

**APPROVED**

SEP 02 2015

BOARD OF RECREATION  
AND PARK COMMISSIONERS

REPORT OF GENERAL MANAGER

NO. 15-204

DATE September 2, 2015

C.D. 13

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: GRIFFITH PARK/CENTRAL SERVICE YARD – AMENDMENT TO THE LEASE AGREEMENT WITH THE CITY OF GLENDALE TO PERFORM GROUNDWATER ENVIRONMENTAL REMEDIATION – RESCISSION OF PREVIOUS BOARD ACTION – REVISED AMENDMENT

<i>for</i> *R. Barajas <u>CSD</u>	K. Regan _____
H. Fujita _____	N. Williams _____
V. Israel _____	

  
 \_\_\_\_\_  
 General Manager

Approved ✓ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

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RECOMMENDATIONS:

That the Board:

1. Rescind approval of the proposed Amendment to the Lease Agreement with the City of Glendale to perform groundwater environmental remediation on a portion of the Department of Recreation and Parks' (Department) Griffith Park/Central Service Yard , approved on January 21, 2015;
2. Approve a revised proposed Amendment, substantially in the form on file in the Board Office, to the Lease Agreement with the City of Glendale to perform groundwater environmental remediation on a portion of the Department's Griffith Park/Central Service Yard to extend the term of the agreement for a period of ten (10) years under terms and conditions described in the Summary of this Report, subject to the approval of the Mayor and the City Council, and the City Attorney as to form;
3. Direct the Board Secretary, in accordance with Executive Directive No.3, to forward the proposed amendment to the Mayor and, concurrently, to the City Attorney for review as to form, and, request that the City Attorney expedite the processing of the amendment through City Council; and,
4. Upon receipt of the necessary approvals by City Council and the City Attorney, authorize the Board President and Secretary to execute the amendment.

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### SUMMARY:

In 1989, the Environmental Protection Agency (EPA) identified elevated concentrations of Volatile Organic Compounds (VOC's) in the groundwater in and around the Glendale/Griffith Park area. Further investigation revealed two distinct plumes of contamination which were called the Glendale North Plume and the Glendale South Plume. The EPA initiated studies to evaluate alternative methodologies for groundwater clean-up. In 1993, the EPA selected a cleanup remedy for these plumes of groundwater contamination. The proposed remedy consisted of groundwater extraction and treatment for the shallow aquifer system. As part of this process, the EPA identified specific sites at which they recommended placement of extraction and monitoring wells. One of these sites was the Department's Griffith Park/Central Service Yard.

On November 4, 1998, the Board, through Board Report No. 464-98, approved a fifteen (15) year lease agreement with the City of Glendale to allow for the remediation of toxic groundwater through the placement of two (2) subsurface extraction and monitoring wells and associated pipelines within the Department's Central Service Yard. The groundwater toxic remediation is being conducted by the City of Glendale, a municipal corporation and the Glendale Respondent's Group, LLC, acting on behalf of the City of Glendale. This lease agreement contained an option to extend the term by another ten (10) years.

At the written request of the City of Glendale, dated April 13, 2014, the Board, through Report No.15-008, approved an Amendment to the Lease Agreement with the City of Glendale that extended the term by an additional ten (10) years. This approval was made on January 21, 2015.

Following the Board's approval of Report No. 15-008, the City Administrative Officer, who reviewed the proposed Amendment for the Mayor's Office, recommended that the proposed Amendment include language for the continuation of rent adjustments every five (5) years beginning at the sixteenth (16<sup>th</sup>) year of the Lease or the first (1<sup>st</sup>) year of the renewal term. Subsequently, the Arts, Parks and River Committee, Chaired by Councilmember Mitch O'Farrell of Council District 13 and whose council district includes Griffith Park/Central Service Yard, recommended that the Amendment include language to give the City the ability to terminate the Agreement with written notification. It should be noted that there are discussions to create a master plan for the redevelopment of the park property from its current use as a maintenance yard to a public park adjacent to the Los Angeles River. Should these plans come to fruition, the proposed revision would give the City leverage over the City of Glendale for relocating the existing wells to a more design friendly location on the same park property.

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Department staff concur with the two (2) recommendations received and after further discussions with representatives from the City of Glendale, the following revisions are to be included in the Lease Amendment are being proposed for the Board's consideration and approval:

1. Rent adjustments, as described in the original lease, shall continue during the proposed extension term.
2. The Department shall have the right to terminate the Lease Agreement upon providing two (2) years notice to the City of Glendale.
3. Should the Department provide written notice to the City of Glendale to terminate the Lease Agreement, the City of Glendale's existing wells will not be taken off-line until new replacement wells are on-line.
4. The Lease extension term shall be ten (10) years.

Department staff requests that the Board rescind approval of the Lease Amendment from Report No. 15-008 and approve the revised proposed Lease Amendment described in this Report.

FISCAL IMPACT STATEMENT:

There will be no additional fiscal impacts to the Department's General Fund as a result of this lease with the City of Glendale. It should be noted that the Department will continue to realize savings as Glendale will be responsible for the operation and maintenance costs of the area under the lease for the twenty-five (25) year term of the lease. Currently, the Department receives \$11,520.00 in rent annually or \$115,200.00 during the ten (10) year renewal period. With the proposed revised amendment, the Department may receive an additional \$1,059.84 annually or \$10,598.40 for the term of the renewal period.

This Report was prepared by Cid Macaraeg, Sr. Management Analyst II, Planning, Construction and Maintenance Branch.