



08 JAN 24 PM 2:16

ONE FRANK H. OGAWA PLAZA • 6TH FLOOR • OAKLAND, CALIFORNIA 94612

Office of the City Attorney
John A. Russo

(510) 238-3601
FAX: (510) 238-6500
TDD: (510) 839-6451

February 5, 2008

HONORABLE CITY COUNCIL
Oakland, California

President De La Fuente and Members of the City Council:

Subject: A REPORT AND RESOLUTION AUTHORIZING THE CITY ATTORNEY TO JOIN THE LAWSUIT FILED BY THE CITY AND COUNTY OF SAN FRANCISCO AGAINST OWNERS AND OPERATORS OF COSCO BUSAN FOR CAUSING THE CATASTROPHIC OIL SPILL IN THE OAKLAND-SAN FRANCISCO BAY ON NOVEMBER 7, 2007: CITY AND COUNTY OF SAN FRANCISCO V. REGAL STONE, LTD; FLEET MANAGEMENT LTD; HANJIN SHIPPING CO., LTD; SYNERGY MANAGEMENT SERVICES; SYNERGY MARINE LIMITED; JOHN J. COTA, AN INDIVIDUAL, AND DOES ONE THROUGH 100, SAN FRANCISCO COUNTY SUPERIOR COURT, CASE NO. CGC 07469876

Summary

A resolution has been prepared confirming City Council approval to join the lawsuit filed by the City and County of San Francisco against owners and operators of M/V Cosco Busan for the catastrophic oil spill that occurred on November 7, 2007 in the Oakland-San Francisco Bay: City And County Of San Francisco V. Regal Stone, Ltd; Fleet Management Ltd; Hanjin Shipping Co., Ltd; Synergy Management Services; Synergy Marine Limited; John J. Cota, An Individual, And Does One Through 100, San Francisco County Superior Court, Case No. CGC 07469876.

Background

On November 7, 2007, the M/V Cosco Busan, a 65,131-ton, 900-foot long container ship, struck the Oakland-San Francisco Bay Bridge breaking the ship's hull and spilling 58,000 gallons of toxic heavy bunker fuel into the waters of the Oakland-San Francisco Bay. The full extent of the environmental, economic and other impacts on jurisdictions surrounding the Bay will not be fully understood for some time, but it is anticipated that the damages will potentially total millions of dollars. The spill killed and injured a significant number of birds, marine mammals, fish and other sea life and caused significant damage to

**HONORABLE CITY COUNCIL
Oakland, California**

SUBJECT: A Report And Proposed Resolution Authorizing The City Attorney, On Behalf Of The City Of Oakland, Approval To Join San Francisco Lawsuit Against Owners And Operators Of M/V Cosco Busan For The November 7, 2007 Oil Spill In The Oakland-San Francisco Bay

DATE: February 5, 2008

PAGE: 2

public and private properties surrounding the Bay. The local fishing and crabbing industry was also adversely affected.

Oakland's Office of Emergency Services, Fire Department, Parks and Recreation Department and Public Works Agency were involved in response and investigation of the spill incident, having to set aside regular duties or work overtime and incurred damages in the approximate amount of \$26,000.00. The City of Oakland declared a local emergency by Resolution No. 80932 C.M.S. on November 11, 2007 in connection with the spill.

On December 10, 2007, the City and County of San Francisco filed suit against multiple parties, owners and operators of M/V Cosco Busan, under the State's Lempert-Keene-Seastrand Oil Spill Prevention and Response Act and other state laws seeking compensation for all costs associated with response and investigation, injunctive relief requiring defendants to implement a plan to assess, monitor and remediate all damages caused by the spill and civil penalties for violations of state laws designed to protect the San Francisco Bay.

The City and County of San Francisco have asked other Bay Area jurisdictions suffering damages from or otherwise affected by the spill to join the lawsuit.

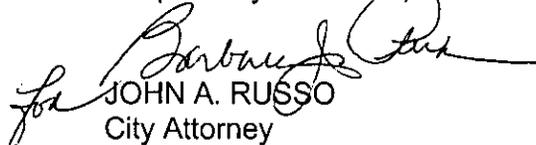
Fiscal Impact

The San Francisco City Attorney's Office will handle settlement negotiations and litigation tasks necessary for recovery of monetary claims for jurisdictions that join the lawsuit. We do not anticipate any significant costs.

Recommendation

The City Attorney recommends that the Council approve the resolution confirming Council approval to join the lawsuit filed by the City and County of San Francisco against owners and operators of M/V Cosco Busan for the catastrophic oil spill that occurred on November 7, 2007 in the Oakland-San Francisco Bay.

