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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

MAR 12 1996

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Dawn Chin
for EXECUTIVE SECRETARY

February 28, 1996

To: Board of Directors (Legal and Claims Committee--Information)
From: *JL* General Counsel *Arnold L. Lachin*
Subject: Report on Legal Department Management Study--Hildebrandt, Inc.

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

In November 1993, Hildebrandt, Inc. was retained to conduct a management review of the Legal Department. The findings and recommendations of that report were summarized and transmitted to you on June 27, 1995. The majority of those recommendations have been implemented. Almost all of the remaining recommendations involve the establishment of the new document and case management systems. This report provides your Board with the status of implementation of those recommendations.

DETAILED REPORT

In November 1993, Hildebrandt, Inc. was retained to conduct a management review of the Legal Department. Their findings and recommendations were transmitted to you at the June 27th Board meeting. This report provides your Board with the status of implementation of their recommendations.

1. Hire a Director of Administration

In August 1995, the Human Resources Division began a nationwide recruitment for the position of Legal Department Administrator. After accepting over 150 applications, six candidates were invited to participate in an interview process before the General Counsel, Assistant General Counsel and Human Resources Director. In late

December, Linda Santos was selected as the successful finalist and on January 22, 1996, she assumed the position of Legal Department Administrator with the District.

Ms. Santos has extensive experience in the legal field, particularly in the area of public administration. She was previously employed by the City of Torrance Legal Department. Linda will be responsible for managing the administrative legal support functions of the department and for supervising the secretarial, administrative and non-attorney support staff. A copy of her qualifications is provided as Attachment 1.

2. Install New Computer Management Systems

The most important recommendation of the Hildebrandt, Inc. report was that the Legal Department needed a solid base of management systems to improve lawyer productivity and efficiency.

Two "off-the-shelf" computer software programs, PC Docs Open for document management and CompInfo's Corporate LawPack for matter management, were selected. LawPack and PC Docs have been tested on the District's Information Systems hardware to ensure compatibility with the District's programs. The tests have been successful. Both programs have been ordered and a project plan for implementation of CompInfo's LawPack is provided as Attachment 2. This program is probably the most comprehensive ever installed in the legal department and implementation will require a substantial effort by the entire legal department staff. The goal is to have the new computer management system operational by the end of the year.

The implementation process for PC Docs will be transmitted to you next month. Meetings are currently underway to determine system requirements and design and to develop a project plan for implementation.

It should be noted that the installation of Saber on all workstations in the department has been completed. Saber is a utility program which enables the network management of the Client Windows configuration. Training on Saber is scheduled for this month.

3. Disband current attorney team structure and eliminate title of team leader; define responsibilities of management and administration and clarify reporting relationships

The attorney team structure and team leader title has been eliminated. In place of the team structure, a primary attorney contact has been assigned to each client organization. A copy of the attorney assignments for each client is provided as Attachment 3.

The department is in the process of transitioning certain functions and responsibilities to the Legal Department Administrator. Initially, Ms. Santos will focus on implementation of the case management and document management systems. Transition into other administrative, financial and supervisory legal support functions will be done on a continuing basis.

An organization chart outlining the reporting relationships of the Legal Department is provided as Attachment 4.

4. Improve Individual Accountability

The pay for performance incentive program has been implemented within the department and has proved to be a useful tool for assessing individual accountability.

Establishment of the case management system will further improve the process of developing better individual accountability of each attorney by tracking assignments and completion dates.

5. Develop a Client Relationship

In an effort to ensure that the needs of the District are being met, a questionnaire was sent to department heads, deputy general managers, the assistant auditor, division heads and assistant division heads eliciting client feedback. Twenty-four responses were received and the results are summarized in Attachment 5.

Overall clients are generally very positive about the department. They are satisfied with the quality and quantity of service and advice and for the most part feel that most of the lawyers are accessible, responsive and timely.

Representatives of the legal department will be conducting personal interviews within the next month with the individual clients to discuss the questionnaire. An assessment will be made as to how the department can best meet the legal services required by the District.

6. Hire Additional Professional Staff

In June 1995 the Legal Department was in the process of filling three attorney vacancies. Substantial efforts went into the recruitment process. As a result, Jeff Kightlinger, Marcia Scully and Harley Searcy were hired last year. Their responsibilities are reflected in the attachment referred to in item 3 above.

