

Shannon, Reeves Square Off For City Attorney

■ By **GEORGE ECONOMIDES**
Publisher's Perspective

Two intelligent, savvy, long-time public servants and long-time Long Beach residents are squaring off April 13 to determine who serves as the city's chief legal counsel during the next four years.

City Attorney Bob Shannon and his challenger, City Prosecutor Tom Reeves, are not only eminently qualified and well respected, they do share another common thread: Both are tough-as-nails guys, so be careful who you try to fool. And if you're looking to debate an issue, neither will back down, so be prepared.

Serving as city attorney in a city as diverse as Long Beach is no simple task. Not many cities have the following, all requiring legal counsel: an airport, a port, a health department, a city-owned water department, a redevelopment agency, a city-owned gas department, oil operations, a city-owned trash-to-energy plant, a city-owned towing and storage operation and, by the way, the city is located along an ocean which adds the potential for numerous environmental and coastal legal issues.

Long Beach may, in fact, be the most diverse city in the state when it comes to providing legal services for local government.

Section 603 of the Long Beach City Charter states that the powers and duties of the city attorney are as follows:

“(a) To be the sole and exclusive legal advisor of the City, the City Council and all City commissions, committees, officers and employees with reference to all of their functions, powers and duties under this Charter, State and Federal law;

“(b) To draft all ordinances, contracts, and other legal documents;

“(c) To attend to all suits, matters and proceedings in which the City may be legally interested;

“(d) To defend all suits for damages instituted against officers and employees and former officers and employees for acts performed by them in furtherance of their duty while in the employ of the City;

“(e) To approve in writing the form of all bonds required by the City and all contracts before the same are entered into on behalf of the City;

“(f) To investigate and enforce on behalf of the City all provisions of this Charter, of the general law applicable to municipal corporations, and of the ordinances of the City, in all courts in the State of California, except criminal cases.”

The section also says: “The City Council shall have control of all litigation of the City, to the extent that the relationship between attorney and client permits or authorizes such control by the client; and at the request of the City Attorney, may employ other attorneys to assist the City Attorney.”

This last item is important because one of the criticisms of Shannon by Reeves is that the use of outside counsel occurs too often (the department currently has 20 attorneys on staff). The above language indicates that city council approval is necessary to contract with outside legal assistance.

After 12 years as city attorney, it would seem that Shannon has the upper hand to grab a fourth four-year term. After all, no major crisis has occurred due to the work of the city attorney's office. No one has charged that the office is negligent or irresponsible in its dealings, or unresponsive to those it advises. It's pretty much been smooth sailing. It's also difficult to prove that Shannon is using too much outside counsel. What is too much? How does one gauge that?

Maybe councilmembers can challenge Shannon a little more when he requests outside counsel, or asks for an increase in a current contract. Maybe Shannon needs to better explain future requests (why outside counsel is needed for a particular issue; how he selected a particular firm; has the firm been used in the past; has the city previously increased the amount of a contract to the same firm; etc.). There is nothing wrong with the city council (and the public) better understanding this practice.

Reeves believes the office of city attorney can be more proactive and do more “outside the box” thinking rather than “outside the office contracting.” Nothing wrong with getting the creative juices flowing. Reeves has a strong track record as city prosecutor, one that includes innovative solutions to problems ranging from dealing with aircraft noise fines to development of the community service worker program (“persons convicted of certain non-violent crimes can elect to perform community service in lieu of jail time and/or payment of fines”).

There is something to be said about changing horses every so often to bring in new ideas. The city attorney's department, however, might be one of those that is difficult to change simply based on how set its powers and duties are, as previously outlined.

Most local political observers expect Shannon to win easily. He has been endorsed by L.A. District Attorney Steve Cooley, Sheriff Lee Baca, County Supervisor Don Knabe, State Senator Alan Lowenthal and the Long Beach Police Officers Association, to name just a few.

But we don't think this is a cakewalk for Shannon.

Reeves is a formidable opponent, smart campaigner and has a good track record as city prosecutor. He also has a 40-year military career, which should help him with undecided voters (let's be honest, few voters can name the city attorney, so being a veteran is a plus). Also, Reeves is backed by Shannon's predecessor, John Calhoun, which might turn a few heads. This is additionally interesting since both Reeves and Shannon worked for Calhoun at the same time in the city attorney's office. ■



Tom Reeves

Tom Reeves was elected city prosecutor for the City of Long Beach in 1998 in what was one of the closest primary races in the city's history.

Four candidates sought the office held for 20 years by City Prosecutor John Vander Lans: Reeves, who at the time was a deputy city attorney; Robert Recknagel, the assistant city prosecutor; former councilman Evan Anderson Braude; and current councilmember Gerrie Schipske. With nearly 35,000 votes cast, Reeves received 28.6 percent, followed by Recknagel with 25.4, Braude with 23.8 and Schipske with 22 percent.

Reeves easily won the runoff, receiving 60 percent of the vote. Four years later, he received more than 75 percent of the vote, and he was unopposed in 2006.

