

THE CITY OF SAN DIEGO, CALIFORNIA
MINUTES FOR SPECIAL COUNCIL MEETING
OF
TUESDAY, DECEMBER 21, 2004
AT 10:00 A.M.
IN THE COUNCIL CHAMBERS - 12TH FLOOR

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CHRONOLOGY OF THE MEETING:

The meeting was called to order by Mayor Murphy 10:09 a.m. The meeting was recessed by Mayor Murphy at 10:56 a.m. for the purpose of a break. Mayor Murphy reconvened the meeting at 11:03 a.m. with all Council Members present and District 4 vacant. Mayor Murphy recessed the meeting at 12:15 p.m. for the purpose of a break. Mayor Murphy reconvened the meeting at 12:21 p.m. with all Council Members present and District 4 vacant. Mayor Murphy adjourned the meeting at 12:57 p.m.

ATTENDANCE DURING THE MEETING:

- (M) Mayor Murphy-present
- (1) Council Member Peters-present
- (2) Council Member Zucchet-present
- (3) Council Member Atkins-present
- (4) Council District 4-vacant
- (5) Council Member Maienschein-present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Inzunza-present
- Clerk-Lane (er)

FILE LOCATION: MINUTES

ITEM-300: ROLL CALL

Clerk Joyce Lane called the roll:

- (M) Mayor Murphy-present
- (1) Council Member Peters-present
- (2) Council Member Zucchet-present
- (3) Council Member Atkins-present
- (4) Council District 4-vacant
- (5) Council Member Maienschein-present
- (6) Council Member Frye-present
- (7) Council Member Madaffer-present
- (8) Council Member Inzunza-present

ITEM-601 :

Adopt the following resolution:

Subitem-A (R-2005-689) ADOPTED AS RESOLUTION R-300021

Declaring that in order for the City to facilitate its cooperation with current investigations by the Securities and Exchange Commission [SEC] and the U.S. Attorney, and to facilitate the work of the City's outside auditor, KPMG, the City Council authorizes Vinson & Elkins LLP to share with the SEC, the U.S. Attorney, and KPMG its memoranda of interviews conducted and to be conducted in relation to the audit of the City's financial statements for 2003:

Declaring that the City Council authorizes KPMG personnel to attend and participate in any such interviews.

Subitem-B (R-2005-690) ADOPTED AS RESOLUTION R-300022

Declaring that this City Council authorizes the City Manager to expend an amount not to exceed \$150,000 for the purpose of paying attorney's fees for any past and present City employees related to their participation in interviews or proceedings, including compliance with subpoenas served on any past or present City employee, related to the investigations by the Securities and Exchange Commission and U.S. Attorney, provided that the City Auditor and Comptroller first furnishes one or more certificates certifying that the funds necessary for expenditure are, or will be, on deposit with the City Treasurer.

FILE LOCATION: MEET

COUNCIL ACTION: (Time duration: 10:10 a.m. – 12:54 p.m.)

MOTION BY FRYE TO ADOPT SUBITEM A. Second by Madaffer. Passed by the following vote: Peters-yea, Zucchet-yea, Atkins-yea, District 4-vacant, Maienschein-yea, Frye-yea, Madaffer-yea, Inzunza-yea, Mayor Murphy-yea.

Motion by Madaffer to Adopt Subitem B with a caveat that if an employee has acted corruptly, the employee shall reimburse the City for the attorney fees. Second by Frye. Motion withdrawn.

MOTION BY MADAFFER TO ADOPT SUBITEM B WITH AN AMENDMENT THAT THE AUTHORIZATION WOULD BE SUSPENDED IF CHARGES WERE MADE AND THE MATTER WOULD BE RECONSIDERED BY COUNCIL. Second by Peters. Passed by the following vote: Peters-yea, Zucchet-yea, Atkins-yea, District 4-vacant, Maienschein-nay, Frye-nay, Madaffer-yea, Inzunza-nay, Mayor Murphy-yea.

NON-DOCKET ITEMS:

None.

ADJOURNMENT:

The meeting was adjourned by Mayor Murphy at 12:57 p.m. in honor of the memory of:

Al Gabbs as requested by Council Member Atkins.

FILE LOCATION: AGENDA

COUNCIL ACTION: (Time duration: 12:54 p.m. – 12:57 p.m.)