SPECIAL MEETING OF THE CENTRAL BASIN MUNICIPAL WATER DISTRICT BOARD OF DIRECTORS

May 15, 2014

10:00 a.m.

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WORKSHOP & BOARD AGENDA

1. Roll Call
   - Invocation
   - Pledge of Allegiance
   - Certification by the Board Secretary to the Board of Directors that the Agenda was posted in Accordance with the Brown Act

2. Public Comment and Presentations
   (This time has been set aside for persons in the audience to make comments or inquiries on matters within the general subject matter jurisdiction of the Board of Directors (the “Board”) that are not listed on this agenda. Although no person is required to provide their name and address as a condition to attending a Board meeting, persons who wish to address the Board are asked to state their name and address. Each speaker will be limited to three (3) continuous minutes. Speakers may not lend any portion of their speaking time to other persons or borrow additional time from other persons.

   Except as otherwise provided under the Brown Act (Gov. Code section 54950 et seq.), the Board may not deliberate or take action upon any matter not listed on this posted agenda but may order that any such matter be placed on the agenda for a subsequent meeting. The Board may also direct staff to investigate certain matters for consideration at a future meeting.

   NOTE: At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Board.

WORKSHOP


ACTION CALENDAR

4. Consideration and Approval of Interim General Counsel Legal Services Agreement with Alvarez –Glasman & Colvin

   RECOMMENDED MOTION: That the Board authorizes the General Manager to negotiate and enter into a contract for legal services with Alvarez-Glasman & Colvin for an amount not-to-exceed $75,000 for no more than 90 days substantially similar in terms and form to the attached agreement.

CLOSED SESSION

5A. Pursuant to Government Code Sections: 54956.9 (d)(1) Conference with Legal Counsel – Existing Litigation

   - Central Basin Municipal Water District v. Pacifica Services, Inc., Los Angeles Superior Court Case No. BC516029; and
   - Pacifica Services, Inc. v. Central Basin Municipal Water District, Los Angeles Superior Court Case No.BC516427.
5B. Pursuant to Government Code Section:
54956.9(d)(2) and 54956.9(e)(1) and 54956.9(d)(4) - Conference with Legal Counsel to Discuss Facts and Circumstances Resulting in Potential Significant Exposure to Litigation and Discussion to evaluate whether or not such facts and circumstances also give rise to causes of action that may compel or make it desirable for the District to initiate litigation against third parties. [Two (2) matters].

COMMENTS

6. General Counsel’s Report

7. General Manager’s Report on District Activities

8. Director’s Comments

ADJOURNMENT

NEXT BOARD MEETING: THURSDAY, MAY 22, 2014 10:00 A.M.

Agendas and complete Agenda Packets (including staff reports and exhibits related to each item) are posted on the Central Basin Municipal Water District's ("District") Internet Web Site (www.centralbasin.org). These are also available for public review prior to a meeting in the Board Secretary's Office. Any public writings distributed to at least a majority of the Board regarding any items on this special meeting agenda will also be made available at the Board Secretary's Office at the District's headquarters located at 6252 Telegraph Road, Commerce, California, 90040-2512 – during normal business hours. In addition, the District may also post such documents on the District's Web Site at www.centralbasin.org. In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification/accommodation to attend or participate in this meeting, including auxiliary aids or services please call the Board Secretary's Office at (323) 201-5527 at least 48 hours prior to the meeting.

Enforcement of Decorum: While members of the public are free to level criticism of District policies and the action(s) or proposed action(s) of the Board or its members, members of the public may not engage in behavior that is disruptive to the orderly conduct of the proceedings, including, but not limited to, conduct that prevents other members of the public from being heard when it is their opportunity to speak or which prevents members of the audience from hearing or seeing the proceedings. Members of the public may not threaten any person with physical harm or act in a manner that may reasonably be interpreted as an imminent threat of physical harm.)
AGREEMENT FOR INTERIM GENERAL COUNSEL LEGAL SERVICES

THIS AGREEMENT is entered into this ____ day of May 2014 (“Agreement”), by and between the CENTRAL BASIN MUNICIPAL WATER DISTRICT (herein collectively referred to as “CBMWD”) and ALVAREZ-GLASMAN & COLVIN (hereinafter referred to as “FIRM”) (CBMWD and FIRM are hereinafter referred to collectively as the “Parties”).

