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9 *California, ex rel. Barbara A. Lee, Director,*  
*California Department of Toxic Substances Control*

*EXEMPT FROM FILING FEES  
PURSUANT TO GOVERNMENT  
CODE SECTION 6103*

**ELECTRONICALLY FILED**  
Superior Court of California,  
County of San Diego  
**12/22/2015** at 03:58:00 PM  
Clerk of the Superior Court  
By Lee McAlister, Deputy Clerk

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
11 COUNTY OF SAN DIEGO

15 **THE PEOPLE OF THE STATE OF**  
**CALIFORNIA, ex rel. Barbara A. Lee,**  
16 **Director, California Department of Toxic**  
**Substances Control,**

17 Plaintiff,

18 v.

20 **PACIFIC STEEL, INC., a California**  
**Corporation,**

21 Defendant.

Case No.: 37-2015-00042417-CU-TT-CTL

**STIPULATION FOR ENTRY OF FINAL  
JUDGMENT AND ORDER**

(Code of Civ. Proc., § 664.6)

23  
24 Plaintiff, the People of the State of California, ex rel. Barbara A. Lee, Director, California  
25 Department of Toxic Substances Control (DTSC) and Defendant, Pacific Steel, Inc., a California  
26 Corporation (Pacific Steel), by and through their respective representatives and counsel, enter into  
27 this Stipulation for Entry of Final Judgment and Order (Stipulation) and stipulate as follows:  
28

1           **1. THE SITE.**

2           Defendant Pacific Steel is an active California Corporation engaged in the business of  
3 recycling scrap metal at a facility it owns and operates at 1700 Cleveland Avenue, National City,  
4 California 91950-4215. The Pacific Steel Site (Site) is comprised of three areas of real property:  
5 the "North Parcel" (Assessors Parcel Numbers 559-051-09, -11, and -12; 559-056-03; and 559-  
6 071-04 [northern one-third of parcel]); the "South Parcel" (Assessors Parcel Number 559-071-04  
7 [southern two-thirds of parcel]; 559-076-01, -02, -09, and -10); and the "BNSF Parcel" (Assessor  
8 Parcel Numbers 559-040-46 and -47). Pacific Steel is the owner of the North Parcel and South  
9 Parcel; Pacific Steel leases the BNSF Parcel from Burlington Northern and Santa Fe Railway  
10 Company.

11           **2. PRIOR STIPULATION FOR ENTRY OF FINAL JUDGMENT.**

12           In 2004, the People and Pacific Steel (collectively, the Parties) entered into a Stipulation for  
13 Entry of Final Judgment and Injunction (2004 Final Judgment) to resolve a dispute regarding the  
14 People's allegations that, among other things, Pacific Steel: (1) unlawfully stored hazardous  
15 waste at six soil piles known as BNSF-1, BNSF-2, BNSF-3, BNSF-5, N-1, and N-2; (2)  
16 unlawfully treated soil contaminated with hazardous waste; and (3) unlawfully disposed of soil  
17 contaminated with hazardous waste.

18           As part of the 2004 Final Judgment, Pacific Steel agreed to make a monetary payment to  
19 DTSC in the amount of \$235,000, including costs, civil penalties, and twenty-five percent (25%)  
20 of the payment (or a payment of \$58,750) for a Supplement Environmental Project. In addition,  
21 Pacific Steel agreed to: (1) maintain effective covers, for the purposes of preventing dispersion of  
22 hazardous waste constituents into the environment, over all piles of soil and other materials  
23 known to contain, or that might contain, hazardous wastes; and (2) enter into a Corrective Action  
24 Consent Agreement to carry out the investigation, corrective action, and removal or remedial  
25 action, as necessary, to address any release or threat of release of hazardous waste or hazardous  
26 waste constituents at or from the Site. Pacific Steel also agreed to implement all actions required  
27 by DTSC pursuant to the Corrective Action Consent Agreement in accordance with DTSC-  
28 approved work plans, reports, and schedules and to reimburse DTSC for costs incurred in

1 overseeing the investigation, corrective action, and removal or remedial action, commencing with  
2 the date of the Corrective Action Consent Agreement.

