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**SUMMONS  
(CITACION JUDICIAL)**

**NOTICE TO DEFENDANT:  
(AVISO AL DEMANDADO):**

CALCOASTNEWS/UNCOVEREDSLO.COM LLC, a California corporation d/b/a CalCoastNews, (SEE SUM-200(A) Attached)

**YOU ARE BEING SUED BY PLAINTIFF:  
(LO ESTÁ DEMANDANDO EL DEMANDANTE):**

CHARLES TENBORG, an individual

FOR COURT USE ONLY  
(SOLO PARA USO DE LA CORTE)

MAY 10 2013

SAN LUIS OBISPO SUPERIOR COURT

J. Caciño, Deputy Clerk

**NOTICE!** You have been sued. The court may decide against you without your being heard unless you respond within 30 days. Read the information below.

You have 30 CALENDAR DAYS after this summons and legal papers are served on you to file a written response at this court and have a copy served on the plaintiff. A letter or phone call will not protect you. Your written response must be in proper legal form if you want the court to hear your case. There may be a court form that you can use for your response. You can find these court forms and more information at the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), your county law library, or the courthouse nearest you. If you cannot pay the filing fee, ask the court clerk for a fee waiver form. If you do not file your response on time, you may lose the case by default, and your wages, money, and property may be taken without further warning from the court.

There are other legal requirements. You may want to call an attorney right away. If you do not know an attorney, you may want to call an attorney referral service. If you cannot afford an attorney, you may be eligible for free legal services from a nonprofit legal services program. You can locate these nonprofit groups at the California Legal Services Web site ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), the California Courts Online Self-Help Center ([www.courtinfo.ca.gov/selfhelp](http://www.courtinfo.ca.gov/selfhelp)), or by contacting your local court or county bar association. **NOTE:** The court has a statutory lien for waived fees and costs on any settlement or arbitration award of \$10,000 or more in a civil case. The court's lien must be paid before the court will dismiss the case. **¡AVISO!** Lo han demandado. Si no responde dentro de 30 días, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.

Tiene 30 DÍAS DE CALENDARIO después de que le entreguen esta citación y papeles legales para presentar una respuesta por escrito en esta corte y hacer que se entregue una copia al demandante. Una carta o una llamada telefónica no lo protegen. Su respuesta por escrito tiene que estar en formato legal correcto si desea que procesen su caso en la corte. Es posible que haya un formulario que usted pueda usar para su respuesta. Puede encontrar estos formularios de la corte y más información en el Centro de Ayuda de las Cortes de California ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)), en la biblioteca de leyes de su condado o en la corte que le quede más cerca. Si no puede pagar la cuota de presentación, pida al secretario de la corte que le dé un formulario de exención de pago de cuotas. Si no presenta su respuesta a tiempo, puede perder el caso por incumplimiento y la corte le podrá quitar su sueldo, dinero y bienes sin más advertencia.

Hay otros requisitos legales. Es recomendable que llame a un abogado inmediatamente. Si no conoce a un abogado, puede llamar a un servicio de remisión a abogados. Si no puede pagar a un abogado, es posible que cumpla con los requisitos para obtener servicios legales gratuitos de un programa de servicios legales sin fines de lucro. Puede encontrar estos grupos sin fines de lucro en el sitio web de California Legal Services, ([www.lawhelpcalifornia.org](http://www.lawhelpcalifornia.org)), en el Centro de Ayuda de las Cortes de California, ([www.sucorte.ca.gov](http://www.sucorte.ca.gov)) o poniéndose en contacto con la corte o el colegio de abogados locales. **AVISO:** Por ley, la corte tiene derecho a reclamar las cuotas y los costos exentos por imponer un gravamen sobre cualquier recuperación de \$10,000 o más de valor recibida mediante un acuerdo o una concesión de arbitraje en un caso de deracho civil. Tiene que pagar el gravamen de la corte antes de que la corte pueda desechar el caso.

The name and address of the court is:  
(El nombre y dirección de la corte es):

Superior Court of California, County of San Luis Obispo  
1035 Palm Street, Room 385, San Luis Obispo, CA 93408

CASE NUMBER  
(Número del caso) **130237**

The name, address, and telephone number of plaintiff's attorney, or plaintiff without an attorney, is:

(El nombre, la dirección y el número de teléfono del abogado del demandante, o del demandante que no tiene abogado, es):

Kevin B. Clune, Kerr & Wagstaffe LLP, 100 Spear St., 18th Fl, San Francisco, CA 94105, Tel: (415) 371-8500

**SUSAN MATHERLY**

DATE:

(Fecha)

**MAY 10 2013**

Clerk, by

(Secretario)

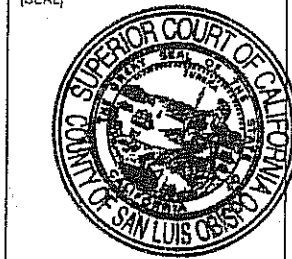
, Deputy

(Adjunto)

(For proof of service of this summons, use Proof of Service of Summons (form POS-010).)

