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2 3 4 5 6 7 8 9	RICHARDS, WATSON & GERSHON A Professional Corporation MITCHELL E. ABBOTT (State Bar No. 16040) T. PETER PIERCE (State Bar No. 16040) GINETTA L. GIOVINCO (State Bar No. Attorneys for Plaintiffs, People of the State of California and City	221140)					
10	SUPERIOR COURT OF THE STATE OF CALIFORNIA						
11	COUNTY OF SAN BERNARDINO						
12	VICTORVILLE DIVISION						
13	PEOPLE OF THE STATE OF	Case No. VCVV	(\$038427				
14	CALIFORNIA; CITY OF ADELANTO,	NOTICE OF M					
15	Plaintiffs,	MOTION FOR	PRELIMINARY MEMORANDUM				
16	v.	OF POINTS AND DECLAR	ND AUTHORITIES				
17 18	NURSERY PRODUCTS, LLC; JEFFREY P. MEBERG; CHRISTOPHER M. SENEY; DOES 1	KEVIN MURP DAVIS, DANIE MARIARITA S	HY, MELVA ZL A. SARMIENTO, SANTIAGO, ROBIN				
19	through 20, inclusive,	I BRADSHAW. 1	BRUCE W				
20	Defendants.	GRACE RICE, AND MITCHE	ENDA KNOX, JOHN L. YOUNG, LL E. ABBOTT IN				
21		SUPPORT THI	EREOF				
22		Hearing:	August 8, 2005 8:30 a.m.				
23		Time: Dept.:	8:30 a.m. V10				
24		[Hon. Stanford I Judge of the Sup	Reichert, erior Court]				
26		Complaint Filed	: July 8, 2005				
,7							

TO DEFENDANTS AND TO THEIR ATTORNEYS OF RECORD HEREIN:

PLEASE TAKE NOTICE that on August 8, 2005 at 8:30 a.m., or as soon thereafter as the matter may be heard, in Department V10 of the above-entitled Court, located at 14455 Civic Drive, Victorville, California, plaintiffs, People of the State of California and City of Adelanto, will and do hereby move the court for a preliminary injunction against defendants, Nursery Products, LLC, Jeffrey P. Meberg, and Christopher M. Seney, and each and all of their agents, employees, representatives, officers, directors, and any and all persons acting in concert with them, enjoining and restraining them, during the pendency of this action, from:

- 1. Receiving and processing green waste, bio-solids, or any other organic material for composting at the real property located at 16284 Aster Road in the City of Adelanto ("subject property"); and
- 2. Operating a composting facility at the subject property on or after September 1, 2005.

This motion is made on the ground that the Nursery Products composting facility constitutes a public nuisance as defined in Civil Code section 3480 in that persistent noxious odors emanate from the subject property, persistent swarms of flies and other insects originating on the subject property plague the surrounding community, and the subject property produces dust and airborne trash hazardous to the surrounding community.

This motion is made on the alternative ground that defendants, by continuing to receive and process green waste, bio-solids, or any other organic material for composting, are in violation of the explicit terms of a Settlement Agreement executed by plaintiffs and defendants in November 2004, which expressly requires, *inter alia*, that defendants cease receiving and processing green waste, bio-solids, or any other organic material for composting at the Adelanto facility no later than July 1, 2005.

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This motion is based upon this notice and upon the attached memorandum of points and authorities, supporting exhibits and declarations; upon all the pleadings, papers, and records on file in this action, upon any matters as to which the Court may take mandatory or permissive judicial notice, and upon the argument of counsel and such other and further evidence as the Court may receive at the time of the hearing on the motion.

WHEREFORE plaintiffs, the People of the State of California and the City of Adelanto, pray that the motion for preliminary injunction be granted.

DATED: July 8, 2005

MARGUERITE P. BATTERSBY CITY ATTORNEY CITY OF ADELANTO

RICHARDS, WATSON & GERSHON A Professional Corporation MITCHELL E. ABBOTT T. PETER PIERCE

Attorneys for Plaintiffs, People of the State of California and

City of Adelanto

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MEMORANDUM OF POINTS AND AUTHORITIES

I.

INTRODUCTION

Plaintiffs, the People of the State of California and the City of Adelanto, seek a preliminary injunction prohibiting defendants, Nursery Products, LLC, Jeffrey P. Meberg, and Christopher M. Seney (hereinafter collectively referred to as "defendants"), from receiving and processing treated human sewage sludge, lawn clippings and other so-called "green waste," and other organic materials at their composting facility in the City. As the numerous attached declarations from area residents attest, the composting process generates a foul stench permeating the community, and generates thousands of flies plaguing homes, schools, and automobiles. Only an injunction can remedy the daily harms inflicted by the composting facility upon the surrounding residents and businesses.

This is not the first time the parties have gone to court. An earlier federal court civil rights action resulted in a summary judgment in favor of the City of Adelanto. (*Nursery Products, LLC v. City of Adelanto*, U.S.D.C., C.D. Cal. Docket No. SACV 03-1622-GLT (ANx)). A subsequent appeal by Nursery Products to the Ninth Circuit was abandoned when the parties entered into a Settlement Agreement, a true and correct copy of which is attached here as Exhibit "A". (Declaration of Mitchell E. Abbott at ¶ 2).

The Settlement Agreement sets forth the background facts relating to the disputes between the City and Nursery Products, and the City will refer to it in this introductory statement of facts. Nursery Products, LLC owns and operates a composting facility located at 16284 Aster Road in the City of Adelanto. (Ex. A, p. 1, ¶ II.A). The facility consists of approximately 40 acres of flat, graded land, a trailer with offices, and various pieces of earth-moving equipment. (Ex. A, p. 1, ¶ II.A). The facility receives and processes both "green-waste" (grass clippings,

wood chips, and similar materials) and "bio-solids" (treated domestic sewage sludge). (Ex. A, p. 1, ¶ II.A). The materials are mixed and treated with a chemical enzyme, and then piled in 10-foot high windrows in the open air. After approximately 60 days of processing at the facility, the finished compost product is sold as agricultural fertilizer. (Ex. A, p. 1, ¶ II.A).

Composting operations on the subject property began in early 2003. Later that same year, Nursery Products applied to the California Integrated Waste Management Board ("CIWMB") for an expanded solid waste facilities permit that would allow it to increase by nearly 700 percent the amount of material composted annually. (Ex. A, pp. 1-2, ¶ II.C). The City expressed concerns to the CIWMB about expanding the capacity of the facility, and about the impact of an expanded operation on the community. (Ex. A, pp. 1-2, ¶ II.C). The City's exercise of its rights in expressing its concerns to CIWMB triggered the filing of the federal court civil rights action by Nursery Products, described above.

The Settlement Agreement contains the following two provisions relating to the shut-down of the Nursery Products facility:

- "1. Nursery Products and Meberg shall, on or before July 1, 2005, cease and desist from receiving and processing green waste, bio-solids, or any other organic material for composting at the Composting Facility located at 16284 Aster Road in the City of Adelanto.
- "2. Nursery Products and Meberg shall, on or before September 1, 2005, permanently cease and desist from conducting composting activities at 16284 Aster Road in the City of Adelanto." (Ex. A, p. 3, ¶¶ III.A.1 & 2).

