#### SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is effective as of the date of the last signature, and is entered into by and among (1) ANIMAL LEGAL DEFENSE FUND; ANIMAL WELFARE INSTITUTE; MOUNTAIN LION FOUNDATION; NATURAL RESOURCES DEFENSE COUNCIL, INC.; PROJECT COYOTE/EARTH ISLAND INSTITUTE; CENTER FOR BIOLOGICAL DIVERSITY; and CAROL BECKER (collectively, "Petitioners"); and (2) the County of Mendocino ("Respondent" or "County"). Petitioners and Respondent are collectively referred to as "Parties" and individually as "Party."

#### **RECITALS**

- A. WHEREAS, on or about June 16, 2015, the County Board of Supervisors ("Board") adopted Resolution 15-098 authorizing execution of the following two documents: (1) The Cooperative Services Agreement between Mendocino County and United States Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services ("Cooperative Agreement") and (2) The Work and Financial Plan between Mendocino County and United States Department of Agriculture Animal and Plant Health Inspection Service Wildlife Services for July 1, 2015 June 30, 2016 ("2015-2016 Work Plan") (collectively, "Wildlife Services Agreements").
- B. WHEREAS, the Wildlife Services Agreements continue and implement the Integrated Wildlife Damage Management program ("IWDM Program"), by which the County contracts with the United States Department of Agriculture, Animal and Plant Health Inspection Service, Wildlife Services ("Wildlife Services") to "protect residents, property, livestock, crops, and natural resources from damage caused by predators and other nuisance wildlife."

- C. WHEREAS, at the June 16, 2015, Board of Supervisors meeting, the Board adopted Resolution No. 15-097, finding approval of the Wildlife Services Agreements exempt from the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.) ("CEQA").
- D. WHEREAS, on June 22, 2015, the County issued a Notice of Exemption finding that the IWDM Program was categorically exempt under CEQA Guidelines Sections 15307 and 15308, and exempt under the "exemption" described by CEQA Guidelines Section 15061(b)(3).
- E. WHEREAS, on July 27, 2015, Petitioners filed a Petition and Complaint for Writ of Mandate, Declaratory Relief and Injunctive Relief in Mendocino County Superior Court (Case No. SCUK-CVPT-15-66119) ("Lawsuit"), alleging that: (i) the County's approval of the Agreements and its determination that the IWDM Program is exempt from CEQA violated CEQA; and (ii) the County's determination that the IWDM Program was exempt from CEQA breached the terms of a prior settlement agreement between the Parties, dated April, 2015, which bound the County to "comply with CEQA," among other terms.
- F. WHEREAS, Respondent now agrees that it will not rely upon an exemption from CEQA, including but not limited to the exemptions under Guidelines Sections 15307, 15308, or 15061(b)(3), for purposes of approval of the Wildlife Services Agreement and implementing the IWDM Program, but rather agrees that an Environmental Impact Report ("IWDM Program EIR" or "EIR") will be prepared before the IWDM Program may continue.
- G. WHEREAS, the Parties engaged in good faith efforts to settle the Lawsuit and have reached agreement to settle the Lawsuit on the following terms.

#### **AGREEMENT**

NOW THEREFORE, in consideration of the mutual promises and/or covenants contained in this Settlement Agreement, and for good and sufficient consideration, the receipt and adequacy of which is hereby acknowledged, the Parties hereby agree as follows:

- Incorporation of Recitals. The Parties incorporate herein each of the foregoing Recitals in full.
- 2. <u>No Admissions.</u> The Parties understand and agree that this Agreement is the result of a compromise and nothing contained herein shall be construed as an admission of liability, responsibility, or wrongdoing by any Party hereto.

