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12 INDIAN WELLS VALLEY WATER DISTRICT

13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

16 MOJAVE PISTACHIOS, LLC, a California
17 limited liability company; et al.,

18 Petitioners and Plaintiffs,

19 v.

20 INDIAN WELLS VALLEY
21 GROUNDWATER AUTHORITY, a
22 California joint powers authority; et al.,

23 Respondents and Defendants.

Case No. 30-2021-01187589-CU-WM-CXC

*[Consolidated with: Case No. 30-2021-
01188089-CU-WM-CXC]*

**NOTICE OF MOTION AND MOTION
OF INDIAN WELLS VALLEY WATER
DISTRICT FOR ORDER CONFIRMING
“INTERESTED PARTY” STATUS, OR,
IN THE ALTERNATIVE, GRANTING
LEAVE TO AMEND ANSWER;**

**MEMORANDUM OF POINTS AND
AUTHORITIES AND DECLARATION
OF DOUGLAS J. EVERTZ**

RELATED TO ROA 610

Date: October 31, 2025

Time: 9:00 a.m.

Dept.: CX101

Reservation No. 1000570777

1
2 AND CONSOLIDATED CASE AND
3 RELATED CASES.
4

[Related to: Case No. 30-2021-01187275-CU-OR-CJC; Case No. 30-2022-01239479-CU-MC-CJC; Case No. 30-2022-01239487-CU-MC-CJC; Case No. 30-2022-01249146-CU-MC-CJC]

5 Assigned For All Purposes To:
6 The Honorable William Claster, Dept. CX101

7 Complaint Filed: September 30, 2020
8 Writ Hearing: February 4, 2026
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1 **NOTICE OF MOTION**

2 **TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:**

3 **PLEASE TAKE NOTICE** that on October 31, 2025, at 9:00 a.m., or as soon thereafter
4 as the matter may be heard, in Department CX101 of the Orange County Superior Court - Civil
5 Complex Center, located at 751 West Santa Ana Boulevard, Santa Ana, California 92701,
6 Respondent and Defendant Indian Wells Valley Water District (“District”) will and hereby does
7 move (“Motion”) for an order confirming the District’s status as an “interested party” in the
8 subject of this reverse validation action, with the full right to contest the legality and validity of
9 the actions of Respondent and Defendant Indian Wells Valley Groundwater Authority and its
10 Board of Directors (collectively, “Authority”) listed in the Summons; or, in the alternative,
11 granting the District leave to amend its answer to conform to the District’s position contesting
12 the legality and validity of the Authority’s actions listed in the Summons.

13 The District makes this Motion under Code of Civil Procedure sections 473(a)(1), 576,
14 and 862; and the Court’s inherent authority to control the matters before it. (Code Civ. Proc.,
15 §§ 128(a)(8), 187; Gov. Code, § 68070(a); *Cottle v. Super. Ct.* (1992) 3 Cal.App.4th 1367, 1376-
16 1379.)

17 The District makes the Motion, to confirm its status as an “interested party” with the full
18 right to contest the legality and validity of the Authority’s actions, on the following grounds:

19 **A. An Interested Party Who Timely Files an Answer in a Reverse Validation**
20 **Case Has the Full Right to Contest the Legality and Validity of the Matter Sought to be**
21 **Determined.** To participate in a reverse validation case and contest the legality or validity of the
22 matter sought to be determined, a third party must timely file an answer in the proceeding as an
23 interested person. (Code Civ. Proc., § 862.)

24 **B. The District Became an Interested Party with the Full Right to Contest the**
25 **Legality and Validity of the Authority’s Actions in this Reverse Validation Case when the**
26 **District Timely Filed an Answer as an Interested Person.** The District obtained Court orders
27 extending its time to file an answer and subsequently filed its answer within the extensions
28 granted. (Declaration of Douglas J. Evertz (“Evertz Decl.”), ¶¶ 2-11; see, e.g., *City of San Diego*

1 *v. San Diegans for Open Government* (2016) 3 Cal.App.5th 568, 580 [explaining interested party
2 could have (but had not) sought relief from the court to file later answer in validation action].)
3 The District therefore qualifies as interested party with the full right to contest the legality and
4 validity of the Authority’s actions.

5 **C. Timely Answering the Petition in a Reverse Validation Case is the Prescribed**
6 **Statutory Mechanism to Appear, and It Enables—Rather than Limits—the Interested**
7 **Party’s Participation.** The validation framework focuses on a timing requirement for appearing
8 in a validation action; it does not impose specific, substantive pleading requirements. Timely
9 filing an answer in a reverse validation case is the prescribed statutory mechanism for appearing
10 in the case and preserves an interested party’s right to participate. (Code Civ. Proc., § 862.)

11 In the alternative, the District makes the Motion, for leave to amend its answer to
12 conform to its position contesting the legality and validity of the Authority’s actions, on the
13 following grounds:

14 **A. California Law Favors the Liberal Granting of Leave to Amend at Any Stage**
15 **of the Proceeding.** A court, in furtherance of justice, has broad discretion to grant leave to
16 amend an answer on any terms as may be just at any stage of the proceeding. (Code Civ. Proc.,
17 §§ 473(a)(1), 576.) In fact, “it is not only error but an abuse of discretion” to deny leave to
18 amend where granting leave will not prejudice the opposing party. (*Morgan v. Super. Ct.* (1959)
19 172 Cal.App.2d 527, 530.)

20 **B. The Authority Will Not Suffer Undue Prejudice if the District is Granted**
21 **Leave to Amend its Answer.** Leave to amend will not prejudice the Authority because it will
22 not delay the February 4, 2026 writ hearing, result in the loss of critical evidence, add to the
23 Authority’s costs of preparing for the hearing, increase the Authority’s discovery burden, or
24 present a wholly different set of facts. (See *Jo Redland Trust, U.A.D. 4-6-05 v. CIT Bank, N.A.*
25 (2023) 92 Cal.App.5th 142, 168; *Atkinson v. Elk Corp.* (2003) 109 Cal.App.4th 739, 761; see,
26 e.g., *Magpali v. Farmers Group, Inc.* (1996) 48 Cal.App.4th 471, 486-488; *Hirsa v. Super. Ct.*
27 (1981) 118 Cal.App.3d 486, 488-490.)

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **1. INTRODUCTION**

3 Respondent and Defendant Indian Wells Valley Water District (“District”) respectfully
4 requests that the Court enter an order confirming the District’s status as an “interested party” in
5 the subject of this reverse validation action with the full right to contest the legality and validity
6 of the actions of Respondent and Defendant Indian Wells Valley Groundwater Authority and its
7 Board of Directors (collectively, “Authority”) listed in the Summons; or, in the alternative,
8 granting the District leave to amend its answer to conform to the District’s position contesting
9 the legality and validity of the Authority’s actions listed in the Summons.

10 **2. PROCEDURAL BACKGROUND**

11 Water Code section 10726.6(a) provides the statutory basis for validation pursuant to
12 Code of Civil Procedure section 860 *et seq.* to determine the validity of a groundwater
13 sustainability agency’s groundwater sustainability plan. If an agency does not bring a validation
14 proceeding, Code of Civil Procedure section 863 authorizes “any interested person” to bring a
15 reverse validation proceeding to determine the validity of an agency’s action. Here, Petitioner
16 and Plaintiff Searles Valley Minerals Inc. (“Searles”) filed a reverse validation action against the
17 Authority, among other causes of action. No one contests Searles’ compliance with the
18 procedural requirements for reverse validation proceedings.

19 Kern County Superior Court (where the case was originally filed) issued a summons
20 directed to “All persons interested in the matter listed above and described below.” (Exh. 1,
21 p. 1.) The Summons described the matter, in part, as the Authority’s adoption of the
22 Groundwater Sustainability Plan for the basin and other implementing actions, including the
23 establishment of a basin replenishment fee. (Exh. 1, pp. 1-2.) The Summons instructed all
24 interested persons on what to do to participate in the action. It stated that all persons interested
25 “may contest the legality or validity of the matter by appearing and filing a written answer to the
26 complaint not later than December 18, 2020.” (Exh. 1, p. 1 [emphasis omitted].) The District
27 timely filed an answer as an interested person to become a party to, and to participate fully in, the
28 reverse validation action. (Declaration of Douglas J. Evertz (“Evertz Decl.”), ¶¶ 2-11.)

1 The Court bifurcated trial of this matter on stipulation of the parties (ROA 698). A writ
2 hearing on the reverse validation cause of action is set for February 4, 2026 (ROA 693). While
3 meeting and conferring on the administrative record and a briefing schedule for the hearing, the
4 District and the Authority disagreed over the District’s status and role in the case. Having timely
5 filed an answer as an interested party, the District seeks to contest the legality and validity of the
6 Authority’s actions and may file an opening brief; the Authority disagrees. The District agreed
7 to bring this motion to confirm its participation in this reverse validation proceeding. (Evertz
8 Decl., ¶ 14.)

9 **3. THE COURT SHOULD CONFIRM THE DISTRICT’S STATUS AS AN**
10 **INTERESTED PARTY WITH THE FULL RIGHT TO CONTEST THE**
11 **LEGALITY AND VALIDITY OF THE AUTHORITY’S ACTIONS.**

12 **A. An Interested Party Who Timely Files an Answer in a Reverse Validation**
13 **Proceeding Has the Full Right to Contest the Legality and Validity of the**
14 **Matter Sought to be Determined.**

15 An interested third party who neither brings the reverse validation proceeding nor
16 represents the public agency whose action is subject to challenge may become a party to the case
17 as an interested party with the full right to contest the legality and validity of the matter sought to
18 be determined. To participate in a reverse validation proceeding, a third party must timely file an
19 answer in the proceeding as an interested person. (Code Civ. Proc., § 862; see also Exh. 1
20 [Summons, p. 1].)

21 **B. The District Timely Filed an Answer in this Case to Qualify as an Interested**
22 **Party with the Full Right to Participate.**

23 The District satisfied the requirements to become an interested party with the full right to
24 contest the legality and validity of the Authority’s actions in this reverse validation proceeding.
25 In this case, the District is an interested third party who neither brought the reverse validation
26 proceeding (i.e., Searles) nor represents the public agency whose action is subject to validation
27 (i.e., the Authority). To participate in this case, the District timely appeared and filed a written
28 answer as an interested party. The District obtained Court orders extending its time to file an

1 answer, and subsequently filed its answer within the extensions granted. (Evertz Decl., ¶¶ 2-11;
2 see, e.g., *City of San Diego v. San Diegans for Open Government* (2016) 3 Cal.App.5th 568, 580
3 [explaining interested party could have (but had not) sought relief from the court to file later
4 answer in validation action].) The District therefore qualifies as interested party with the full
5 right to contest the legality and validity of the Authority’s actions.

6 C. **Timely Answering the Petition in a Reverse Validation Case is the Prescribed**
7 **Statutory Mechanism to Appear, and It Enables—Rather Than Limits—the**
8 **Interested Party’s Participation.**

9 A party who timely files an answer as an interested party in a validation proceeding to
10 determine the legality or validity of an agency’s action obtains full procedural rights as a party to
11 the litigation. (See Code Civ. Proc., § 862; see, e.g., *Quantification Settlement Agreement Cases*
12 (2011) 201 Cal.App.4th 758, 791.) These rights include the right to participate in all aspects of
13 the litigation, including discovery, motion practice, and presenting evidence and argument at
14 trial.

15 Notably, the validation framework focuses on a timing requirement for appearing in a
16 validation action; it does not impose specific, substantive pleading requirements. Timely filing
17 an answer in a reverse validation case is the prescribed statutory mechanism for appearing in the
18 case and preserves an interested party’s right to participate. (Code Civ. Proc., § 862.) Indeed, a
19 reverse validation proceeding is an in rem action brought against the world, with the summons
20 directed to “all persons interested in the matter” described. (Code Civ. Proc., § 863.) When an
21 interested party files an answer denying allegations in a reverse validation petition, that party is
22 simply engaging in defensive pleadings required by the procedural rules to appear in the case.
23 The interested party’s right to participate does not depend on the specific allegations of the
24 party’s answer.

25 Moreover, no California court has recognized that an interested party’s filing of a
26 defensive pleading in a reverse validation case constitutes a waiver of the right to raise
27 affirmative challenges in the case. The broad language of section 862—providing any interested
28 party to appear and contest the legality or validity of the matter sought to be determined—

1 suggests that interested parties retain flexibility in how they participate in reverse validation
2 cases despite their method of appearance. Section 862 grants interested parties the broad right to
3 contest the legality or validity of the subject matter without imposing specific pleadings
4 requirements that lock parties into their initial positions. Parties may need to adjust their
5 positions as litigation develops, even in validation or reverse validation proceedings. The nature
6 of a validation or reverse validation case—i.e., the judgment is “forever binding and conclusive”
7 as to the world—favors party flexibility. (Code Civ. Proc., § 870(a); see *Bonander v. Town of*
8 *Tiburon* (2009) 46 Cal.4th 646, 656.)

9 **4. IN THE ALTERNATIVE, THE COURT SHOULD GRANT THE DISTRICT**
10 **LEAVE TO AMEND ITS ANSWER TO CONFORM TO ITS POSITION IN THE**
11 **CASE.**

12 **A. California Law Favors the Liberal Granting of Leave to Amend at Any Stage**
13 **of the Proceeding.**

14 The court’s power to grant leave to amend any pleading is well-established. A court, in
15 furtherance of justice, has broad discretion to grant leave to amend an answer on any terms as
16 may be just. (Code Civ. Proc., § 473(a)(1) [“The court may, in furtherance of justice, and on any
17 terms as may be proper, allow a party to amend any pleading”]; Code Civ. Proc., § 576
18 [“Any judge, at any time before or after commencement of trial, in the furtherance of justice, and
19 upon such terms as may be proper, may allow the amendment of any pleading”].) “If the
20 motion to amend is timely made and the granting of the motion will not prejudice the opposing
21 party, it is error to refuse permission to amend and where the refusal also results in a party being
22 deprived of the right to assert a meritorious cause of action or a meritorious defense, it is not
23 only error but an abuse of discretion.” (*Morgan v. Super. Ct.* (1959) 172 Cal.App.2d 527, 530.)

24 Judicial policy favors granting leave to amend to ensure that cases are decided on their
25 merits rather than on technicalities. In fact, the policy favoring amendment is so strong that
26 denial of leave to amend can rarely be justified. (*Howard v. County of San Diego* (2010) 184
27 Cal.App.4th 1422, 1428 [“The policy favoring amendment is so strong that it is a rare case in
28 which denial of leave to amend can be justified.”]; *Berman v. Bromberg* (1997) 56 Cal.App.4th

1 936, 945 [“There is a policy of great liberality in permitting amendments to the pleadings at any
2 stage of the proceeding. . . . [I]t is an abuse of discretion to deny leave to amend where the
3 opposing party was not misled or prejudiced by the amendment.”] [quoting *Sullivan v. City of*
4 *Sacramento* (1987) 190 Cal.App.3d 1070, 1081; *Kittredge Sports Co. v. Super. Ct.* (1989) 213
5 Cal.App.3d 1045, 1048].)

6 **B. Leave to Amend is Appropriate Here.**

7 The District seeks leave to amend its answer to conform to the District’s position
8 contesting the legality and validity of the Authority’s actions listed in the Summons.

9 **(1) The Authority Will Not Suffer Undue Prejudice from the Filing of the**
10 **District’s First Amended Answer.**

11 The party opposing leave to amend must demonstrate specific prejudice rather than mere
12 general inconvenience. Undue prejudice occurs where granting leave to amend would delay
13 trial, along with a loss of critical evidence, added costs of preparation, an increased burden of
14 discovery, or an inability to conduct necessary discovery—prejudice does not arise from delay
15 alone. (*Jo Redland Trust, U.A.D. 4-6-05 v. CIT Bank, N.A.* (2023) 92 Cal.App.5th 142, 168
16 [finding no prejudice from delay in and of itself]; e.g., *Magpali v. Farmers Group, Inc.* (1996) 48
17 Cal.App.4th 471, 486-488 [finding undue prejudice would result from granting leave to amend
18 because leave was sought on the eve of trial and would result in added costs of preparation and
19 an increased discovery burden].) The fact that the proposed amendment changes a legal theory is
20 not the type of prejudice justifying denial of leave to amend unless it would present a wholly
21 different set of facts. (*Atkinson v. Elk Corp.* (2003) 109 Cal.App.4th 739, 761; e.g., *Hirsa v.*
22 *Super. Ct.* (1981) 118 Cal.App.3d 486, 488-490.) “An amendment causes no prejudice where it
23 makes no difference in the proof and involves no unfairness.” (*Jo Redland Trust, supra*, 92
24 Cal.App.5th at 168 [citing *Posz v. Burchell* (1962) 209 Cal.App.2d 324, 334].)

25 Here, granting the District leave to amend its answer will not cause undue prejudice to
26 the Authority. Leave to amend will not delay the February 4, 2026 writ hearing, result in the loss
27 of critical evidence, add to the Authority’s costs of preparing for the hearing, or increase the
28 Authority’s discovery burden. Instead, the parties are proceeding with preparations for the

1 February 4, 2026 hearing. Moreover, leave to amend will not present a wholly different set of
2 facts; rather, the parties are proceeding to prepare the administrative record, which is the same
3 record the Authority and Searles began preparing. The District does not seek to raise any
4 affirmative defenses through its First Amended Answer. (See Exh. 13.)

5 **(2) The District Seeks Leave to Amend its Answer in Good Faith, and the**
6 **District has Acted with Due Diligence.**

7 Through this motion, the District seeks leave to amend in good faith and the District has
8 acted with due diligence upon discovering the need for leave to amend. The District timely filed
9 an answer in this reverse validation case to preserve its right to participate as an interested party.
10 (See Evertz Decl., ¶¶ 2-11.) The District indicated as early as May 7, 2021, when it filed its
11 Non-Opposition and Non-Joinder to Searles’ Motion for Preliminary Injunction (ROA 106) that
12 it viewed itself as similarly situated to Searles—not the Authority—in this case. (Evertz Decl.,
13 ¶ 12; Exh. 12, p. 2:4-9 & exh. A.) Indeed, since as early as February 16, 2021, the District has
14 paid the replenishment fee to the Authority under protest, signaling the District’s position in
15 opposition to the Authority’s actions, including the replenishment fee. (Evertz Decl., ¶ 12;
16 Exh. 12 [Non-Opposition, exh. A].)

17 Moreover, leave to amend is not sought for any improper purpose, such as to delay the
18 proceedings or to harass the Authority. The District realized it should seek leave to amend when
19 meeting and conferring with the Authority in preparation for the writ hearing revealed the parties
20 disagree over the District’s role in this case. (Evertz Decl., ¶ 14.)

21 **C. A Summary of the District’s Proposed Amendments.**

22 Generally, the District proposes to amend its answer only as to the first cause of action to
23 make it consistent with its Non-Opposition. That is, the District seeks to confirm it is similarly
24 situated to Searles—not the Authority—on the first cause of action, and that the District too
25 contests the legality and validity of the Authority’s actions. (Evertz Decl., ¶¶ 12-13; Exh. 12
26 [Non-Opposition, p. 2:4-9 & exh. A]; see Exh. 13 [First Amended Answer].) In particular:

- 27 • Safe Yield: The Authority’s Groundwater Sustainability Plan adopted a low
28 sustainable yield that was opposed by all major pumpers;

DECLARATION OF DOUGLAS J. EVERTZ

1 **DECLARATION OF DOUGLAS J. EVERTZ**

2 I, Douglas J. Evertz, declare:

3 1. I am an attorney, a member of the State Bar of California, and authorized to
4 practice law in California. I am a partner of Murphy & Evertz LLP, 650 Town Center Drive,
5 Suite 550, Costa Mesa, California 92626. My firm serves as co-counsel of record for
6 Respondent and Defendant Indian Wells Valley Water District (“District”) in the above-
7 captioned case and related cases. I have knowledge of the facts set forth below except as to
8 those stated on information and belief, and as to those facts, I believe them to be true.

9 **The District’s Timely Appearance**

10 2. On September 29, 2020, Petitioner and Plaintiff Searles Valley Minerals Inc.
11 (“Searles”) filed a Petition for Writ of Mandate; Complaint for Declaratory and Injunctive
12 Relief; and Takings Claims under the California Constitution (ROA 43) (“Petition”) in Kern
13 County Superior Court. In the Petition, among other things, Searles alleged an action for reverse
14 validation against Respondent and Defendant Indian Wells Valley Groundwater Authority and
15 its Board of Directors (collectively, “Authority”).

16 3. On October 27, 2020, Kern County Superior Court issued and filed a Summons
17 pursuant to Code of Civil Procedure sections 861.1 and 863 (ROA 47). Attached as Exhibit “1”
18 is a true and correct copy of the Summons. The Summons provided:

19 **All persons interested in the matter listed above and described**
20 **below may contest the legality or validity of the matter by**
21 **appearing and filing a written answer to the complaint not**
22 **later than December 18, 2020.**

23 (Exh. 1, p. 1 [emphasis in original].) The Summons provided a detailed summary of the matter,
24 which stated in part:

25 [Searles] filed [the Petition], which seeks, among other things, a
26 judicial decree, determining that the following actions taken by the
27 [Authority] are legally deficient, invalid, and inapplicable, as the
28 contested provisions were adopted and/or have been interpreted in

1 a manner contrary to state law: (1) the Groundwater Sustainability
2 Plan for the Indian Wells Valley Basin, adopted on January 16,
3 2020 by Resolution No. 01-20 (the “GSP”); (2) the Report on the
4 Indian Wells Valley Groundwater Basin’s Sustainable Yield of
5 7,650 Acre-Feet, adopted on June 18, 2020 and/or July 16, 2020 by
6 Resolution No. 06-20 (the “Sustainable Yield Report”); (3) the
7 Amendment to Ordinance No. 02-18 Establishing Groundwater
8 Extraction Fees and the Rules, Regulations and Procedures for
9 their Imposition, adopted on July 16, 2020 by Ordinance No. 02-20
10 (the “Extraction Fee”); (4) the Engineer’s Report, adopted on July
11 16, 2020 (the “Engineer’s Report”); and (5) the Establishment of a
12 Basin Replenishment Fee, adopted on August 21, 2020 by
13 Ordinance No. 03-20 (the “Replenishment Fee”). Further, [Searles]
14 seeks a judicial determination that any efforts by the Authority to
15 implement the provisions of the GSP, including but not limited to
16 (i) the Sustainable Yield Report; (ii) the Extraction Fee; (iii) the
17 Engineer’s Report; and (iv) the Replenishment Fee, are also legally
18 deficient, invalid and inapplicable, because those efforts are based
19 on a deficient groundwater sustainability plan.

20 ...

21 [Searles] alleges that any efforts by the Authority to implement the
22 provisions of the GSP, including but not limited to the Sustainable
23 Yield Report, Extraction Fee, Engineer’s Report, and
24 Replenishment Fee, are also legally deficient, invalid and
25 inapplicable, because those efforts are based on a deficient
26 groundwater sustainability plan.

27 (Exh. 1, pp. 1-2.)

28

1 4. On November 20, 2020, the District served and filed a Certificate of Inability to
2 Respond (ROA 51), citing the need to obtain authority from the District’s Board to appear and
3 respond to the Petition and requesting an extension to appear and respond through
4 January 15, 2021. On November 25, 2020, the Court granted the District’s request to extend its
5 time to appear in the action and respond to the Petition to January 15, 2021. Attached as
6 Exhibit “2” is a true and correct copy of the Certificate.

7 5. On January 15, 2021, prior to filing the District’s answer to the Petition, my office
8 had received a notice of rejection of the District’s answer to the petition in the consolidated case
9 of Mojave Pistachios, LLC against the Authority. Upon receipt of that notice of rejection, on
10 January 15, 2021, I sent an email to all counsel, including counsel for the Authority, alerting
11 them that the District’s answer had been rejected and anticipating that the District’s answer to the
12 Petition, which we were filing that day, would likewise be rejected. I requested a courtesy
13 extension to file the District’s answer in light of the anticipated rejection. Counsel for Searles,
14 Jeffrey Dunn, agreed. I received no reply or objection from counsel for the Authority. Attached
15 as Exhibit “3” is a true and correct copy of my January 15, 2021 email with Mr. Dunn’s reply.

16 6. On January 15, 2021, the District served on all parties, including the Authority,
17 and attempted to file its answer to the Petition. On January 20, 2021, my office received a notice
18 of rejection of the District’s answer from the Kern County Superior Court. Attached as
19 Exhibit “4” is a true and correct copy of the notice of rejection.

20 7. On January 27, 2021, my office served and submitted a Stipulation to Extend
21 Time to Answer with Proposed Order. All parties, including the Authority, stipulated to the
22 Court entering an order granting the District an extension to file an answer to the Petition.
23 Attached as Exhibit “5” is a true and correct copy of the parties’ stipulation. Because the parties
24 had also recently, but separately, stipulated to a transfer of the case to this Court, the parties
25 agreed that the District would have fifteen (15) days following my office’s receipt of notice that
26 this Court had received the case in which to file an answer to the Petition. On January 29, 2021,
27 my office learned that the Kern County Superior Court rejected the stipulation to extend the time
28 for the District to answer because that Court had just transferred the case to this Court.

1 8. On March 18, 2021, my office received a notice of receipt of transfer of this case
2 from this Court (ROA 60). Attached as Exhibit “6” is a true and correct copy of the notice my
3 office received. Within the stipulated period, on April 1, 2021, the District served and filed an
4 answer to the Petition (ROA 64). Attached as Exhibit “7” is a true and correct copy of the
5 District’s answer to the Petition.

6 9. On August 25, 2021, Searles filed a First Amended Petition for Writ of Mandate
7 and Complaint for Declaratory and Injunctive Relief; and Takings Claims under the California
8 Constitution (“First Amended Petition”) (ROA 220), to which the Authority ultimately filed a
9 demurrer and motion to strike in October 2021.

10 10. On September 13, 2021, the District served and submitted a Stipulation with
11 Searles and Proposed Order extending the time for the District to file its answer to the First
12 Amended Petition in light of the Authority’s anticipated demurrer and motion to strike
13 (ROA 235). Attached as Exhibit “8” is a true and correct copy of the Stipulation. On September
14 16, 2021, the Court entered an order granting the District leave to file its answer to the First
15 Amended Petition within fifteen (15) days of the Court’s ruling on the Authority’s demurrer and
16 motion to strike (ROA 233). Attached as Exhibit “9” is a true and correct copy of the Order.

17 11. On December 21, 2022, the Court issued its ruling on the Authority’s demurrer
18 and motion to strike the First Amended Petition (ROA 599). Attached as Exhibit “10” is a true
19 and correct copy of the Court’s ruling. Within the stipulated period, on January 5, 2023, the
20 District served and filed an answer to the First Amended Petition (ROA 610). Attached as
21 Exhibit “11” is a true and correct copy of the District’s answer.

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1 **The District's Position in the Case**

2 12. On May 7, 2021, the District filed a Non-Opposition and Non-Joinder to Searles'
3 Motion for Preliminary Injunction (ROA 106). Attached as Exhibit "12" is a true and correct
4 copy of the District's Non-Opposition. The District neither opposed nor joined Searles' motion,
5 but the District did confirm that it viewed itself as similarly situated to Searles—not the
6 Authority—in the action. In particular, the District's Non-Opposition stated:

7 [S]hould the Court issue a preliminary injunction and enjoin
8 Authority, pending hearing on the merits of this action, from taking
9 any action in accordance with, to enforce, or to implement any
10 actions to impose the \$2,130 per acre foot "replenishment fee,"
11 District respectfully requests that Authority be similarly enjoined
12 as to District. District requests that any relief provided to Searles
13 also be provided to District because District is similarly situated to
14 Searles.

15 (Exh. 12, p. 2:4-9.) The District's Non-Opposition also attached letters from the District to the
16 Authority transmitting payment of the replenishment fee under protest. (Exh. 12, exh. A.)

17 13. As an answering interested party, the District seeks to contest the legality and
18 validity of the Authority's actions by filing an opening brief for the February 4, 2026 writ
19 hearing.

20 **Meet and Confer**

21 14. On August 29, 2025, I participated in a Teams meeting with Mr. Dunn and Alison
22 Toivola (counsel for Searles) and Kyle Brochard (counsel for the Authority). Among other
23 things, we met and conferred regarding a briefing schedule for the February 4, 2026 hearing on
24 the first cause of action—Petition for Writ of Mandate—in the First Amended Petition. I
25 informed counsel that the District views its role in the case aligned with petitioner (Searles), as
26 an interested party challenging the legality and validity of the Authority's actions. I further
27 informed counsel that the District therefore intends to file an opening brief concurrently with
28 Searles. Mr. Brochard objected to the District assuming a role aligned with petitioner in the

1 case, the District having filed an answer denying the allegations of the petition and seeking to
2 have the petition dismissed. Unable to agree, and agreeing to disagree, I informed counsel that
3 the District would file the attached motion to confirm its role in the case.

4 **First Amended Answer**

5 15. Attached as Exhibit "13" is a true and correct copy of the District's proposed First
6 Amended Answer.

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

9 Executed this 18th day of September 2025, at Costa Mesa, California.

10 

11 _____
12 Douglas J. Evertz

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EXHIBIT 1

NOTICE! You have been sued. The court may decide against you without your being heard unless you respond no later than December 18, 2020. Read information below.

(¡AVISO! Lo han demandado. Si no responde antes del fin de día el 18 de Diciembre, 2020, la corte puede decidir en su contra sin escuchar su versión. Lea la información a continuación.)