As city prosecutor, Reeves oversees a staff of 37 employees, including 17 lawyers, with an annual budget of \$4.5 million.

Now he wants to serve Long Beach as its city attorney.

Reeves has honed in on three initiatives: to prevent lawsuits through aggressive risk management; improve transparency by posting lawsuits and contracts on the Internet; and improve the office's legal advice so that it's more responsive, timely and accurate.

Reeves began a nearly 40-year military career in 1966 as a private, and retired in 2007 with the rank of colonel. He served in both the U.S. Army and the U.S. Air Force. From 2003 to 2007 he was the staff judge advocate for the California Air National Guard.

Reeves earned a B.A. from California State University, Long Beach in 1974 and his juris doctorate from Southwestern School of Law in 1977. Reeves and his family have resided in Long Beach since 1972.

– Staff Writer Tiffany Rider

LBBJ: You've been city prosecutor for 12 years. From everything we can tell, you have a good record.

Reeves: I'd like to think I have a good record.

LBBJ: Right. It's not like someone's got something hanging over Tom Reeves that says, "Don't run for city prosecutor again." So there must have been a point in time that you said to yourself, "OK, I'm going to run for city attorney." When was that and what brought that on?

Reeves: I don't know that there was an epiphany. There wasn't a single moment as much as there was an accumulation of dissatisfaction with the direction the city was going and the legal advice the city was getting. Over a period of time I concluded that I had talent and skills that I thought would be better put to use in the city attorney's office. I had an assistant, who you know is running, who I think can continue with my office and can do a very good job with my office. I didn't feel like I was letting the city down. That was a big concern to me, but I thought the city was being let down and I wanted to try to take 30-plus years of legal experience, military experience and other experience and bring it to bear to what I see as a really challenging next four years.

LBBJ: When did you actually announce? I forgot the date.

Reeves: It was in December.

LBBJ: So you're saying this was a decision made over time. Are we talking about months or years?

Reeves: About a year.

LBBJ: So you just didn't like the direction of the city...

Reeves: I still don't.

LBBJ: So you felt that now maybe is the time to do it?

Reeves: Yes. Look, it isn't just the inside events; it's the outside events too. Look what's going on in the state. I mean, you talk about business as usual being a failure model. This is it. We are actually the butt of a joke on every late-night talk show.

LBBJ: We as in...?

Reeves: We the state, and nothing changes. In the county, nothing changes. I'm still having the same fight with Lee Baca about letting people go early. Still. And it's getting worse. When you look at it, we're kicking felons out of prison.

I looked at this and I said, "You know what? I think I have skills that this city needs right now." All these issues come home grass roots, right here.

LBBJ: Prior to announcing, did you get the opinions of others or did people urge you on?

Reeves: For years people have urged me to run against him. For years. This time . . . what I heard was, "We're in big trouble. What are we going to do?"

LBBJ: Big trouble from a legal standpoint?

Reeves: Big trouble from a financial standpoint. Big trouble from pension reform. Big trouble from all kinds of legal analysis that could go faster, and time is money as we always say. The city has to start acting like time really is money.

LBBJ: The state, the county, the city – they are all in trouble. But the city attorney doesn't play a role in the financial well-being of the city, does he?

Reeves: Well of course he does. I'll give you the simplest example: risk management. What does any corporate office looking at a big corporate liability aspect do? Well, they get involved. They get involved in prevention. They get involved in areas that they're losing money to lawsuits and to workers' compensation – which both are under the city attorney's office – and they say, "How do we manage this to save money?"

LBBJ: This affects the General Fund?

Reeves: Absolutely. In fact, one of the things that I point back at with a certain amount of pride, before the melt down about two years ago, [is that] my office had the lowest rate of growth of any office at 16 percent.

LBBJ: You're talking about costs?

Reeves: My budget went up 16 percent over five years. The biggest growth factor in those years for my department was workers' compensation and liability insurance. The way the city does this, is I'm treated like a consumer and I get a bill for workers' compensation. I can't go get another representative if I can find one cheaper, but that's the way they work it. It's the same thing for liability insurance. Whether I experience a loss or not is irrelevant. They distribute across the city and my costs go up. So those two factors are out of my control and cause my cost to go up. That's a perfect example of why we need to have . . . legal input for prevention. . . . What are we actually experiencing? How can we avoid it? What lawsuits are we experiencing? At any given time there's 30 or 40 lawsuits against the police department. You ought to have a dedicated police legal liaison that says, "This is how you avoid civil liability."

LBBJ: Are we talking about tens of millions of dollars in potential savings, or a couple million?

Reeves: The next time we shoot and kill somebody that we didn't have to, it could be tens of millions.

LBBJ: But that's not the city attorney's fault?

Reeves: Well, no, but the prevention aspect is what I'm talking about. How many lawsuits don't happen? That's a hard thing for

me to quantify in terms of dollars, but that's exactly what I'm talking about. How many trip-and-fall accidents don't happen? How many can you prevent? There are ways of measuring that over time, but you have to first actively engage to prevent.

