



**MEETING DATE:** March 11, 2026

**AGENDA ITEM:** 5. State of California, California Natural Resources Agency: Agreement for Water Storage Tanks & Resolution 2643

**FROM:** Ryan Bonk

**RE:** State of California, California Natural Resources Agency: Agreement for Water Storage Tanks & Resolution 2643

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**BACKGROUND:**

The Plumas County Office of Emergency Services shared with City staff materials on the State of California Department of Water Resources Water Tank Program (materials attached to this staff report). This program offers a minimum of five (5) 2,500 gallon water storage tanks to grantee's at no cost.

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**EXECUTIVE SUMMARY:**

City staff met with the Department of Water Resources (DWR) on 02/18/2026 to gain a better understanding of the program. Staff determined that this program would be of use to the City to store water in the event of a drought or other emergency situation. Staff would like to obtain seven (7) water tanks at no cost to the City through this program. DWR will provide the tanks and cover the cost of tank delivery.

Staff, as well as the City Attorney, have reviewed the draft agreement.

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**FISCAL IMPACT:**

There is no financial impact to the agreement or Resolution as the funding for the water tanks are costs encumbered by DWR through the program.

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**RECOMMENDATION:**

Staff recommends that the City Council approve the draft agreement and adopt Resolution 2643.

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**ATTACHMENTS:**

- A. DWR WATER TANK PROGRAM
- B. SCDRP GENERAL TANK AGREEMENT FINAL CITY OF PORTOLA
- C. RESOLUTION 2643 DWR TANK PROGRAM AUTHORIZATION



# Water Tank Program



**The ongoing drought** has left many homes with dry or poor water quality wells. In response, the Department of Water Resources has developed a new drought relief grant program with funding from the Budget Act of 2022. Implemented under the Small Community Drought Relief Program, DWR's Tank Program will provide tanks and hauled water to communities that are in immediate need of water supplies.

Eligible Applicants Include:

- ⦿ Public agencies
- ⦿ Public utilities
- ⦿ Special districts
- ⦿ Colleges and universities

- ⦿ Mutual water companies
- ⦿ Nonprofit organizations – 501(c)(3)
- ⦿ Federally recognized Tribes
- ⦿ State Tribes listed on the Native America Heritage Commission's California Tribunal Consultation List

DWR will provide the tank, cover the cost of tank delivery and installation, water purchase (if applicable), water hauling, decommissioning of tank, and grant administration.

For more information, contact:

[SmallCommunityDrought@water.ca.gov](mailto:SmallCommunityDrought@water.ca.gov)  
or **Alena Misaghi** at **(916)803-9251**



**STATE OF CALIFORNIA  
CALIFORNIA NATURAL RESOURCES AGENCY  
DEPARTMENT OF WATER RESOURCES**

**AGREEMENT NUMBER: 46000XXXXX**

**AGREEMENT BETWEEN THE STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES  
AND  
THE CITY OF PORTOLA**

**FOR THE  
CITY OF PORTOLA EMERGENCY WATER TANK PROJECT**

**A PART OF THE SMALL COMMUNITY DROUGHT RELIEF PROGRAM**

**FUNDED BY**

**THE BUDGET ACT OF 2021 AS AMENDED  
(STATS. 2022, ch. 44, § 25)**

**AGREEMENT BETWEEN  
DEPARTMENT OF WATER RESOURCES  
AND  
CITY OF PORTOLA**

**AGREEMENT NO. <SAP AGREEMENT NUMBER>  
SMALL COMMUNITY DROUGHT RELIEF PROGRAM**

THIS AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the City of Portola a public agency, in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Recipient," which parties do hereby agree as follows:

1. **PURPOSE.** State shall provide domestic water storage tanks from Acuantia, Incorporated, DBA Tank Depot (Contractor) to the Recipient funded by the Budget Act of 2021 as Amended (Stats. 2022, ch. 44, § 25) and pursuant to the State of California procurement Contract Number 3860-4600014825 to assist the City of Portola Emergency Water Tank Project. The tanks being provided are for interim or immediate relief in response to conditions arising from a drought scenario as set forth in Water Code section 13198 et seq.
2. **TERM OF AGREEMENT.** The term of this Agreement begins on the date this Agreement is initially executed by State through May 31, 2026.
3. **WORK PLAN.**

Task 1 – Request Tanks

Recipient shall request a minimum of five (5), 2,500-gallon domestic water storage tanks from the DWR Project Manager. Requests shall include the number and type of tanks, the location to which tanks shall be delivered and stored, available hours and contact information of the delivery/storage facility and the signature of the authorized representative of the Recipient. The Recipient is responsible for the proper storage of the tanks until final deployment.

