

Exhibit 27

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LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 40

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF KERN – METROPOLITAN DIVISION

S- 500-CV 254348

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40,

Plaintiff,

vs.

DIAMOND FARMING COMPANY;
BOLTHOUSE PROPERTIES, INC.;
CITY OF LANCASTER;
CITY OF LOS ANGELES;
CITY OF PALMDALE;
LITTLEROCK CREEK IRRIGATION
DISTRICT;
PALMDALE WATER DISTRICT;
PALM RANCH IRRIGATION
DISTRICT,
QUARTZ HILL WATER DISTRICT;
and DOES 1 through 25,000 inclusive;

Defendants.

EXEMPT FROM FILING FEES
UNDER GOVERNMENT CODE
SECTION 6103

FILED
KERN COUNTY

DEC 1 2004

TERRY McNALLY, CLERK
DEPUTY

Case No.

COMPLAINT FOR DECLARATORY AND
INJUNCTIVE RELIEF AND
ADJUDICATION OF WATER RIGHTS

Plaintiff Los Angeles County Waterworks District No. 40 alleges:

INTRODUCTION

1. This action seeks a judicial determination of all rights to ground water within the Antelope Valley Groundwater Basin. The adjudication is necessary to protect and conserve the vital water groundwater supply of the Antelope Valley that is vital to the health, safety and welfare of tens of thousands of persons and entities in communities who depend upon water deliveries from Los Angeles County Waterworks District No. 40, Antelope Valley (the "District"). For these reasons, the District files this complaint to promote and protect the general public welfare in the Antelope Valley; to protect the District's rights to pump and deliver water to the public; to protect the Antelope Valley from a loss of the public groundwater supply, to prevent degradation of the quality of the public groundwater supply; and to prevent land subsidence and higher costs to the public for water.

2. The District is a public agency governed by the Los Angeles County Board of Supervisors and lawfully organized to, among other things, provide water to the public in a large portion of the Antelope Valley. District customers must have a reliable and safe groundwater supply for domestic and business needs. To provide water to the public, the District has drilled and equipped wells to pump groundwater. The District has also constructed, maintained and operated a waterworks delivery system to supply the groundwater to the public. Without an adequate and safe groundwater supply, Antelope Valley residents and businesses in the Antelope Valley would likely not have enough water.

3. The District has appropriative and prescriptive rights to Basin groundwater as the District has pumped water from the Basin since at least 1919. Since that time, the District has pumped water from the Antelope Valley Basin and/or stored water in the Antelope Valley Basin by reasonable extraction means and has used the Antelope Valley Basin and/or its water for

1 reasonable and beneficial purposes, and has done so under a claim of right in an actual, open,
2 notorious, exclusive, continuous, uninterrupted, hostile, adverse use and/or manner for a period of
3 time of at least five years and before filing this complaint.

4
5 4. Due to the shortage of water in the Basin, the District has purchased State Water
6 Project water from the Antelope Valley-East Kern Water Agency in addition to pumping
7 groundwater. The State Water Project water originates in northern California and would not
8 reach the Basin but for the District's purchases. District customers pay millions of dollars each
9 year for State Water Project water. The District purchases approximately 30,000 acre feet of
10 Project water each year and delivers the purchased Project water to the public through the
11 District's waterworks systems.

12
13 5. The District depends on the Basin for pumping of approximately 20,000 acre feet
14 of water each year. District customers use Project water for a variety of uses and thus a portion of
15 the Project water percolates into the Basin and commingles with the Basin's water from natural
16 sources. The District's purchase and delivery of Project water augments the natural supply of
17 groundwater in the Basin. Without the substantial investment of the District in purchasing the
18 State Water Project water, the District would need to pump 50,000 acre feet of groundwater each
19 year.

20
21 6. By storing Project water or other imported water in the Basin, the District could
22 recover the stored water during times of drought, water supply emergencies, or other water
23 shortages to ensure a safe and reliable supply of water to the public. The District is pursuing
24 approvals to allow for the construction and operation of injection wells or other means by which
25 State Water Project water or other water imported from outside the Basin may be injected or
26 placed for storage in the Basin.

27
28 7. To provide water to the public, the District has and claims the following rights,

1 each of which is paramount and superior to any overlying rights or other water rights, if any,
2 claimed by any defendant:
3

4 A. The right to pump groundwater from the Antelope Valley Groundwater
5 Basin in an annual amount equal to the highest volume of groundwater extracted by the District in
6 any year preceding entry of judgment in this action according to proof, but not less than 18,944
7 acre feet;
8

9 B. The right to pump or authorize others to extract from the Antelope Valley
10 Groundwater Basin a volume of water equal in quantity to that volume of water previously
11 purchased by the District from the Antelope Valley-East Kern Water Agency and which has
12 augmented the supply of water in the Basin in any year preceding entry of judgment in this action
13 according to proof, but not less than 18,944 acre feet;
14

15 C. The right to pump or authorize others to extract from the Antelope Valley
16 Groundwater Basin a volume of water equal in quantity to that volume of water purchased in the
17 future by the District from the Antelope Valley-East Kern Water Agency which augments the
18 supply of water in the Basin; and
19

20 D. The right to pump or authorize others to extract from the Antelope Valley
21 Basin a volume of water equal in quantity to that volume of water injected into the Basin or
22 placed within the Basin by the District or on its behalf.
23
24
25
26
27
28

THE ANTELOPE VALLEY GROUNDWATER BASIN IS AND HAS BEEN IN A STATE
OF OVERDRAFT

8. The Antelope Valley Groundwater Basin is located in Los Angeles and Kern counties. The Basin is located in an arid valley in the Mojave Desert, about 50 miles northeast of Los Angeles. The Basin encompasses about 940 square miles and generally includes the communities of Lancaster, Palmdale and Rosamond. The Basin is bounded on the south by the San Gabriel Mountains and on the northwest by the Tehachapi Mountains.

9. For over a century courts in California have used the groundwater basin concept to resolve groundwater disputes. A groundwater basin is an alluvial aquifer with reasonably well-defined boundaries in a lateral direction and a definable bottom.

10. Before there was groundwater pumping, natural water recharge to the Basin was in balance with water discharged from the Basin and water levels generally remained constant and in a state of long-term equilibrium. In or about 1915 there was significant pumping, primarily for agricultural purposes. Over time the rise of agricultural pumping destroyed the groundwater level equilibrium and caused a, long-term decline in groundwater levels and groundwater storage in the Basin.

11. There has never been a limit on groundwater pumping in the Basin. As a result of this lack of groundwater control and management over the past eighty years, the Basin has lost an estimated eight million acre feet of water. This loss of groundwater caused chronic declines in groundwater levels and land subsidence.

