



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 14, 2021 at 5:30 p.m.

**SOUTH GATE COUNCIL CHAMBERS OR
TELECONFERENCE
DIAL-IN-NUMBER: 1 (669) 900-6833**

MEETING ID: 867 2282 4311

<https://us02web.zoom.us/j/86722824311>

I. Call To Order/Roll Call

CALL TO ORDER	Al Rios, Chairperson
ROLL CALL	Carmen Avalos, Recording Secretary

II. City Officials

CHAIRPERSON	INTERIM EXECUTIVE DIRECTOR
Al Rios	Chris Jeffers
VICE CHAIRPERSON	RECORDING SECRETARY
Maria del Pilar Avalos	Carmen Avalos
AGENCY MEMBERS	SECRETARY
Maria Davila	Meredith Elguira

Denise Diaz	
Gil Hurtado	AGENCY COUNSEL
	Raul F. Salinas

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. Open Session Agenda

1. Resolution Approving The Recognized Obligation Payment Schedule For Fiscal Year 2022/2023

The Successor Agency will consider: (ADMIN SVCS)

- a. Adopting a Successor Agency **Resolution** _____ approving:
 - (1) the Recognized Obligation Payment Schedule for the 22-23 fiscal period of July 1, 2022 to June 30, 2023, including the Administrative Budget included therewith, and (2) the **Fifth Amendment to the Agreement (Contract No. 8)** 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 Fifth Amendment in a form acceptable to the Agency Counsel.

Documents:

[SA ITEM 1 REPORT 12142021.PDF](#)

2. Minutes

The Successor Agency will consider approving the Regular Meeting Minutes of November 23, 2021. (CLERK)

Documents:

[SA ITEM 2 REPORT 12142021.PDF](#)

V. Comments From The Audience

VI. Comments From The Board Members

VII. Adjournment

I, Carmen Avalos, Secretary, certify that a true and correct copy of the foregoing Meeting Agenda was posted on December 7, 2021 at 4:36

p.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.

DEC 07 2021

7:15am


City of South Gate
SUCCESSOR AGENCY TO THE
COMMUNITY DEVELOPMENT COMMISSION
OF THE CITY OF SOUTH GATE

AGENDA BILL

For the Regular Meeting of: December 14, 2021

Originating Department: Administrative Services

Deputy Director: 
Kim Sao

Interim City Manager: 
Chris Jeffers

SUBJECT: RESOLUTION APPROVING THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR THE 22-23 FISCAL PERIOD OF JULY 1, 2022 TO JUNE 30, 2023, AND APPROVING THE FIFTH 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 22-23 fiscal period (“ROPS 22-23”), including the administrative budget included therewith, and the Fifth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities At 3500-3506 Tweedy Boulevard) (“Fifth 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 consider:

- a. Adopting a Successor Agency Resolution approving: (1) the Recognized Obligation Payment Schedule for the 22-23 fiscal period of July 1, 2022 to June 30, 2023, including the Administrative Budget included therewith, and (2) the Fifth 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 Fifth 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 22-23, as submitted, it is anticipated the Successor Agency to the Community Development Commission of the City of South Gate (“Successor Agency”) would receive \$5,016,247 from the Redevelopment Property Tax Trust Fund (“RPTTF”), which includes \$230,000 for administrative expenses, plus authorization to spend

\$1,862,500 from the Reserve Fund, for a total of \$6,878,747 to pay the Successor Agency's enforceable obligations for the 22-23 fiscal period of July 1, 2022 to June 30, 2023.

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 22-23, 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 22-23, the Administrative Budget therewith, and this Fifth Amendment.

Pursuant to Dissolution Law, the Successor Agency must submit ROPS 22-23 to the DOF by Tuesday February 1, 2022, 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 22-23 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, 2022. 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 22-23 is not submitted to DOF. (To date, the Successor Agency has always met this deadline.)

