



Midpeninsula Regional
Open Space District

R-18-73
Meeting 18-27
June 27, 2018

AGENDA ITEM 9

AGENDA ITEM

Saratoga-to-the-Sea Trail Partnership Agreement between the City of Saratoga and the Midpeninsula Regional Open Space District

GENERAL MANAGER'S RECOMMENDATION

Authorize the General Manager to enter into Partnership Agreement with the City of Saratoga to provide funding assistance for the engineering design and environmental review phase of the Saratoga-to-the-Sea Trail.

SUMMARY

In early 2017, the City of Saratoga (City) approached Midpeninsula Regional Open Space District (District) for Measure AA funding to support the engineering design and environmental review phase of the trail project (Attachments 2 and 3). Both the District and City added the project to their respective Fiscal Year (FY) 2017-18 capital improvement programs. In recent months, District and City staff have collaborated to draft a Partnership Agreement (Agreement) that describes the various roles, responsibilities, and expectations during project development. On May 30, 2018, the Action Plan and Budget Committee (Committee) reviewed the terms of the Agreement (R-18-51) and recommended forwarding the Agreement to the full Board of Directors (Board) for review and approval. Saratoga's City Council unanimously approved the Agreement on June 20, 2018, and pending Board approval of this agenda item, the City will initiate engineering design and environmental review.

Over the last several years, the City has worked to close a critical gap in what will become the Saratoga-to-the-Sea Trail, a regional trail connecting people from downtown Saratoga to the Pacific Ocean. The trail is included in the Open Space Vision Plan and Measure AA Portfolio #18, which encompasses "Saratoga-to-Sea Trail and Wildlife Corridor: Protect wildlife corridor along Highway 9. Connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail." The Saratoga-to-the-Sea Trail would start from downtown Saratoga through the newly opened Quarry Park, San Jose Water Company land, and Sanborn County Park, connecting to the Skyline-to-the-Sea Trail and ultimately to the Pacific Ocean.

DISCUSSION

Project Background and Timeline

The District has long supported the City's regional trail planning efforts, beginning with the City's 2011 purchase of the Quarry Park property at 22000 Congress Springs Road from the County of Santa Clara (County). The City and District each contributed \$250,000 to match the Santa Clara County Parks and Recreation Department's (County Parks') \$500,000 towards the

\$1M purchase price. The District also recognized this trail partnership project as a priority in the Open Space Vision Plan that the Board adopted in 2014.

In 2014 and 2015, the City completed the Master Plan for Quarry Park and Phase 1 improvements. On April 2, 2014, Saratoga's City Council adopted a resolution supporting the District's Measure AA. The Saratoga-to-the-Sea Trail is specifically called out in Portfolio #18 "Saratoga-to-Sea Trail and Wildlife Corridor: Protect wildlife corridor along Highway 9. Connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail." Subsequently, Quarry Park officially opened to the public on October 30, 2015 and will be a key launching point for the Saratoga-to-the-Sea Trail.

In 2015, the City worked with consultants to study several conceptual trail alignments from Quarry Park through San Jose Water Company land to Sanborn County Park. A preferred alignment was identified (Attachment 2), and in 2016, the City completed a trail extension within Quarry Park to the anticipated future trailhead of the Saratoga-to-the-Sea Trail. On October 19, 2017, a ribbon cutting ceremony celebrated the opening of this new trail extension and the site of the future trailhead.

In January and April 2017, Saratoga's City Manager James Lindsay sent letters to then District General Manager Stephen E. Abbors requesting funding assistance for the final engineering design and environmental review phase of the Saratoga-to-the-Sea Trail (Attachments 2 and 3). The Board discussed the prioritization of this trail partnership project at the 2017 Board Retreats. Both the District and City added the project to their respective capital improvement programs for FY2017-18.

As collaboration on the draft Agreement progresses, the City continues to work on related components of the Saratoga-to-the-Sea Trail, including a pedestrian walkway from Saratoga Village to Hakone Gardens and Quarry Park. The Saratoga Village to Quarry Park Walkway will serve as a critical starting point from the downtown to the Saratoga-to-the-Sea Trail. On April 4, 2018, the City awarded a design contract to Bellecci & Associates to begin design work for this walkway project.

On June 20, 2018, Saratoga's City Council unanimously approved the Agreement. On June 21, 2018, Santa Clara County Supervisor Joe Simitian convened and facilitated a meeting with representatives and staff from the District, the City, and County Parks to discuss future planning steps and priorities. In attendance were Supervisor Simitian, Saratoga City Councilmember Howard Miller, Board President Jed Cyr, Board Director Pete Siemens, and former Saratoga City Councilmember Ann Waltonsmith. Councilmember Miller identified prioritization of the project on all three agencies' work plans as key to ensuring the successful and timely completion of the trail from Quarry Park through Sanborn County Park. The project requires funding for the construction phase and closing an approximately one-mile gap in Sanborn County Park. Supervisor Simitian acknowledged that lack of staff resources and funding affects County Parks' ability to accelerate work on this trail gap and that shifting around County Parks' priorities would require Board of Supervisors' discussion and approval. Supervisor Simitian committed to convening a quarterly meeting with all three agencies at his office to ensure progress and momentum are maintained.

