CASE ASSIGNED FOR ALL PURPOSES TO HON. SUSAK C HARLAN GC 68616 (i)

Eric J. Benink, Esq., SBN 187434 Mary K. Wyman, Esq., SBN 260104 Krause, Kalfayan, Benink & Slavens, LLP 625 Broadway, Suite 635 San Diego, CA 92101 (619) 232-0331 (ph) (619) 232-4019 (fax) eric@kkbs-law.com AMADOR SUPERIOR COURT
AUG 3 1 2011

Clerk of the Superior Court

By: 10091

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF AMADOR

PAUL PRESSNALL, an individual; and DOROTHY PRESSNALL, an individual,

Petitioners and Plaintiffs

V.

CITY OF SUTTER CREEK, a municipal corporation, and DOES 1 – 5,

Respondents and Defendants.

Case No.: 11 -CV- 7458

VERIFIED PETITION FOR WRIT OF MANDATE; and

COMPLAINT FOR VIOLATION OF CALIFORNIA CONSTITUTION AND DECLARATORY RELIEF

Petitioners and Plaintiffs Paul Pressnall and Dorothy Pressnall ("Petitioners") allege as follows:

I. NATURE OF THE ACTION

1. This is an action brought by Petitioners against the City of Sutter Creek ("Sutter Creek") for violations of a constitutional provision enacted through Proposition 218.

Petitioners seek a writ of mandate, injunctive relief, and a judicial declaration to ensure Sutter Creek complies with Proposition 218's mandates with respect to Sutter Creek's imposition of waste collection fees.

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II. PARTIES

- 2. Petitioners own property in and are residents of Sutter Creek. They pay the fees at issue in this action.
- 3. The City of Sutter Creek is a municipal corporation in the County of Amador. It is an "agency" subject to Proposition 218 as defined in Cal. Const., article XIIID, section 2(a). The City can sue and be sued under Government Code § 34501.
- 4. Petitioners are unaware of the true names and capacities of defendants sued herein as DOES 1 through 5, inclusive, and therefore sue those defendants by such fictitious names. Petitioners are informed and believe, and thereon allege, that each of said fictitiously-named defendants is in some manner responsible for the acts, violations, injuries and/or damages alleged herein. Petitioners will amend this petition and complaint to allege the true names and capacities of said fictitiously-named defendants when the same have been ascertained.
- 6. Petitioners are informed and believe, and thereon allege, that at all times herein mentioned, each of the defendants was the agent, employee, representative, partner, joint venturer, and/or alter ego of each of the other defendants and, in doing the things alleged herein, was acting within the course and scope of such agency, employment, representation, on behalf of such partnership or joint venture, and/or as such alter ego, with the authority, permission, consent, and/or ratification of each of the other defendants.

III. GENERAL ALLEGATIONS

7. Under California law, Sutter Creek is required to provide refuse collection services to its citizens. See Cal. Public Resources Code § 40001 ("the responsibility for solid waste management is a shared responsibility between the state and local governments.") In an effort to fulfill this legal obligation, Sutter Creek entered into a "Franchise for Solid Waste Collection, Disposal and Recycling Services" ("Contract") with private entity ACES Waste Services, Inc. ("ACES") on approximately June 4, 2009, effective July 1, 2009. The Contract sets forth the terms and conditions under which ACES is required to collect and dispose the solid waste for the residents of Sutter Creek (i.e. curbside refuse collection services) on Sutter Creek's behalf. The

Contract states that "[n]otwithstanding this grant of franchise, City retains and reserves to itself the full authority to regulate, correct and control all activities of the franchise, including removal, termination, and suspension."

