

FEB 16 2017

**EASTSIDE POWER AUTHORITY
SECOND AMENDED JOINT POWERS AGREEMENT**

THIS Second Amended JPA-ESPA, hereafter referred to as the "Second Amended Agreement," is made and entered into by and between DELANO-EARLIMART IRRIGATION DISTRICT ("DEID"); LINDSAY-STRATHMORE IRRIGATION DISTRICT ("LSID"); and TERRA BELLA IRRIGATION DISTRICT ("TBID"). Said Districts shall be, for collective purposes, hereafter referred to as the "Parties." The term "Parties" shall include any parties which are added to the agreement pursuant to the provisions of Section 6.03.

RECITALS

This Second Amended Agreement is made with reference to the following facts:

1. On April 23, 2001, the Parties entered into an Amended Joint Powers Agreement (Amended Agreement) for the establishment of the Eastside Power Authority. In addition to the Parties, Southern San Joaquin Municipal Utility District (SSJMUD), was also a party to said Amended Agreement. Effective January 9, 2002, SSJMUD, in accordance with the terms and conditions of the April 23, 2001 Amended Joint Powers Agreement, withdrew from the Agreement with the concurrence of the Parties.
2. The Parties are special districts formed and existing in accordance with the provisions of the laws of the State of California. All of the Parties have, within their authorized enabling acts, the power to purchase and lease electric power from any agency or entity, public or private, and the power to provide for the acquisition, operation, leasing and control of plants for the generation, transmission, distribution, sale and lease of electric power, including sale to municipalities, public agencies, public utility districts, or persons, both within and without their boundaries. The Parties are further empowered to distribute power without regard to assessments levied by them, and to sell, dispose of, and/or distribute electric power for use outside of their immediate boundaries.
3. Each of the Parties hereto is also a large consumer of electrical power in connection with the distribution of water for domestic and irrigation purposes to its customers, and therefore is vitally interested in securing a dependable, reliable, and affordable source of power.
4. Kern-Tulare Water District ("Kern-Tulare"), Rag Gulch Water District ("Rag Gulch") and San Luis Water District ("SLWD") are California Water Districts formed and existing in accordance with the provisions of Division 13 of the Water Code of the State of California. Kern-Tulare, Rag Gulch and SLWD are substantial consumers of electrical power for operating their water distribution systems. While their enabling acts limit them from becoming Parties, they also are vitally interested in securing a dependable, reliable, and affordable source of power. Kern-Tulare, Rag Gulch and SLWD shall sometimes be referred to as "Associate Members."
5. In 1992, the United States Congress passed, and the President executed, the Energy Policy Act of 1992 ("EPA of 1992") which, among other things, expanded opportunities for acquisition by public agencies of wheeling services from investor owned utilities and authorized the use of such wheeling services by public agencies for purposes of making sales of electrical energy to the State or any other political subdivisions of the State. As political subdivisions of the State of California, the Parties and Kern-Tulare, Rag Gulch and SLWD are therefore authorized to receive the benefits set forth in the EPA of 1992.

6. The Parties, and Kern-Tulare, Rag Gulch and SLWD possess the right to receive capacity and energy from the Western Area Power Administration ("WAPA"), a federal agency engaged in the marketing and distribution of power generated by federally owned facilities, including the Central Valley Project ("CVP"). The Parties, Kern-Tulare Rag Gulch and SLWD desire to coordinate and maximize their existing use of said WAPA energy and capacity and also to explore development of other sources of generation from other wholesale generators, for which wheeling may be required over the systems of Southern California Edison and other investor owned utilities. The Parties, Rag Gulch, Kern-Tulare and SLWD also desire to evaluate and develop partially and/or wholly-owned generated resources to carry out the foregoing.

7. The Parties desire to enter into this Second Amended Agreement reflecting the deletion of SSJMUD as a Party and the addition of SLWD as an Associate Member and to confirm the continued establishment of Eastside Power Authority as an independent special agency, formed and existing under the provisions of the Joint Powers Act of the State of California. (Government Code Section 6500, et seq.) which would permit the Parties, in common, and as an independent special agency, to study, promote, develop, conduct, design, finance, acquire, construct, and/or operate energy-related projects and programs.

