1 2 3 4	LEWIS BRISBOIS BISGAARD & SMITH LLP B. Richard Marsh (SBN 23820) Daniel V. Hyde (SBN: 63365) 221 N. Figueroa Street, Suite 1200 Los Angeles, California 90012 Telephone: (213) 250-1800 Facsimile: (213) 250-7900				
5	ELLISON, SCHNEIDER & HARRIS L.L.P.				
6	Anne J. Schneider (SBN: 72552) Christopher M. Sanders (SBN: 195990)				
7	Peter J. Kiel (SBN: 221548) 2015 H Street				
8	Sacramento, California 95814-3109 Telephone: (916) 447-2166				
9	Facsimile: (916) 447-3512				
10	Attorneys for Defendants County Sanitation Dist	ricts Nos. 14 and 20 of Los Angeles County			
11					
12	SUPERIOR COURT OF CALIFORNIA				
13	COUNTY OF LOS ANGELES				
14	Coordination Proceeding Special Title (Rule 1550(b))	Judicial Council Coordination Proceeding No. 4408			
15 16	ANTELOPE VALLEY GROUNDWATER CASES	ASSIGNED FOR ALL PURPOSES TO: Judge: Honorable Jack Komar			
17	Included Actions:				
18	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.	ANSWER OF COUNTY SANITATION DISTRICTS NOS. 14 AND 20 OF LOS			
19	Superior Court of California, County of Los Angeles, Case No. BC 325 201	ANGELES COUNTY TO CROSS- COMPLAINT OF MUNICIPAL			
20	Los Angeles County Waterworks District No.	PURVEYORS			
21	40 v. Diamond Farming Co. Superior Court of California, County of Kern,				
22	Case No. S-1500-CV-254-348				
23	Wm. Bolthouse Farms, Inc. v. City of Lancaster				
24	Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water				
25	Dist. Superior Court of California, County of				
26	Riverside, consolidated actions, Case Nos. RIC 353 840, RIC 344 436,				
27	RIC 344 668.				
28		J			

Cross-defendants, County Sanitation District Nos. 14 and 20 of Los Angeles County (hereafter "Districts"), respond to the Cross-Complaint of Municipal Purveyors (hereafter "Public Water Suppliers"), as follows:

1

2

3

4

5

6

7

8

9

11

12

1. The Districts admit the allegation contained in paragraph 1 that the Public Water Suppliers seek the stated judicial determination. The Districts also admit that the water supply is vital to the public health, safety and welfare of all persons and entities. The Districts deny that an adjudication is necessary. The Districts lack sufficient information or belief to admit or deny the remaining allegations of paragraph 1 and on the basis of such lack of information and belief, deny such allegations.

10 2. The Districts admit that the allegations contained in paragraphs 2, 3, 4, 5 and 6 are true.

3. The Districts admit the allegation contained in paragraph 7 that the City of Lancaster is a municipal corporation located in the County of Los Angeles and that the City provides ministerial services to mutual water companies that produce groundwater from the Basin. The 13 14 Districts lack sufficient information or belief to admit or deny the remaining allegations of 15 paragraph 7 and on that basis of such lack of information and belief, deny such allegations.

16 4. The Districts admit that the allegations contained in paragraphs 8, 9 and 10 are true. 17 5. The Districts admit the allegation contained in paragraph 11 that the Districts own real 18 property within the geographical boundaries of the Basin and claim overlying rights to extract 19 water from the Basin. The Districts lack sufficient information or belief to admit or deny the 20 remaining allegations of paragraph 11 and on the basis of such lack of information and belief, 21 deny such allegations.

22 6. The Districts lack sufficient information or belief to admit or deny the allegations of 23 paragraph 12 and on the basis of such lack of information and belief, deny such allegations.

24 7. The Districts admit the allegations contained in paragraphs 13 and 14.

25 8. The Districts lack sufficient information or belief to admit or deny the allegations of 26 paragraphs 15, 16 and 17, and on the basis of such lack of information and belief, deny such 27 allegations.

