

SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS
Cambria Community Services District v. CDM Smith Inc.
San Luis Obispo County Superior Court, Case No. 18CVP0318

THIS SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS (the “**Agreement**”) is entered into by and between Cambria Community Services District (“**CCSD**”) and CDM Smith Inc. (“**CDM**”). CCSD and CDM are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**.” The Agreement shall be effective as of the Effective Date specified in Section 1.1, below.

RECITALS

A. On September 21, 2018, CCSD filed a Complaint in San Luis Obispo County Superior Court, Case No. 18CVP0318, against CDM (the “**Action**”).

B. The Parties desire by this Agreement to settle and resolve all existing claims and disputes between them related to the Action, as further described and defined in Article II, below.

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein and other good and valuable consideration described herein, the Parties agree as follows:

ARTICLE I

EFFECTIVE DATE

1.1 Effective Date. The effective date of the Agreement shall be the date on which fully executed signature pages from both Parties are received.

ARTICLE II

TERMS OF SETTLEMENT

2.1 Settlement Payment. CDM shall pay to CCSD \$1,750,000.00 (One Million Seven Hundred Fifty Thousand Dollars) (“**Settlement Payment**”). CDM shall remit the Settlement Payment by check to “Cambria Community Services District”, Tax Identification Number 95-3085608, within thirty (30) days of the Effective Date.

2.2 Dismissal of Action. CCSD shall dismiss the Action with prejudice within five (5) days of receipt of the Settlement Payment.

2.3 Attorney Fees and Costs. With the exception of those fees and costs referenced at Paragraph 4.3, each Party shall bear its own attorney fees, expenses and costs of suit incurred in connection with the Action, including the preparation of this Agreement.

RELEASE OF CLAIMS

2.4 Release of Claims. Notwithstanding the provisions of Section 1542 of the California Civil Code, CCSD and its principals, members, partners, shareholders, officers, directors, affiliates employees, agents, successors, assigns, attorneys and insurers hereby release and forever discharge CDM and its principals, members, partners, shareholders, officers, directors, affiliates, employees, agents, successors, assigns, attorneys and insurers from and against any and all claims, demands, actions, avoidance actions, causes of action, rights, obligations, debts, liens, costs, liabilities, accounts, damages, attorneys' fees, losses and expenses of every kind and nature whatsoever, whether known or unknown, foreseen or unforeseen, patent or latent, suspected or unsuspected, which CCSD had, currently has or may have related to the Action ("Released Claims"); provided, however, that nothing in this Section shall waive or release any rights CCSD may have to seek enforcement of, or make a claim for breach of, the covenants, representations, warranties, promises and provisions of this Agreement.

2.5 Waiver of Section 1542. CCSD acknowledges that it has been informed of the provisions of Section 1542 of the California Civil Code and does hereby expressly waive and relinquish all rights and benefits it has or may have had under that statute, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT 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.

CCSD understands and acknowledges the significance and the consequence of such specific waiver of Section 1542, and hereby assumes full responsibility for any injuries, damages or losses that it may incur as a result of the execution of this Agreement.

2.6 Subsequent Discovery of Different or Additional Facts. CCSD acknowledges that it may hereafter discover facts different from or in addition to those it now knows or believes to be true with respect to the claims herein released, and agrees that this Agreement shall be and remain in effect in all respects as a complete and general release as to all such released matters and that such matters are expressly released notwithstanding discovery of any such different or additional facts.

2.7 No Assignment of Released Claims. CCSD represents to CDM that neither it nor any other person or entity has assigned or transferred or purported to assign or transfer to any person or entity any of its Released Claims, nor have any such Released Claims been subrogated. In the event CCSD breaches the representations and warranties described above, CCSD agrees to indemnify and hold CDM and its respective Affiliates harmless against and from any such transfer or assignment of Released Claims, and against and from any Released Claim, including

attorneys' fees actually paid or incurred, arising out of any such transfer or assignment of Released Claims.

2.8 Enforcement of Agreement Pursuant to CCP Section 664.6. The Parties agree that the court presiding over the Action shall retain jurisdiction pursuant to Code of Civil Procedure section 664.6 to enforce the terms of this Agreement. This Agreement shall be admissible and enforceable pursuant to California Evidence Code section 1123.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1 Representations and Warranties of the Defendants. Each Party represents and warrants that it has the full capacity, right, power and authority to enter into, deliver and perform this Agreement.

3.2 Survival of Representations and Warranties. The representations and warranties set forth in this Agreement shall survive the execution and delivery of this Agreement indefinitely.

ARTICLE IV

MISCELLANEOUS

4.1 Binding Effect. This Agreement, and all covenants and releases set forth herein, shall be binding upon and shall inure to the benefit of the respective Parties hereto, their respective past or present representatives, legal successors, assigns, partners, members, owners, managers, agents, attorneys, insurers, officers, directors, employees and shareholders and any trustee in bankruptcy.

