THIRD AMENDMENT TO
CITY ATTORNEY EMPLOYMENT AGREEMENT

This THIRD AMENDMENT TO CITY ATTORNEY EMPLOYMENT AGREEMENT is made and entered into effective this 1st day of July, 2014, by and between McDougal, Love, Eckis, Boehmer & Foley, a professional corporation, and the undersigned individual attorney, sometimes hereinafter collectively referred to as "Attorneys," and the City of El Cajon, a charter city and municipal corporation of the State of California, 200 Civic Center Way, El Cajon, California, 92020, hereinafter referred to as "City"; the City of El Cajon as Successor Agency to the El Cajon Redevelopment Agency, hereinafter referred to as the "Successor Agency"; and the El Cajon Housing Authority (formerly the El Cajon Redevelopment Agency), hereinafter referred to as "Authority" (the City, the Successor Agency and the Authority, hereinafter collectively referred to as the "Client").

RECITALS

1. Attorneys and the Client entered into that certain "Agreement Between the City of El Cajon and the El Cajon Redevelopment Agency and McDougal, Love, Eckis, Smith & Boehmer," dated June 15, 2000 (the "Agreement"), by which the Client and Attorneys established the terms and conditions for the retention of Attorneys as the office of city attorney and general legal counsel for the Client.

2. The terms of the Agreement provide, among other things, benefits and compensation payable to the Attorneys, and the employment of one of the Attorneys, Morgan L. Foley, as the City Attorney and General Counsel for the Client (the "City Attorney").

3. The City's City Council has previously approved changes to the compensation payable to the City Attorney under the Agreement, as well as benefits received by the City Attorney.

4. On June 28, 2005, the Client and the Attorneys instituted the "First Amendment to City Attorney Employment Agreement" (the "First Amendment") to approve prior increases in compensation and benefits, and the hourly rate charged by the Attorneys to the Client for those services set forth in Exhibit "A" of the Agreement.

5. On July 26, 2013, the Client and the Attorneys instituted the "Second Amendment to City Attorney Employment Agreement" (the "Second Amendment") to approve an increase in compensation and benefits, and the hourly rate charged by the Attorneys to the Client for those services as set forth in Exhibit "C" of the Agreement.

6. This "Third Amendment to City Attorney Employment Agreement" (the "Third Amendment") is necessary to increase compensation to the City Attorney.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Section V of the Agreement is hereby amended to read as follows:

V. Compensation. City shall pay to the City Attorney, as salary, the total sum of $142,003.78 per year effective the first pay period that includes July 1, 2014. Said sum shall fully compensate for those duties set forth in Paragraphs A.1 through A.6 of Exhibit "A" ("Attorney Services"). Said sum may be increased by agreement of the City Attorney and the City Council, from time to time, which increases shall be contained in a resolution adopted by the City Council. Said increases may be part of increases granted to all other Department Directors for the City.

The compensation paid to the City Attorney as salary shall be subject to withholding taxes, unemployment insurance, and other matters normally associated with salaried employees. Any and all compensation paid to Attorneys over and above said salaries shall be paid directly to Attorneys and not to the individual members thereof, shall not be deemed salary and shall not be subject to withholding taxes, unemployment insurance, retirement benefits or other such matters normally associated with salaried employees.

All duties not included within the "salary" of the City Attorney, as set forth in Paragraphs B.1 through B.5 of Exhibit "A," shall be compensated in accordance with the hourly rates set forth in Exhibit "B" (through July 31, 2013) and Exhibit "C" (from and after August 1, 2013). The hourly rates set in Exhibit "C" may be changed by written agreement between the City Manager for the City and the Attorneys, from time to time, but no more often than one time in any fiscal year, to reflect increases commensurate with the changes in the cost of living. Services to be compensated at the hourly rate shall be billed monthly and paid to McDougal, Love, Eckis, Boehmer & Foley, and not as additional salary or subject to additional benefits.

The Authority shall pay Attorneys for all services as General Counsel rendered to Authority, including litigation; provided, however, that General Counsel shall be compensated for his attendance at Authority meetings as a part of his salary as City Attorney.

Section 3. Except as otherwise amended by the First Amendment, the Second Amendment, and this Third Amendment, all remaining terms and conditions of the Agreement not in conflict herewith shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment the date and year first above written.