## 3. Obligations of County.

- a. <u>CEQA Exemptions</u>. At its next regularly scheduled public meeting following execution of this Agreement for which all public notice requirements can be met, the Board shall adopt a written resolution rescinding Resolutions 15-097 and 15-098, and withdrawing its June 22, 2015 Notice of Exemption.
- b. <u>Program Suspension.</u> At its next regularly scheduled public meeting following execution of this Agreement for which all public notice requirements can be met, the Board shall adopt a written resolution suspending the IWDM Program (including without limitation funding, implementation, and/or execution) by the County pursuant to the Wildlife Services Agreements. This suspension shall remain in effect unless and until each of the following occurs: (1) the County prepares and the Board certifies the IWDM Program EIR pursuant to section 3(c) of this Agreement and in accordance with the procedural and substantive requirements of CEQA related to preparation of environmental impact reports; and (2) the County approves the reinstatement of the IWDM Program in reliance upon the IWDM Program

EIR. During the pendency of this suspension, the County shall not authorize or fund operations within the scope of the IWDM Program by County employees or agents, Wildlife Services, or any other organization, entity or individual within the County. This suspension, however, is made without prejudice to any individuals' or governmental entities' respective legal rights to operate within Mendocino County independent of the IWDM Program and without Mendocino County's authorization, funding, or support.

The County specifically agrees that no funds allocated in the 2015-2016 Work Plan will be used for wildlife management activities after the execution of this Agreement and that the County will seek a refund of any funds pre-paid to Wildlife Services under the 2015-2016 Work Plan for work performed after the execution of this Agreement.

- c. <u>Environmental Review.</u> If the County chooses to prepare the IWDM Program EIR, the County shall prepare and certify the EIR in accordance with CEQA, including the procedural and substantive requirements for preparation of environmental impact reports. Following completion of the draft EIR, the County shall provide for at least a 60-day public comment.
- (i) Retention of Outside Consultant. The County shall retain an outside consultant ("Consultant") to prepare the IWDM Program EIR. Prior to selection of the Consultant, County shall solicit and Petitioners shall provide the County a list of at least three (3) consultants whom Petitioners believe are qualified to prepare the IWDM Program EIR, and County shall solicit bids from Petitioners' recommended consultants as well as other firms as part of a Request for Proposal for Preparation of IWDM Program EIR ("RFP"). County agrees that it will not solicit or accept bids from consultants that do not satisfy the requirements identified in Exhibit A. Following initial identification of qualifying responses to the RFP by the

County, the County shall meet with Petitioners' representative(s) to review the qualified responses and the County and Petitioners shall use their best efforts to identify three (3) to five (5) mutually agreeable consultants ("Consultant List"). Following this meeting, and consistent with County's RFP requirements, County shall select the Consultant from the Consultant List. If, for whatever reason, County is unable to reach agreement with the identified Consultant to prepare the IWDM Program EIR, County will endeavor to retain another consultant from the Consultant List. If, for whatever reason, County is unable to reach agreement with any of the consultants from the Consultant List, County and Petitioners shall meet and confer to resolve this issue by, including but not limited to, agreeing to a new Consultant List or issuing a new RFP.

County Staffing. The County shall select a qualified member of its Planning and Building Services Department with experience preparing environmental documents pursuant to CEQA to manage the Consultant and oversee preparation of the IWDM Program EIR. Chuck Morse, the Agriculture Commissioner, shall not have oversight or otherwise direct preparation of the IWDM Program EIR, though he and other members of the Department of Agriculture may be utilized to provide information and data related to the historic implementation of the IWDM Program as necessary for preparation of the IWDM Program EIR. Except as provided in Section 3(b) of this Agreement, nothing in this paragraph prohibits Mr. Morse or any other member of the Department of Agriculture from performing their official duties and responsibilities by making a recommendation to the Board concerning a future IWDM Program based on the IWDM Program EIR, and/or otherwise informing or advising the Board, members of the public, and/or other stakeholders and interested parties concerning the IWDM Program, the IWDM Program EIR, and wildlife management in general.

