



3

1 MARC A. LEVINSON (STATE BAR NO. 57613)
malevinson@orrick.com
2 NORMAN C. HILE (STATE BAR NO. 57299)
nhile@orrick.com
3 JOHN W. KILLEEN (STATE BAR NO. 258395)
jkilleen@orrick.com
4 ORRICK, HERRINGTON & SUTCLIFFE LLP
400 Capitol Mall, Suite 3000
5 Sacramento, California 95814-4497
Telephone: (916) 447-9200
6 Facsimile: (916) 329-4900

7 Attorneys for Debtor
City of Stockton
8

9 UNITED STATES BANKRUPTCY COURT
10 EASTERN DISTRICT OF CALIFORNIA
11 SACRAMENTO DIVISION
12

13 In re:
14 CITY OF STOCKTON, CALIFORNIA,
15 Debtor.

Case No. 2012-32118
D.C. No. OHS-4
Chapter 9

**CITY OF STOCKTON'S SUBMISSION
OF EVIDENCE RELATING TO
NEUTRAL EVALUATION PROCESS
UNDER CALIFORNIA
GOVERNMENT CODE § 53760.3(Q)**

16
17
18
19
20
21
22
23
24
25
26
27
28

1 In support of its Statement of Qualifications, Dkt. Nos. 5 and 19, and pursuant to this
 2 Court's opinion (the "Opinion"), Dkt. No. 426, and order (the "Order"), Dkt. No. 429,
 3 contemporaneously herewith the City of Stockton (the "City") is submitting evidence relating to
 4 the neutral evaluation process it completed on June 25, 2012.

5 **Background**

6 On June 29, 2012, the City filed its Emergency Motion For Leave To Introduce Evidence
 7 Relating To Neutral Evaluation Process Under Government Code Section 53760.3(q). Dkt. No.
 8 16. In such emergency motion, the City requested permission to release virtually all information
 9 and data relating to the 90-day mediation process in which it and its key creditors had engaged
 10 prior to the filing of this chapter 9 case on June 28, 2012. On July 13, 2012, the Court issued the
 11 Opinion in which it described what specific evidence it would permit the City to submit and what
 12 evidence the City was not permitted to submit -- at least at this time. Topics on which the City
 13 could reveal mediation evidence were: (1) the number and length of meetings between the City
 14 and its various creditors; (2) the identity of the participants at such meetings; (3) the types of
 15 issues discussed; and (4) the status of negotiations between the City and each interested party as
 16 of the petition date. Opinion at 16-17 and 22-23. The Court also allowed the City to disclose its
 17 790-page "Ask" presented during the neutral evaluation process. Opinion at 23; Order.

18 The Court forbade the City, as well as all other parties, from disclosing, "without prior
 19 permission of this court, any statements made, information disclosed, or documents produced
 20 during the neutral evaluation process [other than the "Ask"]."¹ Order.

21 In compliance with the Opinion and the Order, and in support of its Statement of
 22 Qualifications, the City is submitting concurrently the following four declarations which contain
 23 information and exhibits relating to the neutral evaluation process:

24 ***Supplemental Declaration Of Ann Goodrich.*** The Supplemental Goodrich Declaration
 25 describes, and has attached a chart reflecting, the number and length of meetings between the City
 26 and its various creditors, the identity of the participants at such meetings, and the types of issues
 27 discussed in those meetings (the "Mediation Sessions Summary"). Also attached to the

28 ¹ The City has such information and, should the Court deem it appropriate at a later time, is prepared to submit it.