Conceptual Trail Alignment

In 2015, the City assessed several potential trail alignments from Quarry Park through San Jose Water Company land to Sanborn County Park. District staff accompanied the City's project team and County Parks staff on site visits to walk the three proposed alignments. City staff and consultants weighed the following factors as part of the selection of the preferred alternative:

1. Minimal impact to San Jose Water Company's watershed
2. Topography
3. Slope stability
4. Number of creek crossings and bridges
5. Trail sustainability
6. Wildlife protection
7. Property ownership (e.g. easement from the County, privately owned winery)
8. Feasible connection to County Park
9. Construction cost

The preferred trail alignment identified as the most feasible is 3.2 miles long and consists of 2.41 miles of newly constructed trail, 0.41 miles along an unpaved road, and 0.37 miles along a paved road (see Attachment 2). The majority of the alignment is within San Jose Water Company property (2.99 miles), for which the City is in the process of acquiring an easement. The City jointly filed a Stipulation for Judgment with San Jose Water Company (fee owner) and Pacific Gas & Electric (owner of an easement crossing the Project's proposed trail alignment) in December 2017 for a permanent trail easement from San Jose Water Company, and is awaiting court sign-off. Short segments are located within Quarry Park (0.05 miles), a private winery property (0.12), and Sanborn County Park (0.03 miles).

The new trail segment will be approximately four to five feet wide with average grades of 5% to 12%, with short segments of up to 15%. The conceptual alignment is designed to minimize erosion and potential impacts to water quality, and to avoid impacts to sensitive resources where possible. The alignment has three stream crossings that each require a clear-span bridge. Proposed trail uses would depend on uses allowed within Sanborn County Park, San Jose Water Company land, and Quarry Park.

The trail segment within Sanborn County Park follows an existing road, but also requires closing an approximately one-mile gap, constructing two bridges, and addressing site cleanup. Following Supervisor Simitian's June 21, 2018 meeting with District, County and City, City staff will continue coordination with County Parks and the District about future trail planning and design, and discuss how the trail segment in Sanborn County Park could be included as part of the City's upcoming design and environmental review work.

Proposed Agreement Terms and Conditions

The City's initial, conceptual estimate for the design and construction of the trail, including the three bridges, is about \$3.5M, although this estimate will change as more refined design and construction estimates are completed. The Agreement applies to the portions of trail in Quarry Park and San Jose Water Company property (Attachment 1, Exhibit A). The City would need separate agreements for the trail sections in Sanborn County Park and the private winery.

Proposed terms of the Agreement between the District and the City include the following:

- Three-year term for the City to complete engineering design and environmental review.
- Maximum reimbursement amount of \$265,000 for work under the agreement.
- Authorizes the General Manager and City Manager to amend the agreement due to schedule changes.
- Calls for City use and conformance to the District's trail construction and maintenance guidelines for design and construction of the trail.
- Acknowledges that the City will continue to pursue funds to complete the remaining phases of work, including permitting, bidding, and construction.
- Requires the City to comply with the California Environmental Quality Act.
- Calls out that the District will provide technical support (from the Planning, Engineering & Construction, Land & Facilities departments) and feedback on the design plans, specifications, and environmental review documents.
- Specifies City submittal of biannual project status reports describing progress on milestones, deliverables, planned work and budget.
- Specifies City repayment of funds reimbursed by the District, if required, in the event that design and environmental review are not completed within the Agreement term. The District reserves the right to consider extenuating circumstances and waive the repayment requirement.
- Identifies City installation of signage on site during and after construction related to the District's funding contribution.

The phased approach was determined to be appropriate since all project parameters are not fully developed and environmental review has not begun. Under this approach, the District and City may amend the Partnership Agreement if necessary. Amendments to the Partnership Agreement, with the exception of schedule changes that are proposed to be under the authority of Saratoga's City Manager and the District's General Manager, would be brought back to the Board for consideration and approval.

FISCAL IMPACT

The District's adopted FY2017-18 Budget and Action Plan included \$265,000 for the project, and Plan rolls over the unused \$265,000 as committed funds in the Capital Improvement and Action Plan (CIAP) budget. The recommended action will be funded from the General Fund in support of Measure AA #18, and may be eligible for future Measure AA reimbursement.

The City budgeted \$350,000 in its FY2017-18 Capital Program towards the project's engineering and environmental review phase. The City's budget also incorporated administrative and

maintenance staff costs of \$136,915. The City may request additional support in future years to help fund the construction phase although the City is also interested in pursuing grant funding opportunities to leverage City funds and District Measure AA funds. The District also continues to monitor opportunities for applicable grants.

