		Case 3:12-cv-02797-WHO Document 9	90 Filed 05/21/13 Page 1 of 35			
Hunton & Williams LLP 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627	1 2 3 4 5 6 7 8 9 10 11	 Belynda Reck (SBN 163561) Diana Biason (SBN 247274) 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 Telephone: (213) 532-2000 Facsimile: (213) 532-2020 E-mail: breck@hunton.com dbiason@hunton.com Attorneys for Plaintiff and Counter-Defendant GEORGIA-PACIFIC LLC [Counsel Listing Continued on Next Page] UNITED STATES DISTRICT COURT NORTHERN DISTRICT OF CALIFORNIA 				
	 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 	GEORGIA-PACIFIC LLC, Plaintiff, v. OFFICEMAX INCORPORATED, LOUISIANA-PACIFIC CORPORATION, and CITY OF FORT BRAGG Defendants. AND RELATED COUNTERCLAIMS OFFICEMAX INCORPORATED, Third Party Plaintiffs, v. LOUISIANA-PACIFIC CORPORATION, CITY OF FORT BRAGG and DOES 1-10 inclusive, Third-Party Defendants. AND RELATED COUNTER CLAIMS	CASE NO.: 12-02797 RS SECOND AMENDED COMPLAINT OF GEORGIA-PACIFIC LLC AGAINST OFFICEMAX INCORPORATED, LOUISIANA-PACIFIC CORPORATION, AND CITY OF FORT BRAGG Judge: Hon. Richard Seeborg Complaint Filed: May 31, 2012 Amd. Complaint Filed: June 4, 2012 3P Complaint Filed: August 30, 2012 1 st Amd. 3P Cplt. Filed: October 31, 2012 DEMAND FOR JURY TRIAL			
		PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO.				

		Case 3:12-cv-02797-WHO Document 90 Filed 05/21/13 Page 2 of 35		
Hunton & Williams LLP 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	Case 3:12-cv-02797-WHO Document 90 Filed 05/21/13 Page 2 of 35 HUNTON & WILLIAMS LLP Jeffirev N. Martin (Admitted <i>Pro Hac Vice</i>) 2200 Pennsylvania Avenue, N.W. Washington, D.C. 20037 Telephone: (202) 955-1552 E-mail: jmartin@hunton.com Attorneys for Plaintiff and Counter-Defendant GEORGIA-PACIFIC LLC		
	23			
	24			
	25			
	26			
	27			
	28	2		
		PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT		
		CASE NO. 12-02797 RS		

Plaintiff Georgia-Pacific LLC ("Georgia-Pacific") states for its second amended complaint against defendants OfficeMax Incorporated, Louisiana-Pacific Corporation, and the City of Fort Bragg (collectively, "Defendants") as follows:

NATURE OF ACTION

1. This action arises from Georgia-Pacific's cleanup of hazardous substances at certain real property located in Fort Bragg, California (the "Site"), and for which Georgia-Pacific seeks recovery, pursuant to the Federal Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. §§ 9601 et. seq., from Defendants, the former owners, operators and polluters of the Site, of the response costs Georgia-Pacific has incurred and will continue to incur at the Site. In addition to the recovery of response costs, Georgia-Pacific seeks certain declaratory relief with respect to the Defendants' liabilities and continuing obligations with respect to the Site as well as damages and other relief arising from Defendants' continuing nuisance and trespass at the Site.

JURISDICTION AND VENUE

This Court has original jurisdiction pursuant to 42 U.S.C. § 9607(a) and 2. 28 U.S.C. § 1331, and supplemental jurisdiction over the state law claims pursuant to 28 U.S.C. § 1367.

3. Venue is proper in this District pursuant to 42 U.S.C. § 9607(a) and 28 19 U.S.C. § 1391(b) because the events giving rise to this action, including the releases or 20 threatened releases of hazardous substances, occurred and are occurring at real 21 property located in this District. 22

PARTIES

3

4. Plaintiff Georgia-Pacific is a Delaware limited liability company 24 headquartered in Atlanta, Georgia. Georgia-Pacific is one of the world's leading 25 manufacturers of tissue, pulp, paper, packaging, building products and related 26 chemicals. 27

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 12 13 14 15

1

2

3

4

5

6

7

8

9

10

16

17

18

23

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

Defendant OfficeMax Incorporated ("OfficeMax") is a Delaware 5. corporation headquartered in Naperville, Illinois. OfficeMax is engaged in businessto-business and retail office products distribution throughout the United States.

6. Defendant Louisiana-Pacific Corporation ("Louisiana-Pacific") is a Delaware corporation headquartered in Nashville, Tennessee. Louisiana-Pacific is a manufacturer of engineered wood building materials, which are sold to builders and homeowners through building materials distributors and dealers and retail home centers.

7. Defendant the City of Fort Bragg is a local governmental entity located in Mendocino County, State of California.

FACTUAL BACKGROUND

The Site consists of approximately 415 acres along the Pacific Ocean, 8. located at 90 West Redwood Avenue, Fort Bragg, Mendocino County, California.

Georgia-Pacific ceased operations on the Site on August 8, 2002. Most 9. of the structures and equipment associated with lumber production have been removed and the Site is currently unoccupied and unused except for a small office maintained by Georgia-Pacific and a wastewater treatment plant owned and operated by the City of Fort Bragg.

10. Over the course of Defendants' and Georgia-Pacific's 117 years of 19 lumber production and related operations at the Site, logs were received, unloaded, 20 and stored in the log storage areas. Logs were then removed from inventory, debarked, and milled. Milled lumber was shipped green, kiln dried, or air dried on-22 site. Finished lumber was transported by rail or flatbed trailers. Bark and wood refuse were transported by truck, conveyer or pneumatic system to a power plant 24 located on the Site, where they were burned to generate steam for electricity. Site 25 operations were conducted in sawmills, planer buildings, a fence plant, a power plant, 26 lumber storage areas, and various storage and maintenance facilities. 27

4

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 12 13 14 15

1

2

3

4

5

6

7

8

9

10

16

17

18

21

23

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

The operations by Defendants and Georgia-Pacific on the Site led to 11. releases of hazardous substances, including, but not limited to, metals, dioxins, polycyclic aromatic hydrocarbons and total petroleum hydrocarbons to the soil and groundwater underlying the Site and the surrounding soils and groundwater.

Georgia-Pacific began investigating alleged environmental concerns at 12. the Site in 2004. The Regional Water Quality Control Board, North Coast Region oversaw Site investigation activities until the California Environmental Protection Agency, Department of Toxic Substances Control ("DTSC") assumed the role of lead regulatory agency in August 2006. For administrative convenience, the DTSC divided the Site into five operable units.

By letter dated February 16, 2007, DTSC notified Georgia-Pacific that 13. DTSC required Georgia-Pacific to conduct a response action at the Site. Also on February 16, 2007, DTSC issued a Site Investigation and Remediation Order.

