

**OPTION AGREEMENT FOR EXCHANGE OF REAL PROPERTY**

**Extension December 18, 2013 –December 18, 2014**

This Extended Option Agreement for Exchange of Real Property (“Agreement”) dated December 17, 2013, is made by and between the County of El Dorado, a political subdivision of the State of California (“County” or “Optionee”), and John V. Briggs AKA Junior Vern Briggs and Carmen Briggs, Trustees of the Briggs Family Trust, Dated March 30, 1992 (“Optionor”). County and Optionor together may be referred to collectively hereinafter as the “Parties”.

**RECITALS**

A. Optionor owns approximately 5.20 acres of real property located in the City of Placerville, California, a legal description of which is attached hereto as Exhibit “A” (the “Option Property”), also referred to as a portion of Assessor’s Parcel Number 325-300-02-10.

B. County owns approximately 5.20 acres of real property located in the City of Placerville, California, a legal description of which is attached hereto as Exhibit “B” (the “County Property”), also referred to as a portion of Assessor’s Parcel Number 325-300-32-100.

C. Optionor desires to sell and County desires to acquire an option to the Option Property in fee, on the terms and conditions herein set forth. Both parties also desire to acquire easements from each other, which will be discussed herein.

D. The County intends to combine the Option Property with other adjacent County owned property to provide the site for the new El Dorado County Court Facility, which is currently under development by the California Administrative Office of the Courts (“AOC”).

E. County and Optionor understand that for County to Close escrow on Option Property it will be necessary for AOC to complete the environmental document for said El Dorado County Court Facility.

F. County and Optionor agree that upon the exercise of the option by County, Optionor will incur costs towards revising Optionor’s existing tentative map, and rezoning County Property.

G. County and Optionor agree that due to circumstances beyond either Party’s control, County was not able to exercise the Option during the original Option Period.

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein contained, the parties hereto agree as follows:

**AGREEMENT**

1. Grant of Extension of Option. Optionor, in consideration of the non-refundable sum of Five Thousand Dollars (\$5,000.00) received from County, hereby grants County the

exclusive option (“Option”) to acquire the Option Property, for the time period, and upon the terms and conditions, contained herein. This \$5000.00 is in addition to the \$5000.00 previously paid for the option period of December 18, 2012 to December 18, 2013. Said \$5,000 shall represent the valuable consideration for the granting of the Option to County for this new period, and shall also represent County’s total contribution towards the costs associated with any revisions to the Optionor’s existing “Ray Lawyer Commercial Subdivision” Tentative Map, and any future rezoning of County Property, including the costs of consultants, map revisions, environmental documents, processing of applications through the City of Placerville, and any related public hearings, No additional compensation by the County will be associated with those activities. The County shall pay the \$5,000.00 to Optionor no later than January 18, 2014.

2. Option Period. Unless further extended in writing by the parties, the Option shall be valid until the earlier of: (1) December 18, 2014, or (2) 45 days after the State has filed a Notice of Determination on the Courthouse acquisition. Optionor agrees that should there be a legal challenge to the AOC’s environmental document for the courthouse project planned to be constructed on the option property, the option period will extend an additional 12 months, or to the conclusion of the CEQA challenge, whichever is longer, at no additional cost to County.

3. Exercise of Option. The Option may be exercised at any time prior to the expiration of the Option period by written notice to Optionor delivered or mailed by certified mail, return receipt requested, to the address set forth in Paragraph 22. Should County exercise the Option, this Agreement shall serve as the purchase and sale agreement and escrow instructions.

4. Exchange of Real Property. In lieu of monetary payment for acquisition of the Option Property and County Property, the Parties agree that consideration for the acquisition shall take the form of an exchange of real property interests. Accordingly, should County exercise the Option, the Parties shall exchange real property interests as follows:

- a. Optionor shall grant the Option Property to County in fee simple, and
- b. County shall grant the County Property to Optionor in fee simple.

The Parties acknowledge that this transaction is an arms-length transaction, not under threat of condemnation, and that the consideration provided herein reflects a fair market value for the Option Property. Moreover, the Parties acknowledge that the real properties exchanged herein are of equal value.

