



- Board of Directors
Legal and Claims Committee

7/13/2021 Board Meeting

7-10

Subject

Authorize increase of \$100,000, to a maximum amount payable of \$300,000, for existing General Counsel contract with Olson Remcho LLP to provide general government law advice related to the Political Reform Act, the Fair Political Practices Commission regulations, conflict of interest law and other legislative and ethics matters; the General Manager has determined the proposed action is exempt or otherwise not subject to CEQA

Executive Summary and Details

The General Counsel entered into a contract with the law firm of Olson Hagel & Fishburn LLP (Olson Hagel) on July 1, 2014, for \$50,000 to provide Metropolitan with general government law advice related to the Political Reform Act (PRA), the Fair Political Practices Commission (FPPC) regulations, conflict of interest law and other legislative and ethics matters. The firm focuses on election and political law, campaign reporting, conflicts of interest, ethics and other public law matters. Under a separate contract, the firm was engaged to assist in a review of the policies and procedures of Metropolitan's Ethics Office and to propose amendments to Metropolitan's Administrative Code relative to Ethics matters. In 2020 the name of the firm was changed to Olson Remcho LLP. Lance Olson continues to perform most of the work under the contract.

Under this contract, the firm provides valuable advice and assistance to Legal and the Ethics Office on an as-requested basis. As part of the contract, the firm serves as Metropolitan's designated agent for the required electronic filing of Lobbyist Reports under the PRA, and regularly reviews and files these reports with the FPPC for Metropolitan. The firm also assists the General Counsel and the Ethics Officer in joint discussions of the interpretation and requirements of the PRA in researching and responding to questions from staff and members of the Board. The firm provided Brown Act training to the Board in January 2021 and assisted in responding to additional questions from the Board regarding the training and related matters.

The agreement was amended on November 1, 2016, to increase the maximum amount payable to \$100,000 and in August 2018 by \$100,000 to a maximum amount payable of \$200,000. The expenditures are approaching the \$200,000 maximum. This letter requests an increase of \$100,000 to a maximum of \$300,000 so that Olson Remcho LLP 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 the matters requiring assistance from the firm, it is anticipated that the increase will be adequate for at least an additional year.

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

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action involves fiscal decisions that will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment. In addition, the proposed action is not defined as a project under CEQA because it involves continuing

administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines) and other government fiscal activities, which do not involve any commitment to any specific project, or which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). Finally, where it can be seen with certainty that there is no possibility that the proposed action in question may have a significant effect on the environment, the proposed action is not subject to CEQA (Section 15061(b)(3) of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize the General Counsel to increase the amount payable under its agreement with Olson Remcho LLP by \$100,000 to a maximum amount payable of \$300,000.

Fiscal Impact: The sum of \$100,000 is added to this agreement for the provision of the authorized legal services, funded within the FY 2021/22 budget

Option #2

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

Fiscal Impact: No known fiscal impact but Metropolitan will not have access to the valuable expertise and assistance provided by this law firm

Staff Recommendation

Option #1



Marcia Scully
General Counsel

6/30/2021
Date