

● **Board of Directors**  
**Executive Committee**

September 12, 2000 Board Meeting

8-4

**Subject**

Authority to Amend Contract with Harkins Cunningham for Colorado River Negotiations and Documentation

**Description**

A contract with the law firm of Harkins Cunningham, and specifically for the personal services of Paul Cunningham, has been in effect since November 1998, for the ongoing Colorado River quantification discussions, negotiations and documentation. It is anticipated that the quantification process and the accompanying legal agreements will be completed by January 2001. This is an extremely ambitious schedule, which will require an extensive effort on the part of Metropolitan's staff, Legal Department attorneys and outside counsel. The services of Harkins Cunningham are needed to provide continuity of representation and support until this process is complete. The Legal Department has budgeted \$700,000 for this effort in this year's Board-approved budget. Because contract funds from the previous fiscal year have been exhausted, it is necessary to amend the contract with Harkins Cunningham at this time.

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 \$700,000. Mr. Cunningham's services are presently billed at \$350.00 per hour.

**Policy**

Prior Board direction to successfully complete the Quantification Settlement Agreement and the accompanying legal agreements.

**Board Options/Fiscal Impacts**

**Option #1**

Authorize the General Counsel to amend the contract with Harkins Cunningham for an additional \$700,000 to complete negotiation of quantification issues for California's share of the Colorado River.

**Fiscal Impact:** Maximum of an additional \$700,000.


**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:** Staff time considerations.

**Staff Recommendation**

Option #1

  
General Counsel

8/28/2000  
Date