(R-2010-555)

RESOLUTION NUMBER R- 305732

DATE OF FINAL PASSAGE APR 1 2 2010

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO RETAIN OSBORNE & NESBITT, LLP TO PROVIDE LEGAL SERVICES IN CONNECTION WITH THE DEFENSE OF <u>SMITH, ET AL. V. TAYLOR WOODROW HOMES, INC.</u>, SDSC CASE NO. 37-2007-00073116-CU-CD-CTL; <u>CRESTO, ET AL. V. TAYLOR WOODROW HOMES, INC.</u>, SDSC CASE NO. 37-2007-00074271-CU-CD-CTL, AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO EXPEND UP TO \$80,000.00 FROM THE PUBLIC LIABILITY FUND FOR THE COVERAGE OF OSBORNE & NESBITT, LLP'S LEGAL FEES AND COSTS RELATED TO THIS MATTER.

WHEREAS, in 2007, two homeowners sued the City and the Developer/Owners of Santaluz on behalf of themselves and their children seeking damages of approximately \$15 million in property and bodily injury damages; and,

WHEREAS, City believes there are insurance policies which may indemnify City for some or all of the costs related to these cases; and,

WHEREAS, the issues surrounding the insurance policies are highly complex and technical involving an established specialty area of law; and,

WHEREAS, the Office of the City Attorney does not have the necessary expertise to handle the issues surrounding the insurance policies; and,

WHEREAS, the law firm of Osborne & Nesbitt, LLP. has the necessary insurance expertise; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the City Attorney is authorized to enter into an agreement with Osborne & Nesbitt, LLP. for the provision of legal services in *Smith*, *et al.* v. *Taylor Woodrow Homes*, *Inc.*, SDSC Case No. 37-2007-00073116-

CU-CD-CTL; Cresto, et al. v. Taylor Woodrow Homes, Inc., SDSC Case No. 37-2007-00074271-CU-CD-CTL, in an amount not to exceed \$80,000.

BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to appropriate and expend up to \$80,000 from the Sewer Fund 700000.

APPROVED: JAN I. GOLDSMITH, City Attorney By Paul F. Prather Deputy City Attorney PFP:als 02/25/10 Or.Dept:City Atty R-2010-555 I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at its meeting of APR 0 6 2010 ELIZABETH S. MALAND City Clerk Deputy City Clerk Vetoed: JERRY SANDERS, Mayor