



http://www.change.org/p/walnut-attorney-michael-montgomery-puts-the-city-at-risk-terminate-contract?recruiter=165951679&utm_campaign=mailto_link&utm_medium=email&utm_source=share_petition

[Petitioning Walnut City Council](#)

City Council: Terminate the contract for Walnut Attorney, Michael Montgomery

Petition by [Concerned Resident](#) Walnut, CA

(See how council members are voting at the end of this document.)

Terminate the Contract for Walnut City Attorney, Michael Montgomery

The City of Walnut pays **\$9,450 per month** retainer + **\$150 per hour** for litigation for Montgomery, an independent contract attorney with his own law firm in San Marino, CA. Montgomery was forced to **RESIGN** from the infamous city of **VERNON** for his actions. Walnut has paid well over a **QUARTER MILLION DOLLARS** to Montgomery for part time work in the last two years in addition to the **\$95,000** dollars he billed as a bond, an amount never approved by the city council, that the city council didn't even see until it was too late. For this price, we get the following:

1. **Bad legal advice.** Montgomery failed to properly advise the City on the Three Oaks land sale. Walnut had to hire outside counsel to clean up his mess. On October 1, 2014, developer Standard Pacific sued Walnut and Council Members demanding the return of property given to Walnut in a previous settlement. (**Potential loss to Walnut: \$15 million, plus legal fees**)
2. **More bad legal advice.** In April 2014, Montgomery failed to calculate the interest on a demand for payoff on tax & judgment liens in the McDonald property sale, which was a **loss of about \$30,000 to the City**.
3. **Self-serving, incorrect legal advice.** Montgomery advised the City Council that they can't send a proposal to request another attorney to replace him as Walnut's attorney.
4. **More self-serving, incorrect legal advice.** Montgomery advised the council that they may not go forward with the scheduled closed session performance evaluation of him.
5. **Disclosure of confidential information.** Details from a confidential memo about Montgomery from the City's labor attorney showed up on an 8/20/14 official letter from Montgomery, written on City letterhead labeled, "Not Confidential-Public Document" quoting the confidential memo. (Items 3 & 4 above come from that memo.)

6. More bad legal advice and needed outside counsel. The City had to hire outside counsel to train them on the Religious Land Use and Institutionalized Persons Act (RLUIPA) as agreed upon in a settlement with the Department of Justice (DOJ) and then again in a later settlement with the Zen Center, because Montgomery failed to properly advise the Planning Commission on RLUIPA. In fact, Montgomery advised the Planning Commission just the opposite of the law, advising them that they could NOT consider religion and no speaker from the audience could bring up religion. He proceeded to advise the City Council they had nothing to worry about since the Zen Center did not appeal to the City Council. The error was so egregious that the City had to issue a public apology in addition to financial compensation. **(Cost to Walnut: \$1 million.)**

7. More bad legal advice. Montgomery refused to let audience members speak on the cell phone tower issue at the 5-2-12 Planning Commission meeting.

8. More bad legal advice. In 2011, Montgomery wrongfully advised City staff and Council on the Lighting and Open Space Maintenance District (LOSMD). He said the City could only loan money to the LOSMD zones, not subsidize them. As a result of this legal advice, Walnut staff was asking for full support from Council to go out for an LOSMD tax increase from voters. This bad advice didn't cost the taxpayers because a council member researched and found the statutes showing the City could in fact subsidize the zones, and the budget for 2014-2015 reflects this.

9. More outside counsel needed. Walnut hired independent counsel to advise the city on the cell phone tower laws and to do training sessions for the Council and Planning Commission, when the City staff was afraid of getting sued.

10. No-contract payments to himself. In April 2012, Montgomery told the newly formed Oversight Board of the Successor Agency to the Walnut Improvement Agency that he was representing the Oversight Board, Successor Agency and City of Walnut, even though it was never put on the agenda and voted on. (This is similar to what he had done 6 months earlier in Vernon and was forced to resign for doing.) He then recommended they issue new bonds and he took 0.5% of the issuance, which was **\$95,558.36** via wire transfer through escrow without the City Council ever seeing this bill. There is NO written contract authorizing this 0.5% by the City Council, Successor Agency or Oversight Board. Furthermore, the City had a separate Bond/Disclosure Council handling this matter for them who were paid \$123,268, so it's not clear what Montgomery did. **(Cost to taxpayers: nearly \$100,000)**

11. More No-contract payments to himself. In March 2014, Montgomery started billing the City \$833 a month retro for Jan. 2014 for a retainer for the Oversight Board on top of the \$150 an hour. Montgomery has NO retainer agreement with either the Oversight Board or the Successor Agency. **(Cost to taxpayers: over \$3,000)**

12. Unfounded complaints and misrepresentations of the law. Montgomery accused the city of alleged age discrimination. Walnut hired outside counsel to give them correct legal advice regarding independent contractors. Independent contractors don't have a claim for age discrimination. **(Cost to taxpayers: over \$5,000)**

13. **Montgomery's Suspended Corporation.** In 2000, Michael B. Montgomery, A Law Corporation, was suspended by the Franchise Tax Board and Secretary of State for failure to pay its taxes and is still suspended to date. Hence, it can't transact business.

14. **No protection from Montgomery's malpractice.** Montgomery has not had malpractice insurance to protect the City since approximately 2006, exposing the city to substantial risk and leaving the City with no recourse for past actions.

Michael Montgomery has a track record of bad advice and bad decisions coupled with a failure to protect our city and promote interests other than his own. We demand that the city council seek a new City Attorney to represent the City to the highest professional standard.

On September 10, 2014 Council member Bob Pacheco made a motion to reaffirm Montgomery's contract. The council was split 2-2. Pacheco and Tony Cartagena voted in favor of reaffirming the contract. Eric Ching and Nancy Tragarz opposed. (Mary Su absent).

The same night, Eric Ching requested that the Council put a bid request out for a new City Attorney, in which Montgomery could apply. Council was split 2-2. (Ching, Tragarz voted in favor of putting out a request for a new attorney, and Pacheco, Cartagena opposed. (Su absent).

Contact your city council members and let them know that Walnut deserves better than an Attorney who was forced to resign from Vernon for underhanded dealings.

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To: Walnut City Council

Terminate the contract for the Walnut City Attorney, Michael Montgomery

Sincerely,

[Your name]

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News

1. [Come to Wednesday's City Council meeting 7 pm for Montgomery Vote!](#)

by [Concerned Resident](#)

Petition Organizer

If you are able, please come to this Wednesday's city council meeting at 7 pm! The council will be taking public comments regarding Montgomery. Let them know how you feel, or be present and let them know you're taking notice of their vote.

Please know that Montgomery could not have gotten away with his \$100,000 bond deal or any extra billing without the signature of the city manager, Robert Wishner. Wishner's contract is up for review.

2. Reached 50 signatures