(Para prueba de entrega de esta citación use el formulario Proof of Service of Summons, (POS-010)).

(SEAL)



**NOTICE TO THE PERSON SERVED:** You are served

- as an individual defendant.
- as the person sued under the fictitious name of (specify):
- on behalf of (specify):  
under:  CCP 416.10 (corporation)  CCP 416.60 (minor)  
 CCP 416.20 (defunct corporation)  CCP 416.70 (conservatee)  
 CCP 416.40 (association or partnership)  CCP 416.90 (authorized person)  
 other (specify):
- by personal delivery on (date):

SHORT TITLE: _ Tenborg v. CalCoastNews/UncoveredSLO.com LLC	CASE NUMBER:
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**INSTRUCTIONS FOR USE**

- This form may be used as an attachment to any summons if space does not permit the listing of all parties on the summons.
- If this attachment is used, insert the following statement in the plaintiff or defendant box on the summons: "Additional Parties Attachment form is attached."

List additional parties (Check only one box. Use a separate page for each type of party.):

Plaintiff     Defendant     Cross-Complainant     Cross-Defendant

KAREN VELIE, an individual,  
DANIEL BLACKBURN, an individual, *et al*  
DOES 1-10

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF SAN LUIS OBISPO**

CHARLES TENBORG

VS.

Plaintiff(s),

CALCOASTNEWS UNCOVEREDSLO.COM LLC

Defendant(s).

CASE NUMBER

CV130237

**Case Management Conference**

Court's Copy

**NOTICE OF ASSIGNMENT & CASE MANAGEMENT CONFERENCE.**

This case is assigned to **Hon. Martin J. Tangeman** for all purposes.

Plaintiff must serve the Summons and Complaint, a copy of this Notice, the Standing Case Management Order of the judge assigned for all purposes and must file proofs of service within 60 days after the complaint is filed.

**Defendants shall file responsive pleadings within 30 days of service**

unless the parties stipulate to an extension of not more than 15 days.

IT IS HEREBY ORDERED:

1. The parties must appear for a first Case Management Conference on:

**September 12, 2013 at 9:00 am in Department 1**

***THE PARTIES OR THEIR ATTORNEYS MUST APPEAR AT THE CASE MANAGEMENT CONFERENCE \*\*\****

For information about telephone appearances call **COURTCALL** at **(888) 882-6878**

2. Each party must file & serve a Case Management Statement at least 15 days before the conference.
3. The person appearing at the first Case Management Conference must be familiar with the case and prepared to discuss suitability of the case for mediation, binding arbitration, judicial arbitration or some form of alternative dispute resolution.
4. Trial will be set within the 11th or 12th month after the filing of the complaint. Counsel must arrange their schedules, reserve dates with witnesses and schedule trial preparation with this in mind. Continuances will be granted only on a clear showing of good cause.
5. All law and motion matters will be calendared in the department of the assigned judge and filed with the Clerk's Office.
6. Each party should be prepared to show cause why sanctions should not be imposed for a failure to comply with these rules.

**\*\*\*LIMITED JURISDICTION ONLY:** unless the parties have entered into arbitration as required by Local Rules 9.00 and 26.00. "Entered into arbitration" means the date upon which the administrator mails the arbitration list.

encs .3

1 JAMES M. WAGSTAFFE (95535)  
2 CHEROKEE D.M. MELTON (243265)  
3 KEVIN B. CLUNE (248681)  
4 **KERR & WAGSTAFFE LLP**  
5 100 Spear Street, 18th Floor  
6 San Francisco, CA 94105-1528  
7 Telephone: (415) 371-8500  
8 Fax: (415) 371-0500

**FILED**

MAY 10 2013

SAN LUIS OBISPO SUPERIOR COURT  
BY J. Cañero  
J. Cañero, Deputy Clerk

6 Attorneys for Plaintiff  
7 CHARLES TENBORG

8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

9 **COUNTY OF SAN LUIS OBISPO**

10 **UNLIMITED JURISDICTION**

11 **CC**  
12 **B CV 130237**

12 CHARLES TENBORG, an individual,  
13  
14 Plaintiff,

Case No.

**COMPLAINT FOR LIBEL**

15 v.

**JURY TRIAL DEMANDED**

16 CALCOASTNEWS/UNCOVEREDSLO.COM  
17 LLC, a California corporation d/b/a/  
18 CalCoastNews, KAREN VELIE, an individual,  
19 DANIEL BLACKBURN, an individual, and  
20 DOES 1-10,

**BY FAX**

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28 Defendants.

