

EQUIPMENT TRANSFER AGREEMENT

This Equipment Transfer Agreement ("Agreement") is entered into as of August 6, 2026, by and between the Lake County Fire Protection District, a California a fire protection district (the "District"), and Clearlake Oaks County Water District, (the "Transferee"). The DISTRICT and the TRANSFEE may be referred to herein as a Party or, collectively, the Parties.

WHEREAS, the District is the owner of a portable fire hydrant/pump (3TI-0240 or other identifying marker/information)) ("Hydrant"), which it purchased with grant funds provided by the Redbud Health Care District; and

WHEREAS, the Grant Agreement between the District and Redbud Health Care District ("Grant Agreement") is attached hereto, and incorporated as if fully set forth herein, as Exhibit A; and

WHEREAS, the Grant Agreement authorizes the District to place the Hydrant into "mutual aid" whereby a water supplier may store, maintain, and use the Hydrant; and

WHEREAS, the District desires to transfer possession of the Hydrant to Transferee and Transferee desires to accept possession of the Hydrant.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

I. Transfer and Use. District agrees to transfer and Transferee agrees to store, maintain, repair, and deploy the Hydrant, at Transferee's sole cost, and as is necessary. The foregoing expressly includes, but is not limited to, reasonably securing the Hydrant against theft. Scheduled maintenance shall occur annually or every 100 hours of operational use (see below), as recorded on the Hobbs Hour Meter. Transferee shall provide quarterly maintenance or repair status updates via letter or email. Notwithstanding anything to the contrary, Transferee agrees and acknowledges that District shall retain sole and absolute ownership of the Hydrant.

II. Price and Payment. In exchange for the use of the Hydrant, Transferee agrees to pay five hundred dollars (\$500.00) annually with unlimited operational use ("Transfer Price"). "Operational use" shall mean any instance in which the Transferee is requested to deploy a remote hydrant to an incident for the purpose of augmenting water supply for fire suppression operations and reducing impacts on domestic water systems. Operational use shall be documented using the ICS-214 Unit Log ("Log"). The Log shall be initiated upon notification and request for deployment and maintained continuously through the duration of the assignment

until the Hydrant is demobilized and returned to storage. The Log shall include beginning and ending Hobbs Hour Meter readings to verify actual run time. Transferee shall be responsible for tracking such use in writing. The Transferee shall submit an invoice for costs accrued for periodic and/or annual maintenance and at the conclusion of each incident requiring use of the Hydrant, the Transferee shall submit a completed Log to: (1) wsapeta@lakecountyfire.com and (2) mrivas@lakecountyfire.com.

The District shall generate an invoice based on an annual basis. Transferee shall pay the Transfer Price to the District via wire transfer, or a check within thirty (30) calendar days following receipt of such an invoice. Recovered funds shall be allocated toward long-term replacement, maintenance, and sustainability of the District's remote hydrant program.

III. Effective Date and Term. This Agreement shall be effective upon execution by all of the Parties ("Effective Date"). This Agreement shall terminate five calendar years following the Effective Date. The parties may renew this Agreement if both parties agree in writing.

IV. Insurance. Transferee shall ensure that the Hydrant is covered by, or added to, a property insurance policy maintained by Transferee. Such coverage shall include, to the extent possible, coverage for damages beyond repair and theft of the Hydrant.

V. Indemnification and Hold Harmless. To the maximum extent authorized by law, the Transferee shall defend, indemnify, and hold-harmless the District, the District's Board of Directors and each member thereof, and the District's other officers, agents, employees and volunteers (collectively, not including the District, the "District Agents"), and each of them, from and against any and all claims, demands, actions, other proceedings, liens, judgments, damages, losses, costs, reasonable attorney's fees, expenses, and other liabilities of any nature arising from or directly or indirectly relating to: (1) the storage, maintenance, repair, and deployment of the Hydrant by the Transferee or anyone working under or for the Transferee including but not limited to its independent contractors; (2) actual or alleged negligence, actual or alleged recklessness, or actual or alleged willful misconduct by Transferee or anyone working under or for the Transferee including but not limited to its independent contractors; and/or (3) the performance of this Agreement by Transferee or anyone working under or for the Transferee including but not limited to its independent contractors. Any defense of the District and/or District Agents shall be by qualified and appropriately experienced legal counsel reasonably acceptable to the District but selected and retained by the Transferee at its sole cost. The Transferee's obligations under this Section V shall survive the expiration or termination of this Agreement. Moreover, the terms of this Section V shall not be limited whatsoever by any insurance policy or any funds paid out as part of any insurance policy. Notwithstanding the foregoing, Transferee shall not be obligated under this Section V to the extent any claim, demand, action, judgment, damage, loss, cost or expense, or other liability results from the actual active

negligence, actual sole negligence, or actual willful misconduct of the District or any District Agent. In each such event, the Parties shall be responsible and liable on a comparative basis.

