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SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF SAN JOAQUIN

**THE PEOPLE OF THE STATE OF CALIFORNIA,**  
  
People,  
  
v.  
  
**99 CENTS ONLY STORES LLC,**  
**a California limited liability company,**  
  
Defendant.

Case No. 39-2014-00319949-CU-TT-STK  
STIPULATION FOR ENTRY OF FINAL JUDGMENT AND PERMANENT INJUNCTION  
Action Filed: December 24, 2014  
Judge: Honorable Bob W. McNatt  
Department: 42

FILED  
14 DEC 30 PM 2:23  
ROSA JUNQUEIRO, CLERK  
RUTH GUNN  
BY \_\_\_\_\_

1 WHEREAS, this Stipulation for Entry of Final Judgment and Permanent Injunction (“Final  
2 Judgment”) is entered into by Plaintiff, the People of the State of California (“People”) and  
3 Defendant 99 Cents Only Stores LLC, a California limited liability company, that does and did  
4 business in its own capacity and/or through agents, affiliates, and subsidiaries (99 Cents Only  
5 Stores” or “Defendant”), by their respective attorneys. The People and Defendant shall be  
6 referred to collectively as “Parties.”

7 WHEREAS, the Parties have stipulated and consented to the entry of this Final Judgment  
8 prior to trial and have agreed to settle the above captioned matter without further litigation, as set  
9 forth below;

10 WHEREAS, the Court finds that the settlement between the Parties is fair and in the public  
11 interest;

12 NOW THEREFORE, upon the consent of the Parties, it is hereby ORDERED,  
13 ADJUDGED, AND DECREED:

14 **FINAL JUDGMENT AND PERMANENT INJUNCTION ON CONSENT**

15 **1. JURISDICTION**

16 The Parties stipulate and agree that the Superior Court of California, County of San  
17 Joaquin, has subject matter jurisdiction over the matters alleged in this action and personal  
18 jurisdiction over the Parties to this Final Judgment.

19 **2. SETTLEMENT OF DISPUTED CLAIMS**

20 This Final Judgment is not an admission or denial by Defendant regarding any issue of law  
21 or fact in the above-captioned matter or any violation of any law. The Parties enter into this Final  
22 Judgment pursuant to a compromise and settlement of disputed claims, as set forth in the  
23 Complaint filed in this action for the purpose of furthering the public interest. The People believe  
24 that the resolution embodied in this Final Judgment is fair and reasonable and fulfills the People’s  
25 enforcement objectives; and that except as provided in this Final Judgment, no further action is  
26 warranted concerning the allegations contained in the Complaint. Defendant agrees that the  
27 Final Judgment is a fair and reasonable resolution of the matters alleged in the Complaint based  
28 on the Parties’ agreement that the Final Judgment will be reasonably implemented and enforced.

1 All Parties have stipulated and consented to the entry of this Final Judgment prior to the  
2 taking of any evidence, and without trial or adjudication of any fact or law herein. The Parties  
3 also waive their right to appeal.

4 **3. DEFINITIONS**

5 Except where otherwise expressly defined in this Final Judgment, all terms shall be  
6 interpreted consistent with the Hazardous Waste Control Law, Health and Safety Code Sections  
7 25100-25258.2; Hazardous Materials Release Response Plans and Inventory Law, Health and  
8 Safety Code Sections 25500-25519; the Medical Waste Management Act, Health and Safety  
9 Code Sections 117600-118360; and the regulations promulgated under these sections.

