

ATTACHMENT 1

ADDENDUM NO. TWELVE TO THE BASIC AGREEMENT BETWEEN THE CITY OF PALO ALTO, THE CITY OF MOUNTAIN VIEW, AND THE CITY OF LOS ALTOS FOR THE ACQUISITION, CONSTRUCTION AND MAINTENANCE OF A JOINT SEWER SYSTEM

This Addendum No. Twelve (12) to the Basic Agreement for the Acquisition, Construction and Maintenance of a Joint Sewer System is made and entered into on TBD, 2023, by and among the CITY OF PALO ALTO (“Palo Alto”), the CITY OF MOUNTAIN VIEW (“Mountain View”), and the CITY OF LOS ALTOS (“Los Altos”) (individually, a “Party”, collectively, the “Parties”), all municipal corporations under the laws of the State of California.

RECITALS

- A. The Parties have entered into that certain Basic Agreement Between the City of Palo Alto, the City of Mountain View and the City of Los Altos for the Acquisition, Construction, and Maintenance of a Joint Sewer System, executed on October 10, 1968, as amended by the Addenda described below (collectively, the “Basic Agreement”). The Basic Agreement has been amended eleven times by addenda, as follows:
1. Addendum No. One (1) to Basic Agreement Between the Cities of Palo Alto, Mountain View, and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System, dated as of December 5, 1977;
 2. Addendum No. Two (2) to Basic Agreement Between the Cities of Palo Alto, Mountain View, and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System dated as of January 14, 1980;
 3. Addendum No. Three (3) to an Agreement By and Between the Cities of Palo Alto, Mountain View, and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System, dated as of April 9, 1985;
 4. Addendum No. Four (4) to the Agreement By and Between the Cities of Mountain View, Los Altos, and Palo Alto as further amended and dated May 30, 1991;
 5. Addendum No. Five (5) to Basic Agreement Between the Cities of Palo Alto, Mountain View, and Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System, dated as of July 31, 1992;
 6. Addendum No. Six (6) to Basic Agreement Between the City of Palo Alto, the City of Mountain View, and the City of Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System dated as of March 16, 1998;
 7. Addendum No. Seven (7) to Basic Agreement Between the City of Palo Alto, the City of Mountain View, and the City of Los Altos for Acquisition, Construction and Maintenance of a Joint Sewer System dated as of April 15, 2009;
 8. Addendum No. Eight (8) to the Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos for the Acquisition, Construction, and Maintenance of a Joint Sewer System dated as of October 17, 2016;
 9. Addendum No. Nine (9) to the Basic Agreement between the City of Palo Alto, the City of Mountain View and the City of Los Altos for the Acquisition, Construction and Maintenance of a Joint Sewer System dated March 4, 2019;

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10. Addendum No. Ten (10) to the Basic Agreement between the City of Palo Alto, the City of Mountain View, and the City of Los Altos for the Acquisition, Construction and Maintenance of a Joint Sewer System dated May 17, 2021;
 11. Addendum No. Eleven (11) to the Basic Agreement between the City of Palo Alto, the City of Mountain View, and the City of Los Altos for the Acquisition, Construction and Maintenance of a Joint Sewer System dated December 5, 2022 (collectively, the “Addenda”).
- B. Palo Alto owns and operates the sanitary sewage treatment and disposal works and system (the “Joint System”) pursuant to the Basic Agreement and is responsible for making capital additions to the Joint System. Under the Basic Agreement, any major capital additions for the replacement of obsolete or worn-out units require an agreement by the Parties amending the Basic Agreement.
- C. The Parties now desire to construct the Joint Interceptor Sewer Rehabilitation Phase 1 Project and agree upon their respective shares of the project costs, as defined herein.
- D. The project will install new liner on the joint sewer, improving its useful life and restoring its integrity, to ensure the Plant continues to safely convey raw sewage to the treatment plant.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and covenants set forth in this Addendum No. Twelve (12), the Basic Agreement is hereby amended, as follows:

Section 1. Paragraph 43 is hereby added to the Basic Agreement to read, as follows:

“43. CONSTRUCTION AND IMPLEMENTATION OF THE 2023 JOINT INTERCEPTOR SEWER REHABILITATION PHASE 1 PROJECT. Palo Alto and Mountain View and Los Altos hereby approve the construction of joint interceptor sewer rehabilitation – Phase 1 Project, or “Project”, which rehabilitates the lower section of the existing joint interceptor sewer, approximately 2,364 linear feet, from Manhole No. 4 to Influent Junction Box No. 0. The Project includes the cleaning of the pipeline, installation of new liner in the pipeline, and recoating manholes and junction boxes.

The installation of liner in the pipeline will decrease the pipeline diameter, however, the new liner provides a smoother surface profile for a slightly higher capacity. Flow capacity of the lined pipeline from Manhole No. 4 to the Influent Junction Box No. 0 is unchanged and will remain as listed at the peak wet weather capacity of 80 million gallons per day.

The term “Project Costs”, as used in this Paragraph means all costs incurred in the design and construction of the 2023 Joint Interceptor Sewer Rehabilitation – Phase 1 Project. Without limiting the generality of the foregoing, Project Costs shall include, but not be limited to: design, engineering, and other consultants’ fees and costs, including fees incurred pursuant to agreements with engineers, contractors and other consulting, design

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and construction professionals; environmental analysis and approval costs, including cost of compliance with the California Environmental Quality Act; deposits, applicable permit fees; all costs to apply for and secure necessary permits from all required regional, state, and federal agencies; plan check fees, and inspection fees; construction costs; attorneys' fees and costs; and costs of insurance.

The maximum amount of the Project Costs is \$8.9 million. The Parties shall remain responsible for Project Costs incurred, whether before or after completion of the Project, in connection with the performance of the Project planning/design/construction contract(s), in the same proportion to each organization's share.

Each Party shall pay its share, as listed below, of the Project Costs for the Project in the proportion to the capacity rights in the Joint System presented herein.

- Mountain View 62.50%
- Palo Alto 18.24%
- Los Altos 15.00%
- Los Altos Hills 4.26%

Mountain View and Los Altos shall pay their respective shares of any Project Costs within thirty (30) business days of receipt of the quarterly billing statement sent by Palo Alto. Palo Alto shall not send more than one invoice in any thirty-day period. If a Party disputes the correctness of an invoice, it shall pay the invoice in full and the dispute shall be resolved after payment in accordance with Section 19 of the Basic Agreement, and shall not offset against any payment due.

Section 2. Except as modified herein, the Basic Agreement shall remain unchanged, and is hereby ratified and confirmed.

[SIGNATURE PAGE FOLLOWS]

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IN WITNESS WHEREOF, the parties have by their duly authorized representatives executed this Addendum as of the date first written above.

SIGNATURE PAGE:

CITY OF PALO ALTO

CITY OF MOUNTAIN VIEW

APPROVED:

Mayor

Kimbra McCarthy, City Manager

Date

Date

City Manager

ATTEST:

ATTEST:

Heather Glaser, City Clerk

City Clerk

APPROVED AS TO CONTENT:

Dawn Cameron, Public Works Director

APPROVED AS TO FORM:

Date

City Attorney or Designee

FINANCIAL APPROVAL:

Derek Rampone
Finance and Administrative Services Director

Date

APPROVED AS TO FORM:

Mitesh Bhakta
Senior Assistant City Attorney

Date

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CITY OF LOS ALTOS

BY:

City Manager
Gabriel Engeland

Date

ATTEST:

City Clerk
Melissa Thurman, MMC

Date

APPROVED AS TO FORM:

City Attorney
Jolie Houston

Date