



- **Board of Directors**
Legal and Claims Committee

4/8/2025 Board Meeting

7-18

Subject

Authorize increase in the maximum amount payable under contract with outside counsel, Liebert Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The General Counsel entered into a contract with the law firm of Liebert Cassidy Whitmore (Liebert Cassidy) on December 1, 2023, for \$100,000 to provide advice, as requested, to the Chair of the Board and serve as counsel to the Ad Hoc Committee of the Executive Committee relative to its duties pursuant to Section 2416 (f) (5) of Metropolitan's Administrative Code regarding the investigation of allegations of Equal Employment Opportunity violations against members of the Metropolitan Board, the General Manager, General Counsel, General Auditor and Ethics Officer.

The agreement was amended on January 30, 2024, to amend the scope of work to include representation of Metropolitan in responding to and, if required, defend Metropolitan relative to requests for documents pursuant to the California Public Records Act; on August 12, 2024, to increase the maximum amount payable by \$100,000 to an amount not to exceed \$200,000 and, on December 17, 2024 to increase the maximum amount payable by \$50,000 to an amount not to exceed \$250,000.

This letter requests an increase of \$200,000 to a maximum amount payable of \$450,000 so that Liebert Cassidy can continue to provide these legal services for Metropolitan. This agreement remains in effect until terminated. While the rate of expenditure is subject to the number and nature of matters requiring assistance from the firm, it is anticipated that the requested increase will be adequate for an additional one to two years.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize the General Counsel to increase the amount payable under contract with outside counsel, Liebert Cassidy Whitmore, in the amount of \$200,000 for a total amount not to exceed \$450,000.

Fiscal Impact: The sum of \$200,000 is added to this agreement for the provision of the authorized legal services, funded within the FY 2024/25 budget.

Business Analysis: Metropolitan will retain the expertise needed for the provision of advice and assistance to the Chair of the Board and the Ad Hoc Committee of the Executive Committee.

Option #2

Do not authorize an increase in the maximum amount payable under this agreement with Liebert Cassidy Whitmore, effectively terminating this contract when the current funds are exhausted.

Fiscal Impact: None

Business Analysis: Metropolitan will not have access to the valuable expertise and assistance provided by this law firm.

Alternatives Considered

Not applicable

Applicable Policy

Metropolitan Water District Administrative Code Section 6430: General Counsel’s employment of attorneys to render special counsel services

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

Not applicable


California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it will not result in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. (State CEQA Guidelines Section 15378(a).)

CEQA determination for Option #2:

None required



Marcia Scully
General Counsel

4/1/2025
Date



Adán Ortega, Jr.
Chair of the Board

4/1/2025
Date