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions hereinafter set forth, it is agreed by and among the parties hereto as follows:

ARTICLE I - DEFINITIONS

As used in this Second Amended Agreement, unless the context requires otherwise, the meaning of the terms used in this Second Amended Agreement shall be as follows:

Section 1.01 Advisory Committee - shall mean the advisory body created by Section 3.02 of this Second Amended Agreement, consisting of representatives from each Party and Associate Member.

Section 1.02 Associate Members - shall mean Kern-Tulare Water District, Rag Gulch Water District and San Luis Water District and such additional public agencies who do not have full authority to be a Party, but who enter into a Cost Sharing Agreement with Authority and who participate in Projects in accordance with Section 8.02.

Section 1.03 Authority - shall mean the Eastside Power Authority ("ESPA"), being the separate entity created by this Second Amended Agreement.

Section 1.04 Board of Directors or Board - shall mean the governing body of the Eastside Power Authority as established in Section 3.01 of this Second Amended Agreement.

Section 1.05 Law or the Law - shall mean the Joint Exercise of Powers Act, being Articles 1 and 2 of Chapter 5 of Division 7 of Title 1 of the Government Code of the State of California (Sections 6500, et seq.)

Section 1.06 Power Supply Contract - shall mean any agreement which the Eastside Power Authority may execute with any federal or state agency, public or private utility, or other entity, public or private, to provide an assured source of energy and/or capacity, including transmission and other required services, sufficient to meet all or a portion of the needs of the Parties and Associate Members.

Section 1.07 Project - "Project" shall mean a project undertaken by ESPA for the benefit of all or some of the Parties and Associate Members. Participation in each Project shall be determined

at the time of initiation of the Project by voluntary agreement among those Parties or Associate Members wishing to participate.

Section 1.08 Revenue Bonds - shall mean revenue bonds of the Authority, including each and all series of revenue bonds, and except as the context shall require otherwise, any other form of indebtedness of the Authority, authorized and issued pursuant to the Law, or the Revenue Bond Law of 1941, being Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (Sections 54300, et seq.)

Section 1.09 Project Agreement - shall mean an agreement among those Parties and/or Associate Members undertaking a Project.

Section 1.10 Wheeling - shall mean the transmission of electrical energy owned by the Authority over facilities owned by another person, agency or corporation.

ARTICLE II - CREATION OF EASTSIDE POWER AUTHORITY

Section 2.01 Existence of Joint Power Entity. Effective as of August 8, 1995, there has been created and in existence a public entity known as the Eastside Power Authority ("Authority") which shall continue to exist on the terms and conditions hereinafter set forth in this Second Amended Agreement. The Parties hereby ratify and confirm all acts and transactions of the Authority heretofore undertaken. This Second Amended Agreement shall supercede and replace the Amended Joint Powers Agreement dated April 23, 2001, all predecessor agreements, and all amendments thereof, which shall be subsumed within this Second Amended Agreement.

Section 2.02 Term. This Second Amended Agreement shall be effective from the date of execution until terminated or amended by mutual agreement of all of the Parties. Notwithstanding the foregoing, this Second Amended Agreement shall not be terminated until such time as all bonds, notes and other indebtedness of the Authority shall have been paid in full or provision for such payment shall have been made.

Section 2.03 Purpose. The purpose of this Second Amended Agreement is to provide for the joint exercise, through the Authority, of powers common to each of the Parties to study, promote, develop, conduct, design, finance, acquire, construct, and/or operate energy-related projects and programs.

