

**SEWER, WATER AND TRAIL IMPROVEMENTS DEVELOPMENT AGREEMENT
BETWEEN THE
TAHOE CITY PUBLIC UTILITY DISTRICT
AND
HOMWOOD VILLAGE RESORTS, LLC**

This agreement is entered into between the TAHOE CITY PUBLIC UTILITY DISTRICT, a local public agency of the State of California, hereafter referred to as "DISTRICT", and HOMEWOOD VILLAGE RESORTS, LLC, a Delaware limited liability company, hereafter referred to as "DEVELOPER", with respect to the following facts:

RECITALS

- A. DEVELOPER is the owner of that certain real property located within Placer County, California, at 5245 Sans Souci Terrace, Homewood, California 96161 bearing Assessor's Parcel Number 097-140-003 and 5145 W Lake Blvd, Homewood, California 96161 bearing Assessor's Parcel Number 097-060-038, on which DEVELOPER intends to construct, reconstruct, and/or remodel structures or otherwise develop their property.
- B. DISTRICT owns and operates water distribution systems, sewer collection systems and trail facilities, portions of which are located upon and/or adjacent to the property of DEVELOPER. DEVELOPER acknowledges DISTRICT'S right to own, operate, maintain, replace, and access those portions of said water, sewer and trail facilities on DEVELOPER'S property.
- C. As a result of developing their property, DEVELOPER desires to have various DISTRICT water, sewer and trail facilities constructed, extended and/or reconstructed, including constructing a sewer main, installing water and sewer services, installing a fire hydrant line, replacing trail facilities and connecting proposed structures to DISTRICT water, sewer and trail facilities, hereafter referred to as the "Project."
- D. DEVELOPER intends to construct/reconstruct a complete water distribution system, sewer collection system and trail facilities for the Project in accordance with the approved plans and specifications. Such improvements shall hereafter be referred to as the "utility and trail facilities".
- E. The Project area is within the DISTRICT boundaries.
- F. The utility and trail facilities are a necessary part of the Project, and DEVELOPER has requested that the DISTRICT accept the system by including it within the DISTRICT'S existing integrated system. DEVELOPER has further requested that, upon completion, the DISTRICT thereafter own, operate, maintain, repair, and replace the utility and trail facilities as necessary.
- G. The DISTRICT is willing to accept the utility and trail facilities providing they are properly constructed in accordance with the approved plans, specifications and terms of this agreement.
- H. Complete plans and specifications for the construction of the utility and trail facilities shall be prepared in accordance with the DISTRICT'S Rules and Regulations and with the requirements and specifications as hereafter set forth. Copies of the approved plans and specifications shall be kept on file by the DISTRICT.
- I. The following items are on file in the DISTRICT office or will be provided by the DEVELOPER and are incorporated herein by reference. All items are required to be completed in the order shown

unless otherwise approved by the District.

Exhibit	Description
Required prior to signing the Development Agreement:	
A.	Development Agreement application
B.	Grant Deed & Existing Easements
C.	Ownership/Signatory authority document
D.	Project County Assessor map
E.	DISTRICT Cost Estimate: Project review, administrative, inspection and construction costs
F.	Site and improvement plans – utility and trail facilities
G.	Improvements by and Responsibilities of DEVELOPER
H.	Improvements by and Responsibilities of DISTRICT
Required prior to construction:	
I.	Contractor Firm Data Sheet(s)
J.	Contractor’s Proof of Insurance
K.	Project Permits
	a. Placer County Encroachment Permit
L.	Easement(s) (signed and sent for recording)
	a. Legal Description(s)
	b. Plat Map(s)
Required prior to unconditional acceptance:	
M.	Easement(s) (if as-built adjustments needed)
	a. Legal Description(s)
	b. Plat Map(s)
N.	Quitclaim Deed
	a. Trail Easement
O.	Bill of Sale, Guarantee, and Acceptance
P.	As-built drawings
Q.	Engineer of Record Approved As-Built Construction Costs
R.	Pay outstanding costs

The parties agree as follows:

1. Payment of Costs and Fees

DEVELOPER has deposited with the DISTRICT the sum of **Three thousand dollars (\$3,000.00)** with the Development Agreement application. The DISTRICT has prepared an estimate of its costs for materials, and labor that the DISTRICT expects to expend for administrative, design review, inspection, and actual construction (hereafter collectively referred to as the "construction costs") and is included as Exhibit "DISTRICT Cost Estimate: Project review, administrative, inspection and construction costs".

