EXHIBIT "I"

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Judicial Council Coordination No. 4408

Case No.: 1-05-CV-049053

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

Case No. S-1500-CV 254348 NFT Diamond Farming Company vs. City of Lancaster Riverside County Superior Court Lead Case No. RIC 344436 [Consolidated w/Case Nos. 344668 & 353840]

Kern County Superior Court

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

1 Grimmway Enterprises, Inc. and LAPIS Land Company, LLC, 2 3 Cross-Complainants, 4 VS. 5 California Water Service Company; City of Lancaster; City of Palmdale; Littlerock Creek Irrigation District; Los Angeles County Waterworks District No. 40; 7 Palmdale Water District; Rosamond Community Services District; Palm Ranch Irrigation District; Quartz Hill Water District, and Phelan Piñon Community Services District; and ROES 1-200, inclusive. 10 Cross-Defendants. 11 12 Cross-Complainants, Grimmway Enterprises, Inc. (ROE 605) and LAPIS Land Company, LLC. 13 make the following allegations against Cross-Defendants California Water Service Company, City of 14 Lancaster, City of Palmdale, Littlerock Creek Irrigation District, Los Angeles County Waterworks 15 District No. 40, Palmdale Water District, Rosamond Community Services District, Palm Ranch 16 Irrigation District, Quartz Hill Water District, and Phelan Piñon Hills Community Services District 17 (collectively referred to herein as "Purveyors"), and ROES 1-200, inclusive, as follows: 18 General Allegations: 1. 19 California Water Service Company is a California corporation which provides water to 20 customers located within the geographic boundaries of the Basin and which extracts water from the 21 Basin. 22 2. City of Lancaster is a municipal corporation located within the County of Los Angeles, 23 and within the geographic boundaries of the Basin. 24 3. City of Palmdale is a municipal corporation located within the County of Los Angeles, 25 and within the geographic boundaries of the Basin. 26 111 27 CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF 28 LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES

DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

- 4. Littlerock Creek Irrigation District is a public agency which provides water to customers located within the geographic boundaries of the Basin and which extracts water from the Basin.
- 5. Los Angeles County Waterworks District 40 (hereinafter "District 40") is a public agency governed by the Los Angeles County board of Supervisors operating under Division 16 of the California Water Code. District 40 was established on November 4, 1993 to provide water service to the public within the Antelope Valley.
- 6. Palmdale Water District (hereinafter "Palmdale") was formed as a public irrigation district in 1918 and operates under Division 11 of the California Water Code and is producing water from the Antelope Valley Water Supply and selling it to its customers.
- 7. Rosamond Community Services District (hereinafter "Rosamond") is a County Water District voted into being in 1966, and operating under Division 12 of the California Water Code to provide water for domestic, irrigation, and fire flow, collection and treatment of waste and storm water, maintenance of street lights, graffiti abatement and parks and recreation.
- 8. Palm Ranch Irrigation District is a public agency which provides water to customers located within the geographic boundaries of the Basin and which extracts water from the Basin.
- 9. Quartz Hill Water District (hereinafter "Quartz Hill") is a county water district organized and operating under Division 12 of the California Water Code and is producing water from the Antelope Valley Water Supply and selling it to its customers.
- 10. Piñon Hills Community Services District is a community services district located in western San Bernardino County. Piñon Hills Community Services District is organized under the Community Services District Law (Government Code section 61000, et seq.). The San Bernardino County Local Agency Formation Commission confirmed the order of reorganization and issued the certificate of completion for Phelan in March of 2008. Phelan's official date of inception is on or about March 18, 2008.
- 11. Cross-Complainant Grimmway Enterprises, Inc., (hereinafter "Grimmway") is a California corporation that owns and leases overlying land within the Antelope Valley. Grimmway owns

and operates water wells that draw water from beneath the land for use on the lands for irrigation.

Grimmway and its predecessors in interest, are currently, and have historically, pumped water from beneath the land for farming.

- 12. Cross-Complainant LAPIS Land Company, LLC, (hereinafter "LAPIS") is a limited liability company that owns and leases overlying land within the Antelope Valley, LAPIS owns and operates water wells that draw water from beneath the land for use on the lands for irrigation. LAPIS and its predecessors in interest, are currently, and have historically, pumped water from beneath the land for farming.
- 13. Cross-Complainants are ignorant of the true names and capacities of cross-defendants sued herein as ROES 1-200, inclusive, and therefore sue these cross-defendants by such fictitious names. Cross-Complainants will amend this Cross-Complaint to allege their true names and capacities when ascertained. Each reference in this Cross-Complaint to "Purveyors," "the Purveyors," or a specifically named cross-defendant, refers also to all cross-defendants sued under fictitious names.
- 14. Cross-Complainants are informed and believe, and thereon allege, that Rosamond, District 40, Palmdale and Quartz Hill (collectively "the Purveyors") began pumping appropriated surplus water from the Antelope Valley to provide water for their municipal and industrial water customers. At the onset of pumping by the Purveyors, the same was lawful and permissive and did not immediately nor prospectively invade or impair any overlying right.
- 15. Over time, the urban areas within the Antelope Valley continued to expand and grow both in land area and population, and thus, over time the Purveyors increased, and today, continue to increase their demand for water. Cross-Complainants are informed and believe, and thereon allege, that at some as yet unidentified historical point, the aggregate extractions of groundwater from the Antelope Valley began to exceed the safe yield of the Valley. Despite the potential for damage to the water supply and the rights of owners of real property within the Valley, the Purveyors, with knowledge continued to extract groundwater from the common supply, and increased and continue to increase their extractions of groundwater over time. The Purveyors continued the act of pumping with the knowledge that the

