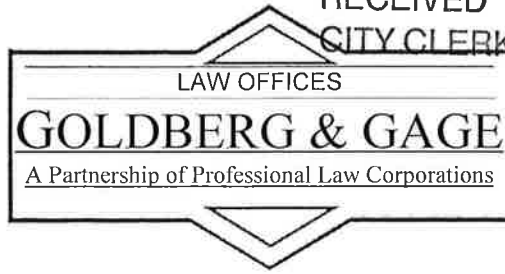


Terry M. Goldberg\*

Milad Sadr

\*A PROFESSIONAL LAW CORPORATION



RECEIVED 2-21-12 . 12 - 12  
CITY CLERK'S OFFICE Shirley C. Gage\*

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February 17, 2012

**VIA CERTIFIED MAIL - RETURN RECEIPT REQUESTED**

**7011 1570 0000 2658 7895**

City Clerk  
City of El Segundo  
360 Main St.  
El Segundo, CA 90245

Re: Governmental Claim of Douglas Willmore

Dear Madam or Sir:

Please consider this a notice of governmental claim, and to the extent any such claims are more than six months old, as an application for a late claim pursuant to California Government Code, Section 910.

**A. NAME OF THE CLAIMANT:** Douglas Willmore c/o Law Offices of Goldberg and Gage, 23002 Victory Blvd., Woodland Hills, CA 91367

**B. ADDRESS TO SEND ALL CLAIMS:**

Law Offices of Goldberg & Gage, 23002 Victory Blvd., Woodland Hills, CA 91367.

**C. THE DATE, PLACE AND OTHER CIRCUMSTANCES OF THE OCCURRENCE OR TRANSACTIONS WHICH GIVE RISE TO THE CLAIMS ASSERTED:**

In late 2011 and early 2012, City Manager Doug Willmore worked on negotiating increased tax revenues for the City of El Segundo, and its citizens from the Chevron refinery located in the City. The negotiations would result in an additional \$5 million per year for 15 years, or \$75,000,000.00 to the city.

Moreover, in January 2012, Willmore discovered an audit and related agreements showing that in 1994 El Segundo was owed up to \$9.5 million in delinquent UUT taxes by Chevron and the City settled for the amount of \$200,000 without following proper rules, laws or protocol. In the process, the City instructed the Auditor to not finish the audit, and had taken Chevron's word for the amount of their usage, despite Chevron freely acknowledging that they had not cooperated with the audit. The write off constitutes an unlawful settlement and illegal gift of public funds which is criminal.

Governmental Claim of Doug Whitmore

February 17, 2012

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In the same 1994 agreement, the City agreed with Chevron that Chevron's natural gas UUT would be capped at \$150,000 per year (plus an annual CPI adjustment), *in perpetuity*. This "sweetheart" agreement also violates the existing voter-approved UUT ordinance, along with other state statutes, and has cost the City millions of dollars over the last 18 years. Thus, the City had illegally attempted to work out a secret deal with Chevron in which Chevron's taxes would be capped at \$150,000 per year, in perpetuity, without notice to taxpayers, or any ratification of the sweetheart deal as required by law.

Willmore notified the City Attorney and the City Council on January 26, 2012 of his concerns that the agreements were not lawful, or at best, were grossly unfair to other taxpayers in the City. On the same date, January 26, 2012, he asked the City Attorney for a legal opinion of the agreements. The City Attorney, in derogation of his duties did not properly investigate the issues, raising the question of whether he has a financial interest in maintaining the illegal deals in violation of his fiduciary duties and also his ethical obligations

After making these efforts to force Chevron to pay proper (higher) taxes, Doug Willmore was notified by Mayor Eric Busch February 7, 2012, that the City intended to hold a special meeting at 5:00 pm on February 9, 2012 to discuss his termination. The notice was not legally sufficient and violates the plaintiff's rights to Due Process and is in violation of the rules set forth in *Skelly*.

On February 9, 2012, The City Council of the City of El Segundo wrongfully fired its City Manager, Doug Willmore, without cause. The termination was a breach of contract and violated the anti-retaliation and whistleblower laws.

The Council did not provide a reason for its termination of Willmore in breach of his employment contract, but it came suspiciously close in time to his whistleblower activities regarding improper payments of taxes by Chevron to the City of El Segundo.

Specifically, in late 2011 Mayor Eric Busch asked Willmore to examine the acreage tax Chevron paid on its refinery in El Segundo, which is the largest in the state. Willmore found that for decades Chevron had failed to pay anything close to a fair and equitable tax rate when compared to other businesses in El Segundo and when compared to other oil refineries in the state. The shortfall was in the hundreds of millions of dollars over a 20-year period, even though the El Segundo Chevron refinery is the largest (by volume) in the state. In the process, Willmore found that outside auditors, consultants, and experts working on Chevron related tax issues for the City in the past had been asked by the Council to abandon their work or falsify reports. The City violated statutes, laws and ordinances when it negotiated an under valued tax with Chevron.

Council member Carl Jacobson is one of the three council members who voted to fire Willmore in retaliation for his whistleblower activities, and was Mayor of the Council in 1994 when the City's independent auditor was told to stop work and the agreements with Chevron capping their UUT were entered into. Council member Don Brann also wrongfully terminated the plaintiff. Brann candidly advised the Los Angeles Times that "The Chevron issues..., 'may have been the final straw' for some (Council members.)" Council member Suzanne Fuentes also

wrongfully terminated the plaintiff

The City has requested a waiver of a number of claims, which plaintiff has not agreed to waive. For purposes of this governmental claim form, plaintiff asserts each of the potential legal theories which include, but are not limited to Aged Discrimination under the ADEA and the Older Workers Benefit Protection Act ("OWBPA"), Breach of Contract, wrongful termination, breach of implied covenant of good faith and fair dealing, promissory estoppel, breach of fiduciary duties, discrimination, harassment, retaliation, inducing breach of contract, tortious interference with prospective economic advantage, infliction of emotional distress, negligence, civil rights violations and all other applicable common law theories.

**D. GENERAL DESCRIPTION OF THE INJURY, DAMAGE OR LOSS INCURRED.**

General and special damages, the full specifics of which are not yet fully known, but may include without limitation: lost reputation; medical treatment; psychological treatment; psychiatric treatment; loss of earnings and future earnings; loss of promotions; and other disabilities, and losses; attorneys fees, and future attorneys fees, litigation costs and experts' charges all in a sum to be proven at time of trial and other damages. Plaintiff may also suffer job loss, lost opportunities, lost reputation from defamation, retaliation preventing him from other job opportunities.

**E. NAME OF PUBLIC EMPLOYEES CAUSING THE INJURY, DAMAGE OR LOSS TO PLAINTIFFS INCLUDE BUT ARE NOT LIMITED TO THE FOLLOWING:**

See above information. Discovery continues.

**F. THE AMOUNT OF CLAIMED DAMAGES EXCEED \$10,000, AND JURISDICTION WILL BE PROPER IN LOS ANGELES SUPERIOR COURT.**

If you contend this is not the proper location for a Governmental Claim, please advise of the proper address. Further, if defendants contend there are any required administrative remedies not pursued by plaintiff, please advise so that we can fulfill any internal administrative remedy requirements now. Thank you.

Very truly yours,  
Law Offices of Goldberg & Gage  
A Partnership of Professional Law Corporations

  
By Bradley C. Gage