

NEWS RELEASE DATE: April 15, 2024 FOR IMMEDIATE RELEASE

9th Circuit Upholds SCV Water Judgment for Remediation of Groundwater Contamination Against the Whittaker Corporation

SCV Water Granted Declaratory Relief by Court of Appeals

On April 15, 2024, the U.S. Court of Appeals for the 9th Circuit affirmed a \$68.5 million judgment for SCV Water for the cleanup of local groundwater contamination in its case against the Whittaker Corporation ("Whittaker"). The judgment was originally awarded on June 28, 2022, by the U.S. District Court for the Central District of California following a combined jury and bench trial.

"Today's ruling by the 9th Circuit is an important step in a lengthy process to ensure SCV Water finally recovers funding to address groundwater contamination caused by the Whittaker Corporation," said SCV Water General Manager Matt Stone. "Water quality remains our top priority, and this ruling ensures that SCV Water customers remain protected and will continue to receive drinking water that meets all standards set by Federal and State regulatory agencies."

In addition to the affirmation of the jury award, SCV Water was successful in reversing the district court on two issues on cross-appeal. The Agency sought and was granted a finding of liability against Whittaker under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) for costs incurred to blend contaminated water with non-contaminated water so its containment well can continue to protect groundwater supplies from further contamination.

Additionally, SCV Water was granted declaratory relief under CERCLA, which means that the Agency will not need to establish liability for future costs related to remediation at the site. SCV Water's appellate team was led by Jennifer L. Meeker, Patrick J. Richard, Federic A. Fudacz and Byron Gee of the Nossaman law firm.

Whittaker raised three issues on appeal, all of which were denied by the three-judge panel. Whittaker argued the district court abused its discretion by permitting SCV Water to assert restoration costs as a measure of damages, that SCV Water did not adequately establish that groundwater treatment facilities are an appropriate measure of damages, and that the jury award of costs was not reasonable.

A jury found in December 2021 that Whittaker, a wholly owned subsidiary of Parker Hannifin, was primarily responsible for the damages sought by SCV Water. The final judgment in June 2022 incorporated the jury award as well additional amounts that were subject to a bench trial.

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About SCV Water:

The Santa Clarita Valley Water Agency (SCV Water) is a full-service regional water agency located in the Santa Clarita Valley. SCV Water provides water service to nearly 300,000 customers through approximately 75,000 business and residential connections. It was formed on January 1, 2018, when local water suppliers combined into one integrated, regional water provider. More information can be found at yourSCVwater.com.

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