

CHECKED CLERK: *RJA*

Approved as to Form

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5/13/21

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FILED
SUPERIOR COURT
Brandon E. Riley, Clerk

Rita Gomez
December 14, 2020

10 *Attorneys for Plaintiff,*
11 *The People of the State of California*

\$435,00 - 606122

12 SUPERIOR COURT OF CALIFORNIA

13 COUNTY OF SAN JOAQUIN

14 THE PEOPLE OF THE STATE OF
15 CALIFORNIA,

Case No. STK-CV-UBT-2020-0010309

16 Plaintiff,

STIPULATION FOR ENTRY OF FINAL
JUDGMENT AND PERMANENT
INJUNCTION, AND ORDER

17 v.

18 UNIFIED GROCERS, INC. a California
19 corporation;

Exempt from fees per Gov. Code, § 6103

20 Defendant.

21 Plaintiff, THE PEOPLE OF THE STATE OF CALIFORNIA, generally appearing
22 through its attorneys, Tori Verber Salazar, District Attorney of San Joaquin County; Jackie
23 Lacey, District Attorney of Los Angeles County; Todd Spitzer, District Attorney of Orange
24 County; Michael A. Hestrin, District Attorney of Riverside County; and Jeff W. Reisig, District
25 Attorney of Yolo County (collectively, "the People") and Defendant UNIFIED GROCERS, INC.,
26 a California corporation ("Defendant"), generally appearing through its attorney, Michael J. Steel,
27 hereby stipulate and agree as follows:

28 1. This Court may enter this Stipulation for Entry of Final Judgment and Permanent
Injunction ("Final Judgment") before the taking of any proof and without trial or adjudication of
any fact or law;

2. This Court has subject matter jurisdiction over the matters alleged in this action
and personal jurisdiction over the parties to this Final Judgment;

DEC - 9 2020

1 3. This Final Judgment is a fair and reasonable resolution of the matters alleged in
2 the People's Complaint;

3 4. Entry of this Final Judgment is not an admission or denial by Defendant regarding
4 any issue of law or fact in the above-captioned matter or any violation of any law;

5 5. This Final Judgment shall be binding upon the People and upon the Defendant
6 with respect to its Facilities (as defined below). This Final Judgment shall in no way bind, or be
7 interpreted to bind, Defendant or any of its subsidiaries, affiliates or sister companies, except as
8 otherwise provided herein pursuant to the terms set forth in Paragraph 4.1; and

9 6. The People and Defendant (collectively, "the Parties") waive any right to set aside
10 the Final Judgment through any collateral attack, and further waive their right to appeal from the
11 Final Judgment.

12 NOW THEREFORE, the People and Defendant having requested this Court enter this
13 Final Judgment, and the Court having considered the Final Judgment reached between the Parties,
14 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED as follows:

15 **1. JURISDICTION**

16 This Court has subject matter jurisdiction over the matters alleged in this action and
17 personal jurisdiction over the Parties to this Final Judgment.

18 **2. SETTLEMENT OF DISPUTED CLAIMS**

19 This Final Judgment is a fair and reasonable resolution of the Covered Matters (as defined
20 in Paragraph 6 below), and is in the best interest of the public.

21 **3. DEFINITIONS**

22 Except where otherwise expressly defined in this Final Judgment, all terms shall be
23 interpreted consistent with Health and Safety Code section 25100 *et seq.* (Hazardous Waste
24 Control Law), section 25270 *et seq.* (Aboveground Petroleum Storage Act), section 25280 *et seq.*
25 (Underground Storage of Hazardous Substances Law), section 117600 *et seq.* (Medical Waste
26 Management Act), and the regulations promulgated under these sections.

27 "Certified Unified Program Agency" or "CUPA" is defined in Health and Safety Code
28 sections 25123.7, subdivision (b), 25270.2, subdivision (c)(1), and 25281, subdivision (d)(1), and

1 means the agency that, pursuant to Chapter 6.11 of Division 20 of the Health and Safety Code,
2 and Title 27 of the California Code of Regulations, is certified by the California Environmental
3 Protection Agency with the jurisdictional responsibility and authority to implement and enforce
4 certain state environmental program requirements specified in Health and Safety Code section
5 25404, subdivision (c)(1).

6 "Effective Date" means the date upon which Defendant receives notice of the Court's
7 entry of this Final Judgment.

8 "Facilities" means the facilities currently owned and operated by Defendant which are
9 located at 1990 Piccoli Road, Stockton, California and 5200 Sheila Street, Commerce, California.

10 "Participating Agency" means an agency that has been designated by the CUPA to
11 administer one or more state environmental programs on behalf of the CUPA.

12 4. INJUNCTIVE RELIEF

13 4.1 Applicability

14 The provisions of this injunction are applicable to Defendant and its respective successor
15 corporations or assignees, and all persons, partnerships, corporations, and other entities that have
16 Direct Operational Control over Defendant's hazardous waste management program and that are
17 subject to the jurisdiction of the courts in the State of California, acting under, on behalf of, or at
18 the direction of Defendant, or its respective successor corporations or assigns, with notice of this
19 injunction. "Direct Operational Control" shall be interpreted to mean any person, partnership,
20 corporation, or other entity that actively participates in the operation of hazardous waste and/or
21 hazardous materials management programs for the Facilities.

22 4.2 General Injunctive Provision

23 Pursuant to the provisions of Health and Safety Code sections 25181, 25270.12, 25299.01,
24 118325, and Business and Professions Code section 17203, Defendant is permanently enjoined
25 from violating Chapters 6.5, 6.67, 6.7 of Division 20 and section 117600 *et seq.* of the Health and
26 Safety Code and the regulations promulgated under these chapters. Notwithstanding any other
27 provision in this Final Judgment, nothing in this Final Judgment shall relieve Defendant from
28 prospectively complying with any and all applicable laws and regulations.

