

Memorandum

TO: Federated City Employees' Retirement System
Board of Administration

FROM: Ron Kumar

SUBJECT: Hanson Bridgett Contract Amendment

DATE: August 7, 2023

Approved

Date 08/07/2023

Recommendation

Discussion and action to authorize the Secretary to negotiate and execute the first amendment to the agreement between the Board and Hanson Bridgett LLP for investment-related legal services ending on June 30, 2025, for additional \$300,000 to increase the maximum contract amount to \$750,000.

Background

Following a Request for Proposals ("RFP") conducted in 2008, Hanson Bridgett, LLP was hired to provide investment-related legal services to the Federated and Police and Fire plans. The firm was retained as investment counsel for the plans following RFPs conducted in 2011 and 2020.

Hanson Bridgett, LLP is a limited liability partnership with more than 200 lawyers and 250 staff members located in six offices throughout California. Serving clients since 1958, they are well known in California and have earned a national reputation in many of their practice areas. Currently two partners, one senior counsel, and one associate are primarily assigned to the Federated and Police and Fire plans. Other resources are engaged as needed.

The current agreement with Hanson Bridgett expires on June 30, 2025, however the amount expended is close to the maximum contract amount of \$450,000 for the Federated plan. As the plans' investment legal counsel, Hanson Bridgett reviews, drafts, and negotiates investment management agreements as well as advises staff on investment-related issues that arise over the course of business. Over the past three years, Hanson Bridgett has assisted staff with the hiring of a custodian bank and over 35 investment manager contracts for the Federated plan as well as other investment related issues. Staff anticipates the same level of engagement with Hanson Bridgett in the next two years.

Conclusion

Staff recommends approval of the additional \$300,000 to increase the maximum contract amount to \$750,000 for the next two years.

Ron Kumar
Investment Operations Supervisor