Task 2 – Pickup, Distribute and Install Tanks

The tanks shall be delivered by the Contractor to the Recipient's storage location. Recipient shall pick up, deliver and install tanks or cause the pickup, delivery or installation of tanks from the Recipient's storage location to their final destinations for use. Tanks are only to be installed and used within the State of California. Recipient shall be responsible for the tank storage, transportation to the tanks' final destinations, proper installation and maintenance of the tanks. Recipient shall provide DWR with information of all tanks deployed, including locational data, name and contact information of landowner/leaseholder using tank, installation date and expected duration of tank use, and any other information deemed necessary by DWR for each calendar quarter of the year until June 30, 2026.

Task 3 – Maintenance of Tanks

Recipient shall maintain or cause the proper maintenance of the tank to maximize its useful life. Any tanks provided pursuant to this Agreement shall remain in public use and shall not be disposed of in any manner as stated in Paragraph A.16 during their useful life which shall be for a period of five (5) years from the date of delivery and installation to the tank's final destination. If a tank is destroyed or deemed unusable before the end of the five (5) years, the Recipient shall notify the DWR Program Manager, in writing of the tank's destruction or decommissioning and the

reason(s) why the tank is no longer useable. At the end of the tank's useful life, the Recipient shall be the rightful owner of the tanks and may dispose of the tanks as the Recipient deems appropriate.

4. DEFAULT PROVISIONS. Recipient will be in default under this Agreement if any of the following occur:
- A. Substantial breaches of this Agreement, or any supplement or amendment to it, or any other agreement between Recipient and State evidencing or securing Recipient's obligations;
  - B. Making any false warranty, representation, or statement with respect to this Agreement;
  - C. Failure to operate or maintain the Project in accordance with this Agreement.
  - D. Failure to make any remittance required by this Agreement, including any remittance recommended as the result of an audit conducted pursuant to **Paragraph A.2.**
  - E. A determination pursuant to Government Code section 11137 that the Recipient has violated any of the following: Government Code sections 11135 or 12960 et seq.; Civil Code sections 51-54.2, inclusive; or any regulations adopted to implement these sections.

Should an event of default occur, State shall provide a notice of default to the Recipient and shall give Recipient at least ten (10) calendar days to cure the default from the date the notice is sent to Recipient. If the Recipient fails to cure the default within the time prescribed by the State, State may do any of the following:

- A. Terminate the Agreement.
- B. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Agreement in the manner provided by law, Recipient agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

5. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of the tanks Recipient agrees to ensure or cause to be performed the commencement and continued operation of the tank, and shall ensure or cause the tanks to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. For purposes of this Agreement, "useful life" means a period of five (5) years from the date of delivery and installation to the tank's final destination. "Operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Recipient to ensure operation and maintenance of the tanks in accordance with this provision may, at the option of State, be considered a breach of this Agreement and may be treated as default under **Paragraph 4, "Default Provisions."**
6. NOTIFICATION OF STATE. Recipient shall promptly notify State, in writing, of the following items:
- A. Events or proposed changes that could affect the Work Plan or work performed under this Agreement.
  - B. Any public or media event publicizing the accomplishments and/or results of this Agreement

and provide the opportunity for attendance and participation by State's representatives. Recipient shall make such notification at least 14 calendar days prior to the event.

- C. Discovery of any potential archaeological or historical resource. Should a potential archaeological or historical resource be discovered during tank installation, the Recipient agrees that all work in the area of the find will cease until a qualified archaeologist has evaluated the situation and made recommendations regarding preservation of the resource, and the State has determined what actions should be taken to protect and preserve the resource. The Recipient agrees to implement appropriate actions as directed by the State.
  - D. The initiation of any litigation or the threat of litigation against the Recipient regarding the Project or that may affect the Project in any way.
7. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Agreement shall be in writing. Notices may be transmitted by any of the following means:
- A. By delivery in person.
  - B. By certified U.S. mail, return receipt requested, postage prepaid.
  - C. By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
  - D. By electronic means.
  - E. Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the below addresses. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.
8. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Agreement are as follows:

