

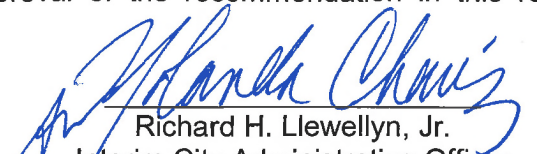
0220-05269-0005

TRANSMITTAL

To: Council	DATE 11/17/17	COUNCIL FILE NO. 13-1641
From: Municipal Facilities Committee		COUNCIL DISTRICT 1

At its special meeting on November 16, 2017, the Municipal Facilities Committee approved recommendations in the attached Bureau of Engineering (BOE) report, which is hereby transmitted to Council for consideration. Adoption of the report recommendation would authorize BOE to execute a California Land Reuse and Revitalization Act Voluntary Clean-Up Agreement with the California Department of Toxic Substances Control.

Fiscal Impact Statement: Approval of the recommendation in this report will have no impact on the General Fund.

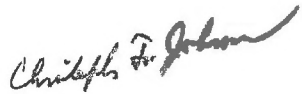

Richard H. Llewellyn, Jr.
Interim City Administrative Officer
Chair, Municipal Facilities Committee

RHL:JVW:BLM:15180046

Attachment

CITY OF LOS ANGELES
INTERDEPARTMENTAL CORRESPONDENCE

Date: November 16, 2017
To: Municipal Facilities Committee
From: Christopher F. Johnson, P.E., G.E.
Bureau of Engineering



Subject: TAYLOR YARD G2 PARCEL – REQUEST FOR BUREAU OF ENGINEERING AUTHORITY TO EXECUTE CALIFORNIA LAND REUSE AND REVITALIZATION ACT AGREEMENT WITH THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL

RECOMMENDATION

Authorize the City Engineer to execute a California Land Reuse and Revitalization Act Voluntary Clean-Up Agreement (CLRRA Agreement) with the California Department of Toxic Substances Control (DTSC), and forward this recommendation to City Council.

ATTACHMENT

Draft Standard Agreement for participating under California’s Land Reuse and Revitalization Act (CLRRA) Program, Docket No. HAS-FY16/17-114

BACKGROUND

The City of Los Angeles (City) purchased the Taylor Yard G2 parcel (G2) from the Union Pacific Railroad Company (UP) on March 1, 2017 (C.F. 13-1641). G2 is a Los Angeles River-adjacent, approximately 42-acre property, located in the Cypress Park community of Council District 1.

Due to known soil and groundwater contamination from prior uses as a rail yard, G2 is under the regulatory oversight of the DTSC. With the purchase of G2, the City inherited an Enforceable Agreement dated April 9, 1990 between DTSC and Southern Pacific Transportation Company which subsequently was acquired by UP. The Enforceable Agreement mandates several investigatory and clean-up actions, such as groundwater monitoring and soil cleaning, for a specified list of contaminants at G2. Also inherited by the City is a Remedial Action Plan (RAP) dated February 14, 2014, prepared by UP in accordance with the Enforceable Agreement and approved by DTSC. The RAP sets forth the parties’ agreed-upon plan to remediate an updated list of contaminants at G2 to industrial use standards.

Additionally, the City entered a Purchase and Sale Agreement (PSA) with UP dated October 28, 2016 for the City’s purchase of G2. The PSA requires the City to seek a

voluntary clean-up agreement with DTSC to implement the RAP. The above-referenced CLRRA Agreement is one type of voluntary clean-up agreement offered to landowners who have not released the subject contaminants but agree to remediate them under DTSC monitoring, and in return, receive immunities from future DTSC enforcement actions upon completion of such remediation. On October 3, 2017, City Council authorized the City Engineer, with assistance from the City Attorney's Office, to negotiate a CLRRA Agreement with the DTSC (C.F. 13-1641).

DISCUSSION

The BOE, with assistance from the City Attorney's Office, has negotiated with the DTSC for a CLRRA Agreement for G2 (Attachment No. 1) to meet industrial use standards pursuant to the existing RAP, or an amended RAP depending on the results of further environmental site investigations and future intended use of G2. The RAP is called a Response Plan under the CLRRA Agreement. It is anticipated that G2 may be used as open space, which will require different remediation strategies than industrial uses.

Under the CLRRA Agreement, the City will assess the site and remediate under the oversight of DTSC. An amended Response Plan will be prepared upon completion of further environmental site investigations which will (i) identify the release or threatened release of hazardous substances or materials at the site, (ii) state remediation objectives for such releases, (iii) describe remediation actions for such releases, and (vi) present the public participation activities related to preparation and implementation of such Plan.

The BOE is therefore requesting authority for the City Engineer to execute the CLRRA Agreement with the DTSC. Upon final execution of CLRRA Agreement, the BOE will begin further environmental site investigation field work. The BOE will report back with the results of these site investigations and seek direction on the remediation objectives the City will pursue at G2 for inclusion in the amended Response Plan.