The following table outlines the District's Saratoga-to-the-Sea Trail budget:

	<i>FY2017-18</i>	<i>FY2018-19</i>	<i>TOTAL</i>
<i>Saratoga-to-the-Sea Trail Project budget*</i>	<i>\$0</i>	<i>\$265,000</i>	<i>\$265,000</i>
<i>Spent-to-Date (as of 5/7/18):</i>	<i>\$0</i>	<i>\$0</i>	
<i>Encumbrances:</i>	<i>\$0</i>	<i>\$0</i>	
<i>Remaining Balance (proposed):</i>	<i>\$0</i>	<i>\$265,000</i>	<i>\$265,000</i>

*Funds originally budgeted for FY2017-18 have been rolled over to FY2018-19 to align with City spending needs.

BOARD COMMITTEE REVIEW

The Action Plan and Budget Committee reviewed the terms of the Agreement on May 30, 2018 (R-18-51). See draft meeting minutes (Attachment 4). Based on Committee discussion and questions, language and Exhibit A of the Agreement were refined to better identify the San Jose Water Company property and list its Assessor's Parcel Number.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

Consideration of partnership agreements is not a project subject to the California Environmental Quality Act. Environmental review will be completed by the City as part of the design phase for the Project.

NEXT STEPS

Task	Tentative Schedule
District Board of Directors approves Agreement	June 27, 2018 (target)
City implements design and environmental review (three-year term per draft Agreement)	2018 – 2021
Permitting	Schedule to be determined
Construction start	By June 2023 (target)
Trail opens to the public	By June 2025 (target)

Attachments

1. Partnership Agreement with Exhibits A and B
2. City of Saratoga funding request letter dated January 20, 2017 and preferred conceptual trail alignment
3. City of Saratoga funding request letter dated April 11, 2017

4. Draft May 30, 2018 Action Plan and Budget Committee meeting minutes

Responsible Department Head:

Jane Mark, AICP, Planning Department

Prepared by:

Tina Hugg, Senior Planner, Planning Department

Graphics prepared by:

City of Saratoga

Tad Hammer, Data Administrator

**PARTNERSHIP AGREEMENT BETWEEN THE CITY OF SARATOGA AND
THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT FOR THE
SARATOGA-TO-THE-SEA PROJECT**

THIS AGREEMENT is entered into by and between the CITY OF SARATOGA, a municipal corporation, ("CITY") and the MIDPENINSULA REGIONAL OPEN SPACE DISTRICT, a public DISTRICT under the laws of California, ("DISTRICT"), dated _____, 2018.

RECITALS

WHEREAS, DISTRICT’S Mission is to acquire, restore, preserve and protect, in perpetuity, open space land as part of the regional greenbelt, and to provide opportunities for ecologically sensitive public enjoyment and education; and

WHEREAS, DISTRICT’S Board of Directors approved the “*South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor*” as one of the Top 25 priority actions of the Open Space Vision Plan (priority action #18) on January 29, 2014; and

WHEREAS, DISTRICT has identified priority action #18: *South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor* in the Measure AA bond ordinance portfolio which includes \$1.365 million to “protect wildlife corridor along Highway 9 [and] connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail”; and

WHEREAS, CITY’S *Circulation and Scenic Highway Element and Open Space and Conservation Element* of the General Plan (updated November 17, 2010) includes a vision for the proposed Saratoga-to-the-Sea trail connecting from a trailhead near Hakone Gardens (Saratoga Quarry Park) to Sanborn County Park, linking to the Skyline-to-the-Sea Trail, through the redwood forests into Castle Rock State Park, and ultimately to Big Basin State Park (the “Project”); and

WHEREAS, California Public Resources Code section 5546 empowers DISTRICT’S Board of Directors to contribute money to a municipality for the purpose of assisting in the acquisition of lands or for improving the lands, when the acquisition or improvement is located and planned as to be of benefit to the District; and

WHEREAS, CITY and DISTRICT desire to further their common goal of providing public regional trails that increase access to open space and further the recreational opportunities of their constituents; and

WHEREAS, CITY has undertaken a planning and development process for the Project to provide this additional trail connection and the associated recreational values that come with building the Project; and

WHEREAS, CITY acquired the Quarry Park property in 2011 for a purchase price of \$1M using joint funding from DISTRICT and the County of Santa Clara Parks and Recreation Department (“COUNTY”); and

WHEREAS, CITY developed the Quarry Park property into Saratoga Quarry Park and opened it to the public on October 31, 2015; and

WHEREAS, CITY now plans to design, permit, construct and maintain an approximately 3.2-mile trail that connects Saratoga Quarry Park to Sanborn County Park; and

WHEREAS, CITY will work in partnership with COUNTY to ensure that the Project is constructed, which includes a trail connection within Sanborn County Park to connect the County Park to the existing Skyline-to-the-Sea Trail; and

WHEREAS, CITY jointly filed a Stipulation for Judgment with San Jose Water Company (fee owner) and Pacific Gas & Electric (owner of an easement crossing the Project’s proposed trail alignment) in December 2017 for a permanent trail easement from San Jose Water Company (“SJWC”) on which property the Project will be constructed; and

WHEREAS, CITY has estimated that the design and construction of the trail will cost approximately \$3.5 million due to multiple clear-span bridge crossings and steep terrain; and

WHEREAS, DISTRICT staff will provide technical support for the Project, including review of trail plans and environmental review documentation prepared by CITY; and

