

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into by and between Rhonda Reyes ("Reyes"), and City of Redlands ("City") who are sometimes referred to herein as the "Parties."

RECITALS

A. On or about November 27, 2002, Rhonda Reyes was attempting to cross the street in marked crosswalks at the intersection of Vine and Cajon Streets in Redlands at or about 5:15 p.m. when a vehicle which was driven by Mr. Emil Kovachek hit her. She landed on the ground suffering injuries. Reyes's accident of November 27, 2002, is the subject of that certain legal action entitled Rhonda Reyes vs. City of Redlands, San Bernardino Superior Court Case No. SCVSS 108652 (collectively "the lawsuit").

B. It is the intention of the Parties to resolve and settle their dispute and to discharge all claims, demands, causes of action, obligations, liens, damages and liabilities Reyes may have against the City that arise from, or are related to, the incident which is the subject of the Lawsuit.

C. This Agreement is a compromise of the claims asserted by Reyes and shall not be treated as an admission of liability by any Party.

AGREEMENT

1. The Parties acknowledge that the Recitals are true and correct and incorporate the Recitals into this Agreement.

2. The City shall pay to Reyes the sum of Eighteen Thousand Dollars (\$18,000.00) within thirty (30) days from the date the City has executed this Agreement. The payment shall be made by check payable to Reyes, and her Attorney of Record, John Belton. Reyes and her Attorney of Record agree that the check shall not be negotiated unless and until the City notifies Reyes's Attorney of Record of the City's filing of the Dismissal referenced in paragraph 3, below.

3. Reyes, through her Attorney of Record, shall execute a Dismissal With Prejudice pursuant to Code of Civil Procedure section 581 of all lawsuits on file arising out of the incident giving rise to the Lawsuit, and provide the Dismissal to the City within five (5) days of receipt of the payment described in paragraph 2, above. The City shall file the Dismissal and provide a conformed copy to all Attorneys of Record.

4. The Parties shall bear their own attorneys' fees and costs incurred in connection with the Lawsuit.

5. Reyes, on behalf of herself and her attorneys, representatives, assigns, heirs and successors-in-interest hereby releases and forever discharges the City, and its elected officials, officers, employees, representatives, assigns and successors-in-interest from any and all claims, causes of action, actions, damages, losses, demands, accounts, rights, liens, debts, liabilities, obligations, disputes, controversies, payments, costs and attorneys' fees of every kind and character, known or unknown, existing or contingent, latent or patent, regarding any matter arising from, or related to, the incident which was the subject of the Lawsuit.

6. Reyes represents and warrants that she has the legal authority to settle any and all causes of action and claims she may have against the City which relate or pertain to the Lawsuit. By executing this Agreement, Reyes hereby releases and waives all claims or causes of action which in any way relate to the Lawsuit. To the extent any person or entity should file, subsequent to the execution of this Agreement, any claim or cause of action against the City arising out of, or which is related to, the incident which is the subject of the Lawsuit, Reyes shall indemnify, defend and hold the City harmless from any and all damages, including any attorneys' fees and costs that result therefrom.

7. Reyes expressly waives the rights afforded her under Civil Code section 1542 which provides that:

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.

8. Reyes represents and warrants that she has received the advice of her Attorney of Record with respect to the advisability of making the release provided for herein and the meaning of Civil Code section 1542. Reyes is aware that she may hereafter discover claims or facts in addition to or different from those she now knows or believes to be true with respect to the matters related herein. Nevertheless, it is the intention of Reyes to fully, finally and forever settle and release all such matters, and all claims related to those matters.

9. Reyes represents and warrant that she has not assigned or transferred, or purported to assign or transfer, and shall not hereafter assign or transfer, any obligations, liabilities, demand, claims, costs, expenses, liens, debts, controversies, damages, actions and causes of action released pursuant to this Agreement. Reyes shall defend, indemnify and hold the City harmless against any obligation, liability, demand, claim, cost, expense (including, but not limited to attorneys' fees incurred), liens, debt, controversy, damage, action or cause of action based on, arising out of or in connection with any such transfer or assignment or purported transfer or assignment.

