

AMENDMENT I
TO AGREEMENT TO MAKE SUBDIVISION IMPROVEMENTS
FOR CLASS 1 SUBDIVISION
BETWEEN COUNTY AND SILVER SPRINGS, LLC

THIS AMENDMENT I to that certain Agreement to Make Subdivision Improvements for Class I Subdivision Between County and Silver Springs LLC (hereinafter referred to as "Subdivision Improvement Agreement") concerning **Silver Springs Unit 1** made and entered into on September 26, 2006, by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, (hereinafter referred to as "County"), and **SILVER SPRINGS, LLC**, a California limited liability company, duly qualified to conduct business in the State of California, whose principal place of business is 2999 Oak Road, Suite 40, Walnut Creek, California 94597 (hereinafter referred to as "Owner");

RECITALS

WHEREAS, County and Owner entered into the Subdivision Improvement Agreement on September 26, 2006, a copy of which is incorporated herein and made by reference a part hereof in connection with the Silver Springs Unit 1 Final Map; and

WHEREAS, pursuant to the Subdivision Map Act, Government Code section 66410 et seq., and El Dorado County Ordinance Code section 16.16.050 (hereinafter "County Code"), Section 5 of the Agreement provided that Owner shall post security in the form acceptable to County to secure the performance of work in accordance with the Subdivision Improvement Agreement ; and

WHEREAS, simultaneously with entering into the Subdivision Improvement Agreement, Owner provided to the County a performance bond and a laborers and materialmens bond (hereinafter collectively referred to as the "Original Bonds") naming County as obligee as required in Section 5 of the Agreement and County, in reliance on said Subdivision Improvement Agreement and Original Bonds, approved the Owner's Final Map for Silver Springs Unit 1; and

WHEREAS, Owner has not yet commenced construction of the improvements called for in the Subdivision Improvement Agreement, and has requested to substitute a performance bond and a laborers and materialmens bond issued by a different surety in place of and instead of the Original Bonds, and has requested that County release the Original Bonds; and

WHEREAS, County will agree to the substitution of the new bonds for the Original Bonds provided that certain conditions are satisfied, including that Owner warrants and represents that no work has been done, no labor has yet been engaged or contracted for and no materials have been ordered, secured or provided with respect to the Subdivision and Owner submits for approval updated engineer's estimates for the costs of the improvements that are the subject of the Agreement reflecting same, and provided that the new surety issues new bonds as security for

100% of the entire work and the surety expressly accepts all obligations retroactively to September 26, 2006, the date of the Final Map and Subdivision Improvement Agreement;

NOW, THEREFORE, in consideration of the recitals, terms and conditions herein, the parties hereby agree as follows:

Section 1 of the Subdivision Improvement Agreement is amended to read as follows:

1. Make or cause to be made all those public improvements in Subdivision required by Section 16.16.010 of the County Code and shown or described in the improvement plans, specifications and cost estimates entitled *Grading and Improvement Plans for Silver Springs Unit 1* and *Plans for the Improvement of Silver Springs Parkway Realignment Onsite Phase 2* which were approved by the County Engineer, Department of Transportation, on May 9, 2006. Attached hereto are Schedule A, marked "General Sitework Improvements", Schedule B, marked "Surface Improvements", Schedule C, marked "Storm Drainage Improvements", Schedule D, marked "Sanitary Sewer Improvements", Schedule E, marked "Water Improvements", Schedule F, marked "Striping and Signage Improvements", Schedule G, marked "Erosion Control Improvements", Schedule H, marked "Underground Power, Telephone and Cable Improvements", Schedule A1, marked "General Sitework Improvements", Schedule B1, marked "Surface Improvements", Schedule C1, marked "Storm Drainage Improvements", Schedule D1, marked "Sanitary Sewer Improvements", Schedule E1, marked "Water Improvements", Schedule F1, marked "Striping and Signage Improvements", Schedule G1, marked "Erosion Control Improvements", Schedule H1, marked "Underground Power, Telephone and Cable Improvements" and Schedule I1 marked "Miscellaneous Improvements" all of which are incorporated herein and made by reference a part hereof. The schedules describe quantities, units and costs associated with the improvements to be made.

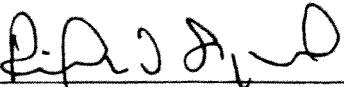
As of the effective date of this Amendment to the Subdivision Improvement Agreement, Owner warrants and represents that no work has proceeded, and that no labor has been engaged or contracted for and that no materials have been ordered, secured or provided with respect to the Subdivision. The following updated Opinions of Probable Costs and Certificates of Partial Completion are hereby added to the Agreement and are incorporated herein and made by reference a part hereof: Silver Springs Parkway Realignment On-Site Phase 2 - Amended Opinion of Probable Costs; Silver Springs Unit 1 (53 Lots) - Amended Opinion of Probable Costs; *Silver Springs Parkway On-site* - Amended Certificate of Partial Completion; and *Silver Springs Unit 1* - Amended Certificate of Partial Completion of Subdivision Improvements

Section 5 is hereby amended to read as follows:

5. Post security acceptable to County as provided in Section 16.16.050 of the County Code for 100% of the entire work. In the event that the Sureties issuing the posted securities are subsequently downgraded to a rating unacceptable to County in its sole discretion, Owner shall, upon twenty (20) days written notice by County, post replacement securities that are acceptable to County.

