

AGREEMENT FOR COLLECTION OF SPECIAL TAXES, FEES, CHARGES, AND ASSESSMENTS

THIS AGREEMENT FOR COLLECTION OF SPECIAL TAXES, FEES, CHARGES, AND ASSESSMENTS (“Agreement”) is made and entered into this ____ day of _____, 20____, by and between the COUNTY OF ORANGE, a political subdivision of the State of California (“County”), and _____ (“District”), which may sometimes be referred to individually as a “party” or collectively as the “parties.”

RECITALS

WHEREAS, the District is a city or special district located in the County of Orange; and

WHEREAS, the parties desire to enter into an agreement whereby taxes, fees, charges, and/or assessments for the District (collectively “Assessments”) will be collected by the County at the same time and in the same manner as County taxes are collected, and the District will pay to the County the fees for collection hereinafter set forth; and

WHEREAS, the statutes that authorize the County to collect Assessments for local agencies such as the District, including Sections 29142, 29304 and 51800 of the Government Code and Sections 5473 of the Health and Safety Code, provide that the County and District shall enter into an agreement regarding the amount of compensation to be paid to the County for the collection of such Assessments; and

WHEREAS, when requested by District, it is in the public interest that the County collect on the County tax rolls the Assessments as provided by this Agreement.

NOW, THEREFORE, IT IS AGREED by and between the parties as follows:

AGREEMENT

1. Recitals. The parties agree that the reference to the statutes in the Recitals set forth above do not constitute an admission that the statutes are applicable to any of District’s Assessments, which the County will collect pursuant to this Agreement.

2. Collection Services. County agrees, when requested by District as hereinafter provided, or as required by law, to collect on the County tax rolls the Assessments of District, and of each zone or improvement district thereof.

3. Transmission of Information. When County is to collect District’s Assessments, District agrees to notify the Orange County Auditor-Controller of the Assessor’s parcel numbers and the amount of each Assessment.

4. Computation by the County. The District shall certify to the County Auditor: (1) the *ad valorem* rates to be applied to the assessed value of property within an established tax rate area or the tax requirements for which the *ad valorem* rates must be computed as herein provided; and (2) the fixed charge Assessments in a dollar amount to be applied on each parcel of real property which parcel shall be designated by the assessment (i.e., parcel) number shown on the County Secured

Assessment Roll for the year in which the Assessment is to be collected. The County will not be required to make any computation other than the application of an *ad valorem* rate to the assessed value of property within a tax rate area. District is solely responsible for the validity and accuracy of the amount of any Assessment as well as the parcel number to which it is being charged regardless of whether such data is submitted to County by District or by a third-party consultant or contractor on its behalf.

5. Verification by District. It shall be the obligation of the District prior to the time of delivery to the Orange County Auditor-Controller of the Assessment data to review the County Secured Assessment Roll after it is filed by the Orange County Assessor with the Orange County Auditor-Controller to verify that the parcel numbers on the assessment roll for Assessments certified by the District correspond with the assessment (i.e., parcel) numbers shown on the County Secured Assessment Roll. Any changes in Assessment data previously certified to the Orange County Auditor-Controller by the District, which changes occur as a result of such verification, shall be certified by the District to the Orange County Auditor-Controller.

6. Collection Fee. County will charge the sum of three tenths of one percent (0.30%) of the original value for each Assessment that is to be collected on the County tax rolls by the County for the District.

7. Charge for Revision of Assessment. After the tax roll has been delivered by the Orange County Auditor-Controller to the Orange County Tax Collector, the County will charge the District for each fixed charge Assessment changed or deleted. Said charge shall be fifteen dollars (\$15.00) for each Assessment or parcel number placed on the County Secured Assessment Roll. Payment shall be submitted to the Orange County Auditor-Controller with the request for the change or deletion.

8. Modification of Collection Fees and Charges. The County reserves the right to increase or decrease any charges herein provided in proportion to any changes in costs incurred by the County in providing the services described herein, provided that written notice of any increase or decrease in charges shall be given by the County to the District at least 30 days prior to the date notice is required to terminate this Agreement pursuant to the "Term of Agreement" section of this Agreement.

9. Authority for Levy and Compliance with Law.

a. District warrants that all Assessments imposed by District and collected pursuant to this Agreement comply with all laws, including but not limited to Articles XIIC and XIID of the California Constitution, as applicable. District agrees that the County is not obligated under this Agreement to collect or place any Assessment that has been determined to apply to the secured tax bills of government-owned parcels.

b. If District has reason to believe (1) that an Assessment placed on the tax roll on its behalf violates federal or state law; or (2) that information it provided to the County concerning a special tax, fee, charge or assessment placed on the tax roll on its behalf is inaccurate in any respect, District will notify County within one business day of the discovery.

c. Notwithstanding any provision of law, the County may remove from the tax roll (1) any Assessment that is deemed to violate federal or state law or (2) that is affected by

inaccuracy, and withhold monies in the amount of such levies from future property tax distributions. This provision is intended to avoid all County liability for such Assessments under the Teeter Plan by allowing the Auditor-Controller to reverse and charge back Teeter Plan advances for such Assessments.

10. Release. District hereby releases and forever discharges County and its officers, agents, employees, and those entities for which County's Board of Supervisors acts as governing body from any and all claims, demands, liabilities, costs and expenses, damages, causes of action, and judgments, in any manner arising out of District's responsibilities under this Agreement, or other action taken by District in establishing or collecting any Assessment, including but not limited to any required remedial action in the case of delinquencies in such Assessment payments or the issuance, sale, or administration of any bonds issued in connection with the District's program.

11. Indemnification. District agrees to indemnify, defend with counsel approved in writing by County, which approval shall not be unreasonably withheld, and hold County and its officers, agents, employees, and those entities for which County's Board of Supervisors acts as governing body (collectively "County Indemnitees") harmless from and against any and all claims, demands, liabilities, damages, causes of action, judgments, and costs and expenses, including reasonable attorneys' fees, in any manner arising out of any of District's responsibility under this Agreement, or other action taken by District in establishing or collecting any Assessment, including but not limited to any required remedial action in the case of delinquencies in such Assessment payments or the issuance, sale, or administration of any bonds issued in connection with the District's program.

12. Cooperation. District agrees that its officers, agents, and employees will cooperate with County by answering inquiries made by any person concerning District's Assessments, and District agrees that its officers, agents, and employees will not refer such individuals making inquiries to County officers or employees for response.

13. Assignment. District shall not assign or transfer this Agreement or any interest herein, and any such assignment or transfer or attempted assignment or transfer of this Agreement or any interest herein shall be void and shall immediately and automatically terminate this Agreement.

14. Term of Agreement. All prior or existing agreements between the County and District pertaining to collection of any tax, fee, charge, or assessment by the County for the District are terminated. This Agreement shall continue from year to year and shall be subject to cancellation by either party by giving written notice to the other party of cancellation on or prior to April 30 to take effect in the subsequent fiscal year.

15. Waiver. Either party's waiver of breach of any term, covenant, or other provision of this Agreement is not a waiver of breach of any other term, covenant, or provision, nor subsequent breach of the term, covenant, or provision waived.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have made and entered this Agreement as of the day and year first written above.

DISTRICT

By: _____

Its: _____

COUNTY OF ORANGE

By: _____

Its: _____

APPROVED AS TO FORM:

By: _____
_____, Counsel to District

By: _____
_____, Deputy County Counsel