

**Fiscal Year 2007/08 Addendum to Memorandum of Understanding
Department of Justice
Electronic Recording Delivery System
Costs for Developing and Implementing Regulations and Costs for Regulation and
Oversight**

Parties

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

Incorporation by Reference of MOU

Both County and DOJ agree that the terms of the MOU, previously executed, continue to operate and are incorporated herein by reference.

Purpose

The purpose of this Addendum is to continue the agreement found in the MOU previously executed by the parties to comply with the Electronic Recording Delivery Act of 2004 (ERDA) (Gov. Code, §§ 27390-27399; "Act") This Addendum shall operate to bind the parties to the final proportionate costs to the County for fiscal year 2007/08. These costs include the costs for developing and implementing regulations and the costs for regulation and oversight.

Agreement

DOJ and County hereby consent and agree that County will pay DOJ for the direct cost of developing and implementing regulations and the costs for regulation and oversight in support of the Act, as set forth in Article 6 (commencing with Section 27390) to Chapter 6 of Division 2 of Title 3. The final proportionate cost for fiscal year 2007/08 is attached and incorporated by reference. Upon receipt of payment, the County is authorized to participate in the Electronic Recording Delivery System (ERDS).

Term of Addendum

The term of this Addendum operates for fiscal year 2007/08.

MOU Representatives

The Addendum representatives during the term of this Addendum are:

County of: El Dorado	Department of Justice
Name:	Name: Paul Pane
Phone:	Phone: (916) 227-4705
Fax:	Fax: (916) 227-0595
E-mail:	E-Mail: paul.pane@doj.ca.gov

Agreed and Accepted

Certification of Addendum Representatives

I certify that I have read and understand the aforementioned statements and agree to comply with the requirements contained herein:

County of: El Dorado	Department of Justice
Name:	Name: Paul Pane

Signed: <u>Bonnie H. Rich</u>	Signed: _____
Bonnie H. Rich, Purchasing Agent	
Dated: <u>8/29/07</u>	Dated: _____

Attachments: Final Proportionate Costs: Expenditure Report	Attachment A Attachment B
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Contract Administrator/Department Head:

By: <u>William E. Schultz</u>	Date: <u>8/28/2007</u>
William E. Schultz	
Recorder-Clerk	

FINAL COST
FOR COUNTY RECORDERS TO
FUND DOJ PROGRAM COSTS

County	Recordings	% of Recordings (Based on Letter of Intent)	Initial County Cost Estimate FY 2007/2008
Total	10,806,113	100%	\$548,190.00
Alameda	475,001	4.40%	\$24,096.62
Contra Costa	473,856	4.39%	\$24,038.53
El Dorado	89,604	0.83%	\$4,545.58
Fresno	273,640	2.53%	\$13,881.65
Kern	321,059	2.97%	\$16,287.20
Los Angeles	2,895,067	26.79%	\$146,865.65
Marin	81,099	0.75%	\$4,114.12
Merced	59,047	0.55%	\$2,995.43
Napa	56,818	0.53%	\$2,882.36
Orange	878,603	8.13%	\$44,571.20
Placer	140,961	1.30%	\$7,150.90
Riverside	957,123	8.86%	\$48,554.49
Sacramento	602,395	5.57%	\$30,559.27
San Bernardino	892,000	8.25%	\$45,250.82
San Diego	1,065,199	9.86%	\$54,037.14
San Mateo	223,416	2.07%	\$11,333.81
Santa Barbara	102,116	0.94%	\$5,180.31
Santa Clara	607,800	5.62%	\$30,833.46
Solano	185,541	1.72%	\$9,412.42
Tulare	133,979	1.24%	\$6,796.70
Ventura	291,789	2.70%	\$14,802.34

PROJECTIONS
ERDS Expenditure/Collections Report

COLLECTIONS

YTD Collections (November 2004 through June 2007)	1,641,001.00
Interest on Collection	13,711.00
Total Collections	1,654,712.00

EXPENDITURES

Summary of ERDS Program Expenditures (November 2004 through June 2007)	1,584,586.00
2007-08 ERDS Projected Expenditures	577,500.00
1/ Expenditure Credit Applied to (2007-08) from Subsequent Years (2004-05 & 2005-06)	(29,310.00)
2007-08 Projected MOUs	548,190.00

1/ Expenditures credits will be applied one year in arrears to allow for fiscal year liquidation.

COPY

**Fiscal Year 06-07 Addendum to Memorandum of Understanding
Department of Justice
Electronic Recording Delivery System
Costs for Developing and Implementing Regulations and Costs for Regulation and
Oversight**

Parties

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

Incorporation by Reference of MOU

Both County and DOJ agree that the terms of the MOU, previously executed, continue to operate and are incorporated herein by reference.

