Michael Duane Davis, SBN 093678 1 Marlene L. Allen-Hammarlund, SBN 126418 Derek R. Hoffman, SBN 285784 2 GRESHAM SAVAGE NOLAN & TILDEN, PC 550 East Hospitality Lane, Suite 300 3 San Bernardino, CA 92408-4205 (951) 684-2171 4 Telephone: Facsimile: (951) 684-2150 5 Attorneys for Cross-Defendants/Cross-Complainants, 6 ANTELOPE VALLEY UNITED MUTUALS GROUP: Cross-Defendants, ADAMS INVESTMENTS, LLC; MIRACLE IMPROVEMENT CORPORATION dba GOLDEN SANDS MOBILE 8 HOME PARK, aka GOLDEN SANDS TRAILER PARK, named as ROE 1121; ST. ANDREW'S ABBEY, INC., named as ROE 623; SERVICE ROCK PRODUCTS, L.P.; and SHEEP CREEK WATER COMPANY, INC. 10 SUPERIOR COURT OF THE STATE OF CALIFORNIA 11 IN AND FOR THE COUNTY OF LOS ANGELES 12 13 Coordination Proceeding Judicial Council Coordination Special Title (Rule 1550(b)) Proceeding No. 4408 14 ANTELOPE VALLEY Santa Clara Case No. 1-05-CV-049053 **GROUNDWATER CASES** Assigned to the Honorable Jack Komar 15 Department 17C Including **Consolidated** Actions: 16 RESPONSE TO JOINT OPPOSITION OF 17 Los Angeles County Waterworks District ) PUBLIC & PRIVATE LANDOWNERS TO No. 40 v. Diamond Farming Co. THE MUTUALS' OBJECTIONS AND 18 Superior Court of California, County of Los CHALLENGES TO THE ELECTION OF Angeles, Case No. BC 325 201 LANDOWNER REPRESENTATIVES ON 19 WATERMASTER BOARD Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. 20 Superior Court of California, County of Kern, Case No. S-1500-CV-254-348 21 Judge: Hon. Jack Komar, Judge 22 Wm. Bolthouse Farms, Inc. v. City of DATE: June 30, 2016 [RESERVED] 10:00 a.m. Lancaster TIME: Diamond Farming Co. v. City of 23 DEPT: Room TBA Los Angeles Superior Court Lancaster Diamond Farming Co. v. Palmdale 24 111 N. Hill Street Water Dist. Los Angeles, California Superior Court of California, County of 25 Riverside, consolidated actions, Case Nos. 26 RIC 353 840, RIC 344 436, RIC 344 668 27 AND RELATED ACTIONS.

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GROUP [comprised of Antelope Park Mutual Water Co., Aqua-J Mutual Water Co., Averydale Mutual Water Co., Baxter Mutual Water Co., Bleich Flat Mutual Water Co., Colorado Mutual Water Co., El Dorado Mutual Water Co., Evergreen Mutual Water Co., Land Projects Mutual Water Co., Landale Mutual Water Co., Shadow Acres Mutual Water Co., Sundale Mutual Water Co., Sunnyside Farms Mutual Water Co., Tierra Bonita Mutual Water Co., West Side Park Mutual Water Co., and White Fence Farms Mutual Water Co., Inc.]; and Cross-Defendants, ADAMS BENNETT INVESTMENTS, LLC and SERVICE ROCK PRODUCTS, L.P. (collectively, "Challenging Parties") submit this Response to the "Joint Opposition of Public &

Private Landowners to the Mutuals' Objections to the Election of Landowner Representatives on

Watermaster Board," ("Opposition"), and in support of the Challenging Parties' "Objections and

Challenges to the Election for the Two Landowner Watermaster Seats" ("Objections").

