

SUCCESSOR AGENCY RESOLUTION NO. 35\_\_

CITY OF SOUTH GATE  
LOS ANGELES COUNTY, CALIFORNIA

**A RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE APPROVING: (I) THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 19-20 FISCAL PERIOD OF JULY 1, 2019 TO JUNE 30, 2020, INCLUDING THE ADMINISTRATIVE BUDGET INCLUDED THEREWITH, AND (II) THE SECOND AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES WITH TETRA TECH, INC. FOR REMEDIATION ACTIVITIES AT 3500-3506 TWEEDY BOULEVARD, SUBJECT TO SUBMITTAL TO, AND REVIEW BY, THE COUNTY OF LOS ANGELES FIRST DISTRICT OVERSIGHT BOARD AND THEN THE STATE OF CALIFORNIA, DEPARTMENT OF FINANCE PURSUANT TO THE DISSOLUTION LAW, AND AUTHORIZING TRANSMITTAL AND POSTING THEREOF**

**WHEREAS**, the Community Development Commission of the City of South Gate (“Former Agency”) was a public body, corporate and politic formed, organized, existing and exercising its powers pursuant to Section 34100, *et seq.* of the California Health and Safety Code (“HSC”), and exercised the powers, authority, functions, jurisdiction of a community redevelopment agency formed, organized, existing and exercising its powers pursuant to the California Community Redevelopment Law, Health and Safety Code, Section 33000, *et seq.*, and specifically formed by the City Council (“City Council”) of the City of South Gate (“City”); and

**WHEREAS**, Assembly Bill x1 26 added Parts 1.8 and 1.85 to Division 24 of the California Health & Safety Code, which caused the dissolution of all redevelopment agencies and winding down of the affairs of former agencies, including as such laws were amended by Assembly Bill 1484 and other subsequent legislation including Senate Bill 107 (together, the “Dissolution Law”); and

**WHEREAS**, as of February 1, 2012, the Former Agency was dissolved pursuant to the Dissolution Law, and as a separate public entity, corporate and politic, the Successor Agency to the Community Development Commission of the City of South Gate (“Successor Agency”) administers the enforceable obligations of the Former Agency and otherwise unwinds the Former Agency’s affairs, all subject to the review and approval by a seven-member oversight board; and

**WHEREAS**, pursuant to Section 34179(j) of the Dissolution Law, in every California county there shall be only one oversight board that is staffed by the county’s auditor-controller, with the exception of Los Angeles County that has five oversight boards, each a consolidated board with one each for the five supervisorial districts in the County of Los Angeles; and

**WHEREAS**, the applicable consolidated oversight board overseeing this Successor Agency is called the Consolidated Oversight Board First District of Los Angeles County (“First District Oversight Board”); and

**WHEREAS**, as of, on, and after July 1, 2018, the County of Los Angeles through the Los Angeles County Auditor-Controller established the First District Oversight Board (inclusive of the five oversight boards in the County of Los Angeles) in compliance with Section 34179(j), which serves as the oversight board to the successor agencies located within the boundaries of the First Supervisorial District of Los Angeles County, including this Successor Agency; and

**WHEREAS**, every oversight board, both the prior local oversight board and this newly established First District Oversight Board, has fiduciary responsibilities to the holders of enforceable obligations and to the taxing entities that benefit from distributions of property tax and other revenues under the Dissolution Law, in particular Section 34188; and

**WHEREAS**, Sections 34177(m), 34177(o) and 34179 provide that each Recognized Obligation Payment Schedule (“ROPS”) is submitted to, reviewed and approved by the successor agency and then reviewed and approved by the oversight board before final review and approval by the State Department of Finance (“DOF”); and

**WHEREAS**, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 19-20 fiscal period of July 1, 2019 to June 30, 2020 (“ROPS 19-20”) be submitted to the DOF by the Successor Agency, after approval by the First District Oversight Board, no later than February 1, 2019; and

**WHEREAS**, Line Item #26 on ROPS 19-20 is listed as Remediation Costs under an existing agreement (“Tetra Tech Original Agreement”), as amended (“Tetra Tech First Amendment”), for professional services between the Successor Agency and Tetra Tech, Inc. to undertake clean-up of hazardous materials contamination on certain real property located at 3500-3506 Tweedy Blvd. in the City of South Gate (“Contaminated Property”), which is owned in fee by the Successor Agency and is listed on its DOF-approved Long Range Property Management Plan (“LRPMP”); and

