

(R-2006-205)
(REV.COPY)

RESOLUTION NUMBER R- 300933

ADOPTED ON OCT 11 2005

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN
DIEGO AUTHORIZING ADDITIONAL EXPENDITURES TO
PAY ATTORNEY FEES FOR THE REPRESENTATION OF
CITY EMPLOYEES RELATED TO THEIR PARTICIPATION
IN THE FINANCIAL DISCLOSURES INVESTIGATION

WHEREAS, in February of 2004, the Securities and Exchange Commission and the United States Attorney's Office informed the City of San Diego [City] that they were undertaking investigations into certain financial disclosure practices by the City; and

WHEREAS, the District Attorney's Office has initiated its own investigation into the propriety of acts relating to the granting of pension benefits; and

WHEREAS, the City is also conducting its own internal investigations, and through retained counsel, has interviewed current and former City employees, including Council staff members, as part of its internal investigations. Those interviews were then made available to the federal and state investigating agencies; and

WHEREAS, these investigations are ongoing, with each agency requesting and/or issuing subpoenas requiring City employees to appear for interview and/or testimony. In order to

facilitate the conduct of necessary interviews and testimony, and yet provide necessary advice to affected City employee witnesses, the City Council, acting pursuant to the discretion provided by Government Code section 995.8, has determined that it is in the best interests of the City to provide independent representation to employees and staff members; and

WHEREAS, the cost allotted for the representation thus far was apportioned among a number of represented individuals, and appropriated as a result of five requests:

\$250,000 (AC 2401177) on June 17, 2004; \$150,000 (AC 2500688) on January 25, 2005; \$75,000 (AC 2500664) on November 14, 2004; \$200,000 (AC2500802) on March 7, 2005, and \$350,000 (AC 2501122) on June 28, 2005.

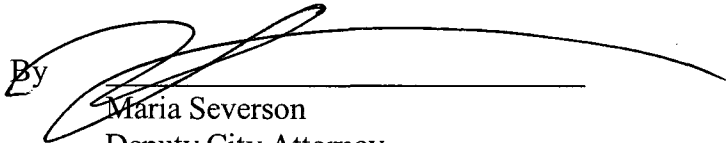
WHEREAS, over forty current and former City employees have requested and/or retained outside legal counsel and will submit or have submitted bills to be reviewed and processed by the City Attorney's Office. These totals do not include elected officials, the Mayor, Council, and some of their staff; NOW THEREFORE,

BE IT FURTHER RESOLVED, that the Council authorizes the expenditure of an initial amount not to exceed \$500,000, for the above-described purpose, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

BE IT FURTHER RESOLVED that the authorization for the above attorney's fees is to be suspended if criminal charges are brought against any past or present City employee, and that

the City shall reserve its right to terminate the payment of fees and seek reimbursement of fees paid in the event that criminal charges are brought against any past or present employee, or if a conviction is obtained.

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 

Maria Severson
Deputy City Attorney

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