7. Fine-Tune Litigation Management

Hildebrandt's report further recommended that a study of the special counsel management process be conducted to ensure cost-effective, responsive and efficient service from special counsel.

Three auditing firms have been contacted and a local firm, Edward Poll & Associates, Inc., has been selected to analyze the department's utilization and management of special counsel and, if appropriate, make recommendations designed to ensure cost-effective, responsive and efficient service. It is hoped that this process will be complete by September 1996.

Attachments

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Linda Amorocchi Santos

2931 Plaza Del Amo, No. 87
Torrance, CA 90503

August 23, 1995

Laura Dierking, Recruitment & Selection Section
Human Resources Division of the Metropolitan Water District
350 So. Grand Avenue, 21st Floor
Los Angeles, CA 90071

Re: Job Code #95-085 LD

Dear Ms. Dierking:

While reading your advertisement in the California Bar Journal, I was very pleased to learn of your need for applicants for the position of Special Project Supervisor. My first and lasting reaction, after reading the minimum job requirements, was that it was tailored to fit my experience and qualifications! Ever since my husband and I took your company-sponsored tour to Gene Village in Arizona in 1991, I have been fascinated by the prospect of working for the Metropolitan Water District.

I believe I have a great deal to offer MWD and that I would be a valuable employee, bringing trustworthiness, unusual loyalty, outstanding people skills and intense dedication to the responsibilities of my position. I have absolute integrity in my work ethics, high energy, excellent communicative ability, and a good sense of humor.

As a supplement to my application and Résumé, I have listed below my qualifications based on the requirements as outlined in your employment bulletin.

Your Requirements

- BA. Degree from accredited college or university
- Major: Business Administration, Public Administration,
- 7 years of directly related and progressively responsible administrative experience; or a combination of education and directly related and progressively responsible administrative experience totaling 11 years
- 2 years of supervisory experience
- 4 years experience in the management of large, complex projects
- Demonstrates knowledge and understanding of:
 - √ Management/Supervision

My Qualifications

- BA. Degree from University of Phoenix; GPA 3.76
- Major: Management. Participated in mid-management teamwork exercises in various projects designed for immediate use in the present-day workplace.
- Began career as legal secretary and advanced to position of office manager of private law firm
- 8 years as legal administrator for City of Hawthorne
- 5 years law office administrator for City Attorney of Torrance
- 8 years supervisory experience as legal administrator for City of Hawthorne, as well as in other positions in both public and private sectors. Responsible for personnel management, including classification and pay, performance evaluation, interview and selection, record-keeping; training; and compliance with employment laws and regulations, such as EEOC and ADA.
- Responsible for the management of multi-million dollar projects with the U.S. Dept. of Justice, Mobil Oil, Refco, and Deloitte & Touche. Currently managing CA's staff housed in multiple locations.
- √ Established case management system for CA's office; developed staff training; networked the CA's office; provided enhanced management information reporting; monitored and maintained case assignments and status; restructured operating procedures; increased productivity and quality of work.

Your Requirements (continued)

- Demonstrates knowledge and understanding of:
 - √ Budgeting

- √ Project management concepts and techniques

- √ Contract administration

- √ Law office computer programs

- √ Technical office support systems and equipment

- √ Ability to utilize and operate the legal department's computer management systems

- √ Manage a diverse workforce

My Qualifications (continued)

- √ Developed and implemented a financial program to track tort litigation costs, fees and awards/settlements by case name and department involved; administered the CA's \$2.4 million budget; benchmarked performance standards; reviewed and implemented the CA's financial program structure.
- √ Restructured the CA's office: job classifications, and salary structure which entailed negotiating with bargaining unions, and obtaining approval of the Civil Service Commission.
- √ Relocated satellite office: Researched and selected new office site; prepared staff reports; coordinated physical move, including installation of equipment, technology, network, phone and modem lines, purchased new equipment, and oriented employees to new environment.
- √ Oversee funding appropriations for all contracts; developed inventory of outside contracts to be monitored and reviewed; conducted an audit of all outside counsel contracts and expenditures; placed all contracts and purchase order cases on an automated contract monitoring system; developed a program for defining and monitoring milestones within a contract; and conducted a cost-benefit study of expanding office staff to handle more cases in-house in preference to contracting outside counsel.
- √ Proficient in the use of Microsoft Word and WP 5.1 or better for DOS and Windows; Windows for Workgroups, Scheduler, Access, Powerpoint, Excel, Electronic Mail, Visual Basics, Electronic Telephone Routing Form, Westlaw, Lexis, Internet, Case Management System.
- √ IBM-compatible PC's and Macintosh; word-processing, electronic mail, telephone voice mail, telecopiers, fax and copy machines.
- √ Converted from mainframe to network; converted from DOS-based applications to a Windows environment.
- √ Established litigation calendaring and docketing system, and assignment/project module; developed a computerized pleading bank.
- √ Ability to motivate staff and deal with different personalities and viewpoints diplomatically and in a sensitive manner. Familiar with personnel policies, rules, regulations and laws, such as EEOC and ADA. Recognize cultural differences, and appreciate and promote equal opportunity and diversity in both employment and business opportunities.