Notwithstanding anything to the contrary, no person, entity, or party, including but not limited to the District and Transferee, shall be allowed to recover attorney's fees that are incurred to enforce or defend this Agreement.

VI. Compliance with Law. Transferee shall comply with all laws, ordinances, rules, and regulations applicable to this Agreement and the Hydrant.

VII. Third Party Relationships. Nothing contained in the Agreement shall create a contractual relationship with, or cause of action in favor of, any third party against either Party.

VIII. Time of Essence. Time is of the essence with respect to each of the terms, covenants and conditions of this Agreement.

IX. Binding Agreement. This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs and personal representatives.

X. Choice of Law and Venue. This Agreement shall be construed in accordance with the laws of the state of California. Venue shall be Lake County, California.

XI. Amendment. Any Amendment or modification to this Agreement must be in writing and executed by the Parties hereto.

XII. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument. Electronically scanned and/or transmitted signatures shall be acceptable as binding signatures for purposes of this Section XII.

XIII. Authority. Each Party and the persons executing this Agreement warrant that they have the authority to execute and to enter into this Agreement.

XIV. Entire Agreement. This Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments and understandings related hereto are hereby

merged herein. No representations, oral or otherwise, express or implied, other than those contained within this Agreement have been made by any Party hereto.

XV. Fair and Reasonable Interpretations. Before execution and delivery of this Agreement, each Party has received, or had unqualified opportunities to receive, independent legal advice from its legal counsel with respect to the advisability of executing this Agreement and the meaning of the provisions herein. The provisions of this Agreement, therefore, shall be construed based on their fair and reasonable meaning, and not for or against any Party based on whether such Party or its legal counsel was responsible for drafting this Agreement or any particular provision herein.

XVI. Headings and Captions. The headings and captions set forth in this Agreement are for the convenience of the reader only and shall not be deemed to establish, define, or limit the meaning of any Part, Section or other provision.

XVII. Recitals and Exhibits. Each Recital contained herein and each Exhibit referenced herein and attached hereto is incorporated as an effective and operative provision of this Agreement.

XVIII. Waiver. A waiver by a Party of any provision of this Agreement shall be binding only if the waiver is set forth in writing and has been duly approved and executed by the waiving Party. Unless so specified in the written waiver, a waiver by a Party of any provision of this Agreement shall not constitute a waiver of any other provision(s) herein, similar or not, and shall not be construed as a continuing waiver. Except as waived per this Section XVIII, neither the failure by a Party at any time to require performance of any requirement of this Agreement, nor any forbearance or indulgence of the Party regarding such requirement, shall in any manner affect the Party's right at a later time to enforce the same or any other provision of this Agreement.

XIX. Correct Legal Requirements Deemed Included. Each and every provision required by any applicable law to be included in this Agreement is hereby deemed to be so included, and this Agreement shall be construed and enforced as if all such provisions are so included. If, for any reason, any provision required by any applicable law is not expressly included herein, or is not correctly included herein, then, upon request of either Party, this Agreement shall be amended to include or incorporate, or to correctly include or incorporate, such provision.

XX. Severability. If a court of competent jurisdiction determines, for any reason, that any provision or requirement of this Agreement is invalid or unenforceable, such determination shall not invalidate or render unenforceable any other provision or requirement of this

Agreement. In such event, the provisions and requirements that are not the subject of the court's determination shall be interpreted, to the extent permitted by law, in a manner that is consistent with the intent and purpose underlying the invalid or unenforceable provision or requirement.

Likewise, if a court of competent jurisdiction determines, for any reason, that any provision or requirement of this Agreement is invalid or unenforceable as applied to a specific person or entity, such determination shall not affect the applicability of such provision or requirement to other persons or entities. In such event, the provisions and requirements that are not the subject of the court's determination shall be interpreted, to the extent permitted by law, in a manner that is consistent with the intent and purpose underlying the inapplicable provision or requirement.

(Remainder of page left blank.)