*[Handwritten mark]*

1 Plaintiff Charles Tenborg (“Plaintiff”) hereby alleges as follows against Defendants  
2 CalCoastNews/UncoveredSLO.com LLC, Karen Velie, Daniel Blackburn, and DOES 1-10  
3 (collectively “Defendants”):

4 **PARTIES**

5 1. Plaintiff Tenborg is a natural person and resident of California. Tenborg is the  
6 President and CEO of CEC Eco Solutions Inc. (“Eco Solutions”). Eco Solutions provides  
7 hazardous waste management services for private and public sector clients, including the County  
8 of San Luis Obispo’s Integrated Waste Management Authority (“IWMA.”)

9 2. On information and belief, Defendant CalCoastNews/UncoveredSLO.com LLC  
10 (“CalCoastNews”) is a California corporation doing business under the name “CalCoastNews”  
11 with its principal place of business in San Luis Obispo County. It operates the website  
12 calcoastnews.com.

13 3. Defendant Karen Velie (“Velie”) is a natural person and, on information and  
14 belief, is a resident of California. CalCoastNews’s website lists her as an “investigative  
15 reporter.”

16 4. Defendant Daniel Blackburn (“Blackburn”) is a natural person and, on  
17 information and belief, is a resident of California. CalCoastNews’s website lists him as a  
18 “Senior Correspondent and Co-Founder.”

19 5. Plaintiff is ignorant of the true names and capacities of Defendants sued herein as  
20 Does 1 through 10, inclusive, and therefore sues these Defendants by such fictitious names.  
21 Plaintiff will amend this complaint to allege their true names and capacities when ascertained.  
22 Plaintiff is informed and believes, and thereon alleges, that each of the fictitiously named  
23 Defendants are legally responsible in some manner for the occurrences herein alleged, and that  
24 Plaintiff’s injuries as herein alleged were proximately caused by the conduct of such Defendants,  
25 and each of them.  
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VENUE

6. Defendant CalCoastNews is, and at all times mentioned in this complaint has been, a corporation, incorporated under the laws of California, with its principal place of business in the County of San Luis Obispo.

7. On information and belief, Defendant Velie is an individual who is, and at all times mentioned in this complaint has been, a resident of the County of San Luis Obispo.

8. On information and belief, Defendant Blackburn is an individual who is, and at all times mentioned in this complaint has been, a resident of the County of San Luis Obispo.

FACTUAL OVERVIEW

9. On November 14, 2012, Defendants published on CalCoastNews’s website an article titled “Hazardous waste chief skirts law” [hereinafter, the “Article”], a true and correct copy of which is attached hereto as Exhibit A and incorporated herein by reference. The Article was written by Defendants Velie and Blackburn. The Article contained numerous false and otherwise defamatory statements about Tenborg, including but not limited to the statements identified below:

- a. The Article contends falsely that “[i]n the mid-1990’s, Tenborg was fired for undisclosed reasons from his job with the San Luis Obispo County Environmental Health Certified Unified Program Agency (CUPA).” The allegation that Tenborg was fired is false. Further, Velie knew it was false. She spoke to a senior County official before the Article’s publication who explicitly told her that Tenborg had not been fired. In addition, Velie never asked Tenborg about being fired, despite speaking with him several times before publication. The suggestion that Mr. Tenborg was fired is defamatory because it suggests that his relationship with the County was terminated because his performance was somehow deficient, which is both highly prejudicial to his business reputation and false. The truth is that the working relationship between Mr. Tenborg and

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the County ended on wholly amicable terms for reasons having nothing to do with the quality of his work.

- b. The Article incorrectly stated that Eco Solutions, at the direction of Tenborg, “illegally transports hazardous waste.” That is false, and was false when the statement was made. Eco Solutions is a permitted hazardous waste hauler that has operated lawfully within California for many years and does not illegally transport hazardous waste.
- c. The Article further incorrectly quotes Tenborg as saying: “We manage [the hazardous waste], pack it in drums and then transport it to the appropriate facility.” Mr. Tenborg did not make this statement and it is false. While Eco Solutions does package hazardous waste at IWMA Household Hazardous Waste Facilities, Eco Solutions does not then transport the waste to the disposal site. Instead, another company, under contract to the IWMA, does. The suggestion that Eco Solutions transports such hazardous waste for IWMA is defamatory because it suggests that Eco Solutions and Tenborg are somehow failing to comply with state-law reporting requirements regarding the transportation of such waste, when in fact they do not transport such waste at all. In addition, while it is true that the IWMA also works with Eco Solutions to operate a collection program for “universal waste”—which comes principally from consumer products containing mercury, lead, cadmium, and the like—Eco Solutions and Tenborg have complied with all relevant reporting requirements concerning the universal waste program as well.
- d. The Article also stated that Tenborg “encourag[ed] member public agencies to ignore state law.” Tenborg never encouraged such conduct.
- e. For similar reasons, it is false to say that Eco Solutions or Tenborg have “exposed taxpayers to huge fines by encouraging member public agencies to ignore state law.”

