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8
9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF RIVERSIDE, CENTRAL DISTRICT**

11 WILLIAM R. ("RUSTY") BAILEY III,
12 MARCIA McQUERN, and THOMAS
13 MULLEN,

14 Petitioners and Plaintiffs,

15 v.

16 CITY OF RIVERSIDE,

17 Respondent and Defendant.
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CASE NO. RIC1804755

Unlimited Jurisdiction

(Case assigned to Hon. Randall S. Stamen)

**RESPONDENT AND DEFENDANT CITY
OF RIVERSIDE'S OPPOSITION BRIEF
ON MAYORAL VETO ISSUES**

Complaint Filed: March 9, 2018

Trial Date: November 22, 2019

Time: 8:30 a.m.

Department: 7

TABLE OF CONTENTS

Page(s)

1		
2		
3	I.	INTRODUCTION9
4	II.	STATEMENT OF FACTS10
5	A.	HISTORY OF THE RELEVANT CITY CHARTER PROVISIONS.....10
6	B.	THE CITY’S COMPENSATION OF CHARTER OFFICERS.....11
7	C.	THE CITY’S EMPLOYMENT OF RUSSO AND RENEGOTIATION OF HIS CONTRACT12
8	D.	THE CITY COUNCIL AMENDS RUSSO’S CONTRACT, WHICH BAILEY PURPORTS TO VETO13
9		
10	III.	PROCEDURAL HISTORY14
11	IV.	ARGUMENT15
12	A.	BAILEY HAS THE BURDEN TO SHOW HE IS ENTITLED TO RELIEF15
13	B.	TRIAL OF THE MERITS IS LIMITED TO THE ADMINISTRATIVE RECORD16
14	1.	<i>Western States</i> limits trial to the City’s Administrative Record.....16
15	2.	Bailey may not cite the City’s denials of his verified pleading as evidence17
16	C.	BAILEY AND MCQUERN LACK STANDING.....18
17	D.	THE COURT CAN AWARD NO RELIEF HERE BECAUSE PETITIONERS DID NOT NAME RUSSO AS A RESPONDENT NOR PARTICIPATE IN <i>CLYMER</i>19
18	1.	Russo is necessary and indispensable here because Bailey challenges Russo’s mortgage and employment contract.....19
19	2.	Bailey’s stipulation to try his veto issues with <i>Clymer</i> does not change the analysis.....21
20	3.	<i>Clymer</i> precludes relief in <i>Bailey</i>22
21	E.	BAILEY’S “VETO” OF THE AMENDED RUSSO CONTRACT IS MOOT23
22	F.	THE CHARTER AND DECADES OF CONSISTENT CITY INTERPRETATION PRECLUDE VETO OF CHARTER EMPLOYEE EMPLOYMENT DECISIONS.....24
23	1.	Riverside’s Charter specifies a Council-Manager form of government with a ceremonial mayor with limited powers.....25
24	2.	Bailey’s interpretation is unpersuasive because it extends the veto to matters reserved to the City Council.....27
25	3.	Charter history and secondary sources support the City’s interpretation, too30
26		
27		
28		

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

4. No "formal, written" resolution was required to amend Russo's contract, nor could the Mayor veto such a resolution, besides31

V. CONCLUSION.....33

TABLE OF AUTHORITIES

Page(s)

Federal Cases

<i>Gill v. Momentum Development, LLC</i> (C.D.Cal. Jan. 12, 2015, Case No. CV 14-4799) 2015 WL 12830391	19
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<i>Natural Resources Defense Council v. Kempthorne</i> (E.D.Cal. 2008) 539 F.Supp.2d 1155	20
<i>Wilbur v. Locke</i> (9th Cir. 2005) 423 F.3d 1101	20

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<i>American Coatings Assn., Inc., v. South Coast Air Quality Dist.</i> (2012) 54 Cal.4th 446	16
<i>Baeza v. Superior Court</i> (2011) 201 Cal.App.4th 1214	27
<i>Bianka M. v. Superior Court</i> (2018) 5 Cal.5th 1004	21
<i>Braude v. City of Los Angeles</i> (1990) 226 Cal.App.3d 83	18
<i>California Correctional Peace Officers Assn. v. State Personnel Bd.</i> (1995) 10 Cal.4th 1133	15
<i>Carsten v. Psychology Examining Com.</i> (1980) 27 Cal.3d 793	18
<i>Central Mfg. Dist., Inc. v. Board of Sup'rs of Los Angeles County</i> (1960) 176 Cal.App.2d 850	33
<i>Colberg v. State Bd. of Equalization</i> (1926) 199 Cal. 51	23
<i>Committee to Defend Reproductive Rights v. Myers</i> (1981) 29 Cal.3d 252	28
<i>County of Imperial v. Superior Court</i> (2007) 152 Cal.App.4th 13	20, 21

1	<i>Creighton v. City of Santa Monica</i>	
2	(1984) 160 Cal.App.3d 1011	25
3	<i>Deltakeeper v. Oakdale Irrigation Dist.</i>	
4	(2001) 94 Cal.App.4th 1092	19
5	<i>Deorosan v. Haslett Warehouse Co.</i>	
6	(1958) 165 Cal.App.2d 599	21
7	<i>Division of Labor Law Enforcement v. Moroney</i>	
8	(1946) 28 Cal.2d 344	25
9	<i>Dobbins v. Hardister</i>	
10	(1966) 242 Cal.App.2d 787	17
11	<i>Don't Cell Our Parks v. City of San Diego</i>	
12	(2018) 21 Cal.App.5th 338	30
13	<i>Dreamweaver Andalusians, LLC v. Prudential Ins. Co. of America</i>	
14	(2015) 234 Cal.App.4th 1168	19
15	<i>Environmental Defense Project of Sierra County v. County of Sierra</i>	
16	(2008) 158 Cal.App.4th 877	24
17	<i>Eye Dog Foundation v. State Board of Guide Dogs for the Blind</i>	
18	(1967) 67 Cal.2d 536	23
19	<i>Giles v. Horn</i>	
20	(2002) 100 Cal.App.4th 206	28
21	<i>Gonzales & Co. v. Department of Alcoholic Bev. Control</i>	
22	(1984) 151 Cal.App.3d 172	27
23	<i>Hamilton v. Asbestos Corp., Ltd.</i>	
24	(2000) 22 Cal.4th 1127	21
25	<i>Hill v. City of Long Beach</i>	
26	(1995) 33 Cal.App.4th 1684	26
27	<i>Hills for Everyone v. Local Agency Formation Com.</i>	
28	(1980) 105 Cal.App.3d 461	22
	<i>Holbrook v. City of Santa Monica</i>	
	(2006) 144 Cal.App.4th 1242	18
	<i>Hubbard v. City of San Diego</i>	
	(1976) 55 Cal.App.3d 380	25
	<i>Jolley v. Chase Home Finance, LLC</i>	
	(2013) 213 Cal.App.4th 872	24

1	<i>Jordan v. California Dept. of Motor Vehicles</i>	
2	(2002) 100 Cal.App.4th 431	29
3	<i>Leach v. City of San Marcos</i>	
4	(1989) 213 Cal.App.3d 648	22
5	<i>Lee v. Silveira</i>	
6	(2016) 6 Cal.App.5th 527	24
7	<i>Los Angeles G. & E. Corp. v. Los Angeles</i>	
8	(1922) 188 Cal. 307	31
9	<i>Lungren v. Deukmejian</i>	
10	(1988) 45 Cal.3d 727	25
11	<i>Marculescu v. City Planning Commission of City and County of San Francisco</i>	
12	(1935) 7 Cal.App.2d 371	32
13	<i>Meaney v. Sacramento Housing & Redevelopment Agency</i>	
14	(2007) 13 Cal.App.4th 566	16
15	<i>Mel v. Franchise Tax Board</i>	
16	(1981) 119 Cal.App.3d 898	25
17	<i>Merkley v. Merkley</i>	
18	(1939) 12 Cal.2d 543	15, 24
19	<i>Mike Moore's 24-Hour Towing v. City of San Diego</i>	
20	(1998) 45 Cal.App.4th 1294	16
21	<i>Poway Royal Mobilehome Owners Assn. v. City of Poway</i>	
22	(2007) 149 Cal.App.4th 1460	16, 17
23	<i>Renna v. County of Fresno</i>	
24	(2000) 78 Cal.App.4th 1	26
25	<i>Santa Teresa Citizen Action Group v. City of San Jose</i>	
26	(2003) 114 Cal.App.4th 689	16
27	<i>Scott v. Common Council</i>	
28	(1996) 44 Cal.App.4th 684	30
	<i>Sierra Club, Inc. v. California Coastal Commission</i>	
	(1979) 95 Cal.App.3d 495	19
	<i>Silver v. Los Angeles County Metropolitan Transportation Agency</i>	
	(2000) 79 Cal.App.4th 338	19
	<i>SN Sands Corp. v. City and County of San Francisco</i>	
	(2008) 167 Cal.App.4th 185	16

