

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release (Agreement) is made between Harold and Charla Saunders on the one hand (the Owners), and San Juan County, Utah (the County) on the other, all collectively referred to herein as the Parties and individually as a Party.

RECITALS

WHEREAS Harold and Charla Saunders own the real property located at 171 E. Mt. Peale Drive, also known as Lot 49-B, in the Spanish Valley area of San Juan County, Utah (the Property);

WHEREAS the Property is located in the Spanish Valley Residential (the SVR) District;

WHEREAS the Owners have leased the Property for overnight or short-term rentals;

WHEREAS the Owners filed a notice of claim on April 28, 2023, with the County challenging the County's refusal to allow the Property's use for overnight or short-term rentals;

WHEREAS the Parties agreed to treat the Owners' notice of claim as an appeal to the San Juan County Land Use Appeal Authority (the Appeal);

WHEREAS the Appeal is being litigated and is pending before the San Juan County Land Use Appeal Authority (the Appeal Authority); and

WHEREAS the Parties wish to enter into this Agreement to memorialize their understandings and to resolve their claims and disagreements without incurring additional costs and avoiding the risks associated with continued or prospective litigation.

NOW THEREFORE, acknowledging the foregoing recitals that are incorporated and made a part of this Agreement, and considering the mutual covenants and promises made herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. Business License. Upon the complete execution of this Agreement, the County shall immediately issue a business license to the Owners for the Property for the operation of an overnight and short-term rental for single families up to four occupants. The Owners' use of the Property for this purpose and under these terms shall be considered by the County to be a nonconforming use governed by Utah Code section 17-27a-510 and San Juan County Ordinances sections 153.150 through 153.152.

2. Treatment of the 1 April 2024 Appeal Authority Decision. The Parties acknowledge that the Appeal Authority issued a Facts, Legal Framework and Analysis, Findings, Conclusions, Decision on 1 April 2024 (the Decision). The Parties agree to treat the Decision as null and void and shall not petition to the district court for review of the Decision or otherwise seek to bring any legal action challenging the Decision.

3. Release of All Claims. The Owners, their agents, assignees, attorneys, employees, representatives, and successors (the Releasers) hereby irrevocably and

unconditionally waive, release, and forever discharge the County and its agents, assignees, attorneys, departments, divisions, employees, officers, and representatives (the Releasees) from all manner of claims and causes of action of any nature whatsoever, regardless whether now known or unknown or whether now ripe or unripe, that the Releasors or any one of them may have against the Releasees or any one of them related to the facts of the Appeal, including the claims and theories of relief asserted or that could have been asserted in the Appeal.

4. No Admission of Fault. Each Party agrees the fact that such Party is entering into this Agreement shall not be taken or construed to be at any time or place an admission of liability, fault, responsibility, or guilt on the part of any of them for any purpose or in any proceeding whatsoever.

5. Cooperation. The Parties shall execute such additional documents and take such further actions as may reasonably be required to carry out each of the provisions and the intent of this Agreement.

6. Binding Effect. This Agreement, including the duties, obligations, warranties, waivers, and releases it entails, is binding upon and inures to the benefit of the Parties and their respective agents, attorneys, representatives, officers, directors, managers, employees, insurers, departments, divisions, associations, successors, parents, affiliates, subsidiaries, shareholders, members, assigns, transferees, and all similarly situated persons and entities.

7. No Third-party Beneficiaries. This Agreement is not intended to create any rights in or obligations to any persons or parties other than as expressly stated, and this Agreement may not be construed to benefit any third party other than as expressly stated.

8. No Reliance. Each Party represents, warrants, and certifies that it has secured independent legal advice and consultation in connection with this Agreement and any rights that it may be relinquishing (or that it has had adequate opportunity to do so), and that it has not relied upon any representation or statement by any other Party or its agents or attorneys in executing this Agreement other than those that are expressly made herein.

9. Voluntariness. Each Party acknowledges that this Agreement is made in good faith and not for the purpose of securing any direct or indirect advantage over any other Party, and the Parties acknowledge that their execution of this Agreement is voluntary and not by reason of any duress, economic or otherwise.

10. No Assignment. Each Party releasing claims in this Agreement represents and warrants that it is the sole and lawful owner of all claims that it is releasing and that it has not heretofore assigned or transferred, or attempted to assign or transfer, all or any portion of such claims to any other persons, partnerships, corporations, or other entities, in any manner, including by way of subrogation or operation of law.

11. Authority to Sign. Each of the individuals executing this Agreement on behalf of an entity or of another individual represents and warrants that the individual is authorized and empowered to execute this Agreement on behalf of each of the entities for which, or persons for whom, the individual executes it.

12. Applicable Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Utah.

13. Venue of Action. In the event that a Party brings a claim or cause of action based upon this Agreement, such claim or cause of action shall be filed and litigated in the Seventh District Court for San Juan County in Monticello, State of Utah unless the claim or cause of action legally must be filed and litigated in a different venue.

14. Construction. This Agreement has been jointly prepared by the Parties hereto, and shall be construed accordingly, not strictly for or against any Party. In the event of a dispute concerning the interpretation of any provision of this Agreement or any related item, the rule of construction to the effect that certain ambiguities are to be construed against the party drafting a document shall not apply.

15. Integration and Modification. This Agreement contains the entire understanding and agreement between the Parties and supersedes all previous and contemporaneous conversations, contracts, correspondence, and documentation relating to its subject matter except as provided herein. It is expressly understood and agreed that this Agreement may not be altered, amended, or otherwise modified in any respect except by a written instrument, duly executed by all Parties.

16. Severability. Whenever possible, each provision of this Agreement shall be interpreted so as to be valid under applicable law. If any provision of this Agreement shall be held invalid or prohibited under applicable law by a court of competent jurisdiction, except insofar as it is a material term, it shall not render ineffective the remaining provisions of this Agreement. However, if any material provision of this Agreement is held invalid, void, or unenforceable by a court of competent jurisdiction, or if consideration is removed or destroyed by an order of such a court, each Party shall have the right in its sole and absolute discretion to terminate this Agreement by providing written notice of such termination to the other Parties.

17. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall be deemed an original.

18. Scanned Signatures. The Parties agree that electronically scanned copies of signatures are acceptable as originals and are fully binding.

19. Execution and Effective Date. This Agreement shall be deemed executed and effective upon the date the last Party executes it.

20. Time. Time is of the essence in the performance of all duties and obligations in this Agreement.

Agreed this ____ April 2024:

Agreed this ____ April 2024:

HAROLD SAUNDERS

CHARLA SAUNDERS

Agreed this ____ April 2024:

San Juan County

Name:
Office: