



**CITY OF SOUTH GATE
SERVING AS THE SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION OF THE
CITY OF SOUTH GATE**

REGULAR MEETING AGENDA

Tuesday, December 8, 2020 at 5:30 p.m.

TELECONFERENCE

**DIAL-IN-NUMBER: 1 (669) 900-6833
MEETING ID: 834 8160 6219
<https://us02web.zoom.us/j/83481606219>**

I. Call To Order/Roll Call

CALL TO ORDER

Denise Diaz, Vice Chairperson

ROLL CALL

Carmen Avalos, Recording Secretary

II. City Officials

CHAIRPERSON

INTERIM EXECUTIVE DIRECTOR

Chris Jeffers

VICE CHAIRPERSON

RECORDING SECRETARY

Denise Diaz

Carmen Avalos

AGENCY MEMBERS

INTERIM SECRETARY

Maria del Pilar Avalos

Paul Adams

Maria Davila

Gil Hurtado

AGENCY COUNSEL

Al Rios

Raul F. Salinas

COVID 19 Meeting Procedures

Pursuant to Governor Newsom's Executive Order N-29-20, dated March 17, 2020, members of the South Gate City Council, staff, and the public will participate in the December 8, 2020 meeting via a teleconference. To avoid exposure to COVID-19 this meeting will be held with City Council Members participating via teleconference by calling Dial-in-Number: 1 (669) 900-6833 and Meeting ID: 834 8160 6219 and <https://us02web.zoom.us/j/83481606219>

Additionally, you may submit your comments electronically by emailing the City Clerk at cavalos@sogate.org.

Procedure for Participation:

Any person wanting to participate may request to "speak" on an agenda item. Once acknowledged and authorized by the Mayor the person may speak. Alternatively, any person may submit comments on an item electronically by emailing cavalos@sogate.org. Submissions by email must be received 30 minutes prior to the posted start time of the meeting if emailing subject.

Subject line should read: COMMENTS FOR ITEM _____, MEETING OF DECEMBER 8, 2020.

Please note, you will enter the meeting muted, but if you want to comment on an Agenda Item or during the public comment portion of the Agenda, raise your hand or press *9 at the appropriate time indicated by the Mayor. When you are selected to speak, you will hear that you are unmuted, this is the time to make your public comments. Your patience with these changes is appreciated as the City adjusts to new ways of conducting business during the COVID-19 pandemic. Thank you.

Accessibility: Reasonable accommodations for individuals with disabilities will be handled on a case-by-case basis and in accordance with the Americans with Disabilities Act and Governor Newsom's Executive Order N-29-20. Please call the Office of the City Clerk at 323.563.9510.

III. Meeting Compensation Disclosure

Pursuant to Government Code Section 54952.3: Disclosure of compensation for meeting attendance by Agency Members is \$0 per meeting regardless of the amount of meetings.

IV. Closed Session: (ATTY)

1. CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATIONS

Pursuant to Government Code Section 54956.8

Property APN: 6202-010-900

Property Address: 7916 Long Beach Blvd., South Gate, CA 90280

City Negotiator: Chris Jeffers, Interim City Manager

Negotiating with: GDS, Inc.

Under Negotiation: Terms of Sale

Documents:

[CLOSED SESSION SUCCESSOR MEMO 120820.PDF](#)

V. Open Session Agenda

1. Re-Organization And Required Appointments

The Successor Agency will consider re-organizing and making the following appointments: (ADMIN)

- a. Appointing Mayor Maria Davila as Chairperson;
- b. Appointing Vice Mayor Al Rios as Vice Chairperson;
- c. Appointing Council Members Denise Diaz, Maria del Pilar Avalos and Gil Hurtado as Agency Members;
- d. Appointing Interim City Manager Chris Jeffers as Interim Executive Director;
- e. Appointing City Clerk Carmen Avalos as Recording Secretary;
- f. Appointing Interim Director of Community Development Paul Adams as Interim Secretary;
- g. Appointing Director of Administrative Services Jackie Acosta as Treasurer; and
- h. Appointing City Attorney Raul F. Salinas as Authority Counsel.

Documents:

[ITEM 1 SUCCESSOR REPORT 120820.PDF](#)

2. Recognized Obligation Payment Schedule

The Successor Agency will consider: (ADMIN SRVS)

- a. Adopting a Successor Agency **Resolution** approving: (1) the Recognized Obligation Payment Schedule for the 21-22 fiscal period of July 1, 2021 to June 30, 2022, including the Administrative Budget included therewith, and (2) the **Fourth 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; and
- b. Authorizing the Chairperson to execute the Fourth Amendment in a

form acceptable to the Agency Counsel.

Documents:

[ITEM 2 SUCCESSOR REPORT 120820.PDF](#)

3. Minutes

The Successor Agency will consider approving the regular City Council minutes of March 10, 2020. (CLERK)

Documents:

[ITEM 3 SUCCESSOR REPORT 120820.PDF](#)

VI. Comments From The Audience

VII. Comments From The Board Members

VIII. Adjournment

I, Carmen Avalos, Secretary, certify that a true and correct copy of the foregoing Meeting Agenda was posted on December 3, 2020 at 9:55 a.m., as required by law.

Carmen Avalos,
City Clerk

Materials related to an item on this Agenda after distribution of the agenda packet are available for public inspection in the City Clerk's Office

8650 California Avenue, South Gate, California 90280
(323) 563-9510 * fax (323) 563-5411 * www.cityofsouthgate.org

In compliance with the American with Disabilities Act, if you need special assistance to participate in the meeting, please contact the Office of the City Clerk.

Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility.

MEMORANDUM

TO: Chris Jeffers, Interim City Manager
FROM: Carmen Avalos, City Clerk
DATE: December 2, 2020
**SUBJECT: CLOSED SESSION ITEM FOR THE SUCCESSOR AGENCY MEETING
OF DECEMBER 8, 2020**

The following items should be listed on the Closed Session Agenda for the Successor Agency Meeting of the City of South Gate on December 8, 2020 at 5:30 p.m.:

1. **CONFERENCE WITH LEGAL COUNSEL – REAL PROPERTY
NEGOTIATIONS**

Pursuant to Government Code Section 54956.8

Property APN: 6202-010-900
Property Address: 7916 Long Beach Blvd., South Gate, CA 90280
City Negotiator: Chris Jeffers, Interim City Manager
Negotiating with: GDS, Inc.
Under Negotiation: Terms of Sale

If you have any questions, please do not hesitate to contact this office immediately.

