

CONTRACT ROUTING SHEET

Date Prepared: 9/4/2018

Need Date: ASAP - Board Date 9/25

PROCESSING DEPARTMENT:

Department: Recorder/Clerk
Dept. Contact: Jane Kohlstedt/Catrina Christensen

CONTRACTOR:

Name: Department of Justice
Address: Electronic Recording Delivery System (ERDS)
PO Box 160526
Sacramento CA 95816-0526
Phone: (916) 210-3158

Phone #: X5493

Department: _____

Head Signature: William E. Schultz by Jane Kohlstedt

CONTRACTING DEPARTMENT: Recorder Clerk's Office

Service Requested: Participation in Electronic Recording Delivery System

Contract Term: Perpetual Contract Value: \$1940.24

Compliance with Human Resources requirements? Yes: _____ No: _____

Compliance verified by: _____

COUNTY COUNSEL: (Must approve all contracts and MOU's)

Approved: Disapproved: _____ Date: 9/7/18 By: D. Livingston

Approved: _____ Disapproved: _____ Date: _____ By: _____

EL DORADO COUNTY COUNTY CLERK
2018 SEP 14 AM 9:58

PLEASE FORWARD TO RISK MANAGEMENT. THANKS!

RISK MANAGEMENT: (All contracts and MOU's except boilerplate grant funding agreements)

Approved: Disapproved: _____ Date: 9/8/18 By: [Signature]

Approved: _____ Disapproved: _____ Date: _____ By: _____

OTHER APPROVAL: (Specify department(s) participating or directly affected by this contract).

Departments: _____

Approved: _____ Disapproved: _____ Date: _____ By: _____

Approved: _____ Disapproved: _____ Date: _____ By: _____

**Electronic Recording Delivery System
Memorandum of Understanding****Parties**

This Memorandum of Understanding (MOU) is between the California Department of Justice, hereinafter referred to as the "DOJ," and the County of El Dorado, hereinafter referred to as "County."

Purpose

The Legislature passed the Electronic Recording Delivery Act of 2004 (Gov. Code, §§ 27390-27399;¹ "ERDA") to enable counties to electronically accept, record, and return certain instruments affecting a right, title, or interest in real property. Subdivision (a) of section 27397 provides that a "county establishing an electronic recording delivery system [ERDS] . . . shall pay for the direct cost of regulation and oversight by the Attorney General." The purpose of this MOU is to memorialize the parties' understanding of how these costs are calculated and apportioned.

Acknowledgments

The parties acknowledge that under the ERDA, certain statutory duties must be performed before a county puts its electronic recording system into operation. For example, the Attorney General must evaluate and certify the ERDS selected by each county (§ 27391(a); § 27392(a)); "approve software and other services" (§ 27392(b)); establish a list of approved computer security auditors (§ 27394), conduct criminal background checks (§ 27395); certify that each county's submission method will be secure (§ 27397.5(d)); and may, from time to time, "adopt regulations for the review, approval, and oversight of electronic recording delivery systems" (§ 27393(a)). These duties entail costs which cannot be adequately recouped through the collection of recording fees authorized in section 27397. Each participating county is responsible for paying, among other things, its proportionate share of the costs of developing, operating, and monitoring its ERDS. (§ 27397(a).)

¹ All statutory references are to the Government Code.

Agreement

The DOJ and County hereby agree that County will pay the DOJ for the County's proportionate share of the DOJ's direct costs for regulation and oversight, as specified in the ERDA,

General Provisions

County agrees to pay the DOJ for the County's proportionate share of the direct costs of carrying out the DOJ's obligations under the ERDA, which costs may include all or part of the following: staff, consultant, and vendor costs for program development and implementation including hearings, meetings, travel, site visits, minutes, mailing, legal review of regulations, procedure and forms development, advertisement, and drafting, review, and approval of regulations. Extensions of this MOU beyond the first year will be made by addendum to the MOU. This will allow the DOJ to issue a new estimated cost figure, via the Letter of Intent process, for the next fiscal year that includes the cost of regulation and oversight without requiring the parties to sign a new MOU. The County's estimated cost calculations for succeeding fiscal years will be prepared by DOJ and will follow the annual Letter of Intent process.