WHEREAS, DISTRICT will also provide funding in the amount of \$265,000 to support CITY’s design and environmental review of the Project; and

WHEREAS, CITY intends to fund the remainder of the Project design and environmental review costs from its Fiscal Year 2017-18 Budget, which currently allocates \$90,000 towards the \$350,000 necessary for this purpose;

NOW, therefore, in consideration of the mutual promises, covenants and obligations contained herein, CITY and DISTRICT agree:

1. **Project Site.** CITY owns the real property in unincorporated Santa Clara County (Assessor’s Parcel Numbers 503-48-045 and 517-32-001) in fee title and is securing a trail easement over San Jose Water Company property (Assessor’s Parcel Number 503-73-003) as shown on Exhibit A, attached hereto and incorporated herein (“Project Site”).
2. **Term.** The term of this Agreement shall commence upon execution hereof by the duly authorized representatives of the CITY and the DISTRICT and shall expire upon the earliest of: (a) completion of Project design and environmental review; or (b) three (3) years from the date this Agreement is executed.

CITY and DISTRICT may amend this Agreement in writing as necessary to accommodate evolving conditions to effectuate the purpose of the Agreement. The Parties agree to timely meet, and to negotiate in good faith toward an extension of this Agreement, if appropriate. The District's General Manager and the City's City Manager are authorized to amend this agreement in writing to allow for delays or changes in the project schedule.

3. **Project Execution.** CITY agrees to cause the construction of the Project ("Construction") and fulfill all conditions imposed by all pertinent permitting and regulatory agencies subject to availability of funding for Construction.
 - a. CITY will use and conform to DISTRICT's trail construction and maintenance guidelines as described in Exhibit B.
 - b. DISTRICT will reimburse CITY for Project design and environmental review costs in an amount not to exceed \$265,000, in consideration of, and on condition that, the sum be expended for the sole purpose of carrying out the objectives as set forth herein.
 - c. CITY shall endeavor to secure all other necessary funds to accomplish Construction of the Project. CITY shall obtain DISTRICT'S prior approval for any material changes to the scope of the Project proposed by CITY during the course of Project design and environmental review.
 - d. CITY must comply with all applicable federal, state, and local codes, statutes, laws, regulations, and ordinances, including, but not limited to, financial requirements, legal requirements for construction contracts, building codes, and health and safety codes. CITY is the lead agency for purposes of complying with the California Environmental Quality Act (CEQA). For purposes of CEQA review, neither the DISTRICT nor the CITY has committed to a definite course of action by executing this Agreement and is not limited in any way in exercising any discretion with respect to the Project, including but not limited to (i) considering other feasible alternatives and mitigation measures to avoid or minimize Project impacts, or (ii) determining not to proceed with one or more component of the Project.
 - e. CITY or its designee intends to construct, operate, and maintain the Project for public use and for the purposes described herein; namely, that the Project is intended to consist of a public trail connecting Saratoga Quarry Park to Sanborn County Park as part of a future linkage in the Saratoga-to-the Sea Trail. CITY or its designee plans to maintain the surface and structural integrity of trails and bridges, maintain appropriate directional signs and markers, take all necessary precautions to guard against and eliminate fire hazards, and provide for patrols and emergency response as warranted.
4. **Signage and Brochures.** CITY shall include DISTRICT logo and the following in informational signage and materials about CITY'S operations in the Project Site: "Brought to you in partnership with the Midpeninsula Regional Open Space District." CITY shall install a "funded by Measure AA" sign provided by DISTRICT.
5. **District Review and Collaboration.** As Lead Agency under the California Environmental Quality Act (CEQA), CITY will provide courtesy copies of Project environmental review

documents prepared by CITY, and DISTRICT, as CEQA Responsible Agency, agrees to promptly review any environmental documents. City will also provide draft trail plans and specifications prepared by CITY, and DISTRICT will provide comments and technical support of the plans and specifications.