CITY OF EL CAJON, a California
charter city and municipal corporation.

By _____
Bill Wells, Mayor

EL CAJON HOUSING AUTHORITY,
a public body corporate and politic.

By _____
Bill Wells, Chair

McDOUGAL, LOVE, ECKIS, BOEHMER & FOLEY,
a professional corporation.

By _____
Steven E. Boehmer, President

Concurrence:

By _____
Morgan L. Foley

City Clerk Date Stamp

RECEIVED OFFICE OF
CITY CLERK
EL CAJON CA

2013 JUL 17 P 5:25

City of El Cajon Agenda Report

MEETING: July 23, 2013

ITEM NO: 1.20

EL CAJON
The Valley of Opportunity
CENTENNIAL
Incorporated 1912

TO: Mayor Lewis, Mayor Pro Tem Wells, Councilmembers Ambrose, Kendrick, McClellan

FROM: Deputy City Manager / Director of Finance

SUBJECT: Second Amendment to the City Attorney Employment Agreement

RECOMMENDATION: That the City Council adopt the next Resolution, in order, to approve the Second Amendment to the City Attorney Employment Agreement.

BACKGROUND: On June 15, 2000, the City Council approved the Employment Agreement between the City of El Cajon and the City Attorney, Morgan Foley, followed by the First Amendment to the City Attorney Employment on June 28, 2005, per Resolution No. 130-05.

The proposed revisions for the Second Amendment include the following:

1. Salary increase of 2.0% effective pay period ending July 19, 2013, consistent with the proposed Compensation Plan for Executive Employees.
2. Cafeteria plan increase of $50 per month. The City provides an Internal Revenue Code Section 125 Cafeteria Benefit Plan. Effective January 1, 2014, the cafeteria benefit allowance shall increase from $900 to $950 per month. The allowance may be used to purchase health insurance available through the City's contract with CalPERS, dental and/or vision insurance, or the employee may elect to receive taxable cash.
3. An update to the hourly billing rates established in 2005, per Exhibit "C" for all duties not included in the salary of the City Attorney.

Contract Staff	Current Hourly Rates	Proposed Hourly Rates
Attorney	$155	$165
Paralegal	$70	$85
Law Clerk	$50	$60

FISCAL IMPACT: Sufficient funding will be allocated in the City Attorney's budget.

PREPARED BY:

Nancy Palm
Deputy City Manager /
Director of Finance

APPROVED BY:

Douglas Williford
City Manager

RESOLUTION NO. 83-13

RESOLUTION APPROVING SECOND AMENDMENT TO
CITY ATTORNEY EMPLOYMENT AGREEMENT

WHEREAS, on June 15, 2000, the City Council approved the Employment Agreement between the City of El Cajon and the City Attorney, Morgan L. Foley; and

WHEREAS, on June 28, 2005, the City Council approved the First Amendment to City Attorney Employment Agreement (the "First Amendment") by and between the City of El Cajon and Morgan L. Foley to increase benefits and compensation to the City Attorney; and

WHEREAS, the parties now desire to enter into the attached Second Amendment to City Attorney Employment Agreement (the "Second Amendment") to increase benefits and compensation to the City Attorney.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL CAJON AS FOLLOWS:

1. The City Council hereby approves the execution of the Second Amendment substantially in the form as presented to the City Council in this meeting, with such changes as may be approved by the City Manager.

2. The Mayor and City Clerk are authorized and directed to execute said Second Amendment on behalf of the City of El Cajon.

PASSED AND ADOPTED by the City Council of the City of El Cajon, California at an Adjourned Regular Joint City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency Meeting held this 23rd day of July, 2013, by the following vote to wit:

AYES	:	Lewis, Ambrose, Kendrick, Wells
NOES	:	None
ABSENT	:	McClellan
DISQUALIFY:		None

MARK LEWIS
Mayor of the City of El Cajon

ATTEST:

KATHIE J. RUTLEDGE
City Clerk

(Continued on Page 2)

I hereby certify that the above and foregoing is a full and true copy of Resolution No. 83-13 of the Resolutions of the City of El Cajon, California, as adopted by the City Council at the Adjourned Regular Joint Meeting of the City Council/Housing Authority/Successor Agency to the El Cajon Redevelopment Agency on the 23rd day of July, 2013.

