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13	SUPERIOR COURT FOR THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES	
14	Coordination Proceeding Special Title (Rule 1550(b))	Judicial Council Coordination Proceeding No. 4408
16	ANTELOPE VALLEY WATER CASES	(Santa Clara Case No. 1-05-CV-049053, Honorable Jack Komar)
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18	RICHARD A. WOOD, an individual, on behalf of himself and all others similarly situated,	Case No.: BC391869
19		NOTICE OF MOTION AND MOTION FOR ORDER DISQUALIFYING THE
20	Plaintiff,	LAW FIRM OF LEMIEUX & O'NEIL
21	V.	
22	LOS ANGELES COUNTY	D / 10 0000
23	WATERWORKS DISTRICT NO. 40; et al.	Date: July 10, 2009 Time: 11:00 a.m.
24	Defendants.	Dept.: 17C
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MOTION TO DISQUALIFY

TO THE COURT AND ALL INTERESTED PARTIES:

PLEASE TAKE NOTICE that on July 10, 2009, at 11:00 a.m., or as soon thereafter as the matter may be heard, plaintiff Richard Wood on behalf of himself and others similarly situated, will and hereby does move to disqualify the law firm of Lemieux & O'Neil ("Lemieux") from representing any party in this coordinated proceeding. The motion is made on the ground that Lemieux is currently and simultaneously representing multiple adverse parties in an irreconcilable conflict of interest. The interests of justice and fairness mandate Lemieux's immediate disqualification.

More specifically, Lemieux is currently representing Littlerock Creek Irrigation
District and Palm Ranch Irrigation District, two cross-complainants in the First Amended
Cross-Complaint of the Public Water Suppliers. At the same time, Lemieux is
representing cross-defendants Llano-Del Rio Water Company, Little Baldy Mutual Water
Company, Big Rock Mutual Water Company, and Llano Mutual Water Company.
Lemieux has filed answers to the First Amended Cross-Complaint on behalf of these later
four parties. In other words, on behalf of one group of clients, Lemieux has answered a
complaint it filed on behalf of a different group of clients. It is simultaneously
representing plaintiffs and defendants in the same case.

This motion is based on this Notice, the attached Memorandum of Points and Authorities, the attached declarations and exhibits, and such other and further evidence as the Court adduces at the hearing.

DATED: June 10, 2009 LAW OFFICES OF MICHAEL D. McLACHLAN LAW OFFICE OF DANIEL M. O'LEARY

By: //s//

Michael D. McLachlan Attorneys for Plaintiff

I. INTRODUCTION

As a basic hallmark of the adversarial system, a lawyer cannot represent opposite sides in the same case. "Common sense dictates that it would be unthinkable to permit an attorney to assume a position at trial or hearing where he could not advocate the interests of one client without adversely injuring those of the other." (*Tsakos Shipping & Trading*, *S.A. v. Juniper Garden Town Homes*, *Ltd.* (1993) 12 Cal.App.4th 74, 97.)

Here, one law firm, Lemieux & O'Neill ("Lemieux") represents both cross-complainants and cross-defendants in the Public Water Suppliers cross-complaint for declaratory and injunctive relief. This situation cannot stand without raising serious questions about the genuineness of this proceeding. Indeed, while Lemieux must have been aware of its conflict since it filed answers to the cross-complaint (in 2007), the firm has refused requests to exit the proceeding voluntarily. Thus, this motion follows.

While it would not ordinarily be Mr. Wood's concern about the arrangements between various parties and their counsel, the inappropriateness of the same attorneys representing opposing parties in the same litigation is so clear, and raises so many concerns about the enforceability of any judgment or resolution arising out of this proceeding, that Wood feels compelled to bring this matter to the Court. Lemieux must be disqualified to maintain both the appearance and actuality of fairness.