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continued extractions were damaging, long term, the Antelope Valley and in the short term, impairing the rights of the property owners, including the rights in the land owned by Grimmway and LAPIS, which is overlying and within the Antelope Valley.

- Cross-Complainants are informed and believe, and thereon allege, that the Purveyors pumped and continue to pump water in excess of the safe yield with the knowing intent and belief that they could take by claim of prescription, without compensation, the water rights of Grimmway and LAPIS, and all landowners overlying the Antelope Valley. Additionally, all Purveyors continued to pump ever increasing quantities of groundwater, knowing that even if their prescriptive claims failed, they could preserve the right to continue their pumping under a claim of an intervening public use. Despite the knowing intent to take the overlying property landowners' rights, no Purveyor took any steps calculated and intended to inform or otherwise notify any landowner of their adverse and hostile claim or that their pumping of groundwater was an invasion of and a taking of the landowners' property rights,
- During the material time that each Purveyor was pumping, none physically trespassed upon nor invaded any overlying property. No Purveyor stopped, restricted, interfered with or physically or by regulation reduced Grimmway and LAPIS, or any overlying landowner's right and ability to pump groundwater from the Antelope Valley. No Purveyor ever took any affirmative action reasonably calculated to inform or notify any overlying landowner that the Purveyor intended to take or were taking by prescription the overlying water rights.
- 18. Between 1960 and 1980, the Antelope Valley East Kern Water Agency (hereinafter "AVEK") was created to import water from northern California to southern California. As part of its operations, AVEK, in addition to other water importers, have brought and now brings imported water to the Antelope Valley. This imported water was at all material times available for purchase by the Purveyors. Based upon information and belief, it is alleged that the Purveyors consciously chose to not purchase all of the available higher priced imported water to meet their water needs and instead chose to continue to pump and to increase their extractions of groundwater from the Antelope Valley, because, despite the damage to the Valley, groundwater was cheaper than the imported water.

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LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

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of the Water Code, known as the County Waterworks District Law, hereinafter referred to as the "Waterworks Statutes." In 1953, the legislature added section 55370. This section, since its adoption has been, and now is, in full force and effect. This statute provides as follows: "A district may acquire property by purchase, gift, devise, exchange, descent, and eminent domain. The title to all property which may have been acquired for a district shall be vested in the district."

In or about 1951, the Legislature of the State of California enacted Sections 55000 et seq.

- 27. District 40 contends that section 55370 of the Water Code does not apply to, or limit in any manner, its acquisition of any overlying landowner's water rights within the Antelope Valley and that, despite its status as a public entity, Article 1, Section 19 of the California Constitution, and the 5th Amendment to the Federal Constitution, it is nonetheless empowered to acquire private property for public use through the common law doctrine of prescription, without due process and without compensation.
- 28. Grimmway and LAPIS contend that the statute is constitutional, and when conjoined with the California state and Federal Constitutions, limits the method, manner and mode by which District 40 may acquire private property for a public use and the rights appurtenant thereto. By virtue of the actions of District 40 and the Board of Supervisors as set forth above, an actual controversy has arisen and now exists between District 40 and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities under that statute and both Constitutions.
- Grimmway and LAPIS desire a declaration of its rights with respect to the 29. constitutionality and application or nonapplication of the statute and asks the court to make a declaration of such rights, duties, and responsibilities, and to make a declaration as to the validity and constitutionality of the statute. Grimmway and LAPIS seek a declaration that the effort of the district to deprioritize Grimmway and LAPIS's overlying right is, without compensation, ultra vires and unconstitutional. Such a declaration is necessary and appropriate at this time in order that Grimmway and LAPIS's property rights be protected and to ensure that District 40 proceeds according to the law ///

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EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF

LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

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35. Grimmway and LAPIS contend that the statute is constitutional, and when conjoined with the California state and Federal Constitutions, limits the method, manner and mode by which Palmdale may acquire private property for a public use and the rights appurtenant thereto by declaring that the only legal right of the district to take possession of land without consent of the owners is under its power of eminent domain. By virtue of Palmdale's actions as set forth above, an actual controversy has arisen and now exists between Palmdale and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities under that statute and both Constitutions.