As appears more particularly from the attached declaration of Kevin Murphy, Code Enforcement Officer for the City of Adelanto, trucks have been observed delivering (and dumping) sewage sludge and other organic material at

the Nursery Products facility *after* the July 1, 2005 cut-off date. Indeed, on July 5, 2005, defendant Christopher M. Seney, general manager of the composting operation, told the City's Code Enforcement Officer, Kevin Murphy, that Nursery Products *planned to continue to engage in business as usual and did not plan to stop receiving shipments*, as required by the Settlement Agreement. (Declaration of Kevin Murphy, ¶8). Significantly, just two weeks ago, Nursery Products represented to the City in writing on June 21, 2005 that it would stop receiving waste and bio-solids on July 1, 2005. (Ex. B; Declaration of Mitchell E. Abbott at ¶3).

Given defendants' continued acceptance of shipments of sewage sludge, in direct violation of the express terms of the Settlement Agreement and in the face of written assurance to the contrary, there is no reason to believe that defendants will voluntarily comply with *any* of the terms of the Settlement Agreement. The City thus seeks a preliminary injunction requiring defendants to cease accepting shipments of biosolids and other organic materials immediately, and to cease all composting activities and operations as of September 1, 2005.

As discussed more fully below, the courts evaluate two factors in deciding whether to issue a preliminary injunction: (1) the likelihood that the plaintiffs ultimately will prevail on the merits of their complaint, and (2) the comparative consequences to the parties of issuing or not issuing the injunction.

The numerous declarations from local residents attached hereto demonstrate incontrovertably that the Nursery Products composting facility constitutes a public nuisance, and there is thus a strong likelihood that the City will prevail on the merits of its public nuisance claim. The declarations show that the composting facility is a public nuisance as defined in Civil Code section 3480. The pervasive and noxious odor emanating from the facility is the paradigmatic public nuisance. The thousands of flies attracted by the composting operations and then inflicted on the surrounding community are a separate and aggravating aspect of the nuisance.

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Turning to the breach of contract claim, the declaration of Kevin Murphy demonstrates conclusively that defendants Nursery Products and Meberg have breached the terms of the Settlement Agreement by continuing to accept shipments of bio-solids and other organic waste after the July 1, 2005 shut-off date.

The comparative consequences to the parties of granting or denying the injunction – some courts refer to this factor as the "balancing of harms" – weighs heavily in favor of granting the injunction. The harm to the City of not granting the injunction is the continued stench and attendant flies that are being inflicted on the surrounding community. Bluntly stated, the foul odors and swarms of flies originating at the composting facility are directly and materially interfering with the lives of City residents. People cannot enjoy barbecues with their families or other outdoor activities at their homes. Children cannot participate in athletic activities at public parks when the wind is blowing the wrong way. Thousands of flies congregate on the screens and walls of homes and schools - people must race through doors to keep the flies from coming inside. Local elementary school children have complained of nausea, vomiting, eye irritation, and difficulty breathing when odors from the composting facility are particularly intense. Furthermore, if a preliminary injunction is not granted, the City (and its residents) will completely lose the benefit of the bargain it struck in the Settlement Agreement as defendants continue their composting operation with impunity.

In sharp contrast, defendants will suffer no harm if the court grants the injunction. An injunction would require defendants to do nothing more than what they have *already agreed* to do – cease receiving and processing composting materials forthwith and then stop composting operations altogether on September 1, 2005.

For all of these reasons, the Court should issue a preliminary injunction as requested.

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II.

PLAINTIFFS ARE ENTITLED TO A PRELIMINARY INJUNCTION REQUIRING DEFENDANTS TO STOP RECEIVING AND PROCESSING COMPOSTING MATERIALS.

The California Supreme Court has articulated the trial court's task in evaluating a request for preliminary injunction as follows:

"In deciding whether to issue a preliminary injunction, a trial court must evaluate two interrelated factors: (i) the likelihood that the party seeking the injunction will ultimately prevail on the merits of his claim, and (ii) the balance of harm presented, i.e., the comparative consequences of the issuance and nonissuance of the injunction."

Common Cause of California v. Bd. of Supervisors of Los Angeles County, 49 Cal.3d 432, 441-442 (1989).

The Court evaluates the two factors on a sliding scale, such that "if the party seeking the injunction can make a sufficiently strong showing of likelihood of success on the merits, the trial court has discretion to issue the injunction notwithstanding that party's inability to show that the balance of harms tips in his favor." 49 Cal.3d 432, 447. *See also King v. Meese*, 43 Cal.3d 1217, 1227 (1987) ("the more likely it is that plaintiffs will ultimately prevail, the less severe must be the harm that they allege will occur if the injunction does not issue").

A. Plaintiffs Are Likely to Prevail on the Merits of Their Claims.

The Evidence Demonstrates That The Continued Processing Of
Materials For Composting Constitutes A Public Nuisance.
 Civil Code Section 3480 defines a public nuisance as follows:

"A public nuisance is one which affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal."

Civil Code § 3480.

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The composting facility at issue here has had a severe and negative impact upon a large number of people who live or work in the City of Adelanto. There is no question that a foul stench emanates from the composting facility. (See declarations of Kevin Murphy [¶ 3]; Melva Davis [¶ 8]; Mariarita Santiago [¶ 5]; and John L. Young [¶ 3]). The stench permeates local schoolyards, many residences, businesses, and recreational facilities to the extent it becomes intolerable to stay outdoors (See declarations of Melva Davis [¶¶ 5-8]; Daniel A. Sarmiento [¶¶ 2, 3, 5]; Mariarita Santiago [¶¶ 2-5, 11]; Robin Bradshaw [¶¶ 2, 3]; Bruce W. Fowler [¶ 3]; Brenda Knox [¶ 2]; Grace Rice [¶¶ 2, 3]; and John L. Young $[\P 2, 5]$). At times, the stench is so strong that it causes illness, including vomiting. (See declarations of Melva Davis [¶¶ 5, 6, 8]; Daniel A. Sarmiento [¶ 3]; Mariarita Santiago [¶ 10]; Brenda Knox [¶ 2]; and Grace Rice [¶ 3]).

The composting facility has also generated or attracted thousands of flies that have become a nuisance to children at school and on school buses, to residents in their homes, and to employees at their places of business. (See declarations of Melva Davis [¶¶ 3,4]; Daniel A. Sarmiento [¶ 4]; Mariarita Santiago [¶¶ 7-9]; Bruce W. Fowler [¶ 2]; Brenda Knox [¶ 2]; Grace Rice [¶ 4]; and John L. Young $[\P 4]$).

The widespread foul stench and the accompanying flies are paradigmatic public nuisances. As shown by the numerous attached declarations, the stench and flies interfere with the public health, comfort and convenience. See Venuto v. Owens-Corning Fiberglass Corp., 22 Cal.App.3d 116, 123 (1971) (a "public nuisance' comprehends an act . . . which interferes with the interests of the

community or the comfort and convenience of the general public and includes interference with the public health, comfort and convenience.") Conditions similar to the stench and flies here historically have been declared by courts to constitute public nuisances. See Varjabedian v. City of Madera, 20 Cal.3d 285, 289-91 (1977) (neighboring homeowners allowed to sue for public nuisance caused by foul odors emanating from sewage treatment plant); Markey v. Danville Warehouse & Lumber, Inc., 119 Cal.App.2d 1 (1953) (cement mixing plant that produced excessive dirt and grit, and generated loud noises, was public nuisance); Dean v. Powell Undertaking Co., 55 Cal.App. 545 (1921) (funeral parlors generating foul and noxious odors constituted public nuisance).

