

Quarterly Report

October 19, 1998

To: Legal and Claims Committee--Information
Organization and Personnel Committee--Information

From: General Manager _____
General Counsel _____

Subject: Report Under Administrative Code Section 6433 for the Quarter Ended
September 30, 1998

RECOMMENDATION(S)

For information only.

EXECUTIVE SUMMARY

Administrative Code Section 6433 requires the General Manager and the General Counsel to make a quarterly report to the Legal and Claims Committee on the exercise of powers delegated to them by Administrative Code Sections 6431, 9200 and 9201. In addition, the General Counsel is required to make a quarterly report to the Organization and Personnel Committee on the exercise of any power delegated to him by Section 6431.

DETAILED REPORT

A. CONTRACTS

Within the past quarter, the General Counsel entered into the following contracts pursuant to his authority under Administrative Code Section 6431:

Remy, Thomas and Moose, LLP

Metropolitan retained this firm to provide legal consulting services related to the CALFED Bay-Delta Program.

Brand, Farrar and Buxbaum

Brand, Farrar and Buxbaum was hired to advise Metropolitan as to Metropolitan's authority to complete the Recreation Project at Metropolitan's Eastside Reservoir, review proposals and draft documents to create a Recreation Business Entity to operate the recreation facilities on behalf of Metropolitan.

Katherine Stone

Katherine Stone was retained to advise Metropolitan regarding entitlement and development related issues in connection with development of Metropolitan's Recreational Project at its Eastside Reservoir and represent Metropolitan in negotiations or litigation involving the Project.

Joseph Vanderhorst

Metropolitan retained Joseph Vanderhorst to provide legal advice to Metropolitan in connection with issues related to desert land projects.

Fox, Siegler and Spillane

Metropolitan retained Fox, Siegler and Spillane to advise, consult and furnish legal services related to claims arising from Metropolitan's lease of California Plaza. This firm will determine the amount of overcharged operating expenses for the term of the Metropolitan lease and initiate the necessary action to recover the total amount that has been overcharged.

Aguilar and Sebastinelli

Aguilar and Sebastinelli was retained to advise, consult, and provide legal documentation regarding inter-agency agreements, related to legal documentation for the Alameda Corridor Construction Project and the Alameda Corridor Utility Coordination Committee.

Geoscience

Geoscience was hired to provide consultant/expert services pertaining to an investigation of groundwater conditions in and around the Eastside Reservoir and the interrelation of these conditions upon certain insurance coverage issues.

B. CLAIMS

1. Between July 1, 1998 and September 30, 1998, Metropolitan initiated, compromised, settled, or otherwise disposed of the following claims:

- a. Litigated Claims By and Against Third Parties

- Fox v. Caltrans

- After filing an Answer on June 24, 1998, Metropolitan served a Code of Civil Procedure section 998 settlement offer in the amount of \$11,500. Upon receipt of the 998 offer, plaintiffs' counsel and the undersigned entered into settlement discussions. Metropolitan has settled with the plaintiffs for \$11,500.

- Hagopian v. MWD

- This Superior Court case alleged that negligent maintenance activities by Metropolitan staff resulted in damage to plaintiff's adjacent property in an unspecified amount. The matter, scheduled for trial in September, was settled

upon payment to plaintiff of \$7,500 in exchange for a dismissal of the entire action with prejudice and plaintiff's execution of a full settlement and release of all claims.

Moreno v. Vasquez

This case has been settled with Metropolitan paying no money. Metropolitan's employee was named in the lawsuit, not Metropolitan itself. And Moreno did not file a Government Code section 910, et seq., claim before serving the lawsuit. After a recent status conference, Metropolitan informed Moreno's attorney about the lack of a claim. Rather than facing Metropolitan's Summary Judgment Motion, Moreno's attorney agreed to dismiss the suit in exchange for a waiver of costs.

b. Other Claims By and Against Third Parties

Non-litigated third party claims settled by the General Manager within the past quarter are reported in Attachment A.

c. Workers' Compensation Matters

The workers' compensation claims settled by the General Manager within the past quarter are reported in Attachment B.

d. SB 90 Claims

During the past quarter, Metropolitan did not submit any SB 90 claims for reimbursement for state-mandated costs.