- 36. Grimmway and LAPIS desire a declaration of its rights with respect to the constitutionality and application or nonapplication of the statute and asks the court to make a declaration of such rights, duties, and responsibilities, and to make a declaration as to the validity and constitutionality of the statute. Grimmway and LAPIS seek a declaration that the effort of the district to deprioritize Grimmway and LAPIS's overlying right is, without compensation, ultra vires and unconstitutional. Such a declaration is necessary and appropriate at this time in order that Grimmway and LAPIS's property rights be protected and to ensure that Palmdale proceeds according to the law and Constitution of the state and the Federal Constitution. There are no administrative remedies available to Grimmway and LAPIS.
- 37. A timely declaration by this court is urgent for the following reasons: by way of this action Palmdale is seeking to adjudicate, enjoin and take the property rights of Grimmway and LAPIS and thousands of other parties who own property overlying the Antelope Valley, absent a timely declaration by this court, an injustice will result from the improper awarding of property rights to Palmdale should this statute be later found to limit the method by which Palmdale may forcibly acquire property rights.
- 38. Grimmway and LAPIS and numerous other private parties will suffer irreparable and lasting injury unless declaratory relief is granted.

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

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Third Cause of Action

(Declaratory Relief Against Rosamond and Quartz Hill to Determine Validity of Statute)

- Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 38, inclusive, of this Cross-Complaint.
- 40. In or about 1949, the Legislature of the State of California enacted Sections 30000 et seq. of the Water Code, known as the County Water District Law, hereinafter referred to as the "County Water Statutes." In 1975, the legislature amended section 31040. This amended statute became operative on July 1, 1976 and since then, has been, and now is, in full force and effect. This section provides as follows:
 - "A district may take any property necessary to carry out the business of the district by grant, purchase, gift, devise, condemnation, or lease with or without the privilege of purchase."
- Rosamond and Quartz Hill contend that section 31040 of the Water Code does not act 41. to limit, in any manner, the mode or method by which they may acquire an overlying landowner's water rights within the Antelope Valley and that, despite their status as public entities, Article 1, Section 19 of the California Constitution, and the 5th Amendment to the Federal Constitution, they are nonetheless empowered to take private property for public use through the common law doctrine of prescription, without due process and without compensation.
- 42. Grimmway and LAPIS contend that the statute is constitutional, and when conjoined with the California state and Federal Constitutions, limits the method, manner and mode by which Rosamond and Quartz Hill may acquire private property for a public use and the rights appurtenant thereto by declaring that the only legal right of the districts to take possession of property without consent of the owners is under its power of eminent domain. By virtue of Rosamond's and Quartz Hill's actions as set forth above, an actual controversy has arisen and now exists between Rosamond, Quartz Hill and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities under that statute and both Constitutions.

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY

WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF

LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

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- 48. The Purveyors contend that, even though they are political subdivisions who are vested with the power of eminent domain, they are nonetheless legally permitted to knowingly take private property for public use without first paying just compensation.
- Grimmway and LAPIS contend that the use of the word "only" within Article 1 Section 19 is a clear temporal limitation on the Purveyor's lawful ability to knowingly take private property for the public benefit to only those instances where just compensation has first been paid. By virtue of the Purveyor's actions as set forth above, an actual controversy has arisen and now exists between the Purveyors and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities.
- 50. Grimmway and LAPIS desire a declaration of its rights with respect to the application or nonapplication of Article 1 Section 19 to the Purveyors and asks the court to make a declaration of such rights, duties, and responsibilities. Such a declaration is necessary and appropriate at this time in order that Grimmway and LAPIS's property rights may be protected and to ensure that the municipal Purveyors proceed according to the California Constitution. There are no administrative remedies available to Grimmway and LAPIS.
- 51. A timely declaration by this court is urgent for the following reasons: by way of this action the Purveyors are seeking to adjudicate, enjoin and take the property rights of Grimmway and LAPIS and thousands of other parties who own property overlying the water supply without first paying just compensation therefor, absent a timely declaration by this court, injustice will result from the improper taking of the Grimmway and LAPIS's property rights should Article 1 section 19 of the California Constitution be found to apply.
- 52. Grimmway and LAPIS and numerous other private parties will suffer irreparable and lasting injury unless declaratory relief is granted.

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Fifth Cause of Action

(Declaratory Relief Against All Cross-Defendants to Determine Applicability of Constitutional Article.)

- 53. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 52, inclusive, of this Cross-Complaint.
 - 54. Article 1 Section 19 of the California Constitution provides as follows:

"Private property may be taken or damaged for public use only when just compensation, ascertained by a jury unless waived, has first been paid to, or into court for, the owner. The Legislature may provide for possession by the condemnor following commencement of eminent domain proceedings upon deposit in court and prompt release to the owner of money determined by the court to be the probable amount of just compensation."

