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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

**ANTELOPE VALLEY
GROUNDWATER CASES**

) Judicial Council Coordination Proceeding No.
) 4408

Included Actions:

) Santa Clara Case No. 1-05-CV-049053
) Assigned to The Honorable Jack Komar

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

) **VERIFIED ANSWER OF TEJON
RANCHCORP TO COMPLAINT OF LOS
ANGELES COUNTY WATERWORKS
DISTRICT NO. 40**

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

Tejon Ranchcorp hereby answers the Complaint of Los Angeles County Waterworks No. 40 ("Waterworks") filed under Los Angeles County Superior Court Case No. BC 325201. In Waterworks' Amendment to Complaint dated October 26, 2005, Waterworks identified Doe 165 as Tejon Ranch Company, which is a dba for Tejon Ranchcorp.

GENERAL DENIAL

1. Pursuant to Code of Civil Procedure §§ 431.30(d), defendant Tejon Ranchcorp

1 hereby generally denies each and every allegation set forth in the Complaint, and the whole thereof, and
2 further denies that Waterworks is entitled to any relief against defendant Tejon Ranchcorp.

3 **AFFIRMATIVE DEFENSES**

4 **First Affirmative Defense**

5 (Failure to State a Cause of Action)

6 2. The Complaint and every purported cause of action contained therein fail to allege
7 facts sufficient to constitute a cause of action against defendant Tejon Ranchcorp.

8 **Second Affirmative Defense**

9 (Uncertainty as to Basin Boundaries)

10 3. Each and every cause of action of the Complaint is defective and uncertain in that
11 it fails to delineate the lateral or vertical boundaries of the groundwater basin that Waterworks refers to
12 as the "Antelope Valley Groundwater Basin." Therefore, it is impossible to determine from the
13 Complaint the extent of the water rights claimed by Waterworks or the extent of the lands included
14 within the groundwater basin.

15 **Third Affirmative Defense**

16 (Uncertainty re Claimed Water Rights)

17 4. Each and every cause of action of the Complaint is defective and uncertain in that
18 it cannot be ascertained therefrom the nature or extent of the water rights that Waterworks is claiming
19 for itself, and the nature and extent of the water rights that Waterworks asserts are being claimed by
20 defendant Tejon Ranchcorp and the other defendants.

21 **Fourth Affirmative Defense**

22 (Statutes of Limitation)

23 5. Each and every cause of action contained in the Complaint is barred, in whole or
24 in part, by the applicable statutes of limitation, including, but not limited to, sections 318, 319, 321, 338,
25 and 343 of the California Code of Civil Procedure.

26 **Fifth Affirmative Defense**

27 (Unjust Enrichment)

28 6. Waterworks is not entitled to any relief, as the recovery sought by Waterworks

1 would cause unjust enrichment.

2 **Sixth Affirmative Defense**

3 (Laches)

4 7. The Complaint, and each and every cause of action contained therein, is barred by
5 the doctrine of laches.

6 **Seventh Affirmative Defense**

7 (Estoppel)

8 8. The Complaint, and each and every cause of action contained therein, is barred by
9 the doctrine of estoppel.

10 **Eighth Affirmative Defense**

11 (Waiver)

12 9. The Complaint, and each and every cause of action contained therein, is barred by
13 the doctrine of waiver.

14 **Ninth Affirmative Defense**

15 (Unclean Hands)

16 10. The Complaint, and each and every cause of action contained therein, is barred by
17 the doctrine of unclean hands.

18 **Tenth Affirmative Defense**

19 (Civil Code § 1009)

20 11. Each and every cause of action contained in the Complaint is barred in whole or
21 in part by Section 1009 of the California Civil Code.

22 **Eleventh Affirmative Defense**

23 (Indispensable and/or Necessary Party)

24 12. The entire Complaint is barred by Code of Civil Procedure Section 389 on the
25 ground that Waterworks failed to name and join indispensable and/or necessary parties, e.g., other
26 producers of water in the groundwater basin.

27 **Twelfth Affirmative Defense**

28 (Not Ripe)

1 13. Each and every cause of action contained in the Complaint is barred in whole or
2 in part because Waterworks' claims are not ripe for adjudication.

3 **Thirteenth Affirmative Defense**

4 (Adequate Legal Remedy)

5 14. Waterworks' claim for equitable relief is barred because Waterworks has
6 adequate legal remedies for its injuries, if any, resulting from the actual or threatened conduct of
7 defendant Tejon Ranchcorp.

8 **Fourteenth Affirmative Defense**

9 (No legally cognizable damages)

10 15. Waterworks is not entitled to any relief, as it has not suffered any actual or legally
11 cognizable injuries or damages caused by defendant Tejon Ranchcorp.

12 **Fifteenth Affirmative Defense**

13 (Defective Claim of Prescriptive Rights)

14 16. Each and every cause of action of the Complaint is defective and uncertain in that
15 it asserts prescriptive rights but (a) it fails to state when the alleged prescriptive period, if any,
16 commenced and ended; (b) it fails to allege the specific amount of water which Waterworks
17 continuously pumped for a period of five consecutive years during the alleged prescriptive period; (c) it
18 fails to allege the manner in which Waterworks pumped water from the groundwater basin under a
19 "claim of right"; (d) it fails to allege how defendants received actual or constructive notice of
20 Waterworks' pumping; and (e) it fails to allege that Waterworks gave notice of its pumping defendant's
21 water to defendant Tejon Ranchcorp in a manner that satisfies the United States and California
22 Constitutions.