CFJ/kd

Attachment

CC: Michael Affeldt, Mayor's Office
Katherine Doherty, Bureau of Engineering
Matias Farfan, Office of the Chief Legislative Analyst
Curt Holguin, City Attorney's Office
Melody McCormick, General Services Department
Gary Lee Moore, Bureau of Engineering
Christine Peters, Council District 13
Eduardo Soriano Hewitt, Council District 1
Jacqueline Wagner, Office of the City Administrative Officer
Deborah Weintraub, Bureau of Engineering

STANDARD AGREEMENT
for participating under California's Land Reuse and Revitalization Act (CLRRA) Program

Docket No. HSA-FY16/17-114

Overview

The California Land Reuse and Revitalization Act of 2004 (CLRRA) was enacted by Assembly Bill No. 389, Montanez, on September 23, 2004.¹ CLRRA was amended by Senate Bill 989 (SB 989) to permit a "bona fide ground tenant" (BFGT) to obtain the same immunity from suit if he or she enters into a ground lease of 25 years or longer at an eligible site. CLRRA provides for an eligible bona fide purchaser (BFP), BFGT, innocent landowner (ILO), or contiguous property owner (CPO) (a "Person" under this Agreement) to qualify for specified immunities from liability for certain response costs or damage claims under applicable state statutes. Under CLRRA, a Person seeking the immunities provided by this Act is required to enter into an agreement. This bill also authorizes a prospective purchaser who is in contract to acquire a site and who qualifies as a bona fide purchaser to enter into a CLRRA Agreement. The qualified bona fide prospective purchaser who enters into an agreement will receive immunity upon site acquisition. By entering into this Agreement, the CITY OF LOS ANGELES meets the CLRRA requirements to enter into such an agreement. The CLRRA program is a voluntary program afforded to qualifying Persons and does not alter existing state law regarding liability for releases or discharges of hazardous substances or hazardous materials not addressed by this Agreement.

The CITY OF LOS ANGELES purchased the subject Site from Union Pacific Railroad Company (UP), formerly Southern Pacific Railroad Company, on March 1, 2017, which previously entered into an Enforceable Agreement dated April 9, 1990, Docket Number HSA 89-90-006 (Enforceable Agreement). In accordance with the Enforceable Agreement, a Remedial Action Plan (RAP) dated February 14, 2014 was executed by UP and DTSC to remediate hazardous materials on the Site. Under this CLRRA Agreement, the CITY OF LOS ANGELES will prepare a Site Assessment under the requirements of HSC section 25395.94. See Section 5.3 hereof. Following approval of the Site Assessment by DTSC, the CITY OF LOS ANGELES will amend the RAP (if necessary) to reflect the findings of the Site Assessment and submit the amended RAP to DTSC for approval. The RAP or amended RAP will be the Response Plan of the CITY for the Site. See Section 5.4 hereof.

¹ Assembly Bill No. 389 added Chapter 6.82 (commencing with Section 25395.60) and Chapter 6.83 (commencing with Section 25395.110) to Division 20 of the Health and Safety Code ("HSC"); Senate Bill No. 143 extended CLRRA and amended HSC Section 25395.91.

The CITY OF LOS ANGELES and the Department of Toxic Substances Control (DTSC) hereby agree as follows:

1. Introduction

- 1.1 Parties. This Agreement is entered into by CITY OF LOS ANGELES and DTSC, who are collectively the "Parties" to this Agreement.
- 1.2 Site Description. This Agreement applies to the "Site" which is defined as the real property located at 2800 Kerr Street, Los Angeles, Los Angeles County, California, 90039, identified by Assessor's Parcel Numbers: 5442-002-823, 5442-002-824, 5445-004-802, and 5445-004-803. The property is approximately 42 acres in size. A diagram and location map of the Site is found in Exhibit A and A-1.
- 1.3 Jurisdiction. CLRRA, as codified in Health and Safety Code (HSC) section 25395.92, authorizes DTSC to enter into an agreement with CITY OF LOS ANGELES with respect to the Site.
- 1.4 Purpose. The purpose of this Agreement is to implement CLRRA for the assessment and, if necessary, remediation of the Site, so that CITY OF LOS ANGELES may qualify for the immunities afforded under CLRRA and DTSC may be reimbursed for the costs incurred by DTSC.
- 1.5 Agreement Not an Admission. Entry into this Agreement by CITY OF LOS ANGELES does not constitute an admission of fact or liability or conclusion of law for any purpose or proceeding nor does it limit or waive any defense to responsibility or liability that may be available to CITY OF LOS ANGELES under any provision of law.
- 1.6 Agreement Not a Limitation. Nothing in this Agreement limits DTSC's authority to conduct a response action DTSC determines is necessary to protect public health and safety or the environment pursuant to an applicable statute. Except as otherwise expressly provided, nothing in this Agreement limits DTSC's authority to issue an order or take any other action under any provision of law to protect public health and safety or the environment or to pursue any existing legal, equitable or administrative remedies pursuant to state or federal law.

2. Definitions

- 2.1 Unless otherwise specified, definitions of terms used in this Agreement are those set forth in HSC, Division 20, Chapters 6.82 and 6.83.
- 2.2 "Applicable statute" means the statutory provisions listed in HSC §25395.66(a)-(e).