**WHEREAS**, the Contaminated Property has been and remains the subject of an enforcement notice and action by the Los Angeles Regional Water Quality Control Board (“LARWQCB”) due to the contaminated condition of the Contaminated Property, which public agency recently issued notice and direction to the Successor Agency through Tetra Tech that necessitates changes in the scope of work and costs and fees therefor in connection with continuing to undertake remediation of the Contaminated Property; and

**WHEREAS**, in order to undertake the amended scope of work and pay for the increased costs and fees therefor, further amendment of the Tetra Tech Original Agreement, as amended by the First Amendment, is necessary, which is set forth in that certain *Second Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“Second Amendment”) to implement that certain Second Amended Scope of Work (defined therein) and the increased funding to implement such work during the ROPS 19-20 fiscal year; and

**WHEREAS**, the ROPS 19-20, including the Administrative Budget included therewith, and the Second Amendment have been prepared and each is presented for review and approval by this Successor Agency, and then each will be presented to the First District Oversight Board for

review and approval and then to the DOF, which is the subject of this agenda item and resolution;  
and

**WHEREAS**, the ROPS 19-20, including the Administrative Budget included therewith, in the form required by DOF, is attached hereto as Attachment No. 1, and the Second Amendment is attached hereto as Attachment No. 2, with all attachments fully incorporated by this reference; and

**WHEREAS**, the Successor Agency has reviewed the draft ROPS 19-20, including the Administrative Budget included therewith, and the Second Amendment, and desires to approve the ROPS 19-20, including the Administrative Budget included therewith, and the Second Amendment, and to authorize the Successor Agency to transmit the ROPS 19-20, including the Administrative Budget included therewith, and the Second Amendment to the First District Oversight Board.

**NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE DOES HEREBY RESOLVE AS FOLLOWS:**

**SECTION 1.** The foregoing recitals are incorporated into this Resolution by this reference, and constitute a material part of this Resolution.

**SECTION 2.** Under the Dissolution Law, the Successor Agency hereby approves: (I) the ROPS 19-20, including the Administrative Budget, attached hereto as Attachment No. 1, and (II) the Second Amendment between the Successor Agency and Tetra Tech, Inc., attached hereto as Attachment No. 2, each submitted herewith.


**SECTION 3.** The Successor Agency hereby authorizes and directs transmittal of the ROPS 19-20, including the Administrative Budget, and the Second Amendment to the First District Oversight Board and then to the DOF and all other bodies as required by the Dissolution Law.

**[Remainder of page left blank intentionally]**


**SECTION 4.** The Director of Administrative Services, and/or her authorized designee, is hereby directed to post this Resolution, including the ROPS 19-20 and the Second Amendment on the City's website: <http://www.cityofsouthgate.org/247/Successor-Agency>, pursuant to the Dissolution Law.

**SECTION 5.** The Recording Secretary of the Successor Agency shall certify to the adoption of this Resolution which shall be effective upon its adoption.

**PASSED, APPROVED and ADOPTED** this 22<sup>nd</sup> day of January 2019.

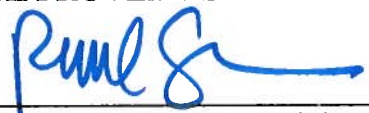
  
\_\_\_\_\_  
María Belén Bernal, Chairperson  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

**ATTEST:**

  
\_\_\_\_\_  
Carmen Avalos, Recording Secretary  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

(SEAL)

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Raul F. Salinas, General Counsel  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

Recognized Obligation Payment Schedule (ROPS 19-20) - Summary  
 Filed for the July 1, 2019 through June 30, 2020 Period

Successor Agency: South Gate  
 County: Los Angeles

	19-20A Total (July - December)	19-20B Total (January - June)	ROPS 19-20 Total
<b>A</b> Enforceable Obligations Funded as Follows (B+C+D):	\$ 1,653,662	\$ 37,657	\$ 1,721,519
B Bond Proceeds			
C Reserve Balance	1,652,656	37,657	1,700,913
D Other Funds	20,606		20,606
<b>E</b> Redevelopment Property Tax Trust Fund (RPTTF) (F+G):	\$ 3,054,510	\$ 2,425,482	\$ 5,480,002
F RPTTF	2,698,072	2,338,448	5,326,521
G Administrative RPTTF	66,438	67,043	153,481
<b>H</b> Current Period Enforceable Obligations (A+E):	\$ 4,738,072	\$ 2,483,448	\$ 7,291,521

Certification of Oversight Board Chairman:  
 Pursuant to Section 34177 (c) of the Health and Safety code, I hereby  
 certify that the above is a true and accurate Recognized Obligation  
 Payment Schedule for the above named successor agency.

