

## AVOID VERBAL ORDERS

July 3, 1992

TO: Karen Young

FROM: Sergio Valles

SUBJECT: Garvey Reservoir Claims - Payment of Tarnove Claim

1. On June 9, 1992, the Board of Directors approved the payment of one Garvey Reservoir claim (see attached Board letter dated May 19, 1992). Therefore, I would like to request that you have Carl Warren & Company issue the following check:

Sum of: \$30,000

Pay to the order of: Norman and Jean Tarnove

Address: 1601 Fulton Avenue  
Monterey Park, CA 91754

Phone: (818) 280-8282 (Home)

The payment of this check will settle their claims against Metropolitan and will provide Metropolitan with a full release of all claims.

2. I have attached two signed original settlement agreements for the claimants, one original is for your records and the other is for the claimants. Please forward the claimants' settlement agreement to Carl Warren & Company, so that they can hand deliver it along with the check to the claimants. I will send one copy of the settlement agreement to Legal Department for their records.

3. If you have any questions regarding this claim, please call me at extension 6277.

  
Sergio Valles

SEV/zvg

Attachment

cc w/o attachment: G. M. Snyder                    L. Brainard  
G. J. Hazel    File

**SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS**

This Settlement Agreement and Release of All Claims (Agreement) is made and entered into by and among the following parties:

1. The Metropolitan Water District of Southern California (MWD);
2. Norman Tarnove; and
3. Jean Tarnove;

and is made to resolve the dispute arising from, among other things, the following facts:

**RECITALS**

A. In or about October of 1989, MWD was informed by the City of Monterey Park (City) and certain residents thereof that the soil on certain properties in the residential neighborhood immediately southwest of MWD's Garvey Reservoir was water saturated;

B. The City and certain residents thereof have claimed that the foregoing saturation was caused by leaks in MWD's Garvey Reservoir;

C. As a result of the foregoing assertions, MWD inspected the Garvey Reservoir and discovered cracks in the asphalt surface; and, thereafter, MWD drained said reservoir;

D. MWD does not admit that the saturation was caused by water that may have seeped through the cracks in its Garvey Reservoir;

E. Norman and Jean Tarnove have filed a claim with MWD asserting that MWD is liable for damages as a result of the saturation; and

F. The Parties now desire to settle all differences between them arising out of the above-mentioned occurrences on the terms and conditions set forth herein. This Agreement is not an admission of liability, culpability or wrongdoing by any Party hereto.

NOW THEREFORE, for good consideration, the sufficiency of which is hereby acknowledged, the Parties hereto, and each of them, subject to the terms and conditions hereof, jointly and severally agree as follows:

1. All claims, potential claims and defenses pending or potentially existing on behalf of any of the Parties hereto arising out of the facts and occurrences described hereinabove, or otherwise, will be settled, resolved and compromised as follows:

(a) Upon execution of this Agreement by Norman and Jean Tarnove and delivery of the same to MWD, MWD shall pay to Norman and Jean Tarnove the sum of \$30,000; and

(b) Norman and Jean Tarnove shall relinquish all claims they now, or potentially have, against MWD arising from the above recited facts, as is more fully set forth hereinbelow.

2. Norman and Jean Tarnove for themselves and for their successors, heirs, executors, administrators, personal representatives; affiliates, agents, attorneys, partners, partnerships, corporations, and all other legal entities of which they, and each of them, are consulting persons, and for their assignees, due hereby forever release, absolve, quit and discharge MWD, and its present and former officers, directors, employees, affiliates, agents and attorneys, and successors and assignees and each of them, of and from any and all claims, actions, causes of action, demands, cross-claims, counterclaims, claims for indemnity or contribution, suits, debts, sums of money, accounts, damages, costs, attorneys' fees, losses, expenses, agreements, promises or liabilities whatsoever, whether mature, contingent, direct or derivative, subrogated, personal, assigned, discovered, undiscovered or otherwise, which Norman and Jean Tarnove have, have had or which may hereafter accrue on account of, or in any way arising out of the asserted saturated soil condition and the other facts recited hereinabove.