12. Land subsidence is the sinking of the Earth's surface due to subsurface movement of earth materials and is primarily caused by groundwater pumping. The District is informed and believes and upon that basis alleges that as much as six feet of subsidence has occurred in

1 portions of the Basin. The negative effects of land subsidence observed in the Basin include loss
2 of groundwater storage space, cracks and fissures at the land surface and damage to real property.
3

4 13. Land subsidence, loss of groundwater storage, and declining groundwater levels
5 injure the public welfare and threaten the communities that depend upon the Basin water. Land
6 subsidence and chronic declines in groundwater levels continue because of unlimited
7 groundwater pumping in the Basin.
8

9 14. Although agricultural pumping decreased for a limited time when groundwater
10 levels became too low for agriculture to pump water from the Basin, agricultural pumping has
11 increased in the past decade. During the same time, continued urbanization in and around the
12 cities of Palmdale and Lancaster has increased the public's need for water. Existing pumping
13 causes damage and injury to the Basin including land subsidence. Land subsidence exists and
14 will increase unless the court establishes a safe yield for the Basin and limits pumping to the
15 Basin's safe yield.
16

17 15. The District is informed and believes and upon that basis alleges the Basin is and
18 has been in an overdraft condition for more than five (5) consecutive years and before the filing
19 of the complaint in Riverside County Superior Court Case No. 344436 entitled *Diamond Farming*
20 *Company vs. City of Lancaster*, and before the filing of this complaint. During said time periods,
21 total annual demands upon the Basin have exceeded and continue to exceed the supply of water
22 from natural sources. Consequently, there is and has been a progressive and chronic decline in
23 Basin water levels and the available natural supply is being and has been chronically depleted.
24 Unless limited by order and judgment of the court, potable Basin water will be exhausted and
25 land subsidence will continue.
26

27 16. Each defendant has, and is now, pumping, appropriating and diverting water from
28 the natural supply of the Basin, and/or claims some interest in the Basin water. The District is

1 informed and believes and upon that basis alleges that the combined extraction of water by
2 defendants exceeds the annual production of water from the Antelope Valley Basin, and that each
3 defendant claims a right to take water and threatens to increase its taking of water without regard
4 to the rights of the District. Defendants' pumping reduces Basin water tables and contributes to
5 the deficiency of the Basin water supply as a whole. The deficiency results in a shortage of water
6 to the public who depend upon the District to supply water from the Basin. Defendants continued
7 and increasing extraction of Basin water has resulted in, and will result in, a diminution, reduction
8 and impairment of the Basin water supply; ^{has caused} causes land subsidence; and ^{has resulted in} ~~has~~ and will deprive the
9 District of its rights to provide water for the public's health, welfare and benefit.

10
11 17. The District is informed and believes and thereon alleges there are conflicting
12 claims of rights to the Basin and/or its water.

13
14 18. The District is informed and believes and thereon alleges that defendants who own
15 real property in the Basin claim an overlying right to pump Basin water. The overlying right is
16 limited to the native safe yield of the Basin. The District alleges that because subsidence is an
17 undesirable result and is occurring in the Basin, defendants are and have been pumping more than
18 the Basin's safe yield.

19
20 PARTIES

21
22 19. The District is informed and believes, and on that basis alleges, that Diamond
23 Farming Company is a California corporation that owns real property within Kern County and
24 pumps groundwater from the Basin.

25
26 20. The District is informed and believes, and on that basis alleges, that Bolthouse
27 Properties, Inc. is a California corporation that owns real property within Kern County and pumps
28 groundwater from the Basin.

1 21. The District is informed and believes, and on that basis alleges, that the City of
2 Lancaster is a municipal corporation that provides groundwater from the Basin located in Kern
3 and Los Angeles Counties.

4
5 22. The District is informed and believes, and on that basis alleges, that the City of
6 Los Angeles is a municipal corporation that owns real property within Los Angeles County and
7 pumps groundwater from the Basin located in Kern and Los Angeles Counties.

8
9 23. The District is informed and believes, and on that basis alleges, that the City of
10 Palmdale is a municipal corporation that receives water from the Basin located in Kern and Los
11 Angeles Counties.

12
13 24. The District is informed and believes, and on that basis alleges, that the Littlerock
14 Creek Irrigation District is a public agency that pumps groundwater from the Basin located in
15 Kern and Los Angeles Counties.

16
17 25. The District is informed and believes, and on that basis alleges, that the Palmdale
18 Water District is a public agency that pumps groundwater from the Basin located in Kern and Los
19 Angeles Counties.

20
21 26. The District is informed and believes, and on that basis alleges, that the Palm
22 Ranch Irrigation District is a public agency that pumps groundwater from the Basin located in
23 Kern and Los Angeles Counties.

24
25 27. The District is informed and believes, and on that basis alleges, that the Quartz
26 Hill Water District is a public agency that pumps groundwater from the Basin located in Kern and
27 Los Angeles Counties.

28. The District is informed and believes, and on that basis alleges, that defendant Does 1 through 25,000, inclusive, own and/or lease real property within the Antelope Valley Groundwater Basin, extract water from the Basin, claim some right, title or interest to Basin water, and/or that their claims are adverse to the District's rights and claims. The District is unaware of their true names and capacities and therefore sues those defendants by fictitious names. The District will seek leave to amend this complaint to add such names and capacities when ascertained.

FIRST CAUSE OF ACTION

(For Declaratory Relief – Prescriptive Rights – Against all Defendants Except Public Entity Defendants)

29. The District alleges and incorporates by reference herein allegations in paragraphs 1 through 28, inclusive.

30. For over fifty years, the California Supreme Court has recognized prescriptive water rights for public entities. The District alleges that it has continuously and for more than five years and before the date of this action pumped water from the Basin for reasonable and beneficial purposes and has done so under a claim of right in an actual, open, notorious, exclusive, continuous, hostile and adverse manner. The District further alleges that defendants have had actual and/or constructive notice of District's pumping either of which is sufficient to establish District's prescriptive right.

31. The District contends that defendants' rights to pump Basin water are subordinate to the prescriptive right of the District and to the general welfare of the citizens, inhabitants and customers serviced by Los Angeles County Waterworks District No. 40, Antelope Valley.

1 32. An actual controversy has arisen between the District and defendants. The District
2 alleges, on information and belief, that defendants' dispute the contentions of the District as
3 described in the immediately preceding paragraph.
4

5 33. The District seeks a judicial determination as to the correctness of its contentions
6 and an *inter se* finding as to the priority and amount of Basin water to which the District and each
7 defendant are entitled to pump from the Basin.
8
9

10 SECOND CAUSE OF ACTION
11

12 (For Declaratory Relief – Appropriative Rights – Against all Defendants)
13

14 34. The District alleges and incorporates by reference herein allegations in paragraphs
15 1 through 33, inclusive.
16

17 35. The District alleges that in addition to, or alternatively to, its prescriptive rights, it
18 has appropriative rights to pump water from the Basin. Appropriative rights attach to surplus
19 water from the Basin. There is surplus water in the Basin when the amount of water being
20 extracted from it is less than the maximum that can be withdrawn without adverse effects on the
21 Basin's long-term supply.
22

23 36. Surplus water exists when the pumping from the Basin is less than the safe yield.
24 Safe yield is the maximum quantity of water which can be withdrawn annually from a
25 groundwater Basin under a given set of conditions without causing an undesirable result.
26 Undesirable result generally refers to a gradual lowering of the groundwater levels in the Basin,
27 but also includes subsidence.
28

1 37. Overlying pumpers are only entitled to make reasonable and beneficial use of the
2 native safe yield.

3
4 38. An actual controversy has arisen between the District and defendants. The District
5 alleges, on information and belief, that defendants seek to prevent District from pumping surplus
6 water.

7
8 39. The District seeks a judicial determination as to the quantity of safe yield, the
9 quantity of surplus water available, the correlative overlying rights of defendants to the safe yield
10 and an *inter se* determination of the rights of overlying, appropriative and prescriptive pumpers.