(iii) Engagement with Petitioners Regarding Preparation of the EIR. The Parties agree that, pursuant to CEQA, all members of the public must be given the opportunity to comment on the scope and content of the IWDM Program EIR, and input from the public, as well as the Consultant and County staff, may require the IWDM Program EIR to include and analyze information with which Petitioners may not agree. Notwithstanding these legal obligations, the County desires to engage with Petitioners to ensure that Petitioners' opinions and expertise are considered in the IWDM Program EIR, as follows:

a. Notice of Preparation. Following retention of the Consultant but prior to issuance of the Notice of Preparation for the IWDM Program EIR, the Consultant, representatives of the County, and representative(s) of the Petitioners shall hold at least one in-person or telephonic meeting to solicit information from Petitioners concerning the scope and content of the EIR, including but not limited to: the existing setting, baseline, and appropriate scope of analysis in the EIR; a "non-lethal alternative" to be analyzed in the EIR; and scientific information, studies, reports, or other materials to be considered in the EIR. Thereafter, the County shall provide Petitioners with a copy of the Notice of Preparation at the same time the Notice of Preparation is issued to the public and shall solicit written comments from Petitioners concerning the scope and content of the EIR as described in the Notice of Preparation. Following receipt of the Petitioners written comments on the Notice of Preparation, at the request of Petitioners, the Consultant, County representatives, and representative(s) of Petitioners shall meet to review and discuss with Petitioners written comments on the Notice of Preparation.

b. <u>Non-Lethal Alternative</u>. In addition to the meeting(s) required by Section 3(c)(iii)(a), following issuance of the Notice of Preparation but prior to publication of the draft IWDM Program EIR, the Consultant and County representatives shall

meet with a representative(s) of Petitioners at least twice to develop and review the EIR's description and analysis of Petitioners' proposed non-lethal alternative. During these meetings, the Consultant shall actively solicit from Petitioners any scientific information, studies, reports, or other materials and shall fully consider such materials in the preparation of the non-lethal alternative. At a minimum, the basis of the non-lethal alternative shall be a county-funded program that incentivizes county subsidization and implementation assistance for depredation prevention through proactive, nonlethal predator control alternatives. Any disagreements with or rejection of scientific information submitted by Petitioners shall be fully explained in the EIR.

- (iv) Monthly Reports to Petitioners. On the first day of the month beginning immediately after adoption of the resolution required by sections 3(a) and 3(b), and on the first day of each month thereafter until the IWDM Program EIR is certified, the County shall provide written reports to Petitioners providing an update on the status of preparation of the IWDM Program EIR, including but not limited to selection of the Consultant, issuance of the Notice of Preparation, preparation and publication of the draft EIR, preparation of the responses to comments on the draft EIR, and publication of the final EIR. If Petitioners have a question about any information contained in the monthly updates, or otherwise related to preparation of the EIR, Petitioners shall contact the County representative assigned to supervise preparation of the EIR to request a meeting to discuss Petitioners' questions.
- (v) Reservation of Right to Challenge. Neither this Agreement nor Petitioners' participation in the preparation of the EIR circumscribes or otherwise affects Petitioners' rights to ultimately challenge the final EIR (or any of the contents thereof) and/or any subsequent authorization by the Board to reinstate the IWDM Program, including Petitioners' right to seek a temporary restraining order or other injunctive relief to prohibit

implementation of the IWDM Program following certification of the IWDM Program EIR and approval of the IWDM Program.

# 4. <u>Obligations of Petitioners.</u>

- a. <u>Dismissal.</u> Within seven (7) days of the County adopting the Resolution required by Sections 3(a) and 3(b), Petitioners shall enter into a stipulation dismissing, or otherwise file a motion for dismissal of, the entire Lawsuit without prejudice and asking that the Court enter judgment in this matter consistent with this Agreement. A copy of the stipulation shall be served on all parties to the Lawsuit via fax or pdf/email and by U.S. Mail. This stipulation shall include the language referenced in Section 12 of this Agreement.
- b. <u>Selection of Representative.</u> Petitioners shall identify a representative or representatives to work with the County and the Consultant in the preparation of the EIR.
- c. <u>List of Consultant Candidates</u>. Consistent with the requirements of Section 3(c)(i) of this Agreement, Petitioners shall provide to the County a list of at least three candidates to be included in the County's RFP process.
- d. Remedies to Challenge EIR. Notwithstanding Section 3(c)(v) of this Agreement, the sole remedy available to Petitioners to claim that the County failed to comply with the procedural and/or substantive requirements of CEQA when preparing and certifying the final EIR is pursuant to California Public Resources Code sections 21165 21177. For the avoidance of doubt, Petitioners are entitled to enforce this Agreement and may pursue a cause of action, including but not limited to, an action in contract or in tort, should the County fail to adhere to any of its obligations under this Agreement.
- 5. <u>Cooperation.</u> The Parties shall cooperate to ensure that the steps necessary to implement this Settlement Agreement are carried out.