- 2.3 Response Plan. The written plan submitted by CITY OF LOS ANGELES to DTSC pursuant to HSC section 25495.96 which: (i) identifies the release or threatened release of hazardous substances or materials at the Site, (ii) states remediation objectives for such releases, (iii) describes the remediation actions for such releases at the Site, including releases which create “unreasonable risks”, “endangerments” and “imminent and substantial endangerments”, and (iv) presents the public participation activities related to preparation and implementation of such plan (HSC sections 25395.79.1 and 25395.96). For purposes of this CLRRRA Agreement, the RAP or amended RAP shall be the Response Plan of the CITY OF LOS ANGELES for the Site.
- 2.4 Response Action. The action (or actions) mandated by the Response Plan (or by DTSC prior to or after approval of such Plan) for releases or threatened releases at the Site, including actions to remediate unreasonable risks, endangerments, and imminent and substantial endangerments (see, respectively, HSC sections 25395.96(a) and (b), and 25355.5 (a)(1)(B), 25358.3(a), 58009 and 58010).
- 2.5 Unreasonable Risk. A condition at a site that requires a Response Action pursuant to Chapter 8 (commencing with section 25300) of HSC, or to Division 7 (commencing with section 13000) of Water Code (HSC section 25395.90).
- 2.6 Endangerment. A condition that poses an actual and unreasonable risk to human health and safety arising from actual or threatened exposure to hazardous materials (HSC section 25395.72).
- 2.7 Imminent and Substantial Endangerment. H&SC Section 25358.3(a) authorizes DTSC to take various actions, including issuance of an Imminent or Substantial Endangerment Determination and Order, when DTSC determines that there may be an imminent or substantial endangerment to the public health or welfare or to the environment, because of a release or a threatened release of a hazardous substance. H&SC Section 25355.5(a)(1)(B) authorizes DTSC to issue an order establishing a schedule for removing or remedying a release of a hazardous substance at a site, or for correcting the conditions that threaten the release of a hazardous substance.

3. Findings

- 3.1 Site History, Background and Proposed Actions. The real property which is part of the proposed remediation and redevelopment is located at 2800 Kerr Street, Los Angeles, California identified by Assessor’s Parcel Numbers: 5442-002-823, 5442-002-824, 5445-004-802, and 5445-004-803. This property has been impacted by volatile organic compounds (VOCs), polycyclic aromatic hydrocarbons (PAHs), metals and total petroleum hydrocarbons (TPH) in soil, groundwater and/or soil vapor from previous operations at the Site and/or operations at nearby properties.

- 3.2 Site Eligibility. On July 28, 2017, CITY OF LOS ANGELES submitted to DTSC a complete revised application and All Appropriate Inquiries (AAI) report that provide sufficient information for DTSC, pursuant to HSC section 25395.92(c), to prepare this Agreement, to determine that the Site is an eligible site under HSC section 25395.79.2 and to determine that CITY OF LOS ANGELES meets the conditions that apply as of the effective date of this Agreement to qualify as a BFP under HSC section 25395.69. Reports containing the results of environmental media sampling conducted at the Site indicate that the soil matrix and/or soil gas contain hazardous materials including metals, TPH, PAHs, and chlorinated solvents. All of these materials likely resulted from the historic operations on and nearby the Site. Based on the information submitted in the application and the AAI report, DTSC has determined that the Site meets the definition of a site specified under HSC section 25395.79.2 because it is real property located in an urban infill area and its redevelopment is complicated by the presence of hazardous materials and is not excluded as an NPL site or state superfund site and is not solely impacted by a petroleum release.
- 3.3 Eligibility of CITY OF LOS ANGELES. Based on the information submitted in the application and AAI report, DTSC has determined that CITY OF LOS ANGELES meets the definition of a BFP pursuant to HSC section 25395.69 and that CITY OF LOS ANGELES made all appropriate inquiries pursuant to HSC section 25395.65 and meets the conditions under HSC section 25395.80 that apply as of the effective date of this Agreement. The AAI report consists of the following documents:
- a. Phase I Environmental Site Assessment Report for Taylor Yard Parcel G-2, Assessor's Parcel Nos. 5442-002-823, 5442-002-824, & 5445-004-803, 2850 Kerr Street, Los Angeles, California

4. Immunities, Withdrawal and Termination

- 4.1 Immunities. CITY OF LOS ANGELES will be entitled to the immunities provided for by CLRRA, subject to its limitations and conditions, upon entry into this Agreement. Consistent with Section 5.3.4 below, these immunities may attach to City in phases as City completes phases of the Response Plan and is issued a certificate of completion for each phase by DTSC. Any successor-in-interest to the Site will also be entitled to the immunities set forth by the CLRRA provided: (a) such successor-in-interest executes a written agreement (in the form attached hereto as Exhibit E) to assume any remaining obligations under the Agreement not performed by CITY OF LOS ANGELES, including, without limitation, long-term operation and maintenance; (b) DTSC finds that such successor-in-interest meets all of the qualifying conditions of HSC section 25395.80 and either section 25395.69, 25395.70, or 25395.102 of CLRRA, as

applicable; and (c) DTSC accepts the assumption by such successor-in-interest of the remaining obligations under this Agreement. DTSC's acceptance of the successor-in-interest qualifying under the conditions of HSC section 25395.80 and either section 25395.69, section 25395.70, or section 25395.102 of CLRRRA, as applicable, shall be evidenced solely by DTSC's execution of the assumption agreement by such successor-in-interest. Such agreement shall then be incorporated into the Agreement as a subsequent Exhibit.