Department of Water Resources  
  
Steve Doe  
Manager, South Central Region Office  
691 N. Laverne Ave. Suite 104  
Fresno, CA 93727  
(916) 820-7625  
Steve.Doe@water.ca.gov

City of Portola  
  
Ryan Bonk  
City Manager  
35 Third Ave  
Portola, CA 96122  
530-832-6800  
citymanager@cityofportola.com

Direct all inquiries to the Project Manager:

Department of Water Resources  
Alena Misaghi  
Senior Water Resources Engineer  
691 N. Laverne Ave. Suite 104  
Fresno, CA 93727  
(916) 803-9251  
Email: [Alena.Misaghi@water.ca.gov](mailto:Alena.Misaghi@water.ca.gov)

City of Portola  
Ryan Bonk  
City Manager  
35 Third Ave  
Portola, CA 96122  
530-832-6800  
[citymanager@cityofportola.com](mailto:citymanager@cityofportola.com)

Either party may change its Project Representative or Project Manager upon written notice to the other party.

9. **STANDARD PROVISIONS AND INTEGRATION.** This Agreement is complete and is the final Agreement between the parties. The following Exhibits are attached and made a part of this Agreement by this reference:

**Exhibit A – Standard Conditions**

**Exhibit B – Authorizing Resolution of Recipient**

**Exhibit C – State Audit Document Requirements for Recipients**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

CITY OF PORTOLA

\_\_\_\_\_  
Steve Doe, Principal Engineer  
Division of Regional Assistance

\_\_\_\_\_  
Ryan Bonk, City Manager  
City of Portola

Date \_\_\_\_\_

Date \_\_\_\_\_

Approved as to Legal Form and Sufficiency

\_\_\_\_\_  
Steve Gross  
City Attorney

Date \_\_\_\_\_

## EXHIBIT A STANDARD CONDITIONS

- A.1. **ACKNOWLEDGEMENT OF CREDIT AND SIGNAGE:** Recipient shall include appropriate acknowledgement of credit to the State for its support when promoting the Project or using any data and/or information developed under this Funding Agreement. Signage shall be posted in a prominent location at Project site(s) (if applicable) or at the Recipient's headquarters and shall include the Department of Water Resources color logo and the following disclosure statement: "Water Storage Tanks for this Project have been provided by the California Department of Water Resources." The Recipient shall also include in each of its contracts for work under this Agreement a provision that incorporates the requirements stated within this Paragraph.
- A.2. **AMENDMENT:** This Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Recipient for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.
- A.3. **AUDITS:** State reserves the right to conduct an audit at any time during the Term of this Agreement, with the costs of such audit borne by State. After completion of the Project, State may require Recipient to conduct a final audit to State's specifications, at Recipient's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Recipient to comply with this provision shall be considered a breach of this Agreement, and State may elect to pursue any remedies provided in Paragraph 4 or take any other action it deems necessary to protect its interests. The Recipient agrees it shall return any audit disallowances to the State.
- Pursuant to Government Code sections 8546.7 and 11019.3(e), the Recipient shall be subject to the examination and audit by the State for a period of three (3) years after the expiration of the Term of the Agreement with respect of all matters connected with this Agreement, including but not limited to, any actions or costs of administering this Agreement. All records of Recipient or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after the expiration of the Term of the Agreement.
- A.4. **CEQA:** Activities funded under this Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA). (Pub. Resources Code, § 21000 et seq.)
- A.5. **COMPETITIVE BIDDING AND PROCUREMENTS:** Recipient's contracts with other entities for the acquisition of goods and services and construction of public works with funds provided by State under this Agreement must be in writing and shall comply with all applicable laws and regulations regarding the securing of competitive bids and undertaking competitive negotiations. If the Recipient does not have a written policy to award contracts through a competitive bidding or sole source process, the Department of General Services' *State Contracting Manual* rules must be followed and are available at: <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/State-Contracting>.