City of South Gate Item No. 1

SUCCESSOR AGENCY TO THE

COMMUNITY DEVELOPMENT COMMISSION

RECEIVED OF THE CITY OF SOUTH GATE

DEC 8 2020

AGENDA BILL

**CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER**

For the Regular Meeting of: December 8, 2020

Originating Department: Administration

Executive Director: _____

Chris Jeffers

Executive Director: _____

Chris Jeffers

SUBJECT: RE-ORGANIZATION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE

PURPOSE: This item allows the Successor Agency to re-organize and make required appointments.

RECOMMENDED ACTIONS: The Successor Agency to the Community Development Commission of the City of South Gate will re-organize and make the following appointments:

- a. Appoint Mayor Maria Davila as Chairperson;
- b. Appoint Vice Mayor Al Rios as Vice Chairperson;
- c. Appoint Council Members Denise Diaz, Maria del Pilar Avalos and Gil Hurtado as Agency Members;
- d. Appoint Interim City Manager Chris Jeffers as Interim Executive Director;
- e. Appoint City Clerk Carmen Avalos as Recording Secretary;
- f. Appoint Interim Director of Community Development Paul Adams as Interim Secretary;
- g. Appoint Director of Administrative Services Jackie Acosta as Treasurer; and
- h. Appoint City Attorney Raul F. Salinas as Authority Counsel.

FISCAL IMPACT: None.

ANALYSIS: The Successor Agency has not conducted a meeting since March 10, 2020, therefore it is necessary to re-organize accordingly.

BACKGROUND: During the Continued City Council Meeting of April 21, 2020, the City Council selected Maria Davila to serve as Mayor and Al Rios to serve as Vice Mayor.

ATTACHMENT: None.

City of South Gate Item No. 2

SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE

RECEIVED

DEC 8 - 2020

3:50pm

CITY OF SOUTH GATE
OFFICE OF THE CITY MANAGER

AGENDA BILL

For the Regular Meeting of: December 8, 2020

Originating Department: Administrative Services

Department Director:


Jackie Acosta

Interim Executive Director:


Chris Jeffers

SUBJECT: RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 21-22 FISCAL PERIOD OF JULY 1, 2021 TO JUNE 30, 2022, AND APPROVING THE FOURTH AMENDMENT TO THE AGREEMENT FOR PROFESSIONAL SERVICES WITH TETRA TECH, INC.

PURPOSE: To consider adoption of Successor Agency Resolution approving both the Recognized Obligation Payment Schedule for the 21-22 fiscal period ("ROPS 21-22"), including the administrative budget included therewith, and the Fourth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities At 3500-3506 Tweedy Boulevard) ("Fourth Amendment") between the Successor Agency and Tetra Tech, Inc. ("Tetra Tech") for continued environmental consulting services performed by Tetra Tech for the remediation of the Successor Agency-owned property located at 3500-3506 Tweedy Boulevard (ROPS Line Item #26).

RECOMMENDED ACTIONS: The Successor Agency will:

- a. Adopt Successor Agency Resolution approving: (1) the Recognized Obligation Payment Schedule for the 21-22 fiscal period of July 1, 2021 to June 30, 2022, including the Administrative Budget included therewith, and (2) the Fourth 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; and
- b. Authorize the Chairperson to execute the Fourth Amendment in a form acceptable to the Agency Counsel.

FISCAL IMPACT: None until approved by the County of Los Angeles First District Oversight Board ("First District Oversight Board") and the State of California, Department of Finance ("DOF"). If the First District Oversight Board and the DOF approve the ROPS 21-22, as submitted, it is anticipated the Successor Agency to the Community Development Commission of the City of South Gate ("Successor Agency") would receive \$5,113,169 from the Redevelopment Property Tax Trust Fund ("RPTTF"), which includes \$230,000 for administrative expenses, plus authorization to spend \$1,777,500 from the Reserve Fund and \$49,772 from Other Funds, for a total of \$6,940,441 to pay the Successor Agency's enforceable obligations for the 21-22 fiscal period of July 1, 2021 to June 30, 2022.

Any residual RPTTF would be distributed by the Los Angeles County Auditor-Controller to the affected taxing agencies (including the City's General Fund) on a pro-rata basis based on the amount of property taxes collected.

ANALYSIS: As a result of the dissolution of redevelopment, the Successor Agency was created to administer the enforceable obligations and unwind the affairs of the now dissolved redevelopment agency that was part of the former Community Development Commission of the City of South Gate ("Former Agency"). As part of that process, the Successor Agency must annually adopt the Recognized Obligation Payment Schedule ("ROPS"), as required by Dissolution Law.

Beginning January 1, 2016, successor agencies that have received a Finding of Completion may submit a Last and Final ROPS for approval by the oversight board and the DOF if all of the following conditions are met:

- Remaining debt includes only administrative costs and enforceable obligations with set payment schedules, such as debt service, loan agreements, and contracts;
- All remaining obligations have been previously listed on a ROPS and approved by the DOF, pursuant to Health and Safety Code ("HSC") section 34177 (m) or (o); and
- The successor agency has no outstanding or unresolved litigation, except as specified in HSC section 34191.6 (a) (3).

The submission of a Last and Final ROPS reduces the administrative burden on successor agencies, as it eliminates the need to prepare a ROPS and complete the ROPS approval process every year. However, once the DOF approves a successor agency's Last and Final ROPS, it can be amended only twice. At this time, the Successor Agency does not meet the above conditions because Line Item #12 (Property Disposition) and Line Item #27 (Cleanup Cost Recovery) do not have set payment schedules. Therefore, the Successor Agency staff recommends submitting this annual ROPS 21-22, rather than submitting a Last and Final ROPS.

BACKGROUND: The Successor Agency is performing its functions under the Dissolution Law to administer the enforceable obligations and otherwise unwind the Former Agency's affairs. Under the Dissolution Law, a successor agency's actions are subject to review by a seven-member oversight board. Until June 30, 2018, each successor agency had a local oversight board that served this purpose; but, as of July 1, 2018, all local oversight boards ended and have been replaced by consolidated county oversight boards as part of the streamlining and winding-down of redevelopment affairs. For this Successor Agency, its oversight board is referred to as the First District Oversight Board with seven members representing various interests in the Los Angeles County First Supervisorial District, which will review and take action on Successor Agency action items under the Dissolution Law, including this ROPS 21-22, the Administrative Budget therewith, and this Fourth Amendment.

