LAW OFFICES OF 1 SHELDON R. BLUM 2242 CAMDEN AVENUE, SUITE 201 2 SAN JOSE, CALIFORNIA 95124 TEL: (408) 377-7320 3 Fax: (408) 377-2199 STATE BAR No. 83304 4 Attorney for Defendant SHELDON R. BLUM, 5 TRUSTEE For The SHELDON R. BLUM TRUST 6 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 IN AND FOR THE COUNTY OF LOS ANGELES 8 Judicial Council Coordination Proceeding Coordinated Proceedings No. 4408 Special Title (Rule 1550 (b)) Santa Clara Case No. 1-05-CV-049053 ANTELOPE VALLEY GROUNDWATER Assigned to Hon. Jack Komar CASES 11 **BLUM TRUSTEE'S REPLY BRIEF RE:** Included Actions: 12 MOTION TO DISMISS & MOTION TO STRIKE SECOND AMENDED COMPLAINT 13 Los Angeles County Waterworks District TO QUIET TITLE OF PLAINTIFF WM. No. 40 v. Diamond Farming Co. **BOLTHOUSE FARMS, INC.** Los Angeles County Superior Court Case No. BC 325 201 Hearing Date: March 3, 2008 15 Time: 10:00 a.m. 16 Los Angeles County Waterworks District Dept.: 1 No. 40 v. Diamond Farming Co. Judge: Hon. Jack Komar 17 Kern County Superior Court Case No. S-1500-CV-254-348 Complaint Filed: 1/25/01 18 First Amended Complaint filed: 5/1/01 Second Amended Complaint filed: 11/14/03 19 Wm. Bolthouse Farms, Inc., v. City of & 12/3/03 Lancaster; Diamond Farming Co. v. City of Trial Date: Not Set Lacncaster; Diamond Farming Co. v. City 20 of Palmdate Water District. 21 Riverside County Superior Court Consolidated Action Nos. RIC 344 840. 22 RIC 344 436, RIC 344 668 23 AND RELATED CROSS-ACTIONS. 24 Defendant SHELDON R. BLUM, TRUSTEE For The SHELDON R. BLUM TRUST 25 26 Reply Brief of Blum Trustee Re: Motion to Dismiss & Strike Second Amended Complaint To Quiet Title 27

28

(hereinafter "BLUM TRUSTEE"), hereby submits his Reply Brief to Plaintiff WM. BOLTHOUSE FARMS, INC., (hereinafter "BOLTHOUSE FARMS"), Opposition, as follows:

## INTRODUCTION

BLUM TRUSTEE filed Motions seeking the following orders: (1) Dismissing the action as to BLUM TRUSTEE on the grounds that Plaintiff's Second Amended Complaint (hereinafter "SAC") fails to state facts sufficient to constitute a cause of action against BLUM TRUSTEE (Cal. Civ. Code § 1006; Cal Civ. Proc. § 435(b); (2) Dismissing the action as to BLUM TRUSTEE on the ground that Plaintiff has not served the Summons and SAC on BLUM TRUSTEE within three (3) years after the commencement of the action, and on the additional ground that the action is barred by the doctrine of Laches (Cal Code Civ. Proc. §§ 389, 474, 583.210, 583.250, 762.010, 762.060); (3) Striking the SAC in its entirety on the ground that it is not drawn in conformity with the law, or alternatively, (4) Striking certain portions of the SAC on the grounds that those matters are irrelevant, false, improper, and not drawn in conformity with the law (Cal. Civ. Proc. §§ 435, 436); and (5) Awarding attorney fees and other costs of suit to BLUM TRUSTEE as provided under the Lease Agreement between the parties, under Exhibit "B", to the Demurrer of SAC (Cal. Civ. Code § 1717, Cal. Civ. Proc. § 1033.5(a)(10)(A)).

Plaintiff BOLTHOUSE FARMS filed opposition to the Motions stating: (1) BLUM TRUSTEE has no standing to file a Motion to Dismiss and/or a Motion to Strike the SAC; since he is not a defendant in the action, a DOE defendant, an indispensable or interested party to the action;

(2) Lessee Plaintiff asserts no claim of right to water beneath Lessor BLUM'S property paramount or adverse to BLUM, but rather are subservient and founded upon the rights conferred by the lease; (2) The supporting Declaration of BLUM TRUSTEE is improper material and should be disregarded; (3) Judicial Notice of the Lease Agreement and the contractual issue of attorney fees

TEL: (408) 377-7320, FAX: (408) 377-2199

is improper, and should not be addressed herein.

