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5 6 7 8 9	Daniel M. O'Leary (State Bar No. 175128) <b>LAW OFFICE OF DANIEL M. O'LEA</b> 2300 Westwood Boulevard, Suite 105 Los Angeles, California 90064 Telephone: (310) 481-2020 Facsimile: (310) 481-0049 dan@danolearylaw.com Attorneys for Plaintiff Richard Wood and	ARY
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12	SUPERIOR COURT FOR TH	IE STATE OF CALIFORNIA
13	COUNTY OF L	OS ANGELES
14 15 16 17 18 19 20 21 22 23	Coordination Proceeding Special Title (Rule 1550(b))  ANTELOPE VALLEY GROUNDWATER CASES  RICHARD A. WOOD, an individual, on behalf of himself and all others similarly situated,  Plaintiff,  v.  LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40; et al.	Judicial Council Coordination Proceeding No. 4408 (Honorable Jack Komar)  Lead Case No. BC 325201  Case No.: BC 391869  DECLARATION OF MICHAEL D MCLACHLAN IN SUPPORT OF SUPPLEMENTAL MOTION FOR AWARD OF ATTORNEYS' FEES AND COSTS  Location: Room 222 Stanley Mosk Courthouse Los Angeles, California Date: July 20, 2016 Time: 10:00 a.m.
24	Defendants.	
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	I .	

I. Michael D. McLachlan, declare:

1. I make this declaration of my own personal knowledge, except where stated on information and belief, and if called to testify in Court on these matters, I could do so competently.

2. I am co-counsel of record of record for Plaintiff Richard Wood and the Class. I am duly licensed to practice law in California. I make this declaration in support of the Supplemental Motion for Approval of Award of Attorney Fees and Costs.

### PERSONAL BACKGROUND

- 3. I will not repeat the summary of my personal background contained in prior declarations relied upon by this Motion (primarily my January 27, 2016 declaration, ¶¶ 3 8). I will, however, supplement it on several points.
- 4. As I have noted in prior declarations in this matter, I have conducted what I believe to be rather thorough research on the question of whether there has been a prior attempt to litigate groundwater rights on a class basis. I found no published or unpublished opinions in California or any U.S. Federal Court. That is not to say that it for certain has not been attempted before, successfully or otherwise; rather, I note this because it necessarily follows that the subset of qualified class action lawyers admitted to practice in this state who have also litigated groundwater adjudications is almost certainly limited to counsel to the two classes in this case. Having been a member or several class action attorney bar groups over the past sixteen years (one of which was statewide through the Consumer Attorneys of California), I know a great number of class action attorneys. I have never come across a single one with any experience with groundwater rights.
- 5. As noted in paragraph seven of my January 27, 2016 Declaration, I do have substantial prior experience in groundwater-related litigation, which

was critical in our ability to function in this matter for over five years without aid of a retained hydrogeology expert. Furthermore, at no point did Class Counsel consult with any water lawyers — in making this observation in its April 25, 2016 order, the Court is perhaps confusing the Small Pumper Class Counsel with the Willis Class Counsel.

6. At the time of the hearing on this Motion, it will be just two weeks short of nine years since my first involvement in this matter.

### **WORK PERFORMED**

- 7. Since January 27, 2016, Class Counsel have performed work on a variety of tasks. The time was predominantly incurred in preparation of the reply paperwork is support of the initial fee motion, and preparing for and attending the hearing on that motion. The opposition brief totaled approximately 45 pages combined. Given the importance of the motion and the extensive nature of the defense arguments, Class Counsel prepared a 31-page reply brief, and further supporting declarations. There were also a couple of ex parte applications made in conjunction with the briefing and hearing dates, as well as one hearing on February 24, 2016.
- 8. We also prepared a motion for an order setting the parameters on terminating our role as Class Counsel, a motion for clarification of the fee motion ruling including a declaration and reply papers, an opposition to the Ritter motion to vacate the judgment, as well as attending several hearings on these matters and preparing subsequent orders for the Court. We also prepared, per order of the Court, a judicial council Memorandum of Costs, which summarized the costs detailed in the initial fee motion. The fee bills also include time related to the preparation of this supplemental fee motion.
- 9. The full nature of that work in detail can be ascertained from the legal bills I attach hereto as **Exhibit 2** (minimally redacted to protect privilege), as well as the legal bills from Mr. O'Leary (Exhibit 1 to O'Leary Declaration).