No new enforceable obligations are anticipated on ROPS 22-23. Continuing enforceable obligations on ROPS 22-23 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 22-23 administrative allowance is \$250,000. However, the Successor Agency does not anticipate needing the maximum allowance and is requesting \$230,000 on the ROPS 22-23. The Successor Agency’s 22-23 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 \$1,737,500 on the ROPS 22-23 for the September 1, 2023 bond payment. The Indenture of Trust for the Tax Allocation Revenue Refunding Bonds Series 2014B (Line Item #19) requires the Successor Agency to request \$215,000 on the ROPS 22-23 for the September 1, 2023 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 four 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, Third Amendment, and Fourth 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 removed approximately 13 pounds of contaminants per day and removed enough contaminants for the treated wells to meet LARWQCB standards. Despite Tetra Tech’s remediation efforts, the Contaminated Property (including adjacent area) does not yet meet the LARWQCB criteria for case closure and multiple rounds of groundwater injections and ongoing groundwater monitoring are needed. 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 *Fifth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* which is included as Exhibit No. 2 to the Resolution accompanying this Agenda Bill. The Fifth 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 Fifth Amended Scope of Work of up to \$437,000 for the applicable fiscal year with a cumulative amount not to exceed \$2,788,319 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 22-23 form, the Successor Agency had \$8,668 of cash available as of the end of the ROPS 19-20 fiscal period.

The Successor Agency intends to bring its ROPS 22-23 and the Fifth Amendment before the First District Oversight Board at its January 10, 2022 regular meeting. If obtained, and after obtaining, the First District Oversight Board’s approval, Successor Agency staff will then transmit the ROPS 22-23 and the Fifth 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 22-23A period and 22-23B period are on or about June 1, 2022 and January 2, 2023, respectively.

Accordingly, staff recommends that the Successor Agency adopt the Resolution approving the ROPS 22-23 and the Fifth Amendment, and authorize the City's Director of Administrative Services and/or their authorized designees to transmit the ROPS 22-23 and the Fifth 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 22-23 and the Fifth 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 their 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 22-23 (including the FY 22-23 Administrative Budget) and the Fifth Amendment

SUCCESSOR AGENCY RESOLUTION NO. 21-__

**CITY OF SOUTH GATE
LOS ANGELES COUNTY, CALIFORNIA**

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 22-23 FISCAL PERIOD OF JULY 1, 2022 TO JUNE 30, 2023, INCLUDING THE ADMINISTRATIVE BUDGET INCLUDED THEREWITH, AND (2) THE FIFTH 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”);

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”);

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;

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;

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”);

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;

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;

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”);

WHEREAS, Section 34177(o) of the Dissolution Law requires that the annual ROPS for the 22-23 fiscal period of July 1, 2022 to June 30, 2023 (“ROPS 22-23”) be submitted to the DOF by the Successor Agency, after approval by the First District Oversight Board, no later than February 1, 2022;

WHEREAS, Line Item #26 on ROPS 22-23 is listed as Remediation Costs under an existing agreement (“Original Agreement”), as amended by the First Amendment, Second Amendment, Third Amendment, and Fourth 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”);

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;

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, Third Amendment, and Fourth Amendment is necessary, which is set forth in that certain *Fifth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard)* (“Fifth Amendment”) to implement that certain Fifth Amended Scope of Work (defined therein) and the increased funding to implement such work during the ROPS 22-23 fiscal year;

WHEREAS, the ROPS 22-23, including the Administrative Budget included therewith, and the Fifth 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;

WHEREAS, the ROPS 22-23, including the Administrative Budget included therewith, in the form required by DOF, is attached hereto as Exhibit No. 1, and the Fifth 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 22-23, including the Administrative Budget included therewith, and the Fifth Amendment, and desires to approve the ROPS 22-23 and the Fifth Amendment, and to authorize the Successor Agency to transmit the ROPS 22-23 and the Fifth Amendment to the First District Oversight Board.

NOW, THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE, CALIFORNIA, 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 22-23, including the Administrative Budget, attached hereto as Exhibit No. 1, and (2) the Fifth 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 22-23 in order to enable the Successor Agency to submit the ROPS 22-23 to DOF by the deadline of February 1, 2022.

SECTION 3. The Successor Agency hereby authorizes and directs transmittal of the ROPS 22-23, including the Administrative Budget, and the Fifth 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 22-23 and the Fifth 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 14th day of **December 2021**.


