The Honorable Marsha J. Pechman 1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT WESTERN DISTRICT OF WASHINGTON 9 10 CITY OF SEATTLE, a first-class charter city, 11 Plaintiff, No. C07-1620MJP 12 REPLY IN SUPPORT OF MOTION v. TO EXCLUDE THE TESTIMONY 13 THE PROFESSIONAL BASKETBALL CLUB,) **OF TIM CEIS** LLC, an Oklahoma limited liability company, 14 NOTE ON MOTION CALENDAR FOR Defendant. IMMEDIATE CONSIDERATION 15 16 The City's opposition misses the point. A drive-by denial from Ceis—"our lawyers 17 never told me about the PowerPoint presentation they helped prepare (and which mentions 18 me)"<sup>1</sup>—proves nothing. For example, if Ceis was unaware but the Mayor or the City Attorney's 19 office knew about it, Ceis adds nothing to the search for the truth. And there is good reason to 20 believe they knew. The PowerPoint shows that the Mayor had been dealing with the Ballmer 21 group since at least early October. Ex 567 at 0222 ("with the offer the Mayor made to us").<sup>2</sup> 22 23 24 25 <sup>1</sup> Ex. 567 at 0213. <sup>2</sup> The PowerPoint was finalized on October 7, 2007. The Mayor's testimony that he did not 26 know the group even existed until late November or early December (Tr. 56:7-15, 93:11-14) was mistaken. BYRNES & KELLER LLP REPLY IN SUPPORT OF MOTION TO EXCLUDE THE 38TH FLOOR TESTIMONY OF TIM CEIS (C07-1620MJP) - 1 1000 SECOND AVENUE

SEATTLE, WASHINGTON 98104 (206) 622-2000 And K&L Gates supposedly disclosed its dealings with the Ballmer group to the City Attorney's office as part of the process of obtaining a conflict waiver.<sup>3</sup>

Unfortunately, the details of what the Mayor, the City Attorney, and others knew remain tucked away behind privilege. For example, the defense does not have access to the internal K&L Gates materials regarding the PowerPoint and its preparation. Fleeting glimpses from third-party documents show that K&L Gates played a central role. <u>E.g.</u>, Exs. 567, 620. Internal K&L Gates emails would likely show who saw the PowerPoint and when. Likewise, there is presumably considerable communication between K&L Gates and its client, the City. Those communications might also show who saw the PowerPoint and when. It is telling that the City is apparently unwilling to produce this material. It is not unfair to conclude that the material establishes the City's knowledge about the PowerPoint. If Ceis is allowed to testify, this material should be produced.

In short, the City hopes to present a fleeting denial through Ceis which cannot be tested by the normal tools available in the search for the truth. But courts do not allow a party to use privilege as a sword and a shield.

The City also says that in the middle of Ceis' deposition, it made some undefined waiver of the privilege. No such waiver was announced to the PBC.<sup>4</sup> Had a waiver been made and announced—an extraordinary move in litigation—the PBC would have immediately sought all related documents. Indeed, we would not be addressing this issue now, on the last day of trial, had the waiver been made and the documents produced.

There was extensive discussion—on the record—about the City's privilege assertion.<sup>5</sup>
The PBC asked for a delineation of the "attorney/client privilege relationship between K&L
Gates, the Griffin group, and the City of Seattle, so [the PBC could] know what position the city

<sup>&</sup>lt;sup>3</sup> Ex. 630. (Ex. 630 is K&L Gates' retention letter executed by the City. It will be offered on Thursday.)

<sup>&</sup>lt;sup>4</sup> <u>See</u> Declaration of Paul R. Taylor.

<sup>&</sup>lt;sup>5</sup> See Exhibit 1 to Taylor Declaration at pp. 23-25.

is asserting so [that the PBC] can seek appropriate relief." Despite this and repeated similar requests, no such explanation was ever given.

To this day, the City has never set forth its position as to who would answer which questions about discussions with Gorton, et al.

One thing is clear. In Ceis' deposition, he was instructed not to answer questions regarding his conversations with PowerPoint coauthor Walker from the date that Walker became a "consultant" to the City. That instruction was never withdrawn. Moreover, the questions Ceis answered regarding communications with Gorton related to the renovation of KeyArena, not the litigation.<sup>7</sup>

The City should not be permitted to ask Ceis questions about what the City's attorneys did or did not tell him. But if it is permitted, the City should be required to produce all related documents.

DATED this 25th day of June, 2008.

## BYRNES & KELLER LLP

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<sup>6</sup> <u>Id.</u> at p. 23.

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<sup>&</sup>lt;sup>7</sup> See, e.g., Narver Declaration at 6.

## **CERTIFICATE OF SERVICE** 1 2 I hereby certify that on the 25th day of June, 2008, I electronically filed the foregoing document with the Clerk of the Court using the CM/ECF system which will send notification of 3 such filing to the following: 4 Thomas A. Carr (thomas.carr@seattle.gov) Gregory C. Narver (gregory.narver@seattle.gov) 5 Seattle City Attorney 600 Fourth Avenue, 4th Floor 6 P.O. Box 94769 Seattle, WA 98124-4769 7 Slade Gorton (slade.gorton@klgates.com) 8 Paul J. Lawrence (paul.lawrence@klgates.com) Jeffrey C. Johnson (jeff.johnson@klgates.com) 9 Michelle Jensen (michelle.jensen@klgates.com) **K&L** Gates 10 925 4th Avenue, Suite 2900 Seattle, WA 98104 11 K. Michael Fandel (mfandel@grahamdunn.com) 12 Graham & Dunn PC Pier 70 13 2801 Alaskan Way ~ Suite 300 Seattle, WA 98121-1128 14 15 /s/ Paul R. Taylor 16 Paul R. Taylor, WSBA #14851 Byrnes & Keller LLP 17 1000 Second Avenue, 38th Floor Seattle, WA 98104 18 Telephone: (206) 622-2000 19 Facsimile: (206) 622-2522 ptaylor@byrneskeller.com 20 21 22 23

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