Kathie J. Rutledge

Kathie J. Rutledge, CMC, City Clerk

07/23/13 (Item 1.20)

SECOND AMENDMENT TO
CITY ATTORNEY EMPLOYMENT AGREEMENT

This SECOND AMENDMENT TO CITY ATTORNEY EMPLOYMENT AGREEMENT is made and entered into effective this 26th day of July, 2013, by and between McDougal, Love, Eckis, Boehmer & Foley, a Professional Corporation, and the undersigned individual attorney, sometimes hereinafter collectively referred to as "Attorneys", and the City of El Cajon, a charter city and municipal corporation of the State of California, 200 Civic Center Way, El Cajon, California, 92020, hereinafter referred to as "City"; the City of El Cajon as Successor Agency to the El Cajon Redevelopment Agency, hereinafter referred to as the "Successor Agency"; and the El Cajon Housing Authority (formerly the El Cajon Redevelopment Agency), hereinafter referred to as "Authority" (the City, the Successor Agency and the Authority, hereinafter collectively referred to as the "Client").

RECITALS

1. Attorneys and the Client entered into that certain "Agreement Between the City of El Cajon and the El Cajon Redevelopment Agency and McDougal, Love, Eckis, Smith & Boehmer," dated June 15, 2000 (the "Agreement"), by which Client and Attorneys established the terms and conditions for the retention of Attorneys as the office of city attorney and general legal counsel for the Client.

2. The terms of the Agreement provide, among other things, benefits and compensation payable to the Attorneys, and the employment of one of the Attorneys, Morgan L. Foley, as the City Attorney and General Counsel for the Clients (the "City Attorney").

3. The City's City Council has previously approved changes to the compensation payable to the City Attorney under the Agreement, as well as benefits received by the City Attorney.

4. On June 28, 2005, the Client and the Attorneys instituted the "First Amendment to City Attorney Employment Agreement" (the "First Amendment") to approve prior increases in compensation and benefits, and the hourly rate charged by the Attorneys to the Clients for those services set forth in Exhibit "A" of the Agreement.

5. This "Second Amendment to City Attorney Employment Agreement" (the "Second Amendment") is necessary to increase benefits and compensation to the City Attorney, as set forth in Exhibit "C" attached to this Second Amendment.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Section II of the Agreement is hereby amended to read as follows:

> II. Employment of City Attorney, etc. The Client shall employ the following designated members of the law firm of McDougal, Love, Eckis, Boehmer & Foley during the term of this Agreement to serve the Client in the following capacities:

Morgan L. Foley, City Attorney/General Counsel
Johanna N. Canlas, Assistant City Attorney/Assistant General Counsel
Jennifer M. Lyon, Assistant City Attorney/Assistant General Counsel
Lisa A. Foster, Assistant City Attorney/Assistant General Counsel
Barbara C. Luck, Assistant City Attorney/Assistant General Counsel
Morton Park, Assistant City Attorney/Assistant General Counsel
Michael T. Reid, Assistant City Attorney/Assistant General Counsel
Joshua D. Tucker, Assistant City Attorney/Assistant General Counsel
Autumn Springfield, Staff Attorney

The City Attorney shall devote full time to the performance of those duties set forth on Exhibit "A," including the provision of Political Reform Act conflict of interest assistance (but not advice personally) on behalf of the City and Successor Agency to City employees and officials upon appropriate request. The City Attorney shall represent the City in all litigation except that for which the City Attorney retains special litigation counsel, and further excepting that for which the City's Risk Manager retains special litigation counsel as part of the City's self-insurance program or joint risk pooling arrangements.

General Counsel shall perform those duties set forth in Exhibit "A," including the provision of Political Reform Act conflict of interest assistance (but not advice personally) on behalf of the Authority to Authority employees and officials upon appropriate request. General Counsel shall represent the Authority in all litigation except that for which the General Counsel retains special litigation counsel, and further excepting that for which the Authority's Risk Manager retains special litigation counsel as part of the Authority's self-insurance program or joint risk pooling arrangements.

The Attorneys' duties shall specifically include those set forth in Exhibit "A" attached, and shall be performed by such members of the law firm as designated by the City Attorney and under his supervision.