\_\_\_\_\_  
 Name Title  
 /s/ \_\_\_\_\_  
 Signature Date











**EXHIBIT B**

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE  
ADMINISTRATIVE BUDGET FISCAL YEAR 2019-2020  
JULY 1, 2019 to JUNE 30, 2020**

<b>EXPENSE CATEGORY</b>	<b>RESPONSIBILITIES</b>	<b>FY 2019-20 PROPOSED BUDGET</b>
<b>Salaries and Wages</b>		
Staff salaries, benefits, and payroll taxes	<ul style="list-style-type: none"> <li>• Process payment of enforceable obligations</li> <li>• Maintain documentation of Agency records</li> <li>• Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Attend Oversight Board meetings</li> </ul>	\$140,000
<b>TOTAL</b>		<b>\$140,000</b>
<b>Maintenance and Operations</b>		
Rent and Utilities	<ul style="list-style-type: none"> <li>• Utility and rent expenses</li> <li>• Supplies</li> <li>• Equipment</li> <li>• LRPM property maintenance prior to transfer/sale</li> </ul>	\$7,500
Contract services	<ul style="list-style-type: none"> <li>• Prepare ROPS, PPA, staff reports, and resolutions</li> <li>• Coordinate with and answer questions for Oversight Board, County Auditor-Controller, and Department of Finance</li> <li>• Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues</li> <li>• Audit financial records</li> </ul>	\$52,500
Insurance and legal services	<ul style="list-style-type: none"> <li>• Review staff reports and resolutions</li> <li>• Provide legal services as needed</li> </ul>	\$50,000
<b>TOTAL</b>		<b>\$110,000</b>
<b>TOTAL BUDGET</b>		<b>\$250,000</b>

**SECOND AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES  
(Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)**

This **SECOND AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES** (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard) (“Second Amendment”) is made and entered into as of January 22, 2019 (as dated for reference) by and between the **SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE**, a public body (“Successor Agency”) and **TETRA TECH, INC.**, a California corporation (“Consultant”). Each of the Successor Agency and Consultant are a “Party” and together referred to as the “Parties.”

**RECITALS**

The Parties are entering into this Second Amendment based upon the following facts, which form a substantive part hereof:

A. Successor Agency is a separate public body that exists under Parts 1.8 and 1.85, Division 24, Section 34160 and 34170, *et seq.*, respectively, of the California Health and Safety Code (“Dissolution Law”), in particular as set forth in Section 34173(g) thereof.

B. Successor Agency and Consultant entered into that certain *Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“Original Agreement”) dated as of January 24, 2017, for remediation activities to be undertaken on and about certain real property located at 3500-3506 Tweedy Boulevard, South Gate (“Property”), which Original Agreement was approved for partial funding as an enforceable obligation by the State of California, Department of Finance (“DOF”) under Line Item #26 of ROPS 18-19.

C. The Successor Agency received local oversight board approval of the Original Agreement on January 30, 2017, based on a series of notices and directives issued under an enforcement action by the Los Angeles Regional Water Quality Control Board (“LARWQCB”) against the Successor Agency related to the hazardous material contamination and necessary environmental cleanup on, under, and about the Property.

D. Successor Agency and Consultant entered into that certain *First Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“First Amendment”) dated as of September 11, 2018, for a revised scope of work and additional funding related to continued remedial services at the Property, which First Amendment was approved by the County of Los Angeles, First District Oversight Board (“First District Oversight Board”) on September 24, 2018, and thereafter approved by the DOF on or about October 26, 2018.

E. Based on continued assessment and remediation work at the Property by Consultant, with oversight thereof by the LARWQCB and Successor Agency, it is now the professional opinion that the scope of work, method of remediation, previous budget and approved funding must be amended and funding increased in order for Consultant to undertake a revised scope of work to remediate the Property, which necessitates this Second Amendment.

F. In this regard, Consultant has informed the Successor Agency and LARWQCB that in its professional opinion the budget and funding approved to date by the DOF under the Original Agreement and First Amendment must be amended because the base assumptions that two wells and a temporary blower system in operation for several months would be adequate to remediate the Property; however, after continued onsite work and further analyses by Consultant and review thereof by LARWQCB, at this time the Consultant believes that the contamination is present in several locations at the Property and will require at least six (6) multi-depth soil vapor extraction wells in operation for about one (1) year using modified methods, stronger equipment and a semi-permanent compound.