3 **3. DTSC OVERSIGHT, SUBSEQUENT INVESTIGATION, AND COMPLAINT.**

4 In August 2004, DTSC and Pacific Steel entered in a Corrective Action Consent Agreement  
5 (2004 Consent Agreement) pursuant to the 2004 Final Judgment. Among other things, the 2004  
6 Consent Agreement required Pacific Steel to submit an Interim Measures plan, which was to  
7 include (in part): proposals for processing or removing existing contaminated soil piles and  
8 proposals for excavating, processing, or removing three feet of subsurface soil in a designated  
9 area; oversight and maintenance measures intended to reduce the release or threat of release of  
10 hazardous waste or hazardous constituents, such as soil pile covers, controls for surface water  
11 run-off and run-on, and dust control measures; a schedule for sampling of monitoring wells; and  
12 plans for the acquisition of all necessary permits and authorizations. DTSC approved the Interim  
13 Measures Plan in September 2005.

14 As part of the Interim Measures Plan, Pacific Steel proposed treating soil onsite through the  
15 use of a Transportable Treatment Unit (TTU) known as the "Paydirt System," which DTSC  
16 approved.<sup>1</sup> Onsite soil treatment began in November 2006. Safety, oversight, and maintenance  
17 measures in the Interim Measures Plan included, among other things, daily street sweeping,  
18 covering stockpiled materials, and use of an enclosed treatment unit. Tarps and water spray were  
19 to be used during all phases of the treatment process to reduce dust. In overseeing Pacific Steel's  
20 work, DTSC conducted routine inspections of the Site.

21 DTSC alleges that, during inspections of the Site conducted between 2010 and 2013, it  
22 observed a number of violations of the Hazardous Waste Control Law (HWCL) (Health & Saf.  
23 Code, § 25100 et seq.) and the 2004 Final Judgment (including the 2004 Consent Agreement,  
24 Interim Measures Plan, and other workplans approved pursuant thereto). In Summaries of  
25 Violations dated August 9-10, 2010, October 11, 2011, March 1, 2012, and May 15, 2013, DTSC

26 <sup>1</sup> Pacific Steel's TTU permit was renewed twice by DTSC. A request for a third extension  
27 was denied in August 2008. Shortly thereafter, the San Diego County Department of  
28 Environmental Health issued a Fixed Treatment Unit permit so that Pacific Steel could continue  
to operate the Paydirt System.

1 alleged, among other things, the following violations: failure to keep hazardous waste containers  
2 closed; failure to operate the Paydirt System and processing area in a manner such as to prevent  
3 releases or prevent the threat of releases of hazardous waste; failure to adhere to safety, oversight,  
4 and maintenance measures, including sweeping, watering waste piles, and covering waste piles;  
5 failure to conduct routine inspections; and the failure to properly train personnel who manage  
6 hazardous waste. DTSC has also alleged similar violations of the HWCL at the Site without  
7 formally issuing a summary of violations, including—as recently as February 12, 2015—the failure  
8 to cover a RCRA-hazardous waste pile in a manner such as to prevent the release or threat of  
9 release of hazardous waste. These violations, as well as those set forth in the Summaries of  
10 Violations, are alleged in the complaint filed by DTSC in this matter (Complaint) at paragraphs  
11 47-78. Pacific Steel denies that it has violated any hazardous waste laws or regulations, and  
12 maintains that it has complied with the 2004 Final Judgment.

13 No later than April 2009, Pacific Steel learned that the Paydirt System was not reducing the  
14 volume of hazardous material onsite as expeditiously as anticipated. As a result, starting in or  
15 about 2009, Pacific Steel sought and eventually received DTSC's approval to transport non-  
16 RCRA hazardous waste piles to Mexico for recycling. Pacific Steel completed removal of the  
17 non-RCRA hazardous waste piles to Mexico in July 2013.

18 Through the operation of the Paydirt System, Pacific Steel also generated a pile of RCRA  
19 hazardous waste on the North Parcel of the Site (the "RCRA Hazardous Waste"). Pacific Steel  
20 was unable to secure authorization from Mexico's Secretariat of Environmental and Natural  
21 Resources (SEMARNAT) to transport a RCRA Hazardous Waste to Mexico. As a result of a  
22 tentative agreement reached by DTSC and Pacific Steel in April 2015, Pacific Steel began  
23 shipping the aforementioned RCRA Hazardous Waste to a Class I landfill on July 29, 2015.  
24 Pacific Steel completed shipping the RCRA Hazardous Waste pile to a Class I landfill on  
25 September 12, 2015, and shipped the residual soils (the remaining RCRA Hazardous Waste  
26 mixed with other soil and debris) associated with removal on October 2, 2015.

