

SECOND AMENDMENT TO THE WATER AND SEWER SERVICE AGREEMENT

The Palisades Development, LLC, a California limited liability company and Squaw Valley Public Service District, a public entity (collectively, the “Parties”) executed the Water and Sewer Service Agreement dated May 31, 2017 (“Agreement”).

WHEREAS, the Parties did reserve the right to amend from time to time such Agreement in whole or in part.

WHEREAS, the Parties wish to amend Section 10.4 Performance, Payment and Maintenance Bond.

NOW THEREFORE, pursuant to the provisions of Section 18.8 Amendment of the Agreement and by signature below, the Parties do hereby amend the Agreement as follows:

1. Section 10.4 Performance, Payment and Maintenance Bond of the Agreement is modified as follows:

Developer shall procure and continuously maintain, at its sole expense, a Performance, Payment and Maintenance Surety Bond issued by a company authorized to do surety business in the State of California upon its standard form, or other suitable form of security, guaranteeing that Developer will perform all of its obligations under this Agreement and will pay for all work and material furnished to the job. Said bond or other security shall be in an amount equal to 15% (Fifteen Percent) of the value of the cost of construction of the Improvements not yet constructed and shall provide coverage for the Improvements and on account of Developer's obligation to replace or repair any and all defects in material or workmanship in said Improvements for a period of two (2) years following completion and acceptance of Improvements by District. Developer shall not be required, but may elect its option, to obtain completion and payment bonds from its contractors or subcontractors in connection with the Improvements.

2. Miscellaneous. This Second Amendment to the Agreement modifies the Agreement and shall control in the event of any inconsistencies. In all other respects, the Agreement shall remain in full force and effect and shall be incorporated herein by reference. All terms not defined herein shall have the definitions set forth in the Agreement. This Second Amendment may be executed in counterparts, which taken together, shall constitute one amendment. Each person executing this Second Amendment warrants that he/she has the authority to execute this Second Amendment from the party on whose behalf said person is purporting to execute it.

IN WITNESS WHEREOF, the Parties executed this First Amendment on the date referenced below and by their signatures, understand and agree to be bound by any and all terms within the Agreement.

Dated: December 19, 2017

Squaw Valley Public Service District, a public entity

By: _____

Dated: December 19, 2017

The Palisades Development, LLC, a California limited liability company

By: _____