6. **Reporting.** CITY will provide DISTRICT with biannual project status reports on or about December 31 and June 30 of each year describing progress on milestones/deliverables,planned work and budget in the next reporting segment.
7. **Eligible expenses.** DISTRICT will reimburse CITY upon CITY’S submittal of proof of payment of costs and expenses for Project work. CITY shall submit invoices to DISTRICT within six months of incurring costs or expenses eligible for reimbursement. Expenses eligible for DISTRICT reimbursement include those capital project expenses incurred by the CITY associated with use of consultants to prepare the design and engineering of the trail alignment, environmental review, and other permitting costs. Reimbursement requests should include the following:
 - a. CITY’S invoice including any supporting documents such as receipts or consultant invoices for allowed expenses
 - b. Cover letter with description of Project activity during reimbursement period
 - c. Spreadsheet with expenses shown against budget including remaining reimbursement amount
8. **Insurance.** At all times during the term of this Agreement, CITY shall carry general liability insurance, or a policy of self-insurance, including owned, non-owned and hired auto; property damage; and death and bodily injury, covering its risks arising out of the performance of any acts pursuant to this Agreement or relating to its operation of the Project. DISTRICT shall be named as additional insured on the policy. Said policy shall be in an amount not less than Two Million Dollars (\$2,000,000) for bodily injury and property damage liability in aggregate per occurrence combined single limit and One Million Dollars (\$1,000,000) combined single limit for auto liability. CITY shall furnish DISTRICT with a Certificate of Insurance evidencing such insurance coverage. At all times during the term of this Agreement DISTRICT shall carry general liability insurance, or a policy of self-insurance, including owned, non-owned and hired auto; property damage; and death and bodily injury, covering its risks arising out of the performance of any acts pursuant to this Agreement or relating to its operation of the Project. CITY shall be named as additional insured on the policy. Said policy shall be in an amount not less than Two Million Dollars (\$2,000,000) for bodily injury and property damage liability in aggregate per occurrence combined single limit and One Million Dollars (\$1,000,000) combined single limit for auto liability. DISTRICT shall furnish CITY with a Certificate of Insurance evidencing such insurance coverage.
9. **Indemnification.** In lieu of and notwithstanding the pro rata risk allocation, which might otherwise be imposed between the Parties pursuant to Government Code Section 895.6, the Parties agree that all losses or liabilities incurred by a Party shall not be shared pro rata but, instead, DISTRICT and CITY agree that, pursuant to Government Code Section 895.4, each of the Parties hereto shall fully indemnify and hold each of the other Parties, their officers,

board members, employees, and agents, harmless from any claim, expense or cost, damage or liability imposed for injury (as defined in Government Code 810.8) occurring by reason of the negligent acts or omissions or willful misconduct of the indemnifying Party, its officers, employees, or agents, under or in connection with or arising out of any work, authority, or jurisdiction delegated to such Party under this Agreement. No party, nor any officer, board member, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other Party hereto, its officers, board members, or agent thereof shall be responsible for any damage or liability occurring by reason of the negligent acts or omissions or willful misconduct of the other Party hereto, its officers, board members, employees, or agents, under or in connection with or arising out of any work authority or jurisdiction delegated to such other Party under this Agreement. The rights, duties, and obligations of the Parties as set forth above in this section survive termination, expiration, and suspension of this Agreement.

10. Termination, Failure to Perform, and Dispute Resolution.

- a. CITY may unilaterally terminate this Agreement at any time prior to DISTRICT disbursement of funds by providing 30 days written notice to DISTRICT.
- b. Failure by CITY to comply with the terms of this Agreement may be cause for suspension or termination of funding by the DISTRICT.
- c. If CITY fails to complete the project as required, or fails to fulfill any other obligations of this agreement prior to the termination date, CITY shall be liable for immediate repayment to DISTRICT of all amounts disbursed by DISTRICT under this agreement. DISTRICT may, at its sole discretion, consider extenuating circumstances and not require repayment for work partially completed. This paragraph shall not limit any other remedies that DISTRICT may have for breach of this agreement.
- d. In the event there is a breach of this Agreement by CITY or DISTRICT, the parties shall meet to resolve the matter. If the parties remain unable to resolve the matter, DISTRICT or CITY may terminate this Agreement upon thirty days' advance written notice.

11. Applicable Laws. This Agreement shall be construed and enforced pursuant to the laws of the State of California.

12. Notices:

Any notice required to be given to DISTRICT shall be deemed to be duly and properly given if mailed, postage prepaid with a receipt and signature from the receiving party, and addressed to:

Midpeninsula Regional Open Space District
General Manager
330 Distel Circle
Los Altos, CA 94022
(650) 691-1200

or personally delivered to DISTRICT at such address or at such other address as DISTRICT may designate in writing to CITY.

Any notice required to be given to CITY shall be deemed to be duly and properly given if mailed, postage prepaid with a receipt and signature from the receiving party, and addressed to:

City of Saratoga
City Manager
13777 Fruitvale Avenue
Saratoga, CA 95070
(408) 868-1200

or personally delivered to CITY at such address or such other address as CITY may designate in writing to DISTRICT, with a receipt and signature from the receiving party.

13. **Waiver:** The failure of any party to insist upon a strict performance of any of the terms, conditions and covenants contained herein shall not be deemed a waiver of any rights or remedies that CITY or DISTRICT may have and shall not be deemed a waiver of any subsequent breach or default of the terms, conditions and covenants contained herein.
14. **Severability:** If any one or more of the covenants or agreements or portions thereof provided in this Agreement shall be held by a court of competent jurisdiction in a final judicial action to be void, voidable or unenforceable, such covenant or covenants, such agreement or agreements or such portions thereof shall be null and void and shall be deemed separable from the remaining covenants or agreements or portions thereof and shall in no way affect the validity or enforceability of the remaining portions of this Agreement.
15. **Captions:** The captions in the articles of this Agreement are inserted for convenience purposes only and shall not affect the terms of this Agreement.
16. **Counterparts.** This agreement may be executed in duplicate counterparts, each of which will be deemed an original.
17. **Authority.** Each of the parties represent and warrant that they have the right, power, legal capacity and authority to enter into and perform their respective obligations under this Agreement.