27 DTSC alleges that, by storing some or all of the RCRA Hazardous Waste for more than a  
28 decade without authorization, Pacific Steel has committed multiple violations of the HWCL.

1 DTSC also alleges that, in failing to properly dispose of the RCRA Hazardous Waste in a timely  
2 manner, Pacific Steel has violated the terms of the 2004 Final Judgment. These violations are set  
3 forth in the Complaint at paragraphs 51-68 and 72-78. Pacific Steel denies that it has violated any  
4 hazardous waste laws or regulations, denies that it has stored RCRA Hazardous Waste for more  
5 than a decade without authorization, and maintains that it has complied with the 2004 Final  
6 Judgment.

7 **4. AGREEMENT TO SETTLE DISPUTE.**

8 The Parties enter into this Stipulation pursuant to a compromise and settlement of disputed  
9 claims and mutually consent to the entry by this Court of the agreed upon Final Judgment and  
10 Order on Consent (Final Judgment), which is the form attached as Exhibit 1. The Parties are each  
11 represented by counsel. The Office of the Attorney General represents DTSC, and Brownstein  
12 Hyatt Farber Schreck, LLP represents Pacific Steel. This Stipulation and the Final Judgment  
13 were negotiated in good faith and at arms' length by the Parties to further the public interest and  
14 to avoid expensive and protracted litigation regarding the violations alleged in the Complaint.  
15 The Parties agree that there has been no adjudication of any fact or law.

16 **5. JURISDICTION AND VENUE.**

17 The Parties agree and hereby stipulate that for purposes of this Stipulation and Final  
18 Judgment this Court has subject matter jurisdiction over the matters alleged in the Complaint,  
19 personal jurisdiction over Pacific Steel, and that venue in this Court is proper under Health and  
20 Safety Code section 25183.

21 **6. WAIVER OF HEARING AND TRIAL AND ENTRY OF JUDGMENT.**

22 By signing and entering into this Stipulation, Pacific Steel waives its right to hearing and a  
23 trial on the matters alleged in the Complaint.

24 **7. APPLICABILITY.**

25 Unless otherwise expressly provided herein, the provisions of this Stipulation and the Final  
26 Judgment to be entered by this Court shall apply to and be binding on Pacific Steel and its agents,  
27 servants, employees, representatives, successors, and all persons, as that term is defined in Health  
28 and Safety Code section 25118, acting in concert or participating with Pacific Steel regarding the

1 Site, and on DTSC and any successor agency that may have responsibility for and jurisdiction  
2 over the subject matter of the Final Judgment entered in this matter.

3 **8. MATTERS COVERED.**

4 Except as otherwise provided herein, this Stipulation and the Final Judgment to be entered  
5 by this Court are a full, final, and binding resolution and settlement of all violations, claims, and  
6 causes of action that could have been alleged based on the facts stated in this Stipulation, the  
7 Complaint, and the Summaries of Violation (Covered Matters). Except as expressly provided  
8 herein, nothing in this Stipulation or in the Final Judgment on Consent entered by this Court is  
9 intended to nor shall it be construed to preclude DTSC, or any federal, state, or local agency,  
10 department, board, or other entity, from exercising its authority or rights under any federal, state,  
11 or local law, statute, or regulation, nor shall it, except as expressly provided herein, limit the  
12 liability of Pacific Steel for the removal or remediation of any release or threatened release of  
13 hazardous substances from the Pacific Steel site. Nothing in this Stipulation or in the Final  
14 Judgment on Consent is intended to nor shall it be construed to limit or reduce Pacific Steel's pre-  
15 existing obligations under the 2004 Final Judgment, including the 2004 Consent Agreement,  
16 Interim Measures Plan, and other workplans approved thereunder. In any subsequent action that  
17 may be brought by DTSC based on any claim, violation, or cause of action not covered by this  
18 Stipulation, Pacific Steel agrees that it will not assert that failing to pursue such claim, violation,  
19 or cause of action as part of this action constitutes claim-splitting.

20 **9. INJUNCTIVE TERMS.**

21 a. Compliance with the HWCL and its Implementing Regulations. Pursuant to the  
22 provisions of Health and Safety Code sections 25181 and 25184, Pacific Steel shall comply with  
23 Chapter 6.5 of Division 20 of the Health and Safety Code, and the regulations promulgated  
24 thereunder in Division 4.5 of Title 22 of the California Code of Regulations, in its operation of  
25 the Pacific Steel facility. Nothing in this Stipulation is intended to nor shall it be construed to  
26 relieve Pacific Steel of any obligation under the foregoing statutes and regulations.

