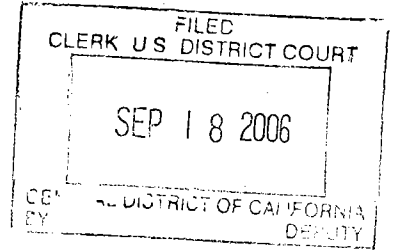


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14 UNITED STATES DISTRICT COURT
15 CENTRAL DISTRICT OF CALIFORNIA

16 CITY OF LOS ANGELES; ORANGE
COUNTY SANITATION DISTRICT;
17 COUNTY SANITATION DISTRICT NO. 2
OF LOS ANGELES COUNTY;
18 RESPONSIBLE BIOSOLIDS
MANAGEMENT, INC.; R&G FANUCCHI,
19 INC.; SHAEN MAGAN, both individually
and d/b/a HONEY BUCKET FARMS and
20 TULE RANCH/MAGAN FARMS;
WESTERN EXPRESS, INC.; SIERRA
21 TRANSPORT, INC.; CALIFORNIA
ASSOCIATION OF SANITATION
22 AGENCIES,

23 Plaintiffs,

v.

24 COUNTY OF KERN; KERN COUNTY
25 BOARD OF SUPERVISORS,
26 Defendants.

No. CV 06-5094 GAF (VBKx)

**DECLARATION OF MARK
LUTREL IN SUPPORT OF
PLAINTIFFS' MOTION
FOR A PRELIMINARY
INJUNCTION**

Date: October 16, 2006
Time: 9:30 a.m.
Place: 255 Temple Street
Room 740
Los Angeles, CA
Judge: The Honorable
Gary A. Feess

1 I, Mark Lutrel, declare as follows:

2 1. I am President, Chief Executive Officer and majority
3 shareholder of Sierra Transportation Inc. ("Sierra Transport"), a family trucking
4 business based in Kern County. I have worked in the trucking industry for the past
5 30 years.

6 2. I submit this declaration in support of Plaintiffs' motion for a
7 preliminary injunction. The facts stated in this declaration are based on my
8 personal knowledge, and I could and would testify competently to these facts if
9 called upon to do so.

10 3. On June 6, 2006, the voters of Kern County adopted Measure
11 E, an initiative ordinance that purports to prohibit land application of biosolids at
12 the City of Los Angeles' Green Acres Farm ("Farm" or "Green Acres") within six
13 months of the ordinance's effective date. As explained below, the new Kern
14 biosolids ordinance (the "Kern Ban") will impose substantial and irreparable
15 burdens on Sierra Transport and its employees.

16 **BACKGROUND REGARDING SIERRA TRANSPORT**

17 4. In accordance with a contract with Responsible Biosolids
18 Management ("RBM"), which contracts with the City of Los Angeles ("City") to
19 administer the land application of biosolids at Green Acres, Sierra Transport is
20 responsible for transporting the biosolids generated by the City from the City's
21 wastewater treatment facilities to Green Acres in Kern County. Sierra Transport
22 has hauled City biosolids to Green Acres since 1998.

23 5. Sierra Transport employs a staff of 34 men and women,
24 including drivers, shop workers and administrative staff.

25 6. Each and every day of the year, Sierra Transport hauls roughly
26 700 tons of biosolids from Los Angeles to Green Acres. On average, this work has
27 required 28 truckloads per day (with an average of approximately 26 truckloads
28 per day in 2006).

1 7. The hauling work for the City constitutes 83% of Sierra
2 Transport's entire business; the company's remaining business consists of return
3 hauls from Kern County to the City after the biosolids have been unloaded at
4 Green Acres.

5 **IRREPARABLE HARM TO SIERRA TRANSPORT**
6 **AND ITS EMPLOYEES**

7 8. The new Kern Ban will impose substantial and irreparable
8 burdens on Sierra Transport and its employees.

9 9. The Ban could force Sierra Transport entirely out of business.
10 The Ban will force the City to attempt to relocate its biosolids operations to
11 alternative locations, such as potential new land application sites in Arizona. This
12 would cause Sierra Transport, a valuable local company based in Kern County near
13 Green Acres, to lose its work hauling biosolids from Los Angeles to Green Acres.
14 The revenue from this work is approximately \$4 million per year. Further, if
15 Sierra Transport loses its work hauling biosolids from Los Angeles to Green Acres,
16 then it would also lose the return haul work back to Los Angeles – and therefore all
17 of its business.

18 10. In addition, Sierra Transport has made significant capital
19 investments to support its hauling work for the City of Los Angeles. The Kern Ban
20 would cause Sierra Transport to lose the return on these significant investments.

21 11. Earlier this year, Sierra Transport purchased real property, at a
22 cost of \$900,000, so that it could be located closer to Green Acres. Sierra
23 Transport constructed permanent improvements on the property, including a truck
24 yard and repair facility, at a cost of \$500,000. Sierra Transport acquired the
25 property and constructed improvements on it to serve biosolids operations at Green
26 Acres.

27 12. The significant investments made by Sierra Transport also
28 include the purchase of trailers and tractors that are specially designed for the

1 transport of biosolids; this equipment is not well-suited for hauling other types of
2 materials.

3 13. Sierra Transport owns a fleet of 26 high-capacity, end-dump
4 trailers with sealed tailgates, purchased at a cost of \$60,000 each. It also owns 23
5 lightweight tractors, purchased at a cost of \$100,000 each. Because of the high
6 mileage and constant use, the tractors must be replaced every three to three and a
7 half years. Sierra Transport recently purchased ten new tractors at a total cost of
8 \$1,000,000.

9 14. Even if Sierra Transport is able to continue its hauling
10 operations for the City and RBM, it would have to move those aspects of its
11 business capable of being transferred to one or more new sites, such as potential
12 new land application sites in Arizona. At the present time, however, Sierra
13 Transport lacks the infrastructure and business relationships to operate effectively
14 at such distant new sites.

15 15. Moving the company's operations to Arizona, for example,
16 would require significant investment, lead time and ongoing costs to establish and
17 operate a new truck shop and yard there near the new land application site(s); to
18 establish business relationships there; and to hire new local employees. This
19 would be a substantial burden on our small company. In addition, the company
20 would have to sell the property it recently purchased near Green Acres, and would
21 therefore lose the return on the significant investments it made to acquire the
22 property and to construct improvements on that property to serve biosolids
23 operations at Green Acres.

24 16. The Kern Ban would also harm Sierra Transport's employees.
25 Even if Sierra Transport is able to continue hauling operations to new distant
26 locations outside of Kern County, the company's current employees would likely
27 lose their jobs. In 2005, our payroll to our employees was nearly \$1.4 million.

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HARDSHIP APPLICATION TO KERN COUNTY


17. The Kern Ban provides that certain affected persons may apply for a hardship extension of time, not to exceed six months, to discontinue land application of biosolids. On or about August 1, 2006, the City of Los Angeles and RBM jointly applied for a hardship extension of time for land application at Green Acres, and I submitted a declaration in support of that application.

18. As of the signing of this declaration, Kern County has not informed Sierra Transport whether the hardship application for Green Acres has been granted or denied.

19. Even if the hardship extension application is granted for the full six months, this extension would at best delay, but would not eliminate or lessen the irreparable harms to Sierra Transport and its employees, which are described above.

I declare under penalty of perjury that the foregoing is true and accurate.

Executed this 17 day of September at San Jose, California
California



Mark Lutrel
Sierra Transport, Inc.