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7 Attorneys for Party in Interest California Public Employees' Retirement System

8  
 9 UNITED STATES BANKRUPTCY COURT  
 10 EASTERN DISTRICT OF CALIFORNIA  
 11 SACRAMENTO DIVISION

12 In re  
 13 CITY OF STOCKTON, CALIFORNIA,  
 14  
 Debtor.

Case No. 2012-32118  
 DC No. SLF-1  
 Chapter 9

**DECLARATION OF PETER H. MIXON IN SUPPORT OF CALPERS' MOTION TO DISQUALIFY WINSTON & STRAWN LLP**

Date: July 2, 2013  
 Time: 9:30 a.m.  
 Place: United States Courthouse  
 Dept. C, Courtroom 35  
 501 I Street  
 Sacramento, CA 95814

21  
22 I, Peter Mixon, state and declare:

23 1. I am the General Counsel of the California Public Employees' Retirement System  
 24 ("CalPERS"), a party in interest in this proceeding. I am also an attorney admitted to practice law  
 25 before all courts of the State of California.

26 2. I make this declaration in support of CalPERS' Motion to Disqualify Winston & Strawn,  
 27 LLP. Except for those matters set forth on information and belief, I have personal knowledge of the  
 28 facts set forth herein, and if called as a witness I could testify competently to such facts.

1           3. In my capacity as General Counsel, I am the primary contact between CalPERS and the  
2 attorneys from K&L Gates, LLP (“K&L Gates”) who are general bankruptcy and litigation counsel to  
3 CalPERS in this case and all related proceedings. In that capacity, I have had communications with  
4 numerous K&L Gates attorneys during the course of this Chapter 9 proceeding, and another Chapter  
5 9 proceeding in which CalPERS is involved as a party in interest, being *In Re: City of San*  
6 *Bernardino, California*, United States Bankruptcy Court, Central District of California, Riverside  
7 Division, Case No. 6: 12-bk-28006-MJ. The San Bernardino case and the Stockton case are  
8 collectively referred to as the “Chapter 9 Cases”.

9           4. Since the Fall of 2012, and through at least January 2013, I have had a number of written  
10 communications with K&L Gates lawyers regarding the two Chapter 9 Cases in which attorney  
11 Felton Parrish was involved as a partner of K&L Gates. I exchanged email communications in which  
12 both Mr. Parrish and myself were senders or recipients, or copy recipients, along with other K&L  
13 Gates attorneys, on at least the following dates: November 18, 2012, November 27, 2012, December  
14 14, 2012, December 15, 2012, December 16, 2012, December 17, 2012, December 18, 2012 and  
15 January 10, 2013. On December 16, 2012, I engaged in direct written email communications on  
16 matters of substance in which Mr. Parrish wrote to me and I wrote to him. The content of these  
17 written communications is, of course, privileged, and no waiver is intended. The communications  
18 related to either the City of Stockton case, or the City of San Bernardino case.

19           5. I also participated in multiple conference calls with members of K&L Gates’ team for the  
20 Chapter 9 Cases, and I believe that Mr. Parrish was a participant on at least one and possibly more of  
21 those calls. I participated in one extensive conference call with K&L Gates lawyers including Mr.  
22 Parrish, on Saturday, December 15, 2012 regarding strategic issues relating to the briefing of certain  
23 matters in the San Bernardino case. No waiver of privilege is intended as to the content of these  
24 communications.

25           6. On April 23, 2013, Michael Gearin of K&L Gates provided me with a copy of a letter  
26 dated April 22, 2013, from attorney J. Thomas Cottingham of Winston & Strawn, LLP (“Winston”),  
27 which was addressed to me with the salutation “Dear Peter”. I don’t know Mr. Cottingham and am  
28 certainly not on a first name basis with him. The April 22 letter purported to relate to the

1 employment of Jo Ann Brighton and Felton Parrish and sought to have CalPERS confirm that it  
2 would not seek to disqualify Winston if the firm hired Ms. Brighton and Ms. Parrish. I authorized our  
3 attorneys at K&L Gates to respond that CalPERS would not object to Winston hiring Ms. Brighton,  
4 provided that certain conditions were met, as set forth in Mr. Gearin's declaration and his letter of  
5 April 24, 2013 to Mr. Cottingham. However, I declined to provide CalPERS' consent as to Mr.  
6 Parrish. CalPERS objects to Winston hiring one of its key lawyers who has performed hundreds of  
7 hours of services in connection with the Chapter 9 Cases.

8         7. On May 13, 2013, Mr. Gearin provided me a copy of another letter from Mr. Cottingham,  
9 in which Winston informed Mr. Gearin that it was also hiring Nathan Lebioda and William Petraglia,  
10 two associates from K&L Gates who also worked on behalf of CalPERS in connection with the  
11 Chapter 9 Cases. I am not aware of Winston ever asking CalPERS for its consent to Winston's hiring  
12 of two K&L Gates associates, Nathan Lebioda and William Petraglia. CalPERS objects to Winston's  
13 hiring of Mr. Parrish, Mr. Lebioda and Mr. Petraglia, and will not consent to the waiver of any duty  
14 of loyalty or confidentiality.

15         I declare under penalty of perjury under the laws of the state of California and the United  
16 States of America that the foregoing is true and correct.

17  
18  
19 Dated: May 14, 2013

By:           /s/ Peter H. Mixon            
Peter H. Mixon