- A.6. **CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code section 1090 and Public Contract Code sections 10410 and 10411, for State conflict of interest requirements.
- A. Current State Employees: No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - B. Former State Employees: For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - C. Employees of the Recipient: Employees of the Recipient shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act. (Gov. Code, § 87100 et seq.)
  - D. Employees and Consultants to the Recipient: Individuals working on behalf of the Recipient may be required by DWR to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- A.7. **DELIVERY OF INFORMATION, REPORTS, AND DATA:** Recipient agrees to expeditiously provide throughout the term of this Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- A.8. **DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Agreement, Recipient, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Gov. Code, § 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- A. Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code section 8355.
  - B. Establish a Drug-Free Awareness Program, as required by Government Code section 8355 to inform employees, contractors, or subcontractors about all of the following:
    - i. The dangers of drug abuse in the workplace,

- ii. Recipient's policy of maintaining a drug-free workplace,
- iii. Any available counseling, rehabilitation, and employee assistance programs, and
- iv. Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.

C. Provide, as required by Government Code section 8355, that every employee, contractor, and/or subcontractor who works under this Agreement:

- i. Will receive a copy of Recipient's drug-free policy statement, and
- ii. Will agree to abide by terms of Recipient's condition of employment, contract or subcontract.

- A.9. **GOVERNING LAW:** This Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- A.10. **INDEMNIFICATION:** Recipient shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Project and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Recipient shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insureds on their liability insurance for activities undertaken pursuant to this Agreement.
- A.11. **INDEPENDENT CAPACITY:** Recipient, and the agents and employees of Recipient, in the performance of the Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- A.12. **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Agreement. Failure or refusal by Recipient to comply with this provision shall be considered a breach of this Agreement, and State may take any action it deems necessary to protect its interests.
- A.13. **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Agreement. This right shall extend to any subcontracts, and Recipient shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Agreement with State.
- A.14. **LABOR CODE COMPLIANCE:** The Recipient agrees to be bound by all the provisions of the Labor Code regarding prevailing wages and shall monitor all contracts subject to reimbursement from this Agreement to assure that the prevailing wage provisions of the Labor Code are being met. Current Department of Industrial Relations (DIR) requirements may be found at: <http://www.dir.ca.gov/lcp.asp>. For more information, please refer to DIR's *Public Works Manual* at: <http://www.dir.ca.gov/dlse/PWManualCombined.pdf>. The Recipient affirms that it is aware of the provisions of section 3700 of the Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance, and the Recipient affirms that it will comply with such provisions before

commencing the performance of the work under this Agreement and will make its contractors and subcontractors aware of this provision.

- A.15. NONDISCRIMINATION: During the performance of this Agreement, Recipient and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital/domestic partner status, gender identity, and denial of medial and family care leave or pregnancy disability leave. Recipient and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient and its contractors or subcontractors shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code, § 12990.) and the applicable regulations promulgated there under (Cal. Code Regs., tit. 2, § 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission are incorporated into this Agreement by reference. Recipient and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.

Recipient shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

- A.16. OPINIONS AND DETERMINATIONS: Where the terms of this Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.
- A.17. PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION: The Recipient shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Project, or with Recipient's service of water, without prior permission of State. Recipient shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Recipient meet its obligations under this Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- A.18. PROJECT ACCESS: The Recipient shall ensure that the State, the Governor of the State, or any authorized representative of the foregoing, will have safe and suitable access to the Project sites at all reasonable times during Project construction and thereafter for the term of this Agreement.
- A.19. RECIPIENT'S RESPONSIBILITIES: Recipient and its representatives shall:
- A. Faithfully and expeditiously perform or cause to be performed all project work.
  - B. Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Agreement, including any incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Recipient in the documents, amendments, and communications filed in support of this Agreement.
  - C. Comply with all applicable California, federal, and local laws and regulations.

