

FIFTH AMENDMENT  
TO  
AGREEMENT BETWEEN  
THREE RIVERS LEVEE IMPROVEMENT AUTHORITY  
AND  
BENDER ROSENTHAL, INC.

THIS FIFTH AMENDATORY AGREEMENT is made and entered into this 6<sup>th</sup> day of February 2007, by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY ("TRLIA"), a Joint Powers Authority, TRLIA and BENDER ROSENTHAL, INC. ("CONSULTANT")

RECITALS:

WHEREAS, TRLIA and CONSULTANT entered into a agreement to provide basic services dated March 1, 2005, ("AGREEMENT");

WHEREAS, TRLIA and CONSULTANT entered into the first Amendatory Agreement to provide basic services dated March 1, 2006.

WHEREAS, TRLIA and CONSULTANT entered into the second Amendatory Agreement to provide basic services dated May 16, 2006.

WHEREAS, TRLIA and CONSULTANT entered into the third Amendatory Agreement to provide basic services dated September 26, 2006.

WHEREAS, TRLIA and CONSULTANT entered into the fourth Amendatory Agreement to provide basic services dated January 16, 2007.

WHEREAS, Attachment B.1 of the AGREEMENT, state that modifications or amendments to the terms of the AGREEMENT shall be in writing and executed by both parties;

WHEREAS, the TRLIA and CONSULTANT desire to amend the Agreement;

NOW, THEREFORE, the TRLIA and CONSULTANT agree as follows:

1. Exhibit A of the AGREEMENT shall be amended to perform those additional services described in ~~Exhibit A~~ attached to this Fourth AMENDMENT.
2. Article 4 of the AGREEMENT shall be revised to increase the price ceiling for basic services by ~~\$158,000~~ from ~~\$1,337,181.00~~ to: \$1,993,061.00

All other terms and conditions contained in the Agreement shall remain in full force and effort.

This Amended agreement is hereby executed on this 6 day of February 2007.

THREE RIVERS LEVEE  
IMPROVEMENT AUTHORITY

CONSULTANT

BY: Richard E. Webb  
Paul G. Brunner, Executive Director

BY: [Signature]  
BENDER ROSENTHAL, INC.

APPROVED AS TO FORM,

[Signature]  
DANIEL G. MONTGOMERY  
County Counsel

# BENDER ROSENTHAL, INC.

COMMERCIAL VALUATION AND RIGHT OF WAY SERVICES

January 26, 2007

Mr. Paul Brunner, P.E.  
Three Rivers Levee Improvement Authority  
915 8<sup>th</sup> Street, Suite 119  
Marysville, CA 95901

RE: Three Rivers Levee Improvements – Eminent Domain Support  
Danna & Danna Inc.  
Danna Investment Company  
David and Pam Foster

Dear Mr. Brunner:

Per the instruction of Mr. Richard Brown, TRLIA's Eminent Domain Attorney, we have been requested to provide you with analysis and conclusions that will contain our opinion of fair market value for the above referenced properties. The date of value will be the date of deposit, which is April 5, 2005. Our efforts will include the investigation, data, and analysis supporting our conclusion, as of the date of value, and development of a Summary Statement for exchange purposes inclusive of severance damages, specially crop damages. It is our understanding that TRLIA will be our client, and the intended use of the appraisal is for potential settlement or litigation purposes as it relates to the condemnation action filed.

The appraisal assignment involves an inspection of the subject property by the appraiser, interviews with government departments having jurisdiction over the property, and collection of data pertaining to the subject property and the relevant market. Information will be obtained from the client, the owner, public records, publications, appraisal office files, real estate agents, and/or knowledgeable persons. Sales data will be confirmed with parties directly involved in the transactions, unless otherwise stipulated. Opinions will be sought from knowledgeable persons. Professional experts in such fields as site engineering, etc., will not be hired, as this will be beyond the scope of the assignment. Mr. Tom Neely, of our firm will accompany the appraiser at the time of inspection, interview the Danna's or their representatives, most likely meet with the Danna's to discuss agricultural practices, and investigate various impacts to the operation over a three year period as it relates to crop production.

The valuation process also will involve an investigation and analysis of regional area demographic and economic trends, and the Yuba County region agricultural market. Neighborhood attributes such as amenities, services, facilities, and other factors that could influence value will be investigated. The highest and best use of the property will be considered in light of these trends and factors.

Information considered relevant to the appraisal assignment will be retained in the appraiser's file, and data pertaining to value will be analyzed using the Sales Comparison Approach, as this is the most typical approach to value for agricultural lands. We will investigate agricultural reports,

**Mr. Paul Brunner**  
**TRLLA – Danna & Foster Eminent Domain Services**  
**January 26, 2007**

historical crop income, and investigate current crop prices in the development of the crop loss. Aspects of the Cost Approach may be utilized to determine costs associated with replacement of irrigation facilities.

The table below outlines the fees associated with the described services.

<b>Item</b>	<b>Danna &amp; Danna Inc. / Danna Investments</b>
Appraisal -	\$48,000
Crop Damages	80 hrs x \$160/hr. = \$12,000
Meetings	8 mtgs @ 4 hours x \$260/hr = \$8,320
Expert Witness	
- Appraisal	80 hrs @ \$265/hr = \$21,200
- Crops	80 hrs @ \$150/hr = \$12,000
<b>Total</b>	<b>\$101,520</b>

<b>Item</b>	<b>David and Pam Foster</b>
Appraisal -	\$32,000
Meetings	4 mtgs @ 4 hours x \$260/hr = \$4,160
Expert Witness	
- Appraisal	80 hrs @ \$265/hr = \$21,200
<b>Total</b>	<b>\$57,360</b>

Total Suggested Contract: \$158,880

The files and reports will be developed and prepared in conformance with and subject to the requirements of the Code of Professional Ethics and the Standards of Professional Practice of the Appraisal Institute, which fully incorporate the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation<sup>1</sup>. A complete appraisal will be performed, communicated in a Summary Statement along with file development.