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF KERN
Case Number (Número del Caso) BCV-20-102285

SUMMONS

(CITACIÓN JUDICIAL)

(Code Civ. Proc., §§ 861.1, 863)

NOTICE TO DEFENDANTS:

(AVISO AL DEMANDADO):

INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, BOARD OF DIRECTORS FOR THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, ALL PERSONS INTERESTED IN THE MATTER OF THE VALIDITY OF THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY'S GROUNDWATER SUSTAINABILITY PLAN FOR THE INDIAN WELLS VALLEY GROUNDWATER BASIN; and DOES 1-100,000, inclusive,

YOU ARE BEING SUED BY PLAINTIFF:

(LO ESTA DEMANDANDO EL DEMANDANTE):

SEARLES VALLEY MINERALS INC.

All persons interested in the matter listed above and described below may contest the legality or validity of the matter by appearing and filing a written answer to the complaint not later than December 18, 2020.

Persons who contest the legality or validity of the matter will not be subject to punitive action, such as wage garnishment or seizure of their real or personal property.

Unless you respond timely, a default will be entered upon application by Plaintiff, and Plaintiff may apply to the Court for the relief demanded in the Complaint. **You may seek the advice of an attorney in any matter connected with the complaint or this summons. Such attorney should be consulted promptly so that your pleading may be filed or entered within the time required by this summons.**

DETAILED SUMMARY OF THE MATTER:

Plaintiff has filed their Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief and Takings Claims under the California Constitution ("Complaint"), which seeks, among other things, a judicial decree, determining that the following actions taken by the Indian Wells Valley Groundwater Authority (the "Authority") are legally deficient, invalid, and inapplicable, as the contested provisions were adopted and/or have been interpreted in a manner

contrary to state law: (1) the Groundwater Sustainability Plan for the Indian Wells Valley Basin, adopted on January 16, 2020 by Resolution No. 01-20 (the “GSP”); (2) the Report on the Indian Wells Valley Groundwater Basin’s Sustainable Yield of 7,650 Acre-Feet, adopted on June 18, 2020 and/or July 16, 2020 by Resolution No. 06-20 (the “Sustainable Yield Report”); (3) the Amendment to Ordinance No. 02-18 Establishing Groundwater Extraction Fees and the Rules, Regulations and Procedures for their Imposition, adopted on July 16, 2020 by Ordinance No. 02-20 (the “Extraction Fee”); (4) the Engineer’s Report, adopted on July 16, 2020 (the “Engineer’s Report”); and (5) the Establishment of a Basin Replenishment Fee, adopted on August 21, 2020 by Ordinance No. 03-20 (the “Replenishment Fee”). Further, Plaintiff seeks a judicial determination that any efforts by the Authority to implement the provisions of the GSP, including but not limited to (i) the Sustainable Yield Report; (ii) the Extraction Fee; (iii) the Engineer’s Report; and (iv) the Replenishment Fee, are also legally deficient, invalid and inapplicable, because those efforts are based on a deficient groundwater sustainability plan.

The Authority is a local agency that implements the Sustainable Groundwater Management Act (“SGMA”) and serves as the primary entity responsible for implementing sustainable groundwater management for the Indian Wells Valley Groundwater Basin (the “Basin”) located in Kern, San Bernardino, and Inyo Counties. The Basin is a high-priority basin designated by the Department of Water Resources as “subject to critical conditions of overdraft,” and the Authority is thus required to develop and implement a groundwater sustainability plan. Groundwater sustainability plans are detailed roadmaps for how groundwater basins will be sustainably managed. SGMA requires that groundwater basins designated as subject to critical conditions of overdraft, like the Basin, be managed under a groundwater sustainability plan adopted by January 31, 2020. (Water Code § 10720.7(a)(1).)

Pursuant to Resolution No. 01-20, the Authority adopted the final GSP for the Basin on January 16, 2020. The Authority subsequently adopted the Sustainable Yield Report, Extraction Fee, Engineer’s Report, and Replenishment Fee, in an effort to implement the provisions of the GSP. Plaintiff alleges that the GSP, Sustainable Yield Report, Extraction Fee, Engineer’s Report, and Replenishment Fee are legally deficient, invalid, and inapplicable, as the contested provisions were adopted and/or have been interpreted in a manner contrary to state law. Further, Plaintiff alleges that any efforts by the Authority to implement the provisions of the GSP, including but not limited to the Sustainable Yield Report, Extraction Fee, Engineer’s Report, and Replenishment Fee, are also legally deficient, invalid and inapplicable, because those efforts are based on a deficient groundwater sustainability plan.

The name and address of the court is (El nombre y dirección de la corte es):

KERN COUNTY SUPERIOR COURT
1415 Truxton Avenue
Bakersfield, CA 93301

The name, address and telephone number of Plaintiff’s attorney is (El nombre, la dirección y el número de teléfono del abogado del demandante es):

Eric Garner

Jeffrey V. Dunn
Maya Mouawad
BEST BEST & KRIEGER LLP
18101 Von Karman Avenue, Suite 1000
Irvine, California 92612
(949) 263-2600

10/27/2020 TAMARAH HARBER-PICKENS

DATE: Clerk, by Geena M. Taylor, Deputy
65352.00001\33406063.3
Geena M. Taylor



(Seal)

EXHIBIT 2

Attorney Address Telephone No.

James Worth (SBN 147207)
McMurtrey, Hartsock & Worth
2001 22nd St., Ste. 100
Bakersfield, CA 93301
Tel: (661) 322-4417

John C. Murphy (SBN 94192)
Douglas J. Evertz (SBN 123066)
Murphy & Evertz, LLP
650 Town Center Dr., Ste. 550
Costa Mesa, CA 92626
Tel: (714) 277-1700

(For Court Use)

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
ELECTRONICALLY FILED
CIVIL COMPLEX LITIGATION CENTER 11/20/2020 4:03 PM
MAR 08 2021 Kern County Superior Court
By Erika Delgado, Deputy

Attorney for:
Indian Wells Valley Water District

DAVID H. YAMASAKI, Clerk of the Court

BY: M. HERNANDEZ, DEPUTY

SUPERIOR COURT OF CALIFORNIA
COUNTY OF KERN

30-2021

Searles Valley Minerals Inc.,

Plaintiff(s)

VS
Indian Wells Valley Groundwater Authority; et al.

Defendant(s)

01188089

Case Number BCV-20-102285-DRL

Judge Honorable David R. Lampe

Dept. 11

CERTIFICATE OF INABILITY TO RESPOND

I certify that I am counsel for Indian Wells Valley Water District a named defendant
in the case, and further that I cannot with due diligence answer or otherwise respond in the case as of this date for
the following reasons.

Please see attachment.

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

Dated: November 20, 2020

Signed: Douglas J. Evertz

Type Name: James A. Worth/Douglas J. Evertz

REQUEST: GRANTED

X

TO 1/15/21

DENIED

DATED: Signed 11/25/2020 09:43 AM

David R. Lampe

David R. Lampe

JUDGE OF THE SUPERIOR COURT

SHORT TITLE: Searles Valley Minerals Inc. v. IWVGA; et al.	CASE NUMBER BCV-20-102285-DRL
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ATTACHMENT (Number) 1*(This Attachment may be used with any Judicial Council form)*

The subject Petition for Writ of Mandate and Complaint seeks, among other things, (1) a judicial decree determining that multiple actions taken by the Indian Wells Valley Groundwater Authority (IWVGA) are invalid and legally deficient as having been adopted and/or interpreted in a manner contrary to the requirements of state law; and (2) a declaration that Plaintiff and Petitioner has prior and paramount appropriate and prescriptive rights to groundwater in the Indian Wells Valley Groundwater Basin (Basin).

The IWVGA is a local agency with the primary responsibility for implementing the Sustainable Groundwater Management Act (SGMA) for the Basin. SGMA requires a basin's groundwater sustainability agency - - here, the IWVGA - - to prepare a groundwater sustainability plan that aims to bring the basin into sustainability within 20 years.

In addition to suing the IWVGA and its Board of Directors in this action, Petitioner and Plaintiff also named as defendants All Persons Interested in the Matter of the Validity of the IWVGA's Groundwater Sustainability Plan for the Basin.

The Indian Wells Valley Water District (IWWVD) is a member of the IWVGA, but the IWWVD also may be an interested person as just described and in that Petitioner and Plaintiff has alleged that its "groundwater rights are senior and paramount to the groundwater rights claimed" by the IWWVD.

The November 3, 2020 election changed the composition of the IWWVD's Board of Directors. Specifically, voters elected two new directors (out of a total of five directors). Though elected on November 3rd, the new directors do not take the official oath or assume office until the first meeting of the Board of Directors in December - - on December 14, 2020. The Validation Summons, however, states that all persons interested in the matter must file a written answer to the complaint not later than December 18, 2020.

Accordingly, the IWWVD requests an additional 30 days - - up to and including January 15, 2021 - - to file an Answer in this action, if at all. During this time, counsel will have the opportunity to brief the IWWVD's incoming Board of Directors and that Board may instruct counsel whether to appear in the present action.

(If the item that this Attachment concerns is made under penalty of perjury, all statements in this Attachment are made under penalty of perjury.)

Page 2 of 2
(Add pages as required)

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PROOF OF SERVICE

Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102285-DRL
The Honorable David R. Lampe, Dept. 11

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

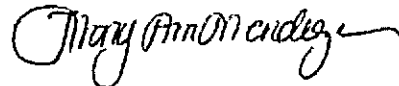
On November 20, 2020, I served true copies of the following document(s) described as **CERTIFICATE OF INABILITY TO RESPOND** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address mmendoza@murphyvertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on November 20, 2020, at Costa Mesa, California.



Mary Ann Mendoza

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SERVICE LIST

Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102285-DRL
The Honorable David R. Lampe, Dept. 11

Eric Garner, Esq.
Jeffrey V. Dunn, Esq.
Maya Mouawad, Esq.
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jeffrey.dunn@bbklaw.com
maya.mouawad@bbklaw.com

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Fax: (714) 990-6230
jmarkman@rwglaw.com

Counsel for respondents and defendants
Indian Wells Valley Groundwater
Authority;
Board of Directors of the Indian Wells
Valley Groundwater Authority

James A. Worth, Esq.
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Bakersfield, CA 93301
Tel.: (661) 322-4417
Fax: (661) 322-8123
jim@mhwlegal.com

Co-Counsel for
Indian Wells Valley Water District



SUPERIOR COURT, STATE OF CALIFORNIA
COUNTY OF KERN, METROPOLITAN DIVISION
THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND
CORRECT COPY OF THE ORIGINAL DOCUMENT ON
FILE IN THE OFFICE OF THE CLERK OF THIS COURT.
DATED: JAN 26 2021

BY: Gara M. J. DEPUTY

EXHIBIT 3

From: Jeffrey Dunn
To: Doug Evertz; Slater, Scott; Steinfeld, Amy (ASteinfeld@bhfs.com)
Cc: Eric Garner; James L. Markman Esq. (jmarkman@rwglaw.com); "Jim Worth"; Emily Madueno
Subject: RE: Mojave Pistachios v. Indian Wells Valley Groundwater Authority
Date: Friday, January 15, 2021 2:15:24 PM
Attachments: image001.png

Doug,

Yes, I am fine with the request.

Thanks, Jeff.

From: Doug Evertz <DEvertz@murphyvertz.com>
Sent: Friday, January 15, 2021 1:58 PM
To: Slater, Scott <SSlater@bhfs.com>; Steinfeld, Amy (ASteinfeld@bhfs.com) <ASteinfeld@bhfs.com>
Cc: Eric Garner <Eric.Garner@bbklaw.com>; Jeffrey Dunn <jeffrey.dunn@BBKLAW.COM>; James L. Markman Esq. (jmarkman@rwglaw.com) <jmarkman@rwglaw.com>; 'Jim Worth' <Jim@mhwlegal.com>; Emily Madueno <EMadueno@murphyvertz.com>
Subject: Mojave Pistachios v. Indian Wells Valley Groundwater Authority

CAUTION - EXTERNAL SENDER.

Scott/Amy,

The District previously filed a certificate of inability to respond in your validation case and the court ordered the District to file a responsive pleading by Wednesday, January 13th. The District filed its answer that day and I believe you filed a first amended petition/complaint the same day. Today we learned the clerk rejected the District's answer because it is not a named party to your validation proceeding. The rejection notice provides that the validation cases are related to the MP v District case, but that the cases are not consolidated. It is apparent the clerk doesn't understand the "all persons interested" aspect of the validation case.

In light of your first amended petition/complaint and the fact that your validation case is being moved to Orange County, can we stipulate that the District has 15 days to file an answer to your pleading upon receiving notice of the transfer to Orange County?

Eric/Jeff, we likewise filed a certificate in the SVM case and today our is day to respond. Assuming that answer gets rejected as well, can we likewise agree the District can file its answer within 15 days of receiving notice of the transfer?

Doug

Douglas J. Evertz

Partner

650 Town Center Drive • Suite 550 • Costa Mesa, CA 92626

Voice: (714) 277-1702 | Fax: (714) 277-1777

www.MurphyEvertz.com

MURPHY & EVERTZ

A t t o r n e y s a t L a w



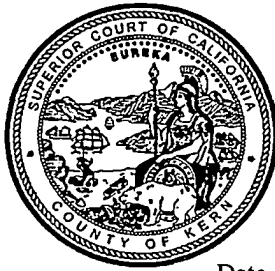
CONFIDENTIAL: Murphy & Evertz

This e-mail is sent by a law firm and may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments without reading, printing, copying or forwarding it, and please notify us.

This email and any files or attachments transmitted with it may contain privileged or otherwise confidential information. If you are not the intended recipient, or believe that you may have received this communication in error, please advise the sender via reply email and immediately delete the email you received.

EXHIBIT 4

Tamarah Harber-Pickens
Clerk of the Superior Court



SUPERIOR COURT
Telephone 661-868-5393
1415 Truxtun Avenue
Bakersfield CA 93301

Douglas Evertz
RETURNED VIA E-FILE

Date : 1/20/2021
Case No.: BCV-20-102284
Case Name: MOJAVE PISTACHIOS, LLC VS INDIAN
WELLS VALLEY GROUNDWATER
Document: ANSWER TO COMPLAINT

- The attached papers are being returned for the following reason(s): Check # ____ Returned
- This pleading does not appear to be for Superior Court, Kern County.
 - The attached document is an improper *ex-parte* communication and has not been considered by the Court.
 - Fee of \$ ____ required or a Request to Waive Court Fees must be submitted.
 - Application for Waiver of Fees missing attachment(s):**
 - Last three (3) paystubs, if employed.
 - Certified Copy of Statement of Account for previous six (6) months certified by Dept. of Corrections
 - Trust Account Withdrawal Order form (CDC form 193) completed by the Dept. of Corrections indicating \$3.00 fee to Dept. of Corrections has been paid or insufficient funds in the account to cover.
 - Does not conform to Rule 2.100-2.119, California Rules of Court, as to form and format.
 - Superior Court case number is wrong, incomplete, or missing.
 - Consolidated matter: All consolidated case numbers must be listed in the heading with the lead case listed first.
 - Consolidated matter:
 - Title is incorrect or missing parties.
 - Summons does not conform to complaint/cross-complaint/petition.
 - Not an original. Copies are not acceptable.
 - Copies must be provided if *endorsed* copies are requested. Submit one original plus ____ copy(ies).
 - Does not conform to Kern County Local Rule/Code:
 - Must use Mandatory Judicial Council form.
 - is not eligible for filing. Reason:
 - Item(s) # ____ incomplete.
 - Missing required forms/attachment:
 - Original Will must be presented at the time of filing petition.
 - Signature missing:
 - Date and place of execution not completed.
 - Document(s) must be verified.
 - Show date, time, and location of hearing pursuant to California Rules of Court.
 - The date you have noticed this matter is a Court holiday/weekend.
 - Acknowledgement of Receipt/Citation must be attached to the completed proof of service.
 - Attach Proof of Service on opposing party.
 - Correct Proof of Service:
 - Not appraised by the Probate Referee.
 - Order/Judgment does not conform to the Court minutes.
 - Order page does not contain enough information regarding case; need at least three lines of text with identifying information for order and case (short title case and case number).
 - Dismissal cannot be entered for the following reasons:
 - Other: No such party named in this matter. It appears this party is named in the related matter of BCV-19-103265 where a Certificate of Inability to Respond was filed and granted to file the answer on or before 1/14/2021. Please be advised BCV-20-102285 and BCV-20-102284 have been consolidated. Any filings for these cases should be filed into lead case BCV-20-102284.**

Tamarah Harber-Pickens
CLERK OF THE SUPERIOR COURT

ANY CORRESPONDENCE REQUIRING AN ANSWER FROM THE COURT MUST BE
ACCOMPANIED BY A SELF-ADDRESSED STAMPED ENVELOPE LARGE ENOUGH TO RETURN DOCUMENTS

By: Erika Delgado, Deputy Clerk

**ANY CORRESPONDENCE REQUIRING AN ANSWER FROM THE COURT MUST BE
ACCOMPANIED BY A SELF-ADDRESSED STAMPED ENVELOPE LARGE ENOUGH TO RETURN DOCUMENTS**

Rev. 12/2017

[Print this page](#)

Case # BCV-20-102285 - SEARLES VALLEY MINERALS VS INDIAN WELLS VALLEY (Lampe, David R.)

Case Information	
Location	Kern - Bakersfield-Civil
Date Filed	1/15/2021 6:41 PM
Case Number	BCV-20-102285
Case Description	SEARLES VALLEY MINERALS VS INDIAN WELLS VALLEY
Assigned to Judge	Lampe, David R.
Attorney	Douglas Evertz
Firm Name	Murphy & Evertz LLP
Filed By	Bradford Grabske
Fees	
Convenience Fee	\$0.00
Total Court Case Fees	\$0.00
Total Court Party Fees	\$0.00
Total Court Filing Fees	\$0.00
Total Court Service Fees	\$0.00
Total Filing & Service Fees	\$0.00
Total Provider Service Fees	\$0.00
Total Provider Tax Fees	\$0.00
Total Taxes (for non-court fees)	\$0.00
Grand Total	\$0.00
Payment	
Account Name	Fee Waiver
Transaction Amount	\$0.00
Transaction Response	
Transaction ID	
Order #	

Answer to Complaint (No Fee)	
Filing Type	EFile
Filing Code	Answer to Complaint (No Fee)
Motion Code	
Filing Description	Answer of Interested Person Indian Wells Valley Water District to Petition for Writ Of Mandate; Complaint for Declaratory and Injunctive Relief;

		and Takings Claims Under the California Constitution
Reference Number		LeadDocument001
Comments		
Courtesy Copies		mailcheck@legalconnect.com
Preliminary Copies		support@legalconnect.com
Status		Rejected
Fees		
Court Fee		\$0.00
Service Fee		\$0.00
Rejection Information		
Reason	Time	Comment
14 - Rejected	1/20/2021 2:38 PM	No such party named in this matter. It appears this party is named in the related matter of BCV-19-103265 where a Certificate of Inability to Respond was filed and granted to file the answer on or before 1/14/2021. Please be advised BCV-20-102285 and BCV-20-102284 have been consolidated. Any filings for these cases should be filed into lead case BCV-20-102284.
Documents		
Lead Document	0002649506_F20C..pdf	[Original]

1 James A. Worth, State Bar No. 147207
McMURTREY, HARTSOCK & WORTH
2 2001 22nd Street, Suite 100
Bakersfield, California 93301
3 Telephone No.: 661.322.4417
Fax No.: 661.322.8123
4 Email: jim@mhwlegal.com

5 John C. Murphy, State Bar No. 94192
Douglas J. Evertz, State Bar No. 123066
6 Emily L. Madueno, State Bar No. 251721
MURPHY & EVERTZ LLP
7 650 Town Center Drive, Suite 550
Costa Mesa, California 92626
8 Telephone No.: 714.277.1700
Fax No.: 714.277.1777
9 Email: jmurphy@murphyevertz.com
devertz@murphyevertz.com
10 emadueno@murphyevertz.com

11 Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 FOR THE COUNTY OF KERN, METROPOLITAN DIVISION
15

16 SEARLES VALLEY MINERALS INC.,

17 Petitioner and Plaintiff,

18 v.

19 INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY; et al.,

20 Respondents and Defendants.
21
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Case No. BCV-20-102285-DRL
*Related Case Nos. BCV-20-102284-DRL &
BCV-19-103265-DRL*

Assigned For All Purposes To:
The Honorable David R. Lampe, Dept. 11

**ANSWER OF INTERESTED PERSON
INDIAN WELLS VALLEY WATER
DISTRICT TO PETITION FOR WRIT
OF MANDATE; COMPLAINT FOR
DECLARATORY AND INJUNCTIVE
RELIEF; AND TAKINGS CLAIMS
UNDER THE CALIFORNIA
CONSTITUTION**

Exempt From Fees (Govt. Code § 6103)

Complaint Filed: September 29, 2020
Trial Date: None Set

1 Respondent and Defendant, INDIAN WELLS VALLEY WATER DISTRICT
2 (“District”), alleges that it is interested in the matters referred to in the Summons and Petition for
3 Writ of Mandate; Complaint for Declaratory and Injunctive Relief; and Takings Claims Under
4 the California Constitution filed September 29, 2020 (“Complaint”) by Petitioner and Plaintiff
5 Searles Valley Minerals Inc. (“SVM”) and in answer thereto, admits, denies, and alleges as
6 follows:

7 **Introduction**

8 1. Answering Paragraph 1 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 1 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 1 of the Complaint.

12 2. Answering Paragraph 2 of the Complaint, District has insufficient information or
13 belief to enable it to form an answer to the allegations of Paragraph 2 of the Complaint and,
14 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
15 Paragraph 2 of the Complaint. The exceptions are:

16 a. District admits that SVM is located in the town of Trona, County of San
17 Bernardino.

18 3. Answering Paragraph 3 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 3 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 3 of the Complaint. The exceptions are:

22 a. District admits Searles Domestic Water Company provides water for
23 domestic use.

24 4. Answering Paragraph 4 of the Complaint, District has insufficient information or
25 belief to enable it to form an answer to the allegations of Paragraph 4 of the Complaint and,
26 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
27 Paragraph 4 of the Complaint.

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 10 of the Complaint. District further responds that Paragraph 10 asserts legal
3 conclusions and no answer is required. The exceptions are:

4 a. District admits that SVM is located in the town of Trona, County of San
5 Bernardino.

6 11. Answering Paragraph 11 of the Complaint, District admits the allegations in
7 Paragraph 11.

8 12. Answering Paragraph 12 of the Complaint, District admits the allegations in
9 Paragraph 12.

10 13. Answering Paragraph 13 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 13 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 13 of the Complaint. The exceptions are:

14 a. District admits that the Indian Wells Valley Groundwater Authority
15 (“IWVGA”) is governed by the IWVGA Board of Directors (“Board”).

16 b. District admits that the governing body of each General Member of the
17 IWVGA Board appoints a director to serve on the Board.

18 14. Answering Paragraph 14 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 14 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 14 of the Complaint. The exceptions are:

22 a. District admits that it is an “interested person” in the validity of the
23 IWVGA’s Groundwater Sustainability Plan (“GSP”), including its
24 groundwater replenishment fee or assessment.

25 15. Answering Paragraph 15 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 15 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28 Paragraph 15 of the Complaint.

1 **Exhaustion of Administrative Remedies**

2 16. Answering Paragraph 16 of the Complaint, District has insufficient information or
3 belief to enable it to form an answer to the allegations of Paragraph 16 of the Complaint and,
4 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
5 Paragraph 16 of the Complaint. District further responds that Paragraph 16 asserts legal
6 conclusions and no answer is required. The exceptions are:

7 a. District admits that SVM submitted multiple oral and written comments to
8 the IWVGA on the IWVGA’s GSP and related actions.

9 17. Answering Paragraph 17 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 17 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 17 of the Complaint. The exceptions are:

13 a. District admits that SVM participated on two advisory committees of the
14 IWVGA, namely the Policy Advisory Committee (“PAC”) and the
15 Technical Advisory Committee (“TAC”).

16 b. District admits that SVM submitted multiple oral and written comments to
17 the IWVGA on the IWVGA’s GSP and related actions.

18 18. Answering Paragraph 18 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 18 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 18 of the Complaint.

22 **General Allegations**

23 19. Answering Paragraph 19 of the Complaint, District admits the allegations in
24 Paragraph 19.

25 20. Answering Paragraph 20 of the Complaint, District admits the allegations in
26 Paragraph 20.

27 21. Answering Paragraph 21 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 21 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 21 of the Complaint.

3 22. Answering Paragraph 22 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 22 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 22 of the Complaint.

7 23. Answering Paragraph 23 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 23 of the Complaint and,
9 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
10 Paragraph 23 of the Complaint.

11 24. Answering Paragraph 24 of the Complaint, District has insufficient information or
12 belief to enable it to form an answer to the allegations of Paragraph 24 of the Complaint and,
13 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
14 Paragraph 24 of the Complaint.

15 25. Answering Paragraph 25 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 25 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 25 of the Complaint. District further responds that Paragraph 25 asserts legal
19 conclusions and no answer is required.

20 26. Answering Paragraph 26 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 26 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 26 of the Complaint. District further responds that Paragraph 26 asserts legal
24 conclusions and no answer is required.

25 27. Answering Paragraph 27 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 27 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28

1 Paragraph 27 of the Complaint. District further responds that Paragraph 27 asserts legal
2 conclusions and no answer is required.

3 28. Answering Paragraph 28 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 28 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 28 of the Complaint. District further responds that Paragraph 28 asserts legal
7 conclusions and no answer is required.

8 29. Answering Paragraph 29 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 29 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 29 of the Complaint. District further responds that Paragraph 29 asserts legal
12 conclusions and no answer is required.

13 30. Answering Paragraph 30 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 30 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 30 of the Complaint. District further responds that Paragraph 30 asserts legal
17 conclusions and no answer is required. The exceptions are:

18 a. District admits that it was formed on January 24, 1955.

19 31. Answering Paragraph 31 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 31 of the Complaint and,
21 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
22 Paragraph 31 of the Complaint. The exceptions are:

23 a. District admits SVM delivers Basin water to Searles Domestic Water
24 Company.

25 32. Answering Paragraph 32 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 32 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28

1 Paragraph 32 of the Complaint. District further responds that Paragraph 32 asserts legal
2 conclusions and no answer is required.

3 33. Answering Paragraph 33 of the Complaint, District admits the allegations in
4 Paragraph 33.

5 34. Answering Paragraph 34 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 34 of the Complaint and,
7 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
8 Paragraph 34 of the Complaint. The exceptions are:

9 a. District admits that the use of water for domestic purposes is the highest
10 use of water pursuant California Water Code section 106.

11 b. District admits that the comprehensive groundwater legislation
12 collectively enacted and referred to as the “Sustainable Groundwater
13 Management Act” (“SGMA”) initially became effective on January 1,
14 2015.

15 c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
16 of the Groundwater Sustainability Plan for the Indian Wells Valley
17 Groundwater Basin on January 16, 2020.

18 35. Answering Paragraph 35 of the Complaint, District responds that Paragraph 35
19 asserts legal conclusions and no answer is required.

20 36. Answering Paragraph 36 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 36 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 36 of the Complaint. The exceptions are:

24 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
25 of the Groundwater Sustainability Plan for the Indian Wells Valley
26 Groundwater Basin on January 16, 2020.

27 37. Answering Paragraph 37 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 37 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 37 of the Complaint. The exceptions are:

- 3 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
4 of the Groundwater Sustainability Plan for the Indian Wells Valley
5 Groundwater Basin on January 16, 2020.

6 38. Answering Paragraph 38 of the Complaint, District has insufficient information or
7 belief to enable it to form an answer to the allegations of Paragraph 38 of the Complaint and,
8 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
9 Paragraph 38 of the Complaint. The exceptions are:

- 10 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
11 of the Groundwater Sustainability Plan for the Indian Wells Valley
12 Groundwater Basin on January 16, 2020.

- 13 b. District admits that SVM provided the IWVGA with documentation in
14 support of its rights to Basin groundwater.

15 39. Answering Paragraph 39 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 39 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 39 of the Complaint. District further responds that Paragraph 39 asserts legal
19 conclusions and no answer is required.

20 40. Answering Paragraph 40 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 40 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 40 of the Complaint. District further responds that Paragraph 40 asserts legal
24 conclusions and no answer is required.

1 41. Answering Paragraph 41 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 41 of the Complaint and,
3 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
4 Paragraph 41 of the Complaint. The exceptions are:

- 5 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
6 of the Groundwater Sustainability Plan for the Indian Wells Valley
7 Groundwater Basin on January 16, 2020.

8 42. Answering Paragraph 42 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 42 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 42 of the Complaint. District further responds that Paragraph 42 asserts legal
12 conclusions and no answer is required.

13 43. Answering Paragraph 43 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 43 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 43 of the Complaint. District further responds that Paragraph 43 asserts legal
17 conclusions and no answer is required. The exceptions are:

- 18 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
19 of the Groundwater Sustainability Plan for the Indian Wells Valley
20 Groundwater Basin on January 16, 2020.

21 44. Answering Paragraph 44 of the Complaint, District has insufficient information or
22 belief to enable it to form an answer to the allegations of Paragraph 44 of the Complaint and,
23 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
24 Paragraph 44 of the Complaint. The exceptions are:

- 25 a. District admits the IWVGA approved the Joint Exercise of Powers
26 Agreement Creating the IWVGA.

