

ORDINANCE NUMBER O-20027 (NEW SERIES)

DATE OF FINAL PASSAGE MAR 11 2011

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE CITY TO EXECUTE A SECOND AGREEMENT FOR LEGAL SERVICES BETWEEN THE CITY OF SAN DIEGO AND K&L GATES, LLP FOR THE PROVISION OF LEGAL TAX ADVICE AND LEGAL REPRESENTATION.

WHEREAS, in 2006, the City of San Diego retained the legal services of K&L Gates, LLP (formerly known at the time as Preston Gates & Ellis, LLP) (K&L Gates) to provide an expert tax advisory opinion on the tax consequences, if any, of the rescission of purchase of non-creditable service credit agreements by San Diego City Employees' Retirement System (SDCERS) members; and

WHEREAS, the retention of K&L Gates was necessary due to the specialized and complex nature of the tax issues that arose from such a rescission; and

WHEREAS, the initial retention of K&L Gates was authorized up to a maximum amount of \$10,000 (on file with the City Clerk as Document No. C-13696); and

WHEREAS, due to the difficult and complex tax issues presented and the subsequent need to provide additional legal services to address additional tax and complex pension and other benefit issues, further work under the agreement was needed; and

WHEREAS, in light of the foregoing, in 2006, additional funds in an amount not to exceed \$10,000 were approved, resulting in a contract amount not to exceed \$20,000 (on file with the City Clerk as Document No. C-13777); and

WHEREAS, the continuing retention of K&L Gates will be on a smaller scale prospectively due to the completion of the substantial revisions to the City's defined contribution plans, resulting IRS submissions, and creation of the new 401(a) and health retirement account plans; and

WHEREAS, furthermore, due to the increasing expertise and addition of staff within the Office of the City Attorney, the need for the continuing provision of legal services by K&L Gates will be diminished; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Mayor or his designee is authorized to execute, for and on behalf of the City, a Second Agreement for Legal Services with K&L Gates, LLP for the provision of legal tax advice and legal representation, in an amount not to exceed \$150,000, under the terms and conditions set forth in the Second Amended Agreement, on file in the Office of the City Clerk as Document No. RR- 20027.

Section 2. BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to appropriate and expend up to \$150,000 using the General Fund Citywide Department Allocation.

Section 3. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been made available to the City Council and the public prior to the day of its passage.

WHEREAS, the continuing retention of K&L Gates will be on a smaller scale prospectively due to the completion of the substantial revisions to the City's defined contribution plans, resulting IRS submissions, and creation of the new 401(a) and health retirement account plans; and

WHEREAS, furthermore, due to the increasing expertise and addition of staff within the Office of the City Attorney, the need for the continuing provision of legal services by K&L Gates will be diminished; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

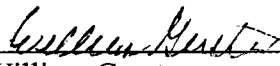
Section 1. That the Mayor or his designee is authorized to execute, for and on behalf of the City, a Second Agreement for Legal Services with K&L Gates, LLP for the provision of legal tax advice and legal representation, in an amount not to exceed \$150,000, under the terms and conditions set forth in the Second Amended Agreement, on file in the Office of the City Clerk as Document No. RR- 20027

Section 2. BE IT FURTHER RESOLVED, that the Chief Financial Officer is authorized to expend an amount not to exceed \$150,000 from Fund 100000 - General Fund, for the agreement mentioned above, and the City Comptroller will furnish a certificate certifying that funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

Section 3. That a full reading of this ordinance is dispensed with prior to its passage, a written or printed copy having been made available to the City Council and the public prior to the day of its passage.

Section 4. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
William Gersten  
Deputy City Attorney

WG:ccm  
10/15/2010  
Or.Dept:Risk Management

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of MAR 01 2011.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 3-11-11  
(date)

  
JERRY SANDERS, Mayor

Vetoed: \_\_\_\_\_  
(date)

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JERRY SANDERS, Mayor