- 4.2 Withdrawal and Termination. The circumstances and procedures under which CITY OF LOS ANGELES or DTSC may withdraw from or terminate this Agreement and the consequences of withdrawal or termination are as set forth in CLRRRA.
- 4.3 Opportunity to Cure. CITY OF LOS ANGELES recognizes and acknowledges that DTSC may require Response Actions at the Site: (a) before approval of the Response Plan, (b) during remediation of the Site under the Response Plan, and (c) following completion of such Plan, if DTSC determines there is an unreasonable risk, endangerment, or imminent and substantial endangerment at the Site. If there is such risk or endangerment, CITY OF LOS ANGELES shall be given an opportunity to cure within a reasonable period of time before DTSC terminates this Agreement for an unapproved material deviation from the Agreement pursuant to HSC sections 25395.81(c)(1) and 25395.93(d) of CLRRRA. Additionally, CITY OF LOS ANGELES may request DTSC for a reasonable extension of said period of time upon showing a diligent effort to cure and a need for such extension.

5. Activities

- 5.1 Activities. CITY OF LOS ANGELES and DTSC agree that the following activities and set forth in Exhibit B hereto are to be conducted under this Agreement in accordance with the Schedule contained in that Exhibit.
- 5.2 Submittal of Existing Data. CITY OF LOS ANGELES has made and shall continue to make available to DTSC, all known data and information concerning contamination at the Site whether or not such data and information was developed pursuant to this Agreement. CITY OF LOS ANGELES further represents that it has informed DTSC of any other known reports and documents, not in its possession, pertinent to the hazardous materials management and/or release characterization and cleanup of the Site, including the name of the document (if known) and the identity and address of the person/entity with possession of the document (if known).
- 5.3 Site Assessment. CITY OF LOS ANGELES will submit a data gap investigation report to DTSC that shall contain all necessary information required under HSC section 25395.94(b) and (c). Site Assessment for Taylor Yard Parcel G-2 to be

performed by CITY OF LOS ANGELES as a prerequisite for DTSC consideration of the Response Plan hereunder, which Assessment shall include: (i) a systematic site wide reassessment of the hazardous materials on the Site, (ii) a data gap investigation report of such materials on the Site, and (iii) a human health risk assessment.

5.3.1 Site Assessment and Report of Findings. Once DTSC reviews the data gap investigation report DTSC will make a determination if additional Site Assessment activities are necessary to characterize the Site.

5.4 Response Plan. Once the Site Assessment work and Report of Findings have been completed, DTSC shall be consulted to determine if a response action may be necessary to prevent or eliminate an unreasonable risk for the proposed redevelopment of the Site. If a response action is necessary CITY OF LOS ANGELES shall submit a plan detailing the agreed-upon response activities (the "Response Plan") to DTSC for approval. Once the Response Plan is approved, CITY OF LOS ANGELES shall implement the plan. The Response Plan shall contain the information specified in HSC section 25395.96(a) and (b) and shall provide that implementation of the plan will place the Site in condition that allows it to be used for its reasonably anticipated future land use without unreasonable risk to human health and safety and the environment. Public participation shall meet the requirements of HSC section 25395.96, including a DTSC public meeting if requested. Upon approval of the Response Plan, DTSC will notify all appropriate persons including the City of Glendale.

5.4.1 Agreement to Implement Response Plan. Pursuant to HSC section 25395.92(d)(1), in the event that a response plan is determined to be necessary, CITY OF LOS ANGELES agrees to take all actions required for a response action pursuant to HSC, Division 20, Chapter 6.8 and Water Code Division 7. Required actions may include actions necessary to prevent an unreasonable risk before approval of the Response Plan.

5.4.2 Response Actions Before (and After) Approval of a Response Plan. DTSC may require Response Actions necessary to prevent an Unreasonable Risk, Endangerment, or Imminent and Substantial Endangerment before approval of a Response Plan. Similarly, DTSC may require Interim Response Actions necessary to prevent such Risks and Endangerments after approval of a Response Plan, when remediation is ongoing at the Site or when remediation is complete and development is ongoing or complete at the Site.

5.4.3 Schedule for Compliance. The Response Plan shall include a timetable that identifies a schedule for compliance with the response action activities required for the Site.