1 **4.3 Specific Injunctive Provisions**

2 Pursuant to Health and Safety Code sections 25181, 118325, 25270.12, 25299.01, and
3 Business and Professions Code section 17203, Defendant is enjoined, restrained, and prohibited
4 from doing any of the following:

5 4.3.a Disposing, or causing the disposal of, any hazardous waste at a point not authorized
6 by law, to the extent required by Health & Safety Code sections 25189 and 25189.2, including,
7 without limitation, to any front-loader dumpster, trash compactor, dumpster, roll-off bin, drain,
8 sink, or toilet at any of the Facilities, or onto the surface or subsurface of the ground at any
9 unauthorized location in California, or at a landfill or transfer station in California not authorized
10 to receive hazardous waste.

11 4.3.b Transporting, or causing to be transported, any hazardous waste to an unauthorized
12 location in California, to the extent required by Health and Safety Code section 25189.5.

13 4.3.c Transporting, transferring custody of, or causing to be transported in California
14 hazardous waste using a transporter that was not registered to transport hazardous waste, to the
15 extent by Health and Safety Code section 25163.

16 4.3.d Transporting hazardous waste without a Uniform Hazardous Waste Manifest, to the
17 extent required by Health and Safety Code section 25160, subdivision (d).

18 4.3.e Failing to determine, at each Facility, whether each item of waste generated is a
19 "hazardous waste," including items returned by customers to the Facilities and wastes generated
20 at the Facilities, and to retain all test results, waste analyses, or other determinations for three (3)
21 years, to the extent required by California Code of Regulations, title 22, sections 66262.11 and
22 66262.40, subdivision (c).

23 4.3.f Failing to amend a Contingency Plan, as defined in California Code of Regulations,
24 title 22, sections 66265.50-56, to the extent required by California Code of Regulations, title 22,
25 section 66265.54. Failing to train facility personnel within six (6) months after their date of
26 employment or assignment to a Facility, or to a new position, to the extent required by California
27 Code of Regulations, title 22, section 66265.16, subdivision (b).

28

1 4.3.g Failing to train facility personnel in an annual review, to the extent required by
2 California Code of Regulations, title 22, section 66265.16, subdivision (c).

3 4.3.h Failing to maintain hazardous waste management training documents and records at
4 the Facilities, to the extent required by California Code of Regulations, title 22, section 66265.16,
5 subdivisions (d).

6 4.3.i Failing to prepare and maintain copies of hazardous waste manifests for three (3)
7 years to the extent required by California Code of Regulations, title 22, section 66262.40, *et seq.*
8 As used in this paragraph "manifest" means a shipping document originated and signed by a
9 generator of hazardous waste that contains all of the information required by law and that
10 complies with all applicable federal and state regulations, and includes, but is not limited to,
11 receipts.

12 4.3.j Failing to contact the transporter and/or the owner or operator of the designated
13 facility that was to receive hazardous waste from Defendant, to determine the status of the
14 hazardous waste, in the event of non-receipt of a copy of the manifest with the handwritten
15 signature of the owner or operator of the designated facility within thirty-five (35) days of the
16 date the waste was accepted by the initial transporter, to the extent required by California Code of
17 Regulations, title 22, section 66262.42, subdivision (a).

18 4.3.k Failing to submit an Exception Report to the California Department of Toxic
19 Substances Control ("DTSC") after the generator did not receive a copy of the manifest with the
20 handwritten signature of the owner or operator of the designated facility which was to receive the
21 hazardous waste within forty-five (45) days of the date the waste was accepted by the initial
22 transporter at the Facilities, to the extent required by California Code of Regulations, title 22,
23 section 66262.42, subdivision (b).

24 4.3.l Failing to maintain a log for daily tank inspections, to the extent required by
25 California Code of Regulations, title 22, section 66265.195, subdivision (c).

26 4.3.m Failing to comply with new hazardous waste tank system assessment requirements,
27 to the extent required by California Code of Regulations, title 22, section 66265.192.
28

1 4.3.n Failing to maintain or operate the Facilities in a manner to minimize the possibility
2 of a fire, explosion, or any unplanned release of hazardous waste to air, soil, or surface water that
3 could threaten human health or the environment, to the extent required by California Code of
4 Regulations, title 22, section 66265.31 and Title 40 of Code of Federal Regulations, section
5 265.31.

6 4.3.o Failing to test and maintain all Facility communications or alarm systems, fire
7 protection equipment, spill control equipment, and decontamination equipment to assure its
8 proper operation in time of emergency, to the extent required by California Code of Regulations,
9 title 22, section 66565.33.

10 4.3.p Failing to store hazardous waste in a container that is in good condition at the
11 Facilities, to the extent required by California Code of Regulations, title 22, section 66265.171.

12 4.3.q Failing to keep containers of hazardous waste closed and/or sealed at the Facilities,
13 except when removing or adding hazardous waste, to the extent required by California Code of
14 Regulations, title 22, section 66265.173.

15 4.3.r Failing to properly manage, identify the date of accumulation, or label containers of
16 hazardous waste at the Facilities, to the extent required by California Code of Regulations, title
17 22, section 66262.34, subdivision (f).

18 4.3.s Failing to complete a Spill Prevention, Control, and Countermeasure Plan ("SPCC
19 Plan") certification by a licensed Professional Engineer in accordance with Title 40 of the Code
20 of Federal Regulations, section 112.3, subdivision (d), to the extent required by Health and Safety
21 Code section 25270.4.5.

22 4.3.t Failing to amend the SPCC Plan to the extent required by Title 40 of the Code of
23 Federal Regulations, section 112.5, subdivision (a), to the extent required by Health and Safety
24 Code section 25270.4.5.

25 4.3.u Failing to prepare and maintain the SPCC Plan to the extent required by Health and
26 Safety Code section 25270.4.5.

27 4.3.v Failing to have the full approval of management to commit the necessary resources
28 to fully implement the SPCC Plan in accordance with Title 40 of the Code of Federal

1 Regulations, section 112.7, to the extent required by Health and Safety Code section 25270.4.5.

2 4.3.w Failing to include in the SPCC Plan, the physical layout of the Facility and a
3 Facility diagram including all required information in accordance with Title 40 of the Code of
4 Federal Regulations, section 112.7, subdivision (a)(3), to the extent required by Health and Safety
5 Code section 25270.4.5.

