

- March 31, 2008 Quarterly Report

Summary

This is the quarterly report to the Legal & Human Resources Committee on the exercise of powers delegated to the General Manager and the General Counsel by Administrative Code Sections 6431, 6433 and 6434. In addition, the General Counsel reports to the Executive Committee on the exercise of power delegated to her by Section 6431.

Attachments

- ATTACHMENT A - Workers' Compensation Matters Resolved During the Period of January 1, 2008 - March 31, 2008
- ATTACHMENT B - Claims Against Metropolitan During the Period of January 1, 2008 - March 31, 2008
- ATTACHMENT C - Costs Collected During the Period of January 1, 2008 - March 31, 2008
- ATTACHMENT D - Property Damage Written Off as Uncollectible During the Period of January 1, 2008 - March 31, 2008
- ATTACHMENT E - Accounts Receivable Written Off as Uncollectible During the Period of January 1, 2008 - March 31, 2008

Detailed Report

Contracts

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

Flavell, Tennenbaum & Edwards

This consultant was retained to provide expert opinion, testimony and litigation support in connection with the eminent domain action entitled *Metropolitan Water District of Southern California v. Campus Crusade for Christ*.

LIT.ECON LLP

Metropolitan retained this consultant to provide expert testimony and litigation support with respect to the litigation *Cadiz v. Metropolitan Water District of Southern California*, Los Angeles Superior Court Case No. BC343232.

Mason & Mason

This consultant was retained to appraise a temporary easement, to provide expert testimony and litigation support in connection with two condemnation actions entitled *Metropolitan Water District of Southern California v. FR/Cal Perris, et al.* and *Metropolitan Water District of Southern California v. Lewis Street Properties, et al.* Consultant was also retained to provide expert opinion, testimony and litigation support in connection with *MWD v. Campus Crusade for Christ*.

Miles Chen Law Group, P.C.

Metropolitan retained this consultant to provide legal advice and representation in connection with the *Cadiz v. MWD* litigation.

NERA Economic Consulting

This consultant was retained to assist in reviewing and analyzing the allocation of costs associated with Lake Perris, a feature of the State Water Project.

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Public Interest Investigations, Inc.

Metropolitan retained this consultant to provide investigation regarding allegations of employee, director and/or contractor misconduct in violation of Metropolitan's Ethics Policies.

Claims

1. Between January 1, 2008 and March 31, 2008, Metropolitan initiated, compromised, settled, or otherwise disposed of the following claims:
 - a. Litigated Claims By and Against Third Parties
During the past quarter, Metropolitan initiated, compromised, settled, or otherwise disposed of the following litigated claims by and against third parties:

Maria Belen Guerra v. City of Los Angeles, et al.
This is a slip and fall, personal injury lawsuit against the City of Los Angeles and Metropolitan. The property alleged to have been in a dangerous condition at the time of the accident is owned and maintained by the Department of Water and Power of the City of Los Angeles. Metropolitan has no ownership or other interest in the property, but was in the lawsuit even after a declaration of non-ownership was given to Guerra's attorney.

After Guerra's deposition on January 15, 2008, the Deputy City Attorney assigned to the case admitted to Guerra's attorney that the City owned and maintained the property in question. Based on this admission, Guerra's attorney offered to dismiss Metropolitan from the case in exchange for a waiver of costs and fees. Since the cost incurred defending the case was minimal and the fact that a fee recovery was extraordinarily unlikely, Metropolitan agreed to the settlement.

MWD v. Louis Cardenas
Metropolitan filed this case to collect the remaining portion of an overpayment of Worker's Compensation benefits from a retired employee who refused to pay off the remaining overpayment. This case has been settled with the retired employee signing an agreement to make payments over the course of 12 months that will pay off the \$2,000 debt.
 - b. Workers' Compensation Matters
The workers' compensation claims settled by the General Manager and the General Counsel within the past quarter are reported in Attachment A.
 - c. Other Claims By and Against Third Parties
Non-litigated third party claims settled by the General Manager and the General Counsel 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.
 - e. Separation Agreements
Metropolitan did not execute any separation agreements during this period.
2. Costs collected for claims during the past quarter are reported in Attachment C.
3. Property Damage Claims declared uncollectible by the General Manager within the past quarter are reported in Attachment D.
4. Accounts Receivable Written Off as Uncollectible by the General Manager during the past quarter are reported in Attachment E.

