

# GROVELAND COMMUNITY SERVICES DISTRICT

## RESOLUTION NUMBER 8-10

### RESOLUTION OF THE BOARD OF DIRECTORS REGARDING COLLECTION OF DELINQUENT CHARGES

WHEREAS, GROVELAND COMMUNITY SERVICES DISTRICT (hereinafter the "District") is a community services district duly organized and validly existing pursuant to the laws of the State of California, Government Code Section 61000 et seq., and

WHEREAS, the District Board of Directors previously adopted Resolution Number 4-08, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference (hereinafter the "Resolution"). The Resolution provides as follows: (1) that the District has incurred significant administrative, legal, engineering, and environmental consulting costs in reviewing the application of the Yosemite Club Partners L.P. (the "Developer") for annexation of its Long Gulch Ranch residential project (the "Property") into the District and for receipt of water, sewer and fire suppression services from the District; and (2) that the District's total expenditures including all administrative, legal, engineering, and environmental consulting costs required to review Developer's Application for Annexation and new water and sewer services as of the March 24, 2008 public hearing afforded to Developer is the amount of \$219,214.30 which, after credit for payments previously made by Developer, results in a delinquent balance of \$84,214.30; and (3) the amount of \$84,214.30 as of March 24, 2008 is delinquent pursuant to the District's Water and Sewer Ordinances which amount is to be assessed a 10% penalty for delinquency in the amount of \$8,421.43 bringing the total principal balance of unpaid delinquent charges owing to the District by Developer to the amount of \$92,635.72; and (4) that said past due delinquent amounts bear interest at the rate of .5% per month from and after December 15, 2007 on the declining balance pursuant to the District's existing policies; and (5) that such amount of delinquent charges, penalties and interest were directed to be collected by the Tuolumne County Tax Collector on the Property Tax Roll in the same manner as property taxes with respect to each of the parcels owned by Developer in Tuolumne County in said amounts; and

WHEREAS, the real property owned by Developer has been acquired by a subsequent purchaser, Long Gulch Ranch LLP (hereinafter "LGR") pursuant to foreclosure proceedings. LGR has contacted District in an attempt to satisfy the outstanding property tax obligations against the Property specified in the Resolution; and

WHEREAS, an ad hoc committee of the Board of Directors and a representative of LGR have met and conferred on the issues related to

satisfaction of the outstanding obligation to the District of the prior owner of the Property as specified in the Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District as follows:

Staff is hereby directed to enter into an agreement with LGR to satisfy the delinquent charges levied against the Property by the Resolution on the following terms and conditions:

(a) that the District will agree to release its existing liens for delinquent charges recorded against existing parcels by recording appropriate lien release documents with the Tuolumne County Recorder, provided that District Staff then immediately records new replacement liens in the same principal amount with interest and penalties to date on each of the eleven (11) new parcels subdivided from the original three (3) parcels, Assessor Parcel Nos. 26, 39 and 40; and

(b) authorize releasing the existing lien on a 40.088 acre parcel comprising the Property which is currently in escrow in exchange for a payment of Twenty-Five Thousand Dollars (\$25,000.00) in cash from LGR to the District in partial satisfaction of the total amount owed the District out of the escrow for sale of such parcel; and

(c) to provide for payments by LGR to District of Twenty-Five Thousand Dollars (\$25,000.00) in cash out of escrow upon the sale of each of the subdivided parcels of the Property until the total amount of principal, penalties and interest has been paid by LGR to District; and

(d) that regardless of sale of the parcels comprising the Property, LGR will complete repayment of the total debt of \$92,878 plus accrued interest and penalties owed to the District within six (6) years from the date of execution of such agreement by both parties.

PASSED, APPROVED AND ADOPTED this 9th day of August, 2010, by the following roll call vote:

AYES: Directors Graham, Allegri, Lennen, and Riley

NOES: None

ABSTENTIONS: None

ABSENT: Director Perreira

  
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John Graham, Board President

ATTEST:   
Lena Spilman, District Secretary

I hereby certify that the above Resolution No. 8-10 was duly introduced, read and adopted by the District at a regular meeting held on August 9, 2010, and that such Resolution has not been modified, amended, or rescinded, and is currently in full force and effect.

  
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District Secretary