



RESOLUTION NO. \_\_\_\_\_

**BOARD LETTER APPROVAL**

  
Martin L. Adams (Apr 19, 2024 03:07 GMT+1)

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**MARTIN L. ADAMS**  
General Manager and Chief Engineer

**DATE:** March 4, 2024

**SUBJECT:** Memorandum of Understanding between LADWP and Discovery Cube Los Angeles for Supporting On-Going Programming of a Sustainability Park within Discovery Cube Los Angeles

**SUMMARY**

Discovery Cube Los Angeles (DCLA) serves as the City of Los Angeles' (City) Children's Museum and Environmental Learning Center. It replaced the Children's Museum of Los Angeles in 2014 and is housed in a city-owned facility and operated under the direction of the Department of Recreation and Parks (RAP) and funded through a combination of federal, state, city, and private funds.

LADWP was an original partner in establishing DCLA, playing a pivotal role in exhibit programming for the new, science-based replacement of the City's Children's Museum. In 2012, LADWP entered into a collaborative three-year Memorandum of Understanding (MOU) with RAP and DCLA, investing a total of \$3.9 million and actively participated in shaping exhibit strategy and contributing to the design of exhibits that educated students on water and power conservation and efficiency. DCLA has a successful record of reaching and serving school-age students and children from all areas of the City.

Several years ago, LADWP proposed new, additional exhibits aimed at educating Los Angeles youth on current water and power themes, including renewable energy, local water supply, system operations, skilled craft careers, and climate change strategies. It was a desire of the Department to further the education of attendees, both young and old, with additional hands-on experiences that more directly portrayed the magnitude and ingenuity of providing water, power, and sustainable solutions for Los Angeles. The result of these discussions is a proposed Sustainability Park within DCLA attached and adjacent to the existing museum at Hansen Dam Park. The

proposed MOU with DCLA will support development and on-going programming of the Sustainability Park over a period of three years and for an amount not to exceed \$10,500,000 (budgeted).

The total construction cost for the full project is projected to be \$35,000,000. The project will take between two and three years to build and the operational cost of the project is expected to be \$2,000,000 over those three years. The State of California provided \$10,000,000 in California National Resources Agency (CNRA) grants towards the first phase of the project. The balance of the project budget will be provided by two presenting sponsors, one of which will be LADWP if the Board of Water and Power Commissioners (Board) approves the MOU.

City Council approval is not required.

### **RECOMMENDATION**

It is recommended that the Board approve the attached Resolution and MOU between LADWP and DCLA.

### **FINANCIAL INFORMATION**

The MOU is for three years and an amount not to exceed \$10,500,000 (budgeted).

### **BACKGROUND**

DCLA, which opened on November 13, 2014, is a children's science center and the first major museum in the San Fernando Valley. It is housed in the Children's Museum of Los Angeles building that was constructed by the City in 2007 and which replaced the original downtown Children's Museum adjacent to City Hall. The land on which it stands is owned by the Army Corps of Engineers and leased to the City. The City, through RAP, has leased the space to the non-profit Discovery Science Foundation for the purpose of operating a Children's Museum and Environmental Learning Center for \$1 per year for 30 years. The museum is funded through a combination of federal, state, city, and private funds.

LADWP aims to provide sustainable water and power to the City while also protecting the environment. LADWP seeks to create a workforce skilled in science, technology, engineering, and math (STEM) and inspire community actions aligned with the City and state's sustainability goals. LADWP and DCLA share an interest in encouraging students to become environmental stewards by raising awareness of LADWP's environmental programs related to sustainability.

LADWP, along with other City departments, was invited to participate in the relocated and re-imagined museum and played a pivotal role in the opening of the learning center. In 2012, LADWP, in collaboration with RAP, entered into an MOU with DCLA. This agreement, which commenced in 2012 and expired in 2015, allowed LADWP and RAP

to actively participate in shaping DCLA's exhibit strategy, contributing to the design of a permanent interactive and educational environmental exhibit focused on water supply, transmission, distribution, water conservation, and energy efficiency. Overall, LADWP invested a total of \$3.9 million toward these exhibits.