By: _____
Al Rios, 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 22-23) - Summary
Filed for the July 1, 2022 through June 30, 2023 Period**

Successor Agency: South Gate
County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	22-23A Total (July - December)	22-23B Total (January - June)	ROPS 22-23 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ 1,862,500	\$ -	\$ 1,862,500
B Bond Proceeds	-	-	-
C Reserve Balance	1,862,500	-	1,862,500
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 2,546,622	\$ 2,469,625	\$ 5,016,247
F RPTTF	2,431,622	2,354,625	4,786,247
G Administrative RPTTF	115,000	115,000	230,000
H Current Period Enforceable Obligations (A+E)	\$ 4,409,122	\$ 2,469,625	\$ 6,878,747

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
<i>/s/</i> _____	_____
Signature	Date

South Gate
Recognized Obligation Payment Schedule (ROPS 22-23) - ROPS Detail
July 1, 2022 through June 30, 2023

A	B	C	D	E	F	G	H	I	J	K	ROPS 22-23A (Jul - Dec)					Q	ROPS 22-23B (Jan - Jun)					W		
											Fund Sources						22-23A Total	Fund Sources					22-23B Total	
											L	M	N	O	P			R	S	T	U			V
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 22-23 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF				
								\$16,299,887		\$6,878,747	\$-	\$1,862,500	\$-	\$2,431,622	\$115,000	\$4,409,122	\$-	\$-	\$-	\$2,354,625	\$115,000	\$2,469,625		
9	Successor Agency Operations	Admin Costs	02/01/2012	09/01/2024	City of South Gate	Admin Allowance	Project No. 1	750,000	N	\$230,000	-	-	-	-	115,000	\$115,000	-	-	-	-	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 completing the Long Range Property Management Plan	Project No. 1	49,772	N	\$40,000	-	-	-	20,000	-	\$20,000	-	-	-	20,000	-	\$20,000		
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	\$3,749,000	-	1,655,000	-	1,915,875	-	\$3,570,875	-	-	-	178,125	-	\$178,125		
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	\$457,522	-	207,500	-	232,522	-	\$440,022	-	-	-	17,500	-	\$17,500		
20	Reserve for	Reserves	07/31/	09/01/2024	US Bank	RPTTF reserve	Project	5,217,500	N	\$1,737,500	-	-	-	-	-	\$-	-	-	-	1,737,500	-	\$1,737,500		

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W										
																							ROPS 22-23A (Jul - Dec)					ROPS 22-23B (Jan - Jun)				
																							Fund Sources					Fund Sources				
																							Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF
	County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A (Tax-exempt)		2014			for amount due in next half of the calendar year.	No. 1																									
21	Reserve for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014B (Federally Taxable)	Reserves	07/31/2014	09/01/2024	US Bank	RPTTF reserve for amount due in next half of the calendar year.	Project No. 1	645,000	N	\$215,000	-	-	-	-	-	\$-	-	-	-	215,000	-	\$215,000										
22	County of Los Angeles Redevelopment Refunding Authority Trustee Fees	Fees	07/31/2014	09/01/2024	US Bank	Trustee Fee for County of Los Angeles Redevelopment Refunding Authority Tax Allocation Revenue Refunding Bonds Series 2014A and 2014B	Project No. 1	6,000	N	\$2,000	-	-	-	2,000	-	\$2,000	-	-	-	-	-	\$-										
26	Remediation Costs	Remediation	08/07/2015	09/01/2024	TetraTech	Costs associated with remediation of 3500-3506 Tweedy Blvd	Project Area 1	437,000	N	\$437,000	-	-	-	250,500	-	\$250,500	-	-	-	186,500	-	\$186,500										
27	Cleanup Cost Recovery	Remediation	07/01/2015	06/30/2021	Los Angeles Regional Water Quality Control Board	Costs associated with investigation and cleanup of discharges of waste into water supply	Project Area 1	20,000	N	\$10,725	-	-	-	10,725	-	\$10,725	-	-	-	-	-	\$-										

South Gate
Recognized Obligation Payment Schedule (ROPS 22-23) - Report of Cash Balances
July 1, 2019 through June 30, 2020
(Report Amounts in Whole Dollars)

