

BOARD LETTER APPROVAL

RESOLUTION NO.

MARTIN L. ADAMS

Senior Assistant General Manager

Water System

MARCIE L. EDWARDS

General Manager

DATE:

January 7, 2016

SUBJECT:

Memorandum of Understanding for Utility Subscription Program and

Facilitated Research Service Program with the Water Research Foundation

SUMMARY

The Water Research Foundation (WRF) will provide LADWP with scientific research and resources to help resolve water challenges and issues .for a term of three years and a cumulative total not-to-exceed amount of \$1,740,000 (budgeted).

WRF is a nonprofit, membership-based scientific research organization that sponsors independent research necessary to enable water utilities to provide safe and affordable drinking water to consumers. WRF was formed to provide a collective pool of funds, resources, and talents for the water industry to resolve common problems through scientific research achievement. Supporting WRF is in the best interest of LADWP's water service customers enabling LADWP to better enhance and protect the water supply and water quality of the City of Los Angeles (City). Access to the highly technical and credible scientific information available through the WRF membership will provide direct and tangible benefits to LADWP. In addition, membership will qualify LADWP to request urgent facilitated scientific research services from WRF on an as-needed basis.

City Council approval is required.

RECOMMENDATION

It is requested that the Board of Water and Power Commissioners adopt the attached Resolution authorizing, and recommending City Council's approval of LADWP's continued membership in WRF, including participation in WRF's facilitated scientific as-needed research services, as required in Charter Section 373.

ALTERNATIVES CONSIDERED

The alternative considered was to perform the work in-house. However, WRF's work cannot be performed by in-house staff. WRF is comprised of technical experts in all facets of drinking water which evaluate research needs identified by the drinking water community and recommend a prioritized research agenda that could be helpful to resolve specific drinking water problems. WRF research is performed by national experts on specific drinking water problems. The high level of research activity sponsored by WRF is carried out by many expert volunteers, who currently serve on its committees and councils. This pool of expertise allows WRF to provide oversight for a variety of topical areas. In addition, the collective water utilities' subscription fund enables WRF to pay millions of dollars annually to perform scientific research on drinking water issues.

FINANCIAL INFORMATION

Three years of membership in WRF along with the urgent facilitated scientific research services on an as-needed basis. Funding is in a cumulative total not-to-exceed amount of \$1,740,000 for the calendar years 2016, 2017, and 2018, and is effective from January 1, 2016, through December 31, 2018.

WRF's annual membership fee calculation is based on a formula that considers LADWP's overall water deliveries and water purchases from the Metropolitan Water District of Southern California (MWD). Water purchases from MWD are considered a credit which reduces LADWP's subscription fee.

BACKGROUND

WRF fulfills a vital need for water utilities by conducting research in areas of particular interest to the nation's water systems, providing a forum for the mutual exchange of ideas, and supplying information on problems that confront the water industry, and the public. Just as importantly, WRF's methodologies for research and findings are structured to provide independent and credible information to all interested parties.

WRF is the only association actively engaged in accomplishing broad-based research on water quality, water operation, and water supply issues that affect the nation's water utilities. It directs many of the research efforts toward water quality and contamination, water shortages and water system security. WRF has also committed to conducting research projects to resolve problems related to aging infrastructure such as water mains, and to develop best management practices for maintaining and operating

infrastructure to provide safe drinking water to customers. These research projects, some of which will be completed within the next few years, will greatly enhance LADWP's understanding of complexities associated with aging infrastructure and how to more effectively maintain and operate such facilities (Attachment 1).

Also, WRF is working on projects related to water resources, water conservation and demand. These projects identify benefits, problems, and challenges that are experienced by utilities and develop the best practices to enhance benefits and mitigate the problems and challenges. WRF studies anticipated water demands and use patterns based on climate changes, including drought management (Attachment 2).

The pooling of charter members' resources to conduct these extensive research projects will also greatly reduce LADWP's financial obligations for having to solely fund such required studies. WRF has 980 members internationally, 863 of whom are from the United States. Therefore, membership by LADWP and other water utilities provides meaningful solutions for managing current and future drinking water problems.

As a member since 1987, LADWP has benefited from participation in 129 research projects and committees with a total research value of about \$57.2 million.

Membership allows for excellent training opportunity in research project management and approach for many LADWP staff who are participating as Project Advisory Committee members on WRF research projects. While staff contributes to different research projects of interest to LADWP, they gain invaluable experience on highly scientific studies related to drinking water issues which are useful in their work place.

Membership permits LADWP to access a variety of urgent facilitated scientific research services from WRF. Such services can be used for issues that have direct impact and are time-sensitive for LADWP. If these issues are relevant to other Southern California water agencies, collaboration and cost sharing is always pursued. Authorization for such research services would be with the approval of the Senior Assistant General Manager Water System.

Membership contribution by LADWP and other water utilities provides funding to perform necessary research for compliance with proposed regulations under the Safe Drinking Water Act. The research subjects are selected based on the collective priorities of WRF subscribers and the drinking water community.

LADWP benefits from subscribing to WRF by receiving its research reports, participating in project advisory committees, attending technology conferences and workshops, taking part in research projects, and accessing its network of researchers and drinking water experts. LADWP will also be able to resolve its specific drinking water problems by funding locally important research subjects through WRF's services.

In accordance with the Mayor's Executive Directive No. 4, the City Administrator Officer's Report (CAO) was approved on December 15, 2015.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA), it has been determined that the action of awarding the MOU with WRF is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061 (b) (3). General Exemptions apply in situations where it can be seen with reasonable certainty that there is no possibility that the activity in question may have a significant effect on the environment.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the MOU and Resolution as to form and legality.

ATTACHMENTS

- Resolution
- MOU
- Infrastructure Related Projects
- Water Resources, Conservation/Water Demand Projects
- CAO Report