Except as herein amended, all other parts and sections of that certain Subdivision Improvement Agreement dated September 26, 2006, shall remain unchanged and in full force and effect.

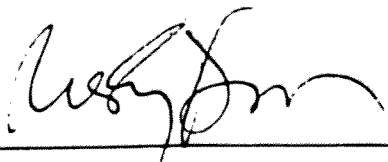
Requesting Department Concurrence:

By: 
Richard W. Shepard, P.E.
Director of Transportation

Dated: 6/17/07

IN WITNESS WHEREOF, the parties have executed this Amendment I to that certain Subdivision Improvement Agreement on the dates indicated below, the latest of which shall be deemed to be the effective date of this Amendment.

--COUNTY OF EL DORADO--

By: 

Dated: 7/17/07

Board of Supervisors
"County"

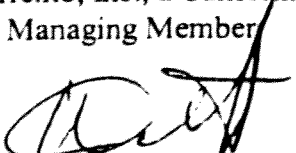
Attest:
Cindy Keck
Clerk of the Board of Supervisors

By: 
Deputy Clerk

Dated: 7/17/07

--SILVER SPRINGS, LLC--
a California limited liability company

By: Sorrento, Inc., a California corporation
Its Managing Member

By: 
William C. Scott
Chief Financial Officer
"Owner"

Dated: 6-4-07

STATE OF CALIFORNIA)

)

COUNTY OF Contra Costa)

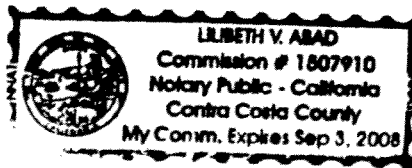
On this 4th day of June 2007, before me, Lilibeth V. Abad a Notary Public,
personally appeared William C. Scott, JR.

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is/are subscribed to the within instrument, and acknowledged that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Lilibeth V. Abad

Notary Public in and for said County and State





Stantec

**Silver Springs LLC
Silver Springs Parkway Realignment On-Site Phase 2
County of El Dorado**

Amended Opinion of Probable Costs

Description	Quantity	Unit	Unit Price	Cost	Total	
Earthworks						
1 Mobilization/Demobilization	1	l.s.	\$20,000.00	20,000.00	\$533,000.00	
2 Clearing and Grubbing	1	l.s.	\$20,000.00	20,000.00		
3 Earthwork	18,300	yd ³	\$10.00	183,000.00		
4 Import	16,000	yd ³	\$15.00	240,000.00		
5 Rock Lined Ditch	3,300	l.f.	\$15.00	49,500.00		
6 Remove & Dispose Existing Trees	41	e.a.	\$500.00	20,500.00		
Street						
7 Asphalt Concrete (Type A)	6,227	ton	\$90.00	560,430.00	\$2,362,925.00	
8 Class 2 Aggregate Base	10,530	yd ³	\$81.00	852,930.00		
9 Minor Concrete (Type 2 Curb & Gutter)	8,592	l.f.	\$30.00	257,760.00		
10 Minor Concrete (Type A1-150)	3,086	l.f.	\$20.00	61,720.00		
11 Minor Concrete (Median Curb)	4,763	l.f.	\$25.00	119,075.00		
12 Minor Concrete (4" Thick Sidewalk)	831	yd ³	\$450.00	373,950.00		
13 Minor Concrete (4" Thick Bus Shelter Pad)	7	yd ³	\$450.00	3,150.00		
14 Minor Concrete (4" Thick Median Stamped Concrete)	92	yd ³	\$450.00	41,400.00		
15 Minor Concrete (8" Thick Bus Bay)	97	yd ³	\$450.00	43,650.00		
16 Gutter)	15	yd ³	\$450.00	6,750.00		
17 2"x6" RWD Headerboard	550	l.f.	\$5.00	2,750.00		
18 Type 3 Street Barricade	554	l.f.	\$35.00	19,390.00		
19 Type 3 Portable Barricade	60	l.f.	\$35.00	2,100.00		
20 Remove & Dispose Existing Barricade	1	e.a.	\$200.00	200.00		
21 6' Headwall Metal Fence	560	l.f.	\$30.00	16,800.00		
22 42" Sidewalk Metal Fence	58	l.f.	\$15.00	870.00		
Drainage						
23 Standard 48" Storm Drain MH	9	e.a.	\$4,000.00	\$36,000.00		\$432,638.00
24 Adjust 48" SDMH to Grade	4	e.a.	\$1,200.00	\$4,800.00		
25 Adjust 72" SDMH to Grade	3	e.a.	\$1,200.00	\$3,600.00		
26 Adjust Type B Saddle MH to Grade	2	e.a.	\$1,200.00	\$2,400.00		
27 12" Storm Drain HDPE	1,024	l.f.	\$42.00	\$43,008.00		
28 15" Storm Drain HDPE	70	l.f.	\$44.00	\$3,080.00		
29 18" Storm Drain HDPE	1,361	l.f.	\$55.00	\$74,855.00		
30 24" Storm Drain HDPE	66	l.f.	\$65.00	\$4,290.00		
31 15" Flared End Section w/ Inlet Protection	1	e.a.	\$1,600.00	\$1,600.00		
32 15" Flared End Section w/ Outlet Protection	1	e.a.	\$1,600.00	\$1,600.00		