- 55. The Purveyors contend that, even though they are political subdivisions who are vested with the power of eminent domain, they are nonetheless legally allowed to knowingly take private property for public use through prescription or adverse possession and without compensation.
- 56. Grimmway and LAPIS contend that the use of the word "only" within Article 1 Section 19 is a clear limitation on the Purveyor's authority and the manner in which they may take private property for the public benefit. That this limitation forecloses the ability of any governmental entity to knowingly take or acquire private property for a public use under a theory of prescription or adverse possession. By virtue of the Purveyor's actions as set forth above, an actual controversy has arisen and now exists between the Purveyors and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities.
- 57. Grimmway and LAPIS desire a declaration of its rights with respect to the application or nonapplication of Article 1 Section 19 to the Purveyors' prescription claims and asks the court to make a declaration of such rights, duties, and responsibilities. Such a declaration is necessary and appropriate at this time in order that Grimmway and LAPIS's property rights may be protected and to ensure that the municipal Purveyors may proceed according to the California Constitution. There are no administrative remedies available to Grimmway and LAPIS.

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

- 58. A timely declaration by this court is urgent for the following reasons: by way of this action the Purveyors are seeking to adjudicate and enjoin the property rights of Grimmway and LAPIS and thousands of other parties by avoiding the due process protections provided to these landowners under Code of Civil Procedure sections 1230.010 through 1237.040. Absent a timely declaration by this court, injustice will result from the improper use and adjudication of the cross-defendants' property rights should Article 1 section 19 of the California Constitution be found to apply.
- 59. Grimmway and LAPIS and numerous other private parties will suffer irreparable and lasting injury unless declaratory relief is granted.

Sixth Cause of Action

(Declaratory Relief Against All Cross-Defendants to Determine Applicability of Constitution.)

- 60. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 59, inclusive, of this Cross-Complaint.
 - 61. Article I Section 7 of the California Constitution provides in pertinent part as follows: "A person may not be deprived of life, liberty, or property without due process of law or denied equal protection of the laws; ..."
- The 5th Amendment to the Constitution as applied by the 14th Amendment in relevant part provides:
 - "No person shall... be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation."
- 62. The Purveyors contend that, even though they are political subdivisions who are uniquely invested with the power of eminent domain, they are allowed to surreptitiously take private property for public use by prescription or adverse possession without providing substantive or procedural due process of law to each overlying landowner. The Purveyors contend that prescription commences with "overdraft," and that presumed or constructive notice is sufficient.
- 63. Grimmway and LAPIS contend that the Article I, Section 7, of the State Constitution, and the 5th Amendment as applied by the 14th Amendment of the Federal Constitution, mandates that

governmental entities must provide substantive and procedural due process of law when taking private property for a public use. Grimmway and LAPIS contend that the prescriptive period cannot commence until the governmental entity takes affirmative action designed and intended to give notice and inform the overlying landowners of the governmental entity's adverse and hostile claim. Grimmway and LAPIS further contend that this limitation forecloses the ability of any governmental agency to take or acquire private property for a public use when constitutionally sufficient due process notice has not been provided to the land owner. By virtue of the Purveyor's actions as set forth above, an actual controversy has arisen and now exists between the Purveyors and Grimmway and LAPIS concerning their respective rights, duties, and responsibilities.

- 64. Grimmway and LAPIS desire a declaration of its rights with respect to the application or nonapplication of Article I Section 7 and the 5th Amendment to the U.S. Constitution to the Purveyors' prescription claims and asks the court to make a declaration of such rights, duties, and responsibilities. Such a declaration is necessary and appropriate at this time in order that Grimmway and LAPIS's property rights may be protected and to ensure that the municipal Purveyors may proceed according to the California Constitution. There are no administrative remedies available to Grimmway and LAPIS.
- 65. A timely declaration by this court is urgent for the following reasons: by way of this action the Purveyors are seeking to adjudicate and enjoin the property rights of Grimmway and LAPIS and thousands of other parties by avoiding the due process protections provided to these landowners under Article I Section 7, the 5th and 14th Amendments and Code of Civil Procedure sections 1230.010 through 1237.040. Absent a timely declaration by this court, injustice will result from the improper use and adjudication of Grimmway and LAPIS's property rights should the foregoing constraints and statutory mandate be found applicable.
- 66. Grimmway and LAPIS and numerous other private parties will suffer irreparable and lasting injury unless declaratory relief is granted.

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HILLS COMMUNITY SERVICES DISTRICT

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON

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Seventh Cause of Action

(Declaratory Relief Against All Cross-Defendants.)