6 4.3.x Failing to provide in the SPCC Plan, appropriate secondary containment,
7 diversionary structures, or equipment at the Facilities to prevent a discharge in accordance with
8 Title 40 of the Code of Federal Regulations, section 112.7, subdivision (c), to the extent required
9 by Health and Safety Code section 25270.4.5.

10 4.3.y Failing to conduct inspections for all Aboveground Petroleum Storage Act regulated
11 containers and maintain records for three (3) years at the Facilities pursuant to Title 40 of the
12 Code of Federal Regulations, section 112.7, subdivision (e), to the extent required by Health and
13 Safety Code section 25270.4.5.

14 4.3.z Failing to designate and train oil-handling personnel on discharge prevention
15 procedures and to conduct discharge prevention briefings at least once a year at the Facilities in
16 accordance with Title 40 of the Code of Federal Regulations, section 112.7, subdivision (f), to the
17 extent required by Health and Safety Code section 25270.4.5.

18 4.3.aa Failing to position or locate mobile or portable oil storage containers to prevent a
19 discharge in accordance with Title 40 of the Code of Federal Regulations, section 112.8,
20 subdivision (c)(11), to the extent required by Health and Safety Code section 25270.4.5.

21 4.3.bb Failing to provide and maintain adequate secondary containment and ensure that
22 diked areas are sufficiently impervious to contain discharged oil at the Facilities pursuant to Title
23 40 of the Code of Federal Regulations, section 112.8, subdivision (c)(2), to the extent required by
24 Health and Safety Code section 25270.4.5.

25 4.3.cc Failing to test or inspect each aboveground container for integrity by qualified
26 personnel, which takes into account container size, configuration, and design pursuant to Title 40
27 of the Code of Federal Regulations, section 112.8, subdivision (c)(6), to the extent required by
28 Health and Safety Code section 25270.4.5.

1 4.3.dd Failing to provide each container with a high level monitoring device to the extent
2 required by Title 40 of the Code of Federal Regulations, section 112.8, subdivision (c)(8)(i-iv), to
3 the extent required by Health and Safety Code section 25270.4.5.

4 4.3. ee Failing to regularly test liquid level sensing devices to ensure proper operation
5 pursuant to Title 40 of the Code of Federal Regulations, section 112.8, subdivision (c)(8)(v), to
6 the extent required by Health and Safety Code section 25270.4.5.

7 4.3. ff Failing to regularly inspect aboveground valves, piping, and appurtenances pursuant
8 to Title 40 of the Code of Federal Regulations, section 112.8, subdivision (d)(4), to the extent
9 required by Health and Safety Code section 25270.4.5.

10 4.3. gg Failing to install and maintain underground storage tank ("UST") monitoring
11 equipment to detect a leak at the earliest opportunity, to the extent required by California Code of
12 Regulations, title 23, section 2630, subdivision (d).

13 4.3. hh Failing to electronically submit a UST Monitoring Program approved by the local
14 agency, to the extent required by California Code of Regulations, title 23, sections 2632,
15 subdivision (d)(1), 2634, subdivision (d), and 2641, subdivision (h).

16 4.3. ii Failing to electronically submit a UST Monitoring Program identifying the
17 locations where the monitoring will be performed at the Facility, to the extent required by
18 California Code of Regulations, title 23, section 2632, subdivision (d)(1)(C).

19 4.3. jj Failing to have an approved UST Response Plan, to the extent required by
20 California Code of Regulations, title 23, section 2632, subdivision (d)(2).

21 4.3. kk Failing to install automatic line leak detectors on underground pressurized piping,
22 to the extent required by California Code of Regulations, title 23, section 2636, subdivision (f)(2).

23 4.3. ll Failing to obtain a permit from the local agency to operate an underground storage
24 tank at the Facility, to the extent required by Health and Safety Code section 25284 and
25 California Code of Regulations, title 23, section 2711, subdivision (d).

26 4.3. mm Failing to maintain UST monitoring, maintenance and follow up action
27 records for a period of at least three (3) years, to the extent required by California Code of
28 Regulations, title 23, section 2712, subdivision (b).

1 4.3.nn Failing to retain a copy of the permit and all conditions and attachments, including
2 monitoring plans at each Facility, to the extent required by California Code of Regulations, title
3 23, section 2712, subdivision (i).

4 4.3.oo Failing to submit to the California Environmental Reporting System ("CERS"),
5 within thirty (30) days, a signed statement identifying the designated UST operator for each
6 Facility, to the extent required by California Code of Regulations, title 23, section 2715,
7 subdivision (a).

8 4.3.pp Failing to have designated operator inspect all required items and/or the inspection
9 reports not completed, to the extent required by California Code of Regulations, title 23, section
10 2715, subdivision (c).

11 4.3.qq Failing to have designated operator maintain monthly inspection reports on site for
12 at least twelve (12) months, to the extent required by California Code of Regulations, title 23,
13 section 2715, subdivision (e).

14 4.3.rr Failing to maintain a monitoring system for water intrusion and for removing the
15 water, to the extent required by Health and Safety Code section 25291, subdivision (e).

16 4.3.ss Failing to maintain evidence of financial responsibility for bodily injury and
17 property damage caused by a release from the UST system at the Facility in accordance with
18 Health and Safety Code section 25299.3, to the extent required by Health and Safety Code section
19 25292.2, subdivision (a).

20 4.3.tt Failing to test monitoring and leak detection equipment annually, to the extent
21 required by California Code of Regulations, title 23, section 2638, subdivision (a).

22 4.3.uu Failing to comply with the California Medical Waste Management Act
23 ("MWMA"), Health and Safety Code section 117600 et seq., by failing to have a Medical Waste
24 Management Plan, to the extent required by Health and Safety Code section 117935.

25 4.3.vv Failing to comply with the California MWMA, Health and Safety Code section
26 117600 et seq., by failing to retain on file disposal receipts and tracking documents for waste
27 shipped offsite for three (3) years, to the extent required by Health and Safety Code section
28 117943.

