

**THIRD AMENDMENT TO LEASE OF REAL PROPERTY FOR OPERATIONS AND
MAINTENANCE SERVICES AGREEMENT BETWEEN THE CITY OF COMMERCE
AND CALIFORNIA WATER SERVICE COMPANY**

The Third Amendment to Lease of Real Property for Operations and Maintenance Services Agreement (hereinafter "Third Amendment") is made and entered into as of the 5th day of September 2017 ("Effective Date") by and between the City of Commerce, a public body of the State of California ("City") and California Water Service Company, a California corporation in good standing ("Contractor")

WITNESSETH

This Third Amendment is made with reference to the following facts:

- A. As of the 1st day of October 2002, the parties hereto entered into a certain "Lease of Real Property for Operations and Maintenance Services Agreement" (hereinafter "Agreement") for a fifteen year period. That lease is set to end on October 1, 2017.
- B. The City is in the process of releasing a Request for Proposals for Lease of Real Property for Operations and Maintenance Services and implementation of the Capital Improvement Program for the Commerce Water System. The parties seek to extend the original lease to the end of the City's current fiscal year (to June 30, 2018) to allow for the bidding process to take place.
- C. The Agreement and any later effective amendments will continue to control all aspects of the agreement between the City and Contractor, except for those terms that this Amendment explicitly modifies.

NOW, THEREFORE, incorporating the foregoing recitals as a part of this Third Amendment, and in consideration of the mutual covenants and conditions contained in this Third Amendment, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 2 of the Agreement ("Term of Lease") shall be amended to read as follows: "The parties hereto agree to extend the term of the Lease to June 30, 2018."

City of Commerce, a Municipal Corporation

California Water Service
Company, Contractor

Oralia Rebollo, Mayor

Paul Townsley, Vice President of
Rates and Regulatory Matters or
Timothy Treloar, Vice President

of Water Quality and Chief Utility
Operations Officer

Dated: _____

Dated: _____

ATTEST:

APPROVED AS TO FORM:

Lena Shumway
City Clerk

Eduardo Olivo
City Attorney