



DIANI BUILDING CORP.
CONTRACTORS

May 12, 2023

John Dewey
MSB Investors, LLC
17 Corporate Plaza Dr, Suite 200
Newport Beach, CA. 92660

Re: Tajiguas Resource Recovery Project

John,

Please review the following summary of outstanding accounts:

- Dave Poorbaugh – Outstanding balance as of April 30, 2023 is \$263,760.00. Dave will be available to MSB the week of May 22, 2023 to finish any loose ends you may need him for, but will no longer be available to MSB after Friday, May 26, 2023.
- RNG, LFG, and Miscellaneous MRF additions - Outstanding balance is \$3,000,000.00. You have agreed to pay interest on this as well, and since DBC is borrowing at higher rates now, we need this paid without waiting for your funds to be released from the County of Santa Barbara. We previously agreed to accept payment by the end of June 2023, which has nothing to do with your current County of Santa Barbara negotiations and/or sale of MSB.
- MSB Authorized extras and CMU additions – Outstanding Balance is \$1,296,950.47 – As stated above, we are expecting payment by the end of June 2023.

Please let us know your intentions on when we will be receiving payments.

Michael J. Diani
President
Diani Building Corp.

cc: Santa Barbara County, Resource Recovery & Waste Management Division



DIANI BUILDING CORP.
CONTRACTORS

October 19, 2023

John Dewey
MSB Investors, Inc.
17 Corporate Plaza, Ste 200
Newport Beach, CA 92660

Re: Tajiguas Resource Recovery Project (TRRP)
Notice of Failure to Make Payment

Dear Mr. Dewey,

In accordance with Section 13.3.1 - Failure to Make a Payment to Subcontractor When Due, of our Construction Agreement for the subject project, Diani Building Corp. hereby provides notice of your failure to make timely payment in the amount of \$4,601,732.30 (invoice summary attached). This amount does not reflect any outstanding amounts due and payable by the County of Santa Barbara.

Be advised that in accordance with the same above noted Construction Agreement Section, if you fail to make payment "...within (5) Business Days following the notice of failure to pay..." Diani Building Corp. will pursue any and all remedies available to it in accordance with Section 13.4 of our Construction Agreement.

We hope that we can resolve this issue and avoid an unnecessary and protracted legal process.

Diani Building Corp.

Michael J. Diani
President

cc: Michael Minchella, Esq.
Scott D. McGolpin, P.E.
Director - County of Santa Barbara Public Works Department
123 E. Anapamu Street
Santa Barbara, CA 93101

DIANI BUILDING CORP

Customer: MSB INVESTORS, LLC

Job: TAJIGUAS RESOURCE RECOVERY PROJECT

A/R Open Items

Invoice No.	Date	Amount	Description
2102943	2/28/2021	3,000,000.00	TRRP Enhancements
2202113	2/28/2022	503,769.67	Added Scope
2202057Rev	3/31/2022	13,216.00	Site Management - Poorbaugh
2204069	4/30/2022	16,048.00	Site Management - Poorbaugh
2205075	5/31/2022	12,285.83	Added Scope
2205078	5/31/2022	20,768.00	Site Management - Poorbaugh
2206083	6/30/2022	17,936.00	Site Management - Poorbaugh
2207097	7/31/2022	14,160.00	Site Management - Poorbaugh
2208103	8/31/2022	7,064.00	Wood Chipper Switchgear Pad
2208109	8/31/2022	23,736.00	Site Management - Poorbaugh
2209116	9/30/2022	22,704.00	Site Management - Poorbaugh
2210127Rev	10/31/2022	793,180.80	Added Scope
2210134	10/31/2022	15,480.00	Site Management - Poorbaugh
2211151	11/30/2022	17,544.00	Site Management - Poorbaugh
2212164	12/31/2022	15,480.00	Site Management - Poorbaugh
2301194	1/31/2023	21,672.00	Site Management - Poorbaugh
2302213	2/28/2023	20,640.00	Site Management - Poorbaugh
2303225	3/31/2023	23,736.00	Site Management - Poorbaugh
2304255	4/30/2023	20,640.00	Site Management - Poorbaugh
2305280	5/31/2023	21,672.00	Site Management - Poorbaugh
TOTAL DUE		4,601,732.30	

Jeanette Gonzales-Knight

From: Derek Carlson <DCarlson@marborg.com>
Sent: Friday, June 9, 2023 12:49 PM
To: Wells, Leslie; Brian Borgatello
Cc: Alvarez, Gloria; Gonzales-Knight, Jeanette; Wilder, Marty; Johnston, Carlyle
Subject: Non-Payment of Processing Fee

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Good Afternoon,

I wanted to ensure that everyone is aware of a non-payment issue with Mustang that could create significant operational issues for the ReSource Center very quickly. MarBorg Recovery has still not received the payment for our April processing invoice that the County remitted to Mustang in May. We have been told that Mustang will forward the payment next week, long after receiving the payment from the County. We are very nervous about our ability to fund our operations as this unnecessary middleman can withhold the County payments to fund this facility at any time.