1	<i>Straus v. Straus</i>	
2	(1935) 4 Cal.App.2d 461	17
3	<i>Tracy Press, Inc. v. Superior Court</i>	
4	(2008) 164 Cal.App.4th 1290	20
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6	(1989) 210 Cal.App.3d 731	17
7	<i>Western States Petroleum Assn. v. Superior Court</i>	
8	(1995) 9 Cal.4th 559	16, 17, 18
9	<i>Yamaha Corp. of America v. State Bd. of Equalization</i>	
10	(1998) 19 Cal.4th 1	15, 16, 25, 30
11	California Constitution	
12	Article XI,	
13	§ 5, subd. (a).....	16
14	State Statutes	
15	Code of Civil Procedure,	
16	§ 389.....	19, 20, 21
17	§ 389, subd. (a).....	18, 19
18	§ 389, subd. (b)	20
19	§ 389, subd. (b)(4).....	20
20	§ 431.20, subd. (a).....	16
21	§ 431.30.....	16
22	§ 431.30, subd. (f)	16
23	§ 473.....	22
24	§ 473.5.....	22
25	§ 860 et seq.	14, 224
26	§ 867.....	22
27	§ 869.....	22
28	§ 870, subd. (a).....	22
	§ 1048, subd. (a).....	21
	§ 1094.5.....	15
	Evidence Code,	
	§ 664.....	15
	Government Code,	
	§ 36801.....	24
	§ 40605.....	24
	Court Rules	
	Federal Rule of Civil Procedure Rule 19.....	18

1	Other Authorities	
2	Black's Law Dictionary (10th ed. 2014).....	26
3		
4		
5		
6		
7		
8		
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10		
11		
12		
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1 **I. INTRODUCTION**

2 The Court cannot ignore the political nature of this dispute. Petitioners William R. (“Rusty”)
3 Bailey, III; Marcia McQuern; and Thomas Mullen (together, “Bailey” or “Petitioners”) lost the battle
4 but won the war — Respondent and Defendant City of Riverside’s (“City”) City Council properly
5 ignored Mayor Bailey’s veto of former City Manager John Russo’s amended contract, but dismissed
6 Russo two months later, making this dispute over the amended contract largely academic. Mayor
7 Bailey, too, has announced he will not seek reelection, raising questions whether he has sufficient
8 interest in the veto power of the office he temporarily holds to have standing here. He seeks a writ of
9 mandate against the City he serves, and two of the three other petitioners and plaintiffs in this action
10 and *Clymer v. City of Riverside* (“*Clymer*”), set for trial with the issues briefed here, serve on the
11 City’s Charter Review Committee, which controls the Charter amendments the City Council might
12 propose to voters. Parties to these cases thus hold the power to effect the change they seek through
13 the political process and without the Court’s intervention.

14 Bailey seeks extension of his weak-mayor power without the approval voters have previously
15 refused. Though the City has amended the Charter many times since voters adopted it generations
16 ago, Riverside’s government still rests upon a Council-Manager foundation with a largely
17 ceremonial Mayor. Under that Charter, as in nearly all other Council-Manager cities, the City
18 Council retains sole authority over the Charter officers — the City Manager, City Attorney, and City
19 Clerk — ensuring they serve but one master: the Council as a whole. Riverside’s Charter states the
20 City Manager serves “at the pleasure of” the Council, not the Mayor, and that a majority of the City
21 Council selects him. The Court would need to ignore both Charter provisions — and several others
22 — to conclude the mayor’s veto power extends to employment decisions affecting Charter officers.

23 Cities like San Bernardino and San Diego that provide for stronger mayors have done so
24 expressly, persuading voters to amend their charters to grant the mayoral powers Bailey seeks;
25 Sacramento and Miami voters recently rejected such “strong-mayor” proposals. Riverside has not
26 adopted “strong mayor” amendments and Bailey cites no previous example of a Riverside mayor
27 vetoing a Charter officer employment contract. He thus seeks what amounts to a Charter amendment
28

1 without a vote of the people. Mayor Loveridge wished the same over 20 years ago, regretting he did
2 not have the “hiring and firing” power mayors of some other cities do.

3 Bailey has the burden to prove his entitlement to a writ, and any doubts about the Court’s
4 power to enter it or grant other relief should be resolved against him. The City repeats several of the
5 procedural issues barring relief the Court addressed in denying Bailey’s motion for summary
6 adjudication — standing, the absence of Russo (a necessary party), mootness — and any of these is
7 sufficient to deny or limit the relief Bailey seeks. Regardless of how the Court rules, the Charter
8 Review Commission’s work will continue, and the voters will have the final say as to the scope of
9 the mayor’s power, as is appropriate in a democracy.

11 **II. STATEMENT OF FACTS¹**

12 **A. HISTORY OF THE RELEVANT CITY CHARTER PROVISIONS**

13 The history of the City’s Charter shows a fundamental and lasting commitment to exclusive
14 City Council control of Charter officers and reluctance to extend mayoral power. Riverside’s voters
15 first allowed its Mayor the power to veto in 1963 — decades after approving the first Charter.
16 (2 AR 10, 4 AR 62.)² Riverside voters considered competing charter amendment proposals in 1966,
17 preferring one that allowed the Mayor one vote of eight on appointments to boards and commissions
18 over one giving the Mayor exclusive appointment authority. (7 AR 80, 8 AR 85, 10 AR 116.) In
19 1985, then-Mayor Ab Brown proposed an “Effective Mayor/City Council/City Manager form of
20 government” (138 AR 2842) to grant the Mayor a vote in the City Council (again, one vote in eight)
21 on all matters. The Charter Review Committee considered the proposal the following year, but
22 rejected it for lack of the required supermajority. (139 AR 2852.) In 1994, former Mayor Ron
23 Loveridge informed the Charter Review Committee that he did not have “hiring and firing” power,
24 but instead held only a “ceremonial” office. (140 AR 2855.)

27
28 ¹ The City repeats here some of the Statement of Facts from its brief in the *Clymer* matter, which is consolidated for trial, and omits section II.E. from its *Clymer* brief.

² References to certified administrative record are in this format: ([Document #] AR [Page(s)].)

1 Consistent with this understanding, the City Council's operating resolution has assigned
2 responsibility for the evaluation of Charter officers to the Mayor Pro Tem, chosen by the City
3 Council — not the Mayor. (E.g., 14 AR 228, 33 AR 410, 40 AR 482, 43 AR 525.) Operating
4 resolutions over the years have consistently stated the "City Council," not the Mayor, directs the City
5 Manager. (E.g., 33 AR 413, 40 AR 486, 43 AR 530.) The current version, on which Bailey relies
6 (e.g., Petitioners' Opening Brief ("Open. Br.") at p. 18 [citing City Council Reso. No. 23035]),
7 maintains this language. (92 AR 1960, 92 AR 1964.) The resolution has been amended many times,
8 but these provisions have never changed.

9 **B. THE CITY'S COMPENSATION OF CHARTER OFFICERS**

10 Given their unique roles in the City's government, the City Council has extended non-
11 standard compensation to its Charter officers and inconsistently approved or amended Charter
12 officer contracts by "formal" resolutions while consistently doing so in setting employment terms for
13 other City employees. The City has adjusted its master compensation resolution several times,
14 sometimes addressing benefits afforded Charter officers, sometimes not. For example, in 2005, the
15 City Council amended its master resolution to exempt certain employees from the City's
16 "classification plan" (something akin to civil service) including "persons appointed by the City
17 Council, including the City Manager, City Clerk, and City Attorney," distinguishing them from those
18 "appointed by the Mayor" (52 AR 726) — meaning members of boards and commissions. This
19 provision confirms the City's understanding the City Council alone supervises Charter officers and
20 exempts them from other employment requirements of the Charter and Municipal Code.

21 The City has extended unique treatment to its Charter officers several times in recent
22 memory.

- 23
24 • In 1996, the City Council hired City Clerk Colleen Nicol, and has since amended her
25 employment agreement several times without "formal" resolutions. (17 AR 307,
26 18 AR 316, 19 AR 324, 20 AR 327, 23 AR 336.) In 1999, the City Council — not the
27 Mayor — conducted Nicol's annual review and recommended increasing her
28 compensation. (25 AR 348, 26 AR 350.) The City Council increased Nicol's
compensation again in 2017 without a separate resolution. (94 AR 2012, 97 AR 2042.)