11
12 THIRD CAUSE OF ACTION

13 (For Declaratory Relief – Physical Solution – Against all Defendants)

14
15 40. The District alleges and incorporates by reference herein allegations in paragraphs
16 1 through 39, inclusive.

17
18 41. Upon information and belief, the District alleges that defendants claim an interest
19 or rights to Basin water and further claim they can increase their pumping without regard to the
20 rights of the District. Unless restrained by order of the court, defendants will continue to take
21 increasing amounts of Basin water to the great and irreparable damage and injury to the District
22 and to the Basin. The damage and injury to the Basin cannot be compensated for in money
23 damages.

24
25 42. By reason of the large and increasing amounts of Basin water extracted by
26 defendants as alleged above, the amount of Basin water available to the District has been reduced.
27 Unless defendants and each of them are enjoined and restrained, the aforementioned conditions
28 will continue and will become more severe; and there will be further depletion of the Basin

1 groundwater supply which will further permanently damage the Basin's ability to supply water to
2 the public.

3
4 43. Pursuant to California law it is the duty of the trial court to consider a "physical
5 solution" to water rights disputes. A physical solution is a common sense approach to resolving
6 water rights litigation that seeks to satisfy the reasonable and beneficial needs of all parties
7 through augmenting the water supply or other practical measures. The physical solution is a
8 practical way of fulfilling the mandate of Article X, section 2 of the California Constitution that
9 the water resources of the State be put to use to the fullest extent of which they are capable.

10
11 44. To prevent irreparable injury to the Basin, it is necessary that the court determine,
12 impose and retain continuing jurisdiction to enforce a physical solution upon the parties who
13 pump water from the Basin. The solution to the Basin problems may include, but is not limited
14 to, a monetary assessment, and metering and assessments upon Basin water extraction to pay for
15 the purchase, delivery of supplemental supply of water to the Basin, and the court appointment of
16 a watermaster.

17
18 **FOURTH CAUSE OF ACTION**

19 (For Declaratory Relief – Municipal Priority – Against all Defendants)
20

21 45. The District alleges and incorporates by reference herein allegations in paragraphs
22 1 through 44, inclusive.

23
24 46. The District has the right to pump water from the Basin not only to meet existing
25 public needs for water, but also to take increased amounts of Basin water as necessary to meet
26 future public needs. The District's rights to Basin water exist not only as a result of the priority
27 and extent of the District's appropriative and prescriptive rights, but exist as a matter of law and
28 public policy of the State of California: "It is hereby declared to be the established policy of this

1 State that the use of water for domestic purposes is the highest use of water and that the next
2 highest use is for irrigation.” (*Water Code* §106.)
3

4 47. *Water Code* Section 106.5 provides: “It is hereby declared to be the established
5 policy of this State that the right of a municipality to acquire and hold rights to the use of water
6 should be protected to the fullest extent necessary for existing and future uses. . . .”
7

8 48. Under *Water Code* sections 106 and 106.5, the District has a prior and paramount
9 right to Basin water as against all non-municipal uses.
10

11 49. An actual controversy has arisen between the District and defendants. The District
12 alleges, on information and belief, that defendants dispute the District’s contentions as described
13 in the paragraphs 46 through 48, inclusive. The District is informed and believes and on that
14 basis alleges that the groundwater pumped by a majority of the defendants is used for irrigation
15 purposes.
16

17 50. The District seeks a judicial determination as to the correctness of its contentions
18 and to the amount of Basin water to which the parties are entitled to pump from the Basin. The
19 District also seeks a declaration that it has the right to pump water from the Basin to meet its
20 reasonable present and future needs, and that such rights are prior and paramount to the rights, if
21 any, of defendants to the use of Basin water for irrigation purposes.
22

23 FIFTH CAUSE OF ACTION

24 (Declaratory Relief – Storage of Imported Water in The Basin – Against all Defendants)
25

26 51. The District alleges and incorporates by reference herein allegations in paragraphs
27 1 through 50, inclusive.
28

7 53. The District alleges that there is available space in the Basin in which to store
8 imported water.

10 54. As an importer of Project water, the District has the right to store imported Project
11 water in the Basin and the District has the sole right to pump or otherwise use its stored imported
12 Project water. The rights, if any, of defendants are limited to the native supply of the Basin and
13 to their own imported water, and defendants' rights, if any, do not extend to groundwater derived
14 from any water imported into the Basin by the District.

55. An actual controversy has arisen between the District and defendants. The District alleges, on information and belief, that defendants' dispute the District's contentions described in paragraphs 52 through 54, inclusive.

56. The District seeks a judicial determination as to the correctness of its contentions, that the District can store and recapture its imported Project water in the Basin, and that the District has the sole right to pump or otherwise use such stored Project water.

(Declaratory Relief – Recapture of Return Flows

From Imported Water Stored in The Basin – Against all Defendants)

28 57. The District alleges and incorporates by reference herein allegations in paragraphs

1 through 56, inclusive.

58. A portion of the water that the District imports and uses and continues to import and use from outside the Basin returns or enters and will continue to return or enter the Basin and are commonly known as "return flows." These return flows augment the Basin's water supply.

59. The District alleges that there is available space in the Basin to store return flows from the water imported by the District.

60. The District has the sole right to recapture return flows attributable to the water it imports or is imported on the District's behalf. The rights, if any, of defendants are limited to the Basin's native supply and/or to their imported water, and do not extend to groundwater attributable to the District's return flows.

61. An actual controversy has arisen between the District and defendants. The District alleges, on information and belief, that defendants' dispute the contentions of the District as described in paragraphs 58 through 60, inclusive.

62. The District seeks a judicial determination as to the correctness of its contentions and that the District has the sole right to recapture its imported return flows in the Basin at the present and into the future.

SEVENTH CAUSE OF ACTION

(Unreasonable Use of Water - Against all Defendants Except Public Entity Defendants)

63. The District alleges and incorporates by reference herein allegations in paragraphs 1 through 62, inclusive.

1 64. Article X, Section 2 of the California Constitution is the cardinal principle of
2 California water law, superior to any water rights priorities and requires that water use not be
3 unreasonable or wasteful. The reasonable use of water depends on the facts and circumstances of
4 each case. What may be reasonable in areas of abundant water may be unreasonable in an area of
5 scarcity, and what is a beneficial use at one time may become a waste of water at a later time.

6
7 65. The District is informed and believes and on that basis alleges that the use of water
8 by some defendants for irrigation purposes is unreasonable in the arid Antelope Valley and
9 constitutes waste, unreasonable use or an unreasonable method of diversion or use within the
10 meaning of Article X, Section 2 of the California Constitution, and is thereby unlawful.

11
12 66. An actual controversy has arisen between the District and defendants. The District
13 alleges, on information and belief, the defendants' dispute the District's contentions in paragraphs
14 64 through 65, inclusive.

15
16 67. The District seeks a judicial declaration that defendants have no rights to
17 unreasonable use, unreasonable methods of use, or waste of water, and their rights, if any, should
18 be determined *inter se* on the reasonable use of water in the arid Antelope Valley rather than upon
19 the amount of water actually used.

20
21 **EIGHTH CAUSE OF ACTION**

22 (Unreasonable Use of Water - Against Defendants Diamond Farming and
23 Bolthouse Properties, Inc.)

24
25 68. The District alleges and incorporates by reference herein allegations in paragraphs
26 1 through 67, inclusive.

