

APR 12 1994



**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

*Harvey E. Duff*  
EXECUTIVE SECRETARY 7-6

March 14, 1994

(Legal & Claims Committee--Action)

To: Board of Directors (Organization & Personnel Committee--Action)

From: General Counsel

Subject: Increase in Contracting Authority of the General Counsel

Report

At the March 1994 meeting of the Legal and Claims Committee, the Chair of that committee requested a report and recommendation regarding the contracting limitations of the General Counsel without prior Board approval. By Administrative Code section 6431, the General Counsel may contract with special counsel and others necessary to carry out the functions of the office so long as the total amount payable in any one year, including all expenses, does not exceed \$25,000. These contracts are all reported to your Board on a quarterly basis. (See Admin. Code, § 6433.) This maximum amount payable is to be contrasted with the General Manager's authority without Board approval which is presently set at \$250,000. The General Counsel's authority was last set in 1980 and the General Manager's authority was last set in 1991.

Typically, contracts let under such authority would include special counsel who are needed when the staff does not have the expertise to handle the matter or when a conflict may develop and technical experts necessary to ensure adequate information to protect the District's interests. Examples of such experts include medical doctors and accident reconstruction experts generally retained in automobile accident cases. Contracts let under this authority would be done in accordance with the District's Business Outreach Program.

An increase in the General Counsel's authority to a maximum amount payable of \$100,000, including expenses, would further streamline the Board's agenda and would allow the Board additional time to consider major policy matters. The contracts would continue to be reported to your Board on a quarterly basis as provided for in Administrative Code section 6433.

Board Committee Assignments

This letter is referred for action to:

The Legal and Claims Committee for action because of its authority to study, advise, and make recommendations with regard to policy considerations concerning District contracts, pursuant to the District's Administrative Code section 2461, subdivision (d); and

The Organization and Personnel Committee for action because of its authority to study, advise, and make recommendations with regard to the terms and conditions of employment of all consultants, advisors, and special counsel, pursuant to the District's Administrative Code section 2471, subdivision (g).

Recommendation

**LEGAL AND CLAIMS AND ORGANIZATION AND PERSONNEL COMMITTEES FOR ACTION.**

It is recommended that the General Counsel's authority to contract without prior Board approval be increased to \$100,000 and that Administrative Code section 6431 be amended as shown on attachment A to reflect such change.

  
N. Gregory Taylor

KLT:gld:gm  
Attch.  
cntrcts.inc

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**ATTACHMENT A**

**§ 6431. Authority to Obtain Expert Assistance.**

The General Counsel is authorized to employ special counsel and investigators to advise him or assist him in representing the District, and such technical experts as necessary for proper preparation and presentation of the District's interest in any court action, special proceedings, legislative hearings, or other proceedings whether in or out of court where the assistance of technical experts may be necessary in order to represent the District adequately, so long as the amount to be expended in fees, costs, and expenses in any one year in connection with any assignment will not exceed \$100,000.

**ATTACHMENT B**

**§ 6431. Authority to Obtain Expert Assistance.**

The General Counsel is authorized to employ special counsel and investigators to advise him or assist him in representing the District, and such technical experts as necessary for proper preparation and presentation of the District's interest in any court action, special proceedings, legislative hearings, or other proceedings whether in or out of court where the assistance of technical experts may be necessary in order to represent the District adequately, so long as the amount to be expended in fees, costs, and expenses in any one year in connection with any assignment will not exceed ~~\$25,000~~ \$100,000.