Upon acceptance of this Development Agreement, DEVELOPER shall deposit an additional **Twenty-four thousand one hundred eighty-three dollars and 48/100 (\$24,183.48)** to be applied to the actual DISTRICT costs associated with the work outlined herein. Other costs may include consultant and/or legal counsel and will be billed against applied deposit. If the actual cost of work by the DISTRICT exceeds the amount deposited, DEVELOPER shall pay such excess within thirty (30) days of receipt of the DISTRICT'S invoice. If the actual cost is less than the amount deposited, the DISTRICT shall refund the difference within thirty (30)

days of the completion of all requirements of this Development Agreement.

2. Payment for Design and Construction

DEVELOPER agrees to pay all costs for the design and construction of utility and trail facilities.

3. Design and Construction

DEVELOPER shall be required to submit a plan for the design and construction of the utility and trail facilities. DEVELOPER shall not proceed to construction until receiving approval of plan from DISTRICT. Construction of the utility and trail facilities shall comply with DISTRICT Ordinances, standard specifications and with any particular requirements and specifications as outlined herein. A copy of the approved plan and specifications, once provided shall be kept on file in the DISTRICT'S Technical Services Division.

4. Title Search – Existing Property Encumbrances

Developer will perform a title search prior to the start of the Project to ascertain whether there are property encumbrances in existence, which could impact the granting of easements related to the Project.

5. Improvements by and Responsibilities of DEVELOPER

DEVELOPER shall perform and be responsible for all labor and material expenses involved in performing the utility and trail facility improvements described in the Exhibit entitled "Improvements by and Responsibilities of DEVELOPER".

6. Improvements by and Responsibilities of DISTRICT.

The DISTRICT shall perform water distribution system improvements at DEVELOPER'S expense as described in the Exhibit entitled "Improvements by and Responsibilities of DISTRICT". The construction costs deposited with the DISTRICT shall be applied to the actual construction costs unless otherwise indicated. If the actual construction costs exceed such deposit, DEVELOPER shall pay such excess within thirty (30) days of receipt of the DISTRICT'S invoice.

7. Provision of Easements

DEVELOPER will execute and procure DISTRICT easements granting the right to do all things necessary for the maintenance and operations of all proposed or future utility and trail facilities located on the Project site or adjacent parcels including, but not limited to, a right to ingress and egress, a right to temporarily store equipment and materials, to excavate, to drive vehicles over, to place markers on, to survey, to inspect and repair, and to remove rocks, boulders, trees and plant life in the course of excavation or re-excavation. The DISTRICT will prepare the utility and trail facility easements. DEVELOPER will have appropriate legal descriptions and plats prepared by a registered land surveyor, based upon the approved design drawings. The easements shall be executed and sent off for recording prior to construction. If as-built adjustments are needed for the easements, the DEVELOPER shall supply corrected exhibits and execute new easements. The easement/s will be recorded against the following properties:

APN 097-140-003 (Homewood Village Resorts, LLC)

APN 097-060-038 (Homewood Village Resorts, LLC)

8. Performance of Work by DISTRICT

DISTRICT shall commence work listed herein upon notification from DEVELOPER to proceed. DEVELOPER shall give DISTRICT at least 30 days' notice prior to desired construction start date to allow DISTRICT sufficient time to schedule and coordinate work.

9. Application for Service

DEVELOPER agrees that application for sewer and/or water service shall be made under a separate application with the DISTRICT and that all applicable connection fees shall be determined at the time of application.

10. Contractor Selection

DEVELOPER shall notify DISTRICT of the selected contractor for the construction of the utility and trail facilities. The names of the contracting firm/s, contact person/s, mailing addresses, telephone numbers and a schedule of construction shall be entered on the Contractor Firm Data Sheet, and shall be kept on file in the DISTRICT'S Technical Services Division.

