EXHIBIT "G"

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SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES - CENTRAL DISTRICT

Coordinated Proceedings Special Title (Rule 1550 (b))

ANTELOPE VALLEY GROUNDWATER 12 CASES

Included Actions:

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14 Los Angeles County Waterworks District 15 No. 40 v. Diamond Farming Co. Los Angeles County Superior Court

16 Case No. BC 325 201

Los Angeles County Waterworks District 18 No. 40 v. Diamond Farming Co.

Kern County Superior Court Case No. S-1500-CV-254-348

Wm. Bolthouse Farms, Inc., v. City of Lancaster; Diamond Farming Co. v. City of 21 Lacncaster; Diamond Farming Co. v. City of) 22

Palmdate Water District. Riverside County Superior Court 23

Consolidated Action Nos. RIC 344 840. RIC 344 436, RIC 344 668

AND RELATED CROSS-ACTIONS.

Judicial Council Coordination Proceeding No. 4408

Santa Clara Case No. 1-05-CV-049053 Assigned to Hon. Jack Komar

DEFENDANT SHELDON R. BLUM, TRUSTEE FOR THE SHELDON R. BLUM TRUST'S ANSWER TO COMPLAINT OF PLAINTIFF LOS ANGELES COUNTY WATERWORKS **DIST. NO. 40**

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Defendant Sheldon R. Blum, Trustee For The Sheldon R. Blum Trust's Answer To Complaint of Los Angeles County Waterworks Dist. No. 40

III

COMES NOW Defendant SHELDON R. BLUM, TRUSTEE For The SHELDON R. BLUM TRUST, having no prior notice and/or having never been serviced with Plaintiff LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, Complaint For Declaratory And Injunctive Relief and Adjudication of Water Rights, filed on November 29, 2004, hereby voluntarily answers and asserts affirmative defenses only to the First through Seventh Causes of Action, since Plaintiff's Eighth Cause of Action is not being alleged against this answering Defendant. Therefore, Defendant admits, denies, and alleges, as follows:

GENERAL DENIAL

1. Pursuant to Code of Civil Procedure, Section 431.30(d), Defendant SHELDON R. BLUM, TRUSTEE For The SHELDON R. BLUM TRUST denies generally and specifically each and every allegation set forth in the First through Seventh Causes of Action of Plaintiff's Complaint, and the whole thereof, and further denies that this answering Defendant was responsible and/or liable for any of the adverse and/or negative occurrences, events, relief and/or damages alleged in Plaintiff's Complaint.

AFFIRMATIVE DEFENSES

First Affirmative Defense (Failure to State a Cause of Action)

2. All causes of action alleged in Plaintiff's Complaint, and each and every allegation contained therein, fail to state facts sufficient to constitute a cause of action against this Defendant. Plaintiff's Eighth Cause of Action does not attempt to state a cause of action against this answering Defendant.

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Second Affirmative Defense (Statute of Limitations)

3. All causes of action alleged in the Complaint, except the Eighth Cause of Action, are barred, in whole or in part, by the applicable statutes of limitations, including but not limited to, Code of Civil Procedure, Sections 318, 319, 321, 338, and 343.



4. This Defendant is entitled to the reasonable and beneficial use of water which the property overlays. This answering Defendant is not responsible for the acts or omissions of others and thereby should not suffer any loss, liability or damage by reason thereof. Any conduct of Defendant in regards to the matters alleged in the Complaint, if it occurred, was justified, and as a result thereof, Plaintiff is barred from any recovery.

Fourth Affirmative Defense (Condemnation)

5. To the extent the relief sought by Plaintiff would deprive this Defendant of the right to use, and use of reasonable amounts of water, such relief is a "taking" of Defendant's property (water and water rights) without just compensation in violation of the United States and California Constitutions and the laws of eminent domain.

Fifth Affirmative Defense (Uncertainty as to Basin Boundaries)

6. Each and every cause of action of the Complaint, except the Eight Cause of Action, is defective and uncertain in that it fails to delineate the lateral and vertical boundaries of the groundwater that Plaintiff refers to as the "Antelope Valley Groundwater Basin." Therefore, it is impossible to determine from the Complaint the extent of the water rights claimed by Plaintiff or the extent of the lands included within the groundwater basin.

Defendant Sheldon R. Blum, Trustee's Answer To Complaint of Los Angles County Waterworks Dist. No. 40

Sixth Affirmative Defense (Uncertainty as to Claimed Water Rights)

7. Each and every cause of action of the Complaint is defective and uncertain, except the Eighth Cause of Action, in that it cannot be ascertained therefrom the nature of the water rights that Plaintiff is claiming for itself, and the nature and extent of the water rights that Plaintiff asserts are being claimed by Defendant SHELDON R. BLUM TRUST and the other Defendants.

Seventh Affirmative Defense (Unjust Enrichment/Unclean Hands)

8. Plaintiff is barred from any not entitled to any relief or recovery under each and every cause of action contained in the Complaint by the doctrine of unjust enrichment and/or unclean hands.