1 4.3.ww Failing to comply with the California MWMA, Health and Safety Code section
2 117600 et seq., by improperly storing, transporting, and disposing of medical waste, including but
3 not limited to pharmaceutical waste as defined in Health and Safety Code section 117690, to the
4 extent required by Health and Safety Code sections 117915 and 117918.

5 **4.4 Compliance Assurance Program**

6 Pursuant to the provisions of Health and Safety Code section 25181 and Business and
7 Professions Code section 17203, Defendant shall implement the following compliance assurance
8 programs to supplement the injunctive provisions of this Final Judgment:

9 4.4.a Training. Defendant shall ensure all employees at the Facilities are thoroughly
10 familiar with proper waste handling and emergency procedures, relevant to their responsibilities
11 during normal facility operations and emergencies.

12 4.4.a.1 For any training conducted in accordance with 4.4.a., Defendant shall
13 maintain documentation sufficient to identify the topic(s) on which employees received training
14 and include the dates of training. Such records may be maintained electronically. Defendant shall
15 maintain any documentation for a period of five (5) years from the date the training was
16 conducted.

17 4.4.a.2 Defendant shall require employees to participate in a training
18 program to familiarize them with hazardous waste handling and emergency procedures, relevant
19 to the employee's responsibilities during normal operations and emergencies, within six (6)
20 months of hire. Employees shall be supervised by a manager trained in such procedures, until the
21 employees have completed such training program. Training shall occur on an annual basis.

22 4.4.a.3 Defendant shall promptly make available upon request by any CUPA
23 Inspector, peace officer, agent of the Department of Justice, California Environmental Protection
24 Agency, the DTSC, District Attorney or City Attorney all training records maintained for each
25 Facility pursuant to paragraph 4.4.a.1.-4.

26 4.4.a.4 To the extent any one of Defendant's Facilities generates more than
27 1,000 kg/month of hazardous waste, or 1 kg/month of acute hazardous waste, or 100 kg/month of
28 acute spill residue or soil, then Defendant shall additionally comply with the personnel training

1 requirements contained in California Code of Regulations, title 22, section 66265.16, to the
2 extent applicable, for that particular Facility's employees.

3 4.4.b California Facility Employee: For a period of five (5) years following the Effective
4 Date, Defendant shall maintain at each Facility, an employee trained on Defendant's hazardous
5 waste handling, storage and transportation policies, for the purpose of reviewing all containers of
6 items returned to the Facility from any of Defendant's clients.

7 4.4.c Customer Compliance Reminder: Upon discovery by Defendant of any item
8 delivered to a Facility from one of Defendant's clients that is not in compliance with Defendant's
9 hazardous waste handling, storage and transportation policies, Defendant shall document the date,
10 client and non-compliant item. Additionally, Defendant shall send a Customer Compliance
11 Reminder letter to the client identifying the same and reminding the client of the policy.

12 4.4.d Compliance Certification: Within sixty (60) days after the end of each year of the
13 five (5) year period set forth in Paragraph 4.4.b, Defendant shall provide the persons listed in
14 paragraph 13 with a statement regarding Defendant's compliance with Paragraphs 4.4.a, 4.4.b,
15 and 4.4.c, of this Final Judgment. The statement shall include:

16 4.4.d.1 A summary description of notices to clients and notices of
17 violations/inspection reports issued by the CUPAs;

18 4.4.d.2 Return to compliance or corrective measures provided to the CUPAs; and

19 4.4.d.3 Reports provided by Return Management Services, Inc. ("RMS") identifying
20 hazardous waste RMS received from the Facilities and customer compliance reminder letters, if
21 any, during the prior twelve months. (If RMS fails to provide reports to Defendant, Defendant
22 will not be in violation of this Final Judgment based upon RMS's non-performance).

23 4.4.d.4 The Compliance Certification shall be signed by a responsible corporate
24 officer or a responsible California facility employee and include the following certification:

25 I certify under penalty of law that I have personally examined and
26 am familiar with the information submitted in this document and all
27 documents submitted herewith; and that, to the best of my knowledge
28 and belief, the submitted information is true, accurate, and complete.

1 **5. CIVIL PENALTIES, SUPPLEMENTAL ENVIRONMENTAL PROJECTS,**
2 **AND COSTS**

3 **5.1 Civil Penalties**

4 Within sixty (60) calendar days after the Effective Date, Defendant shall pay a total of
5 **TWO HUNDRED AND THIRTY THOUSAND DOLLARS (\$230,000.00)** as civil penalties
6 pursuant to Health and Safety Code sections 25189, 25270.12, 25299, 118345 and Business and
7 Professions Code section 17206, and Government Code section 26506, to be distributed to the
8 prosecuting agencies/regulatory agencies identified in, and in accordance with, the terms of
9 **Exhibits A-1 and A-2**, attached and made part of this Final Judgment on Consent by this
10 reference.

11 **5.2 Supplemental Environmental Projects**

12 Within sixty (60) calendar days after the Effective Date, Defendant shall pay a total of
13 **SEVENTY THOUSAND DOLLARS (\$70,000.00)** for supplemental environmental projects
14 identified in, and in accordance with the terms of, **Exhibit B**.

15 **5.3 Reimbursement of Costs of Investigation and Enforcement**

16 Within sixty (60) calendar days after the Effective Date, Defendant shall pay a total of
17 **EIGHTY-NINE THOUSAND DOLLARS (\$89,000.00)** for reimbursement of attorney's fees,
18 costs of investigation, and other costs of enforcement, to the entities identified in, and in
19 accordance with the terms of, **Exhibits C-1 and C-2**.

20 **5.4 Payments and Expenditures**

21 The payment of all civil penalties, reimbursement of cost payments, and other
22 expenditures set forth in Paragraphs 5.1, 5.2, and 5.3, above, shall be made by checks and
23 delivered to the District Attorney's Office for the County of San Joaquin, Attention: Celeste
24 Kaisch, for distribution. Pursuant to the terms of this Final Judgment and Government Code
25 section 26506 and without objection by Defendant, the above-referenced payments shall be
26 distributed and used as herein requested by Plaintiff and as set forth in **Exhibits A-1, A-2, B, C-1**
27 **and C-2**.