Section 2.04 Powers. The Authority shall have the power to contract in order to study, promote, develop, conduct, design, finance, acquire, construct, and/or operate energy-related projects and programs. The Authority is authorized to pool the energy and capacity of the Parties and Associate Members, to enter into contracts for the purchase and acquisition of electrical capacity and energy from any federal or state agency or authority, from any public or private entity or person, and to transmit or contract for the transmission of such energy to the Parties and Associate Members and others entitled thereto. The Authority may enter into Project Agreements, with some or all of the Parties and Associate Members, to provide for the pooling, purchase, generation, sale, and transmission of electric energy. The Authority is authorized, in its own name, to do all acts necessary for the exercise of said powers for said purposes, including, but not limited to, any of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, manage, maintain and operate any buildings, works or improvements; to acquire by eminent domain or otherwise, and to hold or dispose of any property; to sue and be sued in its own name; to incur debts, liabilities and obligations; and to issue revenue bonds and other forms of indebtedness to the extent, and on the terms, provided by

law. The Authority shall have the power to apply for, accept, and receive all state and federal licenses, permits, grants, loans or other aids from any agency of the United States of America, or of the State of California. In accordance with Government Code Section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers, pertaining to DELANO-EARLIMART IRRIGATION DISTRICT, as specified in the Irrigation District Law, Division 11 of the California Water Code, commencing at Section 20500.

ARTICLE III - INTERNAL ORGANIZATION

Section 3.01 Governing Body. The business of the Authority shall be conducted by a Board of Directors. One such director, and one alternate director, shall be selected and designated in writing from time to time by the governing body of each of the Parties. The director selected shall be a member of the Board of Directors of the Party designating him/her. The alternate director shall be a member of the Board of Directors and/or the Manager or an equivalent officer or employee of the Parties. The role of each alternate director shall be to assume the duties of the director appointed by his member entity, in the case of absence, availability, or conflict by such director and/or in the event such director declines to serve in a capacity otherwise required for such director. The directors and alternates so named shall continue to serve until their respective successors are appointed.

Section 3.02 Advisory Committee. There shall be an advisory body known as the Eastside Power Authority Advisory Committee which shall consist of the Manager, or equivalent position, from each Party and Associate Member, who shall be designated in writing from time to time by the respective governing body of each such entity. The Advisory Committee shall provide advice to the Authority's Manager and to the Board in the development and implementation of Projects.

Section 3.03 Voting Percentage. Each Party shall have an equal vote on all matters affecting or undertaken by the Authority. If authorized by the Authority, a limited number of Parties may undertake, in the Authority's name, a Project which provides limited benefits to said Parties only, or which requires special obligations only affecting such parties. In such event, once the Project Agreement is authorized by the Authority, the voting percentage will be as determined by the parties undertaking such Project in accordance with a Project Agreement.

Section 3.04 Meetings.

(a) The Board shall hold at least one regular meeting per year, and by action of the Board entered on its minutes, may provide for the holding of regular or special meetings at more frequent intervals. The date upon which, and the hour and place at which, each such regular meeting shall be held shall be fixed by action of the Board recorded on its minutes. Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the California Government Code. All meetings of the Board shall be called, held, noticed and conducted subject to the provisions of the Ralph M. Brown Act (Sections 54950, et seq. of the California Government Code). Compensation and reimbursable expenses of the Board members shall be set from time to time by resolution of the Board. All meetings of the Board shall be held within the boundaries of one of the parties.

(b) The Advisory Committee shall meet as necessary at the call of the Authority's Manager.

(c) A quorum of the Board shall consist of a director or, in the absence of a Director, the

alternate member, representing the majority of the Parties hereto, except that less than a quorum may adjourn from time to time in accordance with law.

(d) The directors shall select, from among their members, a president who shall be presiding officer of all Board meetings, and a vice president who shall serve in the absence of the President. The term of office of the president and vice president shall continue until replaced by vote of the Board of Directors, provided however that the office shall be declared vacant if the person serving dies, resigns, or is removed by his or her member entity as its representative on the Authority, or if his or her member entity withdraws from this Second Amended Agreement pursuant to any of the provisions hereof. The directors shall also appoint a Secretary, who shall be responsible for keeping the minutes of all meetings of the Board and all other official records of the Authority. The Board may also appoint such other officers and employees as it deems necessary to carry out the purposes of this Second Amended Agreement. The Board shall appoint a Manager to direct the business of the Authority in accordance with the policies of the Board. The Manager shall serve at the pleasure of the Board.