- D. Implement the Project in accordance with applicable provisions of the law.
  - E. Fulfill its obligations under the Agreement and be responsible for the performance of the Project.
  - F. Obtain any and all permits, licenses, and approvals required for performing any work under this Agreement, including those necessary to perform design, construction, or operation and maintenance of the Project. Recipient shall provide copies of permits and approvals to State.
  - G. Be solely responsible for implementation, construction, and operation and maintenance of the Project within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Recipient under this Agreement.
  - H. Be solely responsible for all work and for persons or entities engaged in work performed pursuant to this Agreement, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Recipient shall be responsible for any and all disputes arising out of its contracts for work on the Project, including but not limited to payment disputes with contractors and subcontractors. The State will not mediate disputes between the Recipient and any other entity concerning responsibility for performance of work.
- A.20. REMEDIES NOT EXCLUSIVE: The use by either party of any remedy specified herein for the enforcement of this Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- A.21. SEVERABILITY: Should any portion of this Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Agreement shall continue as modified.
- A.22. SUCCESSORS AND ASSIGNS: This Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Agreement or any part thereof, rights hereunder, or interest herein by the Recipient shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.
- A.23. TERMINATION BY RECIPIENT: Subject to State approval which may be reasonably withheld, Recipient may terminate this Agreement and be relieved of contractual obligations. In doing so, Recipient must provide a reason(s) for termination. Recipient must submit all progress reports summarizing accomplishments up until termination date.
- A.24. TERMINATION FOR CAUSE: Subject to the right to cure under **Paragraph 4**, the State may terminate this Agreement should Recipient fail to perform the requirements of this Agreement at the time and in the manner herein, provided including but not limited to reasons of default under **Paragraph 4**.
- A.25. TERMINATION WITHOUT CAUSE: The State may terminate this Agreement without cause on 30 days' advance written notice.
- A.26. THIRD PARTY BENEFICIARIES: The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.

- A.27. TIMELINESS: Time is of the essence in this Agreement.
- A.28. VENUE: The State and the Recipient hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Recipient hereby waives any existing sovereign immunity for the purposes of this Agreement.
- A.29. WAIVER OF RIGHTS: None of the provisions of this Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.

**EXHIBIT B**  
**AUTHORIZING RESOLUTION OF RECIPIENT**

Include authorizing resolution from Recipient, followed by any applicable delegation letters.

## EXHIBIT C

### STATE AUDIT DOCUMENT REQUIREMENTS FOR RECIPIENTS

The following provides a list of documents typically required by State Auditors and general guidelines for Recipients. List of documents pertains to the documents/records that State Auditors would need to review in the event of this Agreement is audited. Recipients should ensure that such records are maintained for a period of three (3) years after the end of the Term of the Agreement.

#### **State Audit Document Requirements**

##### Internal Controls

1. Organization chart (e.g., Agency's overall organization chart and organization chart for the State funded Program/Project).
2. Written internal procedures and flowcharts for the following:
  - A. Receipts and deposits
  - B. Disbursements
  - C. State property requests
  - D. Tracking of State property
  - E. Guidelines, policy, and procedures on State Program/Project
3. Audit reports of the Agency internal control structure and/or financial statements within the last two years.
4. Prior audit reports on the State Program/Project.

##### Contracts:

1. All subcontractor and consultant contracts and related or partners' documents, if applicable.
2. Contracts between the Agency and member agencies as related to the Program/Project.

##### Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State.
2. Documentation linking subcontractor invoices to State.
3. Requests submitted to the State for the Agreement.

##### Project Files:

1. All supporting documentation maintained in the project files.
2. All Agreement related correspondence.

RESOLUTION NO. 2643

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PORTOLA  
AUTHORIZING THE ACCEPTANCE, AND EXECUTION OF AN AGREEMENT  
FOR THE CITY OF PORTOLA EMERGENCY WATER TANK PROJECT

WHEREAS, the City of Portola proposes to implement City of Portola  
Emergency Water Tank Project;

WHEREAS, City of Portola Emergency Water Tank Projects is being  
implemented in response to a drought scenario, as defined by Water Code  
section 13198(a) and is intended to: (1) address immediate impacts on human  
health and safety; (2) address immediate impacts on fish and wildlife resources;  
or, (3) provide water to persons or communities that lose or are threatened with  
the loss or contamination of water supplies;

WHEREAS, the City of Portola has the legal authority and is authorized to enter  
into an agreement with the State of California; and

WHEREAS, the City of Portola intends to request water storage tanks from the  
California Department of Water Resources for the City of Portola Emergency  
Water Tank Project;

THEREFORE, BE IT RESOLVED by the City Council of the City of Portola as  
follows:

1. The City of Portola City Manager or designee is hereby authorized and  
directed to execute an agreement with the Department of Water  
Resources and any amendments thereto.
2. The City of Portola City Manager or designee is hereby authorized and  
directed to submit any required documents, requests, and reports as  
required by the agreement.

CERTIFICATION I hereby certify that the foregoing Resolution was duly and  
regularly adopted by the City Council of the City of Portola at the meeting held  
on March 11, 2026 motion by [member name] and seconded by [member  
name], motion passed by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

---

Bill Powers  
Mayor, City of Portola

Attest:

---

Kristen Schiavone  
Deputy City Clerk, City of Portola