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- f. Similarly false is the assertion that Tenborg “encourages municipalities to ignore reporting protocols by filling out IWMA forms that allege the municipality is a small generator because it self-transport.”
  
- g. The Article further states that the “city of San Luis Obispo does not haul its own hazardous waste and regularly utilizes ECO Solutions as a transporter . . . .” Eco Solutions has never provided hazardous waste transportation services under contract for the City of San Luis Obispo (which should not be confused with the County of San Luis Obispo or its IWMA). The Article falsely states and implies that, because CalCoastNews identified certain “\$2,000 to \$3,000” payments from the City of San Luis Obispo to Eco Solutions, that these payments must have been made for transporting hazardous waste. That is wrong. While Eco Solutions has received similar amounts of money from the City of San Luis Obispo on a periodic basis, those payments were made pursuant to a wholly separate agreement that Eco Solutions had with the City to assist in cleaning homeless camps. Those payments had nothing to do with transporting hazardous waste for the City of San Luis Obispo. They also had nothing to do with any hazardous waste transportation services that Eco Solutions provided to the County of San Luis Obispo’s IWMA.
  
- h. The Article also falsely states: “Charles Tenborg, the IWMA’s hazardous waste disposal site manager, also owns ECO Solutions, a private waste disposal and management company . . . .” Mr. Tenborg is not and has never been an employee of the IWMA, and was certainly not “IWMA’s hazardous waste disposal site manager.” To suggest otherwise falsely states and implies that Tenborg is engaged in untoward self-dealing.
  
- i. In addition, the Article falsely states that IWMA Manger Bill Worrell (“Worrell”) personally awarded Mr. Tenborg a contract for the transportation of hazardous waste (and thus states and implies that Mr.



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Tenborg was awarded a contract improperly). In reality, however, the IWMA Board of Directors as a whole authorized the relevant contract signed between IWMA and Tenborg, and the process was conducted in the open at the IWMA board of directors meeting 1997. Not only is the IWMA board's approval of this contract a matter of public record that a reporter acting with reasonable diligence should have been able to uncover through a search of public documents, it was also expressly conveyed to Defendant Velie by Worrell well before the Article was published.

j. The Article further asserts falsely that because this contract was a "no bid contract" for more than \$15,000, that it was therefore in violation of state law. That assertion is likewise false and defamatory.

10. The Article was read by numerous persons who visited the CalCoastNews website.

11. In addition, the Article was forwarded to numerous other individuals who did not regularly read the CalCoastNews website. For example, the Article was distributed to a widely read intranet list-serv operated by California's Department of Resources Recycling and Recovery called "Morning Coffee" on November 15, 2012. This site is available to all state and local government employees who deal with hazardous waste and thus are potential clients of Tenborg.

12. On December 4, 2012, Tenborg served on all Defendants, within 20 days after the Article appeared, a demand for retraction. A copy of that demand is attached and marked as Exhibit B and incorporated herein by reference.

13. As of the date of this complaint, Defendants have refused to issue a retraction or correction.

**FIRST CAUSE OF ACTION: LIBEL**  
**[Against all Defendants]**

14. Plaintiff incorporates paragraphs 1 through 13 above, as though fully set forth herein.



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- d. For punitive damages in an amount appropriate to punish Defendants for their wrongful conduct and to set an example for others;
- e. An injunction against Defendants, and any and all persons acting on their behalves, requiring that they remove any copies of the Article from Internet websites under their control;
- f. For costs of suit herein incurred;
- g. For prejudgment and post-judgment interest at the maximum legal rate; and
- h. For such other and further relief as the Court deems just and proper.

DATED: May 10, 2013

**KERR & WAGSTAFFE LLP**

By:   
\_\_\_\_\_  
KEVIN B. CLUNE

Attorneys for Plaintiff  
CHARLES TENBORG

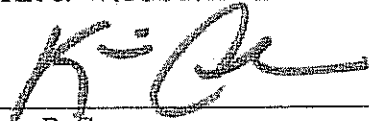
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**DEMAND FOR JURY TRIAL**

Plaintiff hereby demands a trial by jury.

