

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (“**Agreement**”) is dated _____, 2023 (“**Effective Date**”) and is between **ALEX C. ROQUE** and **TERESITA S. E. ROQUE** (together, the “**Roques**”), jointly and severally, on the one hand, and **COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY**, a county sanitation district organized and existing under the County Sanitation District Act, California Health and Safety Code Section 4700 *et seq.* (“**District**”), on the other hand, each a “**Party**” and together the “**Parties.**”

A. The Roques are the owners of a parcel of real property commonly known as 24132 Neptune Avenue, City of Carson, California, Los Angeles County Assessor’s Parcel Number 7406-005-014, as legally described on Exhibit 1 (the “**Property**”). The Property includes all improvements and structures located thereon, including a single-family home. The Property has suffered damage allegedly resulting from the District’s construction of its 144-inch diameter Joint Outfall “B” Unit 1A Trunk Sewer (the “**Trunk Sewer**”) beneath or near the Property (“**Sewer Project**”).

B. The Parties intend by this Agreement to resolve any claims by the Roques against the District for damage to the Property, provide for the delivery of a subsidence easement by the Roques to the District, and set forth the Roques’ release of the District.

The Parties therefore agree as follows:

1. Easement. Within 5 days after the Effective Date, the Roques shall deliver one original of a signed and notarized Easement Agreement in the form attached as Exhibit 2 (the “**Easement Agreement**”) to the District.

2. Payment. Within 30 days after the Effective Date, provided that the Roques have delivered to the District the signed and notarized original Easement Agreement, the District shall pay the Roques the sum of \$175,000 (the “**Settlement Amount**”). The payment of the Settlement Amount constitutes compensation to the Roques for any and all damage to the Property allegedly caused by the Sewer Project and for any and all past, present and future damage to any portion of the Property.

3. Release.

a. The Roques, jointly and severally, for themselves and their heirs, successors, and assigns hereby release, discharge, and acquit the District and the other County Sanitation Districts of Los Angeles County (together, the “**Districts**”) and each of the Districts’ predecessors, successors, assigns, agents, officers, directors, employees, representatives, attorneys, and all persons or entities acting by and through, under or in concert with them, or any of them (collectively referred to as the “**Districts’ Affiliates**”) of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liabilities, claims, demands, damages, losses, fees, and costs of any nature whatsoever, known or unknown, suspected or unsuspected, fixed or contingent, which the Roques

have or may hereafter have against the Districts or the Districts' Affiliates by reason of any matter, cause, or thing whatsoever from the beginning of time to the Effective Date arising out of, based upon, or relating to the Property or the Sewer Project, including, but not limited to: the collection, conveyance, treatment or disposal of sewage; the Districts' Trunk Sewer and related sewer trench that lies beneath or near the Property; the design, placement, construction, maintenance, operation, repair, and replacement of the Sewer Project; the shifting or subsidence of soil or earth under or around the Property; loss of subjacent or lateral support; physical injuries; mental distress; damages or injuries to the Property; the diminution or loss of value of the Property; costs of repair and any and all attorney's fees and appraisal, engineering or relocation fees or costs with respect to the Property.

b. The Roques understand that there is a risk that subsequent to the execution of this Agreement, the Roques may incur or suffer loss, damage, or injuries that are in some way caused by or related to the matters referred to in paragraph 3(a) above, but that are unknown or unanticipated at the time of the execution of this Agreement. Further, there is risk that loss or damage presently known may be or become greater than the Roques now expect or anticipate. The Roques acknowledge that the release contained in Section 3(a) of this Agreement will apply to all such risks and to all unknown and all unanticipated results arising from or relating to the matters referred to in Paragraph 3(a) above, as well as those known and anticipated, and, upon the advice of legal counsel, the Roques waive all rights under California Civil Code Section 1542 which Section reads as follows:

“A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.”

c. Each of the Roques represent and warrant to the District that (i) the Roques are the sole owners of the Property and have the full right, power and authority to execute this Agreement, and (ii) the Roques have not assigned or transferred to any other person, firm, entity, or corporation, in any manner, including by way of subrogation, operation of law, or otherwise, all or any portion of any claim, demand, right, action, or cause of action that they had, have, or may have arising out of the matters released hereby or all or any portion of any recovery or settlement to which he may be entitled. Each of the Roques shall indemnify, defend, and hold harmless the Districts and the Districts' Affiliates from any claim, demand, liability, damage, action, fee, or cost (including, without limitation, attorneys' fees) arising or resulting from any such assignment, subrogation, or transfer or any purported assignment, subrogation, or transfer, shall pay and satisfy any such claim, demand, or action, and shall pay any expense of investigation, attorneys' fees, and costs.