Pursuant to Dissolution Law, the Successor Agency must submit ROPS 21-22 to the DOF by Monday February 1, 2021, but only after review and approval by this Successor Agency, then review and approval by the First District Oversight Board. After the local approvals, ROPS 21-22 is transmitted to the Los Angeles County Auditor-Controller ("Auditor-Controller"), the Los Angeles County Administrative Officer ("CAO"), the State Controller's Office ("SCO"), and to the DOF by February 1, 2021. If the Successor Agency fails to meet this statutory deadline, the City of South Gate ("City") may be liable for substantial penalties, including a \$10,000 per day

penalty for each day past the statutory deadline that the ROPS 21-22 is not submitted to DOF. (To date, the Successor Agency has always met this deadline.)

No new enforceable obligations are anticipated on ROPS 21-22. Continuing enforceable obligations on ROPS 21-22 are described below:

- *Successor Agency Operations (Line Item #9)*: The administrative allowance is limited to the greater of \$250,000 per year, or three percent (3%) of the RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. However, the administrative allowance cannot exceed 50 percent (50%) of RPTTF distributed in the prior fiscal year, excluding the administrative allowance and any City/Former Agency loan repayments. In the Successor Agency's case, the maximum allowable ROPS 21-22 administrative allowance is \$250,000, but the Successor Agency is requesting \$230,000 on the ROPS 21-22. The Successor Agency's 21-22 Administrative Budget is included in Attachment No. 1 to the Resolution included with this agenda bill;
- *Property Disposition (Line Item #12)*: RPTTF is required to fund consulting services and fees associated with the disposition of three (3) properties designated to be sold by the Successor Agency in the Long Range Property Management Plan ("LRPMP");
- *County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A and 2014B (Line Items #18 and #19)*: Line Items #18 and #19 are bonds issued by the County of Los Angeles Redevelopment Refunding Authority for South Gate Redevelopment Project No.1;
- *Reserve for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A and 2014B (Line Items #20 and #21)*: Pursuant to HSC Section 34171(d)(1), a successor agency may reserve property tax revenue from one ROPS period that otherwise would be distributed to affected taxing entities when required by a bond indenture or when the next property tax allocation will be insufficient to pay all obligations due under the provisions of the bond in the following half of the calendar year. The Indenture of Trust for the Tax Allocation Revenue Refunding Bonds Series 2014A (Line Item #18) requires the Successor Agency to request \$1,655,000 on the ROPS 21-22 for the September 1, 2022 bond payment. The Indenture of Trust for the Tax Allocation Revenue Refunding Bonds Series 2014B (Line Item #19) requires the Successor Agency to request \$207,500 on the ROPS 21-22 for the September 1, 2022 bond payment.
- *County of Los Angeles Redevelopment Refunding Authority Trustee Fees (Line Item #22)*: Line Item #22 is an enforceable obligation due to a Continuing Disclosure Agreement with the County of Los Angeles Redevelopment Refunding Authority for Tax Allocation Revenue Refunding Bonds Series 2014A and 2014B;
- *Remediation Costs 3500-3506 Tweedy Boulevard (Line Item #26)*: The Successor Agency received local oversight board approval and entered into an original Professional Services Agreement ("Original Agreement") with Tetra Tech on January 30, 2017 due to notices issued and enforcement actions taken against the Successor Agency by the Los Angeles Regional Water Quality Control Board ("LARWQCB") related to the contaminated properties and necessary environmental cleanup for the Successor Agency-owned real property located at 3500-3506 Tweedy Boulevard ("Contaminated Property").

The Original Agreement has been amended three times with the approval of the First District Oversight Board and DOF as the ongoing investigation and remediation work on, under, about and adjacent to the Contaminated Property has uncovered additional activities not anticipated in the Original Agreement and amendments thereto.

During implementation of the Original Agreement, First Amendment, Second Amendment, and Third Amendment, Tetra Tech, on behalf of the Successor Agency, performed some of the work directed by the LARWQCB, including installing and operating the Soil Vapor Extraction system, which removes approximately 13 pounds of contaminants per day. Despite Tetra Tech's remediation efforts, the Contaminated Property (including adjacent area) does not yet meet the LARWQCB criteria for case closure. As a result, the LARWQCB has determined that an additional amendment to Tetra Tech's scope of work, estimated fees and costs, and schedule is needed in order to complete the remaining environmental remediation activities needed for and toward case closure.

The amended scope of work, estimated fees and costs, and schedule are detailed in that certain *Fourth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* which is included as Attachment No. 2 to the Resolution accompanying this Agenda Bill. The Fourth Amendment, if approved for funding and performance by the First District Oversight Board and the DOF, will allow Tetra Tech to be compensated for the Fourth Amended Scope of Work of up to \$564,000 for the applicable fiscal year with a cumulative amount not to exceed \$2,351,319 for the applicable and approved fiscal year(s);

- *Cleanup Cost Recovery (Line Item #27)*: The LARWQCB is the regional division of a state agency that oversees the environmental cleanup of certain real property referred to as the Freedom Ford Site, located at 7916 Long Beach Boulevard, and is authorized to assess and recover costs and expenses for oversight of the cleanup of waste that affects or threatens waters of the state under Section 13304 of the California Water Code;

The Cash Balances page shows the inflow and outflow of funds held by the Successor Agency. Funds are being spent in a timely manner and consistent with the prior approvals by the applicable oversight board and the DOF. As reported on the Cash Balances tab of the ROPS 21-22 form, the Successor Agency had \$308,490 of cash available as of the end of the ROPS 18-19 fiscal period.

The Successor Agency intends to bring its ROPS 21-22 and the Fourth Amendment before the First District Oversight Board at its January 11, 2021 regular meeting. If obtained, and after obtaining, the First District Oversight Board's approval, Successor Agency staff will then transmit the ROPS 21-22 and the Fourth Amendment to the DOF, the Auditor-Controller, the County Administrative Officer (CAO) and the State Controller's Office (SCO).

