



EL DORADO COUNTY GRAND JURY 2009-2010

PURCHASE OF THE ANIMAL CONTROL SHELTER PROPERTY

Case No. GJ 09-013

REASON FOR REPORT

The Grand Jury received a citizen complaint concerning the County's purchase in 2006 of a 10-acre parcel for the construction of a County Animal Control Shelter. The complaint raised a number of issues:

1. The Board of Supervisors authorized the purchase of a parcel owned by a friend of one Supervisor;
2. The parcel purchased by the County is 10 acres but only about 7 acres are useable;
3. The purchase agreement required the County to build a road and water lines at a cost of approximately \$1.5 million to reach the landlocked 10-acre parcel;
4. The road and water lines will enhance the surrounding privately-owned parcels, but the County will not be reimbursed for any of the cost;
5. The Board of Supervisors insisted on a concrete tilt-up design; however, this is not the most cost effective construction for this location.

BACKGROUND

For approximately twenty years prior to 2007, El Dorado County contracted with the City of Placerville to use Placerville's animal shelter facilities for the Western Slope. On February 25, 2004, the City of Placerville notified El Dorado County that because of the City's expansion of its wastewater treatment plant, El Dorado County could no longer lease the City of Placerville's animal shelter facilities. According to the City of Placerville's letter, the County would be required to vacate the site by the end of the lease, which expired on March 9, 2007.

The Department of General Services, in conjunction with the Public Health Department, conducted a search for a suitable location for the County to build a new Animal Control Shelter to service the Western Slope. In the interim, El Dorado County entered into a "temporary" agreement with the City of Placerville to house animals at the City's 511 Placerville Drive location. That "temporary" facility became operational in December 2007, and is still being used by the County as of the date of this report.

County personnel presented several alternative locations believed to be suitable for the construction of an animal control shelter, including land already owned by the County at Union Mine. However, on April 28, 2006, the Board of Supervisors approved the purchase of a 10-acre parcel located just east of the intersections of Mother Lode Drive and Pleasant Valley Road, near the town of El Dorado. The purchase price was \$450,000.

In September 2006, the Board of Supervisors approved an agreement with a well-known firm in the Bay Area for architectural services for the Western Slope Animal Shelter in the amount not to exceed \$574,400.

On May 3, 2009, the Board of Supervisors directed that \$6 million for the construction of the Animal Control Shelter be placed in the Capital Improvement Budget. The Board of Supervisors also directed that the facilities be redesigned to cost no more than \$6 million.

The County spent about \$400,000 to design and improve the current "temporary" animal shelter on Placerville Drive, and currently spends about \$145,000 per year to lease the "temporary" animal shelter, pay field and administrative staff, and to care for large animals through an outside private foundation.

El Dorado County has not built the Animal Control Shelter on the 10-acre parcel purchased in 2006, and is now looking at alternative locations, some of which already have structures that could be converted for use as an animal control shelter.

METHODOLOGY

The Grand Jury reviewed the Board of Supervisors Minutes and related documents, and the contract for purchase of the 10-acre parcel, interviewed members of the current and past years' Board of Supervisors, and prior heads of the County Departments involved in the purchase of the parcel and design of the Animal Control Shelter, as well as the citizen complainant.

Physical Inspections:

- Proposed site of the Western Slope Animal Shelter, Pleasant Valley Road," Placerville, California

Interviews Conducted:

- Chief Administrative Officer

- Chief Animal Services Officer
- Chief County Counsel
- Citizen Complainant
- County Counsel Staff Attorney
- Former County Architect
- Former Director of Department of General Services
- Past Members, Board of Supervisors
- Present members, Board of Supervisors

Documents Reviewed:

- Board of Supervisor Minutes and related documents:
 - May 9, 2006, Approving the Purchase and Sale Agreement in the amount of \$450,000 for the purchase of Assessor's Parcel Numbers #331-620-01 and #331-620-02
 - September 26, 2006, approving the agreement with the Architectural firm on the Western Slope Animal Shelter for a total amount not to exceed \$574,400.
 - March 3, 2009, Directing the Staff to maintain the Animal Control Shelter funds in the Capital Improvement Budget; Authorizing staff to revise proposal to assure that the total project costs do not exceed \$6 million.
- Letters from City of Placerville to El Dorado County regarding the termination of El Dorado County's use of Placerville's animal shelter facilities:
 - February 25, 2004
 - February 25, 2004 (#2)
 - August 9, 2004
 - September 15, 2005
- Master Report dated January 2, 2009, General Services, update for the West Slope Animal Services
- Purchase and Sale Agreement made by and between JOYCE SHINN, SCOTT LAWRENCE SHINN, THOMAS EDSON SHINN, and LINDA LOU FINE ("Sellers") and the COUNTY OF EL DORADO, a political subdivision of the State of California ("County" or "Buyer"), dated 5-9-06 (See Exhibit A, attached).

