RECEIVED 1 EDMUND G. BROWN Jr., Attorney General MAY 1 6 2007 ROSA JUNQUEIRO, Clerk Of the State of California 2 TOM GREENE Chief Assistant Attorney General 3 THEODORA P. BERGER Senior Assistant Attorney General SALLY MAGNANI KNOX, SBN (161677) Deputy Attorney General P.O. Box 944255 6 Sacramento, CA 94244-2550 Telephone: (916) 324-8630 Facsimile: (916) 327-2319 8 JAMES P. WILLETT, District Attorney Of the County of San Joaquin DAVID J. IREY, SBN 142864 10 Supervising Deputy District Attorney 11 **Environmental Prosecutions Unit** San Joaquin County Courthouse, Room 202 12 P.O. Box 990 Stockton, CA 95201 13 Telephone: (209) 468-2400 14 Facsimile: (209) 468-0314 15 IN THE SUPERIOR COURT OF CALIFORNIA 16 IN AND FOR THE COUNTY OF SAN JOAQUIN 17 PEOPLE OF THE STATE OF Case No. CV 032518 18 CALIFORNIA. CONSENT AGREEMENT AND 19 Plaintiff, STIPULATION FOR ENTRY OF FINAL 20 JUDGMENT; (PROPOSED) ORDER 21 SHIRLEY ENVIRONMENTAL TESTING, 22 LLC, a Wisconsin Limited Liability Corporation, 23 24 Defendant. 25 WHEREAS, the Plaintiff, People of the State of California, has engaged in settlement 26 negotiations with Shirley Environmental testing, LLC ("Settling Defendant"). Plaintiff and the 27 28

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Settling Defendant (hereinafter collectively referred to as "the Parties") have agreed to settle the investigation without litigation and by lodging this settlement simultaneously with a First Amended Complaint (hereinafter "Complaint"). Plaintiff believes that the resolution of the violations alleged in the Complaint is fair and reasonable and fulfills the Plaintiff's enforcement objectives, that no further action is warranted concerning the specific violations alleged in the Complaint except as provided pursuant to the Consent Judgment, and that this Consent Judgment is in the best interest of the general public.

IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

1. INTRODUCTION.

In this action, Plaintiff filed a civil complaint (the "Complaint") in San Joaquin County Superior Court against Settling Defendant. The Parties settle this action on the terms set forth in this Consent Agreement and Stipulation for Entry of Final Judgment (hereinafter "Consent Judgment"). A true and correct copy of the Complaint is attached as Exhibit "A".

2. JURISDICTION.

The Plaintiff and Settling Defendant agree that the Superior Court of California, County of San Joaquin has subject matter jurisdiction over the matters alleged in this action and personal jurisdiction over the parties to this Consent Judgment.

3. SETTLEMENT OF DISPUTED CLAIMS.

The Parties enter into this Consent Judgment pursuant to a compromise and settlement of disputed claims set forth in the Complaint for the purpose of furthering the public interest. Settling Defendant waives its right to a hearing on any matter covered by the Complaint prior to the entry of this Consent Judgment.

CIVIL PENALTIES AND COSTS OF INVESTIGATION. 4.

4.1 Amount of Penalty Payment: Settling Defendant shall be liable for a total payment of ONE HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$125,000.00) which will be allocated as follows:

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1	a.	SIXTY THOUSAND DOLLARS (\$60,000.00) to the State Water Resources
2'		Control Board ("SWRCB"). The payments shall be made pursuant to the schedule
3	:	set forth in Exhibit B by cashiers or certified check payable to the STATE
4		WATER RESOURCES CONTROL BOARD and shall be sent to:
5		Office of the District Attorney, San Joaquin County
6		Attention: David J. Irey, Supervising Deputy District Attorney San Joaquin County Courthouse, Room 202 P.O. Box 990
.7		Stockton, California 95201
8		The State Water Resources Control Board shall deposit the funds provided by
9		this Consent Judgment into the account provided for by Health and Safety Code
10		section 25284.4(h).
11	ъ.	THIRTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$32,500.00) to the
12		Treasurer of San Joaquin County. The payments shall be made pursuant to the
13		schedule set forth in Exhibit B by cashiers or certified check payable to the SAN
14		JOAQUIN DISTRICT ATTORNEY'S OFFICE and shall be sent to:
15 16		Office of the District Attorney, San Joaquin County Attention: David J. Irey, Supervising Deputy District Attorney
17		San Joaquin County Courthouse, Room 202 P.O. Box 990
18		Stockton, California 95201
19	c.	THIRTY-TWO THOUSAND FIVE HUNDRED DOLLARS (\$32,500.00) to the
		California Department of Justice. The payments shall be made pursuant to the
20		schedule set forth in Exhibit B by cashiers or certified check payable to the
21		CALIFORNIA DEPARTMENT OF JUSTICE and shall be sent to:
22		California Department of Justice
23		Accounting Section – Cashiering Unit 1300 'T' Street, Suite 810
24		P.O. Box 944255
25		Sacramento, CA 94244-2550
26	4.2	Amount of Payment for Costs of Investigation and Enforcement: Settling.
27	Defendant	shall reimburse Plaintiff its costs of investigation and enforcement in the total amount
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have been asserted based on the allegations in the Complaint against the Settling Defendant, and its officers, directors, partners, employees, representatives, and agents.

- 6.2 The provisions of Paragraph 6.1 are effective as of the date of the entry of the Consent Judgment but the continuing effect of such provisions is expressly conditioned on Settling Defendant's full payment of the civil penalty, costs and other payments specified in Paragraph 4 of the Consent Judgment.
- 6.3 Paragraphs 6.1 and 6.2 have no effect on the ability of Plaintiff to enforce the terms of the Consent Judgment. Moreover, this Court retains exclusive jurisdiction to address any future claims for injunctive relief, penalty assessments, or other relief for the covered matters against Settling Defendant arising from or related to any alleged or actual violations of the Consent Judgment.
- 6.4 The matter which are addressed as set forth in Paragraph 6.1 are a "Covered Matter."
- 6.5 Any violations of law, statute, regulation or ordinance, which are based on facts not expressly addressed as a Covered Matter are not resolved, settled, or covered by this Consent--Judgment.
- 6.6 Settling Defendant covenants not to sue or pursue any civil or administrative claims against Plaintiff or agencies of the State of California or the County of San Joaquin arising out of or related to the Covered Matters except for the purpose of enforcing Plaintiff's obligations under this Consent Judgment.
- 6.7 Except as provided by this Consent Judgment, the Parties reserve the right to pursue any claims not covered by this Consent Judgment and any defense to such reserved claims.

7. <u>EFFECT OF JUDGMENT.</u>

Except as expressly provided in this Consent Judgment, nothing in this Consent Judgment ... is intended nor shall it be construed to preclude Plaintiff or any state agency, department, board or entity or any local agency from exercising its authority under any law, statute, or regulation with regard to any service provided by Settling Defendant.

8. PLAINTIFF IS NOT LIABLE.

Plaintiff shall not be liable for any injury or damage to persons or property resulting from acts or omissions by Settling Defendant, its directors, officers, employees, agents, representatives or contractors in carrying out activities pursuant to this Consent Judgment, not shall the Plaintiff be held as a party to or guarantor of any contract entered into by Settling Defendant, its directors, officers, employees, agents, representatives or contractors in carrying out activities required pursuant to this Consent Judgment.

9. <u>INTERPRETATION.</u>

This Consent Judgment shall be deemed to have been drafted equally by all parties hereto.

Accordingly, the Parties hereby agree that any and all rules of construction to the effect that ambiguity is construed against the drafting party shall be inapplicable in any dispute concerning the terms, meaning, or interpretation of this Consent Judgment.

10. NO WAIVER OF RIGHT TO ENFORCE.

The failure of Plaintiff to enforce any provision of this Consent Judgment shall in no way be deemed a waiver of such provision, or in any way affect the validity of this Consent Judgment. The failure of the Plaintiff to enforce any such provision shall not preclude it from later enforcing the same or any other provision of this Consent Judgment. No oral advice, guidance, suggestions or comments by employees or officials of any Party regarding matters

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 covered in this Consent Judgment shall be construed to relieve any Party of its obligations required by this Consent Judgment...

11. REGULATORY CHANGES.

Nothing in this Consent Judgment shall excuse Settling Defendant from meeting any more stringent requirements which may be imposed hereafter by changes in applicable and legally binding legislation or regulations.

