

SDCERS

San Diego City Employees' Retirement System

September 11, 2007

VIA HAND-DELIVERY

Honorable Mayor Jerry Sanders
The City of San Diego
202 C Street, M.S. 11A
San Diego, CA 92101

Council President Scott Peters
The City of San Diego
202 C Street, M.S. 10A
San Diego, CA 92101

Dear Honorable Mayor Sanders and Council President Peters:

We feel compelled to notify you of the unprofessional and unethical behavior of your legal representative, the City Attorney.

Late in the day on August 15, 2007, just before SDCERS' General Counsel Christopher Waddell was leaving the country for two weeks with his family, Mr. Waddell received a telephone call from the City Attorney. The call was apparently prompted by Mr. Waddell's letter to Scott Chadwick notifying the City of SDCERS' position concerning the retroactive application of certain benefit changes.

During the telephone call, the City Attorney threatened Mr. Waddell personally, asserting that the City Attorney would sue Mr. Waddell to "take his assets," that Mr. Waddell was not a pension lawyer but was rather an "attorney for the unions," a "tool" of labor and part of "a continuing conspiracy involving pension issues in the City." The City Attorney also told Mr. Waddell that he should realize that his "personal assets are in jeopardy." We understand that Mr. Aguirre's comments were heard by others who were in his office at the time.

Moreover, in a follow-up letter to Mr. Waddell, dated August 24, 2007, the City Attorney again threatened Mr. Waddell by asserting he would be "taking all necessary legal actions to counter SDCERS...including a malpractice action against [Mr. Waddell]..." (copy enclosed).

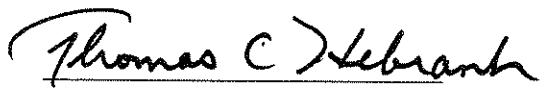
For the City Attorney, your legal representative and the City's top elected law enforcement officer, to threaten personally another public official in the proper performance of his duties likely violates California and City ethics and administrative policies, is an offense against SDCERS and a violation of professional ethics. Intimidation by personal threat under color of law has no place in a civil society, and we intend to explore the availability of sanctions against the City Attorney by the appropriate authorities.


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SDCERS takes this behavior toward its staff seriously; indeed, we take it so seriously that each Trustee has signed this letter personally. While we explore all our options, we wanted you to be aware of the behavior that your legal representative is engaging in.

Sincerely,

The SDCERS Board of Administration



Thomas C. Hebrank, President



Mark S. Sullivan, Vice President



Susan S. Gonick



Franklin R. Lamberth

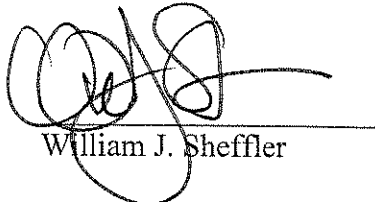

Carmen C. Lutes

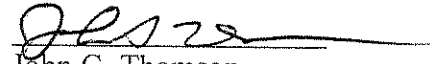

Steve W. Meyer


George A. Murray


Peter E. Preovolos


Jo Anne Sawyerknoll


William J. Sheffler


John G. Thomson

(Trustee Wayne Kennedy is out of the country and was therefore unable to sign this letter.)

Enclosure

cc: City Councilmembers