

**FIRST AMENDMENT TO
LANDOWNER AGREEMENT FOR
TRACY LAKE GROUNDWATER RECHARGE PROJECT**

This amendment to the Landowner Agreement for Tracy Lake Groundwater Recharge Project is made on _____, 2014, the North San Joaquin Water Conservation District, a public entity (the "District"), Landowners and West Coast Credit Services, Inc. (each of the foregoing being referred to individually as a "Party" and all of the foregoing being referred to as the "Parties"), is made with reference to the following:

RECITALS:

A. The Parties entered into the Landowner Agreement for Tracy Lake Groundwater Recharge Project dated November 17, 2011 ("Landowner Agreement").

B. The Parties have determined that the estimated project costs have increased and will exceed the Initial Project Capital Budget set forth in Exhibit C to the Landowner Agreement and the Parties have met and conferred pursuant to Section 5f and 5g of the Landowner Agreement.

NOW THEREFORE, the Parties do hereby agree as follows:

1. The Parties agree and approve the attached Exhibit C, "Revised Capital Project Budget [Col. (7) and (8)]," which replaces in full the existing Exhibit C, "Initial Project Capital Budget," and Landowners hereby expressly waive their right under Section 5f to terminate this Agreement pursuant to Section 16 of the Landowner Agreement.

2. The Landowners agree, approve, and authorize the District to levy any additional and supplemental assessment pursuant to Water Code Section 75214 and to issue any additional Improvement District Warrants to fund any additional Capital Costs needed to complete the Project as shown on the attached Exhibit C, "Revised Capital Project Budget [Col. (7) and (8)]."

3. The Landowners expressly waive their legal rights under Proposition 218 to approve any additional and/or supplemental Capital Assessment pursuant to Water Code Section 75214 to fund the additional Capital Costs needed to complete the Project as shown on the attached Exhibit C, "Revised Capital Project Budget [Col. (7) and (8)]."

4. Except as set forth in this Amendment, all the provisions of the Landowner Agreement shall remain unchanged and in full force and effect.

NORTH SAN JOAQUIN WCD

LANDOWNERS

By: _____
Its: President

By: _____
Its: _____

Date: _____

Date: _____

Approved as to form:

Approved as to form:

General Counsel

WEST COAST CREDIT SERVICES, INC.

By: _____
Its: President

Date: _____

Approved as to form:

Exhibit Attached

Exhibit C – “Revised Capital Project Budget [Col. (7) and (8)].”