

OFFICE OF  
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**CITY OF SAN DIEGO**

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November 6, 2007

**REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL ON AMENDMENT TO  
HAWKINS, DELAFIELD & WOOD LLP DISCLOSURE COUNSEL CONTRACT**

**REQUESTED ACTION**

Approve ordinance regarding amendments to the contract of Hawkins, Delafield & Wood LLP, to authorize amounts additional payable of \$500,000, over the amount of \$750,000 previously authorized thereunder.

**STAFF RECOMMENDATION**

Adopt the ordinance.

**SUMMARY**

In the Vinson & Elkin LLP Report entitled "The City of San Diego, California's Disclosures of Obligation to Fund the San Diego City Employees' Retirement System and Related Disclosure Practices 1996-2004 with Recommended Changes to the Municipal Code" dated September 16, 2004 [Report], it was recommended that the City retain a law firm to serve as the City's general disclosure counsel in order to provide for "continuity in the City's disclosure materials and a greater accountability on the part of disclosure counsel." In March 2004, the City retained the law firm of Hawkins, Delafield & Wood LLP [Hawkins] to serve as the City's general disclosure counsel. In that capacity, Hawkins has provided expert securities law advice to City staff regarding the requirements of securities laws for private placements and public offerings, continuing disclosure agreements and other disclosure matters. In addition, Hawkins has facilitated the training of City officials and staff with regard to the requirements of the federal securities laws. Finally, Hawkins also participates as a member of the Disclosure Practice Working Group under the requirements of Ordinance 19320 (adopted November 11, 2004).

**FISCAL CONSIDERATIONS**

The City shall compensate Hawkins Delafield & Wood LLP based on its hourly rates for the disclosure counsel services. This Third Amended and Restated agreement increases the ceiling for such compensation by \$500,000. Accordingly, the maximum amount to be paid under the contract is \$1,250,000, including reasonable out-of-pocket expenses. Authorize the Auditor and Comptroller to appropriate and transfer \$369,500 from the Unallocated Reserves (Fund 100) to Citywide Program Expenditures (Dept 601, Fund 100). Authorize the Auditor and Comptroller to expend \$369,500 from Citywide Program Expenditure (Dept 601), General Fund

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(100) and \$130,500 from various non-General Funds as detailed in attached line of accounting for the third amendment to the agreement with Hawkins Delafield & Wood LLP for General Disclosure Counsel Services.

**PREVIOUS COUNCIL AND/OR COMMITTEE ACTION**

The Council has previously approved the agreement, as amended, with Hawkins, Delafield & Wood LLP.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS**

N/A

**KEY STAKEHOLDERS AND PROJECTED IMPACTS**

Hawkins, Delafield & Wood LLP., All City departments.

Respectfully submitted,

MICHAEL J. AGUIRRE  
City Attorney

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