

RESOLUTION NO. 2024-02

RESOLUTION OF THE GOVERNING BOARD OF THE WESTERN HILLS WATER DISTRICT APPROVING THE SETTLEMENT AGREEMENT WITH ALYSSA I. GOMEZ AND ACCEPTING A DEED IN LIEU OF JUDICIAL FORECLOSURE FOR THE PROPERTY IDENTIFIED AS STANISLAUS COUNTY ASSESSOR'S PARCEL NUMBER 025-023-003-000, AND AUTHORIZING THE EXECUTION OF ALL DOCUMENTS NECESSARY TO COMPLETE THE TERMS OF THE SETTLEMENT AGREEMENT

WHEREAS, ALYSSA I. GOMEZ ("GOMEZ") is the current owner of a parcel of vacant real property located in Stanislaus County which is identified by Assessor's Parcel No. 025-023-003-000 ("PROPERTY").

WHEREAS, the PROPERTY is located within the Diablo Grande Community Facilities District No. 1 ("Diablo Grande CFD").

WHEREAS, certain special tax installments that were levied against the PROPERTY in Diablo Grande CFD have become delinquent ("Delinquent Special Taxes").

WHEREAS, prior to removing the Delinquent Special Taxes from the County Tax Roll, and in order to begin the foreclosure process to recover the Delinquent Special Taxes, the Western Hills Water District recorded a "Notice of Intent to Remove Delinquent Special Taxes" as Document Nos. 2013-0085073-00 (in 2013), 18-0085489-00 (in 2018), 19-0070624-00 (in 2019) and 2021-0037665-00 (in 2021) in the Official Records of Stanislaus County, California.

WHEREAS, the amount of the Delinquent Special Taxes (including principal, penalties, interest, administrative costs, and legal fees and costs) is delineated in Exhibit "1" attached hereto and incorporated herein by this reference.

WHEREAS, the Western Hills Water District intends to file a Complaint in Judicial Foreclosure in the Stanislaus County Superior Court in order to recover the Delinquent Special Taxes.

WHEREAS, GOMEZ has no intention of paying the Delinquent Special Taxes and is prepared to transfer her entire interest in the PROPERTY to the Western Hills Water District in order to avoid a foreclosure lawsuit.

WHEREAS, it is in the best interest of the Diablo Grande CFD bond holders to accept the PROPERTY in order to prevent the unnecessary expenditure of litigation fees and costs.

NOW, THEREFORE, the Governing Board of the Western Hills Water District does hereby resolve:

SECTION 1. Incorporation of Recitals.

The Board finds and determines that the above-referenced recitals are true and correct and material to this Resolution.

SECTION 2. Approval of Settlement Agreement.

The Settlement Agreement and Release attached as Exhibit "2" hereto is approved and accepted by the Board, and Mark Kovich (the President of the Western Hills Water District) is hereby authorized and instructed to execute the Settlement Agreement and Release.

SECTION 3. Acceptance of Deed in Lieu of Foreclosure.

The form Deed in Lieu of Judicial Foreclosure attached as Exhibit "C" to the Settlement Agreement and Release (which is attached as Exhibit "2") is approved and accepted by the Board, and Marck Kovich is hereby authorized and instructed to execute the Certificate of Acceptance included in the form Deed in Lieu of Judicial Foreclosure, and to have the fully executed Deed in Lieu of Judicial Foreclosure document recorded in the Official Records of Stanislaus County, California.

SECTION 4. Exemption from CEQA.

The Board finds that the conveyance of the PROPERTY from GOMEZ is exempt from the requirements of the California Environmental Quality Act (CEQA) because it can be seen with certainty that the mere acquisition of the PROPERTY has no potential to cause significant effects on the environment since the proposed conveyance does not change land uses or expand the existing use of the PROPERTY. (See, California Code of Regulations, Title 14, Section 15061(b)(3).)

Moved by Director, Mark Kovich, second by Director, John Frederick, that the foregoing resolution be adopted. Upon roll call the following vote was had:

Ayes: 5
Noes: ___
Abstain: ___
Absent: ___

I, Mary Davies, Secretary of the Board of Directors of the Western Hills Water District, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a duly noticed regular meeting of the said Board of Directors held on the 10th day of January, 2024.

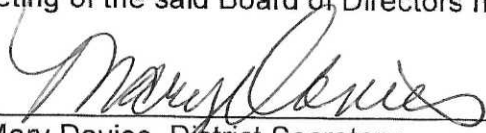

Mary Davies, District Secretary

Exhibit "1"

(Delinquency Spreadsheet)

Exhibit "2"

(Settlement Agreement & Release)