Public nuisances may be abated pursuant to legal action brought by a city attorney in the name of the people of the State of California under Code of Civil Procedure Section 731. Well-settled authority establishes that an injunction is an appropriate remedy to abate a public nuisance. See, e.g., City and County of San Francisco v. Padilla, 23 Cal.App.3d 388, 401 (1972) (public nuisance "may be enjoined by an action for injunction"); City of Los Angeles v. Silver, 98 Cal.App.3d 745, 750 (1979) ("public nuisance [is] subject to abatement by injunction").

Based upon the evidence contained in the declarations before the court, plaintiffs respectfully submit that the composting facility is a public nuisance and there is a strong likelihood that plaintiffs will prevail on their first cause of action for unlawful maintenance of a public nuisance. The court may issue a preliminary injunction on this basis alone. See Common Cause of California v. Bd. of Supervisors of Los Angeles County, 49 Cal.3d 432, 447 (1989) ("if the party seeking the injunction can make a sufficiently strong showing of likelihood of success on the merits, the trial court has discretion to issue the injunction notwithstanding that party's inability to show that the balance of harms tips in his favor").

2. The Evidence Clearly Shows that Defendants Nursery Products and Jeff Meberg Have Breached the Settlement Agreement They Entered Into with the City.

As noted in the Introduction, the Settlement Agreement executed by the City and defendants Nursery Products and Jeff Meberg provides: "Nursery Products and Meberg shall, on or before July 1, 2005, cease and desist from receiving and processing green waste, bio-solids, or any other organic material for composting at the Composting Facility located at 16284 Aster Road in the City of Adelanto." (Ex. A, p. 1, ¶ III.A.1).

The attached declaration of Kevin Murphy, Senior Code Enforcement Officer for the City of Adelanto, establishes that Nursery Products and Meberg have consistently breached the Settlement Agreement by continuing to receive materials for composting, and by continuing to process those materials, all after July 1, 2005 (Declaration of Kevin Murphy at ¶ 8).

This Court properly may issue a preliminary injunction to prevent further breach of the Settlement Agreement. Code of Civil Procedure Section 526(a)(3) provides that an injunction may be granted when "it appears, during the litigation, that a party to the action is doing . . . some act in violation of the rights of another party to the action respecting the subject of the action, and tending to render the judgment ineffectual." (Code of Civil Procedure § 526(a)(3)). The Declaration of Kevin Murphy establishes that Nursery Products received shipments of sewage sludge and other materials and allowed them to be dumped at the composting facility on July 5, 2005, *after* the July 1, 2005 cut-off date. An injunction properly may issue here.

Furthermore, the Settlement Agreement itself expressly provides that if a party fails to perform any obligation under the agreement, the non-defaulting party may file suit seeking "injunctive relief to enforce the terms of this Settlement Agreement." (Ex. A, p. 7, ¶ III.L) (emphasis added).

In *Smith v. Mendonsa*, 108 Cal.App.2d 540 (1952), plaintiff and defendants owned adjacent real property. They entered into a written agreement in which defendants promised not to maintain on their property any trees exceeding 15 feet in height. Defendants breached the agreement and the trial court issued an injunction to enforce it. On appeal, defendants attacked the injunction, arguing that the balance of hardships tipped in favor of denying injunctive relief (108 Cal.App.2d 540, 543.) The Court of Appeal rejected this argument and affirmed the injunction. The appellate court expressly held that injunctive relief is appropriate to prevent the breach of a contract:

"We think that the trial court acted within its discretion in granting injunctive relief. These factors impel to that conclusion: The contract itself is very clear; the promise made is definite; the purpose is declared to be the prevention of the very damage which ensued when that promise was broken . . . It is not the business of courts, either of law or of equity, to remake contracts fairly entered into by persons who are capable of contracting. On the contrary, it is the duty of courts to encourage the keeping of agreements so made and to give adequate remedy for the breach thereof when it occurs. This is particularly true where the breach is deliberate and the wrong wilful."

Smith v. Mendonsa, 108 Cal.App.2d 540, 544 (1952).

Defendants Nursery Products and Jeff Meberg promised to stop receiving and processing bio-solids and other organic matter for composting on or before July 1, 2005. Defendants have failed to keep their promise, and they continue to violate the terms of the Settlement Agreement (See Declaration of Kevin Murphy at ¶ 8). Indeed, the General Manager of the Nursery Products facility, Christopher Seney, has flatly proclaimed his and his company's intention to continue receiving bio-solids and processing them *indefinitely*. (See Declaration of Kevin Murphy at ¶9). This Court should issue a preliminary injunction that *immediately* prohibits

defendants from receiving and processing further shipments of bio-solids and other organic material.

Defendants may seek to resist a preliminary injunction by relying on Code of Civil Procedure Section 526(b)(5), which provides that an injunction cannot be granted to "prevent the breach of a contract the performance of which would not be specifically enforced." There is no reason in law or logic why the Settlement Agreement here "would not be specifically enforced." Settlement agreements are routinely enforced by the courts. See, e.g., Weddington Productions, Inc. v. Flick, 60 Cal.App.4th 793 (1998); Corkland v. Boscoe, 156 Cal.App.3d 989, 992 (1984). This is particularly so here, where the specific performance sought is simply a prohibition on carrying on a certain business activity. The limitation on injunctive relief in Section 526(b)(5) simply does not apply here.

Plaintiffs respectfully submit that defendants' breach of the Settlement Agreement provides a separate and independent ground for this Court to issue a preliminary injunction requiring defendants Nursery Products and Meberg forthwith to cease receiving and processing shipments of bio-solids and other organic material for composting at the Adelanto site.

B. The Balance Of Hardships To The Parties Strongly Favors Granting The Injunction.

As noted above, the second part of the test for whether to issue a preliminary injunction is to balance the hardship to the plaintiff of not granting the requested injunction against the hardship to the defendants of granting the injunction. *Common Cause of California v. Bd. of Supervisors of Los Angeles County*, 49 Cal.3d 432, 441-42 (1989).

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1. The Harm To Plaintiffs Would Be Substantial If the Injunction Were Denied.

The multiple attached declarations of people who live and work in the City of Adelanto demonstrate the substantial hardship that the public will continue to endure if defendants Nursery Products and Meberg are not enjoined from continuing to receive and process composting materials. Defendants' composting operation has caused physical illness in children and adults alike and has seriously interfered with the normal daily activities of many Adelanto residents, and has substantially impaired the use and enjoyment of their property.

2. Defendants Will Not Suffer Any Appreciable Harm If the Injunction Is Granted.

"The hardship to defendant by the granting of the injunction must be greatly disproportionate to the hardship caused plaintiff . . . and this fact must clearly appear in the evidence and must be proved by the defendant." *Posey v. Leavitt*, 229 Cal.App.3d 1236, 1248 (1991).

Given the severe hardship plaintiffs will endure if injunctive relief is denied, defendants cannot meet their burden of showing that they will endure far greater hardship if an injunction issues. In fact, defendants will not suffer *any* appreciable hardship if a preliminary injunction issues: the requested injunction would prohibit defendants from continuing to engage in activities that they were *already legally required to discontinue under the Settlement Agreement*. A party cannot claim hardship in being required to refrain from taking actions in which the party has no legal right to engage in the first place.

