

June 22, 2010

Supervisor John Knight
El Dorado County
330 Fair Lane
Placerville, CA 95667

VIA Email

Re: Road Improvement Agreement 07-1418
La Crescenta Associates

Dear Supervisor Knight:

This letter is a request to have a matter included on the Board of Supervisors agenda related to the expiration of the above described Road Improvement Agreement ("RIA").

The RIA was originally executed as part of the application by La Crescenta Associates, the subdivider, for a final map for the Sierra Oaks Condominium tentative map in the Cameron Park area, intended to convert an existing building into condominiums. A decision was made that frontage improvements imposed as a condition of the tentative map would not be included in a subdivision agreement, but would be the subject of a separate road improvement agreement. Virtually everything required for the approval of the final map was submitted, but, due to the sudden collapse of the housing market, a last minute decision was made to not record the final map and the application was withdrawn. However, the RIA with bonds attached was inadvertently forwarded to the Board without the final map and was approved. Accordingly, the RIA and bonds are securing improvements that my clients are not required to construct.

The RIA required construction of the improvements by May, 2009, and my clients were contacted at that time by DOT staff regarding the need to process an extension to the RIA. I suggested that, in light of the fact that the final map had not been recorded and my clients were not planning on finalizing the project in the foreseeable future, the RIA could be deemed to have terminated and the bond released, with the understanding that a new RIA and bonds would be required should a final map be submitted. This request has taken some time to process and the surety company has taken the position that unless the RIA is deemed to have terminated last year that a premium for an extension of the bond must be paid. A confirmation of the termination must be obtained very soon to obtain the cooperation of the surety. This is why I am making this unusual direct request for a place on an agenda, asking that the Board determine that the RIA be deemed to have been terminated at such time as the time for performance expired, May, 2009, and the bonds may then be appropriately released.

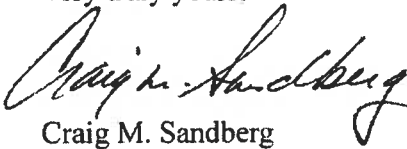
I recently received word from the County Counsel's office that, although a mutual agreement that the RIA is terminated may be appropriate, there was some concern about the termination being deemed to have occurred retroactively because of the County's policy of

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maintaining labor and materialmen bonds as security against post project claims. In this case a contract was never entered into nor a shovel of dirt turned in the furtherance of the secured improvements. I can give you my personal assurance that no such actions have been taken, or will provide a more formal assurance of no activity or indemnification, if necessary.

Thank you for any consideration you may give this request.

Very truly yours,



Craig M. Sandberg

CMS/ms

cc: Trish Beck
Jim Ware
Gary Gallelli