With this MOU, LADWP continues its educational and environmental partnership with DCLA. The MOU will provide sponsorship for the DCLA Sustainability Park, amounting to \$10,500,000 over three years. The Sustainability Park will feature several key components:

1. Wind Power Exhibition
2. Clean Energy Pavilion
3. Electric Vehicle Test Course
4. Water and Power Control Room Simulator
5. Los Angeles Underground Infrastructure Exhibit
6. Hydrology Lab

The total construction cost for the full project is projected to be approximately \$35,000,000. The project will take between two and three years to build and may open up in phases during that time. The operational cost of the project is expected to be approximately \$2,000,000 over those three years.

Over the last couple of years, the State of California provided \$10,000,000 in CNRA grants towards the first phase of the project. In order to fundraise for the balance of the project, DCLA determined it would need two additional sponsors of the project with each roughly carrying an equal amount of the remaining project cost, which includes construction costs and operational costs. The State of California did not require presenting sponsorship naming rights and so DCLA is seeking two presenting sponsors who will share equal billing on all media and onsite signage.

City Council approval is not required. If the Board approves the MOU, LADWP will be one of the presenting sponsors. DCLA is finalizing discussions with a second presenting sponsor, that is also a local public entity, but until those discussions are final, LADWP is unable to disclose the identity of the other presenting sponsor.

In addition to the \$10,000,000 from CNRA, DCLA has raised an additional \$5,058,000 to meet the additional project costs. These funding sources include \$2,000,000 from a federal Department of Housing and Urban Development Grant, \$500,000 from an LADWP Community Grant (for solar panel and EV charger project), and \$125,000 from the DCLA Board of Directors. In addition, a grant of \$1,500,000 is pending from the Ahmanson Foundation.

Unrelated to the project over the last three years, the City has made two contributions per year to DCLA for a total of \$1,800,000 per year. The first contribution is provided through the Los Angeles Department of Sanitation budget in the amount of \$900,000 per year to provide educational services to the community on sustainability topics. The

second contribution is also for \$900,000 and is provided to offset the cost of DCLA operations, based on the fact that DCLA is housed in a City-owned building. While there is no guarantee this funding will continue in future years, DCLA currently expects to continue to receive this funding.

As a presenting sponsor of the Sustainability Park, LADWP agrees to the following:

1. LADWP logo will be prominently placed on the Entry Marque to the Sustainability Park.
2. LADWP will be mentioned in all media, advertisements, and public relations for each year of sponsorship of the Sustainability Park. The Sustainability Park will have a multi-channel advertising campaign during the first three months of opening to introduce it to the community. The campaign will cover and mention presenting sponsors in the press, social media, website, and paid advertisements.
3. The Sustainability Park will host LADWP employees and their families on one free admittance day to be mutually agreed upon each year.
4. LADWP rate payers will get discount tickets during certain months of the year to be mutually agreed upon.
5. LADWP will promote DCLA and the Sustainability Park in agency news articles, bills to rate payers, and on LADWP's website during mutually agreed upon times of the year.
6. DCLA will notify its members of any LADWP discounts or campaigns during the year upon advance notice by LADWP.
7. Media benefits and naming rights will be for 15 years and could be extended upon mutual agreement for another five-year period.

### **ENVIRONMENTAL DETERMINATION**

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3). General Exemptions apply in situations where it can be seen with certainty that there is no potential that the activity in question may have a significant effect on the environment. The funding would contribute up to \$10,500,000 over three years for the DCLA Sustainability Park Project which would be designed, permitted, and constructed by DCLA and which will undergo its own CEQA review before approval, construction, and operation.

## **CITY ATTORNEY**

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

## **ATTACHMENTS**

- Resolution
- MOU