- The City Council hired former City Attorney Greg Priamos in 2002 without an accompanying resolution (28 AR 377) and agreed to pay him \$10,000 in relocation expenses (29 AR 380). The City Council later increased this relocation allowance to \$20,000, again without an accompanying resolution (35 AR 449), an amount intended to allow Priamos to buy a home upon moving to Riverside (36 AR 451) from his previous post in Los Angeles County.
- In 2015, the City Council adopted a resolution to hire City Attorney Geuss, to grant an automobile allowance greater than afforded by the master compensation resolution. (80 AR 1596, 81 AR 1641.) But when the City Council amended Geuss's contract, with Mayor Bailey's endorsement, in 2017, the changes were not accomplished by resolution. (99 AR 2055, 100 AR 2061, 101 AR 2077.)

C. THE CITY'S EMPLOYMENT OF RUSSO AND RENEGOTIATION OF HIS CONTRACT

Mayor Bailey recommended the City Council hire John Russo to serve as City Manager in 2015, and the City Council approved Russo's original contract by resolution. (75 AR 1356.) The present dispute arose in late 2017 regarding Russo's request to extend and amend his contract, which Russo negotiated with the City Council, which always had the sole authority to negotiate Charter officer contracts.

Upon hearing Bailey's claim he could veto any extension of Russo's contract, City Attorney Geuss sought, on behalf of the Mayor and City Council, an opinion from Colantuono, Highsmith & Whatley, PC ("CHW") whether the Mayor's veto power extended to Charter employee contracts. (128 AR 2635, 146 AR 3115.) Despite multiple notices the memorandum was "confidential," Bailey shared it at least six times with people not on the City Council. (128 AR 2627, 128 AR 2634-2673.) How many others might have received the memo is uncertain, as Bailey forwarded it from his City email account to a personal account and may have forwarded it to others from there. (128 AR 2649, 128 AR 2656, 128 AR 2663.) Bailey shared the memo with his counsel in this case, who analyzed this obviously privileged memo and assisted him with a political response. (128 AR 2627, 128 AR 2635, 128 AR 2664.)

1 Bailey also sought a competing opinion from Rutan & Tucker (145 AR 3098), a firm with an
2 attorney-client relationship with the City, not Bailey personally or individually (128 AR 2631). The
3 Rutan opinion only briefly discussed City Charter section 600, which grants the City Council sole
4 authority to choose the City Manager. That opinion identifies no previous use of the Riverside
5 Mayor's veto power as to personnel matters. (145 AR 3114.)

6 The City Council agendized Russo's contract extension for its February 6, 2018 meeting.
7 (109 AR 2217.) Bailey encouraged members of the public to contact the City Clerk and City Council
8 to register their opposition. (110 AR 2343, 110 AR 2437.) R. Ben Clymer, Jr., plaintiff in the *Clymer*
9 matter consolidated for trial with this case, was among those who did so. (110 AR 2308.)

10
11 **D. THE CITY COUNCIL AMENDS RUSSO'S CONTRACT, WHICH BAILEY
PURPORTS TO VETO**

12 Despite Bailey's political campaign — exercising his "voice" (but not vote) under the City
13 Charter — the City Council voted 5–2 to amend Russo's contract and authorized the Mayor and
14 Mayor Pro Tem to execute it. (111 AR 2485.) The City's Human Resources Department concluded
15 the amendment had "no net cost" to the City, and its primary effect was to assure Russo and his
16 department heads of his tenure through the next three City elections. (110 AR 2234.)

17 Knowing the City Attorney concluded he could not veto the amendment, Bailey nevertheless
18 stated his veto at the conclusion of the February 6, 2018 City Council meeting and then tried to
19 immediately adjourn and preclude Council discussion. (111 AR 2493, 113 AR at 4:06:56.³) When
20 Councilmember MacArthur asked the City Attorney's opinion on whether the Mayor could veto
21 Russo's amended contract, Bailey stated the meeting was adjourned and the veto could not be
22 discussed. (*Id.* at 4:07:30.) Bailey then stated he had obtained a competing interpretation of the
23 Charter (*id.* at 4:12:24), and City Attorney Geuss advised Bailey he had improperly obtained that
24 opinion, as the City (not the Mayor in his individual capacity) had an attorney-client relationship
25 with Rutan & Tucker, which provided the opinion (*id.* at 4:15:00). The Mayor Pro Tem, City
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27
28 ³ Video clips of the January 31, 2018 Budget Engagement Commission meeting (document 108) and
City Council meetings of February 6, 2018 (document 113), February 13, 2018 (document 116),
February 20, 2018 (document 119), March 13, 2018 (document 122), and April 17, 2018 (document
125) are included in the certified administrative record.

1 Attorney, and City Clerk executed the amended Russo contract, as the City Council had instructed.
2 (112 AR 2501.)

3 At its February 20, 2018 meeting, the Council stated its support for the City Attorney as the
4 City's "sole legal authority" under the Charter, confirming its conclusion at its February 6 meeting
5 that the Mayor could not veto the contract extension. (118 AR 2538.) Thus, it is not simply the City
6 Attorney's ruling at issue here, but also the City Council's action on that ruling. Even after this
7 affirmation, a dissenting Councilmember asked at a later meeting that the Council calendar a veto
8 override vote, but given his (and the Council's) conclusion that no legally meaningful veto existed,
9 the City Attorney ruled such a vote would be out of order (121 AR 2555) and the City Council never
10 scheduled it.

11 Having lost the battle, however, Bailey won the war. The City Council terminated Russo's
12 employment without cause on a 4-3 vote on April 17, 2018. (124 AR 2577.) He is now City
13 Manager of Irvine and there is no prospect of his return to Riverside City Hall. (City's Request for
14 Judicial Notice ("RJN"), Item A.) Bailey, too, has announced he will not seek re-election and will
15 leave office in 2020. (RJN, Item B.)
16

17 **III. PROCEDURAL HISTORY⁴**

18 Bailey sued on March 9, 2018 and sought ex parte relief to stay enforcement of the Russo
19 contract, which the Court denied April 9, 2018. Bailey then amended his complaint, adding two new
20 petitioners including Marcia McQuern, a member of the City's Charter Review Committee. (RJN,
21 Exhs. C, D.)

22 R. Ben Clymer, Jr., sued in reverse validation, an in rem proceeding, to challenge the
23 extension of Russo's contract and the mortgage the City provided Russo under that contract on April
24 6, 2018 and filed the operative First Amended Complaint July 10, 2018. As the Validation Statutes
25 (Code Civ. Proc., § 860 et seq.) require, Clymer named "all persons interested in the matter of the
26 City of Riverside's adoption of a seven[-]year contract extension of [sic] City Manager John Russo"
27
28

⁴ The City repeats here the Procedural History from its brief in the *Clymer* matter.

1 — not merely those who opposed the contract. Like McQuern, Clymer is a member of the Charter
2 Review Committee. (RJN, Exhs. C, D.)

3 The City gave Bailey notice of *Clymer*, notifying him and his counsel of his duty to
4 participate in that case to assert the claims in this case. (RJN, Exh. E.) Bailey refused to answer the
5 *Clymer* complaint and has never sought to participate in that suit. Clymer's First Amended
6 Complaint added Russo as a real party in interest; Russo and the City have answered. No other
7 interested parties appeared in *Clymer*.

8 Bailey then moved for summary adjudication of his declaratory relief claim. The City
9 opposed, raising several procedural issues, including whether Bailey and McQuern had standing, a
10 point it raised early in the case and which led to Bailey's amended pleading. At the April 19, 2019
11 hearing, the Court questioned whether Russo was a necessary and indispensable party and requested
12 additional briefing on the issue. (RJN, Exh. F.)

13 After additional argument on June 4, 2019 on the indispensable party issue, the Court denied
14 Bailey's motion on September 3, 2019 because triable issues of act existed: (1) as to Bailey's and
15 McQuern's standing; and (2) whether Russo was an indispensable party. Bailey filed his opening
16 trial brief the same day. Placing all of his eggs in one basket, Bailey has never sought leave to amend
17 his complaint to dismiss Bailey and McQuern for lack of standing, to add Russo as a party, or to join
18 *Clymer* as a defendant or "interested person."

19 20 **IV. ARGUMENT**

21 **A. BAILEY HAS THE BURDEN TO SHOW HE IS ENTITLED TO RELIEF**

22 Bailey and the other Petitioners have the burden of proof on their writ and declaratory relief
23 claims. (*California Correctional Peace Officers Assn. v. State Personnel Bd.* (1995) 10 Cal.4th 1133,
24 1153–1154 [petitioner bears burden to show necessity of writ]; *Merkley v. Merkley* (1939) 12 Cal.2d
25 543, 547 [plaintiff bears burden to show need for court's discretionary grant of declaratory relief].)
26 The Court should defer to the City Council's determination the Mayor of Riverside may not veto
27 Charter officer employment contracts unless Bailey bears this burden to persuade otherwise. (Evid.
28 Code, § 664 [presumption of regular performance of official duties]; *Yamaha Corp. of America v.*

1 *State Bd. of Equalization* (1998) 19 Cal.4th 1, 6 (*Yamaha Corp.*) [deference to agency interpretation
2 of statute under which it operates]; Cal. Const., art. XI, § 5, subd. (a) [city charter has force of
3 statute].)

