



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Nora Frimann

SUBJECT: SEE BELOW

DATE: May 26, 2022

SUBJECT: NINTH AMENDMENT TO AGREEMENT WITH HANSON BRIDGETT
LLP FOR LEGAL SERVICES RELATED TO *PRESERVATION OF
BENEFIT PLAN RETIREES ASSOCIATION, ET AL V. CITY OF SAN
JOSE, ET AL*

RECOMMENDATION

Adopt a resolution authorizing the City Attorney to negotiate and execute a Ninth Amendment to the agreement with Hanson Bridgett LLP for legal services related to *Preservation of Benefit Plan Retirees Association, et al v. City of San Jose, et al*, to extend the term through June 30, 2025 and increase the amount of compensation by \$400,000, for a total amount of compensation not to exceed \$2,300,000.

OUTCOME

Execution of the Ninth Amendment to the agreement with Hanson Bridgett LLP will allow this law firm to continue to provide legal services related to the appeals of plaintiffs in *Preservation of Benefit Plan Retirees Association, et al v. City of San Jose, et al*.

BACKGROUND

On December 11, 2017, the City Attorney executed an agreement with the law firm of Hanson Bridgett LLP to provide legal services pertaining to the case of *Preservation of Benefit Plan Retirees Association, et al v. City of San Jose, et al*, in a total amount not to exceed \$175,000. On June 11, 2018, the City Attorney executed a First Amendment to the agreement, increasing the compensation by \$75,000 to a total amount not to exceed \$250,000. On August 21, 2018, the City Council adopted Resolution No. 78752 authorizing the City Attorney to negotiate and execute a Second Amendment to the agreement, increasing the amount of compensation by \$150,000 to a total amount not to exceed \$400,000. On March 5, 2019, the City Council adopted Resolution No. 78997 authorizing the City Attorney to negotiate and execute a Third Amendment to the agreement, increasing the amount of compensation by \$300,000 to a total amount not

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to exceed \$700,000, and extending the term through June 30, 2020. On June 18, 2019, the City Council adopted Resolution No. 79152 authorizing the City Attorney to negotiate and execute a Fourth Amendment to the agreement, increasing the amount of compensation by \$200,000 to a total amount not to exceed \$900,000. On September 10, 2019, the City Council adopted Resolution No. 79226 authorizing the City Attorney to negotiate and execute a Fifth Amendment to the agreement, increasing the amount of compensation by \$500,000 to a total amount not to exceed \$1,400,000. On April 21, 2020, the City Council adopted Resolution No. 79481 authorizing the City Attorney to negotiate and execute a Sixth Amendment to the agreement, increasing the amount of compensation by \$500,000 to a total amount not to exceed \$1,900,000. On November 20, 2020, the City Attorney executed a Seventh Amendment to the agreement extending the term by six months through December 31, 2020 with no change in the maximum amount of compensation, pursuant to the provisions of San José Municipal Code Section 4.04.055. On December 15, 2020, the City Council adopted Resolution No. 79829 authorizing the City Attorney to negotiate and execute an Eighth Amendment to the agreement, extending the term through December 31, 2022 with no change in the maximum amount of compensation.

ANALYSIS

Hanson Bridgett LLP was chosen to provide specialized legal services based on the firm's expertise in tax law and fiduciary obligations of pension boards. The purpose of the Ninth Amendment is to extend the term through June 30, 2025 and increase the amount of compensation by \$400,000 to allow Hanson Bridgett to continue to provide legal services pertaining to the case of *Preservation of Benefit Plan Retirees Association, et al v. City of San Jose, et al*. The City prevailed in the trial court and the case is now on appeal.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This memorandum will be posted on the City's website as part of the June 7, 2022 City Council Agenda.

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COORDINATION

This item has been coordinated with the City Manager's Budget Office.

COST SUMMARY/IMPLICATION

The actions recommended in this memorandum will increase the compensation amount of the contract with Hanson Bridgett LLP by \$400,000. Of the total increase, it is anticipated that \$150,000 will be needed for 2021-2022 and \$250,000 for 2022-2023. The additional cost for this contract amendment will be absorbed within the City Attorney's Office's Non-Personal/Equipment appropriation in the General Fund. If the full costs cannot be absorbed, the City Attorney's Office will bring forward recommended budget actions for City Council approval as part of a future budget process.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract amendment recommended as part of this memorandum.

Fund #	Appn. #	Appn. Name	Current Appn	Amount. for Contract	2021-2022 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	0442	City Attorney's Non-Personal/Equipment	\$1,814,781	\$400,000*	442	02/08/2022, Ord. No. 30717

*** Of the \$400,000 increase, it is anticipated that \$150,000 will be expended in 2021-2022 and \$250,000 will be expended in 2022-2023. The 2022-2023 Proposed Operating Budget was released on May 3, 2022 and is scheduled to be reviewed on June 14, 2022 and adopted on June 21, 2022 by the City Council.**

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CEQA

Not a Project; File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/ Nora Frimann

NORA FRIMANN

City Attorney

For questions, please contact Nora Frimann, City Attorney, at (408) 535-1900.