LBBJ: You're talking about financial savings, yet a year or two ago you went before the city council and resisted cutting your own budget 10 percent. I remember you standing there in front of them, pleading your case, yet they still did it.

Reeves: Eight percent.

LBBJ: But they still did it, right?

Reeves: Yes. They cut my budget.

LBBJ: And you were criticized for not being a team player.

Reeves: Right.

LBBJ: How do you respond to that?

Reeves: I'm a leader. I wasn't elected to be a team player. I was elected to do the best for my department. I said this is not a good decision; this is bad policy using budget to make it. At the time, they were talking about putting more cops on the street and/or adding to the cops; getting them out of administrative positions and maybe even hiring more. I kept saying that you're putting your foot on the gas and the brake at the same time. You can't expect me to maintain or even increase my capacity while you cut my budget.

LBBJ: As city prosecutor you obviously have a close relationship with the police department.

Reeves: Very close.

LBBJ: Do you feel that there are cost savings that we can find in the police department or have we cut as much as possible?

Reeves: Well I don't know that I'm in any position to comment. . . . There are, I suppose, inefficiencies in operations, but I'm not a police operations expert.

LBBJ: So, as city prosecutor, you don't get to advise the department on how to be more efficient in the use of police officers?

Reeves: They typically don't ask for that.

LBBJ: Gang activity?

Reeves: That we do get involved in, but we're typically focused on not the cost so much as the means of suppression. Whether they should have 60 officers or 50 officers, that kind of deployment decision, that's not something we consult with.

LBBJ: What's your relationship with Mayor Foster? How would you describe it?

Reeves: Civil.

LBBJ: Do you talk once in a while about issues?

Reeves: Hardly ever.

LBBJ: Because there's no need to or what?

Reeves: I send memos. Basically my communication is on a policy level. When I see him we're friendly. I know him. I see him out in the community because I'm out in the community. Sometimes we'll overlap at particular events where he's speaking to some community group and I'm there as well. On that level, we get along very well. In terms of other things like Measure I, I disagreed considerably. I said no to the idea.

LBBJ: Did he talk to you about Measure I?

Reeves: Yes.

LBBJ: And you told him what you thought?

Reeves: I did. He asked me if I was going to openly oppose it and I said I would not. But if I were asked my opinion, I would give it.

LBBJ: So you two don't consult on a regular basis on ideas? He doesn't come to you?

Reeves: He doesn't come to me, no. The most recent example of that would be medical marijuana. I've sent four or five memos

to the city council and the mayor about handling medical marijuana legislation and what I think ought to be in it. I know I'm characterized as being the person that just says no to everything, but that's not true. . . . When I called the dispensary operators just drug dealers, I wasn't being facetious and I'm not alone in that opinion. So when you say they can't have that business model, that's seen as not being helpful. In fact, that's what I was told by [Councilwoman] Uranga. "You're not being very helpful." I said, "Yes I am. I'm eliminating a whole category of activities. Here's how you can do it." And this is what's in their study sessions. The mayor never talked to me about that.

LBBJ: What about your relationship with councilmembers? Do they talk to you about issues in their district regarding gang activity or code enforcement?

Reeves: Yes. It's typically triggered by a specific event. I have more interaction with their staff than with the actual councilmember, but gang injunctions are something that I actively take to them. To do the gang injunction is literally something the police department and I collaborate on, but how it's going to be done and where it's going to be done affects their district. I want them to know about it. We just started serving a brand new Insane Crip gang injunction. I think we've served 60 or 70 of them with about 200 to go. On that I consulted with all of the members on where it was happening and what was going to happen, what the effect of it was and to anticipate complaints from some citizens. I wanted them to know before it actually hit the street, before we actually rolled it out.

LBBJ: So, you communicate with them as needed?

Reeves: Yes.

LBBJ: So it's not like they come to you and say, "We need help, Tom."

Reeves: Sometimes they do. Sometimes on specific issues they do, and sometimes just on general topics.

LBBJ: What is your overall impression of the current city council? Do you think they're doing a good job? Are they effective leaders?

Reeves: I don't see them being effective leaders in the sense that there's a cohesive manifestation of policy. No, I don't see that. I see factions and I see sort-of a herky-jerky policy that comes together from personalities more than anything else.

LBBJ: Are they displaying professionalism on Tuesday nights?

Reeves: Well, they're human, so they can have their good days and their bad days. Most of the time I think they behave professionally with a certain amount of decorum. The biggest criticism comes when they have personal disputes about policy.

LBBJ: You've run a staff of 30 or 40 people. The city attorney's office is larger. We believe it has 60 to 70 employees . . .

Reeves: Right. The largest difference is in the workers' comp.

LBBJ: Is there something you would change as to how the office is operated? We're not talking about more focus on certain issues, but the organization and structure of the office. Have you taken a look at that?