4 **B. TRIAL OF THE MERITS IS LIMITED TO THE ADMINISTRATIVE RECORD**

5 **I. Western States limits trial to the City's administrative record**

6 This case challenges a City contract, approval of which is a legislative act. (*Mike Moore's*
7 *24-Hour Towing v. City of San Diego* (1998) 45 Cal.App.4th 1294, 1303 ["A public entity's award of
8 a contract, and all of the acts leading up to the award, are legislative in character[.]" internal
9 quotation and citation omitted].) Accordingly, evidence here is limited to the administrative record.
10 (*Western States Petroleum Assn. v. Superior Court* (1995) 9 Cal.4th 559, 578 (*Western States*)
11 [judicial review of legislation is limited to the administrative record with "rare" and "narrowly
12 construed" exceptions]; *SN Sands Corp. v. City and County of San Francisco* (2008) 167
13 Cal.App.4th 185, 191 (*SN Sands*).) *SN Sands*, a similar case challenging a contract as illegal under
14 San Francisco's charter, did not involve administrative mandate under Code of Civil Procedure
15 section 1094.5 but was still limited to the administrative record. Moreover, **any** challenge to a
16 legislative act is limited to an administrative record, whether the plaintiff seeks reverse validation, a
17 writ, declaratory relief, or an injunction. (*Western States, supra*, 9 Cal.4th at p. 566 [declaratory and
18 mandamus relief]; *Santa Teresa Citizen Action Group v. City of San Jose* (2003) 114 Cal.App.4th
19 689, 695 & 706 [mandate, declaratory, injunctive relief]; *Meaney v. Sacramento Housing &*
20 *Redevelopment Agency* (2007) 13 Cal.App.4th 566, 582 [reverse validation].)

21 As in his motion for summary adjudication, Bailey claims, without support, that *Western*
22 *States'* rule is limited to administrative mandamus. (Open. Br. at pp. 12–15.) He simply ignores the
23 authorities to the contrary cited here, as on his motion for summary adjudication. He had no answer
24 to these cases then and offers none now; he concedes the point by silence. *American Coatings Assn.,*
25 *Inc., v. South Coast Air Quality Dist.* (2012) 54 Cal.4th 446, which Bailey tries to distinguish (Open.
26 Br. at p. 14), is just one of many cases on point. If more were required, *SN Sands, supra*, applies
27 *Western States'* litigation-on-the-record rule to something other than an administrative mandamus
28 claim. Validation actions like *Clymer* are also limited to the administrative record (*Poway Royal*

1 *Mobilehome Owners Assn. v. City of Poway* (2007) 149 Cal.App.4th 1460, 1479); Clymer adheres to
2 that rule.

3
4 **2. Bailey may not cite the City's denials of his verified pleading as
5 evidence**

6 Because the Court is limited to the administrative record of the City's approval of the
7 contract Bailey challenges, he may not cite his verified pleading and the City's denials for lack of
8 information and belief as evidence. Any extra-record evidence the Court might allow is limited to
9 that which existed **before** the City Council made the challenged decision. (*Western States, supra*, 9
10 Cal.4th at p. 578.) As the complaint, its amendment, and the City's answer all post-date approval of
11 Russo's amended contract, they cannot be evidence on the merits here. Other than the declarations
12 Petitioners offer, most of their evidence is part of the administrative record, in any event. The City
13 objects in its concurrently-filed objections to only the declarations.

14 Denials, even if based on a lack of information and belief, are enough to put a complaint's
15 allegations at issue and require a plaintiff to support them unless the matters denied are
16 presumptively within the defendant's knowledge. (Code Civ. Proc., §§ 431.20, subd. (a); 431.30,
17 subd. (f) ["The denials of the allegations controverted may be stated ... by denial of certain
18 allegations upon information and belief, **or for lack of sufficient information or belief**," emphasis
19 added].) The cases Bailey cites to the contrary (Open. Br. at p. 8) were all decided before the 1971
20 adoption of Code of Civil Procedure sections 431.20 and 431.30. Moreover, no reported case has
21 cited *Straus v. Straus* (1935) 4 Cal.App.2d 461, for the point for which Bailey cites it in the 84 years
22 since it was published.

23 More recent authority holds denials based on a defendant's lack of information and belief are
24 proper and put the denied allegations at issue unless the denied matters are presumptively within the
25 defendant's knowledge (*Dobbins v. Hardister* (1966) 242 Cal.App.2d 787, 791–792) or relate to
26 facts of public record (*Transworld Systems, Inc. v. Rogan* (1989) 210 Cal.App.3d 731, 733
27 [*Transworld Systems*]). The City's denials based on a lack of information and belief Bailey claims as
28 evidence (Open. Br. at pp. 10–11) did not relate to matters the City presumptively knows or the
contents of public records like the collection agency licenses at issue in *Transworld Systems*. Rather

1 they went to when Bailey learned particular facts and whether Petitioners McQuern and Mullen were
2 residents and registered voters of the City at all relevant times — facts Petitioners know far better
3 than can the City, which does not maintain voter registration rolls; the County Registrar of Voters
4 does. The City denied these allegations because it did not know, when it filed its answer, whether
5 they were true and — because the evidence here is limited to the administrative record and no
6 discovery is allowed — it had no opportunity (or need) to discover them.

7 Thus, the City properly controverted the allegations Bailey cites, and the Court may consider
8 no extra-record evidence to support the points he asserts. Moreover, evidence (like the City's
9 denials) created after the challenged action is **never** admissible under *Western States*. (*Western*
10 *States, supra*, 9 Cal.4th at p. 578.) The City's denials for lack of information and belief are not
11 "evidence" here for both reasons.

12 **C. BAILEY AND MCQUERN LACK STANDING**

13
14 Though the Court is limited to the administrative record on the merits, parties may cite extra-
15 record evidence in raising issues unrelated to the merits that could not have been included in the
16 administrative record, including equitable defenses and standing. (*Western States, supra*, 9 Cal.4th at
17 p. 575, fn. 5.) Petitioners Bailey and McQuern are City officials with authority to effect amendment
18 of the Charter they seek, and lack standing for that reason. (*Carsten v. Psychology Examining Com.*
19 (1980) 27 Cal.3d 793, 795; *Braude v. City of Los Angeles* (1990) 226 Cal.App.3d 83, 90–91;
20 *Holbrook v. City of Santa Monica* (2006) 144 Cal.App.4th 1242, 1258–1259.) Intramural disputes
21 among public officials should be resolved in the political process, not in court. Clymer, also a
22 member of the Charter Review Committee, lacks standing to bring his reverse validation claim for
23 this same reason, a point the City addresses in its brief in that case.

24 The City identified this issue in opposing Bailey's motion for summary adjudication — and
25 before, in meeting and conferring regarding a demurrer Bailey made unnecessary by filing an
26 amended complaint to add more petitioners — but Bailey has never sought leave to amend nor does
27 his opening brief on the merits address it. Perhaps he hopes to address the issue only on reply when
28 the City might have no rebuttal, or perhaps he has nothing to say. As he cannot dispute he is Mayor

1 and McQuern a member of the Charter Review Committee, the Court should conclude Bailey and
2 McQuern lack standing.

3
4 **D. THE COURT CAN AWARD NO RELIEF HERE BECAUSE PETITIONERS DID
NOT NAME RUSSO AS A RESPONDENT NOR PARTICIPATE IN CLYMER**

5 **I. Russo is necessary and indispensable here because Bailey**
6 **challenges Russo's mortgage and employment contract**

7 Code of Civil Procedure section 389 states a party is necessary if: (1) in his absence,
8 complete relief cannot be afforded to those who are parties; or (2) if he claims an interest relating to
9 the subject of the action such that without his participation, he may be impaired in protecting that
10 interest or another party to the case may face multiple or otherwise inconsistent obligations. If either
11 is shown, "the court shall order that he be made a party." (Code Civ. Proc., § 389, subd. (a).)