Eight Affirmative Defense (Prescription Claims)

9. Each and every cause of action contained in the Complaint, except the Eighth Cause of Action is barred from asserting their prescriptive claims by operation of law as set forth in Sections 1007, 1009 and 1214 of the California Civil Code.

Ninth Affirmative Defense (Indispensable and/or Necessary Party)

10. The entire Complaint, excluding the Eighth Cause of Action is barred by Code of Civil Procedure Section 389(a), on the ground that Plaintiff failed to name and join indispensable and/or necessary parites, e.g. other pumpers and non-pumpers of water in the Antelope Valley Groundwater Basin.

Tenth Affirmative Defense (Estoppel)



11. The entire Complaint, except the Eighth Cause of Action is barred by the

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 doctrine of estoppel.

Eleventh Affirmative Defense (Declaratory Relief)

12. This Defendant is entitled to a declaratory judgment with Plaintiff's representations of Defendant's contentions alleged in Paragraphs 32, 41, 49, 55, 61, and 66 of Plaintiff's Complaint and that this Defendant is constitutionally entitled to just compensation for any restrictions and limitations on this Defendant's rights to use reasonable quantities of water that may be imposed by any judgment herein. Pursuant to the laws of eminent domain, Plaintiff is also taking Defendant's water rights for a public use without due process and compensation.

Twelfth Affirmative Defense (Superior/Senior Water Rights)

13. This Defendant's water rights are superior and senior to, and thereby take priority over any rights asserted in the Complaint by Plaintiff and/or other Co-Defendants.

Thirteenth Affirmative Defense (Self Help)

14. Defendant has, by virtue of the doctrine of self-help, preserved it's paramount overlying right to extract groundwater by continuing during all times relevant hereto, to extract groundwater and put it to reasonable and beneficial use on it's Parcels.

Fourteenth Affirmative Defense (Uncertain Storage Claim)

15. The Fifth Cause of Action is defective and uncertain in that it fails to allege the amount of water that Plaintiff has allegedly imported and stored in the Antelope Valley Groundwater Basin.

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Fifteenth Affirmative Defense (Uncertain Return Flows Claim)

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

Sixteenth Affirmative Defense (Failure to Mitigate)

17. Plaintiff has failed to take adequate steps to mitigate, alter, reduce, or otherwise diminish the damages, if any, with respect to the matters alleged in the Complaint.

Seventeenth Affirmative Defense (Laches)

18. The Complaint, and each cause of action contained therein, is barred by the doctrine of laches.

Eighteenth Affirmative Defense (Waiver)

19. The Complaint, and each cause of action contained therein, is barred by the doctrine of waiver.

Nineteenth Affirmative Defense (California Constitution Article X, Section 2)

20. Plaintiff's methods of water use and storage are unreasonable and wasteful in the arid conditions of the Antelope Valley and thereby violate Article X, Section 2 of the California Constitution.

Twentieth Affirmative Defense (Ultra Vires Acts)

21. The prescriptive claims asserted by government entity Plaintiff are *ultra vires* and exceed the statutory authority by which each entity may acquire property as set forth in the

Defendant Sheldon R. Blum, Trustee For The Sheldon R. Blum Trust's Answer To Complaint of Los Angeles County Waterworks Dist. No. 40

Water Code Sections 22456, 31040, and 55370.

Twenty First Affirmative Defense (California Constitution Article 1, Section 19)

22. The prescriptive claims asserted by governmental entity Plaintiff are barred by the provisions of Article 1, Section 19, of the California Constitution.

Twenty Second Affirmative Defense (US Constitution 5th / 14th Amendment)

23. The prescriptive claims asserted by government entity Plaintiff are barred by the provisions of the 5th Amendment to the United States Constitution as applied to the states under the 14th Amendment of the United States Constitution.

Twenty Third Affirmative Defense (Due Process)

24. Plaintiff's prescriptive claims are barred due to their failure to take affirmative steps that were reasonably calculated and intended to inform each overlying landowner of Plaintiff's adverse and hostile claim as required by the due process clause of the 5th and 14th Amendments of the United States Constitution.

Twenty Fourth Affirmative Defense (California Constitution Article 1, Section 7)

25. The prescriptive claims asserted by governmental entity Plaintiff are barred by the provisions of Article 1, Section 7, of the California Constitution.

Twenty Fifth Affirmative Defense (US Constitution 14th Amendment)

26. The prescriptive claims by governmental entity Plaintiff are barred by the provisions of the 14th Amendment to the United States Constitution.

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Twenty Sixth Affirmative Defense (Permissive Pumping)

27. The governmental entity Plaintiff were permissively pumping at all times mentioned herein.

Twenty Seventh Affirmative Defense (California Constitution Article 3, Section 3)

28. The request for the court to use its injunctive powers to impose a physical solution seeks a remedy that is in violation of the doctrine of separation of powers as set forth in Article 3, Section 3, of the California Constitution.

