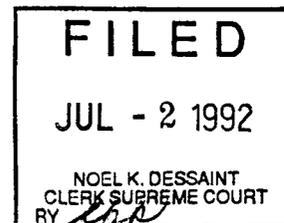


SUPREME COURT OF ARIZONA
PUBLIC FUNDS RISK MANAGEMENT ADR PROJECT
ADMINISTRATIVE ORDER NO. 92- 19



A. PREAMBLE

Pursuant to the recommendations of the Alternative Dispute Resolution Advisory Committee of the Arizona Supreme Court, and it appearing that certain cases currently pending in the Superior Court of the State of Arizona involve potential expenditure of taxpayer monies, and it further appearing that intervention and settlement of those cases could result in significant savings of taxpayer monies in the form of attorney's fees and related litigation costs,

IT IS HEREBY ORDERED AS FOLLOWS:

That the Arizona Supreme Court establish a pilot project known as "The Public Funds Risk Management ADR Project." This project will involve the identification of one hundred cases that can potentially be settled as a result of intervention and the handling of the matter through settlement conferences.

That the Arizona Supreme Court, Administrative Office of the Courts, and the Honorable Lawrence Fleischman of the Superior Court in Pima County shall administer this pilot project. The administration of the project shall include the selection of cases for the project, assignment of settlement judges, and a report of the outcome of the project to the Arizona Judicial Council.

That, to be eligible for this project, a case must involve potential expenditures of taxpayer monies, either as a potential judgment against a taxpayer-supported entity and/or expenditure of taxpayer monies for litigation costs and attorney's fees.

That litigation in said case(s) may be stayed, together with discovery, as of the date of the entry of the minute order assigning the case to this project, except as necessary to advance the prospect of settlement.

That said cases be assigned to Superior Court judges for the purpose of holding of settlement conferences, together with such orders as may be deemed necessary for such conference.

Dated in the city of Phoenix, Arizona at the Arizona State Courts Building, this 2nd day of July 1992.

ARIZONA SUPREME COURT *A*

Stanley G. FeYdman
Chief Justice

PROPOSED SETTLEMENT MINUTE ENTRY FORM

SUPERIOR COURT OF ARIZONA

Pursuant to Administrative Order No. 92-_____ of the Arizona Supreme Court, and Rule 16, ARCP:

IT IS HEREBY ORDERED ASSIGNING (name of settlement judge) to act as settlement judge in this matter, and to be fully empowered to act in said capacity.

IT IS FURTHER ORDERED AS FOLLOWS:

1. (name of judge) will contact the parties directly to set the time and place of the settlement conference. The settlement conference will take place within (specified number) days from the date of this order, and will be scheduled prior to the assigned trial date of (specify date.)
2. The trial date set forth above is affirmed, but all other litigation and discovery, other than that necessary to effectuate settlement, is hereby stayed. This matter has been selected, pursuant to the above administrative order, as a case involving potential expenditure of taxpayer monies which is subject to the settlement conference procedure of said administrative order. Counsel may obtain a lifting of the stay for specific matters necessary to assist in settlement by application to the settlement judge assigned this case. Said stays may be lifted to litigate dispositive motions or for the taking of depositions and discovery necessary to effectuate settlement only.
3. The parties shall provide representatives with settlement authority to settle this matter, either in person or by telephone, pursuant to Rule 16. Failure to so provide a representative capable of effectuating settlement may result in sanctions against counsel and/or the party pursuant to Rule 16 (f).
4. The parties shall provide the settlement judge, no later than two days before the scheduled conference, with confidential settlement memoranda setting forth the following information:
 - a) brief factual statement of the case, including pertinent litigation history
 - b) analysis of the advantages and disadvantages of the case from counsel's viewpoint
 - c) history of prior settlement discussions, if any
 - d) indication of current amount of authority to settle
 - e) anticipated length of trial

These memoranda are not to be filed with the court or to be given to opposing counsel. They will either be destroyed or returned to counsel at the conclusion of the settlement conference.

5. Private counsel representing a taxpayer-supported entity shall provide to the settlement judge and the Arizona Supreme Court, Administrative Office of the Courts, at the time of filing the confidential memoranda, a separate statement indicating the amount of fees and costs thus far expended, together with an estimate of additional fees and costs which counsel reasonably believes will be expended if the matter does not settle.

DATE

HON. _____

PRESIDING JUDGE

SUPERIOR COURT

Distribution:

Trial Judge
Settlement Judge
Counsel of Record
Arizona Supreme Court