II. STATEMENT OF FACTS

On March 13, 2007, Lemieux (and other counsel for the Public Water Suppliers) filed the operative "First Amended Cross-Complaint of Public Water Suppliers For Declaratory and Injunctive Relief and Adjudication of Water Rights." According to the caption, Lemieux filed this complaint on behalf of its clients Littlerock Creek Irrigation District and Palm Ranch Irrigation District. (Exhibit A.) On September 26, 2007, Lemieux filed four separate answers to this cross-complaint on behalf of four of its mutual water company clients. (Exhibits B, C, D, and E.) Interestingly, each of answers contains a general denial pursuant to Code of Civil Procedure section 431.30(d), meaning

Counsel for the Wood class discovered Lemieux's conflict very recently, in the course of attempting to obtain lists of mutual water company shareholders to generate a list of class members. Upon discovering the problem, counsel initiated a meet-and-confer with Lemieux out of a concern that Lemieux's conflict would not only taint its co-counsel among the other plaintiffs in the Water Purveyor cross-complaint, but make a mockery of the entire proceeding. In written correspondence, Lemieux was unwilling to concede the obvious point that a conflict even existed among its clients.¹

III. LEGAL ANALYSIS

When an attorney simultaneously represents clients with conflicting interests, California courts apply a *per se* rule of disqualification by which the conflicted attorneys are prohibited from continuing with the representation. (*People v. Speedee Oil Change Systems, Inc.* (1999) 20 Cal.4th 1135, 1147.) An attorney, in other words, cannot wear two hats: "Attorneys have a duty to maintain undivided loyalty to their clients **to avoid undermining public confidence in the legal profession and the judicial process.**" (*Id.*, 20 Cal. 4th at 1146 (emphasis added.)

Here, Lemeiux is attempting to represent opposing parties on the Public Water Suppliers' cross-complaint. That situation cannot stand, particularly if any physical

¹ Lemieux's posture in the proceeding raises obvious questions of collusion. Do the firm's cross-defendant clients have a deal in place with the Public Water Purveyors?

solution stemming from this proceeding is to have any chance at wide public support within the Area of Adjudication.

A. The Court Should Disqualify Lemieux.

As a threshold matter, the Court has authority to disqualify Lemieux and force its clients to obtain new (and separate) counsel.

Courts dealing with disqualification motions have frequently noted that such motions "involve a conflict between the clients' right to counsel of their choice and the need to maintain ethical standards of professional responsibility. The paramount concern must be to preserve public trust in the scrupulous administration of justice and the integrity of the bar. The important right to counsel of one's choice must yield to ethical considerations that affect the fundamental principles of our judicial process." (See *People v. Speedee Oil Change Systems, Inc.* (1999) 20 Cal.4th 1135, 1145-46; citations omitted.)

Thus, the desires of Lemieux's clients must give way to the interest in maintaining at least the appearance of a bona fide adversarial stance among parties on opposite sides of this lawsuit. Whatever other "fundamental principles" exist in the civil justice system, one fundamental principle is that a lawyer cannot represent both the plaintiff and the defendant in a lawsuit. Indeed,

[t]he most egregious conflict of interest in representation of clients whose interest are directly adverse in the same litigation. Such patently improper dual representation suggests to the clients—and to the public at large—that the attorney is completely indifferent to the duty of loyalty and the duty to preserve confidences.

 $(Speedee\ Oil\ Systems,\ supra.,\ 20\ Cal.4^{th}\ at\ 1147.)^2$

² Immediately following this quote, the Supreme Court stated [in anticipated rejoinder to Lemieux's opposition] "the attorney's actual intention and motives are immaterial, and the rule of automatic disqualification applies." (*Speedee Oil Systems*, 20 Cal.4th at 1147.)

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Under these circumstances, Lemieux must be disqualified from further representation of any clients in this proceeding.

В. Wood Has Standing to Seek Lemieux's Disqualification.

As Wood noted in the Introduction, it is not ordinarily his concern what agreements parties have with their attorneys. However, when the entire legitimacy of the process can be questioned because of an obvious and irremediable conflict, action must be taken. And, indeed, non-clients have standing (and perhaps an obligation) to raise the question of disqualification by motion, as long as the non-client has a "personal stake" in the motion. (*Concat LP v. Unilever, PLC* (N.D.Cal. 2004) 350 F.Supp.2d 796, 818.)

