

DECOTIIS, FITZPATRICK, COLE & WISLER, LLP
Glenpointe Centre West
500 Frank W. Burr Boulevard
Teaneck, New Jersey 07666
(201) 928-1100
Attorneys for Third-Party Defendant
City of Rahway

New Jersey Department of Environmental
Protection, *et al*,

Plaintiffs,

v.

Occidental Chemical Corporation, *et al*,

Defendants,

and

Occidental Chemical Corporation, *et al*,

Third-Party Plaintiffs,

v.

Bayonne Municipal Utilities Authority, *et al*,

Third-Party Defendants.

X

: SUPERIOR COURT OF NEW JERSEY
: LAW DIVISION - ESSEX COUNTY

: DOCKET NO. ESX-L-9868-05

: Civil Action

: **CITY OF RAHWAY'S ANSWER TO**
: **DEFENDANTS MAXUS ENERGY**
: **CORPORATION'S AND TIERRA**
: **SOLUTIONS, INC.'S THIRD PARTY**
: **COMPLAINT "A"**

X

Third-Party Defendant, the City of Rahway, with its principal address at 1 City Hall Plaza, Rahway, New Jersey, by way of Answer to the Third-Party Complaint "A" brought by Defendants Maxus Energy Corporation and Tierra Solutions, Inc., says:

ANSWER

1. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1 through 95, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

2. The City of Rahway admits Paragraph 96.

3. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 97 through 507, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

4. In regard to paragraph 508, the City of Rahway admits that it was incorporated in 1858.

5. In regard to paragraph 509, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

6. In regard to paragraph 510, the City of Rahway admits it owns and operates certain wastewater infrastructure in the City of Rahway, and all other allegations or inferences are denied.

7. In regard to paragraph 511, the City of Rahway admits that portions of the Arthur Kill are the waters of New Jersey, and all other allegations or inferences are denied.

8. In regard to paragraph 512, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

9. In regard to paragraph 513, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

10. In regard to paragraph 514, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

11. In regard to paragraph 515, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

12. In regard to paragraph 516, the City of Rahway admits that it owns and operated certain wastewater infrastructure in the City of Rahway, and all other allegations or inferences are denied.

13. In regard to paragraph 517, the City of Rahway admits that it authorized to discharge wastewater under State and Federal law, and all other allegations or inferences are denied.

14. In regard to paragraph 518, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

15. In regard to paragraph 519, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

16. In regard to paragraph 520, the City of Rahway denies the allegations.

17. In regard to paragraph 521, the City of Rahway denies the allegations.

18. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 522 through 825, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

19. In regard to paragraphs 826 through 860, the City of Rahway admits that it is a member of the Rahway Valley Sewerage Authority and as to the remainder is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

20. In regard to paragraphs 861 through 1147, the City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding of attorney fees and costs of suit, and such other relief as the Court may deem just and equitable.

FIRST COUNT

(New Jersey Spill Compensation and Control Act,
N.J.S.A. 58:10-23.11f.a.(2)(a))

21. The City of Rahway repeats and re-alleges its answers contained in paragraphs 1 through 20 as if set forth at length herein.

22. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1148-1158, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding attorney's fees and costs of suit, and such other relief as the Court may deem just and equitable.

SECOND COUNT

(Statutory Contribution)

23. The City of Rahway repeats and re-alleges its answers contained in paragraphs 1-22 as if set forth at length herein.

24. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1159-1160, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding attorney's fees and costs of suit, and such other relief as the Court may deem just and equitable.

THIRD COUNT

(Enforcement of N.J.S.A. 58:14-7 and
N.J.S.A. 58:14-8 and Environmental Rights Act Claim)

25. The City of Rahway repeats and re-alleges its answers contained in paragraphs 1-24 as if set forth at length herein.

26. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1161-1186, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding attorney's fees and costs of suit, and such other relief as the Court may deem just and equitable.

FOURTH COUNT

(Nuisance)

27. The City of Rahway repeats and re-alleges its answers contained in paragraphs 1-26 as if set forth at length herein.

28. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1187-1195, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding attorney's fees and costs of suit, and such other relief as the Court may deem just and equitable.

FIFTH COUNT

(Breach of the Public Trust)

29. The City of Rahway repeats and re-alleges its answers contained in paragraphs 1-28 as if set forth at length herein.

30. The City of Rahway is without sufficient knowledge or information to form a belief as to the truth of the allegations contained in paragraphs 1196-1229, denies the allegations, and leaves Third-Party Plaintiffs to their proofs at time of trial.