G. Based on the foregoing, the Successor Agency in consultation with Consultant, and as Consultant has consulted with the LARWQCB, it is necessary to move forward with this modified soil vapor extraction remediation approach at the Property with additional funding therefor, which is the subject of this Second Amendment.

H. Tetra Tech has prepared an expanded scope of work and fee/cost estimate to be funded through ROPS 19-20, Line Item #26, which amended scope of work and funding are set forth in the attached Exhibit A, *Updated and Detailed Cost Estimate and Scope of Work for Excavation and Off-Site Disposal, Former Target/Lazar Site, 3500-3506 Tweedy Boulevard*, which is fully incorporated by this reference ("Second Amended Scope of Work").

I. Therefore, Consultant, in consultation with the Successor Agency and LARWQCB, has identified a remediation method that is the most efficient and cost effective for the Successor Agency to remediate the contamination at the Property by implementation of the Second Amended Scope of Work, which is called a soil vapor extraction method of remediation that is consistent with the LARWQCB's directives, which requires the Second Amended Scope of Work and additional funding as detailed in Exhibit A.

**NOW, THEREFORE,** Successor Agency and Consultant agree as follows:

**Section 1. SECOND AMENDED SCOPE OF WORK; CONSULTANT'S SERVICES.** Consultant agrees to provide the services and perform the tasks set forth in the Second Amended Scope of Work, Exhibit A. The Second Amended Scope of Work is set forth in Consultant's proposal dated as of December 19, 2018, the costs to implement such will be listed on Line Item #26 of ROPS 19-20 for review and approval by the First District Oversight Board and then by the DOF.

**Section 2. EFFECTIVENESS OF SECOND AMENDMENT AND EXTENDED TERM OF AGREEMENT, AS AMENDED.** This Second Amendment will become effective after all of the following occur: (a) approval by the Successor Agency; (b) review and approval by the First District Oversight Board; and, (c) review and approval by the DOF, all under the Dissolution Law, and all subject to concurrent approvals by such entities of ROPS 19-20, which has been considered and approved by the Successor Agency of even date herewith. The Term of the Original Agreement is extended for the period commencing upon DOF's approval of this Second Amendment and ending on June 30, 2020, with such Term subject to one or more extensions of up to one year for and during the subsequent fiscal year of 20-21, if necessary, which shall coincide with continued undertaking and completion of the Second Amended Scope of Work as described in the above Recitals and Section 1 above, and for which the DOF has reviewed and approved

funding in each successive fiscal year(s) that the Successor Agency continues to own the subject Property and for which continued remediation work is required to continue, including work ordered or otherwise directed by LARWQCB or other governmental agency with jurisdiction over the Property, but in no event shall the Term, as amended, extend beyond June 30, 2021, unless otherwise expressly extended and agreed to by both Parties or terminated by either Party as provided herein, and subject to Dissolution Law requirements.

**Section 3. ADJUSTMENT TO COMPENSATION FOR SERVICES TO IMPLEMENT SECOND AMENDED SCOPE OF WORK.** Under the Second Amendment and subject to the terms and conditions stated hereinafter, the Successor Agency agrees to pay the Consultant for its professional services performed and costs incurred therefor as described in the Second Amended Scope of Work, Exhibit A, which includes Consultant's estimated fees and costs schedule that is a part of the December 19, 2018 submittal from Consultant to the Successor Agency, in cumulative funding under the Original Agreement, First Amendment and this Second Amendment not to exceed \$1,018,319 as detailed in the Contract Budget Summary included as Exhibit B; provided however and expressly subject to and limited by the condition that any and all funding shall be approved by the First District Oversight Board and by the DOF, then such approved funding being allocated by the DOF to the Successor Agency through the ROPS 18-19 and ROPS 19-20 processes, all for work completed in compliance with the Original Agreement, the First Amendment, and this Second Amendment. To the extent that the DOF does not approve and allocate funding to the Successor Agency to pay for Consultant's services as described in the Original Agreement, the First Amendment, and this Second Amendment, then Consultant acknowledges that Successor Agency is not obligated to pay Consultant for its services performed and costs incurred because the Successor Agency has no other source or sources of funds to pay for such services and costs therefor except for DOF-approved and allocated monies.

**Section 4. DEFINED TERMS.** All other terms not defined in this Second Amendment shall have the same meaning and use as set forth in the Original Agreement.

**Section 5. ORIGINAL AGREEMENT AND FIRST AMENDMENT IN FULL FORCE AND EFFECT.** All other provisions of the Original Agreement, as amended by the First Amendment, and by this Second Amendment, shall remain in full force and effect.