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.								
A	B	C	D	E	F	G	H	
ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)		Fund Sources				Comments		
		Bond Proceeds		Reserve Balance	Other Funds			RPTTF
		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.			Non-Admin and Admin
1	Beginning Available Cash Balance (Actual 07/01/19) RPTTF amount should exclude "A" period distribution amount.			1,791,227	210,253	75,913	E: Includes \$42,887 18-19 PPA retained for 21-22 and \$80,410 17-18 PPA retained for 20-21; and \$42,930 18-19 ending balance F: \$20,606 is retained for 19-20 ROPS and \$189,647 18-19 ending balance G: \$75,913 16-17 PPA retained for 19-20	
2	Revenue/Income (Actual 06/30/20) RPTTF amount should tie to the ROPS 19-20 total distribution from the County Auditor-Controller				51,168	5,344,089	G: RPTTF approved ROPS 19-20 A & B distribution (exclusive of \$75,913 PPA);	
3	Expenditures for ROPS 19-20 Enforceable Obligations (Actual 06/30/20)			1,700,913	20,606	3,705,234		
4	Retention of Available Cash Balance (Actual 06/30/20) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)			212,689	109,772	1,695,000	E: Includes \$42,887 18-19 PPA retained for 21-22 and \$80,410 17-18 PPA retained for 20-21; and \$89,392 in cash with FA (\$89,392 is FA ending balance less 20-21A bond portion and 20-21A bond reserve- See March 17 email to Lynel F: \$49,772 retained in Other Funds for ROPS 21-22, \$60,000 retained for	

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.

A	B	C	D	E	F	G	H
		Fund Sources					
		Bond Proceeds	Reserve Balance	Other Funds	RPTTF		
	ROPS 19-20 Cash Balances (07/01/19 - 06/30/20)	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.	Non-Admin and Admin	Comments
							line 12 in 20-21 AL note - Verified retention
5	ROPS 19-20 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 19-20 PPA form submitted to the CAC			No entry required		19,769	19-20 PPA
6	Ending Actual Available Cash Balance (06/30/20) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$(122,375)	\$131,043	\$(1)	

South Gate
Recognized Obligation Payment Schedule (ROPS 22-23) - Notes
July 1, 2022 through June 30, 2023

Item #	Notes/Comments
9	
12	
18	
19	
20	
21	
22	
26	
27	

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

This **FIFTH AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES** (Tetra Tech Remediation Activities at 3500-3506 Tweedy Boulevard) (“Fifth Amendment”) is dated for purposes of reference as of December 14, 2021 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 Fifth 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. Successor Agency and Consultant entered into that certain *Fourth Amendment to Agreement for Professional Services (Tetra Tech Remediation Activities 3500-3506 Tweedy Boulevard)* ("Fourth Amendment") dated as of December 8, 2020 for a revised scope of work and additional funding related to continued remedial services at the Property, which Fourth Amendment was approved by the First District Oversight Board on January 11, 2021, and thereafter approved by the DOF on or about February 22, 2021.

H. 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 Fifth Amendment. Consultant has reported to the Successor Agency that based upon our current knowledge of conditions at the Property, planned and continued remediation activities continue to be required and anticipated during Fiscal Year 2022-23 and will be mandated by the LARWQCB, which is the regulatory oversight agency for the Property under applicable laws and regulations.

I. 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, Third Amendment, and Fourth Amendment must be amended, as provided in this Fifth 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 Fifth Amendment.

J. Consultant has prepared an expanded scope of work and fee/cost estimate to be funded through ROPS 22-23, Line Item #26, which amended scope of work and funding are set forth in the attached Exhibit A, *Fiscal Year 2032 Budget Projection, Former Target/Lazar Gas Station Site, LARWQCB Case No. R-23710, 3500-3506 Tweedy Boulevard*, which is fully incorporated by this reference ("Fifth Amended Scope of Work").

K. 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 Fifth Amended Scope of Work, which requires this Fifth Amendment for the revised scope of work and additional funding therefor, as more fully detailed in Exhibit A, Fifth Amended Scope of Work.

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

Section 1. FIFTH AMENDED SCOPE OF WORK; CONSULTANT'S SERVICES.

