Non-Intervenor Customers and providing them with (1) an opportunity to object and (2) instructions for executing a Consent and Release by which such Non-Intervenor may join the Settlement Agreement as parties.

4. Plaintiffs' lead counsel on this matter are experienced False Claims Act litigators, who also have a range of experience litigating some of the highest-stakes commercial litigation in America, as described further below. In Plaintiffs' counsel's view, both the AT&T and Verizon settlements represent outstanding results for California government plaintiffs in the face of

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Case No. 34-2012-00127517

DECLARATION OF AMANDA BONN IN SUPPORT OF RELATOR'S MOTIONS FOR APPROVAL OF  
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1 challenging obstacles to recovery. Indeed, to Plaintiffs' counsel a knowledge, this case represents  
2 the second-largest *Qui Tam* recovery outside of the healthcare context.

3 5. This case presented significant discovery and data obstacles, described in further  
4 detail below and in the Declaration of Steven M. Shepard, submitted herewith. In addition, the case  
5 also presented significant risk based on AT&T and Verizon's defenses on the merits. AT&T and  
6 Verizon both raised challenges to materiality, causation, and scienter—any one of which, if  
7 credited, could have resulted in a total loss to Plaintiffs.

8 6. **Materiality.** AT&T and Verizon argued that Plaintiffs could not establish materiality  
9 because (1) many Intervenor did not specifically request "optimization reports"; (2) some  
10 Intervenor hired third-party optimization firms; and (3) all Intervenor continued paying their  
11 wireless invoices after joining their lawsuit. AT&T and Verizon argued that these facts established  
12 a lack of materiality under *United Health Servs. v. United States ex rel. Escobar*, 136 S. Ct. 1989,  
13 2003-04 (2016) (holding that when "the Government regularly pays a particular type of claim in  
14 full, despite actual knowledge that certain requirements were violated, and has signaled no change  
15 in position, that is strong evidence that the requirements are not material").

16 7. **Scienter.** AT&T and Verizon argued that they did not act with the requisite scienter  
17 under the CFCA. Both Defendants attempted to advance alternative interpretations of the WSCA  
18 contracts, including by arguing that: (a) optimization reports were only required to be sent to  
19 Nevada (the lead state that negotiated the WSCA contracts), not to government customers in  
20 California; (b) optimization reports only had to be sent when the customer specifically requested  
21 them; (c) "optimization" could have meant other things besides selecting the "lowest cost available"  
22 rate plan; and (d) the "lowest cost available" provision was prefatory and did not impose a binding  
23 obligation on Verizon.

24 8. **Causation and Damages.** AT&T and Verizon also raised several defenses related to  
25 causation and damages. Both Defendants attempted to elicit testimony that California Government  
26 Customers did not always follow recommendations regarding wireless services that the carriers  
27 made. Both Defendants apparently intended to argue that (1) even if they had provided optimization  
28

1 **Susman Godfrey's Effective Prosecution of This Action**

2 12. SG first appeared as co-lead counsel in this action in January 2017, after having  
3 begun working on this matter in November 2016. Since then, SG litigated this case vigorously for  
4 approximately three years before achieving the settlements at issue with AT&T and Verizon.

5 13. SG is one of the nation's leading litigation boutique law firms, with a focus on high-  
6 stakes commercial litigation. SG has employs approximately 150 attorneys at offices in Houston,  
7 Los Angeles, New York, and Seattle.

8 14. SG is widely recognized as one of the nation's leading trial firms, including being  
9 named as the number one "litigation boutique" law firm by *Vault* for the past eight years.<sup>1</sup> Some of  
10 the most sophisticated purchasers of litigation services—including Chevron, General Electric,  
11 Texas Instruments, and Wal-Mart, to name a few—rely on SG to handle all kinds of litigation and  
12 trials. Over its 40-year history, SG has won trials on both sides of the docket, with plaintiffs'  
13 verdicts totaling billions of dollars.

14 15. SG's track record of plaintiff-side successes began in the 1980s with *Corrugated*  
15 *Container*, where SG's co-founder Steve Susman obtained an award of more than \$550 million for  
16 victims of a nationwide price-fixing conspiracy, the largest jury verdict of its time. In recent years,  
17 SG's landmark class victories have continued, including: more than \$1 billion in settlements in an  
18 ongoing price-fixing case against auto-parts manufacturers, settlements valued at approximately  
19 \$1.6 billion in an unfair competition case against Toyota and other automakers, and a settlement  
20 valued at over \$130 million in a case against Phoenix Life Insurance, where the Chief Judge of the  
21 Southern District of New York praised the result as "the best settlement pound for pound for the  
22 class that I've ever seen." In recent years, SG won a unanimous, \$706.2 million jury verdict (appeal  
23  
24  
25

26 <sup>1</sup> See, e.g., *2020 Best Litigation Boutique Law Firms*, VAULT, available at  
27 <https://www.vault.com/best-companies-in-nyork-for-law-legal-firms-in-on-houston>  
28 <https://www.vault.com/best-companies-in-nyork-for-law-legal-firms-in-on-houston> (last accessed May 17, 2020).

1 reports, California Government Customers would not necessarily have accepted the "lowest cost  
2 available" rate plans and (2) therefore, Plaintiffs could not prove causation and non-speculative  
3 damages.

4 9. Plaintiff disagree with Defendants' arguments above. However, Relator,  
5 Intervenor, and counsel went to great lengths to gather discovery necessary to defeat these  
6 arguments. Continued litigation would carry the risk that the Court or jury might credit one or more  
7 such defenses, any one of which could have reduced Plaintiffs' recovery to zero.

8 10. In addition, continued litigation would significantly burden Relator, Intervenor,  
9 and counsel. At the time of settlement, Verizon was threatening to depose an additional 78  
10 Intervenor witnesses in a six-week period. Plaintiffs' counsel anticipated incurring significant  
11 additional time and costs to finalize and serve their expert reports, review the reports of and depose  
12 Verizon and AT&T's experts, prepare rebuttal reports, brief summary judgment and *Daubert*  
13 motions, and prepare for two trials. And while trials had been set for AT&T and Verizon in 2020,  
14 those were only Phase I trials for 30 Intervenor and eight Non-Intervenor. After resolution of  
15 those two trials, Relator and counsel faced the prospect of further protracted litigation, discovery,  
16 summary judgment, and potentially additional trials for the hundreds of remaining Non-  
17 Intervenor. And of course, that is to say nothing about resolution of any appeals that Verizon and  
18 AT&T may have pursued if Plaintiffs prevailed at trial.

