

**CITY COUNCIL OF THE CITY OF SAN DIEGO
THE CLOSED SESSION MEETING REPORT
FOR MONDAY AND TUESDAY, OCTOBER 6 AND 7, 2008
CITY ADMINISTRATION BUILDING
COMMITTEE ROOM – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

REPORTING THE RESULT OF THE CLOSED SESSION MEETING

Only items that can be disclosed are reported out in the Open Session of the regular City Council Meeting. Public comment on Closed Session items are taken in Open Session. Please refer to the City Clerk’s minutes for Open Session for more information. Assistant City Attorney Karen Heumann reports the results of the Closed Session Meeting of October 6 and 7, 2008, as follows:

CLOSED SESSION MEETING FOR MONDAY, OCTOBER 6, 2008

Closed Session Items were heard on Tuesday, October 7, 2008.

CLOSED SESSION MEETING FOR TUESDAY, OCTOBER 7, 2008

ROLL CALL:

Present: Council President Peters, Council President Pro Tem Madaffer, and Councilmembers Faulconer, Atkins, Maienschein, Frye, and Hueso

Absent: Mayor Sanders - (Absent for Items CS-3, 4, 6, and 8.)
Councilmember Young - Dist. 4 (Absent for Items CS-3, 4, 6, and 8.)

CLOSED SESSION ITEMS:

Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a):

CS-1 *Insurance Company of the State of Pennsylvania v. City of San Diego*
United States District Court Case No. 02CV0693 BEN

EACA Assigned: D. McGrath

Motion: To authorize settlement in which AIG will pay the City \$5.5 million to dismiss the City's bad faith claim against AIG for failure to defend. AIG will also pay the City's defense costs in cases brought by Roque De La Fuente and his entities

Moved: Council President Pro Tem Madaffer - Dist. 7

Seconded: Councilmember Hueso – Dist. 8

Vote: 8/0 [Passed Unanimously]

Absent: All Present

Report: Below is the report out from Closed Session made by Assistant City Attorney Karen Heumann in Open Session at 2:05 p.m.

Today, the City Council voted in Closed Session on Item CS-1, *Insurance Company of the State of Pennsylvania, a subsidiary of AIG, et al. v. City of San Diego*, United States District Court Case No. 02CV0693 BEN, to authorize settlement in which AIG will pay the City \$5.5 million to dismiss the City's bad faith claim against AIG for failure to defend. AIG will also pay the City's defense costs in cases brought by Roque De La Fuente and his entities.

The motion was made by Council President Pro Tem Madaffer and seconded by Councilmember Hueso.

The motion passed unanimously 8 to 0.

CS-2 *Deputy City Attorney Association v. City of San Diego*
LA-CE-359

CDCA Assigned: A. Hersh

Report: Nothing to report

CS-3 *Bun Bun Tran, et al. v. City of San Diego, et al.*
San Diego Superior Court Case No. 37-2007-00065432-CU-PA-CTL

DCA Assigned: A. Jones

Report: Nothing to report

CS-4 *Save Our Heritage Organization v. City of San Diego, Redevelopment Agency of the City of San Diego, et al.*

San Diego Superior Court Case No. GIC 865774

CDCA Assigned: H. Carlyle

Report: Nothing to report

CS-5 *Todd Sabin, Stacy Sabin, Stephen Games, Sandra Games v. City of San Diego*

(San Diego Superior Court Case No. 37-2008-00090721-CU-PA-CTL;

City of San Diego v. Todd Sabin, et al.

San Diego Superior Case No. 37-2008-00081284-CU-OR-CTL)

DCA: Assigned: M. Dickenson

Report: Nothing to report

CS-6 *Hahn v. City of San Diego*

San Diego Superior Court Case No. GIC 861704 and 37-2008-00078017-CU-IE-CTL

[consolidated with]

DCA Assigned: C. Brock

Report: Nothing to report

Conference with Legal Counsel - anticipated litigation - significant exposure to litigation, pursuant to California Government Code Section 54956.9(b):

CS-7 Number of Potential Cases: Up to 50 (Voluntary Compliance Program Filing)

DCA Assigned: W. Chung

Report: Nothing to report

Conference with Legal Counsel - anticipated litigation - initiation of litigation, pursuant to California Government Code section 54956.9(c):

CS-8 Number of Potential Cases: 1

CDCA Assigned: M. Calabrese

Report: Nothing to report

Conference with Labor Negotiator, pursuant to Government Code Section 54957.6:

CS-9 Agency Negotiator: Scott Chadwick, Jay Goldstone

Employee Organizations: Municipal Employees Association

CDCA Assigned: A. Hersh

DCA Assigned: B. Gersten

Report: Nothing to report

REPORTED BY: _____
Karen Heumann
Assistant City Attorney