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Silver Springs LLC
Silver Springs Parkway Realignment On-Site Phase 2
County of El Dorado

Amended Opinion of Probable Costs

33	Catch Basin Double Caltrans Type GO	10	e.a.	\$4,500.00	\$45,000.00	
34	Catch Basin Double Caltrans Type GO (Ph. 2)	6	e.a.	\$1,000.00	\$6,000.00	
35	Type 4 AC Curb Inlet w/ Pelican Gallery	1	e.a.	\$3,500.00	\$3,500.00	
36	Type 4 AC Curb Inlet w/ Pelican Gallery (Ph. 2)	1	e.a.	\$1,000.00	\$1,000.00	
37	Median Inlet 18"x18"	11	e.a.	\$1,000.00	\$11,000.00	
38	El Dorado County Standard Grated Inlet	4	e.a.	\$1,800.00	\$7,200.00	
39	Tie-in to Existing/Remove Plug	5	e.a.	\$3,200.00	\$16,000.00	
40	1"x18" HDPE Subdrain, including fittings	4,763	l.f.	\$35.00	\$166,705.00	
41	Plug and Mark	2	e.a.	\$500.00	\$1,000.00	
Sewer						\$32,530.00
42	8" Sanitary Sewer PVC- SDR 35	251	l.f.	\$50.00	\$12,550.00	
43	4" Force Main PVC-C900, CL 150	82	l.f.	\$40.00	\$3,280.00	
44	Adjust Existing 48" MH to Grade	4	e.a.	\$1,200.00	\$4,800.00	
45	Relocated & Adjust Ext. 2" Sanitary Sewer Blowoff to Grade	1	e.a.	\$1,000.00	\$1,000.00	
46	Relocated & Adjust Ext. 2" Sanitary Sewer ARV to Grade	1	e.a.	\$1,200.00	\$1,200.00	
47	Tie-in to existing 8" Sanitary Sewer Stub	2	e.a.	\$2,500.00	\$5,000.00	
48	Install Sanitary Sewer COTG	4	e.a.	\$850.00	\$3,400.00	
49	2" Force Main Blowoff Valve	1	e.a.	\$1,300.00	\$1,300.00	
Water						\$376,380.00
50	10" Water Main (including fittings) PVC, C-901	546	l.f.	\$55.00	\$30,030.00	
51	12" Water Main (including fittings) PVC, C-902	4,430	l.f.	\$60.00	\$265,800.00	
52	10" Gate Valve	6	e.a.	\$1,800.00	\$10,800.00	
53	12" Gate Valve	14	e.a.	\$2,000.00	\$28,000.00	
54	2" Blowoff Valve	7	e.a.	\$1,300.00	\$9,100.00	
55	4" Blowoff Valve	3	e.a.	\$2,500.00	\$7,500.00	
56	1" Air Release Valve	3	e.a.	\$1,200.00	\$3,600.00	
57	2" Air Release Valve	1	e.a.	\$1,550.00	\$1,550.00	
58	Fire Hydrant w/ Tees, Valves & Lateral & Blue Pavement Marker	5	e.a.	\$2,200.00	\$11,000.00	
59	2" Water Service w/ one Meter Box	4	e.a.	\$1,000.00	\$4,000.00	
60	Adjust Existing valve Box to Grade	5	e.a.	\$1,000.00	\$5,000.00	
Striping and Signage						\$10,150.00
61	Thermoplastic Pavement Marking	1,734	s.f.	\$1.50	\$2,601.00	



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**Silver Springs LLC
Silver Springs Parkway Realignment On-Site Phase 2
County of El Dorado**

Amended Opinion of Probable Costs

62 Paint Traffic Stripe	9,142	l.f.	\$0.13	\$1,189	
63 K-1 Marker	8	e.a.	\$45.00	\$360.00	
64 Roadside Sign w/ Post	40	e.a.	\$150.00	\$6,000.00	
Erosion Control					
65 Fiber Rolls	9,000	l.f.	\$3.50	\$31,500.00	\$55,150.00
66 Hydroseeding	1	l.s.	\$10,000.00	\$10,000.00	
67 Tree Protection Fencing	3000	l.f.	\$2.50	\$7,500.00	
68 Turf Reinforcement Matting	2550	s.f.	\$1.00	\$2,550.00	
69 Stabilized Construction entrance	1	l.s.	\$3,600.00	\$3,600.00	
Underground Power, Telephone and Cable Improvements					
70 Distribution Structures	5,000	l.f.	\$50.00	\$250,000.00	\$350,000.00
71 Distribution Trenching	5,000	l.f.	\$20.00	\$100,000.00	
Miscellaneous Improvements					
72 8" PVC Irrigation Sleeve, Schedule 80	606	l.f.	\$18.00	\$10,908.00	\$40,372.00
73 4" PVC Irrigation Sleeve, Schedule 80	606	l.f.	\$16.00	\$9,696.00	
74 3" PVC Irrigation Sleeve, Schedule 80	646	l.f.	\$12.00	\$7,752.00	
75 3" Conduits (Future Traffic Signals)	668	l.f.	\$12.00	\$8,016.00	
76 No. 6 Pull Box (Future Traffic Signals)	5	e.a.	\$800.00	\$4,000.00	
Total					
4.0% Construction Survey					\$4,193,145
10.0% Construction Administration, Management, Testing and Inspection					\$167,725.00
10.0% Contingency					\$419,314.50
Grand Total					<u>\$5,199,499</u>