19 11. Thus, continued litigation would require investment of significant additional time  
20 and expenses, taxing the resources of Relator, Relator's counsel, Intervenor, and eventually Non-  
21 Intervenor. While Relator's counsel have put together a compelling case, even if they were to  
22 prevail, it could be years until Non-Intervenor would see any recovery at all. These settlements,  
23 which represent significant portions of the revenue these California government entities paid AT&T  
24 and Verizon for wireless services during the relevant period, are fair and reasonable—indeed,  
25 exceptional—in light of the stage of the proceedings, discovery conducted to date, and the expense,  
26 complexity, and potentially prolonged duration of further litigation. (See Shepard Decl. ¶¶ 9(b),  
27 13(b) (detailing the percentages of total revenue each settlement represents).)  
28

1 pending) for real estate analytics company House Canary—the largest intellectual property jury  
2 verdict of 2018 and one of the largest on record.<sup>2</sup>

3 16. Three of the lead counsel on this matter—Bill Carmody, Arun Subramanian, and  
4 Amanda Bonn—are also responsible for three of the largest antitrust class actions in the country.  
5 In *LIBOR*, SG, as co-lead counsel under the leadership of Bill Carmody, secured \$590 million in  
6 settlements from just 4 of the 16 defendant banks.<sup>3</sup> In *Municipal Derivatives*, SG, as co-lead counsel  
7 under the leadership of Arun Subramanian, obtained hundreds of millions in recoveries in the first  
8 major financial markets rate-rigging case in New York.<sup>4</sup> In both cases, SG represented a  
9 government entity, the City of Baltimore, as a class representative. And in *Qualcomm*, SG, as co-  
10 lead counsel with Amanda Bonn as a core team member, obtained certification a nationwide class  
11 of cellular phone purchasers, in what has been described as the "biggest class action in history."<sup>5</sup>

12 17. SG also possesses extensive False Claims Act litigation experience. Bill Carmody  
13 and Arun Subramanian successfully litigated the landmark *Novartis qui tam* litigation. In this novel  
14 anti-kickback case, SG—in collaboration with the Department of Justice—secured settlements  
15 totaling \$465 million for the Government, the largest recovery ever in a case of its kind. SG is often  
16 brought into False Claims Act cases that are legally and factually challenging, against the Nation's  
17 biggest defense shops, to bring them successfully to resolution.

18 18. Lead counsel Bill Carmody—a partner in SG's New York office—has decades of  
19 first-chair trial experience in high-stakes cases. In 2018, Carmody was called in just months before  
20 trial to handle one of the most widely reported cases in Silicon Valley history. Uber was defending  
21 itself against trade-secret claims by Google/Waymo seeking roughly \$2 billion, and decided it "was  
22

23 <sup>2</sup> See *Revenge of the Hatchlings: How Susman Godfrey Won Almost a Billion Dollars for*  
24 *House Canary*, LAWDRAGON (Apr. 15, 2019), available at <http://www.lawdragon.com/2019/04/15/revenge-of-the-hatchlings-how-susman-godfrey-won-almost-a-billion-dollars-for-house-canary/> (last accessed Apr. 24, 2020).

25 <sup>3</sup> *In re Libor-Based Financial Instruments Litig.*, MDL No. 2262 (S.D.N.Y. (NRB)).

26 <sup>4</sup> *In re Municipal Derivatives Antitrust Litig.*, MDL No. 1950 (S.D.N.Y.) (VM).

27 <sup>5</sup> *In re Qualcomm Antitrust Litig.*, MDL No. 2773 (N.D. Cal.) (LK). See also *Qualcomm Flights*  
28 *Cert. of 'Biggest Class Action in History'*, LAW 360, at <https://www.law360.com/articles/1092211>.



important to have someone in the leading position who was a pure trial lawyer—someone whose core skill was persuading a lay jury in a complex business case.<sup>18</sup> Four days after Mr. Carmody gave public and sealed opening statements and he and his SG team crossed the plaintiff's witnesses, Uber walked away with a settlement that was worth a fraction of what Google/Waymo had sought. Only two-and-a-half months before the Uber trial, on the other side of the country, Mr. Carmody tried a contract case on the plaintiff's side for General Electric in the Southern District of New York, where the jury sided unanimously with GE and the court entered a judgment valued at over \$160 million. Carmody is a member of the American Board of Trial Advocates, a fellow of the Litigation Counsel of America, and a fellow of the American Bar Foundation. He is listed in *The Best Lawyers in America* in five categories, including Bet-the-Company Litigation. His peers have voted him both a "New York Super Lawyer" and a "Texas Super Lawyer." Carmody was a top three finalist in 2018 for the *New York Law Journal's* Attorney of the Year. He has been honored by *Law360* as one of its 10 Titans of the Plaintiffs Bar, named to the *National Law Journal's* list of Elite Trial Lawyers, and is routinely included in *Benchmark's Top 100 Trial Lawyers*. Mr. Carmody is also perennially listed in the *Lawdragon 500*, the guide to America's leading 500 lawyers, and was lauded as one of its 41 "Legal Legends." Further details regarding Mr. Carmody's experience can be found at <https://www.stansingoffrey.com/attorneys/bill-carmody/>.

19. Arun Subramanian—a partner in SG's New York office—was one of the youngest partners to be elected to the firm's executive committee. A 2004 graduate of Columbia Law School, Mr. Subramanian served as a law clerk to Supreme Court Justice Ruth Bader Ginsburg before joining SG. Subramanian was named a "Rising Star" by the *New York Law Journal* in 2018, has been selected to *Benchmark Litigation's* "40 and Under Hot List" in 2017 and 2018, and was recognized as an "Up & Coming" Attorney in General Commercial Litigation by Chambers U.S. in 2016, 2017, and 2018. Subramanian has extensive experience litigating qui tam, antitrust,

<sup>18</sup> See *Attorney of the Year Finalist: Bill Carmody*, *NEW YORK LAW JOURNAL* (October 9, 2018), available at <https://www.nylj.com/ny-lawyer-awards/2018-10-09-bill-carmody-victor-ndj/> (last accessed May 7, 2020).

failing to deliver, true optimization reports and "lowest cost available" wireless services. Knowing those were likely to be the most significant documents and actually obtaining them were two very different things. SG engaged in the following efforts in dogged pursuit of the "hottest" documents in the case:

- a. SG served six sets of Requests for Production, five sets of Special Interrogatories, and one set of Form Interrogatories on both AT&T and Verizon.<sup>19</sup> In addition, SG served 21 separate subpoenas, including subpoenas on all eight of the non-intervenor in Phase I and eleven subpoenas on other third-parties with relevant knowledge, such as NASPO (the parent organization of WSCA).
- b. Over the course of two years, SG then engaged in extensive meet-and-confer efforts and filed multiple motions to compel both Verizon and AT&T to disclose additional persons with knowledge about the drafting of and compliance with the WSCA contracts—without knowing the identity of these key witnesses. Plaintiffs would have no hope of accessing the most critical documents in the case. These efforts resulted in both AT&T and Verizon revealing additional, important witnesses and producing their documents.
- c. SG reviewed AT&T and Verizon's significant document productions and, based on those documents, pressed AT&T and Verizon to produce documents from additional witnesses that had not previously been disclosed. In just one example, Verizon initially produced a small fraction of the number of documents produced by the remaining defendants. SG strongly suspected that Verizon had improperly framed its predictive coding to exclude most of the relevant documents. After SG filed multiple letter briefs

<sup>19</sup> Before SG appeared in this case, CC also served a set of Requests for Production and a set of Special Interrogatories.

intellectual property, and class action matters. Further details regarding Mr. Subramanian's experience can be found at <https://www.stansingoffrey.com/attorneys/arun-subramanian/>.

