



● **Board of Directors**
Executive Committee

October 12, 1999 Board Meeting

8-5

Subject

Authority to Amend Contract with Harkins Cunningham for Colorado River Negotiations

Description

A contract with Harkins Cunningham is currently in effect for the personal negotiating services of Paul Cunningham in the ongoing Colorado River quantification discussions. The negotiations have become more complex and taken longer than originally anticipated. It is therefore necessary to amend the Harkins Cunningham contract to increase the amount payable by \$250,000.

Policy

Prior Board direction to successfully complete quantification discussions as a condition to implementation of the Metropolitan/SDCWA Exchange Agreement.

Board Options/Fiscal Impacts

Option #1

Authorize the General Counsel to amend the contract with Harkins Cunningham for an additional \$250,000 to complete negotiation of quantification issues for California's share of the Colorado River.

Fiscal Impact: Maximum of an additional \$250,000.

Option #2

Terminate the contract with Harkins Cunningham and complete negotiations with respect to quantification issues for California's share of the Colorado River utilizing staff only.

Fiscal Impact: \$0

Staff Recommendation

Option #1

On November 18, 1998, the Board authorized the retention of Harkins Cunningham, and in particular the personal services of Paul Cunningham. Mr. Cunningham was retained for this task because he had successfully fulfilled a similar role relating to the Exchange Agreement between Metropolitan and the San Diego County Water Authority. Additionally, in order for the Exchange Agreement to become effective, one of the conditions that must be fulfilled is the establishment and completion of a quantification arrangement amongst the agricultural agencies with Colorado River rights. Mr. Cunningham provides a continuity of representation.

The amended contract would continue the same terms and conditions as presently included in the contract with the only amendment being to increase the maximum amount payable by \$250,000. Mr. Cunningham's services are presently billed at \$350.00 per hour.

N. Gregory Taylor
General Counsel

Date

General Manager

Date