Silver Springs LLC
Silver Springs Unit 1 (53 Lots)
 County of El Dorado

Amended Opinion of Probable Costs

Description	Quantity	Unit	Unit Price	Cost	Total
Earthworks					\$1,137,315
1 Mobilization/Demobilization	1	l.s.	\$15,000.00	\$15,000	
2 Clearing and Grubbing	1	l.s.	\$20,000.00	\$20,000	
3 Earthwork	75,000	yd ³	\$10.00	\$750,000	
4 Export	26,000	yd ³	\$12.00	\$312,000	
5 Existing Trees to be Removed	6	each	\$500.00	\$3,000	
6 4' Keystone Retaining Wall	45	l.f.	\$50.00	\$2,250	
7 5' Keystone Retaining Wall	95	l.f.	\$55.00	\$5,225	
8 0'-6' Keystone Retaining Wall	82	l.f.	\$50.00	\$4,100	
9 6' Keystone Retaining Wall	396	l.f.	\$65.00	\$25,740	
Street					\$924,755
10 3" Type 'A' A.C.	2,892	ton	\$90.00	\$260,280	
11 11" Class 2 A.B.	4,488	yd ³	\$81.00	\$363,528	
12 4" PCC Sidewalk on 4" min. A.B.	26,773	ft ²	\$5.00	\$133,865	
13 Sidewalk Ramp	15	each	\$1,500.00	\$22,500	
14 Type 1 Curb & Gutter	5,986	l.f.	\$22.00	\$131,692	
15 Type 2 Curb & Gutter	430	l.f.	\$23.00	\$9,890	
16 Curb & Gutter Transition	120	l.f.	\$25.00	\$3,000	
Drainage					\$322,462
17 12" HDPE Pipe	61	l.f.	\$42.00	\$2,562	
18 18" HDPE Drain	2336	l.f.	\$55.00	\$128,480	
19 24" HDPE Drain	244	l.f.	\$65.00	\$15,860	
20 48" Drain M.H.	9	each	\$4,000.00	\$36,000	
21 Type 'SR 4A' D.I.	18	each	\$3,500.00	\$63,000	
22 Grated Inlet per STD. Plan 115A	9	each	\$1,800.00	\$16,200	
23 Drainage Ditch	3,536	l.f.	\$10.00	\$35,360	
24 Erosion Control Pipe Discharge	5	each	\$5,000.00	\$25,000	
Sewer					\$228,735
25 6" PVC SDR-35 Sewer	2,433	l.f.	\$45.00	\$109,485	
26 8" PVC SDR-35 Sewer	142	l.f.	\$50.00	\$7,100	
27 48" Sewer Manhole	9	each	\$4,500.00	\$40,500	
28 48" Lined Sewer Manhole	4	each	\$4,500.00	\$18,000	
29 60" Lined Sewer Manhole	1	each	\$5,000.00	\$5,000	
30 Existing M.H. to be Adjusted	3	each	\$1,200.00	\$3,600	
31 Sewer Services	53	each	\$850.00	\$45,050	



Stantec

**Silver Springs LLC
Silver Springs Unit 1 (53 Lots)
County of El Dorado**

Amended Opinion of Probable Costs

Description	Quantity	Unit	Unit Price	Cost	Total
Water					\$280,420
32 4" PVC C-900	375	l.f.	\$35.00	\$13,125	
33 8" PVC C-900	1,317	l.f.	\$45.00	\$59,265	
34 10" PVC C-900	1,756	l.f.	\$55.00	\$96,580	
35 5/8" Service Meter & RP Backflow	53	each	\$1,000.00	\$53,000	
36 Fire Hydrant w/ assembly	10	each	\$2,200.00	\$22,000	
37 4" Gate Valve	2	each	\$1,000.00	\$2,000	
38 8" Gate Valve	6	each	\$1,500.00	\$9,000	
39 10" Gate Valve	7	each	\$1,800.00	\$12,600	
40 2" Blowoff Valve	2	each	\$1,300.00	\$2,600	
41 4" Blowoff Valve	3	each	\$2,500.00	\$7,500	
42 1" Air Release Valve	1	each	\$1,200.00	\$1,200	
43 2" Air Release Valve	1	each	\$1,550.00	\$1,550	
Striping and Signage					\$5,500
44 Labor and Materials	1	l.s.	\$5,500.00	\$5,500	
Erosion Control					\$200,000
45 Labor and Materials	1	l.s.	\$200,000.00	\$200,000	
Underground Power, Telephone and Cable Improvements					\$481,240
46 Service Structures Installed	53	e.a.	480	\$25,440	
47 Distribution Structures	53	e.a.	\$8,000.00	\$424,000	
48 Distribution Trenching	53	e.a.	\$600.00	\$31,800	
Total					\$3,580,427
4.0% Construction Survey					\$143,217
10.0% Construction Administration, Management, Testing and Inspection					\$358,043
10.0% Contingency					<u>\$358,043</u>
Grand Total					\$4,439,729