20. Amanda Bonn—a partner in SG's Los Angeles office—is a 2009 graduate of Stanford Law School who clerked for the Hon. Dean D. Pregerson (C.D. Cal.) before joining the firm. Bonn has litigated high-stakes lawsuits in a wide variety of practice areas, including antitrust, appellate, class action, employment, entertainment, insurance, intellectual property, qui tam, and securities matters. During the pendency of this case alone, Bonn delivered the opening statement in a trade secret misappropriation trial on behalf of defense contractor KBR Wyle,<sup>20</sup> briefed, argued, and won a Ninth Circuit appeal on behalf of an NBCUniversal subsidiary against its insurer Atlantic Specialty Insurance Company,<sup>21</sup> and successfully briefed a motion for class certification in *In re Qualcomm* that resulted in what has been described as the "biggest class action in history."<sup>22</sup> In 2019, Bonn was recognized in the *Lawdragon 500* as one of the nation's "Leading Plaintiff Financial Lawyers." Bonn has also been selected to *Benchmark Litigation's* "40 and Under Hot List" in 2018 and 2019. Ms. Bonn's bio may be found at <https://www.stansingoffrey.com/attorneys/amanda-bonn/>.

21. SG has litigated this sprawling and complex case as efficiently and effectively as possible, despite numerous obstacles and the hard-fought efforts of multiple teams of defense counsel, as described in detail below.

22. Offensive Document Discovery. For years, SG doggedly pursued discovery of AT&T and Verizon's most damaging documents. SG suspected from the outset of the case that some of the most significant documents would be found in (1) the carriers' internal deliberations concerning the drafting of their responses to the WSCA I and WSCA II Requests for Proposal ("RFPs") and (2) the carriers' subsequent documents concerning their compliance (or lack thereof) with optimization reporting requirements. SG knew that these documents would be critical to proving that AT&T and Verizon acted with scienter in promising to provide, and subsequently

<sup>20</sup> See *Posttron Sys., Inc. v. Wyle Laboratories, Inc.*, No. BC595462 (Los Angeles Super. Ct.)  
<sup>21</sup> See *Universal Cable Prods., LLC v. Atlantic Specialty Ins. Co.*, 929 F.3d 1143 (9th Cir. 2019).

<sup>22</sup> See *Qualcomm Fights Cert. of 'Biggest Class Action in History'*, *LAW360* (Oct. 15, 2018), <https://www.law360.com/articles/111111/>.

raising this issue, Verizon ultimately conceded that it had, in fact, made a significant error in its predictive coding protocol that resulted in the improper withholding of hundreds of thousands of documents.

- d. As a result of SG's ongoing efforts, Verizon ultimately produced 712,959 documents totaling 4,039,745 pages, as well as documents that Verizon had subpoenaed from 10 third-parties. Prior to November 26, 2019, AT&T produced approximately 717,301 documents totaling 2,186,772 pages, as well as documents that AT&T had subpoenaed from 9 third-parties. SG reviewed those massive productions in order to identify the most compelling documents for use in depositions.
- e. Once AT&T and Verizon produced their privilege logs, it became apparent to SG that both carriers were withholding what were likely highly relevant documents concerning the drafting of the WSCA contracts on baseless privilege grounds. Verizon, for instance, claimed privilege over more than 55,000 documents, including thousands of documents either sent to third parties or with no attorney presence. SG raised multiple challenges to AT&T and Verizon's privilege log entries before the Discovery Referee, obtaining critical rulings that AT&T and Verizon's internal *business* discussions concerning their responses to the WSCA RFPs were not privileged. SG also successfully moved for the Discovery Referee to review *in camera* documents that Verizon had initially produced but then "snapped back" as privileged. These successful efforts by SG resulted in both AT&T and Verizon producing some of the most significant documents in the case, which SG utilized in depositions to extract significant admissions.

23. Offensive Data Discovery and Expert Analysis. As described in the Declaration of Steven M. Shepard, submitted herewith, SG did extensive work (together with a team of experts) to obtain from AT&T and Verizon the necessary data regarding rate plans, and the usage and billing

1 for hundreds of thousands of government employees, and then to use that data to prepare a complex  
2 damages model.

3 24. Defensive Document and Written Discovery. SG represented the 45 Intervenor that  
4 initially intervened in this case—and the 30 that continued to intervene through the present—in  
5 connection with fulfilling their obligations to produce documents and responses to written  
6 discovery from AT&T and Verizon. These discovery obligations were so extensive that 15  
7 Intervenor *dropped out* rather than continue to be subjected to them. Below are some illustrations  
8 of what Intervenor's defensive document and written discovery obligations entailed.

9 a. SG collected, processed, and produced 1,074,361 documents from  
10 Intervenor, totaling 6,157,076 pages. In addition, SG collected, processed,  
11 and produced 129,351 documents from Relator, totaling 406,881 pages. In  
12 total, SG produced a total of 1,203,712 documents from 216 custodians,  
13 for a total of 6,563,957 pages. This involved spending a substantial amount  
14 of time and effort (1) communicating with Intervenor to identify relevant  
15 personnel who may have responsive documents; (2) coordinating with SG's  
16 document production vendor and the Intervenor's IT personnel; (3) tracking  
17 and managing the timely ingestion, processing, and production of relevant  
18 documents from a massive volume of collected Electronically Stored  
19 Information ("ESI"); and (4) reviewing tens of thousands of documents that  
20 were initially withheld for privilege hits and creating privilege logs for the  
21 documents ultimately withheld from production.

22 b. SG worked hand-in-hand with 30 Intervenor to prepare a collective 4,700  
23 separate responses to AT&T's interrogatories, requests for production,  
24 requests for admission, and written questions. Similarly, SG worked  
25 extensively with its Intervenor to prepare over 4,000 separate responses to

1 Department at UC San Francisco because he dealt with employee-submitted  
2 request tickets related to wireless services, such as requests for new phones,  
3 hotspots, or cancellations. AT&T requested documents from Kischka  
4 Blusiro, who had responsibility for only about 50 lines within the UC Santa  
5 Cruz IT Department as a stop-gap period for a few months. And each of  
6 these hundreds of departments and low-level requested document custodians  
7 were associated with a *single* Intervenor. SG was required to investigate each  
8 of these inquiries, coordinate with each Intervenor regarding such requests,  
9 collect and produce documents, and make witnesses available from 30  
10 separate Intervenor.

11 f. Eight Non-Intervenor were also part of the Phase I discovery and trial,  
12 including the State of California. In order to prepare for Phase I, Relator's  
13 counsel worked closely with the State Attorney General's office to identify  
14 relevant witnesses, ensure the production of their documents, and prepare  
15 for anticipated depositions. Relator's counsel also took third-party document  
16 discovery from the remaining Non-Intervenor in Phase I.