28 9. The Districts admit the allegation in paragraph 18 that California courts have used the

concept of a groundwater basin to resolve groundwater disputes. The Districts deny that a 2 groundwater basin must be an alluvial aquifer or that a groundwater basin must have reasonably 3 well-defined lateral and vertical boundaries, and on that basis deny such allegations.

4 10. The Districts admit the allegations in paragraph 19 that the Antelope Valley Groundwater 5 Basin is located in an arid valley in the Mojave Desert, about 50 miles northeast of the City of Los Angeles. The Districts lack sufficient information or belief to admit or deny the remaining 6 7 allegations of paragraph 19 and on the basis of such lack of information and belief, deny such allegations. 8

11. The Districts admit the allegations contained in paragraph 20.

1

9

10

11

12

13

15

16

17

18

19

20

21

25

12. The Districts lack sufficient information or belief to admit or deny the allegations of paragraphs 21, 22, 23, 24 and 25, and on the basis of such lack of information and belief, deny such allegations.

13. The Districts admit the allegations contained in paragraphs 26, 27 and 28.

14 14. The Districts lack sufficient information or belief to admit or deny the allegations of paragraph 29, and on the basis of such lack of information and belief, deny such allegations.

15. The Districts admit the allegations contained in paragraph 30.

16. As to the Districts, the Districts admit the allegation in paragraph 31 that the Districts claim a right to take water and deny the allegation that the Districts threaten to increase the taking of water without regard to the Public Water Suppliers' rights. The Districts lack sufficient information or belief to admit or deny the remaining allegations of paragraph 31 and on the basis of such lack of information and belief, deny such allegations.

22 17. The Districts lack sufficient information or belief to admit or deny the allegations of 23 paragraphs 32 and 33, and on the basis of such lack of information and belief, deny such 24 allegations.

18. The Districts admit the allegations contained in paragraph 34.

26 19. As to the Districts, the Districts admit the allegation contained in paragraph 35 that they 27 claim an overlying right to pump Basin water. The Districts lack sufficient information or belief 28 to admit or deny the remaining allegations of paragraph 35 and on the basis of such lack of

1 information and belief, deny such allegations.

11

12

13

14

15

16

17

18

19

21

2 20. The Districts deny the allegation in paragraph 36 that the Public Water Suppliers have 3 prescriptive rights. The Districts lack sufficient information or belief to admit or deny the 4 remaining allegations of paragraph 36 and on the basis of such lack of information and belief, 5 deny such allegations.

21. 6 The Districts deny the allegation in paragraph 37 that the Public Water Suppliers' 7 pumping of water from, and/or storage of water in the Antelope Valley Basin was in an open, 8 notorious, exclusive, hostile and adverse use and/or manner. The Districts lack sufficient 9 information or belief to admit or deny the remaining allegations of paragraph 37 and on the basis of such lack of information and belief, deny such allegations. 10

22. The Districts lack sufficient information or belief to admit or deny the allegations of paragraph 38, and on the basis of such lack of information and belief, deny such allegations.

FIRST CAUSE OF ACTION

23. The allegations in the first cause of action are directed against all cross-defendants except the United States and other public entity cross-defendants. The Districts are public entities and are not required to respond to the first cause of action.

SECOND CAUSE OF ACTION

20 24. In response to the allegations contained in paragraph 44 of the cross-complaint, the Districts allege and incorporate by reference the Districts' responses to the allegations in 22 paragraphs 1 through 38, inclusive, of the cross-complaint.

23 25. The Districts lack sufficient information or belief to admit or deny the allegations of 24 paragraph 45, and on the basis of such lack of information and belief, deny such allegations. 25 26. Paragraphs 46 to 48 contain no factual allegations, and only legal conclusions. The 26 Districts lack sufficient information or belief to admit or deny the allegations of paragraphs 46 to 27 48, if any, and on the basis of such lack of information and belief, deny such allegations. 27. 28 The Districts admit the allegation contained in paragraph 49 that an actual controversy

1 has arisen between the Public Water Suppliers and cross-defendants. The Districts lack 2 sufficient information or belief to admit or deny the remaining allegations of paragraph 49 and 3 on the basis of such lack of information and belief, deny such allegations.