DATED: May 10, 2013

**KERR & WAGSTAFFE LLP**

By:   
\_\_\_\_\_  
KEVIN B. CLUNE

Attorneys for Plaintiff  
CHARLES TENBORG

# EXHIBIT A

# Hazardous waste chief skirts law

November 14, 2012

By KAREN VELIE and DANIEL BLACKBURN

A contractor paid more than \$400,000 annually by San Luis Obispo County's Integrated Waste Management Authority (IWMA) illegally transports hazardous wastes and has exposed taxpayers to huge fines by encouraging member public agencies to ignore state law, a *CalCoastNews* investigation shows.

Charles Tenborg, the IWMA's hazardous waste disposal site manager, also owns ECO Solutions, a private waste disposal and management company recommended as a hazardous waste transporter by the IWMA.

In the mid-1990's, Tenborg was fired for undisclosed reasons from his job with the San Luis Obispo County Environmental Health Certified Unified Program Agency (CUPA), which licenses the five household hazardous waste facilities.

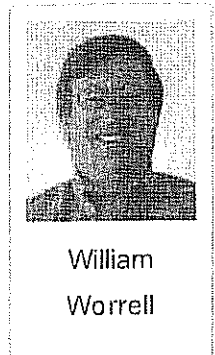
He then formed ECO Solutions. His relationship with the IWMA started in 1997 when he was awarded a no-bid contract by IWMA manager William Worrell for \$21,000 a year to run the Household Hazardous waste facilities at Cold Canyon and Chicago Grade landfills. Each year since, the IWMA board has voted to approve a new no-bid contract, with the latest totaling more than \$400,000 for the management of the five county hazardous waste facilities.

In a recent interview with *CalCoastNews*, Worrell said Tenborg got the no-bid contracts because he was the most qualified for the job. However, as a public entity, the IWMA is required by law to put work of more than \$15,000 out to bid and to avoid using public resources to support private business.

IWMA is a joint powers authority formed in 1994 to deal with state regulation of hazardous waste disposal requirements. All seven San Luis Obispo County cities, the county, and eight special districts are members, and officials of each entity are represented on its board of directors.

A primary responsibility of the authority is to plan for, suggest, and offer solutions to common waste problems through the creation and management of waste and recycling facilities. Currently, the IWMA asks generators of hazardous waste to utilize its transportation services.

"If you are a conditionally exempt small business and generate less than 27 gallons or 220 pounds of hazardous waste per month, we can provide hazardous waste collection and disposal service



for you," the IWMA says on its website.

However, staff at the IWMA said the public agency does not transport waste, though it does serve as a work generator for Tenborg's private transport company.

State regulators require documentation of cradle-to-grave movement of waste materials of more than 50 pounds in any month, unless the entity is given a "small generator" status. This is designed to prevent the illegal disposal of hazardous wastes by transporters or waste facilities that fail to properly manage the waste.



Charles  
Tenborg

The city of San Luis Obispo does not haul its own hazardous waste and regularly utilizes ECO Solutions as a transporter, city employees said.

Under reporting requirements, a "small" load of hazardous waste material — less than 220 pounds per month — can be exempted from state reporting regulations if it is hauled by a municipality itself after certification of the load's weight.

City employees said Tenborg encourages municipalities to ignore reporting protocols by filling out IWMA forms that allege the municipality is a small generator because it self-transport; then, Tenborg transports the loads himself in violation of state law. He charges the city \$2,000 to \$3,000 for each load, and takes them to one of IWMA's five household hazardous waste facilities — all managed by Tenborg. The materials are then supposed to be transported ultimately to a hazardous waste facility like the one located near Kettleman City.

Tenborg contends he stopped hauling hazardous waste for municipalities two years ago when IWMA manager Worrell said they needed to make sure cities claiming to be conditionally-exempt small waste generators moved their own waste.

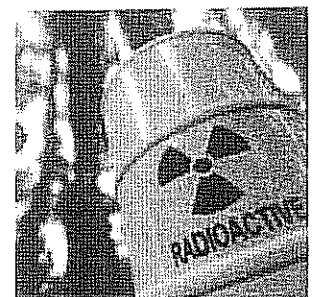
Nevertheless, employees in San Luis Obispo, one of whom said his departments did not utilize Eco Solutions, said that the city does not transport hazardous waste because of the liability involved. City officials, however, still claim conditionally-exempt small waste generator status and rarely send reports to the state.

In this way, municipalities get bargain-basement pricing on their hazardous waste loads.

Keeping track of the hazardous waste and assuring that it is handled properly is difficult and time-consuming.

Data showing how much hazardous waste San Luis Obispo produces is convoluted, because the city also utilizes the services of more than 10 other haulers.

When asked, as manager of the county's five hazardous waste facilities,



how much waste the city of San Luis Obispo self-transported during the past month, Tenborg said he did not know and went on to explain what happens to waste after it arrives at the IVMA facilities.

