

RESOLUTION NUMBER R- **309141**

DATE OF FINAL PASSAGE JUL 17 2014

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO APPROVING THE SETTLEMENT IN *CATHY LEXIN, ET AL. V.
CITY OF SAN DIEGO*, SAN DIEGO SUPERIOR COURT CASE NO. 37-2011-
00100142-CU-MC-CTL

WHEREAS, the City Council adopted Resolution R-297335 in November 2002, wherein the City agreed to “defend, indemnify and hold harmless all past, present and future members of the Retirement Board against all expenses, judgments, settlements, liability and other amounts actually and reasonably incurred by them in connection with any claim or lawsuit arising from any act or omission in the scope of the performance of their duties as Board Members under the Charter;” and

WHEREAS, Cathy Lexin, Ronald Saathoff and Teresa Webster incurred attorney’s fees and costs in defense of federal fraud and conspiracy charges filed in January 2006. The charges stemmed from their approval of an agreement to modify the City’s annual pension contribution amount, known as “Manager’s Proposal 2” or “MP2,” while members of the San Diego City Employees’ Retirement System’s Board of Administration; and

WHEREAS, the federal charges were dismissed in 2010; and

WHEREAS, Resolution No. R-297335 was held to authorize payment and indemnification of criminal defense fees and costs in a companion case (*Lexin, et al., v. City of San Diego*, 222 Cal. App. 4th 662 (2013)); and

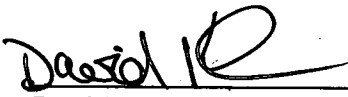
WHEREAS, in Closed Session on April 29, 2014, the City Council approved the settlement, by the following vote: Yeas – District(s) 1, 2, 3, 4, 5, 6, 7, and 8; Nays – None; Absent – District 9; and NOW, THEREFORE,

BE IT RESOLVED, by the City Council of the City of San Diego, that the Council:

1. Authorizing the Mayor or his designee to pay the sum of \$1,182,138.36 from the Public Liability Fund No. 720045, in settlement of each and every claim for damages, interest, costs, and fees of any type, including attorney fees, against City of San Diego, its agents and employees, arising from the indemnification claims in *Lexin, et al. v. City of San Diego*, San Diego Superior Court Case No. 37-2011-00100142-CU-MC-CTL; and
2. Authorizing the Chief Financial Officer to appropriate and expend the sum of \$1,182,138.36 from the Public Liability Fund No. 720045, contingent upon the Comptroller first furnishing one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer; and
3. Authorizing the Comptroller to issue a check in the amount of \$549,231.45, made payable to the Gibson, Dunn & Crutcher LLP Trust Account for Cathy Lexin; and
4. Authorizing the Comptroller to issue a check in the amount of \$205,320.55, made payable to the Coughlan, Semmer, Fitch & Pott, LLP State Bar of California Attorney Client Trust Account for Ronald Saathoff; and

5. Authorizing the Comptroller to issue a check in the amount of \$427,586.36, made payable to the Frank T. Vecchione Client Trust Account for Terri A. Webster.

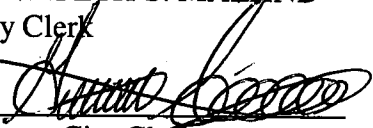
APPROVED: JAN I. GOLDSMITH, City Attorney

By 
David J. Karlin
Deputy City Attorney

DJK:ctm
6/2/2014
Or.Dept:Cit Attorney
Doc. No. 798036

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUL 01 2014

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: _____
(date)

KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

(Note: This resolution was returned unsigned by the Mayor's Office to the Office of the City Clerk on July 17, 2014. Pursuant to San Diego Charter Section 295(a)(2), this resolution is deemed approved on July 17, 2014.)

Passed by the Council of The City of San Diego on JUL 01 2014, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ed Harris	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUL 17 2014

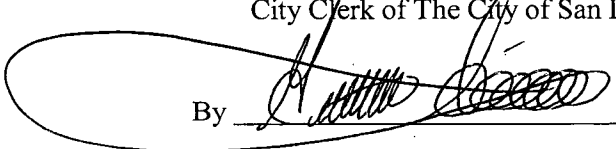
(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By  _____, Deputy

Office of the City Clerk, San Diego, California

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