(e) The Board may adopt an official seal if determined to be in the best interest of the Authority. The Board may further, in its discretion, adopt Bylaws and provide for the posting of, publication, and amendment of said Bylaws from time to time, as the Board may deem necessary.

ARTICLE IV - FINANCIAL PROVISIONS

Section 4.01 Fiscal Year. The fiscal year of the Authority shall be the 12 months commencing January 1 and ending December 31. The fiscal year may be modified by the Board by resolution of the Board of Directors.

Section 4.02 Depository; Treasurer. The Directors shall appoint a Treasurer for the Authority, who shall serve at the pleasure of the Board. The Treasurer shall be the depository and shall have custody of all money of the Authority, from whatever sources, subject to the applicable provisions of any indenture or resolution providing for a trustee or other fiscal agent. The Treasurer shall perform the duties specified in Government Code Section 6505.5 and shall report to the Board in accordance with the requirements of treasurers of irrigation districts.

All funds of the Authority shall be strictly, and separately, accounted for; and regular reports shall be rendered of all receipts and disbursements, at least quarterly during the fiscal year. The books and records of the Authority shall be open to inspection by the Parties, and by bondholders and lenders as and to the extent provided by resolution or indenture. The Board shall contract with an independent certified public accountant to make an annual audit of the accounts and records of the Authority, which shall be conducted in compliance with Section 6505 of the California Government Code.

Section 4.03 Property; Bonds. The Board of Directors shall from time to time designate the officers and persons, in addition to those specified in Section 4.02 above, who shall have charge of, handle, or have access to, any property of the Authority. Each such officer and person shall file a bond in an amount designated by the Board of Directors. Such designations shall be subject to ratification by the parties, in compliance with Government Code Section 6505.1.

Section 4.04 Budget. If ordered by resolution of the Board of Directors, the Authority manager shall develop a budget for review and adoption by the Board of Directors at least thirty (30) days prior to the commencement of each fiscal year.

Section 4.05 Contributions and Payments for General and Mutual Expenses.

(a) Contributions from the Parties, and from Associate Members, shall be made to the Authority to meet the expenses of the Authority in carrying out its purposes. Payments of public funds may be made to defray the costs incurred in carrying out such powers, and advances of funds may be made for such purposes, to be repaid as provided in this Second Amended Agreement, or in amendments hereto. Personnel, equipment or property of one or more of the Parties may be used in lieu of other contributions or advances, upon approval of the Board of Directors.

(b) General and administrative expenses shall be shared by the Parties and each Associate Member in accordance with agreements among the Parties and Associate Members.

Section 4.06 Project Contributions and Payments.

(a) Funding of Projects and withdrawals of participation in Projects shall be governed by a Project Agreement.

(b) It is acknowledged Projects undertaken may require that additional sums be advanced by the participating Parties and Associate Members to cover costs and cash flow requirements arising prior to the permanent financing of any Project, to the extent that such costs and cash flow requirements are not paid from other sources. In such circumstances, if a majority of the participating Parties and Associate Members determine that an increased financial contribution from the participating Parties and Associate Members is needed, then a notice to that effect shall be sent to each participating Party and Associate Member. The recipients of the notice shall have the option of either participating in accordance with its percentage interest in such increased contribution or of declining its share of said funding in which event, although it shall continue to be a Party and/or Associate Member of the Authority, its voting privilege and right to participate in the financial benefits of said Project shall be suspended and such financial benefits shall be allocated to the remaining Parties and Associate Members.

(c) If a participating Party or Associate Member terminates its participation in a Project under Section 4.06(b) above, and a sufficient number of Parties and Associate Members agree to participate in the increased contribution, then the Project Agreement shall be amended to reflect participation of, and benefits to, only those Parties and Associate Members contributing to same (subject to their increased contributions). Such termination in a Project shall not terminate the obligation(s) of any Party or Associate Member to the Authority or to other Project participants existing prior thereto. Unless otherwise agreed by amendment to the Project Agreement, the remaining entities who continue to be parties shall have their share of benefits and obligations in a Project redetermined so that they bear the same ratio to one another as prevailed prior to the withdrawal of the entities refusing to contribute.