- 5.4.4 Determination of Appropriate Care. Within sixty (60) calendar days after DTSC receives the Response Plan submitted under Section 5.3, DTSC will make a written determination as to whether proper completion of the Response Plan will constitute appropriate care for the purposes of HSC section 25395.67(a).
- 5.4.5 Certificate of Completion. The City intends to complete remediation of the Site in phases. DTSC will issue certificate(s) of completion upon determining that the Response Plan has been satisfactorily completed for each phase and that, based upon the data provided to DTSC at the time of the determination, no further remedial action in the identified area for that phase, except only compliance with operation and maintenance and land use restriction requirements, if any, is necessary. If the Response Plan includes long-term obligations that have not been completed, including operation and maintenance (O&M) requirements or monitoring, DTSC will not issue a certificate of completion unless DTSC determines that all response actions other than the long-term O&M requirements and monitoring in the Response Plan have been completed, CITY OF LOS ANGELES has submitted an adequate long-term O&M plan (O&M Plan) and CITY OF LOS ANGELES has demonstrated initial compliance with the O&M Plan.
- 5.4.6 Notification of Prospective Change in Land Use. After the Response Plan is approved, CITY OF LOS ANGELES shall notify DTSC of any proposed change in the use or anticipated use of the property. If the proposed change in use or anticipated use of the property requires a higher level of protection than use or anticipated use identified in the Response Plan, DTSC may require CITY OF LOS ANGELES to prepare and implement a new response plan that takes into account the change in use or anticipated use of the property. CITY OF LOS ANGELES shall not make any change in use of the property inconsistent with any recorded land use control without the express approval of DTSC made in accordance with HSC section 25395.99(f).
- 5.5 Land Use Controls. CITY OF LOS ANGELES will execute and record any land use controls required under the approved Response Plan.
- 5.6 Operation and Maintenance. If DTSC determines long-term O&M is required, as provided in an approved Response Plan, DTSC may, as a condition of issuing a certificate of completion, enter into an O&M agreement with CITY OF LOS ANGELES that governs long-term O&M activities and that provides for adequate financial assurance. CITY OF LOS ANGELES shall select financial assurance provisions from the options available in Title 22, California Code of Regulations section 66264.145. DTSC may agree to the assignment and termination of CITY OF LOS ANGELES's O&M obligations, if any, if it is provided satisfactory evidence of financial assurance for the O&M obligations by the assignee and

such successor enters into an acceptable O&M Agreement with DTSC. Such agreement shall not be unreasonably withheld.

- 5.7 CEQA Compliance. If it is determined that a response action is necessary for the Site CITY OF LOS ANGELES shall submit to DTSC all documentation necessary for compliance with the California Environmental Quality Act, Public Resources Code sections 21000-21177 (CEQA).
- 5.8 Final Reports. For all final reports, CITY OF LOS ANGELES shall submit one hard (paper) copy and one electronic copy with all applicable signatures and certification stamps as a text-readable Portable Document Formatted (pdf) file Adobe Acrobat version 7.0 or lower or Microsoft Word 2003 formatted file (doc) or lower.
- 5.9 Endangerment.
- 5.9.1 CITY OF LOS ANGELES shall notify DTSC's Project Manager immediately upon learning of any previously unknown condition that endangers public health or safety or that poses an unreasonable risk to human health and safety or the environment. In this regard, the parties acknowledge that the Site contains both operating and non-operating refined oil pipelines with unknown contamination that may present such endangerment or pose such unreasonable risks. The parties also acknowledge that DTSC will expect CITY OF LOS ANGELES to continue implementing the Response Plan if and when contamination from such pipelines is found, and during time DTSC may be taking appropriate enforcement actions against the owners or operators of such pipelines.
- 5.9.2 In the event DTSC determines that any activity (whether or not pursued in compliance with the Agreement) may pose an imminent or substantial endangerment or unreasonable risk to the health and safety of people on the Site or in the surrounding area or to the environment, DTSC may order CITY OF LOS ANGELES to stop further implementation of the Agreement for such period of time as may be needed to abate the endangerment or risk. Additionally, DTSC may order appropriate enforcement actions against oil pipeline companies currently (or formerly) on G2 with operating lines whose contamination is discovered during implementation of the Response Plan.
- 5.10 Further Response Actions. DTSC may require CITY OF LOS ANGELES to conduct further response actions only under the circumstances set forth in CLRRA.
- 5.11 Disclosure Provisions. CITY OF LOS ANGELES will provide all notices and satisfy reporting requirements required by state or federal law with respect to the discovery or release of hazardous substances at the Site.

- 5.12 Exclusion from Permit Requirements. DTSC may exclude any portion of a response action conducted entirely on a site subject to an approved Response Plan from the hazardous waste facilities permit requirements if the Response Plan specifies that the response action will be conducted in compliance with the standards, requirements, criteria or limitations specified in HSC section 25395.100(b), including any condition imposed by DTSC.
- 5.13 Access. While CITY OF LOS ANGELES is the owner of the Site, CITY OF LOS ANGELES shall provide access to the Site and take all commercially reasonable efforts to obtain access to offsite areas to which access is necessary to implement the Agreement. Such access shall be provided to DTSC's employees, contractors, and consultants at all reasonable times. DTSC shall provide CITY OF LOS ANGELES a written request sixty (60) days prior to its desired access date whenever possible, which written request may be in the form of an email to the contact(s) designated in Section 6.1 of this Agreement. Nothing in this paragraph is intended or shall be construed to limit in any way the right of entry or inspection that DTSC or any other agency may otherwise have by operation of any law.
- 5.14 Notification of Field Activities. If possible, CITY OF LOS ANGELES shall inform DTSC at least seven (7) calendar days in advance of all field activities pursuant to the Agreement and shall allow DTSC and its authorized representatives to take duplicates of any samples collected pursuant to the Agreement.