27 45. Answering Paragraph 45 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 45 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 45 of the Complaint. The exceptions are:

- 3 a. District admits that the IWVGA adopted Bylaws of the Indian Wells
4 Valley Groundwater Authority which are periodically updated.

5 46. Answering Paragraph 46 of the Complaint, District responds that Paragraph 46
6 asserts legal conclusions and no answer is required.

7 47. Answering Paragraph 47 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 47 of the Complaint and,
9 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
10 Paragraph 47 of the Complaint. District further responds that Paragraph 47 asserts legal
11 conclusions and no answer is required. The exceptions are:

- 12 a. District admits that the City of Ridgecrest, County of Inyo, County of
13 Kern, County of San Bernardino, and District are General Members of the
14 IWVGA.

- 15 b. District admits the IWVGA approved the Joint Exercise of Powers
16 Agreement Creating the IWVGA.

17 48. Answering Paragraph 48 of the Complaint, District has insufficient information or
18 belief to enable it to form an answer to the allegations of Paragraph 48 of the Complaint and,
19 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
20 Paragraph 48 of the Complaint. District further responds that Paragraph 48 asserts legal
21 conclusions and no answer is required.

22 49. Answering Paragraph 49 of the Complaint, District has insufficient information or
23 belief to enable it to form an answer to the allegations of Paragraph 49 of the Complaint and,
24 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
25 Paragraph 49 of the Complaint. District further responds that Paragraph 49 asserts legal
26 conclusions and no answer is required.

27 50. Answering Paragraph 50 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 50 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 50 of the Complaint.

3 51. Answering Paragraph 51 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 51 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 51 of the Complaint. District further responds that Paragraph 51 asserts legal
7 conclusions and no answer is required.

8 52. Answering Paragraph 52 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 52 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 52 of the Complaint. District further responds that Paragraph 52 asserts legal
12 conclusions and no answer is required.

13 53. Answering Paragraph 53 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 53 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 53 of the Complaint. District further responds that Paragraph 53 asserts legal
17 conclusions and no answer is required.

18 54. Answering Paragraph 54 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 54 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 54 of the Complaint. District further responds that Paragraph 54 asserts legal
22 conclusions and no answer is required. The exceptions are:

- 23 a. District admits that the IWVGA adopted Resolution No. 05-20 – Adoption
24 of Report on Transient Pool and Fallowing Program on August 21, 2020.

25 55. Answering Paragraph 55 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 55 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28 Paragraph 55 of the Complaint.

1 56. Answering Paragraph 56 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 56 of the Complaint and,
3 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
4 Paragraph 56 of the Complaint. District further responds that Paragraph 56 asserts legal
5 conclusions and no answer is required. The exceptions are:

- 6 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
7 of the Groundwater Sustainability Plan for the Indian Wells Valley
8 Groundwater Basin on January 16, 2020.

9 57. Answering Paragraph 57 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 57 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 57 of the Complaint. District responds that Paragraph 57 asserts legal conclusions and
13 no answer is required. The exceptions are:

- 14 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
15 of the Groundwater Sustainability Plan for the Indian Wells Valley
16 Groundwater Basin on January 16, 2020.

17 58. Answering Paragraph 58 of the Complaint, District has insufficient information or
18 belief to enable it to form an answer to the allegations of Paragraph 58 of the Complaint and,
19 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
20 Paragraph 58 of the Complaint. District responds that Paragraph 58 asserts legal conclusions and
21 no answer is required. The exceptions are:

- 22 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
23 of the Groundwater Sustainability Plan for the Indian Wells Valley
24 Groundwater Basin on January 16, 2020.

25 59. Answering Paragraph 59 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 59 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28

1 Paragraph 59 of the Complaint. District responds that Paragraph 59 asserts legal conclusions and
2 no answer is required. The exceptions are:

- 3 a. District admits that the draft Sustainable Yield Report was included in the
4 meeting package for the IWVGA Board meeting on June 18, 2020.
- 5 b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
6 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
7 Yield of 7,650 Acre-Feet on July 16, 2020.

8 60. Answering Paragraph 60 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 60 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 60 of the Complaint. The exceptions are:

- 12 a. District admits that SVM submitted multiple oral and written comments to
13 the IWVGA on the IWVGA’s GSP and related actions.

14 61. Answering Paragraph 61 of the Complaint, District has insufficient information or
15 belief to enable it to form an answer to the allegations of Paragraph 61 of the Complaint and,
16 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
17 Paragraph 61 of the Complaint.

18 62. Answering Paragraph 62 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 62 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 62 of the Complaint. The exceptions are:

- 22 a. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
23 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
24 Yield of 7,650 Acre-Feet on July 16, 2020.

25 63. Answering Paragraph 63 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 63 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28

1 Paragraph 63 of the Complaint. District further responds that Paragraph 63 asserts legal
2 conclusions and no answer is required.

3 64. Answering Paragraph 64 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 64 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 64 of the Complaint. District further responds that Paragraph 64 asserts legal
7 conclusions and no answer is required.

8 65. Answering Paragraph 65 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 65 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 65 of the Complaint. District further responds that Paragraph 65 asserts legal
12 conclusions and no answer is required.

13 66. Answering Paragraph 66 of the Complaint, District responds that Paragraph 66
14 asserts legal conclusions and no answer is required.

15 67. Answering Paragraph 67 of the Complaint, District responds that Paragraph 67
16 asserts legal conclusions and no answer is required.

17 68. Answering Paragraph 68 of the Complaint, District has insufficient information or
18 belief to enable it to form an answer to the allegations of Paragraph 68 of the Complaint and,
19 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
20 Paragraph 68 of the Complaint. District further responds that Paragraph 68 asserts legal
21 conclusions and no answer is required.

22 69. Answering Paragraph 69 of the Complaint, District has insufficient information or
23 belief to enable it to form an answer to the allegations of Paragraph 69 of the Complaint and,
24 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
25 Paragraph 69 of the Complaint. The exceptions are:

- 26 a. District admits that the IWVGA adopted Ordinance No. 02-20 –
27 Amending Ordinance No. 02-18 Establishing Groundwater Extraction
28 Fees and the Rules, Regulations and Procedures for their Imposition on

1 July 16, 2020 increasing the fee from \$30 to \$105 for each AF of
2 groundwater extracted from the Basin.

3 70. Answering Paragraph 70 of the Complaint, District responds that Paragraph 70
4 asserts legal conclusions and no answer is required.

5 71. Answering Paragraph 71 of the Complaint, District responds that Paragraph 71
6 asserts legal conclusions and no answer is required.

7 72. Answering Paragraph 72 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 72 of the Complaint and,
9 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
10 Paragraph 72 of the Complaint. District further responds that Paragraph 72 asserts legal
11 conclusions and no answer is required.

12 73. Answering Paragraph 73 of the Complaint, District has insufficient information or
13 belief to enable it to form an answer to the allegations of Paragraph 73 of the Complaint and,
14 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
15 Paragraph 73 of the Complaint. District further responds that Paragraph 73 asserts legal
16 conclusions and no answer is required.

17 74. Answering Paragraph 74 of the Complaint, District has insufficient information or
18 belief to enable it to form an answer to the allegations of Paragraph 74 of the Complaint and,
19 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
20 Paragraph 74 of the Complaint. District further responds that Paragraph 74 asserts legal
21 conclusions and no answer is required. The exceptions are:

22 a. District admits that the IWVGA adopted Ordinance No. 02-20 –
23 Amending Ordinance No. 02-18 Establishing Groundwater Extraction
24 Fees and the Rules, Regulations and Procedures for their Imposition on
25 July 16, 2020.

26 75. Answering Paragraph 75 of the Complaint, District has insufficient information or
27 belief to enable it to form an answer to the allegations of Paragraph 75 of the Complaint and,
28 basing its denial on that fact, deny, both generally and specifically, each and every allegation of

1 Paragraph 75 of the Complaint. District further responds that Paragraph 75 asserts legal
2 conclusions and no answer is required.

3 76. Answering Paragraph 76 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 76 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 76 of the Complaint. The exceptions are:

7 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
8 Establishment of a Basin Replenishment Fee on August 21, 2020.

9 77. Answering Paragraph 77 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 77 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 77 of the Complaint.

13 78. Answering Paragraph 78 of the Complaint, District responds that Paragraph 78
14 asserts legal conclusions and no answer is required.

15 79. Answering Paragraph 79 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 79 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 79 of the Complaint. District further responds that Paragraph 79 asserts legal
19 conclusions and no answer is required.

20 80. Answering Paragraph 80 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 80 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 80 of the Complaint. The exceptions are:

24 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
25 Establishment of a Basin Replenishment Fee on August 21, 2020.

26 81. Answering Paragraph 81 of the Complaint, District responds that Paragraph 81
27 asserts legal conclusions and no answer is required.

28

1 82. Answering Paragraph 82 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 82 of the Complaint and,
3 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
4 Paragraph 82 of the Complaint.

5 83. Answering Paragraph 83 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 83 of the Complaint and,
7 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
8 Paragraph 83 of the Complaint. District further responds that Paragraph 83 asserts legal
9 conclusions and no answer is required.

10 84. Answering Paragraph 84 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 84 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 84 of the Complaint. District further responds that Paragraph 84 asserts legal
14 conclusions and no answer is required.

15 85. Answering Paragraph 85 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 85 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 85 of the Complaint. District further responds that Paragraph 85 asserts legal
19 conclusions and no answer is required.

20 86. Answering Paragraph 86 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 86 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 86 of the Complaint. District further responds that Paragraph 86 asserts legal
24 conclusions and no answer is required.

25 87. Answering Paragraph 87 of the Complaint, District responds that Paragraph 87
26 asserts legal conclusions and no answer is required.

27 88. Answering Paragraph 88 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 88 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 88 of the Complaint. District further responds that Paragraph 88 asserts legal
3 conclusions and no answer is required.

4 89. Answering Paragraph 89 of the Complaint, District has insufficient information or
5 belief to enable it to form an answer to the allegations of Paragraph 89 of the Complaint and,
6 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
7 Paragraph 89 of the Complaint. District further responds that Paragraph 89 asserts legal
8 conclusions and no answer is required.

9 90. Answering Paragraph 90 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 90 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 90 of the Complaint. District further responds that Paragraph 90 asserts legal
13 conclusions and no answer is required.

14 91. Answering Paragraph 91 of the Complaint, District responds that Paragraph 91
15 asserts legal conclusions and no answer is required.

16 **First Cause of Action**

17 92. District hereby realleges and incorporates herein by reference Paragraphs 1
18 through 91 above, as if fully set forth herein.

19 93. Answering Paragraph 93 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 93 of the Complaint and,
21 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
22 Paragraph 93 of the Complaint. District further responds that Paragraph 93 asserts legal
23 conclusions and no answer is required.

1 94. Answering Paragraph 94 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 94 of the Complaint and,
3 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
4 Paragraph 94 of the Complaint. The exceptions are:

5 a. District admits that SVM and others submitted multiple oral and written
6 comments to the IWVGA on the IWVGA’s GSP and related actions.

7 b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
8 of the Groundwater Sustainability Plan for the Indian Wells Valley
9 Groundwater Basin on January 16, 2020.

10 95. Answering Paragraph 95 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 95 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 95 of the Complaint. The exceptions are:

14 a. District admits that SVM and others submitted multiple oral and written
15 comments to the IWVGA on the IWVGA’s GSP and related actions.

16 b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
17 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
18 Yield of 7,650 Acre-Feet on July 16, 2020.

19 96. Answering Paragraph 96 of the Complaint, District responds that Paragraph 96
20 asserts legal conclusions and no answer is required.

21 97. Answering Paragraph 97 of the Complaint, District responds that Paragraph 97
22 asserts legal conclusions and no answer is required.

23 98. Answering Paragraph 98 of the Complaint, District responds that Paragraph 98
24 asserts legal conclusions and no answer is required.

25 99. Answering Paragraph 99 of the Complaint, District responds that Paragraph 99
26 asserts legal conclusions and no answer is required.

27 100. Answering Paragraph 100 of the Complaint, District responds that Paragraph 100
28 asserts legal conclusions and no answer is required.

1 101. Answering Paragraph 101 of the Complaint, District has insufficient information
2 or belief to enable it to form an answer to the allegations of Paragraph 101 of the Complaint and,
3 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
4 Paragraph 101 of the Complaint. District further responds that Paragraph 101 asserts legal
5 conclusions and no answer is required.

6 102. Answering Paragraph 102 of the Complaint, District has insufficient information
7 or belief to enable it to form an answer to the allegations of Paragraph 102 of the Complaint and,
8 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
9 Paragraph 102 of the Complaint. District further responds that Paragraph 102 asserts legal
10 conclusions and no answer is required.

11 103. Answering Paragraph 103 of the Complaint, District has insufficient information
12 or belief to enable it to form an answer to the allegations of Paragraph 103 of the Complaint and,
13 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
14 Paragraph 103 of the Complaint. District further responds that Paragraph 103 asserts legal
15 conclusions and no answer is required.

16 104. Answering Paragraph 104 of the Complaint, District has insufficient information
17 or belief to enable it to form an answer to the allegations of Paragraph 104 of the Complaint and,
18 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
19 Paragraph 104 of the Complaint. District further responds that Paragraph 104 asserts legal
20 conclusions and no answer is required.

21 105. Answering Paragraph 105 of the Complaint, District has insufficient information
22 or belief to enable it to form an answer to the allegations of Paragraph 105 of the Complaint and,
23 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
24 Paragraph 105 of the Complaint. District further responds that Paragraph 105 asserts legal
25 conclusions and no answer is required.

26 106. Answering Paragraph 106 of the Complaint, District has insufficient information
27 or belief to enable it to form an answer to the allegations of Paragraph 106 of the Complaint and,
28 basing its denial on that fact, deny, both generally and specifically, each and every allegation of

1 Paragraph 106 of the Complaint. District further responds that Paragraph 106 asserts legal
2 conclusions and no answer is required.

3 107. Answering Paragraph 107 of the Complaint, District has insufficient information
4 or belief to enable it to form an answer to the allegations of Paragraph 107 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 107 of the Complaint. District further responds that Paragraph 107 asserts legal
7 conclusions and no answer is required.

8 108. Answering Paragraph 108 of the Complaint, District has insufficient information
9 or belief to enable it to form an answer to the allegations of Paragraph 108 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 108 of the Complaint. District further responds that Paragraph 108 asserts legal
12 conclusions and no answer is required.

13 **Second Cause of Action**

14 109. District hereby realleges and incorporates herein by reference Paragraphs 1
15 through 108 above, as if fully set forth herein.

16 110. Answering Paragraph 110 of the Complaint, District has insufficient information
17 or belief to enable it to form an answer to the allegations of Paragraph 110 of the Complaint and,
18 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
19 Paragraph 110 of the Complaint. District further responds that Paragraph 110 asserts legal
20 conclusions and no answer is required.

21 111. Answering Paragraph 111 of the Complaint, District has insufficient information
22 or belief to enable it to form an answer to the allegations of Paragraph 111 of the Complaint and,
23 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
24 Paragraph 111 of the Complaint. District further responds that Paragraph 111 asserts legal
25 conclusions and no answer is required.

26 112. Answering Paragraph 112 of the Complaint, District has insufficient information
27 or belief to enable it to form an answer to the allegations of Paragraph 112 of the Complaint and,
28 basing its denial on that fact, deny, both generally and specifically, each and every allegation of

1 Paragraph 112 of the Complaint. District further responds that Paragraph 112 asserts legal
2 conclusions and no answer is required.

3 113. Answering Paragraph 113 of the Complaint, District has insufficient information
4 or belief to enable it to form an answer to the allegations of Paragraph 113 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 113 of the Complaint.

7 114. Answering Paragraph 114 of the Complaint, District has insufficient information
8 or belief to enable it to form an answer to the allegations of Paragraph 114 of the Complaint and,
9 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
10 Paragraph 114 of the Complaint.

11 115. Answering Paragraph 115 of the Complaint, District has insufficient information
12 or belief to enable it to form an answer to the allegations of Paragraph 115 of the Complaint and,
13 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
14 Paragraph 115 of the Complaint.

15 116. Answering Paragraph 116 of the Complaint, District has insufficient information
16 or belief to enable it to form an answer to the allegations of Paragraph 116 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 116 of the Complaint. District further responds that Paragraph 116 asserts legal
19 conclusions and no answer is required.

20 **Third Cause of Action**

21 117. District hereby realleges and incorporates herein by reference Paragraphs 1
22 through 116 above, as if fully set forth herein.

23 118. Answering Paragraph 118 of the Complaint, District has insufficient information
24 or belief to enable it to form an answer to the allegations of Paragraph 118 of the Complaint and,
25 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
26 Paragraph 118 of the Complaint.

27 119. Answering Paragraph 119 of the Complaint, District responds that Paragraph 119
28 asserts legal conclusions and no answer is required.

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FIFTH DEFENSE

(Estoppel)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, by the doctrine of equitable estoppel.

SIXTH DEFENSE

(Justification, Privilege, Good Faith and Excuse)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, because any actions taken by District were done to protect its legitimate interests, were justified, privileged, and excused, were done in good faith, necessary under the circumstances and did not proximately cause any loss to SVM.

SEVENTH DEFENSE

(Failure to Name Known Parties)

The Complaint and each purported cause of action alleged therein is barred, in whole or in part, pursuant to Code of Civil Procedure sections 762.010 and 762.060(b) on the grounds of failure to name all known parties and unknown parties with an interest.

EIGHTH DEFENSE

(Statutes of Limitation)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the applicable statutes of limitation, including Code of Civil Procedure sections 318, 319, 337, 337.1, 337.17, 338, 339, 339.5, 340, 343, 344 and/or Government Code section 12654.

NINTH DEFENSE

(Laches)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of laches.

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TENTH DEFENSE

(Lack of Jurisdiction)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as the Court lacks jurisdiction as a result of SVM’s failure to join necessary and indispensable parties.

ELEVENTH DEFENSE

(Defect or Misjoinder of Parties)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because there is a defect (nonjoinder) and/or misjoinder of parties as SVM has, among other things, failed to name necessary and/or indispensable parties.

TWELFTH DEFENSE

(Failure to do Equity)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because of SVM’s failure to do equity in the matters alleged in the Complaint, and to the extent the Complaint was not commenced and has not been prosecuted in good faith and for a proper purpose.

THIRTEENTH DEFENSE

(Uncertainty/Unenforceability)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the Complaint is uncertain as to the groundwater basin conditions which SVM seeks to support a physical solution.

FOURTEENTH DEFENSE

(Unclean Hands)

To the extent SVM by virtue of its conduct comes to this action with unclean hands, SVM is barred from bringing this action against District.

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FIFTEENTH DEFENSE

(No Loss of Economic Benefit)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered the loss of any economic benefit, advantage, or relationship as the result of any alleged actions by District.

SIXTEENTH DEFENSE

(Unreasonable Use of Water)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, because SVM's use was and is unreasonable and not a beneficial use of water under Article X, Section 2 of the California Constitution.

SEVENTEENTH DEFENSE

(Good Faith)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because District acted reasonably and in good faith at all times material herein based on relevant facts and circumstances known to it at the time it so acted.

EIGHTEENTH DEFENSE

(Balancing the Equities)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the equities in this case weigh against the relief that SVM seeks.

NINETEENTH DEFENSE

(No Damages/Failure to Mitigate Damages)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered any damages caused by District's actions or omissions, and/or has failed and neglected to mitigate their damages, if there were any, and to the extent of such failure to mitigate, any damages awarded to SVM under the Complaint should be reduced accordingly.

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TWENTIETH DEFENSE

(Unjust Enrichment)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM would be unjustly enriched if allowed to recover the relief requested in the Complaint, in whole or in part.

TWENTY-FIRST DEFENSE

(Willful Misconduct)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the incidents alleged in the Complaint, if any, and SVM's damages, if any, were directly and proximately caused, concurred in or contributed to by the willful misconduct of SVM.

TWENTY-SECOND DEFENSE

(Admissions)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by admissions of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof.

TWENTY-THIRD DEFENSE

(Reliance)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because District reasonably relied on the representations, acts, omissions or other conduct of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof, with respect to the alleged unlawful acts that are the subject of the Complaint.

TWENTY-FOURTH DEFENSE

(Public Policy)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as a matter of public policy of the State of California.

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TWENTY-FIFTH DEFENSE

(Assumption of the Risk)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM voluntarily assumed the risk of damages, if any.

TWENTY-SIXTH DEFENSE

(Municipal Priority)

District extracts groundwater and uses that water to serve domestic water needs of members of the public and, therefore, pursuant to Water Code sections 106 and 106.5, other applicable law, and equity, District’s right to extract and use groundwater is superior to or at least equal to SVM’s alleged rights.

TWENTY-SEVENTH DEFENSE

(Prior Appropriative Rights)

District extracts groundwater to serve the needs of members of the public for reasonable and beneficial uses. To the extent the Court determines that the areas from which District pumps groundwater contain surplus water, District has acquired a prior and appropriative right to groundwater that is superior to or at least equal to SVM’s alleged rights.

TWENTY-EIGHTH DEFENSE

(Loss of Rights Due to Nonuse or Prescription)

District alleges that SVM’s alleged water rights have been lost through nonuse and/or prescription. For many years, District has produced and distributed groundwater for reasonable and beneficial uses. District’s production of groundwater has been done under a claim of right in an actual, open, and notorious manner, adverse or hostile to any rights of SVM, and has continued for a period of more than five consecutive years during which overdraft conditions existed where District has pumped groundwater. By reason of District’s production of groundwater, District has acquired a prescriptive right to groundwater superior to or at least equal in priority to SVM’s alleged rights.

1 **TWENTY-NINTH DEFENSE**

2 **(Incomplete Physical Solution)**

3 The Complaint seeks relief that cannot be granted as sought, in that the Complaint seeks
4 an incomplete physical solution that does not address all necessary technical, hydrologic,
5 hydrogeologic, and other Basin conditions, water rights, and other necessary elements of a
6 practical, equitable, and defensible physical solution.

7 **THIRTIETH DEFENSE**


8 **(Reservation of Defenses)**

9 District has insufficient knowledge or information upon which to form a belief as to
10 whether it may have additional, as yet unstated, separate affirmative defenses available,
11 particularly in light of the general, non-specific allegations of the Complaint. Accordingly,
12 District reserves its right to assert additional separate affirmative defenses in the event discovery
13 indicates they would be appropriate.

14 **PRAYER**

- 15 1. That the Complaint be dismissed in its entirety and SVM take nothing by way of
16 its Complaint;
- 17 2. That SVM's request and prayer for relief be denied; and
- 18 3. That the Court grant any and all other relief in favor of District that it deems fair,
19 just, equitable or otherwise proper.

20
21 DATED: January 15, 2021 MURPHY & EVERTZ LLP

22
23
24 By: 
25 John C. Murphy
26 Douglas J. Evertz
27 Emily L. Madueno
28 Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

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PROOF OF SERVICE

Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102285-DRL
Related Case Nos. BCV-20-102284-DRL & BCV-19-103265-DRL
The Honorable David R. Lampe, Dept. 11

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On January 15, 2021, I served true copies of the following document(s) described as **ANSWER OF INTERESTED PERSON INDIAN WELLS VALLEY WATER DISTRICT TO PETITION FOR WRIT OF MANDATE; COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF; AND TAKINGS CLAIMS UNDER THE CALIFORNIA CONSTITUTION** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address mmendoza@murphyevertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **January 15, 2021**, at Costa Mesa, California.



Mary Ann Mendoza

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SERVICE LIST

Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102285-DRL
Related Case Nos. BCV-20-102284-DRL & BCV-19-103265-DRL
The Honorable David R. Lampe, Dept. 11

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Jeffrey V. Dunn, Esq. *Searles Valley Minerals Inc.*
Maya Mouawad, Esq. *Counsel for defendant*
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in related case of BCV-20-102284-DRL
Indian Wells Valley Groundwater Authority;
Board of Directors of the Indian Wells Valley
Groundwater Authority

James A. Worth, Esq. *Co-Counsel for respondent and defendant*
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Fax: (661) 322-8123 *Indian Wells Valley Water District*
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in related case of BCV-19-103265-DRL
Indian Wells Valley Water District

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*Counsel for petitioners and plaintiffs
in related case of BCV-20-102284-DRL*
Mojave Pistachios, LLC;
Paul G. Nugent and Mary E. Nugent, Trustees
of the Nugent Family Trust dated June 20,
2011

*Counsel for plaintiffs
in related case of BCV-19-103265-DRL*
Mojave Pistachios, LLC;
John Thomas Conaway;
John Thomas Conaway Trust;
John Thomas Conaway Living Trust u/d/t
August 7, 2008;
Nugent Family Trust;
Sierra Shadows Ranch LP

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Meadowbrook Dairy Real Estate, LLC;
Big Horn Fields, LLC;
Brown Road Fields, LLC;
Highway 395 Fields, LLC;
The Meadowbrook Mutual Water Company

EXHIBIT 5

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7 Attorneys for Petitioners and Plaintiffs MOJAVE
PISTACHIOS, LLC, a California limited liability
8 company; and PAUL G. NUGENT AND MARY E.
NUGENT, Trustees of the Nugent Family Trust dated
9 June 20, 2011

10 *[Counsel continued on following page.]*

11 SUPERIOR COURT OF THE STATE OF CALIFORNIA
12 IN AND FOR THE COUNTY OF KERN
13 METROPOLITAN DIVISION

14 MOJAVE PISTACHIOS, LLC, et al.,
15 Petitioners and Plaintiffs,

16 v.

17 INDIAN WELLS VALLEY
18 GROUNDWATER AUTHORITY, et al.,
19 Respondents and Defendants.

20
21 SEARLES VALLEY MINERALS INC.,
22 Petitioner and Plaintiff,

23 v.

24 INDIAN WELLS VALLEY
25 GROUNDWATER AUTHORITY, et al.,
26 Respondents and Defendants.

Case No. BCV-20-102284-DRL
[Consolidated with BCV-20-102285-DRL]

STIPULATION TO EXTEND TIME TO ANSWER

Assigned for All Purposes to the Honorable
David R. Lampe, Dept. 11

Action filed: September 30, 2020
Trial date: None set

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15 AUTHORITY and BOARD OF DIRECTORS OF THE
INDIAN WELLS VALLEY GROUNDWATER
16 AUTHORITY

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23 Attorneys for Interested Person
INDIAN WELLS VALLEY WATER DISTRICT
24
25
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27
28

1 Petitioners and Plaintiffs MOJAVE PISTACHIOS, LLC; PAUL G. NUGENT AND
2 MARY E. NUGENT, Trustees of the Nugent Family Trust dated June 20, 2011; and SEARLES
3 VALLEY MINERALS INC. (collectively, "Petitioners"); Respondents and Defendants INDIAN
4 WELLS VALLEY GROUNDWATER AUTHORITY; and THE BOARD OF DIRECTORS OF
5 THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (collectively,
6 "Respondents"); and Interested Person INDIAN WELLS VALLEY WATER DISTRICT
7 ("District"), (together referred to as the "Parties"), by and through their respective attorneys of
8 record, hereby agree and stipulate as follows:

9 WHEREAS, on September 29, 2020, SEARLES VALLEY MINERALS INC. filed an
10 action in this Court challenging Respondents' Groundwater Sustainability Plan ("GSP") and
11 related actions: *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority, et*
12 *al.*, Case No. BCV-20-102285-DRL (the "*Searles Valley Minerals Action*");

13 WHEREAS, on September 30, 2020, MOJAVE PISTACHIOS, LLC, and PAUL G.
14 NUGENT AND MARY E. NUGENT, Trustees of the Nugent Family Trust dated June 20, 2011,
15 filed an action in this Court also challenging Respondents' GSP and related actions: *Mojave*
16 *Pistachios, LLC, et al. v. Indian Wells Valley Groundwater Authority, et al.*, Case No. BCV-20-
17 102284-DRL (the "*Mojave Pistachios Action*");

18 WHEREAS, on January 13, 2021, the parties to the *Searles Valley Minerals Action* and
19 *Mojave Pistachios Action* submitted a Stipulation to Consolidate Actions and Transfer Venue;
20 [Proposed] Order, seeking to consolidate the two actions and transfer venue to the neutral county
21 of Orange County pursuant to Code of Civil Procedure section 394(a);

22 WHEREAS, District intends to file an Answer as an interested person in the *Searles*
23 *Valley Minerals Action*; and

24 WHEREAS, District intends to file an Answer as an interested person in the *Mojave*
25 *Pistachios Action*;

26 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED that:

- 27 1. The parties stipulate that District shall have fifteen (15) days following District's
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receipt of notice that Orange County Superior Court has received the *Searles Valley Minerals*

Action in which to file an Answer in that action.


2. The parties stipulate that District shall have fifteen (15) days following District's receipt of notice that Orange County Superior Court has received the *Mojave Pistachios Action* in which to file an Answer in that action.

(Signature Page Follows)

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DATED: January 26, 2021

BROWNSTEIN HYATT FARBER SCHRECK, LLP

By: 

Scott S. Slater
Amy M. Steinfeld
Elisabeth L. Esposito
Attorneys for Petitioners and Plaintiffs
MOJAVE PISTACHIOS, LLC, a California limited liability company; and PAUL G. NUGENT AND MARY E. NUGENT, Trustees of the Nugent Family Trust dated June 20, 2011

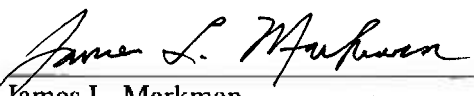
DATED: January _____, 2021

BEST BEST & KRIEGER LLP

By: _____
Eric L. Garner
Jeffrey V. Dunn
Attorneys for Petitioner and Plaintiff
SEARLES VALLEY MINERALS INC.