FINDINGS

In accordance with the California Penal Code §933 and §933.05, each numbered finding and recommendation will be responded to by the governmental entity to which it is addressed. The responses are to be submitted to the Presiding Judge of the Superior Court.

The 2009 - 2010 El Dorado County Grand Jury has arrived at the following findings:

1. The Board of Supervisors approved the purchase of the 10-acre parcel near the town of El Dorado without recognizing that only about 7 1/2 acres of the parcel are usable due to a seasonal creek flowing through the property.
2. The Board of Supervisors approved the purchase of the 10-acre parcel near the town of El Dorado without recognizing that the cost of improving access to the parcel and adjoining parcels as specified in the purchase agreement could be as much as \$1.5 million.
3. The Board of Supervisors approved the purchase of the 10-acre parcel near the town of El Dorado without requiring the Sellers to contribute to the costs of the improvements specified in the purchase agreement. Those improvements will greatly benefit the privately-owned parcels adjacent to the required roadway, which are still owned by the Sellers.
4. The Board of Supervisors approved the purchase of the 10-acre parcel near the town of El Dorado without recognizing that they may have obligated the County to build a road, water lines, and a fence, at an estimated cost of \$1 million to \$1.5 million (according to testimony), even if the County does not build the Animal Control Shelter on the 10-acre parcel.
5. The Board of Supervisors insisted that the Animal Control Shelter be built using "tilt-up" construction although the BOS was advised that "tilt-up" construction was not the most cost effective method, and that the next less expensive option, steel frame, could save as much as \$1 million.
6. The Board of Supervisors' involvement in the land selection, purchase, and the method of construction for the Animal Control Shelter was unusually high.
7. The Board of Supervisors has failed for more than four years to construct or otherwise acquire a permanent Animal Control Shelter for the West Slope even though the County purchased the 10-acre parcel in 2006 for \$450,000, and hired an architect, at a cost not to exceed \$574,400, to design the building (a significant portion of which was spent). An additional \$6 million in the Capital Improvement Budget has been set aside for the Animal Control Shelter.
8. The Board of Supervisors' decisions regarding the selection of the location for the Animal Control Shelter and the method of construction were strongly influenced by one Supervisor. According to authoritative sources with direct knowledge, that Supervisor "drove the bus". Nonetheless, all members of the Board of Supervisors share responsibility for approving the purchase.
9. The Board of Supervisors failed to make diligent inquiries into the usability of the entire 10-acre parcel, failed to ask important questions about the costs of improvements specified in the purchase agreement, and failed to negotiate a fair cost-sharing agreement with the Sellers for the costs of the improvements.

10. The Department of General Services, and the CAO, failed to provide the Board of Supervisors with all pertinent information concerning the costs of the improvements to be made by the County as described in the purchase agreement for the 10-acre parcel.
11. The County Counsel's office, who prepared the purchase agreement for the 10-acre parcel, made a glaring omission by neglecting to insert an "escape clause" that would permit the County to avoid making the specified improvements if the Animal Control Shelter were not actually constructed on the 10-acre parcel. Even if the County received a lower price for the 10-acre parcel because it agreed to build the road and make other improvements, any difference in price did not justify the County being left "holding the bag" or having a costly contractual obligation for the required improvements.

RECOMMENDATIONS

1. The Board of Supervisors should require a detailed, written cost analysis for any contract greater than a set dollar amount that it considers for approval.
2. The Board of Supervisors should give appropriate deference to experts, both in and outside the County, in matters of property acquisition and building construction, and should not ignore those recommendations without compelling reasons.
3. The lead County Department in each case, and the CAO, should provide the Board of Supervisors with all pertinent information, including financial cost, for all aspects of a proposed property acquisition and improvements.
4. County Counsel's office should insist that the County is protected in all contracts for foreseeable changes in circumstances and require appropriate protective language in all County contracts.
5. The Board of Supervisors should exercise due diligence by thoroughly reviewing all contracts, asking questions, and insisting on complete answers before approving action.
6. The 2006 Board of Supervisors, in their eagerness to construct the animal control shelter for the County of El Dorado, overstepped their involvement in the details of the negotiation and construction of the structure. The County had staff expertise in the area of real estate acquisition, negotiation and construction. The Board should have deferred to their expertise and taken an impartial posture. Instead, because of their close involvement in the details, an aura of conflict of interest has been created and serious ethical questions have been raised.

