

**MEMORANDUM OF UNDERSTANDING
BETWEEN THE CITY OF REDWOOD CITY AND COUNTY OF SAN MATEO FOR
THE BAY ROAD COMPLETE STREETS REHABILITATION PROJECT**

This Memorandum of Understanding ("MOU") is made and entered into as of the -----
_____, 2025 ("Effective Date"), by and between the City of Redwood ("City") and
the County of San Mateo ("County"), collectively referred to as "Parties".

RECITALS

WHEREAS, Bay Road between Fifth Avenue and Fifteenth Avenue is essentially split along the roadway centerline with half in City jurisdiction and half in County jurisdiction; and

WHEREAS, City and County jointly applied for One Bay Area Grant 3 ("OBAG 3") Local Streets and Roads Preservation Program Funding through the Metropolitan Transportation Commission ("MTC") for the Bay Road Complete Streets Rehabilitation Project ("Project") which includes complete streets improvements on Bay Road between Fifth (5th) and Fifteenth (15th) Avenues; and

WHEREAS, the grant request has been awarded for a total of \$3,807,000 million, which includes funding for engineering design and construction of proposed complete streets improvements for the Project; and

WHEREAS, on February 10, 2025, the MTC updated the Project Authorization Report and assigned the City as the official sponsor of the Project; and

WHEREAS, Parties agreed to be responsible for their staff time needed to manage the Project through design and construction phases; and

WHEREAS, Parties agreed to equally share the local match funds needed for the Project as outlined in Section 5 below.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties hereto agree as follows:

The terms and conditions of this MOU, all exhibits and attachments, and all documents expressly incorporated by reference, represent the entire MOU of the Parties with respect to the subject matter of this MOU. The terms and conditions of this MOU shall not be altered or modified except by a written amendment to this MOU signed by the Parties.

1. Purpose. The purpose of this MOU is to establish the terms and conditions for the sharing of costs and responsibilities for the design and construction phases of the Project.

The scope of work for design and construction phases of the Project includes:
Project planning, community outreach, preparation of Plans, Specifications, and Estimates (“PS&E”), design drawings, construction bidding, construction, and construction administration, construction inspection.

This MOU outlines responsibilities for each phase of the Project. Each Party agrees that upon completion and final acceptance of the Project, each Party shall continue to have all ownership and maintenance responsibilities over their facilities within their respective jurisdiction limits.

2. Term of MOU and Termination. The term of this MOU will begin on the Effective Date and shall remain in full force until the completion and final acceptance of the Project. This MOU includes all consultant costs to complete this Project incurred from the Notice to Proceed issued to the design consultant (“Design Consultant”) and all construction costs incurred from the Notice to Proceed issued to the construction contractor (“Construction Contractor”).

This MOU may be terminated, without cause, by any of the parties upon 30 days written notice to Parties. If a party terminates the MOU, they will be responsible for their share of the cost of work performed up to the effective date of the termination. The remaining party will stop work temporarily to address this change and may continue the Project.

3. Authorizations. The City Manager of the City, or designee, is authorized to modify due dates, to resolve conflicts, to approve changes to the City’s share of the local match funds up to 10% contingency, on behalf of the City, provided such approvals are not vested in the authority of the City Council, and provided that any approval requiring payment of funds in excess of appropriated funds shall require City Council approval of the appropriations of those funds.

The County of San Mateo County Executive Officer, or designee, serving as the County Board of Supervisors’ designee, is authorized to, modify due dates, resolve conflicts, approve changes to the County’s share of the local match funds up to 10% contingency, or otherwise grant approvals on behalf of the County, provided that any approval requiring payment of funds in excess of appropriated funds requires the County Board of Supervisors’ approval of the appropriation of those funds.

4. Responsibilities of the Parties. The City will serve as the Project lead and will coordinate and contract with the Design Consultant and Construction Contractor for the Project. A table that illustrates the tasks and responsibilities for each Party is outlined in Exhibit A.

The Design Consultant will be selected according to the OBAG 3 and federally funded projects’ requirements per Caltrans Local Assistance Procedure Manual (“LAPM”). Both Parties will review the consultant proposals and select the successful consultant. The City will manage the day-to-day work of the Design Consultant, be responsible for official communications regarding the contract, and process payments to the Design Consultant under contract with the City for the work performed. County will participate in coordination and project management meetings, review of design deliverables, community outreach, and development of construction bidding documents.

The County shall have the opportunity to review and provide comments to the design deliverables and construction bid documents, and other relevant project related documents.