10 “California Facilities” means any 99 Cents Only Stores facility in the State of California,  
11 including, but not limited to, retail stores and distribution centers, that are owned, operated,  
12 licensed or leased or subleased by Defendant or any predecessor in interest as identified in  
13 **Exhibit A**, attached. Exhibit A shall not be to the exclusion of any locations that may have been  
14 inadvertently omitted, where the Parties agree in writing that an omitted location should be  
15 included. As to any locations that have been omitted, Defendant shall provide the following to the  
16 People within thirty (30) days after the omission comes to the attention of Defendant: (a) written  
17 notice of such additional locations; and (b) to the best of Defendant’s knowledge and belief,  
18 copies of any notices of violation and/or governmental inspection reports applicable to such  
19 locations that have been received by that location since September 1, 2009, to the date of entry of  
20 this Final Judgment. If, after the People have had sufficient time within which to review the  
21 alleged reason for the omission, and after Defendant has established to the satisfaction of the  
22 People that the omission was inadvertent, the Parties shall agree in writing that the additional  
23 location(s) be included in the Final Judgment.

24 “Certified Unified Program Agency” or “CUPA” is an agency certified by the California  
25 Environmental Protection Agency pursuant to the requirements of Chapter 6.11 of the Health and  
26 Safety Code and California Code of Regulations, Title 27, Sections 15100-16150 to implement  
27 certain State environmental programs within the local agency’s jurisdiction.  
28

1 “Participating Agency” means an agency that has been designated by the CUPA to  
2 administer one or more state environmental programs on behalf of the CUPA.

3 **4. INJUNCTIVE RELIEF**

4 Pursuant to the provisions of Health and Safety Code sections 25181, 25515.6, and  
5 25515.8, and Business and Professions Code section 17203, and subject to Paragraph 23 below,  
6 Defendant shall comply with the Hazardous Waste Control Law, Health and Safety Code  
7 Sections 25100-25258.2; Hazardous Materials Release Response Plans And Inventory Law,  
8 Health and Safety Code Sections 25500-25519; the Medical Waste Management Act, Health and  
9 Safety Code Sections 117600-118360; and the applicable regulations promulgated under these  
10 chapters, to the extent that these provisions apply to 99 Cents Only Stores’ business operations at  
11 its California Facilities. Failure to comply with this injunction or any of the specific additional  
12 injunctive provisions that follow, may subject Defendant to sanctions, including, but not limited  
13 to, contempt and/or additional penalties. Paragraph 15, below, applies to any application or  
14 motion for failure to comply with the injunctive provisions of this Final Judgment.

15 **4.1 Specific Injunctive Provisions**

16 Defendant shall comply with each of the following provisions at and from the California  
17 Facilities to the extent that these provisions apply to 99 Cents Only Stores’ business operations at  
18 its California Facilities:

19 4.1.a. Defendant shall not dispose, or cause the disposal of, any hazardous waste at a point  
20 not authorized or permitted by the Department of Toxic Substances Control (“DTSC”), in  
21 violation of Health & Safety Code section 25189, including, without limitation, to any trash  
22 compactor, dumpster, drain, sink, or toilet at any of the California Facilities, or onto the surface or  
23 subsurface of the ground at any unauthorized location, or at a landfill or transfer station not  
24 authorized to receive hazardous waste.

25 4.1.b. Defendant shall determine, at each California Facility, if a generated waste is a  
26 “hazardous waste,” including but not limited to items returned by customers and wastes generated  
27 at its facilities as a result of a spill, container breakage or other means rendering the product not  
28

1 usable for its intended purpose, is as required by California Code of Regulations, Title 22,  
2 section 66262.11.

3 4.1.c. Defendant shall manage every hazardous waste so identified pursuant to paragraphs  
4 4.1.a., and 4.1.b in accordance with the requirements of Chapter 6.5 of the Health and Safety  
5 Code and its implementing regulations in the California Code of Regulations, Title 22.

6 4.1.d. Defendant shall not transport, transfer custody of, or cause to be transported, any  
7 hazardous waste unless the transporter is properly licensed and registered to do so, as required by  
8 Health & Safety Code section 25163.

9 4.1.e. Defendant shall not transport, or cause to be transported, any hazardous waste to an  
10 unauthorized location, in violation of Health & Safety Code section 25189.5.