This Grand Jury, in light of the testimony received, raises the question that if the Board of Supervisors had not been so closely involved in the "day-to-day" decision making process, would the property that was purchased have been the final selection? The Board of Supervisors is a policy setting and final decision-making board. Decisions should be made based on the expertise and advice of County staff. By being overly involved in the decision-making process, the Board of Supervisors unduly influenced County professional staff to make recommendations that were more agreeable to the County Supervisors. Hence, the process was made much more complicated and controversial by their involvement and not without political overtones. This Grand Jury recommends review by the Board of Supervisors of their decision-making processes, and of the legal requirements that are in place to forestall these kinds of expensive errors incurred at the expense of County taxpayers.

RESPONSES

Responses to both findings and recommendations in this report are required from the Board of Supervisors, the Chief Administrative Officer, and County Counsel in accordance with California Penal Code §933 and §933.05. Address responses to: The Honorable Suzanne N. Kingsbury, Presiding Judge of the El Dorado County Superior Court, 1354 Johnson Blvd., South Lake Tahoe, CA 96150.

ORIGINAL

EXHIBIT A

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT ("Agreement") is made by and between JOYCE SHINN, SCOTT LAWRENCE SHINN, THOMAS EDSON SHINN, and LINDA LOU FINE ("Sellers") and the COUNTY OF EL DORADO, a political subdivision of the State of California ("County" or "Buyer").

RECITALS

WHEREAS, Joyce Shinn, as her sole and separate property, and Scott Lawrence Shinn, as his sole and separate property, each own fifty percent (50%) of that certain real property situated in the County of El Dorado, California, commonly known as APN 331-620-01, and more particularly described in Exhibit 1 hereto;

WHEREAS, Thomas Edson Shinn and Linda Lou Fine, as tenants in common, own all of that certain real property situated in the County of El Dorado, California, commonly known as APN 331-620-02, and more particularly described in Exhibit 2 hereto;

WHEREAS, the County has a need to relocate its existing Animal Control facility in Placerville and has identified portions of the certain real property described above and owned by Sellers in the County of El Dorado as a suitable location for relocation of the County's Animal Control facility;

WHEREAS, the County is in the process of completing required environmental analyses regarding its proposed project to relocate its animal control facility and may not consummate this transaction until completion of those analyses and the occurrence of a public hearing regarding its proposed project conducted after due notice;

WHEREAS, the parties desire to move forward with this purchase and sale to facilitate the County's need to relocate its Animal Control facility to best serve the needs of the citizens of the County; and

WHEREAS, the County wants to acquire multiple properties from separate owners via this single agreement and any contingencies relating to one property shall relate to all properties involved herein.

NOW, THEREFORE, in consideration of payment of compensation and the performance of the mutual promises and agreements herein, and for other valuable consideration, the parties hereto agree as follows:

EXHIBIT A

ARTICLE 1 - PREMISES

1.1 Purchase and Sale. Subject to the terms and conditions herein, Sellers hereby agree to sell to County and County hereby agrees to purchase from Sellers ten (10) acres, more or less, of real property comprised of those portions of that certain real property owned by Sellers and more particularly described in Exhibits 3 and 4 and depicted in Exhibits 3-A and 4-A attached and made a part hereof. Said real property is hereinafter collectively referred to as the "Real Property."

ARTICLE 2 - PURCHASE PRICE

2.1 Purchase Price. The total purchase price for the Real Property shall be Four Hundred Fifty Thousand Dollars (\$450,000.00) (hereinafter, the "Purchase Price"). County shall pay the Purchase Price in cash or other immediately available funds at Close of Escrow (as that term is defined herein), plus the County's share of costs, fees, and expenses to be borne by County pursuant to this Agreement. Sellers and County hereby acknowledge that the Purchase Price represents the fair market value of the Real Property.