Linda Amorocchi Santos

2931 Plaza Del Amo, No. 87
Torrance, CA 90503

Your Requirements (continued)

- Demonstrates knowledge and understanding of:
 - √ Establish effective working relationships

 - √ Communicate effectively orally and in writing

 - √ Conduct administrative studies

 - √ Analyze and resolve problems

 - √ Demonstrate flexibility and responsiveness to changing organizational priorities and needs

 - √ Engage in effective strategic planning

 - √ Prepare a wide variety of comprehensive non-technical reports

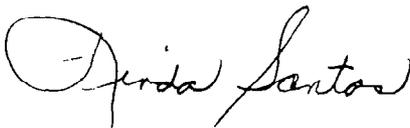
 - √ Negotiate with vendors

My Qualifications (continued)

- √ In 1990, the CA's office was isolated from other departments. Opened lines of communication, and built a strong working relationship with the Finance, City Manager, Information Systems, Personnel and Civil Service Departments.
- √ Prepares reports and studies for the City Council agenda and other City departments. Presents materials to Mayor and City Council in executive session.
- √ Researched and recommended the purchase of the City's CD-ROM system; established the City's Internet policies and procedures; currently working on networking with Courts for electronic filings; a document imaging system to share data with the Police department; investigating the use of PC DOCS as a city-wide document management system; Member of the Child Care Committee.
- √ Implemented a downsizing cross-training program in cooperation with a proposed RIF, and as a result, easily accommodated the loss of staff, and remained efficient and productive.
- √ The nature of my current position entails adaptability and versatility which, in turn, utilizes my organizational strengths and abilities.
- √ Developed a 5-year strategic plan for the CA's office; developed program and policies to promote staff growth, i.e. membership in legal secretarial associations, incentives for accreditation and certification, monthly in-house audio & video sessions.
- √ Prepared and presented reports on Environmental Impact issues and matters relating to recycling, water conservation, and groundwater cleanup
- √ Skilled at negotiating with all types of sub-contractors, contract counsel, and union representatives, to bring about cost-effective business operations.

As my résumé and application have already been received by your office, I would welcome the opportunity to discuss my credentials in a personal interview. Thank you for your time and consideration.

Sincerely,



Linda Amorocchi Santos

IMPLEMENTATION OF COMPINFO'S LAWPACK

- Define system requirements
and design 3/1-5/31/96
- Data conversion and testing 6/1-9/31
- Prepare rollout and
commence training 10/1-12/30
- Roll-out to end users 1/1/97

Attorney Assignments**Board--Greg Taylor**

Back-up--Karen Tachiki

General Manager--Greg Taylor

Back-up--Karen Tachiki

Office of Diversity

[Affirmative Action MMB/WBE]--H. Torres, M. Scully

Engineering--Lauren Brainard**Contract Administration--Diana Mahmud****Right of Way--Joe Vanderhorst****Operations--Lauren Brainard****Planning & Resources-Overall--Greg Taylor**

Colorado River -- K. Tachiki/J. Roberts/D. Mahmud
Bay/Delta--Jamie Roberts
State Water Contract--Jarlath Oley
Water Transfers and Local Projects--Jaime Roberts
Environmental Planning--Norm Flette
Rates--Syd Bennion
Resources--Jeff Kightlinger
Power--Diana Mahmud

Finance--Syd Bennion

Public Affairs and Conservation--Lauren Brainard

Administrative Services--Charissa Renardo

Information Systems--Charissa Renardo

Human Resources--Henry Torres

Regulatory Compliance--John Clairday

Water Quality--John Clairday

Projects:

1. Eastside Reservoir/Inland Feeder--Joe Vanderhorst/
Marcia Scully
2. Permanent Headquarters Building--Harley Searcy
3. IRP--Syd Bennion/Karen Tachiki

Staff Assignments--Detail

1. Lauren Brainard
 - a. Major litigation (other than resource related)
 - b. Water service regulations (operations planning
and procedures)
 - c. Conservation
2. Jarlath Oley
 - a. State Water Contract
 - b. Groundwater matters--North Las Posas, Chino Basin
 - c. Water Transfers

3. James Roberts
 - a. Bay/Delta
 - b. Colorado River Endangered Species
 - c. Water Transfers

4. Norman Flette
 - a. Environmental (CEQA, NEPA, endangered species)
 - b. 404 Permits
 - c. San Joaquin Reservoir
 - d. Central Pool Augmentation & Eagle Valley

5. Joe Vanderhorst
 - a. Eminent Domain litigation
 - b. Land acquisition and disposal
 - c. Annexations
 - d. Redevelopment issues

6. Syd Bennion
 - a. Finance matters
 - b. Tax matters
 - c. 401(k) and 457 matters
 - d. Conflict of Interest
 - e. Water Rates

7. Diana Mahmud
 - a. Construction contracts, claims and litigation
 - b. Design consulting agreements
 - c. Power

8. John Clairday
 - a. Environmental Regulatory Compliance
 - b. Water Quality

9. Setha Schlang
 - a. Opinions
 - b. Board Procedural matters--section 56 etc.
 - c. Workers' Compensation
 - d. SB 90 claims

10. Henry Torres
 - a. Human Resource matters

11. Charissa Renardo
 - a. Procurement and service contracts
 - b. Public Records
 - c. Brown Act

12. Grant Burton
 - a. Claims, P.I.; P.D.
 - b. Opinions

13. Jeff Kightlinger
 - a. San Gabriel Basin/Azusa Landfill
 - b. Santa Margarita River & Watermaster
 - c. Ward Valley
 - d. State & Regional Water Quality Control Boards (except Bay/Delta)

