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8	ENTER RIBES, INC., and Entre 15 In 1172 Const.			
9	SUPERIOR COURT OF THE STATE OF CALIFORNIA			
10	IN AND FOR THE COUNTY OF LOS ANGELES			
11	Coordination Proceeding Special Title	Judicial Council Coordination No. 4408		
12	(Rule 1550 (b))			
13	ANTELOPE VALLEY GROUNDWATER CASES	Case No.: 1-05-CV-049053		
14		NOTICE OF MOTION AND MOTION FOR JUDGMENT ON THE		
15	Los Angeles County Waterworks District No.	PLEADINGS		
16	40 vs. Diamond Farming Company Los Angeles Superior Court	Date: TO BE DETERMINED/SET BY THE COURT		
17	Case No. BC 325201	Time: Dept:		
18	Los Angeles County Waterworks District No. 40 vs. Diamond Farming Company			
19	Kern County Superior Court Case No. S-1500-CV 254348 NFT			
20				
21	Lancaster Riverside County Superior Court			
22	Lead Case No. ŘÍC 344436 [Consolidated w/Case Nos. 344668 & 353840]			
23				
24	AND RELATED CROSS-ACTIONS.			
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TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that the Court will set the date, time and location for hearing the Motion for Judgment on the Pleadings filed herewith. Said motion is made to the entire First Amended Cross-Complaint (hereinafter the "Complaint") filed by the Public Water Purveyors, and is made on the basis that the Complaint fails to state a cause of action against cross-defendants based upon the following ground:

The Complaint, and the relief sought therein, is barred by Cal. Constitution, Article I, §

The Motion is based on this Notice of Hearing and Motion; the Memorandum of Points and Authorities Supporting the Motion for Judgment on the Pleadings, filed separately and concurrently herewith; all pleadings, papers, and records in the Superior Court Clerk's file pertaining to the action; and any Reply or Supplemental Memoranda or Requests for Judicial Notice which may be hereafter filed in support of the Motion; and on the oral argument presented at the time of the hearing.

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Dated: September 20, 2013

LeBEAU • THELEN, LLP

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27 28 By: BOB H. JOYCE

Attorneys for Cross- Defendants DIAMOND FARMING COMPANY, a California

corporation, CRYSTAL ORGANIC FARMS, a limited liability company, GRIMMWAY ENTERPRISES, INC., and LAPIS LAND COMPANY, LLC

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This action was brought to establish title to water rights located in the Antelope Valley. In the First Amended Cross-Complaint, (hereinafter the "Complaint"), filed March 13, 2007, the Public Water Purveyors claim they acquired a prescriptive right in the waters of the Basin.

The Public Water Purveyors cannot constitutionally acquire and commit to public use the water rights in issue under a theory of prescription, and thereby avoid payment to the affected

landowners of just compensation. As shown below, the California Constitution is a limit on the government's power to take private property by any means other than the payment of just compensation. Since the State constitution operates to bar the Public Water Purveyors' claim, they will be unable to amend their Complaint to state a claim for prescriptive water rights, therefore, this Motion must be granted without leave to amend.

II. STATEMENT OF FACTS

Since the Motion for Judgment on the pleadings is generally confined to the allegations contained in the Complaint, accepting as true all material facts alleged therein, cross-defendants have briefly summarized the Complaint without tediously prefacing every sentence with the qualifier, "allegedly," but defendant disputes the truth and accuracy of the allegations and makes no binding judicial admissions. (See *City of Atascadero v. Merrill Lynch, Pierce, Fenner & Smith, Inc.* (1998) 68 Cal.App.4th 445, 459.)

The City of Lancaster is a municipal corporation. (*Id.* ¶ 3.) The City of Palmdale is a municipal corporation. (*Id.* ¶ 4.) Littlerock Creek Irrigation District is a public agency. (*Id.* ¶ 5.) Los Angeles County Waterworks District No. 40 is a public agency governed by the Los Angeles County Board of Supervisors.(*Id.* ¶ 6.) Palmdale Water District is an irrigation district organized under Division 11 of the California Water Code. (*Id.* ¶ 7.) Palm Ranch Irrigation District is a public agency. (*Id.* ¶ 8.) Rosamond Community Services District which has constructed, maintained and operated a public waterworks system to supply water to the public. (*Id.* ¶ 9.) Quartz Hill Water District is a county water district organized and operating under Division 12 of the California Water Code. (*Id.* ¶ 10.) In summary, the abovementioned Public Water Purveyors are all public entities.