## 6. Representations and Warranties.

- a. The Parties each represent and warrant that they are natural persons or duly incorporated or otherwise existing under statutory enabling authority, and they have the full power and authority to enter into and consummate the matters set forth in this Agreement, and that this Agreement constitutes a legal, valid, and binding obligation of the Parties which is enforceable in accordance with its terms and admissible in court.
- b. The Parties each represent and warrant that no representations or promises of any kind other than as contained in this Agreement have been made by any party to induce them to enter into this Agreement. The Parties agree that this Agreement constitutes the sole and only agreement between the Parties with respect to the subject matter hereof and correctly sets forth the rights, duties and obligations of each to the others hereunder. The terms of this Agreement are contractual and not mere recitals. This Agreement is executed without reliance upon any recital(s) or representation(s) by any person concerning the nature or extent of legal liability therefor, and the Parties have carefully read and understand the contents of this Agreement and sign the same as their own free act.
- 7. <u>Costs and Fees.</u> County agrees to pay Petitioners the sum of \$10,000 to reimburse Petitioners' litigation costs in this action, and \$15,000 to reimburse Petitioners' attorneys' fees. Payment shall be made within thirty (30) days after Petitioners file a dismissal in accordance with Section 4(a) of this Settlement Agreement. Except as set forth in this paragraph, each Party shall bear its own attorneys' fees and costs.
- 8. <u>Interpretation</u>. For purposes of interpretation, this Agreement shall be deemed to have been drafted jointly by the Parties and their counsel, and no ambiguity shall be resolved against any Party by virtue of its participation in drafting this Agreement.

9. <u>Waiver</u>. Each Party expressly releases, waives, and relinquishes and forever discharges the other Parties from all claims, actions, liabilities, and causes of action, of every nature and kind whatsoever, whether known or unknown, suspected or unsuspected, asserted or unasserted, or hereafter discovered or ascertained, in law or equity, by reason of any matter, cause or thing whatsoever, it has, or may have, with respect to the claims set forth in the petition and complaint for writ of mandate filed in the Lawsuit, and those claims Petitioners could have included in the petition. Each Party acknowledges and agrees that all rights under Section 1542 of the California Civil Code are expressly waived. That section provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH, IF KNOWN TO HIM, MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

Each Party understands, acknowledges, and agrees that this Agreement constitutes a complete and sufficient defense barring any such claim, and the Parties can rely upon this Agreement as a complete defense. For the avoidance of doubt, the Parties agree that the above release does not extend to any claims related to any decision by the County to reaffirm or reapprove the Wildlife Services Agreements or IWDM Program following the review process described above.

- 10. <u>Captions</u>. The captions, titles and headings of this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions of this Agreement and shall have no effect on its interpretation.
- 11. <u>Governing Law</u>. This Agreement shall be governed by the laws of the State of California, except to the extent that the laws of the United States are applicable.

12. <u>Continuing Jurisdiction</u>. The Parties agree that the Court shall enter judgment according to the terms of this Agreement in accordance with California Code of Civil Procedure § 664.6. The Parties further agree that the Court shall retain jurisdiction over the parties to enforce this Agreement until performance in full of the terms herein.

13. <u>Severability.</u> The invalidity of any portion of this Agreement shall not invalidate the remainder. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the Parties shall amend this Agreement and/or take other action necessary to achieve the intent of this Agreement in a manner consistent with the ruling of the court.

14. <u>Successors and Assigns</u>. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors, assigns, heirs, executors, and administrators.