4 28. The Districts admit the allegation contained in paragraph 50 that the Public Water 5 Suppliers seek the stated judicial determination.

THIRD CAUSE OF ACTION

29. In response to the allegations contained in paragraph 51 of the cross-complaint, the Districts allege and incorporate by reference the Districts' responses to the allegations in paragraphs 1 through 50, inclusive, of the cross-complaint.

30. The Districts admit the allegation contained in paragraph 52 that the Districts claim an interest or right to Basin water. The Districts lack sufficient information or belief to admit or deny the remaining allegations of paragraph 52 and on the basis of such lack of information and belief, deny such allegations.

31. The Districts lack sufficient information or belief to admit or deny the allegations of paragraph 53, and on the basis of such lack of information and belief, deny such allegations. 32. Paragraphs 54 and 55 contain no factual allegations, and only legal conclusions. The Districts lack sufficient information or belief to admit or deny the allegations of paragraphs 54 and 55, if any, and on the basis of such lack of information and belief, deny such allegations.

FOURTH CAUSE OF ACTION

33. In response to the allegations contained in paragraph 56 of the cross-complaint, the Districts allege and incorporate by reference the Districts' responses to the allegations in paragraphs 1 through 55, inclusive, of the cross-complaint.

25 34. The Districts admit the allegation in paragraph 57 accurately quotes California Water 26 Code section 106. The Districts lack sufficient information or belief to admit or deny the 27 remaining allegations of paragraph 57 and on the basis of such lack of information and belief, 28 deny such allegations.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

35. The Districts admit the allegation contained in paragraph 58 accurately quotes California
 Water Code section 106.5.

36. The Districts lack sufficient information or belief to admit or deny the allegations of
paragraph 59, and on the basis of such lack of information and belief, deny such allegations.
37. The Districts admit the allegation contained in paragraph 60 that an actual controversy
has arisen between the Public Water Suppliers and cross-defendants. The Districts lack
sufficient information or belief to admit or deny the remaining allegations of paragraph 60 and
on the basis of such lack of information and belief, deny such allegations.

9 38. The Districts admit the allegation contained in paragraph 61 that the Public Water
10 Suppliers seek the stated judicial determination.

11

12

13

14

15

21

22

FIFTH CAUSE OF ACTION

39. In response to the allegations contained in paragraph 62 of the cross-complaint, the Districts allege and incorporate by reference the Districts' responses to the allegations in paragraphs 1 through 61, inclusive, of the cross-complaint.

40. The Districts lack sufficient information or belief to admit or deny the allegations of
paragraphs 63, 64, 65 and 66, and on the basis of such lack of information and belief, deny such
allegations.

19 41. The Districts admit the allegation contained in paragraph 67 that the Public Water20 Suppliers seek the stated judicial determination.

SIXTH CAUSE OF ACTION

42. In response to the allegations contained in paragraph 68 of the cross-complaint, the
Districts allege and incorporate by reference the Districts' responses to the allegations in
paragraphs 1 through 67, inclusive, of the cross-complaint.

43. The Districts lack sufficient information or belief to admit or deny the allegations of
paragraphs 69, 70, 71 and 72, and on the basis of such lack of information and belief, deny such
allegations.

44. The Districts admit the allegation contained in paragraph 73 that the Public WaterSuppliers seek the stated judicial determination.

SEVENTH CAUSE OF ACTION

45. The allegations in the seventh cause of action are directed against all cross-defendants except public entity cross-defendants. The Districts are public entities and are not required to respond to the seventh cause of action.

EIGHTH CAUSE OF ACTION

46. In response to the allegations contained in paragraph 91 of the cross-complaint, the Districts allege and incorporate by reference the Districts' responses to the allegations in paragraphs 1 through 78, inclusive, of the cross-complaint.

47. The Districts lack sufficient information or belief to admit or deny the allegations of paragraph 92, and on the basis of such lack of information and belief, deny such allegations.
48. The Districts admit the allegation contained in paragraph 93 that the Public Water Suppliers seek the stated judicial determination.