Respectfully submitted,

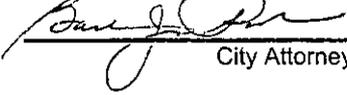

JOHN A. RUSSO
City Attorney

Attorney Assigned:
Doryanna M. Moreno

FILED
OFFICE OF THE CITY CLERK
OAKLAND

08 JAN 24 PM 2:16

Approved as to Form and Legality


City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. _____ C.M.S.

Introduced by Councilmember _____

RESOLUTION AUTHORIZING THE CITY ATTORNEY TO JOIN THE LAWSUIT FILED BY THE CITY AND COUNTY OF SAN FRANCISCO AGAINST OWNERS AND OPERATORS OF COSCO BUSAN FOR CAUSING THE CATASTROPHIC OIL SPILL IN THE OAKLAND-SAN FRANCISCO BAY ON NOVEMBER 7, 2007: CITY AND COUNTY OF SAN FRANCISCO V. REGAL STONE, LTD; FLEET MANAGEMENT LTD; HANJIN SHIPPING CO., LTD; SYNERGY MANAGEMENT SERVICES; SYNERGY MARINE LIMITED; JOHN J. COTA, AN INDIVIDUAL, AND DOES ONE THROUGH 100, SAN FRANCISCO COUNTY SUPERIOR COURT, CASE NO. CGC 07469876

Whereas, on November 7, 2007, the M/V Cosco Busan, a 65,131-ton, 900-foot long container ship, struck the base of the Oakland-San Francisco Bay Bridge Delta Tower breaking the ship's hull and spilling 58,000 gallons of toxic heavy bunker fuel into the waters of the Oakland-San Francisco Bay; and

Whereas, the full extent of the environmental and other damage caused by the spill and the economic ramifications for the cities and counties surrounding the Bay is not yet known, but it is anticipated that the damages will potentially total millions of dollars; and

Whereas, the toxic fuel spill has so far killed and injured at least 2,200 birds, as well as marine mammals, fish and other sea animals that sustain the Bay's ecosystem, and has caused significant damage to bay front properties of jurisdictions surrounding the Bay; and

Whereas, the spill adversely affected the livelihoods of hundreds of career fishermen who depend on healthy waters in order to fish for crab and other marine species; and

Whereas, Oakland, San Francisco and other Bay Area cities and their residents have been unfairly burdened by expending their tax dollars-potentially totaling into the millions, collectively, for costs relating to the clean up and monitoring of the jeopardized waters and the adjacent coastlines due to the need for immediate response to the disaster; and

Whereas, the City of Oakland Office of Emergency Services, Fire Department, Parks and Recreation Department and Public Works Agency were involved in the response to and investigation of the spill incident, having to set aside regular duties or work overtime over a period of several weeks as a result of the incident and incurred damages in the approximate amount of \$26,000.00; and

Whereas, the City of Oakland declared a local emergency by Resolution No. 80932 C.M.S. on November 11, 2007 regarding the spill and necessity to respond to and investigate property, environmental, economic and other damages and other impacts resulting from the spill; and

Whereas, the City and County of San Francisco Superior Court has filed suit against the parties responsible for the November 7th oil spill, operators of M/V Cosco Busan, under the State's Lempert-Keene-Seastrand Oil Spill Prevention and Response Act and other state laws seeking compensation for all costs associated with the response and investigation of the incident, injunctive relief requiring defendants to implement a plan to assess, monitor and remediate all damages caused by the catastrophic event and civil penalties on behalf of the people of the State of California for defendants' violations of state laws designed to protect the delicate marine environment of the San Francisco Bay; and

Whereas, defendants named in the lawsuit are Regal Stone, Ltd., Fleet Management, Ltd., Hanjin Shipping Co., Ltd, Synergy Management Services Ltd., Synergy Marine Ltd., and San Francisco Bar Pilot John J. Cota; and

Whereas, the City and County of San Francisco have asked other Bay Area jurisdictions suffering damages from or otherwise affected by the spill to join the lawsuit; now, therefore, be it

Resolved, That the City Council has authorized the City Attorney to join the lawsuit filed by the City and County of San Francisco against owners and operators of M/V Cosco Busan for the catastrophic oil spill that occurred on November 7, 2007 in the Oakland-San Francisco Bay: City And County Of San Francisco V. Regal Stone, Ltd; Fleet Management Ltd; Hanjin Shipping Co., Ltd; Synergy Management Services; Synergy Marine Limited; John J. Cota, An Individual, And Does One Through 100, San Francisco County Superior Court, Case No. CGC 07469876.

430779

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20_____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, and
PRESIDENT DE LA FUENTE

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California