17 25. Defensive Depositions. SG prepared and defended 132 Intervenor witness  
18 depositions that were either noticed, cross-noticed, or taken by AT&T and Verizon. Defendants  
19 refused to coordinate these depositions so that each Intervenor's witnesses would be presented  
20 around the same time. As a result, SG's lawyers spent over a year traveling across the state of  
21 California to meet with and interview witnesses, prepare them to be deposed, and defend their  
22 depositions, only to return to the same location time and time again for further depositions  
23 scheduled at later dates. For example, rather than consolidate all depositions for City and County  
24 of Riverside, Defendants took eleven separate depositions that were weeks, and in some cases  
25 months, apart, forcing Plaintiffs to take separate round trips. As another example rather than  
26 consolidate all depositions in City of Long Beach, Defendants took six separate depositions in Long  
27 Beach that were weeks, and in some cases months, apart, forcing Plaintiffs to take separate round

1 interrogatories, requests for production, requests for admission, and written  
2 questions served by Verizon.<sup>11</sup>

3 c. These tasks were made even more complicated and time-intensive because  
4 numerous Intervenor are comprised of decentralized departments. For  
5 instance, while the California State University ("CSU") system is only  
6 technically a single Intervenor, 21 separate campuses plus the Chancellor's  
7 Office were involved in responding to discovery. Many of those campuses,  
8 in turn, had further decentralized wireless purchasing and IT functions across  
9 various departments. Defendants took 31 separate depositions of current or  
10 former CSU employees.

11 d. In another example, the University of California Board of Regents alone was  
12 forced to prepare answers to 649 Requests for Admission ("RFAs"), while  
13 the California State University was required to prepare responses to 116  
14 RFAs on behalf of each of their constituent campuses.

15 e. In another example, in response to AT&T and Verizon's written questions,  
16 the University of California system alone identified more than 650  
17 departments that had a role in independently purchasing and managing  
18 wireless services. AT&T and Verizon in a multi-year effort to seek  
19 documents and depositions from many of these hundreds of departments  
20 within a single Intervenor. Defendants' inquiries went far beyond the main  
21 witnesses within each campus who had responsibilities for managing  
22 wireless services. AT&T requested documents from John Arbolino from the  
23 Supply Chain Management Department at UC San Francisco because one  
24 witness mentioned that she forwarded a draft contract for him to review.  
25 AT&T requested documents from Josie Angeles from the Field Services

27 <sup>11</sup> Although Intervenor prepared responses to all of Verizon's RFAs, the parties' agreement to stay  
28 discovery obviated the need to serve some of the RFA responses.

1 trips. These undertakings required extensive coordination and planning, which required  
2 communicating with Intervenor, co-counsel, and opposing counsel to maintain and execute a  
3 deposition schedule that often involved multiple depositions being double or triple-tracked on the  
4 same day in different locations.

5 26. Offensive Depositions. SG took 31 depositions of AT&T witnesses and 23  
6 depositions of Verizon witnesses. SG took these 54 depositions at the same time that it was  
7 defending a significant number of Intervenor depositions. SG's offensive depositions against  
8 AT&T and Verizon resulted in damaging admissions that significantly increased the carriers' risk  
9 and, thus, the settlement value of the case.

10 27. Motion Practice. Throughout the pendency of the case, SG has engaged in extensive  
11 and successful motion practice, including briefing and arguing (1) 19 offensive motions to compel  
12 that involved AT&T and 18 offensive motions to compel that involved Verizon; (2) 22 defensive  
13 motions to compel that AT&T filed against Plaintiffs and four (4) defensive motions to compel that  
14 Verizon filed against Plaintiffs; (3) Plaintiffs' motion for leave to file a Third Amended Complaint;  
15 (4) Verizon and AT&T's subsequent demurrers to Plaintiffs' Third Amended Complaint; (5)  
16 Plaintiffs' motion for an order to show cause why AT&T should not be sanctioned regarding its  
17 data production; and (6) Plaintiffs' motion to bifurcate the Phase I trial against AT&T and Verizon.  
18 This likely understates the extent to which SG briefed and argued discovery issues. In addition to  
19 motions to compel, the parties had bi-weekly and sometimes even more frequent calls with the  
20 Discovery Referee where discovery issues were also often raised and addressed informally.

21 Suzanne Godfrey's Efficient Staffing in the Face of Significant Discovery Burdens

22 28. SG has taken every effort to staff this case as efficiently as possible, while managing  
23 the burdens of discovery and positioning the case for a successful outcome. SG has staffed this case  
24 efficiently with partners and associates, all of whom graduated from the Top 14 law schools in the  
25 country and clerked for a federal judge before joining SG. In addition, SG strategically deployed  
26 staff attorneys with significantly reduced billing rates in order to efficiently assist with extensive  
27 defensive discovery obligations and review the voluminous documents produced in this matter.

29. I was responsible for overseeing the progression of the case as a whole, managing the case day-to-day, making strategic decisions about the case's direction, and ensuring that the matter was appropriately and efficiently staffed. In addition to my oversight role for the case as a whole, I also took a principal role in arguing matters before the Discovery Referee and the Court, briefing important motions, and preparing and defending Intervenor witnesses for depositions. Under my supervision, the case was staffed efficiently as follows.

30. **Defensive Discovery Team.** An SG partner in the firm's Seattle office, Jordan Connors oversaw and managed the defensive side of the case. Mr. Connors, a 2008 graduate of Columbia Law School, clerked for the Hon. Vaughn Walker, Chief Judge of the U.S. District Court for the Northern District of California, before joining SG. Mr. Connors has successfully represented plaintiffs and defendants in a variety of high-stakes commercial cases, including patent infringement, antitrust, bankruptcy, class action, trusts and estates, securities fraud, and false advertising matters. *Law & Politics Magazine*, published by Thomson Reuters, has named Mr. Connors a Rising Star every year since 2013—an honor bestowed on 2.5% of attorneys in the state of Washington for "demonstrated excellence in the practice of law." Mr. Connors' bio may be found at <https://www.stimmgodfrey.com/attorneys/jordan-connors/>.

31. As discussed above, this case presented significant defensive discovery obligations. SG represented the 45 California government entities that initially intervened in this action. Fifteen of those entities dropped out as Intervenor due to the discovery burdens, and SG continued to represent the 30 remaining Intervenor. Under the oversight of partner Jordan Connors, each Intervenor was assigned (1) one associate or partner and (2) one staff attorney (*i.e.*, an attorney not on the partnership track) who were responsible for communicating with the Intervenor, preparing and gathering responsive discovery, reviewing documents related to that Intervenor, and preparing and defending the Intervenor's witnesses in connection with depositions. The associates, partners, and staff attorneys who worked on the defensive discovery team were often assigned to handle multiple Intervenor or large Intervenor with numerous decentralized departments. The members of the defensive discovery team were the following:

c. Rohit Nath, an associate in SG's Los Angeles office, graduated from the University of Chicago Law School in 2014, where he served as Editor-in-Chief of the Law Review and was selected to the Order of the Coif. Mr. Nath then clerked for the Chief Judge of the Ninth Circuit and worked as a trial attorney for the U.S. Department of Justice before joining SG. Mr. Nath was assigned to this case from January 2017 through January 2019, and principally worked on defensive discovery issues including coordinating with multiple, large, and decentralized Intervenor on issues concerning document collection, defensive discovery responses, and briefing and arguing various discovery motions to the discovery referee and the Court. After January 2019, Mr. Nath occasionally consulted the trial team and assisted with matters that required his institutional knowledge (though his time on this matter after January 2019 totaled only 30.70 hours). Further details about Mr. Nath can be found at <https://www.stimmgodfrey.com/attorneys/rohit-nath/>.