2.2 Sellers' Obligations. In exchange for the Purchase Price and in addition to any other obligations specified in this Agreement, Sellers shall do the following: (a) each deliver to County a Grant Deed for the Real Property in which they have an interest; (b) convey an easement to the County for road, public utility, and signage purposes or irrevocably dedicate property for road, public utility, and signage purposes sixty (60) feet in width and as more specifically depicted in Exhibits 5 and 6 hereto; (c) convey an easement to the County for slope purposes as more specifically depicted in Exhibit 6 hereto; and (d) convey an easement to the County for public utility purposes twenty (20) feet in width and as more specifically depicted in Exhibit 5 hereto.

2.3 Buyer's Obligations. In addition to any other obligations specified in this Agreement, County shall do the following: (a) construct, at its sole cost and expense, Roads A and B, as more specifically depicted on Exhibits 5 and 6 hereto, including an encroachment at the intersection of Road A and Pleasant Valley Road, to be constructed in accordance with the standards required by the County's Department of Transportation, and (b) construct, at its sole cost and expense, an eight inch diameter water line within the bounds of Road A and a six inch water line within the bounds of Road B in accordance with the standards required by the El Dorado Irrigation District, and (c) construct, at its sole cost and expense, a field fence as more specifically depicted on Exhibit 7 hereto, in the location as depicted on Exhibit 5 hereto, including a gate at the southerly terminus of Road A. Additionally, though not a condition of performance under this Agreement, County may (a) install underground power and communication conduits within the bounds of Road A. County waives any right to reimbursement from Sellers for Sellers' future use of the water line constructed by County pursuant to the terms of this Agreement.

Additionally, County shall provide Sellers with substitute Certificates of Compliance relating to any parcels that already have Certificates of Compliance and are adjacent to the Real Property and affected by Sellers' transfer of the Real Property to the County. Pursuant to Government Code section 66428(a)(2) and County Code section 16.04.040(D), the County hereby declares that the sale of the Real Property to the County by this Agreement does not constitute a "subdivision" requiring preparation and approval of a tentative map, final map, or parcel map as per the Subdivision Map Act (Government Code section 66410 *et seq.*) or the County's Major Land Divisions Ordinance (County Code section 16.04.010 *et seq.*).

ARTICLE 3 - TITLE, ESCROW PROVISIONS

3.1 Escrow. The purchase and sale of the Real Property shall be consummated through an Escrow to be opened at Placer Title Company (hereinafter referred to as "Escrow Holder"). This Agreement shall, to the extent possible, act as escrow instructions. The parties shall execute all further escrow instructions required by Escrow Holder. All further escrow instructions, however, shall be consistent with this Agreement, which shall control. Sellers and County agree to deposit in escrow all instruments, documents, and writings identified or reasonably required to close escrow. The "Close of Escrow" shall occur on or before October 16, 2006 or such other date as the parties shall mutually agree in writing. During that time, County shall make a good faith effort to expeditiously proceed with its CEQA analysis of the proposed animal control relocation project.

3.2 Escrow and Other Fees. Closing costs, including the following, shall be borne by the County: (a) the Escrow Holder's fees; (b) recording fees; (c) the premium for the policy of title insurance; (d) documentary transfer tax, if any; (e) all costs of executing and delivering the Grant Deed; and (f) all costs of any partial reconveyances of deeds of trust, if any.

3.3 Conditions.

3.3.1 Title. It shall be a condition of Closing, for County's benefit, that Sellers shall cause fee simple title to the Real Property to be conveyed to County by Grant Deed subject only to those exceptions of which County notifies Sellers pursuant to Paragraph 3.3.2 below. Upon the Close of Escrow, Escrow Holder shall cause its underwriter to issue its ALTA standard coverage, owner's policy of title insurance insuring title in County with liability in the amount of the Purchase Price, with such endorsements as County may reasonably require.

