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Exxon found liable in Jacksonville gas leak

Oil giant ordered to compensate Jacksonville families for homes, cancer screening, emotional distress

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A jury awarded more than \$150 million today to the neighbors of a northern Baltimore County service station, finding Exxon Mobil Corp. liable for the damage caused when thousands of gallons of gasoline seeped into the groundwater from a leaking pipe.

The Baltimore County jury's verdict -- delivered after five months of testimony and nearly two weeks of deliberations -- directed the oil giant to compensate about 90 Jacksonville families for the lost value of their homes. It also requires Exxon to pay for cancer screenings, and it acknowledged the upheaval caused by the huge spill by awarding millions for emotional distress.

But the six-member panel stopped well short of the multibillion-dollar verdict sought by the plaintiff's lawyers. The four women and two men ruled that Exxon was not guilty of fraud and removed the possibility of assessing punitive damages. In the end, many of the homeowners who had pressed the case said they had mixed feelings about the result.

Steven Tizard, whose Robcaste Road home sits behind the shuttered gas station, said he was disappointed that punitive damages were not awarded but pleased that the jury agrees "that our homes have no value." He hoped the case would make Exxon "put safety first." His family would receive \$1 million in emotional damages, \$700,000 for their property and about \$290,000 for medical monitoring.

For its part, Exxon seemed to see the result as a partial victory. It said it was pleased the jury assessed the evidence in a way that absolved it of the fraud charge. But the company, which had apologized and accepted responsibility for the spill, suggested that the compensation ordered by the jury was a roundabout way of awarding punitive damages.

"[T]he compensatory damages should not be so high as to essentially be punitive instead of truly compensating for actual harm caused by the spill," the company said in a statement. "We find the amount awarded inconsistent with the verdict in which the jury rejected the punitive damages claims."

All the homeowners were given the full appraised value of their property, most in excess of \$600,000. Mae DeDeo, 77, who has lived in her Sweet Air Road home since 1977, received \$375,000, one of the lowest property awards. "It might be the value, but really, when I think of my children, more than 20 people have lost that house," she said.

Awards for a lifetime of medical monitoring ranged from \$5,000 to nearly \$500,000, depending on the size of the family and age of its members. They will be checked annually for four types of cancer. MTBE, a gasoline additive, has been linked to cancer in lab animals.

"This was a strong victory for the plaintiffs," said their attorney, Stephen L. Snyder. "These families got 100 percent of their property values and the medical monitoring requested."

He reiterated Exxon's frequent request to residents to "tell us what we owe and we will pay," and said he hopes the company will not appeal the decision. "There is no reason for Exxon not to pay," he said.

The company said today it is reviewing its legal options.

Snyder expressed disappointment that the jury did not find that Exxon acted in a fraudulent manner but admitted "showing intentional malice is an extremely uphill climb."

James F. Sanders, a lawyer for Exxon Mobil, said residents were justifiably distressed about the leak but that their fears about lingering contamination and possible health risks are unsubstantiated. He contended that the company did not knowingly use faulty detectors, which would have put employees, customers and neighbors at risk.

Exxon agreed last year to pay \$4 million to the Maryland Department of the Environment, which officials said was the largest environmental penalty ever levied by the state. The company could face an annual \$1 million penalty if it does not maintain a cleanup schedule. Exxon said today it has spent more than \$38 million for cleanup activities, an effort that could take a decade or longer to complete.

Cleanup continues around the closed station, with a total of 87 wells drilled throughout the area pumping water from the ground to remove any contaminants, according to a report filed last month with the state. Exxon Mobil succeeded in recovering nearly half of the lost gasoline in the weeks immediately after discovery of the underground pipe rupture.

Recovering the remaining leaked fuel has been arduous because it is dissolved and dispersed in ground water or in vapor form in the soil. In the past three years, more than 45 million gallons of ground water have been pumped and treated, according to the report.

The Jacksonville residents brought the suit after more than 26,000 gallons of gasoline seeped into the

groundwater from a leaking pipe in 2006. The equivalent of four tanker loads spread through the ground for more than five weeks before the leak was discovered.

The courtroom, one of the largest in the Circuit Court building in Towson, was packed well ahead of the 9 a.m. opening today. Deputies set up extra seats in the aisles to accommodate the crowd, which spilled out into the hall. When Snyder arrived shortly before 9 a.m., several plaintiffs applauded and cheered. Attorneys said they spotted all six alternate jurors in the crowd. The courtroom remained lively and filled with conversation, until a hush fell about 10 a.m. as the jury entered. The jury foreman took more than two hours to read the verdict.

Tizard said he and other residents interviewed various attorneys before settling on Snyder's firm. Snyder declined to say today how much of the settlement will go to legal fees.

"We took on the biggest corporation -- and for all intents and purposes, we won," said Jodi Howe, a Robcaste Road resident. "That was no easy task." Howe's family was awarded \$700,000 for their house, nearly \$150,000 for medical monitoring and \$1 million in emotional damages.

Yet Howe said she would have liked to see punitive damages as well - not just for her family's sake, but to send Exxon a message and avoid future such incidents.

Howe said she is torn about leaving her beloved neighborhood, where she has "a home that we love" and her parents living on the same street. "I don't want to go," she said. But "we've got to go."

At Jacksonville's main intersection, a 10-foot wood slat fence encircles what used to be the Exxon station.

Today, a worker in a hard hat tended monitoring wells. "Danger! No open flames," read one of many warning signs.

Half a mile north, plaintiff Kathy Fulco, a housewife and artist, stood in the front yard of her sprawling brick home and gestured toward the site that had contaminated the groundwater in the Meredith Ridge development.

"Our little town had such ambience," she said. "Now that place just screams, 'what went wrong here?'"

Baltimore Sun reporters Arin Gencer, Jonathan Pitts and Timothy B. Wheeler contributed to this article.



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