AGREEMENT
BETWEEN THE CITY OF PALO ALTO AND
LOS ALTOS HILLS COUNTY FIRE DISTRICT FOR
JOINT FIRE HYDRANT AND WATER MAIN UPGRADE PROJECT

THIS AGREEMENT is made as of this ___ day of ______________, 2008, by and
between the CITY OF PALO ALTO, a chartered city and a municipal corporation of the state
of California, (hereinafter called "City") and the LOS ALTOS HILLS COUNTY FIRE
DISTRICT (hereinafter called "Fire District").

WHEREAS, the Fire District desires to undertake a Fire Hydrant and Water Main
Upgrade Project to enhance fire protection, emergency water supply options and maintenance
flexibility;

WHEREAS, City, as a condition of allowing Fire District to proceed with the upgrade
project, wishes to develop a Joint Fire Hydrant and Water Main Upgrade Project ("Project")
whereby the Fire District may add five (5) fire hydrants and replace and install a section of water
main, all located within the City limits, and City will replace and install an additional section of
water main, also within the City limits ("Facilities");

WHEREAS, City and Fire District have determined that one project to include all of the
design, engineering and construction services to complete the Project described above will
improve both water and fire service for their mutual constituents and will provide the further
benefits of cost savings, price advantages and resource efficiencies for City and Fire District; and

WHEREAS, upon completion of the Project, City will accept the Facilities, and shall
own, operate and maintain the Project Facilities; and

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Purpose.** The parties agree to jointly procure design, engineering and
construction services for a Joint Fire Hydrant and Water Main Upgrade Project for the Project in
accordance with the terms and conditions of this Agreement.

2. **Scope of Work.** The scope of work for the Project shall include the following:

   A. Preparation of Project bid documents consisting of General Conditions,
      Special Provisions, Technical Specifications, plans/drawings, and proposal forms;
      including a bid schedule seeking price quotes for the Fire District's portion of the Project
      and an alternate add bid schedule seeking price quotes for City’s portion of the Project.

   B. Use of Pakpour Consulting Group ("PCG") for all of the design work for
      the Project and engineering support services during the bidding and construction phases.
of the Project, including bid document development, bid evaluation and contract management.

C. Issuance of Notice Inviting Bids and solicitation of bids.

D. Evaluation of bids.

E. Award of contract to the lowest, responsible and responsive bidder.

F. Daily inspections during the construction phase provided by City.

3. **Qualifications of PCG.** Fire District has used PCG for project design on previous projects and has an existing contract with Fire District. City understands that Fire District went through a selection process in selecting PCG for professional services and selected PCG on the basis of its demonstrated competence and on the professional qualifications necessary for the satisfactory performance of the services.

4. **Schedule and Time of Completion.** The schedule for the notice of inviting bids shall be at a date mutually agreed upon by City and Fire District. The schedule for the award of contract and the time of completion for the construction of the Project shall be designated in the Project bid documents.

5. **Insurance.** Bidders on the Project shall be required to maintain insurance and shall name both City and Fire District as additional insureds.

6. **Review of Bids and Contract Award.** City and Fire District shall review and approve all Project bid documents before advertisement. The bid documents shall contain a discussion of the contract award process, including a statement that City’s alternate add work will not be awarded if there are inconsistencies in the unit pricing for this work as compared with the base work bid for Fire District.

A. Fire District shall evaluate bids to determine the lowest responsible and responsive bidder (“successful bidder”) and a recommendation for contract award. Fire District shall advise City of its determinations in a timely manner.

B. City shall evaluate the alternate add bid from the successful bidder and shall determine whether the contract award shall include the alternate add work. If City authorizes the inclusion of the alternate add work in the contract award, it shall notify Fire District of its election to proceed with the contract in a timely manner.

C. Fire District shall decide whether to award the contract. If Fire District awards the contract to the successful bidder, City and Fire District shall execute a single contract for the work. City shall make payment by charged invoices through Fire District. If Fire District elects not to award the contract, then Fire District will provide the Project design documents, including Project plans, drawings, and specifications, to the City so that the City may manage its portion of the Project separately, and this Agreement shall terminate.
D. If City elects not to proceed with the award of the alternate add work, it shall notify Fire District of its decision in a timely manner and this Agreement shall terminate.

