

APPROVED
MAY 13 2013

REPORT OF GENERAL MANAGER

NO. 13-126

DATE May 13, 2013

**BOARD OF RECREATION
& PARK COMMISSIONERS**

C.D. 7

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: HANSEN DAM PARK – DISCOVERY SCIENCE CENTER OF LOS ANGELES – MEMORANDUM OF UNDERSTANDING BETWEEN THE DEPARTMENT OF RECREATION AND PARKS AND THE LOS ANGELES DEPARTMENT OF WATER AND POWER FOR THE DESIGN, FABRICATION, AND INSTALLATION OF EXHIBITS AT THE DISCOVERY SCIENCE CENTER OF LOS ANGELES

R. Adams _____
H. Fujita _____
V. Israel _____

K. Regan _____
*M. Shull [Signature]
N. Williams _____

[Signature]
General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATIONS:

That the Board:

1. Approve a proposed Memorandum of Understanding (MOU), substantially in the form on file in the Board Office, between the Department of Recreation and Parks (RAP) and the Los Angeles Department of Water and Power (LADWP) for the design, fabrication and installation of an environmental water and power themed exhibit at the Discovery Science Center of Los Angeles, subject to the approval of the Mayor and the City Attorney as to form;
2. Direct the Board Secretary to transmit the proposed MOU concurrently to the Mayor in accordance with Executive Directive No. 3, and to the City Attorney for review and approval as to form; and,
3. Authorize the General Manager to execute the MOU upon receipt of the necessary approvals.

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SUMMARY:

On December 10, 2012, the Board of Recreation and Park Commissioners (Board) approved a Lease Agreement, between the Discovery Science Center of Los Angeles (DSCLA), a non-profit organization formed by the Discovery Science Center based in the City of Santa Ana in Orange County, and RAP, for the use, operation, and maintenance of a museum and environmental learning center at Hansen Dam Park, proposed to be called the Discovery Science Center of Los Angeles (Board Report No. 12-327).

Lease Agreement

DSCLA is obligated to open the Discovery Science Center of Los Angeles on or before March 31, 2015 and operate the facility for a term of thirty (30) years. DSCLA, working in cooperation with the City, is required to raise and make available the funds necessary to make improvements to the existing building and to design, fabricate and install the DSCLA's exhibit program. Additionally, DSCLA is responsible for any costs associated with the long-term operation and maintenance of the Center. The City may, but has no obligation to, assist DSCLA in identifying and securing funding for the operation and maintenance of the Center.

Improvements and Exhibits Agreement

The "Improvements and Exhibits Agreement" is Exhibit E of the Lease Agreement. The "Improvements and Exhibits Agreement" governs (a) the design and modification of the existing building on site; (b) the design, construction, and installation of the building improvements and exhibit program; and, (c) the financing and disbursement of payments for the building improvements and exhibits.

Pursuant to the terms of the "Improvements and Exhibit Agreement", the plans and design for the exhibit program, when completed, will be submitted to staff for review, and presented to the Board for approval, prior to any construction taking place at the site. The detailed final plan for the exhibit program is not yet complete. The deadline for DSCLA to deliver a completed plan for the exhibit program to the City is September 30, 2013.

The estimated budget for the design, construction, and installation of the building improvements and exhibit program is \$21.3 million. DSCLA and the City have identified the capital funds necessary to fully fund the proposed improvements and have developed a detailed funding plan specifying the funds and sources available for the project, which was approved by City Council on December 14, 2012 with concurrence by the Mayor on December 18, 2012 (Council File No. 10-1658-S2).

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Memorandum of Understanding

One of the funding sources identified to support the design, fabrication and installation of the DSCLA's exhibit program will be provided by the LADWP. As detailed in the proposed MOU, LADWP has agreed to contribute a total of \$3.9 million for the design, fabrication and installation of a 7,056 square foot interactive exhibit that will educate visitors on (a) the importance of waterways serving Los Angeles and ways to conserve and effectively use these resources, and (b) the use of water as it travels through City waterways to generate electricity for Los Angeles. Additionally, the museum facility is to showcase solar technology on, and inside, the building to both demonstrate solar power technology and provide the building with additional power.

The design and approval of the LADWP funded exhibit will be done in conformance with the process and procedures described in the "Improvements and Exhibits Agreement". LADWP will coordinate directly with DSCLA on the design of the exhibit. DSCLA is required to obtain final exhibit design approval from LADWP for the LADWP exhibit, and confirm such to RAP, prior to RAP consideration of the completed plan for the exhibit program.

The \$3.9 million in funding for the design, fabrication and installation of the LADWP exhibit will be provided in two (2) installments and transferred directly to a City Administrative Officer controlled fund expressly established for the receipt of those funds (Council File No. 10-1658-S2). Disbursements of payments from this account will be executed in conformance with the terms of the proposed MOU and the "Improvements and Exhibits Agreement". The MOU on file in the Board Office was prepared by LADWP and was approved by the Board of Water and Power Commissioners on December 4, 2012.

Environmental Review

Staff has determined that the DSCLA project has been previously evaluated for environmental impacts in compliance with City California Environmental Quality Act (CEQA) Guidelines, and the proposed MOU will not cause any additional adverse environmental impacts. A Mitigated Negative Declaration (MND) was adopted by the Los Angeles City Council on May 24, 2000 in connection with the Children's Museum of Los Angeles project, including the operations of the facility. A Notice of Determination was filed with the Los Angeles City and County Clerks on June 20, 2000. The proposed operation of the Discovery Science Center of Los Angeles, under the terms of the Lease Agreement and the MOU, will not substantially change the scope of the original operational plan of the Children's Museum of Los Angeles project, nor require any additional mitigation measures. Therefore, the previously adopted MND is still valid for the MOU, and no additional CEQA documentation is required for Board approval.

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FISCAL IMPACT STATEMENT:

The approval and execution of the proposed MOU will have no significant impact on the Department's General Fund.

The costs for the design, fabrication and installation of the LADWP exhibit that may be developed at the DSCLA through the implementation of the MOU are anticipated to be funded by funding sources other than the RAP's General Fund. The costs associated with the long-term operation and maintenance of the DSCLA and the exhibit program, including the LADWP exhibit, will be the responsibility of DSCLA.

This report was prepared by Darryl Ford, Management Analyst II, Planning, Construction and Maintenance Branch.