BLA # 6140

ATTACHMENT A
 Workers' Compensation Matters Resolved During the Period of
January 1, 2008 – March 31, 2008

Classification	Control No.	Date of Injury	Amount of Settlement	Nature of Injury	Basis for Settlement
Maintenance Mechanic	2005-0309-0423	12/30/04 CT**	\$3,300.00	Bilateral hearing loss	Stipulated settlement based on consulting physician's report.
Maintenance Mechanic	2002-0710-0015	7/10/02 CT**	\$29,750.00	Lower back	Stipulated settlement of claim for "new & further" disability based on agreed medical evaluator's report (\$12,080 previously awarded and paid).
Associate Environmental Specialist	2001-0807-0057	7/3/01 CT**	\$12,880.00	Bilateral carpal tunnel syndrome	Stipulated settlement based on treating physician's report.
Maintenance Mechanic	2006-0816-0109	8/15/06	\$18,515.00	Left shoulder	Stipulated settlement based on treating physician's report.
Operations & Maintenance Supervisor	2006-1019-0216	1977 - 1989 CT**	\$95,000.00	Death due to mesothelioma, alleged work exposure	Compromise and release, negotiated settlement of all claims, all issues.
Maintenance Mechanic	2006-1128-0278	11/27/06	\$1,380.00	Left knee	Stipulated settlement based on treating physician's report.
General Maintenance Assistant	2006-0605-0636	6/4/06	\$32,500.00	Right knee, left hip, spine	Compromise and release, negotiated settlement of all claims, all issues.

CT** = Continuing Trauma

ATTACHMENT B
 Claims Against Metropolitan During the Period of
January 1, 2008 – March 31, 2008

Claimant	Control No. CW No.	Amount of Settlement	Incident Description	Basis for Resolution
Bahaa Sebeh	2007-0705-0005 CW 1455897	\$9,496.22	On 7/3/07, a District driver pulled out into oncoming traffic and was struck by a third party vehicle.	MWD negotiated with the third party insurance company and settled for 70 percent of the total damages.
Michelyn Miller	2007-0724-0051 CW1458942	\$1,777.48	On 7/24/07, a District driver backed into a third party vehicle.	The third party property damage claim was settled based on evaluation of damages and the repair estimate.
Paul Kasteiner State Farm Insurance Co.	2007-0925-0206 CW 1462344	\$1,584.65	On 9/25/07, a District driver rear-ended third party vehicle.	The third party property damage claim was settled based on evaluation of damages and the repair estimate.
Safeco Insurance	2007-1120-0333 CW 1467179	\$736.93	On 11/20/07, a filter box came off a District vehicle and struck and damaged a third party vehicle.	The third party property damage claim was settled based on evaluation of damages and the repair estimate.
Abel Veliz	2007-1106-0303 CW 1465144	\$2,500.00	On 11/6/07, a District driver backed into a third party vehicle.	The third party vehicle was a total loss and the property damage claim was settled based on the blue book value, evaluation of damages and the repair estimate.
Joseph Kibe 21 st Century Insurance	2007-0820-0116 CW 1460010	\$1,462.66	On 8/16/07, a District driver rear-ended a third party vehicle.	The third party property damage claim was settled based on evaluation of damages and the repair estimate.

ATTACHMENT C
 Costs Collected During the Period of
January 1, 2008 – March 31, 2008

Third Party or Cause	Control No. CW No.	Damage Amount	Incident Description	Basis for Costs Collected
Sienna II Avante II, LLC	2007-0426-0615 CW 1451288	\$342.17	On 4/24/07, a District vehicle sustained damage when it struck a temporary phone line that was hanging over the roadway.	The claim for property damage was paid in full by the third party.
Mercado Estrada	2007-1004-0227 CW 1464559	\$66.00	On 9/28/07, a Securitas officer was caught fueling a third party vehicle with MWD gasoline.	The claim for loss was paid in full by Securitas.
Securitas Company*	2005-0207-0360 CW 290971	\$9,788.80	On 02/7/05, a Securitas officer closed gate on third party vehicle and damaged MWD gate.	Through negotiations MWD recovered \$4,895.00 and wrote off the uncollected portion in the amount of \$4,893.80.
Alberto Camberos	2005-0307-0412 CW 293419	\$2,605.95	On 3/5/05, a third party driver hit and damaged MWD fence.	Through negotiations MWD recovered \$2,505.95 and wrote off the uncollected portion in the amount of \$100.00.
Francisco Zavaleta	2007-0125-0393 CW 1445188	\$3,502.00	On 1/22/07, a third party driver struck and damaged a District vehicle.	MWD salvaged the vehicle for \$2,493.00 and recovered the balance of \$3,502.00 from the third party insurance company.