12. APPLICATION OF CONSENT JUDGMENT.

This Consent Judgment shall apply to and be binding upon the Plaintiff, Settling Defendant, and each of them, and the successors or assigns of each of them.

13. <u>AUTHORITY TO ENTER CONSENT JUDGMENT.</u>

Each signatory to this Consent Judgment certifies that he or she is fully authorized by the party he or she represents to enter into this Consent Judgment, to execute it on behalf of the party represented, and legally to bind that party.

14. <u>CONTINUING JURISDICTION.</u>

The Court shall retain continuing jurisdiction to enforce the terms of this Consent-Judgment.

15. PENALTIES FOR NONCOMPLIANCE.

Any Party may, by noticed motion or order to show cause, enforce the terms and conditions contained in this Consent Judgment. Failure to comply with the terms of this Consent Judgment shall subject a party to further relief as provided for by law. Plaintiff may move this court to enjoin Settling Defendant from any violation of any provision of this Consent Judgment and for civil penalties as provided in this Paragraph. Settling Defendant shall be liable for a civil penalty for each material violation of the provisions of the Consent Judgment as provided for by

law except that Settling Defendant shall be liable for a stipulated civil penalty of \$2,500 for each day that any of the payments required pursuant to Paragraph 4 is late. The Parties shall meet-and-confer prior to the filing of any motion to assess penalties pursuant to this Paragraph and shall negotiate in good faith in an effort to resolve any penalty assessments pursuant to this Paragraph without judicial intervention.

16. <u>INTEGRATION.</u>

This Consent Judgment constitutes the entire agreement between the parties and may not be amended or supplemented except as provided for in the Consent Judgment.

17. MODIFICATION OF CONSENT JUDGMENT.

This Consent Judgment may be modified only upon written consent by the parties hereto and the approval of the court.

.18. ENFORCEMENT OF JUDGMENT.

In the event that a Party brings an action to enforce any of the terms of this Consent

Judgment, the prevailing party shall be entitled to its reasonable costs of enforcement, including attorney fees and costs, including any-costs for expert witnesses or other costs of enforcement:

19. <u>SETTLING DEFENDANT'S LITIGATION EXPENSES AND FEES.</u>

Settling Defendant shall pay its own attorney fees, expert witness fees and costs, and all other costs of litigation incurred to date.

20. <u>COUNTERPART SIGNATURES.</u>

This Consent Judgment may be executed by the parties in counterpart, and when a copy is

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1	signed by an authorized representative of each r	earty, the stipulation shall be effective as if a
<u>.</u> 2	single document were signed by all parties:	man Meridan and administration of the con-
3	IT IS SO STIPULATED:	
4	FOR THE PLAINTIFF:	
5	Dated:	EDMUND G. BROWN JR.
6	Dated: 5/15/07	Attorney General of the State of California TOM GREENE
7		Chief Assistant Attorney General
8		THEODORA P. BERGER Senior Assistant Attorney General
9		
10		FOX
11		SALZY MAGNANI KNOX Deputy Attorney General
12		Attorneys for Plaintiff, People of the State of California
13		•
14	Dated: 5/15/07	JAMES P. WILLETT District Attorney of the County of San Joaquin
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16		
- 17 .	and the same of th	DAMD J. IREY Supervising Deputy District Attorney
18		Attorneys for Plaintiff, People of the State of California
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20	FOR THE SETTLING DEFENDANT	
21	Dated: 5-7-07	(1)
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23		MARK SHIRLEY
24		President SHIRLEY ENVIRONMENTAL
25		TESTING, LLC
26		•
- 1	11. ·	

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1 Approved as to Form: MAVAII H	IDIRV KNIITSENI SMITH &
	urley, knutsen, smith &
3 Dated: 5/8/07	
JOSEPH A. S	ALAZAR/JR.//
Attorneys for Testing, LLC	Shirley Environmental
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TI IS SO ORDERED,	
B Dated:	•
	HE SUPERIOR COURT
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2 3 4 5 6 7 8 9 .0 .1 .2 .3 .4 .15 .16 .17 .18 .19 .20 .21 .22 .23 .24 .25 .26	Dated: 5/8/07 JOSEPH A. S Attorneys for Testing, LLC IT IS SO ORDERED, Dated:

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EXHIBIT A