DATED: January ²⁷_____, 2021


RICHARDS, WATSON & GERSHON

By: 

James L. Markman
Attorneys for Respondents and Defendants
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, a California joint powers authority;
THE BOARD OF DIRECTORS OF THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY,
a governing body

DATED: January ²⁶_____, 2021

MURPHY & EVERTZ LLP

By: 

Douglas J. Evertz
Emily L. Maduena
Attorneys for Interested Person
INDIAN WELLS VALLEY WATER DISTRICT

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DATED: January _____, 2021

BROWNSTEIN HYATT FARBER SCHRECK, LLP


By: _____

Scott S. Slater
Amy M. Steinfeld
Elisabeth L. Esposito
Attorneys for Petitioners and Plaintiffs
MOJAVE PISTACHIOS, LLC, a California limited liability company; and PAUL G. NUGENT AND MARY E. NUGENT, Trustees of the Nugent Family Trust dated June 20, 2011

DATED: January 25, 2021

BEST BEST & KRIEGER LLP

By: _____


Eric L. Garner
Jeffrey V. Dunn
Attorneys for Petitioner and Plaintiff
SEARLES VALLEY MINERALS INC.

DATED: January _____, 2021

RICHARDS, WATSON & GERSHON

By: _____

James L. Markman
Attorneys for Respondents and Defendants
INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, a California joint powers authority; THE BOARD OF DIRECTORS OF THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY, a governing body

DATED: January _____, 2021

MURPHY & EVERTZ LLP

By: _____

Douglas J. Evertz
Emily L. Madueno
Attorneys for Interested Person
INDIAN WELLS VALLEY WATER DISTRICT

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[PROPOSED] ORDER

For good cause shown, and upon the stipulation of the parties hereto, through their respective undersigned attorneys of record, it is hereby ordered as follows:

1. Interested person Indian Wells Valley Water District ("District") shall have fifteen (15) days following District's receipt of notice that Orange County Superior Court has received the case of *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority, et al.*, Case No. BCV-20-102285-DRL, in which to file an Answer in that action.

2. District shall have fifteen (15) days following District's receipt of notice that Orange County Superior Court has received the case of *Mojave Pistachios, LLC, et al. v. Indian Wells Valley Groundwater Authority, et al.*, Case No. BCV-20-102284-DRL, in which to file an Answer in that action.

IT IS SO ORDERED.

Dated: _____

JUDGE OF THE SUPERIOR COURT

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PROOF OF SERVICE

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102284-DRL
(Consolidated with BCV-20-102285-DRL)
The Honorable David R. Lampe, Dept. 11

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On January 27, 2021, I served true copies of the following document(s) described as **STIPULATION TO EXTEND TIME TO ANSWER** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address mmendoza@murphyvertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **January 27, 2021**, at Costa Mesa, California.



Mary Ann Mendoza

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SERVICE LIST

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Kern County Superior Court - Metropolitan Division; Case No. BCV-20-102284-DRL
(Consolidated with BCV-20-102285-DRL)
The Honorable David R. Lampe, Dept. 11

Scott S. Slater, Esq.
Amy M. Steinfeld, Esq.
Elisabeth L. Esposito, Esq.
Brownstein Hyatt Farber Schreck, LLP
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Santa Barbara, CA 93101
Tel.: (805) 963-7000
Fax: (805) 965-4333
SSlater@bhfs.com
ASteinfeld@bhfs.com
EEsposito@BHFS.com

*Counsel for petitioners and plaintiffs
in case BCV-20-102284
Mojave Pistachios, LLC;
Paul G. Nugent and Mary E. Nugent,
Trustees of the Nugent Family Trust dated
June 20, 2011*

James L. Markman, Esq.
Richards, Watson & Gershon
P.O. Box 1059
Brea, CA 92822-1059
Tel.: (714) 990-0901
Fax: (714) 990-6230
jmarkman@rwglaw.com

*Counsel for respondents and defendants
Indian Wells Valley Groundwater
Authority;
Board of Directors of the Indian Wells
Valley Groundwater Authority
(Cases BCV-20-102284 and BCV-20-
102285)*

James A. Worth, Esq.
McMurtrey, Hartsock & Worth
2001 22nd Street, Suite 100
Bakersfield, CA 93301
Tel.: (661) 322-4417
Fax: (661) 322-8123
jim@mhwlegal.com

*Co-Counsel for interested party
Indian Wells Valley Water District
(Cases BCV-20-102284 and BCV-20-
102285)*

Eric Garner, Esq.
Jeffrey V. Dunn, Esq.
Maya Mouawad, Esq.
Best Best & Krieger LLP
18101 Von Karman Avenue, Suite 1000
Irvine, CA 92612
Tel.: (949) 263-2600
Fax: (949) 260-0972
eric.garner@bbklaw.com
jeffrey.dunn@bbklaw.com
maya.mouawad@bbklaw.com

*Counsel for petitioner and plaintiff
in case BCV-20-102285-DRL
Searles Valley Minerals Inc.*

EXHIBIT 6

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

JUSTICE CENTER:

- Central - 700 Civic Center Dr. West, Santa Ana, CA 92701-4045
- Civil Complex Center - 751 W. Santa Ana Blvd., Santa Ana, CA 92701-4512
- Harbor-Laguna Hills Facility - 23141 Moulton Pkwy., Laguna Hills, CA 92653-1251
- Harbor-Newport Beach Facility - 4601 Jamboree Rd., Newport Beach, CA 92660-2595
- Lamoreaux - 341 The City Drive, Orange, CA 92868-3205
- North - 1275 N. Berkeley Ave., P. O. Box 5000, Fullerton, CA 92838-0500
- West - 8141 13th Street, Westminster, CA 92683-4593

FILED
 SUPERIOR COURT OF CALIFORNIA
 COUNTY OF ORANGE
 CIVIL COMPLEX LITIGATION CENTER

MAR 18 2021

DAVID H. YAMASAKI, Clerk of the Court

PLAINTIFF/PETITIONER: **Mojave Pistachios, LLC**

BY: M. HERNANDEZ, DEPUTY

DEFENDANT/RESPONDENT: **Indian Wells Valley Groundwater Authority**

NOTICE OF TRANSFER, RECLASSIFICATION AND/OR CONSOLIDATION

CASE NUMBER:
30-2021-01187589

Notice is given that former case numbers BCV-20-102284 and BCV-20-102285 were received by this court on (date):

March 18, 2021 and

is assigned the new case number noted above. All papers must reflect the new case number.

The new location will advise you of your new case number.

Case is consolidated with lead case number _____. All documents must be filed in the lead case and conform to Cal. Rules of Court, rule 3.350(d).

Case has been reassigned for all purposes as indicated below:

Assigned Judge: **Kirk Nakamura** Department: **CX103**

Each side has 10 days from notice in which to exercise any rights under Code of Civil Procedure §170.6.

For the purposes of exercising Code of Civil Procedure, §170.6 rights, there are deemed to be two sides in this case unless the contrary is brought to the attention of the Court in Department C1 and ruled upon by the Presiding Judge (or his or her delegate).

CLERK'S CERTIFICATE OF MAILING

Best Best & Krieger LLP
 18101 Von Karman Avenue, Suite 1000
 Irvine, CA 92612

Richards, Watson & Gershon
 350 South Grand Avenue, 37th Floor
 Los Angeles, CA 90071

Brownstein Hyatt Farber Schreck, LLP
 1021 Anacapa Street, 2nd Floor
 Santa Barbara, CA 93101

I certify that I am not a party to this action and that this certificate was mailed in accordance with Section 1013a of the Code of Civil Procedure. A copy of this Notice of Transfer, Reclassification and/or Consolidation was deposited in the United States mail, in a sealed envelope with postage fully prepaid addressed as shown above. The mailing and this certification occurred at Santa Ana, California on March 18, 2021.

ALAN CARLSON, Clerk of the Court

By: M. Hernandez
 DEPUTY CLERK

EXHIBIT 7

1 James A. Worth, State Bar No. 147207
McMURTREY, HARTSOCK & WORTH
2 2001 22nd Street, Suite 100
Bakersfield, California 93301
3 Telephone No.: 661.322.4417
Fax No.: 661.322.8123
4 Email: jim@mhwlegal.com

Exempt From Fees Per
Govt. Code § 6103

5 John C. Murphy, State Bar No. 94192
Douglas J. Evertz, State Bar No. 123066
6 Emily L. Madueno, State Bar No. 251721
MURPHY & EVERTZ LLP
7 650 Town Center Drive, Suite 550
Costa Mesa, California 92626
8 Telephone No.: 714.277.1700
Fax No.: 714.277.1777
9 Email: jmurphy@murphyevertz.com
devertz@murphyevertz.com
10 emadueno@murphyevertz.com

11 Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

15 MOJAVE PISTACHIOS, LLC, a California
16 limited liability company; et al.,

17 Petitioners and Plaintiffs,

18 v.

19 INDIAN WELLS VALLEY
20 GROUNDWATER AUTHORITY; et al.,

21 Respondents and Defendants.
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Case No. 30-2021-01187589-CU-WM-CXC
*Consolidated with: 30-2021-01188089-CU-
WM-CXC*
Related to: 30-2021-01187275-CU-OR-CJC

Assigned For All Purposes To:
The Honorable Kirk Nakamura, Dept. CX103

**ANSWER OF INTERESTED PERSON
INDIAN WELLS VALLEY WATER
DISTRICT TO PETITIONER AND
PLAINTIFF SEARLES VALLEY
MINERALS INC.'S PETITION FOR
WRIT OF MANDATE; COMPLAINT
FOR DECLARATORY AND
INJUNCTIVE RELIEF; AND
TAKINGS CLAIMS UNDER THE
CALIFORNIA CONSTITUTION**

26 AND CONSOLIDATED CASE.
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Complaint Filed: September 29, 2020
Trial Date: None Set

{00189328.3 }

ANSWER OF INTERESTED PERSON INDIAN WELLS VALLEY WATER DISTRICT
TO SEARLES VALLEY MINERALS INC.'S PETITION FOR WRIT OF MANDATE AND COMPLAINT

1 Respondent and Defendant, INDIAN WELLS VALLEY WATER DISTRICT
2 (“District”), alleges that it is interested in the matters referred to in the Summons and Petition for
3 Writ of Mandate; Complaint for Declaratory and Injunctive Relief; and Takings Claims Under
4 the California Constitution filed September 29, 2020 (“Complaint”) by Petitioner and Plaintiff
5 Searles Valley Minerals Inc. (“SVM”) and in answer thereto, admits, denies, and alleges as
6 follows:

7 **Introduction**

8 1. Answering Paragraph 1 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 1 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 1 of the Complaint. District further responds that Paragraph 1 asserts legal
12 conclusions and no answer is required.

13 2. Answering Paragraph 2 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 2 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 2 of the Complaint. The exceptions are:

17 a. District admits that SVM is located in the town of Trona, County of San
18 Bernardino.

19 3. Answering Paragraph 3 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 3 of the Complaint and,
21 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
22 Paragraph 3 of the Complaint. The exceptions are:

23 a. District admits Searles Domestic Water Company provides water for
24 domestic use.

25 4. Answering Paragraph 4 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 4 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28 Paragraph 4 of the Complaint.

1 Paragraph 10 of the Complaint. District further responds that Paragraph 10 asserts legal
2 conclusions and no answer is required. The exceptions are:

- 3 a. District admits that SVM is located in the town of Trona, County of San
4 Bernardino.

5 11. Answering Paragraph 11 of the Complaint, District admits the allegations in
6 Paragraph 11.

7 12. Answering Paragraph 12 of the Complaint, District admits the allegations in
8 Paragraph 12.

9 13. Answering Paragraph 13 of the Complaint, District responds that Paragraph 13
10 asserts legal conclusions and no answer is required. The exceptions are:

- 11 a. District admits that the Indian Wells Valley Groundwater Authority
12 (“IWVGA”) is governed by the IWVGA Board of Directors (“Board”).

- 13 b. District admits that the governing body of each General Member of the
14 IWVGA Board appoints a director to serve on the Board.

15 14. Answering Paragraph 14 of the Complaint, District responds that Paragraph 14
16 asserts legal conclusions and no answer is required. The exceptions are:

- 17 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
18 of the Groundwater Sustainability Plan for the Indian Wells Valley
19 Groundwater Basin on January 16, 2020.

- 20 b. District admits that the IWVGA adopted Ordinance No. 03-20 –
21 Establishment of a Basin Replenishment Fee on August 21, 2020.

- 22 c. District admits that it is an “interested person” in the validity of the
23 IWVGA’s Groundwater Sustainability Plan (“GSP”), including its
24 groundwater replenishment fee or assessment.

25 15. Answering Paragraph 15 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 15 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28

1 Paragraph 15 of the Complaint. District further responds that Paragraph 15 asserts legal
2 conclusions and no answer is required.

3 **Exhaustion of Administrative Remedies**

4 16. Answering Paragraph 16 of the Complaint, District responds that Paragraph 16
5 asserts legal conclusions and no answer is required. The exceptions are:

- 6 a. District admits that SVM submitted multiple oral and written comments to
7 the IWVGA on the IWVGA's GSP and related actions.
- 8 b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
9 of the Groundwater Sustainability Plan for the Indian Wells Valley
10 Groundwater Basin on January 16, 2020.
- 11 c. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
12 a Report on the Indian Wells Valley Groundwater Basin's Sustainable
13 Yield of 7,650 Acre-Feet on July 16, 2020.
- 14 d. District admits that the IWVGA adopted Ordinance No. 02-20 –
15 Amending Ordinance No. 02-18 Establishing Groundwater Extraction
16 Fees and the Rules, Regulations and Procedures for their Imposition on
17 July 16, 2020 increasing the fee from \$30 to \$105 for each AF of
18 groundwater extracted from the Basin.
- 19 e. District admits that the IWVGA adopted Ordinance No. 5-20 – Amending
20 Ordinance No. 2-18 Establishing Groundwater Extraction Fees and the
21 Rules, Regulations and Procedures for their Imposition on December 17,
22 2020.
- 23 f. District admits that the IWVGA adopted Ordinance No. 03-20 –
24 Establishment of a Basin Replenishment Fee on August 21, 2020.

25 17. Answering Paragraph 17 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 17 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
28 Paragraph 17 of the Complaint. The exceptions are:

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- a. District admits that SVM participated on two advisory committees of the IWVGA, namely the Policy Advisory Committee (“PAC”) and the Technical Advisory Committee (“TAC”).
- b. District admits that SVM submitted multiple oral and written comments to the IWVGA on the IWVGA’s GSP and related actions.
- c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020.
- d. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting a Report on the Indian Wells Valley Groundwater Basin’s Sustainable Yield of 7,650 Acre-Feet on July 16, 2020.
- e. District admits that the IWVGA adopted Ordinance No. 02-20 – Amending Ordinance No. 02-18 Establishing Groundwater Extraction Fees and the Rules, Regulations and Procedures for their Imposition on July 16, 2020 increasing the fee from \$30 to \$105 for each AF of groundwater extracted from the Basin.
- f. District admits that the IWVGA adopted Ordinance No. 5-20 – Amending Ordinance No. 2-18 Establishing Groundwater Extraction Fees and the Rules, Regulations and Procedures for their Imposition on December 17, 2020.
- g. District admits that the IWVGA adopted Ordinance No. 03-20 – Establishment of a Basin Replenishment Fee on August 21, 2020.

18. Answering Paragraph 18 of the Complaint, District responds that Paragraph 18 asserts legal conclusions and no answer is required.

General Allegations

19. Answering Paragraph 19 of the Complaint, District admits the allegations in Paragraph 19.

1 20. Answering Paragraph 20 of the Complaint, District admits the allegations in
2 Paragraph 20.

3 21. Answering Paragraph 21 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 21 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 21 of the Complaint. The exceptions are:

7 a. District admits that a portion of the land overlying the Basin is situated
8 within the jurisdictional boundaries of Kern County.

9 22. Answering Paragraph 22 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 22 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 22 of the Complaint. The exceptions are:

13 a. District admits that a portion of the land overlying the Basin is situated
14 within the jurisdictional boundaries of Inyo County.

15 23. Answering Paragraph 23 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 23 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 23 of the Complaint. The exceptions are:

19 a. District admits that a portion of the land overlying the Basin is situated
20 within the jurisdictional boundaries of San Bernardino County.

21 24. Answering Paragraph 24 of the Complaint, District has insufficient information or
22 belief to enable it to form an answer to the allegations of Paragraph 24 of the Complaint and,
23 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
24 Paragraph 24 of the Complaint.

25 25. Answering Paragraph 25 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 25 of the Complaint and,
27 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
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1 Paragraph 25 of the Complaint. District further responds that Paragraph 25 asserts legal
2 conclusions and no answer is required.

3 26. Answering Paragraph 26 of the Complaint, District responds that Paragraph 26
4 asserts legal conclusions and no answer is required.

5 27. Answering Paragraph 27 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 27 of the Complaint and,
7 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
8 Paragraph 27 of the Complaint. District further responds that Paragraph 27 asserts legal
9 conclusions and no answer is required.

10 28. Answering Paragraph 28 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 28 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 28 of the Complaint. District further responds that Paragraph 28 asserts legal
14 conclusions and no answer is required.

15 29. Answering Paragraph 29 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 29 of the Complaint and,
17 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
18 Paragraph 29 of the Complaint. District further responds that Paragraph 29 asserts legal
19 conclusions and no answer is required.

20 30. Answering Paragraph 30 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 30 of the Complaint and,
22 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
23 Paragraph 30 of the Complaint. District further responds that Paragraph 30 asserts legal
24 conclusions and no answer is required. The exceptions are:

25 a. District admits that it was formed on January 24, 1955.

26 31. Answering Paragraph 31 of the Complaint, District has insufficient information or
27 belief to enable it to form an answer to the allegations of Paragraph 31 of the Complaint and,
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1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 31 of the Complaint. The exceptions are:

- 3 a. District admits SVM delivers Basin water to Searles Domestic Water
4 Company.

5 32. Answering Paragraph 32 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 32 of the Complaint and,
7 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
8 Paragraph 32 of the Complaint. District further responds that Paragraph 32 asserts legal
9 conclusions and no answer is required.

10 33. Answering Paragraph 33 of the Complaint, District admits the allegations in
11 Paragraph 33.

12 34. Answering Paragraph 34 of the Complaint, District responds that Paragraph 34
13 asserts legal conclusions and no answer is required. The exceptions are:

- 14 a. District admits that the use of water for domestic purposes is the highest
15 use of water pursuant California Water Code section 106.

- 16 b. District admits that the comprehensive groundwater legislation
17 collectively enacted and referred to as the “Sustainable Groundwater
18 Management Act” (“SGMA”) initially became effective on January 1,
19 2015.

- 20 c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
21 of the Groundwater Sustainability Plan for the Indian Wells Valley
22 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

23 35. Answering Paragraph 35 of the Complaint, District responds that Paragraph 35
24 asserts legal conclusions and no answer is required.

25 36. Answering Paragraph 36 of the Complaint, District responds that Paragraph 36
26 asserts legal conclusions and no answer is required. The exceptions are:

1 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
2 of the Groundwater Sustainability Plan for the Indian Wells Valley
3 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

4 37. Answering Paragraph 37 of the Complaint, District has insufficient information or
5 belief to enable it to form an answer to the allegations of Paragraph 37 of the Complaint and,
6 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
7 Paragraph 37 of the Complaint. The exceptions are:

8 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
9 of the Groundwater Sustainability Plan for the Indian Wells Valley
10 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

11 38. Answering Paragraph 38 of the Complaint, District has insufficient information or
12 belief to enable it to form an answer to the allegations of Paragraph 38 of the Complaint and,
13 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
14 Paragraph 38 of the Complaint. District further responds that Paragraph 38 asserts legal
15 conclusions and no answer is required. The exceptions are:

16 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
17 of the Groundwater Sustainability Plan for the Indian Wells Valley
18 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

19 b. District admits that SVM provided the IWVGA with documentation in
20 support of its claimed rights to Basin groundwater.

21 39. Answering Paragraph 39 of the Complaint, District responds that Paragraph 39
22 asserts legal conclusions and no answer is required. The exceptions are:

23 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
24 of the Groundwater Sustainability Plan for the Indian Wells Valley
25 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

26 40. Answering Paragraph 40 of the Complaint, District has insufficient information or
27 belief to enable it to form an answer to the allegations of Paragraph 40 of the Complaint and,
28 basing its denial on that fact, deny, both generally and specifically, each and every allegation of

1 Paragraph 40 of the Complaint. District further responds that Paragraph 40 asserts legal
2 conclusions and no answer is required.

3 41. Answering Paragraph 41 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 41 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 41 of the Complaint. District further responds that Paragraph 41 asserts legal
7 conclusions and no answer is required. The exceptions are:

8 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
9 of the Groundwater Sustainability Plan for the Indian Wells Valley
10 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

11 42. Answering Paragraph 42 of the Complaint, District responds that Paragraph 42
12 asserts legal conclusions and no answer is required.

13 43. Answering Paragraph 43 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 43 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 43 of the Complaint. District further responds that Paragraph 43 asserts legal
17 conclusions and no answer is required. The exceptions are:

18 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
19 of the Groundwater Sustainability Plan for the Indian Wells Valley
20 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

21 44. Answering Paragraph 44 of the Complaint, District responds that Paragraph 44
22 asserts legal conclusions and no answer is required. The exceptions are:

23 a. District admits the IWVGA approved the Joint Exercise of Powers
24 Agreement Creating the IWVGA. The Joint Exercise of Powers
25 Agreement speaks for itself.

26 45. Answering Paragraph 45 of the Complaint, District responds that Paragraph 45
27 asserts legal conclusions and no answer is required. The exceptions are:

1 a. District admits that the IWVGA adopted Bylaws of the Indian Wells
2 Valley Groundwater Authority which are periodically updated. The
3 Bylaws speak for themselves.

4 46. Answering Paragraph 46 of the Complaint, District responds that Paragraph 46
5 asserts legal conclusions and no answer is required.

6 47. Answering Paragraph 47 of the Complaint, District responds that Paragraph 47
7 asserts legal conclusions and no answer is required. The exceptions are:

8 a. District admits that the City of Ridgecrest, County of Inyo, County of
9 Kern, County of San Bernardino, and District are General Members of the
10 IWVGA.

11 b. District admits the IWVGA approved the Joint Exercise of Powers
12 Agreement Creating the IWVGA. The Joint Exercise of Powers
13 Agreement speaks for itself.

14 48. Answering Paragraph 48 of the Complaint, District responds that Paragraph 48
15 asserts legal conclusions and no answer is required.

16 49. Answering Paragraph 49 of the Complaint, District responds that Paragraph 49
17 asserts legal conclusions and no answer is required.

18 50. Answering Paragraph 50 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 50 of the Complaint and,
20 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
21 Paragraph 50 of the Complaint.

22 51. Answering Paragraph 51 of the Complaint, District responds that Paragraph 51
23 asserts legal conclusions and no answer is required.

24 52. Answering Paragraph 52 of the Complaint, District responds that Paragraph 52
25 asserts legal conclusions and no answer is required.

26 53. Answering Paragraph 53 of the Complaint, District responds that Paragraph 53
27 asserts legal conclusions and no answer is required.

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1 54. Answering Paragraph 54 of the Complaint, District responds that Paragraph 54
2 asserts legal conclusions and no answer is required. The exceptions are:

3 a. District admits that the IWVGA adopted Resolution No. 05-20 – Adoption
4 of Report on Transient Pool and Fallowing Program on August 21, 2020.
5 The Resolution speaks for itself.

6 b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
7 of the Groundwater Sustainability Plan for the Indian Wells Valley
8 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

9 55. Answering Paragraph 55 of the Complaint, District has insufficient information or
10 belief to enable it to form an answer to the allegations of Paragraph 55 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 55. District further responds that Paragraph 55 asserts legal conclusions and no
13 answer is required.

14 56. Answering Paragraph 56 of the Complaint, District responds that Paragraph 56
15 asserts legal conclusions and no answer is required. The exceptions are:

16 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
17 of the Groundwater Sustainability Plan for the Indian Wells Valley
18 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

19 57. Answering Paragraph 57 of the Complaint, District responds that Paragraph 57
20 asserts legal conclusions and no answer is required. The exceptions are:

21 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
22 of the Groundwater Sustainability Plan for the Indian Wells Valley
23 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

24 58. Answering Paragraph 58 of the Complaint, District responds that Paragraph 58
25 asserts legal conclusions and no answer is required. The exceptions are:

26 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
27 of the Groundwater Sustainability Plan for the Indian Wells Valley
28 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

1 59. Answering Paragraph 59 of the Complaint, District responds that Paragraph 59
2 asserts legal conclusions and no answer is required. The exceptions are:

3 a. District admits that the draft Sustainable Yield Report was included in the
4 meeting package for the IWVGA Board meeting on June 18, 2020. The
5 draft Sustainable Yield Report speaks for itself.

6 b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
7 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
8 Yield of 7,650 Acre-Feet on July 16, 2020. The Resolution speaks for
9 itself.

10 60. Answering Paragraph 60 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 60 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 60 of the Complaint. The exceptions are:

14 a. District admits that SVM submitted multiple oral and written comments to
15 the IWVGA on the IWVGA’s GSP and related actions.

16 61. Answering Paragraph 61 of the Complaint, District has insufficient information or
17 belief to enable it to form an answer to the allegations of Paragraph 61 of the Complaint and,
18 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
19 Paragraph 61 of the Complaint.

20 62. Answering Paragraph 62 of the Complaint, District admits that a staff report
21 accompanied the Sustainable Yield Report and the IWVGA adopted Resolution No. 06-20 –
22 Adopting a Report on the Indian Wells Valley Groundwater Basin’s Sustainable Yield of 7,650
23 Acre-Feet on July 16, 2020. District further responds that the staff report, Sustainable Yield
24 Report, and Resolution speak for themselves.

25 63. Answering Paragraph 63 of the Complaint, District responds that Paragraph 63
26 asserts legal conclusions and no answer is required.

27 64. Answering Paragraph 64 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 64 of the Complaint and,

1 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
2 Paragraph 64 of the Complaint. District further responds that Paragraph 64 asserts legal
3 conclusions and no answer is required.

4 65. Answering Paragraph 65 of the Complaint, District responds that Paragraph 65
5 asserts legal conclusions and no answer is required.

6 66. Answering Paragraph 66 of the Complaint, District responds that Paragraph 66
7 asserts legal conclusions and no answer is required.

8 67. Answering Paragraph 67 of the Complaint, District responds that Paragraph 67
9 asserts legal conclusions and no answer is required.

10 68. Answering Paragraph 68 of the Complaint, District responds that Paragraph 68
11 asserts legal conclusions and no answer is required.

12 69. Answering Paragraph 69 of the Complaint, District responds that Paragraph 69
13 asserts legal conclusions and no answer is required. The exceptions are:

- 14 a. District admits that the IWVGA released a data package to the public and
15 adopted Ordinance No. 02-20 – Amending Ordinance No. 02-18
16 Establishing Groundwater Extraction Fees and the Rules, Regulations and
17 Procedures for their Imposition on July 16, 2020 increasing the fee from
18 \$30 to \$105 for each AF of groundwater extracted from the Basin. The
19 data package and Ordinance speak for themselves.

20 70. Answering Paragraph 70 of the Complaint, District responds that Paragraph 70
21 asserts legal conclusions and no answer is required.

22 71. Answering Paragraph 71 of the Complaint, District responds that Paragraph 71
23 asserts legal conclusions and no answer is required.

24 72. Answering Paragraph 72 of the Complaint, District responds that Paragraph 72
25 asserts legal conclusions and no answer is required.

26 73. Answering Paragraph 73 of the Complaint, District responds that Paragraph 73
27 asserts legal conclusions and no answer is required.

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1 74. Answering Paragraph 74 of the Complaint, District responds that Paragraph 74
2 asserts legal conclusions and no answer is required. The exceptions are:

- 3 a. District admits that the IWVGA adopted Ordinance No. 02-20 –
4 Amending Ordinance No. 02-18 Establishing Groundwater Extraction
5 Fees and the Rules, Regulations and Procedures for their Imposition on
6 July 16, 2020. The Ordinance speaks for itself.

7 75. Answering Paragraph 75 of the Complaint, District responds that Paragraph 75
8 asserts legal conclusions and no answer is required.

9 76. Answering Paragraph 76 of the Complaint, District responds that Paragraph 76
10 asserts legal conclusions and no answer is required. The exceptions are:

- 11 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
12 Establishment of a Basin Replenishment Fee on August 21, 2020. The
13 Engineer’s Report and Ordinance speak for themselves.

14 77. Answering Paragraph 77 of the Complaint, District responds that the Engineer’s
15 Report speaks for itself.

16 78. Answering Paragraph 78 of the Complaint, District responds that Paragraph 78
17 asserts legal conclusions and no answer is required.

18 79. Answering Paragraph 79 of the Complaint, District responds that Paragraph 79
19 asserts legal conclusions and no answer is required. The exceptions are:

- 20 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
21 Establishment of a Basin Replenishment Fee on August 21, 2020. The
22 Ordinance speaks for itself.