27 b. Removal of the RCRA Hazardous Waste Pile. On July 29, 2015, as a result of  
28 the tentative agreement to resolve this matter reached between DTSC and Pacific Steel, Pacific

1 Steel began transporting the RCRA Hazardous Waste pile from the Site to the Clean Harbors  
2 Class 1 Landfill in Buttonwillow, California. Pacific Steel completed removal of the RCRA  
3 Hazardous Waste pile on September 12, 2015, and it shipped the residual soils associated with  
4 removal of the RCRA Hazardous Waste on October 2, 2015.

5       Within 60 days of the date of entry of this Stipulation and Final Judgment, Pacific Steel  
6 shall conduct soil sampling for heavy metals around the perimeter of the location where the  
7 RCRA Hazardous Waste was located. Soil sampling shall be done in no less than eight locations,  
8 two locations on each side of the roughly rectangular pile, and the sampling locations shall be  
9 within than five feet of the perimeter of the pile, where possible. If there is no soil location within  
10 five feet of the perimeter of the pile, sampling shall be done at the closest possible location to the  
11 perimeter of the pile. If additional contaminated soil (hereafter, Residual Hazardous Waste) is  
12 located in the vicinity of the RCRA Hazardous Waste, it shall be removed in a manner consistent  
13 with the Draft Stockpile Removal Workplan dated May 13, 2015 and approved by DTSC.  
14 Removal of Residual Hazardous Waste shall occur within 120 days of the date of entry of this  
15 Stipulation and Final Judgment.

16       Failure to comply with the foregoing schedule shall subject Pacific Steel to additional  
17 monetary penalties set forth below in Paragraph 11. The schedule shall be extended for any force  
18 majeure event that prevents the removal and transportation of the as set forth below in Paragraph  
19 12. All activities undertaken to remove the Residual Hazardous Waste shall be undertaken  
20 pursuant to the DTSC-approved Draft Stockpile Removal Workplan. All activities undertaken to  
21 remove and transport the Residual Hazardous Waste must be done in compliance with local, state,  
22 and federal law. Persons responsible for loading the Residual Hazardous Waste for transport  
23 must have completed the Hazardous Waste Operations and Emergency Response Standard  
24 (HAZWOPER) training and any required refresher training pursuant to Code Federal  
25 Regulations, title 29, part 1910.120 et seq.

26       c.     Continuing Compliance with the 2004 Final Judgment, 2004 Consent  
27 Agreement, Interim Measures Plan, and other Workplans. Pacific Steel must continue to comply  
28 in all regards with the 2004 Final Judgment, including the 2004 Consent Agreement, the Interim

1 Measures Plan, and other workplans submitted and approved pursuant to any of them. Nothing in  
2 this Stipulation is intended to nor shall it be construed to eliminate, reduce, or otherwise lessen  
3 Pacific Steel's obligations under the 2004 Final Judgment, including the 2004 Consent  
4 Agreement, the Interim Measures Plan, or other workplans submitted and approved pursuant to  
5 any of them.

6 d. Dust Control Measures.

7 i. Pacific Steel shall use a sweeper truck daily over active paved areas to  
8 maintain clean surfaces where the potential for fugitive dust exists;

9 ii. Any and all soil piles, including any pre-existing piles or piles generated  
10 on the Site through scraping, excavation, or any other remediation activity, must be  
11 immediately characterized for hazardousness;

12 iii. Any and all soil piles determined to be hazardous, as well as any other  
13 hazardous waste piles, must be immediately covered, and such covers must be  
14 maintained in good working order and inspected daily; and

15 iv. Pacific Steel shall use water spray to control dust during any soil  
16 excavation activities.

17 e. Training. Within sixty (60) calendar days after the date of entry of this Final  
18 Judgment, Pacific Steel shall provide to all employees who manage hazardous waste, or verify  
19 that it has already provided, the initial hazardous waste training set forth in California Code of  
20 Regulations, title 22, section 66265.16. Verification shall be submitted in writing to the  
21 representatives of DTSC (including counsel) listed in Paragraph 13 below.

