



Los Angeles
Department of
Water & Power

RESOLUTION NO. _____

BOARD LETTER APPROVAL

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MARTIN L. ADAMS
Senior Assistant General Manager
Water System

A blue ink signature of Marcie L. Edwards, written in a cursive style, positioned above a horizontal line.

MARCIE L. EDWARDS
General Manager

DATE: July 28, 2016

SUBJECT: Amendment No. 2 to Contract No. 47289-5 for eSTREAM Analysis Model With Watercourse Engineering, Inc.

SUMMARY

Amendment No. 2 to Contract No. 47289-5 (Amendment) for further development and modification of the eSTREAM Analysis Model (eSTREAM) with Watercourse Engineering, Inc., (Watercourse) will increase the not-to-exceed amount from \$150,000 to \$400,000 (budgeted); and extend the term by five years for a cumulative term of eight years, ending November 30, 2021.

The Amendment is necessary to allow updates on eSTREAM, which assists in the development of the Mono Basin Operations Plan (MBOP) and the Annual Operations Plan (AOP), as required by the 2013 Mono Basin Settlement Agreement (Settlement Agreement). Settlement Agreement includes the California Department of Fish and Wildlife, the Mono Lake Committee, California Trout, and LADWP (Parties).

City Council approval is required in accordance with Charter Section 373.

RECOMMENDATION

It is requested that the Board of Water and Power Commissioners (Board) adopt the attached Resolution recommending City Council's approval of Amendment with Watercourse for further modification and refinement of eSTREAM as required by Charter Section 373.

ALTERNATIVES CONSIDERED

The only engineering model accepted by the Parties to the Settlement Agreement and required by the Agreement for preparation of MBOP and AOP is eSTREAM.

One alternative considered was to hire a consultant for further development and modification of eSTREAM through a competitive Request for Proposal process. However, Watercourse is the original developer of eSTREAM and has extensive knowledge of eSTREAM. In addition, LADWP has to complete MBOP, using eSTREAM, within one year of the issuance of a final order by the State Water Resources Control Board (SWRCB).

Another alternative considered was to perform the development and modification of eSTREAM by LADWP staff. However, at this point, LADWP staff lack the expertise in modifying the complex coding of eSTREAM and will not be trained sufficiently in time to develop MBOP to meet regulatory deadlines.

Therefore, the two alternatives considered are not recommended.

FINANCIAL INFORMATION

Amendment will increase the not-to-exceed amount by \$250,000 for a new not-to-exceed amount of \$400,000, and extend the term of the contract by five years, ending November 30, 2021. Funding for Amendment is included in the Water System budget.

The table below provides the cost breakdown:

	Not-to-exceed amount	Amendment No. 1	Amendment No. 2	Total Maximum Expenditure
Original Purchase Order No. 49207-4; Contract Period 12/1/13 – 11/30/14	\$50,000			\$50,000
Amendment No. 1 to 49207-4 (Extended time by two years to November 30, 2016; increased agreement amount by \$100,000; and renumbered to Agreement No. 47289-5)		\$100,000		\$150,000
Amendment No. 2 to Agreement No. 47289-5 (To extend time by five years to November 30, 2021, and increase agreement amount by \$250,000)			\$250,000	\$400,000

BACKGROUND

On September 28, 1994, SWRCB adopted the Mono Lake Basin Water Right Decision 1631, which amended LADWP's water rights licenses to protect the public trust resources in the area. Decision 1631 restricted water exports and requiring LADWP, among other things, to undertake restoration activities in the Mono Basin.

In April 2010, SWRCB-appointed Stream Scientists submitted their Synthesis of Instream Flow Recommendations (Synthesis Report) following a 12-year monitoring of the Mono Basin. In response to the recommendations in the Synthesis Report, in July 2010, LADWP submitted a letter analyzing the feasibility (Feasibility Letter) of the recommendations.

In early 2011, LADWP entered into a facilitated process in an attempt to reach consensus with Parties over the disagreements in the Feasibility Letter. In mid-August 2013, the facilitated process concluded, resulting in the Settlement Agreement.

Settlement Agreement contains a provision that requires LADWP to use eSTREAM as the basis for developing MBOP and AOP for operations and long-term planning of the Mono Basin. In December 2013, Purchase Order (PO) No. 49207-4 was issued to support LADWP in their Mono Basin operations, planning, and management. Work included the construction, modification, and application of the eSTREAM to analyze various operations scenarios, as well as analyses for the long-term planning of the Mono Basin.

On December 16, 2014, Amendment No. 1 was approved by the Board to provide services for further development and modification to eSTREAM for use in guiding Mono Basin operations and the development of MBOP as required by the Settlement Agreement. The MBOP will implement the new Stream Ecosystem Flow, or SEF, as mandated by the Settlement Agreement.

Amendment No. 2 is required for further updates to eSTREAM to assist in continued development of MBOP and AOP. Watercourse, as an independent consultant, is again recommended because of their extensive knowledge of eSTREAM. The services of Watercourse are required to enable LADWP to comply with the terms and conditions of the Settlement Agreement and the soon-to-be revised SWRCB water rights license for the Mono Basin.

Watercourse is the original developer of eSTREAM. Consequently, a multi-year amendment is requested due to the long-term nature of the Settlement Agreement and the special expertise needed. This amended contract will expire in 2021, by which time the amended Water Rights License will have been adopted and the MBOP is fully implemented. Therefore, continued services from Watercourse beyond 2021 may not be needed.

In accordance with the Mayor's Executive Directive No. 4, the City Administrative Officer's (CAO) Report was approved on July 27, 2016.

ENVIRONMENTAL DETERMINATION

In accordance with the California Environmental Quality Act (CEQA) it has been determined that the proposed services are 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 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 has reviewed and approved Amendment and Resolution, as to form and legality.

ATTACHMENTS

- Procurement Summary
- Resolution
- Amendment
- CAO Report