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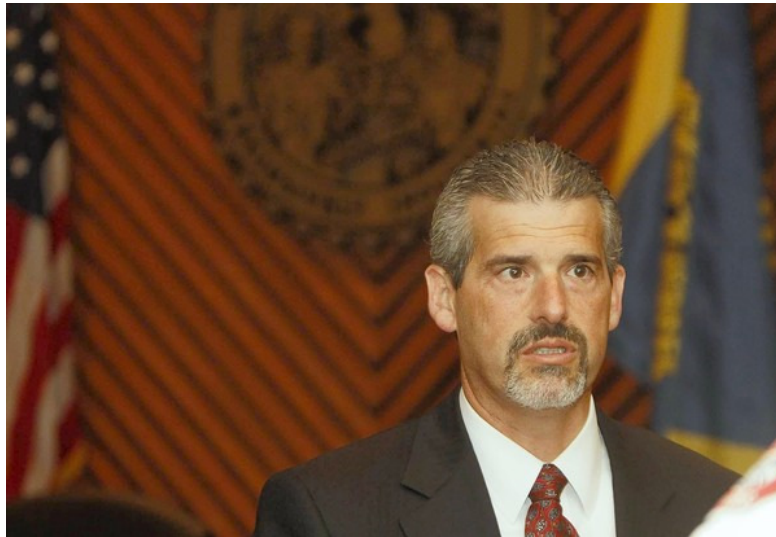
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Vernon and its city attorney sever ties amid scrutiny into lavish salaries, benefits

Laurence S. Wiener, who had been conducting an internal probe, was lauded two months ago for his firm's efforts at increasing transparency in city government. The city is the focus of state and county probes.



Laurence S. Wiener said he expects to complete his review before month's end. (Irfan Khan, Los Angeles Times / October 12, 2010)

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By Kim Christensen, Sam Allen and Hector Becerra, Los Angeles Times
October 12, 2010

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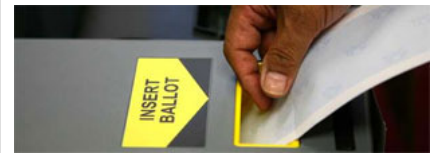
★★★★★

The city of Vernon, facing scrutiny by the state attorney general and L.A. County prosecutors, is parting ways with its city attorney, who has been conducting an internal probe of one of its top officials' financial dealings.

Neither City Atty. Laurence S. Wiener nor City Administrator Mark C. Whitworth would give the reasons for the abrupt change, which takes effect Nov. 1 and comes amid revelations in The Times of lavish salaries, benefits and expenses enjoyed by top Vernon officials.

Two months ago, Vernon officials praised the work of Wiener's firm in the city's efforts for greater transparency.

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That endorsement followed reports in The Times that some Vernon officials were paid more than \$1 million a year, and that administrator Donal O'Callaghan had received consulting fees through his wife's company.

O'Callaghan was placed on paid leave in late August after The Times inquired about \$243,898 he received in consulting payments from the city through the first half of this year, in

addition to his regular annual salary of more than \$380,000. Billed at \$300 for each "extra" hour he worked, the \$243,898 was paid through Tara Energy Inc., a company headed by Kimberly McBride O'Callaghan, records show.

At the time, Vernon officials could not explain that arrangement and said they had tasked Wiener to conduct a "comprehensive review" of the city's financial dealings with the couple. O'Callaghan was city administrator and director of light and power until July 21, when he stepped down to become head of capital projects for Vernon's municipal power plant.

The district attorney's office said last month that it would look into the contract to see if it represented a conflict of interest. The state attorney general has launched a broader investigation of Vernon city government, serving a subpoena for a wide variety of records.

Despite leaving Vernon, Wiener said he expects to complete his review before the end of the month, when Vernon City Clerk Willard Yamaguchi will become interim city attorney while officials seek a replacement. Wiener's firm, Richards, Watson & Gershon, represents more than two dozen other Southern California cities and public agencies. Wiener also is Beverly Hills' city attorney.

In an open letter to Vernon businesses on Aug. 24, Whitworth lauded Richards, Watson & Gershon as "one of the state's pre-eminent public agency law firms," citing it as part of the city's efforts at "moving forward and eliminating some practices of the past."

What changed between then and now is unclear, and neither side would say.

Wiener referred questions about the shakeup to Vernon officials.

Whitworth also declined to discuss Wiener's departure, but described it as "a mutual decision." He issued a statement expressing appreciation to Wiener and the firm, which "oversaw the implementation of numerous important changes to City governance."

One of the most significant changes during Wiener's stint was the elimination of a two-tiered salary structure that had allowed O'Callaghan and other top officials to bill for extra hours worked — an arrangement equivalent to overtime that is unusual for salaried workers and all but unheard of in the public sector.

The announcement of Wiener's review came in the wake of a Times report that Eric T. Fresch, a former Vernon city attorney and city administrator who now serves as a \$525-an-hour legal consultant, had made more than \$1 million for each of the last four years, including \$1.65 million in 2008.

O'Callaghan was among other Vernon managers who earned \$500,000 to \$1 million a year during the same period. His attorney, Mark Werksman, said Monday that O'Callaghan remains on paid leave and expects to be vindicated.

"We feel strongly that he's done nothing wrong — he shouldn't be scapegoated," Werksman said. "We're anxious to see him return to his position so that he can continue to do good work on behalf of the city of Vernon."

Disclosure of Vernon's outsized paychecks followed the news earlier this summer of huge salaries paid to top administrators and others in neighboring Bell. Former City Administrator Robert Rizzo is among eight current and former Bell officials facing criminal charges.

In sharp contrast to Bell, there has been no public outcry in Vernon, which has fewer than 100 residents, many of them city employees living in city-owned housing. The city is home to about 1,800

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
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sholmes at 12:39 AM October 12, 2010

Nope, it is father and son and daughters. If we have baby alligators, the mother of all alligators must be around. Research on the City of LA and the LA Department of water and power, for mother goose or the mother of all mothers.

Universal law of proportion. The bigger the entity the bigger and larger the fraud. The smaller the entity, the smaller the fraud.

ZimBobWeigh at 10:45 PM October 11, 2010

With all the people feeding at the taxpayer "Trough of Plenty", it's a wonder anything good ever gets done by government.

Red Dragon Hawk at 10:17 PM October 11, 2010

"In sharp contrast to Bell, there has been no public outcry in Vernon, which has fewer than 100 residents, many of them city employees living in city-owned housing. The city is home to about 1,800 businesses that employ about 55,000 people."

this situation is only possible by the unconstitutional local income taxes raised.....its in ohio too!

dont get me wrong i believe in income based local state and federal taxes....its the administrative aspect i find unconstitutional i used to work in construction and i worked on high value homes in affluent neighborhoods and i was taxed by the local cities instead of where i voted and lived

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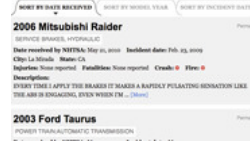
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