

BEST BEST & KRIEGER LLP

A CALIFORNIA LIMITED LIABILITY PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

LAWYERS

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*LINDA
- I believe
this should be
kept with "official"
records
of
city
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club's
office
R*

April 22, 2004

Daniel J. McHugh
City Attorney
City of Redlands
35 Cajon Street, Suite 200
Redlands, CA 92373-1505



Re: Redlands adv. Masry
San Bernardino Superior Court Case No. SCVSS 091475

Dear Mr. McHugh:

Enclosed please find a fully executed copy of the Settlement and Release Agreement.

Please contact our offices if you have any questions or concerns.

Respectfully,

Karen Carter, Secretary to Cynthia M. Germano
of BEST BEST & KRIEGER LLP

/kc

Encl.

cc: Howard B. Golds (w/o encl.)

RVLIT\CMG\664377.1

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is made and entered into by and between plaintiff Aladdin M. Masry ("Masry") and defendant City of Redlands ("Redlands"). The parties to this Agreement are sometimes referred to collectively as the "Settling Parties" or "Parties".

RECITALS

This Agreement is made with reference to the following facts:

1. On or about June 26, 2002, Masry filed a complaint in the litigation known as Aladdin M. Masry v. City of Redlands and Does 1-10, inclusive, San Bernardino Superior Court Case No. SCVSS 091475, which alleged a single cause of action for national origin/ancestry discrimination ("the Action"). On or about July 26, 2002, Redlands filed an Answer.
2. On or about November 17, 2003, Redlands filed a Motion for Summary Judgment ("Motion") as to the Action. The Motion was heard on March 4, 2004. The Court granted the Motion, and ordered that judgment be entered in favor of Redlands and against Masry, and that Redlands was entitled to recover its costs of suit from Masry.
3. Masry desires to waive his right to appeal the Court's ruling on the Motion, if Redlands will agree to waive its right to recover costs and/or fees from Masry, and Redlands is amenable to such arrangement.
4. The Settling Parties now desire to resolve, compromise and settle any and all disputes, claims and controversies between or among them relating to Masry's employment with

Redlands, the Action and the events giving rise thereto. The Parties expressly intend that this settlement shall further pertain to any claims for violation of any civil, state and/or federal rights, attorneys' fees, witness fees, and/or other costs, and any alleged claims for abuse of process, malicious prosecution, etc., in connection with the Action.

AGREEMENT

The Settling Parties, and each of them, agree as follows:

1. Recitals. The Recitals are incorporated into and are made a part of this Agreement.

2. Settlement. In consideration of this Agreement, and the promises set forth herein, the Settling Parties agree as follows: Masry agrees that he will not file an appeal of the Court's ruling on the Motion. In return, Redlands agrees to waive and release any claim for attorney's fees, costs, or malicious prosecution in connection with the Action.

3. Mutual Special Releases.

A. Except as specified in this Agreement, each of the Settling Parties and their respective principals, elected officials, directors, officers, agents, partners, joint venturers, affiliates, heirs, representatives, attorneys, beneficiaries, predecessors, successors, grantees, vendees, transferees, and assigns, fully and irrevocably release, acquit, and discharge each other Settling Party, and their respective past, present, and future principals, elected officials, directors, officers, employees, agents, partners, joint venturers, affiliates, heirs, representatives, attorneys, beneficiaries, predecessors, successors, grantees, vendees, transferees and assigns (collectively the "Related Persons") from any and all liabilities, claims, cross-claims, causes of action,

damages, payments, costs, attorney's fees, or demands, of whatever nature, character, type, or description, whether known or unknown, existing or potential, which the Settling Parties have or may have against each other or any of the Related Persons, occurring at any time prior to the Effective Date of this Agreement (as defined below), and based upon, arising from or relating to, Masry's employment with Redlands, the Action or any of the event giving rise thereto.

B. The Settling Parties, and each of them, represent and warrant that none of the liabilities, claims, causes of action, damages, payments, costs, attorney's fees or demands released in Paragraph 3(A), above, has been assigned, in whole or in part, to any person or entity.

C. To the extent that the releases set forth above run to the favor of any persons or entities who are not signatories to this Agreement, this Agreement is declared to be made in and for their respective benefits and uses.

D. The Parties acknowledge and expressly waive the provisions of California Civil Code section 1542, together with any similar or analogous provision under the laws of the United States of America and/or the laws of any State of the United States of America, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release which, if known by him, must have materially affected his settlement with the debtor.