12 All parties to a contract must be joined in an action to interpret it because all are necessary
13 under Code of Civil Procedure section 389. (*Deltakeeper v. Oakdale Irrigation Dist.* (2001) 94
14 Cal.App.4th 1092, 1106; *Sierra Club, Inc. v. California Coastal Commission* (1979) 95 Cal.App.3d
15 495, 501; *Lomayaktewa v. Hathaway* (9th Cir. 1975) 520 F.2d 1324, 1325.) California decisions
16 apply federal decisions under Federal Rule of Civil Procedure Rule 19 as persuasive authority to
17 interpret Code of Civil Procedure section 389. (*Dreamweaver Andalusians, LLC v. Prudential Ins.*
18 *Co. of America* (2015) 234 Cal.App.4th 1168, 1174.)

19 Bailey seeks an order that Russo's amended contract is void and that the City recoup
20 compensation it paid him, making Russo a necessary party under the general rule that all parties to a
21 contract must be named. Bailey quibbles as to what his petition requests (Open Br., p. 31) but admits
22 he seeks an order declaring the amended Russo contract void *ab initio* (*id.* at p. 7, line 16) and
23 compelling the City seek recoupment from Russo (*id.* at p. 7 at lines 16–17 & 23–24, p. 31 at line 9).
24 The Court of Appeal ordered public employees made parties when a petitioner sought a writ
25 compelling them to repay Social Security contributions a County agency paid on their behalf in a
26 decision the City cited to oppose Bailey's motion for summary adjudication, but which Bailey has
27 neither discussed nor distinguished on that motion or in his opening brief. (*Silver v. Los Angeles*
28 *County Metropolitan Transportation Agency* (2000) 79 Cal.App.4th 338, 350; see also *Gill v.*

1 *Momentum Development, LLC* (C.D.Cal. Jan. 12, 2015, Case No. CV 14-4799) 2015 WL 12830391
2 at *3 [ordering plaintiff to add necessary party to case].⁵ Bailey’s authorities on the necessary party
3 issue arise in special contexts with facts not present here.

4 Even if the general rule requiring all parties to a contract be named did not apply and the
5 Court needed to resort to the statutory elements of Code of Civil Procedure section 389, those, too,
6 support requiring Russo’s participation. The City does not share Russo’s interest in upholding his
7 employment contract or as to whether the City should seek to recover from him. Thus Russo is
8 necessary under section 389’s subdivision (a). Whether an absent party’s interests will be protected
9 turns on whether his interests are sufficiently aligned with a party’s so that his rights necessarily will
10 not be affected or impaired by the judgment or proceeding. (*County of Imperial v. Superior Court*
11 (2007) 152 Cal.App.4th 13, 38 (*County of Imperial*).) Only a “minimal” showing is needed to defeat
12 a claim of alignment. (*Natural Resources Defense Council v. Kempthorne* (E.D.Cal. 2008) 539
13 F.Supp.2d 1155, 1188.)

14 The City and Russo may share a position as to whether Bailey’s veto was valid, but do not as
15 to whether the City should recoup from Russo. The general rule, as stated above, is that **all** parties to
16 a challenged contract are necessary, meaning the general rule is that parties on opposite sides of a
17 contract cannot be assumed to protect their absent counterparties. (*Wilbur v. Locke* (9th Cir. 2005)
18 423 F.3d 1101, 1113–1114, abrogated on other grounds by *Levin v. Commerce Energy* (2010) 560
19 U.S. 413.) Russo’s interests obviously differ from the City’s because he received the compensation
20 the City would be directed to recover. (*Tracy Press, Inc. v. Superior Court* (2008) 164 Cal.App.4th
21 1290, 1300 [absent City Council member’s interests in public records she retained not shared by city,
22 making her indispensable in Public Records Act case].) Moreover, Bailey prays for an order that the
23 City recover (or take action to recover) from Russo compensation paid under his amended contract
24 and the City plainly cannot adequately represent Russo’s interest on that point. The City and Russo
25 are not in privity with respect to the amended contract or the compensation the City paid under it;

26
27
28

⁵ The Court may consider unpublished federal district court opinions. (*Farm Raised Salmon Cases*
(2008) 42 Cal.4th 1077, 1096, fn. 18.)

1 they were on opposite sides of the bargaining table as employer and employee. (*Deorosan v. Haslett*
2 *Warehouse Co.* (1958) 165 Cal.App.2d 599, 619.)

3 Prejudice to Russo cannot be avoided without his participation in this case, as the City does
4 not share his interest in his compensation and cannot be expected to defend those interests here. If
5 due process forbids a remedy that alters Russo's rights in his absence (as it does), then the City faces
6 the risks of inconsistent outcomes — a duty to recoup from Russo here, and a bar on doing so in a
7 subsequent case against him. This goes to the heart of the necessary party rule. (*County of Imperial,*
8 *supra*, 152 Cal.App.4th at p. 38.) Bailey could reduce the prejudice by naming Russo but refuses to
9 do so. (Code Civ. Proc., § 389, subd. (b)(4).)

10 Because Russo is necessary and indispensable but Bailey refuses to name him, the Court
11 should deny Bailey relief and dismiss. The Court's ruling in denying Bailey's motion for summary
12 adjudication is such that Russo's status as a necessary party should come as no surprise. Bailey,
13 apparently disagreeing with the Court's apparent conclusion Russo is a necessary party, has not
14 sought leave to amend to name him — either when the Court first raised the point in April, while his
15 motion for summary adjudication was pending, or since the Court denied it. The Court should
16 interpret Bailey's continued refusal to name Russo as an invitation to dismiss the complaint without
17 prejudice, as Code of Civil Procedure section 389 directs when an indispensable party is not made
18 party. (Code Civ. Proc., § 389, subd. (b); *Bianka M. v. Superior Court* (2018) 5 Cal.5th 1004, 1019.)
19 If Bailey thinks the Court's conclusion in error, he can offer on appeal the explanation he has yet to
20 make here.

21
22 **2. Bailey's stipulation to try his veto issues with Clymer does not
change the analysis**

23 The parties' stipulation to consolidate this case and *Clymer* for trial changes nothing. The
24 stipulation to consolidate, and the order consolidating *Clymer* and this action for trial only, did not
25 merge the cases, but only set them for concurrent trial and decision, keeping everything else about
26 them distinct, as Bailey's counsel demanded. (Code Civ. Proc., § 1048, subd. (a); *Hamilton v.*
27 *Asbestos Corp., Ltd.* (2000) 22 Cal.4th 1127, 1147.) That the Court may be able to grant relief in
28 *Clymer* — if Clymer could show standing, which he cannot — does not mean it must grant the same

1 relief here, even if the arguments and evidence overlap. The Court will decide the cases together
2 because they pertain to the same facts and to some of the same legal issues, but the City's arguments
3 in the two need not be, and are not, the same. Moreover, two imperfect cases cannot together confer
4 equitable jurisdiction here. That Bailey refused to name Russo defeats his case; that Clymer lacks
5 standing defeats his. One case may not, by mere association, cure defects in the other.

6 Bailey had notice of the Court's interest in this issue at the April hearing on his motion for
7 summary adjudication — five months before he filed his opening brief — and has since vigorously
8 opposed any suggestion Russo is a necessary party. He might easily have withdrawn his motion and
9 sought permission to amend to name Russo before trial; that he chose not to and refuses to name
10 Russo does not mean Russo cannot be made a party under Code of Civil Procedure section 389.
11 Indeed, since the Court ruled on the motion for summary adjudication on September 3, the same day
12 Bailey filed his opening brief, counsel for the City has heard nothing from Bailey as to a request to
13 name Russo.

14 Nor does the stipulation cure impermissible claim-splitting. Bailey claims, without evidence,
15 that he and Clymer seek distinct relief, attempting to distinguish: (i) a writ of mandate directing the
16 City to "undertake to recover the difference" between what Russo would have earned under his
17 original contract and what he was paid under the amendment; from (ii) Court supervision of "the
18 accountings and recovery of monies," which he claims Clymer alone seeks. (Open. Br. at p. 31.)
19 There is no difference. If the City must recover the difference from Russo under the writ Bailey
20 seeks, the City must make a return to the writ reporting its efforts to do so. Bailey might challenge
21 that return as insufficient, requiring the Court to determine whether the City properly accounted for
22 and recovered the necessary sum from Russo — the relief Bailey claims he does not seek, and that
23 he claims Clymer does.

24 **3. Clymer precludes relief in Bailey**

25 A challenge to Russo's amended contract and mortgage was available as a reverse validation
26 action, as *Clymer* demonstrates. Accordingly, Bailey cannot challenge it separately. (*Hills for*
27 *Everyone v. Local Agency Formation Com.* (1980) 105 Cal.App.3d 461, 466; *Leach v. City of San*
28 *Marcos* (1989) 213 Cal.App.3d 648, 656–657.)

