County of El Dorado

OFFICE OF AUDITOR-CONTROLLER

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July 23, 2026

Board of Supervisors
County of El Dorado
330 Fair Lane
Placerville, California 95667

RE: Authorize Auditor-Controller to Execute Contracts with Firms for Proposed Community Facility District Formation and Approve Form of Deposit Agreement – Serrano

Ladies and Gentlemen:

<u>Recommendation:</u>

Auditor-Controller recommending the Board of Supervisors authorize the following:

(1) the Auditor-Controller to negotiate and execute all necessary contracts related to the proposed public services community facilities district formation and financing requested by Parker Development Company (the Developer) for various subdivisions in the "El Dorado Hills Specific Plan" after each agreement has been approved by County Counsel and Risk Management; and

(2) Authorize the Auditor-Controller to execute the Deposit and Reimbursement Agreement between El Dorado County and the Developer upon final approval by County Counsel and Risk Management; and

(3) Authorize the Auditor-Controller to work with the Assessment & Community Facilities District Screening Committee members and contracted consultants to consider the Developer's request to begin the proceedings of forming and financing a new Mello Roos District; and

(4) Authorize the Auditor-Controller to take all necessary steps to prepare all documents required to form the CFD, as soon as practical.

<u>Reason for Recommendation:</u>

The Developer has requested that the County consider the formation of a new community facilities district within the El Dorado Hills Specific Plan to fund ongoing maintenance to meet a condition on the Developer's approved tentative map.

In order to form a district many legal documents will have to be prepared. The actual amount of special taxes to be levied would be subject to a maximum stated in the CFD documentation and the actual levy would depend on revenue needed, as calculated by the County and the consultants and approved by the County. In order to proceed with these tasks, the County must contract with a special tax counsel and a special tax consultant.

These consulting firms will provide "special services" as described in section 3.12.230 of the County's Purchasing Ordinance and section 31000 of the Government Code, and accordingly, are exempt from any formal competitive procurement requirements.

The first step in processing this Developer's request is to contract with the consultants identified above and authorize a Deposit and Reimbursement Agreement between the County and the Developer. Pursuant to the Deposit and Reimbursement Agreement, the County will receive advances from the Developer to pay third party invoices from consultants retained by the County to assist in the formation of the district.

The services provided by consultants for the Developer's request will provide efficiency and critical knowledge, and other providers of the goods/services cannot provide similar efficiencies or critical knowledge. These services are not to be in excess of $100,000, and therefore in accordance with the County's Procurement Policy Section 3.4 are exempt from the competitive billing process.

The County does not have a legal obligation to assist the Developer in obtaining this potential financing. However, it is anticipated that the bond proceeds would be used to prepay TIF fees which could advance the construction of certain road capacity improvement in El Dorado Hills. If this CFD is formed and bonds are issued, the resulting special tax obligations will be disclosed to potential home buyers.

Fiscal Impact:
This item will have no impact on the County General Fund. All costs will be paid from the money advanced by the Developer.

Sincerely,

Joe Harn

Joe Harn
Auditor-Controller

cc: Sue Phillips, CAO