Upon receipt of an oversight board-approved ROPS, the DOF has 45 days to make its determination of the enforceable obligations, including amounts and funding sources. Within five business days of the DOF's determination, the Successor Agency may request additional review and an opportunity to meet and confer on disputed items. The DOF has until 15 days prior to the date for property tax distribution to make its final decision after the meet and confer. The RPTTF distribution dates for the ROPS 21-22A period and 21-22B period are on or about June 1, 2021 and January 2, 2022, respectively.

Accordingly, staff recommends that the Successor Agency adopt the Resolution approving the ROPS 21-22 and the Fourth Amendment, and authorize the City's Director of Administrative Services and/or her authorized designees to transmit the ROPS 21-22 and the Fourth Amendment

to the First District Oversight Board for its review and approval under the Dissolution Law, and after the First District Oversight Board's approval to send a copy of the ROPS 21-22 and the Fourth Amendment to the DOF, the Auditor-Controller, the CAO and the SCO, for review and approval as required by the Dissolution Law. Further, the Director of Administrative Services and/or her authorized designee(s), in consultation with legal counsel, shall be authorized to request and complete meet and confer session(s), if any, with the DOF and authorized to make augmentations, modifications, additions or revisions as may be necessary or directed by the DOF, and changes, if any, will be reported back to the Successor Agency and the First District Oversight Board.

ATTACHMENT:

- A. Proposed Resolution approving ROPS 21-22 (including the FY 21-22 Administrative Budget) and the Fourth Amendment

SUCCESSOR AGENCY RESOLUTION NO. 20-__

**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: (1) THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 21-22 FISCAL PERIOD OF JULY 1, 2021 TO JUNE 30, 2022, INCLUDING THE ADMINISTRATIVE BUDGET INCLUDED THEREWITH, AND (2) THE FOURTH 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, Senate Bill 107, and other implementing legislation (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 (as part 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 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 21-22 fiscal period of July 1, 2021 to June 30, 2022 (“ROPS 21-22”) be submitted to the DOF by the Successor Agency, after approval by the First District Oversight Board, no later than February 1, 2021; and

WHEREAS, Line Item #26 on ROPS 21-22 is listed as Remediation Costs under an existing agreement (“Original Agreement”), as amended by the First Amendment, Second Amendment, and Third Amendment, for professional services between the Successor Agency and Tetra Tech, Inc. to undertake the clean-up of hazardous materials contamination on, under, and about 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 (and adjacent area(s)), which public agency issued 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 areas adjacent thereto; 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, Second Amendment and Third Amendment, is necessary, which is set forth in that certain *Fourth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“Fourth Amendment”) to implement that certain Fourth Amended Scope of Work (defined therein) and the increased funding to implement such work during the ROPS 21-22 fiscal year; and

WHEREAS, the ROPS 21-22, including the Administrative Budget included therewith, and the Fourth 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; and

WHEREAS, the ROPS 21-22, including the Administrative Budget included therewith, in the form required by DOF, is attached hereto as Exhibit No. 1, and the Fourth Amendment is attached hereto as Exhibit No. 2, with all exhibits fully incorporated by this reference; and

WHEREAS, the Successor Agency has reviewed the draft ROPS 21-22, including the Administrative Budget included therewith, and the Fourth Amendment, and desires to approve the ROPS 21-22, including the Administrative Budget included therewith, and the Fourth Amendment, and to authorize the Successor Agency to transmit the ROPS 21-22, including the Administrative Budget included therewith, and the Fourth 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: (1) the ROPS 21-22, including the Administrative Budget, attached hereto as Exhibit No. 1, and (2) the Fourth Amendment between the Successor Agency and Tetra Tech, Inc., attached hereto as Exhibit No. 2, each submitted herewith. The Successor Agency accepts administrative revisions made to the ROPS 21-22 in order to enable the Successor Agency to submit the ROPS 21-22 to DOF by the deadline of February 1, 2021.

SECTION 3. The Successor Agency hereby authorizes and directs transmittal of the ROPS 21-22, including the Administrative Budget, and the Fourth Amendment, to the First District Oversight Board and then to the DOF and all other bodies as required by the Dissolution Law.

SECTION 4. The Director of Administrative Services, and/or her authorized designee, is hereby directed to post this Resolution, including the ROPS 21-22 and the Fourth Amendment, on the City's website: <http://www.cityofsouthgate.org/247/Successor-Agency>, pursuant to the Dissolution Law.

[Remainder of page left blank intentionally]

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 8th day of December 2020.

By: _____
Maria Davila, Chairperson
Successor Agency to
the Community Development Commission of
the City of South Gate

ATTESTED:

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

(SEAL)

APPROVED AS TO FORM:

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

**Recognized Obligation Payment Schedule (ROPS 21-22) - Summary
Filed for the July 1, 2021 through June 30, 2022 Period**

Successor Agency: South Gate
County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	21-22A Total (July - December)	21-22B Total (January - June)	ROPS 21-22 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 1,807,500	\$ 19,772	\$ 1,827,272
B Bond Proceeds	-	-	-
C Reserve Balance	1,777,500	-	1,777,500
D Other Funds	30,000	19,772	49,772
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 2,644,772	\$ 2,468,397	\$ 5,113,169
F RPTTF	2,529,772	2,353,397	4,883,169
G Administrative RPTTF	115,000	115,000	230,000
H Current Period Enforceable Obligations (A+E)	\$ 4,452,272	\$ 2,488,169	\$ 6,940,441

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) 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

**South Gate
Recognized Obligation Payment Schedule (ROPS 21-22) - ROPS Detail
July 1, 2021 through June 30, 2022**

A Item #	B Project Name	C Obligation Type	D Agreement Execution Date	E Agreement Termination Date	F Payee	G Description	H Project Area	I Total Outstanding Obligation	J Retired	K ROPS 21-22 Total	L ROPS 21-22A (Jul - Dec)			M ROPS 21-22B (Jan - Jun)			V Admin RPTTF	W 21-22B Total			
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Bond Proceeds	Reserve Balance			Other Funds	RPTTF	
9	Successor Agency Operations	Admin Costs	02/01/2012	09/01/2024	City of South Gate	Admin Allowance	Project No. 1	\$16,426,887	N	\$6,940,441	\$1,777,500	\$30,000	\$2,529,772	\$115,000	\$115,000	\$2,353,397	\$115,000	\$2,488,169	\$115,000	\$115,000	
12	Property Disposition	Property Dispositions	07/01/2017	06/30/2019	various vendors	Funding for costs associated with disposing of all former RDA properties held by the Successor Agency including the Long Range Property Management Plan	Project No. 1	49,772	N	\$49,772	-	30,000	-	-	-	19,772	-	-	-	-	\$19,772
18	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)	Refunding Bonds Issued After 6/27/12	07/31/2014	09/01/2024	US Bank	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)	Project No. 1	8,195,250	N	\$3,755,625	1,577,500	-	1,917,250	-	-	260,875	-	-	-	-	\$260,875
19	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Refunding Bonds Issued After 6/27/12	07/31/2014	09/01/2024	US Bank	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Project No. 1	979,365	N	\$456,544	200,000	-	231,522	-	-	25,022	-	-	-	-	\$25,022
20	Reserve for County of Los	Reserves	07/31/2014	09/01/2024	US Bank	RPTTF reserve for amount due	Project No. 1	5,217,500	N	\$1,655,000	-	-	-	-	-	1,655,000	-	-	-	-	\$1,655,000

South Gate
Recognized Obligation Payment Schedule (ROPS 21-22) - Report of Cash Balances
July 1, 2018 through June 30, 2019
(Report Amounts in Whole Dollars)

A	B	C	D	E	F	G	H			
								Fund Sources		
								Bond Proceeds	Reserve Balance	Other Funds
	ROPS 18-19 Cash Balances (07/01/18 - 06/30/19)	Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	RPTTF	Non-Admin and Admin	Comments		
1	Beginning Available Cash Balance (Actual 07/01/18) RPTTF amount should exclude "A" period distribution amount.			1,719,177	116,500	123,340				
2	Revenue/Income (Actual 06/30/19) RPTTF amount should tie to the ROPS 18-19 total distribution from the County Auditor-Controller				179,894	5,034,833				
3	Expenditures for ROPS 18-19 Enforceable Obligations (Actual 06/30/19)			1,719,177	10,228	3,366,946				
4	Retention of Available Cash Balance (Actual 06/30/19) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				20,606	1,705,410				
5	ROPS 18-19 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 18-19 PPA form submitted to the CAC			No entry required		42,887				
6	Ending Actual Available Cash Balance (06/30/19) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$265,560	\$42,930				

EXHIBIT B

**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE
ADMINISTRATIVE BUDGET FISCAL YEAR 2021-2022
JULY 1, 2021 to JUNE 30, 2022**

EXPENSE CATEGORY	RESPONSIBILITIES	FY 2021-22 PROPOSED BUDGET
Salaries and Wages		
Staff salaries, benefits, and payroll taxes	<ul style="list-style-type: none"> • Process payment of enforceable obligations • Maintain documentation of Agency records • Coordinate with consultant to answer questions and provide documentation as requested by Oversight Board, County Auditor-Controller and Department of Finance • Attend Oversight Board meetings 	\$140,000
TOTAL		\$140,000
Maintenance and Operations		
Rent and Utilities	<ul style="list-style-type: none"> • Utility and rent expenses • Supplies • Equipment • LRPMP property maintenance prior to transfer/sale 	\$7,500
Contract services	<ul style="list-style-type: none"> • Prepare ROPS, PPA, staff reports and resolutions • Coordinate with and answer questions for Oversight Board, County Auditor-Controller and Department of Finance • Monitor and project cash flow to ensure sufficient revenues for obligations and to inform Agency staff of expected revenues • Audit financial records 	\$32,500
Insurance and legal services	<ul style="list-style-type: none"> • Review staff reports and resolutions • Provide legal services as needed 	\$50,000
TOTAL		\$90,000
TOTAL BUDGET		\$230,000

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

This **FOURTH AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES** (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard) (“Fourth Amendment”) is dated for purposes of reference as of December 8, 2020 and entered into 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 Fourth 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, *et seq.* 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. Successor Agency and Consultant entered into that certain *Second Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“Second Amendment”) dated as of January 22, 2019, for a revised scope of work and additional funding related to continued remedial services at the Property, which Second Amendment was approved by the First District Oversight Board on January 28, 2019, and thereafter approved by the DOF on or about March 5, 2019.

F. Successor Agency and Consultant entered into that certain *Third Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities 3500-3506 Tweedy Boulevard)* (“Third Amendment”) dated as of November 12, 2019, for a revised scope of work and additional funding related to continued remedial services at the Property, which Third Amendment was approved by the First District Oversight Board on January 13, 2020, and thereafter approved by the DOF on or about March 2, 2020.

G. 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, work schedule, 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 Fourth Amendment. Consultant has reported to the Successor Agency that based upon our current knowledge of conditions at the Property, planned and continued remediation activities that additional work continues to be required and anticipated during Fiscal Year 2021-2022 and will be mandated by the LARWQCB, which is the regulatory oversight agency for the Property under applicable laws and regulations.

H. 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, First Amendment, Second Amendment, and Third Amendment must be amended, as provided in this Fourth Amendment, because continued investigation on, about, and adjacent to the Property revealed and evidences that additional remediation work is necessary to continue work toward case closure, which is the subject of this Fourth Amendment.

I. Consultant has prepared an expanded scope of work and fee/cost estimate to be funded through ROPS 21-22, Line Item #26, which amended scope of work and funding are set forth in the attached Exhibit A, *Fiscal Year 2022 Budget Projection, Former Target/Lazar Gas Station Site, LARWQCB Case No. R-23710, 3500-3506 Tweedy Boulevard*, which is fully incorporated by this reference (“Fourth Amended Scope of Work”).

J. 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 cause remediation of the excess levels of contamination found in the offsite groundwater at, under, about and adjacent to the Property and will continue remediation work necessary for and toward case closure in a manner consistent with the LARWQCB’s directives by implementation of the Fourth Amended Scope of Work, which requires this Fourth Amendment for the revised scope of work and additional funding therefor, as more fully detailed in Exhibit A, Fourth Amended Scope of Work.

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

Section 1. FOURTH AMENDED SCOPE OF WORK; CONSULTANT’S SERVICES.