The Public Water Purveyors' First Cause of Action seeks to confirm prescriptive water rights. (Id. ¶ 42.) The Public Water Purveyors claim that they have pumped water from the basin for more than five years for reasonable and beneficial purposes under a claim of right in actual, open, notorious, exclusive, continuous, hostile and adverse manner. (Id. ¶ 42.) The Public Water Purveyors also claim "that each cross-defendant has actual and/or constructive notice of these activities, either of which is sufficient to establish the Public Water Purveyors' prescriptive rights." (Id. ¶ 42.)

The California State Constitution, Article I, section 19 precludes the prescription claims as

III. LEGAL AUTHORITY

A motion for judgment on the pleadings can be either a statutory or a common law motion. A defendant is permitted, under Code of Civil Procedure section 438, to move for judgment on the pleadings if a Complaint fails to state facts sufficient to constitute a cause of action against that defendant. (Code of Civ. Proc. § 438(c)(1)(B)(ii).) Such a motion can be directed to the Complaint as a whole or to any cause of action therein. (Code of Civ. Proc. § 438(c)(2)(A).) A defendant may bring a motion for judgment on the pleadings provided that it has filed its answer and the time for the defendant to demur to the Complaint has expired. (Code of Civ. Proc. § 438(f)(2).)

"The standard for granting a motion for judgment on the pleadings is essentially the same as that applicable to a general demurrer, that is, under the state of the pleadings, together with matters that may be judicially noticed, it appears that a party is entitled to judgment as a matter of law." (Code Civ. Proc., § 438, subd. (d);Schabarum v. California Legislature (1998) 60 Cal.App.4th 1205, 1216.)

As a common law motion, "no specific statute or rule prescribes the grounds or procedure of the motion." (*People v. \$20,000 U.S. Currency* (1991) 235 Cal.App.3d 682, 689.) In ruling on a common law motion for judgment on the pleadings made by a defendant, a trial court determines what has been called a pure question of law. (*Donohue v. State of California* (1986) 178 Cal.App.3d 795, 802. In so doing, the trial court generally confines itself to the complaint and accepts as true all material facts alleged therein. (E.g., *Colberg, Inc. v. State of California ex rel. Dept. Pub. Wks.* (1967) 67 Cal.2d 408, 412.) The trial court performs essentially the same task that it would undertake in ruling on a general demurrer. A common law motion for judgment on the pleadings "ha[s] the purpose and effect of a general demurrer." (*Smiley v. Citibank (S.D.), N.A.* (1995) 11 Cal.4th 138, 146.) "The trial court accepts as true all material facts properly pleaded but does not consider conclusions of law or fact, opinions, speculation, or allegations contrary to law or facts which are judicially noticed." (*Coshow v. City of Escondido* (2005) 132 Cal.App.4th 687, 702.)

IV. ARGUMENT

The Public Water Purveyors are political subdivisions of the State, and as such, they are themselves the sovereign. Their powers are limited to those expressly conferred by statute and their

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conduct is constrained by both the Federal and State Constitutions. The Public Water Purveyors assert that their actions need not be, and in fact cannot be, scrutinized any differently than if they were themselves a private citizen. That is not the law and should not be the law as to the prescriptive claims.

A Public Entity Cannot Constitutionally Acquire and Commit to Public Use Private A. Property Without First Paying Just Compensation.

Private rights and private responsibilities devolve from the common law. However, those who exercise the powers of the sovereign do so with the consent of the governed. Under our system and as between our three branches of government, the independent judiciary is the guardian of that compact. When the government acts against the property rights of a private citizen, there is not a congruence between public and private rights and responsibilities. The Public Water Purveyors' acts and claims of title acquired by prescription must be scrutinized through the prism of the California State Constitution.1

Under the Federal and the California State Constitution public entities are invested with the power of Eminent Domain: the power to take private property and commit it to a public use. Unlike the Federal Takings Clause, the California State Constitution is both temporally conditioned and specific and procedurally limiting.

"While the federal Constitution does not expressly state when compensation is to be paid with respect to a taking, California's constitution does: '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.' (Cal. Const., art. I, § 19, italics added.) To this general rule requiring payment in advance, the Constitution permits one exception: '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.' The Legislature has enacted such provisions. (Code Civ. Proc., §1255.010-1255.480.)" (City of Needles vs. Griswold (1992) 6 Cal. App. 4th 1881, 1892.) [Emphasis added.]