AFFIRMATIVE DEFENSES

FIRST AFFIRMATIVE DEFENSE

49. The Cross-Complaint and every purported cause of action therein fail to allege facts sufficient to constitute a cause of action against the Districts.

SECOND AFFIRMATIVE DEFENSE

50. The Cross-Complaint, and each and every cause of action therein, are barred by the doctrine of waiver.

THIRD AFFIRMATIVE DEFENSE

51. The Cross-Complaint, and each and every cause of action therein, are barred by the doctrine of laches.

FOURTH AFFIRMATIVE DEFENSE

52. The Cross-Complaint, and each and every cause of action therein, are barred by the doctrine of estoppel.

FIFTH AFFIRMATIVE DEFENSE

53. The Districts have a paramount right against all other parties, in accordance with
California Water Code section 1210, to the recycled water produced by the Districts' water
reclamation plants. This right shall remain in effect until this right is sold or the water
abandoned.

SIXTH AFFIRMATIVE DEFENSE

54. The Districts have a right to extract groundwater from the Basin for reasonable and beneficial use on the Districts' properties, and this right is prior and paramount to Public Water Suppliers' claims to extract and use groundwater from the Basin for non-overlying (appropriative) use and is correlative with all other overlying groundwater rights.

SEVENTH AFFIRMATIVE DEFENSE

55. The Districts' recycled water has reached the Basin through various means including percolation of return flows, and may seek to store recycled water in the future through the use of recharge basins or other facilities. The Districts have a right to store this water in the Basin, a paramount right against all other parties to this water, and a paramount right against all other parties to recapture this water or an equivalent amount.

EIGHTH AFFIRMATIVE DEFENSE

56. In California Water Code section 13550, et seq., the California Legislature finds and

declares that the use of potable domestic water for nonpotable uses, including industrial and irrigation uses, is a waste or an unreasonable use of water if recycled water of adequate quality and at a reasonable price is available, and meets all statutory conditions as determined by the State Water Resources Control Board. The Districts contend that they are now and will in the future make substantial quantities of recycled water of adequate quality and reasonable price available for nonpotable uses in the Antelope Valley. The Districts are informed and believe and on that basis allege that the availability and use of recycled water directly and significantly affects the Basin and must be fully taken into account in the adjudication of all rights to water in the Antelope Valley Groundwater Basin. To the extent that the Public Water Suppliers use potable domestic water for nonpotable uses, the court shall find this to be an unreasonable use of water.

NINTH AFFIRMATIVE DEFENSE

57. The Districts have, pursuant to the doctrine of "self help," preserved their right to extract groundwater from the Basin by pumping groundwater during all relevant time periods for reasonable and beneficial use on the Districts' properties.

TENTH AFFIRMATIVE DEFENSE

58. The Cross-Complaint and each cause of action alleged therein, in whole or part, are barred by the applicable statutes of limitation, including but not limited to section 318, 319, 321, 337, 338, 339, 342 and 343 of the Code of Civil Procedure.

ELEVENTH AFFIRMATIVE DEFENSE

59. The Cross-Complaint and each cause of action alleged therein are barred by the Public Water Suppliers' failure to join indispensable and necessary parties.

TWELFTH AFFIRMATIVE DEFENSE

60. All the groundwater extracted by the Districts from the Basin is devoted to public use.

As a result of this dedication to public use, the Public Water Suppliers cannot obtain any judicial
 relief that will in any way restrain or prevent the Districts from exercising their rights to extract
 groundwater from the Basin.

