



● **Board of Directors**
Organization and Personnel Committee

9/14/2010 Board Meeting

REVISED 8-8

Subject

Authorize retention of outside counsel for a maximum amount of \$50,000 to develop employment contracts with department heads who report directly to the Board of Directors

Description

The existing employment contracts with the General Manager, General Counsel, and Ethics Officer may require updating. In addition, the General Auditor does not currently have an employment contract. Outside expertise is required to develop and advise the Board on possible changes to the existing contracts and with regard to a new contract with the General Auditor. Independent counsel is required as the General Counsel is one of the department heads, and there could be a perceived conflict of interest if the contracts were developed by internal legal staff.

Policy

Metropolitan Water District Administrative Code Sections 6400 – 6474: Officers

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed actions are not defined as a project under CEQA, because they involve continuing administrative activities such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed actions are not subject to CEQA because they involve other government fiscal activities, which do not involve any commitment to any specific project that may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed actions are not subject to CEQA pursuant to Sections 15378(b)(2) and 15378(b)(4) of the State CEQA Guidelines.

CEQA determination for Option #2:

None required

Board Options

Option #1

Adopt the CEQA determination and authorize the Chair of the Board of Directors to retain outside counsel for a maximum amount of \$50,000 to provide assistance in the development of employment contracts with Metropolitan's four department heads who report directly to the Board.

Fiscal Impact: \$50,000 maximum

Business Analysis: Provides a current review for board consideration of employment contracts for all four department heads

Option #2

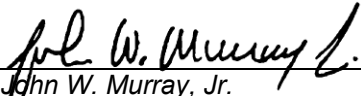
Do not authorize retention of outside counsel to provide assistance in the development of employment contracts with Metropolitan's four department heads who report directly to the Board.

Fiscal Impact: \$0

Business Analysis: Current employment contracts for three department heads remain unchanged.

Staff Recommendation

Option #1



John W. Murray, Jr.
Chair, Organization and Personnel
Committee

9/8/2010
Date

Ref# hr12607785