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**REIMBURSEMENT AGREEMENT FOR FUNDING OF LEGAL SERVICES  
FOR PREPARATION OF ENVIRONMENTAL IMPACT REPORTS FOR  
PD07-0034, A07-0018, Z07-0054, S07-0029 AND  
DEVELOPMENT OF THE DIAMOND SPRINGS PARKWAY  
EIR NUMBER \_\_\_\_\_**

**THIS REIMBURSEMENT AGREEMENT is entered on the date set forth below by the County of El Dorado, a political subdivision of the State of California (hereinafter called “County”), and Leonard Grado and GGV Missouri Flat, L.L.C. (hereinafter referred to as “Applicants”), whose principal place of businesses are located at 4330 Golden Center Drive, Suite D, Placerville, California 95667.**

**WITNESSETH**

**WHEREAS, Applicants are proposing to develop certain real property in El Dorado County described as “Diamond Dorado Retail Center”, located on the NW side of Lime Kiln Road, 500 feet from the intersection with State Route 49 (Assessor Parcels 051-250-12, 051-250-46, 051-250-47, 051-250-51, and 051-250-54), and has submitted an application for a General Plan Amendment, Rezone, Planned Development and Special Use Permit in order to develop a proposed retail development and to relocate the Materials Recovery Facility (“MRF”) from its existing location to a location at the western terminus of the south side of Industrial Drive. As part of those applications, Applicants have requested County to conduct CEQA analysis for development of a county road, anticipated in the County General Plan, connecting Missouri Flat Road and Highway 49 (the “Diamond Springs Parkway”).**

**WHEREAS**, County has determined Environmental Impact Reports (EIRs) are clearly required for the processing of the aforementioned projects pursuant to CEQA Guidelines Section 15060.

**WHEREAS**, the California Environmental Quality Act, Section 21089 authorizes the County to collect fees to recover the costs for the preparation and processing of environmental documents.

**NOW, THEREFORE**, in consideration of the mutual promises set forth herein, the parties agree as follows:

1. **Purpose.** The purpose of this Agreement is to provide for a mechanism for the Applicants to reimburse the County for the legal costs incurred in the preparation of EIR(s) for the aforementioned projects. Both County and Applicants make this Agreement with full knowledge of the requirements of the California Environmental Quality Act of 1970 (Public Resources Code, 21000 et seq.) and the State CEQA Guidelines (California Administrative Code, Title 14, Division 6, 15000 et seq.) adopted pursuant thereto. This Agreement is subject to all other applicable laws, regulations, and ordinances including those of the County of El Dorado relating to payment of monies for services rendered.

2. **Project.** The project is the consideration of: (1) a retail commercial center in Diamond Springs, (2) the relocation of a Materials Recovery Facility within Diamond Springs, and (3) development of a new roadway connecting Missouri Flat Road to State Route 49.

3. **Application.** The applications are for the approval of a General Plan Amendment (A07-0018), a Rezone (Z07-0054), a Planned Development (PD07-0034) and a Special Use Permit for operation of the new MRF (S07-0029).

4. **Employment of Law Firm as Independent Contractor.** The County, in furtherance of this Agreement shall engage the Law Firm of Remy, Thomas, Moose and Manley (“Law Firm”) as an independent contractor, to assist in the preparation of the EIR(s) and to assist with its processing and certification for the projects. The EIR(s) shall be prepared for the County in fulfillment of the obligations of the County as the public agency having primary responsibility for discretionary actions involved in said projects (Public Resources Code, 21082). Accordingly, Law Firm shall review said report to help ensure that it is accurate and objective as reasonably possible. It is further agreed that in all matters pertinent to this application, the Law Firm shall act solely as the Consultant to the County and shall not act, in any capacity as consultant to, representative of, or agent of the Applicants. The Applicants shall not engage in communications or contact with the Consultant without prior written authorization of the County.

5. **Funding for this Agreement.** The funding of this Agreement is provided for, and entirely by, the Applicants who shall make a deposit and maintain funds with the County to pay the legal costs for preparation of the EIR(s) and the preparation of the Mitigation Monitoring Program. Applicants, upon execution of this Agreement, shall deposit with the County an initial deposit in the sum of Fifty Thousand Dollars (\$50,000) as compensation for the Law Firm to be engaged by the County for legal advice for the preparation of the EIR(s) and the preparation of the Mitigation Monitoring Program. If at any time the amount on deposit is less than \$20,000, the County may require the Applicants to deposit additional sums to pay for the Law Firm’s continued services.