7. **Notice to Proceed.** Fire District shall issue a Notice to Proceed to the successful bidder ("Contractor") at such time as the Contractor has submitted all required bonds, insurance certificates and a signed contract. The Contractor will be required to furnish a performance bond to the Fire District in the amount of the costs of the Fire District's portion of the work. In addition, the Contractor will be required to furnish a performance bond to the City in the amount of the costs for the City's portion of the work. Only one payment bond in the amount of the sum of the costs for both portions of the work and identifying the Fire District and City as obligees will be required.

8. **Sharing of Costs.** The parties agree to the cost sharing arrangements for this Project as set forth below.

   A. City shall pay any additional engineering costs for the design work and services for City's portion of the Project. City and Fire District anticipate that City's portion of the Project's preliminary engineering will not exceed Forty-Five Thousand Dollars ($45,000) for the current construction method of horizontal directional drilling.

   B. City and Fire District shall pay a prorated share of the costs for notice publication and engineering support services during the bidding and construction phases. The prorated share will be calculated by comparing the subtotal for the separate bid schedules covering the portion of the Project attributable to City and Fire District to the total sum of the bid schedules. PCG shall provide a proposal for these costs to be reviewed and approved by both City and Fire District before proceeding.

   C. City and Fire District shall pay the construction costs for the portion of work attributable to City and Fire District in accordance with the separate bid schedules. City or Fire District will be responsible for the costs of any change order that is issued pertaining to City or Fire District's portion of work on the Project. In the event that a change order is general in nature and cannot be specifically proportioned to City or Fire District, then City and Fire District will share the cost of the change order in accordance with their percentage share of the costs of their respective work to the costs of the total project.

9. **Billing and Payment.** PCG shall prepare separate invoices for City and Fire District to cover the engineering costs specifically proportioned to City and Fire District's respective portion of work on the Project. The Project bid documents shall explain the billing and payment process for the costs of construction. Fire District shall receive and review all invoices from the Contractor with the assistance of PCG. Fire District will then forward City copies of the Contractor's invoice together with a statement of those costs for which City is responsible.
A. City shall pay Fire District the amount for which it is responsible within thirty (30) days of receipt. City shall be required to pay interest on all late payments. The applicable interest rate shall be in the amount of the average return the Fire District receives on its investment portfolio at the time of the late payment.

B. Fire District shall make payments to the Contractor in accordance with the terms of the Project bid documents, and shall be responsible for any late payments that Contractor may impose.

10. **Accounting, Audits, and Ownership of Records.** Records of the expenses incurred in connection with the performance of this Agreement will be prepared, maintained and retained by Fire District in accordance with generally accepted accounting principles and will be made available to City for auditing purposes at mutually convenient times during the term of this Agreement and for three (3) years following the expiration or early termination of this Agreement.

A. Copies of the bid documents and other deliverables relating to the Project will become the property of City, irrespective if the Project is completed, upon payment by City of required amounts to PCG. These documents will be mailed to City by Fire District without additional charge or compensation. PCG disclaims any responsibility or liability for any alterations or modifications of the Project documents by City.

11. **Indemnity.**

A. **Indemnification of City.** To the extent permitted by law, Fire District agrees to protect, defend, hold harmless and indemnify City, its City Council, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, caused by or arising out of Fire District's, its officers', agents', consultants' or employees' negligent, reckless or wrongful acts, errors, or omissions with respect to or in any way connected with the maintenance assistance and services performed by Fire District pursuant to this Agreement, except for claims, liabilities and damages caused by the City's sole negligence or willful misconduct.

B. **Indemnification of Fire District.** To the extent permitted by law, City agrees to protect, defend, hold harmless and indemnify Fire District, its Board, commissions, officers, employees, volunteers and agents from and against any claim, injury, liability, loss, cost, and/or expense or damage, including all costs and reasonable attorney's fees in providing a defense to any claim arising therefrom, caused by City's, its officers', agents', consultants' or employees' negligent, reckless or wrongful acts, errors, or omissions with respect to or in any way connected with the maintenance assistance and services performed by City pursuant to this Agreement, except for claims, liabilities and damages caused by Fire District's sole negligence or willful misconduct.
C. **Once Facilities Accepted.** From and after acceptance of the Facilities by City, the Fire District shall have no further responsibility for claims that arise from the completion of the Facilities and this Indemnity shall not apply to such claims, except for claims arising from incidents that occurred prior to acceptance of the Facilities by City.