(d) The existing Project Agreement No. 4, dated October 15, 1998, and Addendum No. 1 to ESPA Project Agreement No. 4, dated January 17, 2000 shall remain in full force and effect. Addendum No. 2 to Project Agreement No. 4, dated May 28, 2002, is terminated and of no further force and effect.

Section 4.07 Unanimous Authority for Financing. At such time as the Board determines that permanent financing of a Project should be obtained, the Board shall give written notice to each Party. Said notice shall describe in general terms a Project or projects to be funded by the financing, the maximum amount of the bonds or other instrument proposed to be issued, and the

anticipated sources of revenue to meet the obligations under the financing and shall specify a reasonable period of time in which the Parties must act to signify their concurrence. Within the time specified in said notice, each Party shall take such action as may be required by law on its part to authorize the financing by the Authority. In the event of financing of a Project that benefits a limited number of Parties and/or Associate Members, only those participating in the Project shall be responsible for its financing.

Section 4.08 Withdrawal of Non-Concurring Entity.

(a) Any Party that, within the time specified in said notice or any extensions thereof that may be granted by the Board, fails to take such action, or having taken such action thereafter rescind or appeal it, or, having submitted the matter to an election by referendum or otherwise, fails to gain approval of its voters, shall be considered to have discontinued its participation in such Project and it shall thereafter be considered a Project for the remaining participants only.

(b) The remaining Parties and Associate Members shall have their respective shares of obligation to and benefit from said Project, but redetermined so that they bear the same proportion to one another as prevailed prior to the non-concurring entity(s) ceasing to be a party. The Authority shall proceed with permanent financing of the Project in the amounts, and on the terms and conditions, previously concurred in by the remaining parties.

(c) The Authority shall hold title to all funds, property and works acquired by it during the term of this Second Amended Agreement.

**ARTICLE V - WITHDRAWAL OF PARTIES AND TERMINATION OF
ASSOCIATE MEMBERS**

Section 5.01 Withdrawal from Authority. A Party who wishes to withdraw permanently from membership in this Second Amended Agreement, or an Associate Member who no longer wishes to associate with the Authority, may provide ninety (90) days written notice to the Authority which notice shall contain the unconditional resolution of the Board of Directors of said entity requesting withdrawal from the Second Amended Joint Powers Agreement, or termination of further Associate Member status. Said notice of termination shall be effective ninety (90) days from the date of its delivery to the Authority, or such lesser period as is established by the remaining Parties, and no further action of the Authority shall be required in connection therewith. The withdrawing Party, as the case may be, shall be responsible for its share of all costs, expenses, advances, and other obligations including bonds, notes or other indebtedness issued by the Authority while such withdrawing member was a party, in connection with any Project and the withdrawing party or beneficiary shall also be responsible for any claims, demands, damages or liability arising from the initiation of this Second Amended Agreement through the date of the effectiveness of such withdrawal. The remaining Parties and Associate Members shall have the option of discontinuing a Project and/or acquiring the interests of the departed Party or Associate Member and maintaining the same proportional interest as the remaining entities, as is set forth in Article IV above.

Section 5.02 Withdrawal from Project. A Party or Associate Member who is a Party to a Project Agreement shall be permitted to withdraw from said Project Agreement in accordance with the terms of said agreement. Withdrawal by a Party from a Project shall not result in termination of membership in this Second Amended Agreement unless the procedures set forth in Section 5.01 above are followed.

Section 5.03 Refunds. No Party or Associate Member shall be entitled to a refund of any payments made in connection with administrative and general expenses of the Authority and/or payments made in furtherance of a Project. Unexpended funds, which have not been committed for expenditure on any Project shall be remitted to the withdrawing Party or Associate Member, in proportion to their payment, and shall be returned within thirty (30) days of the effective date of the withdrawal.