11. Provision of Insurance

Contractor will file with the DISTRICT before beginning work, certificates of insurance and policy endorsements satisfactory to the DISTRICT evidencing general liability coverage, of not less than \$1,000,000 per occurrence (\$2,000,000 general and products completed operations aggregate (if used) for bodily injury, personal injury and property damage; auto liability of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to the DISTRICT. Any insurance, self-insurance or other coverage maintained by the DISTRICT, its directors, officers, employees, or authorized volunteers shall not contribute to it. The general liability coverage shall give the DISTRICT, its directors, officers, employees, or authorized volunteers insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage is to be placed with a carrier with an A.M. Best rating of no less than A:VII or equivalent, or as otherwise approved by the DISTRICT. In the event that the Contractor employs other contractors (subcontractors) as part of the work covered by this Agreement, it shall be the Contractor's responsibility to require and confirm that each sub-contractor meets the minimum insurance requirements specified above.

Such policy shall be written in favor of DEVELOPER and its general contractor and subcontractors and also in favor of the DISTRICT, its officers, agents and employees and shall be maintained in full force and effect until the sewer collection system is unconditionally accepted by the DISTRICT. Such insurance policy shall state by its terms or by an endorsement that it shall not be canceled without thirty (30) days prior written notice to the DISTRICT.

12. Indemnification by DEVELOPER

DEVELOPER shall defend, indemnify and hold the DISTRICT and its directors, officers, agents, and employees harmless from any and all liabilities, losses, claims, and causes of action, including those for damage to property, injury to person, wrongful death, or economic losses, and for litigation fees, expenses, and costs, arising out of, resulting from, or relating to her acts or omissions, or those of her contractors, officers, agents, or employees, arising out of or in any manner, direct or indirect, connected to the work to be performed under this Agreement, and from any and all fines or penalties assessed or imposed by reason thereof, except for liabilities, losses, claims, or actions, or fines or penalties, caused by the DISTRICT'S sole negligence or willful misconduct, or if caused in part by the DISTRICT'S active negligence, to

the extent of the DISTRICT'S active negligence. Comparative negligence principles shall apply. DISTRICT shall defend, indemnify and hold DEVELOPER and their agents, and employees harmless from any and all liabilities, losses, claims, and causes of action, including those for damage to property, injury to person, wrongful death, or economic losses, and for litigation fees, expenses, and costs, arising out of, resulting from, or relating to its acts or omissions, or those of its officers, agents, or employees, arising out of or in any manner, direct or indirect, connected to the work to be performed under this Agreement, and from any and all fines or penalties assessed or imposed by reason thereof, except for liabilities, losses, claims, or actions, or fines or penalties, caused by the sole negligence or willful misconduct of DEVELOPER and their agents, or if caused in part by the active negligence of DEVELOPER and her agents, to the extent of their active negligence. Comparative negligence principles shall apply.

13. Permits Required

DEVELOPER shall obtain all necessary permits from the DISTRICT and any other applicable agencies for the Project and shall pay all associated fees and deposits. Such permit/s shall include, but are not limited to:

- Placer County Encroachment Permit

14. Notice of Construction

DEVELOPER shall provide the DISTRICT with a minimum of 48-hours' notice prior to beginning any utility or trail facility work.

15. Construction Inspection

The DISTRICT shall inspect the construction as needed, in order to determine that the utility and trail facilities are installed in accordance with the approved improvement plans, construction specifications and the terms of this agreement.

- a. The DISTRICT shall notify the DEVELOPER and/or the DEVELOPER'S representatives in writing as to any deviation from the approved improvement plans, construction specifications and the terms of this agreement. The DEVELOPER and/or the DEVELOPER'S representatives shall correct such deviation or failure as soon as is reasonably practicable.

16. Timely Construction Required

Construction of the utility and trail facilities shall commence within twelve (12) months from the date of execution of this Agreement. All improvements must be completed and receive unconditional acceptance from the DISTRICT no later than twenty-four (24) months from the date of execution of this Agreement. In the event DEVELOPER fails to complete the utility and trail facilities within that time, this Agreement will be terminated unless the DISTRICT, at its sole discretion, extends this Agreement.

Should the DEVELOPER fail to complete the improvements within the timeframes stated above and this Agreement is terminated, the DISTRICT may stabilize and restore the site to a safe and reasonable condition. The DISTRICT shall recover from the DEVELOPER, the full cost of all expenses incurred, including but not limited to material, labor and outside services.

17. Bill of Sale, Guarantee and Acceptance

DEVELOPER shall execute a Bill of Sale, Guarantee and Acceptance for the utility and trail

facilities to the DISTRICT in a form satisfactory to the DISTRICT, without cost, free, and clear of all liens and encumbrances.

DEVELOPER warrants and guarantees that all labor and materials supplied by DEVELOPER are of a good and workmanlike quality, free of any defects of any type whatsoever for a period of one (1) year after unconditional acceptance by the DISTRICT. Within the period of this warranty, DEVELOPER shall repair or replace, at DEVELOPER'S expense, any defective material or workmanship. The DISTRICT shall notify DEVELOPER of any malfunction or nonconformity promptly upon discovery. Within fifteen (15) business days after receiving notice from the DISTRICT, DEVELOPER shall commence to repair or replace the defective part and will expeditiously pursue such work to completion. Emergency repairs will be coordinated by DISTRICT and charged to the DEVELOPER.

18. As-Built Drawings

DEVELOPER shall provide the DISTRICT with as-built drawings in a form approved by the DISTRICT.

19. Engineer of Record Approved As-Built Construction Costs

DEVELOPER shall provide the DISTRICT with a statement from the Engineer of Record with the as-built dollar value of the installed utility and trail facilities, stated separately between water, sewer and trails and shall provide documentation to substantiate the stated value.

20. No Early Use of Project

DEVELOPER shall not request or obtain a temporary occupancy permit, final inspection approval, nor shall DEVELOPER use, or permit anyone else to use, any portion of the utility and trail facilities on the Project, nor shall DEVELOPER use or permit anyone else to use any utility and trail facilities supplied by the DISTRICT, until the DISTRICT has granted conditional acceptance in writing. DEVELOPER may, however, with the DISTRICT'S permission and prior to conditional acceptance, use the water for construction purposes. The DISTRICT shall be entitled to terminate, without notice, any sewer and/or water usage by DEVELOPER or any other person, other than that required for construction purposes, occurring prior to conditional acceptance by the DISTRICT of the entire utility system.

21. Completion of the System(s)

Construction shall be deemed complete when the DISTRICT determines that the utility and trail facilities have been entirely finished, properly tested, and ready to service the Project in accordance with the DISTRICT'S Rules and Regulations.

22. Conditional Acceptance

When the DISTRICT has determined that the utility and trail facilities have been completed, the DISTRICT may conditionally accept the facilities and may provide utility and trail facilities service, on a conditional basis, to the Project. Conditional service shall be provided to enable DEVELOPER to use the Project while DEVELOPER is in the process of providing to the DISTRICT those items specified in the paragraph entitled "Requirements for Unconditional Acceptance." Any conditional acceptance shall be in writing. Any utility and trail facilities service provided by the DISTRICT prior to unconditional acceptance of the utility and trail facilities shall be deemed conditional service.

If at any time the DISTRICT, in its sole discretion, determines that DEVELOPER is not making adequate progress toward providing the DISTRICT with the required items, then the

DISTRICT may, after providing thirty (30) days prior written notice, discontinue conditional utility and trail facilities service to the Project. Any utility and trail facilities service provided by the DISTRICT prior to unconditional acceptance of the utility and trail facilities shall be deemed conditional service.

23. Requirements for Unconditional Acceptance

Within thirty (30) days after completion as determined by the DISTRICT, DEVELOPER shall fully comply with all requirements of this document and shall provide all items listed in Section I- "Exhibits". Upon such full compliance, the DISTRICT shall unconditionally accept the utility and trail facilities.