"We manage it, pack it in drums and then transport it to the appropriate facility," Tenborg said.

San Luis Obispo management's response to a records request for hazardous waste manifests resulted in dozens of documents bearing the names of those transporters.

Of those manifests, only five had been sent to regulators during a three-year period of time, according to the Department of Hazardous Substance Control. Three other manifests the city delivered to regulators were not part of the city's response to *CalCoastNews'* records request — demonstrating the city's failure to properly keep records in a specific file as required by law.

Tenborg's and Worrell's relationship dates back at least 15 years, and Worrell's professional history has been similarly controversial.

Dozens of newspaper reports by the *San Diego Union-Tribune* and the *Los Angeles Times* detail a long list of questionable activities by Worrell during his tenure in San Diego County. Some of those activities nearly bankrupted the county.

In 1990, Worrell arrived in California from Florida to become the deputy director of San Diego County's solid waste division. He quickly began advocating for a \$140 million "super-sized" recycling facility to be built in San Marcos. That facility was funded with taxpayer-backed bonds, and was conceived as a multi-jurisdictional destination point for refuse from numerous communities in the San Diego region.

A key feature of that plant was its supposed ability to handle disposal of plastic refuse. In the recycling of plastics, materials are first separated into types of plastics, ground into small pieces and then placed into a furnace so that it can be melted down and reused.

Construction of the plant was hugely controversial, and its approval came on the barest of vote margins by San Diego County's Board of Supervisors.

Following its completion, costs to individual waste haulers rose rapidly, in part because of massive budget overruns. In addition, it was later discovered that Worrell had not even purchased a furnace to melt the plastic. During daylight hours, while members of the public looked on, workers sorted recyclables, but in the evening, plastics were shredded and later simply disposed in a landfill, said several waste company officials in San Diego County.

In less than 13 months, the plant was closed and subsequently dismantled, its parts sold for 10 cents on the dollar, according to a long series of articles in the *Union-Tribune*. San Diego County taxpayers continue to shoulder the bond indebtedness for that project.



In December 1993, Worrell was placed on administrative leave after auditors discovered a pattern of questionable management practices and the apparent misappropriation of county funds, according to the results of two investigations initiated by San Diego County officials.

Among the problems discovered by San Diego County was Worrell's routine approval of fraudulent claims filed by private contractors working on the San Marcos "super dump."

One top county official referred to Worrell's shortcomings as "a pervasive default of responsibility through all levels of management in its solid waste division."

The county's controller's office discovered that taxpayers had doled out \$1.2 million to local businesses to develop innovative recycling programs, and that Worrell had failed to follow contractual requirements or monitor the grants' expenditures.

Investigators also found that Worrell, who oversaw the recycling grant program, showed "little or no fiduciary responsibility" for the public funds he administered.

Worrell, faced with the threat of demotion, resigned his post in April 1994 amid a firestorm of controversy.

"I told them demotion was unacceptable, and I resigned instead," Worrell said at the time.

But several county officials told the *Union-Tribune* that Worrell would have been fired had he not chosen to leave voluntarily.

Worrell was never charged with criminal activity and soon left for friendlier climes – San Luis Obispo County, where he was handed the top spot in the IWMA despite the controversy surrounding his stint in San Diego.

## **EXHIBIT B**

December 4, 2012

**VIA EMAIL AND CERTIFIED MAIL**

CalCoastNews.com  
P.O. Box 14809  
San Luis Obispo, CA 93406

CalCoastNews.com (alternate address)  
250 Avila Beach Dr. # 19  
Avila Beach CA, 93424

**Re: The Need for CalCoastNews to Issue a Retraction Concerning  
Multiple Defamatory Statements it Has Made Regarding Charles  
Tenborg, Eco Solutions, and William Worrell**

To Whom It May Concern:

CalCoastNews published an article entitled "Hazardous Waste Chief Skirts Law" on November 14, 2012 ("Article") on your website including a related posting on Facebook. The Article contained numerous false and otherwise defamatory statements about us. We hereby demand that you issue a retraction regarding the defamatory statements contained in that article, Facebook post, and elsewhere, and that you stop publishing these or similar statements in the future.

As a general matter, the Article incorrectly states that Eco Solutions, at the direction of Mr. Tenborg, "illegally transports hazardous waste." Nothing could be further from the truth. Eco Solutions is a permitted hazardous waste hauler that has operated lawfully within California for many years. It maintains proper insurance and is inspected annually by the California Highway Patrol. Eco Solutions has never been charged with transporting hazardous waste illegally by any regulatory agency.