23 80. Answering Paragraph 80 of the Complaint, District has insufficient information or
24 belief to enable it to form an answer to the allegations of Paragraph 80 of the Complaint and,
25 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
26 Paragraph 80 of the Complaint. The exceptions are:

1 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
2 Establishment of a Basin Replenishment Fee on August 21, 2020. District
3 further responds that the Ordinance speaks for itself.

4 81. Answering Paragraph 81 of the Complaint, District responds that Paragraph 81
5 asserts legal conclusions and no answer is required.

6 82. Answering Paragraph 82 of the Complaint, District responds that Paragraph 82
7 asserts legal conclusions and no answer is required.

8 83. Answering Paragraph 83 of the Complaint, District responds that Paragraph 83
9 asserts legal conclusions and no answer is required.

10 84. Answering Paragraph 84 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 84 of the Complaint and,
12 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
13 Paragraph 84 of the Complaint. District further responds that Paragraph 84 asserts legal
14 conclusions and no answer is required.

15 85. Answering Paragraph 85 of the Complaint, District responds that Paragraph 85
16 asserts legal conclusions and no answer is required.

17 86. Answering Paragraph 86 of the Complaint, District responds that Paragraph 86
18 asserts legal conclusions and no answer is required.

19 87. Answering Paragraph 87 of the Complaint, District responds that Paragraph 87
20 asserts legal conclusions and no answer is required.

21 88. Answering Paragraph 88 of the Complaint, District responds that Paragraph 88
22 asserts legal conclusions and no answer is required.

23 89. Answering Paragraph 89 of the Complaint, District responds that Paragraph 89
24 asserts legal conclusions and no answer is required.

25 90. Answering Paragraph 90 of the Complaint, District responds that Paragraph 90
26 asserts legal conclusions and no answer is required.

27 91. Answering Paragraph 91 of the Complaint, District responds that Paragraph 91
28 asserts legal conclusions and no answer is required.

First Cause of Action

92. District hereby realleges and incorporates herein by reference Paragraphs 1 through 91 above, as if fully set forth herein.

93. Answering Paragraph 93 of the Complaint, District responds that Paragraph 93 asserts legal conclusions and no answer is required.

94. Answering Paragraph 94 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 94 of the Complaint and, basing its denial on that fact, deny, both generally and specifically, each and every allegation of Paragraph 94 of the Complaint. The exceptions are:

a. District admits that SVM and others submitted multiple oral and written comments to the IWVGA on the IWVGA's GSP and related actions.

b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020. The GSP speaks for itself.

95. Answering Paragraph 95 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 95 of the Complaint and, basing its denial on that fact, deny, both generally and specifically, each and every allegation of Paragraph 95 of the Complaint. The exceptions are:

a. District admits that SVM and others submitted multiple oral and written comments to the IWVGA on the IWVGA's GSP and related actions.

b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting a Report on the Indian Wells Valley Groundwater Basin's Sustainable Yield of 7,650 Acre-Feet on July 16, 2020. The Resolution, Sustainable Yield Report, and Engineer's Report speak for themselves.

96. Answering Paragraph 96 of the Complaint, District responds that Paragraph 96 asserts legal conclusions and no answer is required.

97. Answering Paragraph 97 of the Complaint, District responds that Paragraph 97 asserts legal conclusions and no answer is required.

1 Paragraph 110 of the Complaint. District further responds that Paragraph 110 asserts legal
2 conclusions and no answer is required.

3 111. Answering Paragraph 111 of the Complaint, District has insufficient information
4 or belief to enable it to form an answer to the allegations of Paragraph 111 of the Complaint and,
5 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
6 Paragraph 111 of the Complaint. District further responds that Paragraph 111 asserts legal
7 conclusions and no answer is required.

8 112. Answering Paragraph 112 of the Complaint, District has insufficient information
9 or belief to enable it to form an answer to the allegations of Paragraph 112 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 112 of the Complaint. District further responds that Paragraph 112 asserts legal
12 conclusions and no answer is required.

13 113. Answering Paragraph 113 of the Complaint, District has insufficient information
14 or belief to enable it to form an answer to the allegations of Paragraph 113 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 113 of the Complaint. District further responds that Paragraph 113 asserts legal
17 conclusions and no answer is required.

18 114. Answering Paragraph 114 of the Complaint, District responds that Paragraph 114
19 asserts legal conclusions and no answer is required.

20 115. Answering Paragraph 115 of the Complaint, District responds that Paragraph 115
21 asserts legal conclusions and no answer is required.

22 116. Answering Paragraph 116 of the Complaint, District responds that Paragraph 116
23 asserts legal conclusions and no answer is required.

24 **Third Cause of Action**

25 117. District hereby realleges and incorporates herein by reference Paragraphs 1
26 through 116 above, as if fully set forth herein.

27 118. Answering Paragraph 118 of the Complaint, District responds that Paragraph 118
28 asserts legal conclusions and no answer is required.

1 119. Answering Paragraph 119 of the Complaint, District responds that Paragraph 119
2 asserts legal conclusions and no answer is required.

3 120. Answering Paragraph 120 of the Complaint, District responds that Paragraph 120
4 asserts legal conclusions and no answer is required.

5 121. Answering Paragraph 121 of the Complaint, District responds that Paragraph 121
6 asserts legal conclusions and no answer is required.

7 122. Answering Paragraph 122 of the Complaint, District responds that Paragraph 122
8 asserts legal conclusions and no answer is required.

9 123. Answering Paragraph 123 of the Complaint, District has insufficient information
10 or belief to enable it to form an answer to the allegations of Paragraph 123 of the Complaint and,
11 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
12 Paragraph 123 of the Complaint. District further responds that Paragraph 123 asserts legal
13 conclusions and no answer is required.

14 124. Answering Paragraph 124 of the Complaint, District responds that Paragraph 124
15 asserts legal conclusions and no answer is required.

16 **Fourth Cause of Action**

17 125. District hereby realleges and incorporates herein by reference Paragraphs 1
18 through 124 above, as if fully set forth herein.

19 126. Answering Paragraph 126 of the Complaint, District responds that Paragraph 126
20 asserts legal conclusions and no answer is required.

21 127. Answering Paragraph 127 of the Complaint, District has insufficient information
22 or belief to enable it to form an answer to the allegations of Paragraph 127 of the Complaint and,
23 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
24 Paragraph 127 of the Complaint. District further responds that Paragraph 127 asserts legal
25 conclusions and no answer is required.

26 128. Answering Paragraph 128 of the Complaint, District has insufficient information
27 or belief to enable it to form an answer to the allegations of Paragraph 128 of the Complaint and,
28 basing its denial on that fact, deny, both generally and specifically, each and every allegation of

1 Paragraph 128 of the Complaint. District further responds that Paragraph 128 asserts legal
2 conclusions and no answer is required.

3 129. Answering Paragraph 129 of the Complaint, District responds that Paragraph 129
4 asserts legal conclusions and no answer is required.

5 **Fifth Cause of Action**

6 130. District hereby realleges and incorporates herein by reference Paragraphs 1
7 through 129 above, as if fully set forth herein.

8 131. Answering Paragraph 131 of the Complaint, District has insufficient information
9 or belief to enable it to form an answer to the allegations of Paragraph 131 of the Complaint and,
10 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
11 Paragraph 131 of the Complaint. District further responds that Paragraph 131 asserts legal
12 conclusions and no answer is required.

13 132. Answering Paragraph 132 of the Complaint, District has insufficient information
14 or belief to enable it to form an answer to the allegations of Paragraph 132 of the Complaint and,
15 basing its denial on that fact, deny, both generally and specifically, each and every allegation of
16 Paragraph 132 of the Complaint. District further responds that Paragraph 132 asserts legal
17 conclusions and no answer is required.

18 133. Answering Paragraph 133 of the Complaint, District responds that Paragraph 133
19 asserts legal conclusions and no answer is required.

20 **AFFIRMATIVE DEFENSES**

21 District hereby alleges the following affirmative defenses as set forth below, each as a
22 further, separate and distinct defense to the Complaint and to each and every alleged cause of
23 action in the Complaint:

24 **FIRST DEFENSE**

25 **(Failure to State Facts Sufficient to Constitute a Cause of Action)**

26 The Complaint and each purported cause of action alleged therein, is barred, in whole or
27 in part, for failure to state facts sufficient to constitute a cause of action.

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SECOND DEFENSE

(Failure to Join Necessary and Indispensable Parties)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, pursuant to Code of Civil Procedure section 389 on the grounds of failure to join necessary and indispensable parties.

THIRD DEFENSE

(Consent)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the purported breaches and/or purported wrongful acts or omissions of District were done with the consent of SVM.

FOURTH DEFENSE

(Waiver)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of waiver.

FIFTH DEFENSE

(Estoppel)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, by the doctrine of equitable estoppel.

SIXTH DEFENSE

(Justification, Privilege, Good Faith and Excuse)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, because any actions taken by District were done to protect its legitimate interests, were justified, privileged, and excused, were done in good faith, necessary under the circumstances and did not proximately cause any loss to SVM.

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SEVENTH DEFENSE

(Failure to Name Known Parties)

The Complaint and each purported cause of action alleged therein is barred, in whole or in part, pursuant to Code of Civil Procedure sections 762.010 and 762.060(b) on the grounds of failure to name all known parties and unknown parties with an interest.

EIGHTH DEFENSE

(Statutes of Limitation)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the applicable statutes of limitation, including Code of Civil Procedure sections 318, 319, 337, 337.1, 337.17, 338, 339, 339.5, 340, 343, 344 and/or Government Code section 12654.

NINTH DEFENSE

(Laches)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of laches.

TENTH DEFENSE

(Lack of Jurisdiction)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as the Court lacks jurisdiction as a result of SVM’s failure to join necessary and indispensable parties.

ELEVENTH DEFENSE

(Defect or Misjoinder of Parties)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because there is a defect (nonjoinder) and/or misjoinder of parties as SVM has, among other things, failed to name necessary and/or indispensable parties.

TWELFTH DEFENSE

(Failure to do Equity)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because of SVM’s failure to do equity in the matters alleged in the Complaint, and to the

1 extent the Complaint was not commenced and has not been prosecuted in good faith and for a
2 proper purpose.

3 **THIRTEENTH DEFENSE**

4 **(Uncertainty/Unenforceability)**

5 The Complaint and each purported cause of action alleged therein, is barred, in whole or
6 in part, because the Complaint is uncertain as to the groundwater basin conditions which SVM
7 seeks to support a physical solution.

8 **FOURTEENTH DEFENSE**

9 **(Unclean Hands)**

10 To the extent SVM by virtue of its conduct comes to this action with unclean hands,
11 SVM is barred from bringing this action against District.

12 **FIFTEENTH DEFENSE**

13 **(No Loss of Economic Benefit)**

14 The Complaint and each purported cause of action alleged therein, is barred, in whole or
15 in part, because SVM has not suffered the loss of any economic benefit, advantage, or
16 relationship as the result of any alleged actions by District.

17 **SIXTEENTH DEFENSE**

18 **(Unreasonable Use of Water)**

19 The Complaint, and each purported cause of action alleged therein, is barred, in whole or
20 in part, because SVM's use was and is unreasonable and not a beneficial use of water under
21 Article X, Section 2 of the California Constitution.

22 **SEVENTEENTH DEFENSE**

23 **(Good Faith)**

24 The Complaint and each purported cause of action alleged therein, is barred, in whole or
25 in part, because District acted reasonably and in good faith at all times material herein based on
26 relevant facts and circumstances known to it at the time it so acted.

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EIGHTEENTH DEFENSE

(Balancing the Equities)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the equities in this case weigh against the relief that SVM seeks.

NINETEENTH DEFENSE

(No Damages/Failure to Mitigate Damages)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered any damages caused by District's actions or omissions, and/or has failed and neglected to mitigate their damages, if there were any, and to the extent of such failure to mitigate, any damages awarded to SVM under the Complaint should be reduced accordingly.

TWENTIETH DEFENSE

(Unjust Enrichment)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM would be unjustly enriched if allowed to recover the relief requested in the Complaint, in whole or in part.

TWENTY-FIRST DEFENSE

(Willful Misconduct)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the incidents alleged in the Complaint, if any, and SVM's damages, if any, were directly and proximately caused, concurred in or contributed to by the willful misconduct of SVM.

TWENTY-SECOND DEFENSE

(Admissions)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by admissions of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof.

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TWENTY-THIRD DEFENSE

(Reliance)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because District reasonably relied on the representations, acts, omissions or other conduct of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof, with respect to the alleged unlawful acts that are the subject of the Complaint.

TWENTY-FOURTH DEFENSE

(Public Policy)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as a matter of public policy of the State of California.

TWENTY-FIFTH DEFENSE

(Assumption of the Risk)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM voluntarily assumed the risk of damages, if any.

TWENTY-SIXTH DEFENSE

(Municipal Priority)

District extracts groundwater and uses that water to serve domestic water needs of members of the public and, therefore, pursuant to Water Code sections 106 and 106.5, other applicable law, and equity, District's right to extract and use groundwater is superior to or at least equal to SVM's alleged rights.

TWENTY-SEVENTH DEFENSE

(Prior Appropriative Rights)

District extracts groundwater to serve the needs of members of the public for reasonable and beneficial uses. To the extent the Court determines that the areas from which District pumps groundwater contain surplus water, District has acquired a prior and appropriative right to groundwater that is superior to or at least equal to SVM's alleged rights.

1 **TWENTY-EIGHTH DEFENSE**

2 **(Loss of Rights Due to Nonuse or Prescription)**

3 District alleges that SVM's alleged water rights have been lost through nonuse and/or
4 prescription. For many years, District has produced and distributed groundwater for reasonable
5 and beneficial uses. District's production of groundwater has been done under a claim of right in
6 an actual, open, and notorious manner, adverse or hostile to any rights of SVM, and has
7 continued for a period of more than five consecutive years during which overdraft conditions
8 existed where District has pumped groundwater. By reason of District's production of
9 groundwater, District has acquired a prescriptive right to groundwater superior to or at least
10 equal in priority to SVM's alleged rights.

11 **TWENTY-NINTH DEFENSE**

12 **(Incomplete Physical Solution)**

13 The Complaint seeks relief that cannot be granted as sought, in that the Complaint seeks
14 an incomplete physical solution that does not address all necessary technical, hydrologic,
15 hydrogeologic, and other Basin conditions, water rights, and other necessary elements of a
16 practical, equitable, and defensible physical solution.

17 **THIRTIETH DEFENSE**

18 **(Reservation of Defenses)**

19 District has insufficient knowledge or information upon which to form a belief as to
20 whether it may have additional, as yet unstated, separate affirmative defenses available,
21 particularly in light of the general, non-specific allegations of the Complaint. Accordingly,
22 District reserves its right to assert additional separate affirmative defenses in the event discovery
23 indicates they would be appropriate.

24 **PRAYER**


- 25 1. That the Complaint be dismissed in its entirety and SVM take nothing by way of
26 its Complaint;
- 27 2. That SVM's request and prayer for relief be denied; and

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3. That the Court grant any and all other relief in favor of District that it deems fair,
just, equitable or otherwise proper.

DATED: April 1, 2021

MURPHY & EVERTZ LLP

By: 

John C. Murphy
Douglas J. Evertz
Emily L. Madueno
Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

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PROOF OF SERVICE

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Orange County Superior Court - Civil Complex Center
Lead Case No. 30-2021-01187589-CU-WM-CXC
Consolidated with Case No. 30-2021-01188089-CU-WM-CXC
Related to Case No. 30-2021-01187275-CU-OR-CJC
The Honorable Kirk Nakamura, Dept. CX103

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On April 1, 2021, I served true copies of the following documents(s) described as **ANSWER OF INTERESTED PERSON INDIAN WELLS VALLEY WATER DISTRICT TO PETITIONER AND PLAINTIFF SEARLES VALLEY MINERALS INC.'S PETITION FOR WRIT OF MANDATE; COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF; AND TAKINGS CLAIMS UNDER THE CALIFORNIA CONSTITUTION** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address mmendoza@murphyevertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **April 1, 2021**, at Costa Mesa, California.



Mary Ann Mendoza

1 **SERVICE LIST**

2 *Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.*
3 *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

4 Orange County Superior Court - Civil Complex Center
5 Lead Case No. 30-2021-01187589-CU-WM-CXC
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8 The Honorable Kirk Nakamura, Dept. CX103

9 Eric L. Garner, Esq.
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11 Maya Mouawad, Esq.
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Counsel for petitioners and plaintiffs
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Paul G. Nugent and Mary E. Nugent, Trustees
of the Nugent Family Trust dated June 20, 2011

18 **COURTESY COPIES TO:**

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EXHIBIT 8

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Govt. Code § 6103

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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

SEP 16 2021

DAVID H. YAMASAKI, Clerk of the Court

BY: _____ DEPUTY

Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

SEARLES VALLEY MINERALS INC.,

Case No. 30-2021-01187589-CU-WM-CXC

Petitioner and Plaintiff,

Consolidated with: 30-2021-01188089-CU-WM-CXC

v.

Related to: 30-2021-01187275-CU-OR-CJC

INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY, a
California joint powers authority; et al.,

Assigned For All Purposes To:
The Honorable Kirk Nakamura, Dept. CX103

Respondents and Defendants.

**STIPULATION TO EXTEND TIME
FOR INDIAN WELLS VALLEY
WATER DISTRICT TO FILE AN
ANSWER**

AND CONSOLIDATED CASE.

Complaint Filed: September 30, 2020
Trial Date: None Set

{00203159.1 }

STIPULATION TO EXTEND TIME FOR INDIAN WELLS VALLEY WATER DISTRICT
TO FILE AN ANSWER

1 Petitioner and Plaintiff SEARLES VALLEY MINERALS INC. ("SVM") and
2 Respondent and Defendant INDIAN WELLS VALLEY WATER DISTRICT ("District")
3 (together referred to as the "Parties"), by and through their respective attorneys of record, hereby
4 stipulate and agree as follows:

5 A. On September 29, 2020, SVM filed a Petition for Writ of Mandate; Complaint for
6 Declaratory and Injunctive Relief; and Takings Claims under the California Constitution.

7 B. On April 1, 2021, the District filed an Answer to SVM's Petition and Complaint.

8 C. Following the Court's ruling on the Demurrer by Defendants and Respondents
9 INDIAN WELLS VALLEY GROUNDWATER AUTHORITY and BOARD OF DIRECTORS
10 FOR THE INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (collectively,
11 "IWVGA") to SVM's Petition and Complaint, SVM filed and served a First Amended Petition
12 for Writ of Mandate and Complaint for Declaratory and Injunctive Relief; and Takings Claims
13 under the California Constitution on August 25, 2021.

14 D. The District intends to file an Answer to SVM's First Amended Petition and
15 Complaint. Any Answer by the District is currently due September 28, 2021. The District
16 would prefer to wait to file any Answer until after resolution of any potential attacks on SVM's
17 First Amended Petition and Complaint by the IWVGA.

18 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the Parties
19 that:

20 1. The District shall have an extension of time to file an Answer to SVM's First
21 Amended Petition and Complaint.

22 2. The District's Answer shall be due (a) if the IWVGA does not file a responsive
23 pleading seeking to challenge SVM's First Amended Petition and Complaint, then within fifteen
24 (15) days after the IWVGA files an Answer to SVM's First Amended Petition and Complaint; or
25 (b) if the IWVGA files a responsive pleading seeking to challenge SVM's First Amended
26 Petition and Complaint, then within fifteen (15) days after the Court's ruling on the IWVGA's
27 responsive pleading if there is no leave to amend, or within the statutory period to answer any
28 Second Amended Petition and Complaint filed by SVM.

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IT IS SO STIPULATED.

DATED: Sept. 13, 2021 BEST BEST & KRIEGER LLP

By: /s/ Jeffrey V. Dunn
Eric Garner
Jeffrey V. Dunn
Maya Mouawad
Attorneys for Petitioner and Plaintiff
SEARLES VALLEY MINERALS INC.

DATED: Sept. 13, 2021 MURPHY & EVERTZ LLP

By: /s/ Emily L. Madueno
John C. Murphy
Douglas J. Evertz
Emily L. Madueno
Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

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PROOF OF SERVICE

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.

Orange County Superior Court - Civil Complex Center
Lead Case No. 30-2021-01187589-CU-WM-CXC
Consolidated with Case No. 30-2021-01188089-CU-WM-CXC
Related to Case No. 30-2021-01187275-CU-OR-CJC
The Honorable Kirk Nakamura, Dept. CX103

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On September 13, 2021, I served true copies of the following documents(s) described as **STIPULATION TO EXTEND TIME FOR INDIAN WELLS VALLEY WATER DISTRICT TO FILE AN ANSWER** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address lriviera@murphyevertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **September 13, 2021**, at Costa Mesa, California.

/s/ Laurie A. Rivera
Laurie A. Rivera

1 **SERVICE LIST**

2 *Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.*
3 *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

4 Orange County Superior Court - Civil Complex Center

5 Lead Case No. 30-2021-01187589-CU-WM-CXC

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8 The Honorable Kirk Nakamura, Dept. CX103

9 Scott S. Slater, Esq.

10 Amy M. Steinfeld, Esq.

11 Elisabeth L. Esposito, Esq.

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of the Nugent Family Trust dated June 20, 2011

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Board of Directors of the Indian Wells Valley

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EXHIBIT 9

T#1893189

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Exempt From Fees Per
Govt. Code § 6103

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

SEP 16 2021

DAVID H. YAMASAKI, Clerk of the Court

BY: _____ DEPUTY

8 John C. Murphy, State Bar No. 94192
9 Douglas J. Evertz, State Bar No. 123066
10 Emily L. Madueno, State Bar No. 251721
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Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

SEARLES VALLEY MINERALS INC.,

Petitioner and Plaintiff,

v.

INDIAN WELLS VALLEY
GROUNDWATER AUTHORITY, a
California joint powers authority; et al.,

Respondents and Defendants.

Case No. 30-2021-01187589-CU-WM-CXC

*Consolidated with: 30-2021-01188089-CU-
WM-CXC*

Related to: 30-2021-01187275-CU-OR-CJC

Assigned For All Purposes To:
The Honorable Kirk Nakamura, Dept. CX103

**[PROPOSED] ORDER EXTENDING
TIME FOR INDIAN WELLS VALLEY
WATER DISTRICT TO FILE AN
ANSWER**

AND CONSOLIDATED CASE.

Complaint Filed: September 30, 2020
Trial Date: None Set

{00203162.1 }

**[PROPOSED] ORDER EXTENDING TIME FOR INDIAN WELLS VALLEY WATER DISTRICT
TO FILE AN ANSWER**

1 For good cause shown, and upon stipulation of the parties, through their respective
2 counsel of record, it is hereby ordered as follows:

3 1. Respondent and Defendant INDIAN WELLS VALLEY WATER DISTRICT
4 (“District”) shall have an extension of time to file an Answer to the First Amended Petition for
5 Writ of Mandate and Complaint for Declaratory and Injunctive Relief; and Takings Claims under
6 the California Constitution filed by Petitioner and Plaintiff SEARLES VALLEY MINERALS
7 INC. (“SVM”).

8 2. The District’s Answer shall be due (a) if Defendants and Respondents INDIAN
9 WELLS VALLEY GROUNDWATER AUTHORITY and BOARD OF DIRECTORS FOR THE
10 INDIAN WELLS VALLEY GROUNDWATER AUTHORITY (collectively, “IWVGA”) do not
11 file a responsive pleading seeking to challenge SVM’s First Amended Petition and Complaint,
12 then within fifteen (15) days after the IWVGA files an Answer to SVM’s First Amended Petition
13 and Complaint; or (b) if the IWVGA files a responsive pleading seeking to challenge SVM’s
14 First Amended Petition and Complaint, then within fifteen (15) days after the Court’s ruling on
15 the IWVGA’s responsive pleading if there is no leave to amend, or within the statutory period to
16 answer any Second Amended Petition and Complaint filed by SVM.

17 IT IS SO ORDERED.

18
19 Dated: 9/14/21



The Honorable Kirk Nakamura

JUDGE OF THE SUPERIOR COURT

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PROOF OF SERVICE

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.

Orange County Superior Court - Civil Complex Center
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The Honorable Kirk Nakamura, Dept. CX103

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On September 13, 2021, I served true copies of the following documents(s) described as **[PROPOSED] ORDER EXTENDING TIME FOR INDIAN WELLS VALLEY WATER DISTRICT TO FILE AN ANSWER** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address lriviera@murphyvertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **September 13, 2021**, at Costa Mesa, California.

/s/ Laurie A. Rivera
Laurie A. Rivera

1 SERVICE LIST

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3 *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

4 Orange County Superior Court - Civil Complex Center

5 Lead Case No. 30-2021-01187589-CU-WM-CXC

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8 The Honorable Kirk Nakamura, Dept. CX103

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Paul G. Nugent and Mary E. Nugent, Trustees

of the Nugent Family Trust dated June 20, 2011

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Board of Directors of the Indian Wells Valley

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Searles Valley Minerals

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EXHIBIT 10

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ORANGE

Civil Complex Center
751 W. Santa Ana Blvd
Santa Ana, CA 92701

SHORT TITLE: Mojave Pistachios, LLC vs. Indian Wells Valley Groundwater Authority**CLERK'S CERTIFICATE OF MAILING/ELECTRONIC SERVICE****CASE NUMBER:**
30-2021-01187589-CU-WM-CXC

I certify that I am not a party to this cause. I certify that the following document(s), dated , have been transmitted electronically by Orange County Superior Court at Santa Ana, CA. The transmission originated from Orange County Superior Court email address on **December 21, 2022**, at 1:56:14 PM PST. The electronically transmitted document(s) is in accordance with rule 2.251 of the California Rules of Court, addressed as shown above. The list of electronically served recipients are listed below:

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Clerk of the Court, by:  , Deputy

CLERK'S CERTIFICATE OF MAILING/ELECTRONIC SERVICE

**SUPERIOR COURT OF CALIFORNIA,
COUNTY OF ORANGE
CIVIL COMPLEX CENTER**

MINUTE ORDER

DATE: 12/21/2022

TIME: 09:00:00 AM

DEPT: CX104

JUDICIAL OFFICER PRESIDING: William Claster

CLERK: G. Hernandez

REPORTER/ERM: Karen A. Hutchison CSR# 6664

BAILIFF/COURT ATTENDANT: B. Allen, None

CASE NO: 30-2021-01187589-CU-WM-CXC **CASE INIT.DATE:** 03/08/2021

CASE TITLE: Mojave Pistachios, LLC vs. Indian Wells Valley Groundwater Authority

CASE CATEGORY: Civil - Unlimited **CASE TYPE:** Writ of Mandate

EVENT ID/DOCUMENT ID: 73889102

EVENT TYPE: Motion to Strike Complaint

MOVING PARTY: Indian Wells Valley Groundwater Authority, Board of Directors for the Indian Wells Valley Groundwater Authority

CAUSAL DOCUMENT/DATE FILED: Motion to Strike, 10/11/2022

EVENT ID/DOCUMENT ID: 73889103

EVENT TYPE: Demurrer to Amended Complaint

MOVING PARTY: Indian Wells Valley Groundwater Authority, Board of Directors for the Indian Wells Valley Groundwater Authority

CAUSAL DOCUMENT/DATE FILED: Demurrer to Amended Complaint, 10/12/2022

EVENT ID/DOCUMENT ID: 73889104

EVENT TYPE: Demurrer to Amended Complaint

MOVING PARTY: Indian Wells Valley Groundwater Authority, Board of Directors for the Indian Wells Valley Groundwater Authority

CAUSAL DOCUMENT/DATE FILED: Demurrer to Amended Complaint, 10/11/2022

Additional events listed on last page.

APPEARANCES

Jeffrey Dunn, from Best Best & Krieger LLP, present for Petitioner(s).

Scott S. Slater, from Brownstein Hyatt Farber Schreck, LLP, present for Petitioner(s).

1) DEMURRER AND MOTION TO STRIKE MOJAVE PISTACHIOS' THIRD AMENDED PETITION

2) DEMURRER AND MOTION TO STRIKE SEARLES VALLEY MINERALS' FIRST AMENDED PETITION

Appearances noted above and by way of Appearance Calendar, a copy of which is attached hereto and incorporated herein by reference.

Hearing held with participants appearing remotely and in person.

Tentative Ruling posted on the Internet.

The Court hears oral argument.

The Court takes this matter under submission.

LATER SAME DATE: No appearances. The Court, having taken the above-entitled matter under submission and having fully considered the arguments of all parties, both written and oral, as well as the evidence presented, now issues its ruling. The Court's ruling is attached hereto and incorporated herein by reference.

Court orders clerk to give notice.

ADDITIONAL EVENTS:

EVENT ID/DOCUMENT ID: 73889105

EVENT TYPE: Motion to Strike Complaint

MOVING PARTY: Indian Wells Valley Groundwater Authority, Board of Directors for the
Indian Wells Valley Groundwater Authority

CAUSAL DOCUMENT/DATE FILED: Motion to Strike MOJAVE PISTACHIOS LLC'S THIRD
AMENDED PETITION FOR WRIT OF MANDATE AND COMPLAINT, 10/11/2022

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DEMURRER AND MOTION TO STRIKE MOJAVE PISTACHIOS' THIRD AMENDED
PETITION

Defendant Indian Wells Valley Groundwater Authority has filed two challenges to the third amended petition (“3AP”) of Plaintiffs Mojave Pistachios, LLC et al. (collectively, “Mojave”). The Court rules as follows:

1. The Authority’s demurrer to the fifth and 11th causes of action in the 3AP is SUSTAINED WITHOUT LEAVE TO AMEND. The demurrer to the 9th and 10th causes of action is SUSTAINED with 16 days leave to amend.

