

**AGREEMENT TO FUND ROAD IMPROVEMENT PROJECT
AT COUNTY SERVICE AREA NO. 9, ZONE OF BENEFIT NO. 98102 BETWEEN THE
COUNTY AND LANDOWNER**

THIS FUNDING AGREEMENT ("Agreement"), entered into by and between the **COUNTY OF EL DORADO**, a political subdivision of the State of California, acting by and through County Service Area 9, Zone of Benefit Number 98102, Ryan Ranch Road, (hereinafter, "County") and **EAST RIDGE HOLDINGS, LLC**, a Delaware limited liability company, **EL DORADO LAND VENTURES, LLC**, a Delaware limited liability company, and **VALLEY VIEW REALTY INVESTMENTS, LLC**, a Delaware limited liability company (individually and collectively, hereinafter, "Landowner"), whose primary address is c/o **HBT EAST RIDGE, LLC**, a Delaware limited liability company, 3907 Park Drive, Suite 235, El Dorado Hills, California, 95762, concerning proposed road improvements for the purpose of establishing Emergency Vehicular Access ("EVA") for **EAST RIDGE VILLAGE, TM 14-1521** (hereinafter, Subdivision), through the Ryan Ranch Road Zone of Benefit ("Zone");

RECITALS

WHEREAS, Landowner is owner of the tract of land located in the County of El Dorado, State of California and described as East Ridge Village, TM 14-1521;

WHEREAS On June 11, 2015 the El Dorado County Planning Commission adopted Final Conditions of Approval for East Ridge Village, TM 14-1521; which Subdivision is immediately adjacent to the Zone;

WHEREAS, the parties acknowledge that Condition of Approval No. 43 of East Ridge Village, TM 14-1521 requires implementation of the Valley View Specific Plan East Ridge Village Amendment A, Wildfire Safe Plan dated August 24, 2014 (Wildfire Safe Plan), prior to approval of the East Ridge Village Improvement Plan;

WHEREAS, the Wildfire Safe Plan includes an option for providing an EVA through the Zone which utilizes an un-named road segment within a non-exclusive road and public utility easement crossing Assessor's Parcel Numbers (APN) 087-200-01, 087-200-02 and 087-200-03, as depicted in Exhibit A – Parcel Map 021-075 included herein, and described in document number 1978-0014039 beginning at Book 1614 page 433 of the Official Records of the County;

WHEREAS, the El Dorado Hills Fire Department favors the EVA option through the Zone as described herein;

WHEREAS the Zone representatives have determined that the EVA contemplated and preferred as stated would be of mutual benefit to the residents and property owners in the Zone;

WHEREAS, specifications for construction of the EVA have been prescribed by the El Dorado Hills Fire Department, and is described under Article I, Project Description of this Agreement;

WHEREAS, Landowner desires to exercise the option to provide the EVA favored by the El Dorado Hills Fire Department via the un-named road segment crossing APNs 087-200-01, 087-200-02 and 087-200-03; and has prepared an Engineer's Preliminary Estimate for the costs of materials and labor to complete, included as Exhibit B, herein;

WHEREAS, the existing un-named road segment to be utilized for the EVA is within the maintenance jurisdiction of the Zone and is not included in the County's Maintained Mileage System ("CMMS");

WHEREAS, County forces are prohibited from performing services on roads that are not in the CMMS including design, engineering, inspection, construction and maintenance services;

WHEREAS, the parties hereto desire to enter into this Agreement to memorialize the terms and conditions upon which the Landowner shall provide funding for the completion of road improvements contemplated within the Zone, consistent with the EVA options included in the Wildfire Safety Plan;

NOW, THEREFORE, it is the intent of the parties hereto that the performance of this Agreement shall be in conformity with all applicable state and local laws, rules and regulations and the parties hereto in consideration of the recitals, terms and conditions herein, do hereby agree as follows:

ARTICLE I: PROJECT DESCRIPTION

The road improvement work, ("Project"), described herein will be performed by a licensed contractor and is subject to all applicable requirements for public works, including the payment of prevailing wages and provision of payment and performance bonds. The location of these road improvements shall be between Ryan Ranch Road and the northern most boundary of Assessor's Parcel Number 087-200-01 in the Zone. The exact location of the improvements will be marked in the field by the road zone representative prior to the start of work. The road improvements described herein shall consist of the following:

