

The County Of Nevada



CLERK RECORDER-REGISTRAR OF VOTERS

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NEVADA COUNTY BOARD OF SUPERVISORS Board Agenda Memo

MEETING DATE: May 22, 2018

TO: Board of Supervisors

FROM: Gregory J. Diaz, Clerk-Recorder

SUBJECT: Resolution approving a Memorandum of Understanding (MOU) between the County of Nevada (“Participant”) and the Counties of Orange, Los Angeles, Riverside, and San Diego (“Owner”) to authorize the Nevada County Clerk-Recorder’s use of the Statewide Electronic Courier Universal Recording Environment (“SECURE”) Multi-County Electronic Recording Delivery System.

RECOMMENDATION:

Approve the Resolution.

FUNDING:

The cost of implementing and maintaining the ERDS is to be funded by a recording fee of up to \$1 for each instrument recorded by the County and, if necessary, by future fees imposed upon any vendor seeking approval of software and other services as part of the ERDS, and upon any person seeking to contract as an authorized submitter, upon adoption by this Board, as previously authorized by Resolution 17-577. To participate in this agreement, based on county size, the County of Nevada will be charged a zero dollar initial “buy-in” and annual Participant maintenance fee of \$5,000. No budget amendment is needed and there are no additional General Funds required.

BACKGROUND:

Government Code sections 27390 through 27399, authorizes county recorders in California to accept digitized electronic documents and certain digital electronic documents for recordation pursuant to the provisions and regulations developed by the Department of Justice. In response, on November 14, 2017, pursuant to Resolution No. 17-577, the Clerk-Recorder received approval from the Board of Supervisors to implement the provision of California Government Code sections 27390 through 27399 to establish an ERDS for Nevada County, and authorized an additional fee of up to and including \$1.00 for each instrument recorded by the County to finance the implementation and on-going cost of the ERDS system. Electronic recording will provide authorized submitters (title insurers, underwritten title companies, institutional lenders and government entities) the ability to submit digitized and certain digital documents to improve and modernize their systems of recording and handling of real property documents by permitting the delivery, recording and return of real property documents electronically. The ability to electronically record documents will reduce processing time, staff workload and material costs associated with managing databases.

The Owner Counties of Orange, Los Angeles, Riverside, and San Diego entered into an agreement to share the ownership and ongoing maintenance of the SECURE multi-county ERDS Program, which they have made

available to other counties as sub-county Participants. The SECURE system was certified by the Attorney General on 09/29/2009. Utilization of this multi-county ERDS is projected to result in cost savings by negating the need to purchase and maintain an individual ERDS system. Nevada County is in the process of integrating the SECURE system with the Recorder Imaging Information Management System, and projects implementation of the system by the summer of 2018.

As part of the SECURE system, the County will be able to electronically record Digitized (Type 1) and Digital (Type 2) Instruments. “Digitized Electronic Record” means a scanned image of the original paper document while “Digital Electronic Record” means a record containing information that is created, generated, sent, communicated, received, or stored by electronic means, but not created in original paper form. In addition, the County will send recorded information to the originator when applicable. The California Code of Regulations, Title 11, Division 1, Chapter 18, requires that in order to apply for initial certification as a sub-county, the Board of Supervisors must grant authority to participate in a multi-county ERDS, and identify whether the instruments to be exchanged are type 1 and/or type 2. To meet these requirements, the County Clerk-Recorder is requesting in addition to the authority granted by Resolution 17-577, approval to participate in the multi-county ERDS and to allow for type 1 and/or type 2 instruments to be exchanged.

The fee structure for use of the SECURE system is tiered based on a Participant’s annual number of documents recorded. Nevada County falls within the tier of counties representing the smallest number of annual documents recorded, thereby requiring the lowest cost to participate in SECURE with a zero dollar initial “buy-in” and annual Participant maintenance fee of \$5,000.

The Clerk-Recorder has brought this project through the regular County governance channels for such projects—the project has been presented to the Information Systems Steering Board, and the Information Systems department has worked closely on the project to identify information systems impacts and ensure successful implementation of the ERDS system.

It is respectfully recommended that the Board approve the MOU to authorize the Clerk-Recorder’s use of the SECURE ERDS Program.

Attachments:

1. Resolutions Authorizing Participation in SECURE ERDS
2. MOU with SECURE
3. Original Resolution 17-577

Item Initiated by: Sandra Sjoberg

Approved by: Gregory J. Diaz