2. As to the Authority’s motion to strike:
 - a. The motion is DENIED as to allegations concerning the Annual Pumping Allocation, with the exception of Annual Pumping Allocation allegations in Mojave’s CEQA claim, which is GRANTED.

 - b. The motion is DENIED as to the reverse validation allegations.

The Authority’s request for judicial notice is GRANTED. Mojave’s objections to the Keigwin Declaration are OVERRULED.

GROUNDS FOR DEMURRER RULING

I. Fifth Cause of Action (Annual Pumping Allocation)

Authority Ordinance No. 03-20 (RJN, Ex. F) is the “Replenishment Fee” ordinance.

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With the exception of federal and “de minimis” users (who are wholly excepted from the ordinance), the ordinance charges all groundwater extractors a Replenishment Fee of \$2,130 per acre foot. It also gives some (but not all) groundwater extractors an exempted allotment not subject to the fee. For example, the City of Ridgecrest can pump 373 acre feet of water before it has to pay the Replenishment Fee. Mojave refers to these allotments as “Annual Pumping Allocations.” Mojave is not one of the extractors that received an Annual Pumping Allocation. It seeks a writ of mandate setting aside the Annual Pumping Allocations.

Mojave has never paid the Replenishment Fee despite being subject to it. In minute orders dated May 25, 2021 and August 5, 2021, Judge Nakamura twice held that Mojave’s previous challenge to the Replenishment Fee was barred by the “pay first, litigate later” rule. The Authority contends the demurrer to this cause of action is simply a disguised challenge to the Replenishment Fee itself, meaning it’s still barred by the “pay first, litigate later” rule. The Court agrees.

It appears from the face of Ordinance No. 03-20 that the purpose of the Annual Pumping Allocations is enable calculation of the Replenishment Fee that a groundwater extractor owes. Mojave, which doesn’t have an allocation, is required to pay \$2,130 per acre foot from the first drop pumped. Ridgecrest only pays if it exceeds 373 acre feet. The Court does not see how the Annual Pumping Allocations cause Mojave any harm other than requiring it to pay a larger Replenishment Fee than extractors who received allocations. This means a challenge to the Annual Pumping Allocations is effectively a challenge to the Replenishment Fee itself, which is barred by the “pay first, litigate later” rule.

Mojave contends the Annual Pumping Allocations constitute improper determinations of water rights. The Court disagrees for two reasons. First, Ordinance No. 03-20 was adopted as part of a groundwater management plan under SGMA. Nothing in the text of the ordinance purports to determine water rights. All the Annual Pumping Allocations do is affect the calculation of certain extractors’ Replenishment Fee.

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Second, per Water Code § 10720.5(b), “Nothing in [the SGMA], or in any groundwater management plan adopted pursuant to [the SGMA], determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.” Mojave contends the Annual Pumping Allocations, adopted pursuant to the Authority’s GSP, violate this statute by altering water rights. The Court believes Mojave misreads the statute. It doesn’t say groundwater management plans *cannot* alter water rights, in the sense that altering water rights would be a violation. It says groundwater management plans *do not* alter water rights.

Finally, Mojave argues one or more exceptions to the “pay first, litigate later” rule apply. Judge Nakamura has twice held “pay first, litigate later” applicable to challenges to the Replenishment Fee. The Court will not revisit that holding today. The demurrer to the fifth cause of action is sustained.

II. Ninth Through Eleventh Causes of Action (Takings Claims)

A. Waiver of Arguments

Mojave argues the Authority has waived certain of its takings arguments by failing to make them in demurrers to earlier petitions when those arguments could have been made. In support of this argument, it cites CCP § 430.41(b), which provides: “A party demurring to a pleading that has been amended after a demurrer to an earlier version of the pleading was sustained shall not demur to any portion of the amended complaint, cross-complaint, or answer on grounds that could have been raised by demurrer to the earlier version of the complaint, cross-complaint, or answer.” Specifically, Mojave contends the Authority could have raised these arguments in its demurrer to the first amended petition, but failed to do so.

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Mojave confuses the Authority's arguments in support of its demurrer with the Authority's grounds for demurrer. The grounds for demurrer are defined by statute at CCP § 430.10. The Authority demurred to the takings claims (causes of action 14-16 in the FAP) based on CCP § 430.10(a) and (e). (ROA 176, at p. 3.) The Authority now demurs to the takings claims (causes of action 9-11 in the 3AP) based on CCP § 430.10(e). The Authority raised failure to state facts sufficient to constitute a cause of action in both demurrers, so the waiver rule of CCP § 430.41(b) is inapplicable.

B. Merits

Again, "Nothing in [the SGMA], or in any groundwater management plan adopted pursuant to [the SGMA], determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights." (Wat. Code § 10720.5(b).) In these takings claims, Mojave contends that the Authority's GSP, supporting documents, and certain implementing actions have worked a taking of its water rights. As the Court understands the SGMA, they do not. Nothing in the GSP determines or alters groundwater rights because the SGMA says the GSP, etc. do not determine or alter groundwater rights. Indeed, as the Authority points out, the Court will determine groundwater rights in a separate action, No. 2021-01187275.

As to the regulatory takings claims (9th and 10th COAs), courts apply a three-factor test that considers "(1) the economic effect [of the regulation] on the landowner; (2) the extent of the regulation's interference with investment-backed expectations; and (3) the character of the governmental action." (*Avenida San Juan Partnership v. City of San Clemente* (2011) 201 Cal.App.4th 1256, 1272.) As far as the Court can tell, nothing challenged in these causes of action actually has an economic effect on Mojave. The economic effect is a result of the Replenishment Fee, which allegedly would require Mojave to pay over \$12 million a year in fees to pump water at current levels. The 3AP specifically removed numerous references to the Replenishment Fee, including from the takings claims. (See ROA 447, ¶ 8 [explaining changes in proposed 3AP].) It appears the

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actions complained of are not alleged, *without reference to the Replenishment Fee*, to have an economic effect on Mojave.

That being said, at the hearing of this matter counsel for Mojave pointed out that the extraction fee, which has been paid by Mojave, is a separate basis for the 9th and 10th causes of action as it is incorporated by reference from earlier in the 3AP. For the same reasons described below with respect to the demurrer to the Searles' petition, the Court will allow Mojave to file a further amended petition that explicitly bases these causes of action on the extraction fee.

As to the physical takings claim (11th COA), it does not appear Mojave alleges it is physically prevented from extracting water. To be sure, Mojave argues the GSP and associated implementing actions have "the effect" of "mak[ing] Mojave's share of the Basin native yield physically unavailable for Mojave's use." (Opposition at p. 18.) But the mechanism for this effect is unexplained. How does the GSP and associated actions, which by law do not alter property rights, have the effect of making water physically unavailable for Mojave? Absent from the 3AP is any allegation that Mojave has *in fact* been physically prevented from extracting water.

GROUNDINGS FOR MOTION TO STRIKE RULING

The Authority seeks to strike two sets of allegations: those pertaining to the Annual Pumping Allocation and those pertaining to a reverse validation challenge to actions taken to implement the GSP.

I. Annual Pumping Allocation

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In light of the foregoing demurrer ruling, it appears to the Court that the motion to strike the allegations about the Annual Pumping Allocation are largely moot. Even if not, it appears to the Court that the allegations provide context for Mojave's other claims, although they cannot themselves be a basis for liability.

The Court is also concerned by the breadth of the Authority's argument, because it appears the Authority contends every reference to "actions" in the 3AP, whether defined (e.g., "Implementing Actions") or not, is flawed by the explicit or implicit inclusion of the Annual Pumping Allocation as an "action." This is a bridge too far. For example, at page 16 of its memorandum, the Authority asks to strike all references to "actions taken in reliance on or in furtherance of the GSP," simply because the Annual Pumping Allocation is one such action. What authority is there for striking the reference to *all* "actions" when only one action is challenged by this motion, and the remainder are not?

That said, insofar as the Annual Pumping Allocations are a basis for the CEQA claim, the Court will strike them (specifically, the references on page 117, line 17; page 119, line 26; and page 124, lines 15, 20-21, 27-28.) For the reasons discussed above in connection with the demurrer, challenges to the Annual Pumping Allocations are properly considered challenges to the Replenishment Fee. As a result, this portion of the CEQA claim, like previous causes of action rejected by Judge Nakamura, "at base, seek[s] to challenge and impede [the Authority]'s collection of the Replenishment Fee." (ROA 207, p. 3.) The "pay first, litigate later" rule applies, whether those challenges are cast as CEQA claims, traditional writ of mandate claims, etc. Accordingly, that portion of the CEQA challenge based on the Annual Pumping Allocation is struck. (See *PH II, Inc. v. Superior Court* (1995) 33 Cal.App.4th 1680, 1682-1683 ["We conclude that when a substantive defect is clear from the face of a complaint . . . a defendant may attack that portion of the cause of action by filing a motion to strike."].)

II. Reverse Validation Challenge to "Actions"

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The validation statutes (CCP § 860 et seq.) “apply to a matter when ‘any other law’ authorizes their application.” (*Golden Gate Hill Development Co., Inc. v. County of Alameda* (2015) 242 Cal.App.4th 760, 766.) Under the SGMA, “[a] groundwater sustainability agency that adopts a groundwater sustainability plan may file an action to determine the validity of the plan pursuant to” the validation statutes. (Wat. Code § 10726.6(a).) By extension, reverse validation actions are also permitted to challenge groundwater sustainability plans. (CCP § 863)

Mojave’s eighth cause of action is a reverse validation challenge to the GSP. It seeks to invalidate the GSP itself, as well as “any actions taken in reliance on or in furtherance of the invalid GSP.” (3AP, ¶ 450.)

The Authority challenges this language because the SGMA only allows a reverse validation challenge to a GSP, not to actions taken pursuant to a GSP. In opposition, Mojave points out that if the GSP is invalid, then any actions taken to implement it necessarily lack legal foundation. So construed, the Court does not see why the allegations are subject to being struck. The Court agrees that implementing actions, unlike a GSP, can’t be directly challenged under the validation statutes. But the Court does not understand Mojave to be mounting a direct challenge to the implementing actions, only to the GSP they implement.

DEMURRER AND MOTION TO STRIKE SEARLES VALLEY MINERALS’ FIRST AMENDED PETITION

Defendant Indian Wells Valley Groundwater Authority has filed two challenges to the first amended petition (“1AP”) of Plaintiff Searles Valley Minerals, Inc. The

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Court rules as follows:

1. The Authority's demurrers to the third and fourth causes of action (regulatory takings) are OVERRULED. The demurrer to the fifth cause of action (physical taking) is SUSTAINED WITHOUT LEAVE TO AMEND.

2. As to the Authority's motion to strike:
 - a. The motion is GRANTED as to allegations about the Replenishment Fee, except as to ¶¶ 115-122 of the 1AP. The motion is DENIED as to those paragraphs.
 - b. The motion is DENIED as to allegations about the Sustainable Yield Report and Engineer Report.
 - c. The motion is GRANTED as to allegations (1AP ¶ 110-113) seeking a declaration of Searles' groundwater rights.
 - d. The motion is DENIED as to allegations that the Authority has altered Searles' water rights.

The Authority's request for judicial notice is GRANTED.

GROUNDS FOR DEMURRER RULING

Similar to Mojave's takings claims, a prior version of these takings claims expressly relied on the Replenishment Fee, which Searles has never paid. On August 5, 2021, Judge Nakamura sustained the Authority's demurrer to the takings claims as violating the "pay first, litigate later" rule. The 1AP now alleges that two sets of actions constitute a taking of Searles' water rights: (1) plans and

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reports developed to manage Basin groundwater, and (2) the Extraction Fee, a \$105 per acre foot charge (separate from the Replenishment Fee) that Searles has been paying under protest.

Once again, as with Mojave, “Nothing in [the SGMA], or in any groundwater management plan adopted pursuant to [the SGMA], determines or alters surface water rights or groundwater rights under common law or any provision of law that determines or grants surface water rights.” (Wat. Code § 10720.5(b).) Insofar as Searles contends the actions complained of actually determine or alter water rights, those rights will be determined by the Court in the companion action.

I. Third and Fourth Causes of Action (Regulatory Takings)

Searles challenges the Extraction Fee of \$105 per acre foot, which it’s been paying under protest. To determine whether a regulatory taking has occurred, courts apply a three-factor test that considers “(1) the economic effect [of the regulation] on the landowner; (2) the extent of the regulation’s interference with investment-backed expectations; and (3) the character of the governmental action.” (*Avenida San Juan Partnership v. City of San Clemente* (2011) 201 Cal.App.4th 1256, 1272.) Searles alleges the Extraction Fee either deprives it of all economically valuable use of its groundwater rights or makes it economically infeasible to continue its planned business operations. (1AP, ¶¶ 121, 126.) This is enough to state a regulatory taking claim for demurrer purposes.

The Authority contends this allegation is conclusory and not supported by ultimate facts. The Court disagrees. Searles alleges it has paid the fee, and it alleges the fee either deprives it of all economically valuable use of its groundwater rights or makes it economically infeasible to continue its planned business operations. This is sufficient at the pleading stage. The Authority complains that Searles “fails to specifically allege how the Extraction Fee is confiscatory” (Memo. at p. 17), but specifics are not required at this time. The

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Authority will, of course, be free to seek summary judgment or adjudication of these claims if the evidence shows it's undisputed that Searles has not suffered the economic effects complained of.

II. Fifth Cause of Action (Physical Taking)

As with Mojave, the Court does not see how Searles has been physically prevented from pumping groundwater. For the same reasons discussed in connection with the demurrer to Mojave's physical taking claim, the demurrer is sustained. Because the Court does not see how it is possible to plead a physical taking of Searles' groundwater rights, the demurrer is sustained without leave to amend.

GROUNDNS FOR MOTION TO STRIKE RULING

The Authority seeks to strike four sets of allegations.

I. Waiver/Untimely Motion

Before reaching the Authority's arguments, Searles contends the Authority's motion is untimely or has been waived because the Authority could have, but did not, file a motion to strike in connection with its demurrer to the original petition. The Court disagrees. Unlike CCP § 430.41(b), which bars a second demurrer on grounds that could have been advanced in a first demurrer, Searles identifies no authority that prevents the filing of a motion to strike portions of an amended complaint when no motion was filed with respect to the original complaint.

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II. Replenishment Fee

Judge Nakamura sustained the Authority's demurrer to Searles' claims seeking to invalidate the Replenishment Fee on "pay first, litigate later" grounds. But he overruled the demurrer to the first cause of action (a writ of mandate challenging the GSP, various reports, the Extraction Fee, and the Replenishment Fee) because a demurrer doesn't lie to a portion of a cause of action. Because the Authority didn't file a motion to strike portions of the original petition, Searles filed a 1AP that kept the first cause of action fully intact. This includes references to the Replenishment Fee, even though that challenge is barred.

Per page 11 of its opening memorandum, the Authority seeks to strike ¶¶ 79-91, 101-104, and 115-122 because they are improper challenges to the Replenishment Fee. The Court agrees that under *PH II, Inc. v. Superior Court* (1995) 33 Cal.App.4th 1680, ¶¶ 101-104 (charging allegations in the writ of mandate claim that seeks to set aside the Replenishment Fee) are barred by the "pay first, litigate later" rule and should be struck. Similarly, ¶¶ 79-91 (background allegations that explain how the Replenishment Fee is illegal) have no apparent relevance *other than* support for the barred challenge, so they should be struck as irrelevant.

But ¶¶ 115-122 (the charging allegations for the total regulatory taking claim) don't mention the Replenishment Fee at all. The Court sees no reason to strike them, so this portion of the motion is denied.

III. Sustainable Yield Report and Engineer Report

The Authority contends allegations and claims about the Sustainable Yield Report and Engineer Report are concealed challenges to the Replenishment Fee and thus should be barred as well.

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This is not apparent to the Court from the face of the 1AP. True, the Sustainable Yield Report and Engineer Report support the Replenishment Fee, but they were (allegedly) improperly adopted for reasons having nothing to do with the illegality of the Replenishment Fee (e.g., failure to take into account Searles' comments).

The Authority also argues the Sustainable Yield Report and Engineer Report don't give rise to writ relief because the reports don't require Searles to do anything, nor do they strip it of rights. But as Searles points out in opposition, the SGMA states, "Except as otherwise provided in this section, actions by a groundwater sustainability agency are subject to judicial review pursuant to Section 1085 of the Code of Civil Procedure." (Wat. Code, § 10726.6(e).) The Authority's adoption of the reports doesn't appear to fit within the exceptions (such as adoption of a GSP or challenges to fees), so presumably writ review is appropriate under the SGMA.

In reply, the Authority points out that regardless of the SGMA, CCP § 1085 requires a writ petitioner to have a beneficial interest in the agency performing its duty. It argues Searles has not alleged such an interest with respect to the reports, so they can't be challenged by writ petition.

Upon review of the briefs and the parties' arguments, the Court believes the Authority is using a motion to strike improperly on this point. As *PH II* recognized when holding that a motion to strike might lie to a portion of a cause of action that fails on its face, "such use of the motion to strike should be cautious and sparing. We have no intention of creating a procedural 'line item veto' for the civil defendant." (*PH II*, 33 Cal.App.4th at p. 1683.) It appears to the Court that the request to strike allegations about the reports is the sort of "line item veto" motion that is to be avoided. On that basis, the motion is denied.

IV. Declaration of Groundwater Rights

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Searles devotes a considerable portion of the 1AP to arguing that it has water rights senior to the Navy's. It contends a live controversy exists between Searles and the Authority about the extent of Searles' rights, in that the Authority denies the full extent of Searles' claimed rights.

As the Authority points out, the Court *cannot* declare the extent of Searles' groundwater rights compared to all other rightsholders in this action, particularly vis-à-vis the Navy (which isn't a party to this action and would have to waive its sovereign immunity in any event). Nevertheless, Searles seeks "a judicial declaration that Searles Valley Minerals' groundwater rights to pump and use Basin water are prior and paramount to any other Basin groundwater user or claimant." (1AP ¶ 113.)

The priority of groundwater rights will be determined in the companion action. The request for a declaration of groundwater rights, and the supporting factual allegations (1AP ¶ 110-113), are improper and will be stricken.

V. Altering of Groundwater Rights

For reasons discussed in the ruling on the challenges to Mojave's 3AP, the Court agrees that under the SGMA, no action the Authority takes vis-à-vis the GSP alters any property rights Searles may have in groundwater. But the Court does not understand why this means allegations that the Authority has altered Searles' rights need to be struck. This appears to the Court to be another improper "line item veto" request, and as such is denied. Furthermore, specifically as regards ¶ 125, the Court has overruled the demurrer to this cause of action in reliance on the very language the Authority seeks to strike.

Calendar #1 Case Number: 30-2021-01187589-CU-WM-CXC Case Title: Mojave Pistachios, LLC vs. Indian Wells Valley Groundwater Authority

Event: 09:00 AM - Demurrer to Amended Complaint

Event: 09:00 AM - Motion to Strike Complaint

Event: 09:00 AM - Motion to Strike Complaint

Event: 09:00 AM - Demurrer to Amended Complaint

Participant	Role	Attorney for	Law Firm/Company Name	Specially Appearing
LaWanna Walters Corson CSR 7135	Court Reporter			No
Elisabeth Esposito	Attorney	Plaintiffs and Petitioners Mojave Pistachios, et al.	Brownstein Hyatt Farber Schreck, LLP	No
Emily Madueno	Attorney	Respondent/Defendant Indian Wells Valley Water District	Murphy & Evertz LLP	No
Phillip Hall	Attorney	Indian Wells Valley Groundwater Authority	County of Kern	No
Kyle H. Brochard	Attorney	Indian Wells Valley Groundwater Authority	Richards, Watson & Gershon	No
W. Keith Lemieux	Attorney	City of Ridgecrest	Aleshire & Wynder	No
James L. Markman	Defendant	Indian Wells Valley Groundwater Authority	Richards, Watson, Gershon	No
Derek Hoffman	Attorney	Defendants and Cross-Defendants in related case 0275: Meadowbrook Dairy Real Estate, LLC; Big Horn Fields, LLC; Brown Road Fields, LLC; Highway 395 Fields, LLC; The Meadowbrook Mutual Water Company	Fennemore LLP	No
James L. Markman	Attorney	Indian Wells Groundwater Authority	Richards, Watson, Gershon	No
Other	null			No
James. A. Worth	Attorney	Indian Wells Valley Water District	McMurtrey, Hartsock, Worth & St. Lawrence	No
Don Quist	Cross-Defendant			No
Amy Steinfeld	Attorney	Mojave Pistachios	Brownstein Hyatt Farber Schreck, LLP	No

Calendar #2 Case Number: 30-2022-01241461-CU-IC-CXC Case Title: Wright vs. Sun Life Financial, Inc.

Event: 08:30 AM - Ex Parte

Participant	Role	Attorney for	Law Firm/Company Name	Specially Appearing
Yasha Ahoulim	Attorney	Canadian Dental Association	Kaufman Borgeest & Ryan LLP	No
Dr. Robert S. Wright	Plaintiff			No
David Rubaum	Attorney	BLG	Kjar McKenna & Stockalper	No
David Rubaum	Attorney	BLG	Kjar, McKenna & Stockalper	No

Calendar #3 Case Number: 30-2022-01272776-CU-BC-CXC Case Title: Capital Steel Fabricators, Inc. vs. LCS Constructors, Inc.

Event: 08:30 AM - Ex Parte

Participant	Role	Attorney for	Law Firm/Company Name	Specially Appearing
Patricia J Wolfe	Attorney	Capitol Steel Fabricators, Inc.	Hunt Ortmann Palffy Nieves Darling & Mah, Inc.	No

EXHIBIT 11

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Govt. Code § 6103

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11 Attorneys for Respondent and Defendant
12 INDIAN WELLS VALLEY WATER DISTRICT

13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

16 MOJAVE PISTACHIOS, LLC, a California
17 limited liability company; et al.,

18 Petitioners and Plaintiffs,

19 v.

20 INDIAN WELLS VALLEY
21 GROUNDWATER AUTHORITY, a
22 California joint powers authority; et al.,

23 Respondents and Defendants.

Case No. 30-2021-01187589-CU-WM-CXC

*[Consolidated with: Case No. 30-2021-
01188089-CU-WM-CXC]*

Assigned For All Purposes To:
The Honorable William Claster, Dept. CX104

**ANSWER OF INTERESTED PERSON
INDIAN WELLS VALLEY WATER
DISTRICT TO PETITIONER AND
PLAINTIFF SEARLES VALLEY
MINERALS INC.'S FIRST AMENDED
PETITION FOR WRIT OF MANDATE
AND COMPLAINT FOR
DECLARATORY AND INJUNCTIVE
RELIEF; AND TAKINGS CLAIMS
UNDER THE CALIFORNIA
CONSTITUTION**

{00245457.1 }

ANSWER OF INTERESTED PERSON INDIAN WELLS VALLEY WATER DISTRICT TO SEARLES VALLEY
MINERALS INC.'S FIRST AMENDED PETITION FOR WRIT OF MANDATE AND COMPLAINT

1
2 AND CONSOLIDATED CASE AND
3 RELATED CASES.
4

[Related to: Case No. 30-2021-01187275-CU-OR-CJC; Case No. 30-2022-01239479-CU-MC-CJC; Case No. 30-2022-01239487-CU-MC-CJC; Case No. 30-2022-01249146-CU-MC-CJC]

5 Complaint Filed: September 30, 2020
6 Trial Date: None Set
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1 Respondent and Defendant, INDIAN WELLS VALLEY WATER DISTRICT
2 (“District”), alleges that it is interested in the matters referred to in the First Amended Petition
3 for Writ of Mandate and Complaint for Declaratory and Injunctive Relief; and Takings Claims
4 under the California Constitution filed August 25, 2021 (“Complaint”) by Petitioner and Plaintiff
5 Searles Valley Minerals Inc. (“SVM”) and in answer thereto, admits, denies, and alleges as
6 follows:

7 **Introduction**

8 1. Answering Paragraph 1 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 1 of the Complaint and,
10 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
11 Paragraph 1 of the Complaint. District further responds that Paragraph 1 asserts legal
12 conclusions and no answer is required.

13 2. Answering Paragraph 2 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 2 of the Complaint and,
15 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
16 Paragraph 2 of the Complaint. The exceptions are:

17 a. District admits that SVM is located in the town of Trona, County of San
18 Bernardino.

19 3. Answering Paragraph 3 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 3 of the Complaint and,
21 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
22 Paragraph 3 of the Complaint. The exceptions are:

23 a. District admits Searles Domestic Water Company provides water for
24 domestic use.

25 4. Answering Paragraph 4 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 4 of the Complaint and,
27 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
28 Paragraph 4 of the Complaint.

1 Paragraph 10 of the Complaint. District further responds that Paragraph 10 asserts legal
2 conclusions and no answer is required. The exceptions are:

- 3 a. District admits that SVM is located in the town of Trona, County of San
4 Bernardino.

5 11. Answering Paragraph 11 of the Complaint, District admits the allegations in
6 Paragraph 11.

7 12. Answering Paragraph 12 of the Complaint, District admits the allegations in
8 Paragraph 12.

9 13. Answering Paragraph 13 of the Complaint, District responds that Paragraph 13
10 asserts legal conclusions and no answer is required. The exceptions are:

- 11 a. District admits that the Indian Wells Valley Groundwater Authority
12 (“IWVGA”) is governed by the IWVGA Board of Directors (“Board”).

- 13 b. District admits that the governing body of each General Member of the
14 IWVGA Board appoints a director to serve on the Board.

15 14. Answering Paragraph 14 of the Complaint, District responds that Paragraph 14
16 asserts legal conclusions and no answer is required. The exceptions are:

- 17 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
18 of the Groundwater Sustainability Plan for the Indian Wells Valley
19 Groundwater Basin on January 16, 2020.

- 20 b. District admits that the IWVGA adopted Ordinance No. 03-20 –
21 Establishment of a Basin Replenishment Fee on August 21, 2020.

- 22 c. District admits that it is an “interested person” in the validity of the
23 IWVGA’s Groundwater Sustainability Plan (“GSP”).

24 15. Answering Paragraph 15 of the Complaint, District has insufficient information or
25 belief to enable it to form an answer to the allegations of Paragraph 15 of the Complaint and,
26 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
27 Paragraph 15 of the Complaint. District further responds that Paragraph 15 asserts legal
28 conclusions and no answer is required.

Exhaustion of Administrative Remedies

16. Answering Paragraph 16 of the Complaint, District responds that Paragraph 16 asserts legal conclusions and no answer is required. The exceptions are:

- a. District admits that SVM submitted multiple oral and written comments to the IWVGA on the IWVGA’s GSP and related actions.
- b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020.
- c. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting a Report on the Indian Wells Valley Groundwater Basin’s Sustainable Yield of 7,650 Acre-Feet on July 16, 2020.
- d. District admits that the IWVGA adopted Ordinance No. 02-20 – Amending Ordinance No. 02-18 Establishing Groundwater Extraction Fees and the Rules, Regulations and Procedures for their Imposition on July 16, 2020 increasing the fee from \$30 to \$105 for each AF of groundwater extracted from the Basin.
- e. District admits that the IWVGA adopted Ordinance No. 5-20 – Amending Ordinance No. 02-18 Establishing Groundwater Extraction Fees and the Rules, Regulations and Procedures for their Imposition on December 17, 2020.

17. Answering Paragraph 17 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 17 of the Complaint and, basing its denial on that fact, denies, both generally and specifically, each and every allegation of Paragraph 17 of the Complaint. The exceptions are:

- a. District admits that SVM participated on two advisory committees of the IWVGA, namely the Policy Advisory Committee (“PAC”) and the Technical Advisory Committee (“TAC”).

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- b. District admits that SVM submitted multiple oral and written comments to the IWVGA on the IWVGA’s GSP and related actions.
- c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020.

18. Answering Paragraph 18 of the Complaint, District responds that Paragraph 18 asserts legal conclusions and no answer is required.

General Allegations

19. Answering Paragraph 19 of the Complaint, District admits the allegations in Paragraph 19.

20. Answering Paragraph 20 of the Complaint, District admits the allegations in Paragraph 20.

21. Answering Paragraph 21 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 21 of the Complaint and, basing its denial on that fact, denies, both generally and specifically, each and every allegation of Paragraph 21 of the Complaint. The exceptions are:

- a. District admits that a portion of the land overlying the Basin is situated within the jurisdictional boundaries of Kern County.

22. Answering Paragraph 22 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 22 of the Complaint and, basing its denial on that fact, denies, both generally and specifically, each and every allegation of Paragraph 22 of the Complaint. The exceptions are:

- a. District admits that a portion of the land overlying the Basin is situated within the jurisdictional boundaries of Inyo County.

1 23. Answering Paragraph 23 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 23 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 23 of the Complaint. The exceptions are:

5 a. District admits that a portion of the land overlying the Basin is situated
6 within the jurisdictional boundaries of San Bernardino County.

7 24. Answering Paragraph 24 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 24 of the Complaint and,
9 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
10 Paragraph 24 of the Complaint.

11 25. Answering Paragraph 25 of the Complaint, District has insufficient information or
12 belief to enable it to form an answer to the allegations of Paragraph 25 of the Complaint and,
13 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
14 Paragraph 25 of the Complaint. District further responds that Paragraph 25 asserts legal
15 conclusions and no answer is required.

16 26. Answering Paragraph 26 of the Complaint, District responds that Paragraph 26
17 asserts legal conclusions and no answer is required.