Grading the existing unnamed road segment to provide a uniform cross section and consistent grade along the length of the roadway, beginning at the intersection with Ryan Ranch Road and continuing north to the project boundary with East Ridge, connection with the future EVA through the East Ridge Subdivision; delivering, placing, watering and compacting ¾ inch Class 2 Aggregate Base to a depth of four inches (4"); and applying a double application of bituminous seal with aggregate screenings (double chip seal) over the newly placed aggregate base. The completed road segment for the EVA shall have a finished width of twenty feet for three tenths of a mile, consisting of a travel surface eighteen feet (18') wide with one foot (1') aggregate base shoulders; consistent with the Wildland Fire Safe Plan, and

Replacing fencing removed during construction of the Project; and

Placing the gate to the EVA outside of the Zone boundary. Placement of the gate shall be the responsibility of Landowner, and not a part of the Project included in a contract awarded by the County on behalf of the Zone.

ARTICLE II: ESTIMATED PROJECT COSTS

The estimated cost of the Project is THIRTY-EIGHT THOUSAND SEVEN HUNDRED FORTY-SEVEN DOLLARS (\$38,747.00); which sum includes the estimated construction cost of \$29,803.00, engineering and staking costs of \$2,980.00, estimated inspection and testing costs of \$1,490.00, estimated plan check cost of \$298.00 and contingency amount of \$3,576.00, as reflected in Exhibit B, hereto, and estimated associated administrative costs of \$600.00.

ARTICLE III: ADVANCE FUNDING

After execution of this Agreement and upon ten (10) calendar day's written notice of the County, Landowner shall provide to the County in the form of a cashier's check or electronic funds transfer the sum of THIRTY-EIGHT THOUSAND SEVEN HUNDRED FORTY SEVEN DOLLARS (\$38,747.00). Funds provided by the Landowner will be used to pay for all of the labor, materials, equipment and administrative costs to complete the Project described herein. Should the qualified contractor bids for the Project obtained by the County exceed \$38,747.00, the County will provide the Landowner with copies of such bids. The Landowner will have five (5) calendar days following receipt of such bids to review and approve the additional Project costs. Upon Landowner's request, the County and Landowner will meet and confer regarding the additional Project costs and attempt to reach a mutually acceptable resolution. Once the Landowner approves an additional cost amount, with or without having met and conferred with the County, the Landowner shall deposit additional funds in the amount of the approved costs within ten (10) calendar days following such approval, in the same manner as described herein.

All funds provided for this project shall be deposited in Account No. 308601 specifically identified for the Ryan Ranch Road Zone of Benefit No. 98102. Residual funds which are not expended to complete the project, if any such balance remains, will be refunded to the Landowner after the Notice of Acceptance for the project described herein is executed, all invoices for payment to the contractor are processed, and final accounting is completed.

ARTICLE IV: PROJECT SCHEDULE

This project will take place upon full execution of a contract with a qualified contractor and shall be completed within two (2) years of the effective date of this agreement.

ARTICLE V: MAINTENANCE

The un-named road segment will remain under the control and responsibility of the Zone to maintain at its discretion.

The road work performed pursuant to this Agreement shall not vest in the Landowner any greater rights to travel the un-named road segment and/or Ryan Ranch Road than

exist in the public, and does not commit the County to any duty of maintenance under the terms of this Agreement, or as a condition of the provided funding.

ARTICLE VI: VENUE

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

ARTICLE VII: SUCCESSORS AND ASSIGNS

This Agreement is binding upon the heirs, assigns and successors-in-interest of the parties hereto. The Landowner may not assign its rights or obligations hereunder, except to successors-in-interest to the property within the Subdivision without the prior written consent of the County.

ARTICLE VIII: CHANGES TO AGREEMENT

This Agreement may be amended by mutual consent of the parties hereto. Said amendment shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE IX: LIMITATION ON LANDOWNER OBLIGATIONS.

Landowner's obligations under this Agreement are limited to providing the funding for the Project at the time and in the manner required by this Agreement.