10. From January 27, 2016 to date, I have worked 207.8 hours, with an additional 34.9 paralegal hours incurred in my office, under my supervision. Mr. O'Leary has worked at additional 45.3 hours. We also retained attorney Richard M. Pearl to assist with certain aspects of the initial fee motion, and he worked 9.15 hours at a total cost of \$7,091.25. A true and correct copy of Mr. Pearl's invoice is attached as **Exhibit 3**. I reasonably anticipate that we will spend another 15 hours opposing the motion to tax costs, preparing reply papers on this motion, and attending the hearing. I will supply more exact numbers in reply and at the time of the hearing. I have split this 15 hours evenly below between myself and Mr. O'Leary.

11. Based on the foregoing, we request approval of a total of 269.7 hours of attorney time, including the time incurred by Mr. Pearl (whose experience and qualifications are summarized in his January 27, 2016 declaration [Dkt. No. ], and 34.9 hours of paralegal time. The fee request is summarized as follows:

	TOTAL	HOURLY	
TIMEKEEPER	HOURS	RATE	TOTAL
Michael D. McLachlan	207.8	\$720	\$155,016
Daniel M. O'Leary	52.8	\$720	\$38,016
Richard M. Pearl	9.15	\$775	\$7,091.25
Paralegals	34.9	\$125	\$4,362.5
TOTAL			\$204,485.75

## LITIGATION COSTS ADVANCED

11. On March 11, 2016, I filed a supplemental declaration addressing costs incurred as of that date. Since that date, my firm has incurred \$1,558.70 in costs. A detail of these costs, excluding interest, is attached as **Exhibit 4.** Mr.

DECLARATION OF MICHAEL D. MCLACHLAN IN SUPPORT OF SUPPLEMENTAL MOTION FOR AWARD OF ATTORNEYS' FEES AND COSTS

O'Leary has incurred costs of \$279.67, as noted in paragraph 4 of his declaration. The costs for which we seek reimbursement **total \$ 1,838.37**.

12. I have reviewed my cost summary and all of the costs are typical and necessary cost items I charge during litigation, they were incurred in this litigation, and all are covered in my retainer agreement with Richard Wood.

# FEE BILLS: TIMEKEEPING

13. As with the earlier fee bills, these bills for both Mr. O'Leary and myself do not include significant hours of secretarial and law clerk time. While many class attorneys bill for this time, even though the law allows for it, it has been my practice not to do so in state court cases. Nor do these bills include all of the attorney time. It is most often the case that Mr. O'Leary and I do not both bill for our communications, and my time always omits administrative time with staff, some telephone calls, review of filings in this case, and substantial e-mail correspondence, among others. The same is true of Mr. O'Leary's bills. The method of time-keeping for the attached bills is as describe in my January 27, 2016 declaration (¶¶ 37-41).

### **HOURLY RATE**

- 14. We request the rate of \$720 hour for the time in question for myself and Mr. O'Leary, and \$775 an hour for Mr. Pearl. The rate of \$720 per hour for attorneys with our background and experience is clearly low in the current market.
- 15. As I noted in paragraph 42 of my January 27, 2016 declaration, I was approved at a rate of \$690 per hour in early 2015 in an overtime class action matter, *Anderson v. County of Ventura,* C.D. Cal. No. CV 13-03517 SJO (VBKx).
- 16. We are requesting \$720 per hour, which is about a 4% upward adjustment in the year that has passed since *Anderson*. I believe the evidence and authority cited by Richard Pearl in his declaration is supportive of this hourly rate. I am generally aware of the rates the Plaintiff's attorneys in Los Angeles of

my caliber and experience are charging and are being awarded, and \$720 per hour is reasonable, and more likely a good bit below, current market rates. The same is true of the paralegal rate of \$125 per hour, which is actually a good bit low compared to many firms.