Here, defendants here had no right to continue receiving and processing composting materials beyond July 1, 2005. Because the preliminary injunction

sought here will do nothing more than prohibit defendants from taking actions which they have already agreed in writing not to take, defendants certainly can claim no harm if the injunction is granted.

In summary, plaintiffs will suffer far greater harm if a preliminary injunction does not issue than defendants will suffer if the court issues a preliminary injunction. That relative harm, together with plaintiffs' strong likelihood of succeeding on the merits on both their first and second causes of action, presents a compelling case for this Court to grant a preliminary injunction requiring defendants immediately to stop receiving and processing composting materials.

III.

PLAINTIFFS ARE ALSO ENTITLED TO AN INJUNCTION REQUIRING DEFENDANTS TO CEASE OPERATIONS ALTOGETHER ON OR BEFORE SEPTEMBER 1, 2005.

The requirements of the Settlement Agreement are plain and unambiguous. There has been no suggestion that defendants did not understand their obligations. Indeed, just two weeks ago, Nursery Products stated, in writing, that it "intends to stop receiving waste and bio-solids at the Adelanto site on July 1, 2005 and will stop composting materials there on September 1, 2005." (Exhibit B).

The evidence, however, shows that defendants do not keep their promises.

Accordingly, neither plaintiffs nor this Court should have any confidence that defendants will voluntarily cease *all* of their composting operations on or before September 1, 2005. The preliminary injunction should also require defendants to comply with the term of the Settlement Agreement mandating that they permanently cease and desist from conducting composting activities at their Adelanto facility on or before September 1, 2005.

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IV.

CONCLUSION

For all of the foregoing reasons, the Court should issue a preliminary injunction enjoining and restraining defendants, during the pendency of this action, from:

- Receiving and processing green waste, bio-solids, or any other 1. organic material for composting at the real property located at 16284 Aster Road in the City of Adelanto; and
- 2. Operating a composting facility at the subject property on or after September 1, 2005.

DATED: July 8, 2005

Respectfully submitted,

MARGUERITE P. BATTERSBY CITY ATTORNEY CITY OF ADELANTO

RICHARDS, WATSON & GERSHON A Professional Corporation MITCHELL E. ABBOTT PETER PIERCE GINETTA L. GIOVINCO

Attorneys for Plaintiffs, People of the State of California and City of Adelanto

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DECLARATION OF KEVIN MURPHY

I, Kevin Murphy, hereby declare:

- 1. I am and all times material hereto have been the duly-appointed Senior Code Enforcement Officer for the City of Adelanto, plaintiff in the above-entitled action. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. As Senior Code Enforcement Officer for the City of Adelanto, my job responsibilities include monitoring and investigating complaints of nuisance and violations of the Adelanto Municipal Code, interfacing with the property owners or others responsible for the problems, issuing notices of violations, citations and, if necessary, overseeing the filing of legal proceedings in the San Bernardino County Superior Court to secure compliance.
- 3. I first inspected the Nursery Products composting facility sometime late in 2002 or early in 2003, in response to complaints I had received concerning odors and flies emanating from the facility. Since that time, I have received numerous complaints from residents and workers in the City of Adelanto concerning odors, flies, dust, and trash emanating from the Nursery Products facility. I have visited the Nursery Products facility in response to these complaints on more than 100 occasions, and on many of those occasions experienced a foul odor emanating from the facility.
- 4. On November 5, 2003, the City Council of the City of Adelanto conducted a special meeting and heard testimony from a number of residents and workers in the City concerning problems with the Nursery Products composting facility. At the conclusion of that lengthy special meeting, the City Council directed City staff to initiate code enforcement and nuisance abatement proceedings against Nursery Products.
 - 5. Shortly after this special City Council meeting, Nursery Products

filed a civil rights action against the City of Adelanto in federal court. *Nursery Products, LLC v. City of Adelanto*, U.S.D.C., C.D. Cal. Docket No. SACV 03-1622-GLT (ANx). After extensive depositions, document inspections, and other pre-trial activity, the City moved for summary judgment on August 31, 2005; the motion was granted by District Judge Gary L. Taylor on September 21, 2005, and judgment was entered by the court on October 8, 2005.

- 6. Nursery Products filed a notice of appeal from this judgment. While the appeal was pending before the Ninth Circuit Court of Appeals, the City and Nursery Products entered into a Settlement Agreement which basically provided that Nursery Products would cease composting operations at the subject property. A true and correct copy of the signed Settlement Agreement is attached hereto as Exhibit A and incorporated herein by this reference.
- 7. On June 21, 2005, the attorney for Nursery Products, David G. Hagopian, Esq., assured the City Attorney, in writing, that Nursery Products would abide by the Settlement Agreement and would stop receiving waste and bio-solids at the Adelanto facility on July 1, 2005. A true and correct copy of Mr. Hagopian's June 21, 2005, letter is attached hereto as Exhibit B and incorporated herein by this reference.
- 8. I visited the Nursery Products site on Tuesday, July 5, 2005 and observed operations from the public right-of-way adjacent to the facility. Notwithstanding the Settlement Agreement and Mr. Hagopian's assurances, at 11:16 a.m., I observed three semi-trucks and trailers hauling sewage sludge drive onto the Nursery Products property and unloading their cargo. After the sludge was dumped, the semi-trucks and trailers drove out of the facility. I then observed a loader "mixing" the sludge with other material. I have observed this process many times in the past.
- 9. After observing the trucks make their deliveries on July 5, I went onto the Nursery Products site and spoke to defendant, Chris Seney, known to me to be

the general manager of the composting facility. I asked Mr. Seney if Nursery
Products was still accepting shipments of bio-solids. Mr. Seney told me, "we are
operating like we always have, no change." Referring to Nursery Products'
President, Jeff Meberg, Mr. Seney then said, "Unless Jeff tells me otherwise"
Nursery Products will continue accepting shipments of bio-solids.

10. Based upon my observations on July 5, 2005, there has been no change in the operation of the Nursery Products composting facility.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed on July 2005.

DECLARATION OF MELVA DAVIS

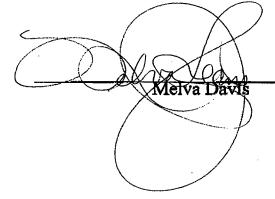
I, Melva Davis, hereby declare:

- 1. I was the Principal of Bradach Elementary School, located at 15550 Bellflower Street in the City of Adelanto, from 2001 until June 30, 2004. The Bradach School had an enrollment of approximately 950 students from pre-school through the eighth grade. From July 1, 2004 until the present I have been the Principal of Adelanto School, with an enrollment of approximately 600 students from kindergarten through the fifth grade. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. The Bradach School is located about two miles southeast of the Nursery Products composting facility at 16284 Aster Road.
- 3. In about the Spring of 2003, we began to notice on Monday mornings after returning to Bradach School from the weekend, a black mass of thousands of flies covering the exterior doors and windows of the school. The custodial staff would try to get rid of the flies by using spray bottles of Windex. We could not use chemical insect repellents because of the children.
- 4. The massive influx of flies required us to leave all doors closed and food covered in the cafeteria so that the food would remain edible for the children.
- 5. Also in about the Spring of 2003, I began to notice a foul stench wafting over the Bradach School. The stench was present on a daily basis until I left the school on June 30, 2004, although some days were worse than others. On some days, the stench was so foul that students playing outside complained of stomach aches and headaches, and experienced vomiting. On those days, the children were not able to do any kind of exercise outdoors.
- 6. School staff members also complained of experiencing the same symptoms while supervising the children during outdoor recess.