12. **Assignments and Successors in Interest.** City and Fire District bind themselves, partners, successors, assigns, executors, and administrators to all covenants of this Agreement. Except as otherwise set forth in this Agreement, neither party may assign or transfer, either voluntarily or by operation of law, without the prior approval of both parties, any interest in this Agreement of any of the work of the Project.

13. **Integrated Document.** This Agreement supersedes all prior negotiations, representations, and written or oral contracts between the parties.

14. **Amendments and Modification.** Only a writing signed by both parties may modify this Agreement.

15. **Severability.** If any part of this Agreement or any amendment or modification of this Agreement is found to be legally void or unenforceable by a court of law, the remainder of the Agreement will remain in full force and effect.

16. **Notice.** All notices given pursuant to this Agreement shall be addressed as follows:

City of Palo Alto: City of Palo Alto Utilities District  
1997 Elwell Court  
Palo Alto, CA 94303  
Attn: Roger W. Cwiak, P.E. Engineering Manager

Fire District: Los Altos Hills County Fire District  
P.O. Box 1766  
Los Altos, CA 94023-1766  
Attn: Stu Farwell, Fire Consultant
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year referenced above.

CITY OF PALO ALTO, a chartered city and a municipal corporation of the State of California

By: ________________________________
   Assistant City Manager

APPROVED AS TO FORM:

_______________________________
Deputy City Attorney

APPROVED:

_______________________________
Director of Utilities

_______________________________
Director of Administrative Services

LOS ALTOS HILLS COUNTY FIRE DISTRICT, a public agency

By: ________________________________
   President, Board of Directors

ATTEST:

_______________________________
District Clerk
ORDINANCE NO. _____
ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO
APPROVING AND ADOPTING A PARK IMPROVEMENT PLAN
FOR FOOTHILLS PARK

The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1. Findings. The City Council finds and declares that:

(a) Article VIII of the Charter of the City of Palo Alto and Section 22.08.005 of the Palo Alto Municipal Code require that, before any substantial building, construction, reconstruction or development is commenced or approved, upon or with respect to any land held by the City for park purposes, the Council shall first approve and adopt a park improvement ordinance and a plan describing the proposed project.

(b) Foothills Park is dedicated to park purposes.

(c) While the majority of the Page Mill Fire Hydrant Project will take place in Santa Clara County, a portion of the project will take place in Foothills Park, within the City of Palo Alto. The existing water main in Foothills Park is undersized for adequate fire protection, as identified by the City’s 1999 Water System Study.

(d) The City intends to authorize construction of certain improvement projects within Foothills Park as shown on the Foothills Park Improvement Plan, and the Page Mill Fire Hydrant Project Proposed Plan Overview (collectively “Plans”) attached as Exhibits "B-1" and "B-2" including, without limitation, the following:

   (1) Installation of new 8-inch and 10-inch water mains and abandonment-in-place of the existing 6-inch and 8-inch water mains.

   (2) Relocation of the existing Boronda Booster Station Hewlett pressure-reducing valves to a new underground pressure reducing station at the Foothill Park entrance.

   (3) Removal of the existing above ground Hewlett pressure-reducing valves at the Boronda booster pump station located near Towle Campground in Wildhorse Valley.

   (4) Installation of one new fire hydrant to improve the City's foothill fire fighting capabilities, located at Towle Campground in Wildhorse Valley.

(e) The project improvements will avoid protected trees and other sensitive resources and all existing park uses will be restored following project construction. Pipeline installation will utilize a horizontal boring method, with the exception of the pipeline entry and
NOT YET APPROVED

exit pits. The entry pit will be approximately 5 feet by 10 feet, located in the Foothills Park parking lot. The exit pit will be approximately 10 feet by 20 feet, and is expected to be located in the area shown on Exhibit B-2. Proper ingress and egress to and from the park entrance will be observed at all times. Clearing of vegetation and trimming of existing trees will occur, in accordance with City policies and as necessary to provide equipment access during construction. Accordingly, the improvements described above and as more specifically described on the Plans attached hereto as Exhibits "B-1" and "B-2" are consistent with park and conservation purposes.