County shall draw against said funds deposited to pay all costs incurred pursuant to this Agreement. At the end of this Agreement, County shall provide Applicants with an accounting of the amounts disbursed from the fund to Law Firm.

It is understood that the deposit, or deposits, made by the Applicants to fund this Agreement are the only source of funding for this Agreement and the Agreement contemplated between County and Law Firm. By deposit of the above-referenced funds and by execution hereof, Applicants agree that County may utilize said funds to compensate the Law Firm to do the necessary work to prepare the appropriate and necessary documents.

6. **Deposit.** The County shall place Applicants' deposits under this Agreement into a separate fund.

7. **Reimbursement.** Upon completion of the EIR(s) or termination of this Agreement, the County shall reimburse the Applicants for the difference between the County's costs to fund the Law Firm as set forth above, and the amount deposited if the total costs are less than the amount deposited by the Applicants.

8. **Conformity with Statutes, Decisions, Guidelines, and Ordinances.** The EIR(s) shall be prepared in conformity with all applicable State statutes including, but not limited to, the California Environmental Quality Act (CEQA) of 1970 (Public Resources Code, 21000 et seq.) adopted pursuant thereto, the Environmental Guidelines (objectives, criteria, and procedures pursuant to CEQA) last adopted by the County of El Dorado and in the format prescribed by the County. The execution of this Agreement shall not constitute a representation or assurance by the County that the EIR(s) shall be certified or that the Projects will be approved. The execution of this Agreement does not constitute a representation or assurance by the County that the Law

Firm shall be retained to represent the County and/or the Applicants in the event of any litigation challenging the Projects or the EIR(s).

9. **Interest of Applicants and Consultant.** The Applicants covenant that it shall not acquire any interest, direct or indirect, which would conflict in any manner or degree of the Law Firm's services hereunder. Applicants covenant that it will notify the County if the County engages, or attempts to engage, a consultant who has performed any work or provided any services under contract or agreement directly with the project or any part of the project herein described or who has performed work or provided services for the Applicants on any other development project within the preceding five (5) years.

10. **Notices and Correspondence**

A. Notices and correspondence to County shall be delivered to:

Louis B. Green, County Counsel  
County of El Dorado  
330 Fair Lane  
Placerville, CA 95667

B. Notice and correspondence to Applicants shall be deemed delivered when personally delivered to, or 24 hours after mailing, addressed to Applicants as follows:

Leonard Grado  
GGV Missouri Flat, LLC  
4330 Golden Center Drive, Suite D  
Placerville, CA 95667

11. **Amendments.** No amendment of this Agreement shall be valid or binding unless made in writing signed, and duly authorized on behalf of both parties.

12. **Administrator.** The County Officer or employee with responsibility for administering this Agreement is Louis Green, County Counsel.

13. **Termination.** Either the County or Applicants may terminate this Agreement by presentation to the other party hereto of written notice of said termination fifteen (15) days prior to effective date of said termination. In the event of termination by either party, the County shall retain fees from the funds deposited in an amount equal to all consultant fees and other costs incurred prior to the effective date of said termination. The balance of funds deposited by Applicants shall be reimbursed to the Applicants.

14. **Assignment.** This Agreement shall be binding upon the successors-in-interest and assigns of Applicants.

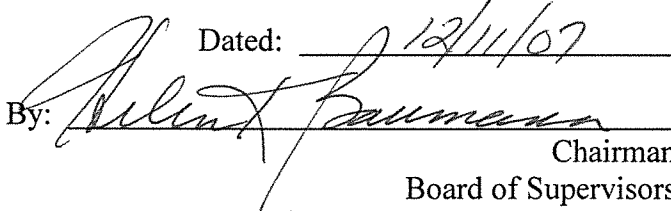
15. **Entire Agreement.** This document is the entire agreement between the parties. The execution of this Agreement shall not constitute a representation or assurance by the County that the EIR(s) shall be certified.

16. **Agreement Negotiated.** It is agreed and understood by the parties hereto that the Agreement has been arrived at through negotiation and that neither party is to be deemed the party which prepared this Agreement within the meaning of Civil Code Section 1654.

17. **Entire Agreement.** This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral agreements or understandings.

**IN WITNESS WHEREOF,** the parties hereto have executed this Agreement the day and year first below written.

-- COUNTY OF EL DORADO --

Dated: 12/11/07  
By:   
Chairman  
Board of Supervisors

"County"

ATTEST:  
Cindy Keck  
Clerk of the Board of Supervisors

By: Marci MacFarland

Date: 12/11/07

-- APPLICANT --

Dated: 12-13-07  
By: [Signature]

ATTEST:

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