Schematic Estimate 50% Estimate 90% Estimate Final Estimate Other

NOTES:

1. IT IS RECOGNIZED THAT STANTEC HAS NO CONTROL OVER THE COSTS OF MATERIALS, EQUIPMENT, LABOR, OR THE CONTRACTOR'S METHOD OF DETERMINING BID PRICES. PRICES WILL VARY FROM ANY STATEMENT OF PROBABLE COSTS.

2. THIS OPINION OF PROBABLE COSTS IS BASED UPON GRADING AND IMPROVEMENT PLANS FOR SILVER SPRINGS UNIT 1 AS PREPARED BY STANTEC CONSULTING, INC.

3. THE EARTHWORK AND EXPORT QUANTITIES ARE BASED UPON THE GRADING PLANS AND INCLUDE ROAD UNDERCUT. THE EARTHWORK IS CUT AND THE UNIT PRICE COVERS PLACEMENT. DRY UTILITY TRENCH SPOILS WERE NOT ACCOUNTED FOR. AN EXPANSION/SHRINKAGE FACTOR WAS NOT APPLIED.

4. IT IS ANTICIPATED THAT THE EXPORT WILL BE NEEDED FOR ADJACENT SILVER SPRINGS PROJECTS.

Silver Springs Parkway On-site

Amended Certificate of Partial Completion

I hereby certify that the following improvements in the *Silver Springs Parkway On-site* have been completed, to wit:

	<u>Total Amount</u>	<u>Percent Complete</u>	<u>Remaining Amount</u>
General Sitework	\$ 660,920.00	0%	\$ 660,920.00
Surface Improvements	\$ 2,930,027.00	0%	\$ 2,930,027.00
Storm Drainage	\$ 536,471.00	0%	\$ 536,471.00
Sanitary Sewer	\$ 40,337.00	0%	\$ 40,337.00
Water	\$ 466,711.00	0%	\$ 466,711.00
Striping and Signage	\$ 12,586.00	0%	\$ 12,586.00
Erosion Control	\$ 68,386.00	0%	\$ 68,386.00
Underground Power, Telephone and Cable Improvements	\$ 434,000.00	0%	\$ 434,000.00
Miscellaneous	<u>\$ 50,061.00</u>	0%	<u>\$ 50,061.00</u>
Totals	\$ 5,199,499.00		\$ 5,199,499.00

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owners to be FIVE MILLION ONE HUNDRED NINETY NINE THOUSAND FOUR HUNDRED NINEY NINE AND 00/100 dollars (\$5,199,499.00).

The Performance Bond is for the amount of FIVE MILLION ONE HUNDRED NINETY NINE THOUSAND FOUR HUNDRED NINETY NINE AND 00/100 dollars (\$5,199,499.00). (100% of Remaining Amount Total, Column 4).

The Laborers and Materialmens Bond is for the amount of FIVE MILLION ONE HUNDRED NINETY NINE THOUSAND FOUR HUNDRED NINETY NINE AND 00/100 dollars (\$5,199,499.00). (100% of the Total Amount, Column 2).

DATED: 06-04-07



Cariann Oliver

Cariann Oliver, PE
Stantec
2590 Venture Oaks Way
Sacramento, CA 95833

ACCEPTED BY THE COUNTY OF EL DORADO:

DATED: 6/12/07

Richard W. Shepard

Richard W. Shepard, PE
Director of Transportation

Silver Springs Unit 1

Amended Certificate of Partial Completion
of Subdivision Improvements

I hereby certify that the following improvements in the *Silver Springs Unit 1* Subdivision have been completed, to wit:

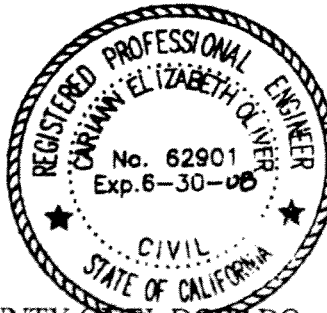
	<u>Total Amount</u>	<u>Percent Complete</u>	<u>Remaining Amount</u>
General Sitework	\$ 1,410,271.00	0%	\$ 1,410,271.00
Surface Improvements	\$ 1,146,696.00	0%	\$ 1,146,696.00
Storm Drainage	\$ 399,853.00	0%	\$ 399,853.00
Sanitary Sewer	\$ 283,631.00	0%	\$ 283,631.00
Water	\$ 347,721.00	0%	\$ 347,721.00
Striping and Signage	\$ 6,820.00	0%	\$ 6,820.00
Erosion Control	\$ 248,000.00	0%	\$ 248,000.00
Underground Power, Telephone and Cable Improvements	\$ 596,738.00	0%	\$ 596,738.00
Totals	\$ 4,439,729.00		\$ 4,439,729.00

I estimate the total cost of completing the remainder of the improvements, agreed to be performed by the Owners to be FOUR MILLION FOUR HUNDRED THIRTY NINE THOUSAND SEVEN HUNDRED TWENTY NINE AND 00/100 dollars (\$4,439,729.00).