(f) The Council desires to approve the projects described above and as more specifically described on the Plans attached hereto as Exhibits "B-1" and "B-2".

SECTION 2. The Council hereby approves the Plan for replacement and construction of improvements in Foothills Park and hereby adopts the Plans attached hereto as Exhibits "B-1" and "B-2" as part of the official plan for the construction of improvements in Foothills Park.

SECTION 3. The Council finds that the projects to construct new facilities at Foothills Park are subject to review under the California Environmental Quality Act (CEQA). On September 17, 2007, City’s Department of Planning and Community Environment found this project to be exempt from environmental review pursuant to § 21080.21 of the California Public Resources Code, which provides an exemption for any project of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline.

SECTION 4. This ordinance shall be effective on the thirty-first day after the date of its adoption.

INTRODUCED:

PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

APPROVED:
NOT YET APPROVED

Deputy City Attorney

City Manager

Director of Community Services

Director of Administrative Services
FOOTHILLS PARK IMPROVEMENT PLAN

Introduction

Foothills Park is located at 3300 Page Mill Road in Palo Alto, 2.7 miles west of Hwy. 280. Dr. Russell Lee, founder of the Palo Alto Medical Clinic, sold the land used for Foothills Park to the City of Palo Alto in 1958, on the condition that it be preserved as open space. The park was formally dedicated in 1965.

One of Foothill Park’s amenities is Towle Camp, a seasonal campground available to residents and their guests for tent camping from May 1 to October 31. Located at the end of Wildhorse Valley, Towle Camp offers eight peaceful campsites nestled under the trees. Each site offers a BBQ, water, picnic table, tent area and a food box.

Water infrastructure within the park has not been upgraded since its original construction and is in need of replacement.

Proposed Park Activities

Proposed improvements to Foothills Park include:

- Removal and replacement of asphalt at the affected area in the park entranceway;
- Installation of a fire hydrant at Towle Campground;
- Installation of new 8-inch and 10-inch water mains and abandonment-in-place of the existing underground 6-inch and 8-inch water mains;
- Relocation of the existing Boronda Booster Station Hewlett pressure reducing valves to a new underground pressure reducing station at the Foothill Park entrance;
- Removal of the existing above-ground Hewlett pressure-reducing valves at the Boronda booster pump station located near Towle Campground in Wildhorse Valley;
- Restoration and replacement of any vegetation removed as part of the project at a two-to-one ratio.

Construction Schedule

Construction activity is expected to occur in the spring of 2008, after the rainy season. Construction would likely occur during weekdays from 8:00 a.m. to 5:00 p.m. and is expected to last 3 months.

Anticipated Results

The anticipated benefits to be realized from the project include improved fire fighting capabilities in Foothills Park, along Page Mill Road above the Foothills Park entrance, in the Hewlett Subdivision and along Los Trancos Road.
The Page Mill Fire Hydrant Upgrade project is jointly funded by the Los Altos Hills County Fire District (LAHCFD) and the City of Palo Alto (CPA). The project is located within the City of Palo Alto. The LAHCFD is the lead agency completing the design and construction of the project. Upon completion, all facilities will be owned by the CPA.

The LAHCFD provides fire protection in the area along Page Mill Road using fire hydrants being served by Page Mill Tank. Due to the elevation of the tank, these fire hydrants have historically suffered from low pressures. The fire hazard in this area is considered extremely high during summer and early fall months due to its location on top of a ridge and proximity to dry grass and heavy brush cover.

The CPA has elected to extend the facilities of the project to the entrance of Foothill Park to improve reliability and increase available flow areas to the Hewitt subdivision. This extension will be fully funded by the CPA and constructed at the same rate of the LAHCFD project.