IN WITNESS WHEREOF, CITY and DISTRICT execute this Agreement.

For the CITY OF SARATOGA

By: _____ Date: _____
City Manager

Attest: _____ Approved as to form for CITY: _____
City Clerk City Attorney

For the MIDPENINSULA REGIONAL OPEN SPACE DISTRICT

By: _____ Date: _____
General Manager

Attest: _____
District Clerk

Approved as to form for DISTRICT: _____
Acting General Counsel

950230.3



Incorporated October 22, 1956

CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

Attachment 2

COUNCIL MEMBERS:

Mary-Lynne Bernald

Mammy Cappello

Rishi Kumar

Emily Lo

Howard Miller

January 20, 2017

Steve Abbors, District General Manager
Midpeninsula Regional Open Space District
330 Distel Cir
Los Altos, CA 94022

Re: Saratoga-to-Sea Trail

Dear Steve:

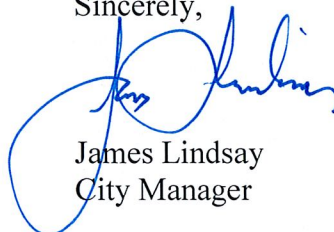
The City of Saratoga appreciates the ongoing partnership with the Midpeninsula Regional Open Space District beginning with the successful opening of Quarry Park in 2015 and the future implementation of the Saratoga-to-Sea Trail (Trail). As you know, the Trail will connect Saratoga Quarry Park with Sanborn County Park by crossing through the adjacent property owned by San Jose Water Company (SJWCo) (See Attached Trail Alignment Map). Once this project is complete, people will be able to hike to the Pacific Ocean via interconnected City, County, District, and State trail systems. The proposed 15ft wide trail easement will be approximately 3 miles long with an area of 5.5 acres.

SJWCo is willing to grant a public trail easement for the future Trail through a “friendly condemnation” action. A permanent easement acquired in this manner provides important assurances to justify the large public investment needed to build the Trail. Friendly condemnation is a cost effective and efficient means of acquiring interests in public utility property and the City has successfully used this process before in Saratoga. City staff anticipates obtaining the easement in the next six months.

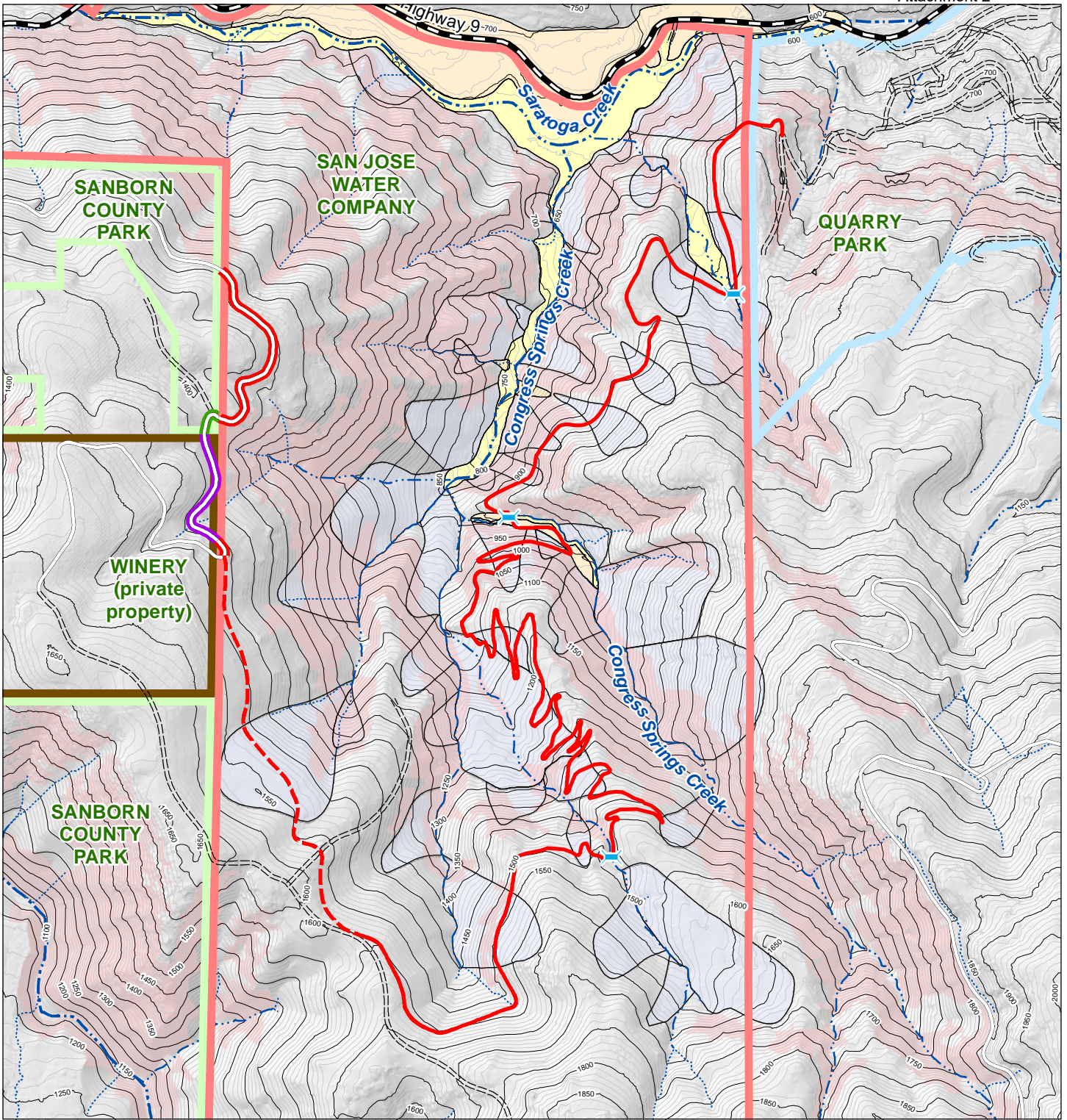
The City understands that the District will soon be working on the annual capital prioritization plan for projects that can be implemented in the near future. The City would like to request the Trail be added to the Measure AA Action Plan and budget cycle for funding. The design and construction of the Trail is estimated at \$3.5 million. We believe we can begin design this year with construction commencing in 2018.

