

**THIRD AMENDMENT TO THE
COPPER RIVER RANCH WATER SUPPLY IMPLEMENTATION AGREEMENT
DATED MARCH 1, 2018**

This THIRD AMENDMENT ("Third Amendment"), effective as of March 1, 2018 (the Effective Date), is between the CITY OF FRESNO, a municipal corporation ("City"), and CRD East, Inc., a California corporation ("Developer"), individually, a "Party", and jointly, the "Parties", to further amend the Copper River Ranch Water Supply Implementation Agreement, dated November 17, 2016, as previously amended (the "Agreement").

RECITALS

- A. Developer, as the anticipated primary developer of the Copper River Ranch Project (the Project), entered into the Agreement to memorialize its obligations to provide adequate water supply for the Project, including: (1) expansion of PS 330; (2) construction of the required additional water supply wells (including PS 369, 370, and 371) and related facilities (including the Disposal Bypass Line); and (3) address the fair share development fee for the NESWTP contemplated by the FEIR Mitigation Measures for the Project.
- B. As part of the Agreement, the parties agreed to certain milestone dates on which the above obligations were to be completed. As of March 1, 2017, Developer could not fulfill certain obligations under the Agreement. At Developer's request, City and Developer entered into a First Amendment to the Agreement dated March 23, 2017 (the "First Amendment"), to provide Developer additional time to fulfill its obligations. As of July 31, 2017, Developer again failed to fulfill certain obligations under the Agreement. At Developer's request, City and Developer entered into a Second Amendment to the Agreement dated November 17, 2017 (the "Second Amendment"), to provide Developer additional time to fulfill its obligations.
- C. As of December 1, 2017, Developer failed to expand PS 330, construct PS 370, and construct the Disposal Bypass Line in accordance with deadlines provided in the Agreement.
- D. Following good faith discussions, the Parties have agreed: (1) Developer shall cure all defaults by June 1, 2018; (2) Developer shall pay its remaining \$567,623.50 Development Fee obligation to City by March 2, 2018; (3) and Developer, and any of its affiliates (including, but not limited to the entities named in Section 14(c) of the Agreement), shall not submit any maps or entitlements relating to the Project Area to the City for consideration or approval until the obligations of the Agreement have been satisfied.
- E. The Parties now desire to amend the terms of the Agreement to reflect their understanding.

AGREEMENT

NOW, THEREFORE, the Parties agree:

- 1. Recitals. The foregoing Recitals are incorporated by reference into this Third Amendment.

2. Water Supply Obligation. Developer's deadlines to expand PS 330 and to construct PS 370 and the Disposal Bypass Line are extended to June 1, 2018. As provided in the Second Amendment, Developer shall place PS 371 into service on, or before, December 1, 2018.
3. Development Fee. The Development Fee payment schedule is further amended such that Developer shall pay City its remaining Development Fee obligation of \$567,623.50 by March 2, 2018.
4. Submission of Maps and Entitlements. Any application submitted to the City from the date of default noted in Recital C above, which cannot establish the existence of sufficient water supply to service such project will not be complete for the purposes of the Permit Streamlining Act. Developer agrees that it, and any of its affiliates (including, but not limited to, the entities identified in Section 14(c) of the Agreement) shall refrain from submitting any applications related to the Project Area until the obligations of this Agreement have been satisfied.
 - a. Exception: Prior to Developer's timely fulfillment of its obligations, Developer may submit, and City may accept, any application which is otherwise complete under the Permit Streamlining Act, which is submitted following a formal written determination by the City Manager (pursuant to Fresno Municipal Code Section 2-402) waiving the aforementioned requirement and stating that the submission may be accepted and that the application would not create a public health and safety risk relating to sufficiency of water supply.
5. Certificates of Occupancy Withheld. The Parties agree that, notwithstanding Section 9 of the Agreement, Developer's failure to meet any of the deadlines set forth herein or in any other active provision of the Agreement entitles City to immediately cease to issue Certificates of Occupancy for units built within the Project. Unless otherwise agreed to in writing by the Parties, Developer shall not be entitled to any further opportunity to cure defaults related to deadlines hereby amended.
6. Acknowledgment. Except as expressly changed by this Third Amendment, the Agreement as previously amended remains in full force and effect and is ratified and affirmed by the Parties.
7. Counterparts. This Third Amendment may be executed in several counterparts, each of which when so executed and delivered, shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument, even though all Parties are not signatories to the original or the same counterpart.
8. Exhibits. There are no Exhibits to this Third Amendment.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment at Fresno, California, the day and year first above written.

CITY

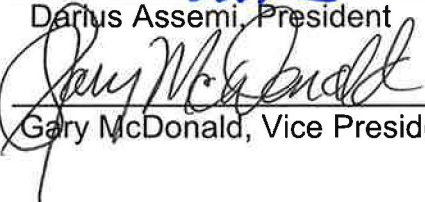
DEVELOPER

CITY OF FRESNO,
a California municipal corporation


CRD East, Inc., a California corporation

By: _____
Wilma Quan-Schechter, City Manager

By: 
Darius Assemi, President

By: 
Gary McDonald, Vice President

APPROVED AS TO FORM:
DOUG T. SLOAN
City Attorney

By:  for 2/13/2018
Raj Singh Badhesha Date
Deputy City Attorney

ATTEST:
YVONNE SPENCE, MMC
City Clerk

By: _____
Deputy