1 KAMALA D. HARRIS 2014 JUN 26 P 1:56 Attorney General of California 2 TRACY L. WINSOR Supervising Deputy Attorney General 3 RUSSELL B. HILDRETH Deputy Attorney General 4 State Bar No. 166167 1300 I Street, Suite 125 5 P.O. Box 944255 Sacramento, CA 94244-2550 Telephone: (916) 327-7853 6 Fax: (916) 327-2319 7 E-mail: Russell.Hildreth@doj.ca.gov Attorneys for Plaintiff People of the State of 8 California ex rel. State Air Resources Board 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 11 COUNTY OF SOLANO 12 13 14 PEOPLE OF THE STATE OF CALIFORNIA EX Case No. FCS041014 15 REL. STATE AIR RESOURCES BOARD, STIPULATED SETTLEMENT and 16 Plaintiffs. ORDER 17 18 MV Transportation, Inc., Vallejo Judge: Hon. Harry S. Kinnicutt 19 CITIZENS TRANSIT CO., AND DOES 1-50, ET Trial Date: November 3, 2014 Action Filed: January 7, 2013 AL., 20 Defendants 21 22 23 24 This Stipulated Settlement (Stipulated Settlement) is entered into by and between plaintiff People of the State of California ex rel. State Air Resources Board (Air Resources Board), and 25 26 defendant Vallejo Citizens Transit Co. (Vallejo Transit). After mediation and arm's length negotiations, the Air Resources Board and Vallejo Transit 27 have reached and entered into a settlement agreement by way of this Stipulated Settlement in a 28

good faith effort to avoid the uncertainty and expense of protracted litigation. The Air Resources Board believes that this settlement is in the best interests of the people of the State of California.

THEREFORE, the Air Resources Board and Vallejo Transit stipulate as follows:

## 1. Jurisdiction

This Court has jurisdiction over the subject matter of this action and the parties to this Stipulated Settlement.

# 2. No Admission of Liability

Vallejo Transit expressly denies any fault or liability for any and all claims set forth in the Complaint or all Amended Complaints filed in this matter (collectively, the Action). The parties expressly acknowledge that this Stipulated Settlement is the compromise of disputed civil claims and that there was no adjudication on the merits. Nothing contained herein shall be deemed as an admission by any party of any liability of any kind to any other party, all such liability being expressly denied.

## 3. Payment

Vallejo Transit shall pay the amount of \$387,750.00 as follows:

\$290,000.00 to the Air Pollution Control Fund of the California State Air Resources Board, taxpayer ID number 68-0288069; and

\$97,750.00 to the San Joaquin Valley Air Pollution Control District, taxpayer ID number 77-0262563 for the School Bus and Diesel Emission Reduction Supplemental Environmental Project.

Payment shall be by certified or cashier's checks, delivered to Deputy Attorney General Russell Hildreth, California Attorney General's Office, 1300 I Street, Sacramento, CA 95814, within ten (10) business days of the Court's entry of this Order.

#### 4. Release

Effective upon receipt of payments pursuant to paragraph 3, above, the Air Resources Board shall and does release, discharge and covenant not to sue or to take administrative action against Vallejo Transit, its predecessors-in-interest, successors and assigns, its past and present parents, subsidiaries, and affiliated entities, and its past, present, and future officers, directors,

- |

shareholders, employees, and agents (collectively, "Released Parties") for Matters Covered. "Matters Covered" are all claims and causes of action which were asserted in the Complaint and any Amended Complaint in this Action, including any and all actions, causes of action, claims, demands, orders (including any administrative orders), requirements, liability, damages, penalties, debts, losses, costs, expenses and fees (including attorney, expert and consultant fees and litigation costs), of every kind and nature whatsoever, in law and in equity, past, present or future, which arise out of or are related to Vallejo Transit's operation of the transit bus system for the City of Vallejo or the Action. This release and covenant not to sue shall not act to release from liability any person or entity not described above.

# 5. Dismissal of the Entire Action with Prejudice

Conditioned on, and within 5 business days of, receipt of payment in paragraph 3, above, the Air Resources Board will file a dismissal with prejudice of the entire Action.