1 The Validation Statutes (Code Civ. Proc., § 860 et seq.) provide that, when validation is
2 available, it is the exclusive means to challenge agency action. “No contest except by the public
3 agency or its officer or agent of any thing or matter under this chapter shall be made other than
4 within the time and the manner herein specified.” (Code Civ. Proc., § 869.) “Actions brought
5 pursuant to this chapter [i.e., validation actions] shall be given preference over all other civil actions
6 before the court in the matter of setting the same for hearing or trial, and in hearing the same, to the
7 end that such actions shall be speedily heard and determined.” (Code Civ. Proc, § 867.) “The
8 judgment, if no appeal is taken, or if taken and the judgment is affirmed, shall, notwithstanding any
9 other provision of law including, without limitation, Sections 473 and 473.5, thereupon become and
10 thereafter be forever binding and conclusive, as to all matters therein adjudicated or which at that
11 time could have been adjudicated, against the agency and against all other persons, and the judgment
12 shall permanently enjoin the institution by any person of any action or proceeding raising any issue
13 as to which the judgment is binding and conclusive.” (Code Civ. Proc. § 870, subd. (a).)

14 Thus, only a validation case like *Clymer* can challenge the amendment of Russo’s contract; it
15 is entitled to trial preference over “all other actions,” including *Bailey*, and, if it reaches judgment
16 before *Bailey*, is “binding and conclusive” there. As Bailey should have pursued his challenge to
17 Russo’s contract and compensation paid under it in reverse validation — or appeared in *Clymer* —
18 the Court cannot grant him relief here. To achieve early finality, the Validation Statutes impose this
19 election of remedies.

20 **E. BAILEY’S “VETO” OF THE AMENDED RUSSO CONTRACT IS MOOT**

21 Bailey still seeks a writ of mandate and declaratory relief that the City Council must
22 acknowledge his veto of a contract the City Council has since terminated. (Open. Br. at p. 7.)
23 Prospective relief is necessarily moot and amounts to an advisory opinion. (*Colberg v. State Bd. of*
24 *Equalization* (1926) 199 Cal. 51, 52 [writ relief moot after repeal of act under which relief was
25 sought]; *Eye Dog Foundation v. State Board of Guide Dogs for the Blind* (1967) 67 Cal.2d 536, 541
26 [duty of courts “not to give opinions upon moot questions or abstract propositions, or to declare
27 principles or rules of law which cannot affect the matter in issue in the case before it”].) Thus, the
28 Court cannot issue a writ compelling the City Council to recognize Bailey’s veto of a contract that

1 no longer exists — it would be an abstract proposition and would not affect any other question
2 presented here.

3 For the same reason, declaratory relief as to whether the City need recognize Mayor Bailey's
4 purported veto is no longer appropriate, and the Court cannot show the parties' dispute is ripe and
5 worthy of this Court's limited resources. (*Jolley v. Chase Home Finance, LLC* (2013) 213
6 Cal.App.4th 872, 909; *Lee v. Silveira* (2016) 6 Cal.App.5th 527, 546.) Bailey must persuade the
7 Court that it should exercise its discretion to grant declaratory relief; it is not the City's burden to
8 show otherwise. (*Merkley v. Merkley* (1939) 12 Cal.2d 543, 547.)

9 *Environmental Defense Project of Sierra County v. County of Sierra* (2008) 158 Cal.App.4th
10 877, which Bailey cites (Open. Br. at pp. 29–30) is not to the contrary because Bailey challenges one
11 purported veto, not the City Council's general practice as to the Mayor's veto power. Moreover, the
12 case confirms that the dispute as to the validity of Bailey's purported veto of Russo's amended
13 contract is moot because the controversy has passed the point where declaratory relief as to the
14 validity of the veto would "permit an intelligent and useful decision to be made." (*Id.* at p. 885.)
15 Whether Bailey had the right to veto Russo's amended contract is no longer at issue; Russo is no
16 longer employed by the City, he is the City Manager of Irvine. (RJN, Item A.) Even further, Bailey
17 (RJN, Item B) and three of the seven City Council members have announced they are not seeking re-
18 election in 2020, and there is no likelihood either Bailey or Russo will return to his former position
19 with the City that brought them into temporary conflict.

20 Bailey also seeks a writ directing the City to "proceed to take action to recover" certain sums
21 from Russo. (Open. Br. at p. 7, lines 23–24.) This demand for backward-looking relief may not be
22 moot, but it requires Russo's participation, and relief can be denied for that reason.

23 **F. THE CHARTER AND DECADES OF CONSISTENT CITY INTERPRETATION**
24 **PRECLUDE VETO OF CHARTER EMPLOYEE EMPLOYMENT DECISIONS⁶**

25 If it need interpret the relevant Charter provisions to decide this case, the Court is guided by
26 the canons of construction. Charters are interpreted like the statutes with which they have equal
27

28 ⁶ Many of the City's arguments here are repeated in its brief in *Clymer*, as Clymer claimed to
incorporate Bailey's arguments by reference in his opening brief in that case.

1 force, and the Court must therefore interpret Riverside's Charter to harmonize all its provisions. (*Mel*
2 *v. Franchise Tax Board* (1981) 119 Cal.App.3d 898, 905–906; *Lungren v. Deukmejian* (1988) 45
3 Cal.3d 727, 735.) Specific provisions control general ones. (*Division of Labor Law Enforcement v.*
4 *Moroney* (1946) 28 Cal.2d 344, 346.) The Court should also defer to the City's consistent
5 interpretation of its own Charter. (*Yamaha Corp., supra*, 19 Cal.4th at p. 6.)

6
7 **I. Riverside's Charter specifies a Council-Manager form of**
8 **government with a ceremonial mayor with limited powers**

9 City Charter section 300 identifies the City's government as a "council-manager" form.
10 (144 AR 3074 at § 300.) That form is consistent with the statutory form for general law cities that
11 similarly limits the powers of a city's ceremonial mayor. (Gov. Code, §§ 36801, 40605; *Creighton v.*
12 *City of Santa Monica* (1984) 160 Cal.App.3d 1011, 1015 [in Council-Manager form of government,
13 "City Council is vested with all powers of the city except as limited by the Charter and the state
14 Constitution"]; see *Hubbard v. City of San Diego* (1976) 55 Cal.App.3d 380, 392 [invalidating
15 attempt by City Council to duplicate substantial duties of City Manager with separate office as
16 "tending to undermine the harmony of the council/manager system of municipal government"].)

17 Charter section 406 reserves all "powers of the City" to the "City Council" except as
18 otherwise provided, fully consistent with the council-manager form of government that places all
19 power in the City Council unless otherwise stated. (144 AR 3076 at § 406.) The City Council
20 establishes the City's organizational structure (144 AR 3081–3082 at § 701), creates boards and
21 commissions (144 AR 3084 at § 800), and approves the budget and makes appropriations
22 (144 AR 3084, 3087, 3090 at §§ 801, 1101, 1110). Section 405 confirms the Mayor's largely
23 ceremonial role — presiding officer at Council meetings, ceremonial head of the City,
24 communication of policies to City residents, advising the City Council on policy, and delivering the
25 State of the City address. (144 AR 3076 at § 405.)

26 Consistent with the Council-Manager form of government, the Charter limits mayoral control
27 over Charter officers, empowering the City Council alone to hire and fire them. The Charter directs
28 the City Council to "appoint, by majority vote" the City Manager (144 AR 3080 at § 600), states that
the City Manager "serve[s] at the pleasure of the City Council" (*ibid.*) and is "responsible to the City

1 Council” (*id.* at § 601) with no mention of a mayoral role in the selection, management, or
2 supervision of the City Manager. The Court must harmonize these provisions — which specify the
3 City leaders charged with managing Charter officers and employees — with the Mayor’s veto power.
4 To allow the Mayor a role in the selection and compensation decisions for the City Manager would
5 be to ignore all of the provisions specifying which City leaders play a role in that decision — the
6 City Council — and the provision which reserves all powers to the City Council unless otherwise
7 stated.

8 The plain, specific language of Charter section 600 — “a majority vote” of the Council
9 appoints the City Manager (four of seven votes) — precludes use of the veto, too. Allowing the
10 Mayor to veto the selection of a City Manager would require **five** votes to override a veto — a
11 supermajority. (144 AR 3078 at § 413.) Such an interpretation would allow a mayor to veto the
12 decision to fire a City Manager, too, as Bailey could have, under his view of the Charter, when the
13 City Council dismissed Russo. Russo was dismissed on a 4–3 vote (124 AR 2577); had another City
14 Manager whom Bailey supported been dismissed on the same vote, under Bailey’s interpretation of
15 the Charter he could have vetoed that “formal action” and required the City Council to muster a
16 supermajority of five to override it. Thus, adopting Bailey’s view requires this Court to add or delete
17 words from Charter section 600’s reference to “a majority vote” to appoint a City Manager.