The Parties hereby specifically waive any and all rights and benefits under said Section as they relate to the matters released.

4. Continuing Jurisdiction of Court. The Parties stipulate that the court shall continue to have jurisdiction over this matter to enforce this settlement pursuant to Code of Civil Procedure section 664.6.

5. Denial of Liability. The Parties agree and mutually acknowledge that this Agreement is for settlement purposes only. The Parties have denied, and continue to deny, any wrongdoing in connection with the matters alleged in the Action. Neither this Agreement, nor any action taken pursuant to this Agreement, shall constitute any admission of any wrongdoing, fault, violation of law, or liability of any kind on the part of the Parties, or any admission by and of the Parties of any claim or allegations made in any action against such Party. This Agreement is entered into, in substantial part, to avoid the fees and expenses attendant to or associated with continued litigation of the claims and defenses asserted in the Action.

6. Waiver of Costs and Attorney Fees. Each of the Settling Parties shall bear its own attorney's fees, costs and expenses in connection with the Action, the negotiation for and preparation of this Agreement, and the completion of the settlement as herein provided.

7. Covenant to Take Further Actions Necessary. The Parties hereby agree to execute such other documents and to take such other action as may be reasonably necessary to further the purpose of this Agreement, with the Parties to bear their own costs and attorney's fees for these additional actions.

8. No Third-Party Beneficiaries. Except as expressly set forth in Paragraph 3(C), above, there are no third-party beneficiaries to this Agreement and nothing herein shall confer any enforceable rights on non-signatory persons or entities.

9. Admissibility. This Agreement is admissible in a court of law to support any motion to enforce the settlement.

10. Independent Representation by Counsel. The Parties represent and declare that in executing this Agreement they rely solely upon their own judgment, belief and knowledge, and the advice and recommendations of their own independently-selected counsel, concerning the nature, extent and duration of their rights and claims hereunder, and that, except as provided herein, they have not been influenced to any extent whatsoever in executing this Agreement, by any representations, statements or omission pertaining to any of the matters herein contained by any party or by any persons representing any party.

11. Construction. This Agreement has been jointly negotiated and drafted. The language of this Agreement shall be construed as a whole according to its fair meaning, and not strictly for or against any of the Parties.

12. Headings. The headings of this Agreement are for convenience and ease of reference only and shall not be used to construe, interpret, expand, or limit the terms of this Agreement.

13. Governing Law. This Agreement shall be interpreted, and the rights and duties of the Settling Parties shall be determined, in accordance with the laws of the State of California.

14. Choice of Venue. Any action brought to enforce the provisions of this Agreement shall be commenced in San Bernardino County, California. All Parties hereby consent to the personal jurisdiction of the State of California in any action to enforce, interpret or

in connection with this Agreement. The Parties further consent and agree that venue in the Superior Court of the State of California, County of San Bernardino, is proper.

15. Integrated Agreement. This Agreement is the entire Agreement between the Parties concerning the subject matter of this Agreement and replaces any prior negotiations, discussions or agreements between the Parties. None of the Parties are relying upon any other negotiations, discussions or agreements in connection with the subject matter of this Agreement. This is a fully integrated Agreement.

16. Written Modification. No modification of this Agreement shall be valid unless agreed to in writing by the Parties.

17. Severability. If any portion of this Agreement is declared by a court of competent jurisdiction to be invalid or unenforceable, such portion shall be deemed severed from this Agreement and the remaining parts shall remain in full force and effect as if no invalid or unenforceable provisions had been part of this Agreement.

18. Attorney's Fees. Should any Party hereto reasonably retain counsel for the purpose of enforcing or preventing the breach of any provision of this Agreement as set forth in the Agreement, including but not limited to, instituting or defending any action or proceeding to enforce any provision of this Agreement, for damages by reason of any alleged breach of any provision hereof, for declaration of such parties' rights or obligations hereunder or for any other judicial remedy, then, if said matter is settled by mediation, arbitration or judicial determination, the prevailing party shall be entitled to be reimbursed by the losing party for all costs and expenses incurred thereby, including, but not limited to, reasonable attorneys', paralegals', experts' and accountants' fees.

19. Execution in Counterparts. This Agreement may be executed in counterparts by the Parties and shall become effective and binding upon the Parties at such time as all of the signatories hereto have signed the original or a counterpart original of this Agreement. All counterparts so executed shall constitute one Agreement, binding upon all of the Parties hereto, notwithstanding that all of the Parties are not signatory to the original or the same counterpart.