Purpose

The purpose of this Addendum is to continue the agreement found in the MOU previously executed by the parties to comply with the Electronic Recording Delivery Act of 2004 (ERDA) (Gov. Code, §§ 27390-27399; "Act") This Addendum shall operate to bind the parties to the final proportionate costs to the County for fiscal year 2006/07. These costs include the costs for developing and implementing regulations and the costs for regulation and oversight.

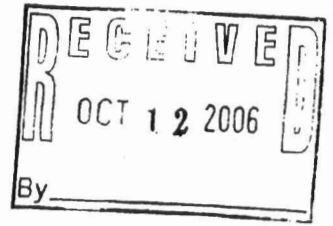
Agreement

DOJ and County hereby consent and agree that County will pay DOJ for the direct cost of developing and implementing regulations and the costs for regulation and oversight in support of the Act, as set forth in Article 6 (commencing with Section 27390) to Chapter 6 of Division 2 of Title 3. The final proportionate cost for fiscal year 2006/07 is attached and incorporated by reference. Upon receipt of payment, the County is authorized to participate in the Electronic Recording Delivery System (ERDS).

Term of Addendum

The term of this Addendum operates for fiscal year 2006/07.

MOU Representatives



The Addendum representatives during the term of this Addendum are:

County of: El Dorado
Name:
Phone:
Fax:
E-mail:

Department of Justice
Name: Paul Pane
Phone: (916) 227-4705
Fax: (916) 227-2545
E-Mail: paul.pane@doj.ca.gov

Agreed and Accepted

Certification of Addendum Representatives

I certify that I have read and understand the aforementioned statements and agree to comply with the requirements contained herein:

County of: El Dorado
Name: Jack Sweeney, Chairman
Board of Supervisors

Department of Justice
Name: Paul Pane

Signed: Jack Sweeney

Signed: Paul Pane

Dated: 10/3/06

Dated: 10/12/06

Attachment: Final Proportionate Costs:

Attachment I

**ATTEST: CINDY KECK, Clerk
of the Board of Supervisors**

By [Signature]
DEPUTY

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

Attachment A

County	Recordings*	% of Recordings (Based on Letter of Intent)	Initial County Cost Estimate FY 2006/07
Total	11,454,632	100.00%	\$648,182.00
Alameda	554,065	4.84%	\$31,352.82
Contra Costa	581,955	5.08%	\$32,931.02
El Dorado	109,356	0.95%	\$6,188.12
Fresno	307,194	2.68%	\$17,383.15
Kern	361,387	3.15%	\$20,449.77
Los Angeles	3,213,754	28.06%	\$181,856.34
Marin	111,948	0.98%	\$6,334.79
Merced	104,071	0.91%	\$5,889.05
Napa	66,464	0.58%	\$3,760.99
Placer	175,240	1.53%	\$9,916.29
Riverside	1,082,688	9.45%	\$61,265.95
Sacramento	798,479	6.97%	\$45,183.44
San Bernardino	994,000	8.68%	\$56,247.37
San Diego	1,317,981	11.51%	\$74,580.45
San Mateo	228,443	1.99%	\$12,926.88
Santa Barbara	126,214	1.10%	\$7,142.06
Santa Clara	582,493	5.09%	\$32,961.47
Solano	232,126	2.03%	\$13,135.29
Trinity	5,970	0.05%	\$337.82
Tulare	147,477	1.29%	\$8,345.26
Ventura	353,327	3.08%	\$19,993.68
	11,454,632	100.00%	\$648,182.00

*Recordings are based on what the counties submitted to the Insurance Commissioner in 2005 per the LOI

As of 07/17/06

**Electronic Recording Delivery System
Costs for Developing and Implementing Regulations
Memorandum of Understanding**

Note: Each county's Memorandum of Understanding (MOU) will be written to meet their individual county needs, including for multiple years.

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 purpose of this MOU is to comply with the Electronic Recording Delivery Act (ERDA) of 2004 (Government Code, §§ 27390-27399; "Act")¹ It is the intent of the Legislature "to develop a system to permit the electronic delivery, recording, and return of instruments affecting right, title, or interest in real property." (Stats. 2004, ch. 621, § 1, subd. (a).) The purpose of the electronic recording delivery system is to enable the County to improve and modernize the counties' systems for recording and handling documents by permitting the electronic delivery, recording and return of specified instruments.