In a similar vein, neither Eco Solutions nor Mr. Tenborg have ever "encourag[ed] member public agencies to ignore state law." Similarly wrong is the Article's unsubstantiated headline that Mr. Worrell, as "[h]azardous waste chief" is somehow "skirt[ing] state law." The article appears to make this statement based on numerous incorrect assumptions about the relationship between the San Luis Obispo County Integrated Waste Management Authority ("IWMA"), Eco Solutions, and Mr. Tenborg, as discussed in detail below.

Initially, the Article's specific assertion that Eco Solutions fails to follow legal requirements regarding the reporting of transportation of hazardous waste on behalf of the City of San Luis Obispo (and other municipalities) to state regulators is wrong in several key respects. First, Eco Solutions has never been under contract to the City of San Luis Obispo to transport hazardous waste. Eco Solutions formerly transported such waste from conditionally exempt small quantity generators under contract with the

IWMA, but that arrangement has long-since ended. Indeed, the Article's assertion to the contrary appears to be based on a fundamental misconception about how hazardous waste is collected in the County, particularly from conditionally exempt small quantity generators. Such conditionally exempt small quantity generators in the County can drop off their hazardous waste at the IWMA's Cold Canyon Landfill Household Hazardous Waste Facility. Alternatively, they can pay a service to have another company—not affiliated with Eco Solutions—transport the hazardous waste to other locations. But either way, Eco Solutions does not transport such waste. Thus, the assertion that Eco Solutions transports such waste, and that it does so in violation of relevant law, is false and defamatory.

The article further incorrectly quotes Mr. Tenborg as saying: "We manage [the hazardous waste], pack it in drums and then transport it to the appropriate facility." Mr. Tenborg did not make this statement and it is factually incorrect. While Eco Solutions does package hazardous waste at IWMA Household Hazardous Waste Facilities, Eco Solutions does not then transport the waste. Instead, another company, under contract to the IWMA, does. Again, the suggestion that Eco Solutions transports such hazardous waste is defamatory because it suggests that Eco Solutions is somehow failing to comply with state-law reporting requirements regarding the transportation of such waste, when in fact it does not transport such waste at all.

In addition, while it is true that the IWMA also works with Eco Solutions to operate a collection program for "universal waste"—which comes principally from consumer products containing mercury, lead, cadmium, and the like—Eco Solutions has complied with all relevant reporting requirements concerning the universal waste program as well.

As such, the Article's suggestion that Eco Solutions, Mr. Tenborg, and Mr. Worrell are somehow violating these laws is false and defamatory. It is wholly untrue that "[Eco Solutions] . . . illegally transports hazardous wastes" or that Mr. Tenborg "encourages municipalities to ignore reporting protocols by filling out IWMA forms that allege the municipality is a small generator because it self-transport." For similar reasons, it is wholly inaccurate to say that Eco Solutions, Mr. Tenborg, or Mr. Worrell have "exposed taxpayers to huge fines by encouraging member public agencies to ignore state law." Indeed, the entire assertion that Mr. Tenborg encouraged anyone to violate the law in general—or that the IWMA and Mr. Worrell were actively participating in such wrongdoing—is outrageous and false.

In addition, the Article falsely contends that, because it identified certain "\$2,000 to \$3,000" payments from the City of San Luis Obispo to Eco Solutions, that these payments must have been made for transporting hazardous waste. That is wrong. Mr. Tenborg has never charged the City of San Luis Obispo \$2,000 to \$3,000 to transport hazardous waste. While he has received similar sums from the City on a periodic basis, those payments were made pursuant to a wholly separate agreement that Eco Solutions has with the City to assist in cleaning homeless camps.

The Article further incorrectly asserts that because this contract was a “no bid contract” for more than \$15,000, that it was therefore in violation of state law. The Article is wholly devoid of any legal authority for this defamatory proposition and no such legal requirement exists.

In addition, the Article incorrectly states that Mr. Worrell *personally* awarded Mr. Tenborg a contract for the transportation of hazardous waste (and thus suggests Mr. Tenborg was awarded the contract improperly). In reality, however, the IWMA Board of Directors as a whole authorized this contract, and the process was conducted in the open at the IWMA’s Board of Directors meeting in 1997. Not only is the IWMA Board’s approval of this contract a matter of public record that a reporter acting with reasonable diligence should have been able to uncover through a search of public documents, it was also expressly conveyed to Ms. Velie by Mr. Worrell well before the Article was published.

The Article also falsely states: “Charles Tenborg, the IWMA’s hazardous waste disposal site manager, also owns ECO Solutions, a private waste disposal and management company . . .” Mr. Tenborg is not and has never been an employee of the IWMA, and was certainly not “IWMA’s hazardous waste disposal site manager.” As was already explained to Ms. Velie in documents provided to her well before she wrote her article, the IWMA merely contracted with Eco Solutions pursuant to the 1997 contract discussed above.