The Attorneys listed above as members of the law firm may change from time to time; the parties agree that whenever the identification of the Attorneys changes the City Attorney shall present to the City Council for the City of El Cajon a resolution to adopt, identifying and appointing such professionals acting on behalf of the City and the Agency.

Section 2. Section V of the Agreement is hereby amended to read as follows:

V. Compensation. City shall pay to the City Attorney, as salary, the total sum of $139,219.39 per year effective the first pay period that includes July 19, 2013. Said sum shall fully compensate for those duties set forth in Paragraphs A.1 through A.6 of "Attorney Services," attached hereto as Exhibit "C," and incorporated herein by this reference. Said sum may be

increased by agreement of the City Attorney and the City Council, from time to time, which increases shall be contained in a resolution adopted by the City Council. Said increases may be part of increases granted to all other Department Directors for the City.

The compensation paid to the City Attorney as salary shall be subject to withholding taxes, unemployment insurance, and other matters normally associated with salaried employees. Any and all compensation paid to Attorneys over and above said salaries shall be paid directly to Attorneys and not to the individual members thereof, shall not be deemed salary and shall not be subject to withholding taxes, unemployment insurance, retirement benefits or other such matters normally associated with salaried employees.

All duties not included within the "salary" of the City Attorney, as set forth in Paragraphs B.1 through B.5 of Exhibit "A" shall be compensated in accordance with the hourly rates set forth in Exhibit "B" (through July 31, 2013) and Exhibit "C" (from and after August 1, 2013), attached hereto and incorporated herein by this reference. The hourly rates set in Exhibit "C" may be changed by written agreement between the City Manager for the City and the Attorneys, from time to time, but no more often than one time in any fiscal year, to reflect increases commensurate with the changes in the cost of living. Services to be compensated at the hourly rate shall be billed monthly and paid to McDougal, Love, Eckis, Boehmer & Foley, and not as additional salary or subject to additional benefits.

Agency shall pay Attorneys for all services as General Counsel rendered to Authority, including litigation; provided, however, that General Counsel shall be compensated for his attendance at Authority meetings as a part of his salary as City Attorney.

Section 3. Wherever, in the Agreement or the First Amendment, reference is made to the "El Cajon Redevelopment Agency," it shall mean and refer to the City of El Cajon as Successor Agency to El Cajon Redevelopment Agency and the El Cajon Housing Authority.

Section 4. That certain document entitled "Hourly Rates," attached to this Second Amendment as Attachment "1," is hereby added to the Agreement as Exhibit "C," and is effective August 1, 2013.

Section 5. All remaining terms and conditions of the Agreement not in conflict herewith shall remain in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment the date and year first above written.

CITY OF EL CAJON, a California
charter city and municipal corporation.

By _____
Mark Lewis, Mayor

EL CAJON HOUSING AUTHORITY,
a public body corporate and politic.

By _____
Mark Lewis, Chair

McDOUGAL, LOVE, ECKIS, BOEHMER & FOLEY,
a Professional Corporation.

By _____
Steven E. Boehmer, President

Concurrence:

By _____
Morgan L. Foley

EXHIBIT "C"
(Attachment 1 to Second Amendment)

Hourly Billing Rates
(Effective August 1, 2013)

Attorney	$165.00
Paralegal (including paralegals and legal assistants as defined by the ABA)	85.00
Law Clerks	60.00

City/Agency shall pay direct costs incurred for litigation and other services, including but not limited to, filing fees, fees for service of process, witness fees, and trial preparation of exhibits, and other related expenses.

7-12-2005
#14
Access #3558

FIRST AMENDMENT TO CITY ATTORNEY EMPLOYMENT AGREEMENT

THIS FIRST AMENDMENT is made and entered into effective this 18th day of JUNE, 2005, by and between McDougal, Love, Eckis, Smith, Boehmer & Foley, a Professional Corporation, and the undersigned individual attorney, sometimes hereinafter collectively referred to as "Attorneys", and the City of El Cajon, a municipal corporation of the State of California, 200 East Main Street, El Cajon, California, 92020, hereinafter referred to as "City" and the El Cajon Redevelopment Agency, hereinafter referred to as "Agency" (the City and the Agency, together the "Client").

