

HENDRICKS & LEWIS

999 THIRD AVENUE, SUITE 2675
SEATTLE, WASHINGTON 98104

telephone (206) 624-1933
facsimile (206) 583-2716
www.hllaw.com

March 22, 2001

John Powers, Mayor
City of Spokane
808 West Spokane Falls Boulevard
Spokane, Washington 99201-3303

**CONFIDENTIAL
WORK PRODUCT/
ATTORNEY-CLIENT PRIVILEGE**

Laurel H. Siddoway, Esq.
Randall & Danskin, P.S.
1500 Seafirst Financial Center
West 601 Riverside
Spokane, Washington 99201

Re: *City of Spokane v. Walker Parking Consultants/Engineers, Inc., et al.*

Dear John and Laurie:

If, as the media have reported, Judge Murphy has reserved September of this year for the RPS trial, when do you expect the City's discovery against Robideaux and the Developers to provide the information that will enable the City to determine how much the mall and garage actually cost? When we last spoke about this issue, you were emphatic that you "of course" intended to obtain that information.

I raise this point, again, because I am increasingly concerned about the rapid passage of time, and the City's ostensible lack of progress in obtaining the discovery it needs to be successful in this readily winnable case, in which more than \$40 million of city funds are at issue. The remarkable reports from the ongoing investigations by Messrs. Connor, Shook, and Grant—who lack subpoena power—make it clear that there is substantial undiscovered material available that could be enormously valuable to the City for both settlement and litigation purposes. Conversely, if the IRS, SEC and DOJ ultimately obtain important information the City declined to seek for its own case, wouldn't that also be problematic? In summary, it seems to me that although the investigative reporters are doing an exemplary job of developing the equities behind the City's case and presenting them to the public—which might force the Cowles to the bargaining table—it is risky for the City to remain on the sidelines.

John Powers, Mayor
Laurel H. Siddoway, Esq.
March 22, 2001
Page 2

Please let me know if I can be of assistance.

Sincerely,

HENDRICKS & LEWIS



O. Yale Lewis, Jr.