ARTICLE X: NOTICE TO PARTIES

Any notice or other correspondence required to be given under this Agreement by either party to the other may be effected by personal delivery in writing or by mail, postage prepaid. Notices personally delivered during normal business hours shall be deemed received on the actual date of delivery; mailed notices shall be deemed received one (1) day after the affixed postmark. Notices and correspondence to County shall be delivered as follows:

To County:

County of El Dorado
Community Development Agency
Administration and Finance Division
2850 Fairlane Court
Placerville, California 95667

Attn: Ruth Young
Chief Fiscal Officer

With a copy to:

County of El Dorado
Community Development Agency
Transportation Division
2850 Fairlane Court
Placerville, California 95667

Attn: Andrew Gaber
Deputy Director

Notices and correspondence to Landowner shall be delivered when personally delivered to, or if mailed, addressed to Landowner at:

c/o HBT East Ridge LLC
3907 Park Drive, Suite 235
El Dorado Hills, California 95762

Attn: William B. Bunce
Managing Member

ARTICLE XI: CONTRACT ADMINISTRATOR

The County officer or employee with responsibility for administering this Agreement is Ruth Young, Chief Fiscal Officer, Administration and Finance Division, or successor.

ARTICLE XII: AUTHORIZED SIGNATURES

The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind said parties to the obligations set forth herein.

ARTICLE XIII: SEVERABILITY

If any term of this Agreement, or the application thereof to any person or circumstance, shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

ARTICLE XIV: TIME OF ESSENCE

Time is of the essence with regard to the advance funding obligation contained in this Agreement.

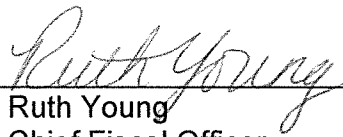
ARTICLE XV: INTEGRATION

This Agreement, together with the exhibits attached hereto and matters incorporated by reference, contain the complete and entire agreement of the parties hereto with reference to the advance funding of the improvement to the un-named road segment in the Ryan Ranch Road Zone, and matters related thereto, and supersedes any prior written or oral agreement between the parties concerning the subject matter herein.

ARTICLE XVI: EXECUTION IN COUNTERPARTS

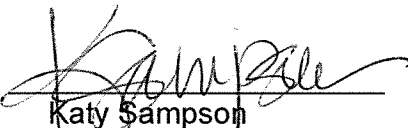
This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original instrument and each of which shall have the force and effect of an original and all of which together shall constitute one and the same instrument.

Contract Administrator Concurrence:

By: 
Ruth Young
Chief Fiscal Officer
Administration and Finance Division
Community Development Agency

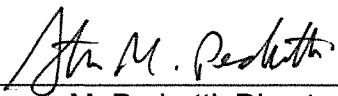
Dated: 6/20/16

Requesting Division Concurrence:

By: 
Katy Sampson
Assistant Director
Administration and Finance Division
Community Development Agency

Dated: 6/21/16

Requesting Department Concurrence:

By: 
Steven M. Pedretti, Director
Community Development Agency

Dated: 6/22/16

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

-- COUNTY OF EL DORADO --

By: _____

Dated: _____

Board of Supervisors
"County"

Attest:
James S. Mitrising
Clerk of the Board of Supervisors


By: _____
Deputy Clerk

Dated: _____

-- EAST RIDGE --

EAST RIDGE HOLDINGS, LLC
a Delaware limited liability company

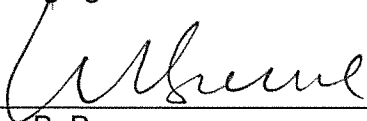
By: HBT East Ridge, LLC
a Delaware limited liability Company
Its managing member

