



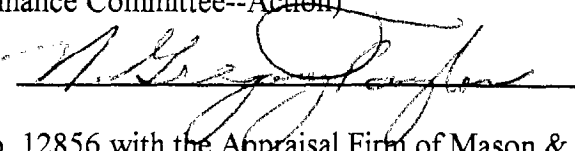
MWD

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

7-5

August 20, 1998

To: Board of Directors (Legal and Claims Committee--Action)
(Budget and Finance Committee--Action)

From: General Counsel 

Subject: Authority to Amend Agreement No. 12856 with the Appraisal Firm of Mason & Mason for Eminent Domain Litigation to Acquire Property for the Inland Feeder Project.

RECOMMENDATION(S)

It is recommended that your Board authorize the General Counsel to amend Agreement No. 12856 with the appraisal firm of Mason & Mason from a maximum payable of \$250,000 to \$400,000, including expenses.

DETAILED REPORT

At its meeting of April 13, 1993, your Board authorized an increase in Appropriation 559 to finance all costs in advance of award of construction contracts for the Inland Feeder Project. These costs include the acquisition of the property required for the project including tunnel easements.

The project requires a number of tunnel easements in the Crafton Hills area of San Bernardino County, just south of Interstate 10 known as the Redlands badlands. The General Counsel retained the appraisal firm of Mason & Mason to perform a general study of the effect of deep tunnels on surface values. The tunnel study is now complete. Because of Mason & Mason's familiarity with the project and the firm's excellent experience in tunnel easements, Metropolitan received your Board's approval to amend Mason & Mason's agreement to perform litigation appraisals for each tunnel parcel and to provide expert testimony on those parcels that go to trial. Staff anticipated an additional three to four tunnel easement acquisitions to be appraised at \$10,000 each, and trial testimony to run approximately \$2,500 per parcel. However, because of Mason & Mason's familiarity with the project and particularly the tunnel easements, several of Metropolitan's outside counsel have requested the services of Mason & Mason. Mason & Mason is appraising 20 tunnel easements and will be needed for expert testimony on each that goes to trial. A copy of Mason & Mason's budget for current assignments is attached hereto as Exhibit A. Future assignments would require additional funding. Therefore, the General Counsel recommends increasing the maximum payable to Mason & Mason, including expenses, to an amount not to exceed \$400,000.

KS
Attachment(s)
11675

MASON & MASON
MEMORANDUM

TO: Karen Schlickemyer
FROM: Francis Wolfe Mason, MAI
DATE: August 14, 1998
SUBJECT: INLAND FEEDER REVISED BUDGET

Following is our best estimate of time to complete the assignments:

Knudsen	\$6,000
DeBlauw	\$8,000
Margaret Farquahar	\$6,500
Louis Farquhar	\$6,500
Ryan	\$8,000
Fletes	\$25,000+/- (includes record certification \$ unknown)
Cozzolino	\$18,000
Fosdick	\$7,500
Ossko	\$7,500
Zuppardo	\$10,000
Campus Crusade- estimate 7 days deposition, pretrial & trial @ \$200 per hour	\$11,200
TOTAL	\$114,200