Under this Fifth Amendment, Consultant agrees to provide the professional environmental remediation and related services and perform the tasks set forth in the Fifth Amended Scope of Work, Exhibit A. The Fifth Amended Scope of Work is set forth in Consultant's proposal dated as of October 21, 2021, the costs to implement the services will be listed on Line Item #26 of ROPS 22-23 for review and approval by the First District Oversight Board and then by the DOF pursuant to the Dissolution Law.

Section 2. EFFECTIVENESS OF FIFTH AMENDMENT AND EXTENDED TERM OF AGREEMENT, AS AMENDED.

This Fifth 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 22-23. The Term of the Original Agreement, as amended, is hereby extended by this Fifth Amendment for the period commencing upon DOF's approval of this Fifth Amendment and ending on June 30, 2023, with such Term subject to one or more extensions of up to one year for and during the subsequent fiscal year of 2023-2024, if necessary, which shall coincide with continued undertaking of, and the services and work toward completion of, the Fifth 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, 2023, 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 FIFTH AMENDED SCOPE OF WORK.

Under the Fifth 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 Fifth Amended Scope of Work, Exhibit A, which includes Consultant's estimated fees and costs schedule that is a part of the October 21, 2021 submittal from Consultant to the Successor Agency, in cumulative funding under the Original Agreement, First Amendment, Second Amendment, Third Amendment, Fourth Amendment, and this Fifth Amendment not to exceed \$2,788,319 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, ROPS 21-22, and ROPS 22-23 processes, all for work completed in compliance with the Original Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, and this Fifth 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, Fourth Amendment, and this Fifth 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 Fifth Amendment shall have the same meaning and use as set forth in the Original Agreement, as amended, and as set forth in this Fifth Amendment.

Section 5. ORIGINAL AGREEMENT, FIRST AMENDMENT, SECOND AMENDMENT, THIRD AMENDMENT, AND FOURTH 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, the Fourth Amendment, and this Fifth Amendment, shall remain in full force and effect.

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

[Fifth Amendment continues on next page]

WITNESS, the Parties hereto have caused this *Fifth 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: _____
Al Rios, 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 *Fifth 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: _____

EXHIBIT A
FIFTH AMENDED SCOPE OF WORK
(attached)



October 21, 2021

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 2023 Budget Projection
Former Target/Lazar Gas Station Site, LARWQCB Case No. R-23710
3500-3506 Tweedy Boulevard
South Gate, California**

Dear Mr. Simon:

Tetra Tech, Inc. (Tetra Tech) appreciates the opportunity to provide budget projections for fiscal year 2023 (i.e., July 2022 through June 2023) 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 property had functioned as a gas station from 1953 through the mid-1990s and fuel underground storage tanks (USTs) may have been present on the property since the late 1940s. From the 1960s through the 1990s, a store occupied the area just east of the Site and an alley/road was present immediately south of the Site. The Site formerly contained three gasoline USTs, one diesel UST, two waste oil USTs, and three fuel dispensers, which were reportedly removed in September 1996. 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. Monitoring and remediation efforts began shortly thereafter. 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 redevelopment of the Site and adjacent properties 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 and 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 currently consisting of a parking area and the southern one-third consisting of a patio/eating area used by customers of the adjacent complex restaurants. No further activity occurred until the Water Board issued a directive May 28, 2015 to take corrective action.

Investigations

In 2017, The Reynolds Group (TRG) reported that the existing groundwater monitoring wells were dry and advanced and 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 groundwater monitoring wells, and sampling multi-depth vapor probes. The investigation revealed high levels of hydrocarbons and benzene, toluene, ethylbenzene, and xylenes (collectively BTEX) remaining in the on-site vadose zone soils

Tetra Tech, Inc.

17885 Von Karman Avenue, Suite 500, Irvine, CA 92614

Tel +1.949.809.5000 **Cell** +1.949.212.3664 **Fax** +1.949.809.5010 | tetrattech.com

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 off-site. 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 the following 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.

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 and provided good delineation to the north and east, but further delineation was lacking to the southwest of the Site. Additional delineation of groundwater occurred in the areas southwest and west of the plume in March 2021 by advancing direct-push borings and collected grab groundwater samples.

