

UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Pacific Resources Associates LLC v. Suzy Cleaners

No. 3:20-cv-00234-RBM-DEB, United States District Court for the Southern District of California (April 21, 2025)

SUMMARY

The United States District Court for the Southern District of California granted Jeong-Soon Long’s unopposed motion for a determination that her \$7,500 settlement with the Hortman Parties was entered in good faith under California Code of Civil Procedure sections 877 and 877.6. The court concluded that the settlement satisfied the applicable good-faith standards and discussed the availability and permissible scope of contribution protection under CERCLA for private-party settlements. The action concerns alleged PCE contamination associated with dry-cleaning businesses and properties in Escondido, California.

CASE DETAILS

COURT	United States District Court for the Southern District of California
WRITING FOR THE COURT	Ruth Bermudez Montenegro
JURISDICTION	United States District Court for the Southern District of California
DECIDED	April 21, 2025
DOCKET	3:20-cv-00234-RBM-DEB
DISPOSITION	other
PROCEDURAL POSTURE	Defendant and cross-defendant Jeong-Soon Long moved for a determination that her settlement with the Hortman Parties was entered in good faith under California Code of Civil Procedure sections 877 and 877.6 and for contribution protection under CERCLA. The motion was unopposed and was decided on the papers.
STANDARD OF REVIEW	The court reviewed the unopposed settlement motion on the papers under Civil Local Rule 7.1(d)(1). For the good-faith determination, the court applied California law and considered the statutory and Tech-Bilt factors based on the record before it. For CERCLA contribution protection, the court exercised its discretion under 42 U.S.C. § 9613(f) (1) and assessed whether the settlement was fair, reasonable, adequate, and consistent with CERCLA's purposes.

TOPICS

cercla environmental law remedies civil procedure

PRACTICE AREAS

environmental law civil procedure commercial litigation remedies

QUESTIONS PRESENTED

1. Whether the settlement between Jeong-Soon Long and the Hortman Parties was entered into in good faith under California Code of Civil Procedure sections 877 and 877.6.
2. Whether the court should approve the private CERCLA settlement and bar future contribution claims against Long to the extent permissible by law.

HOLDINGS

1. The settlement was entered into in good faith under California Code of Civil Procedure sections 877 and 877.6. The determination bars contribution, equitable comparative contribution, and comparative indemnity claims against Long by persons with constitutionally sufficient prior notice, to the extent permissible by law.
2. The court approved the settlement as fair, reasonable, adequate, and consistent with CERCLA's purposes and barred future contribution actions against Long to the extent permissible by law.

KEY QUOTATIONS

"The party asserting the lack of good faith shall have the burden of proof on that issue." (at 10)

"In resolving contribution claims, the court may allocate response costs among liable parties using such equitable factors as the court determines are appropriate." (at 12)

"The Court also bars future actions for contribution against Ms. Long to the extent permissible by law." (at 14)

FACTUAL BACKGROUND

Pacific Resources formerly owned a storefront property in Escondido that it alleged was contaminated by PCE migrating from dry-cleaning operations at nearby properties. The Hortman Parties alleged that Jeong-Soon Long operated a dry-cleaning business at one of those properties for approximately 31 months from 1999 to 2001 and sought contribution and indemnity in connection with the alleged contamination. Long and the Hortman Parties entered into a settlement requiring Long to pay \$7,500. The settlement motion represented that Long had not been identified by the Regional Water Quality Control Board as a responsible party, had limited involvement in the property, had limited financial resources, and had not engaged in collusion or fraud.

PROCEDURAL HISTORY

Pacific Resources filed the action on February 6, 2020, and later filed a second amended complaint asserting CERCLA, HSAA, tort, and equitable claims arising from alleged PCE contamination. Pacific Resources was dismissed after settling its claims, while contribution, indemnity, and related third-party claims remained among other parties. The Hortman Parties asserted claims against Long in a related third-party proceeding, and Long and the Hortman Parties negotiated a \$7,500 settlement. The court granted Long's unopposed settlement motion.

DISPOSITION

other

CASES CITED

- *Mason & Dixon Intermodal, Inc. v. Lapmaster Int'l LLC*, 632 F.3d 1056, 1060 (9th Cir. 2011)
- *Fed. Savings & Loan Ins. Corp. v. Butler*, 904 F.2d 505, 511 (9th Cir. 1990)
- *Slaven v. BP Am., Inc.*, 958 F. Supp. 1472, 1477–78 (C.D. Cal. 1997)
- *Fullerton Redevelopment Agency v. S. Cal. Gas Co.*, 183 Cal. App. 4th 428, 432 (2010)
- *Abbott Ford, Inc. v. Superior Ct.*, 43 Cal. 3d 858, 871–73 (1987)
- *Tech-Bilt, Inc. v. Woodward-Clyde & Assocs.*, 38 Cal. 3d 488, 499–500 (1985)
- *City of Grand Terrace v. Superior Ct.*, 192 Cal. App. 3d 1251, 1261–62 (1987)
- *Michell v. United States*, No. 09cv0387 BTM(JMA), 2011 WL 3903220, at *2 (S.D. Cal. Sept. 6, 2011)
- *Hernandez v. Sutter Med. Ctr. of Santa Rosa*, No. C 06-03350 SBA, 2009 WL 322937, at *3 (N.D. Cal. Feb. 9, 2009)
- *Bonds v. Nicoletti Oil, Inc.*, No. CV-F-07-1600 OWW/DLB, 2008 WL 4104272, at *5 (E.D. Cal. Sept. 3, 2008)
- *City of Emeryville v. Robinson*, 621 F.3d 1251, 1264–66 (9th Cir. 2010)
- *Gackstetter v. Frawley*, 135 Cal. App. 4th 1257, 1273 (2006)
- *Burlington N. & Santa Fe Ry. Co. v. United States*, 556 U.S. 599, 602 (2009)
- *Chubb Custom Ins. Co. v. Space Sys./Loral, Inc.*, 710 F.3d 946, 956–57 (9th Cir. 2013)
- *United States v. Coeur d'Alenes Co.*, 767 F.3d 873, 874 (9th Cir. 2014)
- *Cal. Dep't of Toxic Substances Control v. Hearthside Residential Corp.*, 613 F.3d 910, 912 (9th Cir. 2010)
- *AmeriPride Servs. Inc. v. Tex. E. Overseas Inc.*, 782 F.3d 474, 480, 487–88 (9th Cir. 2015)
- *Cooper Drum Cooperating Parties Grp. v. Am. Polymers Corp.*, 2020 WL 2504331, at *3–4 (C.D. Cal. May 13, 2020)
- *Coppola v. Smith*, 2016 WL 3407571, at *2 (E.D. Cal. June 20, 2016)
- *Rev 973, LLC v. Mouren-Laurens*, 2016 WL 9185139, at *1 (C.D. Cal. July 1, 2016)
- *City of San Diego v. Nat'l Steel & Shipbuilding Co.*, 2014 WL 3489282, at *12 (S.D. Cal. July 10, 2014)
- *TDY Holdings, LLC v. United States*, 885 F.3d 1142, 1146 n.1, 1147–48 (9th Cir. 2018)