Please do not hesitate to contact me if you have any questions. Again, the City appreciates the continued partnership for this inspiring public project.

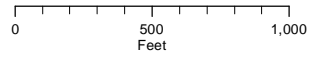
Sincerely,



James Lindsay
City Manager



ROADS	STREAMS	GEOLOGIC HAZARDS	PARCEL	NEW TRAIL CONSTRUCTION
Highway	Ephemeral	Steep slopes (>70%)	SAN JOSE WATER COMPANY	New
Paved	Intermittent	Deep-seated landslide	QUARRY PARK	Routed on old overgrown road
Dirt	Perennial		SANBORN PARK	Proposed Bridge
			WINERY (private property)	TRAIL FOLLOWING EXISTING ROAD
				San Jose Water Company
				Winery - private property
				Sanborn Park



TIMOTHY C. BEST, CEG
 ENGINEERING GEOLOGY AND HYDROLOGY
 1002 Columbia Street, Santa Cruz, CA 95060
 (831) 425 5832 (831) 425 5830 (fax)

SITE MAP
 QUARRY PARK - SANBORN CONNECTOR TRAIL

FIGURE 1
 Job: PW-SARATOGA TO SEA-685
 Date: 3/8/2015



CITY OF SARATOGA

13777 FRUITVALE AVENUE • SARATOGA, CALIFORNIA 95070 • (408) 868-1200

Incorporated October 22, 1956

COUNCIL MEMBERS:

Mary-Lynne Bernald
Manny Cappello
Rishi Kumar
Emily Lo
Howard Miller

April 11, 2017

Steve Abbors, General Manager
Midpeninsula Regional Open Space District
330 Distel Circle
Los Altos, CA 94022

Re: Saratoga-to-Sea Trail

Dear Steve,

The letter is a follow-up to my January 20th letter requesting Measure AA funding for the Saratoga-to-Sea Trail project. The project was identified in Portfolio #18: *South Bay Foothills: Saratoga-to-Sea Trail and Wildlife Corridor* of the Measure AA bond ordinance, which includes \$1.365 million to “protect wildlife corridor along Highway 9; connect trail to Saratoga-to-Sea Trail and Skyline-to-Sea Trail.” The regional significance of this trail project was also highlighted in the Top 25 Priority Actions in the District’s 2014 Open Space Vision Plan. To move this project forward, the City is close to securing an easement with San Jose Water Company for the trail connection. The City looks forward to working closely with the District and Santa Clara County Parks (County Parks) on this partnership project.

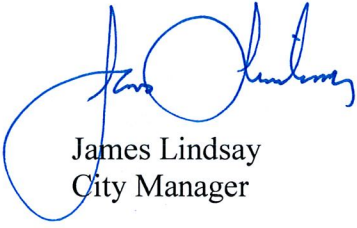
Last month staff from the City of Saratoga, District, and County Parks met to discuss the project status and next steps. The City’s conceptual-level cost estimate for the 3-mile trail construction is approximately \$2.5 million, due to multiple clear span bridge crossings and steep terrain that would be challenging for contractors to access. However, this conceptual cost estimate was based on a preliminary trail route that requires further design and engineering in order to refine the cost estimate as well as complete environmental review and compliance.

The consensus of the group was to move forward with a design and environmental review phase in Fiscal Year 2017/18. The estimated cost for this phase is \$350,000, of which the City has reserved \$90,000 for a local match. The City seeks Measure AA funding for the \$260,000 needed to complete this phase and potentially additional funding support for construction phase.

I understand that the District’s Action Plan and Budget Committee will be meeting on April 25th to discuss projects for the upcoming FY 2017/18 budget. On behalf of the City, I respectfully request the design and environmental phase for the Saratoga-To-Sea Trail project be added to the District’s FY 2017/18 Budget and Action Plan in the amount of \$260,000 in Measure AA funding.