# 6. Scope of Stipulated Settlement

This Stipulated Settlement is made and entered into by and on behalf of the People of the State of California ex rel. State Air Resources Board only. Except as expressly provided in this Stipulated Settlement, nothing in this Stipulated Settlement is intended or shall be construed to preclude the Attorney General from exercising his or her authority as an independent Constitutional officer under any law, statute, or regulation. Except as expressly provided in this Stipulated Settlement, nothing in this Stipulated Settlement is intended or shall be construed to preclude any state, local, or federal agency, board, department, office, commission, or entity from exercising its authority under any law, statute, regulation, or ordinance.

# 7. <u>Interpretation</u>

This Stipulated Settlement shall be deemed to have been drafted equally by the parties, and shall not be interpreted for or against either party on the ground that any such party drafted it. This Stipulated Settlement shall be governed by and construed in accordance with the laws of the State of California.

///

///

## 8. Integration

1

2

3

4

5

6

7

10

11

12

13

14

15

16

17

18

19

20

21

22.

23

24

25

27

This Stipulated Settlement contains all of the terms and conditions agreed upon by the parties relating to the matters covered by this Stipulated Settlement, and supersedes any and all prior and contemporaneous agreements, negotiations, correspondence, understandings, and communications of the parties, whether oral or written, respecting the matters covered by this Stipulated Settlement. This Stipulated Settlement may be amended or modified only by a writing signed by the parties or their authorized representatives, and then by order of the Court.

## 9. Knowing, Voluntary Agreement

Each party to this Stipulated Settlement acknowledges that it has been represented by legal counsel, and that each party has reviewed, and has had the benefit of legal counsel's advice concerning, all of the terms and conditions of this Stipulated Settlement.

## 10. Authority to Execute

Each party to this Stipulated Settlement represents and warrants that the person who has signed this Stipulated Settlement on its behalf is duly authorized to enter into this Stipulated Settlement, and to bind that party to the terms and conditions of this Stipulated Settlement.

#### 11. Counterparts

This Stipulated Settlement may be executed by the parties in counterpart originals with the same force and effect as if fully and simultaneously executed as a single, original document.

#### 12. Effective Date

The effective date of this Stipulated Settlement shall be the date that it is signed by the Judge of the Superior Court.

#### 13. No Third Party Benefits

This Stipulated Settlement is made for the sole benefit of the parties and Released Parties, and no other person or entity shall have any rights or remedies under or by reason of this Stipulated Settlement, unless otherwise expressly provided for herein.

26 | ///

///

///

28 | .

## 1 14. Retention of Jurisdiction 2 The parties agree that, pursuant to section 664.6 of the California Code of Civil Procedure. the Solano County Superior Court shall retain jurisdiction over all parties to enforce the terms of 4 this Stipulated Settlement until its terms are performed in full. 5 6 Dated: 6/13/14 7 Title: Vice President 8 Vallejo Citizens Transit Co. 9 10 Dated: Richard W. Corey 11 Executive Officer State Air Resources Board 12 13 Approved as to form: 14 Dated: 6/17/14 15 Dale C. Campbell 16 WEINTRAUB TOBIN CHEDIAK 17 COLEMAN GRODIN Law Corporation Counsel for Vallejo Citizens Transit Co. 18 19 Dated: Russell B. Hildreth 20 Deputy Attorney General 21 Attorneys for People of the State of California ex rel. State Air Resources 22 Board 23 IT IS SO ORDERED: 24 25 Dated: 26 Hon. Harry S. Kinnicutt Judge of the Superior Court 27 Solano County 28

5

#### 14. Retention of Jurisdiction 1 2 The parties agree that, pursuant to section 664.6 of the California Code of Civil Procedure, the Solano County Superior Court shall retain jurisdiction over all parties to enforce the terms of 3 this Stipulated Settlement until its terms are performed in full. 4 5 6 Dated: By: Title: 8 Vallejo Citizens Transit Co. 9 Dated: 6/12/2014 10 Richard W. Corey 11 **Executive Officer** State Air Resources Board 12 Approved as to form: 13 14 15 Dated: Dale C. Campbell 16 WEINTRAUB TOBIN CHEDIAK 1.7 **COLEMAN GRODIN Law Corporation** Counsel for Vallejo Citizens Transit Co. 18 19 Dated: JUNE 19, 2014 Russell B. Hildreth 20 Deputy Attorney General 21 Attorneys for People of the State of California ex rel. State Air Resources 22 Board 23 IT IS SO ORDERED: 24 25 JUN 23 2014 HARRY S. KINNICUTT Dated: 26 Hon. Harry S. Kinnicutt Judge of the Superior Court 27 Solano County 28