4.2 Governing Law. This Agreement shall be construed in accordance with, and be deemed governed by, the laws of the State of California, without regard to conflict-of-law provisions that would require application of other law or laws.

4.3 Attorneys' Fees. In the event of any litigation arising from or in any way relating to this Agreement, or any breach thereof, the prevailing party shall be entitled to recover from the losing party its reasonable costs, including attorneys' fees.

4.4 Counterparts. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Agreement. It may be executed by facsimile or electronic signatures, which shall be deemed to have the same force and effect as an original signature.

4.5 Headings. Headings contained in this Agreement are for convenience only and shall not be considered for any purpose in construing this Agreement.

4.6 Right to Consult With Attorneys; Terms Understood. The Parties to this Agreement acknowledge that each has read this Agreement; that each fully understands its or his

rights, privileges and duties under this Agreement; and that each enters into this Agreement freely and voluntarily. Each Party further acknowledges that it has had the opportunity to consult with an attorney of its choice who has explained the terms of this Agreement and the consequences of signing it.

4.7 Entire Agreement. This Agreement states the entire agreement between the Parties and supersedes all proposals, oral or written, and all other communications between or among the Parties respecting the subject matter hereof, and supersedes any and all prior understandings, representations, warranties, or agreements (whether oral or written) between or among the Parties respecting the subject matter hereof.

4.8 No Presumption against Drafting Party. This Agreement and its provisions contained therein shall not be construed or interpreted for or against any party to this Agreement because said Party drafted or caused the Party's legal representative to draft any of its provisions.

4.9 Modification of Agreement. This Agreement cannot be modified or amended in any way, except in writing, signed by all of the Parties hereto.

5.0 Cooperation. Each Party hereto agrees that such Party will not take any action that would interfere with the performance of this Agreement by any of the Parties or which would adversely affect any of the rights provided for herein. The Parties shall cooperate with one another and shall promptly execute any and all documents and perform any and all actions necessary to effectuate this Agreement.

5.1 Non-Disparagement. Following execution of this Agreement, CCSD shall not publicly disparage or make public statements that impugn the reputation of CDM, and CDM shall not publicly disparage or make public statements that impugn the reputation of CCSD. Notwithstanding this provision, neither party shall be in breach of this agreement based upon statements made by an employee or officer of such party in their individual capacity. This provision shall not prohibit either party from providing truthful information or testimony in response to any court order, subpoena, litigation, deposition or government investigation. Further, this provision shall not prohibit CCSD from complying with the requirements of the Public Records Act or any other law.

IN WITNESS WHEREOF, the persons named below have signed this Agreement on the dates shown below, and by signing below, the undersigned acknowledges that this Agreement is

executed voluntarily and without duress or undue influence on the part of, or on behalf of, the Parties or any other person, firm or entity.

CAMBRIA COMMUNITY SERVICES DISTRICT, a California Independent Special Services District,

By: Cindy Steidel

Title: PRESIDENT, CCSD BOARD

Name: CINDY STEIDEL

Date: January 27, 2021

Approval as to form by counsel for Cambria Community Services District

RUTAN & TUCKER, LLP

By: Peter J. Howell

Name: Peter J. Howell

CDM Smith Inc., a corporation

By: _____

Title: _____

Name: _____

Date: _____

Approval as to form by counsel for CDM Smith, Inc.

BERG LAW GROUP

By: _____

Name: _____

[SIGNATURES MAY BE IN COUNTERPART.]

executed voluntarily and without duress or undue influence on the part of, or on behalf of, the Parties or any other person, firm or entity.

CAMBRIA COMMUNITY SERVICES DISTRICT, a California Independent Special Services District,

Approval as to form by counsel for Cambria Community Services District

RUTAN & TUCKER, LLP

By: _____

By : _____

Title: _____

Name: _____

Name: _____

Date: _____

CDM Smith Inc., a corporation

Approval as to form by counsel for CDM Smith, Inc.

By: _____

BERG LAW GROUP

Title: President and Chief Operating Officer

By : _____

Name: Anthony B. Bouchard

Name: _____

Date: January 27, 2021

[SIGNATURES MAY BE IN COUNTERPART.]

executed voluntarily and without duress or undue influence on the part of, or on behalf of, the Parties or any other person, firm or entity.

CAMBRIA COMMUNITY SERVICES DISTRICT, a California Independent Special Services District,

Approval as to form by counsel for Cambria Community Services District

RUTAN & TUCKER, LLP

By: _____

By : _____

Title: _____

Name: _____

Name: _____

Date: _____

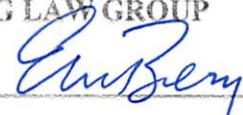
CDM Smith Inc., a corporation

Approval as to form by counsel for CDM Smith, Inc.

By: _____

BERG LAW GROUP

Title: President and Chief Operating Officer

By : 

Name: Anthony B. Bouchard

Name: ERIC BERG

Date: January 27, 2021

[SIGNATURES MAY BE IN COUNTERPART.]