Under this Fourth Amendment, Consultant agrees to provide the professional environmental remediation and related services and perform the tasks set forth in the Fourth Amended Scope of Work, Exhibit A. The Fourth Amended Scope of Work is set forth in Consultant’s proposal dated as of October 30, 2020, the costs to implement the services will be listed on Line Item #26 of ROPS 21-22 for review and approval by the First District Oversight Board and then by the DOF pursuant to the Dissolution Law.

Section 2. EFFECTIVENESS OF FOURTH AMENDMENT AND EXTENDED TERM OF AGREEMENT, AS AMENDED. This Fourth Amendment will become effective after all of the following occur: (a) review and 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 review and approvals by each and all such entities of ROPS 21-22. The Term of the Original Agreement, as amended, is hereby extended by this Fourth Amendment for the period commencing upon DOF's approval of this Fourth Amendment and ending on June 30, 2022, with such Term subject to one or more extensions of up to one year for and during the subsequent fiscal year of 2022-2023, if necessary, which shall coincide with continued undertaking of, and the services and work toward completion of, the Fourth 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, 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, 2022, 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 FOURTH AMENDED SCOPE OF WORK. Under the Fourth Amendment and subject to the terms and conditions stated hereinafter, the Successor Agency agrees to pay the Consultant for its professional services and work performed and costs incurred therefor as described in the Fourth Amended Scope of Work, Exhibit A, which includes Consultant's estimated fees and costs schedule that is a part of the October 30, 2020 submittal from Consultant to the Successor Agency, in cumulative funding under the Original Agreement, First Amendment, Second Amendment, Third Amendment and this Fourth Amendment not to exceed \$2,351,319 as detailed in the Contract Budget Summary included as Exhibit B, which is attached hereto and fully incorporated by this reference; 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, ROPS 19-20, ROPS 20-21 and ROPS 21-22 processes, all for work completed in compliance with the Original Agreement, the First Amendment, the Second Amendment, the Third Amendment and this Fourth 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, the Second Amendment, the Third Amendment and this Fourth 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 Fourth Amendment shall have the same meaning and use as set forth in the Original Agreement, as amended, and as set forth in this Fourth Amendment.

Section 5. ORIGINAL AGREEMENT, FIRST AMENDMENT, SECOND AMENDMENT AND THIRD AMENDMENT IN FULL FORCE AND EFFECT. All other provisions of the Original Agreement, as amended by the First Amendment, the Second

Amendment, the Third Amendment and this Fourth Amendment, shall remain in full force and effect.

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

[Fourth Amendment continues on next page]

WITNESS, the Parties hereto have caused this *Fourth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* to 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

By: _____
Maria Davila, Chairperson
Successor Agency to
the Community Development Commission of
the City of South Gate

ATTESTED:

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

(SEAL)

APPROVED AS TO FORM:

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

[Signatures for *Fourth 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: _____



October 30, 2020

Attn: City of South Gate Successor Agency
c/o Jim Simon RSG, Inc. (Consultant to Successor Agency)
309 W 4th Street
Santa Ana, California 92701

Re: **Fiscal Year 2022 Budget Projection**
Former Target/Lazar Gas Station Site, LARWQCB Case No. R-23710
3500-3506 Tweedy Boulevard
South Gate, California

Dear Mr. Simon:

This letter provides Tetra Tech's budget projection for fiscal year 2022 (i.e., July 2021 through June 2022) to address environmental impacts associated with the Former Target/Lazar Gas Station Site, located at 3500-3506 Tweedy Boulevard, South Gate, California (Site). This budget projection is based upon our current knowledge of conditions at the Site, planned activities, and additional work required or anticipated to be required by the Regional Water Quality Control Board Los Angeles (Water Board), the regulatory oversight agency for the Site.

BACKGROUND

The Site formerly contained three gasoline underground storage tanks (USTs), one diesel UST, two waste oil tanks, and three fuel dispensers, which were removed in September 1996. Monitoring and remediation efforts began shortly after that time. A store occupied the area just east of the Site and an alley/road was present immediately south of the Site. In December 1996, the County of Los Angeles Department of Public Works referred the case to the Water Board for additional soil and groundwater investigation. Investigation and/or remediation of the Site has been ongoing since the mid-1990s. A soil vapor extraction (SVE) system was installed and operated at the Site in 1999 and early 2000; however, remediation activities ceased in 2000 during development activities at the Site and the adjacent property to the south and east. The Site and surrounding properties were developed as part of a mixed-use building complex with a strip mall on the bottom floor that is currently occupied by several commercial properties and restaurants and with apartment residences above and to the south, referred to as the South Gate Senior Villas. The Site itself is a rectangular parcel (70 feet by 110 feet) with the northern two-thirds consisting of parking area and the southern one-third consisting of patio/eating area used by customers of the adjacent restaurants of the complex. No further activity occurred until the Water Board issued a directive May 28, 2015 to take corrective action.

In 2017, The Reynolds Group (TRG) reported that the existing groundwater monitoring wells MW-2, MW-3, MW-5 and MW-6 were all dry. TRG also sampled five soil borings to 50 feet below ground surface as requested by the Water Board. Tetra Tech performed additional site assessment in 2018 that included the installation of deeper groundwater monitoring wells MW-2a, MW-3a, and MW-7 (off-site across California Avenue), abandoning the dry wells, and sampling multi-depth vapor probes. The investigation revealed high levels of hydrocarbons and benzene, toluene, ethylbenzene, and xylenes (collectively identified as BTEX) remaining in the on-site vadose zone soils and in the groundwater west of the Site (underlying California Avenue). The Water Board requested that an Interim Remedial Action Plan (IRAP) be written and implemented, to address on-site vadose zone

concentrations and further investigation occur offsite. Tetra Tech developed an IRAP dated February 5, 2019 that detailed plans for remediation of the Site and was conditionally approved by the Water Board in a letter dated March 21, 2019. Tetra Tech subsequently submitted a revised IRAP dated May 7, 2019 to address the Water Board comments. The IRAP included two provisions for remediation of the Site 1) subsurface soil remediation (vadose zone) utilizing a SVE system and 2) remediation of the groundwater near MW-7 by implementing in situ chemical oxidation (ISCO).

