

THIS AMENDMENT NO. 1 TO JOINT EXERCISE OF POWERS AGREEMENT (the "Amendment") is by and between the COUNTY OF YUBA, a political subdivision of the State of California (the "County"), and RECLAMATION DISTRICT NO. 784, a reclamation district, duly organized and existing under the laws of the State of California (the "District").

RECITALS:

WHEREAS, Articles 1 through 4 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (the "Act") authorizes the County and the District to create a joint exercise of powers entity which has the power to jointly exercise any powers common to the County and the District and to exercise the powers granted to it under the Act;

WHEREAS, the County and the District have entered into a revised Joint Exercise of Powers Agreement, dated as of April 6, 2004 (as revised and currently in effect, the "Agreement"), creating the Three Rivers Levee Improvement Authority (the "Authority"); and

WHEREAS, the County and the District now desire to amend the Agreement to explicitly allow the Authority to acquire and hold title to real property, to clearly provide that neither the County nor the District is responsible for any expenses, bills, contracts or other obligations of the Authority, and to allow for the employment by the Authority of an Executive Director and a General Counsel.

AGREEMENT:

NOW, THEREFORE, the County and the District, for and in consideration of the mutual promises and agreements herein contained, and for other consideration the receipt and sufficiency of which is hereby acknowledged, do hereby agree as follows:

Section 1. Amendments to the Agreement

(a) Section 3.01 of the Agreement is hereby amended by adding thereto, as a new second paragraph thereof, the following:

"Notwithstanding the foregoing, the Board, in its discretion, may at any time determine to employ someone other than the person serving as County Administrator to be the Executive Director of the Authority, and any person so employed shall be the Executive Director of the Authority rather than the County Administrator. Any such person so employed shall serve at the pleasure of the Board, and the terms of employment shall be subject to approval by the Board. Upon termination or resignation of any person serving as Executive Director, until another person is employed by the Board to serve in that capacity, the County Administrator shall serve as the Executive Director of the Authority."

(b) Section 3.05 of the Agreement is hereby amended by adding thereto, as a new second sentence thereof, the following:

"At any time that the County Counsel is serving as the legal advisor of the Authority in accordance with the preceding sentence, the Board, in its discretion, may determine to employ an attorney or firm of attorneys other than the County Counsel to act as the legal advisor of the Authority. Any such person or firm so employed shall serve at the pleasure of the Board, and the terms of employment shall be subject to approval by the Board. Upon termination or resignation of any attorney or firm of attorneys serving as legal advisor of the Authority, until another attorney or firm of attorneys is employed by the Board to serve as legal advisor to the Authority, County Counsel shall serve in that capacity."

(c) Section 4.03 of the Agreement is hereby amended by inserting therein, immediately following the parenthetical "(n)" therein, the following: "to acquire and hold title to real property; and (o)."

(d) Section 4.06 of the Agreement is hereby amended by adding thereto, as a new second paragraph thereof, the following:

"Without in any way limiting the provisions of the preceding paragraph, no Member or Associate Member of the Authority shall have any responsibility or liability whatsoever for any expenses, bills, contracts, undertakings, agreements or any other obligations whatsoever of the Authority."

Section 2. Affirmation of Agreement. Except as amended pursuant to the provisions of Section 1 above, the terms and provisions of the Agreement are hereby affirmed.

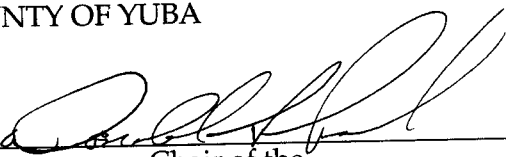
Section 3. Successors. This Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their successors.

Section 4. Execution in Counterparts. This Amendment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.


IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed by their proper officers thereunto duly authorized, on the day and year first above written.

COUNTY OF YUBA

Date: May 16, 2006, 2006

By: 
Chair of the
Board of Supervisors

ATTEST:

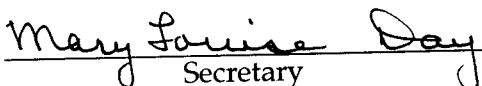
By: 
Clerk of the
Board of Supervisors

RECLAMATION DISTRICT NO. 784

Date: May 16, _____, 2006

By: 
President

ATTEST:

By: 
Secretary

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