The drafters of the California State Constitution were careful in the wording of our State's Taking Clause and worded the clause so that any effective governmental taking of private property

^{1 &}quot;In such cases the purposes of the constitutional clause, rather than the limits established by a rule of statutory or common law allocating rights and responsibilities between private parties, must fix the extent of a public entity's responsibility." (Holtz v. Superior Court (1970) 3 Cal.3d 296 at p. 302.)

for public use is by the express terms of our State Constitution subject to the condition precedent that 1 the governmental entity proceed by an action in eminent domain and first pay just compensation. The 2 3 California State Constitutional Takings Clause was amended in 1974 by adding the limiting term "only." In 2008 another amendment to this provision was approved by voters with passage of 4 Proposition 99. The 2008 amendment added the term "and" before the word only. This provision 5 now reads in relevant part as follows: 6 7 "Section 19. Eminent Domain. 'Private property may be taken or damaged for public use and only when just 8 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 condemner 9 following commencement of eminent domain proceedings upon deposit in court and prompt release to the owner of money determined by the court to be amount of just 10 compensation." [Emphasis added.] Cal. Constitution, Article I, § 19. 11 We are not aware of any reported decision expressly addressing the import of the inclusion of 12 the term "only" in 1974 or the inclusion of the term "and" in 2008. The citation to City of Needles, 13 14 supra, is controlling. The California Code of Civil Procedure § 1858, provides the following rules of construction: 15 "In the construction of a statute or instrument, the office of the judge is simply to 16 ascertain and declare what is in terms or in substance contained therein, not to insert what has been omitted, or to omit what has been inserted; and where there are several 17 provisions or particulars, such a construction is, if possible, to be adopted as will give effect to all." 18 The same rules of construction apply whether the court is construing a statutory or 19 constitutional provision. 20 21 "Under California law, the rules of statutory construction are the same whether 22 applied to the California Constitution or a statutory provision, Winchester v. Mabury, 122 Cal. 522, 527, 55 P. 393 (1898), and interpretation of these provisions is a 23 question of law for the courts. Culligan Water Conditioning v. State Bd. of Equalization, 17 Cal. 3d 86, 93, 130 Cal. Rptr. 321, 550 P.2d 593 (1976). If the clear 24 and unambiguous language can resolve a question of statutory interpretation, California law requires the court look no further to search for legislative intent. See 25 Delaney v. Superior Court, 50 Cal. 3d 785, 798, 268 Cal. Rptr. 753, 789 P.2d 934 (1990), see also Brown v. Kelly Broadcasting Co., 48 Cal. 3d 711, 724, 257 Cal. Rptr. 26 708, 771 P.2d 406 (1989). The words of the statute are given 'their usual and ordinary meaning,' Lennane v. Franchise Tax Bd., 9 Cal. 4th 263, 268, 885 P.2d 976 27 (1994). Additionally, 'words must be construed in context, and statutes must be harmonized, both internally and with each other, to the extent possible.' Woods v. 28

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Young, 53 Cal. 3d 315, 323, 279 Cal. Rptr. 613, 807 P.2d 455 (1991). 'Interpretations that lead to absurd results or render words surplusage are to be avoided.' Id." (In re County of Orange v. Fuji Securities, Inc. (1998) 31 F. Supp. 2d 768, 774.)

A governmental entity is constrained by its enabling legislation and limited to those powers expressly granted or necessarily implied from those granted. No Public Water Purveyor has by legislation been expressly authorized to acquire private property for public use through a claim of prescription.² That power cannot arise from a necessary implication which violates an express constitutional limitation. (John R. Byers v. Board of Supervisors of San Bernardino County (1968) 262 Cal.App.2d 148.) There exist no legislative authorization for any Purveyor to acquire property by a claim of prescription. Thus, the Public Water Purveyors claim to have acquired water rights in the Basin by prescription would be a direct violation of the Takings Clause of the California State Constitution.

Furthermore, the California Supreme Court held that in determining the extent of a municipalities power "[a]ny reasonable doubt concerning the existence of power is resolved by the courts against the municipality." (Von Schmidt v. Wildber (1894) 105 Cal. 151-157, 159) Article 1 section 19 makes clear that the only way a governmental entity can acquire private property without consent for public use is by paying just compensation. Even if the court found that this constitutional provision left doubt as to whether the governmental entities could acquire groundwater rights by prescription, that doubt must be construed against the municipality and not the landowners.