3.3.2 Approval of Encumbrances. Within thirty (30) days of the effective date of this Agreement, Buyer will order from Escrow Holder a preliminary title report and legible copies of all documents referred to therein covering the Real Property (collectively, the "Preliminary Report"). Within fifteen (15) days of County's receipt of the Preliminary Report, County shall notify Sellers, in

writing, of any exceptions of the Preliminary Report to which the County objects. With respect to any such title objections, Sellers shall have ten (10) days after delivery of the County's notice of objections to give notice to the County, in writing, stating either (a) the manner in which Sellers will remove or cure the County's title objections or (b) that Sellers shall not remove or cure the County's title objections. If Sellers fail to deliver such notice to the County, Sellers shall be deemed to have elected not to cure the County's title objections. If Sellers elect not to cure or remove one or more of the County's title objections, then the County shall have ten (10) days after delivery of Sellers' notice to deliver written notice to Sellers of the County's election either to (a) proceed with the purchase and waive any title objections that the Sellers elected not to cure or (b) terminate this Agreement.

3.4 Items to be Delivered at Close of Escrow. Sellers shall execute and deliver to Escrow Holder at the Close of Escrow one or more fully executed Grant Deeds for the Real Property. Sellers shall also execute and deliver to Escrow Holder at the Close of Escrow grants of easements evidencing Sellers' satisfaction of its obligations under Section 2.2 of this Agreement.

3.5 Buyer's Contingencies. Buyer's obligation to purchase the Real Property is expressly conditioned on all of the following: (a) Sellers' delivery of the Real Property free and clear of all liens and encumbrances except as otherwise allowed in Paragraph 3.3.2 herein; (b) the County Planning Commission's finding that the County's proposed use of the Real Property is consistent with the County's General Plan; (c) the County's filing of a Notice of Determination for its proposed project in compliance with the California Environmental Quality Act; (d) the County's satisfaction with the results of the property inspection permitted by Paragraph 5.1 herein; and (e) Seller's compliance with any other applicable legal requirements and final decisions of the County's Board of Supervisors relating to the County's proposed project. Additionally, the County reserves, until after completion of the CEQA process and after noticed public hearings regarding the proposed project, its right to make a final decision on whether to acquire the Real Property and to proceed with its proposed project to relocate its animal control facility to the Real Property.

3.6 Termination for Failure of a Contingency. If this Agreement is terminated or deemed to be terminated for failure of a contingency set forth in this Article 3, then immediately on written notice from Buyer, Escrow Holder must refund any deposit to Buyer without offset for any charges or claims. Any cancellation fee or other costs of the Escrow Holder or the Title Company resulting from this termination shall be borne equally by Sellers and Buyer, and each party shall pay its own expenses.

ARTICLE 4 - TAXES AND OTHER ASSESSMENTS

4.1 Taxes. Sellers authorize Escrow Holder to deduct and pay from the Purchase Price any amount necessary to satisfy any delinquent taxes due, together with penalties and interest thereon which shall be cleared from the Real Property prior to Close of Escrow. All real property

taxes shall be prorated in accordance with Revenue and Taxation Code section 4986 as of the Close of Escrow.

4.2 Assessments. It is agreed that Sellers shall be responsible for payment of any assessments, bonds, charges or liens imposed upon the Real Property by any federal, state or local government agency, or utility. Sellers agree to indemnify and hold County harmless from any claim arising therefrom. Sellers authorize Escrow Holder to deduct and pay from the Purchase Price any amount necessary to satisfy any delinquent assessments, bonds charges, or liens, together with penalties and interest thereon, which shall be cleared from the title to the Real Property prior to Close of Escrow.

ARTICLE 5 - RIGHT OF ENTRY

5.1 Property Inspection. County shall have the right to inspect the Real Property pursuant this section. As part of this property inspection, County may, but is not required to, obtain and review such tests and inspections of the Real Property as County shall deem reasonably necessary in order to determine the condition of the Real Property and suitability of the Real Property to County's intended uses. If, on the basis of the foregoing review, County determines, in its sole discretion, that the Real Property is not acceptable, then, prior to the Close of Escrow, Seller shall remedy any unsatisfactory conditions or County may terminate this Agreement, without penalty, by delivering written notice of such termination to Sellers.

ARTICLE 6 - WARRANTIES

6.1 Warranties. Sellers warrant as follows:

- A. Sellers owns the Real Property, free and clear of all liens, licenses, claims, encumbrances, easements, and encroachments on the Real Property from adjacent properties, encroachments by improvements on the Real Property onto adjacent properties, and rights of way of any nature, not disclosed by the public record.
- B. Sellers have no knowledge of any pending litigation involving the Real Property.
- C. Sellers have no knowledge of any violations of, or notices concerning defects or noncompliance with, any applicable code, statute, regulation, or judicial order pertaining to the Real Property.
- D. Sellers have no actual knowledge of any unrecorded or undisclosed legal or equitable interest in the Real Property owned or claimed by anyone other than Sellers. Sellers have no knowledge that anyone will, at the Close of Escrow, have any right to possession of the Real

Property, except as disclosed by this Agreement or otherwise in writing to County.