Cost to County Formula

The direct cost of developing and adopting regulations, and the costs of regulation and oversight under the ERDA, are allocated to each county based upon the total number of documents recorded and filed the previous year, as reported to the Office of the Insurance Commissioner. (See § 27296.) The formula to determine a county's proportionate cost is set by the total documents recorded and filed per individual county, divided by the total documents recorded and filed by all participating counties. The percentage figure obtained for each county is applied to the estimated annual costs of the Attorney General to arrive at an individual county figure.

Cost of the Attorney General

The estimated costs of the Attorney General are those costs projected to be incurred in the next fiscal year, as well as the costs actually incurred to date. County agrees to pay the DOJ for actual expenditures incurred and in accordance with the final costs identified herein, which is attached hereto and made a part of this MOU. The County shall annually provide to the DOJ the total documents recorded and filed as reported to the Office of the Insurance Commissioner for the previous year. (§27296.) The DOJ shall issue an annual estimated cost to the County based on the Cost to County Formula. The final cost to the County will be incorporated herein by reference.

Payback and/or Carry Over

If the actual costs exceed the estimated costs, the following year's estimated direct costs will be adjusted to capture the additional costs; the following year's estimated costs along with the previous year's adjusted amount will then be used as the base for redistribution to each participating county. If the total actual costs are less than the estimated costs, the following year's estimated direct costs will be adjusted to capture the decreased costs; the following year's estimated costs along with the previous year's adjusted amount will then be used as the new base for redistribution to each participating county.

DOJ Reporting

The DOJ shall report to the County every ninety (90) days on the expenditures made by the DOJ to carry out its statutory obligations under the ERDA.

Payment

County shall pay to the DOJ a lump sum of the final proportionate cost owed by the County, as incorporated herein by reference, toward the direct cost to be incurred by the DOJ. Payments to the DOJ shall be deposited in the Electronic Recording Authorization Account, which is hereby created in the Special Deposit Fund.

Payment Method

Upon receipt of the signed MOU from each county, the DOJ representative will sign and return a copy of the MOU to the county representative as identified herein, for their records. A copy of the signed MOU will be forwarded to the DOJ accounting office, which will generate an invoice for payment due. Upon receipt of the invoice, the county will send the said lump sum payment along with the bottom portion of the invoice to the address as referenced in the MOU and on the Invoice.

Payment shall reference the invoice number and customer number and shall be made to:

California Department of Justice
Accounting Office, Cashiering Unit
PO Box 944255
Sacramento, CA 94244-2550

Term

The term of this MOU will be from the date this MOU is signed by the DOJ and County MOU representatives until the end of Fiscal Year 2018/19. An MOU will automatically renew unless one or both parties object or there are modifications to the MOU which would require mutual agreement and signatures by both parties.

A County Recorder reserves the right to terminate this MOU upon thirty (30) days written notice to the DOJ. Refunds of payment toward regulation and oversight will be prorated as incurred in the fiscal year at the time of termination. Upon termination of the MOU, without the mutual intent of the parties to renew, the County Recorder shall cease operation of its ERDS.

Representatives

The MOU representatives during the term of this MOU will be:

Department of Justice

Name: Vickie Beatty, Field Representative
Phone: (916) 210-3158
Fax: (916) 731-3622
E-Mail: vickie.beatty@doj.ca.gov

County MOU representative (please complete):

County of: El Dorado

Name/Title: William E. Schultz, Recorder
Address: 360 Fair Lane, Placerville, CA 95667
City, State, Zip Code: Placerville, CA 95667
Phone: 530-621-5494
Fax: 530-621-2147
E-Mail: william.schultz@edcgov.us