23 **Sixteenth Affirmative Defense**

24 (Self-Help)

25 17. Tejon Ranchcorp has, by virtue of the doctrine of self-help, preserved its
26 paramount overlying right to extract groundwater by continuing, during all times relevant hereto, to
27 extract groundwater and put it to reasonable and beneficial use on its property.
28

1 **Seventeenth Affirmative Defense**

2 (California Constitution Article X, Section 2)

3 18. Waterworks' methods of water use and storage are unreasonable and wasteful in
4 the arid conditions of the Antelope Valley and thereby violate Article X, Section 2 of the California
5 Constitution. For example, Waterworks has not made reasonable and diligent efforts to conserve water
6 or to cause its customers to conserve water, and it allows its customers to waste water by using
7 unreasonably large amounts of water per person and per household.

8 **Eighteenth Affirmative Defense**

9 (Uncertain Storage Claim)

10 19. The Fifth Cause of Action is defective and uncertain in that it fails to allege the
11 amount of water that Waterworks has allegedly imported and stored in the Antelope Valley
12 Groundwater Basin.

13 **Nineteenth Affirmative Defense**

14 (Uncertain Return Flows Claim)

15 20. The Sixth Cause of Action is defective and uncertain in that it fails to allege the
16 specific amount of "return flows" that allegedly augment the Antelope Valley Groundwater Basin
17 supply and that Waterworks claims the right to recapture.

18 **Twentieth Affirmative Defense**

19 (Lack of Authority for Prescription)

20 21. Waterworks lacks the statutory and constitutional authority to acquire water rights
21 by prescription.

22 **Twenty-First Affirmative Defense**

23 (Uncompensated Taking of Property)

24 22. Each and every cause of action of the Complaint is defective in that Waterworks
25 is prohibited by the California and Federal Constitutions from taking defendant's water rights for a
26 public use without due process and compensation pursuant to the laws of eminent domain.

27 **Twenty-Second Affirmative Defense**

28 (Additional Defenses)

1 16. The Complaint does not state Waterworks' allegations with sufficient particularity
2 or clarity to enable defendant to determine what additional defenses may exist to Waterworks' causes of
3 action. Defendant therefore reserves the right to assert all defenses which may pertain to the Complaint
4 once the precise nature of Waterworks' causes of action is more fully ascertained.

5
6 **WHEREFORE**, Defendant Tejon Ranchcorp prays that judgment be entered against
7 Waterworks as follows:

- 8 1. That Waterworks take nothing and be granted no relief by reason of its
9 Complaint;
10 2. That the Complaint be dismissed with prejudice;
11 3. For defendant's attorneys' fees incurred herein;
12 4. For defendant's costs incurred herein; and
13 5. For such other and further relief as the Court deems just and proper.

14
15 Dated: November 22, 2005

NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP
FREDRIC A. FUDACZ
HENRY S. WEINSTOCK

16
17
18 By: _____


HENRY S. WEINSTOCK

Attorneys for Tejon Ranchcorp

VERIFICATION

I, Dennis Mullins, am an officer of Tejon Ranchcorp. I have read the foregoing Answer of Tejon Ranchcorp to the Complaint of Los Angeles County Waterworks District No. 40. I am informed and believe that the matters stated therein are true and on that ground allege that the matters stated therein are true.

Executed on November 22, 2005. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.



Dennis Mullins

1 **PROOF OF SERVICE**

2
3 The undersigned declares:

4 I am employed in the County of, State of California. I am over the age of 18 and am not a party
5 to the within action; my business address is c/o Nossaman, Guthner, Knox & Elliott, LLP, 445 S.
6 Figueroa Street, 31st Floor Los Angeles, California 90071-1602.

7 On November 23, 2005, I served the foregoing **VERIFIED ANSWER OF TEJON**
8 **RANCHCORP TO COMPLAINT OF LOS ANGELES COUNTY WATERWORKS DISTRICT**
9 **NO. 40** on parties to the within action by placing () the original (x) a true copy thereof enclosed in a
10 sealed envelope, addressed as shown on the attached service list.

11 (X) (By U.S. Mail) On the same date, at my said place of business, said correspondence was sealed
12 and placed for collection and mailing following the usual business practice of my said employer.
13 I am readily familiar with my said employer's business practice for collection and processing of
14 correspondence for mailing with the United States Postal Service, and, pursuant to that practice,
15 the correspondence would be deposited with the United States Postal Service, with postage
16 thereon fully prepaid, on the same date at Los Angeles, California.

17 () (By Facsimile) I served a true and correct copy by facsimile pursuant to C.C.P. 1013(e), to the
18 number(s) listed above or on the attached sheet. Said transmission was reported complete and
19 without error. A transmission report was properly issued by the transmitting facsimile machine,
20 which report states the time and date of sending and the telephone number of the sending
21 facsimile machine.

22 () (By Federal Express) I served a true and correct copy by Federal Express or other overnight
23 delivery service, for delivery on the next business day. Each copy was enclosed in an envelope
24 or package designated by the express service carrier; deposited in a facility regularly maintained
25 by the express service carrier or delivered to a courier or driver authorized to receive documents
26 on its behalf; with delivery fees paid or provided for; addressed as shown on the accompanying
27 service list.

28 Executed on November 23, 2005 at Los Angeles, California.

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

() (FEDERAL) I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct.


Mitchi Shibata

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