Please do not hesitate to contact me if you have any questions. I greatly appreciate the continued partnership for this important project.

Sincerely,

A handwritten signature in blue ink, appearing to read "James Lindsay". The signature is stylized with a large initial "J" and "L".

James Lindsay
City Manager

Enc.



Midpeninsula Regional
Open Space District

ACTION PLAN AND BUDGET COMMITTEE

Administrative Office
330 Distel Circle
Los Altos, CA 94022

May 30, 2018

DRAFT MINUTES

ROLL CALL

Director Riffle called the meeting to order at 3:18 p.m.

Members Present: Curt Riffle and Pete Siemens

Members Absent: Yoriko Kishimoto

Staff Present: Acting General Manager Ana Ruiz, Acting General Counsel Hilary Stevenson, Chief Financial Officer Stefan Jaskulak, Acting Assistant General Manager Brian Malone, Acting Assistant General Manager Christine Butterfield, District Clerk/Assistant to the General Manager Jennifer Woodworth, Visitor Services Manager Matt Anderson, Planning Manager Jane Mark, Senior Planner Tin Hugg, Budget Manager Carmen Narayanan, Budget Analyst II Marion Shaw, and Budget Analyst I Elissa Martinez

ADOPTION OF AGENDA

Motion: Director Siemens moved, and Director Riffle seconded the motion to adopt the agenda.

VOTE: 2-0-0

ORAL COMMUNICATIONS

No speakers present.

COMMITTEE BUSINESS

- 1. Approve the May 1, 2018 Action Plan & Budget Committee Minutes**

Motion: Director Siemens moved, and Director Riffle seconded the motion to approve the Action Plan and Budget Committee minutes for May 1, 2018.

VOTE: 2-0-0

2. Saratoga-to-the-Sea Trail Partnership Agreement between the City of Saratoga and the Midpeninsula Regional Open Space District (R-18-51)

Senior Planner Tina Hugg provided the staff presentation summarized the background of the project and associated timeline. Ms. Hugg described the preferred trail alignment and associated considerations affecting the trail alignment. Finally, Ms. Hugg outlined the terms of the proposed funding agreement and project next steps.

Director Riffle inquired regarding whether the proposed trail would be for hikers only.

Saratoga Public Works Directors John Cherbone explained the trail is planned to be a multi-use trail; however, the preferred trail alignment presents several challenges, including steep slopes, potential landslides, etc. that may require the trail to have narrower portions.

Director Riffle inquired regarding whether Saratoga requested funding for trail building.

Mr. Cherbone explained Saratoga hoped the partnership would continue, but Saratoga is working on the project step-by-step and is not currently requesting funds for trail building.

Director Siemens spoke in favor of grant funding for the project stating grant funding may be available once the construction designs are complete.

Public comment opened at 3:39 p.m.

David Moss, Palo Alto Parks and Recreation Commissioner, spoke in favor of regional connections to regional trails and encouraged the District and Saratoga to help facilitate these trail connections. Mr. Moss also spoke in favor of creation of a future Palo Alto-to-the-Sea trail.

Jim Stallman, chair of the Saratoga Trails Committee, spoke in favor of bicycle access on the trail to lessen the impacts on parking lots. Additionally, cyclists often volunteer to support trail maintenance.

Public comment closed at 3:43 p.m.

Director Siemens spoke in favor of the Acting General Manager's recommendation and spoke in favor of District projects completed in partnership with other local agencies.

Motion: Director Siemens moved, and Director Riffle seconded the motion to confirm the terms of the proposed Partnership Agreement and recommend approval by the full Board of Directors.

VOTE: 2-0-0 (Director Kishimoto absent)

3. New Board Policy 3.01 – Banking Relationship Management Policy, and Annual Review of Finance Policies for 2018 (R-18-55)

Chief Financial Officer Stefan Jaskulak provided the staff presentation describing the proposed new Board Policy 3.01, *Banking Relationship Management*, which incorporates the previous Board Policy 3.01 (*Financial Instrument Signatories*) and 3.02 (*Safe Deposit Box*). Mr. Jaskulak

Action Plan & Budget Committee**May 30, 2018**

reviewed the proposed changes to other finance policies, including the *Fund Balance Policy*, *Statement of Investment*, and outlined the other policies to be reviewed in fiscal year 2018-19.

Director Riffle inquired regarding how the District evaluates its banking relationships.

Mr. Jaskulak described the process used to evaluate banking relationships and explained the benefits the District currently receives from Wells Fargo.

Public comment opened at 4:04 p.m.

No speakers present.

Public comment closed at 4:04 p.m.

Motion: Director Siemens moved, and Director Riffle seconded the motion to forward the proposed new Board Policy 3.01 – Banking Relationship Management Policy and minor finance policy updates to the full Board for their annual review.

VOTE: 2-0-0 (Director Kishimoto absent)

ADJOURNMENT

Director Riffle adjourned the meeting of the Action Plan and Budget Committee of the Midpeninsula Regional Open Space District at 4:05 p.m.

Jennifer Woodworth, MMC
District Clerk