Through December 31, 2011, Georgia-Pacific had expended 14. approximately \$31,400,000 in response costs at the Site arising from releases and threatened releases of hazardous substances. Georgia-Pacific anticipates incurring significant future response costs at the Site.

OfficeMax's Ownership and Operations at the Site

15. Union Lumber Company began operating a sawmill at the Site in 1885. Over time, Union Lumber Company developed a significant lumber mill at the Site, including a large dam and log pond in the center of the Site and a railroad line that begins in the northeast portion of the Site.

Union Lumber Company merged with Boise Cascade Corporation in 16. 1968. Pursuant to the merger, Boise Cascade Corporation assumed Union Lumber Company's debts, liabilities, obligations and duties associated with the Site. Boise Cascade Corporation owned and operated the Site until it sold the Site to Georgia-

1

2

3

4

5

6

7

8

9

10

12

13

14

16

17

18

19

20

21

22

23

24

Pacific in 1973. Boise Cascade Corporation changed its name to defendant OfficeMax in 2004, after acquiring all the securities of OfficeMax, Inc. in 2003.

1

2

3

4

5

6

7

8

9

Louisiana-Pacific's Ownership and Operations at the Site

17. In the First Amended Third-Party Complaint of OfficeMax Incorporated against Louisiana-Pacific Corporation and the City of Fort Bragg, Northern District of California Case No. 12-02797-RS, Docket No. 52 ("Third Party Complaint"),¹ OfficeMax alleges that on information and belief, Louisiana-Pacific's ownership and operations at the Site contributed to the contamination of the Site and surrounding environs and resulted in a release of hazardous substances to the environment. OfficeMax further alleges that on information and belief, Louisiana-Pacific was an owner and operator of portions of the Site at the time of disposal of hazardous substances to the environment by itself and others. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that Louisiana-Pacific's ownership and operations at the Site contributed to the contamination of the Site and surrounding environs and resulted in a release of hazardous substances to the environment. Georgia-Pacific further alleges that on information and belief, Louisiana-Pacific was an owner and operator of portions of the Site at the time of disposal of hazardous substances to the environment by itself and others.

18. OfficeMax alleges that on information and belief, Louisiana-Pacific operated the plywood manufacturing facility at the Site. OfficeMax further alleges that the plywood manufacturing plant operated by Louisiana-Pacific was located on that portion of the Site currently designated as OU-E. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also

¹ All other references herein to OfficeMax's allegations are from its Third-Party Complaint.

6

alleges that Louisiana-Pacific operated the plywood manufacturing facility at the Site.
Georgia-Pacific further alleges that the plywood manufacturing plant operated by
Louisiana-Pacific was located on that portion of the Site currently designated as OUE.

19. OfficeMax alleges that on information and belief, during and after the period of active operations at the Site by Louisiana-Pacific (1973-1977), hazardous substances were released on and from the Site and into the surrounding environs, soils and/or sediments, surface waters and groundwater from Louisiana-Pacific's operations, which included the plywood manufacturing facility. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that during and after the period of active operations at the Site by Louisiana-Pacific (1973-1977), hazardous substances were released on and from the Site and into the surrounding environs, soils and/or sediments, surface waters and groundwater from Louisiana-Pacific's operations, which included the plywood manufacturing facility.

20. OfficeMax alleges that on information and belief, Louisiana-Pacific, as operator and owner of the plywood manufacturing facility, was actively involved in directing and controlling operations at the Site. Louisiana-Pacific utilized steam and electricity which was generated from three onsite boilers in the mill powerhouse in order to power its operations. OfficeMax alleges that these activities, and others, done at the direction and request of Louisiana-Pacific resulted in the disposal of hazardous substances at the site, contributed to the contamination of the Site, and caused a release of hazardous substances to the environment. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that Louisiana-Pacific, as operator and owner of the plywood manufacturing facility, was actively involved in directing and controlling operations at the Site. Georgia-Pacific alleges that these activities, and others, done at the direction and

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

request of Louisiana-Pacific resulted in the disposal of hazardous substances at the site, contributed to the contamination of the Site, and caused a release of hazardous substances to the environment.

21. OfficeMax alleges that on information and belief, as part of its plywood manufacturing operations Louisiana-Pacific used, processed, produced, stored, treated and/or generated hazardous substances, as defined by CERCLA, including but not limited to heavy metals, polycyclic aromatic hydrocarbons ("PAHs"), dioxins/furans, as well as petroleum hydrocarbons on the Site. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that as part of its plywood manufacturing operations Louisiana-Pacific used, processed, produced, stored, treated and/or generated hazardous substances, as defined by CERCLA, including but not limited to heavy metals, PAHs, dioxins/furans, as well as petroleum hydrocarbons on the Site.

22. OfficeMax alleges that on information and belief, the plywood manufacturing operations of Louisiana-Pacific on the mill property during its period of ownership and operation resulted in the release or threatened release of hazardous substances, as defined by CERCLA, including but not limited to heavy metals, PAHs, dioxins/furans, as well as petroleum hydrocarbons, to the soil, groundwater and surface water of the property as well as surrounding soils and/or sediments, surface water and groundwater. OfficeMax further alleges that the release of these hazardous substances continues to the present at the Site as the result of the passive migration of the hazardous substances through soil, groundwater and surface water. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that the plywood manufacturing operations of Louisiana-Pacific on the mill property during its period of ownership and operation resulted in the release of the action the mill property during its period of ownership and operation resulted in the release or threatened release of hazardous substances, as defined by CERCLA, including but not limited to heavy metals, PAHs, dioxins/furans, as well as petroleum

hydrocarbons, to the soil, groundwater and surface water of the property as well as surrounding soils and/or sediments, surface water and groundwater. Georgia-Pacific further alleges that the release of these hazardous substances continues to the present at the Site as the result of the passive migration of the hazardous substances through soil, groundwater and surface water.

23. OfficeMax alleges that on information and belief, Louisiana-Pacific is a former owner and former operator, of property on which hazardous substances as defined by CERCLA have been disposed during its period of ownership and operation. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that Louisiana-Pacific is a former owner and former operator, of property on which hazardous substances as defined by CERCLA have been disposed during its period.

24. OfficeMax alleges that on information and belief, in connection with its former ownership and operation of the Site, Louisiana-Pacific arranged for the disposal of hazardous substances, as defined by CERCLA, including but not limited to heavy metals, PAHs, dioxins/furans, as well as petroleum hydrocarbons, to the soil, groundwater and surface water of the mill property as well as surrounding soils and/or sediments, surface water and groundwater. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that in connection with its former ownership and operation of the Site, Louisiana-Pacific arranged for the disposal of hazardous substances, as defined by CERCLA, including but not limited to heavy metals, PAHs, dioxins/furans, as well as petroleum hydrocarbons, to the soil, groundwater and surface water of the mill property as well as surrounding soils and/or sediments, surface water and groundwater.