20. Warranty of Authorization. Each of the signatories to this Agreement warrants and represents that he/she is fully authorized and empowered to execute this Agreement. Each of the Settling Parties warrants and represents that it is fully authorized to carry out the obligations provided for herein. Where a party has executed this Agreement on behalf of another party, such executing party warrants and represents that it is and has been authorized to do so by such party.

21. Effective Date. This Agreement shall be effective as of the date of the last signature placed hereon, excluding the signatures of counsel, and such date shall be known as the "Effective Date" of this Agreement.

22. Survivability of Covenants. All representations and agreements set forth in this Agreement shall be deemed continuing and shall survive the execution date of this Agreement.

Dated: March 23, 2004

Approved as to form:

Dated: March 23, 2004

ALADDIN M. MASRY

By:

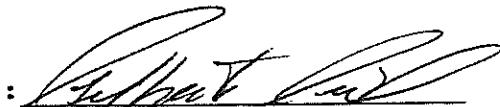

Aladdin M. Masry

LAW OFFICE OF VINCENT P. NOLAN

By:


Vincent P. Nolan

Dated: April 20, 2004

By: 
Mayor Pro Tem

Approved as to form:

Dated: April __, 2004

CITY OF REDLANDS

Attest:

By: 
City Clerk

BEST, BEST & KRIEGER, LLP

By: _____
Cynthia M. Germano

Dated: March ____, 2004

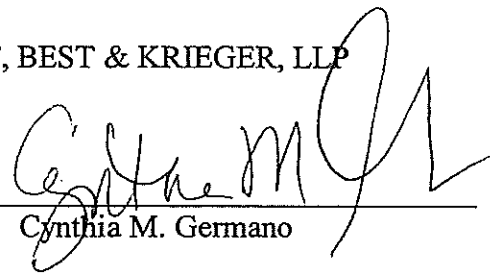
CITY OF REDLANDS

By: _____

Approved as to form:

BEST, BEST & KRIEGER, LLP

April
Dated: March 21, 2004

By: 
Cynthia M. Germano

CONSENT CALENDAR

Minutes - On motion of Councilmember George, seconded by Councilmember Harrison, the minutes of the regular meeting of April 6, 2004, were approved as submitted.

Bills and Salaries - On motion of Councilmember George, seconded by Councilmember Harrison, payment of bills and salaries was acknowledged.

Planning Commission Actions - On motion of Councilmember George, seconded by Councilmember Harrison, the report of the Planning Commission meeting held on April 13, 2004, was acknowledged as received.

Resolution No. 6272 - Street Banner Criteria - On motion of Councilmember George, seconded by Councilmember Harrison, the City Council, by AYE votes of all present, approved Resolution No. 6272, a resolution of the City Council of the City of Redlands adopting criteria for street banners erected on City property at the City's designated locations on Citrus Avenue, between Fifth and Sixth Streets, and on Cajon Street, near Vine Street.



Settlement Agreement - Aladdin M. Masry - On motion of Councilmember George, seconded by Councilmember Harrison, the City Council, by AYE votes of all present, acknowledged a settlement and release agreement with Aladdin M. Masry and authorized the Mayor and City Clerk to execute the agreement on behalf of the City. The City Council authorized settlement of this matter in closed session and this release reflects the terms and conditions for said settlement.

Proclamation - Maurice Calderon - The City Council, by AYE votes of all present, authorized issuance of a proclamation recognizing and commending Maurice Calderon for his outstanding and dedicated service to the City of Redlands and surrounding communities and upon having been awarded the prestigious Premio Ohtli Award given by the Mexican Ministry of Foreign Affairs on motion of Councilmember Gil, seconded by Councilmember George. Mayor Pro Tem Gil noted it was a great honor for Mr. Calderon for having received this award.

Ordinance No. 2554 - Tress and Tree Protection - Ordinance No. 2554, an ordinance of the City of Redlands amending Chapter 12.52 of the Redlands Municipal Code relating to trees and tree protection along streets and in public places, was adopted, by AYE votes of all present, on motion of Councilmember George, seconded by Councilmember Harrison.

Resolution No. 6250 - Encroachment Permit - SCE - On motion of Councilmember George, seconded by Councilmember Harrison, the City Council, by AYE votes of all present, adopted Resolution No. 6250, a resolution of the City Council of the City of Redlands establishing a permit procedure and