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

DISTRICT:

LAKE COUNTY FIRE PROTECTION DISTRICT

Signature: Willie Sapota

Typed or Printed Name: Willie Sapota

Title: Fire Chief

Date: 8/11/2026

TRANSFeree:

[]

Signature: Dianna Mann

Typed or Printed Name: Dianna Mann

Title: General Manager

Date: August 6, 2026

GRANT AGREEMENT

for

RFA 2026-0021

This GRANT AGREEMENT ("Agreement") is entered into as of March 6, 2026, by and between REDBUD HEALTH CARE DISTRICT, a California local health care district ("District") and Lake County FIRE PROTECTION DISTRICT (LCFPF), ("Grantee").

RECITALS

- A. The District is organized under the Local Health Care District Law (Health and Safety Code 32000, et seq.) and, as one of its purposes, operates to promote the provision of health care in the community for the benefit of the District residents.
- B. The Local Health Care District Law authorizes health care districts to support community health care programs, including providing assistance or making grants to nonprofit provider groups and clinics in the community, when such support or grants are directly or indirectly necessary for the provision of adequate health services in the district.
- C. Sustained wildfire and large-scale fire operations place an extraordinary demand on domestic potable water systems. Exclusive reliance on municipal hydrants can significantly deplete critical potable reserves, jeopardizing water availability for residents – particularly during drought conditions or periods of reduced well and lake levels. As fire activity across California becomes more frequent, prolonged and intense, fire agencies and water providers must implement supplemental water-supply strategies that reduce dependence on domestic systems and improve overall operational resilience. These Hydrant/Pumps put out approximately 650 gallons per minute.
- D. The remote Hydrants and Pumps are readily available by the manufacturer.
- E. The Grantee has submitted a Request for Assistance to the District (RFA 2026-0021) in the amount of up to one hundred -three thousand- six hundred fifty dollars (\$103,650.00). They are requesting funding of approximately \$15,000.00 per unit for 5 -10 units.

- F. The District Board has determined that the provision of grant funds for the Program is necessary to provide and has approved a seventy-five-thousand-dollar (\$75,000.00) grant to the Grantee for the Program (the "Grant" and "Grant Funds").

NOW, THEREFORE, the parties agree as follows:

1. The Grant. The basic terms of the Grant are as follows:

- A. Grantee: Lake County Fire Protection District.
- B. Amount: \$75,000.00.
- C. Date Authorized: February 24, 2026.
- D. Grant Period: Fiscal Year 2026.
- E. Payment Schedule: Upon signing of the Grant Agreement.
- F. Grant Purpose: To fund 5 Portable Hydrants with Pumps at approximately \$15,000.00 each. LCFPD is to maintain ownership of the equipment, although they may be put into "mutual aid" and stored and maintained by various water suppliers.

2. Use of Grant Funds.

- A. Grant Funds shall be used during the Grant Periods 2026.
as described in the Request for Assistance (attached hereto as Exhibit A) to the extent approved by the District and in accordance with the amount of the Grant.
- B. No Grant Funds shall be used in any way (i) for any other program or purpose by the Grantee or any capital improvements or other capital expenditures for the Program or the Grantee; (ii) to influence legislative or administrative decisions of any governmental body or for any political campaign; or (iii) in violation of any law or regulation applicable to the Program or the Grantee.

3. Basic Grant Conditions. At all times during the Grant Period, the Grantee shall:

- A. Maintain the Program in the manner described in the Request for Assistance and as agreed herein.
 - B. Maintain its nonprofit, tax exempt status.
 - C. Maintain all required licenses, permits and approvals required for the Program.
 - D. On request of the District, provide copies of its basic corporate operating documents (such as annual independent audit, IRS form 990 and any applicable licenses) for the Fiscal Years during the Grant Period.
 - E. Comply with all laws, regulations, and other governmental orders applicable to the Grantee and the Program with respect to discrimination in employment practices and the provision of services by the Grantee.
4. Special Grant Conditions. Grantee shall submit written reports to the District on the use of the Grant Funds and the Program.
- A. The reports shall include the following:
 - a. The use of the Grant Funds, with documentation of the expenditure of Grant Funds for the Program.
 - b. Pertinent data regarding the Program, including:
 - (i) progress in achieving the objectives of the Program as set forth in the Request for Assistance; and
 - (ii) attainment of the goals set forth in the timetable for the use of the Grant Funds, as set forth in the Request for Assistance.
 - c. The status of the Program, including:
 - (i) the financial performance of the program; and
 - (ii) the availability of public and private funding or other assistance for the long-term viability of the Program; and
 - (iii) the intended use of remaining funds, if any.