City of Fort Bragg's Contamination of the Site

25. OfficeMax alleges that the City of Fort Bragg is liable for the release and threatened release of hazardous substances to the Site because it owned and operated,

9

28

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

and currently owns and operates a stormwater system which conveys quantities of 1 toxic substances regulated under CERCLA onto the Site which are released and 2 threaten to release to the environment. OfficeMax further alleges that the City of Fort 3 Bragg further owned and operated the stormwater system on the Site at the time of 4 disposal and releases of hazardous substances to the environment at the Site, including 5 the waters and sediments of the stormwater system, unrelated to those hazardous 6 substances present in the City of Fort Bragg's stormwater. Additionally, OfficeMax 7 alleges that the City of Fort Bragg is also liable for arranging for the treatment and 8 disposal of storm water at the Site which has released and threatens to release 9 hazardous substances to the environment. Discovery conducted to date supports these 10 allegations. Therefore, on information and belief, Georgia-Pacific also alleges that the 11 City of Fort Bragg is liable for the release and threatened release of hazardous 12 substances to the Site because it owned and operated, and currently owns and operates 13 a stormwater system which conveys quantities of toxic substances regulated under 14 CERCLA onto the Site which are released and threaten to release to the environment. 15 Georgia-Pacific further alleges that the City of Fort Bragg further owned and operated 16 the stormwater system on the Site at the time of disposal and releases of hazardous 17 substances to the environment at the Site, including the waters and sediments of the 18 19 stormwater system, unrelated to those hazardous substances present in the City of Fort Bragg's stormwater. Additionally, Georgia-Pacific alleges that the City of Fort Bragg 20is also liable for arranging for the treatment and disposal of storm water at the Site 21 which has released and threatens to release hazardous substances to the environment. 22

26. OfficeMax alleges that historically, the primary natural waterways in Fort Bragg included the Noyo River and Pudding Creek, both of which continue to exist in primarily their natural, unchannelized state. OfficeMax further alleges that Alder Creek, which historically drained almost the entire Fort Bragg area, was altered in the late 1800s and early 1900s to flow in a closed conduit system from the City of Fort

28

23

24

25

26

27

Hunton & Williams LLP 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627

Bragg and drains to the Georgia-Pacific log pond (Pond 8). In addition, OfficeMax alleges that the City of Fort Bragg's current stormwater system flows to several discharge points to the Noyo River, Pudding Creek (prior to entering the Site), and, primarily the Georgia-Pacific log pond. Discovery conducted to date appears to support these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that historically, the primary natural waterways in Fort Bragg included the Noyo River and Pudding Creek, both of which continue to exist in primarily their natural, unchannelized state. Georgia-Pacific further alleges that Alder Creek, which historically drained almost the entire Fort Bragg area, was altered in the late 1800s and early 1900s to flow in a closed conduit system from the City of Fort Bragg and drains to the Georgia-Pacific log pond (Pond 8). In addition, Georgia-Pacific alleges that the City of Fort Bragg's current stormwater system flows to several discharge points to the Noyo River, Pudding Creek (prior to entering the Site), and, primarily the Georgia-Pacific log pond.

27. OfficeMax alleges that originally the City of Fort Bragg's sanitary sewer and storm systems were combined, and remained as such until March 1979. OfficeMax further alleges that after that date, sanitary sewer water was routed to the City of Fort Bragg's wastewater treatment plant located on the western edge of the Site near the log pond (Pond 8). Discovery conducted to date appears to support these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that originally the City of Fort Bragg's sanitary sewer and storm systems were combined, and remained as such until March 1979. Georgia-Pacific further alleges that after that date, sanitary sewer water was routed to the City of Fort Bragg's wastewater treatment plant located on the western edge of the Site near the log pond (Pond 8).

28. OfficeMax alleges that the City of Fort Bragg is, and was, aware of its use of the Georgia-Pacific ponds as in integral and intentional part of its stormwater (and previously municipal wastewater) system. OfficeMax further alleges that at

28

11

1

2

3

4

5

6

7

8

9

10

17

18

19

20

21

22

23

24

25

26

present, the City of Fort Bragg intends to expand and improve the stormwater discharge points to the Georgia-Pacific ponds. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that the City of Fort Bragg is, and was, aware of its use of the Georgia-Pacific ponds as in integral and intentional part of its stormwater (and previously municipal wastewater) system. Georgia-Pacific further alleges that at present, the City of Fort Bragg intends to expand and improve the stormwater discharge points to the Georgia-Pacific ponds.

29. OfficeMax alleges that for over 100 years, the storm and urban wastewater drainage systems of the City of Fort Bragg have drained to the ponds of the Site. OfficeMax further alleges that this stormwater and combined sewer overflow ("CSO") discharge has transported hazardous substances such as, but not limited to, heavy metals, PAHs, volatile organic compounds, and petroleum hydrocarbons (originally deposited on and in the streets and urban sewers of the City of Fort Bragg) to the Site resulting in the deposition and release of these materials in and to the sediments, soils, and groundwater of the mill property. Additionally, OfficeMax alleges that the release of these hazardous substances continues to the present at the Site as the result of the passive migration of the hazardous substances through soil, groundwater, and surface water. Discovery conducted to date appears to support these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that for over 100 years, the storm and urban wastewater drainage systems of the City of Fort Bragg have drained to the ponds of the Site. Georgia-Pacific further alleges that this stormwater and CSO discharge has transported hazardous substances such as, but not limited to, heavy metals, PAHs, volatile organic compounds, and petroleum hydrocarbons (originally deposited on and in the streets and urban sewers of the City of Fort Bragg) to the Site resulting in the deposition and release of these materials in and to the sediments, soils, and groundwater of the mill property. Additionally,

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

27

28

Georgia-Pacific alleges that the release of these hazardous substances continues to the present at the Site as the result of the passive migration of the hazardous substances through soil, groundwater, and surface water.

FIRST CLAIM FOR RELIEF AGAINST OFFICEMAX

(Recovery for Response Costs Pursuant to Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9607(a))

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 30. through 29, inclusive, as though set forth in full.

Each of the Defendants is a "person" as that term is defined in 42 U.S.C. 31. § 9601(21).

The Site is a "facility" as that term is defined in 42 U.S.C. § 9601(9). 32.

Contaminants located in the soil and groundwater at, on, or under the 33. Site, including but not limited to, metals, dioxins, polycyclic aromatic hydrocarbons and total petroleum hydrocarbons, are "hazardous substance[s]" as that term is defined in 42 U.S.C. § 9601(14).

There has been a "release" or threatened "release" of hazardous 34. substances as defined in 42 U.S.C. § 9601(22) at and from the Site.

