

Office of the City Manager  
Melissa Stevenson Diaz, City Manager

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January 30, 2024

Jeff Maltbie  
City Manager  
City of San Carlos  
600 Elm Street  
San Carlos, CA 94070

Re: Further Extension of Extended Expiration Date as set forth in Section 2 of that certain Addendum to Second Amended and Restated Agreement between Cities of Redwood City and San Carlos for Fire & Emergency Services ("Fire Services Agreement") dated May 22, 2023.

Dear Jeff:

Thank you for your letter of January 22, 2024, seeking a two-month further extension of the Extended Term of the Fire Services Agreement through March 31, 2024, and for your proposal provided on January 19, 2024 responding to Redwood City's October 11, 2023. It was helpful to see your response in writing, and I noted several areas where I believe San Carlos was attempting to address interests Redwood City has identified. For example, I appreciated that your proposal included fixed increases to contract costs and removed the 2% cap on supplies and services. I believe this is positive movement. We are, however, still far apart in notable ways, including the agreement term, the cost foundation on which the annual increase is applied, San Carlos' request for an annual true up of costs, and other terms.

I agree that we need a further extension of the Extended Term. However, we have been meeting and conferring for well over 90 days in an attempt to reach a mutual agreement on the extension of Fire and Emergency Services, and mediation is the beneficial next step. Per our letter agreement dated June 26, 2023, we agreed to negotiate for 90 days and if no agreement was reached during the 90-day period, then we agreed to mediate any disputes for another 90-day period.

I propose a 1-month further extension of the Extended Term of the Fire Services Agreement so that the new expiration date is February 29, 2024. During this time, our focus should be on selecting a mediator and commencing the mediation process. I believe mediation would allow us to successfully conclude negotiations and reach agreement for continued services. With this in mind, Redwood City provides the following mediators for San Carlos' consideration:

1. [Honorable Richard M. Silver \(Ret.\)](#)
2. [Honorable Lynn Duryee \(Ret.\)](#)
3. [Honorable John M. True, III \(Ret.\)](#)

Redwood City also would be amenable to a non-traditional mediator such as a retired City Attorney with experience in shared services agreements.

As an indication of your agreement to the 1-month further extension of the Extended Term of the Fire Services Agreement, please countersign this letter where indicated below, and return to me.

I look forward to our continued discussions in mediation.

Sincerely,



Melissa Stevenson Diaz  
City Manager  
City of Redwood City

**ACKNOWLEDGED AND AGREED:**

City of San Carlos

  
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Jeff Maltbie, City Manager

cc: Ray Iverson, Redwood City Fire Chief  
Veronica Ramirez, City Attorney, Redwood City  
Greg Rubens, City Attorney, San Carlos