RECITALS

1. Attorneys and the Client entered into that certain "Agreement Between the City of El Cajon and the El Cajon Redevelopment Agency and McDougal, Love, Eckis, Smith & Boehmer", dated June 15, 2000 (the "Agreement"), by which Client and Attorneys established the terms and conditions for the retention of Attorneys as the office of city attorney and general legal counsel for the Client.

2. The terms of the Agreement provide, among other things, benefits and compensation payable to the Attorneys, and the employment of one of the Attorneys, Morgan L. Foley, as the City Attorney and General Counsel for the Clients (the "City Attorney").

3. The City's City Council has previously approved changes to the compensation payable to the City Attorney under the Agreement, as well as benefits received by the City Attorney.

4. This First Amendment to the Agreement ("First Amendment") is necessary to memorialize those prior increases in compensation and benefits, and the hourly rate charged by the Attorneys to the Clients for those services set forth in Exhibit "A" of the Agreement.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

Section 1. Section II of the Agreement is hereby amended to read as follows:

"II. Employment of City Attorney, etc. The City and Agency shall employ the following designated members of the law firm of McDougal, Love, Eckis, Smith, Boehmer & Foley during the term of this Agreement to serve the City and Agency in the following capacities:

Morgan L. Foley	City Attorney, General Counsel
Tamara A. Smith	Assistant City Attorney, Assistant General Counsel
James P. Lough	Assistant City Attorney, Assistant General Counsel
Jennifer M. Lyon	Assistant City Attorney, Assistant General Counsel

Laura O. Del Valle	Assistant City Attorney, Assistant General Counsel
Behnaz Tashakorian	Assistant City Attorney, Assistant General Counsel
Lisa A. Foster	Assistant City Attorney, Assistant General Counsel

"The City Attorney shall devote full time to the performance of those duties set forth on Exhibit "A," including the provision of Political Reform Act conflict of interest assistance (but not advice personally) on behalf of the City to City employees and officials upon appropriate request. The City Attorney shall represent the City in all litigation except that for which the City Attorney retains special litigation counsel, and further excepting that for which the City's Risk Manager retains special litigation counsel as part of the City's self-insurance program or joint risk pooling arrangements.

"General Counsel shall perform those duties set forth on Exhibit "A," including the provision of Political Reform Act conflict of interest assistance (but not advice personally) on behalf of the Agency to Agency employees and officials upon appropriate request. General Counsel shall represent the City in all litigation except that for which the General Counsel retains special litigation counsel, and further excepting that for which the Agency's Risk Manager retains special litigation counsel as part of the Agency's self-insurance program or joint risk pooling arrangements.

"The Attorneys' duties shall specifically include those set forth in Exhibit "A" attached and shall be performed by such members of the law firm as designated by the City Attorney and under his supervision.

"The Attorneys listed above as members of the law firm may change from time to time; the parties agree that whenever the identification of the Attorneys changes the City Attorney shall present to the City Council for the City of El Cajon a resolution to adopt, identifying and appointing such professionals acting on behalf of the City and the Agency."

Section 2. Section V of the Agreement is hereby amended to read as follows:

"V. Compensation. City shall pay to the City Attorney, as salary, the total sum of $132,512.00 per year effective the first pay period that includes July 1, 2005. Said sum shall fully compensate for those duties set forth in Paragraphs A.1 through A.6 of Exhibit "A," attached hereto. Said sum may be increased by agreement of the City Attorney and the City Council, from time to time, which increases shall be contained in a resolution adopted by the City Council. Said increases may be part of increases granted to all other Department Directors for the City.

"The compensation paid to the City Attorney as salary shall be subject to withholding taxes, unemployment insurance, and other matters normally associated with salaried employees. Any and all compensation paid to Attorneys over and above said salaries shall be paid directly to Attorneys and not to the individual members thereof, shall not be deemed salary and shall not be subject

to withholding taxes, unemployment insurance, retirement benefits or other such matters normally associated with salaried employees.