28 **///**

1 **5.5 Stipulated Penalties for Violations of this Judgment**

2 The Stipulated Penalty for violations of this judgment shall become due and payable in the
3 event Defendant violates Paragraph 4.3.a (the "Stipulated Penalty Provision"). This Stipulated
4 Penalty shall be paid as set forth in Business and Profession Code section 17206(c). All Penalty
5 amounts shall be provided as set forth in Paragraph 5.4. If Defendant violates Paragraph 4.3.a
6 during the five-year period following the Effective Date, Defendant shall, subject to the
7 provisions of section 5.5.e, pay the Stipulated Penalty amount to the People as follows:

8 5.5.a Upon the first instance of any violation of the Stipulated Penalty Provision at a
9 Facility during the five-year period following the Effective Date, Defendant shall pay between
10 TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) and SEVENTY-FIVE THOUSAND
11 DOLLARS (\$75,000.00) depending on the facts and circumstances of each such violation;

12 5.5.b Upon the second instance of any violation(s) of the Stipulated Penalty Provision at
13 a Facility during the five-year period following the Effective Date, if Defendant has previously
14 paid a Stipulated Penalty for a violation of the Stipulated Penalty Provision, Defendant shall pay
15 between TWENTY-FIVE THOUSAND DOLLARS (\$25,000.00) and SEVENTY-FIVE
16 THOUSAND DOLLARS (\$75,000.00) depending on the facts and circumstances of each such
17 violation;

18 5.5.c Upon a third instance of a violation of the Stipulated Penalty Provision at a
19 Facility during the five-year period following the Effective Date, if Defendant has paid a
20 Stipulated Penalty for at least two prior violations of the Stipulated Penalty Provision at a Facility
21 Defendant shall pay a penalty up to the maximum amounts set forth in section 5.5.d hereof.

22 5.5.d Declining Stipulated Penalties. Subject to the provisions of Paragraphs 5.5.a, 5.5.b
23 and 5.5.c, the maximum-Stipulated Penalties provided for herein shall decline during the five-year
24 period following the Effective Date, as follows:

25 5.5.d.1 Year One. The maximum cumulative amount of Stipulated Penalties for
26 both Facilities shall be \$400,000 during the first year following the Effective Date. If Defendant
27 pays \$400,000 in Stipulated Penalties for matters occurring during the first year following the
28 Effective Date, Defendant shall not be liable for any further Stipulated Penalties.

1 5.5.d.2 Year Two. The maximum cumulative amount of Stipulated Penalties
2 shall be \$320,000 for the first and second years following the Effective Date. For example, if
3 Defendant pays Stipulated Penalties totaling \$100,000 during the first year following the
4 Effective Date, the maximum amount of Stipulated Penalties that could be imposed in the second
5 year following the Effective Date would be \$320,000 minus \$100,000 equals \$220,000.

6 5.5.d.3 Year Three. The maximum cumulative amount of Stipulated Penalties
7 shall be \$240,000 for the first, second and third years following the Effective Date. For example,
8 if Defendant pays Stipulated Penalties totaling \$100,000 during the first year following the
9 Effective Date, and no such penalties are paid during the second year following the Effective
10 Date, the maximum amount of Stipulated Penalties that could be imposed in year three would be
11 \$240,000 minus \$100,000 equals \$140,000.

12 5.5.d.4 Year Four. The maximum cumulative amount of Stipulated Penalties
13 shall be \$160,000 for the first, second, third and fourth years following the Effective Date. For
14 example, if Defendant pays Stipulated Penalties totaling \$100,000 during the first year following
15 the Effective Date, and no such penalties are paid during the second or third years following the
16 Effective Date, the maximum Stipulated Penalties that could be imposed in year four would be
17 \$160,000 minus \$100,000 equals \$60,000

18 5.5.d.5 Year Five. The maximum cumulative amount of Stipulated Penalties
19 shall be \$80,000 for the first, second, third, fourth and fifth years following the Effective Date.
20 For example, if Defendant pays Stipulated Penalties totaling \$100,000 during the first year
21 following the Effective Date, and no such penalties are paid during the second, third or fourth
22 years following the Effective Date, the maximum Stipulated Penalties in year five would be
23 \$80,000 minus \$100,000 equals zero, as the Stipulated Penalties cannot be less than zero.

24 5.5.d.6 No Stipulated Penalties shall be imposed pursuant to this section
25 following the fifth year after the Effective Date.

26 5.5.e **Notification of Demand for Stipulated Penalties** In the event the People
27 determine Defendant has violated Paragraph 4.3.a and that the Stipulated Penalty or some portion
28 thereof is due and payable, the People will provide notice of such finding to Defendant in writing.

1 The notice shall set forth with specificity the facts and law upon which such determination is
2 based-and the amount of Stipulated Penalty the People seek to impose. Defendant shall, within 30
3 days, advise the People in writing whether it contests such notice. In the event Defendant elects to
4 contest the People's notice, it shall provide the facts and law upon which it bases such contest to
5 the People in writing. The Parties agree to meet and confer to attempt to resolve their dispute
6 before taking any action to enforce the terms hereof. If no informal resolution of an alleged
7 violation results, the People may by motion or application before the Superior Court of San
8 Joaquin, seek Stipulated Penalties as provided in paragraph 5.5.a hereof. If Defendant does not
9 contest the People's Notice, the civil penalties will be due 45 (forty-five) days after Defendant's
10 advisement to the People as contemplated above.

11 **6. MATTERS COVERED BY THIS FINAL JUDGMENT**

12 **6.1** This Final Judgment is a final and binding resolution and settlement of all claims,
13 violations and causes of action that were asserted or could have been asserted within the scope of
14 the allegations specifically set forth in the Complaint against Defendant and its officers, directors
15 and employees through October 15, 2020 regarding the Facilities ("Covered Matters").