The final estimate of value will be subject to the attached statement of Assumptions and Limiting Conditions. We understand the purpose of this appraisal is to establish fair market value as defined by the Code of Civil Procedures for possible eminent domain proceedings.

Expert witness services are estimated and included in this proposal. The time for these services is difficult to determine, and is purely a place holder. All meetings, depositions, etc. will be billed at our standard hourly rate below, with a minimum charge of 2 hours for cancellation of events. This proposal excludes the costs of developing exhibits, which we can certainly work with the team to

<sup>1</sup>The Appraisal Institute is a national organization of professional appraisers that self-regulates its members, and the undersigned is a designated Member of the Appraisal Institute (MAI). A Member must at all times adhere to the Institute's ethics code and standards. The Appraisal Foundation has been tasked by the Congress to set standards and procedures with which state certified appraisers must comply when appraising any property interest involved in a federally regulated transaction.

**Mr. Paul Brunner**  
**TRLIA – Danna & Foster Eminent Domain Services**  
**January 26, 2007**

develop during trial preparation. Additional services performed by us, if any, such as post-appraisal meetings, consultations, presentations/briefings, deposition preparation, pre-trial conferences, court or briefing preparation, depositions, court appearances, etc., will be billed at the following rates for 2007:

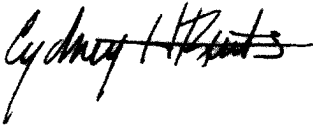
Stephen A. Rosenthal, MAI	\$173/hr.*
Cydney G. Bender, MAI	\$173/hr.*
David Wraa, MAI	\$173/hr.*
Project Manager	\$158/hr.
Senior Appraiser	\$121/hr.
Senior Acquisition Agent	\$110/hr.**
Relocation Specialist	\$110/hr.
Acquisition Agent – Level 2	\$ 95/hr.
Acquisition Agent – Level 1	\$ 80/hr
Other Associated Professional Staff	\$ 89/hr.
Researchers	\$ 58/hr.
Administrative/Production	\$ 47/hr.

- \* \$260 per hour for court or briefing preparation, depositions, any pre-trial conferences, court appearances, etc., should these ever become necessary.
- \* \$160 per hour for any crop damage court or briefing preparation, depositions, any pre-trial conferences, court appearances, etc., should these ever become necessary.

Contract amendment number five is attached to this letter proposal. Please forward to the TRLIA Board for approval.

Sincerely,

**BENDER ROSENTHAL, INC.**



Cydney G. Bender Reents, MAI

Attachment Standard Assumptions and Limiting Conditions  
Bender Rosenthal, Inc. TIN: 41-2034507

## ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal report and the value estimate it contains are expressly subject to the following contingent and/or limiting conditions.

1. Title to the property is marketable.
2. No survey of the property has been made and proposed property lines as they appear on the ground are assumed to be correct.
3. Data, maps, and descriptive data furnished by the client or his representatives are accurate and correct.
4. No responsibility is assumed for matters of law or legal interpretation.
5. No conditions exist affecting the use and value of the property that are not discoverable through normal, diligent investigation.
6. The valuation is based on information and data from sources believed reliable, and that such information is correct and accurately reported.
7. The value estimate is made subject to the purpose, date, and definition of value.
8. The report is to be considered in its entirety and use of only a portion will invalidate the appraisal.
9. This appraisal was made on the premise that there are no encumbrances prohibiting utilization of the property under the appraiser's estimate of highest and best use.
10. Possession of this report or a copy does not carry with it the right of publication nor may it be used for any purpose by any other than the client without the previous written consent of the firm of Bender Rosenthal, Inc. and then only with proper qualifications.
11. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute. No part of this narrative report may be reproduced by any means nor disseminated to the public in any way without the prior written consent of Bender Rosenthal, Inc.
12. The liability of Bender Rosenthal, Inc. and its employees and associates is limited to the client only and to the fee actually received by the appraisal firm. There is no accountability, obligation, or liability to any third party. If the appraisal report is disseminated to anyone other than the client, the client shall make such party or parties aware of all limiting conditions and assumptions affecting the appraisal assignment. Neither the appraiser nor the appraisal firm are in any way to be responsible for any costs incurred to discover or correct any physical, financial and/or legal deficiencies of any type present in the subject property.
13. Any person or entity who obtains or reads this report, or a copy, other than the client specified in this report, expressly assumes all risk of damages to himself or third persons arising out of reliance on this report and waives the right to bring any action based on the appraisal, and neither Bender Rosenthal, Inc. nor the appraiser shall have any liability to any such person or entity.
14. The appraiser shall not be required to give testimony or appear in court by reason of this appraisal with reference to the property described in this report unless prior arrangements have been made.

**Mr. Paul Brunner**  
**January 2, 2007**

15. No responsibility is assumed for building permits, zone changes, engineering or any other services or duty connected with legally utilizing the subject property.
16. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of such substances as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.
17. The property appraised may or may not be subject to the Americans with Disabilities Act of 1990 (ADA). Title III of this act provides for penalties for discrimination in failing "... to remove architectural barriers . . . in existing facilities [unless] an entity can demonstrate that the removal . . . is not readily achievable. . ." Unless otherwise noted in this appraisal, it is assumed that the property appraised is not substantially impacted by this law.
18. It is assumed that any proposed improvements are completed in a timely and good workmanlike manner according to the preliminary plans and specifications provided by the client.
19. It is assumed that the property will receive competent management and marketing services.