Vadose Zone Remediation

A SVE system was installed between August 2019 and March 2020 with the installation of two horizontal wells, two vertical SVE wells, a remediation compound, a trailer-mounted SVE system, and soil vapor monitoring probes. SVE system start-up occurred on March 23, 2020. Due to the presence of very high vapor concentrations extracted during system start-up, the granular activated carbon vessels required change-outs on a weekly basis, but after a few months the frequency of change-outs was reduced to approximately once every three weeks.

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 2011¹). In order to expedite vadose zone remediation, Tetra Tech attempted to locate legacy SVE wells and confirm their condition as intact by implementing geophysical tracing of the well pipe laterals and potholing the pavement. In addition, Tetra Tech installed a deep SVE well (SVE-VW3) to address deeper vapor impacts observed at deep vapor probe. 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 in October 2020.

The SVE system continued to operate through June 29, 2021 when the SVE system was shut down and Tetra Tech requested concurrence from the Water Board that vadose zone remediation at the Site has been completed in compliance with the Low Threat Closure Policy (LTCP). The SVE system removed a cumulative 1,686 pounds of volatile organic compounds; successfully achieved asymptotic conditions for the SVE system influent concentrations and mass removal rates; limited rebound in vapor concentrations were observed following a one-month rebound test; and the remaining soil vapor concentrations in the SVE wells and vapor monitoring probes were below the soil gas criteria specified in the LTCP.

¹ The Reynolds Group (TRG), 2011, Well Installation Report for Vapor Extraction Wells VEW3 and VEW4, Former Target/Lazar Site, 3500-3506 Tweedy Boulevard, South Gate, California. April 12.

Groundwater Remediation

The approved interim remedial action for groundwater near MW-7 involved injecting a chemical oxidant (persulfate) into the shallow groundwater through two injection borings near MW-7 to reduce hydrocarbon and benzene concentrations. The permitting process began in February 2019 with the submission of the Waste Discharge Requirements (WDR) application to the Water Board; however, because of turnover issues with the Water Board the WDR permit was not approved until December 2019. Baseline groundwater sampling was completed on March 9, 2020 and chemical injections were performed in late March and April 2020. In September 2020 and May 2021, benzene concentrations at MW-7 were 12,000 and 8,100 micrograms per liter ($\mu\text{g/L}$), respectively, exceeding the following groundwater LTCP criteria:

Groundwater cleanup criteria 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 $\mu\text{g/L}$, and if the plume length is less than 250 feet the benzene levels can be less than 3,000 $\mu\text{g/L}$.

Based on recent measurements the plume length appears to now be slightly less than 250 feet; however, benzene concentrations still exceed the 3,000 $\mu\text{g/L}$ criteria. Tetra Tech submitted an IRAP Addendum on June 2, 2021 to address the remaining elevated benzene concentrations in groundwater using persulfate.

CURRENT STATUS

The Water Board granted permission to remove the SVE system from the Site in an e-mail dated October 11, 2021. Tetra Tech is presently demobilizing the SVE blower unit and associated temporary electric equipment (poles, lines). Funding for the abandonment of the SVE wells, vapor monitoring probes, and the SVE compound fencing has been included in this budget projection for FY2023 since it is not clear when the Water Board will provide authorization to abandon them.

Tetra Tech is currently awaiting the WDR permit addendum from the Water Board so that groundwater injections can resume based on the IRAP Addendum. As mentioned in the IRAP Addendum, several rounds of groundwater injections may be necessary to reduce the benzene concentrations to below the LTCP criteria. Based on the current schedule, a second groundwater injection event is anticipated to occur in late Fiscal Year (FY)2022 and, if required, a third groundwater injection event in early FY2023. Semi-annual Site groundwater monitoring and groundwater monitoring in accordance with the existing WDR permit are ongoing. It is anticipated that groundwater monitoring will be required through FY2023, pending the number of groundwater injection events required and the results of the groundwater monitoring events.

