

MEMORANDUM

June 7, 2006

TO: Lancaster County Convention Center Authority
David M. Hixson, Executive Director,
C. Ted Darcus, Chairman

CC: John Espenshade, Solicitor, Stevens & Lee
Willie Borden, Board Member
Joseph Morales, Board Member
David Schwanger, Board Member

FROM: Jack Craver, Board Member
Laura C. Douglas, Board Member
Deb Hall, Board Member

Re: Accounting Audit of Legal Services

Gentlemen:

As you know, the fees paid to the law firm of Stevens & Lee for services to the Authority have been a subject of substantial comment in the press and other public venues. This is understandable, given that more than six million dollars has been paid to a single law firm without competitive bidding and with only single sentence bills provided for public review. Public concerns are heightened by the fact the most of the Authority's work is performed by outside professionals and consultants, while the Authority has only a very limited full-time staff to monitor costs and performance, and neither board members nor staff has significant experience in a project of this type and magnitude.

We understand there might be reluctance to have copies of attorneys' itemized time records leaving the Stevens & Lee offices, given that some of the time entries will relate to attorney-client privileged matters and other entries could be misconstrued if taken out of context.

We have a proposal that we believe will do much to calm public concerns, fulfill our joint fiduciary duties concerning large sums of taxpayer money, and improve legal services and efficiency for the Authority.

Therefore, we respectfully request that the law firm of Stevens & Lee make available for review in its Lancaster office all time records pertaining to work the firm has performed on behalf of the Lancaster County Convention Center Authority from the inception of the business relationship, September 21, 1999, to the present. In accordance with the terms of the contract between the Authority and Stevens & Lee, and normal practices of a major law firm such as Stevens & Lee when billing on an hourly basis, these time records should identify Stevens & Lee personnel performing the work, the date the work took

place, the rates of pay of the individuals doing the work, and provide a short description of the nature of the work.

In conjunction, we then respectfully request the Authority engage a reputable firm specializing in reviewing legal bills and improving efficiency of delivery of legal services, such as Accountability Services of New York or Stuart, Maue, Mitchell & James, Ltd. The reviewing firm would enter into a confidentiality agreement protecting all information reviewed.

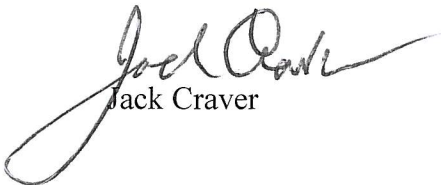
This type of review of legal bills is performed by many companies with significant legal bills and can result in greater efficiency, lower bills, better service, and improved relationships with the lawyers.

The purpose of the review would be to provide a written report to the public, which would not disclose any protected legal matters, but would provide assurance to the public that:

- (1) The legal bills had been reviewed and been found to substantially comply with the contract for services in terms of correct application of hourly rates and total fees as generated by the hours billed times the applicable rate;
- (2) Legal services are being provided to the Authority in a reasonably efficient and cost-effective manner for a project of this type; and
- (3) Recommendations will be made as to best practices and policies to insure good communication between the Authority and its lawyers so that necessary legal services are provided in a high quality and efficient manner.

Given the intense public interest in this matter and our fiduciary duties, we request that the board make a decision at the meeting on June 8, 2006 regarding written consent to our request, and the documents be made available to the designated reviewing firm in Stevens & Lee's offices no later than June 30, 2006.

Sincerely,


Jack Craver


Laura Douglas


Deb Hall