Solicitation Number R-10-006-MF Legal Services for Tort/Negligence Defense Questions and Answers May 5, 2010

1. Question: What is meant by the term "involved in" and "claim or litigation" in question 10(c) of the Respondent Questionnaire?

Answer: Question 10(c) of the Respondent Questionnaire will be revised as follows:

"Has your firm or any member of your firm been a **defendant party** to litigation with the San Antonio Water System or any other federal, state or local government or private entity during the last 10 years?"

2. Question: What is meant by the term "litigation" used in question 10(d) of the Respondent Questionnaire? Does the term "litigation" include administrative matters before TCEQ and Water Districts or only actual lawsuits? Please clarify.

Answer: Question 10(d) will be revised as follows:

"Has your firm or any member of your firm either individually or as representative of another person or entity filed a claim or lawsuit **against** the City of San Antonio, SAWS or CPS Energy within the last 10 years?"

The response should include administrative matters as well as actual lawsuits.

3. Question: What is the estimated amount SAWS spent in 2009 for outside counsel for Labor and Employment Law, Construction Litigation and Tort/Negligence Defense?

Answer: It is estimated that SAWS spent approximately \$482,532 in 2009 on outside counsel for Labor and Employment Law.

It is estimated that SAWS spent approximately \$637,752 in 2009 on outside counsel for Construction Litigation.

It is estimated that SAWS spent approximately \$98,617 in 2009 on outside counsel for Tort/Negligence Defense.

4. Question: "How many "Tort / Negligence" cases has SAWS referred to outside counsel in the last 2 years?"

Answer: Approximately 11

5. Question: "What hourly rate is SAWS currently paying for its legal services in the area of tort and negligence defense?"

Answer: \$170 - \$190

6. Question: "The RFP asks only for hourly rates. Is an hourly rate proposal the only acceptable response or would SAWS consider an alternative fee arrangement for its Tort and Negligence Defense litigation needs?"

Answer: As stated in Section IV(c)(v) of the RFP, in addition to the hourly rates, describe any other billing arrangements that are proposed to be utilized for the Scope of Services. Feel free to propose any alternative billing arrangements that will offer the best value to the Water System, but be sure to articulate a measurable basis upon which the compensation proposal can be evaluated. If fixed fee for service is proposed for any of the services, identify the type of service and the fee. If blended rates are being proposed for any of the services, identify the rate and anticipated allocation of work among attorneys of different experience levels.