

AMENDED COOPERATIVE AGREEMENT

THIS AMENDED AGREEMENT NO. A1, ENTERED INTO EFFECTIVE ON _____, 2008, is between the STATE OF CALIFORNIA, acting by and through its Department of Transportation, referred to herein as "STATE", and the

COUNTY OF EL DORADO, a political subdivision of the State of California, referred to herein as "COUNTY".

RECITALS

1. STATE and COUNTY, collectively referred to herein as PARTIES, entered into Cooperative Agreement 03-0351, effective May 1, 2008, defining the terms and conditions for improvements to the United States Highway 50 (US 50) from Latrobe Road to the Bass Lake grade, within COUNTY, consisting of construction of high occupancy vehicle and bus lanes (HOV) in the median.
2. Since execution of the original agreement, PARTIES have further defined each party's roles and responsibilities and need to correctly identify the funding amount and sources used toward PROJECT costs.
3. PARTIES will now enter into Amendment No. 1 (03-0351 A-1) in order to capture the correct funds, as detailed on Exhibit A-1, attached to and made a part of this Amendment.

IT IS THEREFORE MUTUALLY AGREED:

1. Recital 2 is replaced in its entirety to read as follows:

STATE desires improvements to United States Highway 50 (US 50) from Latrobe Road to the Bass Lake grade, within El Dorado County, consisting of construction of high occupancy vehicle (HOV) and bus lanes in the median, referred to herein as "HOV PROJECT".

2. Recital 3 is replaced in its entirety to read as follows:

STATE completed the project approval and environmental documentation (PA&ED) phase of HOV PROJECT in June of 2002. STATE is the California Environmental Quality Act (CEQA) Lead Agency for HOV PROJECT.

3. Recital 4 is replaced in its entirety to read as follows:

COUNTY intends to construct improvements to the US 50/El Dorado Hills Boulevard/Latrobe Road Interchange consisting of bridge replacements, referred to

herein as "INTERCHANGE PROJECT".

4. New Recital 5 is added in its entirety and all other subsequent articles are renumbered accordingly:

COUNTY completed PA&ED for INTERCHANGE PROJECT in June 2000. COUNTY is the CEQA Lead Agency for INTERCHANGE PROJECT.

5. New Recital 6 is added in its entirety and all other subsequent articles are renumbered accordingly:

PARTIES intend to construct HOV PROJECT and INTERCHANGE PROJECT together, collectively referred herein as "PROJECT".

6. Renumbered Recital 7 is replaced in its entirety to read as follows:

State is willing to fund an amount of \$20,000,000 from STATE's Corridor Mobility Improvement Account (CMIA) toward PROJECT construction capital costs. COUNTY is willing to fund one hundred percent (100%) of all remaining PROJECT costs beyond STATE's Corridor Mobility Improvement Account (CMIA), using federal-aid funds, and local funds, said combination of federal-aid, and local funds herein referred to as "FUNDS" as shown on Exhibit A-1, attached to and made a part of this agreement. STATE will also perform and fund Independent Quality Assurance (IQA) for PROJECT, at no cost to COUNTY.

7. Section I, Article 6 is amended in its entirety as follows:

To invoice STATE, thirty (30) days prior to bid advertisement for construction contract, the amount of \$2,500,000, which amount represents STATE's one month estimated PROJECT construction capital costs.

8. Section I, new Article 7 is added and all subsequent articles are renumbered accordingly:

To, thereafter, on a monthly basis, in arrears, submit invoices to STATE, along with detailed supporting documents, representing current PROJECT construction capital costs. Invoices will meet format and content requirements specified by STATE. Each invoice shall be submitted to STATE's Project Manager for approval and forwarding to the appropriate Accounting Office for payment. In no event shall bills sent to STATE for such costs exceed the amount of \$20,000,000.

9. Section I, renumbered Article 8 (old Article 7) is amended in its entirety as follows:

Upon completion of PROJECT and all work incidental thereto, to furnish STATE with a detailed statement of PROJECT costs to be borne by STATE. To thereafter refund to STATE, promptly after completion of COUNTY's final accounting of said PROJECT costs, any amount of STATE's deposits, required in Section II, Article 2, remaining after said costs to be borne by STATE have been deducted, or to bill STATE for any additional amount required to complete STATE's financial obligations assumed pursuant to this Agreement.

