

ORDINANCE NO. 172679

An Ordinance of the City of Los Angeles approving a fifteen (15) year lease agreement between the City of Los Angeles, a municipal corporation, acting by and through its Board of Recreation and Parks Commissioners ("Lessor"), and the City of Glendale, a municipal corporation ("Lessee"), authorizing Lessee to install two (2) subsurface wells and associated pipelines within several sections of the Department of Recreation and Parks' Central Service Yard. Lessee has agreed to operate a groundwater treatment plant and related facilities at the direction of the United States Environmental Protection Agency (EPA) in connection with the Interim Remedial Action for the Glendale North and South Operable Units in the San Fernando Superfund Site. Pursuant to this Interim Remedial Action, Lessee will install (or cause to be installed) the improvements associated with this endeavor. Lessee will operate, monitor and maintain the improvements during the term of the lease and, upon termination, surrender possession of Lessor's property in good order, condition and repair to the reasonable satisfaction of the City.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to approval by the Board of Recreation and Park Commissioners of Resolution Number 9773 at the Commission meeting of November 4, 1998, the Council of the City of Los Angeles hereby approves, in accordance with Charter section 390, a lease agreement between the City of Los Angeles, a municipal corporation, acting by and through its Board of Recreation and Park Commissioner ("Lessor") and the City of Glendale, a municipal corporation ("Lessee"). The lease will facilitate the remediation of elevated concentrations of volatile organic compounds (VOCs) in the groundwater in and around the Glendale/Griffith Park area. There are two distinct plumes of contaminated groundwater which were identified by the EPA in 1989. The remediation methodology consists of groundwater extraction and treatment for the shallow aquifer system. Placement of the extraction wells and associated equipment on Lessor's property will facilitate the clean-up process, benefitting the entire region, and is in the best interests of the City of Los Angeles.

Section 2. The lease has an initial term of fifteen (15) years and provides for a renewal for one additional ten (10) year period. In consideration for use of Lessor's property, Lessee has agreed to pay the

following:

- \$22,320 - license fee;
 - \$23,872 - to compensate Lessor for a portion of the administrative costs associated with this project;
 - \$ 5,000 - severance costs;
 - \$51,192 - (*Sub Total*)
 - \$ 8,808 - prepayment of First Year's annual lease payment
- \$60,000 - Total payment from Lessee to Lessor at lease signing.

Additionally, annual rent for the initial five (5) year period will be \$8,808. At the end of the fifth and tenth years, the annual lease payment will be adjusted by a percentage representing the cumulative change in the Consumer Price Index (CPI) for the preceding period.


Section 3. The Lessee, acting through the Glendale Respondent's Group, LLC, is required to post a \$100,000 bond or letter of credit, acceptable to the City Attorney, and payable to the City, to ensure that the site is restored to its original condition or to a condition which is acceptable to the City upon conclusion of the lease period.

Section 4. Upon the effective date of this Ordinance, the President and Secretary of the Board of Recreation and Park Commissioners are authorized to execute the lease agreement approved by this Ordinance.

Section 5. The City Clerk shall certify to the passage of this Ordinance and cause the same to be published in some daily newspaper printed and published in the City of Los Angeles.

I hereby certify that the foregoing ordinance was passed by the City Council of the City of Los Angeles, at its meeting of JUN 22 1999.

J. MICHAEL CAREY, City Clerk

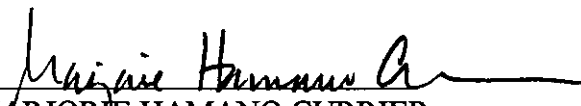
By: 
Deputy

Approved JUN 28 1999


RICHARD J. RIORDAN, Mayor
JEA

Approved as to Form and Legality

Date: March 29 1999
JAMES K. HAHN, City Attorney

By: 
MARJORIE HAMANO CURRIER
Deputy City Attorney

File No: 99-086d