6.2 Hazardous Materials. Sellers represent and warrant for the benefit of County that, to the best of Sellers' knowledge, there are no Hazardous Materials present on the Real Property and there has been no release, use, generation, discharge, storage, or disposal of any Hazardous Materials on, in, under or otherwise affecting all or any portion of the Real Property. Sellers further represent and warrant that, to the best of Sellers' knowledge, the Real Property is not in violation of any federal, state, or local law, ordinance or regulation relating to the environmental conditions on, under, or about the Real Property, including, but not limited to, soil and groundwater contamination. Sellers know of no fact or circumstance that may give rise to any future civil, criminal, or administrative proceedings against the property or Sellers relating to environmental matters.

6.2.1 Hazardous Materials Defined: As used herein, the term "Hazardous Materials" shall mean any hazardous or toxic substance, material, sewage or waste which is regulated, controlled or prohibited by statute, rule, regulation, decree or order of any governmental authority, the State of California or the United States Government currently in effect. The term "Hazardous Material" includes, without limitation, any material or substance which is (1) defined as a "hazardous waste," "extremely hazardous waste," or "restricted hazardous waste" under Sections 25115, 25117 or 25122.7, or listed pursuant to Section 25140 of the California Health and Safety Code, Division 20, Chapter 6.5, sections 25100, et seq., (Hazardous Waster Control Law), (2) defined as a "hazardous substance" under Section 25316 of the California Health and Safety Code, Division 20, Chapter 6.8 ("CPTHSA Act"), (3) defined as a "hazardous material," "hazardous substance," or "hazardous waste" under Section 25501 of the California Health and Safety Code, Division 20, Chapter 6.95 (Hazardous Material Release Response Plans and Inventory Act), (4) defined as a "hazardous substance" under Section 25821 of the California Health and Safety Code, Division 20, Chapter 6.7 (Underground Storage of Hazardous Substances), (5) petroleum, (6) asbestos, (7) listed under Article 9 or defined as hazardous or extremely hazardous pursuant to Article 11 of Title 22 of the California Administrative Code, Division 4, Chapter 20, (8) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Act, 33 U.S.C. Sec 1251 et seq. (33 U.S.C. Sec 1321), (9) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Sec 6901 et seq. (42 U.S.C. Sec. 6903), (10) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. Sec. 9601 et seq. (42 U.S.C. Sec 9601) ("CERCLA"), or (11) defined as a "waste" under the California Porter-Cologne Water Quality Control Act, section 13050 of the California Water Code.

6.3 Leases. Sellers warrant that there are no oral or written leases on all or any portion of the Real Property exceeding a period of one month.

6.4 Survival. All warranties, covenants, and other obligations described in this Article and elsewhere in this Agreement shall survive delivery of the Grant Deed.

ARTICLE 7 - NOTICES

7.1 Notices. All communications and notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given on the earlier of the date when actually delivered to Sellers or County by the other or three (3) days after being deposited in the United States mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either of such parties notifies the other in accordance with this paragraph of a change of address:

SELLERS: Thomas Shinn
4880 Kingvale Road
El Dorado, CA
95623

COUNTY: County of El Dorado
Board of Supervisors
Attention: Clerk of the Board
330 Fair Lane
Placerville, CA 95667

COPY TO: County of El Dorado
Department of General Services
Attention: Joanne M. Narloch
360 Fair Lane
Placerville, CA 95667

ARTICLE 8 - BROKER OR AGENT

8.1 Broker or Agent. County has not employed a broker or sales agent in connection with the purchase and sale of the Real Property. Sellers have employed a broker or sales agent in connection with the purchase and sale of the Real Property. Sellers are solely responsible for the payment of any commission or other compensation to their broker or sales agent. Sellers shall indemnify, defend and hold County harmless from any action or claim against County to pay any commission or other compensation to any third party in connection with this transaction.

ARTICLE 9 – WAIVER AND RELEASE OF CLAIMS

9.1 This Agreement is full consideration for all claims and damage that Sellers may have relating to the public project for which the Real Property is conveyed and purchased, and Sellers hereby waive any and all claims relating to said project that may exist on the date of this Agreement.