d. Nicholas Spear, an associate in SG's Los Angeles office, graduated from the University of Chicago Law School in 2014, where he served as the Comments Editor of the Law Review and was selected to the Order of the Coif. Mr. Spear then clerked for the Hon. Andrew D. Hurwitz of the Ninth Circuit and the Hon. Philip S. Gutierrez of the Central District of California before joining SG. Since the inception of SG's involvement in this matter, Mr. Spear has been the principal and longest-serving associate assigned to this matter. From 2017 through 2018, Mr. Spear had principal responsibility for overseeing defensive discovery obligations for a number of Intervenor, most notably the Chancellor of the California State University and its 21 constituent campuses. In addition to his defensive discovery obligations, Mr. Spear was also principally responsible for (1) assisting me in pursuing

a. Rachel Black, a partner in SG's Seattle office, primarily assisted in preparing and defending numerous Intervenor witnesses for their depositions in 2019. Ms. Black also assisted in related defensive discovery issues, including overseeing the preparation of objections and responses to discovery requests and participating in calls with the Discovery Referee. Ms. Black is a 1999 graduate of Cornell Law School who clerked for the Hon. Robert R. Beezer of the Ninth Circuit before joining SG. Ms. Black has extensive experience litigating high-stakes commercial matters in practice areas including patent infringement, financial fraud, unfair business practices, and antitrust. Ms. Black's bio may be found at <https://www.stimmgodfrey.com/attorneys/rachel-black/>.

b. Jesse Justin Cuevas, an associate in SG's Los Angeles office, graduated from Northwestern University Law School in 2015 and clerked for the Hon. Albert Diaz of the Fourth Circuit and the Hon. Dolly M. Gee of the Central District of California before joining SG. Ms. Cuevas was initially assigned to this case in November 2018. Over the next year, Ms. Cuevas worked hand-in-hand with Mr. Connors to oversee and manage all defensive discovery efforts, including (1) coordinating with her assigned Intervenor on discovery responses, (2) drafting responses and objections to written discovery, (3) preparing and defending Intervenor witnesses in connection with depositions (and reviewing associated documents); (4) coordinating with all other members of the defensive discovery team to ensure all defensive discovery responses were timely served and to schedule, assign, and staff all Intervenor depositions, and (5) briefing and arguing motions before the Discovery Referee and the Court. Further details regarding Ms. Cuevas's experience can be found at <https://www.stimmgodfrey.com/attorneys/jesse-justin-cuevas/>.

offensive discovery concerning data and damages from both AT&T and Verizon, including taking depositions, meeting-and-conferencing on data and damages issues, and briefing and filing multiple motions to compel and (2) pursuing the offensive case against AT&T, including reviewing AT&T's document production, selecting witnesses to depose, and deposing numerous AT&T witnesses. Further details concerning Mr. Spear's experience can be found at <https://www.stimmgodfrey.com/attorneys/nick-spear/>.

c. Meng Xi was an associate in SG's Los Angeles office for most of the pendency of this action, and was recently elected to the partnership in January of this year. Ms. Xi graduated from the University of California, Berkeley School of Law in 2011 and clerked for the Hon. Sharon Prost of the Federal Circuit before joining SG. Ms. Xi has extensive experience litigating intellectual property matters and is President of the Judge Paul R. Michel IP Inn of Court in Los Angeles for the 2019-2020 term. Ms. Xi's bio may be found at <https://www.stimmgodfrey.com/attorneys/meng-xi/>. Ms. Xi was principally responsible for overseeing the defensive document production effort, which included (1) overseeing the collection, review, and production of over 6,463,957 pages of documents from 916 custodians; (2) overseeing the review and creation of privilege logs in connection with such document productions, and (3) meeting-and-conferencing with opposing counsel, and briefing and arguing discovery motions related to defensive document production issues. In addition to her role overseeing the massive defensive document production in this matter, Ms. Xi was also responsible for overseeing all defensive discovery obligations for the Regents of the University of California (and its 10 constituent campuses) and Los Angeles County (which has dozens of decentralized departments), including

1 gathering information, preparing voluminous written discovery responses,  
2 and preparing and defending witnesses for depositions.

3 f. SG also assigned several Staff Attorneys to assist in defensive discovery  
4 tasks, ranging from (1) communicating with personnel at various  
5 decentralized intervenors concerning written discovery responses and  
6 document collection; (2) reviewing documents for responsiveness and  
7 privilege prior to production; (3) assisting with the preparation of  
8 intervenors' privilege logs; (4) creating "witness kits" of relevant documents  
9 for intervenor witness depositions; and (5) preparing and occasionally  
10 defending intervenor witnesses at depositions. Those staff attorneys  
11 included Brandon Davis from the Houston office (a 2016 graduate of the  
12 University of Houston Law School), Kevin Hornann from the Seattle office  
13 (a 2010 graduate of the University of Houston Law School), Chase Howell  
14 from the Houston office (a 2015 graduate of the University of Texas Law  
15 School), and Rania Mohsen from the Houston office (a 2015 graduate of the  
16 University of Texas law school).

17 g. Finally, SG assigned Staff Attorney Alex Stenkovsky in the firm's Los  
18 Angeles office to oversee all staff attorney work on defensive and offensive  
19 document review and to assist in all document discovery tasks, from  
20 responsiveness and privilege review, to offensive document review in  
21 connection with the creation of witness kits. Mr. Stenkovsky has been an e-  
22 Discovery attorney for over 20 years and worked for O'Melveny & Myers  
23 for several years before joining SG. Mr. Stenkovsky is a 1996 graduate of  
24 New York Law School.

25 32. Offensive Discovery Team. There were also particularly heavy offensive discovery  
26 obligations, as the offensive case involved both AT&T and Verizon, two of the largest corporations  
27 in America. The facts and circumstances with respect to AT&T and Verizon were unique—each

1 interrogatories, and additional documents (among others); (3) drafted and served written discovery  
2 on AT&T, and (4) selected, prepared for, and deposed a combined 31 AT&T witnesses. Based on  
3 the discovery obtained, Mr. Spear and Mr. Subramanian also drafted Plaintiffs' Third Amended  
4 Complaint and successfully briefed and argued Plaintiffs' motion for leave to amend and  
5 Defendants' subsequent demurrers.

6 35. Mr. Carmody was responsible for overseeing the case as a whole, with a particular  
7 emphasis on (1) overall strategic decision-making; (2) managing the offensive case against Verizon  
8 (including taking depositions of Verizon's most important witnesses); and (3) overseeing and  
9 executing mediation and settlement discussions, as well as finalization of settlements. Mr. Carmody  
10 worked closely with associate Arl Ruben, who was primarily responsible for working on Plaintiffs'  
11 offensive case against Verizon.