4. Estoppel.

a. The Roques represent and agree and will forever be estopped to deny:

(i) That they have had the opportunity to receive independent legal advice from an attorney with respect to the advisability of executing the foregoing release and making the settlement provided for in this Agreement;

(ii) That they have made any and all investigations and inspections as they deem necessary of the Property, of the condition of the Property, of the value thereof, of the value of claims being released hereby, and of the settlement provided for in this Agreement; and

(iii) That, in executing this release and making the settlement provided for in this Agreement, they do not rely on any statement, representation, or promise by the Districts or any of the Districts' Affiliates regarding the foregoing release, the settlement provided for in this Agreement, the Property or its value, or any other matter whatsoever.

5. Miscellaneous.

a. Nothing contained in this Agreement is intended to or constitutes an admission of liability on the part of any of the Parties.

b. The Roques shall maintain the terms of this Agreement as confidential information and shall not disclose its terms to any other person or entity except as required by law.

c. This Agreement may be executed in any number of separate counterparts, each of which will be deemed an original, but all of which, when taken together, will constitute one and the same instrument.

d. Should any action be brought in connection with the enforcement or interpretation of this Agreement, or by reason of any claim, default, or breach by any party hereto, the prevailing party in that action will be entitled to an award of the attorneys' fees incurred by that party.

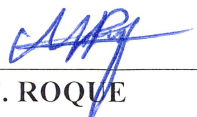
e. Each person executing this Agreement warrants that he or she has the authority to execute this Agreement and any personal representatives, heirs, executors administrators, successors, and/or assigns that he or she may represent.

f. This Agreement is made under and will be construed and enforced in accordance with the laws of the State of California.

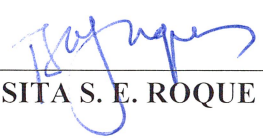
g. This Agreement (including the exhibits) contains the entire agreement between the Parties with respect to alleged damages to the Property arising out of the Sewer Project, and the terms of this Agreement are contractual and not mere recitals.

h. The District hereby delegates to its Chief Engineer and General Manager (the "**Chief Engineer**") authority to act on behalf of the District in carrying out the terms of this Agreement. The Chief Engineer, or his or her designee, may execute and accept without further Board of Directors action the Easement Agreement and make any other determinations and approvals on behalf of the District to fulfill all responsibilities of the District under this Agreement.

The Parties are signing this Agreement as of the Effective Date.



ALEX C. ROQUE



TERESITA S. E. ROQUE

**COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY**

By: _____
Chairperson, Board of Directors

ATTEST:

Secretary to the Board

APPROVED AS TO FORM:
Lewis Brisbois Bisgaard & Smith LLP

By: _____
District Counsel

EXHIBIT 1

That certain parcel of real property located in the City of Carson, County of Los Angeles, State of California, and legally described as:

LOT 73 OF TRACT NO. 19109, IN THE CITY OF CARSON, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 539, PAGE 20 TO 22 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXHIBIT 2

**RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:**

Los Angeles County Sanitation Districts
1955 Workman Mill Road
Whittier, CA 90601
Attention: Supervisor, Property Management Group

Exempt from Doc. Transfer Tax per R&TC §11922
Exempt from Recording Fee per Gov. C. §§ 6103 & 27383

SPACE ABOVE THIS LINE FOR RECORDER'S USE

APN 7406-005-014

EASEMENT AGREEMENT

1. Parties.

This Easement Agreement is dated _____, 2023 (the “**Effective Date**”) and is between **ALEX C. ROQUE** and **TERESITA S. E. ROQUE**, husband and wife as joint tenants (together, the “**Grantors**”), and **COUNTY SANITATION DISTRICT NO. 2 OF LOS ANGELES COUNTY**, a county sanitation district organized and existing under the County Sanitation District Act, California Health and Safety Code Section 4700 *et seq.* (“**District**”). Together the Grantors and the District are the “**Parties**” or individually a “**Party**”.

2. Background.

A. The Grantors are the owners of real property commonly known as 24132 Neptune Avenue, City of Carson, California, Los Angeles County Assessor’s Parcel Number 7406-005-014, and more particularly described in Exhibit A (the “**Servient Tenement**”). The Servient Tenement, which contains a single-family home, has suffered damage allegedly resulting from the District’s construction of its 144-inch diameter Joint Outfall “B” Unit 1A Trunk Sewer (the “**Trunk Sewer**”) beneath or near the Servient Tenement.

B. The Grantors have agreed to compromise and settle any and all of their rights, claims and causes of action against the District relating to the Servient Tenement. Subject to District’s receipt of this Easement Agreement as executed by the Grantors and duly notarized, the District will pay Grantors a certain sum pursuant to a “**Settlement Agreement and Release**” executed concurrently with this Easement Agreement.