This entire project consists of upgrading and replacing existing 8" and 6" AC with 8" DIP and installing four new fire hydrants along Page Mill Road. The existing CPA cross-country water mains will be abandoned in place and the new DIP watermain will be located in center to access locations, such as along the paved areas of Page Mill Road. A new pressure reducing station will be installed at Foothill Park entrance in connection and the existing pressure reducing station at the Bonita Greenway Station will be removed. Environmental mitigation will be integrated into the project design and will be enforced during and after construction.

Existing conditions, such as trees, brush, fencerows, and drainage, will be outlined prior to construction. The contractors will be required to replace any vegetation removed as part of the project at a two-to-one replacement ratio.
CITY OF PALO ALTO
DEPARTMENT OF PLANNING AND COMMUNITY ENVIRONMENT
STATEMENT OF EXEMPTION

<table>
<thead>
<tr>
<th>LOCATION OF PROPERTY</th>
<th>Foothills Park/Page Mill Road (See attached exhibit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROJECT DESCRIPTION</td>
<td>Page Mill Fire Hydrant Project that will upgrade and replace an existing 6 inch and 8 inch pipeline with both an 8 inch and 10 inch pipeline to provide sufficient fire protection, per the attached Exhibit.</td>
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</tbody>
</table>

CERTIFICATION
Under the provisions of Section 21080.18 of Division 13 Environmental Quality of the Public Resources Code as stated below, this project is found to be exempt from the environmental review requirements implementing the California Environmental Quality Act of 1970, as amended.

21080.18. This division does not apply to any project of less than one mile in length within a public street or highway or any other public right-of-way for the installation of a new pipeline or the maintenance, repair, restoration, reconditioning, relocation, replacement, removal, or demolition of an existing pipeline. "Pipeline" includes subsurface facilities but does not include any surface facility related to the operation of the underground facility.

APPLICATION TO CURRENT PROJECT
The entire project consists of upgrading and replacing 6 inch and 8 inch pipeline with both an 8 inch and 10 inch pipeline to improve fire flows to the Hewlett subdivision consistent with Section 21080.18. The majority of the project will be in the County; a portion of the project will be in the City of Palo Alto. The existing water main in this area is undersized for adequate fire protection. The City's 1999 Water System Study identified the project segment as a line needing replacement to improve fire protection in the Hewlett subdivision and Foothills Park. For the City's portion of the work, less than ¼ mile or approximately 1100 linear feet of line will be replaced; the entire project will result in less than one mile of pipeline. Any vegetation removed as part of the project will be replaced at a two to one replacement ratio. Five new fire hydrants, one at Towle Campground and four along Page Mill Road, will also be installed. These surface facilities will not result in any significant impacts on the environment.

Date: Sept. 17, 2007

Steve Emslie, Director
Planning and Community Environment
The Page Mill Fire Hydrant Upgrade project is jointly funded by the Los Altos Hills County Fire District (LACHFD) and the City of Palo Alto (CPA). The entire project is located within the City of Palo Alto. The LACHFD is the lead agency completing the design and construction of the project. Upon completion, all facilities will be turned over to the CPA.

The LACHFD provides fire protection to the area along Page Mill Road using fire hydrants being served by Peninsula Water District's Page Mill Tank. Due to the elevation and the size of this area, there are historically high fire flows during summer and early fall months due to its location on top of a ridge and proximity to dry grass and heavy brush conditions.

The CPA has elected to extend the limits of the project to the entrance of Foot Hill Park to improve reliability and increase available fire flows to the Hewitt substation. This extension will be fully funded by the CPA and constructed at the same line of the LACHFD project.

This entire project consists of upgrading and replacing existing 6” and 8” AC with 8” DIP and installing four new fire hydrants along Page Mill Road. The existing CPA cross-country watermains will be abandoned in-place and the new DIP watermains will be located in-ear to access locations, such as along the paved areas of Page Mill Road. A new pressure reducing station will be installed at Foot Hill Park entrance site in connection and the existing pressure reducing station at the Boronda Booster Station will be removed. Environmental re-vegetation will be integrated into the watermain design and will be enforced during and after construction.

Existing conditions, such as trees, brush, fence and pathway locations, will be catalogued prior to construction. The contractors will be required to any vegetation removed as part of the project at a one-to-one replacement ratio.