The Article further contends—incorrectly—that “[i]n the mid-1990’s, Tenborg was fired for undisclosed reasons from his job with the San Luis Obispo County Environmental Health Certified Unified Program Agency (CUPA).” The allegation that Mr. Tenborg was fired is false. Further, the suggestion that Mr. Tenborg was fired is defamatory because it suggests that his relationship with the County was terminated because his performance was somehow deficient, which is both highly prejudicial to his business reputation and factually incorrect. The truth is that the working relationship between Mr. Tenborg and the County ended on wholly amicable terms for reasons having nothing to do with the quality of his work.

The Article also makes several defamatory accusations concerning Mr. Worrell’s relationship to a “\$140 million super-sized” recycling facility built in San Marcos, claiming that “[the] facility was funded with taxpayer-backed bonds.” These statements are factually wrong. First it was not a \$140 million facility. The cost of the project was \$97,748,000 and the total financing cost was \$134,170,000. In addition, the project was expressly not funded by taxpayer-backed bonds. The article’s misstatements about the funding of the facility are defamatory because, among other things, they falsely imply that Mr. Worrell caused substantial harm to the public and then they exaggerate the extent of that (non-existent) harm.

Moreover, the Article claims that “[a] key feature of that plant was its supposed ability to handle disposal of plastic refuse” through the sorting and eventual melting down of such plastics. Again, this statement is simply untrue. The approved San Marcos project never included plans for a process to melt plastic for reuse. Furthermore, a boiler

was never installed at the San Marcos plant, and thus the melting of plastics was not even possible at the facility. In addition, the Article's allegation that plastics were sorted during the day but were shredded and later simply disposed in a landfill at night is likewise wrong. Sorted plastics were never buried at the facility. Rather, they were sold. Finally, it was not possible to bury anything at night since the landfill was not open at night. The Article's statements to the contrary are defamatory because they imply that the facility was being run improperly as a result of Mr. Worrell's conduct.

The Article also claims that the San Marcos plant closed in fewer than 13 months. Again, that is simply not true, as the plant was in operation for longer than that time period.

The Article further contends that Mr. Worrell "misappropriat[ed] county funds," which is likewise false and defamatory. Mr. Worrell never misappropriated such funds and the Article offers absolutely no evidence to the contrary. Moreover, the Article falsely alleges that Mr. Worrell "approv[ed] fraudulent claims filed by private contractors working on the San Marcos 'super dump'" and that Mr. Worrell was engaged in "a pervasive default of responsibility." Neither of these statements is true. To the contrary, the annual survey and reports prepared by a consulting firm for both fiscal years 1992-1993 and 1993-1994 titled "Solid Waste Management System" concluded that the San Diego Solid Waste Management System that included the San Marcos landfill was "currently being properly operated and maintained" and that it was fiscally sound.

The Article further incorrectly quotes Mr. Worrell as stating: "I told them demotion was unacceptable, and I resigned instead." Mr. Worrell did not make this statement. In addition, the Article states that several county officials told the Union Tribune that Mr. Worrell would have been fired had he not chosen to leave voluntarily. This assertion is also false.

Finally, the Article incorrectly suggests that Mr. Worrell should have been charged with criminal activity for his work in San Diego County. To suggest that Mr. Worrell should have been investigated for criminal activity is highly defamatory. Indeed, there has never even been any criminal investigation of Mr. Worrell associated with his employment with San Diego County. The Article's statement suggesting otherwise unfairly impugns his business reputation and his integrity generally.

As you must know, defamation is unlawful in California. The defamatory statements and misquotations that you have made have caused—and continue to cause—serious damages to our reputations. We note that your defamatory story has already been repeated by other news services and email digests, further compounding the extent of our damages. Ms. Velie has also apparently made similarly false allegations during her appearance on the Dave Congalton show of November 29, 2012, causing yet further harm.

By this letter and in order to minimize any further damage to our professional reputations, we demand that you immediately remove the Article, Facebook posting, and any other article, blog post, or similar publication containing these or similar defamatory

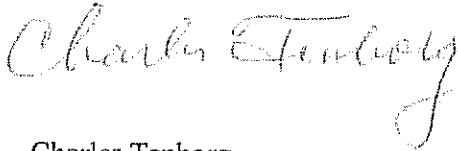
statements. We further demand that you immediately issue a retraction correcting your errors and that you publish the retraction on the homepage of your website.

Please confirm that you will comply with these demands. We look forward to hearing your response. Any future correspondences can be directed to the following addresses:

Eco Solutions  
139 Whiteley Street  
Arroyo Grande, CA. 93420

William Worrell  
5828 Tamarisk Way  
San Luis Obispo, CA. 93401

Sincerely,



Charles Tenborg



William Worrell