5. Failure to Exercise Option. If County does not exercise the Option prior to the expiration of the option period, the consideration paid for the Option shall be retained by Optionor and neither party shall have any further rights or claims against each other under this agreement.

6. Right of Entry.

a. For and during the period of the Option, County and Optionor shall have the right, from time to time, at their own sole cost, expense, risk, and hazard, and in all such manner as they may reasonably determine, without material damage being imposed upon the County or Option Property, to enter upon the other's Property, to make, or cause to be made, engineering findings in respect thereto, including without limitation, surveying, conducting test borings in order to determine subsoil conditions of ledge, peat, or other soft materials, and, in general, conducting other soil tests, analyses, and studies of the Properties. Without Optionor's or County's prior written consent, neither Optionor nor County shall make nor cause to be made any invasive or destructive testing. The parties both agree to share any information and or studies which are generated as a result of such entry and or investigations.

b. In the event that either party exercises this right of entry, both parties agree to give reasonable notice to any occupant of the Property and to await written acquiescence to so enter. Both parties further agree, upon written request to repair within ten (10) days any damage to the Property that may result from exercise of this right of entry.

7. Escrow. If County exercises the Option, the exchange of real property shall be consummated through an escrow, which will be opened by County at Placer Title Company ("Escrow Holder"), 175 Placerville Drive, Placerville, California 95667 Attn: Becky Keith. This Agreement shall, to the extent possible, act as escrow instructions. The Parties shall execute all further escrow instructions required by Escrow Holder. All such further escrow instructions, however, shall be consistent with this Agreement, which shall control. The "Close of Escrow" is defined to be the recordation of the Grant Deed from Optionor to County for the Option Property and the Grant Deed from County to Optionor for the County Property. Optionor and County agree to deposit in escrow all instruments, documents, writings and moneys identified or reasonable required to close escrow. Escrow shall close when Escrow Holder is in a position to: (a) record the executed Grant Deed to the Option Property in favor of County; (b) record the executed Grant Deed to the County Property in favor of Optionor; (c) deliver a CLTA policy of title insurance to each Party.

8. Closing Date. The transaction forming the subject of this Agreement shall be closed by the Parties within sixty (60) calendar days after the exercise of the Option. Optionor agrees to give County fifteen (15) days prior written notice of the proposed Closing Date. Notice shall be deemed to be given upon receipt by County of Optionor's notice.

9. Title. Optionor shall convey the Option Property to County by Grant Deed, in fee simple, free and clear of title defects, liens, encumbrances, taxes and deeds of trust. Title to the Option Property shall vest in the County subject only to: (a) exceptions 1, 2 and 3 of Placer Title Company Preliminary Report Order No. 205-14435, dated April 12, 2011, a copy of which is attached hereto as Exhibit "D," paid current; and (b) exceptions 4, 5, 6, 7, and 8 of said preliminary report.

County shall convey the County Property to Optionor by Grant Deed, in fee simple, free and clear of title defects, liens, encumbrances, taxes and deeds of trust. Title to the County

Property shall vest in Optionor subject only to: (a) exceptions 1,2,&3 of Chicago Title Company Preliminary Report Order No. NBU81001770, dated August 2, 2010, a copy of which is attached hereto as Exhibit "E," paid current; and (b) exceptions 4-11 of said preliminary report.

10. Title Insurance. Each Party shall obtain, at its own cost, a CLTA standard owner's policy of title insurance insuring that title to their respective properties is vested subject only to the exceptions listed in Paragraph 9 of this Agreement and to the standard exclusions contained in said policy.

11. Expenses and Fees. All escrow, recording and closing fees shall be divided and paid equally by the County and Optionor at closing. Any documentary tax or real property transfer tax arising out of the conveyance of the Option Property shall be paid by Optionor. Any documentary tax or real property transfer tax arising out of the conveyance of the County Property shall be paid by County.

12. Proration of Taxes; Homeowners Assessments. Real property taxes and any homeowner's association dues or road maintenance fees shall be prorated as of the close of escrow. Pursuant to California Revenue and Taxation Code Section 4986(a)(6), as of close of escrow, property taxes on the Option Property shall be cancelled prospectively. Optionor shall pay to Escrow Holder any amount necessary to satisfy any delinquent taxes dues, together with penalties and interest thereon, which shall be cleared from the title to the Option Property prior to Close of Escrow.

