



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

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File #: 24-0530, Version: 1

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**Dept/ Agency:** Law

**Action:** (X) Ratifying (X) Authorizing ( ) Amending

**Purpose:** Settlement of Civil Litigation

**Docket No.:** City of Long Beach, et al. v. Monsanto Company et al., Case No. CV 16-3493 FMO (ASx) (C.D.Cal)

**Claimant:** City of Newark, Class Action Member

**Claimant's Attorney:** Baron and Budd, PC, Lead Counsel and others

**Settlement Amount:** \$4,520,000.00

**Funding Source:** Defendant, Monsanto Company

**Additional Comments:**

This is a Resolution accepting the Final Allocation of \$4,520,000.00 to the City of Newark in the Class Action Litigation filed by the City Long Beach, California and others

**WHEREAS**, on March 14, 2022, the District Court for the Central District of California approved a class action settlement in the *City of Long Beach, et al. v. Monsanto Company et al.*, Case No. CV 16-3493 FMO (ASx) (C.D.Cal) for polychlorinated biphenyls ("PCBs") contamination of water bodies and stormwater systems caused by Monsanto, Pharmacia and Solutia. The Settlement Agreement established a funding system of 2,528 governmental entities whose waterbodies have been subjected to PCB contamination; and

**WHEREAS**, the claims certified for class-action treatment include claims that Monsanto's PCBs and PCB-containing products were defectively designed, that the risks of environmental harm associated with PCBs and PCB-containing products outweighed the benefits of their uses, that Monsanto failed to warn of the risks of harm associated with PCBs and PCB-containing products, and that Plaintiffs and the Settlement Class Members suffered property damage as a result of PCB contamination; and

**WHEREAS**, in the Class Action Settlement Agreement between the parties, Monsanto agreed to pay up to Five Hundred Fifty Million Dollars and Zero Cents (\$550,000,000) as the total and maximum dollar amount Monsanto would be obligated to pay as a net class benefit provided the Court granted final approval and all other contingencies were met; and

**WHEREAS**, the City of Newark was eligible to apply to the Court appointed Special Master for, and allocation from, the Sediment Sites Fund to compensate entities for remediation and restitution; and

**WHEREAS**, on or about February 9, 2024, after all class member applications and appeals had been evaluated and resolved the City was notified of its Final Allocation of Four Million Five Hundred Twenty Thousand Dollars and Zero Cents (\$4,520,000.00) from the Sediments Sites Fund for Diamond Alkali Superfund Site; and

**WHEREAS**, after consultation with the Corporation Counsel, and noting that no other class member would be filing an appeal or de novo review of their Final Allocations, on February 22, 2024, the Department of Water and Sewer Utilities notified the Special Master that the City would accept the Final Allocation.

**NOW, THEREFORE BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor, the Corporation Counsel and the Director of the Department of Water and Sewer Utilities are authorized to accept the Final Allocation of Four Million Five Hundred Twenty Thousand Dollars and Zero Cents \$4,520,000.00 as compensation to the City of Newark in the civil class action litigation *City of Long Beach, et al. v. Monsanto Company et al.*, Case No. CV 16-3493 FMO (ASx) (C.D.Cal) for polychlorinated biphenyls ("PCBs") contamination of water bodies and stormwater systems caused by Monsanto, Pharmacia and Solutia at the Diamond Alkali Superfund Site. (A copy of the Notification of Final Allocation is attached.)
2. The Acceptance of the Final Allocation is ratified from February 22, 2024 to the date of adoption of this authorizing resolution. (A copy of the February 22, 2024, communication with the Special Master is attached.)
3. The Director of the Department of Finance shall deposit the check into Department of Water and Sewer Capital Outlay Account: NW038 800 8007 71970.
4. There are no documents required to be executed by the City of Newark to accept the Final Allocation. (Copies of Settlement Documents and Court Orders are attached for reference.)

**STATEMENT**

This Resolution ratifies and authorizes the Mayor, the Corporation Counsel and the Director of the Department of Water and Sewer Utilities to accept the Final Allocation of Four Million Five Hundred Twenty Thousand Dollars and Zero Cents \$4,520,000.00 as compensation to the City of Newark in the civil class action litigation *City of Long Beach, et al. v. Monsanto Company et al.*, Case No. CV 16-3493 FMO (ASx) (C.D.Cal) for polychlorinated biphenyls ("PCBs") contamination of water bodies and stormwater systems caused by Monsanto, Pharmacia and Solutia at the Diamond Alkali Superfund Site.