27
28 69. Article X, Section 2 of the California Constitution is the cardinal principle of

1 California water law, superior to any priorities and requires that water use not be unreasonable or
2 wasteful. Reasonable use of water depends on the facts and circumstances of each case.

3
4 70. The District is informed and believes and on that basis alleges that there were and
5 are overdraft conditions in the Basin before defendants Diamond Farming and Bolthouse
6 Properties, Inc., began pumping Basin water. For their own private profit and in harm to the
7 public's need for a secure supply of Basin water, Defendants Diamond Farming and Bolthouse
8 Properties, Inc., have increased their pumping so that they collectively take more Basin water
9 than any other single user of Basin water - despite existing Basin overdraft conditions including
10 land subsidence.

11
12 71. Defendants Diamond Farming and Bolthouse Properties, Inc., recently commenced
13 additional, excessive pumping of Basin water for their private profit that causes harm to existing
14 agricultural users of Basin water and to the entities supplying water to the public all of whom
15 depend upon a safe and secure Basin water supply. Given the water overdraft conditions in the
16 Basin, the excessive uses of Basin water by defendants Diamond Farming and Bolthouse
17 Properties, Inc., require an unreasonable amount of Basin water in the arid Antelope Valley and
18 threaten established communities and agricultural users that were and are already dependent upon
19 Basin water.

20
21 72. The District is informed and believes and on that basis alleges that the recently
22 commenced use of Basin water by defendants Diamond Farming and Bolthouse Properties, Inc.,
23 is unreasonable in the arid Antelope Valley and constitutes waste, unreasonable use or an
24 unreasonable method of diversion or use within the meaning of Article X, Section 2 of the
25 California Constitution, and is injurious to the public and thereby unlawful.

26
27 73. An actual controversy has arisen between the District and defendants Diamond
28 Farming and Bolthouse Properties, Inc. The District alleges, on information and belief, the

1 defendants' dispute the District's contentions in paragraphs 69 through 72, inclusive.

2
3 74. The District seeks a judicial declaration that defendants Diamond Farming and
4 Bolthouse Properties, Inc., have no right to take Basin water in any way that harms the public,
5 creates a risk of overdraft conditions in the Basin, constitutes unreasonable methods of use, or
6 waste of water; and their rights, if any, should be determined *inter se* on the previously-existing
7 public and agricultural needs and uses of Basin water in the arid Antelope Valley.

8
9 **PRAYER FOR RELIEF**

10
11 WHEREFORE, Los Angeles County Waterworks District No. 40, Antelope Valley prays
12 for judgment as follows:

13
14 1. Judicial declarations consistent with the District's contentions in paragraphs 31,
15 35-39, 40-44, 46-50, 52-56, 58-62, 64-67, and 69-74, above;

16
17 2. For preliminary and permanent injunctions which prohibit defendants, and each of
18 them, from taking, wasting or failing to conserve water from the Antelope Valley Groundwater
19 Basin in any manner which interferes with the rights of the Los Angeles Waterworks District No.
20 40, Antelope Valley to take water from or store water in the Basin to meet its reasonable present
21 and future needs;

22
23 3. For prejudgment interest as permitted law;

24 //

25 //

26 //

27 //

1 4. For attorney, appraisal and expert witness fees and costs incurred in this action;
2 and

3
4 5. Such other relief as the court deems just and proper.

5
6 Dated: November 30, 2004

BEST BEST & KRIEGER LLP

7
8 By: 

ERIC L. GARNER

JEFFREY W. DUNN

Attorneys for Plaintiff

LOS ANGELES COUNTY

WATERWORKS DISTRICT NO. 40

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Exhibit 28

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CITY OF PALMDALE

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

**ANTELOPE VALLEY
GROUNDWATER CASES**

Included Actions:

Los Angeles County Waterworks District
No. 40 v. Diamond Farming Co.
Superior Court of California
County of Los Angeles, Case No. BC
325201

Los Angeles County Waterworks District
No. 40 v. Diamond Farming Co.
Superior Court of California, County of
Kern,
Case No. S-1500-CV-254-348

Wm. Bolthouse Farms, Inc. v. City of
Lancaster

Diamond Farming Co. v. City of Lancaster

Diamond Farming Co. v. Palmdale Water
District

Judicial Council Coordination Proceeding
No. 4408

Santa Clara Case No. 1-05-CV-049053

(Hon. Jack Komar)

**CROSS-COMPLAINT IN KERN
COUNTY SUPERIOR COURT CASE
NO. S-1500-CV-254-348**

[Exempt from Filing Fees Pursuant to Govt. Code
§6103]

1 Superior Court of California, County of
2 Riverside, consolidated actions, Case
3 Nos. RIC 353840, RIC 344436,
RIC 344668

4 City of Palmdale,

5 Cross-Complainant,

6 vs.

7 Los Angeles County Waterworks District
8 No. 40; Palmdale Water District;
9 Diamond Farming Company; Bolthouse
10 Properties, Inc.; Wm. Bolthouse Farms,
11 Inc.; City of Lancaster; Littlecreek
12 Irrigation District; Palm Ranch Irrigation
13 District; Quartz Hill Water District;
14 California Water Service; City of Los
15 Angeles; Rosamond Community
16 Services District; B.J. Calandri; John
17 Calandri; John Calandri, as Trustee of
18 the John and B.J. Calandri 2001 Trust;
19 Forrest G. Godde; Forrest G. Godde, as
20 Trustee of the Forrest G. Godde Trust;
21 Lawrence A. Godde; Lawrence A.
22 Godde and Godde Trust; Kootenai
23 Properties, Inc.; Gailen Kyle; Gailen
24 Kyle, as Trustee of the Kyle Trust; James
25 W. Kyle; James W. Kyle, as Trustee of
26 the Kyle Family Trust; Julia Kyle;
27 Wanda E. Kyle; Eugene B. Nebeker; R
28 and M Ranch; Edgar C. Ritter; Paula E.
Ritter; Paula E. Ritter, as Trustee of the
Ritter Family Trust; and DOES 100,000
through 125,000 inclusive,

Cross-Defendants.

1 Cross-complainant City of Palmdale hereby cross-complains as follows:

2
3 **JURISDICTION AND VENUE**
4

5 1. This Court has jurisdiction over this action pursuant to Code of Civil Procedure
6 Sections 526 and 1060. Venue is proper before this Court pursuant to the coordination
7 order issued by the Judicial Council.
8

9 **PARTIES**
10

11 2. The City of Palmdale ("Palmdale") is a municipal corporation located in the
12 County of Los Angeles.

13 3. Palmdale is informed and believes and thereon alleges that the Los Angeles
14 County Waterworks District No. 40 is a public agency which extracts water from and
15 provides water to customers located within the geographic boundaries of the Antelope
16 Valley Groundwater Basin ("the Basin").

17 4. Palmdale is informed and believes and thereon alleges that Palmdale Water
18 District is a public agency which extracts water from and provides water to customers
19 located within the geographic boundaries of the Basin.

20 5. Palmdale is informed and believes and thereon alleges that Diamond Farming
21 Company is a California corporation which conducts agricultural operations within the
22 geographic boundaries of the Basin, and which extracts water from the Basin.

23 6. Palmdale is informed and believes and thereon alleges that Bolthouse
24 Properties, Inc. is a California corporation which conducts agricultural operations within
25 the geographic boundaries of the Basin, and which extracts water from the Basin.