ESTIMATED PROJECT COSTS AND SCHEDULE FOR FY2023

Tetra Tech understands the process under the Recognized Obligation Payment Schedule and that more than one funding avenue may be pursued. The previous budget forecast, provided by Tetra Tech dated October 30, 2020, covered the period from January 2021 through June 2022 and was based upon available information at that time (and the given assumptions). We are currently operating under the FY2022 budget to perform groundwater injections, groundwater monitoring, and reporting. Any unused funds will be deobligated after June 2022. The budget forecast for FY2023 is provided below on a task-by-task basis, and broken down by two six-month increments, based on the anticipated activities required to be performed.

PROJECTED WORK SCOPE BY TASK	2022	2023
	Jul-Dec	Jan-Jun
Task 1: Groundwater Remedial Action		
Task 1a: Additional Groundwater Injections	\$100,000	
Task 1b: WDR/Performance Groundwater Monitoring and Reporting	\$40,500	\$40,500
Task 2: Ongoing Groundwater Monitoring		
Task 2a: Second Semi-Annual 2022 Monitoring and Report	\$26,000	
Task 2b: First Semi-Annual 2023 Monitoring and Report		\$26,000
Task 3: Site Closure Process		
Task 3a: Well and lateral Abandonment and Compound Demo/Dispose	\$40,000	\$31,000
Task 3b: Risk Evaluation/LTCP Closure Report		\$45,000
Task 4: Project Management		
Task 4a: Monthly Progress Reports and Project Management	\$23,000	\$23,000
Task 4b: GeoTracker Uploads	\$6,000	\$6,000
Task 4c: Meetings/Correspondence with City of South Gate and Water Board	\$15,000	\$15,000
Total Budget Requested:	\$250,500	\$186,500
Total for FY2023:		\$437,000

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 projected 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 off-site locations (and necessary storage space) will be provided/arranged by the Successor Agency.
- Schedule assumes timely Water Board review of applicable reports, documents, and permit applications (i.e., within 3 months).
- Reports and documents assume one (1) round of edits with consolidated comments from RSG, Inc. and the City of South Gate Successor Agency. Tetra Tech will address comments once received by RSG, Inc. and the City of South Gate Successor Agency.
- Assumes no further SVE system operation or vapor probe sampling required.
- Assumes no further soil investigation or sampling required.
- Assumes a period of performance initiating in July 2022 through June 2023.

Task 1: Groundwater Remedial Action

- Includes performing one (1) groundwater injection event consisting of injecting up to 18,000 pounds of persulfate and 9,000 pounds of sodium hydroxide over four (4) days. Assumes pricing of \$1.43 per pound of persulfate and \$0.27 per pound of sodium hydroxide with transportation fees of \$4,000. Chemical pricing is highly volatile and subject to change.
- The groundwater injection event will be conducted under the existing IRAP Addendum and the WDR Amendment currently being processed by the Water Board.

- Two (2) semi-annual (one (1) per six-(6) month period) and one (1) annual WDR groundwater monitoring reports (in the second six-(6) month period) per the WDR permit requirements. Two (2) WDR groundwater monitoring events performed one (1) month and three (3) months after the injection event.
- Assumes normal turn-around times on laboratory analysis.
- Encroachment permit fees and implementation of traffic control from a traffic control subcontractor is included. Six (6) days of traffic control 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).
- Preparation and submittal of semi-annual remediation progress reports to the Water Board summarizing the groundwater remediation activities (typically combined with groundwater monitoring report).
- Assumes no agency meetings or communications except for the submittal of deliverables.

Task 2: Ongoing Groundwater Monitoring

- Perform two (2) semi-annual groundwater monitoring events (one (1) during the period of July–December of 2022 and another during the period of January–June of 2023) and prepare semi-annual groundwater monitoring reports for submittal to the Water Board (due January 15 and July 15, 2023 respectively).
- Assumes normal turn-around times on laboratory analysis.
- Assumes no agency meetings or communications except for the submittal of deliverables.

Task 3: Site Closure Process

- SVE well and lateral abandonment by pressure-grouting during the first half of FY2023.
- Assumes groundwater monitoring well abandonment in the second half of FY2023.
- Includes obtaining well destruction permits and permit fees.
- Includes removal of the SVE system compound fence and asphalt patching.
- Includes preparation of a Draft and Final Closure Report for soil and groundwater, including performing a human-health risk assessment.
- Excludes indoor or sub-slab vapor sampling, which are not anticipated to be required to obtain site closure under the LTCP.
- Includes, hot-patching, resurfacing/sealing, and restriping the asphalt surface of the Site after the SVE system decommissioning, abandonment and fence removal are complete. Assumes parking lot closed and one (1) move-in. Assumes one (1) coat.
- Assumes no soil or groundwater sampling.
- Assumes no agency meetings or communications except for the submittal of deliverables.