The Performance Bond is for the amount of FOUR MILLION FOUR HUNDRED THIRTY NINE THOUSAND SEVEN HUNDRED TWENTY NINE AND 00/100 dollars (\$4,439,729.00). (100% of Remaining Amount Total, Column 4).

The Laborers and Materialmens Bond is for the amount of FOUR MILLION FOUR HUNDRED THIRTY NINE THOUSAND SEVEN HUNDRED TWENTY NINE AND 00/100 dollars (\$4,439,729.00). (100% of the Total Amount, Column 2).

DATED: 06.04.07



Cariann Oliver
 Cariann Oliver, PE
 Stantec
 2590 Venture Oaks Way
 Sacramento, CA 95833

ACCEPTED BY THE COUNTY OF EL DORADO:

DATED: 6/12/07

Richard W. Shepard
 Richard W. Shepard, PE
 Director of Transportation

Bond No. 070003258

Premium: \$86,753.00

PERFORMANCE BOND AGREEMENT FORM

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and Silver Springs, LLC (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated September 26, 2006, and identified as project The Silver Springs Unit 1 is hereby referred to and made part hereof; and

Whereas, Said Principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

Now, therefore, we, the Principal and Liberty Mutual Insurance Company, (hereinafter designated as "Surety"), are held and firmly bound unto the County of El Dorado, as Oblige, in the penal sum of **Nine Million Six Hundred Thirty-Nine Thousand Two Hundred Twenty-Eight Dollars (\$9,639,228)** lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bound Principal his or its heirs, executors and administrators, successors, or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless the County of El Dorado, its officers, agents

Performance Bond (continued)

and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

This guarantee shall insure the County of El Dorado during the work required by any Contract and for a period of one (1) year from the date of acceptance of the work against faulty or improper materials or workmanship that may be discovered during that time.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work performed thereunder or the specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.


In witness whereof, this instrument has been duly executed by the Principal and Surety above named on June 5, 2007.

"Surety"

Liberty Mutual Insurance Company

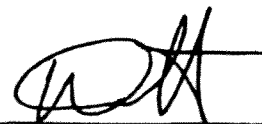
"Principal"

Silver Springs, LLC

By 

Debbie L. Welsh, Attorney-in-Fact

Print Name

By 

William C. Scott Jr.
2999 Oak Road, Suite 400
Walnut Creek, CA 94597

NOTARIES ATTACHED

PRINCIPAL

STATE OF CALIFORNIA

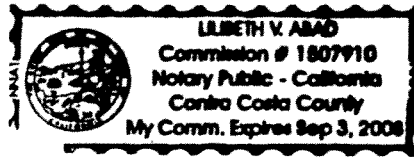
COUNTY OF Contra Costa

On this 5th day of June, 2007, before me a Notary Public, personally appeared William C. Scott, Jr., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

Lilbeth V. Abad

Notary Public in and for said County and State



SURETY

STATE OF CALIFORNIA

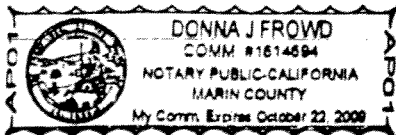
COUNTY OF MARIN

On this 5th day of June, 2007, before me a Notary Public, personally appeared Debbie L. Welsh, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(~~s~~) whose name is subscribed to this instrument, and acknowledged that ~~he~~ (she ~~or they~~) executed it.

WITNESS my hand and official seal.

Donna J. Frowd

Notary Public in and for said County and State
Donna J. Frowd, Notary Public



THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint **MICHAEL B. MCGOWAN, SUSAN J. MCGOWAN, DONNA L. WELSH, DONNA J. FROWD, WILLIAM P. MCGOWAN, DEBBIE L. WELSH, ALL OF THE CITY OF NOVATO, STATE OF CALIFORNIA**.....

....., each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding **SEVENTY-FIVE MILLION AND 00/100**..... DOLLARS (\$ **75,000,000.00**.....) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 23rd day of June, 2005.

LIBERTY MUTUAL INSURANCE COMPANY

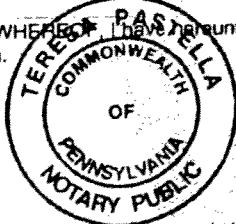
By Garnet W. Elliott
Garnet W. Elliott, Assistant Secretary



COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 23rd day of June, 2005, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Plymouth Twp., Montgomery County
My Commission Expires Mar. 26, 2009
Member, Pennsylvania Association of Notaries

By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 5th day of June, 2007.