Agreed and Accepted

Certification of MOU Representatives

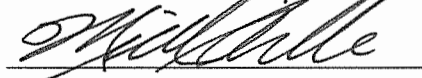
I certify that I have read and understand the foregoing statements and agree to comply with the requirements of this MOU:

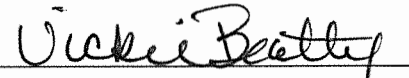
County of: El Dorado

Department of Justice

Name/Title: Board of Supervisors, Chair

Name: Vickie Beatty

Signed: 

Signed: 

Dated: 9/25/18

Dated: 10/9/18

Please return the completed MOU to:

California Department of Justice
Electronic Recording Delivery System (ERDS)
PO Box 160526
Sacramento, CA 95816-0526

Attachment: Final Proportionate Cost
Expenditure Report

Attachment A
Attachment B

Attachment A

**INITIAL PROPORTIONATE COST
FOR COUNTY RECORDERS TO
FUND DOJ PROGRAM COSTS**

County	Recordings*	% of Recordings (Based on Letter of Intent)	Initial County Cost Estimate FY 2018/2019
Total	7,622,556		247,359
Alameda	288,111	3.78%	9,349.47
Alpine	789	0.01%	25.60
Butte	53,866	0.71%	1,748.00
Calaveras	15,285	0.20%	496.01
Contra Costa	286,107	3.75%	9,284.44
El Dorado	59,790	0.78%	1,940.24
Fresno	195,466	2.56%	6,343.05
Glenn	7,012	0.09%	227.55
Imperial	26,658	0.35%	865.08
Kern	179,491	2.35%	5,824.65
Lassen	6,586	0.09%	213.72
Los Angeles	1,511,513	19.83%	49,050.00
Madera	33,059	0.43%	1,072.80
Marin	61,278	0.80%	1,988.53
Merced	44,720	0.59%	1,451.21
Modoc	4,221	0.06%	136.98
Mono	5,449	0.07%	176.83
Monterey	77,820	1.02%	2,525.33
Napa	35,252	0.46%	1,143.96
Nevada	36,086	0.47%	1,171.02
Orange	566,611	7.43%	18,387.05
Placer	125,231	1.64%	4,063.86
Plumas	8,605	0.11%	279.24
Riverside	549,958	7.21%	17,846.65
Sacramento	426,215	5.59%	13,831.07
San Benito	14,266	0.19%	462.94
San Bernardino	539,951	7.08%	17,521.91
San Diego	725,109	9.51%	23,530.46
San Francisco	189,965	2.49%	6,164.54
San Joaquin	157,743	2.07%	5,118.91
San Luis Obispo	36,932	0.48%	1,198.48
San Mateo	139,380	1.83%	4,523.01
Santa Barbara	76,256	1.00%	2,474.58
Santa Clara	458,327	6.01%	14,873.14
Santa Cruz	52,157	0.68%	1,692.54
Shasta	45,950	0.60%	1,491.12
Siskiyou	11,924	0.16%	386.94

Solano	127,074	1.67%	4,123.67
Sonoma	101,566	1.33%	3,295.91
Sutter	21,808	0.29%	707.69
Tehama	16,372	0.21%	531.29
Tulare	92,511	1.21%	3,002.07
Tuolumne	15,200	0.20%	493.25
Ventura	175,075	2.30%	5,681.35
Yuba	19,811	0.26%	642.89
	7,622,556		\$247,359.00

*Recordings are based on what the counties submitted to the Insurance Commissioner in 2017 per the LOI

PROJECTIONS
ERDS Expenditure/Collections Report

Attachment B
June 11, 2018

COLLECTIONS

YTD Collections (November 2004 through June 2018) 4,305,621

Interest on Collections 45,268

Total Collections 4,350,889

EXPENDITURES

Summary of ERDS Program Expenditures (November 2004 through June 2018) 4,302,796

2018-19 ERDS Projected Expenditures 247,359

1/ Expenditure Credit Applied to (2018-19) for Subsequent Years (2017-18) -

2018-19 Projected MOUs 247,359 Minus off current year projected interest