- 67. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 66, inclusive, of this Cross-Complaint.
- 68. Grimmway and LAPIS are the owners and/or lessees of real property located within the Antelope Valley. Located on Grimmway and LAPIS's property are water wells which produce water from the groundwater supply. Grimmway and LAPIS and or its predecessors in interest, have continually produced water from these wells without restriction and in quantities as were needed to perform its farming and irrigation operations from year to year.
- 69. Based on information and belief, it is alleged that Purveyors all pump groundwater from the Antelope Valley and then sell it to other individuals and entities who reside within Kern County and Los Angeles Counties.
- 70. An actual controversy has arisen and now exists between Grimmway and LAPIS and the Purveyors concerning their respective rights and duties in that the Purveyors contend that they have been pumping water during a continuous 5 year period during which the common supply has been in a state of overdraft; that this pumping has resulted in a reversal of the common law legal priority granted to overlying land owners pursuant to the common law doctrine of prescription. Whereas, Grimmway and LAPIS dispute this contention and contends that by continuing to pump groundwater from the wells on its land, and by continuing to thus meet all of the water needs to perform its farming operations, Grimmway and LAPIS have preserved and maintained its priority rights to the use of groundwater.
- 71. Grimmway and LAPIS desire a judicial determination of each party's rights and duties, and a declaration as to the status of each party's priority rights to the water in the Valley whether they be overlying, appropriative or prescriptive.
- 72. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Grimmway and LAPIS may ascertain their rights and duties relating to production of water from the Antelope Valley.

HILLS COMMUNITY SERVICES DISTRICT

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY. CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

(Declaratory Relief Against All Cross-Defendants.)

- 73. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 72, inclusive, of this Cross-Complaint.
- 74. AVEK and others provide the Antelope Valley with water imported from northern California. This imported water was and is available for purchase by the Purveyors.
- 75. Despite having knowledge that the pumping of groundwater in excess of the safe yield caused damage, and despite the knowledge and belief that continued pumping would damage the rights of the landowners whose property overlies the water supply, the Purveyors have failed and refused to slow, stop or reduce their groundwater extractions from the supply and/or to supplement or replace their water needs from the available imported AVEK water.
 - 76. The California Constitution, Article X, section 2 provides, in pertinent part, as follows:

"It is hereby declared that because of the conditions prevailing in this State the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented, and that the conservation of such waters is to be exercised with a view to the reasonable and beneficial use thereof in the interest of the people and for the public welfare. The right to water or to the use or flow of water in or from any natural stream or water course in this State is and shall be limited to such water as shall be reasonably required for the beneficial use to be served, and such right does not and shall not extend to the waste or unreasonable use or unreasonable method of use or unreasonable method of diversion of water..."

77. An actual controversy has arisen and now exists between Grimmway and LAPIS and each Purveyor concerning their respective rights and duties in that Grimmway and LAPIS contend that the Purveyor's continued dependance on, and use of, the groundwater, their continued and increased extractions of groundwater from the common supply, with knowledge that the extractions exceed the safe yield, and their failure and/or refusal to take all of the available imported water and the method and use of groundwater taken, is unreasonable and constitutes a waste in violation of Article X, Section 2 of the California Constitution. The Purveyors dispute these contentions and contend that their dependance on groundwater, their continued and increasing extractions of groundwater from the

HILLS COMMUNITY SERVICES DISTRICT

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costs to the public."

action against all owners of property overlying the Antelope Valley seeking the imposition of a "physical solution" that would manage the groundwater supply by augmenting the water supply, manage the

"To promote the general public welfare in the Antelope Valley; protect the public water supplier's rights to pump groundwater and provide water to the public; protect the Antelope Valley from a loss of the public's water supply; prevent degradation of the

quality of the public groundwater supply; stop land subsidence; and avoid higher water

implement policy objectives which were stated in paragraph 1 as follows:

On January 8, 2006, the Purveyors filed a Cross-Complaint in this matter seeking to

In order to implement these policy objectives, the Purveyors have brought a cause of

pumping and storage of water and impose monetary assessments on water extraction from the supply.

An actual controversy has arisen and now exists between Grimmway and LAPIS and the Purveyors concerning their respective rights and duties in that Grimmway and LAPIS contend that it is a violation of the Constitutional doctrine of the separation of powers for this Court to implement the Purveyors' policy objectives as they are by nature legislative actions, subject to the provisions of the California Environmental Quality Act (hereinafter "CEQA"; Public Resources Code sections 21000-21177.) That the requirements of CEQA are both procedural (requiring notice, disclosure and a review process) and substantive (by requiring public agencies to take affirmative measures to avoid environmental harm and to also protect the citizens and landowners of the State of California.)

- 85. The Purveyors contend that they may use the judicial system to circumvent CEQA and impose by judicial fiat what should be a legislative policy. In doing so, they seek to avoid providing the public with the required disclosures and evaluations, and thereby deny Grimmway and LAPIS and the public their procedural and substantive protections required by CEQA.
- 86. Grimmway and LAPIS desire a judicial determination of the Purveyors' rights and duties, and a declaration as to the application of Public Resources Code sections 21000-21177 to any proposed water management plan sought to be implemented by judicial decree by the Purveyors. That the legislative protections afforded to the public under CEQA cannot be ignored or subverted by resorting

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

process through the required public hearings, notice, and publication of the proposed management plan, and the opportunity for public discourse, input and objection.