Reeves: Yes, I have. First of all, one of the things I talked about in terms of prevention, would see a lot more activity. Workers' comp should not be just managing workers' comp cases. Yes, they have to do that, and one of the questions I would ask myself is "Do they?" But let's assume that they have to do that and it has to be a function captured within the city attorney's office. Is that all they do, or do we have some useful information that we gather from that? Does that need to be shared with other offices like risk management or other operating departments? Because that's an experience in their department; it's not the city attorney's department that experiences the workers' complaints, but they process them.

LBBJ: Maybe they shouldn't be taking that on.

Reeves: Perhaps. They have for years. I invite you to go back and look at when we had the workers' comp crisis and look at the problems we had with the ways it was being run or not run, managed or mismanaged, in the city attorney's office. It costs a lot of money to bring it into a more modern processing style or modem. Then you have a huge training budget that goes through for these new people and for these new claims, procedures, et cetera. There is some cost-effectiveness that needs to be looked at, and you need to ask yourself, "Is that a function that really should be nested in the city attorney's office or even in the city? And if so, is it being operated in an efficient manner?" I would certainly look at that.

LBBJ: As far as the structure, have you looked at the number of attorneys assigned to certain areas? Would you make changes?

Reeves: There are more attorneys assigned to litigation than when I was there, and as far as I can tell, fewer cases. Now I don't have access to all the files, so they may be more complex cases. But there are 150 to 160 cases, and five litigation lawyers. When I was chief of litigation I had a caseload of 60, and that was just me. So there are opportunities to look at assignment. There are opportunities to look at organizational responsibilities. One of the things I think could be done better is to have the operation side – if you're the gas department's lawyer you ought to know the gas department's business. You ought to know that business as well as the gas department manager.

LBBJ: Are you saying that they don't?

Reeves: I don't think so.

LBBJ: But you don't know for sure. Don't they have attorneys assigned to the port?

Reeves: Yes. They have more than one attorney assigned to the port.

LBBJ: Right. There are four. There's one that oversees the airport. You've got tidelands, oil; there are a lot.

Reeves: It's pretty diverse.

LBBJ: It's a huge responsibility.

Reeves: Yes. But if you're going to take it on, if that's what you do, then how are you going to do it best? My answer is you embed the lawyer. That's how you get the best legal advice.

LBBJ: So you would put the attorney who oversees the airport, at the airport?

Reeves: Not necessarily, but more closely aligned with the decision-making. You have to work with the city manager on this too because the management company – the city manager and his department heads – has to have some sense that they're getting not just the processing of their paperwork but good legal advice. You have an attorney. Do you want him to just say, "Well George, that 't' is not crossed?" Absolutely not. You want their experience. You want the benefit of their advice. "Is it legal? Yes, it's legal, but it's stupid. George, here's why." There should be some of that available to the department head. I'm not suggesting that the lawyers ought to run the department. Not at all. But what do you want in a lawyer? On a personal level, what do you want from your lawyer? You want advice.

LBBJ: Over the years, you've built up a reputation of being a little pushy, a little aggressive. Do you think that comes with being city prosecutor?

Reeves: Well if I tell somebody that they're going to go to jail, I suppose I could do it in a softer way, but they're going to hear it very harshly.

When people ask the prosecutor for direction, I don't think I should give them Option A and then on the other hand Option B and then perhaps even Option C. I live in a bright-line world. I have to. Now that might come across as pushy or aggressive,

but people are asking for bright-line tests.

If I were giving advice as the city attorney, I don't have a bright-line necessarily. I could say, "Well, there are several options. Perhaps the better one economically is this. Perhaps the better one fiscally is this." I can do that, but I still work in a world now as the city prosecutor that says "No. I have proof beyond a reasonable doubt, 12 strangers in a room coming back unanimously, that that's a crime and very specific bright-lines." That's a legal term, a specific point when people depart the lawful and engage in the unlawful conduct. That probably is where it comes from, that and if you're certain, you're certain I suppose. I have to know my business quite well. I have to communicate it in a way that people understand.

LBBJ: Is there a case that the incumbent has worked on that you think was or is handled incorrectly?

Reeves: The one thing I've been talking about lately is this [police officers] donning and doffing thing. I just think the way we're approaching it – and I'm not talking about the merits of the case because it would be inappropriate to do that, I'm just talking about the law firm – we spent \$1.2 million already and we're no closer to resolving it after \$1.2 million.

Look, you can hire a firm that has expertise if you need the expertise, and when you have 800 plaintiffs [the number of police officers involved in the suit] . . . if you just talk to every one of them – if you just talk to 10 percent of them – you're talking about a legal bill that's huge. Suppose you hire that law firm for its expertise on an hourly basis and then hire yourself one deputy, and when you need more you hire another one. For \$1.2 million you can hire a hell of a lot of lawyers, but instead we just hand them money and they handle all of it in-house. We gain no capacity from that. In other words, we learn nothing. There's no corporate memory, except maybe what you get from briefings.