WHEREFORE, the City of Rahway demands judgment dismissing the Third-Party Complaint, awarding attorney's fees and costs of suit, and such other relief as the Court may deem just and equitable.

DEFENSES

1. The Third Party Complaint "A" fails to state a claim upon which relief may be granted.

2. The Third Party Complaint "A" must be dismissed for failure to join necessary and indispensable parties.

3. The City of Rahway is not liable pursuant to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 to 12.3.

4. Third-Party Plaintiffs have failed to provide notice in accordance with N.J.S.A. 59:8-1 et seq.

5. Third-Party Plaintiffs lack standing.

6. Third-Party Plaintiffs have failed to exhaust administrative remedies.

7. Any wrongful conduct alleged in the Third-Party Complaint "A" resulted from and was proximately caused by the conduct of persons other than the City of Rahway or by the conduct of persons over whom the City of Rahway had no control, or by the superseding intervention, criminal, illegal or tortuous acts of others outside the control of the City of Rahway.

8. Without admitting any liability, if it is determined that the City of Rahway engaged in any of the activities alleged in the Third Party Complaint "A", such activities were *de minimis*.

9. Any damages were caused by an Act of God.

10. The claims asserted in the Third Party Complaint "A" are barred, in whole or in part, by the applicable statutes of limitations.

11. Plaintiffs' and Defendants/Third-Party Plaintiffs' costs incurred or to be incurred at the site are unreasonable, duplicative, not cost effective, and not consistent with the National Contingency Plan.

12. To the extent that the City of Rahway is found liable in this matter, joint and several liability is inappropriate because there are distinct harms or a reasonable basis for apportionment of the harm suffered.

13. At all times relevant, the City of Rahway complied with all applicable laws, regulations or standards and government approvals.

14. Plaintiffs and Defendants/Third-Party Plaintiffs failed to provide notice to the City of Rahway that it was considered a potentially responsible party prior to undertaking numerous response actions relating to the site, which has precluded the City of Rahway from commenting upon or participation in the selection of the remedial action at the site. This has resulted in a deprivation of the City of Rahway's substantive and procedural due process rights under the Federal and State Constitutions.

15. Plaintiffs' and Defendants/Third-Party Plaintiffs' Complaints include costs not yet expended. The New Jersey Spill Compensation and Control Act ("Spill Act"), N.J.S.A. 58:10-23.11 et seq., does not authorize Plaintiffs and/or Third Party Plaintiffs to recover future costs. Therefore, any claims are premature and not yet ripe for adjudication.

16. The Third-Party Complaint "A" is an unauthorized retroactive application of the Spill Act and other applicable case law.

17. The City of Rahway has at all times acted in good faith.

18. To the extent that this action is brought pursuant to the Spill Act, the City of Rahway is not liable because any release or threat of release of any hazardous substance was an omission of a third party other than an employee or agent of the City of Rahway. The City of Rahway exercised due care with respect to any such alleged hazardous substance, in light of all relevant facts and circumstances. The City of Rahway took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions. Consequently, the City of Rahway is not liable under the Spill Act.

19. Plaintiffs' and Defendants/Third Party Plaintiffs' claims for relief are barred by waiver, estoppel and/or laches.

20. In the event Plaintiff's and/or Defendants/Third Party Plaintiffs' claims are not barred by their own conduct, then any recovery by these parties should be reduced in the proportion that such parties' acts or omissions bear to the acts or omissions that caused the alleged injuries or damages.

21. Plaintiffs and Defendants/Third Party Plaintiffs have failed to comply with the necessary conditions precedent for the maintenance of a claim under the Spill Act.

22. The City of Rahway is not a "responsible party" under the Spill Act.

23. Certain of the costs incurred or to be incurred by the Plaintiffs and/or Defendants/Third Party Plaintiffs in connection with the site are not "response costs", recoverable from the City of Rahway, within the meaning of section 101 (23), (24) and (25) of CERCLA, 42 U.S.C. 9601 (23), (24) and (25), as applied to the Spill Act.

24. Certain of the actions taken to date by Plaintiffs and/or Third Party Plaintiffs for which Third Party Plaintiffs are making a claim against the City of Rahway were not consistent with the National Contingency Plan because, among other things, the City of Rahway was not provided with notice or an opportunity to comment.

