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*Long Beach, California*

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May 23, 2006

HONORABLE MAYOR AND CITY COUNCILMEMBERS
City of Long Beach
California

RECOMMENDATION:

Authorize the City Attorney to settle the Omega Chemical Superfund Site matter.

DISCUSSION:

The Omega Chemical Superfund Site in Whittier (the "Site") is a former licensed hazardous waste facility that operated from 1976 to 1991. Due to improper operations, the soil at the Site is contaminated and area drinking water is threatened. By 2004, $12.3 million had been spent in response costs, with future response costs projected at $89.2 million. Federal hazardous waste law holds all contributors to a site liable for its cleanup, even though the disposal was lawful. The City, including the Harbor Department, disposed of slightly under ten tons of waste at the Site.

This office has reviewed the waste manifests originally attributed to the City by the Environmental Protection Agency ("EPA.") After discussions with the EPA, the amount of waste was reduced. The EPA's revised calculations are reasonable. The EPA has offered a settlement of $119,813.00, which includes a 100% premium for "uncertainties in future response costs."

On May 16, 2006, the Economic and Finance Committee approved the proposed settlement amount. The Harbor Department is being asked to contribute its proportional share of $15,762.00. We therefore ask authority to pay the sum of $104,051.00 in settlement of the City's obligation for this matter.

SUGGESTION ACTION:

    Approve recommendation.

Respectfully submitted,

ROBERT E. SHANNON, City Attorney

By: LISA PESKAY MALMSTEN
Deputy City Attorney

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