10. Reyes acknowledges that she has read this Agreement; that she has had the Agreement explained to her by counsel of her choice; that she is aware of the content and legal effect of the Agreement; that she is acting on the advice of counsel of her choice; and that she is not relying

on any representations made by any other party or any of the employees, agents, representatives, or attorneys of any other party.

11. The Parties agree to execute and deliver any other instrument or document convenient or necessary to carry out the terms of this Agreement.

12. This Agreement constitutes the entire agreement between the Parties as to the matters contained herein. No modification of this Agreement shall be valid unless made in writing and signed by the Parties. The Parties shall not be bound by any representation, warranty, promise or statement unless it is specifically set forth in this Agreement.

13. This Agreement shall bind and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the Parties.

14. 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.

15. Each party executing this Agreement represents and warrants to the other signatories that it has the authority to execute this Agreement on behalf of the person or entity for whom it is signing this Agreement.

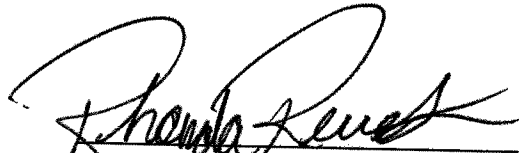
16. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement the prevailing Party shall, in addition to costs and any other relief be entitled to recover its reasonable attorneys' fees.

(Signature Page)
SETTLEMENT AND RELEASE AGREEMENT
Rhonda Reyes v. City of Redlands

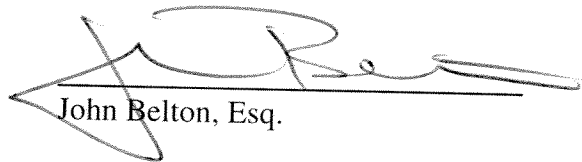
PLAINTIFF

Dated: 4/23/04


Rhonda Reyes

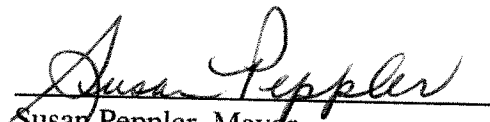
WITNESS AND APPROVED
AS TO FORM AND CONTENT

Dated: 4/23/04

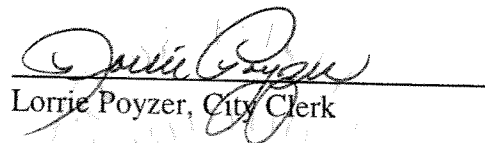

John Belton, Esq.

CITY OF REDLANDS

Dated: May 4, 2004


Susan Peppler, Mayor

Attest:


Lorrie Poyzer, City Clerk

noted in the rental contract are met for towing, set-up, a deposit, insurance coverage, and rental period.

Settlement Agreement - Britt - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with William and Carol Britt 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.

Settlement Agreement - Reyes - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with Rhonda Reyes 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.

Settlement Agreement - Kjellberg - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with Lacey Kjellberg 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 - World War II Veterans - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously authorized issuance of a proclamation declaring May 29, 2004, as World War II Veterans' Recognition Day and encouraged all citizens to celebrate the contributions and sacrifices of these men and women who placed their lives in harms' way protecting American values and preserving democracy for the world.

Surplus Playground Property - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously declared all existing park playground equipment scheduled for replacement to be surplus personal property pursuant to the Redlands Municipal Code Section 2.16.250. On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously authorized staff to convey such surplus personal property pursuant to the Redlands Municipal Code section 2.16.250 to the Sunrise Rotary Club of Redlands for use by a number of orphanages in Mexico.

Fee Waiver - Sylvan Park - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously approved the waiver of reservation fees for use of Sylvan Park by the Redlands Sunrise Rotary Club on September 18, 2004, to conduct their second annual motorcycle rally fund raiser.

noted in the rental contract are met for towing, set-up, a deposit, insurance coverage, and rental period.