11 4.1.f. Defendant shall lawfully and timely dispose of all accumulated hazardous waste from  
12 each California Facility at least one time during every ninety (90) day period (unless a longer  
13 interval is allowed for by California Code of Regulations Section 66262.34 or other law);

14 4.1.g Defendant shall timely cause to be prepared and filed with the Department of Toxic  
15 Substance Control ("DTSC") a hazardous waste manifest for all hazardous waste that is  
16 transported, or submitted for transportation, for offsite handling, treatment, storage, disposal, or  
17 any combination thereof, as provided by Health & Safety Code section 25160(b)(3) and  
18 California Code of Regulations, Title 22, section 66262.23;

19 4.1.h. Defendant or Defendant's designated contractor shall contact the transporter and/or  
20 the owner or operator of the designated facility which was to receive any hazardous waste to  
21 determine the status of the hazardous waste in the event of non-receipt of a copy of the manifest  
22 with the handwritten signature of the owner or operator of the designated facility within thirty-  
23 five (35) days of the date the waste was accepted by the initial transporter, as provided by  
24 California Code of Regulations, Title 22, Section 66262.42. Defendant shall timely notify the  
25 DTSC by filing an exception report concerning the failure of the treatment, storage, or disposal  
26 facility to return any executed manifest.

27 4.1.i. Defendant shall not treat, store, dispose of, transport, or offer for transportation, any  
28 hazardous waste without having received and used a proper identification number from the U.S.

1 Environmental Protection Agency or DTSC, for the originating facility, as provided by Title 22 of  
2 the California Code of Regulations section 66262.12, subdivision (a).

3 4.1.j. Defendant shall maintain a program for the lawful storage, handling and  
4 accumulation of hazardous waste, and for the lawful segregation of hazardous-waste items that  
5 are in leaking containers, as provided by Health & Safety Code section 25123.3 and California  
6 Code of Regulations, Title 22, sections 66262.34, 66265.173 and 66265.177.

7 4.1.k. Defendant shall maintain properly designated and designed hazardous waste storage  
8 areas, which include the segregation of hazardous wastes, and shall conduct weekly inspections of  
9 hazardous waste storage areas, at each California Facility, as required by California Code of  
10 Regulations, Title 22, sections 66262.34 and 66265.174.

11 4.1.l. Defendant shall comply with all employee training obligations required by California  
12 Code of Regulations, Title 22, section 66265.16, pertaining to the handling of hazardous waste,  
13 including, but not limited to, retention of training records for the requisite time period for current  
14 and former employees. In addition, Defendant shall establish and maintain an employee training  
15 program designed to enhance employee awareness of any regulatory or statutory changes in  
16 environmental compliance requirements, including, changes in Chapters 6.5 and 6.95 of Division  
17 20 of the Health & Safety Code, and of any corresponding changes in Defendant's environmental  
18 compliance program(s).

19 4.1.m. Defendant shall have in place at all times a hazardous waste contingency plan and  
20 emergency procedures for its distribution centers if required by California Code of Regulations,  
21 Title 22, sections 66265.51 through 66265.56.

22 4.1.n. Defendant shall, at each California Facility, continuously implement, maintain, and  
23 submit to the respective Unified Program Agency (as defined in Health and Safety Code sections  
24 25501), a complete hazardous materials business plan if required by Health and Safety Code  
25 sections 25505 and 25508 and California Code of Regulations, Title 19, section 2729, as  
26 applicable. Each hazardous materials business plan shall include procedures for emergency  
27 response to a release or threatened release of hazardous materials, as required by Health and  
28 Safety Code section 25507. Such plan shall also include an employee training program that

1 meets the requirements of Health and Safety Code section 25505, subdivision (a), and California  
2 Code of Regulations, Title 19, section 2732.

3 4.1.o. Defendant shall, upon discovery, immediately, verbally report any release or  
4 threatened release of a reportable quantity of any hazardous material from any California Facility  
5 into the environment, as required by Health and Safety Code section 25510 and its implementing  
6 regulations.