12 36. Mr. Ruben, an associate in SG's New York office, graduated *cum laude* from  
13 Harvard Law School in 2014. Mr. Ruben clerked for the Hon. Bruce M. Selya of the First Circuit  
14 and the Hon. Richard J. Sullivan of the Southern District of New York before joining SG. Mr.  
15 Ruben's bio may be found online at <https://www.secmangediscovery.com/attorneys/arl-ruben/>. Mr.  
16 Ruben was initially assigned to this case in October 2018 and, over the next year, was primarily  
17 responsible for all aspects of Plaintiffs' offensive case against Verizon. Mr. Ruben's work included  
18 (1) reviewing Verizon's document production for "hot documents"; (2) meeting-and-confering  
19 with opposing counsel concerning discovery deficiencies and successfully briefing and arguing  
20 multiple motions to compel Verizon to identify additional witnesses, supplement written discovery  
21 responses, and produce additional documents; (3) successfully briefing and arguing multiple  
22 motions challenging Verizon's privilege logs, resulting in Verizon producing critically-important  
23 documents that they had been withholding on erroneous privilege grounds; and (4) identifying  
24 deponents, preparing for depositions, and taking numerous depositions of important Verizon  
25 witnesses.

26 37. SG also assigned Staff Attorney Chelsea Samuels, a 2015 graduate of the University  
27 of California, Irvine School of Law and a member of the firm's Los Angeles office, to assist in

1 had separately-executed contracts and participating addenda with various political subdivisions;  
2 different technological solutions for offering what they claimed to be rate plan optimization reports,  
3 different back-end systems for storing the billing, usage, and rate plan data at issue in this case, and  
4 different witnesses responsible for negotiating and overseeing the performance of various contracts.

5 33. Steven M. Shepard—an SG partner in the firm's New York office—oversaw the  
6 offensive data and damages aspect of the case, which he describes in his declaration submitted  
7 herewith. Mr. Shepard's work included supervising and coordinating closely with a team of  
8 testifying and consulting experts, meeting-and-confering with opposing counsel concerning data  
9 production issues, taking depositions related to data and damages issues, and briefing and arguing  
10 motions to compel regarding data issues. After graduating in 2007 from Yale Law School, Mr.  
11 Shepard clerked for the Hon. Alex Koziaszka on the Court of the Appeals for the Ninth Circuit, and  
12 for Associate Justice Anthony M. Kennedy on the Supreme Court of the United States. He then  
13 served as a Lieutenant in the Navy's Judge Advocate General's Corps for several years before  
14 joining SG. Mr. Shepard has been recognized by *Lawdragon 500* as one of the nation's "Leading  
15 Plaintiff Financial Lawyers" in 2019, as a Rising Star by the *New York Law Journal* in 2019, and  
16 as one of *Benchmark Litigation's* "40 and Under Hot List" in 2018. Mr. Shepard has worked on a  
17 variety of commercial litigation matters, including those involving patent infringement, breach of  
18 contract, insurance, fraud, unfair competition, antitrust and False Claims Act claims. Further details  
19 about his experience can be found at <https://www.usmanandodrey.com/attorneys/steven-m-shepard/>.

20 34. Mr. Subramanian was responsible for overseeing the case as a whole, with a  
21 particular emphasis on managing the offensive case against AT&T, overseeing and managing case  
22 resources and finances, and overseeing the finalization of settlements. Mr. Subramanian worked  
23 hand-in-hand with Mr. Spear to develop Plaintiffs' offensive case against AT&T. Mr. Spear, with  
24 Mr. Subramanian's oversight and assistance, (1) reviewed AT&T's document production to  
25 identify "hot documents"; (2) met-and-conferred and subsequently briefed and argued multiple  
26 motions to compel the identification of additional witnesses, supplemental responses to

1 offensive discovery tasks for the case against AT&T and Verizon. Ms. Samuels played a critical  
2 role in reviewing AT&T and Verizon's document productions and privilege logs, identifying "hot"  
3 documents and privilege log entries ripe for challenging, identifying important AT&T and Verizon  
4 witnesses, and preparing "witness kits" of documents for offensive depositions of AT&T and  
5 Verizon witnesses.

6 38. Paralegals. Between 2017 and the present, this case has been principally supported  
7 by three paralegals—Rodney Slumks (Seattle), Aashka Chokshi (Houston), and Christopher P.  
8 Henry (Seattle). Mr. Slumks was the sole paralegal assigned to this matter from 2017 through his  
9 departure from SG in August 2018. Upon Mr. Slumks' departure—which coincided with a  
10 significant increase in the volume of discovery—paralegal support on this case was taken over by  
11 Ms. Chokshi and Mr. Henry.

12 39. Ad Hoc Support. In addition to the case team described above, a small number of  
13 additional professionals collectively provided support at various times when staffing was in flux or  
14 to provide "spot help" when necessary. The collective amount of time entered by these  
15 professionals accounted for less than 5% of SG's time in this matter. The professionals who  
16 provided such ad hoc support to this matter included the following:

17 a. Bryan Caforio, a partner in SG's Los Angeles office, is a 2008 graduate of  
18 Yale Law School. Mr. Caforio clerked for the Hon. Sidney R. Thomas of the  
19 Ninth Circuit before joining SG. Mr. Caforio has extensive litigation  
20 experience at the trial and appellate level, including representing consumers,  
21 litigating against banks and other financial institutions, and representing  
22 whistleblowers. Mr. Caforio's bio may be found at  
23 <https://www.usmanandodrey.com/attorneys/bryan-caforio/>. Mr. Caforio  
24 provided assistance with defensive discovery in this case prior to Mr.  
25 Connors' involvement and, once Mr. Connors took over, on an ad hoc basis  
26 where his institutional knowledge remained necessary for managing  
27 defensive discovery.

- b. Ryan Kirkpatrick, a partner in SG's New York office, graduated in 2005 from UCLA School of Law, where he was selected to the Order of the Coif. Mr. Kirkpatrick clerked for the Hon. Ruggero J. Aldisert of the Third Circuit before joining SG. Mr. Kirkpatrick was elected to the SG partnership in 2011—a time during which he represented Frank McCourt and the Los Angeles Dodgers in connection with Mr. McCourt's highly-publicized divorce and the team's bankruptcy. This three-year representation culminated in a favorable settlement of the divorce and the sale of the Dodgers for \$2.15 billion. Mr. Kirkpatrick subsequently departed SG to serve as General Counsel and Senior Managing Director of McCourt Global, an alternative asset management firm. Mr. Kirkpatrick recently returned to SG, where he has successfully litigated a wide variety of matters including intellectual property, insurance, securities, antitrust, and class actions. Mr. Kirkpatrick's bio may be found at <https://www.susmangodfrey.com/attorneys/ryan-kirkpatrick/>. Mr. Kirkpatrick briefly assisted Mr. Shepard on a limited basis in managing data and damages discovery issues between June 2018 and January 2019.
- c. James Mayer, an associate in SG's New York office, graduated from New York University School of Law in 2019. Mr. Mayer will be clerking on the United States District Court for the Southern District of New York for 2020-2021 and then the United States Court of Appeals for the Third Circuit in 2021-2022. Mr. Mayer assisted on this matter in the Fall of 2019, while Amanda Bonn and Steven Shepard were both out on parental leave.
- d. Gloria Park, an associate in SG's New York office, graduated from Harvard Law School *magna cum laude* in 2016. Ms. Park clerked for the Hon. Sandra L. Lynch of the First Circuit before joining SG. Ms. Park worked briefly on

this matter from April through June 2018, before departing SG to clerk for the Hon. Merrick B. Garland of the District of Columbia Circuit.