Acknowledgments

Both County and the DOJ acknowledge that under the Act specific statutory duties must be performed *before* a county puts its electronic recording system into operation. For example, the Attorney General must adopt regulations "for the review, approval, and oversight of electronic recording delivery systems" (§ 27393); evaluate and certify the system selected by each county (§§ 27391, subd. (a); 27392, subd. (a).); "approve software and other services" (§ 27392, subd. (b)); establish a list of approved computer security auditors (§ 27394), after conducting criminal background checks (§ 27395); and certify that each county's submission method will be secure (§ 27397.5, subd. (d)). These initial duties of the Attorney General bring with them "start up" costs--costs that cannot be adequately met by the Act's scheme of generating revenue through the collection of recording fees authorized in section 27397. Furthermore, each county is responsible for paying the costs of developing, operating, and monitoring its electronic recording system. (§ 27397, subd. (a).):

"(a) A county establishing an electronic recording delivery system under this article *shall pay for the direct cost of regulation and oversight by the Attorney General.*"

¹ Hereafter, references to the Government Code are by section number only.

Agreement

The DOJ and County hereby consent and agree that County will pay the DOJ for their proportionate share of the direct cost of developing and implementing regulations and other costs in support of the ERDA of 2004, as set forth in Article 6 (commencing with section 27390) to Chapter 6 of Division 2 of Title 3. The development of regulations is being pursued to enable the Attorney General to provide review, approval and oversight of electronic recording delivery systems.

General Provisions

County agrees to pay the DOJ for its proportionate share of the direct costs of developing and implementing regulations which may include all or part of the following direct costs: 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 and writing of regulations. Continuation of this MOU beyond the first year will be accomplished 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 to include the cost of regulation and oversight without the necessity of a new MOU from the County. 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 establishing the regulations and regulation and oversight is allocated to each county by the total documents recorded and filed as reported to the Office of the Insurance Commissioner, as provided in Government Code section 27296, for the previous year. The formula to determine a county's proportionate cost is set by the total documents recorded and filed per individual counties 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 and the costs incurred to date in establishing the regulations. County agrees to pay the DOJ for actual expenditures incurred and in accordance with the final costs specified herein, which is attached hereto and made a part of this MOU. The County shall annually provide the total documents recorded and filed as reported to the Office of the Insurance Commissioner, as provided in Government Code section 27296, for the previous year. 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 in development and implementing regulations.

Payment

County shall pay to the DOJ a lump sum of the final proportionate cost to 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, who 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 2005/2006. 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, however, no refund of start-up costs for establishing the regulations will be granted. 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 electronic recording delivery system.

Representatives

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

Department of Justice

Name: Paul Pane, Manager
Phone: (916) 227-4705
Fax: (916) 227-0595
E-Mail: paul.pane@doj.ca.gov

County MOU representative (please complete):

County of El Dorado

Name/Title: William Schultz, Recorder-Clerk/Registrar of Voters
Address: 330 Fair Lane
City, State, Zip Code: Placerville, CA 95667
Phone: 530-621-5494
Fax: 530-544-6463
E-mail: oschultz@co.el-dorado.ca.us

County of El Dorado Contract Administrator: William Schultz

Agreed and Accepted

Certification of MOU Representatives

I certify that I have read and understand the aforementioned statements and agree to comply with the requirements contained herein:

County of EL DORADO

Department of Justice

Name/Title: Bonnie H. Rich, Purchasing Agent

Name: Paul Pane, Manager

Signed: _____

Signed: Paul Pane

Dated: _____

Dated: 10/5/05

Please return the completed MOU to:

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

Attachment: Final Costs: Attachment A

FINAL COST
FOR COUNTY RECORDERS TO
FUND DOJ PROGRAM COSTS

Attachment A

County	Recordings	% of Recordings (Based on Letter of Intent)	Final County Cost FY 04/05 & 05/06
Total	12,956,845	100%	\$1,000,000
Alameda	574,180	4.43%	\$44,314.80
Butte	93,045	0.72%	\$7,181.15
Contra Costa	573,156	4.43%	\$44,235.77
El Dorado	108,644	0.84%	\$8,385.07
Fresno	292,898	2.26%	\$22,605.66
Kern	403,786	3.12%	\$31,163.90
Los Angeles	3,333,336	25.73%	\$257,264.48
Merced	88,083	0.68%	\$6,798.18
Napa	66,342	0.51%	\$5,120.23
Orange	1,514,761	11.69%	\$116,908.17
Placer	176,373	1.36%	\$13,612.34
Riverside	1,039,166	8.02%	\$80,202.09
Sacramento	791,589	6.11%	\$61,094.27
San Bernardino	965,416	7.45%	\$74,510.11
San Diego	1,412,884	10.90%	\$109,045.37
San Mateo	256,847	1.98%	\$19,823.27
Santa Barbara	138,711	1.07%	\$10,705.62
Santa Clara	612,927	4.73%	\$47,305.27
Trinity	5,547	0.04%	\$428.11
Tulare	136,027	1.05%	\$10,498.47
Ventura	373,127	2.88%	\$28,797.67