13. Assessments. It is agreed that each party shall be responsible for the payment of any assessments, bonds, charges or liens imposed upon their respective properties by any federal, state or local government agency or any public utility company. Each party agrees to indemnify and hold the other harmless from any claim arising therefrom. Each party shall pay to Escrow holder 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 respective properties prior to Close of Escrow.

14. Items to be Delivered at Close of Escrow.

a. Optionor shall execute and deliver to Escrow Holder: 1) a Grant Deed for the Option Property prior to the Close of Escrow, including oil, mineral and water rights if currently owned by Optionor, for recordation and delivery to the County at Close of Escrow, 2) Easement Deeds and Irrevocable Offers of Dedication as outlined in section 18. below, 3) Optionor's share of costs, fees and expenses to be borne by Optionor pursuant to this Agreement.

b. County shall execute and deliver to Escrow Holder: 1) a Grant Deed for the County Property prior to the Close of Escrow, including oil, mineral and water rights if currently owned by County, for recordation and delivery to Optionor at Close of Escrow, 2) Easement Deeds as outlined in Section 18 below, 3) the County's share of costs, fees and expenses to be borne by the County pursuant to this Agreement, together with the County's Certificate of Acceptance to be attached to and recorded with the Grant Deed for the Option Property.

- c. Escrow Holder shall:
  - i. Record the Grant Deed for the Option Property described in Exhibit "A" together with County's Certificate of Acceptance.
  - ii. Record the Grant Deed for the County Property described in Exhibit "B".
  - iii. Cause the policies of title insurance to be issued.

15. Possession and Occupancy. Possession and occupancy of each property shall be delivered to the receiving party at 5:00 p.m. on the date of Close of Escrow. The properties shall be unoccupied.

16. Warranties. Each party warrants to the other with respect to its property that:

a. It owns its property, free and clear of all liens, licenses, claims, encumbrances, easements, and encroachments from adjacent properties, encroachments by improvements on the property onto adjacent properties, and rights of way of any nature, not disclosed by the public record, and, at Close of Escrow, will have the power to sell, transfer and convey all right, title and interest in its property.

b. It has no knowledge of any pending litigation involving its Property.

c. It has no knowledge of any violations of, or notices concerning defects or noncompliance with, any applicable code, statute, regulation, or judicial order pertaining to its Property.

d. As of the date it has executed this Agreement, and throughout the escrow period and at closing, it has no intention of filing for protection under the bankruptcy laws of the United States, and it shall not have made an assignment for the benefit of creditors or admitted in writing its inability to pay its debts as they mature or have been adjudicated bankrupt or have filed a petition in voluntary bankruptcy or a petition or answer seeking reorganization or an arrangement with creditors under federal bankruptcy law or any other similar law or statute of the United States or any state and no such petition shall have been filed against it.

e. To the best of its knowledge, its property is not in violation of any federal, state or local law, ordinance or regulation relating to the environmental conditions on, under, or about its Property, including, but not limited to, soil and groundwater contamination. Further, it knows of no fact or circumstance that may give rise to any future civil, criminal, or administrative proceedings against its property or it relating to environmental matters.

f. To the best of its knowledge, there are no Hazardous Materials on its 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 its property.

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 waste 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. Section 1251 et seq. (33 U.S.C. Section 1321), (9) defined as a "hazardous waste" pursuant to Section 1004 of the Federal Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 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. Section 9601 et seq. (42 U.S.C. Section 9601)("CERCLA"), or (11) defined as a "waste" under the California Porter-Cologne Water Quality Control Act, section 13050 of the California Water Code.

g. There are no oral or written leases, rental agreements, service contracts or other related agreements, licenses, and permits affecting all or any portion of its property.

h. In the event either party, prior to Close of Escrow, becomes aware of adverse conditions materially affecting its property, or any material inaccuracy in disclosures, information or representations previously provided to the other party hereto of which the other party is otherwise unaware, the party shall promptly provide a subsequent or amended disclosure or notice, in writing, covering those items.

i. All warranties, covenants, and other obligations described in this Paragraph of the Agreement and elsewhere in this Agreement shall survive delivery of the deed.

j. County warrants that it will hold the Optionor harmless in the event that there is a legal challenge to the environmental document(s) for the courthouse project planned to be constructed on the option property and/ or any judgment decreed from such challenge.