7 4.1.p. Defendant shall keep a copy of each manifest signed in accordance with Title 22 of  
8 the California Code of Regulations section 66262.23(a), for three (3) years, or until the generator  
9 received a signed copy from the designated facility which received the hazardous waste, as  
10 provided by California Code of Regulations, Title 22, section 66262.40(a).

11 4.1.q. Defendant shall manage, mark, and store universal waste in compliance with the  
12 standards for universal waste management found in California Code of Regulations, Title 22,  
13 Sections 66273.1 et seq., as applicable.

14 4.1.r. Defendant shall comply with the California Medical Waste Management Act, Health  
15 and Safety Code sections 117600, et seq.

16 **5. CIVIL PENALTIES, SUPPLEMENTAL ENVIRONMENTAL PROJECTS,**  
17 **COSTS, AND ENHANCED ENVIRONMENTAL COMPLIANCE EFFORTS**

18 In consideration of Defendant's efforts to implement an enhanced company-wide retail  
19 store hazardous waste program, as set forth in paragraph 5.3, Defendant shall, in accordance with  
20 this Final Judgment, pay Civil Penalties, fund the Supplemental Environmental and Special  
21 Projects provided for in this Final Judgment, and pay costs, in the total amount of TWO  
22 MILLION, THREE HUNDRED AND SIXTY-TWO THOUSAND, FIVE HUNDRED  
23 DOLLARS (\$2,362,500.00). Said payments may be made by business or cashier's check and  
24 shall be made as set forth in paragraphs 5.1, 5.2, and 5.4 below. Within twenty-one (21) business  
25 days of the entry of this Final Judgment, Defendant shall deliver all required payments to the  
26 District Attorney's Office for the County of San Joaquin, Attention: David J. Irej, Special  
27 Deputy District Attorney, for distribution pursuant to the terms of this Final Judgment.  
28

1           **5.1 Civil Penalties**

2           Defendant shall pay ONE MILLION, EIGHT HUNDRED THOUSAND DOLLARS  
3 (\$1,800,000.00) as civil penalties pursuant to Health and Safety Code sections 25189 and 25515,  
4 and Business and Professions Code section 17206, to the prosecuting agencies/regulatory  
5 agencies identified in, and in accordance with the terms of, **Exhibits B-1 and B-2**, attached.

6           **5.2 Supplemental Environmental Projects**

7           Defendant shall pay TWO HUNDRED AND FIFTY THOUSAND DOLLARS  
8 (\$250,000.00) for supplemental environmental projects identified in, and in accordance with the  
9 terms of, **Exhibit C**, attached.

10          **5.3 Enhanced Environmental Compliance Efforts**

11          Defendant shall implement an enhanced hazardous waste compliance program for all of its  
12 California retail stores identified in Exhibit A, that incorporates the following:

13           (1) Within one year of the effective date of this consent judgment and for a period of five  
14 (5) years after the effective date, the use of handheld scanners with enhanced software that  
15 provides real-time guidance to retail store employees regarding the waste classification for items  
16 being disposed; and

17           (2) Within 60 days of the effective date of this consent judgment and for a period of five (5)  
18 years after the effective date, retain a qualified consultant, to assist Defendant in evaluating  
19 through a retail store audit program, and updating as necessary, Defendant's retail hazardous  
20 waste compliance program and its implementation of that program.

21          **5.4 Reimbursement of Partial Costs of Investigation and Enforcement**

22          Defendant shall pay THREE HUNDRED AND TWELVE THOUSAND, FIVE  
23 HUNDRED DOLLARS (\$312,500.00) for reimbursement of attorney's fees, costs of  
24 investigation, and other costs of enforcement, to the entities identified in, and in accordance with  
25 the terms of, **Exhibits D-1 and D-2**, attached.

26          **6. ENFORCEMENT OF FINAL JUDGMENT AND PENALTIES**

27          Subject to the terms of paragraph 15, the People may move this Court for additional relief  
28 for any violation of any provision of this Final Judgment including, but not limited to, contempt,