26 7. Palmdale is informed and believes and thereon alleges that William Bolthouse
27 Farms, Inc. is a California corporation which conducts agricultural operations within the
28 geographic boundaries of the Basin, and which extracts water from the Basin.

1 8. Palmdale is informed and believes and thereon alleges that the City of
2 Lancaster is a municipal corporation located within the County of Los Angeles, and
3 within the geographic boundaries of the Basin.

4 9. Palmdale is informed and believes and thereon alleges that Littlerock Creek
5 Irrigation District is a public agency which provides water to customers located within
6 the geographic boundaries of the Basin and which extracts water from the Basin.

7 10. Palmdale is informed and believes and thereon alleges that Palm Ranch
8 Irrigation District is a public agency which provides water to customers located within
9 the geographic boundaries of the Basin and which extracts water from the Basin.

10 11. Palmdale is informed and believes and thereon alleges that Quartz Hill Water
11 District is a public agency which provides water to customers located within the
12 geographic boundaries of the Basin and which extracts water from the Basin.

13 12. Palmdale is informed and believes and thereon alleges that California Water
14 Service Company is a California corporation which provides water to customers located
15 within the geographic boundaries of the Basin and which extracts water from the Basin.

16 13. Palmdale is informed and believes and thereon alleges that the City of Los
17 Angeles is a municipal corporation that owns land overlying the Basin, including the
18 Palmdale Regional Airport, and that the City of Los Angeles extracts water from the
19 Basin.

20 14. Palmdale is informed and believes and thereon alleges that Rosamond
21 Community Services District is a public agency which provides water to customers
22 located within the geographic boundaries of the Basin and which extracts water from the
23 Basin.

24 15. Palmdale is informed and believes and thereon alleges that B.J. Calandri, John
25 Calandri, John Calandri, as Trustee of the John and B.J. Calandri 2001 Trust, Forrest G.
26 Godde, Forrest G. Godde, as Trustee of the Forrest G. Godde Trust, Lawrence A. Godde,
27 Lawrence A. Godde and Godde Trust, Kootenai Properties, Inc., Gailen Kyle, Gailen
28 Kyle, as Trustee of the Kyle Trust, James W. Kyle, James W. Kyle, as Trustee of the

Kyle Family Trust, Julia Kyle, Wanda E. Kyle, Eugene B. Nebeker, R and M Ranch, Edgar C. Ritter, Paula E. Ritter, and Paula E. Ritter, as Trustee of the Ritter Family Trust are the owners of or beneficial interest holders in real property located within the geographical boundaries of the Basin, and who claim an overlying right to extract water from the basin, whether or not that overlying right has heretofore been exercised.

16. Palmdale is informed and believes and thereon alleges that cross-defendant Does 100,000 through 125,000 are the owners, lessees or other persons or entities holding or claiming to hold ownership or possessory interests in real property located within the boundaries of the Basin, or extract water from the Basin, or claim some right, title or interest to water located within the Basin, or that have or assert claims that are adverse to Palmdale's rights and claims. Palmdale is presently unaware of the true names and capacities of such Doe cross-defendants, and therefore sues those cross-defendants by fictitious names. Palmdale will seek leave to amend this cross-complaint to add such names and capacities when the same are ascertained.

FACTUAL ALLEGATIONS

17. Through these coordinated proceedings, Palmdale and other responsible public entities seek a judicial determination of the rights to produce groundwater within the geographic boundaries of the Basin, which is located in Los Angeles and Kern counties. The Basin is located in the arid Antelope Valley in the Mojave Desert, approximately 50 miles northeast of the City of Los Angeles. The Basin encompasses approximately 940 square miles, and generally includes Palmdale, Lancaster, Rosamond and the Edwards Air Force Base. The Basin is bounded on the south by the San Gabriel Mountains and on the northwest by the Tehachapi Mountains.

18. This groundwater adjudication has become necessary to protect, to conserve and to supplement the groundwater supply of the Basin, which is increasingly at risk due to overpumping and a long-term state of overdraft. The Basin's groundwater supply is

1 vital to the health, safety and welfare of the many people residing and working in the
2 many growing communities of the Antelope Valley, including Palmdale. The Basin's
3 supply has been put under stress due to increased production by agricultural operations,
4 such as that of defendants Diamond Farming Company, Bolthouse Properties, Inc. and
5 Wm. Bolthouse Farms, among others, and due to increasing urbanization as the cities of
6 Palmdale and Lancaster build out.

7 19. Palmdale brings this cross-complaint to promote and to protect the welfare of
8 its residents and businesses, to protect its rights as a landowner to provide water to its
9 public facilities, to protect its residents and businesses against the harmful effects of long-
10 term overdraft, including land subsidence and water quality degradation, and to assure a
11 long-term, safe, reliable, economic and certain supply of water for itself and its residents
12 and businesses.

13 20. Palmdale is a growing community, both in terms of residential development
14 and new and existing businesses. Palmdale's City Council is responsible for making
15 informed land use decisions that include consideration of whether a safe and reliable
16 supply of water is and will be available to the land owners, development entities, persons
17 and businesses involved and affected by those land use decisions. Palmdale further has
18 an interest in the responsible development of the entire Antelope Valley and the
19 reliability of water supplies necessary to sustain and service that development.

20 21. When reviewing applications for land use approvals, Palmdale is required to
21 comply with the provisions of the California Environmental Quality Act ("CEQA")
22 (Public Resources Code §§ 21000, *et seq.*). In so doing, Palmdale must consider the
23 availability of water for any proposed project. Thus, if, for example, a proposed project
24 would require an increase in pumping from a given location to serve groundwater to the
25 proposed project which could potentially result in land subsidence or other forms of
26 property damage, Palmdale would be required to disapprove the project or impose certain
27 conditions thereon to mitigate the forecast impact, such as a condition to apply
28 supplemental water to the project, assuming that supplemental water would be available.

1 22. For future residential subdivisions of 500 units or more, as the local legislative
2 bodies, Palmdale's Planning Commission and City Council are required by Government
3 Code section 66473.7 to "include as a condition in any tentative map that includes a
4 subdivision a requirement that a sufficient water supply shall be available." A sufficient
5 water supply under the statute means:

6 "... the total water supplies available during normal, single-dry, and
7 multiple-dry years within a 20-year projection that will meet the projected
8 demand associated with the proposed subdivision, in addition to existing
9 and planned future uses, including, but not limited to, agricultural and
10 industrial uses. In determining 'sufficient water supply,' all of the
11 following factors shall be considered:

12 (A) The availability of water supplies over a historical record of at
13 least 20 years.

14 (B) The applicability of an urban water shortage contingency
15 analysis prepared pursuant to Section 10632 of the Water Code that
16 includes actions to be undertaken by the public water system in
17 response to water supply shortages.

18 (C) The reduction in water supply allocated to a specific water use
19 sector pursuant to a resolution or ordinance adopted, or a contract
20 entered into, by the public water system, as long as that resolution,
21 ordinance, or contract does not conflict with Section 354 of the
22 Water Code."

23 Further, Palmdale is precluded from approving a project subject to Government
24 Code section 66463.7 unless a reliable water supply for the project over a twenty-year
25 period is certified to be available by the proposed water supplier.

