

**SECOND AMENDMENT TO JOINT POWERS AGREEMENT
OF THE EL DORADO WATER AND POWER AUTHORITY**

This Second Amendment to the Joint Powers Agreement of the El Dorado Water and Power Authority ("Agreement") is made among the County of El Dorado ("COUNTY"), the El Dorado County Water Agency ("WATER AGENCY"), the El Dorado Irrigation District ("EID"), and the Georgetown Divide Public Utility District ("GDPUD"), collectively, the "Parties", (the "Second Amendment"), with reference to the following facts:

- A. Effective March 2, 2004, the Parties formed the El Dorado Water and Power Authority ("EDWPA") for the purposes stated in the Agreement, principally dealing with the FERC's anticipated re-licensing of SMUD's UARP. The Parties amended the Agreement effective November 1, 2005 to expand the purposes and powers of EDWPA, among other provisions, to include filing and prosecuting applications for water with regulatory agencies for use in the UARP facilities (the "First Amendment").
- B. On November 22, 2005 the Parties, EDWPA and SMUD entered into an agreement for specified uses of designated SMUD facilities in the UARP for the delivery and storage of American River water for which the Parties obtain rights or authorizations (the "Cooperation Agreement"). The Cooperation Agreement conditions EDWPA's efforts to acquire water rights and authorizations first, to a water conservation transfer negotiation with the City of Sacramento, then to State Board filings for various appropriations, and names EDWPA as the designated representative to make and prosecute such filings. EDWPA performed the condition to negotiate a water conservation transfer with the City of Sacramento but without success as of the date of this Second Amendment.
- C. Concurrently with the execution of the Cooperation Agreement the Parties and EDWPA entered into an agreement that allocated various benefits and burdens of the Cooperation Agreement, confirmed the appointment of EDWPA as the designated representative, and provided the Parties would share the costs of obtaining water rights and authorizations (the "Intra-County Coordination Agreement"). EDWPA presented to its member governmental entities an estimated budget to proceed with State Board filings for various appropriations and appointed an ad hoc subcommittee to consider and propose to EDWPA a cost sharing agreement to fund the water acquisition efforts. Article VI of the Agreement provides that at the time EDWPA adopts its annual budget it will also set each member's required contributions necessary to fund EDWPA's activities.
- D. Prior to the receipt, disbursement and accounting of funds by EDWPA pursuant to a cost sharing agreement, or, if set as member's contributions, a review of the Agreement disclosed the need to amend its provisions relating to the functions of treasurer and auditor to bring them into compliance with the cited Government Code section.
- E. Each of the Parties agrees that it is in their mutual best interests to amend and modify the Agreement as provided in this Second Amendment.

Now, Therefore, in consideration of the foregoing facts, each of the Parties agrees that the Agreement shall be amended by this Second Amendment only as follows:

1. ARTICLE VI: BUDGET AND CONTRIBUTIONS BY PARTIES is amended only as follows:

- a. Section 2. is deleted in its entirety.
- b. Section 3. is renumbered as "Section 2." and is amended to provide as follows:

"Section 2. Pursuant to Government Code section 6505.6, the Executive Director, an officer of the Authority, is appointed as treasurer and auditor of the Authority. The treasurer and auditor shall comply with: (i) the duties and responsibilities of the offices as set forth in subdivisions (a) to (d), inclusive, of Government Code Section 6505.5, and (ii) Government Code Section 6505 by requiring audits by a certified public accountant. Prior to the performance of duties as treasurer and auditor such designated officer shall file an official bond with the clerk of the Authority in an amount set by the Board of Directors from time to time as provided by Government Code Section 6505.1"

2. Except as amended by this Second Amendment, the Agreement, as previously amended by the First Amendment, is and remains in full force and effect, and the Agreement, as amended by the First Amendment, and this Second Amendment shall inure to the benefit of and bind the Parties and each of their permitted successors and assigns.

3. This Second Amendment may be executed simultaneously or serially in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument, consisting of three pages including signature pages.

In Witness Whereof, the Parties having been previously authorized by action of each of their respective boards of directors to execute this amendment, have caused this Second Amendment to be executed and attested by their duly authorized representatives. The effective date of this Second Amendment shall be the date of the last to sign as indicated below.

Dated: _____

COUNTY OF EL DORADO

Attest: _____
Clerk of the Board of Supervisors

Helen Baumann, Chairman
"COUNTY"

Dated: _____

EL DORADO COUNTY WATER AGENCY

Attest: _____
Clerk of the Board of Directors

Duane Wallace, Chairman
"AGENCY"

Dated: _____

EL DORADO IRRIGATION DISTRICT

Attest: _____
Clerk of the Board of Directors

Bill George, Chairman
"EID"

Dated: _____

GEORGETOWN DIVIDE PUBLIC UTILITY
DISTRICT

Attest: _____
Clerk of the Board of Directors

Norm Krizl, Chairman
"GDPUD"