In discussing whether a public irrigation district had any rights to the water flowing in a stream, the California Supreme Court in Fall River Valley Irrigation Dist. v. Mt. Shasta Power Corp.(1927) 202 Cal.56, quoted the United States Supreme Court as follows:

² Both the mode and the measure of the lawful power of many of the purveyors to acquire title to real property is expressly provided for and thus limited in California Water Code § 55370 which states:

[&]quot;Section 55370 title to property

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."

The California Supreme Court went on to confirm;

"Public policy is at best a vague and uncertain guide, and no consideration of policy can justify the taking of private property without compensation. If the higher interests of the public should be thought to require that the water usually flowing in streams of this state should be subject to appropriation in ways that will deprive the riparian proprietor of its benefit, the change sought must be accomplished by the use of the power of eminent domain." [Emphasis added.] (Fall River, supra, at 66.) Quoting, Miller & Lux v. Madera Canal & Irrigation Co.(1909) 155 Cal. 59, 65.)

The Fall River court held that the public irrigation district was not entitled to the water in the stream because the defendant power company had the riparian rights to the use of the water and the Irrigation district did not use its power of eminent domain to take the Defendant's water rights. (*Id.* at 58.)

In Jacobsen v. Superior Court (1923) 192 Cal. 319, the California Supreme Court considered a landowner's application for a writ of prohibition, foreclosing the Sonoma County Superior Court from enforcing an injunction compelling the landowner to permit a water district to enter upon the landowner's property for the purpose of making excavations, borings, and subsoil examinations claimed to have been necessary to determine whether or not the landowner's property was a suitable site for the construction of a dam. When the landowner refused to grant permission to the district for entry and the destructive testing desired, the district filed suit seeking declaratory and injunctive relief, but did not then initiate eminent domain proceedings as against the landowner. The California Supreme Court granted the writ of prohibition and relied upon the then Takings Clause, then Article I, section 14, and concluded:

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"The petitioners herein are the sole owners of each of their respective properties and as such hold their rights to be protected in the exclusive enjoyment of every portion thereof under the express guaranty of both the state and federal constitutions, which 2 declare that "no person shall be deprived of life, liberty or property without due process of law." (Const., sec. 13, art. I; U. S. Const., art. V, Amendments.) These 3 constitutional guaranties are among the most sacred inheritances of the American people, derived as they are from those earlier English constitutions going back to 4 Magna Carta and being reaffirmed in those succeeding petitions, declarations, and bills of right which form the fundamental background of the British constitution. 5 These rights which the petitioners herein thus had to the undisturbed possession and use of their respective holdings, they held, of course, subject to the superior right of 6 eminent domain existing in the state or its representatives to take their property, or so much thereof as was necessary for public uses. This public right, however, has always 7 and everywhere been limited and safeguarded by express provisions of the constitutions and statutes of the several states and it has been uniformly held that 8 being in invitum and in derogation of the common right, its exercise is strictly defined and limited by the express terms of the constitution or statute creating it." (Jacobsen 9 v. Superior Court (1923) 192 Cal. 391 at pp. 324 and 325.) 10 11

"The Petaluma Municipal Water District is a public corporation organized solely to serve a public use. The only purpose for which it can acquire, hold, and use property is for such public use. The only means by which it can acquire such property without the owner's consent is through the exercise of the right of eminent domain. The only legal procedure provided by the constitution and statutes of this state for the taking of private property for a public use is that of a condemnation suit which the constitution expressly provides must first be brought before private property can be taken or damaged for a public use. (Const., art. I, sec. 14.) [Emphasis Added.] (Jacobsen v. Superior Court (1923) 192 Cal. 319, 331.)

In Jacobsen, the California Supreme Court could not have been clearer. The only way a government entity can acquire private property rights without consent is by eminent domain proceedings and payment of just compensation. Here, the Public Water Purveyors are attempting by a request for declaratory relief to take the landowners property rights within the area of adjudication without paying any compensation. That position is directly in conflict with case law and the express limitations of now Article I § 19.

There is no support for the Public Water Purveyors' proposition that as governmental entities they can acquire water rights by prescription. If a governmental entity desires to take private property without the consent of the owners, the only way they may do so is by the use of their eminent domain powers and thereby payment of just compensation.

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California Water Service Company is a public utility as defined in Cal Pub Util Code § 216 which provides in part:

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(a) "Public utility" includes every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation, where the service is performed for, or the commodity is delivered to, the public or any portion thereof.