Each Defendant was an "owner or operator" of the Site, as that term is 35. defined in 42 U.S.C. § 9601(20), at or during the time of the acts or omissions which resulted in the release of hazardous substances at or around the Site, and these substances migrated and threaten to continue to migrate to the environment.

Defendants are liable persons pursuant to 42 U.S.C. § 9607(a). 36.

Georgia-Pacific has incurred and will continue to incur response costs in 37. 23 response to the release or threatened release of hazardous substances into the 24 environment at the Site, and these response costs are necessary and consistent with the 25 provisions of CERCLA and the National Contingency Plan ("NCP"), 40 C.F.R. Part 26 300. 27

13

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 15

1

2

3

4

5

6

7

8

9

10

12

13

14

16

17

18

19

20

21

22

Georgia-Pacific is entitled to reimbursement from Defendants, who are 38. jointly and severally liable for those response costs under 42 U.S.C. § 9607.

Upon filing its Complaint, Georgia-Pacific provided a copy to the 39. Attorney General of the United States and to the Administrator of the United States Environmental Protection Agency pursuant to 42 U.S.C. § 9613(1).

SECOND CLAIM FOR RELIEF AGAINST OFFICEMAX

(Claim for Contribution Pursuant to Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9613(f))

40. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 39, inclusive, as though set forth in full.

Alternatively, to the extent that the Defendants are not liable, or jointly 41. and severally liable for response costs under the standards of 42 U.S.C. § 9607, each Defendant is liable under 42 U.S.C. § 9613(f) for contribution to the response costs Georgia-Pacific has incurred and will continue to incur in connection with the release and threatened release of hazardous substances at the Site.

Georgia-Pacific is entitled to recover in contribution amounts in excess of 42. Georgia-Pacific's fair and equitable share of such response costs.

18

19

20

21

22

23

24

25

26

27

16

17

1

2

3

4

5

6

7

8

9

10

THIRD CLAIM FOR RELIEF AGAINST OFFICEMAX (Declaratory Relief Under CERCLA)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 43. through 42, inclusive, as though set forth in full.

44. Pursuant to 28 U.S.C. § 2201, there is an actual controversy between the parties regarding their duties and obligations with respect to the response costs that have been incurred and will continue to be incurred in connection with the release and threatened release of hazardous substances at the Site. Georgia-Pacific is entitled to a declaration under 42 U.S.C. § 9613(g)(2) that (a) Defendants are jointly and severally liable and responsible under 42 U.S.C. § 9607(a) for the response costs which have

14

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 12 13 14 15

been and will continue to be incurred by Georgia-Pacific at the Site, including prejudgment interest; or (b) Defendants are liable under 42 U.S.C. § 9613(f) for contribution to the response costs Georgia-Pacific has incurred and will continue to incur at the Site, including prejudgment interest, for amounts in excess of Georgia-Pacific's fair and equitable share of such costs.

The declaratory relief sought herein is necessary and appropriate, and in 45. the interest of justice, because it will obviate the need for multiple lawsuits and provide complete resolution of the dispute between the parties.

FOURTH CLAIM FOR RELIEF AGAINST OFFICEMAX (Declaratory Relief Pursuant to the Declaratory Judgment Act) (28 U.S.C. §§ 2201, 2202)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 46. through 45, inclusive, as though set forth in full.

Under this claim for relief, Georgia-Pacific seeks declaratory relief under 47. federal law to determine the respective legal rights and obligations of the parties to this action.

Georgia-Pacific is informed and believes, and based thereon alleges, that 48. all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of OfficeMax. Therefore, Georgia-Pacific is entitled to a judicial declaration that OfficeMax is liable to indemnify Georgia-Pacific for all future damages and costs that may be suffered by Georgia-Pacific as a result of the contamination of the Site or, in the alternative, that OfficeMax are liable to contribute to and reimburse Georgia-Pacific for such damages and costs including, without limitation, costs or damages awarded in legal or administrative

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

actions, costs of compliance with any judicial or administrative order, and costs of litigation including attorneys' fees.

FIFTH CLAIM FOR RELIEF AGAINST OFFICEMAX (Declaratory Relief Under State Law)

(Cal Code Civ. Proc. §1060)

49. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 48, inclusive, as though set forth in full.

50. Georgia-Pacific is informed and believes, and based thereon alleges, that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of OfficeMax. Therefore, Georgia-Pacific is entitled to a judicial declaration that OfficeMax is liable to indemnify Georgia-Pacific for all future damages and costs that may be suffered by Georgia-Pacific.

SIXTH CLAIM FOR RELIEF AGAINST OFFICEMAX (Implied Equitable Indemnity)

51. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 50, inclusive, as though set forth in full.

52. Except as otherwise pleaded by Georgia-Pacific, Georgia-Pacific denies all liability with respect to the claims alleged in this action. However, to the extent that Georgia-Pacific may be subject to any liability, such liability is purely secondary, imputed, vicarious or technical, and primary liability would attach to OfficeMax and is attributable to its acts and omissions, which include, but are not limited to, releasing hazardous substances into soil, surface water, and groundwater at the Site and failing to prevent the migration of these hazardous substances to adjoining properties. Should Georgia-Pacific be held liable in any counterclaim, OfficeMax is liable to

16

28

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

Hunton & Williams LLP 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 91 21 2627 91 2000

1

2

3

4

5

6

7

8

9

17

18

19

20

21

22

23

24

25

26

Georgia-Pacific for either total or partial equitable indemnity for any costs, expenses or damages incurred or awarded, and for Georgia-Pacific's attorneys' fees and costs of litigation.

SEVENTH CLAIM FOR RELIEF AGAINST OFFICEMAX (Continuing Nuisance)

53. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 52, inclusive, as though set forth in full.

54. Defendants created conditions at the Site which constitute a continuing nuisance by conducting operations at the Site which resulted in the release of hazardous substances at or around the Site, which migrated and continue to migrate into the environment. In addition, Defendants failed to initiate investigation, monitoring, remediation, or abatement of the nuisance, all in violation of California Civil Code § 3479.

55. The contamination at the Site is actually and practicably abatable by reasonable measures and without unreasonable cost.

56. The contamination at the Site constitutes a nuisance and has interfered with, and continues to interfere with, Georgia-Pacific's use and enjoyment of the Site, and has created a risk to human health and the environment.

57. As a direct and proximate result of Defendants' activities, Georgia-Pacific has incurred and will continue to incur damages in an amount subject to proof at trial, including but not limited to, costs of the investigation, assessment, monitoring, and remediation of the nuisance; loss of property value; loss of future rent; costs to repair and restore the Site to proper condition; statutory costs; and other damages as a result of the continuing nuisance for which Defendants are responsible.

17

1

2

3

4

5

6

7

8

9

17

18

19

20

21

22

23

24

25

26

27

28

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

EIGHTH CLAIM FOR RELIEF AGAINST OFFICEMAX (Continuing Trespass)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 58. through 57, inclusive, as though set forth in full.