Construction bidding documents will be prepared according to OBAG 3 and federally funded projects' requirements per LAPM. For the construction phase, the City will manage the construction bidding process. The County shall have the opportunity to review and provide comments relative to the bids received. The City will manage the day-to-day work of the Construction Contractor, official communications, and process payments to the Construction Contractor for the work performed.

The City will serve as the Project Manager and as such will coordinate with the Design Consultant/Construction Contractor teams and manage their contracts. The City will invoice the County Department of Public Works for the design costs and construction costs which includes costs for the City assigned construction inspector on a quarterly basis and the County will remit a check payable to the City within 30 days of the invoice date. The invoice will include only 50% of the total local match funds including up to 10% contingency spent for each quarter. All payments to the City's construction inspector shall be split evenly 50% City and 50% County and be made using the local match funds.

The City shall furnish primary construction inspection services for all phases of the construction work for the Project. The City shall be solely responsible for all phases of construction and inspection functions and liaison with the Construction Contractor. In this regard, all communications and directions of County to the Construction Contractor shall be directed through the City representative. County representatives shall have access to the work on County's facilities at all times, and without restriction, for the purposes of inspection of such facilities. The County and City representatives shall cooperate and confer to facilitate the performance of inspection duties incident to expeditious completion and final acceptance of work performed by the Construction Contractor on County's facilities.

The City and County shall inspect work performed by the Construction Contractor and, upon agreement that work has been satisfactorily completed by Construction Contractor, as specified under this Agreement, the City and County shall accept the work within their respective jurisdiction. The project acceptance shall occur within 60 days after the Project completion.

The City shall only accept the work accomplished on County's facilities after receiving written approval from County's representative via an email.

A designated staff member from each party will participate in check-in and coordination meetings with the Design Consultant and Construction Contractor to ensure that the Project direction and guidance needed from each Party is communicated appropriately, as needed. The City will notify County a minimum of 72 hours prior to when County's direction and guidance are needed.

Any Contract Change Orders on the County's portion of the construction work will be subject to the written approval by the County. The approval shall be provided within three (3) working days of City's request.

Each Party shall use all reasonable efforts and work wholeheartedly and in good faith for the expedited completion of the objectives of this MOU and the satisfactory performance of its terms.

City shall require Construction Contractor to obtain and maintain insurance coverages in accordance with federal standard specifications, modified to require such contractor's general liability insurance policy to name County and City and its directors, officers, agents, and employees as additional insureds under the terms of the policy.

5. Payment. The OBAG 3 funding program requires that the City and County provide a total of \$549,146 as the local match funds to cover a portion of the costs for the Project. City and County have agreed to pay up to \$274,573 each plus a 10% contingency, if needed, (50%-50% split between Parties) to cover the local match funds required for the OBAG 3 funding for this Project as outlined in Exhibit A. The City and County will split 50-50 all design and construction costs to be paid by using the local match funds, including 10% contingency, for the Project. The City Manager and County Executive Officer can approve up to 10% contingency of the local match funds for any cost changes for the design or construction work.

Any modifications to the scope of work for design or construction phases of the Project that impact the local match funds above the 10% contingency will require both City Council and County Board of Supervisors approval and a written Amendment to this MOU. However, any additional costs will continue to be split on a 50%-50% basis.

6. General Provisions

A. Indemnification.

The County shall indemnify and hold harmless the City, its officers, agents, employees, and servants from all claims, suits or actions of every name, kind and description, brought for, or on account of injuries to or death of any person, including County, or damage to property of any kind whatsoever and to whomsoever belonging, including but not limited to, the concurrent active or passive negligence of the City, officers, agents, or employees and servants, resulting from the tasks performed and payments made under this MOU. The duty of the County to indemnify and hold harmless as set forth herein, shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

B. Relationship of Parties

Both Parties agree and understand that the work/services performed or facilitated under this MOU are performed or facilitated by an independent contractor and that neither the Design Consultant or the Construction Contractor acquire any of the rights, privileges, powers, or advantages of the employees of the City and County. Further, both Parties agree that Parties have no intention to create joint powers authority through this work.

C. Amendments. Each party may request changes to this MOU. Any changes, modifications, revisions or amendments to this MOU beyond the 10% contingency including contribution limits by parties, which are mutually agreed upon by and between the Parties, shall be incorporated by written instrument, and effective when executed and signed by both Parties.

D. Severability. If any provision of this MOU shall be held to be invalid, void, or unenforceable, the validity, legality, or enforceability of the remaining portions hereof shall not in any way be affected or impaired thereby.