18 27. Answering Paragraph 27 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 27 of the Complaint and,
20 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
21 Paragraph 27 of the Complaint. District further responds that Paragraph 27 asserts legal
22 conclusions and no answer is required.

23 28. Answering Paragraph 28 of the Complaint, District has insufficient information or
24 belief to enable it to form an answer to the allegations of Paragraph 28 of the Complaint and,
25 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
26 Paragraph 28 of the Complaint. District further responds that Paragraph 28 asserts legal
27 conclusions and no answer is required.

1 29. Answering Paragraph 29 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 29 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 29 of the Complaint. District further responds that Paragraph 29 asserts legal
5 conclusions and no answer is required.

6 30. Answering Paragraph 30 of the Complaint, District has insufficient information or
7 belief to enable it to form an answer to the allegations of Paragraph 30 of the Complaint and,
8 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
9 Paragraph 30 of the Complaint. District further responds that Paragraph 30 asserts legal
10 conclusions and no answer is required. The exceptions are:

11 a. District admits that it was formed on January 24, 1955.

12 31. Answering Paragraph 31 of the Complaint, District has insufficient information or
13 belief to enable it to form an answer to the allegations of Paragraph 31 of the Complaint and,
14 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
15 Paragraph 31 of the Complaint. The exceptions are:

16 a. District admits SVM delivers Basin water to Searles Domestic Water
17 Company.

18 32. Answering Paragraph 32 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 32 of the Complaint and,
20 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
21 Paragraph 32 of the Complaint. District further responds that Paragraph 32 asserts legal
22 conclusions and no answer is required.

23 33. Answering Paragraph 33 of the Complaint, District admits the allegations in
24 Paragraph 33.

25 34. Answering Paragraph 34 of the Complaint, District responds that Paragraph 34
26 asserts legal conclusions and no answer is required. The exceptions are:

27 a. District admits that the use of water for domestic purposes is the highest
28 use of water pursuant California Water Code section 106.

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- b. District admits that the comprehensive groundwater legislation collectively enacted and referred to as the “Sustainable Groundwater Management Act” (“SGMA”) initially became effective on January 1, 2015.
- c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020. The GSP speaks for itself.

35. Answering Paragraph 35 of the Complaint, District responds that Paragraph 35 asserts legal conclusions and no answer is required.

36. Answering Paragraph 36 of the Complaint, District responds that Paragraph 36 asserts legal conclusions and no answer is required. The exceptions are:

- a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020. The GSP speaks for itself.

37. Answering Paragraph 37 of the Complaint, District has insufficient information or belief to enable it to form an answer to the allegations of Paragraph 37 of the Complaint and, basing its denial on that fact, denies, both generally and specifically, each and every allegation of Paragraph 37 of the Complaint. The exceptions are:

- a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption of the Groundwater Sustainability Plan for the Indian Wells Valley Groundwater Basin on January 16, 2020. The GSP speaks for itself.

1 38. Answering Paragraph 38 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 38 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 38 of the Complaint. District further responds that Paragraph 38 asserts legal
5 conclusions and no answer is required. The exceptions are:

6 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
7 of the Groundwater Sustainability Plan for the Indian Wells Valley
8 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

9 b. District admits that SVM provided the IWVGA with documentation in
10 support of its claimed rights to Basin groundwater.

11 39. Answering Paragraph 39 of the Complaint, District responds that Paragraph 39
12 asserts legal conclusions and no answer is required. The exceptions are:

13 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
14 of the Groundwater Sustainability Plan for the Indian Wells Valley
15 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

16 40. Answering Paragraph 40 of the Complaint, District has insufficient information or
17 belief to enable it to form an answer to the allegations of Paragraph 40 of the Complaint and,
18 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
19 Paragraph 40 of the Complaint. District further responds that Paragraph 40 asserts legal
20 conclusions and no answer is required.

21 41. Answering Paragraph 41 of the Complaint, District has insufficient information or
22 belief to enable it to form an answer to the allegations of Paragraph 41 of the Complaint and,
23 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
24 Paragraph 41 of the Complaint. District further responds that Paragraph 41 asserts legal
25 conclusions and no answer is required. The exceptions are:

26 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
27 of the Groundwater Sustainability Plan for the Indian Wells Valley
28 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

1 42. Answering Paragraph 42 of the Complaint, District responds that Paragraph 42
2 asserts legal conclusions and no answer is required.

3 43. Answering Paragraph 43 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 43 of the Complaint and,
5 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
6 Paragraph 43 of the Complaint. District further responds that Paragraph 43 asserts legal
7 conclusions and no answer is required. The exceptions are:

8 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
9 of the Groundwater Sustainability Plan for the Indian Wells Valley
10 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

11 44. Answering Paragraph 44 of the Complaint, District responds that Paragraph 44
12 asserts legal conclusions and no answer is required. The exceptions are:

13 a. District admits the IWVGA approved the Joint Exercise of Powers
14 Agreement Creating the IWVGA. The Joint Exercise of Powers
15 Agreement speaks for itself.

16 45. Answering Paragraph 45 of the Complaint, District responds that Paragraph 45
17 asserts legal conclusions and no answer is required. The exceptions are:

18 a. District admits that the IWVGA adopted Bylaws of the Indian Wells
19 Valley Groundwater Authority which are periodically updated. The
20 Bylaws speak for themselves.

21 46. Answering Paragraph 46 of the Complaint, District responds that Paragraph 46
22 asserts legal conclusions and no answer is required.

23 47. Answering Paragraph 47 of the Complaint, District responds that Paragraph 47
24 asserts legal conclusions and no answer is required. The exceptions are:

25 a. District admits that the City of Ridgecrest, County of Inyo, County of
26 Kern, County of San Bernardino, and District are General Members of the
27 IWVGA.

1 b. District admits the IWVGA approved the Joint Exercise of Powers
2 Agreement Creating the IWVGA. The Joint Exercise of Powers
3 Agreement speaks for itself.

4 48. Answering Paragraph 48 of the Complaint, District responds that Paragraph 48
5 asserts legal conclusions and no answer is required.

6 49. Answering Paragraph 49 of the Complaint, District responds that Paragraph 49
7 asserts legal conclusions and no answer is required.

8 50. Answering Paragraph 50 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 50 of the Complaint and,
10 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
11 Paragraph 50 of the Complaint.

12 51. Answering Paragraph 51 of the Complaint, District responds that Paragraph 51
13 asserts legal conclusions and no answer is required.

14 52. Answering Paragraph 52 of the Complaint, District responds that Paragraph 52
15 asserts legal conclusions and no answer is required.

16 53. Answering Paragraph 53 of the Complaint, District responds that Paragraph 53
17 asserts legal conclusions and no answer is required.

18 54. Answering Paragraph 54 of the Complaint, District responds that Paragraph 54
19 asserts legal conclusions and no answer is required. The exceptions are:

20 a. District admits that the IWVGA adopted Resolution No. 05-20 – Adoption
21 of Report on Transient Pool and Fallowing Program on August 21, 2020.
22 The Resolution speaks for itself.

23 b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
24 of the Groundwater Sustainability Plan for the Indian Wells Valley
25 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

26 55. Answering Paragraph 55 of the Complaint, District has insufficient information or
27 belief to enable it to form an answer to the allegations of Paragraph 55 of the Complaint and,
28 basing its denial on that fact, denies, both generally and specifically, each and every allegation of

1 Paragraph 55. District further responds that Paragraph 55 asserts legal conclusions and no
2 answer is required.

3 56. Answering Paragraph 56 of the Complaint, District responds that Paragraph 56
4 asserts legal conclusions and no answer is required. The exceptions are:

- 5 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
6 of the Groundwater Sustainability Plan for the Indian Wells Valley
7 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

8 57. Answering Paragraph 57 of the Complaint, District responds that Paragraph 57
9 asserts legal conclusions and no answer is required. The exceptions are:

- 10 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
11 of the Groundwater Sustainability Plan for the Indian Wells Valley
12 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

13 58. Answering Paragraph 58 of the Complaint, District responds that Paragraph 58
14 asserts legal conclusions and no answer is required. The exceptions are:

- 15 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
16 of the Groundwater Sustainability Plan for the Indian Wells Valley
17 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

18 59. Answering Paragraph 59 of the Complaint, District responds that Paragraph 59
19 asserts legal conclusions and no answer is required. The exceptions are:

- 20 a. District admits that the draft Sustainable Yield Report was included in the
21 meeting package for the IWVGA Board meeting on June 18, 2020. The
22 draft Sustainable Yield Report speaks for itself.

- 23 b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
24 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
25 Yield of 7,650 Acre-Feet on July 16, 2020. The Resolution speaks for
26 itself.

27 60. Answering Paragraph 60 of the Complaint, District has insufficient information or
28 belief to enable it to form an answer to the allegations of Paragraph 60 of the Complaint and,

1 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
2 Paragraph 60 of the Complaint. The exceptions are:

3 a. District admits that SVM submitted multiple oral and written comments to
4 the IWVGA on the IWVGA's GSP and related actions.

5 61. Answering Paragraph 61 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 61 of the Complaint and,
7 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
8 Paragraph 61 of the Complaint.

9 62. Answering Paragraph 62 of the Complaint, District admits that a staff report
10 accompanied the Sustainable Yield Report and the IWVGA adopted Resolution No. 06-20 –
11 Adopting a Report on the Indian Wells Valley Groundwater Basin's Sustainable Yield of 7,650
12 Acre-Feet on July 16, 2020. District further responds that the staff report, Sustainable Yield
13 Report, and Resolution speak for themselves.

14 63. Answering Paragraph 63 of the Complaint, District responds that Paragraph 63
15 asserts legal conclusions and no answer is required.

16 64. Answering Paragraph 64 of the Complaint, District has insufficient information or
17 belief to enable it to form an answer to the allegations of Paragraph 64 of the Complaint and,
18 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
19 Paragraph 64 of the Complaint. District further responds that Paragraph 64 asserts legal
20 conclusions and no answer is required.

21 65. Answering Paragraph 65 of the Complaint, District responds that Paragraph 65
22 asserts legal conclusions and no answer is required.

23 66. Answering Paragraph 66 of the Complaint, District responds that Paragraph 66
24 asserts legal conclusions and no answer is required.

25 67. Answering Paragraph 67 of the Complaint, District responds that Paragraph 67
26 asserts legal conclusions and no answer is required.

27 68. Answering Paragraph 68 of the Complaint, District responds that Paragraph 68
28 asserts legal conclusions and no answer is required.

1 69. Answering Paragraph 69 of the Complaint, District responds that Paragraph 69
2 asserts legal conclusions and no answer is required. The exceptions are:

- 3 a. District admits that the IWVGA released a data package to the public and
4 adopted Ordinance No. 02-20 – Amending Ordinance No. 02-18
5 Establishing Groundwater Extraction Fees and the Rules, Regulations and
6 Procedures for their Imposition on July 16, 2020 increasing the fee from
7 \$30 to \$105 for each AF of groundwater extracted from the Basin. The
8 data package and Ordinance speak for themselves.

9 70. Answering Paragraph 70 of the Complaint, District responds that Paragraph 70
10 asserts legal conclusions and no answer is required.

11 71. Answering Paragraph 71 of the Complaint, District responds that Paragraph 71
12 asserts legal conclusions and no answer is required.

13 72. Answering Paragraph 72 of the Complaint, District responds that Paragraph 72
14 asserts legal conclusions and no answer is required.

15 73. Answering Paragraph 73 of the Complaint, District responds that Paragraph 73
16 asserts legal conclusions and no answer is required.

17 74. Answering Paragraph 74 of the Complaint, District responds that Paragraph 74
18 asserts legal conclusions and no answer is required. The exceptions are:

- 19 a. District admits that the IWVGA adopted Ordinance No. 02-20 –
20 Amending Ordinance No. 02-18 Establishing Groundwater Extraction
21 Fees and the Rules, Regulations and Procedures for their Imposition on
22 July 16, 2020. The Ordinance speaks for itself.

23 75. Answering Paragraph 75 of the Complaint, District has insufficient information or
24 belief to enable it to form an answer to the allegations of Paragraph 75 of the Complaint and,
25 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
26 Paragraph 75 of the Complaint. District further responds that Paragraph 75 asserts legal
27 conclusions and no answer is required.

1 76. Answering Paragraph 76 of the Complaint, District responds that Paragraph 76
2 asserts legal conclusions and no answer is required. The exceptions are:

- 3 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
4 Establishment of a Basin Replenishment Fee on August 21, 2020. The
5 Engineer’s Report and Ordinance speak for themselves.

6 77. Answering Paragraph 77 of the Complaint, District responds that the Engineer’s
7 Report speaks for itself.

8 78. Answering Paragraph 78 of the Complaint, District responds that Paragraph 78
9 asserts legal conclusions and no answer is required.

10 79. Answering Paragraph 79 of the Complaint, District responds that Paragraph 79
11 asserts legal conclusions and no answer is required. The exceptions are:

- 12 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
13 Establishment of a Basin Replenishment Fee on August 21, 2020. The
14 Ordinance speaks for itself.

15 80. Answering Paragraph 80 of the Complaint, District has insufficient information or
16 belief to enable it to form an answer to the allegations of Paragraph 80 of the Complaint and,
17 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
18 Paragraph 80 of the Complaint. The exceptions are:

- 19 a. District admits that the IWVGA adopted Ordinance No. 03-20 –
20 Establishment of a Basin Replenishment Fee on August 21, 2020. District
21 further responds that the Ordinance speaks for itself.

22 81. Answering Paragraph 81 of the Complaint, District responds that Paragraph 81
23 asserts legal conclusions and no answer is required.

24 82. Answering Paragraph 82 of the Complaint, District responds that Paragraph 82
25 asserts legal conclusions and no answer is required.

26 83. Answering Paragraph 83 of the Complaint, District responds that Paragraph 83
27 asserts legal conclusions and no answer is required.

1 94. Answering Paragraph 94 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 94 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 94 of the Complaint. The exceptions are:

5 a. District admits that SVM and others submitted multiple oral and written
6 comments to the IWVGA on the IWVGA’s GSP and related actions.

7 b. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
8 of the Groundwater Sustainability Plan for the Indian Wells Valley
9 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

10 95. Answering Paragraph 95 of the Complaint, District has insufficient information or
11 belief to enable it to form an answer to the allegations of Paragraph 95 of the Complaint and,
12 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
13 Paragraph 95 of the Complaint. The exceptions are:

14 a. District admits that SVM and others submitted multiple oral and written
15 comments to the IWVGA on the IWVGA’s GSP and related actions.

16 b. District admits that the IWVGA adopted Resolution No. 06-20 – Adopting
17 a Report on the Indian Wells Valley Groundwater Basin’s Sustainable
18 Yield of 7,650 Acre-Feet on July 16, 2020. The Resolution, Sustainable
19 Yield Report, and Engineer’s Report speak for themselves.

20 96. Answering Paragraph 96 of the Complaint, District responds that Paragraph 96
21 asserts legal conclusions and no answer is required.

22 97. Answering Paragraph 97 of the Complaint, District responds that Paragraph 97
23 asserts legal conclusions and no answer is required.

24 98. Answering Paragraph 98 of the Complaint, District responds that Paragraph 98
25 asserts legal conclusions and no answer is required.

26 99. Answering Paragraph 99 of the Complaint, District responds that Paragraph 99
27 asserts legal conclusions and no answer is required.

1 **AFFIRMATIVE DEFENSES**

2 District hereby alleges the following affirmative defenses as set forth below, each as a
3 further, separate, and distinct defense to the Complaint and to each and every alleged cause of
4 action in the Complaint.

5 **FIRST DEFENSE**

6 **(Failure to State Facts Sufficient to Constitute a Cause of Action)**

7 The Complaint and each purported cause of action alleged therein, is barred, in whole or
8 in part, for failure to state facts sufficient to constitute a cause of action.

9 **SECOND DEFENSE**

10 **(Failure to Join Necessary and Indispensable Parties)**

11 The Complaint and each purported cause of action alleged therein, is barred, in whole or
12 in part, pursuant to Code of Civil Procedure section 389 on the grounds of failure to join
13 necessary and indispensable parties.

14 **THIRD DEFENSE**

15 **(Consent)**

16 The Complaint and each purported cause of action alleged therein, is barred, in whole or
17 in part, because the purported breaches and/or purported wrongful acts or omissions of District
18 were done with the consent of SVM.

19 **FOURTH DEFENSE**

20 **(Waiver)**

21 The Complaint and each purported cause of action alleged therein, is barred, in whole or
22 in part, by the doctrine of waiver.

23 **FIFTH DEFENSE**

24 **(Estoppel)**

25 The Complaint and each purported cause of action alleged therein, is barred, in whole or
26 part, by the doctrine of equitable estoppel.

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SIXTH DEFENSE

(Justification, Privilege, Good Faith, and Excuse)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, because any actions taken by District were done to protect its legitimate interests, were justified, privileged, and excused, were done in good faith, necessary under the circumstances, and did not proximately cause any loss to SVM.

SEVENTH DEFENSE

(Failure to Name Known Parties)

The Complaint and each purported cause of action alleged therein is barred, in whole or in part, pursuant to Code of Civil Procedure sections 762.010 and 762.060(b) on the grounds of failure to name all known parties and unknown parties with an interest.

EIGHTH DEFENSE

(Statutes of Limitation)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the applicable statutes of limitation, including Code of Civil Procedure sections 318, 319, 337, 337.1, 337.17, 338, 339, 339.5, 340, 343, 344 and/or Government Code section 12654.

NINTH DEFENSE

(Laches)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of laches.

TENTH DEFENSE

(Lack of Jurisdiction)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as the Court lacks jurisdiction as a result of SVM's failure to join necessary and indispensable parties.

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ELEVENTH DEFENSE

(Defect or Misjoinder of Parties)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because there is a defect (nonjoinder) and/or misjoinder of parties as SVM has, among other things, failed to name necessary and/or indispensable parties.

TWELFTH DEFENSE

(Uncertainty/Unenforceability)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the Complaint is uncertain as to the groundwater basin conditions which SVM seeks to support a physical solution.

THIRTEENTH DEFENSE

(No Loss of Economic Benefit)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered the loss of any economic benefit, advantage, or relationship as the result of any alleged actions by District.

FOURTEENTH DEFENSE

(Unreasonable Use of Water)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, because SVM's use was and is unreasonable and not a beneficial use of water under Article X, Section 2 of the California Constitution.

FIFTEENTH DEFENSE

(No Damages/Failure to Mitigate Damages)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered any damages caused by District's actions or omissions, and/or has failed and neglected to mitigate their damages, if there were any, and to the extent of such failure to mitigate, any damages awarded to SVM under the Complaint should be reduced accordingly.

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SIXTEENTH DEFENSE

(Unjust Enrichment)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM would be unjustly enriched if allowed to recover the relief requested in the Complaint, in whole or in part.

SEVENTEENTH DEFENSE

(Admissions)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by admissions of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof.

EIGHTEENTH DEFENSE

(Reliance)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because District reasonably relied on the representations, acts, omissions, or other conduct of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof, with respect to the alleged unlawful acts that are the subject of the Complaint.

NINETEENTH DEFENSE

(Public Policy)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as a matter of public policy of the State of California.

TWENTIETH DEFENSE

(Assumption of the Risk)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM voluntarily assumed the risk of damages, if any.

TWENTY-FIRST DEFENSE

(Municipal Priority)

District extracts groundwater and uses that water to serve domestic water needs of members of the public and, therefore, pursuant to Water Code sections 106 and 106.5, other

1 applicable law, and equity, District's right to extract and use groundwater is superior to or at
2 least equal to SVM's alleged rights.

3 **TWENTY-SECOND DEFENSE**

4 **(Prior Appropriative Rights)**

5 District extracts groundwater to serve the needs of members of the public for reasonable
6 and beneficial uses. To the extent the Court determines that the areas from which District pumps
7 groundwater contain surplus water, District has acquired a prior and appropriative right to
8 groundwater that is superior to or at least equal to SVM's alleged rights.

9 **TWENTY-THIRD DEFENSE**

10 **(Loss of Rights Due to Nonuse or Prescription)**

11 District alleges that SVM's alleged water rights have been lost through nonuse and/or
12 prescription. For many years, District has produced and distributed groundwater for reasonable
13 and beneficial uses. District's production of groundwater has been done under a claim of right in
14 an actual, open, and notorious manner, adverse or hostile to any rights of SVM, and has
15 continued for a period of more than five consecutive years during which overdraft conditions
16 existed where District has pumped groundwater. By reason of District's production of
17 groundwater, District has acquired a prescriptive right to groundwater superior to or at least
18 equal in priority to SVM's alleged rights.

19 **TWENTY-FOURTH DEFENSE**

20 **(Incomplete Physical Solution))**

21 The Complaint seeks relief that cannot be granted as sought, in that the Complaint seeks
22 an incomplete physical solution that does not address all necessary technical, hydrologic,
23 hydrogeologic, and other Basin conditions, water rights, and other necessary elements of a
24 practical, equitable, and defensible physical solution.

25 **TWENTY-FIFTH DEFENSE**

26 **(Reservation of Defenses)**

27 District has insufficient knowledge or information upon which to form a belief as to
28 whether it may have additional, as yet unstated, separate affirmative defenses available,

1 particularly in light of the general, non-specific allegations of the Complaint. Accordingly,
2 District reserves its right to assert additional separate affirmative defenses in the event discovery
3 indicates they would be appropriate.

4 **PRAYER**

5 1. That the Complaint be dismissed in its entirety and SVM take nothing by way of
6 its Complaint;

7 2. That SVM's request and prayer for relief be denied; and

8 3. That the Court grant any and all other relief in favor of District that it deems fair,
9 just, equitable, or otherwise proper.

10 DATED: January 5, 2023

MURPHY & EVERTZ LLP

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13
14 By:



Douglas J. Evertz
Emily L. Madueno
Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

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PROOF OF SERVICE

*Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

Orange County Superior Court - Civil Complex Center

The Honorable William Claster, Dept. CX104

Lead Case No. 30-2021-01187589-CU-WM-CXC

Consolidated with Case No. 30-2021-01188089-CU-WM-CXC

Related to: Case No. 30-2021-01187275-CU-OR-CJC; Case No. 30-2022-01239479-CU-MC-CJC; Case No. 30-2022-01239487-CU-MC-CJC; & Case No. 30-2022-01249146-CU-MC-CJC

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On January 5, 2023, I served true copies of the following document(s) described as **ANSWER OF INTERESTED PERSON INDIAN WELLS VALLEY WATER DISTRICT TO PETITIONER AND PLAINTIFF SEARLES VALLEY MINERALS INC.'S FIRST AMENDED PETITION FOR WRIT OF MANDATE AND COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF; AND TAKINGS CLAIMS UNDER THE CALIFORNIA CONSTITUTION** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address aconstant@murphyvertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **January 5, 2023**, at Costa Mesa, California.



Alexandra Constant

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SERVICE LIST

*Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

Orange County Superior Court - Civil Complex Center

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<p>Scott S. Slater, Esq. Robert J. Saperstein, Esq. Amy M. Steinfeld, Esq. Elisabeth L. Esposito, Esq. Brownstein Hyatt Farber Schreck, LLP 1021 Anacapa Street, 2nd Floor Santa Barbara, CA 93101 Tel.: (805) 963-7000 Fax: (805) 965-4333 SSlater@bhfs.com RSaperstein@bhfs.com ASteinfeld@bhfs.com EEsposito@bhfs.com</p>	<p><i>Counsel for petitioners and plaintiffs</i> Mojave Pistachios, LLC; Paul G. Nugent and Mary E. Nugent, Trustees of the Nugent Family Trust dated June 20, 2011</p>
<p>James A. Worth, Esq. McMurtrey, Hartsock, Worth & St. Lawrence 2001 22nd Street, Suite 100 Bakersfield, CA 93301 Tel.: (661) 322-4417 Fax: (661) 322-8123 jim@mhwslegal.com</p>	<p><i>Co-Counsel for respondent and defendant</i> Indian Wells Valley Water District</p>

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Counsel for respondents and defendants
Indian Wells Valley Groundwater Authority;
Board of Directors of the Indian Wells Valley
Groundwater Authority

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Eric L. Garner, Esq.
Jeffrey V. Dunn, Esq.
Wendy Y. Wang, Esq.
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amanda.wells@bbklaw.com

Counsel for petitioner and plaintiff
Searles Valley Minerals

COURTESY COPIES TO:

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scooper@fennemorelaw.com
kridenour@fennemorelaw.com

Counsel for parties in the related action
Meadowbrook Dairy Real Estate, LLC;
Big Horn Fields, LLC;
Brown Road Fields, LLC;
Highway 395 Fields, LLC;
The Meadowbrook Mutual Water Company

EXHIBIT 12

1 James A. Worth, State Bar No. 147207
2 McMURTREY, HARTSOCK & WORTH
3 2001 22nd Street, Suite 100
4 Bakersfield, California 93301
5 Telephone No.: 661.322.4417
6 Fax No.: 661.322.8123
7 Email: jim@mhwlegal.com

Exempt From Fees Per
Govt. Code § 6103

6 John C. Murphy, State Bar No. 94192
7 Douglas J. Evertz, State Bar No. 123066
8 Emily L. Madueno, State Bar No. 251721
9 MURPHY & EVERTZ LLP
10 650 Town Center Drive, Suite 550
11 Costa Mesa, California 92626
12 Telephone No.: 714.277.1700
13 Fax No.: 714.277.1777
14 Email: jmurphy@murphyevertz.com
15 devertz@murphyevertz.com
16 emadueno@murphyevertz.com

17 Attorneys for Respondent and Defendant
18 INDIAN WELLS VALLEY WATER DISTRICT

19 SUPERIOR COURT OF THE STATE OF CALIFORNIA
20 FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

21 MOJAVE PISTACHIOS, LLC, a California
22 limited liability company; et al.,

23 Petitioners and Plaintiffs,

24 v.

25 INDIAN WELLS VALLEY
26 GROUNDWATER AUTHORITY, a
27 California joint powers authority; et al.,

28 Respondents and Defendants.

Case No. 30-2021-01187589-CU-WM-CXC
Consolidated with: 30-2021-01188089-CU-WM-CXC
Related to: 30-2021-01187275-CU-OR-CJC

Assigned For All Purposes To:
The Honorable Kirk Nakamura, Dept. CX103

**INTERESTED PARTY INDIAN WELLS
VALLEY WATER DISTRICT'S
NON-OPPOSITION AND NON-JOINDER
TO MOTION OF PETITIONER AND
PLAINTIFF SEARLES VALLEY
MINERALS INC. FOR PRELIMINARY
INJUNCTION; AND DECLARATION OF
DONALD M. ZDEBA**

Date: May 20, 2021
Time: 2:00 p.m.
Dept.: CX103

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AND CONSOLIDATED CASE.

Complaint Filed: September 30, 2020
Trial Date: None Set

1 Interested party Indian Wells Valley Water District (“District”) submits this
2 Non-Opposition and Non-Joinder to the Motion of Petitioner and Plaintiff Searles Valley
3 Minerals Inc. (“Searles”) for Preliminary Injunction.

4 **A. Validation Actions and Interested Parties.**

5 Searles brought this action, in part, as a reverse validation action against the Indian Wells
6 Valley Groundwater Authority and its Board of Directors (collectively, “Authority”). (See Code
7 Civ. Proc., § 863; Wat. Code, § 10726.6 [authorizing validation action to determine validity of a
8 groundwater sustainability plan adopted under the Sustainable Groundwater Management Act
9 (SGMA)].) Code of Civil Procedure section 863 provides that in addition to being directed to
10 the Authority, a reverse validation action—such as this one—should be directed to “all persons
11 interested in the matter of [the action].” (Code Civ. Proc., § 863; see also Code Civ. Proc.,
12 § 861.1 [summons in a validation action shall be directed to “all persons interested in the matter
13 of (specifying the matter)”].)

14 “Any party interested [in the matter of the reverse validation action] may . . . appear and
15 contest the legality or validity of the matter sought to be determined.” (Code Civ. Proc., § 862.)
16 On April 1, 2021, District answered Searles’ Petition for Writ of Mandate; Complaint for
17 Declaratory and Injunctive Relief; and Takings Claims under the California Constitution as an
18 interested party in the legality and validity of Authority’s Groundwater Sustainability Plan
19 (“GSP”).

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B. District is Similarly Situated to Searles and, Therefore, should Enjoy the Same Preliminary Relief, if Granted.

District expresses no opinion or position, one way or the other, on the propriety of the requested preliminary injunction. However, should the Court issue a preliminary injunction and enjoin Authority, pending hearing on the merits of this action, from taking any action in accordance with, to enforce, or to implement any actions to impose the \$2,130 per acre foot “replenishment fee,” District respectfully requests that Authority be similarly enjoined as to District. District requests that any relief provided to Searles also be provided to District because District is similarly situated to Searles. (See Declaration of Donald M. Zdeba.)

DATED: May 7, 2021

MURPHY & EVERTZ LLP

By: 

John C. Murphy
Douglas J. Evertz
Emily L. Madueno
Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

DECLARATION OF DONALD M. ZDEBA

1 **DECLARATION OF DONALD M. ZDEBA**

2 I, Donald M. Zdeba, hereby declare as follows:

3 1. I am and have been the General Manager of the Indian Wells Valley Water
4 District (“District”) since April 1, 2012.

5 2. As General Manager, I oversee and direct all of the District’s operations,
6 including the administration, finance, and operations of the District, including planning and
7 design of facilities, and construction, operation, and maintenance of District facilities. My
8 position further requires that I monitor and provide oversight of all District operations.