LBBJ: Do you think that the current city attorney uses outside legal counsel too often?

Reeves: Yes. He's also got a contract with his former campaign manager for \$150,000 a year to do motions that when I was the chief of litigations we did part-time.

LBBJ: Who is this?

Reeves: Ray Kaiser.

LBBJ: So the city attorney's office has a contract with the former . . .

Reeves: With his former campaign manager. And he's on his committee now.

LBBJ: And that's all stuff he could do internally; he doesn't need to contract that out?

Reeves: He's contracting it out.

LBBJ: But he doesn't need to do that is what I'm asking.

Reeves: No, of course not. He's got five lawyers in litigation.

LBBJ: Is there a particular case that the city has been involved with where you disagree with the city attorney?

Reeves: No. I don't really have any specific disagreement. With the consequences, everybody can have 20/20 hindsight and say, "That should have been done differently."

LBBJ: What would you spend the majority of your time on in the city attorney's office?

Reeves: What I would spend the majority of my time doing is focusing on the transactional, and by that I mean the business of the city, and making sure that the policy decisions of the city council become practical ordinances that reach the policy goal effectively and efficiently. I think right now where we are is writing laws that placate the legislative body – not universally but in the majority – but yet don't really meet those other criteria. Are they effective? Do they actually implement the policy and are

they efficient? I think that needs to be taken into consideration because we are losing our capacity to be inefficient, if we ever had one. I think those things need to be looked at very carefully.

LBBJ: Have you spent most of your life here?

Reeves: No. I grew up an Air Force brat. In fact, if you had asked me that at 18, the majority of my life I had been in Japan as a military dependent.

LBBJ: So how long have you lived in Long Beach?

Reeves: Since 1972.

LBBJ: Is there anything that we haven't covered that you want to bring up?

Reeves: The future. The next four years are going to bring about fundamental changes. How do we react to them? What's our knowledge base? Business as usual, that's Bob Shannon. You want change? I'm your guy. I know how to do it. I've demonstrated that I know how to do it. ■

Bob Shannon



Bob Shannon's service to the city and people of Long Beach spans nearly four decades, including 13 years as assistant city attorney and the past dozen years as city attorney. At age 67, he is seeking his fourth, four-year term.

As city attorney, Shannon oversees a staff of 66 employees, including 21 attorneys, and a budget of \$9.7 million. He told the Business Journal that he has the best municipal office in the state.

During his tenure, Shannon has provided legal advice to the Long Beach City Council in more than 420 open meetings and more than 100 closed sessions on topics ranging from multimillion-dollar litigation cases to labor negotiations to real estate transactions.

The city attorney's office provides legal services to all city committees and commissions, and day-to-day legal services as necessary to city departments. Shannon provides legal advice to the city manager and all department managers, including the police and fire chiefs.

Shannon earned his B.A. in philosophy from the University of California, Los Angeles (UCLA) in 1964 and his juris doctorate from the UCLA School of Law in 1968. Shannon has lived in Long Beach for 36 years; he and his late wife, Linda, raised two daughters here.

— Staff Writer Tiffany Rider

LBBJ: What do you spend most of your time on as city attorney?

Shannon: That's a very good question, and certainly one that nobody's asked me before. I spend a lot of time preparing the Tuesday night agenda. A lot of people don't realize that all they see are the controversial issues, but any given agenda has 30 or 40 items — virtually every one of which has to be lawyered. Of course, the lawyers in this instance are the ones who work for me, but I have to pass on each and every one of them because I'm the guy in the chair. I'm the one who catches the heat if anything goes wrong. So I spend a lot of time on that. I spend a lot of time on overseeing litigation. A lot of comments have been made on how many cases we farm out to outside counsel. The fact of the matter is, per capita, we farm fewer cases out. Every municipal law

firm farms out cases. I always use Los Angeles as an example because Los Angeles has I believe over 300 civil lawyers for its city that's seven and a half times our size, and they farm cases out. They have a redundancy that we don't have, so you would expect they would farm per capita less than we do.

LBBJ: So you spend a lot of your time . . .

Shannon: I spend a lot of my time with regard to the few cases we farm out and also the cases we handle in-house. At any given time we have 150 to 200 lawsuits for money damages that are handled by our attorneys. That's in addition to the cases you see on a regular basis. Donning and doffing. There's a big case called Goldstein that a lot of people aren't aware of. Goldstein was a case where a guy was incarcerated for over 18 years for a crime he says he never committed, a murder, and claims witnesses were coerced and things like that. It's a very big case. I oversee that too. I'm overseeing a 9th circuit court of appeals decision that's about to come down involving the [Long Beach Area] Chamber of Commerce's lawsuit against us, in my opinion, to try to destroy the campaign reform act.

LBBJ: It sounds like overseeing all the cases . . .

Shannon: Yes. Overseeing all the cases, preparing the agenda and overseeing all of the transactional advice that we give. That's the short answer.

LBBJ: Is there a typical day? Do you come in at a certain time and do certain things?