"All duties not included within the "salary" of the City Attorney, as set forth in Paragraphs B.1 through B.5 of Exhibit "A" shall be compensated in accordance with the hourly rates set forth in Exhibit "B," attached hereto and incorporated herein by this reference. The hourly rates set in Exhibit "B" may be changed by written agreement between the City Manager for the City and the Attorneys, from time to time, but no more often than one time in any fiscal year, to reflect increases commensurate with the changes in the cost of living. Services to be compensated at the hourly rate shall be billed monthly and paid to McDougal, Love, Eckis, Smith, Boehmer & Foley, and not as additional salary or subject to additional benefits.

"Agency shall pay Attorneys for all services as General Counsel rendered to Agency, including litigation; provided, however, that General Counsel shall be compensated for his attendance at Agency meetings as a part of his salary as City Attorney."

Section 3. Section VI of the Agreement is hereby amended to read as follows:

"Section VI. Benefits. The City Attorney shall be an employee of the City. As such, the City Attorney, and only the City Attorney, shall be full time and entitled to full-time membership in the Public Employees' Retirement System based upon the allocation of salary to the City Attorney set forth herein. The City shall take all steps necessary to provide said PERS benefits prospectively and to assure the provision of said benefits from July 1, 2000 to the date of termination hereof, as previously agreed, or provide comparable benefits. The City Attorney shall be entitled to receive the same health, life insurance and disability benefits, Cafeteria Plan benefits, as well as those other benefits offered to any other management employee (other than those provided only to the City Manager) subject to the same terms and conditions applicable to such employees. Notwithstanding the immediately preceding sentence, effective July 1, 2005 the City shall also make, in equal proportionate amounts each pay period, an annual contribution of $6,000.00 (or such amount as approved by the City Council from time to time, but not less than $6,000.00 per year) into a qualified Section 457 Plan from one of the City-approved plans as selected by the City Attorney. Amounts contributed under this section shall be to the benefit of the City Attorney in accordance with the Deferred Compensation Plan participation agreement. The City Attorney shall not, however, be entitled to the accrual of any vacation, sick leave, or personal time off. "

Section 4. Exhibit "B" to the Agreement is hereby amended to read as set forth in Attachment 1 to this First Amendment.

Section 5. All remaining terms and conditions of the Agreement not in conflict herewith shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment the date and year first above written.

CITY OF EL CAJON,
a municipal corporation

By _____
Mark Lewis, Mayor

EL CAJON REDEVELOPMENT AGENCY,
a public body corporate and politic

By _____
Mark Lewis, Chair

McDOUGAL, LOVE, ECKIS, SMITH, BOEHMER
& FOLEY, a Professional Corporation

By _____
Steven E. Boehmer, President

Concurrence:

_____
Morgan L. Foley

First Amendment City Attorney Agreement 062805.doc

Attachment 1

Hourly Billing Rates

Attorney	$155.00
Paralegal (including paralegals and legal assistants as defined by the ABA)	70.00
Law Clerks	50.00

City/Agency shall pay direct costs incurred for litigation and other services, including but not limited to, filing fees, fees for service of process, witness fees, and trial preparation of exhibits, and other related expenses.

6-13-2000
#10
Access 1717

AGREEMENT BETWEEN

THE CITY OF EL CAJON AND

THE EL CAJON REDEVELOPMENT AGENCY

AND

McDOUGAL, LOVE, ECKIS, SMITH & BOEHMER
A Professional Corporation

THIS AGREEMENT is made this 15th day of June, 2000, by and between the City of El Cajon, a Municipal Corporation, sometimes hereinafter referred to as "City" and the El Cajon Redevelopment Agency, sometimes hereinafter referred to as "Agency" and McDougal, Love, Eckis, Smith & Boehmer, a Professional Corporation, and the undersigned individual attorneys, sometimes hereinafter collectively referred to as "Attorneys". The parties agree that Attorneys shall be retained by the City and the Agency to perform legal services on the terms and conditions set forth hereinafter as follows:

I. Term. The term of this Agreement shall be at will. Either party may terminate this Agreement with or without cause upon thirty (30) days prior written notice to the other party.