15. <u>Notice</u>. All notices required under this Agreement shall be in writing, and may be given either personally or by registered or certified mail (return receipt requested) or facsimile. Any Party may at any time, by giving ten (10) days' written notice to the other Party, designate any other person or address in substitution of the address to which such notice shall be given. Such notice shall be given to the Parties at their addresses set forth below:

#### **For Petitioners:**

Katherine Henderson Wilson Sonsini Goodrich & Rosati One Market Plaza Spear Street Tower, Suite 3300 San Francisco, CA 94105-1125

Christopher Mays Wilson Sonsini Goodrich & Rosati 650 Page Mill Road Palo Alto, CA 94304-1050

# For Mendocino County:

Katharine Elliott, Acting County Counsel Mendocino County Counsel's Office 501 Low Gap Road #1030 Ukiah, CA 95482

Todd Smith Thomas Law Group One Kaiser Plaza Oakland, CA 94612

- 16. <u>Counterparts and Signatures</u>. This Agreement may be executed in separate counterparts, by either an original signature or signature transmitted by facsimile transmission or signature transmitted by email attachment or other similar process. Each copy so executed shall be deemed to be an original and all copies so executed shall constitute one and the same agreement.
- 17. Entire Agreement. This Agreement consists of a total of 15 pages, including signature pages, and represents the complete and entire agreement between the Parties. This Agreement supersedes all prior agreements, negotiations and discussions among the Parties and/or their respective counsel with respect to the subject matters covered hereby. Any amendment to this Agreement must be in writing and signed by the Parties' duly authorized representatives, and must state the intent of all Parties to amend this Agreement.

Dated:	, 2016	ANIMAL LEGAL DEFENSE FUND
		By:
		Its:
Dated:	, 2016	ANIMAL WELFARE INSTITUTE
		By:
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Dated:	, 2016	MOUNTAIN LION FOUNDATION
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Dated:	, 2016	PROJECT COYOTE/ EARTH ISLAND INSTITUTE
		By:
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Dated:	, 2016	CENTER FOR BIOLOGICAL DIVERSITY
		By:
		Its:
Dated:	, 2016	CAROL BECKER
Dated:	, 2016	MENDOCINO COUNTY
		By:
		Its:
Dated:	, 2016	THOMAS LAW GROUP
		By:
		Todd W. Smith, Attorneys for Respondent and Defendant MENDOCINO COUNTY

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Dated:April 13, 2016	CENTER FOR BIOLOGICAL DIVERSITY
	By:
Dated:, 2016	CAROL BECKER
Dated:, 2016	MENDOCINO COUNTY
	By:
	Its:
Dated:, 2016	THOMAS LAW GROUP
	Ву:
·	Todd W. Smith, Attorneys for Respondent and Defendant

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Dated:, 2016	MENDOCINO COUNTY
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Dated:, 2016	THOMAS LAW GROUP
	Ву:
	Todd W. Smith, Attorneys for Respondent and Defendant MENDOCINO COUNTY

Dated:, 2016	CENTER FOR BIOLOGICAL DIVERSITY
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Dated:, 2016	THOMAS LAW GROUP
	By:
	Todd W. Smith, Attorneys for Respondent and Defendant MENDOCINO COUNTY

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		By:
Dated: 4/24	, 2016	THOMAS LAW GROUP  By:
		Todd W. Smith, Attorneys for Respondent and Defendar MENDOCINO COUNTY

# Exhibit A

The following identifies the minimum requirements for each Consultant selected for the Environmental Impact Report ("EIR") process.

- Any proposal shall include curriculum vitae for all proposed team members. Such curriculum vitae must:
  - Disclose any past employment or consulting services provided to Mendocino
     County or Wildlife Services, regardless of time period;
  - o Provide a complete employment history and client list for the past five years; and
  - o Identify any employer or client within the last five years for whom the team member prepared an EIR or provided other environmental consulting services.
- The Consultant (including either the Consulting firm itself or any proposed team member) must have no past employment or client relationship with Mendocino County or Wildlife Services unless the parties agree to waive such past relationship.
- The Consultant must have experience preparing EIRs and similar documents. To demonstrate the Consultant's experience, any proposal shall include sample EIRs prepared by the Consultant within the last three (3) years.