- 7. After I left Bradach School and become Principal at Adelanto School on July 1, 2004, I continued to notice the stench on a daily basis while at the school. The stench persists until this day. The Adelanto School is approximately one and a quarter to one and one-half miles from the Nursery Products facility.
- 8. I came to the conclusion that the foul odor was coming from the Nursery Products facility after I took a car ride in the Spring of 2003 and discovered that the odor became more and more intense the closer I got to the Nursery Products facility. The odor was so strong when the car approached the facility that I vomited.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.



DECLARATION OF DANIEL A. SARMIENTO

I, Daniel A. Sarmiento, hereby declare:

- 1. I am and at all times since 1993 have been a resident of the City of Adelanto. My home address is 17853 Stevens Street. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. My home is located approximately two miles from the Nursery Products composting facility at 16284 Aster Road. Since the Nursery Products facility began operating in 2003, my family and I have experienced extremely bad odors coming from the composting facility. Sometimes the foul odors start as early as 3:00 a.m. or 4:00 a.m. in the morning, and they are so bad that we must shut the windows in our home. The odors increase again in the late afternoon and evenings, and make it impossible to enjoy barbecues or other outside activities at our home.
- 3. My son, Daniel, is 12 years of age and participates in the Azteca Soccer Club, a youth soccer organization that practices at Richardson Park, near Adelanto City Hall. Since the composting facility began operations, my son has complained of burning eyes, difficulty breathing, and nausea from the odors in the air. Both my wife, Laura, and my son, Daniel, have experienced significantly increased problems with allergies which we attribute to the odors and air pollution caused by Nursery Products.
- 4. The Nursery Products facility has also caused a huge amount of flies which make it very unpleasant to go outside. The flies have been so thick that the screen doors at our home are "jet black." At one point, the flies and odors coming from the composting facility seemed to have reduced somewhat, but for the past month or so, these problems have been as bad as they ever were.
 - 5. The Nursery Products facility has been a problem for our family since

it opened. The odors and flies coming from the composting facility are just intolerable. My daughter, Ileana, 14 years of age, does not want to go outside of our home because of "the smell" from Nursery Products.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

Daniel A. Sarmiento

DECLARATION OF MARIARITA SANTIAGO

I, Mariarita Santiago, hereby declare:

- 1. I am and at all times since 1994 have been a resident of the City of Adelanto. My home address is 15324 Kearny Drive. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. My home is located approximately three miles from the Nursery Products composting facility at 16284 Aster Road. I live with my husband and three children.
- 3. Beginning in mid-2003, when I was in my yard, I began to experience a foul odor that resembled the smell of sewage. The odor was so pervasive that my family and I could no longer sit on the bench of our front porch, which we had done most evenings.
- 4. I have smelled the foul odor in my yard three or four days a week since it began in mid-2003. My family and I like to leave the windows open, but when the odor is present, we must close the windows and run the air conditioning. Before the odor started, we would leave the windows open at night so the house would cool.
- 5. My bank is very close to the location of the Nursery Products facility in Adelanto. When I go to the bank and exit my car, the stench is very strong, even stronger than that I experience at my house.
- 6. I am a school bus driver employed by the City of Adelanto. During my daily runs, I notice the foul odor when I am downwind of the Nursery Products facility no matter where I am located in relation to the facility.
- 7. Also beginning in about mid-2003, I noticed huge swarms of flies in my yard. The flies would rest on my plants and flowers immediately adjacent to my front door and my family and I would have to run into the house after opening

the door so the flies would not follow us inside. Unfortunately, we were not able to prevent all of the flies from entering, and many flies came into the house and we spent hours chasing them down and killing them. We would try to trap the flies between the windows and window screens so that we could minimize the use of insect spray within the house.

- 8. Often, during my bus runs to and from schools, many flies would enter the bus through the windows and some of the children were bothered by the presence of the flies.
- 9. After the flies began swarming at our house, I noticed they would land on the food we left outside for our dog. Our dog stopped eating the food and became very thin and sick. In addition, the flies would bite our dog. He died in October 2003.
- 10. When the odor is particularly strong, my sinuses flare up making it difficult to breathe through my nose. At times, the flare-up persists for two to three days. Also, the strong odor has given me severe headaches that I never experienced before the composting facility began operating. Sometimes, the headaches last for an entire day.
- 11. Overall, the stench has forced us to stay at home more when we used to participate in more recreational activities outside the house.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

Mariarita Santiago

DECLARATION OF ROBIN BRADSHAW

I, Robin Bradshaw, hereby declare:

- 1. I am and at all times since November 2000, have been Safety Director for CABO Yachts, Inc., a manufacturer of recreational fiberglass yachts located at 9780 Rancho Road in the City of Adelanto. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. CABO Yachts, Inc., conducts its manufacturing operations in six large buildings on a 10-acre campus, which is located approximately 1.5 miles from the Nursery Products composting facility at 16284 Aster Road. My job as Safety Director includes compliance with air and water permits, worker safety programs and procedures, and overall responsibility for facility maintenance. The Nursery Products composting facility has been a public nuisance due to extremely strong and unpleasant odors. The odors seem to be strongest in the early mornings and late afternoons, and on occasions when the wind blows from the southeast.
- 3. CABO Yachts, Inc., employs 530 people at the Adelanto plant. I have had many complaints from our workers regarding the odors from Nursery Products, which are sometimes extremely strong. I have had a number of conversations with the management of CABO Yachts, Inc., regarding the nuisance problems caused by Nursery Products' composting operation. In light of my experience and that of my company, it appears to me that because of the odors associated with the operation, and because of the close proximity of large numbers of workers and residents, this is a very unsuitable location for a composting facility.

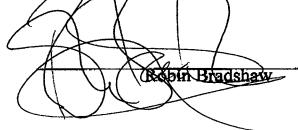
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Executed on June 30, 2005.



DECLARATION OF BRUCE W. FOWLER

I, Bruce W. Fowler, hereby declare:

- 1. At all times since 1988, my wife Erica and I have resided at 11255 Cactus Road, Adelanto, California. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. My home is located approximately 1.5 miles from the Nursery Products composting facility at 16284 Aster Road. Since Nursery Products began operating in 2003, we have experienced an extreme infestation of flies at our home. From the time the sun rises, the swarms of flies are so intense that my wife and I cannot enjoy the out-of-doors at our home. On one occasion, after spraying with a pesticide, my wife and I counted more than 1,000 dead flies on the floor of our porch. We have lived in our home for 17 years, and we never experienced a problem with flies until the composting operation began.
- 3. The odor coming from the composting facility is ugly. There is no other word to describe it. The odors are nauseating and make outdoor activities impossible. There is a public elementary school adjacent to my property, and I know that the students and teachers must be experiencing the same odors we do.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

Bruce W. Fowler

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DECLARATION OF BRENDA KNOX

I, Brenda Knox, hereby declare:

- I am and at all times since 2001 have been a resident of the City of Adelanto. My home address is 18287 Cherimoya Road. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- My home is located approximately three miles from the Nursery 2. Products composting facility at 16284 Aster Road. Since the composting operations began, there have been extremely bad odors early in the morning and in the evenings, especially when the weather is warm. There certainly was no odor before Nursery Products began operating in 2003. There has also been a huge number of flies and large amounts of dust. I cannot sit outside in the evenings at my home because of the odors and flies. I no longer hang laundry out to dry because of the dust in the air. These problems did not exist before the composting operation began. The odors and the dust have aggravated my asthma and breathing difficulties.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