Shannon: On a typical day, generally I get in at 7 a.m. and I leave a little after 4 p.m. Tuesday is atypical because Tuesday is spent beginning the day with all of the attorneys getting together. We go over the items on the agenda, and then of course we prepare for Tuesday night. The other days of the week [are spent] overseeing, supervising litigation and supervising all the transaction advice. One morning I spend with my harbor lawyers because there's a harbor agenda and there's a lot of legal work that the port does. That has to be overseen too.

LBBJ: You've been the city attorney for 12 years. How has the office changed or evolved since you took over?

Shannon: First of all, don't get me wrong. Our office was a good office in 1998. John Calhoun left a good law office. It's better now. It's better now because we have 20 excellent lawyers here. There's not a weak link in the organization. I think we've got the best municipal office in California. I'm not just blowing smoke; I really believe that, speaking as someone who knows the other law offices in California. I was president of the City Attorney's Section of the League of California Cities. I know what other cities are doing. I really do believe that we have the best municipal law office in California.

LBBJ: Is there been anything that's different as far as the work being done today as opposed to 12 years ago?

Shannon: Fundamentally, no. At any given time there are critical issues, as you understand. They come and they go away. The airport is a great example. Six to eight years ago the airport was the issue, which we were handling, which I've spent so much time on. Now it's sort of receded into the background. I expect it's probably going to come back again. The environmental issues of the port were not that important back six to 10 years ago. Now they're extremely important. The Clean Truck Program is at the forefront and it's very important that we give good legal advice to the harbor on that issue.

LBBJ: How do you get along with the mayor's office? Beverly O'Neill was the mayor for 12 years and Bob Foster the

past four years.

Shannon: We communicate regularly. I had very good relationships with Mayor O'Neill as I do with Mayor Foster. Of course, with the current mayor, you need to understand this: this is a stronger mayor system than it was under Beverly. Beverly had a different outlook as to what the mayor should do. Those two things in combination make for very different offices and a different relationship.

LBBJ: What about your relationship with councilmembers?

Shannon: It varies. I'm not going to call out individual councilmembers. I can't do that because as a body they're my client. Individually they're not. I've been disappointed with this city council. I'm going to be very candid with you. I made a statement early in the campaign that I thought that this was one of the poorer city councils that I've dealt with. I have a historical perspective that I can compare. I was an assistant for 13 years and city attorney for 12. I have represented and personally advised a whole lot of city councils so I'm in a good position to compare. There's a lack of collegiality on this current city council. There's an inability to disagree agreeably. There's backbiting. They're too fast to deflect blame and too quick to accept praise. That's a problem that I've always had with every city council. When something goes wrong, they start beating on staff. That irritates the hell out of me. I have to tell you that. But every city council does that to varying degrees. This one does it a little more.

LBBJ: So by poorer you're really referring to how they're responding and acting with one another or with your office?

Shannon: Mainly with one another. I think I've got a decent relationship with every city councilmember. I think they don't believe I don't play favorites. I can't speak for them. I'm really talking as much about the city council meetings themselves. You can see them as well as anybody else – the snide remarks. I'll just call it unprofessional conduct.

LBBJ: So since you've been in office we've had about 20 different city councilmembers?

Shannon: I counted 23.

LBBJ: OK. Do they come to you with questions on legal issues, on ordinances before they bring it to the floor, or do they wait until there's been a debate?

Shannon: Generally speaking, the way the process works is if they want some ordinance to pass or they want some legal work done, they'll bring it to the city council and then they'll bring it back to us for work. The better councilmembers will talk to us first because if it's doable, they should know that. If it's not doable, then I don't want to have to tell them out in public. Remember, a lot of these agenda items are formulated by management. Management always works with us first. I have had an excellent working relationship with all of the city managers and all the city management continuously since 1998.

LBBJ: So some of the councilmembers come to you first so there aren't any surprises Tuesday night, while others wait until Tuesday night with perhaps surprises. That's where the manager may face some conflicts?

Shannon: Right. I think they've come to understand over the years that it doesn't work to their advantage to surprise me. So with few exceptions, there aren't that many surprises anymore.

LBBJ: Is there one particular issue during the past couple of months that has eaten up most of your time?

Shannon: The donning and doffing lawsuit issue has eaten up most of my time. Slightly fewer than 800 officers have

brought a class action against the city to be compensated for time they have spent that they feel they deserve to be compensated for.

LBBJ: Other cities in the state have been sued as well, right?

Shannon: Right. This is a nationwide phenomenon. There have been lawsuits in Florida, Arizona, up and down California . . .

LBBJ: Have they been successful?

Shannon: Some have been, some have not. It really is a function of how a department compensates their police officers. I think we're in a particularly strong position because we do compensate officers for a certain period of time before their shift and a certain period of time after their shift. I can't give you the exact numbers because I don't have them in front of me. I think we're in very good shape with regard to our department.

LBBJ: What's the timeline on this?