THIRTEENTH AFFIRMATIVE DEFENSE

61. The Districts reserve the right to assert additional defenses or to amend this Answer as may be appropriate.

PRAYER

WHEREFORE, Districts pray for Judgment as follows:

4

5

6

7

8

9

10

11

1. For a declaration that the Districts' rights to the recycled water are paramount to any other entity, until that water right is sold or the water abandoned;

For a declaration that the Districts' rights to extract groundwater from the Basin for
 reasonable and beneficial use on the Districts' properties are prior and paramount to Public
 Water Suppliers' claims to extract and use groundwater from the Basin for non-overlying
 (appropriative) use and are correlative with all other overlying groundwater rights;

For a declaration that the Districts have a right to store their recycled water in the Basin, a
paramount right to credit for their recycled water which recharged the Basin, and a paramount
right to recapture that water;

4. For a declaration that the use of recycled water must be an integral element in any
physical solution and that the use of potable domestic water for non-potable uses is an
unreasonable use of water;

For an injunction restraining Cross-complainants, and their agents, servants and
employees, and all persons acting under, in concert with, or for them, or anyone acting through
them or on their behalf, from acting in any manner which interferes with the rights of the
Districts to control the disposition of recycled water or to take water from the Basin to meet their
present and future needs or to meet regulatory requirements;

For this Court to maintain continuing jurisdiction over this controversy to carry out and
enforce the terms of the judgment;

1	7.	For costs of suit; and	
2	8.	For such other relief as the Court deems just and proper.	
3			
4	Dated	: December 27, 2006	ELLISON, SCHNEIDER & HARRIS L.L.P.
5			
6			By:
7			CHRISTOPHER M. SANDERS
8 9			Attorneys for Districts 2015 H Street Sacramento, California 95814 Telephone: (916) 447-2166
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
	Corret	Conitation Districts? A second	11 Cross Complaint of Municipal Durwayors
	County Sanitation Districts' Answer to Cross-Complaint of Municipal Purveyors		

1	PROOF OF SERVICE		
2	I declare that:		
3	I am employed in the County of Sacramento, State of California. I am over the age of		
4	eighteen years and am not a party to the within action. My business address is ELLISON,		
5	SCHNEIDER & HARRIS, L.L.P.; 2015 H Street; Sacramento, California 95814-3109; telephone		
6	(916) 447-2166.		
7	On December 27, 2006, I served the County Sanitation Districts' Answer of County		
8	Sanitation Districts Nos. 14 and 20 of Los Angeles County to Cross-Complaint of Municipal		
9	Purveyors by electronic posting to the Santa Clara Superior Court E-Filing website,		
10	http://www.scefiling.org/cases/casehome.jsp?caseId=19 with electronic mail to the parties' email		
11	addresses shown below.		
12	I declare under penalty of perjury that the foregoing is true and correct and that this		
13	declaration was executed on December 27, 2006, at Sacramento, California.		
14			
15	Patty Slomski		
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
	12 County Sanitation Districts' Answer to Cross-Complaint of Municipal Purveyors		

1 || SERVICE LIST

2

Robert H. Joyce LeBeau, Thelen, Lampe, McIntosh & Crear, 3 LLP 4 5001 East Commercecenter Drive, #300 Bakersfield, CA 93389-2092 bjoyce@lebeauthelen.com, 5 DLuis@Lebeauthelen.com 6 Attorneys for Diamond Farming Company 7 Richard G. Zimmer Clifford & Brown 8 1430 Truxtun Avenue, Suite 900 Bakersfield, CA 93301 9 rzimmer@clifford-brownlaw.com Attorneys for Wm. Bolthouse Farms, Inc. 10 and Bolthouse Properties, Inc. 11 Eric L. Garner Best, Best & Krieger 12 P.O. Box 1028 Riverside, CA 92502-1028 13 ELGarner@bbklaw.com, Lynda.Serwy@bbklaw.com, 14 JVDunn@bbklaw.com, kkeefe@bbklaw.com Attorneys for Rosamond Community 15 Services District 16 Attorneys for Los Angeles County Waterworks Districts Nos. 37 and 40 17 Raymond G. Fortner, Jr. 18 Frederic, W. Pfaeffle Office of County Counsel 19 County of Los Angeles 500 West Temple Street 20 Los Angeles, CA 90012 fpfaeffle@counsel.co.la.ca.us 21 Attorneys for Los Angeles County Waterworks Districts Nos. 37 and 40 22 Douglas J. Evertz 23 Stradling, Yocca, Carlson & Rauth 660 Newport Center Drive, Suite 1600 24 Newport Beach, CA 92660-6522 devertz@sycr.com 25 Attorney for City of Lancaster 26 27