Brenda Knox

DECLARATION OF GRACE RICE

I, Grace Rice, hereby declare:

- 1. I am and at all times since 1994 have been a resident of the City of Adelanto. My home address is 17919 Juniper Street, and I live with my husband. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. My home is located approximately 2.5 miles from the Nursery Products composting facility at 16284 Aster Road.
- 3. About two years ago, I started to notice a foul stench at my house. I have noticed the stench a few days a week for the last couple of years. Some days are worse than others. On the worst days, we cannot open our windows. On several occasions, the odor has been so foul that I got sick to my stomach. Before the odor began about two years ago, we frequently kept the windows in our house open.
- 4. About two years ago, I started to notice many flies around the outside of my house. I have noticed the flies daily since then and some days there are more flies than others. At times, some of them have gotten inside the house where my husband and I try to kill them.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

Trace Rice

DECLARATION OF JOHN L. YOUNG

I, John L. Young, hereby declare:

- 1. I am and at all times since 1982 have been a resident of the City of Adelanto. My home address is 11281 Holly Road. I have personal knowledge of the matters and facts set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. My home is located approximately one mile from the Nursery Products composting facility at 16284 Aster Road.
- 3. In early 2003, I was driving a tractor and noticed grading, and a lot of material being dumped at the Nursery Products facility. I noticed a foul stench coming from the facility.
- 4. Since early 2003, I have had problems with flies at my house. The flies are present every day, some worse than others. On some days, I have seen hundreds of flies at my house and if I open the door they will enter my home.
- 5. Three or four times a week for the last couple of years I have experienced a foul stench at my house when I am outside. This is the same stench I smelled in early 2003 when I passed by the Nursery Products facility. I keep the windows closed so the smell does not waft inside.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 30, 2005.

DECLARATION OF MITCHELL E. ABBOTT

I, Mitchell E. Abbott, declare:

- 1. I am an attorney duly admitted to practice before all courts of the State of California and am a member of the law firm of Richards, Watson & Gershon, with offices in Los Angeles, California. I am the member of that firm primarily responsible for the representation of plaintiffs in this nuisance abatement litigation. I have personal knowledge of the matters set forth herein and, if called as a witness, could and would testify competently thereto.
- 2. Attached hereto as Exhibit "A" is a true and correct copy of a Settlement Agreement executed on November 1, 2004 by and between the City of Adelanto, plaintiff herein, and Nursery Products, LLC and Jeffrey P. Meberg, defendants herein. The Settlement Agreement was executed for the purposes of avoiding the expense of an appeal following the entry of summary judgment in favor of the City of Adelanto in *Nursery Products, LLC v. City of Adelanto*, U.S.D.C., C.D. Cal. Docket No. SACV 03-1622-GLT (ANx).
- 3. Attached hereto as Exhibit "B" is a true and correct copy of a letter I received from David G. Hagopian, known to me to be counsel of record for defendants Nursery Products, LLC and Jeffrey P. Meberg, dated June 21, 2005. The letter was sent in response to a telephone call in which I asked Mr. Hagopian whether Nursery Products planned to comply with the terms of the Settlement Agreement.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on July 8, 2005.

Mitchell E. Abbott

SETTLEMENT AGREEMENT

I. PARTIES

The parties to this agreement are Nursery Products, LLC, a California limited liability company ("Nursery Products"), Jeff Meberg ("Meberg"), and the City of Adelanto ("City").

II. RECITALS

A. The Composting Facility

Nursery Products owns and operates a composting facility ("Composting Facility") located at 16284 Aster Road, in the City of Adelanto. This Composting Facility consists of approximately 40 acres of graded land, a trailer with offices, and various pieces of equipment. The Composting Facility receives and processes both "green waste" (grass clippings, wood chips, and similar materials) and biosolids (treated sewage). After approximately 60 days of processing at the Composting Facility, the finished material is sold as agricultural fertilizer.

B. The Existing Bio-Solids Agreement

Prior to commencing operations of the Composting Facility, Nursery Products and the City entered into an agreement under which Nursery Products agreed to accept for processing, process, and dispose of up to five thousand (5,000) tons per year of Class "B" bio-solids generated at the City's wastewater treatment plant, without cost to the City or its residents, for a period of fifty (50) years. Under the agreement the City is responsible for transporting bio-solids to the Composting Facility, and for paying the costs of transport.

C. The Application for an Expanded Permit

In 2003, Nursery Products applied to the California Integrated Waste Management Board ("CIWMB") for an expanded solid waste facilities permit that

would allow it to increase the amount of material composed annually by nearly 700%. The City expressed concerns to the CIWMB about expanding the capacity of the Composting Facility. The CIWMB has taken no action on the application for the expanded permit.

D. The Lawsuit

On November 17, 2003, Nursery Products and Meberg filed a lawsuit against the City in the United States District Court, Central District of California (Docket number SACV 03-1622-GLT (ANx)). The lawsuit alleged, in substance, that the City had violated the plaintiffs' due process rights, had impermissibly interfered with Nursery Products' business, and had caused harm to Nursery Products' and Meberg's reputations. Summary judgment in favor of the City was entered by the Court on October 8, 2004.

E. Attorney's Fees Motion

The City has advised Nursery Products and Meberg of the City's intention to bring a motion for an award of its reasonable attorney's fees incurred in defending the lawsuit, pursuant to 42 U.S.C. §1988. Nursery Products and Meberg dispute the City's entitlement to recover its attorney's fees. Additionally, the City on October 21, 2004, filed an application for an order taxing costs against Nursery Products and Meberg.

F. Settlement

The parties desire to avoid the risk and expense of further litigation and appeals, and desire fully and finally to resolve any and all claims by the City against Nursery Products and Meberg for the recovery of attorney's fees and costs, and to achieve certainty regarding the future operation of the Composting Facility and the disposal of sewage sludge generated at the City's wastewater treatment plant.

III. AGREEMENT

The parties agree as follows:

A. <u>Cessation of Operations at and Relocation of the Composting Facility</u>

- 1. Nursery Products and Meberg shall, on or before July 1, 2005, cease and desist from receiving and processing green waste, bio-solids, or any other organic material for composting at the Composting Facility located at 16284 Aster Road in the City of Adelanto.
- 2. Nursery Products and Meberg shall, on or before September 1, 2005, permanently cease and desist from conducting composting activities at 16284 Aster Road in the City of Adelanto.
- 3. Nursery Products and Meberg shall, on or before September 1, 2005, remove all green waste, bio-solids, or other composting material, including all finished compost material and related equipment, from the Composting Facility and shall clean and clear the site, *provided*, *however*, that finished compost material and fertilizer may be retained on the site in connection with the operation of a wholesale/retail commercial nursery business, subject to such conditions as may be imposed by the City.
- 4. Nursery Products and Meberg shall, use their best efforts to relocate the Composting Facility to a new site, located within or outside the City limits of the City of Adelanto, and to obtain all necessary permits therefor, on or before September 1, 2005.

B. Abandonment of Conditional Use Permit

The parties agree that the Conditional Use Permit approved by the Planning Commission on December 4, 2001 shall be deemed abandoned and shall have no further force and effect as of September 1, 2005, or upon such earlier date as composting activities cease at the Composting Facility site.