26 23. Palmdale owns land within the geographic boundaries of the Basin, including
27 its Civic Center, an extensive park system and other public properties. As a landowner,
28 Palmdale desires that its overlying right to produce groundwater from the Basin to be
applied to its properties be recognized and established and that its priority to do so be
adjudicated herein. To the extent that Palmdale does not presently extract groundwater
itself for use on its property, Palmdale purchases water from other purveyors, and thus
has a responsibility to its taxpayers and residents to assure that there will be stability in
cost and certainty in the supply and quality of the water used by people utilizing
Palmdale's facilities.

1 24. In order to assure a similarly reliable, efficient and certain supply of
2 electricity, Palmdale is presently studying the feasibility of developing an electric power
3 generation facility that would use locally supplied water in the generation of electricity.
4 Palmdale may, as well, consider other public utility projects in the future that would
5 require water, and may seek to expand its system of parks and other public properties for
6 the use and enjoyment of its citizens. The certainty of water supply is an integral factor
7 in Palmdale's ability to implement those public projects.

8 25. Palmdale is interested in preventing further land subsidence in the Basin
9 which could damage public facilities owned and operated by Palmdale and/or privately
10 owned property which constitute investments made by its residents and businesses.

11 26. Through the physical solution sought to be imposed through this cross-
12 complaint, Palmdale seeks to prevent its citizens and businesses from suffering physical
13 harm to their homes and places of work, and to avoid depressed property values and
14 impediments to growth associated with a chronic water shortage and land subsidence.
15 Such uncertainty as to long-term supply and harm from land subsidence could have
16 negative impacts on Palmdale's property tax base and could result in reductions in the
17 sales tax revenues upon which Palmdale bases its budgeting process.

18 27. Palmdale brings this cross-complaint generally to promote and protect the
19 welfare of its citizens and businesses and to serve the numerous public purposes
20 identified hereinabove.

21
22 **FIRST CAUSE OF ACTION**
23 **(DECLARATORY RELIEF AS TO WATER RIGHTS)**
24 **(AGAINST ALL CROSS-DEFENDANTS)**

25 28. Palmdale incorporates the allegations of paragraphs 1 through 27 as though set
26 forth in full herein.

27 29. Palmdale is informed and believes, and based upon that information and
28 belief, alleges that the Basin has been overdrafted for more than five consecutive years

1 immediately prior to the commencement of the first filed of these coordinated
2 proceedings, that, during that period of time, total annual demands upon and water
3 consumed from the Basin have exceeded, and do now exceed, the average annual supply
4 of water to the Basin, that, concomitantly, there has been a progressive and general
5 lowering of Basin water levels, the available supply of water contained in the Basin has
6 been and is being gradually and increasingly depleted, and if demands upon the water
7 supplies contained in the Basin are not limited, the Basin will suffer adverse effects
8 including, but not limited to, increased pump lifts, interference with well production, land
9 subsidence, decreased water quality and, eventually, exhaustion of the water supply.

10 30. Each cross-defendant has pumped, and is now pumping, water from the Basin
11 or purports to represent parties who do so. Palmdale is informed and believes, and based
12 upon that information and belief, alleges that said combined extraction and consumption
13 of water from the Basin by cross-defendants constitutes a substantial portion of the
14 annual production and consumption of water from the Basin, and that each cross-
15 defendant claims a prior and paramount right to continue to produce Basin water and
16 threatens to increase its taking of Basin water without regard to the rights and interests of
17 Palmdale in and to Basin water. Cross-defendants' extractions have contributed and
18 continue to contribute to the lowering of Basin water tables and land subsidence and that
19 extraction of water will continue to contribute to the adverse effects to the Basin alleged
20 herein. Cross-defendants continued and/or increased extraction of Basin water will result
21 in a diminution, reduction and impairment of the Basin water supply and will deprive
22 Palmdale of Basin water to which it is entitled.

23 31. Palmdale is informed and believes and on that basis alleges that there are
24 conflicting claims of overlying, appropriative and prescriptive water rights to the Basin
25 and/or its water among Palmdale and cross-defendants.

26 32. Palmdale asserts and contends that the right of any cross-defendant to continue
27 to produce water from the Basin and/or to increase its production of water from the Basin
28

1 is subordinate to the rights of Palmdale to do so pursuant to Palmdale's overlying water
2 rights, and its statutory priorities protecting municipal water use.

3 33. Palmdale is informed and believes, and based upon that information and
4 belief, alleges that an actual controversy has arisen between Palmdale and cross-
5 defendants, and each of them, in that cross-defendants, and each of them, dispute the
6 assertions and contentions of Palmdale set forth herein.

7 34. Palmdale desires a judicial determination and declaration as to the validity of
8 its assertions and contentions set forth herein, the amount of Basin water to which each
9 cross-defendant is entitled to produce from the Basin and the priority and character of
10 each party's respective rights.

11
12 **SECOND CAUSE OF ACTION**
13 **(FOR DECLARATORY AND INJUNCTIVE RELIEF - PHYSICAL SOLUTION)**
14 **(AGAINST ALL CROSS-DEFENDANTS)**

15 35. Palmdale incorporates the allegations of paragraphs 1 through 34 as though set
16 forth in full herein.

17 36. Palmdale is informed and believes, and on based upon that information and
18 belief, alleges that cross-defendants claim the right to take Basin water in increased
19 amounts without regard to the water rights of Palmdale and the long term health of the
20 Basin, and that unless restrained by order of the Court, cross-defendants will continue to
21 take increasing amounts of Basin water thereby causing irreparable damage and injury to
22 the Basin as a water bearing resource and, concomitantly, to Palmdale and the persons
23 and businesses in Palmdale, which damages and injuries cannot be redressed adequately
24 by the award of money damages.

25 37. Palmdale is informed and believes and on that basis alleges that due to the
26 large and increasing amounts of Basin water extracted by cross-defendants, the amount of
27 Basin water available has been reduced, and that unless and until cross-defendants and
28 each of them are enjoined and restrained from continuing or increasing such water

1 production from the Basin, the aforementioned conditions of overdraft will continue and
2 will become more severe and there will occur further depletion of water contained in the
3 Basin as well as increased incidents of land subsidence, thereby endangering public and
4 private property located in Palmdale and elsewhere in the Basin.

5 38. In order to prevent irreparable injury to the Basin and to Palmdale and the
6 persons to whom water is served therein, it is necessary that the Court, acting pursuant to
7 its equitable prerogatives, determine, impose and retain continuing jurisdiction to enforce
8 a physical solution upon the parties who produce and/or use water produced from the
9 Basin and who import and/or use water imported to the Basin, taking into consideration
10 in doing so any and all water rights of the parties established during trial, the relative
11 legal priorities thereof, priorities established by and through legislative provisions, and all
12 other relevant physical, climatic and equitable factors. The physical solution may
13 include, but not be limited to, injunctive limitations on water produced from, stored in
14 and/or imported into or exported from the Basin, the appointment of a Watermaster to aid
15 the Court in administering the physical solution, administrative monetary assessments to
16 facilitate the implementation of the physical solution and, if indicated, metering of and
17 assessments upon Basin water extractions to pay for the purchase, and delivery of
18 supplemental water to relieve the demand for production of Basin water and curtail the
19 condition of overdraft and provisions administering water sought to be stored in the
20 Basin.

21
22 WHEREFORE, Palmdale prays for judgment as against cross-defendants, and
23 each of them, on this cross-complaint as follows:

24 1. For an *inter se* determination as to the priority and amount of Basin water to
25 which each party is entitled to pump.