Cross-Defendants / Cross-Complainants, ANTELOPE VALLEY UNITED MUTUALS

The Opposition demonstrates, yet again, the lengths to which those public and large private overlying parties ("Large Overliers) will go to control the selection of the two Landowner Watermaster seats. The election rules and procedures mandated by the Large Overliers, and the positions taken in their Oppositions to the Challenging Parties' April 13, 2016 *Motion* and to the Objections, are designed to: (1) ignore the requirement that the Judgment must be implemented in fair and impartial manner; (2) cause the two initial Landowner Watermaster seats, and the sole Landowner Alternate seat, to be entirely controlled by large agricultural representatives by allowing those parties to cast **all** of their already-sizeable votes for **both** Landowner Watermaster seats; and (3) enable AVEK and other public agencies, **including non-Exhibit 4 parties**, to purchase Exhibit 4 water and accompanying votes and ultimately control the **entirety** of the Watermaster Board. The "Golden Rule" best describes the Large Overliers' approach to this process: "he who has the gold [or, in this case, the water] makes the rules." The designs of the Large Overliers' are not, however, and never were, the designs of the Judgment.

The primary impetus for the *Motion* and the Challenging Parties' Objections has been to seek the establishment of rules and procedures for the election of the initial Landowner Watermaster seats that are fair and in conformity with the Court's Judgment—and for the Court

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to make that determination. The problem (aka "Catch-22") is that the Judgment is silent with respect to those procedures. Consequently, representatives of the Large Overliers, and particularly large agricultural parties within that group, attempted to fill that void by commandeering the meetings, discussions, and processes by which the two Landowner Watermaster seats would be filled (as detailed in the Motion). The Opposition indicates that "a majority of the overlying landowners participating in the process agreed to the use of a steering committee to help define election procedures for the landowner representatives." (Opposition, 5:2-4.) In reality, as demonstrated in the videos, declarations and other evidence provided in support of the Motion, it was the large agricultural parties who usurped control of a self-declared "steering committee" that took "votes" on important issues by "raise of hands". The Challenging Parties' proposed representative, Mr. Scott, was not included in that steering committee until long after the agricultural representatives had already decided virtually every issue. Unfortunately, it was not until after the Court ordered the parties to meet and confer that the Challenging Parties were afforded a meaningful opportunity to participate in the process.

Nevertheless, the Large Overliers insisted upon including objectionable provisions in the "Rules and Procedures for Election of Initial Landowner Party Watermaster Representatives" ("Rules and Procedures") prepared during the meet and confer process. Incredibly, the Large Overliers now assert that a lack of fairness is <u>not</u> a legally sufficient justification for the Court to alter or overturn the results of an election that proceeds according to very rules and procedures mandated by the Large Overliers and crafted to achieve the Large Overliers' designs. (Opposition, 3:9-11.)

The Opposition flies in the face of the Judgment. In the Court's December 23, 2015 Statement of Decision ("Statement of Decision"), the Court expressly determined that "... [T]he Court must impose a [Judgment] that ... is fair and equitable to all parties ... provides management structure that will protect the Basin ... by management rules that are fair, equitable, necessary and equally applied to all overlying landowners." (emphasis added) [Statement of Decision, page 15, lines 4-9]. Indeed, given the lack of specific procedures in the Judgment for the selection of the initial Landowner Watermaster seats, fairness is the primary

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## PROOF OF SERVICE STATE OF CALIFORNIA, COUNTY OF SAN BERNARDINO Re: ANTELOPE VALLEY GROUNDWATER CASES Los Angeles County Superior Court Judicial Council Coordinated

I am employed in the County of San Bernardino, State of California. I am over the age of 18 years and not a party to the within action; my business address is: 550 East Hospitality Lane, Suite 300, San Bernardino, CA 92408-4205.

Proceedings No. 4408; Santa Clara County Superior Court Case No. 1-05-CV-049053

On June 27, 2016, I served the foregoing document(s) described **RESPONSE TO JOINT OPPOSITION OF PUBLIC & PRIVATE LANDOWNERS TO THE MUTUALS' OBJECTIONS AND CHALLENGES TO THE ELECTION OF LANDOWNER REPRESENTATIVES ON WATERMASTER BOARD** on the interested parties in this action in the following manner:

(X) **BY ELECTRONIC SERVICE** – I posted the document(s) listed above to the Santa Clara County Superior Court website, <a href="http://www.scefiling.org">http://www.scefiling.org</a>, in the action of the Antelope Valley Groundwater Cases,

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on June 27, 2016 at San Bernardino, California.

MARLENE RAMIREZ

Harlene Ramining

GRESHAM SAVAGE

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