By: 
William B. Bunce
Managing Member

Dated: 6/1/16

EL DORADO LAND VENTURES, LLC
a Delaware limited liability company


By: HBT East Ridge, LLC
a Delaware limited liability Company
Its managing member

By: 
William B. Bunce
Managing Member

Dated: 6/1/16

VALLEY VIEW REALTY INVESTMENTS, LLC
a Delaware limited liability company

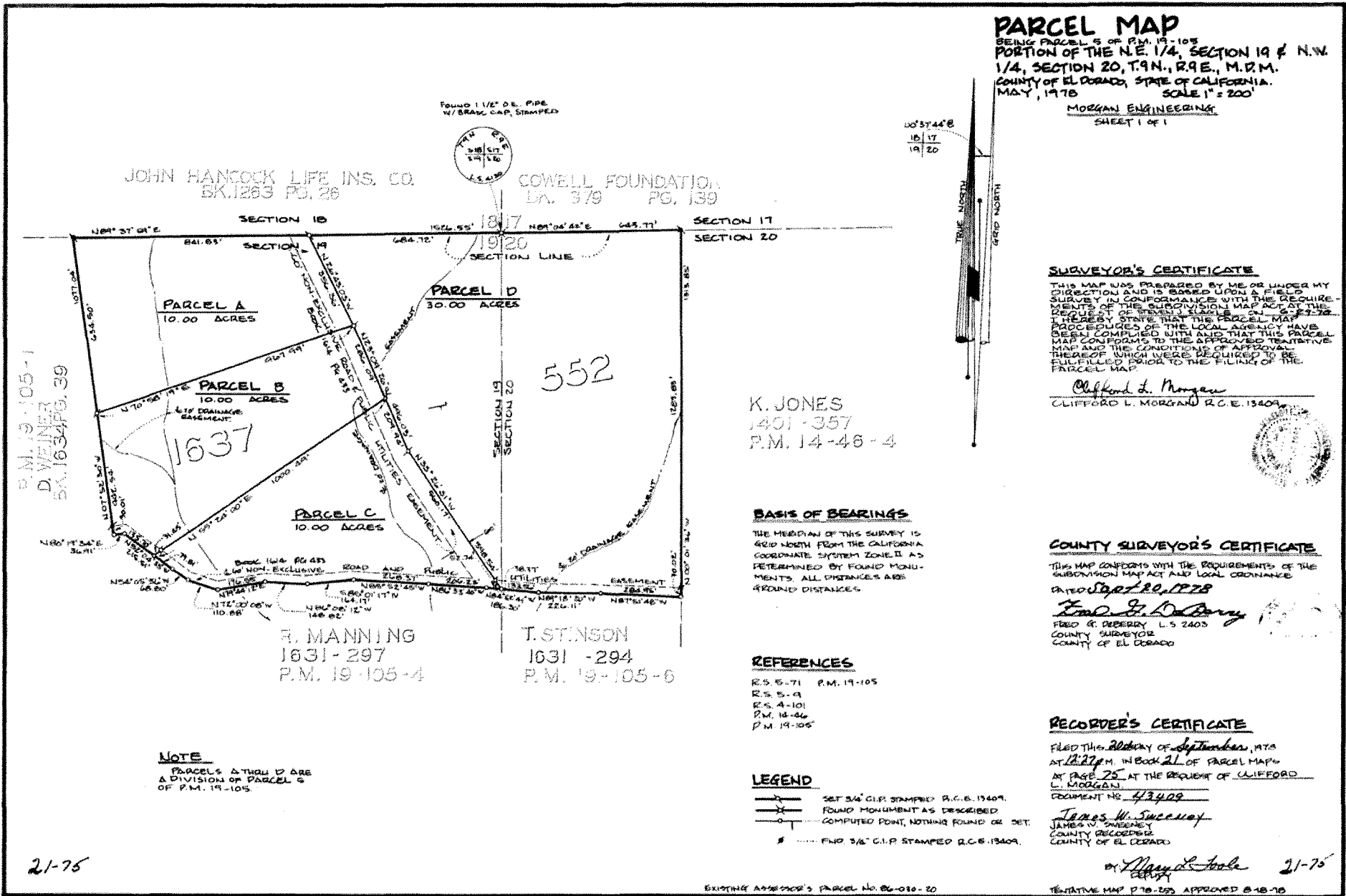
By: HBT East Ridge, LLC
a Delaware limited liability Company
Its managing member

By: 
William B. Bunce
Managing Member

Dated: 6/1/16

Exhibit A

Parcel Map 021-075



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Exhibit B

Engineers Preliminary Opinion of Costs For:
RYAN RANCH ZOB
EVA IMPROVEMENTS

Prepared on 07/27/15
 Revised on 08/20/15

Item No.	Item Description	Unit of Measure	Estimated Quantity	Estimated Unit Cost	Engineers Estimated Cost
MISCELLANEOUS					
1	Paved Portion of EVA	LS	1	\$ 2,900.00	\$ 2,900
2	6" A.B. OVERLAY	SF	15,030	\$ 1.20	\$ 18,036
3	Chip Seal	SF	15,030	\$ 0.55	\$ 8,267
4	Barbed Wire Fence - Wood Posts	LF	60	\$ 10.00	\$ 600
				Hard Cost Total	\$ 29,803
SOFT COSTS					
5	Contingency (12% of Hard Cost)	LS	1	12%	\$ 3,576
6	Engineering & Staking	LS	1	10%	\$ 2,980
7	Inspection & Testing	LS	1	5%	\$ 1,490
8	Plan Check	LS	1	1%	\$ 298
				Subtotal	\$ 8,345
				Total Estimated Cost	\$ 38,147

F:\10-CTA OFFICE\11-058-003 Valley View East Ridge Due Diligence II - 2014\Excel\Cost Estimates\2015\11-058-003-ER-OS-EVA-ESTIMATES.xlsx



