

Resolution No.

STOCKTON SUCCESSOR AGENCY OVERSIGHT BOARD

RESOLUTION AUTHORIZING THE SETTLEMENT OF *REDEVELOPMENT AGENCY OF THE CITY OF STOCKTON v. STATE OF CALIFORNIA DEPARTMENT OF TRANSPORTATION* WITH PAYMENT BY CALTRANS IN THE AMOUNT OF \$800,000

This matter arose out of the discovery of a contaminated abandoned rail spur under the Worknet site, on Lincoln Street south of the intersection of Lincoln Street and Weber Avenue uncovered during the construction of the Worknet project; and

The Stockton Redevelopment Agency (Agency) spent approximately \$1,925,000 to remediate the site; and

In September 2005 the Agency sued the railroads that were believed to have built and/or owned the spur in question and was awarded injunctive relief and \$816,851.70 in damages, but the judgment was overturned on appeal; and

On May 4, 2010, the Agency authorized a suit against Caltrans as a responsible party due to its prior ownership of the affected property during the petroleum release in question and its installation of the underground drain pipeline that carried the petroleum pollution; and

The Successor Agency accepted Caltrans' offer to enter into settlement discussions in early April 2015 and the parties tentatively agreed upon a settlement figure of \$800,000; and

The Successor Agency board approved this settlement in closed session on September 22, 2015; now, therefore,

BE IT RESOLVED BY THE STOCKTON SUCCESSOR AGENCY OVERSIGHT BOARD, AS FOLLOWS:

1. Settlement of *Redevelopment Agency of the City of Stockton v. State of California Department of Transportation (Caltrans)*, San Joaquin County Superior Court Case No. 39-2010-00236302, with payment by Caltrans in the amount of \$800,000, is approved.
2. This Resolution shall take effect five (5) business days following the date of its adoption.
3. The Executive Director, or designee, is hereby authorized to take such actions as are necessary and appropriate to comply with Health and Safety Code section 34177 and to carry out the purposes and intent of this Resolution.

4. The settlement proceeds, net of contingency attorneys' fees and litigation expenses, shall be included on the Recognized Obligation Payment Schedule and distributed by the Successor Agency pursuant to Health and Safety Code section 34177.

PASSED, APPROVED, and ADOPTED November 4, 2015

PAUL SENSIBAUGH
Chair of the Stockton Successor
Agency Oversight Board

ATTEST:

BONNIE PAIGE
Clerk of the Stockton Successor
Agency Oversight Board