- 92. The Purveyors contend that they may use the judicial system to impose by judicial fiat what would otherwise be done through legislative action. In doing so, they seek to avoid providing the public with the required notice, hearing and disclosures and deny them their procedural and substantive protections provided by the Constitution and the Water Code sections 10700-10795.20..
- 93. Grimmway and LAPIS desire a judicial determination of the Purveyors' rights and duties, and a declaration as to the application and propriety of Water Code sections 10700-10795.20 to the proposed water management project sought to be implemented by the Purveyors. That the legislative protections afforded to the public under the Water Code may not be ignored or subverted by the filing of a legal action by a public agency, and that such action requests this court to violate the doctrine of separation of powers.
- 94. A judicial declaration is necessary and appropriate at this time under the circumstances in order that Grimmway and LAPIS may ascertain their rights and duties relating to its continued production of water from the Antelope Valley.

Eleventh Cause of Action

(Declaratory Relief Against All Cross-Defendants.)

- 95. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs1 through 94, inclusive, of this Cross-Complaint.
- 96. Commencing in early 2000, each Purveyor has claimed that the Antelope Valley was in a state of "overdraft" for more than five (5) years prior to October 1999.
- 97. Based on information and belief, it is alleged that immediately prior to, during and after the same claimed five year period of "overdraft" claimed by the Purveyors, the Purveyors did approve and have continued to approve the issuance of well permits to Grimmway and LAPIS and others, have approved large scale developments and have authorized others and have thus increased the demand for groundwater pumped by the Purveyors from the Antelope Valley. In performing their ministerial and

EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY C

discretionary functions, each Purveyor has asserted that the additional well permits, hook ups and added residential, industrial and commercial developments, and the concomitant increased pumping of ground water caused thereby, would not, and did not, have under CEQA or otherwise an adverse affect on the water supply available from the Antelope Valley.

An actual controversy has arisen and now exists between Grimmway and LAPIS and each Purveyor concerning their respective rights and duties in that Grimmway and LAPIS contend that the Purveyors are barred from claiming that the Antelope Valley is in a state of "overdraft" during the time that they have authorized, permitted and approved new and increased pumping from the supply pursuant to Evidence Code section 623. The Purveyors deny Grimmway and LAPIS's contentions and assert that they may assert overdraft as an element of their prescription claims. Section 623 provides as follows:

"Whenever a party has, by his own statement or conduct, intentionally and deliberately led another to believe a particular thing true and to act upon such belief, he is not, in any litigation arising out of such statement or conduct, permitted to contradict it."

- Grimmway and LAPIS desire a judicial determination of its rights and duties, and a declaration as to the application of the doctrine of equitable estoppel to the Purveyors' ability to claim that the Antelope Valley was in a state of overdraft when the same Purveyors were issuing well permits, will serve letters and adding new water customers and authorizing new large scale development projects under the assertion that there was an available, adequate and appropriate water supply in the Antelope Valley to sustain these permits and projects.
- A judicial declaration is necessary and appropriate at this time under the circumstances in order that Grimmway and LAPIS may ascertain their rights and duties relating to their real property that overlies the Antelope Valley.

Twelfth Cause of Action

(Public and Private Nuisance Against All Cross-Defendants.)

Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 100, inclusive, of this Cross-Complaint.

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

102. Grimmway and LAPIS are the owners of land overlying the Antelope Valley. Each of the Purveyors are users of water pumped from the Antelope Valley which underlies Grimmway and LAPIS's land.

- 103. Initially, the Purveyors, and each of them, legally used, and maintained water wells that extracted water from the Antelope Valley for public distribution. Over time the increased urbanization and the Purveyors continued and increasing extractions exceeded their legal boundaries, such that the water extracted from the supply has exceeded the ability to naturally recharge the water supply. The Purveyors have claimed to have knowledge that this continuous and increasing use caused a progressive and chronic decline in long term water supply and the available natural supply is being and has been chronically depleted. Based on the present trends, demand will continue to exceed supply which will cause damage to private rights and ownership of real property.
- 104. The aforementioned extractions of groundwater from the supply constitute a continuing progressive nuisance within the meaning of Section 3479 of the Civil Code, in that it the Purveyors have created a condition in the future supply that is injurious to Grimmway and LAPIS's right, in the future, to freely use and exercise its overlying property rights to extract groundwater from the common supply in the customary manner. The Purveyors are attempting, through the combined efforts of their pumping groundwater and this present legal action, to take, and or alter, Grimmway and LAPIS's overlying property rights to use and access the Antelope Valley supply.
- 105. In early 2000, the Purveyors asserted that the available groundwater supply was in jeopardy and increased pumping would harm Antelope Valley Water Supply. Despite this assertion, the Purveyors, and each of them, have continued to and have increased their pumping, despite the knowledge of the damage caused by that pumping. The Purveyors have refused, and continue to refuse, to stop or reduce their pumping despite the damage to the supply and to Grimmway and LAPIS's property rights.
- 106. This nuisance affects, at the same time, a substantial number of persons in that, the Purveyors claim that the continued pumping in excess of the supply's safe yield is, and will, eventually

cause a chronic decline in water levels and the available natural supply will be chronically depleted, that, based on the present trends, demand will continue to exceed supply which will continue to cause a reduction in the long term supply. Additionally, the continued pumping by the Purveyors under these conditions will result in the unlawful obstruction of the overlying landowner's rights to use the water supply in the customary manner.