EAST RIDGE HOLDINGS, LLC
MANAGER'S CERTIFICATE AND CERTIFICATE OF INCUMBENCY

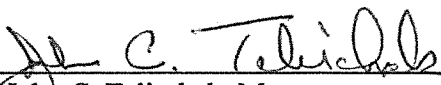
THIS MANAGER'S CERTIFICATE AND CERTIFICATE OF INCUMBENCY (this "Certificate") is made by the Manager of Telco Family Investments, LLC, a California limited liability company ("Telco"), in connection with the that certain Agreement to Fund Road Improvement Project at County Service Area No. 9, Zone of Benefit No. 98102 (the "Agreement"), by and between the County of El Dorado and East Ridge Holdings, LLC, a Delaware limited liability company ("East Ridge Holdings"), El Dorado Land Ventures, LLC, a Delaware limited liability company ("El Dorado Land") and Valley View Realty LLC, a Delaware limited liability company ("Valley View").

The undersigned hereby certifies the truth, accuracy and completeness of the following matters:

1. I am the duly appointed and qualified Manager and the custodian of the records of Telco, and I have served in those capacities since the formation of Telco.
2. Telco is currently and since its formation has been a member of HBT East Ridge, LLC, a Delaware limited liability company ("HBT East Ridge").
3. HBT East Ridge is currently and since its formation has been the managing member of East Ridge Holdings.
4. The Operating Agreement governing East Ridge Holdings remains in full force and effect, and has not been superseded by some other action.
5. As its managing member, HBT East Ridge has the authority to execute the Agreement on behalf of East Ridge Holdings, and to bind East Ridge Holdings to the terms and provisions of the Agreement.
6. William B. Bunce is the current and since its formation, has been the managing member of HBT East Ridge.
7. As its managing member, William B. Bunce has the authority to execute the Agreement on behalf of HBT East Ridge in its capacity as managing member of East Ridge Holdings, and by his signature, to bind East Ridge Holdings to the terms and provisions of the Agreement.

IN WITNESS WHEREOF, I have hereunto signed my name as the Manager of Telco Family Investments, LLC, a California limited liability company.

Dated: June 1, 2016



John C. Telischak, Manager

EL DORADO LAND VENTURES, LLC
MANAGER'S CERTIFICATE AND CERTIFICATE OF INCUMBENCY

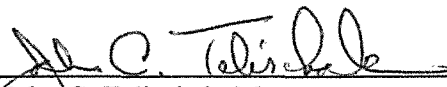
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2. Telco is currently and since its formation has been a member of HBT East Ridge, LLC, a Delaware limited liability company ("**HBT East Ridge**").
3. HBT East Ridge is currently and since its formation has been the managing member of El Dorado Land.
4. The Operating Agreement governing El Dorado Land remains in full force and effect, and has not been superseded by some other action.
5. As its managing member, HBT East Ridge has the authority to execute the Agreement on behalf of El Dorado Land, and to bind El Dorado Land to the terms and provisions of the Agreement.
6. William B. Bunce is the current and since its formation, has been the managing member of HBT East Ridge.
7. As its managing member, William B. Bunce has the authority to execute the Agreement on behalf of HBT East Ridge in its capacity as managing member of El Dorado Land, and by his signature, to bind El Dorado Land to the terms and provisions of the Agreement.

IN WITNESS WHEREOF, I have hereunto signed my name as the Manager of Telco Family Investments, LLC, a California limited liability company.

Dated: June 1, 2016



John C. Telischak, Manager

VALLEY VIEW REALTY, LLC
MANAGER'S CERTIFICATE AND CERTIFICATE OF INCUMBENCY

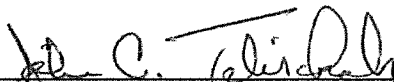
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3. HBT East Ridge is currently and since its formation has been the managing member of Valley View.
4. The Operating Agreement governing Valley View remains in full force and effect, and has not been superseded by some other action.
5. As its managing member, HBT East Ridge has the authority to execute the Agreement on behalf of Valley View, and to bind Valley View to the terms and provisions of the Agreement.
6. William B. Bunce is the current and since its formation, has been the managing member of HBT East Ridge.
7. As its managing member, William B. Bunce has the authority to execute the Agreement on behalf of HBT East Ridge in its capacity as managing member of Valley View, and by his signature, to bind Valley View to the terms and provisions of the Agreement.

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Dated: June 1, 2016



John C. Telischak, Manager