NOW, THEREFORE, the Parties do hereby agree as follows:

1. SCOPE OF SERVICES. FIRM has been retained to serve as Interim General Counsel, with Arnold M. Alvarez-Glasman, specifically serving in that role. In addition, the FIRM shall represent CBMWD in litigation matters, as well as providing services regarding negotiations, employment issues, transactional work and other matters as CBMWD may assign. As Interim General Counsel the duties and scope of representation shall include, but not limited to the following:

A. Attending meetings of the CBMWD and their duly appointed committees, for which attendance is requested by the General Manager/Board President, unless excused by the General Manager/Board President.

B. Prepare or approve as to legal form all resolutions, ordinances, contracts, agreements and other legal documents or any other matters which are referred for legal advice, review or handling during the term of this Agreement.

C. Provide all legal advice on behalf of the CBMWD to Board Members, General Manager, commissioners, department heads and other designated personnel as directed and appropriate.

D. Monitor and advise the Board of Directors and staff of legislation and case law affecting CBMWD as requested.

E. Monitor activities of any special counsel retained by the CBMWD as requested.

F. Provide conflict of interest assistance to the Board of Directors and General Manager on behalf of the CBMWD, and assist members and staff in seeking
advice from the Fair Political Practices Commission and/or the State Attorney General.

2. **WAIVER OF CONFLICTS.** For purposes of disclosure, Alvarez-Glasman & Colvin previously represented the CBMWD as General Counsel, and was also engaged to perform Special Counsel Services on behalf of CBMWD Directors Art Chacon and Phillip D. Hawkins to provide representation and advice concerning the investigation of the circumstances involving an attorney-client trust account held by prior CBMWD legal counsel and to provide supplemental advice, consultation and representation to CBMWD in two lawsuits involving CBMWD and Pacifica Services, and CBMWD hereby acknowledges and waives any conflict that may arise from such prior representation. By executing this Agreement, each party hereby acknowledges that they have been informed of the potential or actual conflict and further provide written consent of waiving such actual or potential conflict as required by the California State Bar, Professional Rules of Conduct, Rule 3-310. FIRM shall not be required to perform the services described above when to do so would be a conflict of interest pursuant to the State Bar Act.

3. **TERM.** This Agreement shall be effective as of this ___ day of May 2014 and shall continue thereafter until for 90 days.

4. **FIRM BILLING PROCEDURES AND RATE.** FIRM shall prepare an itemized monthly billing on or about the first day of each month. CBMWD shall review FIRM’s itemized monthly billing and approve payment of authorized charges to FIRM as promptly as possible. FIRM will keep time records in one-tenth hour increments. CBMWD agrees to pay FIRM a monthly retainer in the amount of Sixteen Thousand, Two Hundred Fifty and 00/100 Dollars ($16,250.00) per month which shall equal 65 hours per month of services at the hourly rate of $250.00 per hour.

FIRM further agrees that the total aggregate amount of compensation FIRM receives under this Agreement shall not exceed the sum of SEVENTY-FIVE THOUSAND DOLLARS ($75,000).

FIRM shall notify General Manager, in advance, of occasions when the FIRM’s monthly services exceed the allocated retainer hours and any additional hours of services provided which exceed the monthly allocation of 65 hours shall be paid to
FIRM at the hourly rates indicated on the FIRM’s Rate Sheet which is attached hereto as Exhibit A. These rates may be adjusted periodically, generally at the beginning of the fiscal year, upon the mutual agreement of the parties. Services rendered by other professionals and experts shall be billed to CBMWD as costs. CBMWD shall pay the amount due on all bills within 30 days of receipt.

5. **COSTS.** FIRM shall be reimbursed for all out-of-pocket costs and expenses advanced by FIRM. Said costs and expenses shall include, but not be limited to, filing fees, deposition fees, witness fees, costs for investigation, service of process fees and other related court costs, mileage, travel fees and costs of accommodations for matters on behalf of CBMWD, parking fees, copy fees, facsimile costs and other related travel costs. All such costs shall be submitted to CBMWD for approval as part of the monthly billing statement.

6. **RESPONSIBILITIES OF FIRM.** FIRM agrees to provide legal services in the areas of all matters within the SCOPE OF SERVICES provided in Paragraph 1 of this Agreement.