- 107. The Purveyors, and each of them, have threatened to and will, unless restrained by this court, continue to pump groundwater in increasing amounts, and each and every act has been, and will be, without the consent, against the will, and in violation of the rights of Grimmway and LAPIS.
- 108. As a proximate result of the nuisance created by the Purveyors, and each of them, Grimmway and LAPIS have been, and will be, damaged in a sum to be proven at trial.
- 109. Unless the Purveyors, and each of them, are restrained from increasing their pumping from the supply by order of this court, it will be necessary for plaintiff to commence many successive actions against each Purveyor, and each of them, to secure a project by project injunction and/or compensation for the continuing and repeated damages sustained, thus requiring a multiplicity of suits.
- 110. Should the Purveyors continue to increase their pumping without replenishing the Valley's water supply, Grimmway and LAPIS will suffer irreparable injury in that the usefulness and economic value of Grimmway and LAPIS's overlying property right will be substantially diminished and Grimmway and LAPIS will be deprived of the comfortable, reasonable and beneficial use and enjoyment of their property.
- 111. In maintaining this nuisance, the Purveyors, and each of them, are, and have been, acting with full knowledge of the consequences and damage being caused to Grimmway and LAPIS, and their conduct is willful, oppressive, malicious and designed to interfere with and take the Grimmway and LAPIS's right to freely access the water supply in its customary manner. Accordingly, each Purveyor has intentionally dirtied hands and no right to involve equity in these actions.

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Thirteenth Cause of Action

(42 U.S.C. A 1983 Against All Cross-Defendants.)

- 112. Cross-Complainants refer to and incorporate, as though fully set forth herein, paragraphs 1 through 111, inclusive, of this Cross-Complaint.
- 113. This cause of action is brought under 42 U.S.C. § 1983 to recover damages against the Purveyors for violation of Grimmway and LAPIS's rights under the 5th and Fourteenth Amendments of the United States Constitution through the Purveyors' taking of Grimmway and LAPIS's private property for public use without paying just compensation and depriving Grimmway and LAPIS of both substantive or procedural due process of law.
- 114. The Purveyors, and each of them are, and at all times mentioned in this cross-complaint were, governmental entities organized an operating in Los Angeles and/or Kern County and in the State of California. All are organized and existing under the laws of the State of California, with the capacity to sue and be sued.
- 115. The Purveyors, and each of them, were, at all times mentioned in this cross-complaint, acting under color of state law.
- 116. At an as yet unidentified historical point in time, the Purveyors began pumping water from the Antelope Valley as permissive appropriators. Over the course of time, it is believed and therefore alleged, that the aggregate amount of water being extracted from the Valley began to exceed the safe yield resulting in a condition called "overdraft." Grimmway and LAPIS are informed and believe and based thereon allege, that the Purveyors had knowledge of the "overdraft" condition and nonetheless continued pumping and increased their pumping with the specific intent to impair and take all superior overlying property rights to extract groundwater, including that of Grimmway and LAPIS. Each Purveyor continued to pump and increased its pumping of groundwater believing that given the intervention of the committed public use, that no injunction would issue to restrain and/or compel the Purveyor to reduce its dependence upon groundwater. Each Purveyor contends that despite its status as a governmental entity, it can nonetheless take private property for a public use under a theory of

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CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON

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Grimmway and LAPIS for the property rights taken, all in violation of the 5th and 14th Amendments to the United States Constitution. 117. Grimmway and LAPIS are informed and believe and thereon allege that they were subjected to a violation of their right to due process of law prior to the taking of their property and their right to receive just compensation when their property was taken for the public benefit. This violation was a direct result of the knowing customs, practices, and policies of the Purveyors to continue to pump in excess of the supply, to suppress the assertion of their adverse and hostile claim, and the resulting ever

prescription and without compensation. Each Purveyor claims that presumed or constructive knowledge

of the overdraft condition alone was sufficient to commence the running of the statutory prescriptive

period. Each Purveyor did not undertake any affirmative action reasonably calculated and intended to

provide notice and inform any affected landowner, including Grimmway and LAPIS, of its adverse and

hostile claim. Each Purveyor contends that it has taken the private property rights of Grimmway and

LAPIS and others, and have committed them to a public use, without following the Constitutional

constraints imposed by Article 1, Section 19, of the California Constitution, and the eminent domain

law, Code of Civil Procedure Section 1230.010 et seq., and specifically, the substantive and procedural

protections contemplated by Code of Civil Procedure Section 1245,230. The acts of the Purveyors were

done under the color of state law with the intent of depriving Grimmway and LAPIS of their property

The customs, practices, and policies of the Purveyors to prescript or adversely possess the property rights of property owners and/or to establish a nonenjoinable intervening use amounted to deliberate indifference to the rights of persons, such as Grimmway and LAPIS, who stand to lose their rights to extract water from the Antelope Valley for use on their property through the actions of each Purveyor and all of them.

increasing intervening public use and dependance, without acceding to Constitutional limits.