ARTICLE 10 - MISCELLANEOUS PROVISIONS

10.1 No Amendments. No amendment of this Agreement shall be valid unless made in writing and signed by the parties hereto, and no oral understanding or agreement not incorporated herein shall be binding on either party hereto.

10.2 Time is of the Essence. The County must vacate its current Animal Control facility, which is located on land owned by the City of Placerville, by Spring 2007. Accordingly, time is of the essence of each term and provision of this Agreement.

10.3 Binding Effect. This Agreement shall bind the parties, their personal representatives, successors, and assigns.

10.4 Invalidity. The invalidity of any provision of this Agreement as determined by a court of competent jurisdiction shall in no way effect the validity of any other provision hereof.

10.5 Warranty of Authority. The parties to this Agreement warrant and 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 upon said parties the obligations set forth herein.

10.6 Addendum and Exhibits. In the event of conflict between this Agreement and any Addendum or Exhibit attached hereto, the provisions of such Addendum or Exhibit shall control.

10.7 Venue. Any disputes regarding this Agreement and any attachments incorporated herein shall be governed by laws of the State of California and shall be filed in the Superior Court for El Dorado County.

10.8 Administrator. The County Officer or employee with responsibility for administering this Agreement is the Interim Director of General Services, Joanne M. Narloch or successor.

10.9 Execution. The Agreement may be executed and entered into in several

counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

10.10 Prior Agreements. This Agreement supersedes any prior negotiations and agreements and contains the complete, exclusive, and final agreement of the parties with respect to the subject matter hereof. No other agreement, representation, statement or promise made by any party or any employee, officer, or agent of any party that is not expressly set forth in this Agreement shall be binding or impose any liability on a party.

10.11 Captions. The section headings throughout this Agreement are for convenience and reference only and the words contained therein shall not be held to expand, modify, amplify or aid in the interpretation, construction or meaning of this Agreement.

10.12 Survival. Except as otherwise provided herein, the covenants, representations, and warranties contained in this Agreement shall survive the Close of Escrow and shall not be deemed merged in the Grant Deed but shall remain in full force and effect.

10.13 Further Assurances. Sellers and County agree that at any time or from time to time after the execution of this Agreement, whether before or after the Close of Escrow, they will, upon request of the other, execute and deliver such further documents and do such further acts and things as the other party may reasonably request in order to effect fully the purposes of this Agreement.

10.14 Waiver. The waiver by Sellers or County of a breach or failure of a term, covenant, or condition of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach or failure of condition of the same or of another provision hereof.

10.15 Third Party Beneficiaries. No condition, covenant, waiver or release contained herein made or given by Sellers or County is intended to run to the benefit of any person not a party to this Agreement unless otherwise expressly set forth herein.

10.16 Incorporation of Recitals and Exhibits. The Recitals set forth above are true and correct and, together with the Exhibits attached hereto, are incorporated into this Agreement by this reference.

10.17 Attorney's Fees. In any action or proceeding at law or in equity arising out of this Agreement, the prevailing party shall be entitled to all reasonable attorney's fees, costs and expenses incurred in said action or proceeding.

10.18 Effective Date. This Agreement shall be subject to the approval of the County's Board of Supervisors after due notice and in accordance with the provisions of applicable law.

IN WITNESS WHEREOF, the parties hereto have entered into the Agreement as of the day and year last written.

BUYER/ "COUNTY":

Dated: 5-9-06

COUNTY OF EL DORADO

By: James R. Sweeney
James R. Sweeney, Chairman
Board of Supervisors

CINDY KECK
Clerk of the Board of Supervisors

By: [Signature]
Cindy Keck

SELLERS:

Dated: 5-14-06

JOYCE SHINN

[Signature]

Dated: 5-17-06

SCOTT LAWRENCE SHINN

[Signature]

Dated: 05/10/06

THOMAS EDSON SHINN







[Signature]

Dated: 5/13/04

LINDA LOU FINE

[Signature]

Legend

-  Project Boundary
-  Building Footprint
-  Main Building
-  Fence
-  Roads and Parking
-  Canals



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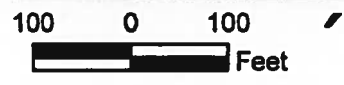


FIGURE 2.3
PROJECT SITE
PMC