8 9 (b) Whenever any common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, or heat corporation performs a service for, or delivers a commodity to, the public or any portion thereof for which any compensation or payment whatsoever is received, that common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, or heat corporation, is a public utility subject to the jurisdiction, control, and regulation of the commission and the provisions of this part. [Emphasis added].

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Section 216 applies to California Water Service Company because the First Cross-Complaint states that "California Water Service Company is a California corporation which extracts groundwater from the Basin to serve customers within the Basin." (First Amended Cross-Complaint ¶ 2.) Thus, California Water Service Company is in the business of delivering water to the public for compensation. California Water Service Company likewise possesses the power of eminent domain. (See Public Utilities Code section 618.)

In Gay Law Students Ass'n v. Pac. Tel. & Tel. Co. (1979), 24 Cal.3d 458, the California Supreme Court discussed in length whether a public utility company is to be treated like a governmental entity, and if it is whether it is limited by the California State Constitution. The court held that the public utility company, PT&T, was bound by the equal protection clause in the California constitution because of its quasi-governmental status. (Id. at 469.) The court reasoned that:

"In California a public utility is in many respects more akin to a governmental entity than to a purely private employer. In this state, the breadth and depth of governmental regulation of a public utility's business practices inextricably ties the state to a public utility's conduct, both in the public's perception and in the utility's day-to-day activities. (See generally Cal. Const., art. XII, §§ 1-9; Pub. Util. Code, passim.) Moreover, the nature of the California regulatory scheme demonstrates that the state generally expects a public utility to conduct its affairs more like a governmental entity

than like a private corporation. Both the prices which a utility charges for its products or services and the standards which govern its facilities and services are established by the state (Pub. Util. Code, §§ 728, 761); in addition, the state determines the system and form of the accounts and records which a public utility maintains and it exercises special scrutiny over a utility's issuance of stocks and bonds. (Id., §§ 792, 816.) Finally, the state had endowed many public utilities, like PT&T, with considerable powers generally enjoyed only by governmental entities, most notably the power of eminent domain. (Id., §§ 610-624.) Under these circumstances, we believe that the state cannot avoid responsibility for a utility's systematic business practices and that a public utility may not properly claim prerogatives of 'private autonomy' that may possibly attach to a purely private business enterprise. Id." [Emphasis added].

It is clear that California Water Service Company is a public utility, and following the reasoning in Gay Law Students Association, this means that it is bound by the California State Constitution because of its quasi-governmental nature. Therefore, California Water Service Company cannot escape Constitutional scrutiny of its actions by simply claiming it is a for profit private company. It is likewise limited by Article I, § 19.

V. CONCLUSION

The Public Water Purveyors' Cross-Complaint seeks to establish prescriptive water rights in the Cross-Defendants' property. This claim is constitutionally barred by the California Constitution Article I, section 19 and goes against the authority of decades of case law. Based on the foregoing, this Motion must be granted without leave to amend.

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Dated: September 20, 2013

LeBEAU • THELEN, LLP

By:

BOB H. JOYCE

Attorneys for Cross-Defendants DIAMOND

FARMING COMPANY, a California

corporation, CRYSTAL ORGANIC FARMS, a limited liability company, GRIMMWAY

ENTERPRISES, INC., and LAPIS LAND

COMPANY, LLC

PROOF OF SERVICE

1 ANTELOPE VALLEY GROUNDWATER CASES JUDICIAL COUNCIL PROCEEDING NO. 4408 2 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 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 September 20, 2013, I served the within 5 NOTICE OF MOTION AND MOTION FOR JUDGMENT ON THE PLEADINGS 6 (BY POSTING) I am "readily familiar" with the Court's Clarification Order. 7 Electronic service and electronic posting completed through www.scefiling.org; All papers filed in Los Angeles County Superior Court and copy sent to trial judge and Chair of Judicial Council. 8 9 Chair, Judicial Council of California Los Angeles County Superior Court Administrative Office of the Courts 111 North Hill Street Attn: Appellate & Trial Court Judicial Services 10 Los Angeles, CA 90012 (Civil Case Coordinator) Attn: Department 1 Carlotta Tillman 11 (213) 893-1014 455 Golden Gate Avenue San Francisco, CA 94102-3688 12 Fax (415) 865-4315 13 (BY MAIL) I am "readily familiar" with the firm's practice of collection and 14 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 15 the ordinary course of business. 16 (STATE) I declare under penalty of perjury under the laws of the State of 17 California that the above is true and correct, and that the foregoing was executed on September 18 20, 2013, in Bakersfield, California. 19 20 21 22 23 24 25

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