We would like to ask permission to directly submit our processing invoice to the County and be directly paid by the County. There is no value in submitting our invoices and reports to Mustang only to have them forwarded to the County and have that cycle repeat in the remittance process only to have our payments delayed or withheld altogether. A direct invoicing and payment process will ensure that the funds contractually designated to the MRF do not get withheld by an unnecessary intermediary.

It is important to see that this is an escalating issue that is just getting worse, we know it involves many vendors, but it has been several months since MarBorg Industries has been paid at all by Mustang for transporting organics from the MRF to the AD. This is another non-payment situation that needs to be remedied if he expects current operations to continue as they are.

We appreciate your consideration.

Derek Carlson
Vice President-Finance & Contracts
MarBorg Industries
P.O. Box 4127
Santa Barbara, CA 93140
805-963-1852

Jeanette Gonzales-Knight

From: Derek Carlson <DCarlson@marborg.com>
Sent: Thursday, October 5, 2023 3:26 PM
To: Carlyle Johnston
Cc: Marty Wilder; Jeanette Gonzales-Knight; Travis Spier; Brian Borgatello; Kathy Koeper; Anthony Borgatello
Subject: FW: MarBorg Services
Attachments: MarBorg September Invoice MSB.pdf

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Hi Carlyle,

I wanted to share with you an email we sent John defining MarBorg Industries payment terms, as a third-party hauling contractor, moving forward. As you are aware, we have had numerous and consistent payment issues between Mustang and both MarBorg Industries and MarBorg Recovery and need to set clear expectations for a professional business relationship.

MarBorg Industries is no longer willing to provide hauling services for Mustang without payment. If we do not receive a timely and complete monthly payment, we will be suspending our services. We are offering Mustang fair terms to make timely payments but if he chooses not to, we must cut our losses.

John is not bound to MarBorg Industries for these services and can choose any hauler he wants to move the organics from the MRF to the ADF. This is, however, a critical service because if the organics begin to overflow, the entire facility must stop MSW processing until the area has been cleaned and there is new capacity for organics collection.

John has indicated that he will make the payments, so I am not raising the alarm that there is an imminent issue this month, but based on Mustang's history I can't be sure of that and want to keep you in the loop of our expectations as his subcontracted hauler.

If there are any questions, I am happy to discuss this further.

Thank you,

Derek Carlson
Vice President Finance & Contracts
MarBorg Industries
805-963-1852

From: Derek Carlson
Sent: Thursday, October 5, 2023 2:55 PM
To: 'John Dewey' <john@deweygroup.com>
Cc: Kathy Koeper <KKoeper@marborg.com>; Brian Borgatello (BBorgatello@marborg.com) <BBorgatello@marborg.com>; Anthony Borgatello (ABorgatello@marborg.com) <ABorgatello@marborg.com>
Subject: MarBorg Services

Hi John,

Your team should have already received the attached bill for September services. MarBorg will be adhering to a strict payment policy for services going forward. We will provide a generous amount of time to make each monthly payment by giving you until the end of each month that you receive your bill to make your payment. The payment for September services, billed in October, needs to be received by October 31st. If payment is not received by October 31st, we will not provide services on November 1st and you will need to find another hauler with the appropriate equipment to move the organics from the MRF to the ADF.

We are hopeful that the payment issues of the past have been resolved.

Thank you,

Derek Carlson
Vice President Finance & Contracts
MarBorg Industries
805-963-1852



"Where Service is a Family Tradition"

P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Billing Period: SEPTEMBER 2023

JOHN DEWEY
MSB INVESTORS, LLC
17 CORPORATE PLAZA 200
NEWPORT BEACH CA 92660

Invoice Date	09/30/2023
Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117

Date	Description	Quantity	Rate	Total
09/30/23	STORAGE BOX MONTHLY RENT	1.00		110.00
09/30/23	STORAGE BOX MONTHLY RENT	1.00		110.00
09/30/23	STORAGE BOX MONTHLY RENT	1.00		110.00
09/07/23	WORK ORDER#: 5929352 SWEEPER SERVICE AD & MCU	2.00	130.000	260.00
09/07/23	SWEEP LOT AND DRIVER PER INST. WORK ORDER#: 5930963			
09/14/23	SWEEPER SERVICE AD & MCU	1.50	130.000	195.00
09/14/23	SWEEP LOT AND DRIVER PER INST. WORK ORDER#: 5937875			
09/21/23	SWEEPER SERVICE AD & MCU	1.50	130.000	195.00
09/21/23	SWEEP LOT AND DRIVER PER INST. WORK ORDER#: 5941725			
09/29/23	SWEEPER SERVICE AD & MCU	1.50	130.000	195.00
09/29/23	SWEEP LOT AND DRIVER PER INST. WORK ORDER#: 5941872			
09/01/23	ORGANIC TRNSFR MRF TO AD	11.13	160.000	1780.80

Please detach here and return bottom portion with your payment.

