SUPERIOR COURT OF CALIFORNIA COUNTY OF LOS ANGELES

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Coordination Proceeding Special Title (Rule 1550(b))

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ANTELOPE VALLEY GROUNDWATER CASES

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Included Actions: 16

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40 v. Diamond Farming Co. Superior Court of California County of Los Angeles, Case No. BC 325 201

Los Angeles County Waterworks District No.

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Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Kern, Case No. S-1500-CV-254-348

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Wm. Bolthouse Farms, Inc. v. City of Lancaster Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist. Superior Court of California, County of Riverside, consolidated actions, Case Nos.

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Rebecca Lee Willis v. Los Angeles County Waterworks District No. 40 Superior Court of California, County of Los

RIC 353 840, RIC 344 436, RIC 344 668

27 28 Judicial Council Coordination Proceeding No. 4408

ORDER TRANSFERRING AND CONSOLIDATING ACTIONS FOR ALL PURPOSES

Hearing Date(s): February 5, 2010 October 13, 2009

August 17, 2009

Time:

9:00 a.m.

Location:

Department 1, LASC

Judge: Honorable Jack Komar

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8	SUPERIOR COURT	OF CALIFORNIA
9	COUNTY OF L	OS ANGELES
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11	Coordination Proceeding	Judicial Council Coordination
12	Special Title (Rule 1550(b))	Proceeding No. 4408
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14	ANTELOPE VALLEY GROUNDWATER CASES	ORDER TRANSFERRING AND
15	Included Actions:	CONSOLIDATING ACTIONS FOR ALL PURPOSES
16 17 18 19 20 21 22 23 24 25 26	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California County of Los Angeles, Case No. BC 325 201 Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Kern, Case No. S-1500-CV-254-348 Wm. Bolthouse Farms, Inc. v. City of Lancaster Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist. Superior Court of California, County of Riverside, consolidated actions, Case Nos. RIC 353 840, RIC 344 436, RIC 344 668	Hearing Date(s): February 5, 2010 October 13, 2009 August 17, 2009 Time: 9:00 a.m. Location: Department 1, LASC Judge: Honorable Jack Komar
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The City of Palmdale, Rosamond Community Services District, Los Angeles County Waterworks District No. 40, Littlerock Creek Irrigation District, Palm Ranch Irrigation District, California Water Service Company, Quartz hill District, City of Lancaster, and Palmdale Water District (collectively, "Public Water Suppliers") filed Motions to consolidate all of the coordinated matter presently pending before the Court. The motions were heard on August 17, 2009 and, at the conclusion of the hearing, the Court orally stated its intent to grant the motions and directed the parties to meet and confer concerning a form of order and to present to the Court a proposed order granting the motion. Subsequently, proposed orders and written arguments were filed and a hearing on the form of the order was held on February 5, 2010.

All of the included actions are complex and were ordered coordinated under the provisions of Code of Civil Procedure Section 401.1. To the extent the actions were filed, or were being heard in courts other than this Court, the Order of Coordination required the transfer of the cases to this court for all purposes.

The Complaints and Cross-Complaints all include, in one form or other, declaratory relief causes of action seeking determinations of the right to draw ground water from the Antelope Valley basin. These claims are central to every action pending before the Court. In a single aquifer, all water rights are said to be correlative to all other water rights in the aquifer. A determination of an individual party's water rights (whether by an action to quiet title or one for declaratory relief) cannot be decided in the abstract but must also take into consideration all other water rights within a single aquifer. All actions pending, therefore, of necessity involve common issues of law and fact relating to the determination of the relative rights to withdraw water from the Antelope Valley Groundwater Basin in the Antelope Valley and all parties to the litigation claiming water rights are necessary parties to the Court adjudicating a binding determination of those rights. Thus, it appears to the Court that consolidation is not only

¹ In an earlier phase of the proceedings, the court found as a matter of fact that the area within the jurisdictional boundaries of the valley constituted a single aquifer.

necessary but desirable. Entering separate judgments would not permit the court to enforce the judgments once they are entered without transferring each case back to this Court.

It is argued by several parties that consolidating the cases will require litigating against parties they did not sue and would subject them to potential costs and fees in actions to which they were not parties. However, the only cause of action that would affect all parties to the consolidation are the declaratory relief causes of action which seek a declaration of water rights (by definition, correlative rights). If the basin is in overdraft (a fact still to be established), the Court in each declaratory relief proceeding would of necessity have to look at the totality of pumping by all parties, evaluate the rights of all parties who are producing water from the aquifer, determine whether injunctive relief was required, and determine what solution equity and statutory law required (including a potential physical solution). All other causes of action could only result in remedies involving the parties who were parties to the causes of action. Costs and fees could only be assessed for or against parties who were involved in particular actions.

Consolidation will allow for the entry of single statements of decision in subsequent phases specifying the identity of the parties who are subject to the particular provisions and a single judgment resulting in a comprehensive adjudication of rights to water from the Antelope Valley Groundwater Basin which, among other things, is intended to satisfy the requirements of the McCarran Amendment, 43 U.S.C. § 666.