C. District is the holder of a sewer easement in the City of Carson, Los Angeles County, State of California (the “**Dominant Tenement**”) and described in Exhibit B. District owns, operates and maintains the Trunk Sewer within the Dominant Tenement. The sewer trench excavated for construction of the Trunk Sewer in 1954 extended beyond the Dominant Tenement into portions of the Servient Tenement, which was vacant land at the time. Subsidence and settlement has occurred in the area of the sewer trench in the decades since construction of the Trunk Sewer allegedly due to the failure of the original contractor to adequately compact and compress the soil used to backfill the sewer trench, in the expectation that the area would subsequently be compacted in connection with a planned road construction project that was later

abandoned. In 1955, single family homes, including the existing home currently on the Servient Tenement, were constructed in this area.

D. This Easement (as defined below) is granted pursuant to the Settlement Agreement and Release. The Parties recognize that the sewer trench referred to in Paragraph C above has subsided and may continue to subside in the future. Subject to District's receipt of this Easement as fully executed by the Grantors and duly notarized, the District is compensating the Grantors for allegedly creating a subsidence condition on the Servient Tenement and for any and all past, present and future damage to any portion of the Servient Tenement, including structures and improvements located on the Servient Tenement.

E. By this Easement Agreement, Grantors desire to grant to District an interest in the Servient Tenement.

3. Grant of Easement.

For valuable consideration, the Grantors hereby grant to District an easement as hereinafter described (the "**Easement**").

4. Character of Easement.

The Easement is appurtenant to the Dominant Tenement.

5. Description of Easement.

Grantors agree that the District shall have no obligation at any time to provide subjacent or lateral support to the Servient Tenement. This Easement also includes the right to cause continued settlement and subsidence of the ground on the Servient Tenement, and to injure and damage structures and improvements currently thereon or hereafter constructed thereon through continued settlement and subsidence, free of any claims of loss or damage thereto. The term "structures and improvements" as used in this Easement Agreement includes, but is not limited to houses, garages, driveways, foundations, patios, walks, sidewalks, curbs, fences, garden walls, swimming pools, spas, and landscaping.

6. Location.

The location of the Easement is described as follows:

A strip encompassing the northerly twenty (20) feet of the Servient Tenement running parallel to the northern boundary of the Servient Tenement (the "**Easement Area**").

7. Use by District.

The Easement includes the following use of the Servient Tenement:

The property located within the Easement Area contains the former trench for the Trunk Sewer, which has subsided and is expected to continue to subside in the future. The effect of the subsidence is the past, present, and future effect on any portion of the Servient Tenement,

including, without limitation, all land and improvements currently located thereon or constructed or placed thereon in the future.

8. Compensation.

The District has compensated the Grantors under the Settlement Agreement and Release, and the District will not be subject to pay any additional compensation or sums whatsoever to any owner(s) of the Servient Tenement (or any portion thereof), including, without limitation, Grantors, or the holders or beneficiaries of any encumbrance, lien, hypothecation, or security interest in the Servient Tenement, by reason of any subsidence or damage or injury related thereto occurring in the future.

9. Non-Exclusivity of Easement.

The Easement is not exclusive. However, the Grantors assume all risk and shall be responsible for any damage to any improvements, structures or other property in, over, under or upon any portion of the Servient Tenement which could be or is damaged by subsidence within the Easement Area.

10. Entire Agreement.

This Easement Agreement and the Settlement Agreement and Release contain the entire agreement between the Parties with respect to alleged damages to the Property arising out of the construction or existence of the Trunk Sewer, and the terms of this Agreement are contractual and not mere recitals.

11. Binding Effect.

This instrument will bind and inure to the benefit of the respective heirs, personal representatives, successors, and assigns of the Parties.

12. Authority.

The District's Chief Engineer and General Manager is authorized to execute this Easement Agreement pursuant to authority granted in the Settlement Agreement and Release.

[Signatures appear on following page]

The Parties are signing this Easement Agreement as of the Effective Date.

ALEX C. ROQUE

TERESITA S. E. ROQUE

**COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY**

By: _____

Robert C. Ferrante
Chief Engineer & General Manager

[Signatures to be Notarized]

Exhibit A

Legal Description of Servient Tenement

That certain parcel of real property located in the City of Carson, County of Los Angeles, State of California legally described as:

Lot 73 of Tract No. 19109 in the City of Carson, County of Los Angeles, State of California, as per map recorded in Book 539, Pages 20 through 22 inclusive of maps, in the Office of the County Recorder of said County.

Exhibit B

Legal Description of Dominant Tenement

An easement for sanitary sewers and appurtenant structures over a strip encompassing the southerly 20 feet of the certain parcel of real property located in the City of Carson in the County of Los Angeles, State of California legally described as:

Lot 74 of Tract 19109 in the City of Carson as per Map recorded in Book 539, Pages 20 through 22 of said maps in the Office of the County Recorder of said County, running parallel to the southerly boundary of said Lot 74, said sanitary sewer easement was formerly a portion of Realty Street as shown on Map of Factory Center, filed in Book 23, Pages 18 and 19 of Maps in the Office of the Recorder of the County of Los Angeles now vacated per resolution, recorded as Document No. 4247 on November 18, 1954 in Book 46145, Page 331, of Official Records in the office of said Recorder.