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| 15 | UNITED STATES DISTRICT COURT | |
| 16 | NORTHERN DISTRICT OF CALIFORNIA – OAKLAND DIVISION | |
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| 18 | SIERRA NORTHERN RAILWAY, a |) Case No.: 4:24-cv-04810-JST |
| 19 | California corporation, and MENDOCINO RAILWAY, a California corporation, | AMENDED [PROPOSED] ORDER ON DEFENDANT'S MOTION TO DISMISS |
| 20 | Plaintiffs, | FIRST THROUGH THIRD CLAIMS FOR RELIEF PURSUANT TO Fed. R. Civ. P. |
| 21 | , |) (12)b)(6), AND MOTION TO STRIKE) PURSUANT TO Fed. R. Civ. P12(f) |
| 22 | VS. |) DATE: February 20, 2025 |
| 23 | CITY OF FORT BRAGG, et al., |) TIME: 2:00 p.m.) DEPT: Courtroom 6, Second Floor |
| 24 | Defendants. | Case Filed: August 7, 2024 |
| | |) Case I fied. August 1, 2024 |
| 25 | |) |
| 26 | | |
| 27 | This matter came before the Court on February 20, 2025, on Defendant's Motion to | |
| 28 | Dismiss, pursuant to Fed.R.Civ.P (12(b)(6) and Defendant's Motion to Strike, pursuant to | |

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Fed.R.Civ.P (12(f). Having considered the papers submitted in support of and in opposition to the Motions, the arguments of counsel, and the applicable law, the Court hereby GRANTS Defendant's Motion to Dismiss Claims for Relief One through Three of the Second Amended Complaint, and Defendant's Motion to Strike that portion of Paragraph 37 of the Second Amended Complaint requesting joint and several liability.

- 1. According to the Second Amended Complaint ("SAC"), Plaintiffs own or operate a plot of land in Fort Bragg, California, ("the Site"). The Site was previously owned and is currently operated by Mendocino Railway. The Site was owned by Georgia Pacifid from 1972 until 2002, when Georgia-Pacific apparently ceased operations. Georgia-Pacific investigated "environmental concerns" at the Site and expended approximately \$31 million in response costs through 2011. Georgia-Pacific dismissed the lawsuit it filed against the Defendant in October of 2014.
- 2. Plaintiffs allege that Defendant has been polluting a pond on the Site with stormwater runoff containing hazardous substances, and that the situation "requires response actions per the California Department of Toxic Substances Control (DTSC).
- 3. The SAC sets out claims against Defendant for recovery of Plaintiffs' response costs under 42 U.S.C. Section 9607(a)(4)(B) (hereinafter "CERCLA 107" [First Claim for Relief],), for contribution under 42 U.S.C. Section 9613(f)(1) (hereinafter "CERCLA 113") [Third Claim for Relief], and for declaratory relief under CERCLA 113 [Second Claim for Relief. The SAC also alleges that Defendant is liable for "taking" under 42 U.S.C. § 1983, and under state law claims for nuisance, contribution and indemnity. inverse condemnation, negligence, trespass, and declaratory relief.
- 4. Plaintiffs' First Claim for Relief fails to state a claim for cost recovery under CERCLA 107 because Plaintiffs have not adequately pleaded that they incurred necessary response costs consistent with the National Contingency Plan at the Site. In order to state a prima facie claim for cost recovery under CERCLA 107, Plaintiffs must have incurred "necessary costs of response" as defined in 42 U.S.C. § 9601(23) and 42 U.S.C. § 9601(23). The costs which Plaintiffs state as support for their CERCLA 107

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- claim do not rise to the level required as they do not constitute any action to actually clean up or abate the alleged pollution on the Site.
- 5. Plaintiffs' Third Claim for Relief fails to state a claim for contribution under CERCLA 113 because no person has yet filed a civil action against them and Plaintiffs have not resolved liability to the United States or a State, as required by 42 U.S.C. § 9113(f)(1).
- 6. Plaintiffs' Second Claim for Relief, for declaratory judgment under CERCLA 113. also must be dismissed because they have no underlying claim to support such a judgment. CERCLA section 113(g)(2) authorizes courts to "enter a declaratory judgment on liability for response costs or damages that will be binding on any subsequent action or actions to recover *further* response costs." 42 U.S.C. § 9613(g)(2) (emphasis added). Thus, the right to pursue a declaratory judgment under section 113(g)(2) depends on establishing the existence of a valid underlying cause of action under CERCLA. Plaintiffs have failed to meet the basic pleadings requirements of CERCLA 107 or CERCLA 113, and therefore cannot state a claim for declaratory relief under CERCLA 113.
- 7. Plaintiffs' request that joint and several liability be imposed on Defendant, as set out in Paragraph 37 of the SAC, must be stricken because Plaintiffs are owners/operators of the Site, and therefore qualify as PRPs under §40 CFR § 304.12(m). A private party that is itself a PRP may not pursue a CERCLA 107 action against other PRPs for joint and several liability. Cooper Indus., Inc. v. Aviall Servs., Inc., 543 U.S. 157, 169. (2004),

The Court therefore GRANTS Defendant's Motion for to Dismiss the First, Second and Third Claims for Relief in the SAC, and GRANTS Defendant's Motion to Strike the claim for joint and several liability in Paragraph 37 of the SAC. As Plaintiffs have already amended their pleadings twice, the Court considers it unlikely that they have additional as-yet-unpleaded facts to add, and therefore this order of dismissal is without leave to further amend.

1 | IT IS SO ORDERED.
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Dated:

Hon. Jon S. Tigar United States District Judge