Here, every party—both landowner and purveyor—should be united in desiring a process that does not lend itself to attack in the future. While it may be the case that Lemieux's cross-defendant clients have not present intention to appeal from an adverse result, their intentions could change. As things now stand, those cross-defendants could not, as a matter of law, have adequately given informed consent to Lemieux's conflicted representation.

More fundamentally, it should not matter whether or how Lemieux sought conflict waivers from its clients: joint representation of clients whose interests actually conflict is automatic. (Flatt v. Superior Court (1994) 9 Cal.4th 275, 284-86.)

C. **Lemieux's Continued Involvement Risks Tainting The Entire** Proceeding.

When Wood's counsel sought to have Lemieux address the conflict without court intervention, Lemieux took the position that various factual issues mitigated its conflict. For example, the firm's water purveyor clients and mutual water company clients are apparently geographically separated. Thus, goes the argument, whatever pumping the cross-complainant clients do cannot affect the cross-defendants, and vice versa. But in making this argument, Lemieux assumes a set of circumstances that may not bear out as

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the proceeding unfolds. One could just as easily assume that the cross-complainant clients will at some point want to minimize the historical pumping of all overlying landowners, including the cross-defendant clients. Under this scenario, Lemieux may well possess confidential information obtained from one group of clients that it would be ethically obligated to use to those clients' detriment.

This is an unacceptable situation, particularly since a civil judgment may be reversed if an attorney's concurrent representation of clients precluded one client from receiving a fair trial. (Hammett v. McIntyre (1952) 114 Cal.App.2d 148, 155-58.) Since nobody knows how the proceeding will unfold or what form a physical solution may take, no party should tolerate Lemieux's ongoing conflict.

In fact, Wood is already concerned that Lemieux's access to confidential information from opposing parties has tainted its purveyor co-counsel. Obviously, this concern will become more acute the longer Lemieux is permitted to continue with its representation. Thus, the Court should grant this motion and order that, consistent with all law on the subject, Lemieux cannot represent opposing parties on the Water Purveyors' cross-complaint.

IV. **CONCLUSION**

For the foregoing reasons, Richard Wood respectfully requests that the Court grant this motion and order the disqualification of the firm of Lemieux & O'Neill from all further representation in this proceeding.

DATED: June 10, 2009 LAW OFFICES OF MICHAEL D. McLACHLAN LAW OFFICE OF DANIEL M. O'LEARY

> By:_ Michael D. McLachlan

Attorneys for Plaintiff

MOTION TO DISQUALIFY

1 PROOF OF SERVICE 2 I am employed in the County of Los Angeles, State of California. I am over the 3 age of 18 and am not a party to the within action. My business address is 523 West Sixth Street, Suite 215, Los Angeles, California 90014. 4 On June 10, 2009, I caused the foregoing document(s) described as **NOTICE OF MOTION AND MOTION FOR ORDER DISQUALIFYING THE LAW FIRM** 5 OF LEMIEUX & O'NEIL 6 be served on the parties in this action, as follows: 7 (X) (BY ELECTRONIC SERVICE) by posting the document(s) listed above to the 8 Santa Clara County Superior Court website: www.scefiling.org regarding the 9 Antelope Valley Groundwater matter. 10 () (BY U.S. MAIL) I am readily familiar with the firm's practice of collection and processing of documents for mailing. Under that practice, the above-referenced 11 document(s) were placed in sealed envelope(s) addressed to the parties as noted 12 above, with postage thereon fully prepaid and deposited such envelope(s) with the United States Postal Service on the same date at Los Angeles, California, 13 addressed to: 14 (BY FEDERAL EXPRESS) I served a true and correct copy by Federal Express 15 or other overnight delivery service, for delivery on the next business day. Each copy was enclosed in an envelope or package designed by the express service 16 carrier; deposited in a facility regularly maintained by the express service carrier 17 or delivered to a courier or driver authorized to receive documents on its behalf; with delivery fees paid or provided for; addressed as shown on the accompanying 18 service list.

() (BY FACSIMILE TRANSMISSION) I am readily familiar with the firm's practice of facsimile transmission of documents. It is transmitted to the recipient on the same day in the ordinary course of business.

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

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

Carol Delgado

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