18 Charter section 600 also states the City Manager serves “at the pleasure of” the City Council,
19 which is a term of art identifying the City decisionmaker responsible for managing an employee,
20 more evidence the City Council alone controls the selection of the City Manager. (*Renna v. County*
21 *of Fresno* (2000) 78 Cal.App.4th 1, 12 [“being personally accountable to someone other than the
22 elected official means that the employee does not serve solely at the pleasure of the elected official,
23 but of others as well,” quotation and citation omitted]; *Hill v. City of Long Beach* (1995) 33
24 Cal.App.4th 1684, 1693 [“[s]erving at pleasure means one is an at-will employee who can be fired
25 without cause”]; Black’s Law Dictionary (10th ed. 2014) [“pleasure appointment” is “the assignment
26 of someone to employment that can be taken away at any time, with no requirement for cause,
27 notice, or a hearing”].) The Court must harmonize the specific Charter requirement that the City
28 Manager be accountable only to the City Council with the Mayor’s general veto power. They are

1 most easily harmonized by recognizing the Mayor cannot veto City Council decisions as to the
2 employment of the City Manager or other Charter officers.

3 Charter sections 600 and 700, which state Charter officers are appointed by, and serve at the
4 pleasure of, the City Council, are in studied contrast to section 802, which states part-time, volunteer
5 members of boards and commissions serve “at the pleasure of the Mayor and the City Council[.]”
6 (144 AR 3084 at § 802, emphasis added.) Thus, on these decisions the Mayor has one of eight votes,
7 and Riverside’s voters expressly amended the Charter to extend this power to the Mayor. (7 AR 80,
8 8 AR 85, 10 AR 116.) Other Charter sections indicate which officials have a role in the selection and
9 oversight of City employees, including sections 601 (City Manager is responsible to the City
10 Council; all other non-Charter employees are responsible to the City Manager) and 804 (board and
11 commission chairs serve at the pleasure of the board or commission). (144 AR 3081, 3085 at §§ 601,
12 804.) The *expressio unius* canon (*Gonzales & Co. v. Department of Alcoholic Bev. Control* (1984)
13 151 Cal.App.3d 172, 178) holds that where the City has listed, in one document, the offices with
14 control over selection and supervision of particular officers, the omission of an office is purposeful.
15 Thus, that the Charter gives the Mayor a role in appointing members of boards and commissions, but
16 not Charter officers or others, indicates intent that he have no power over Charter officers or other
17 City employees. Charter officers work for the Council; everyone else works for the City Manager
18 but for the part-time volunteers who serve on boards and commissions by appointment of the Mayor
19 and Council.

20
21 **2. Bailey’s interpretation is unpersuasive because it extends the veto**
22 **to matters reserved to the City Council**

23 Bailey argues Riverside’s Mayor may veto “any formal action” of the City Council, meaning
24 he can veto “City Council approval of employment contracts” of Charter officers. (Open. Br. at
25 p. 26, lines 10–20.) He frees the phrase of its context in the legislative article of the Charter to make
26 it unlimited. This, the canons forbid. (*Baeza v. Superior Court* (2011) 201 Cal.App.4th 1214, 1222
27 [statutory words “should be construed in their statutory context” to preclude “judicial construction
28 that renders part of the statute meaningless or inoperative[.]” internal quotations and citation

omitted]; *Giles v. Horn* (2002) 100 Cal.App.4th 206, 220 [“The legislative purpose will not be sacrificed to a literal construction of any part of the statute[,]” citation omitted].)

Bailey’s view of the Charter does not distinguish his claimed authority to veto a Charter officer’s contract from a decision to hire or fire such an officer. Yet the Charter expressly limits hiring and firing to the Council. Given that plain limit, the power to veto contracts is unworkable because it amounts to a role in hiring and firing. A mayor opposed to the City Council’s selection could simply veto **any** contract offered a candidate he or she does not approve, thus requiring the supermajority discussed above, meaning his ability to veto employment contracts amounts to a veto over the selection of a Charter officer. “There is no greater power than the power of the purse.” (*Committee to Defend Reproductive Rights v. Myers* (1981) 29 Cal.3d 252, 284.) Here, the Mayor has a voice, not a vote, although that voice proved sufficient to send Russo to Irvine.

The other Charter provisions Bailey cites on pages 17 and 18 of his Opening Brief to support his reading of the Charter do not undermine those granting the City Council sole authority to manage Charter officers.

- **Section 200** (construing power of “The City” as opposed to its constituent officers) – This section has no effect on City Council management of Charter officers.
- **Section 201** – That all City offices, including that of the Mayor, “exist to conduct the people’s business” is a general, not specific, rule and consistent with either view of the veto power advocated here.
- **Section 400** (election, qualifications, and terms of Mayor and Councilmembers) – This section has no effect on City Council management of Charter officers.
- **Section 405** – Giving the Mayor “a voice” in the City Council’s debates pointedly does not give him a “vote” or “veto”; those are provided by other, more specific provisions. Moreover, Bailey has not been denied a “voice” here; his views of Russo’s contract amendment are well known and he encouraged his political supporters to urge the City Council to reject the amended Russo contract. (110 AR 2343.) His office may be primarily ceremonial, but it provides a bully pulpit. The City Manager, too, is entitled by

1 the Charter to a voice at City Council meetings (144 AR 3081 at § 602); but, like the
2 Mayor, he has neither vote nor veto by virtue of that language. The Mayor's limited
3 rights to vote on, and to veto, legislation are provided by more specific provisions which
4 demonstrate their intended reach.

- 5 • **Section 406** – A general clause giving the City Council “all powers” except as otherwise
6 provided supports the City's, not the Mayor's, view of his veto authority.
- 7 • **Section 410** (defining Council quorum without reference to the Mayor) – This section
8 has no effect on City Council management of Charter officers.
- 9 • **Section 413** – Entitled “Adoption of ordinances and resolutions,” this section generally
10 provides the Mayor's legislative veto; it must be harmonized with the other, more
11 specific provisions empowering the Council alone to govern Charter officers discussed
12 above.
- 13 • **Sections 600 and 700** – These are specific provisions relating to employment of Charter
14 officers, stating they serve at the pleasure of the City Council alone, and stating no role
15 for the Mayor in their selection, management, or supervision.
- 16 • **Section 601** – This is another specific provision giving the City Council alone the right to
17 select a City Manager by majority vote and stating no right of the Mayor to veto that
18 majority decision so as to compel a supermajority of five of seven Councilmembers.
- 19 • **Section 701** – This section reserves for the City Council alone the power to control City
20 employment.
- 21 • **Section 701** – This section reserves for the City Council alone the power to control City
22 employment.

23 *Jordan v. California Dept. of Motor Vehicles* (2002) 100 Cal.App.4th 431 (*Jordan*), which
24 Bailey cites to argue any payment to Russo is an improper gift of public funds because his contract is
25 void (Open. Br. at p. 29), adds nothing. Even putting aside Bailey's lack of standing and failure to
26 name Russo, his purported veto of Russo's contract amendment was not valid and there is no other
27 basis to void the contract *ab initio*. Moreover, *Jordan's* facts are meaningfully different. The
28 plaintiffs there successfully challenged the constitutionality of the State's smog impact fee, and the
Governor and Legislature set up a refund account and procedure to process refund claims. (*Jordan*,

1 *supra*, 100 Cal.App.4th at pp. 439–440.) Plaintiffs’ counsel sought fees of \$18 million under the
2 common fund doctrine, which the Court of Appeal held set a ceiling on the State’s potential
3 exposure. (*Id.* at pp. 439, 449–450.) Thus, an arbitrator’s later award of \$88 million to plaintiffs’
4 counsel was a gift of public funds because it exceeded the statutory authority of \$18 million. (*Id.* at
5 pp. 438, 450–451.) No statutory limitation or arbitrator’s award is in issue; Bailey identifies no
6 limitation on the amount the City Council could choose to pay Russo or the types of compensation it
7 might establish for his services — none exists. While a court could intervene if the consideration for
8 a contract were so trivial or outrageous as to be a fraud, the weighing of that consideration is for the
9 legislative body absent a very apparent abuse of discretion. It is for that reason that courts weigh
10 policy-laden choices within a wide range of discretion. (E.g., *Scott v. Common Council* (1996) 44
11 Cal.App.4th 684, 693–694 [deferential review of budget decisions absent very clear rule to be
12 enforced].)