6. Oversight, Management and Payment

- 6.1 Oversight Agreement Managers and Project Managers. Jessy Fierro, Environmental Scientist, Brownfields and Environmental Restoration Program, Chatsworth, is designated by DTSC as its manager for this Agreement. Katherine Doherty is designated by CITY OF LOS ANGELES as its manager for this Agreement. Each Party will provide at least ten (10) calendar day advance written notice to the other Party of a change of its designated agreement manager. All notices, documents and communications unless otherwise specified will be sent to the following addresses:

To: Jessy Fierro
Environmental Scientist
Brownfields and Environmental Restoration Program
Department of Toxic Substances Control
9211 Oakdale Avenue
Chatsworth, CA 91311

To: Katherine Doherty
CITY OF LOS ANGELES
Department of Public Works Bureau of Engineering

1149 South Broadway, 6th Floor
Los Angeles, California 90015

6.2 Payment of DTSC's Costs. CITY OF LOS ANGELES shall follow the procedures for payment of DTSC's oversight costs.

6.2.1 Costs Included. CITY OF LOS ANGELES shall reimburse DTSC for all DTSC's costs. Subject to the provisions of section 6.2.6 below, CITY OF LOS ANGELES will reimburse DTSC costs in accordance with HSC Division 20, Chapter 6.66. DTSC's costs are recoverable pursuant to HSC section 25360.

6.2.2 Cost Estimate. An estimate of DTSC oversight costs is contained in Exhibit C. The cost estimate is the estimated cost of DTSC oversight of the activities discussed in Section 5, above. The Parties acknowledge that the cost estimate is not the final cost figure. DTSC will provide an updated Cost Estimate if the estimated oversight cost increases or the scope of work changes. If the Parties revise the Cost Estimate in Exhibit C, such revision will be incorporated into this Agreement as an amendment to Exhibit C.

6.2.3 Payment Procedures. DTSC will invoice CITY OF LOS ANGELES quarterly. CITY OF LOS ANGELES shall pay all invoices within sixty (60) calendar days of the mailing date of the invoice. If payment is not received by DTSC within sixty (60) calendar days of the date of the invoice, CITY OF LOS ANGELES may be deemed to be in material default of this Agreement. Any payment for billing not received by DTSC within sixty (60) calendar days is subject to interest based on applicable Federal and State laws and regulations, including but not limited to Health and Safety Code section 25360.1.

6.2.4 Billing Address. DTSC will provide a Statement of Account to CITY OF LOS ANGELES at least quarterly. CITY OF LOS ANGELES's billing address is:

Katherine Doherty
CITY OF LOS ANGELES
Department of Public Works Bureau of Engineering
1149 South Broadway, 6th Floor
Los Angeles, California 90015

6.2.5 Payment Address. All payments made by CITY OF LOS ANGELES pursuant to this Agreement shall be by check made payable to DTSC, and bearing on its face the project code for the Site [301792] and the docket number of this Agreement. Payments shall be sent to:

Department of Toxic Substances Control
Accounting/Cashier
1001 I Street, 21st Floor
P.O. Box 806
Sacramento, California 95812-0806

- 6.2.6 Dispute Resolution. If CITY OF LOS ANGELES disputes DTSC's billing, or any part thereof, CITY OF LOS ANGELES shall notify DTSC's assigned project manager and attempt to informally resolve the dispute with DTSC's project manager and supervisor or branch chief. If CITY OF LOS ANGELES desires to formally request dispute resolution with regard to the billing, CITY OF LOS ANGELES shall file a request for dispute resolution in writing within forty-five (45) calendar days of the date of the billing in dispute. The written request shall describe all issues in dispute and shall set forth the reasons for the dispute, both factual and legal. If the dispute pertains only to a portion of the costs included in the invoice, CITY OF LOS ANGELES shall pay all costs that are undisputed in accordance with this section. The filing of a notice of dispute pursuant to this section shall not stay the accrual of interest on any unpaid costs pending resolution of the dispute. The written request shall be sent to:

Special Assistant for Cost Recovery and Reimbursement Policy
Department of Toxic Substances Control
P.O. Box 806
Sacramento, CA 95812-0806

A copy of the written request for dispute resolution shall also be sent to the person designated by DTSC to receive submittals under this Agreement. A decision on the billing dispute will be rendered by the Special Assistant for Cost Recovery and Reimbursement Policy or other DTSC designee. City shall be afforded the opportunity to meet with the Special Assistant to present and explain its position and supporting documents in a dispute prior to the rendering of a decision.

- 6.2.7 Effect of Billing Dispute. The existence of a billing dispute shall not excuse, stay, or suspend any other compliance obligation or deadline required pursuant to this Agreement.

7. Additional Provisions

- 7.1 Exhibits. All Exhibits are incorporated into this Agreement by reference.
- 7.2 Liens. DTSC shall have a lien on the property constituting the Site for its unrecovered costs of any response action carried out at the Site, if the response action increased the fair market value of the Site that existed before the response action was initiated. DTSC and CITY OF LOS ANGELES may agree to

substitute a lien on another property or other assurance of payment for the unrecovered response costs.