10. Section I, renumbered Article 13 (old Article 12) is replaced in its entirety as follows:

To deposit with STATE within twenty-five (25) days of receipt of STATE's initial billing (which billing will be sent upon execution of this Agreement) the amount of \$25,000, which amount represents one month's estimated cost of R/W acquisition (\$10,000) and two month's estimated cost of R/W activities (\$15,000) for PROJECT.

11. Section I, renumbered Article 18 (old Article 17) is replaced in its entirety as follows:

To have qualified personnel remain available, at no cost to STATE, through completion of PROJECT construction, to help resolve potential environmental issues and perform any necessary work to ensure that INTERCHANGE PROJECT remains in environmental compliance during PS&E, R/W, and construction.

12. Section II, Article 1 is replaced in its entirety as follows:

To deposit with COUNTY the amount of \$2,500,000 within thirty (30) days of receipt of COUNTY's billing thereof (which billing will be sent by COUNTY 30 days prior to bid advertisement date for construction contract) which amount represents one month's estimated PROJECT construction capital costs.

13. Section II, Article 2 is replaced in its entirety as follows:

To pay the approved amount of COUNTY's monthly invoices within thirty (30) days of receipt. Said invoices shall represent current PROJECT construction capital costs. In no event shall bills paid by STATE for such costs exceed the amounts shown in Exhibit A-1.

14. Section II, Article 3 is amended in its entirety as follows:

To pay COUNTY upon completion of all PROJECT costs and within twenty-five (25) days of receipt of a detailed statement made upon COUNTY's final accounting of costs thereof, any additional amount required to complete STATE's financial obligations assumed pursuant to this Agreement.

15. Section II, Article 6 is amended in its entirety as follows:

To submit an initial invoice to COUNTY upon execution of this Agreement for \$25,000, the estimated cost of R/W acquisition (\$10,000) and two month's estimated cost of R/W activities (\$15,000). To thereafter submit to COUNTY, no more than monthly in arrears, invoices for current actual R/W costs.

16. Section II, Article 8 is replaced in its entirety as follows:

To submit an invoice to COUNTY for the estimated direct and indirect cost of source inspection, pursuant to Article 10 of Section I, prior to start of PROJECT construction and upon receipt of said estimate from STATE's representative.

17. Section II, Article 11 is deleted in its entirety and all subsequent articles are renumbered accordingly.

18. Section II, renumbered Article 13 (old Article 14) is replaced in its entirety as follows:

To have qualified personnel remain available, at no cost to COUNTY, through completion of PROJECT construction, to help resolve potential environmental issues and perform any necessary work to ensure that HOV PROJECT remains in environmental compliance during PS&E, R/W, and construction.

19. Section III, new Article 2 is added and all subsequent articles are renumbered accordingly:

All parties to this agreement recognize and acknowledge that COUNTY is a political subdivision of the State of California. As such, COUNTY is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal regulations and may not expend funds not budgeted, or budgeted and then deleted from the budget for financial reasons, in a given fiscal year. All obligations of COUNTY under the terms of this agreement are subject to appropriation of funds in accordance with these requirements.

COUNTY utilizes un-obligated traffic impact mitigation fees collected at building permit issuance to fund a portion of its obligations under this agreement and COUNTY's obligations are dependent on the receipt of said fees in a given year. Notwithstanding any other provision to the contrary, in the event that traffic impact mitigation fees are insufficient to fund the COUNTY's obligations under this agreement, it shall not constitute an event of default, and COUNTY shall not be required to fund the obligation from any other funds or revenues, including but not limited to the County General Fund. In that instance, COUNTY may stop PROJECT and meet with STATE to negotiate and

execute a formal written amendment to change the commitments made in this agreement.

20. Section III, renumbered Article 3 is replaced in its entirety as follows:

All parties to this agreement acknowledge that they are responsible to meet the requirements of Government Code Section 8879.20 et al. (Proposition 1b legislation), the Governor's Executive Order 2007-S-02-07, the California Transportation Commission (CTC) Program Guidelines for the applicable Program (CMIA, 99, etc.), and the PROJECT Scope, Cost, Schedule and Benefit Baseline Data agreement (BASELINE AGREEMENT), attached and made a part of this agreement as Exhibit B. PROJECT Bond Funds as identified in this agreement shall not exceed funding stated in BASELINE AGREEMENT. Changes to COUNTY's fund types will not require an amendment to BASELINE AGREEMENT. Changes to either PARTIES' total PROJECT funding commitments by phase will require an amendment to BASELINE AGREEMENT and this cooperative agreement.