17. Property Exchange. If a boundary line adjustment or other action is necessary to effectuate the exchange of real property as described herein, the parties agree to cooperate with each other to effect that boundary line adjustment or other action, including, but not limited to, executing all grant deeds, easement deeds, and irrevocable offers of dedication necessary for the

property exchange or for development of a new courthouse. The costs of the aforementioned property exchange, including, but not limited to, costs of surveying, mapping, preparation of legal descriptions for deeds and offers of dedication, preparation of a Record of Survey Map, and map recordation, shall be borne by the County. County will, prior to processing with the City of Placerville, provide to Optionor copies of draft grant deeds, easement deeds, and irrevocable offers of dedication for review and approval, which shall not be unreasonably withheld. Notwithstanding the foregoing or anything to the contrary herein, each party shall be responsible for any costs it incurs in reviewing and approving the documents necessary to complete the property exchange, including, but not limited, the costs of consulting attorneys, engineers, or surveyors. This obligation shall survive delivery of the deeds to the Properties.

18. Easements.

a. Concurrent with the Close of Escrow, County shall grant to Optionor the following easements, the precise locations of which shall be determined and agreed to by both parties prior to the Close of Escrow:

1. A driveway and public utilities easement over, upon, and across a portion of the existing driveway to the County's jail and over that additional portion of the County's remaining property necessary to provide access to the County Property being acquired by Optionor, generally depicted as "Easement No.1" in the attached exhibit "C", . County, however, shall bear no responsibility for constructing an extension to its existing driveway to provide access to the County Property being acquired by Optionor. Moreover, as a condition of the County granting such an easement, Optionor shall execute a driveway maintenance agreement with County to equitably share the costs of future driveway maintenance based on use.
2. A twenty-foot wide public sewer easement from the existing manhole at the southwest corner of the County's property to the Optionor's adjacent property generally depicted as "Easement No.2" in attached exhibit "C". County, however, shall bear no responsibility for constructing a sewer line extension within the aforementioned easement.
3. A twenty-foot wide non-exclusive sewer easement along the southeast boundary of the County's Jail property to the existing 6" County Jail sanitary sewer line for the purpose of connecting a sanitary sewer service to the County Property, generally depicted as "Easement No. 3" in the attached exhibit "C", provided that if Optionor connects to existing Jail sewer line, then Optionor is responsible for: 1) all costs of construction of the sewer line extension; 2) All costs to upsize the existing sewer line to provide capacity for the existing County Jail and County Property, if upsizing is determined to be necessary by the City of Placerville Department of Public Works; 3) enter into a proportionate maintenance agreement with County for the ongoing maintenance of the existing sewer line serving the County Jail based on use, with the exception that Optionor shall not be responsible for the equipment cost, or installation, modification, or replacement, nor the cost of operation and maintenance of any mechanical interceptors or

similar devices installed by County to prevent jail inmates from flushing inappropriate materials into the public sewer system; 4) Either pay a proportionate share, based on use, of the cost of upsizing the existing County Jail sanitary sewer line to accommodate a future expansion to the County Jail at such time as the Jail expansion is constructed, or terminate Optionor's connection to the existing County Jail sewer line at that time in favor of connecting to a sewer system constructed for Optionor's "Ray Lawyer Drive Commercial Subdivision".

b. Concurrent with the Close of Escrow, Optionor shall grant the following easements, and irrevocable offers of dedication:

1. An irrevocable offer of dedication to the City of Placerville for the right of way and any ancillary slope easements for Ray Lawyer Drive where it fronts along the Option Property, generally depicted as "Ray Lawyer Drive Right of Way " in attached exhibit "C".
2. A 50 ft wide non-exclusive access and public utilities easement to the Administrative Office of the Courts for the court access driveway to extend along the southeasterly portion of the Option Property, generally depicted as "Easement No. 4" in the attached exhibit "C", with the condition that the Court shall construct within that easement a minimum 24ft wide driveway meeting the standards of the City of Placerville, that shall be suitable for use to provide access to Optionor's remaining property.