Task 4: Project Management

- Prepare electronic monthly progress reports and manage project staff, subcontractors, and budgets.
- Upload applicable data and reports to the GeoTracker website.
- Tetra Tech Project Manager and Project Engineer assume up to four (4) meetings, lasting no more than one (1) hour per meeting, with the City of South Gate to coordinate investigation and remediation activities. Provide public notifications as necessary.

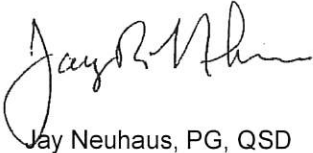
Tetra Tech is committed to finding cost effective, timely, and efficient solutions to work toward closure and will remain flexible to address Water Board requirements. Tetra Tech's team of professionals and deep bench of environmental and remedial expertise in Southern California will be at your disposal.

October 21, 2021

Tetra Tech hopes 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
Erica Soriano, 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 FIFTH AMENDMENT

Contract Budget Summary												
	2017	2018		2019		2020		2021		2022		2023
	July-Dec	Jan-Jun	July-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-Dec	Jan-Jun	Jul-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	250,500 (Requested)	186,500 (Requested)
Total Contract Not To Exceed: \$2,788,319												

EXHIBIT B
CONTRACT BUDGET SUMMARY
(attached)

EXHIBIT B**SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF SOUTH GATE
ADMINISTRATIVE BUDGET FISCAL YEAR 2022-2023****JULY 1, 2022 to JUNE 30, 2023**

EXPENSE CATEGORY	RESPONSIBILITIES	FY 2022-23 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• Complete annual cash balance reconciliation• 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

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

TUESDAY, NOVEMBER 23, 2021

CALL TO ORDER The special meeting of the Successor Agency of the City of South Gate was called to order by Chairperson Rios at 5:36 p.m.

ROLL CALL Carmen Avalos, City Clerk

PRESENT Chairperson Al Rios, Vice Chairperson Maria del Pilar Avalos, Agency Member Denise Diaz and Agency Member Gil Hurtado; Interim Executive Director Chris Jeffers, Agency Counsel Raul F. Salinas, Building Official William Campana

ABSENT Agency Member Maria Davila

CLOSED SESSION Agency Counsel Salinas did not participate in this item.

The Successor Agency recessed into Closed Session at 5:38 p.m. and reconvened at 6:49 p.m. with four (4) Members of the Successor Agency present. Agency Counsel Salinas reported the following:

1. CONFERENCE WITH LEGAL COUNSEL - REAL PROPERTY NEGOTIATIONS

Pursuant to Government Code Section 54956.8

Property APN: 6202-010-900 and 6202-010-901
Property Address: 7916 Long Beach Boulevard, South Gate, California 90280
City Negotiator: Chris Jeffers, Interim City Manager
Negotiating with: TBA
Under Negotiation: Terms of Sale

On item 1, the Successor Agency received a report by the Interim City Manager and upon completion of the report, there was no reportable action taken, but guidance was given.

1
MINUTES

The Successor Agency approved the Regular Meeting Minutes of September 28 and Special Meeting Minutes of November 5, 2021, by motion of Vice Chairperson Avalos and seconded by Agency Member Hurtado.

ROLL CALL: Chairperson Rios, yes; Vice Chairperson Avalos, yes; Agency Member Diaz, yes; Agency Member Hurtado, yes; Agency Member Davila, absent.

2
COMMENTS FROM
THE AUDIENCE None.

3
COMMENTS FROM THE
AUTHORITY MEMBERS None.

ADJOURNMENT Agency Member Hurtado motioned to adjourn the meeting at 6:51 p.m.
and seconded by Agency Member Diaz.

PASSED and **APPROVED** this 14th day of December 2021.

ATTEST:

Al Rios, Chairperson

Carmen Avalos, City Clerk