22 **10. MONETARY SETTLEMENT REQUIREMENTS.**

23 Pacific Steel agrees to and shall expend funds in the amount of one hundred and thirty-eight  
24 thousand dollars (\$138,000) as civil penalties in this matter, as follows:

25 a. Pacific Steel shall pay, within two weeks of the date of entry of this Final  
26 Judgment, thirty thousand dollars (\$30,000) to DTSC;

27 b. The remaining one hundred and eight thousand dollars (\$108,000) shall be  
28 payable to DTSC in six monthly installments of eighteen thousand dollars (\$18,000),

1 with the first installment due one month after the date of entry of this Final Judgment.  
2 Payment shall be complete no later than seven months after the date of entry of this  
3 Final Judgment.

4 Pacific Steel shall pay all monies owed to DTSC pursuant to this Stipulation and Final  
5 Judgment by check, made payable to the "California Department of Toxic Substances Control"  
6 and bearing the notation "Pacific Steel, Inc.," sent to:

7 Cashier  
8 Accounting Office, MS-21 A  
9 Department of Toxic Substances Control  
10 P.O. Box 806  
11 Sacramento, California 95 812-0806

12 An electronic (i.e., Adobe PDF) copy or paper photocopy of each check shall be sent, at  
13 the same time, to those persons identified in Paragraph 13.

#### 14 11. ENFORCEMENT.

15 If Pacific Steel fails to comply with the schedule set forth above in Paragraph "9.b." for  
16 removal of the RCRA Hazardous Waste pile, DTSC will provide Pacific Steel with written notice  
17 of the default. Should Pacific Steel's failure to comply with the schedule extend beyond three  
18 weeks after receipt of the written notice of default, or beyond another time frame specified by  
19 DTSC at DTSC's sole discretion (whichever is later), Pacific Steel agrees to pay a penalty of  
20 \$1,000 per day for each additional day of non-compliance beyond the three week or other  
21 applicable period.

22 If DTSC determines that Pacific Steel has violated any other term(s) of this Stipulation or  
23 the Final Judgment entered by this Court, DTSC may, by motion or order to show cause before  
24 the Superior Court of San Diego County, enforce the terms and conditions contained herein. In  
25 any action brought by DTSC to enforce this Stipulation and Final Judgment, DTSC may seek  
26 any fines, costs, penalties, injunctive relief, or other remedies provided for by law for  
27 the failure to comply with this Stipulation and Final Judgment. Where said failures constitute  
28 violations of the HWCL (Health & Saf. Code, § 25100 et seq.) or other laws, DTSC is not limited  
to the enforcement of this Stipulation and Final Judgment, but may seek, in another action, any  
fines, costs, penalties, injunctive relief, or other remedies provided for by law. Nothing herein is

1 intended to nor shall it be construed to limit or preclude DTSC from initiating an enforcement  
2 action against Pacific Steel for any violations of the HWCL or its implementing regulations not  
3 alleged to date by DTSC, including, but not limited to violations of the injunctive terms of this  
4 Stipulation and Final Judgment or those of the 2004 Final Judgment.

5 **12. FORCE MAJEURE**

6 a. Definition of Force Majeure. A "Force Majeure event" is any event beyond the  
7 reasonable control of Pacific Steel, which delays the performance of any obligation under this  
8 Agreement, including, but not limited to the obligations contained in Paragraph 9, despite Pacific  
9 Steel's best efforts to fulfill the obligation. "Best efforts" includes anticipating any potential  
10 Force Majeure event and addressing the effects of any such event (a) as it is occurring and (b)  
11 after it has occurred, to prevent or minimize any resulting delay to the greatest extent possible. A  
12 Force Majeure event does not include financial inability to fund or complete the work, any failure  
13 by Pacific Steel's contractors, subcontractors, or other persons performing the work for or on  
14 behalf of Pacific Steel (unless their failure to do so is itself due to a Force Majeure event), nor  
15 does it include circumstances which could have been avoided if Pacific Steel had complied with  
16 preventative requirements imposed by law, regulation, or ordinance (unless failure to do so is  
17 itself due to a Force Majeure event). Failure to apply for a required permit or approval or to  
18 provide in a timely manner all information required to obtain a permit or approval that is  
19 necessary to meet the requirements of this Agreement shall not, in any event, be considered Force  
20 Majeure events.