24. Responsibilities After Unconditional Acceptance

Prior to unconditional acceptance of the utility and trail facilities by the DISTRICT, DEVELOPER shall be responsible for all maintenance and repair of the utility and trail facilities. Upon unconditional acceptance of the systems by the DISTRICT, the DISTRICT shall thereafter own, operate, maintain, repair and replace the utility and trail facilities, unless such repairs or replacements are covered by DEVELOPER'S warranty. Thereafter, the DISTRICT shall use its best efforts to provide adequate utility and trail facilities service to the Project upon request and payment of all appropriate fees and charges, in accordance with California law and DISTRICT Rules and Regulations.

25. Notices

Notices or requests from either party to the other shall be in writing and delivered or mailed, postage prepaid, to the following addresses:

HOMEWOOD VILLAGE RESORTS, LLC
Attn: Todd Chapman, Authorized Signatory
PO Box 165
Homewood, CA 96141-0165

TAHOE CITY PUBLIC UTILITY DISTRICT
Attn: Sean Barlcay, General Manager
PO Box 5249
Tahoe City, CA 96145

26. Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of all parties; however, DEVELOPER shall not assign any of its rights, duties or obligations under this Agreement without the prior written consent of the DISTRICT.

27. DISTRICT Powers

Nothing contained herein shall be deemed to limit, restrict, or modify any right, duty, or obligation given, granted, or imposed upon the DISTRICT by the laws of the State of California now in effect, or hereafter adopted, nor to limit or restrict the power or authority of the DISTRICT. The DISTRICT may enact rules, regulations, resolutions, or ordinances, including, without limitation, creation of service zones and rate differentials applicable within the

Project area that may not be applicable elsewhere, at its discretion.

28. Severability

In the event that any part or provision of this Agreement is found to be illegal or unconstitutional by a court of competent jurisdiction, such findings shall not affect the remaining parts, portions, or provisions of this Agreement.

29. Attorneys' Fees

In the event of any litigation concerning any controversy, claim or dispute between the parties hereto, arising out of or relating to this Agreement or the breach hereof, or the interpretation hereof, the prevailing party shall be entitled to recover from the losing party reasonable attorneys' fees and costs incurred therein or in the enforcement or collection of any judgment or award rendered therein.

30. Entire Agreement

This Agreement contains the entire agreement of the parties and supersedes any prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the subject matter contained in this Agreement which are not fully expressed herein. The provisions of this Agreement may be waived, altered, amended or repealed in whole or in part only upon the written consent of all parties to this Agreement.

31. Forum

Any litigation to enforce or interpret the provisions of this Agreement or the parties' rights and liabilities arising out of this Agreement or the performance hereunder shall be maintained only in the courts in the County of Placer, California.

32. Captions

The captions and headings of the different paragraphs of this Agreement are inserted for convenience of reference only, and are not to be taken as part of this Agreement or to control or affect the meaning, construction, or effect of the same.

33. Necessary Acts

Each party to this Agreement agrees to perform any further acts and execute and deliver any further documents that may be reasonably necessary to carry out the provisions of this Agreement.

34. No Waiver

The waiver by one party of the performance of any covenant, condition or promise shall not invalidate this Agreement, nor shall it be considered as a waiver by such party of any other covenant, condition or promise. The delay in pursuing any remedy or insisting upon full performance for any breach or failure of any covenant, condition or promise shall not prevent a party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.

35. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of California.

This Agreement shall be binding upon the parties only when signed by all parties. The DISTRICT representative shall not sign this Agreement until DEVELOPER has provided all costs, fees and items required to be provided by DEVELOPER "upon execution of this Agreement."

DEVELOPER

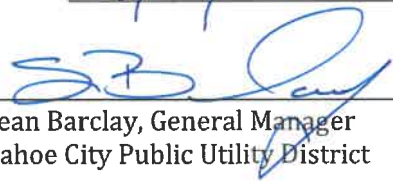
Dated: 7/15/22



Todd Chapman, Authorized Signatory
Homewood Village Resorts, LLC

DISTRICT

Dated: 7/20/22



Sean Barclay, General Manager
Tahoe City Public Utility District