Settlement Agreement - Britt - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with William and Carol Britt 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.

Settlement Agreement - Reyes - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with Rhonda Reyes 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.

Settlement Agreement - Kjellberg - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously acknowledged a settlement and release agreement with Lacey Kjellberg 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 - World War II Veterans - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously authorized issuance of a proclamation declaring May 29, 2004, as World War II Veterans' Recognition Day and encouraged all citizens to celebrate the contributions and sacrifices of these men and women who placed their lives in harms' way protecting American values and preserving democracy for the world.

Surplus Playground Property - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously declared all existing park playground equipment scheduled for replacement to be surplus personal property pursuant to the Redlands Municipal Code Section 2.16.250. On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously authorized staff to convey such surplus personal property pursuant to the Redlands Municipal Code section 2.16.250 to the Sunrise Rotary Club of Redlands for use by a number of orphanages in Mexico.

Fee Waiver - Sylvan Park - On motion of Councilmember Gilbreath, seconded by Councilmember Gil, the City Council unanimously approved the waiver of reservation fees for use of Sylvan Park by the Redlands Sunrise Rotary Club on September 18, 2004, to conduct their second annual motorcycle rally fund raiser.

SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into by and between Lacey Kjellberg ("Kjellberg"), and City of Redlands ("City") who are sometimes referred to herein as the "Parties."

RECITALS

A. On or about November 27, 2002, Lacey Kjellberg was attempting to cross the street in marked crosswalks at the intersection of Vine and Cajon Streets in Redlands at or about 5:15 p.m. when a vehicle which was driven by Mr. Emil Kovachek hit her. She landed on the ground suffering injuries. Kjellberg's accident of November 27, 2002, is the subject of that certain legal action entitled Lacey Kjellberg vs. City of Redlands, San Bernardino Superior Court Case No. SCVSS 108652 ("the Lawsuit").

B. It is the intention of the Parties to resolve and settle their dispute and to discharge all claims, demands, causes of action, obligations, liens, damages and liabilities Kjellberg may have against the City that arise from, or are related to, the incident which is the subject of the Lawsuit.

C. This Agreement is a compromise of the claims asserted by Kjellberg and shall not be treated as an admission of liability by any Party.

AGREEMENT

1. The Parties acknowledge that the Recitals are true and correct and incorporate the Recitals into this Agreement.

2. The City shall pay to Kjellberg the sum of Fifteen Thousand Dollars (\$15,000.00) within thirty (30) days from the date the City has executed this Agreement. The payment shall be made by check payable to Kjellberg, and her Attorney of Record, Daniel A. Reed of Varner, Saleson & Brandt, LLP. Kjellberg and her Attorney of Record agree that the check shall not be negotiated unless and until the City notifies Kjellberg's Attorney of Record of the City's filing of the Dismissal referenced in paragraph 3, below.

3. Kjellberg, through her Attorney of Record, shall execute a Dismissal With Prejudice pursuant to Code of Civil Procedure section 581 of all lawsuits on file arising out of the incident giving rise to the Lawsuit, and provide the Dismissal to the City within five (5) days of receipt of the payment described in paragraph 2, above. The City shall file the Dismissal and provide a conformed copy to all Attorneys of Record.

4. The Parties shall bear their own attorneys' fees and costs incurred in connection with the Lawsuit.

5. Kjellberg, on behalf of herself and her attorneys, representatives, assigns, heirs and successors-in-interest hereby releases and forever discharges the City, and its elected officials, officers, employees, representatives, assigns and successors-in-interest from any and all claims, causes of action, actions, damages, losses, demands, accounts, rights, liens, debts, liabilities, obligations, disputes, controversies, payments, costs and attorneys' fees of every kind and character, known or unknown, existing or contingent, latent or patent, regarding any matter arising from, or related to, the incident which was the subject of the Lawsuit.

