

RESOLUTION NUMBER R- 310281

DATE OF FINAL PASSAGE MAR 10 2016

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE MAYOR TO EXECUTE A THIRD AMENDMENT TO AN OUTSIDE COUNSEL AGREEMENT WITH HANSON BRIDGETT, LLP FOR TAX AND EMPLOYEE BENEFITS LEGAL SERVICES, AND ADDITIONAL FUNDING FOR THE AGREEMENT.

WHEREAS, on June 11, 2012, the San Diego City Council (City Council) adopted San Diego Resolution R-307487 (June 26, 2012), authorizing the San Diego City Attorney to retain Hanson Bridgett, LLP (Law Firm) as outside tax and employee benefits counsel, and approving funding in an amount not to exceed \$250,000; and

WHEREAS, based upon this action, the City Attorney entered into a contract with Hanson Bridgett, LLP to provide these services for a period not to exceed five years and in an amount not to exceed \$250,000; and

WHEREAS, the City of San Diego (City) had a continuing need for the Law Firm's expert tax and employee benefits legal advice concerning a permanent defined contribution plan, and death and disability benefits for City employees and elected officers initially hired or assuming office after July 20, 2012; and

WHEREAS, on September 23, 2014, the City Council adopted San Diego Resolution R-309231 (Oct. 8, 2014), authorizing an additional \$125,000 in funding for fiscal year 2015, for a total contract amount of \$375,000; and

WHEREAS, in Fiscal Year 2015, the Law Firm provided substantial assistance in bringing the City's various benefits plans into compliance with federal tax law; and

WHEREAS, on July 28, 2015, the City Council adopted San Diego Resolution R-309879 (Aug. 23, 2015), authorizing an additional \$125,000 in funding, for a total contract amount of \$500,000; and

WHEREAS, from July 2015 through January 2016, the Law Firm has: (a) assisted in reviewing and drafting various versions of a proposed death and disability plan City officers and employees initially hired after July 20, 2012 who are not sworn police officers; (b) assisted in preparing the amended and restated 401(k) Plan, Supplemental Pension Savings Plan (SPSP), the Supplemental Pension Savings Plan-Hourly (SPSP-H), and the 2009 401(a) Plan; (c) prepared the IRS applications for determination letters and voluntary corrections in connection with the 401(k), SPSP, SPSP-H, and the 2009 401(a) Plan, (d) continued advise the City on compliance with the Affordable Care Act, and (e) continued to provide tax advice on an as-needed basis; and

WHEREAS, the City has a continuing need for the Law Firm's expert tax and employee benefits legal advice in developing a new long-term disability plan for all City employees, and death and disability retirement benefits for employees and officers who assume office on or after July 20, 2012 (other than sworn police officers); and

WHEREAS, the City also requires the Law Firm's representation before the Internal Revenue Service (IRS) in connection with the City's applications for updated determination letters and correction of plan errors related to the City's qualified defined contribution plans; and

WHEREAS, the City also requires the Law Firm's expert tax and employee benefits advice in connection with the impact of the Public Employment Relations Board's decision regarding Proposition B (PERB Decision No. 2464-M (Dec. 29, 2015)) on the City's employee benefit plans; and

WHEREAS, the City also needs the Law Firm to continue to provide the City expert tax and employee benefits advice on an as-needed basis; and

WHEREAS, the City also needs the Law Firm to continue to provide expert tax advice on an as-needed basis; and

WHEREAS, the Law Firm has billed the City \$455,532.64 for legal services from June 1, 2012 through December 31, 2015, leaving an available balance of \$44,466.36; and

WHEREAS, it is estimated that the balance remaining on the Agreement at the end of January 2016 will be approximately \$20,000; and

WHEREAS, it is estimated that an additional \$200,000 will be needed for tax and employee benefits-related legal services for the remainder of Fiscal Year 2016 and for Fiscal Year 2017; and

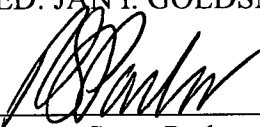
WHEREAS, due to the unusual and complex nature of the legal issues involved, the City Attorney's Office does not have the necessary expertise to advise the City on all of these issues; NOW THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor or his designee and the City Attorney are authorized to amend the Agreement for Legal Services with Hanson Bridgett, LLP for legal services and expenses incurred in providing tax and employee benefits legal service, in an amount not to exceed an additional \$200,000, for a total contract amount of \$700,000.

BE IT FURTHER RESOLVED, that the City Council authorizes the Chief Financial Officer to expend an amount not to exceed an additional \$200,000 in accordance with the Citywide FTE Allocation Schedule for the agreement with outside counsel for the services

referenced above, and the Chief Financial Officer furnishing one or more certificates certifying that the funds necessary for expenditure under established agreement funding are, or will be, on deposit with the City Treasurer.

APPROVED: JAN I. GOLDSMITH, City Attorney

By   
Roxanne Story Parks  
Deputy City Attorney

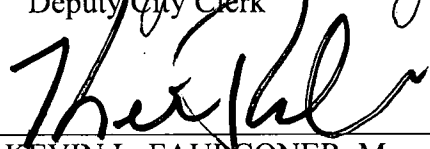
RSP:ccm  
January 20, 2016  
Or.Dept: City Attorney  
1209909

I certify that this Resolution was passed by the Council of the City of San Diego, at this meeting of MAR 01 2016.

ELIZABETH S. MALAND  
City Clerk

By   
Deputy City Clerk

Approved: 3/9/16  
(date)

  
KEVIN L. FAULCONER, Mayor

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

\_\_\_\_\_  
KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 01 2016, by the following vote:

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

Date of final passage MAR 10 2016

**(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 *Mary Hernandez*, Deputy

Office of the City Clerk, San Diego, California

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