3. The parties agree that this instrument releases MWD only from claims arising out of the dispute as described above under paragraphs "RECITALS A, B, C, D, E, and F" and this release does not preclude future claim(s), to be filed by Norman and Jean Tarnove, or other future owner(s) of this property, against MWD, or any other person or entity for damages arising from events in the future, if any, to this

property. The parties agree that this release is intended to release MWD only from claims arising out of the dispute and events described hereinabove in paragraphs A, B, C, E, and F of "RECITALS" and does not preclude future claim(s) by Norman and Jean Tarnove, or any future owner(s) of any property assertedly affected by the events so described, arising out of events which occur in the future, if any.

4. Nothing contained herein, nor the consummation of this Agreement, is to be construed or deemed an admission of liability, culpability, negligence or wrongdoing on the part of any of the Parties hereby released; each of the said released Parties denies liability therefor; and each of the Parties hereto has entered into this Agreement with the intention to avoid potential litigation with its attendant inconveniences and expenses and to buy their respective peace.

5. It is the intention of the Parties hereto, and each of them, to be legally and finally bound by the terms and conditions of this Agreement, and in furtherance of that condition, the Parties hereto, and each of them, within the scope of their releases as set forth hereinabove, expressly waive any and all claims and benefits conferred or which may be conferred upon them by the provisions of Section 1542 of the California Civil Code, and any similar law or law.

Section 1542 reads 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."

6. This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, executors, administrators, personal representatives, partners, partnerships, subsidiary organizations, successors, assignees of each of the Parties hereto, and all of their persons, firms, corporations, associations, partnerships or other entities wherever the context requires or admits.

7. Each of the Parties hereto declares and represents that he, she or it has read and understands this Agreement and has relied, and is relying, solely on his, her or its own judgment, belief and knowledge of the nature, extent, effect and consequences relating thereto, and upon the advise,

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where sought, of his, her or its legal counsel, and that this Agreement is the entire Agreement between the Parties.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the following dates:

Dated: MAY 18, 1992   
Claimant

Norman Tarnove

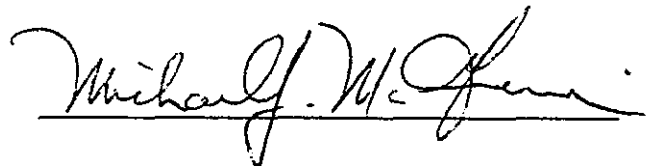
1601 Fulton Ave  
Monterey Park, Ca 91754

Dated: MAY 18, 1992   
Claimant

Jean Tarnove


1601 Fulton Ave  
Monterey Park, Ca 91754

THE METROPOLITAN WATER DISTRICT OF  
SOUTHERN CALIFORNIA

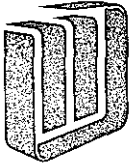
Dated: 6/9/92 By 

APPROVED AS TO FORM:

Fred Vendig  
General Counsel

  
Deputy General Counsel

SEV:jh  
a:Tarnove.agr  
(4-24-92)

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

May 27, 1992

*To:* Board of Directors (Organization and Personnel Committee-Action)

*From:* General Manager

*Subject:* Memoranda of Understanding with the Management and Professional Employees Association, Field Supervisors and Professional Employees Association, and Association of Confidential Employees

### Report

The Memoranda of Understanding (MOU) with the Management and Professional Employees Association of The Metropolitan Water District of Southern California (MPA), Field Supervisors and Professional Personnel Association of The Metropolitan Water District of Southern California (Supervisors Association), and Association of Confidential Employees of The Metropolitan Water District of Southern California (ACE) will terminate on June 20, 1992. The Organization and Personnel Committee has authorized the General Manager to negotiate new Memoranda of Understanding relating to salaries, benefits, and other terms and conditions for MPA, Supervisors Association, and ACE.

The Employee Relations Administrator and the negotiators for MPA, Supervisors Association, and ACE have met and reached agreement on Memoranda of Understanding for a period of one year effective as of June 21, 1992.

The proposed Memoranda of Understanding for each respective bargaining unit are attached (Attachments #1, #2, and #3) and provide for the following significant changes in salaries, benefits, and working conditions of employees in the bargaining units represented by MPA, Supervisors Association, and ACE:

1. Term. The MOU shall become effective as of June 21, 1992, and shall terminate no earlier than June 19, 1993.

2. Salaries. A four-percent (4%) salary increase to be effective June 21, 1992, and a two percent (2%) salary increase effective December 20, 1992, is provided for the MPA, Supervisors Association, and ACE bargaining units.