## **LEGAL ANALYSIS**

2

3

4

5

6

7

8

9

10

11

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

1. THE SAC CLEARLY IDENTIFIES BLUM TRUSTEE AS A DEFENDANT WHICH REQUIRIED BOLTHOUSE FARMS TO TIMELY SERVE THE SUMMONS & SAC ON BLUM TRUSTEE AS A MATTER OF LAW.

Plaintiff BOLTHOUSE FARMS has a patent misunderstanding of the thrust of its allegations asserted in its verified SAC Quite Title action against known "LEASED" fee owners of record, including BLUM TRUSTEE. It goes well beyond Plaintiff's claim to be quieting title 'against certain municipal purveyors only."

BOLTHOUSE FARMS action seeks to Quiet Title to its alleged superior priority of overlying water rights on each "PARCEL" identified in Exhibit "A", in connection with its farming operations on "PROPERTIES" it owns and leases. BOLTHOUSE FARMS further alleges that 'plaintiff's overlying water rights" are superior to any rights defendants may have to take groundwater for non-overlying use", and that "the claim of each defendant to superior or coequal rights to extract and use groundwater is without basis in law or equity". (SAC Pg. 4 ¶ 8, ¶10, ¶12, Pg. 5¶14).

Under a misconception of the law, BOLTHOUSE FARMS failed to name and serve any of the targeted "LEASED" fee record owners, and disingenuously claimed to be ignorant of the true names and capacities of "All Persons Unknown Claiming Any Legal Or Equitable Right, Title, Estate, Lien, Or Interest in the PROPERTIES Described In This Complaint Adverse to Plaintiff's Title, Or Any Cloud Upon Plaintiff's Title Thereto." (SAC Pg. 3 ¶ 6).

BOLTHOUSE FARMS incorrectly surmised that BLUM TRUSTEE claims no equitable or legal rights, title or interests in the groundwater beneficially used on his PARCELS adverse to, inconsistent with, competing against or negatively impacted by Plaintiff's purported title claim.

Plaintiff's proposition that it was under no legal obligation to serve the Summons and SAC on BLUM TRUSTEE as a indispensable or interested party or otherwise within the above-stated classification of a "Person Unknown Claiming Any Legal Or Equitable Right, Title, Estate or Interest", or as a DOE defendant is faulty and misplaced, as a matter of fact, procedural and substantive law.

Immediate action by BLUM TRUSTEE was necessary to file the instant Motions, based on being clearly identified in the SAC, Exhibit "A", and either named as a fictitious individual, or otherwise as a matter of law, should have been compulsory or permissively joined in the SAC action. The action in essence is a pending action against the BLUM PARCELS, and to third parties, establishes a perceived cloud or encumbrance on BLUM TRUSTEE'S title. Under Cal. Civ. Proc. Code § 761.010, Plaintiff was also required to file a notice of the pending action in the County Recorders Office where the real property in the SAC is located. Plaintiff asserts competing and frivolous claims against the BLUM PARCELS water rights and represents a default under the lease and an injustice and inequity of the BLUM TRUSTEE'S 116 agriculture acres, under the California priority water system.

If it were true that BLUM TRUSTEE has no standing, the inequities from BOLTHOUSE FARMS unbridled actions would continue unabated, as well as the taking of the BLUM PARCELS without due process of law and without just compensation. Furthermore, any adjudication of BOLTHOUSE FARMS purported leasehold water right claims arising out its farming operations on the BLUM PARCELS without BLUM TRUSTEE as a party thereto, would grant permission for Plaintiff to unfairly manipulate the California priority water allocation system. Plaintiff's farming conduct is within the classification of 'appropriative use' of water and not 'overlying use' of water on the BLUM PARCLES, since it delivers the groundwater from another parcel. (*City of Barstow v.* 

Mojave Water Agency (2000) 23 Cal.4th 1224).

## 2. PLAINTIFF NOW CONCEDES THAT BLUM TRUSTEE IS NOT A DEFENDANT AND THAT PLAINTIFF DOES NOT CLAIM RIGHTS SUPERIOR OR CO-EQUAL TO THOSE OF BLUM TRUSTEE.

Plaintiff now seeks to withdraw its SAC allegations and strategy, and states that:

(1) BLUM TRUSTEE is not a party to this action; (2) Plaintiff does not assert any water rights adverse or superior to those of BLUM TRUSTEE; and (3) The only water rights Plaintiff has to the BLUM PARCELS are those expressly granted under the terms of the Lease Agreement between the parties.

