

THIS AMENDMENT NO. 2 TO JOINT EXERCISE OF POWERS AGREEMENT (the "Amendment No. 2") 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 (the "Agreement") creating the Three Rivers Levee Improvement Authority (the "Authority");

WHEREAS, the County and the District have entered into an amendment of the Agreement on May 16, 2006 (the "Amendment No. 1") for purposes of amending sections 3.01, 3.05, 4.03, and 4.06 of the Agreement;

WHEREAS, the County and the District now desire to further amend the Agreement to clarify that the County Counsel of the County of Yuba is no longer the default legal advisor for the Authority.

AGREEMENT

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

Section 1. Amendment to the Agreement.

(a) Section 3.05 of the Agreement, as amended by Amendment No. 1, is hereby further amended by deleting the entire section and replacing it with the following:

"The Board shall employ an attorney or firm of attorneys to act as the legal advisor to the Authority, and such attorney or firm of attorneys shall perform such duties as may be prescribed by the Board. The Board may also employ other attorneys or firms of attorneys to advise the Board as to specialized areas of law. All such attorneys or firms of attorneys shall serve at the pleasure of the Board, and the terms of employment shall be subject to approval by the Board."

Section 2. Affirmation of Agreement. Except as amended pursuant to the provisions of Section 1 above, the terms and provisions of the Agreement, as amended by Amendment No. 1, 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 No. 2 to be executed by their proper officers thereunto duly authorized, on the day and year first above written.

COUNTY OF YUBA

Date: June 5, 2007

By: Hal Stocker
Chair of the
Board of Supervisors

ATTEST:

By: Anna M. Kellen
Clerk of the
Board of Supervisors

RECLAMATION DISTRICT No. 784

Date: June 15, 2007

By: Richard E. Webb
President

ATTEST:

By: Mary Louise Day
Secretary

APPROVED AS TO FORM
CARL R. LINDOMAN, RD 784 COUNSEL

Carl R. Lindoman

APPROVED AS TO FORM
DANIEL G. MONTGOMERY
COUNTY COUNSEL

BY: Daniel G. Montgomery