The United States is the largest land owner in the Antelope Valley and claims reserved water rights under federal law. The United States was made a party defendant in this action so that the declaratory relief actions could result in a complete adjudication. No party objected to the participation of the United States in these coordinated actions. There is jurisdiction over the United States only if authorized by Congress. The McCarran Amendment provides a limited waiver of immunity for joinder in *comprehensive* adjudications of all rights to a given water source. In order for there to be a *comprehensive* adjudication all parties who have a water rights claim must be joined in the action and the judgment must bind all the parties. Without consolidation there is risk that the United States might attempt to withdraw from the

 proceedings for lack of a comprehensive judgment. It may be that coordination itself might permit a single comprehensive judgment but consolidation would eliminate any risk of uncertainty. Consolidation of the water rights claims will result in a comprehensive adjudication and a judgment that will affect all the parties. Complete consolidation will permit these matters to proceed as an *inter se* adjudication of the rights of all the parties to these consolidated cases to withdraw groundwater from the Antelope Valley Groundwater Basin.

While there is a dearth of case law on the issue of consolidation in coordinated cases, it does seem that Code of Civil Procedure Section 1048 applies in these cases and authorizes a consolidation that will result in a final judgment. The California Rules of Court 3.451 requires active management by the coordination trial judge and specifically provides for separate and joint trials of causes of action and issues, as the court in its discretion might order.

Pursuant to Rule 3.545(d) of the Rules of Court, certified copies of the judgments bearing the original case numbers of the cases must be entered in the courts where the cases were being heard immediately prior to coordination and unless the coordination judge orders otherwise, the judgments are enforced in those original jurisdictions. However, Rule 3.545(d) empowers the court to provide for the court in which post judgment proceedings will occur and to provide for the court in which any ancillary proceedings will be heard. In this case, that court should be the coordination court in order to ensure proper enforcement of the judgment or judgments.

This order of consolidation will not preclude any parties from settling any or all claims between or among them, as long as any such settlement expressly provides for the Court to retain jurisdiction over the settling parties for purposes of entering a judgment resolving all claims to the rights to withdraw groundwater from the Antelope Valley Groundwater Basin as well as the creation of a physical solution if such is required upon a proper finding by the Court. Upon appropriate motion and the opportunity for all parties in interest to be heard, the Court may enter a final judgment approving any settlements, including the *Willis* and *Wood* class settlements, that finally determine all cognizable claims for relief among the settling parties for purposes of incorporating and merging the settlements into a comprehensive single

judgment containing such a declaration of water rights and a physical solution. Any such settlement can only affect the parties to the settlement and cannot have any affect on the rights and duties of any party who is not a party to any such settlement. Complete consolidation shall not preclude or impair any class' right to seek the entry of a final judgment after settlement.

Therefore it is ordered as follows:

Except as otherwise stated below the motion to transfer and to consolidate for all purposes is **GRANTED**.

- To the extent not previously transferred as a result of the Judicial Council's order of coordination, all matter presently pending under the Judicial Council Coordination Proceeding No. 4408 are ordered transferred from the Riverside County Superior Court and Kern County Superior Court to the Los Angeles County Superior Court, the Honorable Jack Komar, judge presiding by special assignment.
- 2. The following actions are consolidated for all purposes because declaratory relief concerning rights to the ground water in the single aquifer is central to each proceeding:
 - a. Wm. Bolthouse Farms, Inc. v. City of Lancaster, et al., Riverside County Superior Court, Case No. RIC 353840;
 - b. *Diamond Farming Co., et al. v. City of Lancaster, et al.*, Riverside County Superior Court, Case No. RIC 3444436;
 - c. *Diamond Farming Co. v. Palmdale Water District, et al.*, Riverside County Superior Court, Case No. RIC 344668;
 - d. Los Angeles County Waterworks District No. 40 v. Diamond Farming Co., et al., Kern County Superior Court, Case No. S-1500-CV-254-348;
 - e. Los Angeles County Waterworks District No. 40 v. Diamond Farming Co., et al., Los Angeles County Superior Court, Case No. BC 325201;
 - f. Rebecca Lee Willis, et al. v. Los Angeles County Waterworks District No. 40, et al., Los Angeles County Superior Court, Case No. BC 364553;

- g. Richard A. Wood, et al. v. Los Angeles County Waterworks District No. 40, et al., Los Angeles County Superior Court, Case No. BC 391869; and
- h. And all cross-complaints filed in any of the above-referenced actions.
- 3. The action entitled *Sheldon R. Blum, Trustee for the Sheldon R. Blum Trust v. Wm. Bolthouse Farms, Inc.*, Los Angeles County Superior Court, Case No. 1-05-CV-049053, is not consolidated, but shall remain related and coordinated with the actions and cross-actions referenced in paragraph 3 above.
- 4. The Court has ordered a Case Management Conference at which it will hear arguments concerning the order in which common issues will be heard and to set the matter for further trial. It is the Court's present intent to first schedule trial on the common issues relating to declaratory relief which will include the determination of overall condition of groundwater basin:
 - 1. Safe Yield
 - Overdraft
- 5. The determination of rights to withdraw groundwater, and claims to prescription, issues affecting appropriation, municipal/domestic priority, rights to imported water/storage rights, return flow rights, reasonable and beneficial use of water, recycled water, quiet title, export of water, determination of federal reserved right to water and physical solution may follow.
- 6. The following described causes of action for damages and other declaratory relief will proceed after the determination of the issues identified in paragraphs 4 and 5 above. Any waiver of immunity by the United States under the McCarran Amendment does not extend to these claims; jurisdiction over the United States does not attach to these claims or causes of action alleging these claims, and any determination on these claims shall not bind or otherwise adversely affect the rights of the United States:
 - a) Conversion
 - b) Nuisance