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CITY OF SAN DIEGO

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April 24, 2006

Honorable Janis Sammartino
Presiding Judge of the Superior Court
San Diego Superior Court
220 West Broadway, Third Floor
San Diego, CA 92101

Subject: Grand Jury Report: "Service Level Agreements Equal Back Door Funding"

Dear Judge Sammartino:

The City Attorney's Office is in receipt of the Grand Jury Report entitled "Service Level Agreements Equal Back Door Funding." This letter comments specifically on the section of the Grand Jury Report addressing the Water and Wastewater Departments' Service Level Agreements ("SLAs") with the City Attorney's Office.

The City Attorney's Office concurs with the findings of the Grand Jury related to the Water and Wastewater SLAs with this Office. The City Attorney's Office is adopting the recommendations of the Grand Jury as set forth below:

Recommendation 06-26: Identify the employees assigned to handle specific Water Department and Wastewater Department issues.

The employees of the City Attorney's Office assigned to the Water and Wastewater Departments' SLAs are identified in Attachment 1. This list will be updated from time to time as assignments in the office change. Please note that not all employees authorized to bill under the SLAs are necessarily billing at any given time. Billing is contingent on legal services actually being performed for the department.

Recommendation 06-27: Clarify what legal services are provided by the General Fund and what constitutes "enhanced legal services."

Through the General Government Overhead/Indirect Cost Recovery Rate, the General Fund pays for legal services that benefit the City as a whole, including the Water and Wastewater Departments. For example, the efforts of the City Attorney in drafting the Interim Reports, including a report addressing the offer and sale of sewer bonds, was not billed to the enterprise funds.

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The enterprise funds pay for legal services performed specifically for the Water and Wastewater Departments, referred to as "enhanced legal services" in the Water Department SLA and "dedicated legal services" in the Wastewater SLA. The City Attorney's Office issued a Memorandum of Law on April 3, 2006, explaining why enterprise funds may be used to pay for legal services provided by this Office for the Water and Wastewater Departments (see Attachment 2).

Recommendation 06-28: Provide detailed billings to the Water Department and the Wastewater Department which identify the name(s) of personnel providing a service and identify specific charges for a specific service or time.

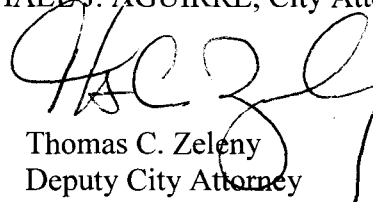
For the Water and Wastewater Departments, the City Attorney's Office will immediately begin keeping records which describe the legal services provided and the time charged, using the form in Attachment 3.

Regarding the other sections of the Grand Jury report, the City Attorney's Office will investigate the improprieties identified by the Grand Jury, and remedy them if necessary. Please contact me if you have any questions.

Sincerely,

MICHAEL J. AGUIRRE, City Attorney

By



Thomas C. Zeleny
Deputy City Attorney

Attachments

cc: Jim Vlassis, Grand Jury Foreman
Mayor Jerry Sanders
San Diego City Council

Wastewater SLA Assignments
(authorized staff)

Name	Job Class	Full/Part Time	Assignment
Michael Aguirre	City Attorney	Part Time	Advisory
Michelle Barrett	Legal Secretary	Part Time	Asst. to Zeleny
Patricia Fusco	Attorney	Part Time	Construction Litigation
James Lancaster	Attorney	Full Time	Advisory
Colleen McGarr	Paralegal	Part Time	General
Timothy Miller	Attorney	Part Time	Advisory
Sim Von Kalinowski	Attorney	Part Time	Construction Litigation
Tom Zeleny	Attorney	Full Time	Advisory
Carolyn Allen	Legal Secretary	Part Time	Asst. to Lancaster
Sheila Ferguson	Attorney	Part Time	Collections
Ginger Botha	Legal Secretary	Part Time	Asst. to Fusco
Shawn Brown	Investigator	Part Time	General
Anna Lonergan	Legal Secretary	Part Time	Asst. to Von Kalinowski
Janice Stevenson	Legal Secretary	Part Time	Asst. to Miller
Sue Benson	Legal Secretary	Part Time	Asst. to Ferguson
John Serrano	Attorney	Part Time	Construction Litigation
Alina Putnam	Legal Secretary	Part Time	Asst. to Serrano

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Water SLA Assignments
(authorized staff)

Name	Job Class	Full/Part Time	Assignment
Michael Aguirre	City Attorney	Part Time	Advisory
Patricia Fusco	Attorney	Part Time	Construction Litigation
Colleen McGarr	Paralegal	Part Time	General
John Kirk	Attorney	Full Time	Advisory
Sim Von Kalinowski	Attorney	Part Time	Construction Litigation
Lori Girard	Attorney	Full Time	Advisory
Carolyn Allen	Legal Secretary	Part Time	Asst. to Girard and Kirk
Sheila Ferguson	Attorney	Part Time	Collections
Ginger Botha	Legal Secretary	Part Time	Asst. to Fusco
John Henze	Investigator	Part Time	General
Anna Lonergan	Legal Secretary	Part Time	Asst. to Von Kalinowski
John Serrano	Attorney	Part Time	Construction Litigation
Sue Benson	Legal Secretary	Part Time	Asst. to Ferguson
Alina Putnam	Legal Secretary	Part Time	Asst. to Serrano

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