21 b. Required Notification for Force Majeure. Pacific Steel shall notify DTSC  
22 orally and by electronic or facsimile transmission as soon as possible, but not later than 72 hours  
23 after the time Pacific Steel first knew of, or in the exercise of reasonable diligence under the  
24 circumstances should have known of, any event which might constitute a Force Majeure event.  
25 The written notice submitted pursuant to this Paragraph shall indicate whether Pacific Steel  
26 claims that any delay should be excused due to a Force Majeure event. The notice shall describe  
27 in detail the basis for Pacific Steel's contention that it experienced a Force Majeure delay, the  
28 anticipated length of the delay, the precise cause or causes of the delay, the measures taken or to

1 be taken to prevent or minimize the delay, and the timetable by which those measures will be  
2 implemented. Pacific Steel shall adopt all reasonable measures to avoid or minimize such delay.  
3 Failure to so notify the DTSC shall render this Paragraph void and of no effect as to the event in  
4 question, and shall be a waiver of Pacific Steel's right to obtain an extension of time for its  
5 obligations based on such event.

6 c. Procedures for Extension. If DTSC finds that a delay in performance is, or was,  
7 caused by a Force Majeure event, DTSC shall extend the time for performance of all the effected  
8 obligations of this Agreement, in writing, for a period to compensate for the delay resulting from  
9 such event, and stipulated penalties shall not be due for such a period.

10 **13. NOTICES.**

11 All notices under this Stipulation and the Final Judgment entered by this Court shall be in  
12 writing and shall be sent to:

13 Carmelita Lampino  
14 Branch Chief  
15 Enforcement and Emergency Response Division  
16 Department of Toxic Substances Control  
17 5796 Corporate Ave.  
18 Cypress, CA 90630-4732  
19 Carmelita.Lampino@dtsc.ca.gov

17 Robert Sullivan, Senior Staff Counsel  
18 Office of Legal Counsel  
19 Department of Toxic Substances Control  
20 1001 I Street, MS 23A  
21 P.O. Box 806  
22 Sacramento, California 95812-0806  
23 Robert.Sullivan@dtsc.ca.gov

21 John W. Everett  
22 Deputy Attorney General  
23 Office of the Attorney General  
24 600 West Broadway, Suite 1800  
25 San Diego, CA 92101  
26 John.Everett@doj.ca.gov

25 Marisela Martinez  
26 Pacific Steel, Inc.  
27 CFO  
28 1700 Cleveland Ave  
National City, CA 91950  
Marisela@sdic.com

Ryan Waterman

1 Brownstein Hyatt Farber Schreck, LLP  
2 225 Broadway, Suite 1670  
3 San Diego, CA 92101  
4 RWaterman@BHFS.com

5 **14. NO WAIVER OF RIGHT TO ENFORCE.**

6 The failure of DTSC to enforce any provision of this Stipulation or the Final Judgment shall  
7 neither be deemed a waiver of such provision, nor in any way affect the validity of this  
8 Stipulation, the Final Judgment entered by this Court, or DTSC's enforcement authority. The  
9 failure of DTSC to enforce any such provision of this Stipulation or the Final Judgment shall not  
10 preclude it from later enforcing the same or other provisions. No oral advice, guidance,  
11 suggestions, or comments by employees or officials of DTSC or Pacific Steel, or people or  
12 entities acting on behalf of Pacific Steel, regarding matters covered in this Stipulation or the Final  
13 Judgment entered by this Court, shall be construed to relieve Pacific Steel of its obligations under  
14 this Stipulation or the Final Judgment.

15 **15. EFFECT OF STIPULATION AND FINAL JUDGMENT.**

16 Except as expressly provided in this Stipulation or the Final Judgment, nothing herein is  
17 intended nor shall it be construed to preclude DTSC, or any state, county, or local agency,  
18 department, board or entity from exercising its authority under any law, statute, or regulation.  
19 Except as expressly provided in this Stipulation or the Final Judgment, Pacific Steel retains all of  
20 its defenses to the exercise of the aforementioned authority. Additionally, except as provided by  
21 the express terms of this Agreement, Pacific Steel reserves any rights or defenses available to it in  
22 any future action brought by DTSC to enforce this Agreement, applicable permits, or any other  
23 statutes, regulations, or rules. The execution of this Agreement is not an admission of liability by  
24 Pacific Steel, nor is it an admission or denial of the factual allegations arising out of the  
25 transactions or occurrences alleged in the Complaint.