C. Amendment to Bio-Solids Agreement

Concurrently with the execution of this Settlement Agreement, the parties shall execute an Amendment to the existing Bio-Solids Agreement, in the form attached hereto as Exhibit A.

D. Change of Name or Corporate Entity

The parties anticipate that the new composting facility may be operated under a business name different from Nursery Products, or by a corporate entity different from Nursery Products. The parties hereby agree that this Settlement Agreement, and the Amendment to the existing Bio-Solids Agreement, shall apply to and be binding upon any corporate or other legal entity in which Nursery Products or Meberg has an ownership interest, and which is engaged in the composting business in the County of San Bernardino or at a location determined by the City to be within a reasonable distance for delivery of bio-solids generated at the City's wastewater treatment plant.

E. <u>Compliance Schedule: Fire Hydrants</u>

- 1. Nursery Products and Meberg shall submit to the City, on or before January 1, 2005, complete plans for installation of all fire hydrants required by the City's Fire Department for the Composting Facility.
- 2. Nursery Products and Meberg shall, on or before March 1, 2005, commence construction of water lines, fire hydrants, and other required fire suppression facilities in accordance with plans approved by the City of Adelanto.
- 3. Nursery Products and Meberg shall, on or before September 1, 2005, complete construction of water lines, fire hydrants, and other required fire suppression facilities in compliance with plans approved by the City of Adelanto.

F. Compliance Schedule: Street Lighting

- 1. Nursery Products and Meberg shall submit to the City, on or before January 1, 2005, complete plans for installation of all street lighting on Pansy Road as required for the Composting Facility.
- 2. Nursery Products and Meberg shall, on or before July 1, 2005, commence construction of street lighting on Pansy Road in accordance with plans approved by the City of Adelanto.
- 3. Nursery Products and Meberg shall, on or before September 1, 2005, complete construction of street lighting on Pansy Road in accordance with plans approved by the City of Adelanto.

G. Compliance Schedule: Landscaping

- 1. Nursery Products and Meberg shall submit to the City, on or before January 1, 2005, complete plans for landscaping the perimeter of the site, as required by the Mitigation Monitoring Plan approved by the Planning Commission on December 4, 2001.
- 2. Nursery Products and Meberg shall, on or before July 1, 2005, commence planting and landscaping on the perimeter of the site, in accordance with plans approved by the City of Adelanto.
- 3. Nursery Products and Meberg shall, on or before September 1, 2005, complete planting and landscaping on the perimeter of the site, in accordance with plans approved by the City of Adelanto.

H. Compliance Schedule: Paving of Aster Road

1. As of September 1, 2005, or upon such earlier date as composting activities cease at the Composting Facility site, the obligation of Nursery Products and Meberg to pave the entirety of Aster Road, as required by the Conditional Use Permit approved by the Planning Commission on December 4, 2001, shall be deemed vacated.

- 2. Nursery Products and Meberg understand and agree that a condition of issuance of a Certificate of Occupancy for any future use of the subject property shall be a requirement that all required dedications and improvements abutting rights-of-way for the site have been made to the ultimate right-of-way shown in the General Plan and as determined by the City Engineer, as provided in Adelanto Municipal Code Section 17.10.090, et seq. Specifically, Nursery Products and Meberg understand and agree that, as a condition of operating any business or commercial activity on the subject property, they will be required to construct and install curbs, gutters, sidewalks, street trees, traffic improvements and drainage on Aster Road, and to pave Aster Road to the center line, as provided in Adelanto Municipal Code Section 17.10.090(a)(1).
- 3. As a condition and term of this Settlement Agreement, the City, Nursery Products, and Meberg agree that in lieu of the required improvements, the City Council shall accept from Nursery Products and Meberg an agreement to make the specified improvements concurrently upon the development of the parcels of property located to the east of the subject property, and identified as Assessor's Parcel Nos. 3128-121-01, 3128-121-02, and 3128-121-03, but in any event not later than September 1, 2010, as provided in Adelanto Municipal Code Section 17.10.090(d)(1). The City, Nursery Products, and Meberg agree that the agreement to make the specified improvements shall be accompanied by security deposits, a corporate surety bond, or other security as authorized by the City Engineer, as provided in Adelanto Municipal Code Section 17.10.090(d)(2) and (3), and further that the security required shall be similar to that required of other owners of similar property.
- 4. Nursery Products and Meberg understand and agree that a condition of issuance of a Certificate of Occupancy for any future use of the subject property shall be a requirement that the primary vehicular entrance to the subject property shall be from Pansy Road, and that the primary vehicular entrance may not be from Aster Road unless and until Aster Road is fully paved and improved, between Holly Road and Pansy Road, as provided in Adelanto Municipal Code Section 17.10.090(a)(1).

I. Control of Odors, Vectors, Trash, and Dust

The parties agree that until composting activities at the Composting Facility cease, Nursery Products and Meberg shall use best efforts to eliminate or minimize offensive odors, vectors, trash, and dust emanating from the site. Specifically, Nursery Products and Meberg agree to refrain from accepting delivery of green waste or of any other materials known to aggravate problems of offensive odors, vectors, trash and dust emanating from the Composting Facility site.

J. Release of City's Claims for Attorney's Fees and Costs

In consideration of the agreements and undertakings set forth herein, City hereby releases Nursery Products and Meberg of and from any and all liability for payment of taxable costs and attorney's fees incurred in defending the lawsuit, pursuant to 42 U.S.C. §1988.

K. Abandonment of Plaintiffs' Right to Appeal from Judgment

In consideration of the agreements and undertakings set forth herein, Nursery Products and Meberg hereby abandon and relinquish any rights they may have to appeal from the judgment entered against them on October 8, 2004.

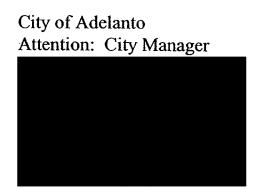
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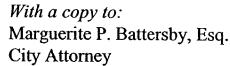
If any party fails to perform any obligation under this Settlement Agreement, the non-defaulting party may institute legal proceedings seeking a decree of specific performance or injunctive relief to enforce the terms of this Settlement Agreement. If an action is brought to enforce or interpret provisions of this Settlement Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled.

M. Notices

Any notice or communication required under this Settlement Agreement shall be in writing, and shall be delivered personally, by facsimile (with original forwarded by United States Mail), or by Federal Express or other similar courier promising overnight delivery. Notice shall be deemed to have been duly given and received: (a) when delivered, if personally delivered to the recipient; (b) when fully transmitted to the recipient's facsimile device, if sent by facsimile during normal business hours, provided such device is capable of generating a written confirmation of such transmission and receipt and provided further that an original is deposited in first-class mail within two business days thereafter; or (c) on the first business day following delivery to an overnight delivery service, provided delivery is confirmed by the delivery service. Any party hereto may at any time, by giving three days' written notice to the other party, designate a new address and/or facsimile number for notices and communications pursuant to this Settlement Agreement.