As a result of the control, maintenance, use and/or occupation of the Site 59. by Defendants, the contamination at the Site was caused to remain at, on or under the Site without Georgia-Pacific's knowledge or consent. The existence of the contamination at, on and under the Site has unlawfully interfered, and continues to interfere, with Georgia-Pacific's possession, use and enjoyment of the Site.

The contamination has been released, and continues to be released, at, on 60. and under the Site as a result of Defendants' actions or failure to act, causing the contamination to remain at, on and beneath the Site.

61. The contamination at the Site is actually and practicably abatable by reasonable measures and without unreasonable cost.

As a direct and proximate result of Defendants' continuing trespass, 62. Georgia-Pacific has incurred and will continue to incur damages including, but not limited to, costs of the investigation and remediation of the trespass; loss of property value during the existence of the trespass; losses due to stigma associated with the contamination; loss of future rent; costs to repair and restore the Site to proper condition; statutory costs; attorneys' fees and costs; and other damages as a result of the continuing trespass for which Defendants are responsible.

NINTH CLAIM FOR RELIEF AGAINST **LOUISIANA-PACIFIC**

(Liability for Cost Recovery and Contribution

Pursuant to CERCLA, 42 U.S.C. §§ 9607 and 9613)

18

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 63. through 62, inclusive, as though set forth in full.

28

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

64. OfficeMax alleges that as a result of its past ownership and operations at the Site at the time of disposal of hazardous substances, Louisiana-Pacific is liable under CERCLA § 107(a), 42 U.S.C. § 9607(a), for the release or threatened release of "hazardous substances" into the soils and/or sediments, surface water and groundwater beneath the Site area. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that as a result of its past ownership and operations at the Site at the time of disposal of hazardous substances, Louisiana-Pacific is liable under CERCLA § 107(a), 42 U.S.C. § 9607(a), for the release or threatened release of "hazardous substances" into the soils and/or sediments, surface water and groundwater beneath the Site area.

65. Georgia-Pacific is informed and believes, and based thereon alleges, that as a direct and proximate result of Louisiana-Pacific's and others' release and threatened release of hazardous substances on the soil and into the surface and groundwater of the Site, it has incurred and will incur necessary response costs, including costs to assess and investigate the nature and extent of contamination. Georgia-Pacific further alleges that it will continue to incur response costs in the future as a result of Louisiana-Pacific's continued release and threatened release of the above-described hazardous substances to the environment. Additionally Georgia-Pacific alleges that as a direct and proximate result of Louisiana-Pacific's actions, it is entitled to recover and obtain reimbursement and/or contribution for all past, present, and future response costs from Louisiana-Pacific, pursuant to CERCLA, 42 U.S.C. §§ 9607(a) and 9613(f).

66. Georgia-Pacific seeks cost recovery, reimbursement and/or contribution
from Louisiana-Pacific based on its status as an owner, operator, discharger, arranger
and transporter of hazardous materials, substances, and wastes pursuant to CERCLA,
42 U.S.C. §§ 9607(a) and 9613(f), for all response costs, together with interest

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

thereon, that Georgia-Pacific has incurred and will incur as a result of the release of hazardous substances into the environment. 2

TENTH CLAIM FOR RELIEF AGAINST LOUISIANA-PACIFIC

(Declaratory Relief Pursuant to CERCLA, 42 U.S.C. §§ 9607 and 9613)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 67. through 66, inclusive, as though set forth in full.

68. Because the full extent and magnitude of the contamination of the Site is not fully known at this time, and contamination has not yet been fully mitigated (assuming any mitigation is required), Georgia-Pacific will continue to incur necessary response costs including but not limited to investigatory, remedial and removal expenses, attorneys' fees and interest in the future.

OfficeMax alleges that Louisiana-Pacific is liable under CERCLA, 42 69. U.S.C. §§ 9607(a) and 9613(f). Discovery conducted to date supports this allegation. Therefore, on information and belief, Georgia-Pacific also alleges that Louisiana-Pacific is liable under CERCLA, 42 U.S.C. §§ 9607(a) and 9613(f). Georgia-Pacific further alleges that it is entitled to a declaratory judgment as provided for in CERCLA, 42 U.S.C. § 9613(g)(2) establishing liability of Louisiana-Pacific for such costs and damages for the purpose of this and any subsequent action or actions and declaring that (1) Louisiana-Pacific is jointly and severally liable for its response costs for which it is alleged to be liable, or alternatively, is liable for contribution for its equitable allocation thereof, (2) all relevant actions taken by Georgia-Pacific are consistent with the NCP, and (3) Georgia-Pacific has acted reasonably and in good faith and is not liable under CERCLA to any third party or Louisiana-Pacific in any manner, as a result of disposals and releases of hazardous substances to the environment by Louisiana-Pacific and others as alleged herein, or alternatively, has a de minimis or zero equitable allocation or share of the same.

28

10 Los Angeles, California 90071-2627 550 South Hope Street, Suite 2000 11 Hunton & Williams LLP 12 13 14 15 16

1

3

4

5

6

7

8

9

17

18

19

20

21

22

23

24

25

26

Georgia-Pacific further requests that this Court, after entering a 70. declaratory judgment as prayed herein, retain jurisdiction over this action, pursuant to 28 U.S.C. § 2202, and grant Georgia-Pacific such further relief against Louisiana-Pacific as is necessary and proper to effectuate the Court's declaration.

ELEVENTH CLAIM FOR RELIEF AGAINST

LOUISIANA-PACIFIC

(Declaratory Relief Pursuant to the Declaratory Judgment Act) (28 U.S.C. §§2201, 2202)

71. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 70, inclusive, as though set forth in full.

Under this claim for relief, Georgia-Pacific seeks declaratory relief under 72. federal law to determine the respective legal rights and obligations of the parties to this action.

73. On information and belief, OfficeMax alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of Louisiana-Pacific. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of Louisiana-Pacific. Georgia-Pacific further alleges that it is entitled to a judicial declaration that Louisiana-Pacific is liable to indemnify it for all future damages and costs that may be suffered by it as a result of the contamination of the Site or, in the alternative, that Louisiana-Pacific is liable to contribute to and

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 12 13 14 15

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

reimburse it for such damages and costs including, without limitation, costs or damages awarded in legal or administrative actions, costs of compliance with any 2 judicial or administrative order, and costs of litigation including attorneys' fees. 3

TWELFTH CLAIM FOR RELIEF AGAINST

LOUISIANA-PACIFIC (Declaratory Relief Under State Law

(Cal. Code Civ. Proc., § 1060)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 74. through 73, inclusive, as though set forth in full.