26 **16. NO LIABILITY OF DTSC.**

27 DTSC shall not be liable for any injury or damage to persons or property resulting from acts  
28 or omissions by Pacific Steel or its agents, servants, employees, representatives, or other persons  
acting in concert or participating with Pacific Steel, in carrying out activities pursuant to this

1 Stipulation or the Final Judgment entered by the Court in this matter, nor shall DTSC be held as a  
2 party to or guarantor of any contract entered into by Pacific Steel or its agents, servants,  
3 employees, representatives, or other persons acting in concert or participating with Pacific Steel,  
4 in carrying out the requirements of this Stipulation or the Final Judgment entered by the Court in  
5 this matter.

6 **17. FUTURE REGULATORY CHANGES.**

7 Nothing in this Stipulation or the Final Judgment entered by the Court in this matter shall  
8 excuse Pacific Steel from meeting any more stringent requirements that may be imposed by  
9 applicable law or by changes in the applicable law. To the extent future statutory and regulatory  
10 changes make Pacific Steel's obligations less stringent than those provided for in this Stipulation  
11 or the Final Judgment entered by the Court in this matter, Pacific Steel (a) may stipulate with  
12 DTSC to modify Pacific Steel's obligations and submit such stipulation to this Court for review  
13 and approval or (b) may apply to this Court by noticed motion to modify Pacific Steel's  
14 obligations.

15 **18. INTEGRATION.**

16 This Stipulation constitutes the entire agreement between the Parties and may not be  
17 amended or supplemented except as provided for in this Stipulation. No oral representations have  
18 been made or relied on other than as expressly set forth herein.

19 **19. RETENTION OF JURISDICTION.**

20 The Parties agree that the Court has continuing jurisdiction to interpret and enforce the  
21 provisions of this Stipulation and the Final Judgment thereon to be entered by this Court.

22 **EQUAL AUTHORSHIP.**

23 This Stipulation shall be deemed to have been drafted equally by the Parties hereto. The  
24 Parties agree that the rule of construction holding that ambiguity is construed against the drafting  
25 party shall not apply to the interpretation of this Stipulation.

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**20. AMENDMENTS TO THIS STIPULATION AND CONSENT JUDGMENT.**

This Stipulation and the Final Judgment may be amended only pursuant to a written agreement signed by all the Parties, followed by written approval by the Court, or by order of the Court following the filing of a duly noticed motion.

**21. AUTHORITY TO ENTER STIPULATION.**

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

**22. COUNTERPARTS.**

This Stipulation may be executed in several counterpart originals, all of which taken together shall constitute an integrated document.

**23. ENTRY OF FINAL JUDGMENT PURSUANT TO STIPULATION.**

The Parties further stipulate that upon approval of this Stipulation by the Court, the Court may enter Final Judgment in this matter in the form set forth in the attached Exhibit 1. If the Court does not approve this Stipulation and the agreed upon Final Judgment in the form and substance proposed in Exhibit 1 hereto, the Parties agree to collaborate in good faith to overcome the Court's objections, however, each Party reserves the right to withdraw both the Stipulation and the proposed Final Judgment, upon written notice to all Parties and the Court.

**IT IS SO STIPULATED.**

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Dated: December 21, 2015

FOR THE CALIFORNIA DEPARTMENT OF  
TOXIC SUBSTANCES CONTROL

Original signed by:  
Carmelita Lampino

\_\_\_\_\_  
CARMELITA LAMPINO  
BRANCH CHIEF, ENFORCEMENT AND  
EMERGENCY RESPONSE DIVISION

Dated: December \_\_, 2015

FOR PACIFIC STEEL, INC.

\_\_\_\_\_  
ALEJANDRO VILLA  
PRESIDENT

APPROVED AS TO FORM.

Dated: December 21, 2015

KAMALA D. HARRIS  
Attorney General of California  
TIMOTHY PATTERSON  
Supervising Deputy Attorney General

original signed by John Evertt

\_\_\_\_\_  
JOHN W. EVERETT  
Deputy Attorney General  
*Attorneys for Plaintiff People of the State of  
California, ex rel. Department of Toxic  
Substances Control*

Dated: December 16, 2015

BROWNSTEIN HYATT FARBER SCHRECK, LLP

original signed by Ryan Waterman

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RYAN R. WATERMAN  
*Attorneys for Defendant Pacific Steel, Inc.*

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Dated: December \_\_, 2015

FOR THE CALIFORNIA DEPARTMENT OF  
TOXIC SUBSTANCES CONTROL.