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EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT

EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF

LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

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1	Purveyors' objectives requires the Purveyors to act pursuant to the requirements of Water Code section	
2	10700-10795.20;	
3	2.	For costs of suit herein incurred; and
4	3.	For such other and further relief as the court may deem proper.
5		Eleventh Cause of Action
6	WHEREFORE, cross-complainants pray judgment as follows:	
² 7	1.	For a declaration that each Purveyor is barred from asserting that the Antelope Valley is
8	or was in a state of "overdraft" during the time that the Purveyors were issuing new water well permits,	
9	adding new water customers and authorizing new large scale developments and projects, and thus an	
10	increased demand on the water supply pursuant to Evidence Code section 623;	
11	2.	For costs of suit herein incurred; and
12	3.	For such other and further relief as the court may deem proper.
13		Twelfth Cause of Action
14	WHEREFORE, cross-complainants pray judgment against cross-defendants, and each of them, as	
15	follows:	
16	1.	For a physical solution enjoining the Purveyors from increasing their extractions from
17	the Antelope Valley and ordering the Purveyors to collectively abate the nuisance by purchasing, from	
18	time to time, all available imported water, and to bank and to replenish the groundwater supply and	
19	replace, in the aggregate, the extractions made by the Purveyors in excess of the safe yield;	
20	2.	For general damages according to proof;
21	3,	For punitive damages;
22	4.	For costs of suit herein incurred; and
23	5.	For such other and further relief as the court may deem proper.
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25	<i>III</i> -	
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27	CDOSS CO	MARI AINT OF CRIMANYAY ENTERPROPERS DIG AND LANGUAGE COMMAND AND LANGUAG
28	CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT	

1 Thirteenth Cause of Action 2 WHEREFORE, Grimmway and LAPIS pray judgment against each Purveyor as follows: 3 1. For compensatory damages, in an amount to be determined according to proof at trial: 4 2. For reasonable attorney's fees, pursuant to 42 U.S.C. § 1988; 5 For costs of suit incurred in this action; and 3. 6 4. For such other and further relief as the Court deems proper. 7 Dated: April 24, 2009 LeBEAU • THELEN, LLP 8 9 10 Attomeys for Grilmway Enterprises, Inc. and 11 LAPIS Land Company, LLC 12 13 14 15 16 17 18 19 20 21 22 23 24

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CROSS-COMPLAINT OF Grimmway and LAPIS ORGANIC FARMS FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT AND QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES DISTRICT

PROOF OF SERVICE

1 ANTELOPE VALLEY GROUNDWATER CASES 2 JUDICIAL COUNCIL PROCEEDING NO. 4408 CASE NO.: 1-05-CV-049053 3 I am a citizen of the United States and a resident of the county aforesaid; I am over the age 4 5 of eighteen years and not a party to the within action; my business address is: 5001 E. Commercenter Drive, Suite 300, Bakersfield, California 93309. On April 24, 2009, I served the within 6 7 CROSS-COMPLAINT OF GRIMMWAY ENTERPRISES, INC. AND LAPIS LAND COMPANY, LLC FOR EQUITABLE AND MONETARY RELIEF AGAINST CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, CITY OF PALMDALE, LITTLEROCK CREEK IRRIGATION DISTRICT, LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, PALMDALE WATER DISTRICT, ROSAMOND 8 ğ COMMUNITY SERVICES DISTRICT, PALM RANCH IRRIGATION DISTRICT, QUARTZ HILL WATER DISTRICT, AND PHELAN PIÑON HILLS COMMUNITY SERVICES 10 DISTRICT 11 (BY POSTING) I am "readily familiar" with the Court's Clarification Order. Electronic service and electronic posting completed through www.scefiling.org; All papers filed 12 in Los Angeles County Superior Court and copy sent to trial judge and Chair of Judicial Council. 13 Los Angeles County Superior Court Chair, Judicial Council of California 14 111 North Hill Street Administrative Office of the Courts Los Angeles, CA 90012 Attn: Appellate & Trial Court Judicial Services 15 Attn: Department 1 (Civil Case Coordinator) Carlotta Tillman (213) 893-1014 16 455 Golden Gate Avenue San Francisco, CA 94102-3688 17 Fax (415) 865-4315 18 (BY MAIL) I am "readily familiar" with the firm's practice of collection and 19 processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Bakersfield, California, in 20 the ordinary course of business. 21 (STATE) I declare under penalty of perjury under the laws of the State of 22 California that the above is true and correct, and that the foregoing was executed on April 24, 2009, in Bakersfield, California. 23 24 25 26

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