On information and belief, OfficeMax alleges that all legal liability, 75. whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of Louisiana-Pacific. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of Louisiana-Pacific. Georgia-Pacific further alleges that it is entitled to a judicial declaration that Louisiana-Pacific is liable to indemnify it for all future damages and costs that may be suffered by it as a result of the contamination of the Site or, in the alternative, that Louisiana-Pacific is liable to contribute to and reimburse it for such damages and costs including, without limitation, costs or damages awarded in legal or administrative actions, costs of compliance with any judicial or administrative order, and costs of litigation including attorneys' fees.

1

4

5

6

7

8

9

10

11

12

13

14

17

18

19

20

21

22

23

24

25

26

27

<u>THIRTEENTH CLAIM FOR RELIEF AGAINST</u> LOUISIANA-PACIFIC

(Implied Equitable Indemnity)

76. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 75, inclusive, as though set forth in full.

77. Except as otherwise pleaded by Georgia-Pacific, Georgia-Pacific denies all liability with respect to the claims alleged in this action. However, to the extent that Georgia-Pacific may be subject to any liability, such liability is purely secondary, imputed, vicarious or technical, and primary liability would attach to Louisiana-Pacific and is attributable to its acts and omissions, which include, but are not limited to, releasing hazardous substances into soil, surface water, and groundwater at the Site and failing to prevent the migration of these hazardous substances to adjoining properties. Should Georgia-Pacific be held liable in any underlying action, Louisiana-Pacific is liable to Georgia-Pacific for either total or partial equitable indemnity for any costs, expenses or damages incurred or awarded, and for Georgia-Pacific's attorney fees and costs of litigation.

FOURTEENTH CLAIM FOR RELIEF AGAINST LOUISIANA-PACIFIC

(Continuing Public Nuisance pursuant to California Civil Code§§ 3479 and 3480)

78. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 77, inclusive, as though set forth in full.

79. OfficeMax alleges that beginning at a date unknown, and continuing to the present, the hazardous substances that Louisiana-Pacific used, disposed, discharged, deposited, spilled, released and/or arranged for the release on the soil and into the surface and groundwater located on, beneath and adjacent to the Site have created a continuing public nuisance within the meaning of Civil Code §§3479 and

23

1

2

3

4

5

6

7

8

9

10

17

18

19

20

21

22

23

24

25

26

27

3480. OfficeMax further alleges that Louisiana-Pacific's failure to maintain and remediate the Site has created conditions which unreasonably and substantially interfere with and obstruct the community's free use and enjoyment of the adjoining and nearby properties, including but not limited to the coastal trail park. Additionally, OfficeMax alleges that the conditions created by Louisiana-Pacific are offensive to the senses, are injurious to health, and obstruct the free use and comfortable enjoyment of property, thereby constituting a nuisance within the meaning of Civil Code sections 3479 and 3480, which nuisance, on information and belief, is continuing and abatable. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that beginning at a date unknown, and continuing to the present, the hazardous substances that Louisiana-Pacific used, disposed, discharged, deposited, spilled, released and/or arranged for the release on the soil and into the surface and groundwater located on, beneath and adjacent to the Site have created a continuing public nuisance within the meaning of Civil Code §§3479 and 3480. Georgia-Pacific further alleges that Louisiana-Pacific's failure to maintain and remediate the Site has created conditions which unreasonably and substantially interfere with and obstruct the community's free use and enjoyment of the adjoining and nearby properties, including but not limited to the coastal trail park. Additionally, Georgia-Pacific alleges that the conditions created by Louisiana-Pacific are offensive to the senses, are injurious to health, and obstruct the free use and comfortable enjoyment of property, thereby constituting a nuisance within the meaning of Civil Code sections 3479 and 3480, which nuisance, on information and belief, is continuing and abatable.

80. The nuisance has specifically affected Georgia-Pacific by virtue of the damages it has incurred to date as alleged above.

OfficeMax alleges that Louisiana-Pacific, as owner and possessor of the 81. Site, was the cause of and neglected to abate the continuing nuisance on the Site and

28

Los Angeles, California 90071-2627 550 South Hope Street, Suite 2000 13 14 15 16

Hunton & Williams LLP

1

2

3

4

5

6

7

8

9

10

11

12

17

18

19

20

21

22

23

24

25

26

adjacent properties. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that Louisiana-Pacific, as owner and possessor of the Site, was the cause of and neglected to abate the continuing nuisance on the Site and adjacent properties.

OfficeMax alleges that the community at large has not consented nor 82. does consent to this nuisance. OfficeMax further alleges that Louisiana-Pacific should have known that neither the community at large, nor any other future owner of the Site and adjacent properties, would consent to this nuisance. Georgia-Pacific has not consented to this nuisance and Louisiana-Pacific should have known that it would not consent to it. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that the community at large has not consented nor does consent to this nuisance, and that Louisiana-Pacific should have known that neither the community at large, nor any other future owner of the Site and adjacent properties, would consent to this nuisance.

FIFTEENTH CLAIM FOR RELIEF AGAINST

THE CITY OF FORT BRAGG

(Liability for Cost Recovery and Contribution

Pursuant to CERCLA, 42 U.S.C. §§ 9607 and 9613)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 83. through 82, inclusive, as though set forth in full.

OfficeMax alleges that during the City of Fort Bragg's prior and current 84. ownership and/or operation of its historical and current sanitary sewer system and stormwater system, significant quantities of toxic substances and wastes regulated under CERCLA were disposed of onto and from the Site, where - if Georgia-Pacific's allegations are true - there has been a release or threatened release of hazardous substances into the environment. OfficeMax further alleges that as a result, the City of Fort Bragg is liable under CERCLA § 107(a), 42 U.S.C. § 9607(a)(1) and (2), for

25

28

10 550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 11 Hunton & Williams LLP 12 13 14 15

1

2

3

4

5

6

7

8

9

16

17

18

19

20

21

22

23

24

25

26

the release or threatened release of "hazardous substances" into the soils and/or sediments, surface water, and groundwater beneath the Site area. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that during the City of Fort Bragg's prior and current ownership and/or operation of its historical and current sanitary sewer system and stormwater system, significant quantities of toxic substances and wastes regulated under CERCLA were disposed of onto and from the Site, where there has been a release or threatened release of hazardous substances into the environment. Georgia-Pacific further alleges that as a result, the City of Fort Bragg is liable under CERCLA § 107(a), 42 U.S.C. § 9607(a)(l) and (2), for the release or threatened release of "hazardous substances" into the soils and/or sediments, surface water, and groundwater beneath the Site area.