- 7.3 Proponent Liabilities. Except as specified in CLRRRA, nothing in the Agreement shall constitute or be considered a satisfaction or release from liability for any condition or claim arising as a result of CITY OF LOS ANGELES's past, current, or future operations.
- 7.4 Government Liabilities. The State of California (State) shall not be liable for any injuries or damages to persons or property resulting from acts or omissions by CITY OF LOS ANGELES or by related parties in carrying out activities pursuant to the Agreement, nor shall the State of California be held as a party to any contract entered into by CITY OF LOS ANGELES or its agents in carrying out the activities pursuant to the Agreement.
- 7.5 Third Party Actions. In the event that the CITY OF LOS ANGELES is a party to any suit or claim for damages or contribution to which DTSC is not a party, relating to the Site, CITY OF LOS ANGELES will notify DTSC in writing within ten (10) calendar days after service of the complaint in the third-party action. However, failure to give such notice within ten (10) calendar days will not be a material breach of the Agreement, and this requirement confers no rights on any third parties not party to the Agreement.
- 7.6 California Law. The Agreement shall be governed, performed and interpreted under the laws of the State of California.
- 7.7 Severability. If any portion of the Agreement is ultimately determined not to be enforceable, that portion will be severed from the Agreement and the severability shall not affect the enforceability of the remaining terms of the Agreement.
- 7.8 Parties Bound. The Agreement applies to and is binding upon CITY OF LOS ANGELES, DTSC, and upon any successor agency of DTSC that may have responsibility for and jurisdiction over the subject matter of the Agreement.
- 7.9 Amendment. This Agreement may be amended in writing by mutual agreement of DTSC and CITY OF LOS ANGELES. Any agreed upon amendment shall be in writing, shall be signed by both parties, shall be effective upon the date the amendment is signed by DTSC and, once signed by DTSC, is incorporated in this Agreement.
- 7.9.1 An amendment may include changes to the terms and conditions of this Agreement, including changes to the Schedule in Exhibit B and the Cost Estimate in Exhibit C and addition of another party in Exhibit D (provided that the party meets all of the qualifying conditions of HSC section 25395.80 and either section 25395.69, section 25395.70 or section 25395.102, as applicable) and any other changes DTSC determines to be

necessary. Such amendment shall then be incorporated into the Agreement as a subsequent Exhibit.

- 7.10 Effective Date. The effective date of this Agreement is the date when this Agreement is fully executed.
- 7.11 Representative Authority. Each undersigned representative of the Parties to this Agreement certifies that she or he is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind the Parties to this Agreement.
- 7.12 Counterparts. The Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one and the same document.

Juli Propes, Acting Branch Chief
Brownfields and Environmental Restoration Program
Department of Toxic Substances Control

Date: _____

Gary Lee Moore, City Engineer
Bureau of Engineering
Department of Public Works
CITY OF LOS ANGELES

LIST OF EXHIBITS

Exhibit A: Site Map

Exhibit B: Schedule

Exhibit C: DTSC Oversight Cost Estimate

Exhibit D: Amendment to Add an Additional Party

Exhibit E Successor Assignment and Assumption Agreement

DRAFT

EXHIBIT A

Site Map

DRAFT

EXHIBIT B
SCHEDULE

If CITY OF LOS ANGELES is unable to perform any activity or submit any document within the schedule outlined below, CITY OF LOS ANGELES shall notify DTSC's Project Manager prior to the date the task was to be completed in the schedule below. If DTSC determines that the revised schedule will have a significant effect on the schedule outlined below or upon its review schedule, the schedule shall be amended pursuant to Section 7.2.

Activity	Schedule
Submit existing data	Completed
Submit Community Profile	If necessary
Supplemental Site Characterization	TBD
Submit Public Notice and fact sheet	If necessary, within 7 days of Response Plan submission
DTSC review and comment on Response Plan	If necessary, within 30-days of Response Plan submittal
Public Review/Comment Period, mailing of fact sheet to site mailing list and placement of public notice in local newspaper.	If necessary, upon DTSC's approval of Response Plan for public review and comment.
DTSC approval of Response Plan	If necessary, DTSC to approve Response Plan after addressing public comments.
DTSC to provide draft land use restriction and O&M language, if required	TBD
If necessary, implement Response Plan and submit Completion Report	Within 60 days from the date of DTSC's approval of Response Plan
If necessary, DTSC to provide comments on the Completion Report.	Within 30 days of submittal of the Completion Report
DTSC's issuance of a Certificate of Completion or No Further Action	Within 7 days after filing of land use restriction with Los Angeles County

EXHIBIT C

DTSC Oversight Cost Estimate

RATES APPLY TO VOLUNTARY AGREEMENTS (VCA, RA, EOA, CLRR) & CERCLA ENFORCEMENT													
Date: 5/02/2017													
Project Name: Taylor Yard, Parcel G-2													
Site Code: 301792													
Title	VCP Coord.	Project Manager			Supervisor		Toxicology	Geology		Public Participation Specialist	CEQA Planner	Industrial Hygienist	Clerical
Classification	Sr ES	ES	HSE	Sr ES	SHSEI	EPMI	Staff Toxicologist	Engineering Geologist	Senior Engineering Geologist	PPS	Senior Envr Planner	Assoc IH	Office Technician/ Typist
TASK:													
Agreement	2												
Phase I Reports													
Project Management Meetings & Communication		10			2		5	5					1
Review and comment on PEAE Documents													
SSI													
- Workplan		15			1		20	20					1
- Implementation								8					
- Report		20			1		25	25					1
Response Plan													
- Workplan		30			1		20	25				2	1
- Implementation		20					0	20					
- Report		30			1		20	25					1
Public Participation		15								15			1
CEQA		20			1					10	20		1
Remedial Design		20	20					10					
Final Completion Report		30			1		20	25					1
Certification		4			1								1
Deed Restriction													
Operaton & Maintenance													
Case Development & Cost Recovery													
Total No. Hours/Class	2	214	20	0	9	0	110	163	0	25	20	2	9
Hourly Rate/Class	\$159	\$138	\$203	\$159	\$251	\$260	\$187	\$204	\$239	\$125	\$157	\$159	\$76
Cost/Class	\$318	\$29,532	\$4,060	\$0	\$2,259	\$0	\$20,570	\$33,252	\$0	\$3,125	\$3,140	\$318	\$684
Advance Payment	\$9,726												
Total Estimated Payment	\$97,258												

EXHIBIT D

[MONTH, DATE, YEAR] AMENDMENT TO ADD AN ADDITIONAL PARTY

This Amendment is made and entered into, by and between the State of California, Department of Toxic Substances Control ("Department") and [Existing BFP, CPO or IL] and [Name of Additional Party] (the "Additional Party") (collectively referred to as the "Parties").