26 2. For a determination of the quantity of the safe yield, the quantity of surplus
27 water available, the correlative overlying rights of the parties to the safe yield, and the
28 rights *inter se* among overlying, appropriative and prescriptive pumpers from the Basin.

1 3. For the imposition of a physical solution, including declarations, orders and
2 injunctions necessary to manage water production from the Basin in order to preserve the
3 Basin as a resource and to supplement Basin supplies in order to maximize the beneficial
4 use of water used in the Basin.

5 4. For a declaration of municipal priority.

6 5. For a determination of rights to store and recapture imported water, including
7 return flows.

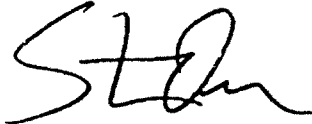
8 6. For a determination *inter se* as to reasonable uses of water in the Antelope
9 Valley.

10 7. For its costs, including attorney's fees.

11
12 8. For such other and further relief as the court deems just and proper.

13
14 DATED: December 1, 2005

RICHARDS, WATSON & GERSHON
A Professional Corporation
JAMES L. MARKMAN
STEVEN R. ORR
BRUCE G. MCCARTHY



15
16
17
18 By: _____
19 STEVEN R. ORR
20 Attorney for Defendant and Cross-Complainant
21 CITY OF PALMDALE
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PROOF OF SERVICE

I, Kelley Herrington, declare:

I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is Richards, Watson & Gershon, 355 South Grand Avenue, 40th Floor, Los Angeles, California 90071. On December 1, 2005, I served the within documents:


**CROSS-COMPLAINT IN KERN COUNTY SUPERIOR COURT CASE
NO. S-1500-CV-254-348**

- ☐ by causing facsimile transmission of the document(s) listed above from (213) 626-0078 to the person(s) and facsimile number(s) set forth below on this date before 5:00 P.M. This transmission was reported as complete and without error. A copy of the transmission report(s), which was properly issued by the transmitting facsimile machine, is attached. Service by facsimile has been made pursuant to a prior written agreement between the parties.
- ☒ by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Los Angeles, California, addressed as set forth below. I am readily familiar with the firm's practice for collection and processing correspondence for mailing with the United States Postal Service. Under that practice, it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing contained in this affidavit.
- ☐ by placing the document(s) listed above in a sealed envelope and affixing a pre-paid air bill, and causing the envelope to be delivered to an agent for delivery, or deposited in a box or other facility regularly maintained by , in an envelope or package designated by the express service carrier, with delivery fees paid or provided for, addressed to the person(s) at the address(es) set forth below.
- ☐ by personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.
- ☐ by causing personal delivery by First Legal Support Services, 1511 West Beverly Boulevard, Los Angeles, California 90026 of the document(s) listed above to the person(s) at the address(es) set forth below.

See Attached Service List

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

Executed on December 1, 2005.



Kelley Herrington

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Exhibit 29

ORIGINAL FILED

FEB 22 2000

**LOS ANGELES
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Attorneys for Plaintiff
DIAMOND FARMING COMPANY, a California corporation

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, NORTH DISTRICT - LANCASTER**

DIAMOND FARMING COMPANY, a California
corporation,

Plaintiff,

vs.

PALMDALE WATER DISTRICT, PALM RANCH
IRRIGATION DISTRICT, QUARTZ HILL WATER
DISTRICT, ROSAMOND COMMUNITY SERVICE
DISTRICT, MOJAVE PUBLIC UTILITY
DISTRICT, ANTELOPE VALLEY WATER
COMPANY, LITTLE ROCK IRRIGATION
DISTRICT, COUNTY WATER WORKS
DISTRICT - CITY OF LANCASTER, CITY OF
LANCASTER, DOES 1 THROUGH 200,
INCLUSIVE, AND ALL PERSONS UNKNOWN,
CLAIMING ANY LEGAL OR EQUITABLE
RIGHT, TITLE, ESTATE, LIEN, OR INTEREST
IN THE PROPERTY DESCRIBED IN THE
COMPLAINT ADVERSE TO PLAINTIFF'S TITLE,
OR, ANY CLOUD UPON PLAINTIFF'S TITLE
THERE TO,

Defendants.

CASE NO.: **HC011330**
COMPLAINT TO QUIET TITLE

FIRST CAUSE OF ACTION

(FOR QUIET TITLE AGAINST ALL DEFENDANTS)

1. Plaintiff Diamond Farming Company is, and at all times herein mentioned was,
a California corporation.

1 2. Plaintiff owns in fee that certain real property (the Property) situated in Los
2 Angeles County, California, commonly referred to as Kotchian Ranch, and more particularly
3 described in Exhibit A, attached hereto and incorporated herein by this reference. The Property
4 is approximately 420 acres in area.

5 3. The entire Property overlies a body of percolating groundwater (hereinafter called
6 "The Aquifer"), the extent of which is unknown to plaintiff.

7 4. Defendants Palmdale Water District, Palm Ranch Irrigation District, Quartz Hill
8 Water District, Rosamond Community Service District, Mojave Public Utility District, Antelope
9 Valley Water Company, Little Rock Irrigation District, and County Water Works District - City
10 of Lancaster (the "Water Companies") are purveyors of water to customers in portions of Kern
11 County and Los Angeles County.

12 5. Defendant City of Lancaster ("Lancaster") is, and at all times herein mentioned
13 was, a municipal corporation. Lancaster provides municipal water service to customers within
14 its boundaries.

15 6. Plaintiff is ignorant of the true names and capacities, whether individual,
16 corporate, governmental, or otherwise, of the Defendants named in this complaint as All Persons
17 Unknown, Claiming Any Legal Or Equitable Right, Title, Estate, Lien, Or Interest In The
18 Property Described In This Complaint Adverse To Plaintiff's Title, Or Any Cloud Upon
19 Plaintiff's Title Thereto, and therefore sues these Defendants by so naming them, pursuant to
20 *California Code of Civil Procedure* sections 762.020 and 762.060. These Defendants are all
21 persons, except those Defendants specifically named in this complaint (including any of those
22 Defendants who have been fictitiously named in this complaint as Does 1-200, who are
23 subsequently identified through amendment of the complaint) who claim that they have water
24 rights to extract groundwater from The Aquifer for use (1) on property that does not overlie
25 The Aquifer, and/or (2) on property that that person does not own, and/or (3) for some other
26 non-overlying use superior to, or coequal with, the overlying rights of plaintiff to extract
27 groundwater from The Aquifer and put it to reasonable and beneficial use on plaintiff's property
28

1 described below. Plaintiff seeks a binding and conclusive judgment against all of these unknown
2 persons pursuant to *California Code of Civil Procedure* section 764.030.

3 7. Plaintiff is ignorant of the true names and capacities, whether individual,
4 corporate, governmental, or otherwise, of the Defendants named in this complaint as Does
5 1-200, inclusive, and therefore sues these Defendants by these fictitious names. Plaintiff will
6 amend this complaint to allege the fictitiously-named Defendants' names and capacities when
7 ascertained.

8 8. By virtue of the location of the Property overlying groundwater in The Aquifer,
9 plaintiff holds an overlying water right to groundwater from The Aquifer, entitling to plaintiff
10 to extract groundwater from The Aquifer and to put the water to reasonable and beneficial use
11 on the Property (Plaintiff's overlying water right).

12 9. Plaintiff is informed and believes, and on the basis of such information and belief
13 alleges, that each of the defendants currently extracts groundwater from The Aquifer for use
14 on property not overlying The Aquifer, for use on property that the defendant does not own,
15 and/or for some other non-overlying use.