By David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

SURETY RIDER

To be attached to and form a part of

Bond No. 070003258

Type of
Bond: Performance Bond Agreement Form and Laborers and Materialsmen Bond Form

dated
effective June 5, 2007
(MONTH-DAY-YEAR)

executed by Silver Springs, LLC ,as Principal,
(PRINCIPAL)

and by Liberty Mutual Insurance Company ,as Surety,

in favor of County of El Dorado
(OBLIGEE)

In consideration of the mutual agreements herein contained the Principal and the Surety hereby consent to changing
Surety accepts all obligations retroactively to September 26, 2006, the date of the Final Map and
Subdivision Improvement Agreement.

Nothing herein contained shall vary, alter or extend any provision or condition of this bond except as herein expressly stated.


This rider
is effective September 26, 2006
(MONTH-DAY-YEAR)

Signed and Sealed June 5, 2007
(MONTH-DAY-YEAR)


(PRINCIPAL)

By: Silver Springs, LLC
(PRINCIPAL)

Liberty Mutual Insurance Company
(SURETY)

By: 
(ATTORNEY-IN-FACT)
Debbie L. Welsh

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Contra Costa

ss.

On June 5, 2007
Date

before me,

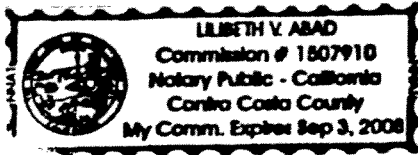
Lilibeth V. Abad, Notary Public
Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared

William C. Scott, Jr.
Name(s) of Signer(s)

personally known to me

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Lilibeth V. Abad
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

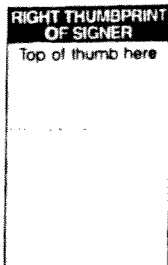
Description of Attached Document
Title or Type of Document: Surety Rider

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

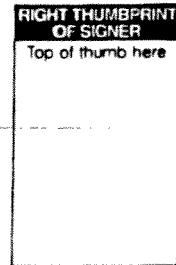
Capacity(ies) Claimed by Signer(s)

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

- Signer's Name: _____
- Individual
 - Corporate Officer — Title(s): _____
 - Partner — Limited General
 - Attorney in Fact
 - Trustee
 - Guardian or Conservator
 - Other: _____



Signer Is Representing: _____

CALIFORNIA ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

State of CALIFORNIA)

County of MARIN)

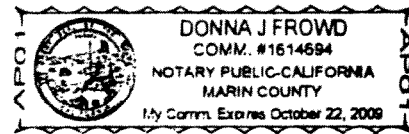
On June 5, 2007 before me, DONNA J. FROWD, NOTARY PUBLIC
(here insert name and title of the officer)

personally appeared DEBBIE L. WELSH

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/she/~~they~~ executed the same in his/her/~~their~~ authorized capacity(ies), and that by his/her/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Donna J. Frowd
Signature of Notary Public



(Seal)

ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

(Additional information)

CAPACITY CLAIMED BY THE SIGNER

- Individual (s)
- Corporate Officer

(Title)
- Partner(s)
- Attorney-in-Fact
- Trustee(s)
- Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

Any acknowledgment completed in California must contain verbiage exactly as appears above in the notary section or a separate acknowledgment form must be properly completed and attached to that document. The only exception is if a document is to be recorded outside of California. In such instances, any alternative acknowledgment verbiage as may be printed on such a document so long as the verbiage does not require the notary to do something that is illegal for a notary in California (i.e. certifying the authorized capacity of the signer). Please check the document carefully for proper notarial wording and attach this form if required.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document

Bond No. 070003258
Premium Included in Performance Bond

LABORERS AND MATERIALMENS BOND FORM

Whereas, the Board of Supervisors of the County of El Dorado, a political subdivision of the State of California, and Silver Springs, LLC (hereinafter designated as "Principal") have entered into an agreement whereby Principal agrees to install and complete certain designated public improvements, which said agreement, dated September 26, 2006, and identified as project The Silver Springs Unit 1 is hereby referred to and made part hereof; and

Whereas, under the terms of said agreement, Principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the County of El Dorado to secure the claims to which reference is made in Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code of the State of California.

Now, therefore, we, the Principal and Liberty Mutual Insurance Company (hereinafter designated "Surety"), are held firmly bound unto the County of El Dorado and all contractors, subcontractors, laborers, materialmen and other persons employed in the performance of the aforesaid agreement and referred to in the aforesaid Civil Code in the sum of **Nine Million Six Hundred Thirty-Nine Thousand Two Hundred Twenty-Eight Dollars (\$9,639,228)**, for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to such work or labor, that said Surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by the County of El Dorado in successfully enforcing such obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies and corporations entitled to file claims under Title 15 (commencing with Section 3082) of Part 4 of Division 3 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Laborers and Materialmens Bond (continued)

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of said agreement or the specifications accompanying the same shall in any manner effect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

In witness whereof, this instrument has been duly executed by the Principal and Surety above named, on June 5, 20 07.