Additional off-site investigation of the hydrocarbon and BTEX impacts to groundwater were performed in July 2019, following the Water Board approved Additional Off-Site Assessment Work Plan dated December 5, 2018. Two new monitoring wells (MW-8 and MW-9) were installed west of the Site and three borings were sampled north and northwest of the Site as documented in Tetra Tech's *Monitoring Well and Direct-push Boring Installation Report* dated September 9, 2019. The results of groundwater sampling and analysis indicated elevated benzene concentrations in monitoring wells MW-7, MW-8 and MW-9. The results indicated good delineation to the north and east but further delineation may be necessary to the southwest of the Site.

SVE system installation began in August 2019 with the installation of two horizontal wells and continued into September with the installation of two vertical SVE wells along with soil vapor monitoring probes. Because of some delays related to design changes of the compound fence and changes in the desired location of the temporary power by the Senior Villas owner, these items were installed in January and February of 2020. The installation of a trailer-mounted SVE system (blower, knock-off pot, carbon vessels) was then installed in March of 2020. System start-up occurred on March 23, 2020. Initial vapor concentrations were much higher than had been estimated based on previous data, resulting in consumption of granular activated carbon for the vapor-phase treatment at a faster rate than had been planned. Initially carbon changeouts were conducted on a weekly basis, but after a few months the frequency of changeouts was reduced to approximately once every three weeks. Operations and maintenance of the SVE system has been ongoing since March 23, 2020. Over 1,400 pounds of Volatile Organic Compounds (VOCs), such as benzene and ethylbenzene, have been removed to date.

The approved interim remedial action for groundwater near MW-7 (hot-spot) involved injecting a chemical oxidant into the shallow groundwater through two injection locations near MW-7 to reduce hydrocarbon and benzene concentrations. The permitting process for performing the chemical injections at MW-7 began in February 2019 with the submission of the Waste Discharge Requirements (WDR) application submitted to the Water Board; however, the WDR Permit was not approved until December 2019 because of turnover issues with the Water Board. Baseline groundwater sampling was completed on March 9, and chemical injections were performed near MW-7 on March 26, 2020 and April 27, 2020.

In January 2020, conveyance pipe "stub-ups" were exposed in the bushes west of the patio area of the Site during installation of the temporary power for the current SVE system. After further evaluation, these "stub-ups" were determined to be conveyance piping connected to vertical SVE wells associated with the historical SVE system operated by TRG from 1999-2000. These legacy SVE wells were reported by TRG to have been destroyed during the construction of the patio and parking lot for the new multi-use development (TRG, 2011). In order to expedite vadose zone remediation efforts, Tetra Tech attempted to locate the legacy SVE wells and connect them to the current SVE system. Subsequently, geophysical surveying and tracing of the well pipe laterals was done (to determine the wellhead location), followed by potholing of the wells. In addition, on October 15-16, 2020, a deep SVE well (SVE-VW3) was installed to address deeper vapor impacts observed at deep vapor probe TTSV-5D. On October 19-23, 2020 a manifold and a trunkline were installed and four legacy SVE wells and the new deep SVE well were tied to the existing SVE system, upgrading the SVE system and providing further coverage of the Site.

CURRENT STATUS

Remediation at the Site is ongoing with the SVE system continuing to operate and since the legacy wells were connected, additional pounds of VOCs are being removed on a daily basis. On October 8, 2020, Tetra Tech held a meeting with RSG and the Water Board to discuss the status of the site remediation and steps toward achieving closure under the Low Threat Closure Policy (LTCP). The following LTCP criteria have yet to be met:

1. One of the General Criteria is that the Secondary Source is to be removed to the extent practicable.
 - a. Usually this means reaching asymptotic conditions with SVE vapor concentrations and/or meeting cleanup concentration criteria for residential/commercial for VOCs and TPH (soil gas and soil). Vapor concentrations at the Site are still elevated and have not reached asymptotic conditions.
2. The vapor concentrations need to meet LTCP soil-gas cleanup criteria/concentrations for select VOC chemicals.
 - a. Ethylbenzene vapor concentrations still exceed cleanup criteria.
3. Groundwater cleanup criteria for the LTCP are dependent on which of several scenarios provided in the LTCP fits. The cleanup level is dependent on the length of the benzene plume – if it is greater than 250 feet, benzene concentrations are required to be less than 1,000 ug/L, and if the plume length is less than 250 feet the benzene levels can be less than 3,000 ug/L.
 - a. Modeling to determine the plume length at the Site is planned for the next semi-annual report.
 - b. Benzene concentrations in groundwater still exceed 3,000 ug/L.

An action item of the meeting with the Water Board was that Tetra Tech can move ahead with a work plan for further delineation of the groundwater benzene plume (agreed to by the Water Board) since further delineation is needed to the southwest of the Site and potentially west of MW-9. This work plan is currently being finalized and should be submitted by November 5, 2020. Once the delineation of the groundwater plume is completed, a plan to address the reduction of benzene concentrations in the groundwater can be determined.

Items planned for the coming remainder of FY2021 include:

1. Submit the offsite groundwater assessment work plan.
2. Install investigation borings for grab groundwater sampling to delineate the plume.
3. Install additional groundwater monitoring wells.
4. Submit an addendum to the IRAP for remediation of the groundwater plume.
5. Continue SVE O&M.
6. Begin remediation of groundwater.
7. Submit remediation status reports.

ESTIMATED PROJECT COSTS AND SCHEDULE FOR FY2022

Tetra Tech understands the process under the Recognized Obligation Payment Schedule. We understand more than one funding avenue may be pursued. The previous budget forecast, provided by Tetra Tech dated November 11, 2010, covered the period from January 2020 through June 2021 and was based upon available

information at that time (and the given assumptions). The budget forecast for FY2022 is provided on a task-by-task basis, and broken down by two six-month increments, is provided below.