16 **6.2** Any claim, violation, or cause of action that is not a Covered Matter is a "Reserved
17 Claim." Reserved Claims include, without limitation, any violation that occurs after the filing of
18 this Final Judgment; any claim, violation, or cause of action against Defendant's independent
19 contractors or subcontractors; and separate and independent violations arising out of matters or
20 allegations that are not set forth in the Complaint, whether known or unknown. Reserved Claims
21 also include any claims or causes of action against Defendant for performance of cleanup,
22 corrective action, or response action for any actual past or future releases, spills, or disposals of
23 hazardous waste or hazardous substances that were caused or contributed to by Defendant at or
24 from any of Defendant's Facilities.

25 **6.3** In any subsequent action that may be brought by the People based on any Reserved
26 Claim, Defendant cannot assert that failing to pursue any Reserved Claim as part of this action
27 constitutes claim-splitting. This Paragraph does not affect any statute of limitations, if any, which
28 may be applicable to any Reserved Claim, and does not prohibit Defendant from asserting any

1 statute of limitations or other legal or equitable defenses that may be applicable to any Reserved
2 Claim.

3 **6.4** Defendant covenants not to pursue any civil or administrative claims against the
4 People or against any agency of the State of California, or any county or city in the State of
5 California, or any CUPA, Participating Agency or local agency (collectively, "Agencies"), or
6 against any of their officers, employees, representatives, agents, or attorneys, arising out of or
7 related to any Covered Matter and arising before entry of this Final Judgment; provided, however,
8 that if any Agencies initiate claims against Defendant, Defendant retains any and all rights and
9 defenses against such Agencies.

10 **7. EFFECT OF FINAL JUDGMENT**

11 Except as expressly provided in this Final Judgment, nothing in this Final Judgment is
12 intended, nor shall it be construed, to preclude the People or any state, county, city or local
13 agency, department, board, or CUPA from exercising its authority under any law, statute, or
14 regulation.

15 **8. NO WAIVER OF RIGHT TO ENFORCE**

16 The failure of the People to enforce any provision of this Final Judgment shall neither be
17 deemed a waiver of such provision nor in any way affect the validity of this Final Judgment. The
18 failure of the People to enforce any such provision shall not preclude them from later enforcing
19 the same or any other provision of this Final Judgment. Except as expressly provided in this Final
20 Judgment, Defendant retains all defenses to any such later enforcement action.

21 **9. INTERPRETATION**

22 This Final Judgment was drafted equally by all Parties hereto. Accordingly, any and all
23 rules of construction holding that ambiguity is construed against the drafting party shall not apply
24 to the interpretation of this Final Judgment.

25 **10. INTEGRATION**

26 The stipulations of this Final Judgment constitute the entire agreement between the Parties
27 and may not be amended or supplemented except as provided for herein. No oral advice,
28 guidance, suggestions, or comments by employees or officials of any Party regarding matters

1 covered in this Final Judgment shall be construed to relieve any Party of its obligations under this
2 Final Judgment. No oral representations have been made or relied upon other than as expressly
3 set forth herein.

4 **11. FUTURE REGULATORY CHANGES**

5 Nothing in this Final Judgment shall excuse Defendant from meeting any more-stringent
6 requirement that may be imposed by applicable existing law or by any change in the applicable
7 law. To the extent any future statutory or regulatory change makes Defendant's obligations less
8 stringent than those provided for in this Final Judgment, Defendant's compliance with the
9 changed law shall be deemed compliance with this Final Judgment; however, any change in law
10 or regulation shall not reduce or diminish Defendant's obligations to comply with Paragraph 4.4.

11 **12. TERMINATION OF COMPLIANCE ASSURANCE PROGRAM**

12 Defendant's obligations to engage in a compliance assurance program pursuant to
13 Paragraph 4.4 of this Final Judgment shall terminate five (5) years after the Effective Date of this
14 Final Judgment pursuant to paragraph 21, provided that Defendant first demonstrates that it has
15 paid all amounts owed per Exhibits A-1, A-2, B, C-1 and C-2.

16 **13. NOTICES**

17 Unless otherwise specified in this Final Judgment, all notices under this Final Judgment
18 shall be made in writing, by both email and mail, and addressed to:

19 For the People:

20
21 Celeste Kaisch
22 Deputy District Attorney
23 San Joaquin Co. District Attorney's Office
24 222 E. Weber Ave., Room 202
25 Stockton, CA 95202
26 Celeste.Kaisch@sjcda.org

27
28 Lauren R. Martineau
Deputy District Attorney
Riverside Co. District Attorney's Office
3960 Orange Street
Riverside, CA 92501

1 For the Defendant, UNIFIED GROCERS, INC.

2 Legal Department
3 United Natural Foods, Inc.
4 11840 Valley View Road,
5 Eden Prairie, MN 55344

6 With a copy to

7 Michael J. Steel
8 Morrison & Foerster LLP
9 425 Market Street
10 35th Floor
11 San Francisco, CA 94105

12 Any Party may, by written notice to the other Parties, change its designated notice
13 recipient or notice address.

14 **14. CONTINUING JURISDICTION**

15 The Court shall retain continuing jurisdiction to enforce the injunctive terms of this Final
16 Judgment and to address any other matters arising out of or regarding this Final Judgment.

17 **15. ABILITY TO INSPECT AND COPY RECORDS AND DOCUMENTS**

18 Defendant shall permit any duly authorized representative of the People to inspect and
19 copy records and documents relevant to determine compliance with the terms of this Final
20 Judgment. This paragraph shall not limit the People's authority access or obtain information,
21 records, and documents pursuant to any other statute or regulation.

22 **16. PAYMENT OF LITIGATION EXPENSES AND FEES**

23 Defendant shall make no request of the People to pay their attorney fees, expert witness
24 fees and costs, or any other costs of litigation or investigation incurred to date.

25 **17. COUNTERPART SIGNATURES**

26 The stipulation for entry of this Final Judgment may be executed by the Parties in
27 counterparts. For purposes of this Final Judgment, facsimile signatures shall be deemed originals,
28 and the parties agree to exchange original signatures as promptly as possible.