[Second Amendment continues on next page]

**Section 6. COUNTERPARTS.** This Second Amendment may be executed in counterparts and as so executed shall constitute a contract that shall be binding upon all Parties herein.

WITNESS, the Parties hereto have caused this *Second Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities At 3500-3506 Tweedy Boulevard)* be executed by and through their respective authorized officers, as of the date first written above.

**SUCCESSOR AGENCY:**

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE, a public body**

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María Belén Bernal, Chair  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

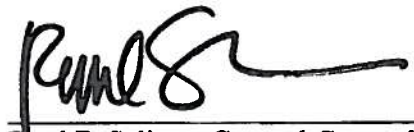
**ATTEST:**

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Carmen Avalos, Recording Secretary  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

(SEAL)

**APPROVED AS TO FORM:**



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Raul F. Salinas, General Counsel  
Successor Agency to  
the Community Development Commission of  
the City of South Gate

**[Signatures for Second Amendment To Agreement For Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard) continued from previous page]**

**CONSULTANT:**

**TETRA TECH, INC.**  
a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_



South Gate Successor Agency  
 Updated Estimate for Assessment and Remediation Services  
 3500-08 Tweedy Boulevard, South Gate, California

December 19, 2018

PROJECT WORK SCOPE BY TASK	2019	2019	2020
	Jan-Jun	Jul-Dec	Jan-Jun
<b>TASK 1: Additional Offsite Groundwater Investigation</b>			
Task 1a: Submit Additional Sampling Work Plan			
Task 1b: Field Sampling and Well Installation (2 wells)	\$20,000		
Subtask 1b: Report writing & CSM Update	\$15,000		
<b>TASK 2: Interim Remedial Action</b>			
Task 2a: Prepare and Submit Interim Remedial Action Plan	\$10,000		
Subtask 2a: Final Design (Assumes SVE)	\$70,000	\$20,000	
Task 2b: Install SVE System includes Permits	\$170,000	\$89,000	
Subtask 2b: Operation, Maintenance, and Monitoring (OMM)	\$8,000	\$40,000	\$33,378
Task 2c: Groundwater Hot Spot Treatment		\$40,000	\$50,000
Task 2d: Remediation Report		\$40,000	\$45,000
<b>TASK 3: Ongoing Groundwater Monitoring</b>			
Task 3a: Second Semi-annual 2018			
Task 3b: Semi-annual 2019	\$10,000	\$10,000	
Task 3c: Semi-annual 2020			\$10,000
<b>TASK 4: Project Management</b>			
Task 4a: Monthly Progress Reports & PM	\$25,233	\$10,233	\$10,233
Task 4b: GeoTracker Uploads	\$600	\$1,000	\$600
Task 4c: Meetings with City of South Gate	\$2,116	\$2,116	\$2,116
<b>Totals:</b>	<b>\$330,949</b>	<b>\$252,349</b>	<b>\$151,327</b>
Previously forecasted/approved budget:	\$113,949	\$129,349	\$28,949
<b>Total Additional Funding Needed To Be Approved by Finance:</b>	<b>\$217,000</b>	<b>\$123,000</b>	<b>\$122,378</b>

South Gate Successor Agency.  
Assessment and Remediation Services  
3500-08 Tweedy Boulevard, South Gate, California

January 1, 2019

Contract Budget Summary							
	2017		2018		2019		2020
	July-Dec	Jan-Jun	July-Dec	Jan-Jun	Jul-Dec	Jan-Jun	
<b>Total Approved Contract Amount</b>	<b>123,389</b>	<b>93,356</b>	<b>66,949</b>	<b>113,949</b>	<b>469,349</b> <b>(Requested)</b>	<b>151,327</b> <b>(Requested)</b>	
<b>Total Contract Not To Exceed: \$1,018,319</b>							

**RESOLUTION CERTIFICATION PAGE**

**STATE OF CALIFORNIA            )**

**COUNTY OF LOS ANGELES    )     SS**

**CITY OF SOUTH GATE         )**

I, Carmen Avalos, City Clerk of the City of South Gate, California, hereby certify that the whole number of Members of the Successor Agency of said City is five; that Resolution No. 35 was adopted by the Successor Agency at their Regular Meeting held on January 22, 2019, by the following vote:

Ayes:            Agency Members:    Bernal, Morales, Diaz, Davila and Rios

Noes:           Agency Members:    None

Absent:         Agency Members:    None

Abstain:        Agency Members:    None

Witness my hand and the seal of said City on January 23, 2019.



\_\_\_\_\_  
Carmen Avalos, City Clerk  
City of South Gate, California