14. Marcia Scully
 - a. Eastside Reservoir
 - b. Construction Matters
 - c. MBE/WBE
 - d. Human Resource Matters

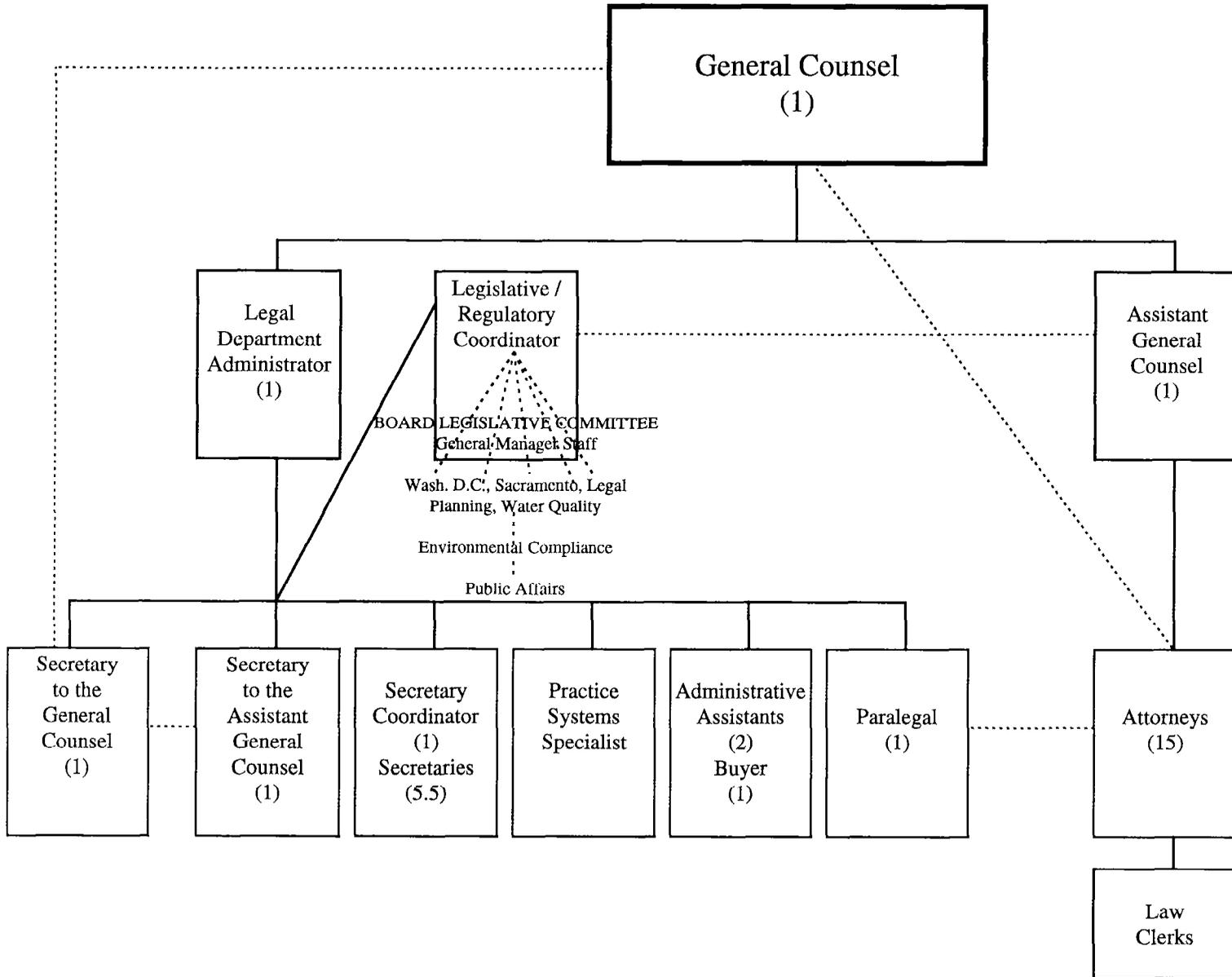
15. Harley Searcy
 - a. Headquarters
 - b. Alameda Corridor
 - c. Bolsa Chica Project
 - d. Asset Management

16. Christina Neal
 - a. Legislation and Regulatory Compliance
 - b. Database development and administration
 - c. Administrative Code
 - d. Preparation of General Counsel's Annual and Quarterly Reports

17. Linda Santos
 - a. Establishment of case management and document management systems
 - b. Manage administrative legal support functions
 - c. Supervise non-attorney support staff

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LEGAL DEPARTMENT Organizational Chart



1995 GENERAL COUNSEL'S OFFICE CUSTOMER SURVEY**RESPONDENTS**

Dept. Head	1
Deputy Gen. Mgrs	2
Chiefs	3
Division Heads	4
Asst. Dept. Head	1
Asst. Chiefs	8
Asst. Div. Heads	3
Leg. Rep.	1
Branch Mgr	1
	24

1995 GENERAL COUNSEL'S OFFICE CUSTOMER SURVEY

Questions	Rarely	Occasionally	Frequently	NR			TOTAL
Generally, how often do you interact with or use the services of the General Counsel's Office		4	19	1			24
		16.7%	79.2%	4.2%			
Questions	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	Not Enough Information	
1. Understand our business and problems				8	16		24
				33.3%	66.7%		
2. Are effective in helping our unit achieve its goals			1	5	18		24
			4.2%	20.8%	75.0%		
3. Exhibit highest standards of ethics, morality and integrity				1	23		24
				4.2%	95.8%		
4. Demonstrate a positive attitude and work with us in spirit of cooperation/teamwork				5	19		24
				20.8%	79.2%		
5. Respond in a timely manner		3	1	11	9		24
		12.5%	4.2%	45.8%	37.5%		
6. Respond to phone calls within a reasonable time				11	13		24
				45.8%	54.2%		

Questions	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	Not Enough Information	
7. Are proactive		1 4.2%	5 20.8%	11 45.8%	7 29.2%		24
8. Are readily accessible			3 12.5%	11 45.8%	10 41.7%		24
9. Exhibit sufficient energy and attention to accomplishing requested tasks			1 4.2%	10 41.7%	13 54.2%		24
10. Strike a proper balance between being thorough in their work vs. not unduly focusing on unimportant details				15 62.5%	9 37.5%		24
11. Treat the people in our unit with respect and as colleagues				4 16.7%	20 83.3%		24
12. Have knowledge and skill necessary to advise me properly				7 29.2%	17 70.8%		24
13. Provide advice and explain legal concerns clearly, concisely and understandably			2 8.3%	11 45.8%	11 45.8%		24
14. There are sufficient legal resources dedicated to servicing my needs		2 8.3%		13 54.2%	8 33.3%	1 4.2%	24