18. INCORPORATION OF EXHIBITS

Exhibits A-1, A-2, B, C-1 and C-2 are incorporated herein by reference.

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19. MODIFICATION

The injunctive provisions of this Final Judgment may be modified only on noticed motion by one of the parties with approval of the Court, or upon written consent by all of the Parties and the approval of the Court.

20. TERMINATION OF PERMANENT INJUNCTION

At any time after this Final Judgment has been in effect for five (5) years, and Defendant has paid and expended all amounts required under the Final Judgment, Defendant may move to terminate the injunctive provisions in Paragraphs 4.2 and 4.3 pursuant to Code of Civil Procedure section 533 and Civil Code section 3424. After this Final Judgment has been in effect for seven (7) years, and Defendant has paid and expended all amounts required under the Final Judgment, the injunctive provisions in Paragraphs 4.2 and 4.3 will terminate automatically.

21. EFFECTIVE DATE OF FINAL JUDGMENT

This Final Judgment shall become effective upon entry. The Parties need not file a Notice of Entry of Judgment.

IT IS SO STIPULATED.

FOR THE PEOPLE:

TORI VERBER SALAZAR, District Attorney
County of San Joaquin, State of California

DATED: 12/1/2020

By: *Celeste Kaisch*
CELESTE KAISCH
Deputy District Attorney

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JACKIE LACEY, District Attorney
County of Los Angeles, State of California

DATED: 12/3/2020

By: *Daniel J. Wright*
DANIEL J. WRIGHT
Deputy District Attorney

TODD SPITZER, District Attorney
County of Orange, State of California

DATED: _____

By: _____
WILLIAM G. FALLON
Deputy District Attorney

MICHAEL A. HESTRIN, District Attorney
County of Riverside, State of California

DATED: _____

By: _____
LAUREN R. MARTINEAU
Deputy District Attorney

JEFF W. REISIG, District Attorney
County of Yolo, State of California

DATED: _____

By: _____
DAVID J. IREY
Assistant Chief Deputy District Attorney

FOR DEFENDANT UNIFIED GROCERS,
INC.;

DATED: _____

By: _____
KIM J. MYRDAHL
Title: Deputy General Counsel
Senior Vice President and Chief
Compliance Officer
UNIFIED GROCERS, INC.

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JACKIE LACEY, District Attorney
County of Los Angeles, State of California

DATED: _____

By: _____
DANIEL J. WRIGHT
Deputy District Attorney

TODD SPITZER, District Attorney
County of Orange, State of California

DATED: 12/8/2020

By: 
WILLIAM G. FALLON
Deputy District Attorney

MICHAEL A. HESTRIN, District Attorney
County of Riverside, State of California

DATED: _____

By: _____
LAUREN R. MARTINEAU
Deputy District Attorney

JEFF W. REISIG, District Attorney
County of Yolo, State of California

DATED: 12/3/2020

By: 
DAVID LACEY
Assistant Chief Deputy District Attorney

FOR DEFENDANT UNIFIED GROCERS,
INC.:

DATED: _____

By: _____
KIM J. MYRDAHL
Title: Deputy General Counsel
Senior Vice President and Chief
Compliance Officer
UNIFIED GROCERS, INC.

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JACKIE LACEY, District Attorney
County of Los Angeles, State of California

DATED: _____

By: _____
DANIEL J. WRIGHT
Deputy District Attorney

TODD SPITZER, District Attorney
County of Orange, State of California

DATED: _____

By: _____
WILLIAM G. FALLON
Deputy District Attorney

MICHAEL A. HESTRIN, District Attorney
County of Riverside, State of California

DATED: 12/3/2020

By: 
LAUREN R. MARTINEAU
Deputy District Attorney

JEFF W. REISIG, District Attorney
County of Yolo, State of California

DATED: _____

By: _____
DAVID J. IREY
Assistant Chief Deputy District Attorney

FOR DEFENDANT UNIFIED GROCERS,
INC.:

DATED: _____

By: _____
KIM J. MYRDAHL
Title: Deputy General Counsel
Senior Vice President and Chief
Compliance Officer
UNIFIED GROCERS, INC.

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JACKIE C. LACEY, District Attorney
County of Los Angeles, State of California

DATED: _____

By: _____
DANIEL J. WRIGHT
Deputy District Attorney

TODD SPITZER, District Attorney
County of Orange, State of California

DATED: _____

By: _____
WILLIAM G. FALLON
Deputy District Attorney

MICHAEL A. HESTRIN, District Attorney
County of Riverside, State of California

DATED: _____

By: _____
LAUREN R. MARTINEAU
Deputy District Attorney

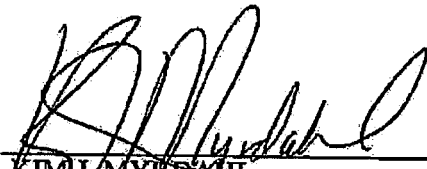
JEFF W. REISIG, District Attorney
County of Yolo, State of California

DATED: _____

By: _____
DAVID J. IREY
Assistant Chief Deputy District Attorney

FOR DEFENDANT UNIFIED GROCERS,
INC.:

DATED: 12/3/20

By: 
KIM J. MYRDAHL
Title: Deputy General Counsel
Senior Vice President and Chief
Compliance Officer
UNIFIED GROCERS, INC.

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**REVIEWED AND APPROVED
AS TO FORM AND CONTENT:**

DATED: December 3, 2020

MORRISON & FOERSTER LLP

By: *Michael Jacob Steel*

MICHAEL JACOB STEEL
Attorneys for Defendant,
UNIFIED GROCERS, INC.

IT IS SO ORDERED.