c. Notwithstanding the failure to exercise the option or close escrow on the Exchange on property pursuant to the terms of the opinion, the Parties here to agree to convey the easements referenced herein in paragraphs 18(a)(2) and 18(b)(1) to one another upon written demand by either party. The legal description for the 10D for Ray Lawyer Drive would be along the SW property boundary of the Optioner's land subject to this Opinion as described in Exhibit A.

19. Future Development. The only obligations created by this Agreement with respect to the future development of the subject parcels or either party's remaining parcels are those that are specifically set forth herein. This Agreement does not change obligations that either party would otherwise have with respect to their remaining properties.

20. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.

21. Real Estate Broker. Each party shall be responsible for payment of any fees or other compensation to any real estate brokers or consultants it has retained. Furthermore, each party agrees to indemnify and hold the other party harmless from any and all costs, expenses, or damages resulting from any claims for brokerage fees or other similar forms of compensation made by any real estate broker or any other person or entity because of the exchange of real property hereunder.



22. Time is of the Essence. Time is of the essence of this Agreement. This Agreement may not be extended, modified, altered or changed except in writing signed by County and Optionor.

23. 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 Optionor or County by the other or three (3) days after being deposited in the United States mail, postage prepaid and addressed as follows, unless and until either or such parties notifies the other in accordance with this paragraph of a change of address:

OPTIONOR: John V. Briggs  
1020 Wallace Road  
Placerville, CA 95667

COPY TO: Robert A. Laurie  
263 Main Street  
Placerville, CA 95667

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

COPY TO: Edward L. Knapp or Successor  
El Dorado County Counsel's Office  
330 Fair Lane  
Placerville, CA 95667

24. Binding Effect. This Agreement shall be binding on and inure to the benefit of the Parties to this Agreement, their heirs, personal representatives, successors, and assigns, except as otherwise provided in this Agreement.

25. Governing Law; Venue. This Agreement and the legal relations between the Parties shall be governed by and construed in accordance with the laws of the State of California. Any action brought to enforce the provisions of this Agreement shall be brought in the Superior Court of the County of El Dorado.

26. Headings. The headings of the articles and sections of this Agreement are inserted for convenience only. They do not constitute part of this Agreement and shall not be used in its construction.

27. Waiver. The waiver by any party to this Agreement of a breach of any provision of this Agreement shall not be deemed a continuing waiver or a waiver of any subsequent breach of that or any other provision of this Agreement.

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

29. Entire Agreement. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter hereof. No amendment, supplement, modification, or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby.

30. 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.

31. County Administrator . The County officer or employee with responsibility for administering this Agreement is County Counsel, Louis B. Green, or successor.

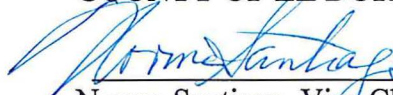
32. Third Party Beneficiaries. No condition, covenant, waiver or release contained herein made or given by Optionor or County is intended to run to the benefit of any person not a party to this Agreement unless otherwise expressly set forth herein.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as of the date first above written.

-- COUNTY --

Dated: 12-17-13

**COUNTY OF EL DORADO**

  
\_\_\_\_\_  
Norma Santiago, Vice Chair  
Board of Supervisors

ATTEST:  
James Mitrisin  
Clerk of the Board

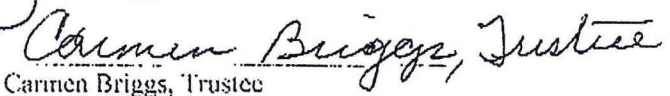
By:   
\_\_\_\_\_  
Deputy Clerk

-- OPTIONOR --

Dated: Dec 11 2013

BRIGGS FAMILY TRUST, DATED MARCH  
30, 1992

  
John V. Briggs, Trustee

  
Carmen Briggs, Trustee

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