PROJECTED WORK SCOPE BY TASK	2021	2022
	Jul-Dec	Jan-Jun
Task 1: Groundwater Remedial Action		
Task 1a: Additional Groundwater Treatment (ISCO Injections)	\$110,000	
Task 1b: WDR Permit and Groundwater Monitoring and Reporting	\$35,000	\$30,000
Task 2: Interim Remedial Action of Vadose Zone		
Task 2a: SVE System Operation, Maintenance, and Monitoring	\$60,000	
Task 2b: Perform Rebound Tests/Confirmation Sampling	\$35,000	
Task 2c: Semi-Annual Remediation Progress Reports	\$26,000	\$26,000
Task 3: Ongoing Groundwater Monitoring		
Task 3a: Second Semi-Annual 2021 Monitoring and Report	\$22,000	
Task 3b: First Semi-Annual 2022 Monitoring and Report		\$22,000
Task 4: Site Closure Process		
Task 4a: Well Abandonment and System Demobilization	\$35,000	\$31,000
Task 4b: Risk Evaluation/LTCP Closure Report		\$40,000
Task 5: Project Management		
Task 5a: Monthly Progress Reports and Project Management	\$25,000	\$25,000
Task 5b: GeoTracker Uploads	\$6,000	\$6,000
Task 5c: Meetings/Correspondence with City of South Gate and Water Board	\$15,000	\$15,000
Total Budget Requested:	\$369,000	\$195,000

ASSUMPTIONS

Tetra Tech has provided this budget forecast based upon currently available information and the following assumptions:

General

- The estimates of projected funding outlined above are rough numbers based upon current requirements and may be subject to change depending on the requirements of the Water Board and/or site conditions and unforeseen circumstances.
- Access to the Site and offsite locations (and necessary storage space) will be provided/arranged by the Successor Agency.
- Schedule assumes timely Water Board review of applicable reports and documents.
- Reports and documents include one round of edits with consolidated comments from RSG and the City of South Gate Successor Agency.

Task 1

- Two additional rounds of chemical oxidant injections to address groundwater impacts to reduce benzene concentrations. Assumes up to 10 days of injection activities using direct-push injection rods.
- Two semi-annual (one per six-month period) and one annual WDR groundwater monitoring reports (in the second period) per the WDR permit requirements. Two WDR groundwater monitoring events performed one month and three months after each injection event.
- Traffic control from a traffic control subcontractor is included; encroachment permits are included.
- Update to the traffic control plan is included (approved by a Traffic Engineer and approved by the City of South Gate Public Works), as necessary.

Task 2

- Assumes 4 months of SVE system O&M activities in the first half of FY2022, followed by a one-month rebound test and confirmation vapor sampling. No SVE system operation planned for the second half of FY2022.
- Confirmation vapor sampling to include sampling all vapor monitoring probes.
- SVE system O&M includes SVE system rental, electricity costs, weekly system monitoring, monthly vapor sampling, carbon changeouts, and laboratory analytical costs.
- Includes fees for renewal of an Air Quality Management District permit to construct/operate. Includes permit renewal fees.
- Preparation and submittal of semi-annual remediation progress reports to the Water Board summarizing the SVE system operation and groundwater remediation activities (typically combined with groundwater monitoring report).

Task 3

- Perform two semi-annual groundwater monitoring events and prepare reports for submittal to the Water Board.

Task 4

- SVE well abandonment by pressure-grouting during the first half of FY2022.
- Assumes groundwater monitoring wells will be abandoned the second half of FY2022.
- Includes obtaining well destruction permits and permit fees.
- The SVE system will be removed from the compound. Excludes removal of the compound fence.
- Includes preparation of one LTCP Closure Report covering soil, soil-gas, and groundwater including Risk Evaluation.
- Assumes no indoor or subslab vapor sampling will be required for closure, therefore costs for those items are not included.

Task 5

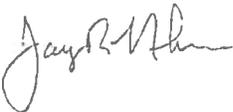
- Prepare monthly progress reports and manage project staff, subcontractors, and budgets.
- Upload applicable data and reports to the Geotracker website.
- Participate in up to four meetings with the City of South Gate to coordinate investigation and remediation activities. Provide public notifications as necessary.

Tetra Tech is committed to finding cost effective, timely, and efficient solutions to work toward closure and will remain flexible to address Water Board requirements. Tetra Tech's team of professionals and deep bench of environmental and remedial expertise in Southern California will be at your disposal.

We hope this budget forecast meets your needs. We will follow up this forecast when requested.

Very truly yours,

Tetra Tech, Inc.



Jay Neuhaus, PG, QSD
Project Manager



Carl Lenker, PE
Senior Project Engineer

Cc Jacquelyn Acosta, City of South Gate
Vivian Garcia, City of South Gate
Dianne Guevara, City of South Gate
Alex Lawrence, RSG

South Gate Successor Agency,
 Assessment and Remediation Services
 3500-06 Tweedy Boulevard, South Gate, California

EXHIBIT B TO FOURTH AMENDMENT

Contract Budget Summary																	
	2017			2018			2019			2020			2021			2022	
	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	July-Dec	Jan-Jun	
Total Approved Contract Amount	123,389	93,356	66,949	113,949	469,349	151,327	374,000	395,000	369,000	195,000	(Requested)	369,000	(Requested)	395,000	(Requested)	195,000	(Requested)
Total Contract Not To Exceed: \$2,351,319																	

**MINUTES FOR THE REGULAR MEETING OF THE
SUCCESSOR AGENCY OF THE CITY OF SOUTH GATE**

TUESDAY, MARCH 10, 2020

CALL TO ORDER The regular meeting of the Successor Agency of the City of South Gate was called to order by Chairwoman Bernal at 5:48 p.m.

ROLL CALL Carmen Avalos, Recording Secretary

PRESENT Chairwoman M. Belén Bernal, Vice Chairwoman Denise Diaz, Agency Member Al Rios and Agency Member Bill De Witt; Executive Director Michael Flad, Agency Counsel Raul F. Salinas, Secretary Joe Perez

ABSENT Agency Member Maria Davila

**1
AGREEMENT WITH RSG,
INC., FOR GENERAL
ON-CALL SERVICES**

The Successor Agency to the Community Development Commission of the City of South Gate approved Items A and B by motion of Chairwoman Bernal and seconded by Agency Member Rios:

- a. Agreement (Contract No. 2020-01-SA) with RSG, Inc., for general on-call services through and including June 30, 2021, in an amount not-to-exceed \$30,115; and
- b. Authorized the Chairperson to execute the Agreement in a form acceptable to the Agency Counsel.

**2
MINUTES**

The Successor Agency to the Community Development Commission of the City of South Gate approved the meeting minutes of December 10, 2019 by motion of Agency Member Rios and seconded by Chairperson Bernal.

**3
COMMENTS FROM
THE AUDIENCE**

None.

**4
COMMENTS FROM
THE BOARD MEMBERS**

None.

