

RESOLUTION NUMBER R-301858

DATE OF FINAL PASSAGE SEP 15 2006

A RESOLUTION ACCEPTING AND ADOPTING IN PRINCIPLE THE MAYOR'S PROPOSED RESPONSE TO THE REPORT OF THE CITY'S AUDIT COMMITTEE AND DIRECTING THAT INDIVIDUAL MEASURES BE RETURNED TO THE CITY COUNCIL FOR DEBATE AND CONSIDERATION

WHEREAS, on August 8, 2006, Kroll Inc. and law firm Willkie Farr & Gallagher LLP publicly issued the Report of the Audit Committee of the City of San Diego [the Audit Committee Report], the result of their investigation into the San Diego City Employees' Retirement System and the City of San Diego Sewer Rate Structure; and

WHEREAS, Appendix M of the Audit Committee Report details 54 categories of "Proposed Remediation Measures" for the City; and

WHEREAS, on August 24, 2006, Mayor Jerry Sanders issued a written response to the Audit Committee Report in which he recommended that the City Council adopt all of the remediation recommendations proposed in that report, which he characterized as including 121 separate recommendations; and

WHEREAS, the City Council responded to Mayor Sanders' proposal by noticing and holding a Special Meeting of the City Council on Wednesday, September 6, 2006, in which the only item before the Council was Item 601, the consideration of Mayor Sanders' proposal to adopt all of the remediation measures set forth in the Audit Committee Report; and

WHEREAS, Councilmember Kevin Faulconer proposed a motion at the Special Meeting on September 6, 2006 as follows: (1) to accept and adopt in principle the Mayor's responses to

the Remedial Recommendations of the City's Audit Committee, and (2) that any remedial recommendation that requires a change in appropriations, a change to the Municipal Code, a change to Council Policy or amendment of the City Charter be required to return to the City Council for public debate, further review, and discussion; and

WHEREAS, the Council clarified before the vote that the individual items were not yet being adopted, but that they would return to the City Council for a full public debate and consideration; and

WHEREAS, the motion was clarified before the vote by the City Attorney and Council President Scott Peters to specify that "accept and adopt in principle" means that, for any of the 121 recommendations that involves Council approval, the Council retains the discretion to modify, change, alter, subtract and/or add to any of those recommendations, except as to those recommendations that have only to do with the duties and responsibilities under the purview of the Mayor, and, as to those, the Mayor would make future informational presentations to the Council; NOW, THEREFORE,

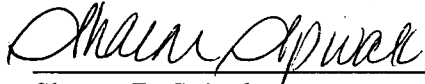
BE IT RESOLVED, by the Council of the City of San Diego, that the Council accepts and adopts in principle the Mayor's responses to the Remedial Recommendations of the City's Audit Committee, but requires any such measure that requires a change in appropriations, a change to the Municipal Code, a change to Council Policy or an amendment to the City Charter to return to the City Council for public debate, further review and discussion.

BE IT FURTHER RESOLVED, that the Council retains discretion to modify, change, alter, subtract and/or add to any of the 121 recommendations that require Council approval, and,

as to those recommendations that have only to do with the duties and responsibilities under the purview of the Mayor, the Mayor will make future presentations to the Council.

BE IT FURTHER RESOLVED, that the Council directs the City's Attorney's Office to prepare any and all resolutions and ordinances that may later need to be drafted as part of the future review, discussion and implementation of any of the remediation measures proposed in the Audit Committee Report.

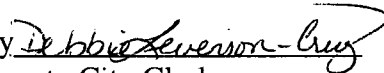
APPROVED: MICHAEL J. AGUIRRE, City Attorney

By 
Sharon B. Spivak
Deputy City Attorney


MJA:SBS:als
9/8/06
9/13/06 (COR. COPY)
Or.Dept: Mayor

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of SEP 06 2006.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 9-15-06
(date)


JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

SEP - 6 2006

Passed by the Council of The City of San Diego on _____, by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Scott Peters	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Toni Atkins	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Anthony Young	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Brian Maienschein	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Donna Frye	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jim Madaffer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ben Hueso	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

SEP 15 2006

Date of final passage _____

AUTHENTICATED BY:

JERRY SANDERS

Mayor of The City of San Diego, California.

ELIZABETH S. MALAND

City Clerk of The City of San Diego, California.

(Seal)

By

Mary Lopez

Deputy

Office of the City Clerk, San Diego, California

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