Shannon: You know, the fact of the matter is the court has not been anxious to try the case because it's going to take a long time to try. It's not settled. I don't expect the case to go to trial before the end of the year; maybe even the next year.

LBBJ: You have outside counsel on this?

Shannon: We do.

LBBJ: How much have we spent so far?

Shannon: A little over a million.

LBBJ: Wow.

Shannon: I've been criticized for that, but the fact is that it's the same outside counsel that Oakland used. The City of Los Angeles has outside counsel for their donning and doffing lawsuit. The City of San Diego had outside counsel. Virtually no municipal law office that I'm aware of throughout the country has handled the case in-house because there's an expertise involved. There are two things involved here.

There's a level of expertise that would be very difficult for us to bring up within the office. The other thing is that I have five litigation attorneys that are working full time with a caseload of 40 cases. I can't take two attorneys off the line. What would happen to their caseload?

LBBJ: So when you decide to bring in outside counsel it's based on expertise in the office, if it's not there . . .

Shannon: There are three possible reasons. The first one is easy to understand. Sometimes there are conflicts, legal conflicts, where we have to go to outside counsel. Goldstein is a good example, the murder case. We're handling it in-house for the city, but outside counsel are representing three police officers. We have to do that because of the conflict. We can't represent the officers themselves because they could have varying positions. The law requires that we go to outside counsel. So conflict is one possibility. Lack of expertise is another. With a big bankruptcy case like the Queen Mary, again, we don't have the expertise because those were very complex bankruptcy issues. The third is what I have alluded to, the time constraints.

LBBJ: What expertise do you have on staff that doesn't require outside counsel for?

Shannon: Well, for the cases that regularly come up. Police cases. At any given time, 30 to 40 percent of our caseloads are police: excessive force, wrongful death, civil rights violations. We're sued in federal court and state court. All of the negligence cases that any municipal entity has to defend against – traffic accidents, trip and falls, defective signals – just a wide variety of things.

Very interesting cases I might add.

LBBJ: How many cases are you dealing with at any one time?

Shannon: It varies from year to year. According to the 2009 report, we had 159. Each year we get about 900 to 1,000 toward claims. We grant some of the smaller ones and deny most of them. A lot of them become lawsuits. As you can see, at any given time we have somewhere between 150 and 200 lawsuits and those are handled by the five litigators in the office. They all have a full-time caseload, and all of these cases are in federal court or in state superior court. As you can see, with a full-time caseload, when a case like Edwards [donning and doffing] comes along, that requires at least two full-time attorneys. There's no way I can supply that.

LBBJ: Explain to our readers how it works when you have to pay out money, let's say on a court case. Where does that money come from? It's not general fund money. Don't you have an insurance fund?

Shannon: It is general fund money, but the charter requires there be an established insurance fund. That insurance fund, if properly funded – it hasn't been properly funded in years past – each loss will be funded out of the insurance fund. Now, how does the insurance fund get funded? If the system is working properly, each year each department is assessed a premium, just like yours has a premium for your insurance. It's a self-insurance program in its simplest sense. You're Department A, you're Department B. I look at your losses, what you cost us in the last three or four years, and I'll assess a premium based on my estimates of what you're going to cost me this year. As you might imagine, police take up the lion's share of the amount of money from that.

LBBJ: And I would think the port too.

Shannon: The port is separate. The port has its own insurance situation. Keep in mind the port is a landlord tenant operation. So to the extent that we have tenants, those agreements call for the tenants to represent the port when it's sued. So we don't have a lot of lawsuits come out of the port, at least not for personal injuries. That's not a big part of the fund.

LBBJ: So the insurance fund is for general departments like public works?

Shannon: The easiest way to put it is that everything except redevelopment and harbor.

LBBJ: Does your office get involved with arbitration?

Shannon: It depends on the nature of the situation, but yes, we do from time to time. I don't particularly care for arbitration. I think mediation, which is a voluntary thing, where you have an experienced person tell you what they believe on a particular issue and who is on the better side of the issue and what the case is worth. Arbitration just takes it out of your hands and basically forces you to do something you may not think is correct. I'd rather submit it to a court.

LBBJ: Do you keep up with the financial management of the city? In other words, does the financial department inform you that we're going to have a shortfall next year?

Shannon: They keep us advised much like they keep the other department heads advised. We have an attorney that sits on our investments committee and we have an attorney that regularly is in contact with Lori Ann Farrell [department director]. We're looking very closely at the Lehman Brothers bankruptcy. I don't know if you've noticed that just recently the federal court arbitrator took the position that Lehman Brothers was guilty of all kinds of wrongdoing.

LBBJ: Is that the \$20 million that we lost?

Shannon: Yes, it was \$20 million.

LBBJ: So we might get it back?

Shannon: Well, I'm not holding my breath. But we're going to try to get back as much as we can.

LBBJ: Let's talk briefly about the Long Beach Chamber lawsuit. What's happening with that?