- 8. Sutter Creek imposes waste collection fees through the Contract with ACES. For example, the Contract sets forth a detailed and complex Rate Adjustment Methodology ("RAM") that Sutter Creek requires ACES to utilize in setting fees and calculating future fee increases. Under the Contract, all fee increases are reviewed and must be approved by Sutter Creek. In fact, ACES is prohibited from charging any amount in excess of the fees fixed pursuant to the RAM. Thus, Sutter Creek imposes the refuse collection fees through this carefully negotiated Contract with ACES. Alternatively, ACES acts as Sutter Creek's agent with respect to the imposition of fees.
- 9. The Contract dictates the manner by which ACES conducts its operations regarding matters such as the frequency of collection, equipment maintenance, hours of collection, customer complaints, and expected performance level.
- 10. The Contract requires ACES to pay to Sutter Creek, a 5% "franchise fee" of the gross revenues it collects.
- 11. With regard to waste collection, water, and sewer fees, which are property-related fees, Proposition 218 provides that a local government must, prior to increasing a fee, mail information about the fee to every property owner, conduct a public hearing, and reject the fee if a majority protests. See Cal. Const. article XIII D ("Article XIII D") § 6(a)(2).
- 12. Sutter Creek imposed the original fees and subsequent fee increases in 2010 and 2011 without complying with Proposition 218. It did not mail a Proposition 218-compliant notice regarding the fee increases to the Petitioners or to Sutter Creek's other property owners or hold a hearing regarding the fee increases. It provided no opportunity to protest. Sutter Creek refuses to comply with Proposition 218 in the future. It wrongly contends that because Sutter Creek has delegated its legal responsibility to a private entity, it is not subject to Proposition 218's mandates.
- 13. The refuse collection services at issue are property-related services and the fees are imposed by Sutter Creek upon parcels and persons as an incident of property ownership.

IV.

FIRST CAUSE OF ACTION PETITION FOR WRIT OF MANDATE (Against All Respondents)

- 14. Petitioners reallege and incorporate by reference each of the paragraphs set forth above.
- 15. Respondents refused and continue to refuse to comply with constitutional obligations as set forth above.
- 16. Accordingly, Petitioners are entitled to a writ of mandate as specified more fully below.

V. SECOND CAUSE OF ACTION

DECLARATORY RELIEF (Against All Defendants)

- 17. Plaintiffs reallege and incorporate by reference each of the paragraphs set forth above.
- 18. An actual controversy exists between the parties in that Plaintiffs believe that fee increases to be imposed by Defendants violate a state constitutional provision because Defendants are required to comply with the notice, hearing, and protest provisions set forth in Article XIIID § 6(a)(2), but have refused to do so because they do not believe that Proposition 218 governs their actions.
- 19. Plaintiffs desire a judicial determination of the rights and duties of the parties, including a declaration stating that Defendants are required to comply with Article XIIID § 6(a)(2).

VI.

THIRD CAUSE OF ACTION VIOLATION OF CAL. CONST. ART. XIIID (Against All Defendants)

20. Plaintiffs reallege and incorporate by reference each of the paragraphs set forth above.

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- 21. Defendants have violated and intend to violate Art. XIIID § 6(a)(2) in the future.
- Plaintiffs seek an order restraining and enjoining Defendants from violating Article 22. XIIID § 6(a)(2).

PRAYER FOR RELIEF

WHEREFORE, Petitioners / Plaintiffs pray for judgment as follows:

ON THE FIRST CAUSE OF ACTION AS TO ALL RESPONDENTS

1. For the issuance of a peremptory writ of mandate directing Respondents to comply with Article XIIID § 6(a)(2) regarding all fees previously imposed and to be imposed in the future pursuant to the Franchise for Solid Waste Collection, Disposal and Recycling Services.

ON THE SECOND CAUSE OF ACTION AS TO ALL DEFENDANTS

1. For a declaratory judgment declaring that Defendants' practices have violated and continue to violate Article XIIID § 6(a)(2).

ON THE THIRD CAUSE OF ACTION AS TO ALL DEFENDANTS

1. For a temporary restraining order, preliminary injunction, and permanent injunction enjoining Defendants from violating Article XIIID § 6(a)(2).

ON ALL CAUSES OF ACTION

- 1. For attorney's fees and costs, including those recoverable pursuant to California Code of Civil Procedure § 1021.5.
 - 2. For such other relief as the Court deems necessary and proper.

August 29, 2011

Eric J. Benink Esq.

Krause, Kalfayan, Benink & Slavens, LLP Attorneys for Petitioners / Plaintiffs

VERIFICATION

I have read the foregoing Verified Petition for Writ of Mandate and Complaint for Violation of California Constitution and Declaratory Relief and know the contents thereof. The matters stated therein are true and correct of my own knowledge.

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

Executed on August 24, 2011 in Sutter Creek, CA.

Paul Pressnall, Petitioner

VERIFICATION

I have read the foregoing Verified Petition for Writ of Mandate and Complaint for Violation of California Constitution and Declaratory Relief and know the contents thereof. The matters stated therein are true and correct of my own knowledge.

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

Executed on August 24, 2011 in Sutter Creek, CA.

Dorothy Tressnall, Petitioner