



- September 30, 2014 Quarterly Report

## Summary

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

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## Attachments

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ATTACHMENT A:	Workers' Compensation Matters Resolved During the Period July 1, 2014 - September 30, 2014.
ATTACHMENT B:	Claims Against Metropolitan Resolved by Risk Management During the Period July 1, 2014 - September 30, 2014.
ATTACHMENT C:	Costs Collected During the Period July 1, 2014 - September 30, 2014 - None.
ATTACHMENT D:	Property Damage Written Off as Uncollectible During the Period July 1, 2014 - September 30, 2014 – No attachment, narrative explanation only
ATTACHMENT E:	Accounts Receivable Written Off as Uncollectible During the Period July 1, 2014 – September 30, 2014.

## Detailed Report

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### Contracts

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

#### Horvitz & Levy, LLP

This agreement was amended this quarter to reflect an increase in the maximum amount payable and contract language updates regarding Billing and Payments, Equal Employment Opportunity, Affirmative Action and Notification of Employee Rights under NLRA.

#### Lea Associates, Inc.

Metropolitan retained this consultant to assist in investigating possible impacts on market value in communities that have allegedly been impacted by copper pitting corrosion.

#### Leech Tischman Fuscaldo & Lampl LLC

This agreement was amended this quarter to reflect the assignment of the contract from Sheldon Mak and Anderson, PC to Leech Tishman Fuscaldo & Lampl LLC. The original agreement between Metropolitan and Sheldon Mak and Anderson, PC was for legal advice related to intellectual property rights. Most of the attorneys at Sheldon Mak and Anderson, PC, including key personnel under the original agreement, joined the firm of Leech Tishman Fuscaldo & Lampl LLC.

#### Lesnick Prince & Pappas LLP

Metropolitan retained the services of special counsel to perform an independent review of applicable bankruptcy and state agency law related to the bankruptcy filed by Holy Hill Church, which is in litigation with Metropolitan arising from the termination of its lease of the Sunset Garage.

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### Olson Hagel & Fishburn LLP

Metropolitan retained the services of special counsel to provide general government law advice related to the Political Reform Act, FPPC regulations, conflict of interest, election law, and other legislative matters as requested.

### Pacific Construction Consultants, Inc.

Metropolitan retained this consultant to assist Metropolitan in analyzing and countering Shimmick Obayashi Joint Venture's claim, including reviewing Project documents, performing an as-planned and as-built schedule analysis, and addressing the specific damages alleged in the claim.

### Public Interest Investigations, Inc.

This agreement was amended this quarter to reflect an increase in the maximum amount payable.

### ReiCorr LLC

Metropolitan retained this consultant to provide professional consulting services in the copper pitting litigation.

### Weidlinger Associates, Inc.

This agreement was amended this quarter to reflect an increase in the maximum amount payable and contract language updates regarding Equal Employment Opportunity, Affirmative Action and Notification of Employee Rights under NLRA.

## Claims and Other Matters

1. Between July 1, 2014 - September 30, 2014, Metropolitan initiated, compromised, settled, or otherwise disposed of the following claims and entered into the following separation agreements:
  - a. Litigated, Compromised and Settled Claims By and Against Third Parties  
Metropolitan did not enter into any settlement agreements within this past quarter.
  - b. Workers' Compensation Matters  
Workers' compensation claims settled by the General Manager and the General Counsel within this past quarter are reported in Attachment A.
  - c. Other Claims By and Against Third Parties Resolved by Risk Management  
Non-litigated third party claims resolved by Risk Management (under authority delegated by the General Manager) and approved by the General Counsel within this past quarter are reported in Attachment B.
  - d. SB 90 Claims  
No SB 90 claims for reimbursement for state-mandated costs were reported within this past quarter.
  - e. Separation Agreements  
Metropolitan did not enter into any separation agreements within this past quarter.
2. No Costs were collected for claims within this past quarter.

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3. Property Damage Claims declared as uncollectible by the General Manager within this past quarter are reported below.

### Perris Valley Pipe Sections Damage Incident # 2011-0906-0128

This incident occurring on August 31, 2011 involves damage to uninstalled pipe sections to be used for the Perris Valley Pipeline Project (“PVP”), a manhole structure and two corrosion test stations. No actual repair costs have been incurred because the portion of PVP for which the uninstalled pipe was fabricated was deleted from Metropolitan’s project and will not likely be built until work resumes in approximately 2017-2018. Estimates of repair costs range from \$96,000 to \$130,000. The damages were deemed to be uncollectible because Metropolitan authorized the property owner’s contractor to move the pipe sections and there is no evidence of their condition prior to their relocation.

4. Accounts receivable that were written off as uncollectible by the General Manager within this past quarter are reported in Attachment E.

**ATTACHMENT A**  
Workers' Compensation Matters Resolved During the Period  
July 1, 2014 - September 30, 2014

<b>Classification</b>	<b>Control No.</b>	<b>Date of Injury</b>	<b>Amount of Settlement</b>	<b>Nature of Injury</b>	<b>Basis for Settlement</b>
O&M Technician I/ Water Treatment Plant Operator I	2013-0326-0430	3/25/13	\$6,210.00	Lumbar spine	Stipulated settlement based on Panel Qualified Medical Evaluator's report
Engineering Technician III/ Associate Environmental Specialist	2009-0915-0192	9/14/09	\$18,515.00	Low back, neck, and left shoulder	Stipulated settlement based on Agreed Medical Evaluator's report
O&M Technician II	2013-1017-0183	10/16/13	\$0.00	Left ankle	Stipulated settlement, providing future medical care, based on treating physician's report
O&M Technician IV	2010-0414-0595 2011-0201-0381	4/14/10 1/21/11	\$40,000.00	Wrist, psyche, body systems, head; stress, anxiety, chest, abdominal/internal, sleep disorder, neurological, right arm	Compromise and Release, negotiated settlement

**ATTACHMENT B**  
 Claims Against Metropolitan Resolved by Risk Management During the Period  
July 1, 2014 – September 30, 2014

<b>Claimant</b>	<b>Control No. CW No.</b>	<b>Amount of Settlement</b>	<b>Incident Description</b>	<b>Basis for Resolution</b>
Deborah Foster	2014-0611-0583 METP-4493A9	\$115.20	On 6/11/14, a District vehicle struck a third party vehicle	The third party property damage claim was settled based upon an evaluation of damages and the repair estimate
Savannah Florez	2014-0902-0105 MEWD-1535A9	\$4,850.00	On 8/29/14, a District vehicle struck a third party vehicle	The third party property damage claim was settled based upon an evaluation of damages, vehicle rental and the repair estimate

**ATTACHMENT E**  
 Accounts Receivable Written Off as Uncollectible During the Period  
July 1, 2014 – September 30, 2014

<b>Invoice Date</b>	<b>Invoice Number</b>	<b>Customer Name</b>	<b>Amount Written off</b>	<b>Brief Description</b>	<b>Basis for Write-Off</b>	<b>Date Written Off</b>
12/13/12	39622	Marc A. Sokol	472.81	To recover tuition reimbursement per operations policy J-01 for educational course attended while employed by MWD	Employee separated from district in 2012 and moved to another state. The cost involved in obtaining court judgment and enforcing judgment substantially exceeds the amount owed.	8/21/14