ARTICLE VI - RELATIONSHIP OF EASTSIDE POWER AUTHORITY AND PARTIES

Section 6.01 Separate Entity. In accordance with Government Code Section 6506 and 6507, the ESPA shall be a public entity separate from the parties of this Second Amended Agreement. Unless otherwise agreed, the debts, liabilities and obligations of the Authority shall not be debts, liabilities or obligations of the Parties. The foregoing disclaimer shall not apply to a Party who has withdrawn from the Second Amended Agreement to the extent of such Parties' obligations incurred while a party to this Second Amended Agreement. All property, equipment, supplies, funds and records of the Authority shall be owned by the Authority, except as otherwise provided in this Second Amended Agreement. All agreements, contracts, orders, and commitments of the Authority shall state thereon that said commitments are commitments of the Authority only, and shall not be considered debts or obligations of any of the parties hereto. Contracts with third parties will contain a clause limiting recourse to the Authority without recourse to any Party.

Section 6.02 Power Rights. Power acquired from any Project shall be made available to participating Parties and Associate Members for use by them on terms and conditions consistent with the Project Agreement. No Party or Associate Member shall have the independent right to sell or resell any power, and all such sales or resales shall be conducted by the Authority. Any power made available to a Party or Associate Member, but not accepted or used by it, may be disposed of by the Authority on such terms and conditions as the Authority deems fit, provided, however, that the net proceeds of any such distribution shall be credited to the account of the Party or Associate member who initially was entitled to such power. If the Party or Associate Member has not incurred any financial cost or expense in association with the development of said power resource, then all revenues and receipts attributable to the disposition of such power by the Authority shall be the property of the Authority.

Section 6.03 Additional Parties. Additional entities may join in this Second Amended Agreement and become Parties upon unanimous consent of the then-existing Parties. The terms and conditions of such joinder shall be set forth in an amendment to this Second Amended Agreement, signed by all of the then-existing parties, and shall be consistent with any contracts, resolutions or indentures of the Authority then in effect.

Section 6.04 Disposition of Property Upon Termination. Upon termination of this Second Amended Agreement, any surplus money on hand shall be returned to the then-existing Parties and the Associate Members in proportion to the contributions. Unless otherwise agreed, all other property, works, rights and interests of the Authority shall be allocated to the Parties and Associate Members in the same manner upon such termination. Notwithstanding the foregoing, at the time of termination of this Second Amended Agreement, if a majority of the Parties and the Associate members agree to sell the property, works, rights and interests of the Authority to a public utility, governmental agency, or other entity or entities for good and adequate consideration, then in that event the Authority shall have the power to consummate such a sale,

and the net proceeds therefrom shall be distributed in the same manner as set forth above.

ARTICLE VII - MISCELLANEOUS PROVISIONS

Section 7.01 Arbitration. All controversies among the Parties and the Associate Members arising out of an action or decision of the Board of Directors, or concerning the administration of this Second Amended Agreement, shall be settled by arbitration in accordance with the provisions of this paragraph. Within ten (10) days after the action or decision has been taken, the aggrieved entity shall give written notice to the Board and to the other entities that it desires arbitration, stating the controversy to be arbitrated. Within ten (10) days after the action or decision has been taken, the aggrieved entity shall give written notice to the Board and to the other entities that it desires arbitration, stating the controversy to be arbitrated. Within ten (10) days, thereafter, the aggrieved entity and the Board shall each select one arbitrator, and within ten (10) additional days after their selection, the two arbitrators shall select a third arbitrator. The hearing shall be conducted within fifteen (15) days after the selection of the third arbitrator and shall be restricted to matters relative to those stated in the notice requesting arbitration. The Board and the aggrieved entity shall be given an opportunity to be heard and to present evidence. Within ten (10) days after the conclusion of the hearing, or hearings, the arbitrators shall state their findings of fact, conclusions of law and decision in writing, and shall sign the same and deliver a signed copy thereof to the Board and to the aggrieved entity. The decision shall be final and binding upon the Board and the Parties. A majority finding shall govern if the arbitrators' determination is not unanimous. The aggrieved entity and the Board shall each pay the expenses of their respective arbitrators. The costs and expenses of the third arbitrator, and the administrative costs of arbitration shall be shared equally between the aggrieved entity and the Board.