\_\_\_\_\_  
CARMELITA LAMPINO  
BRANCH CHIEF, ENFORCEMENT AND  
EMERGENCY RESPONSE DIVISION

Dated: December 17, 2015

FOR PACIFIC STEEL, INC.  
**Original signed by:**  
**Alejandro Villa**

\_\_\_\_\_  
ALEJANDRO VILLA  
PRESIDENT

APPROVED AS TO FORM.

Dated: December \_\_, 2015

KAMALA D. HARRIS  
Attorney General of California  
TIMOTHY PATTERSON  
Supervising Deputy Attorney General

\_\_\_\_\_  
JOHN W. EVERETT  
Deputy Attorney General  
*Attorneys for Plaintiff People of the State of  
California, ex rel. Department of Toxic  
Substances Control*

Dated: December \_\_, 2015

BROWNSTEIN HYATT FARBER SCHRECK, LLP

\_\_\_\_\_  
RYAN R. WATERMAN  
*Attorneys for Defendant Pacific Steel, Inc.*

**EXHIBIT 1**

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KAMALA D. HARRIS  
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TIMOTHY PATTERSON  
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*Attorneys for Plaintiff, the People of the State of  
California, ex rel. Barbara A. Lee, Director,  
California Department of Toxic Substances Control*

*EXEMPT FROM FILING FEES  
PURSUANT TO GOVERNMENT  
CODE SECTION 6103*

SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO

**THE PEOPLE OF THE STATE OF  
CALIFORNIA, ex rel. Barbara A. Lee,  
Director, California Department of Toxic  
Substances Control,**

Plaintiff,

v.

**PACIFIC STEEL, INC., a California  
Corporation,**

Defendant.

Case No.:

**[PROPOSED] FINAL JUDGMENT AND  
ORDER ON CONSENT**

(Code of Civ. Proc., § 664.6)

Having reviewed the Stipulation for Entry of Final Judgment and Order executed by the Plaintiff, People of the State of California, ex rel. Barbara A. Lee, Director of the California Department of Toxic Substances Control and the Defendant, Pacific Steel, Inc., and good cause appearing therein, the Court finds that the settlement between the Plaintiff and Defendant is fair

1 and in the public interest. Accordingly, the Court enters this Final Judgment and Order on  
2 Consent and incorporates the Stipulation for Entry of Final Judgment and Order into this Final  
3 Judgment and Order on Consent.

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5 **IT IS SO ORDERED.**

6 Dated: \_\_\_\_\_

\_\_\_\_\_  
HON. JUDGE OF THE SUPERIOR COURT

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**DECLARATION OF SERVICE BY E-MAIL and U.S. Mail**

Case Name: People v. Pacific Steel, Inc.  
No.: 37-2015-00042417-CU-TT-CTL

I declare:

I am employed in the Office of the Attorney General, which is the office of a member of the California State Bar, at which member's direction this service is made. I am 18 years of age or older and not a party to this matter. I am familiar with the business practice at the Office of the Attorney General for collection and processing of correspondence for mailing with the United States Postal Service. In accordance with that practice, correspondence placed in the internal mail collection system at the Office of the Attorney General is deposited with the United States Postal Service with postage thereon fully prepaid that same day in the ordinary course of business.

On December 21, 2015, I served the attached:

1. Stipulation For Entry of Final Judgment and Order (with attached Exhibit of the [Proposed] Final Judgment and Order on Consent)

by transmitting a true copy via electronic mail. In addition, I placed a true copy thereof enclosed in a sealed envelope, in the internal mail system of the Office of the Attorney General, addressed as follows:

Ryan Waterman  
Brownstein Hyatt Farber Schreck  
225 Broadway  
San Diego, CA 92101-5000  
[RWaterman@BHFS.com](mailto:RWaterman@BHFS.com)

Hillary Steenberge  
1020 State Street  
Santa Barbara, CA 93101-2711  
[HSteenberge@BHFS.com](mailto:HSteenberge@BHFS.com)

I declare under penalty of perjury under the laws of the State of California the foregoing is true and correct and that this declaration was executed on December 21, 2015, at San Diego, California.

C. Valdivia  
\_\_\_\_\_  
Declarant

Original signed by C.Valdivia  
\_\_\_\_\_  
Signature