Shannon: The chamber challenged the city's campaign reform act. The city's campaign reform act was passed by 70 to 80 percent of the voters about 20 years ago. Among other things, it set limits on how much you could contribute to each candidate. It also set limits on how much you could contribute into a PAC [Political Action Committee] for the purpose of supporting a candidate. So let's say you want to support Candidate X and you're an independent. You're the chamber; you're somebody. You want to do a billboard or you want to do a mailer. The law says there's no limit you can place on the amount of money they can spend independently to support you. Theoretically they could spend \$1 million to support you independently. What the law says, also, is that if you're going to do that, the city can limit the individual contributions into the PAC. We can't limit expenditures, but we can limit contributions.

Our position has been, with regard to the chamber and with regard to its PAC, you have a right to make any expenditure you want to but the group that makes those expenditures is limited in the number of contributions they can receive. In other words, if it's supporting the mayor the maximum anyone can contribute into that PAC or into that chamber of commerce would be \$700. The city attorney: \$500.

They contest that. They say that it unduly restricts their ability to do independent expenditures. The lawsuit in the district court was a split decision. I felt that we won because what the courts said was that the chamber can't be limited, so the chamber can make unlimited expenditures and not limit the amount that people can contribute, but its PACs are limited. Well, the reality is that the chamber isn't going to be making expenditures because maybe you're a member of the chamber, and maybe you don't agree, you're not going to be very happy if they're making that. So they can only do this realistically through their PACs. They appealed and we also appealed because attorneys fees were assessed, and it's been in the 9th Circuit for forever.

LBBJ: Is it scheduled?

Shannon: Yes. The argument has been heard. This recent case that the Supreme Court came down with referring to a federal law linked independent expenditures. They asked us for a briefing to see how relevant that case is. Our position is that it's not directly relevant. Of course, the chamber takes the position that it's very relevant. I expect a decision any time now. They would like to have a decision before the elections so they can proceed.

LBBJ: So this affects all PACs, not just the chamber PAC?

Shannon: Right. Whatever the 9th Circuit does it will be broad enough to extend to other PACs. It will relate to our particular ordinance, but it can probably be applied to others.

LBBJ: Looking back on your 12 years as city attorney, is there something you wish you had done differently?

Shannon: When you handle litigation, there will always be cases in hindsight you wish that we had handled differently because we lost the case. . . . I also regret that I've been unsuccessful in trying to see that the city councilmembers behave a bit more professionally.

LBBJ: Have you had conversations with the mayor about that?

Shannon: I've had conversations with all of them. I've criticized a lot of them to their faces. To be fair to the city council, a lot of it is that we have a 5-4 divide, sometimes a 6-3. It's very frustrating for the folks on the side of the three or the four, and I understand that. But this is a democracy. Majority rules. I just wish people could just disagree more agreeably and more professionally. I'd like to see staff treated better. I don't refer to myself when talking about the management staff. . . . I think they could be treated with more respect. It's disappointing to me.

LBBJ: Do you think part of the problem with the council is because of district elections, that everybody's trying to protect their fiefdom?

Shannon: Oh absolutely. I don't think we're ever going to be able to get away from district elections, but there is a parochialism that is unfortunate but it comes with the territory. In all fairness to the councilperson in District X, he or she is going to be primarily interested in their own district because that's where they're going to get reelected and that's where their constituents are. Those are the people they're trying to benefit. In all fairness, it's built into the system that they're going to be parochial.

LBBJ: Why do you think Tom Reeves decided to run against you when he was a shoo-in to be reelected city prosecutor?

Shannon: I can't speculate on that.

LBBJ: There aren't any personal issues?

Shannon: Not from my end.

LBBJ: So there isn't something that happened that made him mad enough to say, "I'm going to get even with him"?

Shannon: I don't think it's anything that dramatic. You guys [the media] like to think it's that dramatic. The reason could be very mundane. Maybe Tom wants a new job.

LBBJ: It could be. Did you consider not running for reelection?

Shannon: No.

LBBJ: Is this your last time?

Shannon: I'm leaving my options open in terms of running again.

LBBJ: You're, what, 66?

Shannon: Sixty-seven.

LBBJ: So you'll be 71 in four years. You've got to retire sometime, right? Enjoy life?

Shannon: What makes you think I'm not enjoying life now?

LBBJ: Is there anything else that you would like to bring up?

Shannon: The future. I think going forward that two of the cutting edge issues – I'm not saying these are the only issues – are the environment. I just can't emphasize how important it is for this clean truck program to succeed. There's a lot of politics involved, as you know. There's a lot of Los Angeles versus Long Beach politics and union bashing and union screaming. But at the end of the day it has been so successful and so important. The other thing that we need to address, and it's not a subject that anybody's happy to talk about at least if they're employed, is pension reforms. We did a memo for the city council back in November outlining the parameters of what we could legally do and what we couldn't. I fully expect that the city council is going to take that up after the election. I do believe they will because somebody, and it might even be me, will hold their feet to the fire and make them address the issue. ■