- e. Staff Attorneys Nicolas Lopez (a 2018 graduate of the University of Texas School of Law) and Jeffrey Zerdz (a 2015 graduate of the University of Texas School of Law) in the firm's Houston office provided ad hoc assistance with document review projects.
- f. Paralegals Norberto Arteola (Los Angeles) and Rodney Polanco (Seattle) provided ad hoc support when the primary paralegals were unavailable.

#### Susman Godfrey's Timekeeping Entries and Rates

40. Excluding time entries for timekeepers with fewer than 50 hours of time in this matter, SG has performed a total of 46,584.50 hours of professional work with a total value of \$23,970,850.00 at current billing rates on this matter. These rates are the same rates SG charges to its fee-paying clients.

41. All counsel and staff, including myself, keep contemporaneous and reliable time records of the amount of time spent on each activity related to this case. Firm billing records typically assign a single time charge to separate tasks related to the same matter that are completed the same day.

42. We cannot feasibly apportion the time spent prosecuting the claims against any of the four Defendants, as many of the tasks overlapped. Prior to the case entering active litigation, investigative and research efforts helped the case as a whole, especially since all Defendants were parties to the WSCA Master Contracts with similar "lowest cost available" and "optimization" requirements. Even after discovery began in earnest, it remained difficult to consistently attribute time on tasks to any particular Defendant. That is because Defendants worked together as part of a joint defense group, coordinating their discovery requests, depositions, and motion practice. For instance, Defendants served functionally identical document requests and written discovery on intervenors and cross-named depositions.

43. The Table below summarizes the professional time that attorneys and staff of SG put into this matter. In the exercise of billing judgment, we have eliminated all hours by professionals who billed fewer than 50 hours in total. This data is current through May 30, 2020.

Table 1: SG Professional Fees

Name	Position	Grad Year	2020 Rate	Base Hours	2020 Amount
Arteola, Norberto	Paralegal	N/A	\$275	135.00	\$37,125.00
Black, Rachel	Partner	1999	\$650	1,389.40	\$903,110.00
Bonn, Amanda	Partner	2009	\$600	2,847.60	\$1,708,560.00
Caloro, Bryan	Partner	2008	\$600	568.30	\$340,980.00
Carmody, Bill	Partner	1985	\$1,900	801.70	\$1,523,230.00
Chokshi, Aashika	Paralegal	N/A	\$225	1,723.60	\$387,810.00
Compton, Jordan	Partner	2008	\$600	3,083.80	\$1,850,280.00
Cuevas, Jesse-Justin	Associate	2015	\$350	2,821.70	\$1,551,935.00
Davis II, Brandon	Staff Attorney	2016	\$125	4,149.90	\$1,348,717.50
Henry, Christopher	Paralegal	N/A	\$225	1,532.40	\$344,790.00
Hornstein, Kevin	Staff Attorney	2010	\$400	3,246.50	\$1,298,600.00
Howell, Chase	Staff Attorney	2015	\$300	699.10	\$209,730.00
Kirkpatrick, Ryan	Partner	2005	\$775	109.70	\$83,017.50
Lopez, Nicolas	Staff Attorney	2018	\$300	155.10	\$46,530.00
Mayer, James	Associate	2019	\$425	172.70	\$73,397.50
Mohsen, Ramia	Staff Attorney	2015	\$350	1,030.80	\$360,780.00
Nath, Rohit	Associate	2014	\$375	1,956.20	\$1,124,815.00
Park, Gloria	Associate	2016	\$500	203.00	\$101,500.00
Polanco, Rodney	Paralegal	N/A	\$275	60.10	\$16,527.50
Ruben, Ari	Associate	2014	\$375	3,130.20	\$1,799,865.00
Sammels, Chelsea	Staff Attorney	2015	\$375	1,387.50	\$520,312.50
Shank, Rodney	Paralegal	N/A	\$275	1,589.30	\$437,057.50
Shepard, Steven	Partner	2007	\$775	1,443.40	\$1,120,185.00
Spetz, Nicholas	Associate	2014	\$375	4,748.80	\$2,730,560.00
Stembovsky, Alex	Staff Attorney	1996	\$425	4,446.20	\$1,889,635.00
Subramanian, Arun	Partner	2004	\$1,950	627.50	\$658,875.00
Ti, Meng	Partner	2011	\$600	2,471.50	\$1,482,900.00
Zerdz, Jeffrey	Staff Attorney	2015	\$350	51.50	\$18,025.00
<b>Grand Total</b>				<b>46,584.50</b>	<b>\$23,970,850.00</b>

44. The hourly rates reflected above are reasonable.

45. Attached hereto as Exhibit I is a true and correct copy of excerpts from the 2018 Wolters Kluwer Real Rate Report, which I understand to be the most recent year for which this publication exists. The report reflects prevailing market rates for legal services in Q3 2018 in San Francisco—part of the local legal community for complex qui tam litigation of this magnitude. The Third Quartile rates for legal services were \$895 for partners and \$567 for associates (for a blended/average hourly rate of \$731). The median hourly rates for legal services were \$695 for partners and \$446 for associates (for a blended/average hourly rate of \$570.50).

46. The blended hourly rate for SG's time reflected in Table 1 above is \$513.63—less than the median blended rate for San Francisco practitioners in Q3 2018. Nearly all of the individual SG timekeeper's hourly rates above are also in line with the median and Third Quartile rates. The exceptions are justified as follows:

- a. The hourly rate of Arun Subramanian at \$1050 is reasonable in light of the fact that he clerked on the United States Supreme Court, which tends to command premium rates in every legal jurisdiction in the country. In addition, Mr. Subramanian's investment of time is also considerably less than other members of the team working on this case, and his efforts focused on trial depositions, important hearings before the Court, and overseeing case strategy.
- b. The hourly rate for Bill Carmody, at \$1,900 per hour, is reasonable in light of his stature as one of the nation's leading trial lawyers and the exceedingly complex nature of this litigation. Mr. Carmody's investment of time is also considerably less than other members of the team working on this case, and his efforts as lead trial counsel appropriately focused on trial depositions, important hearings before the Court, and overseeing case strategy.
- c. Certain associates' hourly rates of \$375 per hour are slightly higher than the Third Quartile rate of \$567. SG's associates, however, have all graduated



from the top law schools in the nation (University of Chicago, Harvard, Northwestern, and NYU) and clerked for judges on the federal Courts of Appeals before joining Susman Godfrey. In addition, this slightly higher hourly rate for certain associates is mitigated by the significantly lower hourly rates for SG's Staff Attorneys. SG's Staff Attorneys have exceptional resumes in line with those of partnership-track associates at other top law firms. These attorneys are not partnership-track associates at SG because SG—unlike most other law firms—requires partnership-track associates to have completed a federal clerkship.