6. Kjellberg represents and warrants that she has the legal authority to settle any and all causes of action and claims she may have against the City which relate to the Lawsuit. By executing this Agreement, Kjellberg hereby releases and waives all claims or causes of action which in any way relate to the Lawsuit. To the extent any person or entity should file, subsequent to the execution of this Agreement, any claim or cause of action against the City arising out of, or which is related to, the incident which is the subject of the Lawsuit, Kjellberg shall indemnify, defend and hold the City harmless from any and all damages, including any attorneys' fees and costs that result therefrom.

7. Kjellberg expressly waives the rights afforded her under Civil Code section 1542 which provides that:

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.

8. Kjellberg represents and warrants that she has received the advice of her Attorney of Record with respect to the advisability of making the release provided for herein and the meaning of Civil Code section 1542. Kjellberg is aware that she may hereafter discover claims or facts in addition to or different from those she now knows or believes to be true with respect to the matters related herein. Nevertheless, it is the intention of Kjellberg to fully, finally and forever settle and release all such matters, and all claims related to those matters.

9. Kjellberg represents and warrants that she has not assigned or transferred, or purported to assign or transfer, and shall not hereafter assign or transfer, any obligations, liabilities, demands, claims, costs, expenses, liens, debts, controversies, damages, actions or causes of action released pursuant to this Agreement. Kjellberg shall defend, indemnify and hold the City harmless against any obligation, liability, demand, claim, cost, expense (including, but not limited to attorneys' fees incurred), lien, debt, controversy, damage, action or cause of action based on, arising out of or in connection with any such transfer or assignment or purported transfer or assignment.

10. Kjellberg acknowledges that she has read this Agreement; that she has had the Agreement explained to her by counsel of her choice; that she is aware of the content and legal effect of the Agreement; that she is acting on the advice of counsel of her choice; and that she is not relying

on any representations made by any other party or any of the employees, agents, representatives or attorneys of any other party.

11. The Parties agree to execute and deliver any other instrument or document convenient or necessary to carry out the terms of this Agreement.

12. This Agreement constitutes the entire agreement between the Parties as to the matters contained herein. No modification of this Agreement shall be valid unless made in writing and signed by the Parties. The Parties shall not be bound by any representation, warranty, promise or statement unless it is specifically set forth in this Agreement.

13. This Agreement shall bind and inure to the benefit of the heirs, executors, administrators, successors and assigns of the Parties.

14. 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.

15. Each party executing this Agreement represents and warrants to the other signatories that it has the authority to execute this Agreement on behalf of the person or entity for whom it is signing this Agreement.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

17. In the event any action is commenced to enforce or interpret the terms or conditions of this Agreement the prevailing Party shall, in addition to costs and any other relief, be entitled to recover its reasonable attorneys' fees.

(Signature Page)
SETTLEMENT AND RELEASE AGREEMENT
Lacey Kjellberg v. City of Redlands

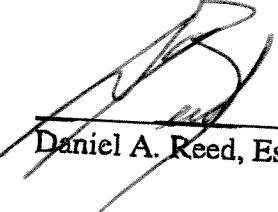
PLAINTIFF

Dated: 4/27/04


Lacey Kjellberg

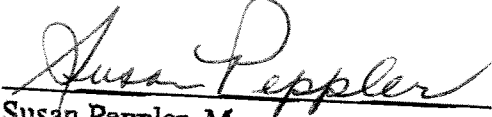
WITNESS AND APPROVED
AS TO FORM AND CONTENT

Dated: 4/27/04

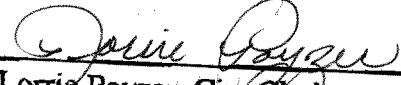

Daniel A. Reed, Esq.

CITY OF REDLANDS

Dated: May 4, 2004


Susan Peppler, Mayor

Attest:


Lorrie Poyzer, City Clerk