2. Claims that were declared uncollectible by the General Manager within the past quarter are reported in Attachment C.

TD

Attachment A

Attachment B

Attachment C

ATTACHMENT A

Workers' Compensation Matters Resolved During the Period of
July 1, 1998 - September 30, 1998

| Classification | Control No. | Date of Injury | Amount of Settlement | Nature of Injury | Basis for Settlement |
|-----------------------|--------------------|-----------------------|-----------------------------|----------------------------------|--|
| Maintenance Mechanic | 95-1009-0153 | 10/5/95 | \$26,404.00 | Back | Stipulated Findings & Award based on treating physician's report. |
| Maintenance Worker | 93-0503-0590 | 4/18/93 | \$35,224.00 | Back | Stipulated Findings & Award based on Qualified Medical Evaluator's report. |
| Electronic Technician | 97-1001-0124 | 9/30/97 | \$8,680.00 | Left shoulder and low back | Stipulated Findings & Award based on treating physician's report. |
| Senior Clerk | 92-1221-0246 | 12-18-92 | \$5,000.00 | Bilateral carpal tunnel syndrome | Compromise and release, negotiated settlement of future medical award. |
| Deputy Auditor | 95-0424-0425 | 4-10-95 | \$5,000.00 | Left lower extremity | Compromise and release, negotiated settlement. |

ATTACHMENT B

Claims Against Metropolitan During the Period of
July 1, 1998 - September 30, 1998

| Claimant | Control No. | Amount of Settlement | Incident Description | Basis for Resolution |
|------------------|--------------------|-----------------------------|---|---|
| D. Brandon | 98-0526-0529 | \$100.00 | Falling rock damaged unoccupied vehicle parked at Intake. | The third party's deductible amount was paid by Metropolitan based upon an evaluation of the property damage and repair costs. |
| T. Mobley | 98-0420-0472 | \$936.41 | Parked, unoccupied vehicle was struck by a Metropolitan vehicle. | The third party's property damage was settled based upon an evaluation of the property damage and repair costs. |
| Rosenthal Ranch | 98-0504-0499 | \$1,750.00 | A contract employee vehicle for the ESRP inadvertently spooked the third party's horses, causing injury to them and damage to the claimant's fence. | The third party's property damage claim was settled based upon an evaluation of the property damage repair, diagnosis, and treatment costs. |
| D. Rivera | 98-0806-0059 | \$821.78 | On 08/05/98, a Metropolitan driver backed into the third party vehicle. | The third party's property damage claim was settled based upon an evaluation of the damages and repair costs. |
| G.W. Maintenance | 98-0226-0381 | \$1,712.46 | On 02/24/98, a Metropolitan driver made an unsafe lane change and collided with the third party vehicle. | The property damage claim was settled based upon an evaluation of the damages and repair costs. |

| Claimant | Control No. | Amount of Settlement | Incident Description | Basis for Resolution |
|-----------------|--------------|--------------------------------------|---|--|
| J.&A. Ellington | 97-0407-0390 | \$935.15 \$4,000.00 \$1,000.00 | On 03/29/97, a Metropolitan vehicle rear-ended the third party vehicle. | The property damage claim was settled previously based upon the damage and repair costs. The driver and passenger bodily injury claims were settled for \$4,000.00 and \$1,000.00 respectively based upon the severity of impact, injuries, treatment cost and duration. |
| Linda Mitchell | 98-0820-0085 | \$3,832.30 | On 08/20/98, a Metropolitan driver (agency temp.) made an unsafe lane change and collided with the third party vehicle. | The property damage claim was settled based upon an evaluation of the accident, impact, property damage, repair costs and duration. |
| Tim Chen | 98-0629-0587 | \$1,392.18 | Metropolitan driver backed into the third party vehicle. | The third party property damage claim was settled based upon an evaluation of the accident, property damage, and repair costs. |
| Robert Anthony | 98-0709-0011 | \$1,274.61 | Metropolitan driver backed into the third party vehicle. | The third party property damage claim was settled based upon an evaluation of the accident, property damage, and repair costs. |

ATTACHMENT C

Invoices Written Off as Uncollectible During the Period of
July 1, 1998 - September 30, 1998

| Third Party | Control No. | Damage Amount | Incident Description | Basis for Write-Off |
|----------------------------|--------------|---------------|--|--|
| | | | | Basis for Costs Collected |
| R. Jeng/Allstate | 97-0814-0059 | \$1,982.10 | On 8/13/97, the third party auto rear-ended a Metropolitan vehicle. | Metropolitan property repair costs were paid in full by the third party insurance carrier. |
| Yorba Linda Water District | 96-0318-0364 | \$2,977.91 | On 2/29/96, the third party damaged Metropolitan uninterruptible power supply (UPS). | Metropolitan collected \$2,649 of damage repair costs and wrote off the \$328.91 balance. |