John S. Tootle California Water Service Company 2632 W. 237th St. Torrance, CA 90505 <u>jtootle@calwater.com</u> Attorneys for Antelope Valley Water Company

Thomas Bunn, III Lagerlof, Senecal, Bradley, et al. 301 North Lake Avenue, 10th Floor Pasadena, CA 91101-4108 <u>TomBunn@lagerlof.com</u> Attorneys for Palmdale and Quartz Hill Water Districts

James L. Markman Richards Watson & Gershon Post Office Box 1059 Brea, CA 92822-1059 jmarkman@rwglaw.com, Attorneys for City of Palmdale

Steve R. Orr Bruce G. McCarthy Richards Watson & Gershon 355 South Grand Avenue, 40th Floor Los Angeles, CA 90071-3101 <u>sorr@rwglaw.com</u> Attorneys for City of Palmdale

Janet Goldsmith Kronick, Moskowitz, Tiedemann & Girard 400 Capitol Mall, 27th Floor Sacramento, CA 95814-4417 <u>jgoldsmith@kmtg.com</u> Attorneys for City of Los Angeles Department of Water and Power

John Slezak, Esq. Iverson, Yoakum, Papiano & Hatch One Wilshire Blvd., 27th Floor 624 S. Grand Ave. Los Angeles, CA 90017 <u>Jslezak@iyph.com</u> Attorneys for City of Los Angeles Department of Water and Power

1 Julie A. Conboy Deputy City Attorney 2 Department of Water and Power 111 North Hope Street 3 P.O. Box 111 Los Angeles, CA 90012 4 213-367-4513; FAX: (213) 241-1416 Julie.Conboy@ladwp.com 5 Attorneys for City of Los Angeles Department of Water and Power 6 Wayne K. Lemieux 7 Lemieux & O'Neill 2393 Townsgate Road, Suite 201 8 Westlake Village, CA 91361 Wayne@Lemieux-oneill.com 9 Attorneys for Littlerock Creek and Palm **Ranch Irrigation Districts** 10 Michael Fife 11 Hatch and Parent 21 E. Carrillo Street 12 Santa Barbara, California 93101 mfife@hatchparent.com 13 Attorney for Eugene Nebeker on behalf of Nebeker Ranch, Inc., Bob Jones on behalf of 14 R&M Ranch, Inc., Forrest G. Godde and Steve Godde, Gailen Kyle on behalf of Kyle 15 & Kyle Ranch, Inc., and John Calandri on behalf of Calandri/Sonrise Farms, 16 collectively known as the Antelope Valley Ground Water Agreement Association 17 ("AGWA") 18 Henry Weinstock Nossaman, Guthner, Knox, Elliott LLP 19 445 South Figueroa Street, 31st Floor Los Angeles, CA 90071 20 hweinstock@nossaman.com, ffudacz@nossaman.com 21 Attorneys for Tejon Ranchcorp 22 Debra W. Yang United States Attorney's Office 23 Central District of California 300 North Los Angeles Street 24 Los Angeles, CA 90012 25 Alberto Gonzales United States Attorney General 26 Department of Justice 950 Pennsylvania Avenue, NW 27 Washington, DC 20530-0001 28

Lee Leininger Environment and Natural Resources Division Department of Justice 999 - 18th St., Suite 945 Denver, CO 80202 <u>lee.leininger@usdoj.gov</u> <u>Judy.Tetreault@usdoj.gov</u> Attorneys for Edwards Air Force Base, United States Department of the Air Force

Hon. Jack Komar Judge of the Superior Court of California, County of Santa Clara 191 North First Street Department 17C San Jose, CA 95113

Chair, Judicial Council of California Administrative Office of the Courts Attn: Appellate & Trial Court Judicial Services (Civil Case Coordination) 455 Golden Gate Avenue San Francisco, CA 94102-3688

Daniel V. Hyde Lewis Brisbois Bisgaard & Smith L.L.P. 221 N. Figueroa Street, Suite 1200 Los Angeles, CA 90012 hyde@lbbslaw.com

14