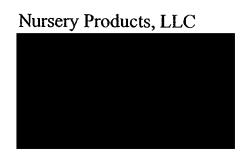
If to the City:



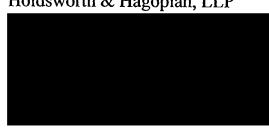




If to Nursery Products:

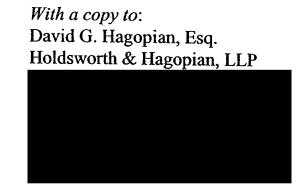


With a copy to:
David G. Hagopian, Esq.
Holdsworth & Hagopian, LLP



If to Jeff Meberg:





N. Warranty of Capacity to Execute Agreement

Each party represents and warrants that the individuals executing this Settlement Agreement on each party's behalf possess full authority to execute this agreement and to settle and compromise all claims settled and compromised by this agreement.

O. Entire Agreement, Amendments, and Successors in Interest

This Settlement Agreement contains the entire agreement of the parties and supersedes any and all prior or contemporaneous understandings, negotiations, representations, promises, and agreements, oral or written, by or between the parties with respect to the matters set forth in this Settlement Agreement. This Settlement Agreement shall not be amended, modified, or otherwise changed except by a writing duly signed by authorized representatives of Nursery Products, Meberg, and the City. This Settlement Agreement shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each of the parties.

P. Legal Advice

In entering into this Settlement Agreement, each party has had the opportunity to consult with and rely upon the advice of the attorneys of their own choice. Each party represents and warrants that the terms of this Settlement Agreement have been completely read by and explained to them by their attorneys,

and that those terms are fully understood and voluntarily accepted by them.

Q. Severability

If any portion, provision, or part of this Settlement Agreement is held, determined, or adjudicated to be invalid, unenforceable, or void for any reason whatsoever, each such portion, provision, or part shall be severed from the remaining portions, provisions, or parts of this Settlement Agreement, and shall not effect the validity or enforceability of such remaining portions, provisions, or parts.

R. Governing Law

This Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of California.

S. <u>Execution of Counterparts</u>

This Settlement Agreement shall become effective upon execution by all parties. This agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute one and the same document.

[Agreement continues next page]

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement as of November 1, 2004.

CITY OF ADELANTO

By: Mayor
NURSERY PRODUCTS, LLC
By:
By:Secretary
JEFF MEBERG
By:

[Signatures continue next page]

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement as of November 1, 2004.

CITY OF ADELANTO

ATTEST:	Ву:	
	Mayor	
City Clerk	·	

NURSERY PRODUCTS, LLC

By:

JeffMeberg

Bv.

Secretary

JEFF MEBERG

Bv

Jeff Meber

[Signatures continue next page]

APPROVED AS TO FORM AND CONTENT:

HOLDSWORTH & HAGOPIAN, LLP DAVID G. HAGOPIAN

By David G. Hagopian

Attorneys for Plaintiffs, Nursery Products, LLC and Jeff Meberg

MARGUERITE P. BATTERSBY CITY ATTORNEY CITY OF ADELANTO

RICHARDS, WATSON & GERSHON A Professional Corporation MITCHELL E. ABBOTT PATRICK K. BOBKO GINETTA L. GIOVINCO

By Mitchell E. Abbott
Attorneys for Defendant,

City of Adelanto

AMENDMENT TO BIO-SOLID WASTE DISPOSAL AGREEMENT

TPS NURSERY PRODUCTS, NURSERY PRODUCTS, LLC, JEFF MEBERG, and the CITY OF ADELANTO hereby amend the "Bio-Solid Waste Disposal Agreement" dated as of June 26, 2001 between TPS NURSERY PRODUCTS and the CITY OF ADELANTO, as follows:

- 1. All references to TPS Nursery Products in the "Bio-Solid Waste Disposal Agreement" shall be deemed references to Nursery Products, LLC.
- 2. Paragraph 2 of the "Bio-Solid Waste Disposal Agreement" shall be amended to read: "Commencing November 1, 2004 and continuing for forty-eight (48) years thereafter, TPS Nursery Products or Nursery Products, LLC will accept for processing, process and dispose of Class 'B' bio-solids generated by or within the City of Adelanto, not to exceed five thousand (5,000) tons per year without cost to CITY or its residents."
- 3. A new Paragraph 17 is added to the "Bio-Solid Waste Disposal Agreement" to read: "It is hereby agreed that this 'Bio-Solid Waste Disposal Agreement' and the 'Amendment to Bio-Solid Waste Disposal Agreement' shall apply to and be binding upon any corporate or other legal entity in which TPS Nursery Products, Nursery Products, LLC, or Jeff Meberg has an ownership interest, and which is engaged in the composting business in the County of San Bernardino or at a location determined by the City to be within a reasonable distance for delivery of bio-solids generated at the City's wastewater treatment plant."

In all other respects, the "Bio-Solid Waste Disposal Agreement," as amended, remains in full force and effect.

Dated:	November 1, 2004	
ATTEST:		CITY OF ADELANTO
City Clerk		Mayor
		TPS NURSERY PRODUCTS
		By
		NURSERY PRODUCTS, LLC
,		By:
	•	By:Secretary
		Jeff Meberg

In all other respects, the "Bio-Solid Waste Disposal Agreement," as amended, remains in full force and effect.

Dated: November 1, 2004	
ATTEST:	CITY OF ADELANTO
City Clerk	By:Mayor
	TPS NURSERY PRODUCTS
	By Jeff Meberg
	NURSERY PRODUCTS, LLC
	By:
	By:Secretary
	Jeff Meberg

In all other respects, the "Bio-Solid Waste Disposal Agreement," as amended, remains in full force and effect.

November 1, 2004

ATTEST:	CITY OF ADELANTO
City Clerk	By: Mayor

TPS NURSERY PRODUCTS

Jeff Meberg

NURSERY PRODUCTS, LLC

By: /////

Jeff Meberg President

By:__/////_

leff Meberg

Dated:

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HOLDSWORTH & HAGOPIAN

David G. Hogoplan block 714.384.4122 Canib dhagoplanobhlawfirm.com

June 21, 2005

Via Facsimile

Mitchell E. Abbott, Esq. Richards Watson Gershon

Re: , Nursery Products, LLC, et al. v. City of Adelanto, et al.

Dear Mr. Abbott:

This letter responds to our conversation last week, at which time you inquired as to the plans of Nursery Products to cease receiving waste and cease its composting operations at its Adelanto site. Nursery Products intends to stop receiving waste and bio-solids at the Adelanto site on July 1, 2005 and will stop composting materials there on September 1, 2005.

Very truly yours,

David G. Hagopian

DGH/bh

Holdsworth & Hagopian, A Professional Corporation

nursery/adelanto/com/abbott-12.

PROOF OF SERVICE

(Code of Civil Procedure, § 1011)

I am an employee of First Legal Support Services and over the age of eighteen years, and not a party to the within action; my business address is First Legal Support Services, 1511 West Beverly Boulevard, Los Angeles, California 90026.

On July 12, 2005, I served the following document(s):

NOTICE OF MOTION AND MOTION FOR PRELIMINARY INJUNCTION; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATIONS OF KEVIN MURPHY, MELVA DAVIS, DANIEL A. SARMIENTO, MARIARITA SANTIAGO, ROBIN BRADSHAW, BRUCE W. FOWLER, BRENDA KNOX, GRACE RICE, JOHN L. YOUNG, AND MITCHELL E. ABBOTT IN SUPPORT THEREOF

by personally delivering the document(s) to the person(s) at the address(es) set forth below:

David G. Hagopian, Esq. Holdsworth & Hagopian A Professional Corporation

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on July 12, 2005.

Me han Legraz

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