25. The City of Rahway exercised reasonable care under all the circumstances herein. Consequently, it is not liable to Plaintiffs or Defendants/Third Party Plaintiffs under the common law or any statutory theory of recovery averred herein.

26. The claims for relief are time barred by the terms of the Spill Act.

27. Third Party Plaintiffs' claims against the City of Rahway are barred, in whole or in part, by Section 107(b)(3) of CERCLA, 42 U.S.C. 9607(b)(3) because any releases, or threats of releases of hazardous substances, including those allegedly attributable to the City of

Rahway, an allegation the City of Rahway denies, were caused by the acts or omissions of third parties other than the City of Rahway's employees or agents, or other than one with whom the City of Rahway had a direct or indirect contractual relationship, and the City of Rahway exercised due care with respect to the alleged hazardous substances taking into consideration the characteristics thereof, in light of all the relevant facts and circumstances, and took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such act or omissions.

28. Third Party Plaintiffs have not paid more than their fair share of any damages, costs or other relief sought by the Plaintiffs, New Jersey Department of Environmental Protection, the Commissioner of the New Jersey Department of Environmental Protection, and the Administrator of the New Jersey Spill Compensation Fund, and are, therefore, not entitled to contribution from the City of Rahway.

29. Third-Party Plaintiffs' claims for indemnification are barred because any alleged liability of the City of Rahway, liability the City of Rahway denies, would be secondary, indirect, passive, precarious, constructive, technical and/or imputed, and the liability of all or some of the Defendants/Third-Party Plaintiffs are direct, active and primary.

30. Third-Party Plaintiffs are not entitled to recover attorney's fees or costs, or fees of litigation.

31. Third Party Plaintiffs are not entitled to recovery for any alleged unjust enrichment as there exists an adequate remedy at law to redress Third-Party Plaintiffs' claims.

32. Third-Party Plaintiffs' claims are barred by the statutory defenses to liability provided by the Spill Act.

33. Third-Party Plaintiffs' claims are barred to the extent they seek relief for conduct occurring, or damages incurred, before the effective date of the Spill Act.

34. Third-Party Plaintiffs' claims are barred to the extent they seek recovery for any punitive damages as such claims are barred by public policy and applicable laws.

35. To the extent that Third-Party Plaintiffs' claims against the City of Rahway are subject to contribution or any reduction or offset from other parties, any damages recovered against the City of Rahway shall be reduced accordingly.

36. The City of Rahway hereby asserts and adopts all other defenses which have been or will be asserted at any time by any other party in this action, to the extent said defenses are applicable to the City of Rahway.

37. The City of Rahway reserves the right to assert additional defenses that may be uncovered during the course of this action.

COUNTERCLAIMS AND CROSS-CLAIMS

In accordance with Case Management Order V, the City of Rahway is not asserting any counterclaims or cross-claims at this time and reserves its rights to do so as specified by the Court's Order.

DESIGNATION OF TRIAL COUNSEL

In accordance with R. 4:25-4, Daren R. Eppley is designated as trial counsel.

CERTIFICATION PURSUANT TO R. 4:5-1

It is hereby certified in accordance with R. 4:5-1 that the specific matter in controversy is not, to my knowledge, the subject of any action pending in any Court, nor of any pending arbitration proceeding. Other than the above referenced actions, there are no other actions or arbitration proceedings in existence or contemplated at this time; and I know of no other party who should be joined in this action. I hereby certify that these statements made by me are true and that I am aware that if any of these statements is willfully false, I am subject to punishment.

DeCotiis, FitzPatrick, Cole & Wisler, LLP

Attorneys for the City of Rahway,

Dated: October 16, 2009

By: 

DAREN R. EPPLEY

FILING CERTIFICATION

I certify that the original and copy of the within Answer and Separate Defenses have been sent by regular mail for filing to the Clerk of the Superior Court of New Jersey, Law Division, Essex County, at the Veterans Courthouse, 50 W. Market Street, Newark, NJ 07102, and a copy of the same has been sent *via* regular mail this date to Third-Party Plaintiffs' attorneys as follows:

William L. Warren, Esq.
Drinker, Biddle & Reath, LLP
105 College Road East, Suite 300
Princeton, NJ 08542-0627

Thomas E. Starnes, Esq.
Andrews Kurth, LLP
1350 I Street NW - Suite 1100
Washington, DC 20005

I certify that a copy of said document has been posted on the electronic platform provided by Defendants. (<http://njdepvoce.sfile.com>).



DAREN R. EPPLEY

Dated: 10/16/09