II. Employment of City Attorney, etc. The City and Agency shall employ the following designated members of the law firm of McDougal, Love, Eckis, Smith & Boehmer during the term of this Agreement to serve the City and Agency in the following capacities:

Morgan L. Foley	City Attorney, General Counsel
Tamara A. Smith	Assistant City Attorney, Assistant General Counsel
Glenn Sabine	Assistant City Attorney, Assistant General Counsel
Stephen M. Eckis	Assistant City Attorney, Assistant General Counsel
Lynn R. McDougal	Assistant City Attorney, Assistant General Counsel
Jeffery L. Caufield	Assistant City Attorney, Assistant General Counsel

The City Attorney shall devote full time to the performance of those duties set forth on Exhibit "A," including the provision of Political Reform Act conflict of interest assistance on behalf of the City to City employees and officials upon appropriate request. The City Attorney shall represent the City in all litigation except that for which the City Attorney retains special litigation counsel, and further excepting that for which the City's Risk Manager retains special litigation counsel as part of City's self-insurance program or joint risk pooling arrangements.

General Counsel shall perform those duties set forth on Exhibit "A" applicable to general counsel, including the provision of Political Reform Act conflict of interest assistance on behalf of the Agency to Agency employees and officials upon appropriate request. General Counsel shall represent the Agency in all litigation except that for which General Counsel retains special litigation counsel, and further excepting that for which the Agency's Risk Manager retains special litigation counsel as part of Agency's self-insurance program or joint risk pooling arrangements.

The Attorneys' duties shall specifically include those set forth in Exhibit "A" attached and shall be performed by such members of the law firm as designated by the City Attorney and under his supervision.

III. City Hall Office. City will continue to provide, furnish and equip the City Attorney's office, employing the executive secretary and such non-professional staff as may be agreed to from time to time by the City Attorney and the City Manager, and reimbursing Attorneys for the costs associated with one (1) staff or research attorney (i.e., salary, benefits, payroll taxes). The City Attorney is to supervise both the professional and non-professional staff, and to utilize the office space to the extent necessary to provide regular city attorney services.

City shall also budget those usual and customary expenses for the City Attorney to operate the City Hall office, and to attend conferences of the League of California Cities, the San Diego/Imperial Counties City Attorneys Association, and membership dues required, if any.

IV. Law Firm Office. Attorneys will provide its own office in close proximity to City Hall, providing all necessary professional and non-professional staff to assist the City Attorney, at no cost or expense to City, except as provided in paragraph V, below.

V. Compensation. City shall pay to the City Attorney, as salary, the total sum of $98,000.00 per year effective July 1, 2000. Said sum shall fully compensate for those duties set forth in Paragraphs A.1 through A.6 of Exhibit "A," attached hereto.

The compensation paid to the City Attorney as salary shall be subject to withholding taxes, unemployment insurance, and other matters normally associated with salaried employees. Any and all compensation paid to Attorneys over and above said salaries shall be paid directly to Attorneys and not to the individual members thereof, shall not be deemed salary and shall not be subject to withholding taxes, unemployment insurance, retirement benefits or other such matters normally associated with salaried employees.

All duties not included within the "salary" of the City Attorney, as set forth in Paragraphs B.1 through B.5 of Exhibit "A" shall be compensated in accordance with the hourly rates set forth in Exhibit "B," attached hereto and incorporated herein by reference. Services to be compensated at the hourly rate shall be billed monthly and paid to McDougal, Love, Eckis, Smith & Boehmer, and not as additional salary or subject to additional benefits.

Agency shall pay Attorneys for all services as General Counsel rendered to Agency, including litigation; provided, however, that General Counsel shall be compensated for his attendance at Agency meetings as part of his salary as City Attorney.

VI. Benefits. The City Attorney shall be an employee of the City. As such, the City Attorney, and only the City Attorney, shall be full time and entitled to full-time membership in the Public Employees' Retirement System based upon the allocation of salary to the City Attorney set forth herein. The City shall take all steps necessary to provide said PERS benefits prospectively and to assure the provision of said benefits from July 1, 2000 to the date of termination hereof, as previously agreed, or provide comparable benefits. The City Attorney shall be entitled to receive the same health, life insurance and disability benefits, as well as those other benefits offered to any other management employee of the City (other than those provided only to the City Manager) subject to the same terms and conditions applicable to such employees. The City Attorney shall not, however, be entitled to the accrual of any vacation, sick leave, or personal time off.

VII. Amendments. The compensation and benefits terms of this agreement shall be revised annually at the time of City budget consideration. Any revisions to said benefits shall be memorialized by either written amendment hereto or by letter agreement.