Dec 10, 2020 04:36 PM

DATED: _____

By: *R*
JUDGE OF THE SUPERIOR COURT

ROGER ROSS

EXHIBIT A-1

EXHIBIT A-1 -- CIVIL PENALTIES

Agency	Business and Professions §17200 Penalties	Civil Penalties - Health and Safety §25500 Penalties	Total of Civil Penalties Paid to Agency
Alameda Co. District Attorney's Office	\$ 4,000.00	\$ -	\$ 4,000.00
Los Angeles City Attorney's Office	\$ 4,000.00	\$ -	\$ 4,000.00
Los Angeles Co. District Attorney's Office	\$ 10,000.00	\$ -	\$ 10,000.00
Orange Co. District Attorney's Office	\$ 37,000.00	\$ -	\$ 37,000.00
Riverside Co. District Attorney's Office ¹ (see below)	\$ 37,000.00	\$ -	\$ 37,000.00
Sacramento Co. District Attorney's Office ² (see below)	\$ 4,000.00	\$ -	\$ 4,000.00
San Bernardino Co. District Attorney's Office	\$ 4,000.00	\$ -	\$ 4,000.00
San Diego Co. District Attorney's Office	\$ 4,000.00	\$ -	\$ 4,000.00
San Joaquin Co. District Attorney's Office ³ (see below)	\$ -	\$ 37,000.00	\$ 37,000.00
Yolo Co. District Attorney's Office	\$ 37,000.00	\$ -	\$ 37,000.00
Totals - Prosecutor Civil Penalties	\$ 141,000.00	\$ 37,000.00	\$ 178,000.00
<p>¹ RIVERSIDE Penalties: Business and Professions Code §17200: "Defendant" shall pay \$37,000.00 to the Riverside County District Attorney's Office as civil penalties for violations of Business and Professions Code section 17200. Pursuant to Business and Professions Code section 17206(b), said sum will be paid in the form of a check made payable to the District Attorney, County of Riverside; sums to be distributed as follows: 100 percent will be deposited into the consumer protection prosecution account in the General Fund of Riverside County.</p>			
<p>² SACRAMENTO: The money paid to the Sacramento District Attorney as penalties pursuant to Business and Professions Code section 17206, shall be for the sole and exclusive use of the District Attorney to augment the enforcement of consumer and environmental protection laws and in no manner shall supplant or cause any reduction of any portion of the District Attorney's budget.</p>			
<p>³ SAN JOAQUIN: Penalties allocated to Health and Safety Code § 25500 shall be paid to the "San Joaquin Co. District Attorney's Office".</p>			

EXHIBIT A-2

EXHIBIT A-2 -- CIVIL PENALTIES

Agency	Civil Penalties - Health and Safety \$25500 Penalties	Total of Civil Penalties Paid to Regulatory Agencies
Los Angeles Co. - Los Angeles City Fire	\$ 10,000.00	\$ 10,000.00
Sacramento Co. - Environmental Mgmt. Dept.	\$ 5,000.00	\$ 5,000.00
San Joaquin Co. - Environmental Health Department	\$ 37,000.00	\$ 37,000.00
Total - Agency Civil Penalties	\$ 52,000.00	\$ 52,000.00

EXHIBIT B

Exhibit B – Supplemental Environmental Projects

1. Craig Thompson Environmental Protection Prosecution Fund.

UNIFIED GROCERS, INC. shall provide the amount of Ten Thousand Dollars (\$10,000.00) payable to the Craig Thompson Environmental Protection Prosecution Fund ("CTEPP Fund") to be used for purposes consistent with the mission of the CTEPP Fund.

2. California Certified Unified Program Agency Forum Projects.

UNIFIED GROCERS, INC. shall provide the amount of Twenty Thousand Dollars (\$20,000.00) payable to the CUPA Forum Environmental Protection Trust Fund ("CUPA Trust Fund"), which is administered and to be used by the California Certified Unified Program Agency Forum, for purposes consistent with the mission of the CUPA Trust Fund.

3. California Advanced Environmental Criminal Training Program (Cal-AECTP) with CHMIA.

UNIFIED GROCERS, INC. shall provide the amount of Forty Thousand Dollars (\$40,000.00) payable to the California Hazardous Materials Investigators Association ("CHMIA") to be used by CHMIA to fund full scholarships for attendance and participation in their Advanced Environmental Criminal Training Program. Each of these scholarships shall cover conference registration, travel, food, lodging, and incidentals.

EXHIBIT C-1

EXHIBIT C-1 -- COSTS

Agency	Total Costs to Agency
Alameda Co. District Attorney's Office	\$ 1,000.00
Los Angeles City Attorney's Office	\$ 1,000.00
Los Angeles Co. District Attorney's Office	\$ 3,000.00
Orange Co. District Attorney's Office	\$ 12,500.00
Riverside Co. District Attorney's Office ¹ (see below)	\$ 12,500.00
Sacramento Co. District Attorney's Office ² (see below)	\$ 1,000.00
San Bernardino Co. District Attorney's Office	\$ 1,000.00
San Diego Co. District Attorney's Office	\$ 1,000.00
San Joaquin Co. District Attorney's Office	\$ 12,500.00
Yolo Co. District Attorney's Office ³	\$ 24,500.00
Total - Prosecutor Costs	\$ 70,000.00
<p>¹ RIVERSIDE Costs: "Defendant" shall pay \$ 12,500.00 as costs to the Riverside County District Attorney's Office. Said sum will be paid in the form of a check made payable to the District Attorney, County of Riverside.</p>	
<p>² SACRAMENTO: The money paid to the Sacramento District Attorney as costs, pursuant to this stipulation, shall be for the sole and exclusive use of the District Attorney as reimbursement for costs expended in the enforcement of the consumer protection and environmental laws and in no manner shall supplant or cause any reduction of any portion of the District Attorney's budget.</p>	
<p>³ YOLO: This money shall be paid in two separate checks: (1) one check addressed to the Yolo County District Attorney's Office in the amount of \$12,500.00, and (2) one check addressed to the Craig Thompson Environmental Protection Prosecution Fund in the amount of \$12,000.00.</p>	

EXHIBIT C-2

EXHIBIT C-2 -- COSTS

Agency	Total Costs to Agency
Sacramento Co. - Environmental Mgmt. Dept.	\$ 3,000.00
San Joaquin Co. - Environmental Health Department	\$ 16,000.00
Total - Agency Costs	\$ 19,000.00