

**AGREEMENT FOR PAYMENTS RELATED TO  
CONSTRUCTION OF PUMP STATION 6**

THIS AGREEMENT for Payments Related to Construction of Pump Station 6 ("Agreement") is entered into and effective this 6<sup>th</sup> day of Nov, 2007 ("Effective Date") by and between the THREE RIVERS LEVEE IMPROVEMENT AUTHORITY of Yuba County, a political subdivision of the State of California ("TRLIA"), and RECLAMATION DISTRICT 784, a political subdivision of the State of California ("RD 784") to provide for payments by RD 784 to TRLIA in recognition of TRLIA's reconstruction of PUMP STATION NO. 6 ("PS 6"). TRLIA and RD 784 are referred to collectively herein as the "Parties."

**RECITALS**

- A. RD 784 is collecting impact fees to finance interior drainage improvements pursuant to the *Reclamation District 784 Master Drainage Plan, September 2002*;
- B. The Master Drainage Plan includes the reconstruction of PS 6;
- C. As of the Effective Date of this Agreement, RD 784 has already collected \$185,000 for the PS 6 reconstruction;
- D. RD 784 continues to collect impact fees for Drainage Basin C, 6.49 % of which is budgeted for the reconstruction of PS 6;
- E. TRLIA has already performed the reconstruction work for PS 6 as part of its Phase 2 construction for improvements to RD 784 levees;
- F. The Parties acknowledge that although TRLIA is a joint powers authority whose members include RD 784, this Agreement is a separate transaction that is unrelated to the joint powers authority relationship between the Parties; and
- G. The purpose of this Agreement is to provide for the provision of funds by RD 784 to TRLIA in recognition of TRLIA's construction of PS 6.

**AGREEMENT**

The Parties agree as follows:

- 1. Payments

1.1 RD 784 shall transfer \$185,000 to TRLIA within ten business days of the effective date of this Agreement.

1.2 Starting with the February 1, 2008, RD 784 shall make semi-annual payments on February 1<sup>st</sup> and August 1<sup>st</sup> to TRLIA equal to 6.49 % of the Drainage Basin C impact fees collected by RD 784 in the preceding six months.

1.3 Payments pursuant to Section 1.2 shall continue until the total of such payments reaches an amount equal to the final bid for the construction of PS 6, not to exceed \$1,768,125. This Agreement shall terminate after 15 years or after all the terms and conditions of this Agreement have been satisfied, whichever occurs first.

## 2. Miscellaneous Provisions

2.1 Governing Law and Venue. This Agreement shall be governed by the laws of the State of California.

2.2 Authority. Each signatory of this Agreement represents that they are authorized to enter into this Agreement on behalf of the Party for which they sign. Each Party represents that it has legal authority to enter into this Agreement and to perform all obligations under this Agreement.

2.3 Amendment. This Agreement may be amended or modified only by a written instrument executed by each of the Parties to this Agreement.

2.4 Entire Agreement. This Agreement constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes any prior oral or written agreement, understanding or representation relating to the subject matter of this Agreement.

2.5 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties' respective representative, successors and assigns.

2.6 Necessary Action. Each Party agrees to execute and deliver additional documents and instruments and to take any additional actions as may be reasonably required to carry out the purposes of this Agreement.

2.7 Notices. All notices, requests, demands or other communications required or permitted under this Agreement shall be in writing unless provided otherwise in this Agreement and shall be deemed to have been duly given and received on: (i) the date of service if served personally or served by facsimile transmission on the Party to whom notice is to be given at the address(es) provided below; (ii) on the first date after mailing, if mailed by Federal Express, U.S. Express Mail or other similar overnight courier service, postage prepaid and addressed as provided below; or (iii) on the third day after mailing if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, addressed as follows:

To TRLIA:

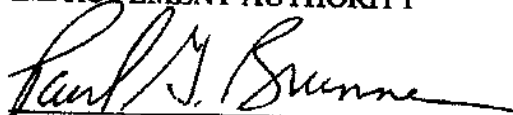
Three Rivers Levee Improvement Authority  
1114 Yuba Street, Suite 218  
Marysville, CA 95901  
Telephone: (530) 749-7841  
Facsimile: (530) 749-6990  
Attention: General Manager


To RD 784:

Reclamation District 784  
1594 Broadway  
Marysville, CA 95901  
Telephone: (530)  
Facsimile: (530)  
Attention: District Manager

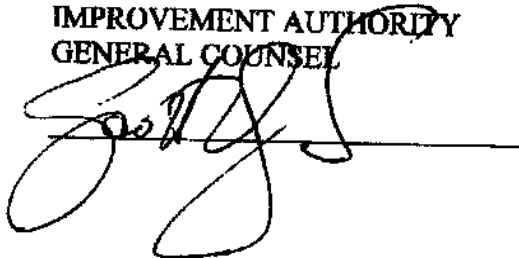
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on  
Nov 6, 2007, 2007.

THREE RIVERS LEVEE  
IMPROVEMENT AUTHORITY

  
Paul G. Brunner P.E.  
Executive Director  
TRLIA

  
Richard Webb  
President, Board of Directors  
RD 784

APPROVED AS TO FORM:  
SCOTT L. SHAPIRO  
THREE RIVERS LEVEE  
IMPROVEMENT AUTHORITY  
GENERAL COUNSEL



APPROVED AS TO FORM:  
CARL LINDMARK  
RECLAMATION DISTRICT 784  
GENERAL COUNSEL