- d. A certification from the Director of the Grantee certifying the compliance of the Grantee during the reporting period with the Basic Grant Conditions set forth in Section 3 (Basic Grant Conditions) and with the terms of the Agreement.
 - B. Grantee shall provide an annual report to the District no later than two months after the end of fiscal year 2026 on the items set forth in Section 4A, above.
 - C. In addition, if all funds are not expended during fiscal year 2026, Grantee shall provide a final report to the District no later than two months after expenditure of any remaining funds, on the items set forth in Section 4A above.
- 5. Limit of Commitment. Unless otherwise approved by the District Board, this Grant shall be a one-time grant by the District and is non-renewable. Nothing in this Agreement shall preclude Grantee from making application to the District for any future grant funds that may be available from the District, provided, however, that the Grantee will not be given priority or entitled to special consideration by the District due to this Grant.
- 6. Independent Status. This Agreement is made by the District and the Grantee solely as a funding arrangement, and is not intended, or shall it be construed, to create a relationship of agent, servant, employee, partnership, joint venture, or association as between the parties. The District shall not exercise control in any manner over the provision of services or care by the Grantee and shall not be considered a provider of services through this Agreement. Grantee shall bear full responsibility for the quality and delivery of its services and the performance of its personnel. All personnel performing services for the Grantee, whether or not compensated in whole or in part with any portion of the Grant Funds, shall be for all purposes employees and contractors solely of Grantee and not of the District.
- 7. Insurance and Indemnification
 - A. Insurance. During the Grant Period, Grantee shall maintain at its expense programs of insurance covering its operations. Upon request by the District, Grantee shall provide the District evidence of such insurance coverage.
 - B. Indemnification. Grantee shall indemnify, defend and hold harmless the District, its Board members, agents and officers from and against any liability, claims or expense (including attorneys' fees) of any nature whatsoever arising

from or connected with Grantee's operations or its services, including any claims, liability or other expense arising out of the acts or omissions of Grantee in connection with its employees, contractors or other personnel.

8. Miscellaneous.

A. Termination of Grant. The District shall have the right to terminate the Grant, as follows:

- a. Upon thirty (30) days prior written notice for material breach of the terms of this Agreement as specifically described by the District in the written notice to Grantee unless the material breach is cured within twenty (20) days of the notice.
- b. Immediately, at the discretion of the District, upon the occurrence of any of the following:
 - (i) failure of Grantee to maintain compliance with any of the basic grant conditions described in Section 3 (Basic Grant Conditions).
 - (ii) upon any filing of bankruptcy by the Grantee or any appointment of a receiver of the Grantee.
 - (iii) upon any change of ownership of the Grantee that has not been approved by the District, provided that such approval shall not be unreasonably withheld so long as the surviving entity agrees to continue the Program and meet the obligations of the Grantee as set forth in this Agreement. A "change of ownership" shall be defined as any merger by the Grantee with any other corporation or other entity, any acquisition of all or substantially all of the assets or operations of the Grantee or any conversion or other change in the corporate status of the Grantee.
- c. Upon receipt of information that a Grantee, or any director, officer or management level employee of the Grantee, is (i) indicted or is otherwise the target of any governmental criminal investigation or enforcement action (whether or not related to the Grant or the Program); (ii) the subject of any

governmental civil investigation or enforcement action, or of any published or other public report alleging or finding any impropriety related to the operations of the Grantee (whether or not related to the Grant or the Program), the District may terminate the Grant on thirty (30) days' prior written notice, provided that the Grantee shall be first afforded an opportunity to respond to

the allegations or findings at a public meeting of the District Board to review the allegations or findings.

- B. Revision of Grant Funds. Grant funds that are not expended during the Grant Period shall revert to the District and shall be paid within thirty (30) days after the expiration or earlier termination of the Grant Period. In the event the District terminates the Grant under Section 8.A.a on the grounds that Grantee has expended Grant Funds in violation of Section 2 (Use of Grant Funds), Grantee shall immediately refund to the District an amount equal to that portion of the Grant Funds that were expended in violation of Section 2 (Use of Grant Funds).
- C. Grant Announcements and Publicity. Any written announcement or other publicity related to the Grant prepared by Grantee shall be first submitted to the President of the District Board for review and approval, and if prepared by the District, shall be first submitted to the Director of the Grantee for review and approval. Any announcements and publicity shall not state or imply in any way that the District has endorsed the Grantee, the Program, or any other programs of the Grantee.
- D. Books and Records. Grantee shall maintain books and records of the Grant Funds and its uses of the Grant Funds and shall make such books and records available for inspection and reproduction during the normal business hours of Grantee. The District shall have the right to conduct an audit of Grantee's books (at District expense) for the sole purpose of and limited to the verification of the expenditure of Grant Funds and Grantee's performance under this Agreement, provided, however, that any audit by the District shall not be conducted prior to a review of the annual independent audit of Grantee submitted to the District under Section 3 (Basic Grant Conditions).
- E. Audit Exceptions. If the Grantee is found by the Redbud Health Care District to have expended funds provided under this Agreement for any purpose or purposes other than those specifically provided herein, or if Grantee otherwise fails to comply with the terms and conditions of this Agreement, Grantee will reimburse Redbud Health Care District in an amount equal to such expenditures.