VIII. Attorneys' Status. The City Attorney designated in Section II above shall be deemed an employee of the City of El Cajon.

IX. Making of Agreement. No member of Attorneys who is a public official has participated in his or her official capacity with the City or the Agency in the discussion, negotiation, or making of this Agreement, nor has any member of the firm advised the City Council, any member thereof, or any member of City or Agency staff with regard to this Agreement. Neither the City nor the Agency has sought any advice from any member of the firm with regard to this Agreement and understands that such advice cannot and will not be provided to the City or the Agency by any member of the firm.

X. Entire Agreement. This Agreement constitutes the entire agreement of the parties and supersedes any and all other agreements between the parties with respect to the subject matter hereof.

XI. Effective Date. The effective date of this Agreement shall be July 1, 2000.

[Remainder of Page Intentionally Left Blank]

Signature page to
AGREEMENT BETWEEN
THE CITY OF EL CAJON AND
THE EL CAJON REDEVELOPMENT AGENCY
AND
McDOUGAL, LOVE, ECKIS, SMITH & BOEHMER
A Professional Corporation

Executed on the date and year first indicated above at El Cajon, California.

CITY OF EL CAJON,
a Municipal Corporation

By _____
MARK LEWIS, Mayor

EL CAJON REDEVELOPMENT AGENCY

By _____
MARK LEWIS, Chair

McDOUGAL, LOVE, ECKIS, SMITH & BOEHMER
a Professional Corporation

By _____
MORGAN L. FOLEY

Concurrence:

_____
MORGAN L. FOLEY

_____
TAMARA A. SMITH

_____
GLENN SABINE

_____
STEPHEN M. ECKIS

_____
LYNN R. McDOUGAL

_____
JEFFERY L. CAUFIELD

EXHIBIT "A"

Attorney Services

A. Except as provided elsewhere in this Agreement, Attorneys shall provide, in a professional manner, all of the usual, customary and necessary services, normally provided by a City Attorney and Redevelopment Agency General Counsel, to City and the Redevelopment Agency, as those services are required. Scope of services to be provided shall include the following:

1. Attendance at City Council/Redevelopment Agency meetings and Planning Commission meetings;

2. Attendance at Department Director meetings, staff meetings, workshops, commission and committee meetings as requested by the City Manager or City Council;

3. Research, preparation or review of all written opinions, ordinances, resolutions, agreements, leases, public works contracts, and other documents of a legal nature necessary or requested by the City Council, City Manager, or Redevelopment Agency (excepting therefrom such documents prepared or presented as a part of any matter relating to the issuance of bonds, notes, or other similar financing arrangements where the City Attorney serves as issuer's counsel or borrower's counsel, and further excepting therefrom such documents prepared or presented as party of any real estate or commercial sales or purchase transactions);

4. Provision of all legal advice on behalf of the City to Council Members, City Manager, Commissioners, Department Directors and other designated personnel as appropriate;

5. Rendering advice to City's representatives regarding personnel matters (up to, but not including, appearing as attorneys for City before the City's Personnel Commission, or any appeals therefrom, or employee appeals of discipline whether to the Personnel Commission initially); and

6. Rendering advice and assistance in the administration of the City's general liability risk management and insurance programs.

B. Duties not included within the "salary" of the City Attorney, but to be instead compensated at the hourly rates as set forth in Exhibit "B," are as follows:

1. Those matters excepted from subparagraphs 3 and 5 of Paragraph A, above;

2. Litigation, including code enforcement, writ practice, appellate practice, and the representation of the City, its officers, agents and employees, in matters in state and federal courts, as well as state and federal administrative agencies (e.g., DFEH, EEOC, Workers' Compensation, EDD, etc.);

3. Redevelopment Counsel work;

4. Pitchess motions, representing City and Agency in responding to subpoenas and subpoenas *duces tecum*; and

5. Special projects (as directed by the City Council or City Manager or as arranged between the City Attorney and the City Manager).

EXHIBIT B"

Hourly Billing Rates

Attorney	$125.00
Paralegal (including paralegals and legal assistants as defined by the ABA)	70.00
Law Clerk	50.00

City/Agency shall pay direct costs incurred for litigation, including but not limited to, filing fees, fees for service of process, witness fees, and trial preparation of exhibits, and other related expenses.