21. Section III, renumbered Article 6 is amended in its entirety as follows:

If there is a legal challenge to the environmental documentation including supporting investigative studies and/or technical environmental reports, for HOV PROJECT, all legal costs associated with those said legal challenges shall be a STATE cost. If there is a legal challenge to the environmental documentation including supporting investigative studies and/or technical environmental reports, for INTERCHANGE PROJECT, all legal costs associated with those said legal challenges shall be a COUNTY cost.

22. Section III, renumbered Article 7 is amended in its entirety as follows:

If, during preparation of PROJECT PS&E, R/W or PROJECT construction, new information is obtained, that requires additional environmental documentation to comply with CEQA and/or NEPA if applicable, this Agreement will be amended to include completion of these additional tasks. PARTIES agree that any additional environmental documentation required for HOV PROJECT will be completed by STATE and COUNTY will complete any additional environmental documentation required for INTERCHANGE PROJECT.

23. Exhibit A is replaced in its entirety with Exhibit A-1 and all references made to Exhibit A will now be made to Exhibit A-1.

24. All other conditions of Cooperative Agreement 03-0351 shall remain in full force and effect.

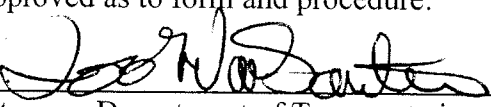
25. This Amendment No. 1 to this Agreement is hereby deemed part of Cooperative Agreement 03-0351.

STATE OF CALIFORNIA
Department Of Transportation

COUNTY OF EL DORADO

By: _____
GARY S. SIDHU, Deputy District Director
District 3 Program/Project Management

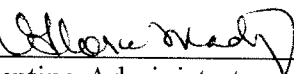
By: _____
RUSTY DUPRAY
Chairman, Board of Supervisors

Approved as to form and procedure:
By:  _____
Attorney, Department of Transportation

By: _____
RICHARD. W. SHEPARD, Director
Department of Transportation

Certified as to funds:
By: _____
District Budget Representative

By: _____
RUSSELL A. NYGAARD
Deputy Director of Engineering
Foothills Engineering Division

Certified as to financial terms and policies:
By:  _____
Accounting Administrator

Attest: _____
CINDY KECK
Clerk of the Board of Supervisors

EXHIBIT A-1

The total PROJECT cost estimate for all PS&E, RW and construction phases of work covered under this Agreement is \$44,568,000 fully funded by STATE, Local FEDERAL-AID, and LOCAL FUNDS as listed below:

STATE ¹		COUNTY		TOTAL	
	CMIA	CMIA Match for FEDERAL-AID FUNDS	FEDERAL-AID FUNDS	LOCAL FUNDS	
PS&E				\$3,000,000	\$3,000,000
R/W Sup				\$100,000	\$100,000
Con Sup				\$3,560,000	\$3,560,000
R/W Cap				\$100,000	\$100,000
Con Cap	\$19,250,300	\$749,700	\$7,994,483	\$ 9,813,517	\$37,808,000
TOTAL	\$20,000,000		\$7,994,483	\$16,573,517	\$44,568,000

¹The County is firmly committed to funding all costs in excess of STATE's CMIA funds, using a combination of its local FEDERAL-AID FUNDS and LOCAL FUNDS. The exact type of FEDERAL-AID FUNDS & amount of each type is in the process of being determined. It appears that the bulk of COUNTY's FEDERAL-AID FUNDS will come from CMAQ and RSTP. Changes in COUNTY's fund types and individual fund type amounts will not require an amendment to this agreement provided the COUNTY's total funding commitment by phase remains unchanged. COUNTY funds will include both LOCAL FUNDS and the FEDERAL-AID FUNDS of the types and amounts shown in the Federal-Aid Finance Letter as federally authorized via form E-76 "Authorization to Proceed" to fund all costs in excess of STATE's CMIA funds.