

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

July 31, 1992

To: Board of Directors (Legal and Claims Committee--Action
(Organization and Personnel Committee--Action))
From: General Counsel

Subject: Authority to Retain Counsel for Permanent Headquarters Facility

Report

In accordance with plans previously discussed with your Board, staff has circulated a Request for Proposal for the development of a new permanent headquarters facility for Metropolitan. Several responses have now been received and staff has begun to evaluate those proposals. In connection with the review of legal issues arising out of the proposals as well as in dealing with legal issues which will be encountered as development of a new headquarters facility actually begins, it would be desirable to authorize the General Counsel to retain the services of special counsel experienced in the areas of real estate development, including areas such as land development, land use and entitlement, financing, leasing and property management.

With a view to soliciting such services, requests for Proposal were transmitted to 16 law firms known to be experienced in these areas. Proposals from 8 firms were received; three of those firms were selected for interview by the General Counsel. These were:

1. Hill, Farrer & Burrill
2. Jones, Day, Reavis & Pogue
3. Parker, Milliken, Clark, O'Hara & Samuelian

The firm of Jones, Day, Reavis & Pogue is being recommended to your Board as the firm to provide legal services as the need arises with regard to Metropolitan's new headquarters facility. It should be noted that the firm of Jones, Day, Reavis & Pogue already provides legal services to Metropolitan as they relate to environmental regulatory compliance issues. Services provided pursuant to this authorization would be accomplished under a separate contract.

Jones, Day, Reavis & Pogue has proposed a fee schedule based on a blended rate of \$195 per hour for all

July 31, 1992

attorneys and a blended rate of \$125 per hour for all legal assistants. In addition, the firm would be reimbursed for necessary out of pocket and other incidental expenses.

A copy of the firm's Nondiscrimination Program is on file with Metropolitan.

The proposed action is exempt from the provisions of the Californian Environmental Quality Act.

Board Committee Assignments

This letter is referred for action to:

The Legal and Claims Committee because of its authority under Administrative Code section 2461(e) to study, advise, and make recommendations with regard to the selection of special counsel and the determination of the scope of their assignments; and

The Organization and Personnel Committee because of its authority under Administrative Code section 2471(g) to study, advise, and make recommendations with regard to the terms and conditions of employment of special counsel.

Recommendation

LEGAL AND CLAIMS COMMITTEE AND ORGANIZATION AND PERSONNEL COMMITTEE FOR ACTION.

It is recommended that the General Counsel be authorized to contract for the legal services of Jones, Day, Reavis & Pogue to represent Metropolitan on issues related to a permanent headquarters facility at the rates indicated in this letter subject to annual adjustments beginning July 1, 1993, by mutual agreement between Jones, Day, Reavis & Pogue and the General Counsel.


Fred Vendig