Twenty Eighth Affirmative Defense (California's Environmental Quality Act)

29. The governmental entity Plaintiffs are seeking to transfer water right priorities and water usage which will have significant effects on the Antelope Valley Groundwater Basin and the Antelope Valley. Said actions are being done without complying with and contrary to the provisions of California's Environmental Quality Act (CEQA), (Pub. Res. Code 2100 et seq.).

Twenty Ninth Affirmative Defense (California Environmental Quality Act)

30. The governmental entity Plaintiffs seek judicial ratification of a project that has had and will have a significant effect on the Antelope Valley Groundwater Basin and the Antelope Valley that was implemented without providing notice in contravention of the provisions of California Environmental Quality Act (CEQA) (Pub Res. Code 2100 et seq).

Thirtieth Affirmative Defense (Ultra Vires Act)

31. Any imposition by this court of a proposed physical solution that relocates the water rights priorities and water usage within the Antelope Valley will be *ultra vires*

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as it will be subverting the pre-project legislative requirements and protections of California's Environmental Quality Act (CEQA), (Pub. Res. C. 2100 *et seq*).

Thirty First Affirmative Defense (Possible Additional Defenses)

32. This Defendant presently has insufficient knowledge and/or information upon which to form a belief as to whether it may have additional, as yet unstated affirmative defenses. This Defendant reserves the right to assert additional defenses in the event that the discovery indicates they would be appropriate. In addition, the Complaint does not state Plaintiff's allegations with sufficient particularity or clarity to enable Defendant to determine what additional defenses may exist to Plaintiff's causes of action. Defendant therefore reserves the right to assert all other defenses which may pertain to the Complaint once the precise nature of Plaintiff's causes of action is more fully ascertained.

WHEREFORE, Defendant SHELDON R. BLUM TRUSTEE For The SHELDON R. BLUM TRUST prays that judgment be entered against Plaintiff LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40., and any and all other parties who claim against Defendant, as follows:

- 1. That Plaintiff take nothing by reason of its Complaint;
- 2. That the Complaint be dismissed with prejudice;

3. That Defendant's water rights be determined to be superior and senior to all those claimed by other parties;

4. For Declaratory Relief consistent with the above Fourth and Fifth Causes of Action, including but not limited to the payment of just compensation for the "taking" of this Defendant's property rights inherent in the relief sought by Plaintiff;

Defendant Sheldon R. Blum, Trustee's Answer To Complaint of Los Angles County Waterworks Dist. No. 40

1	THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA ELECTRONIC FILING - WWW.SCEFILING.ORG c/o Glotrans 2915 McClure Street	
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3	<u> </u>	
4	THE SUPERIOR COURT OF T	HE STATE OF CALIFORNIA
5	IN AND FOR THE COUNTY OF SANTA CLARA	
6	Antelope Valley Groundwater Cases (JCCP 4408)) Antelope Valley Groundwater Cases
7	Plaintiff,) Lead Case No.1-05-CV-049053
1	vs.) Judge Jack Komar
8	Defendant.	PROOF OF SERVICE
9	AND RELATED ACTIONS) Electronic Proof of Service
10	I am employed in the County of Alameda, State of California.	
,	I am over the age of 18 and not a party to the within action; my business address is 2915 McClure	
11	Street, Oakland, CA 94609.	
4.	The documents described on page 2 of this Electronic Proof of Service were submitted via the	
12	worldwide web on Thu. December 20, 2007 at 3:08 PM PST and served by electronic mail notification.	
13	I have reviewed the Court's Order Concerning Electronic Filing and Service of Pleading Documents and	
	am readily familiar with the contents of said Order. Under the terms of said Order, I certify the above-described	
14	document's electronic service in the following manner:	
15	The document was electronically filed on the Court's website, http://www.scefiling.org, on Thu.	
	December 20, 2007 at 3:08 PM PST	
16	Upon approval of the document by the Court, an electronic mail message was transmitted to all parties	
17	on the electronic service list maintained for this case. The message identified the document and provided	
	instructions for accessing the document on the worldwide web.	
18	I declare under penalty of perjury under the laws of the State of California that the foregoing is true and	
19	correct. Executed on December 20, 2007 at Oakland, C.	
	Dated: December 20, 2007	For WWW.SCEFILING.ORG
20		Andy Jamieson
21	·	
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THE SUPERIOR COURT OF CALIFORNIA, COUNTY OF SANTA CLARA ELECTRONIC FILING SYSTEM - WWW.SCEFILING.ORG **Electronic Proof of Service** Page 2 Document(s) submitted by Sheldon R. Blum of Law Offices of Sheldon R. Blum on Thu. December 20, 2007 at 3:08 1. Complex Answer: Defendant Sheldon R. Blum, Trustee for The Sheldon R. Blum Trust's Answer to Complaint of Plaintiff Los Angeles County Waterworks Dist. No. 40