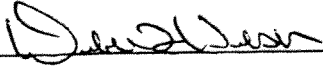
"Surety"

Liberty Mutual Insurance Company

"Principal"

Silver Springs, LLC

By



Debbie L. Welsh, Attorney-in-Fact

Print Name

By



William C. Scott, Jr., Member
2999 Oak Road, Suite 400
Walnut Creek, CA 94597

NOTARIES ATTACHED

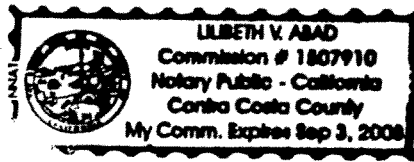
PRINCIPAL

STATE OF CALIFORNIA
COUNTY OF Contra Costa

On this 5th day of June, 2007, before me a Notary Public, personally appeared William C. Scott, Jr., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name is subscribed to this instrument, and acknowledged that he (she or they) executed it.

WITNESS my hand and official seal.

Lilbeth V. Abad
Notary Public in and for said County and State



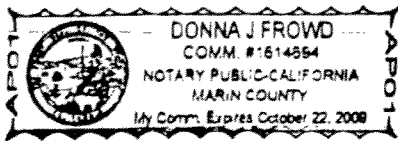
SURETY

STATE OF CALIFORNIA
COUNTY OF MARIN

On this 5th day of June 5, 2007, before me a Notary Public, personally appeared Debbie L. Welsh, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(~~x~~) whose name is subscribed to this instrument, and acknowledged that ~~xx~~ (she ~~or they~~) executed it.

WITNESS my hand and official seal.

Donna J. Frowd
Notary Public in and for said County and State
Donna J. Frowd, Notary Public



THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

LIBERTY MUTUAL INSURANCE COMPANY
BOSTON, MASSACHUSETTS
POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS: That Liberty Mutual Insurance Company (the "Company"), a Massachusetts stock insurance company, pursuant to and by authority of the By-law and Authorization hereinafter set forth, does hereby name, constitute and appoint **MICHAEL B. MCGOWAN, SUSAN J. MCGOWAN, DONNA L. WELSH, DONNA J. FROWD, WILLIAM P. MCGOWAN, DEBBIE L. WELSH, ALL OF THE CITY OF NOVATO, STATE OF CALIFORNIA**.....

....., each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations in the penal sum not exceeding **SEVENTY-FIVE MILLION AND 00/100**..... DOLLARS (\$ 75,000,000.00.....) each, and the execution of such undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents, shall be as binding upon the Company as if they had been duly signed by the president and attested by the secretary of the Company in their own proper persons.

That this power is made and executed pursuant to and by authority of the following By-law and Authorization:

ARTICLE XIII - Execution of Contracts: Section 5. Surety Bonds and Undertakings.

Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

By the following instrument the chairman or the president has authorized the officer or other official named therein to appoint attorneys-in-fact:

Pursuant to Article XIII, Section 5 of the By-Laws, Garnet W. Elliott, Assistant Secretary of Liberty Mutual Insurance Company, is hereby authorized to appoint such attorneys-in-fact as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

That the By-law and the Authorization set forth above are true copies thereof and are now in full force and effect.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Company and the corporate seal of Liberty Mutual Insurance Company has been affixed thereto in Plymouth Meeting, Pennsylvania this 23rd day of June, 2005.

LIBERTY MUTUAL INSURANCE COMPANY

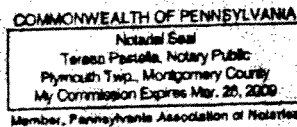
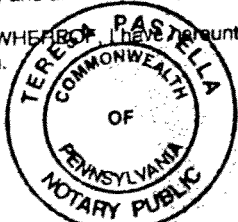


By Garnet W. Elliott
Garnet W. Elliott, Assistant Secretary

COMMONWEALTH OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 23rd day of June, 2005, before me, a Notary Public, personally came Garnet W. Elliott, to me known, and acknowledged that he is an Assistant Secretary of Liberty Mutual Insurance Company; that he knows the seal of said corporation; and that he executed the above Power of Attorney and affixed the corporate seal of Liberty Mutual Insurance Company thereto with the authority and at the direction of said corporation.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at Plymouth Meeting, Pennsylvania, on the day and year first above written.



By Teresa Pastella
Teresa Pastella, Notary Public

CERTIFICATE

I, the undersigned, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy, is in full force and effect on the date of this certificate; and I do further certify that the officer or official who executed the said power of attorney is an Assistant Secretary specially authorized by the chairman or the president to appoint attorneys-in-fact as provided in Article XIII, Section 5 of the By-laws of Liberty Mutual Insurance Company.

This certificate and the above power of attorney may be signed by facsimile or mechanically reproduced signatures under and by authority of the following vote of the board of directors of Liberty Mutual Insurance Company at a meeting duly called and held on the 12th day of March, 1980.

VOTED that the facsimile or mechanically reproduced signature of any assistant secretary of the company, wherever appearing upon a certified copy of any power of attorney issued by the company in connection with surety bonds, shall be valid and binding upon the company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said company, this 5th day of June, 2007.



By David M. Carey
David M. Carey, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, bank deposit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.