1. The Standard Agreement for participating under California's Land Reuse and Revitalization Act (CLRRRA) Program, DTSC Docket No. _____ ("Agreement") is amended to replace "[Name of existing BFP, CPO, IL named in the Agreement]" with "[Name of existing BFP, CPO, IL named in the Agreement] and [Name of Additional Party]".
2. The **Additional Party** agrees to comply with the amended Agreement.
3. The Department has verified that the **Additional Party** meets the requirements and conditions for a **[CHOOSE ONE: Bona fide purchaser pursuant to HSC section 25395.69, Bona Fide Ground Tenant pursuant to HSC section 25395.102, Contiguous Property Owner pursuant to HSC section 25395.70, or Innocent landowner pursuant to HSC section 25395.75]** and has made all appropriate inquiries pursuant to HSC section 25395.65 and section 25395.80.
4. Submittals to the **Additional Party**, pursuant to section 6.1 of the Agreement, shall be addressed as follows:

[Name of Company]
[Street Address]
[City, County, State, Zip Code]
Attention:
Telephone:
Fax:
Email address:
5. The Department reviewed the all appropriate inquiries documentation submitted by [Existing BFP, BFGT, CPO, IO] and updated as necessary by [Additional Party] and has determined that the documentation meets the requirements for a Site Assessment Plan, pursuant to section 5.2 of this Agreement, and that no changes to the existing Site Assessment Plan are necessary.

Attachment No. 1
November 16, 2017

Each undersigned representative of the Parties to this Agreement certifies that she or he is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind the Parties to this Agreement.

_____ Dated: _____
**[Typed Name of Person Authorized to
Sign on Behalf of existing BFP, BFGT, CPO, IL]
[Title]**

_____ Dated: _____
**[Typed Name of Person Authorized to
Sign on Behalf of Additional Party]
[Title]**

_____ Dated: _____
**[Name of Branch Chief], Branch Chief,
Statewide Cleanup Operations Division
Site Mitigation Program**

DRAFT

EXHIBIT E

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT (this "Assumption Agreement") is dated as of [] [], 2006 (the "Effective Date"), by and among [NAME OF ORIGINAL PARTY/PARTIES TO THE CLRRRA AGREEMENT], a [] ("Assignor(s)"), [NAME OF ASSIGNEE/SUCCESSOR], a [] ("Assignee"), and, for purposes of consenting to this Assumption Agreement only, the State of California, Department of Toxic Substances Control ("Department").

RECITALS

WHEREAS, Assignor is a party to that certain Standard Agreement For Participating Under California's Land Reuse and Revitalization Act Program, by and between Assignor and Department, dated as of [] (the "CLRRRA Agreement");

WHEREAS, Assignor wishes to assign to Assignee all of its obligations (from and after the Effective Date) pursuant to this Assumption Agreement effective as of the Effective Date, and Assignee wishes to assume all of Assignor's obligations (to the extent arising from and after the Effective Date) with respect to the CLRRRA Agreement effective as of the Effective Date; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the parties hereto agree as follows:

1. Assumption. Effective as of the Effective Date, Assignee agrees to hereby assume all of the remaining obligations (to the extent arising from and after the Effective Date) of the CLRRRA Agreement.

2. DTSC's Determinations. DTSC has determined that the Assignee meets all of the qualifying conditions of HSC Section 25395.80 and either Section 25395.69, 25395.70, or 25395.102 of CLRRRA, as applicable, and is qualified to perform any remaining obligations under the CLRRRA Agreement, including, without limitation, long-term operation and maintenance, and, by execution of this Assumption Agreement, has agreed to assume such obligations.

3. Further Actions. DTSC hereby consents to the Assumption by the Assignee of the Assignor's remaining obligations under the CLRRRA Agreement.

Assignor and Assignee each covenants and agrees, at its own expense, to execute and deliver, at the request of the other party hereto, such further instruments of transfer and assignment and to take such other action as such other party may reasonably request to more effectively consummate the assignments and assumptions contemplated by this Agreement.

4. Counterparts. This Assumption Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5. Binding Effect. This Assumption Agreement shall be binding upon, and shall inure to the benefit of the parties, and each of their respective successors and permitted assigns.

6. Governing Law. This Assumption Agreement shall be governed by, and be construed in accordance with, the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Assumption Agreement on the date first set forth above.

[Assignor:
[Title]

Dated: _____

[Assignee:]
[Title]

Dated: _____

[Name of DTSC Branch Chief],
Branch Chief Statewide Cleanup
Operations Division
Site Mitigation Program

Dated: _____