

**THIRD AMENDMENT
TO
THIRD REIMBURSEMENT AND FUNDING AGREEMENT
BETWEEN THE COUNTY OF MONTEREY
AND
THE MONTEREY COUNTY WATER RESOURCES AGENCY
FOR
PRELIMINARY ENGINEERING AND DESIGN; SPILLWAY MODIFICATION
FEASIBILITY; TECHNICAL SUPPORT; ENVIRONMENTAL CONSULTING;
CONTRACT LEGAL SERVICES; AND PROGRAM MANAGEMENT, RELATING TO
THE INTERLAKE TUNNEL PROJECT**

This Third Amendment to the Third Reimbursement and Funding Agreement between the County of Monterey ("County") and the Monterey County Water Resources Agency ("Agency") is entered into for the purpose of facilitating reimbursement of deferred activities for the Interlake Tunnel Project: hydrologic modeling, LIDAR Survey, preparation of a draft EIR, contract legal services, and continued Program Management that could not be reimbursed from the County to the Agency due to insufficient funds available in the County's FY 2015-16 Budget.

For good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree to amend the Third Reimbursement and Funding Agreement as follows:

1. Section 1 "Reimbursement and Funding" is amended to read (changes shown in underline/~~strikeout~~):

1. Reimbursement and Funding.

Subject to all other terms of this Third Reimbursement and Funding Agreement ("Agreement") the County shall reimburse the Agency in FY 2016-17 an additional \$279,000 for the purpose of funding Environmental Consulting Services Phase I, including hydrologic modeling, LIDAR Survey, preparation of a draft EIR and continued Program Management work, up to and including the Proposition 218 process, which is the amount not expended in the FY 15-16 Budget appropriations from Amendment No. 1 of \$971,000 and Amendment No. 2 of \$631,000. This \$279,000 is in addition to the sum of \$1,351,000 approved by the BOS on June 21, 2016 and appropriated by the County of Monterey into the Agency's FY 2016-17 Budget for expenditures through July 31, 2017. As of July 31, 2016, the County of Monterey has reimbursed the Agency \$1,369,648.67 and appropriated \$1,351,000 into the Agency's FY 2016-17 Budget. The remaining \$279,000 will meet the not-to-exceed total amount of \$3,000,000 advanced by the County under all reimbursement and funding agreements.

The Reimbursement shall be provided to the Agency within 30 days working days of the receipt by the County of Agency documentation verifying covered expenditures. Documentation shall be submitted to the County Administrative Office as set forth in paragraph 11 (D), below.

2. Section 3 "Repayment" is amended to read (changes shown in underline/~~strikeout~~):

3. Repayment.

To the extent permitted by law, at such time as the Projects are financed, either by way of an assessment district, grants, or other financing mechanism, or any combination thereof, and whether financed in whole or in part (but not including any Reimbursement provided pursuant to this agreement), the Agency shall repay to the County the Reimbursement (or the portion thereof having been paid to the Agency at the time of financing of the Projects). Notwithstanding the foregoing, the County shall have no obligation to provide any Reimbursement beyond ~~June 30~~June 30, 2017 for any expenses incurred by the Agency under the first and second Reimbursement and Funding Agreements, dated July 2, 2014 and April 9, 2015, respectively, or this Third Reimbursement and Funding Agreement. Any repayment of the Reimbursement from the Agency to the County required by this Agreement shall be made within fifteen working days of the occurrence of the event requiring repayment.

3. Except as set forth in this Second Amendment to the Third Reimbursement and Funding Agreement, all other terms of the Third Reimbursement and Funding Agreement, as previously amended, remain in full force and effect.

4. This Second Amendment, shall be attached to the Third Reimbursement and Funding Agreement and incorporated therein as if fully set forth in the Third Reimbursement and Funding Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment to the Third Reimbursement and Funding Agreement as of the day and year written below:

DATED: _____

COUNTY OF MONTEREY

By _____

Lew C. Bauman
County Administrative Officer

APPROVED AS TO FORM AND
LEGALITY COUNTY OF MONTEREY

CHARLES J. MCKEE, County Counsel

By _____
Leslie J. Girard
Chief Assistant County Counsel

DATED: _____

WATER RESOURCES AGENCY

By _____
David E. Chardavoyne
General Manager, Water Resources Agency

APPROVED AS TO FORM AND
LEGALITY, MONTEREY COUNTY
WATER RESOURCES AGENCY

CHARLES J. MCKEE, County Counsel

By _____
Jesse J. Avila
Deputy County Counsel