



Legislation Text

File #: 14-0843, **Version:** 1

Recommendation to authorize City Attorney to pay the sum of \$425,000 in full settlement of lawsuit entitled BP West Coast Products v. City of Long Beach, Case No. CV14-01537JFW (SSx).

On November 11, 2010, a City employee, using a back hoe at a proposed Community Garden site, struck a BP West Coast Products (BPWCP) diesel oil pipeline. In all, almost 900 gallons of diesel fuel seeped into the ground.

The damage to the pipeline required an emergency response to immediately repair the pipe and stop diesel fuel from seeping into the ground. After fixing the pipe, BPWCP performed various additional services including clearing and disposing of the contaminated soil.

A dispute arose between BPWCP and the City concerning the reasonable costs BWPCP's work. BPWCP claimed \$819,500.00 as the costs to repair the pipe, cleanup the soil and dispose of waste. Following a court ordered mediation, the parties have agreed to resolve this case for a payment of \$425,000, subject to City Council approval. The case was discussed in closed session before the Economic Development and Finance Committee of October 7, 2014, and the committee approved the settlement.

Approve recommendation.

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