Section 7.02 Further Amendment of this Second Amended Agreement. This Second Amended Agreement may be amended by an agreement approved by the Boards of all Parties and subject to any conditions or restrictions established by resolution or indenture authorizing the issuance of any financing. Approval of the Board of the Authority shall not be required for the amendment hereof.

Section 7.03 Severability. Should any part, term or provision of this Second Amended Agreement be decided by the courts to be illegal or in conflict with any laws of the State of California or otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms or provisions shall not be affected thereby.

Section 7.04 Assignment, Binding on Successors. Except as otherwise provided in this Second Amended Agreement, the rights and duties of the Parties to this Second Amended Agreement may not be assigned or delegated without the advance written consent of all of the other Parties, and any attempt to assign or delegate such rights or duties in contravention of this Section shall be null and void. Any approved assignment or delegation shall be consistent with the terms of any contracts, resolutions or indentures of the Authority then in effect. This Second Amended Agreement shall inure to the benefit of, and be binding upon, the successors and assigns of the parties hereto. This Section does not prohibit a member entity from entering into an independent agreement with another agency regarding the financing of that Party's contributions to the Authority, or the disposition of proceeds which that Party receives under this Second Amended Agreement, so long as such independent agreement does not affect, or purport to affect, the rights and duties of the Authority or the Parties under this Second Amended

Agreement.

Section 7.05 Notices. Any notice authorized or required to be given pursuant to this Seconded Amended Agreement shall be in writing and shall be deemed to have been given when mailed, postage prepaid, or delivered during working hours to the following addresses, or to such changed addresses as are communicated to the Authority and the Parties in writing:

DELANO-EARLIMART IRRIGATION DISTRICT
14181 Avenue 24
Delano, CA 93215

LINDSAY-STRATHMORE IRRIGATION DISTRICT
Post Office box 846
Lindsay, CA 93247

TERRA BELLA IRRIGATION DISTRICT
24790 Avenue 95
Terra Bella, CA 93270

ARTICLE VIII - ADDITION OF MEMBERS AND PARTICIPATION BY ASSOCIATE MEMBERS

Section 8.01 Addition of Members. As of the execution of this Seconded Amended Agreement, Kern-Tulare, Rag Gulch and SLWD do not possess the necessary enabling authority in order to participate in all of the powers, purposes and Projects of the Authority. However, the Parties to this Second Amended Agreement acknowledge that Kern-Tulare, Rag Gulch and SLWD are, historically and by virtue of their membership in the Eastside Power Association, interested in and desirous of participating financially, beneficially, and in terms of the receipt of power for the use of their pumping plants, in the Projects of the Authority. The Parties hereto acknowledge that benefits of projects developed by the Authority will be provided to Kern-Tulare, Rag Gulch and SLWD in accordance with the terms and conditions hereof by separate agreement entered into between the Authority and Kern-Tulare, Rag Gulch and SLWD as appropriate. At such time as Kern-Tulare, Rag Gulch and SLWD should receive appropriate enabling authority within their respective enabling statutes, then the Parties hereto agree that if receiving the unanimous consent of the Parties, they will be permitted to join under the terms and conditions comparable to and in proportion to terms and conditions applicable to the parties hereto.

Section 8.02 Participation of Associate Members. Additional Associate Members of this Second Amended Agreement that desire to participate in the ESPA projects consistent with their existing enabling statute, will be permitted subject to the unanimous consent of the Parties and the unanimous consent of the then existing Associate Members. The terms and conditions of acceptance of additional entities as Associate members entitled to participate in a Project under the JPA, shall be established at the time of said admission.

IN WITNESS HEREOF, the Parties hereto have executed this Second Amended Agreement the day and year first above written.

DELANO-EARLIMART
IRRIGATION DISTRICT

By_____

By_____

LINDSAY-STRATHMORE
IRRIGATION DISTRICT

By_____

By_____

TERRA BELLA IRRIGATION DISTRICT

By_____

By_____