Notwithstanding BOLTHOUSE FARMS' recanting position, BLUM TRUSTEE continues to find inconsistency with and variances to BOLTHOUSE FARMS conflicting proposals. Now BOLTHOUSE FARMS declares without authority that "A lessee of BLUM'S parcels is free to assert rights to subsurface waters to which his lease grants him use. Such a claim of right asserted by a lessee is not paramount to his lessor, but rather, is subservient and founded upon the rights conferred by the lease. Accordingly, the SAC need not assert the allegations specific to BLUM to establish its quiet title claim against the municipal purveyors. Additionally, the identification of BLUM'S parcels is necessary to identify those parcels to which BOLTHOUSE FARMS alleges a lessee's water right to, and does not operate to seek title adverse to BLUM."

Clearly, Plaintiff relies upon its farming operations for the beneficial use of the BLUM PARCELS and leasehold interest under the Lease Agreement to ostensibly claim "overlying water rights" on the BLUM PARCELS. As a matter of law, the title conferred by a lessee's occupation is not sufficient interest in the real property to enable the occupant to commence or maintain a Quiet Title action (Cal Civ. Code § 1006). Based on the foregoing, BLUM TRUSTEE requests a

mandatory dismissal/strike order consistent with his moving papers.

## 3. JUDICIAL NOTICE OF THE LEASE AGREEMENT OR CONSIDERATION OF EXHIBIT "B", ARE THE ONLY VEHICLES BOLTHOUSE FARMS HAS TO ESTABLISH ANY WATER RIGHTS INVOLVING THE BLUM PARCELS.

Plaintiff BOLTHOUSE FARMS requests that Judicial Notice be denied and that this Court disregard the Exhibit "B" Lease Agreement as improper material, devoids its SAC Quiet Title allegations concerning water rights arising out of its farming operations on the BLUM PARCELS.

Plaintiff's "basis of title" is obviously exclusively predicated on the terms and conditions of the Lease Agreement, which represents the "Best Evidence" to establish an essential element to a Quiet Title action. (Cal. Civ. Prod. § 761.020(b)). Without mandatory or permissive Judicial Notice of the Lease Agreement and/or consideration of the lease terms under Exhibit "B", Plaintiff's conclusions of law render the SAC fatally defective and uncertain, and fails to state facts sufficient to constitute a cause of action for Quiet Title against BLUM PARCELS. Likewise, it cannot be ascertained from the pleadings whether Plaintiff's water rights are founded upon a lease that is written, oral or is implied by conduct. (Cal. Civ. Proc. Code § 430.10(f)). Judicial Notice is also warranted as the grounds for the objection to the SAC appears from the express terms of the Lease Agreement (Cal. Civ. Proc. § 430.30(a)).

BLUM TRUSTEE'S request for attorney fees herein is also proper as the Lease

Agreement provides for the same; the contract was properly referenced and attached to the

Demurrer to the SAC, as Exhibit "B", and were incurred to enforce the terms of the contract and/or
to indemnify Lessor's economic resource time by having been compelled to file this herein

Motions. (See Ex. "B" Pg. 6, ¶9A. Indemnification; and Pg. 10 ¶ 15(c) Attorney Fees).

Additionally, the Declaration of Sheldon R. Blum is proper material under Rules of Court, Rule

6

Reply Brief of Blum Trustee Re: Motion to Dismiss & Strike Second Amended Complaint To Quiet Title

3.1112(b), and remains unopposed. Rules of Court, Rule 3.112 (a) & (b), expressly provides: (a) Motions required papers 2 Unless otherwise provided by the rules in this division, the papers filed in support of a motion must consist of at 3 least the following: 4 (1) A notice of hearing on the motion; (2) The motion itself; and 5 (3) A memorandum in support of the motion or demurrer. (b) Other papers 6 Other papers may be filed in support of a motion, including declarations, exhibits, appendices and other documents and 7 pleadings. (Emphasis added). 8 III. CONCLUSION AND REQUEST FOR RELIEF. 9 Despite Plaintiff's current disavowal of claims, BOLTHOUSE FARMS filed opposition 10 either remains unresponsive or without including necessary points and authorities to support its 11 propositions. Based on the foregoing, Defendant BLUM TRUSTEE respectfully requests that this court enter its mandatory order dismissing the entire verified SAC, or alternatively, dismissal as to 13 BLUM TRUSTEE and the BLUM PARCLES, and striking the attached Exhibit "A", at Page 5, 14 15 which references "Sheldon R. Blum (LEASED), 116.29 ACRES", property legal description and 16 APN. BLUM TRUSTEE further requests an award for his attorney fees and other costs of suit. 17 LAW OFFICES OF SHELDON R. BLUM DATED: February 5, 2008 18 19 By: 20 SHELDON R. BLUM, Esq. Attorney For SHELDON R. BLUM, TRUSTEE 21 For The SHELDON R. BLUM TRUST 22 23 24 25 26 Reply Brief of Blum Trustee Re: Motion to Dismiss & Strike Second Amended Complaint To Quiet Title 27