Payment Coupon

Check box for change of address

Invoice Date 09/30/2023

Invoice Total 36880.60

Amount Enclosed \$ _____

Check # _____

MC/Visa # _____ Exp. _____



P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117





"Where Service is a Family Tradition"

P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Billing Period: SEPTEMBER 2023

JOHN DEWEY
MSB INVESTORS, LLC
17 CORPORATE PLAZA 200
NEWPORT BEACH CA 92660

Invoice Date	09/30/2023
Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117

Date	Description	Quantity	Rate	Total
09/05/23	WORK ORDER#: 5941880 ORGANIC TRNSFR MRF TO AD	10.96	160.000	1753.60
09/06/23	WORK ORDER#: 5941888 ORGANIC TRNSFR MRF TO AD	12.15	160.000	1944.00
09/07/23	WORK ORDER#: 5941891 ORGANIC TRNSFR MRF TO AD	11.23	160.000	1796.80
09/08/23	WORK ORDER#: 5941894 ORGANIC TRNSFR MRF TO AD	10.83	160.000	1732.80
09/09/23	WORK ORDER#: 5941897 ORGANIC TRNSFR MRF TO AD	10.31	160.000	1649.60
09/11/23	WORK ORDER#: 5941901 ORGANIC TRNSFR MRF TO AD	9.96	160.000	1593.60
09/12/23	WORK ORDER#: 5941904 ORGANIC TRNSFR MRF TO AD	10.51	160.000	1681.60
09/13/23	WORK ORDER#: 5941906 ORGANIC TRNSFR MRF TO AD	9.88	160.000	1580.80
	WORK ORDER#: 5941907			

Please detach here and return bottom portion with your payment.

Payment Coupon

Check box for change of address

Invoice Date 09/30/2023

Invoice Total 36880.60

Amount Enclosed \$ _____

Check # _____

MC/Visa # _____ Exp. _____



P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117





"Where Service is a Family Tradition"

P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Billing Period: SEPTEMBER 2023

JOHN DEWEY
MSB INVESTORS, LLC
17 CORPORATE PLAZA 200
NEWPORT BEACH CA 92660

Invoice Date	09/30/2023
Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117

Date	Description	Quantity	Rate	Total
09/14/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941915	10.08	160.000	1612.80
09/15/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941916	10.71	160.000	1713.60
09/18/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941917	11.91	160.000	1905.60
09/19/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941919	10.30	160.000	1648.00
09/20/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941921	10.28	160.000	1644.80
09/21/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941922	10.38	160.000	1660.80
09/22/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941923	11.20	160.000	1792.00
09/25/23	ORGANIC TRNSFR MRF TO AD WORK ORDER#: 5941924	10.16	160.000	1625.60
09/26/23	ORGANIC TRNSFR MRF TO AD	11.20	160.000	1792.00

Please detach here and return bottom portion with your payment.

Payment Coupon

Check box for change of address

Invoice Date 09/30/2023

Invoice Total 36880.60

Amount Enclosed \$ _____

Check # _____

MC/Visa # _____ Exp. _____



P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117





"Where Service is a Family Tradition"

P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Billing Period: SEPTEMBER 2023

JOHN DEWEY
MSB INVESTORS, LLC
17 CORPORATE PLAZA 200
NEWPORT BEACH CA 92660

Invoice Date	09/30/2023
Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117

Date	Description	Quantity	Rate	Total
09/27/23	WORK ORDER#: 5941925 ORGANIC TRNSFR MRF TO AD	9.41	160.000	1505.60
09/28/23	WORK ORDER#: 5941926 ORGANIC TRNSFR MRF TO AD	10.11	160.000	1617.60
09/29/23	WORK ORDER#: 5941927 ORGANIC TRNSFR MRF TO AD	10.46	160.000	1673.60
			Total Invoice:	36880.60

CURRENT CHARGES ARE DUE NET 30

Please detach here and return bottom portion with your payment.

Payment Coupon

Check box for change of address

Invoice Date 09/30/2023

Invoice Total 36880.60

Amount Enclosed \$ _____

Check # _____

MC/Visa # _____ Exp. _____



P.O. BOX 4127
SANTA BARBARA, CA 93140
805-963-1852 * 805-962-0552

Invoice Number	5944627
Customer Number	1-141277 1
Service Address	MSB INVESTORS, LLC ADF 14470 CALLE REAL SANTA BARBARA CA 93117



Address or Phone Number Changed?

New Mailing Address

City

State

Zip

New Home Phone (with area code)

New Work Phone (with area code)