16 10. Any reasonable and beneficial overlying use of groundwater is superior in right
17 to any non-overlying use. Therefore, plaintiff's overlying water right is superior to any rights
18 defendants may have to take groundwater from The Aquifer for non-overlying use.

19 11. Plaintiff is informed and believes, and on the basis of such information and belief
20 alleges, that each defendant claims that it has water rights to extract groundwater from The
21 Aquifer for non-overlying use that are superior to, or coequal with, plaintiff's overlying water
22 right, based on a claim of prescription or other claim in law or equity.

23 12. Plaintiff is informed and believes, and on the basis of such information and belief
24 alleges, that the claim of each defendant to superior or coequal rights to extract and use
25 groundwater from The Aquifer is without basis in law.

26 13. The quantity of superior or coequal rights that each defendant claims is unknown
27 to plaintiff.
28

1 14. Plaintiff seeks to quiet title to the superior priority of plaintiff's overlying water
2 right against the claims of each defendant to a superior or coequal right to extract and use
3 groundwater from The Aquifer for non-overlying use.

4 15. The determination is sought as of the date of filing of this complaint.

5 WHEREFORE, plaintiff prays for judgment against defendants, and each of them, as
6 follows:

7 1. For a determination that plaintiff's present and future right to extract groundwater
8 from The Aquifer and put it to reasonable and beneficial use on the Property is superior in
9 priority to any rights of each of the defendants to extract and use groundwater, other than for
10 reasonable and beneficial overlying use upon any land such defendant owns which overlies The
11 Aquifer;

12 2. For a determination that plaintiff retains the full range of remedies available to
13 secure and protect plaintiff's overlying water right;

14 3. For an award of reasonable attorney's fees and costs of suit; and

15 4. For such other and further relief as the court deems just and proper.

16 Dated: February 18, 2000

LeBEAU, THELEN, LAMPE,
McINTOSH & CREAM, LLP

17
18 By: 

19 BOB H. JOYCE, ESQ.
20 Attorneys for Plaintiff
21 DIAMOND FARMING COMPANY,
a California corporation

22 KLL:etc
23 (Diamond.Complaint Quiet Title.wpd)02/00
24
25
26
27
28

Diamond Farming Company vs.
Palmdale Water District, etc., et al.

EXHIBIT "A"

The parcels, located in the County of Los Angeles, State of California, are described as follows:

PARCEL 1

The west one-half of the west one-half of Section 30, Township 7 North, Range 10 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat thereof.

Except therefrom the southwest one-quarter of the southwest one-quarter of said Section 30.

Also except therefrom an undivided one-sixteenth interest in and to all coal, oil, gas and other mineral deposits lying beneath the northwest one-quarter of the southwest one-quarter of said Section 30, as reserved by the State of California in patent recorded on January 3, 1928 in Book 7780 page 151, of Official Records as Instrument No. 664.

PARCEL 2

The east one-half of the northwest one-quarter and the west one-half of the northeast one-quarter of Section 30, Township 7 North, Range 10 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat thereof.

As shown on the Certificate of Compliance recorded August 18, 1989 as Instrument No. 89-1333368, Official Records.

PARCEL 3

The east one-half of the southwest one-quarter and the west one-half of the southeast one-quarter of Section 30, Township 7 North, Range 10 West, San Bernardino Meridian, in the County of Los Angeles, State of California, according to the official plat thereof.

As shown on the Certificate of Compliance recorded August 18, 1989 as Instrument No. 89-1333369, Official Records.

Except therefrom an undivided one-sixteenth interest in and to all coal, oil, gas and other mineral deposits lying beneath the southeast one-quarter of the southwest one-quarter of said Section 30, as reserved by the State of California in patent recorded on December 31, 1924 in Book 3564 Page 217, Official Records as Instrument No. 993.

Also except therefrom an undivided one-sixteenth interest in and to all coal, oil, gas and other mineral deposits lying beneath the northeast one-quarter of the southwest one-quarter of said Section 30, as reserved by the State of California in patent recorded on January 3, 1928 in Book 7780, Page 151 of Official Records as Instrument No. 664.

Except therefrom as to Lot 1, in the southwest quarter of said Section 30, 50 percent of all oil, gas, minerals and other hydrocarbon substances lying in and under said land, as reserved by Alexander M. McCrea and Maude E. McCrea, his wife, in Deed recorded August 9, 1941 in Book 18678 Page 72, Official Records.

VERIFICATION TO COMPLAINT

I, **JEFFREY A. GREEN**, am an authorized agent of the Plaintiff in the above-entitled action. I have read the foregoing **First Amended and Supplemental Complaint to Quiet Title** and know the contents thereof. The same is true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters, I believe it to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

EXECUTED this 10th day of February, 2000, at Bakersfield, California.

JEFFREY A. GREEN

Type or Print Name


Signature

NAME AND ADDRESS OF SENDER: BOB H. JOYCE, ESQ. LeBEAU, THELEN, LAMPE, McINTOSH & CREAR, LLP 5001 E. Commercenter Drive, Suite 300 Bakersfield, California 93309	TELEPHONE NO.: (661) 325-9062 FAX NO.: (661) 325-1127 For Court Use Only:
Insert name of court, judicial district or branch court, if any, and Post Office and Street Address: Superior Court of California, County of Los Angeles, 1040 West Avenue J Lancaster, Ca , CA 93534	
PLAINTIFF: DIAMOND FARMING COMPANY, a California Corporation	
DEFENDANT: PALMDALE WATER DISTRICT, et al.	
NOTICE AND ACKNOWLEDGMENT OF RECEIPT	Case Number: MC011330

TO: Jeffrey V. Dunn, Esq., on behalf of Defendant, ROSAMOND COMMUNITY SERVICES DISTRICT
 (Insert name of Individual being served)

This summons and other documents(s) indicated below are being served pursuant to Section 415.30 of the California Code of Civil Procedure. Your failure to complete this form and return it to me within 20 days may subject you (or the party on whose behalf you are being served) to liability for the payment of any expenses incurred in serving a summons on you in any other manner permitted by law.

If you are being served on behalf of a corporation, unincorporated association (including a partnership), or other entity, this form must be signed by you in the name of such entity or by a person authorized to receive service of process on behalf of such entity. In all other cases, this form must be signed by you personally or by a person authorized by you to acknowledge receipt of summons. Section 415.30 provides that this summons and other document(s) are deemed served on the date you sign the Acknowledgment of Receipt below, if you return this form to me.

Dated: March 10, 2000



 (Signature of sender)

ACKNOWLEDGMENT OF RECEIPT

This acknowledges receipt of: (To be completed by sender before mailing)

1. ☐ A copy of the summons and of the complaint.
2. ☐ A copy of the summons and of the Petition (Marriage) and:
 - ☐ Blank Confidential Counseling Statement (Marriage)
 - ☐ Order to Show Cause (Marriage)
 - ☐ Blank Responsive Declaration
 - ☐ Blank Financial Declaration
 - ☒ Other: (Specify)
 Copy of Summons and of the Complaint to Quiet Title

(To be completed by recipient)

Date of receipt:

 (Signature of person acknowledging receipt, with title if acknowledgment is made on behalf of another person)

Date this form is signed:

 (Type or print your name and name of entity, if any, on whose behalf this form is signed)