13 14 **3. Charter history and secondary sources support the City’s 15 interpretation, too**

16 The City should prevail on the merits here, if they are reached, on the plain meaning of the
17 Charter. Were more needed, however, the history of the relevant Charter provisions and secondary
18 sources also support exclusive City Council control over employment decisions affecting Charter
19 officers. The City recites the history of the Charter veto provision and City leaders’ understanding of
20 them in the Statement of Facts above. It is authority the Court might consider in interpreting the
21 Charter if it concludes there is ambiguity. (*Don’t Cell Our Parks v. City of San Diego* (2018) 21
22 Cal.App.5th 338, 349–350 [interpreting San Diego charter, citing *Yamaha Corp.*, *supra*, 19 Cal.4th
1].)

23 Bailey cites no previous attempt by any Riverside Mayor to veto the selection of Charter
24 officers or their employment terms. His outside counsel’s advice letter listing all previous vetoes
25 (145 AR 3114) includes no such use of the veto power. Until the February 2018 purported veto
26 contested here, the consistent, unchallenged belief of all who have ever served the City was that the
27 Mayor’s veto did not extend to Charter officer employment matters.
28

1 Cities that have expanded the powers of their mayors to participate in the selection of Charter
2 officers have done so expressly — with voter approval. San Bernardino’s charter expressly allows its
3 mayor to veto any action approved by fewer than five city councilmembers and to participate in
4 votes to appoint or remove the City Manager, City Attorney, and City Clerk. (RJN, Exh. G at § 303.)
5 San Diego approved a “strong-mayor” charter amendment in 2004, eliminating the City Manager
6 position and providing for a “chief operating officer” hired and fired by the mayor. (RJN, Exh. H.)
7 Indeed, voters often reject such proposals; voters in Sacramento and Miami recently rejected strong-
8 mayor charter amendments that would have authorized their mayors to hire and fire Charter officers.
9 (RJN, Exhs. I, J, K, L.)

10
11 **4. No “formal, written” resolution was required to amend Russo’s**
12 **contract, nor could the Mayor veto such a resolution, besides**

13 It matters not whether the City Council sought to deprive Bailey of a veto by not
14 accomplishing Russo’s contract extension by resolution; Bailey has no authority to veto any
15 employment action as to a Charter officer no matter the form, as discussed *supra*. Bailey cites no
16 section of the Charter or Municipal Code requiring the City Council enact a “formal resolution” to
17 approve Charter officer contracts, besides, and nothing to prohibit the City Council from approving
18 contracts by minute action (i.e., an action other than approval of an ordinance or resolution and
19 shown on the Council’s minutes). The City’s discretion to set employment terms is broad (*Los*
20 *Angeles G. & E. Corp. v. Los Angeles* (1922) 188 Cal. 307, 317) and Charter section 701, which
21 directs the City Council to manage City employment, does not limit how it may do so
22 (144 AR 3081–3082 at § 701). The City’s practice has been inconsistent, at best; some Charter
23 officer contracts and amendments were accompanied by resolutions, others not. Bailey signed the
24 City Attorney’s contract extension and amendment just months before Russo’s (99 AR 2055,
25 101 AR 2077); that extension was not accompanied by resolution, formal or otherwise, and Bailey
26 made no complaint of that fact.

27 Other Charter sections, too, give the City Council broad authority in determining how to
28 manage Charter officer employment. Section 200 provides “The City shall ... have the power to
exercise, or act pursuant to any and all rights, powers, privileges or **procedures**, heretofore or

1 hereafter established, granted or prescribed by any law of the State, by this Charter, or by other
2 lawful authority, or **which a municipal corporation might or could exercise**, or act pursuant to,
3 under the Constitution of the State of California.” (144 AR 3073 at § 200, emphases added.) Section
4 412 allows the City Council to “establish, and uniformly apply rules for the conduct of its
5 proceedings[.]” (144 AR 3077 at § 412.) Section 419 governs contracting procedures, stating: “The
6 City shall not be bound by any contract except as hereinafter provided unless the same shall be made
7 in writing, approved by the City Council and signed on behalf of the City by the Mayor and City
8 Clerk or by such other officer or officers as shall be designated by the City Council. ... **The**
9 **provisions of this section shall not apply to services rendered by any person in the employ of**
10 **the City at a regular salary.**” (144 AR 3079–3080 at § 419, emphasis added.) Thus, the Charter
11 provides the Council discretion whether to approve contracts by resolution, ordinance (as is
12 sometimes true of franchises), or minute action. There is no dispute that a majority of the City
13 Council voted to approve Russo’s amended contract, that was stated in writing, and signed by those
14 authorized to do so.

15 Bailey’s Opening Brief quotes provisions of the Municipal Code at page 18, but none
16 requires Council resolutions to approve employment contracts of the City Manager or other Charter
17 officers who, unlike all other City employees, serve “at the pleasure of the City Council.” The City
18 Charter, not a City Council resolution, identifies the powers and duties of the City Manager
19 (144 AR 3080–3081 at §§ 600, 601, 602), City Attorney (144 AR 3082 at § 702), and City Clerk
20 (144 AR 3082–3083 at § 703). These provisions suggest Charter section 701 — in an article
21 governing “Officers and Employees Generally” — does not apply to the City Manager or other
22 employees governed by the Charter. Moreover, the City Council may not alter the Charter’s
23 requirements for Charter employees by resolution or ordinance (*Marculescu v. City Planning*
24 *Commission of City and County of San Francisco* (1935) 7 Cal.App.2d 371, 373), suggesting no
25 resolution is required to authorize their compensation.

26 If a written resolution **were** required to approve Russo’s contract, the signed contract,
27 executed by the Mayor Pro Tem and other City officials, and the City Council minutes reflecting that
28 agreement are sufficient “resolutions.” The City Charter and Municipal Code do not define

1 “resolution” or prescribe a form other than saying it must be signed by the mayor and attested by the
2 City Clerk. (144 AR 3078 at § 413.) The Charter also states the City is bound by written contracts
3 approved by the City Council and signed by the mayor or another designee of the City Council and
4 attested by the City Clerk. (144 AR 3079–3080 at § 419.) The Mayor Pro Tem, City Attorney, and
5 City Clerk all signed the amended Russo contract (112 AR 2501) and the City immediately began
6 performing it. The City Council approved the minutes of the meeting at which it approved the
7 amended Russo contract. (118 AR 2535.) A resolution is something less formal than an ordinance
8 (*Central Mfg. Dist., Inc. v. Board of Sup’rs of Los Angeles County* (1960) 176 Cal.App.2d 850, 860)
9 and thus the executed contract and approved minutes are a sufficient resolution to enact a contract
10 were a “resolution” required.

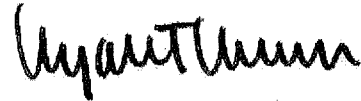
11 12 **V. CONCLUSION**

13 The Court might avoid the merits of this obviously political dispute for any of several
14 reasons: Petitioners lack standing, they failed to name Russo but seek an order that the City collect
15 from him, their action is precluded by *Clymer*, and this dispute is moot to the extent *Clymer* does not
16 preclude it. If the Court reaches the merits, the parties agree that Bailey’s attempt to veto Russo’s
17 contract amendment is the first attempt by a Riverside Mayor to veto an employment decision as to
18 Charter officers.

19 The Charter reserves all City powers to the City Council unless otherwise stated and provides
20 that the City Council controls selection and employment of Charter officers. Bailey’s attempt to veto
21 Russo’s contract amendment amounts to a veto of the City Council’s decision to continue Russo’s
22 service as City Manager and thus conflicts with the plain language of the Charter granting that
23 decision to the Council alone. Thus, on the merits or for any of many procedural reasons, the Court
24 should deny Bailey — and Clymer — any relief and grant judgment to the City in both actions.

1 DATED: October 4, 2019

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PROOF OF SERVICE
William R. ("Rusty") Bailey III v. City of Riverside
Case No. Case # RIC 1804755
11082-0010

I, Lourdes Hernandez, 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 October 4, 2019, I served the document(s) described as **RESPONDENT AND DEFENDANT CITY OF RIVERSIDE'S OPPOSITION BRIEF ON MAYORAL VETO ISSUES** on the interested parties in this action as follows:

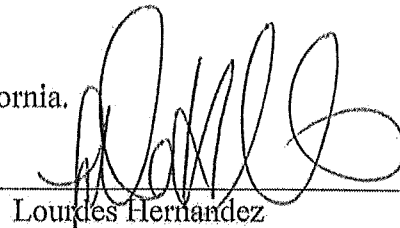
By placing a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

☒ **BY E-MAIL OR ELECTRONIC TRANSMISSION:** Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the documents to be sent to the persons at the e-mail addresses listed above. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on October 4, 2019, at Pasadena, California.



Lourdes Hernandez

SERVICE LIST

William R. ("Rusty") Bailey III v. City of Riverside
Riverside Superior Court Case No.: RIC1804755
11082-0010

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