Questions	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree	Not Enough Information	
15. I understand when to call the GCO to get involved in a particular matter		1 4.2%	2 8.3%	8 33.3%	12 50.0%	1 4.2%	24
16. I am clear on the individual(s) in the GCO I should contract when I need help		2 8.3%	4 16.7%	10 41.7%	8 33.3%		24
	Poor	Fair	Good	Very Good	Excellent	Not Enough Information	
17. Overall, I would rate the services provided by the General Counsel's Office as follows			1 4.2%	10 41.7%	13 54.2%		24
	YES	NO	NO RESPONSE				
20. Please indicate whether you think this survey asks appropriate questions regarding the services of the GCO and your level of satisfaction with those services	19 79.2%	1 4.2%	4 16.7%				24

1995 GENERAL COUNSEL'S OFFICE CUSTOMER SURVEY

18. Please list up to three items describing how the member(s) of the GCO with whom you work are particularly effective:

Are solution oriented
Are approachable
Are understandable (2)
Proactive
Provide negotiation skills
Team players (2)
Excellent on rate issues
Bay/Delta issues and inter-relationship
Business development issues
Numerous policy issues
Bond sales (2)
Revenue matters
Other Financing issues (2)
ESA
Contracts (2)
Keep up on projects, events and changes
Legislative/regulatory review and response works very well. (2)
Assisting staff on relevant issues
Thoroughness (2)
Responsive (3)
Professionalism (2)
Thorough work protecting MWD interests on transfers
The GC's boundless energy and creativity
Extensive expertise on Colorado River and SWP contract legal issues
Knowledgable (4)
Efficient
Board politics considerations
Board letter advise
Highly competent legal service
Meet critical deadlines
Very good understanding of their jobs
Quickly understand the issues
Look for ways to accomplish goals
Work well with staff and at outside meetings
Annexation issues
Personnel matters
All supportive of HR goals
Usually deal quickly with items

19. Please list up to three items describing how the member(s) of the GCO with whom you work could be more effective:

Locate on closer floor

In general GCO reacts to GM's requests - there is room for greater creativity and original thought by GCO. This could be achieved by reinforcing a partnering between specific legal folks and GM units.

There has in the past been concern on legal interpretation differing by attorney in the area of procurement

Spend more time in pro-active review of policy and procedure (2)

Spend time educating my staff to avoid legal problems

Attorneys must work together to develop and support a single, district-wide opinion -- it is still too easy to shop on opinion. Dueling opinions continues to be a problem.

Could use better advance notice on some issues\

Need better interface with consultant attorneys

More outspoken in meetings with other entities

Desert/Coachella predelivery account - find a way to do what we want

Employee problems - need stronger stand

I think you're doing a great job

More vertical communication within GCO on some issues to avoid last minute changes from GC

Be more proactive

More accessible

More timely turnaround to improve effectiveness

Be more decisive on Business Outreach policies

Give more direction on contract issues

Sometimes too busy

Patent rights

Providing external services

Work load reduction, some things take far too long.

(Please indicate whether other/additional questions you think would be more appropriate in the "Additional Comments" section below.)

Additional Questions:

How would you rate level of creativity or original problem solving by GCO?

Is GCO reactive or anticipating in addressing your issues?

Is there a continuing, predictable relationship?

Additional Comments:

I am concerned that the GCO may not have sufficient resources to support CIP construction contracts and property acquisitions.

I think service varies between attorneys, some very good, others not too helpful

I have worked closely with hundreds of water attorneys - our GCO is among the best with an enviable record of achievement. Strong partnership exists between GCO and GM's office, in my opinion.

The difficulty in responding to a survey such as this is that service levels from the GCO vary depending on the project and counsel assigned. Responses thus reflect an "averaging" of experiences and perceptions.

My experience with GCO staff has been very positive. Staff normally looks for ways to make the job successful. Staff always acts professionally.

It's a pleasure to work with legal counsel and staff