

0150-10745-0000

TRANSMITTAL

TO Marcie L. Edwards, General Manager Department of Water and Power	DATE	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT	

SECOND AMENDMENT TO AGRMEENT 47289-5 BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND WATERCOURSE ENGINEERING, INC.

Approved and transmitted for further processing including Council consideration.
See the City Administrative Officer report attached.

MAYOR

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: July 27, 2016

CAO File No.: 0150-10745-0000

Council File No.:

Council District:

To: The Mayor

From: Miguel A. Santana, City Administrative Officer *MAS*

Reference: Communication from the Department of Water and Power dated July 12, 2016; referred by the Mayor for report on July 18, 2016

Subject: **SECOND AMENDMENT TO AGREEMENT 47289-5 BETWEEN THE LOS ANGELES DEPARTMENT OF WATER AND POWER AND WATERCOURSE ENGINEERING, INC.**

SUMMARY

The Department of Water and Power (DWP; Department) requests approval of a proposed resolution authorizing the Second Amendment to Agreement 47289-5 (Agreement) with Watercourse Engineering, Inc. (Watercourse) for ongoing development of the Stream Analysis Model (eSTREAM). Watercourse is the sole-source provider of the eSTREAM tool utilized by DWP to evaluate and quantify its activities in the Mono Basin including stream flows, storage management of Grant Lake, water imports and exports, and DWP responses to varying hydrologic conditions and operations. The ongoing use of the eSTREAM by DWP is required pursuant to the 2013 Mono Basin Settlement Agreement for continuing development of the Mono Basin Operations Plan (MBOP) and the Annual Operations Plan (AOP). DWP states that no viable alternative is available.

Approval of the proposed resolution provides both additional time and funding to support the continued development of the eSTREAM. Specifically, the approval of the proposed resolution authorizes the DWP to:

- i. Extend the term by five years from three years to a total of eight years, expiring on November 30, 2021; and,
- ii. Increase the expenditure authority by \$250,000 from \$150,000 resulting in total cost not to exceed \$400,000.

The current agreement includes standard per diem limits for airfare, hotel, meals, and rental cars. It also includes a travel expense limit of \$851 per trip. The expense limit per trip is impacting the ability of Watercourse to travel to DWP in Los Angeles for presentations and training. As a result, the proposed amendment also removes the expense limit per trip. Watercourse travel has been infrequent during the current three year term with a total expense of approximately \$2,000. DWP anticipates that future travel expenses will not exceed \$5,000 during the proposed five year term.

Pursuant to Charter Section 373 and the Los Angeles Administrative Code Section 10.5, City Council approval is required because the cumulative length of the agreement exceeds three years. The City Attorney has approved the proposed resolution as to form and legality.

RECOMMENDATIONS

That the Mayor:

1. Approve the proposed resolution authorizing the Second Amendment to Agreement 47289-5 with Watercourse Engineering, Inc. to (i) extend the contract term by five years for a total term of eight years, expiring on November 30, 2021; and (ii) increase the expenditure authority by \$250,000 from \$150,000 resulting in a total cost not to exceed \$400,000; and,
2. Return the proposed resolution to the Department for further processing, including Council consideration.

FISCAL IMPACT STATEMENT

Approval of the proposed resolution will increase DWP's expenditure authority from the Water Revenue Fund by \$250,000 from \$150,000 to \$400,000. The proposed Agreement complies with the DWP's adopted Financial Policies. Approval of the proposed resolution will not impact the City's General Fund.

TIME LIMIT FOR COUNCIL ACTION

Pursuant to Charter Section 373, "Long Term Contracts Approved by Council," and the Los Angeles Administrative Code Section 10.5, "Limitation and Power to Make Contracts," unless the Council takes action disapproving a contract that is longer than three years within 60 days after submission to Council, the contract shall be deemed approved.

MAS:RR:10170002