47. SG's hours reflected above are also reasonable given the complexity of the litigation, the number of parties that SG represented, the volume of discovery, and the number of defense counsel working on this matter. SG went to great efforts to litigate this case efficiently, staffing it leanly during time periods when discovery was less active and ramping up staffing only as necessary when the volume of discovery ramped up significantly—including multiple depositions being taken every week, millions of documents to review, multiple motions to compel being heard on each bi-weekly (or more frequent) call with the Discovery Referee, and extensive data and expert analysis all happening simultaneously.

**Susman Godfrey's Advanced Litigation Expenses**

48. SG has advanced necessary litigation expenses, without any guarantee of recoupment. For a significant time period during this litigation, SG has managed the joint litigation fund for SG and co-counsel Constantine Cannon LLP ("CC"). SG and the joint litigation fund have incurred \$7,544,978.75 in unreimbursed expenses, as summarized in Table 2 below. These financial outlays include but are not limited to expenses related to expert witnesses, court reporters, filing fees, electronic discovery, legal research, telephone calls, postage, and travel. I have reviewed the costs and expenses incurred by all timekeepers and by the litigation fund as a whole and believe each of the costs incurred was directly related and necessary to the prosecution of this case.

Indeed, SG repeatedly re-negotiated with KNJ in order to ensure that they were receiving reasonable rates. SG also switched document review platforms away from the more commonly-used (and more expensive) Relativity and to a less expensive review platform called Viewpoint in order to minimize document review and hosting charges wherever possible.

51. SG incurred \$598,262.08 in travel and meal expenses. These expenses were reasonably necessary. These expenses were primarily incurred in connection with travel to court hearings, meetings with the discovery referee, meetings with co-counsel, and well over 100 depositions. Indeed, for the better part of 2019, SG and CC lawyers were required to travel throughout California and elsewhere throughout the nation for 186 defensive and offensive depositions involving AT&T and Verizon. Because Defendants did not coordinate depositions by location, counsel often had to return to the same location for multiple, separate trips—rather than taking a single trip to defend multiple depositions. SG attempted to compel Defendants to limit this practice and instead coordinate depositions by geographic area, but did not succeed in that effort. In addition, as much as possible, SG attempted to staff defensive depositions by lawyers in the firm's West Coast offices (Los Angeles and Seattle) to limit travel expenses.

52. Pursuant to SG's travel expense reimbursement policy, lawyers are required to travel as economically as possible. Absent an exceptional circumstance that results in an exception to the rate limits listed as follows, which exception requires approval by the firm's Executive Committee, the firm reimburses actual hotel expenses, including customary taxes and fees, subject to the following maximum base per-night rates for the following locations: \$400 per night in New York City, Washington DC, Los Angeles, and San Francisco, and \$350 per night in all other locations. Pursuant to SG's airfare policy, attorneys are required to travel as economically as possible subject to the following guidelines: refundable, no-restriction economy airfare only, unless refundable, no-restriction economy is unavailable or first/business class is less than no-restriction economy.

53. SG incurred \$447,393.60 in expenses related to depositions and court reporters. These expenses were for transcripts, videos, and related fees incurred in connection with court

Cost Category	Amount
Court Fees	\$24,780.18
Depositions & Court Reporters	\$447,393.60
Discovery Referee & Mediation	\$319,671.38
Document Processing	\$2,934,699.30
Experts	\$3,082,616.71
Postage, Delivery & Messenger	\$28,016.06
Research & Database Access	\$96,746.33
Secretarial Overtime	\$7,806.90
Travel & Meals	\$598,262.08
Telecommunications	\$4,986.21
<b>Grand Total</b>	<b>\$7,544,978.75</b>

49. As shown in Table 2 above, SG incurred \$3,082,616.71 in expert expenses. Of that amount, \$2,861,629.91 (approximately 93%) was paid to the core consulting and testifying experts working on data and damages issues—including statistician Bill Wecker and his team; CPA and data analyst Philip Klue and his team; optimization expert Cameron Sowder and his team; optimization expert firm Oncept, Inc.; and telecommunications optimization software provider Visage Mobile, Inc. The remaining \$220,986.80 in expert expenses were paid to other miscellaneous consulting experts, including visual/media presentation consultants, wireless communication industry consultants, private investigators, and legal consultants. Each of these experts was reasonably necessary to achieve Plaintiff's litigation objectives, and SG scrutinized their invoices rigorously.

50. As shown in Table 2 above, SG incurred \$2,934,699.30 in document processing expenses. These expenses were primarily incurred in connection with SG's document review and hosting platform provider, KNJ (later known as Congruity 360). Such fees were incurred in connection with (1) collecting, processing and ingesting vast quantities of Electronically Stored Information ("ESI") to be hosted on the document review platform; (2) processing document productions; (3) hosting produced documents; and (4) consulting fees for time spent by KNJ staff assisting in various tasks related to ESI review, management, and productions. These expenses were reasonably necessary, especially given the significant volume of ESI discovery in this case.

reporter services for court hearings, bi-weekly (and sometimes more frequent) calls with the Discovery Referee, and approximately 166 depositions. These expenses also include fees for videographers in connection with videotaped depositions. These expenses were reasonably necessary.

54. SG incurred \$319,671.38 in expenses related to the services of the Hon. Fred K. Morrison as a discovery referee, as well as fees for multiple mediations with Phillips ADR. These expenses were reasonably necessary.

55. I have also reviewed the remaining expenses outlined in Table 2 above, and have confirmed that they were reasonably necessary.

56. SG and CC invested a combined 63,114 hours that equate to attorneys' fees of \$36,176,970 at present rates. This does not account for additional hours spent by local counsel. Plaintiff's counsel have also advanced costs of \$7,750,642.55. Plaintiff's counsel have thus invested more than \$43,927,612.55 in statutory fees and costs to pursue this action.

57. So far, Relator's counsel have recovered \$2,200,000 in statutory fees in connection with the Sprint and T-Mobile settlements. After accounting for those fees, Relator's counsel have advanced more than \$41,727,612.55 in statutory attorneys' fees and costs that have yet to be recovered. And yet Relator's counsel seek a total of \$36,450,000 in connection with the AT&T and Verizon settlements of their claim for statutory attorneys' fees and costs—\$23,450,000 from Verizon and \$13,000,000 from AT&T. (Id.) That means Lead Counsel have incurred an additional \$5,277,612.55 in statutory attorneys' fees and costs that they do not even seek to recover. (Id. & Tbl. 3.)<sup>12</sup> These numbers are reflected in the table below:

<sup>12</sup> Counsel are entitled to recover both statutory fees, as well as any contingency fee to which their clients (Intervenor and Relator) have agreed. The numbers set forth in Table 3 only address statutory fees. See e.g., *U.S. ex rel. De Pace v. Cooper Health Sys.*, 940 F. Supp. 2d 208, 217 (D.N.J. 2013) (holding "the fee shifting provisions of the Federal False Claims Act do not prohibit an attorney from receiving both statutory attorneys' fees and a contingency fee"); *Reynolds v. Ford Motor Co.*, --- Cal. Rptr. 3d ---, 2020 WL 1921742, at \*2, 6 (Ct. App. Apr. 21, 2020) (rejecting argument that plaintiff's "counsel was not entitled to recover both a contingency fee and statutory fee" for claims under the Song-Beverly Act).