OfficeMax alleges that by virtue of the intentional collection and 85. transmission of stormwater and sanitary sewer water by the City of Fort Bragg's sewer and stormwater systems and related conveyances whereby stormwater and wastewater was and is disposed of onto and from the Site, the City of Fort Bragg arranged for the treatment and/or disposal of wastes which, have released or which threaten to release hazardous substances into the environment, rendering the City of Fort Bragg liable under §107(a) of CERCLA, 42 U.S.C. 9607(a)(3). Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that by virtue of the intentional collection and transmission of stormwater and sanitary sewer water by the City of Fort Bragg's sewer and stormwater systems and related conveyances whereby stormwater and wastewater was and is disposed of onto and from the Site, the City of Fort Bragg arranged for the treatment and/or disposal of wastes which, have released or which threaten to release hazardous substances into the environment, rendering the City of Fort Bragg liable under §107(a) of CERCLA, 42 U.S.C. 9607(a)(3).

28

1

2

3

4

5

6

7

8

9

17

18

19

20

21

22

23

24

25

26

86. Georgia-Pacific is informed and believes, and based thereon alleges, that as a direct and proximate result of the City of Fort Bragg's and others' release and threatened release of hazardous substances on the soil and into the surface and groundwater of the Site, it has incurred and will incur necessary response costs, including costs to assess and investigate the nature and extent of contamination. Georgia-Pacific further alleges that it will continue to incur response costs in the future as a result of the City of Fort Bragg's continued release and threatened release of the above-described hazardous substances to the environment. Additionally, Georgia-Pacific alleges that as a direct and proximate result of the City of Fort Bragg's actions, it is entitled to recover and obtain reimbursement and/or contribution for all past, present, and future response costs from the City of Fort Bragg, pursuant to CERCLA, 42 U.S.C. §§ 9607(a) and 9613(f).

87. Georgia-Pacific seeks cost recovery, reimbursement, and/or contribution from the City of Fort Bragg based on its status as an owner, operator, discharger, arranger, and transporter of hazardous materials, substances, and wastes pursuant to CERCLA, 42 U.S.C. §§ 9607(a) and 9613(f), for all response costs, together with interest thereon, that Georgia-Pacific has incurred and will incur as a result of the release of hazardous substances into the environment.

SIXTEENTH CLAIM FOR RELIEF AGAINST THE CITY OF FORT BRAGG

(Declaratory Relief Pursuant to CERCLA, 42 U.S.C. §§ 9607 and 9613)

88. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 87, inclusive, as though set forth in full.

89. Because the full extent and magnitude of the contamination of the Site is not fully known at this time, and contamination has not yet been fully mitigated (assuming any mitigation is required), Georgia-Pacific will continue to incur

1

2

3

4

5

6

7

8

9

10

16

17

necessary response costs including but not limited to investigatory, remedial and removal expenses, attorneys' fees and interest in the future.

OfficeMax alleges that the City of Fort Bragg is liable under CERCLA, 90. 42 U.S.C. §§ 9607(a) and 9613(f). Discovery conducted to date supports this allegation. Therefore, on information and belief, Georgia-Pacific also alleges that that the City of Fort Bragg is liable under CERCLA, 42 U.S.C. §§ 9607(a) and 9613(f). Georgia-Pacific further alleges that it is entitled to a declaratory judgment as provided for in CERCLA, 42 U.S.C. § 9613(g)(2) establishing liability of the City of Fort Bragg for such costs and damages for the purpose of this and any subsequent action or actions and declaring that (1) the City of Fort Bragg is jointly and severally liable for its response costs for which it is alleged to be liable, or alternatively, is liable for contribution for its equitable allocation thereof, (2) all relevant actions taken by Georgia-Pacific are consistent with the NCP, and (3) Georgia-Pacific has acted reasonably and in good faith and is not liable under CERCLA to any third party or the City of Fort Bragg in any manner, as a result of disposals and releases of hazardous substances to the environment by the City of Fort Bragg and others as alleged herein, or alternatively, has a de minimis or zero equitable allocation or share of the same.

91. Georgia-Pacific further requests that this Court, after entering a
declaratory judgment as prayed herein, retain jurisdiction over this action, pursuant to
28 U.S.C. § 2202, and grant Georgia-Pacific such further relief against the City of Fort
Bragg as is necessary and proper to effectuate the Court's declaration.

<u>SEVENTEENTH CLAIM FOR RELIEF AGAINST</u> <u>THE CITY OF FORT BRAGG</u>

(Declaratory Relief Pursuant to the Declaratory Judgment Act) (28 U.S.C. §§2201, 2202)

28 PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT

CASE NO. 12-02797 RS

92. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 91, inclusive, as though set forth in full.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627

Hunton & Williams LLP

Under this claim for relief, Georgia-Pacific seeks declaratory relief under 93. federal law to determine the respective legal rights and obligations of the parties to this action.

94. On information and belief, OfficeMax alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public, or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of the City of Fort Bragg. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public, or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of the City of Fort Bragg. Georgia-Pacific further alleges that it is entitled to a judicial declaration that the City of Fort Bragg is liable to indemnify it for all future damages and costs that may be suffered by it as a result of the contamination of the Site or, in the alternative, that the City of Fort Bragg is liable to contribute to and reimburse it for such damages and costs, including, without limitation, costs or damages awarded in legal or administrative actions, costs of compliance with any judicial or administrative order, and costs of litigation including attorneys' fees.

EIGHTEENTH CLAIM FOR RELIEF AGAINST

THE CITY OF FORT BRAGG

(Declaratory Relief Under State Law

(Cal. Code Civ. Proc., § 1060)

29

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 95. through 94, inclusive, as though set forth in full.

10 Los Angeles, California 90071-2627 550 South Hope Street, Suite 2000 11 Hunton & Williams LLP 15

1

2

3

4

5

6

7

8

9

12

13

14

16

17

18

19

20

21

22

23

24

25

26

On information and belief, OfficeMax alleges that all legal liability, 96. whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of the City of Fort Bragg. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that all legal liability, whether arising from federal or state statutory law, or from the common law, which may in the future be asserted by any individual or entity, public or private, arising from or related to the contamination of and at the Site, as alleged herein, is the sole and actual and/or joint and several responsibility of the City of Fort Bragg. Georgia-Pacific further alleges that it is entitled to a judicial declaration that the City of Fort Bragg is liable to indemnify it for all future damages and costs that may be suffered by it as a result of the contamination of the Site or, in the alternative, that the City of Fort Bragg is liable to contribute to and reimburse it for such damages and costs including, without limitation, costs or damages awarded in legal or administrative actions, costs of compliance with any judicial or administrative order, and costs of litigation including attorneys' fees.

NINETEENTH CLAIM FOR RELIEF AGAINST THE CITY OF FORT BRAGG (Implied Equitable Indemnity)

Georgia-Pacific hereby incorporates the allegations of paragraphs 1 97. through 96, inclusive, as though set forth in full.