- 17. There is substantial additional evidence of current fee rates included in the Pearl Declaration, and my prior declarations this year in support of the initial fee motion (CITE), all of which is incorporated here in support of this Motion. The following are additional materials regarding attorney fee rates that were not included my earlier declaration or that of Richard M. Pearl, dated January 27, 2016:
- a. In June of 2015, a small firm received approval in the Central District of California for partners in excess of \$1,000 per hour, and for junior partners and other counsel as follows: Sountas-Argiropoulos (admitted 2008; \$675); Sekhon (admitted 2006; \$675; Keating (admitted 2008; \$650).¹ (Exhibit 5, at Ex. 2, p.1.) Attached as **Exhibits 5** a true and correct copy of the first application for attorney fees in *In re State Fish Co*, along with Exhibits 1 and 2 to that application. Attached as **Exhibits 6** a true and correct copy of the court's order granting that application.
- b. In 2014, a Los Angeles small firm attorney who was admitted in 1993, was awarded \$850 per hour on a statutory fee motion in the Los Angeles Superior Court. I attach as **Exhibit 7** a true and correct copy of the Order in *Kuwahara v. Gakuen et al.*, LASC Case No. 454896.
- c. The higher end of the market in Los Angeles is well over \$1,000 per hour for litigators at or above 20 years of experience, and in excess of \$750 per hour for associates. I attach as **Exhibit 8** a true and correct copy of a

<sup>&</sup>lt;sup>1</sup> The admission years cited here are either noted in Exhibit 5 to my declaration, at Exhibit 1 to the fee application in question, or in one case, I accessed the information through the State Bar of California website.

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summary of the rates being changed by Gibson, Dunn & Crutcher in Los Angeles. I attach as **Exhibit 9** a true and correct copy of a summary of 2016 hourly rates charged by Los Angeles Attorneys at Milbank, Tweed, Hadley & McCloy.

d. In Civil Rights Education and Enforcement Center v. Ashford Hospitality Trust, Inc., 2016 U.S.Dist.LEXIS 37256 (N.D. Cal. March 22, 2016), an action challenging defendants' hotels' failure to provide wheelchair accessible transportation, in which the Court found the following 2015 hourly rates reasonable:

<u>Years of Experience</u>	<u>Rates</u>
41	\$900
24	750
10	550
8	500
5	430
Paralegal	250

18. The rate of \$500 (applied by the Court in its April 25, 2016 order) is below market rates for essentially all of the time incurred on this matter, and certainly should not be used for time in 2016. Going back to the period of 2005 to 2008 – at a time when I had many fewer years' experience -- \$500 per hour was a reasonable lower-range rate for work on a fairly basic consumer class case. In Kaplan v. Citibank, N.A. (LASC Case No. BC / Amer. Arb. Assoc. Case No. 11 128 1007 07), I litigated this small consumer class case in state court (all merits issues litigated through Final Award at AAA), in which substantially all of my compensated time was incurred in 2005 through 2007. After prevailing, my time was approved by the arbitrator, and then subsequently by the Court, at a rate of \$500 per hour.

19. In 2008, the rate of \$550 per hour was deemed reasonable for Randy Resnick, of the Law Offices of Randy Resnick in a case pending the Central District of California (*Wang v. Chinese Daily News, Inc.*, CV04-1498). I have checked the state bar website, which states that Mr. Renick was admitted in California in the same month as me (and one year later than Mr. O'Leary). He graduated from Southwestern School of Law. The high-end rates approved in this case, for work done from 2004 through 2008, was \$800 per hour. I attach a true and correct copy of the Order in *Wang* as **Exhibit 10**.

20. My declaration of January 1, 2014 contained evidence relevant to rates in Los Angeles and California in the years 2013 and earlier. That information is relevant foundation to current rates. Since it is more remote in the record sizeable record for this matter, I attach that declaration as **Exhibit 11**.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 27<sup>th</sup> day of June, 2016, at Hermosa Beach, California.

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Michael D. McLachlan