E. Applicable Law. The construction, interpretation and enforcement of this MOU shall be governed by the laws of the State of California. The courts of the State of California shall have jurisdiction over any action arising out of this MOU.

F. Notices. Any and all notices required to be given hereunder shall be deemed to have been delivered upon deposit in the United States mail, postage prepaid, addressed to both Parties at the following address or such other address as is provided by such party in writing:

To City: City of Redwood City
Melissa Stevenson Diaz
City Hall
1017 Middlefield Road
Redwood City, CA 94063
Attn: City Manager

To County: County of San Mateo
Mike Callagy
500 County Center, 5th Floor
Redwood City, CA 94063
Attn: County Executive Officer

G. Entirety of Agreement. This MOU, signature pages, and Exhibit A represent the entire and complete MOU between Parties and supersedes any prior negotiations, representations and agreements, whether written or oral.

H. Debt Limitation. The Parties are subject to laws or policies which limit their ability to incur debt in future years. Nothing in this MOU shall constitute an obligation of future legislative bodies of the City or County to appropriate funds for the purpose of this MOU.

I. Conflict of Interest. The Parties shall avoid all conflicts of interest in the performance of this MOU and shall immediately notify the other Party should a conflict of interest arise that would prohibit or impair the Party's ability to perform under this MOU.

J. Disputes. The Parties agree that all disputes, conflicts or disagreements arising under this MOU shall be first resolved informally after a good faith attempt by the Parties. In the event the disagreement or conflict remains, the Parties agree to participate in a non-binding mediation before initiating a lawsuit against the other Party. The costs of the mediation shall be divided equally between the parties, unless otherwise agreed.

K. Non-Discrimination. Neither the City nor County will discriminate, in any way, against any person based on sex, pregnancy, childbirth or related medical conditions, race, veteran status, religion, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, gender (including gender identity and gender perception), sexual orientation, use of family medical leave, genetic testing, or any other basis protected by federal or state law. This policy shall apply to all employment practices.

7. Signatures. In witness whereof, the Parties to this MOU through their duly authorized representatives have executed this MOU on the days and dates set out below, and certify that they have read, understood, and agreed to the terms and conditions of this MOU as set forth herein. If all Parties agree, electronic signatures may be used in place of original signatures on this MOU. Each Party intends to be bound by the signatures on the electronic document, is aware that the other Parties will rely on the electronic signatures, and hereby waives any defenses to the enforcement of the terms of this MOU based on the use of an electronic signature. After all Parties agree to the use of electronic signatures, all Parties must sign the document electronically.

[SIGNATURES ON FOLLOWING PAGES]

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IN WITNESS WHEREOF, the Parties hereto, by their duly authorized representatives, have executed this Memorandum of Understanding.

Each Party has executed a separate signature page.

APPROVED AS TO FORM:

By: _____

Melissa Stevenson Diaz

City Manager, City of Redwood City

Date: _____

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APPROVED AS TO FORM:

By: _____

Michael Callagy

County Executive Officer, County of San Mateo

Date: _____

By: _____

Brian Wong

Deputy County Attorney, County of San Mateo

Date: _____

Exhibit A

Tasks, Local Match Funds and Responsibilities

The purpose of MOU is to align the roles and responsibilities of the City and the County to complete design and construction phases of the Bay Road Complete Streets Rehabilitation Project.

Tasks	Responsible Agency	
Item	City	County
Design RFP and contract approval	X	
Managing the design phase <i>Completion of environmental phases including both NEPA and CEQA</i> <i>Completion of 15%, 65%, 95%, and 100% Plans, Specifications, and Estimates</i>	X (primary)	X
Approval of 100% Plans, Specifications, and Estimates	X	X
Project coordination meetings with the design consultant	X	X
Community outreach and communications	X	X
Construction bidding and contract approval under MOU amount	X	
Contract approval if over MOU amount	X	X
Construction management	X	
Construction Change orders under MOU amount	X (within City right-of-way)	X (within County right-of-way)
Construction Change orders over MOU amount	X (both need to agree for within City or County)	X (both need to agree for within City or County)
Construction inspection	X (primary)	X
Project final acceptance	X	X

Tasks	Responsible Agency	
Item	City	County
Local Match Funds (including 10% contingency)		
<i>Costs for design contract</i>	50%	50%
<i>Costs for construction contract</i>	50%	50%
<i>Costs for construction inspection services</i>	50%	50%

*****END*****