Except as otherwise pleaded by Georgia-Pacific, Georgia-Pacific denies 98. all liability with respect to the claims alleged in this action. However, to the extent that it may be subject to any liability, such liability is purely secondary, imputed, vicarious, or technical, and primary liability would attach to the City of Fort Bragg and is attributable to its acts and omissions, which include, but are not limited to,

28

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627 Hunton & Williams LLP 12 13 14 15 16

1

2

3

4

5

6

7

8

9

10

11

17

18

19

20

21

22

23

24

25

26

27

releasing hazardous substances into soil, surface water, and groundwater at the Site
and failing to prevent the migration of these hazardous substances to adjoining
properties. Should Georgia-Pacific be held liable in any counterclaim, the City of Fort
Bragg is liable to Georgia-Pacific for either total or partial equitable indemnity for any
costs, expenses or damages incurred or awarded, and for Georgia-Pacific's attorneys'
fees and costs of litigation.

<u>TWENTIETH CLAIM FOR RELIEF AGAINST</u> <u>THE CITY OF FORT BRAGG</u> (Continuing Public Nuisance pursuant to California Civil Code§§ 3479 and 3480)

99. Georgia-Pacific hereby incorporates the allegations of paragraphs 1 through 98, inclusive, as though set forth in full.

100. OfficeMax alleges that beginning at a date unknown, and continuing to the present, the hazardous substances that the City of Fort Bragg used, disposed, discharged, deposited, spilled, released and/or arranged for the release on the soil and into the surface and groundwater located on, beneath and adjacent to the Site have created a continuing public nuisance within the meaning of Civil Code sections 3479 and 3480. OfficeMax further alleges that the City of Fort Bragg's failure to maintain and remediate the Site has created conditions which unreasonably and substantially interfere with and obstruct the community's free use and enjoyment of the adjoining and nearby properties, including but not limited to the coastal trail park. Additionally, OfficeMax alleges that the conditions created by the City of Fort Bragg are offensive to the senses, are injurious to health, and obstruct the free use and comfortable enjoyment of property, thereby constituting a nuisance within the meaning of Civil Code sections 3479 and 3480, which nuisance, on information and belief, is continuing and abatable. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that beginning at a

28

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

550 South Hope Street, Suite 2000 Los Angeles, California 90071-2627

Hunton & Williams LLP

date unknown, and continuing to the present, the hazardous substances that the City of Fort Bragg used, disposed, discharged, deposited, spilled, released and/or arranged for the release on the soil and into the surface and groundwater located on, beneath and adjacent to the Site have created a continuing public nuisance within the meaning of Civil Code sections 3479 and 3480. Georgia-Pacific further alleges that the City of Fort Bragg's failure to maintain and remediate the Site has created conditions which unreasonably and substantially interfere with and obstruct the community's free use and enjoyment of the adjoining and nearby properties, including but not limited to the coastal trail park. Additionally, Georgia-Pacific alleges that the conditions created by the City of Fort Bragg are offensive to the senses, are injurious to health, and obstruct the free use and comfortable enjoyment of property, thereby constituting a nuisance within the meaning of Civil Code sections 3479 and 3480, which nuisance, on information and belief, is continuing and abatable.

101. The nuisance has specifically affected Georgia-Pacific by virtue of the damages it has incurred to date as alleged above.

102. OfficeMax alleges that the City of Fort Bragg, as owner and/or operator of the current and historical stormwater system, which conveys significant quantities of toxic substances onto the Site, was the cause of and neglected to abate the continuing nuisance on the Site and adjacent properties. Discovery conducted to date supports these allegations. Therefore, on information and belief, Georgia-Pacific also alleges that the City of Fort Bragg, as owner and/or operator of the current and historical stormwater system, which conveys significant quantities of toxic substances onto the Site, was the cause of and neglected to abate the continuing nuisance on the Site and adjacent properties.

103. OfficeMax alleges that the community at large has not consented nor
does consent to this nuisance. OfficeMax further alleges that the City of Fort Bragg
should have known that neither the community at large, nor any other future owner of

32

28

PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

1

2

3

4

5

6

7

8

9

10

17

18

19

20

21

22

23

the Site and adjacent properties, would consent to this nuisance. Georgia-Pacific has not consented to this nuisance and the City of Fort Bragg should have known that it would not consent to it. Discovery conducted to date supports these allegations.
Therefore, on information and belief, Georgia-Pacific also alleges that the community at large has not consented nor does consent to this nuisance, and that the City of Fort Bragg should have known that neither the community at large, nor any other future owner of the Site and adjacent properties, would consent to this nuisance.

PRAYER FOR RELIEF

WHEREFORE, Georgia-Pacific prays for judgment as follows:

- For recovery in an amount to be determined at trial from Defendants, jointly and severally, for the response costs and other damages and expenses Georgia-Pacific has incurred and will continue to incur in connection with the release and threatened release of hazardous substances at and from the Site;
- For recovery in amount to be determined at trial from Defendants for contribution to the response costs and other damages and expenses Georgia-Pacific has incurred and will continue to incur in excess of its own equitable share of such costs arising from the release and threatened release of hazardous substances at and from the Site;

3. For a declaration pursuant to CERCLA, federal Declaratory Judgment Act, and state law, that (a) Defendants are jointly and severally liable and responsible under 42 U.S.C. § 9607(a) for the response costs which have been and will continue to be incurred by Georgia-Pacific at the Site, including prejudgment interest; or (b) Defendants are liable under 42 U.S.C. § 9613(f) for contribution to the response costs Georgia-Pacific has incurred and will continue to incur at the Site, including prejudgment

1

2

3

4

5

6

7

8

9

10

16

17

18

19

20

21

22

23

24

25

26

27

& Williams LLP ope Street, Suite 2000 California 90071-2627	1		interest, in excess of Georgia-Pacific's fair and equitable share of such
	2		costs; and
	3	4.	For damages according to proof at trial against Defendants, including but
	4		not limited to, Georgia-Pacific's costs incurred for investigating,
	5		assessing, monitoring, and remediating the Site; loss of property value
	6		due to the existence of contamination at the Site; loss of future rent; costs
	7		to repair and restore the Site to proper condition; statutory costs; and
	8		other damages according to proof at trial.
	9	5.	For prejudgment interest at the legal rate;
	10	6.	For attorneys' fees, expert witness' fees, consultants' fees and costs, as
	11		appropriate; and
	12	7.	For such other and further relief as the Court deems just and proper.
	13	-	
නු දි පී	14		
Hunton & Willian 550 South Hope Street, Los Angeles, California	15	DATED:	May 20, 2013 HUNTON & WILLIAMS LLP
	16		R
	17		By: <u>Olemba</u> Belynda B. Reck
	18		Attorney for Plaintiff and Counter- Defendant
	19		GEORGIA-PACIFIC LLC
	20		
	21		
	22		
	23		
	24		
	25		
	26		· ·
	27		
	28		34
			PLAINTIFF GEORGIA-PACIFIC LLC'S SECOND AMENDED COMPLAINT CASE NO. 12-02797 RS

