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 8 UNITED STATES DISTRICT COURT  
 9 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
 10 SAN FRANCISCO DIVISION

11 APEX DIRECTIONAL DRILLING, LLC, an  
 Oregon limited liability company authorized  
 12 to do business in the State of California,

13 Plaintiff,

14 v.

15 SHN CONSULTING ENGINEERS &  
 GEOLOGISTS, INC., a California  
 16 corporation,

17 Defendant.

Case No. 15-CV-02501-RS  
 ORDER

**STIPULATION TO STAY DISCOVERY  
 AND RESET CASE MANAGEMENT  
 SCHEDULE**

18  
 19 Plaintiff Apex Directional Drilling, LLC ("Apex") and Defendant SHN Consulting  
 20 Engineers & Geologists, Inc. ("SHN"), by and through their counsel, hereby stipulate and jointly  
 21 request that the Court stay discovery and reset the Case Management Schedule to accommodate  
 22 mediation among Apex, SHN, and third parties. This Stipulation is filed concurrently with the  
 23 Declaration of Michael Willes, in compliance with Civil L.R. 6-2(a).

24 Apex filed the Complaint (ECF No. 1) initiating this Action on June 5, 2015. Apex  
 25 alleges that SHN made faulty representations regarding subterranean conditions that contractors  
 26 such as Apex would encounter while working on a large sewer project for the City of Eureka,  
 27 California. SHN denies these allegations.

1 On September 10, 2015, Apex and SHN attended a case management conference. In its  
2 Case Management Scheduling Order (ECF No. 32), the Court set the following discovery  
3 deadlines:

- 4 • Completion of written non-expert discovery: March 10, 2016
- 5 • Completion of all non-expert discovery: July 16, 2016

6 By mail, SHN served Requests for Production of Documents (Set One) and Requests for  
7 Admission (Set One) on Apex on October 29, 2015. Informally, SHN has received access to  
8 Apex documents and discovery responses from the City of Eureka.

9 As noted in Item 10 of the parties' Joint Case Management Statement (ECF No. 28), the  
10 City of Eureka had previously filed a complaint against Apex and the Cincinnati Insurance  
11 Company ("CIC"), asserting breach of contract, among other causes of action, in compelled  
12 arbitration before the California State Office of Administrative Hearings (the "OAH"). Only the  
13 City of Eureka, Apex, and CIC are parties to the OAH arbitration. The City of Eureka claims  
14 that Apex is liable for not completing a portion of the sewer project referenced above. Apex  
15 denies liability and has cross-complained against the City of Eureka.

16 On September 24, 2015, the City of Eureka, Apex, and CIC agreed to mediate their  
17 dispute. SHN has also agreed to participate in the mediation so that a global resolution of the  
18 OAH arbitration and this Action may be reached. On October 1, 2015, the arbitrator ordered, in  
19 line with the parties' stipulation, that further arbitration proceedings and discovery be stayed and  
20 that the arbitration discovery deadlines be reset, if necessary, following mediation. The parties  
21 have agreed to hold the mediation on Monday, February 22, 2016.

22 To promote the just, speedy, and inexpensive resolution of these disputes, Apex and SHN  
23 stipulate and agree that if the claims in this Action are not resolved at the February 22, 2016  
24 mediation, then the pending discovery served by SHN would be due within 30 days (March 23,  
25 2016). In addition, Apex and SHN stipulate, agree and acknowledge that notwithstanding an  
26 agreement to stay discovery in this Action, that the parties will need to complete extensive  
27 written discovery and depositions in preparation for trial and in order to file pre-trial dispositive  
28

1 motions. Therefore, Apex and SHN stipulate and request that the Court order as follows in this  
2 Action:

- 3 1. To stay all discovery pending the completion of mediation.
- 4 2. To reset the Case Management Schedule following the mediation, if  
5 necessary, in order to reset the deadlines to complete written non-expert  
6 discovery; the deadline to complete non-expert discovery; the deadline to file  
7 and hear all dispositive pre-trial motions; and if necessary, the trial date and  
8 associated pre-trial deadlines.

9 **IT IS SO STIPULATED.**

10 DATED: December 3, 2015.

11 TONKON TORP LLP

12  
13 By /s/ Michael C. Willes

14 Michael C. Willes, SBN 273145  
15 Attorneys for Apex Directional Drilling, LLC

16 DATED: December 2, 2015.

17 GORDON REES SCULLY MANSUKHANI, LLP

18  
19 By /s/ Michael W. Wilson, Jr.

20 Ernest M. Isola, SBN 191486  
21 Michael D. Wilson, Jr., SBN 233334  
22 Attorneys for SHN Consulting Engineers &  
23 Geologists, Inc.

24 **PURSUANT TO STIPULATION, IT IS SO ORDERED.**

25 DATED: 12/7/15

26 

27 Hon. Richard Seeborg  
28 United States District Judge