



- Board of Directors
Legal and Claims Committee

9/14/2021 Board Meeting

7-7

Subject

Authorize an increase in the maximum amount payable under contract with Ryan & Associates for legal services related to general real estate and leasing law issues by \$100,000 to a maximum amount payable of \$200,000; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action authorizes an increase in the maximum amount payable under contract with Ryan & Associates, Attorneys at Law, for advisory legal services related to real estate and commercial leasing law by \$100,000 to a maximum amount payable of \$200,000. Metropolitan retained Ryan & Associates on June 19, 2001, under the General Counsel's authority, to provide expert legal assistance related to provide focused, on-call real estate and commercial leasing legal support. Work since July 2001 has expended the initial contract amount, and additional assistance is required.

Details

Metropolitan owns and maintains more than 200,000 acres of land holdings and pipeline right of ways in order to support its extensive water conveyance, storage, treatment, and supply functions within a 5,200-square-mile service area. The General Counsel's Office supports Metropolitan's strategic approach to the planning, acquisition, and disposition of Metropolitan land and also works with the General Manager's staff to protect Metropolitan's property rights and uses, and to minimize land ownership costs. In addition, the General Counsel's Office provides legal support to Real Property Group's management of Metropolitan's long-standing urban-agricultural partnerships with farming interests and local public agencies and Metropolitan's issuance of innovative agricultural leases and support of regional fallowing programs that decrease crop consumptive water use while still maintaining a vibrant agricultural economy.

These legal efforts occasionally implicate private sector, real estate and commercial leasing legal issues outside of the normal practice of public agency law, ranging from private family-imposed restrictive land covenants to cellular tower leaseback and outsourced property management entities.

Ryan & Associates provides focused real estate, leasing, and land use law advice and legal support services, and value-added legal support in real estate transactions and property management matters. The General Counsel's Office has used this firm under its delegated discretionary authority and has received years of cost-efficient service. Staff requests authority to increase the amount payable under the contract by \$100,000 to a maximum of \$200,000 in order to continue obtaining assistance on an as-needed basis on discrete issues or transactions that implicate real property management, acquisition, and leasing issues that do not regularly arise in public agency law.

Policy

Metropolitan Water District Administrative Code Section 6431: Authority to Obtain Expert Assistance

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 because it involves the creation of government funding mechanisms or other government fiscal activities, which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). In addition, 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 will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) 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 an increase in the maximum amount payable under contract with Ryan & Associates, Attorneys at Law, for advisory legal services related to real estate and commercial leasing law by \$100,000 to a maximum amount payable of \$200,000.

Fiscal Impact: \$100,000

Business Analysis: Expert special counsel will remain available to assist as needed in discrete real estate and leasing law matters, transactions and dispositions.

Option #2


Do not authorize the contract increase.

Fiscal Impact: Unknown

Business Analysis: Without expert special counsel, the conduct of real property management, acquisitions and dispositions might be more uncertain.

Staff Recommendation

Option # 1



Marcia Scully
General Counsel

9/2/2021

Date