



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#15-1190

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Cynthia A. Everett, City Attorney

DATE: September 16, 2015

TITLE: Resolution appointing Robbins Geller Rudman & Dowd, LLP as Special Counsel to General Employee's Retirement System to pursue lead plaintiff status in Federal securities fraud class action filed against Edison International, et al. in United States District Court of Southern California, Case No. 3:15-cv-01478-BEN-JMA.

Recommendation

It is recommended that the City Commission adopt a resolution appointing Robbins Geller Rudman & Dowd, LLP ("Robbins Geller") to pursue lead plaintiff status in Federal securities fraud class action filed against Edison International, et al., in the United States District Court of Southern California.

Background

GERS has retained several firms to monitor the funds or portfolios for potential securities fraud. One of those firms, Robbins Geller (Exhibit 1 – Firm Resume), brought to the attention of GERS a pending class action securities fraud complaint filed in the United States District Court of Southern California (Exhibit 2 – Executive Summary of Case and Exhibit 3 – Draft Complaint) against Edison International. It is estimated that GERS' losses amount to approximately \$ 137,000.00 during the class period, as a result of fraudulent and misleading statements about Edison International's operations.

On September 3, 2015, GERS' Board of Trustees reviewed the Executive Summary and presentation by Attorneys from Robbins Geller and voted to pursue lead plaintiff status in the case. Robbins Geller indicated that there has been a lack of participation by institutional investors in the case and recommended that GERS pursue lead plaintiff status to protect the interest of the Board and other similarly situated members of the class.

The retainer agreement provides a fee structure that is solely contingent in nature. As a result all legal fees, costs and expenses payable to the lead plaintiff counsel are based

on a recovery by the class as a whole, with the largest percentage being 25% of the first \$100 Million. Additionally, any costs assessed to plaintiffs shall be borne solely by Robbins Geller. No additional fees are allowable under the agreement (Exhibit 4 – Retainer Agreement).

Pursuant to the GERS Plan and Section 20-113 of the City Code of Ordinances, the City attorney serves as legal counsel, representing GERS in all suits and actions to which GERS may be a party. To implement the motion adopted by the GERS Board, the City Commission must adopt a resolution, pursuant to Section 4/10 of the City Charter.

Attorneys' fees will be awarded by the Court out of the corpus of the gross class recovery, whether by Final Judgment or by settlement. GERS recovery would be net of costs, expenses and attorneys' fee.

Resource Impact

There is no fiscal impact to the City.

Attachment(s):

Exhibit 1 – Firm Resume

Exhibit 2 – Executive Summary

Exhibit 3 – Draft Complaint

Exhibit 4 – Retainer Agreement

Exhibit 5 – Resolution

Prepared by: Cole J. Copertino, Assistant City Attorney

Charter Officer: Cynthia A. Everett, City Attorney