- F. Nondiscrimination in Employment. In the performance of the work authorized under this Agreement, Grantee shall not discriminate against any worker because of race, creed, color, sex, national origin, ancestry, physical or mental disability, medical condition, marital status, or age (over 40).
- G. Attorney's Fees and Costs. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.
- H. Entire Agreement. This Agreement shall contain the entire understanding of the parties with respect to the Grant and supersedes all prior agreements as between the parties with respect to the subject matter hereof. No alteration or modification of this Agreement shall be valid unless in writing and signed by the parties hereto. The failure of the District to exercise its rights in connection with any breach or violation of any covenant, condition or term of this Agreement shall not be deemed to be a waiver of such covenant, condition or term, any subsequent breach thereof or of any covenant, condition, or term of the Agreement.
- I. Severability. If any provision of this Agreement shall be declared invalid or illegal for any reason whatsoever, the remaining terms and provisions of this Agreement shall remain in full force and effect in the same manner as if the invalid or illegal provision had not been contained herein.
- J. Assignment. Grantee may not assign this Agreement without the express consent of the District.
- K. Survival. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors and assigns. All covenants contained herein shall survive the expiration or termination of this Agreement.
- L. Notices. Any notice given under this Agreement shall be by personal delivery or be certified mail, postage prepaid, addressed to the other party at the following address:

If to District

Redbud Health Care District
Attention: President, Board of Directors
P.O. Box 4667
Clearlake, CA 95422

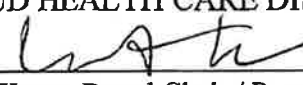
If to Grantee

Lake County Fire Protection District
14815 Olympic Drive
Clearlake, CA 95422

Notice shall be deemed delivered as of date of mailing or personal delivery, whichever is earlier.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written below.

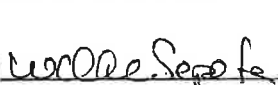
REDBUD HEALTH CARE DISTRICT

By 
Lamont Kucer, Board Chair / President

By 
Sue Burton, Board Member / Secretary

Date 4-1-26 Date 4-2-26

LAKE COUNTY FIRE PROTECTION DISTRICT

By 
Willie Sapeta, Fire Chief

By 
Miasha Rivas, Cleark of the Board

Date 3/9/2026 Date 3/25/2026

CERTIFICATION OF GRANT TERMS AND CONDITIONS
BY GOVERNING BODY

We hereby Certify that the Board of Directors
(Governing Body) of the Lake County Fire Protection District
On behalf of LCFPD

Have read and approved the attached Grant Agreement Number: REA-2026-0021
Dated 3/6/26, inclusive of the Request for Assistance Proposal Number:
REA 2026-11021 as submitted by our Organization, attached as Exhibit "A"
Attached hereto and made a part hereof executed by William Sapita
as Fire Chief and Alaska Rivas as
Clerk of the Board.

The Request for Assistance Proposal and Grant Agreement were presented to our
Board of Directors at a meeting on
3/25/2026. Our Organization studied and discussed the terms,
conditions and obligations of the Grant Agreement and then passed a motion and or
resolution to enter into the attached Grant Agreement Number: REA 2026-0021
dated 3/6/26, authorizing the Officers and or Agents signing below
to execute the Grant Agreement on behalf of our Organization.

Attached herewith is a copy of the Organization Official Minutes and or a Resolution of
the Board of Directors affirming the statements contained herein.

We hereby Certify under the Penalty of Perjury that the foregoing is true and correct.

<u>William Sapita</u> Signature	<u>3/9/2026</u> Date	<u>William Rivas</u> Signature	<u>3/25/26</u> Date
<u>Fire Chief</u> Title		<u>Clerk of The Board</u> Title	

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