*Securitas Company provides security services to Metropolitan.

ATTACHMENT D
 Invoices Written Off as Uncollectible During the Period of
January 1, 2008 – March 31, 2008

Third Party or Cause	Control No. "CW No.	Project No.	Damage Amount	Incident Description	Basis for Write-Off	Date Written Off
Unidentified Third Party	2007-0924-0202 CW 1462318	761376	\$574.70	On 9/24/07, unknown third party cut District metal screen of window.	The property damage costs were written off because the third party could not be identified.	1/22/08
Unidentified Third Party	2006-0905-0142 CW 1470186	761202	\$2,600.00	On 8/31/06, unknown third party damaged District pipe.	The property damage costs were written off because the third party could not be identified.	1/22/08
Unidentified Third Party	2005-1012-0188 CW 1470185	761093	\$2,494.08	On 10/5/05, unknown third party damaged District forklift.	The property damage costs were written off because the third party could not be identified.	1/22/08
Damage During Use	2005-1007-0180 CW 1470192	761054	\$486.64	On 9/28/05, a District driver backed into exhaust stack and damaged vehicle.	The property damage costs were written off because the damage occurred during the course and scope of employment.	1/22/08
Act of Nature	2006-0925-0162 CW 1470182	761206	\$18,413.29	On 9/25/06, Santa Ana winds damaged District power pole.	The property damage costs were written-off due to an act of nature.	1/22/08
Damage During Use	2006-0619-0664 CW 1470189	761170	\$3,617.10	On 6/19/06, a District driver backed into a parking post.	The property damage costs were written off because the damage occurred during the course and scope of employment.	1/22/08

ATTACHMENT D
 Invoices Written Off as Uncollectible During the Period of
January 1, 2008 – March 31, 2008

Third Party or Cause	Control No. "CW No.	Project No.	Damage Amount	Incident Description	Basis for Write-Off	Date Written Off
Damage During Use	2006-0523-0610 CW 1470188	761156	\$3,905.94	On 5/22/06, a District trailer being towed came loose from hitch and was damaged.	The property damage costs were written off because the damage occurred during the course and scope of employment.	1/22/08
Damage During Use	2005-0516-0548 CW 1470187	760979	\$1,561.10	On 5/16/05, tire struck District vehicle, which was traveling on freeway.	The property damage costs were written off because the damage occurred during the course and scope of employment.	1/22/08
Unidentified Third Party	2006-0703-0004 CW 1431143	761176	\$3,972.95	On 7/1/06, third party damaged District corrosion cabinet.	The property damage costs were written-off because the responsible third party could not be identified.	1/22/08
Damage During Fire	2007-1107-0307 CW 1470184	761432	\$3,102.82	On 10/22/07, fire caused damage to District supplies and equipment.	The property damage costs were written-off because the damage occurred during a fire.	1/22/08
Unidentified Third Party	2007-0524-0683 CW 1454231	761331	\$1,748.36	On 5/22/07, a third party driver struck and damaged a District vehicle.	The property damage costs were written-off because the responsible third party could not be identified.	2/27/08

ATTACHMENT E
 Accounts Receivable Written Off as Uncollectible During the Period of
January 1, 2008 – March 31, 2008

Invoice Date	Invoice Number	Customer Name	Invoice Amount	Brief Description	Basis for Write-Off	Date Written Off
10/1/04 1/31/06 1/2/07	32326 33452 34267	The Center for Water Education	\$3,874.23	Unpaid expense invoices accumulated from June 2004 to September 2007.	The Center for Water Education ceased operation in March 2007. These invoices remain unpaid and entity has no financial resources.	3/24/08
7/31/06 through 3/9/07	33867 33943 34005 34116 34193 34296 34375 34450 34462	The Center for Water Education	\$83,451.60	Unpaid invoice for financial and clerical services provided by Metropolitan per agreement AR50724 between Metropolitan and the Center for Water Education	The Center for Water Education ceased operation in March 2007. These invoices remain unpaid and entity has no financial resources.	3/24/08
		Total	\$87,325.83			