7. **INDEPENDENT CONTRACTOR AND HOLD HARMLESS.** It is agreed that FIRM shall serve as an independent contractor and not as employees of CBMWD. FIRM agrees to hold harmless and indemnify CBMWD for any claims, losses, liens, demands and causes of action for FIRM’s negligent or tortious conduct arising from this Agreement. It is further agreed that CBMWD is not the exclusive client of FIRM, and FIRM shall have the right to serve as the attorneys for other clients.

8. **USE OF OTHER FIRMS.** In order to properly and effectively protect the best interests of CBMWD in specialized areas of the law, FIRM shall have the right to assign legal matters to special counsel (law firms or attorneys), subject to the General Manager’s approval.

9. **INDEMNIFICATION.** In the event of any third party claims brought against FIRM members for actions taken in the course and scope of their official duties, upon such a determination, CBMWD agrees to indemnify and defend them against such third party claims.
10. INSURANCE. FIRM shall maintain professional liability insurance during the term of this Agreement and any extensions thereof. FIRM’s current professional liability insurance policy limits are $1,000,000.00 per claim and $2,000,000.00 aggregate.

11. COMPLIANCE WITH CBMWD ADMINISTRATIVE CODE FOR LEGAL SERVICES. FIRM agrees to adhere to the provisions of Part 5, Chapter 4 of the CBMWD Administrative Code.

12. TERMINATION OF SERVICES. CBMWD may terminate FIRM’s services at any time by written notice. After receiving such notice, FIRM will cease providing services. FIRM will cooperate with CBMWD in the orderly transfer of all related files and records to CBMWD's new counsel. FIRM may terminate its services at any time with CBMWD's consent or for good cause. Good cause exists if (a) any statement is not paid within 60 days of its date; (b) CBMWD fails to meet any other obligation under this Agreement and continues in that failure for 15 days after written notice to CBMWD; (c) CBMWD has misrepresented or failed to disclose material facts to FIRM, refused to cooperate with FIRM, refused to follow its advice on a material matter, or otherwise made its representation unreasonably difficult; or (d) any other circumstance exists in which ethical rules of the legal profession mandate or permit termination, including situations where a conflict of interest arises. If FIRM terminates its services, CBMWD agrees to execute a substitution of attorney promptly and otherwise cooperate in effecting that termination. Termination of FIRM’s services, whether by CBMWD or by FIRM, will not relieve CBMWD of the obligation to pay for services rendered and costs incurred before FIRM’s services formally ceased.

13. NO GUARANTEE OF OUTCOME. Any comments made by FIRM regarding the potential outcome of general law and litigation matters are expressions of opinion only and are not guarantees or promises about any outcome or results.

14. ENTIRE AGREEMENT. This Agreement for legal services contains FIRM’s entire Agreement about our representation. Any modifications or additions to this Agreement must be made in writing.
15. **NOTICES.** All notices pertaining to this Agreement shall be in writing and addressed as follows:

If to Firm: Alvarez-Glasman & Colvin  
13181 Crossroads Parkway North  
Suite 400 – West Tower  
City of Industry, CA 91746

If to CBMWD: CBMWD  
6252 Telegraph Road  
Commerce, CA 90040-2512  
Attention: Antonio J. Perez, P.E.  
General Manager

IN WITNESS WHEREOF, this Agreement is signed and entered into by the parties on ____ day of May 2014.

DATED: __________, 2014  ALVAREZ-GLASMAN & COLVIN  

____________________________________  
Arnold M. Alvarez-Glasman

DATED: __________, 2014  CENTRAL BASIN MUNICIPAL WATER DISTRICT  

____________________________________  
Antonio J. Perez, P.E.  
General Manager
Interim General Counsel Services which exceed monthly retainer:

Partners $275 per hour for partners, special counsel and of-counsel

Associates $265

Paralegals/Law Clerks $150

The FIRM does not charge for word processing or computer services.

Billing Method

Our firm provides an itemized billing statement once a month with a complete listing of all services rendered and costs advanced. Our firm works cooperatively with our clients to meet the client's needs to provide a clear, comprehensive billing statement. Attorneys bill at .10 hour increments.

Facsimile (fax): $0.50 per page
Copies: $0.20 per page
Mileage: $0.56 per mile
Travel Time: One-Way Only
Postage, long distance telephone, and out of pocket expenses: AT COST
Travel (non-local air): AT COST