9 3. My job responsibilities require that I review documents related to the
10 above-referenced functions and regularly confer with District staff regarding those operations.
11 This includes the review of financial documents and to confer with staff regarding said matters.

12 4. By virtue of my position, I am familiar with the District’s operations, including
13 past, present, and estimated future groundwater pumping amounts, and use on a monthly and
14 annual basis.

15 5. I have knowledge concerning the District’s history based on a review of District
16 documents and discussions with District staff and consultants regarding the formation and
17 operation of the District and District’s predecessors.

18 6. The District was initially formed on January 24, 1955 as a result of the
19 consolidation of several small water companies serving domestic water in the general area of the
20 City of Ridgecrest and has been known as the Indian Wells Valley Water District since
21 January 14, 1980.

22 7. The District is a County Water District formed and operating under and pursuant
23 to California Water District Law (California Water Code §§ 30000, *et seq.*).

24 8. The District is situated in the Indian Wells Valley, which lies in the northern
25 portion of the Mojave Desert, southeasterly of the Sierra Nevada, and southerly of the Owens
26 Valley and has a service area that encompasses approximately 38 square miles or 24,320 acres.

1 9. The District is the primary purveyor of public water supplies in the Ridgecrest
2 area of Kern and San Bernardino Counties, with approximately 14,064 connections serving both
3 municipal and commercial/institutional customers.

4 10. The District's sole source of water is groundwater from the Indian Wells Valley
5 Groundwater basin.

6 11. The District is also a member of the Indian Wells Valley Groundwater Authority
7 ("Authority") and subject to applicable rules and regulations of the Authority, including the
8 Replenishment Fee.

9 12. I have reviewed documents related to and am familiar with the District's water
10 use and the amount paid to date to the Authority for the Replenishment Fee and short-term future
11 estimated District payments to be made.

12 13. The Authority adopted Ordinance No. 03-20 – Establishment of a Basin
13 Replenishment Fee on August 21, 2020. The Replenishment Fee is a composite volumetric
14 charge to fund the first phase for the Authority's Groundwater Augmentation Project, which is
15 (1) the imported water purchase cost estimated at \$2,112 per acre foot over five years, and
16 (2) the Shallow Well Mitigation Project costs which are estimated to be \$17.50 per acre foot
17 until imported supplies are acquired and accessible.

18 14. The Replenishment Fee is currently set at \$2,130.00 per acre foot for pumping
19 that is subject to the Replenishment Fee. The Replenishment Fee became effective January 1,
20 2021.

21 15. The District's recent groundwater pumping has averaged approximately 6,500
22 acre-feet per year and the District's estimated groundwater pumping for 2021 is approximately
23 6,317 acre feet.

24 16. The District, as well as other domestic purveyors, were provided an allotment of
25 excess/unused Navy water on the Groundwater Sustainability Plan's premise that the Navy
26 would provide unused water to its workforce living off base that supports the mission of the
27 Navy. The unused Navy water allotted to the domestic water purveyors is considered within the
28 safe yield of the Basin and, therefore, not subject to the Replenishment Fee. Any amount

1 pumped by a domestic water purveyor in excess of the unused Navy allotment is subject to the
2 \$2,130-an-acre-foot Replenishment Fee.

3 17. The District was allotted an annual supply of 4,390 acre feet of unused Navy
4 water.

5 18. Based on the District's actual and estimated groundwater pumping for 2021 of
6 6,317 acre feet, and considering the unused Navy water allotment of 4,390 acre feet, the District
7 is estimated to pay in excess of Four Million Dollars (\$4,000,000.00) in 2021.

8 19. The District's Replenishment Fee payments result in an approximate 42%
9 increase to a typical District residential customer's monthly bill.

10 20. To date, the District has made the following payments to the Authority for the
11 Replenishment Fee in 2021: January - \$218,850.00; February - \$209,817.00; and March -
12 \$236,916.00. The District will make an additional payment for April groundwater pumping in
13 the approximate amount of \$265,000.00 in May. Attached as Exhibit "A" are true and correct
14 copies of letters dated February 16, 2021, March 15, 2021, and April 8, 2021, from the District to
15 the Authority transmitting the above-referenced payments.

16 21. District requests that if the Court enjoins the Authority from collecting the
17 Replenishment Fee from Mojave Pistachios and/or Searles Valley Minerals, that the Authority be
18 similarly enjoined from collecting the Replenishment Fee from the District, pending hearing on
19 the merits of these actions.

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

22 Executed on this 6th day of May 2021, in Ridgecrest, California.

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25 Donald M. Zdeba
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EXHIBIT A



INDIAN WELLS VALLEY WATER DISTRICT



BOARD OF DIRECTORS
Chuck Griffin, President
David Saint-Amand, Vice President
Chuck Cordell
Stan Rajtora
Mallory Boyd

Donald M. Zdeba
General Manager
Krieger & Stewart, Incorporated
Engineers
McMurtrey, Hartsock & Worth
Attorneys-at-Law

February 16, 2021

Indian Wells Valley Groundwater Authority
500 W. Ridgecrest Blvd.
Ridgecrest, CA 93555

RE: **Replenishment Fee Payment under Protest**

Clerk of the Board:

This letter shall serve as the Indian Wells Valley Water District's ("District") payment of the IWVGA Replenishment Fee for January 2021. The District has a credit balance of \$615,082.87 comprised of the \$500,000 advance from the District pursuant to the Advanced Funds Agreement dated December 13, 2017 and an additional \$115,082.87 paid to Capitol Core Group commencing October 2020. The District owes \$218,850.00 for the Replenishment Fee in January 2021 which we will deduct from the District's credit, leaving a credit balance of \$396,232.87 going forward.

Please be advised that any fees paid or deemed paid by the District towards the Replenishment Fee are paid under protest pursuant to California Water Code section 10726.6, subdivision (d). The District further requests that if the Replenishment Fee is found to be invalid, that any payments made be refunded to the District.

If you have any questions, feel free to contact the undersigned at (760) 384-5555.

Respectfully,

Don Zdeba
General Manager



INDIAN WELLS VALLEY WATER DISTRICT



BOARD OF DIRECTORS

Chuck Griffin, President
David Saint-Amand, Vice President
Chuck Cordell
Stan Rajtora
Mallory Boyd

Donald M. Zdeba
General Manager
Krieger & Stewart, Incorporated
Engineers
McMurtrey, Hartsock & Worth
Attorneys-at-Law

March 15, 2021

Indian Wells Valley Groundwater Authority
500 W. Ridgecrest Blvd.
Ridgecrest, CA 93555

RE: **Replenishment Fee Payment under Protest**

Clerk of the Board:

This letter shall serve as the Indian Wells Valley Water District's ("District") payment of the IWVGA Replenishment Fee for February 2021. The District started with a credit balance of \$615,082.87 comprised of the \$500,000 advance from the District pursuant to the Advanced Funds Agreement dated December 13, 2017 and an additional \$115,082.87 paid to Capitol Core Group commencing October 2020. The District paid \$218,850.00 for the Replenishment Fee in January 2021 and owes \$209,817.00 for February 2021, which when deducted from the District's credit, leaves a credit balance of \$186,415.87 going forward.

Please be advised that any fees paid or deemed paid by the District towards the Replenishment Fee are paid under protest pursuant to California Water Code section 10726.6, subdivision (d). The District further requests that if the Replenishment Fee is found to be invalid, that any payments made be refunded to the District.

If you have any questions, feel free to contact the undersigned at (760) 384-5555.

Respectfully,

Don Zdeba
General Manager



INDIAN WELLS VALLEY WATER DISTRICT



BOARD OF DIRECTORS

Chuck Griffin, President
David Saint-Amand, Vice President
Chuck Cordell
Stan Rajtora
Mallory Boyd

Donald M. Zdeba
General Manager
Krieger & Stewart, Incorporated
Engineers
McMurtrey, Hartsock & Worth
Attorneys-at-Law

April 8, 2021

Indian Wells Valley Groundwater Authority
500 W. Ridgecrest Blvd.
Ridgecrest, CA 93555

RE: **Replenishment Fee Payment under Protest**

Clerk of the Board:

This letter accompanies the Indian Wells Valley Water District's ("District") payment of the IWVGA Replenishment Fee for March 2021. The District started with a credit balance of \$615,082.87 comprised of the \$500,000 advance from the District pursuant to the Advanced Funds Agreement dated December 13, 2017 and an additional \$115,082.87 paid to Capitol Core Group commencing October 2020. The District paid \$218,850.00 for the Replenishment Fee in January 2021, \$209,817.00 for February and owes \$236,916.00 for March 2021, which when deducted from the District's credit balance, results in the District owing a balance of \$50,500.13.

Please be advised that any fees paid or deemed paid by the District towards the Replenishment Fee are paid under protest pursuant to California Water Code section 10726.6, subdivision (d). The District further requests that if the Replenishment Fee is found to be invalid, that any payments made be refunded to the District.

If you have any questions, feel free to contact the undersigned at (760) 384-5555.

Respectfully,

Don Zdeba
General Manager

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PROOF OF SERVICE

Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.
Orange County Superior Court - Civil Complex Center
Lead Case No. 30-2021-01187589-CU-WM-CXC
Consolidated with Case No. 30-2021-01188089-CU-WM-CXC
Related to Case No. 30-2021-01187275-CU-OR-CJC
The Honorable Kirk Nakamura, Dept. CX103

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On May 7, 2021, I served true copies of the following documents(s) described as **INTERESTED PARTY INDIAN WELLS VALLEY WATER DISTRICT'S NON-OPPOSITION AND NON-JOINDER TO MOTION OF PETITIONER AND PLAINTIFF SEARLES VALLEY MINERALS INC. FOR PRELIMINARY INJUNCTION; AND DECLARATION OF DONALD M. ZDEBA** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address lriviera@murphyevertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

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

Executed on **May 7, 2021**, at Costa Mesa, California.

/s/ Laurie Rivera

Laurie Rivera

1 **SERVICE LIST**

2 *Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.*
3 *Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

4 Orange County Superior Court - Civil Complex Center

5 Lead Case No. 30-2021-01187589-CU-WM-CXC

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8 The Honorable Kirk Nakamura, Dept. CX103

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Indian Wells Valley Groundwater Authority;

Board of Directors of the Indian Wells Valley

Groundwater Authority

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Searles Valley Minerals

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EXHIBIT 13

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Exempt From Fees Per
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11 Attorneys for Respondent and Defendant
12 INDIAN WELLS VALLEY WATER DISTRICT

13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA
15 FOR THE COUNTY OF ORANGE, CIVIL COMPLEX CENTER

16 MOJAVE PISTACHIOS, LLC, a California
17 limited liability company; et al.,

18 Petitioners and Plaintiffs,

19 v.

20 INDIAN WELLS VALLEY
21 GROUNDWATER AUTHORITY, a
22 California joint powers authority; et al.,

23 Respondents and Defendants.

Case No. 30-2021-01187589-CU-WM-CXC

*[Consolidated with: Case No. 30-2021-
01188089-CU-WM-CXC]*

Assigned For All Purposes To:
The Honorable William Claster, Dept. CX101

**FIRST AMENDED ANSWER OF
INTERESTED PERSON INDIAN
WELLS VALLEY WATER DISTRICT
TO PETITIONER AND PLAINTIFF
SEARLES VALLEY MINERALS INC.'S
FIRST AMENDED PETITION FOR
WRIT OF MANDATE AND
COMPLAINT FOR DECLARATORY
AND INJUNCTIVE RELIEF; AND
TAKINGS CLAIMS UNDER THE
CALIFORNIA CONSTITUTION**

RELATED TO ROA 220, 610

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AND CONSOLIDATED CASE AND
RELATED CASES.

[Related to: Case No. 30-2021-01187275-CU-OR-CJC; Case No. 30-2022-01239479-CU-MC-CJC; Case No. 30-2022-01239487-CU-MC-CJC; Case No. 30-2022-01249146-CU-MC-CJC]

Complaint Filed: September 30, 2020
Writ Hearing: February 4, 2026

1 Respondent and Defendant, INDIAN WELLS VALLEY WATER DISTRICT
2 (“District”), alleges that it is interested in the matters referred to in the First Amended Petition
3 for Writ of Mandate and Complaint for Declaratory and Injunctive Relief; and Takings Claims
4 under the California Constitution filed August 25, 2021 (“Complaint”) by Petitioner and Plaintiff
5 Searles Valley Minerals Inc. (“SVM”) and in answer thereto, admits, denies, and alleges as
6 follows:

7 **Introduction**

8 1. Answering Paragraph 1 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 1 of the Complaint and,
10 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
11 Paragraph 1 of the Complaint. District further responds that Paragraph 1 asserts legal
12 conclusions and no answer is required.

13 2. Answering Paragraph 2 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 2 of the Complaint and,
15 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
16 Paragraph 2 of the Complaint. The exceptions are:

17 a. District admits that SVM is located in the town of Trona, County of San
18 Bernardino.

19 3. Answering Paragraph 3 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 3 of the Complaint and,
21 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
22 Paragraph 3 of the Complaint. The exceptions are:

23 a. District admits Searles Domestic Water Company provides water for
24 domestic use.

25 4. Answering Paragraph 4 of the Complaint, District has insufficient information or
26 belief to enable it to form an answer to the allegations of Paragraph 4 of the Complaint and,
27 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
28 Paragraph 4 of the Complaint.

1 **Parties**

2 10. Answering Paragraph 10 of the Complaint, District has insufficient information or
3 belief to enable it to form an answer to the allegations of Paragraph 10 of the Complaint and,
4 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
5 Paragraph 10 of the Complaint. District further responds that Paragraph 10 asserts legal
6 conclusions and no answer is required. The exceptions are:

7 a. District admits that SVM is located in the town of Trona, County of San
8 Bernardino.

9 11. Answering Paragraph 11 of the Complaint, District admits the allegations in
10 Paragraph 11.

11 12. Answering Paragraph 12 of the Complaint, District admits the allegations in
12 Paragraph 12.

13 13. Answering Paragraph 13 of the Complaint, District responds that Paragraph 13
14 asserts legal conclusions and no answer is required. The exceptions are:

15 a. District admits that the IWVGA is governed by the IWVGA Board of
16 Directors (“Board”).

17 b. District admits that the governing body of each General Member of the
18 IWVGA Board appoints a director to serve on the Board.

19 14. Answering Paragraph 14 of the Complaint, District responds that Paragraph 14
20 asserts legal conclusions and no answer is required. The exceptions are:

21 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
22 of the Groundwater Sustainability Plan for the Indian Wells Valley
23 Groundwater Basin (“Basin”) on January 16, 2020.

24 b. District admits that the IWVGA adopted Ordinance No. 03-20 –
25 Establishment of a Basin Replenishment Fee on August 21, 2020.

26 c. District admits that it is an “interested person” in the validity of the
27 IWVGA’s GSP.
28

1 adoption of a Basin GSP, Sustainable Yield Report, Engineer’s Report,
2 and Extraction Fee.

3 g. District has paid the Replenishment Fee under protest since the IWGVA
4 imposed the fee on the District.

5 17. Answering Paragraph 17 of the Complaint, District has insufficient information or
6 belief to enable it to form an answer to the allegations of Paragraph 17 of the Complaint and,
7 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
8 Paragraph 17 of the Complaint. The exceptions are:

9 a. District admits that SVM participated on two advisory committees of the
10 IWVGA, namely the Policy Advisory Committee (“PAC”) and the
11 Technical Advisory Committee (“TAC”).

12 b. District admits that SVM submitted multiple oral and written comments to
13 the IWVGA on the IWVGA’s GSP and related actions.

14 c. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
15 of the Groundwater Sustainability Plan for the Indian Wells Valley
16 Groundwater Basin on January 16, 2020.

17 d. District participated on two advisory committees of the IWVGA, namely
18 the PAC and the TAC.

19 e. District submitted multiple oral and written comments to the IWVGA on
20 the IWVGA’s GSP and related actions.

21 18. Answering Paragraph 18 of the Complaint, District responds that Paragraph 18
22 asserts legal conclusions and no answer is required.

23 **General Allegations**

24 19. Answering Paragraph 19 of the Complaint, District admits the allegations in
25 Paragraph 19.

26 20. Answering Paragraph 20 of the Complaint, District admits the allegations in
27 Paragraph 20.

28

1 21. Answering Paragraph 21 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 21 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 21 of the Complaint. The exceptions are:

5 a. District admits that a portion of the land overlying the Basin is situated
6 within the jurisdictional boundaries of Kern County.

7 22. Answering Paragraph 22 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 22 of the Complaint and,
9 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
10 Paragraph 22 of the Complaint. The exceptions are:

11 a. District admits that a portion of the land overlying the Basin is situated
12 within the jurisdictional boundaries of Inyo County.

13 23. Answering Paragraph 23 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 23 of the Complaint and,
15 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
16 Paragraph 23 of the Complaint. The exceptions are:

17 a. District admits that a portion of the land overlying the Basin is situated
18 within the jurisdictional boundaries of San Bernardino County.

19 24. Answering Paragraph 24 of the Complaint, District has insufficient information or
20 belief to enable it to form an answer to the allegations of Paragraph 24 of the Complaint and,
21 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
22 Paragraph 24 of the Complaint.

23 25. Answering Paragraph 25 of the Complaint, District has insufficient information or
24 belief to enable it to form an answer to the allegations of Paragraph 25 of the Complaint and,
25 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
26 Paragraph 25 of the Complaint. District further responds that Paragraph 25 asserts legal
27 conclusions and no answer is required.

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1 26. Answering Paragraph 26 of the Complaint, District responds that Paragraph 26
2 asserts legal conclusions and no answer is required.

3 27. Answering Paragraph 27 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 27 of the Complaint and,
5 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
6 Paragraph 27 of the Complaint. District further responds that Paragraph 27 asserts legal
7 conclusions and no answer is required.

8 28. Answering Paragraph 28 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 28 of the Complaint and,
10 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
11 Paragraph 28 of the Complaint. District further responds that Paragraph 28 asserts legal
12 conclusions and no answer is required.

13 29. Answering Paragraph 29 of the Complaint, District has insufficient information or
14 belief to enable it to form an answer to the allegations of Paragraph 29 of the Complaint and,
15 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
16 Paragraph 29 of the Complaint. District further responds that Paragraph 29 asserts legal
17 conclusions and no answer is required.

18 30. Answering Paragraph 30 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 30 of the Complaint and,
20 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
21 Paragraph 30 of the Complaint. District further responds that Paragraph 30 asserts legal
22 conclusions and no answer is required. The exceptions are:

23 a. District admits that it was formed on January 24, 1955.
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1 31. Answering Paragraph 31 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 31 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 31 of the Complaint. The exceptions are:

- 5 a. District admits SVM delivers Basin water to Searles Domestic Water
6 Company.

7 32. Answering Paragraph 32 of the Complaint, District has insufficient information or
8 belief to enable it to form an answer to the allegations of Paragraph 32 of the Complaint and,
9 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
10 Paragraph 32 of the Complaint. District further responds that Paragraph 32 asserts legal
11 conclusions and no answer is required.

12 33. Answering Paragraph 33 of the Complaint, District admits the allegations in
13 Paragraph 33.

14 34. Answering Paragraph 34 of the Complaint, District admits the allegations in
15 Paragraph 34.

16 35. Answering Paragraph 35 of the Complaint, District admits the allegations in
17 Paragraph 35.

18 36. Answering Paragraph 36 of the Complaint, District admits the allegations in
19 Paragraph 36.

20 37. Answering Paragraph 37 of the Complaint, District has insufficient information or
21 belief to enable it to form an answer to the allegations of Paragraph 37 of the Complaint and,
22 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
23 Paragraph 37 of the Complaint. The exceptions are:

- 24 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
25 of the Groundwater Sustainability Plan for the Indian Wells Valley
26 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

1 38. Answering Paragraph 38 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 38 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 38 of the Complaint. District further responds that Paragraph 38 asserts legal
5 conclusions and no answer is required. The exceptions are:

- 6 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
7 of the Groundwater Sustainability Plan for the Indian Wells Valley
8 Groundwater Basin on January 16, 2020. The GSP speaks for itself.
- 9 b. District admits that SVM provided the IWVGA with documentation in
10 support of its claimed rights to Basin groundwater.
- 11 c. District admits that the IWVGA engaged in unauthorized groundwater
12 right priority determinations.
- 13 d. District admits that the IWVGA’s GSP concludes that “NAWS China
14 Lake groundwater production is considered of highest beneficial use” and
15 that “the majority, if not all, of the estimated sustainable yield of 7,650
16 could be held as a federal right.”
- 17 e. District admits that the IWVGA’s GSP allocated almost all of the
18 groundwater to the United States Navy Air Weapons Station China Lake
19 (“Weapons Station”).

20 39. Answering Paragraph 39 of the Complaint, District responds that Paragraph 39
21 asserts legal conclusions and no answer is required. The exceptions are:

- 22 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
23 of the Groundwater Sustainability Plan for the Indian Wells Valley
24 Groundwater Basin on January 16, 2020. The GSP speaks for itself.
- 25 b. District admits that the IWVGA further failed to meet its SGMA
26 obligations and engaged in unauthorized and erroneous interpretation of
27 water law by stating in the GSP that “the City [of Ridgecrest] and Kern
28 County overlying groundwater production rights are superior to all other

1 overlying rights because public entity rights may not be prescribed
2 against.”

3 40. Answering Paragraph 40 of the Complaint, District has insufficient information or
4 belief to enable it to form an answer to the allegations of Paragraph 40 of the Complaint and,
5 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
6 Paragraph 40 of the Complaint. District further responds that Paragraph 40 asserts legal
7 conclusions and no answer is required.

8 41. Answering Paragraph 41 of the Complaint, District has insufficient information or
9 belief to enable it to form an answer to the allegations of Paragraph 41 of the Complaint and,
10 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
11 Paragraph 41 of the Complaint. District further responds that Paragraph 41 asserts legal
12 conclusions and no answer is required. The exceptions are:

13 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
14 of the Groundwater Sustainability Plan for the Indian Wells Valley
15 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

16 42. Answering Paragraph 42 of the Complaint, District responds that Paragraph 42
17 asserts legal conclusions and no answer is required.

18 43. Answering Paragraph 43 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 43 of the Complaint and,
20 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
21 Paragraph 43 of the Complaint. District further responds that Paragraph 43 asserts legal
22 conclusions and no answer is required. The exceptions are:

23 a. District admits that the IWVGA adopted Resolution No. 01-20 – Adoption
24 of the Groundwater Sustainability Plan for the Indian Wells Valley
25 Groundwater Basin on January 16, 2020. The GSP speaks for itself.

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1 44. Answering Paragraph 44 of the Complaint, District admits the allegations in
2 Paragraph 44.

3 45. Answering Paragraph 45 of the Complaint, District admits the allegations in
4 Paragraph 45.

5 46. Answering Paragraph 46 of the Complaint, District admits the allegations in
6 Paragraph 46.

7 47. Answering Paragraph 47 of the Complaint, District admits the allegations in
8 Paragraph 47.

9 48. Answering Paragraph 48 of the Complaint, District admits the allegations in
10 Paragraph 48.

11 49. Answering Paragraph 49 of the Complaint, District responds that Paragraph 49
12 asserts legal conclusions and no answer is required.

13 50. Answering Paragraph 50 of the Complaint, District admits the allegations in
14 Paragraph 50.

15 51. Answering Paragraph 51 of the Complaint, District admits the allegations in
16 Paragraph 51.

17 52. Answering Paragraph 52 of the Complaint, District admits the allegations in
18 Paragraph 52.

19 53. Answering Paragraph 53 of the Complaint, District admits the allegations in
20 Paragraph 53.

21 54. Answering Paragraph 54 of the Complaint, District admits the allegations in
22 Paragraph 54.

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1 55. Answering Paragraph 55 of the Complaint, District has insufficient information or
2 belief to enable it to form an answer to the allegations of Paragraph 55 of the Complaint and,
3 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
4 Paragraph 55. District further responds that Paragraph 55 asserts legal conclusions and no
5 answer is required. The exceptions are:

- 6 a. The District is informed and believes and on that basis admits that the
7 IWVGA, while developing and finalizing the GSP, had already
8 predetermined that most, if not all, of the Basin’s alleged sustainable yield
9 is to be allocated to Weapons Station.

10 56. Answering Paragraph 56 of the Complaint, District admits the allegations in
11 Paragraph 56.

12 57. Answering Paragraph 57 of the Complaint, District admits the allegations in
13 Paragraph 57.

14 58. Answering Paragraph 58 of the Complaint, District admits the allegations in
15 Paragraph 58.

16 59. Answering Paragraph 59 of the Complaint, District admits the allegations in
17 Paragraph 59.

18 60. Answering Paragraph 60 of the Complaint, District has insufficient information or
19 belief to enable it to form an answer to the allegations of Paragraph 60 of the Complaint and,
20 basing its denial on that fact, denies, both generally and specifically, each and every allegation of
21 Paragraph 60 of the Complaint. The exceptions are:

- 22 a. District admits that SVM submitted multiple oral and written comments to
23 the IWVGA on the IWVGA’s GSP and related actions.
24 b. District submitted a letter with written comments prior to the IWVGA’s
25 adoption of the Sustainable Yield Report outlining concerns.

26 61. Answering Paragraph 61 of the Complaint, District admits the allegations in
27 Paragraph 61.

1 62. Answering Paragraph 62 of the Complaint, District admits the allegations in
2 Paragraph 62.

3 63. Answering Paragraph 63 of the Complaint, District responds that Paragraph 63
4 asserts legal conclusions and no answer is required. The exceptions are:

5 a. The District admits that the IWVGA continued to take the position that
6 Weapons Station is entitled to nearly all the Basin’s sustainable yield.

7 b. The District admits that the IWVGA’s position is not supported by the
8 facts.

9 64. Answering Paragraph 64 of the Complaint, District admits the allegations in
10 Paragraph 64.

11 65. Answering Paragraph 65 of the Complaint, District responds that Paragraph 65
12 asserts legal conclusions and no answer is required.

13 66. Answering Paragraph 66 of the Complaint, District responds that Paragraph 66
14 asserts legal conclusions and no answer is required.

15 67. Answering Paragraph 67 of the Complaint, District responds that Paragraph 67
16 asserts legal conclusions and no answer is required.

17 68. Answering Paragraph 68 of the Complaint, District responds that Paragraph 68
18 asserts legal conclusions and no answer is required.

19 69. Answering Paragraph 69 of the Complaint, District admits the allegations in
20 Paragraph 69.

21 70. Answering Paragraph 70 of the Complaint, District admits the allegations in
22 Paragraph 70.

23 71. Answering Paragraph 71 of the Complaint, District admits the allegations in
24 Paragraph 71.

25 72. Answering Paragraph 72 of the Complaint, District admits the allegations in
26 Paragraph 72.

27 73. Answering Paragraph 73 of the Complaint, District admits the allegations in
28 Paragraph 73.

1 74. Answering Paragraph 74 of the Complaint, District admits the allegations in
2 Paragraph 74.

3 75. Answering Paragraph 75 of the Complaint, District admits the allegations in
4 Paragraph 75.

5 76. Answering Paragraph 76 of the Complaint, District admits the allegations in
6 Paragraph 76.

7 77. Answering Paragraph 77 of the Complaint, District admits the allegations in
8 Paragraph 77.

9 78. Answering Paragraph 78 of the Complaint, District admits the allegations in
10 Paragraph 78.

11 79. Answering Paragraph 79 of the Complaint, District admits the allegations in
12 Paragraph 79.

13 80. Answering Paragraph 80 of the Complaint, District admits the allegations in
14 Paragraph 80.

15 81. Answering Paragraph 81 of the Complaint, District admits the allegations in
16 Paragraph 81.

17 82. Answering Paragraph 82 of the Complaint, District admits the allegations in
18 Paragraph 82.

19 83. Answering Paragraph 83 of the Complaint, District admits the allegations in
20 Paragraph 83.

21 84. Answering Paragraph 84 of the Complaint, District admits the allegations in
22 Paragraph 84.

23 85. Answering Paragraph 85 of the Complaint, District admits the allegations in
24 Paragraph 85.

25 86. Answering Paragraph 86 of the Complaint, District admits the allegations in
26 Paragraph 86.

27 87. Answering Paragraph 87 of the Complaint, District admits the allegations in
28 Paragraph 87.

1 c. The District admits that the IWVGA’s decisions and actions alleged herein
2 are arbitrary, capricious, and lack proper evidentiary support.

3 94. Answering Paragraph 94 of the Complaint, District admits the allegations in
4 Paragraph 94.

5 95. Answering Paragraph 95 of the Complaint, District admits the allegations in
6 Paragraph 95.

7 96. Answering Paragraph 96 of the Complaint, District admits the allegations in
8 Paragraph 96.

9 97. Answering Paragraph 97 of the Complaint, District admits the allegations in
10 Paragraph 97.

11 98. Answering Paragraph 98 of the Complaint, District admits the allegations in
12 Paragraph 98.

13 99. Answering Paragraph 99 of the Complaint, District admits the allegations in
14 Paragraph 99.

15 100. Answering Paragraph 100 of the Complaint, District admits the allegations in
16 Paragraph 100.

17 101. Answering Paragraph 101 of the Complaint, District admits the allegations in
18 Paragraph 101.

19 102. Answering Paragraph 102 of the Complaint, District admits the allegations in
20 Paragraph 102.

21 103. Answering Paragraph 103 of the Complaint, District admits the allegations in
22 Paragraph 103.

23 104. Answering Paragraph 104 of the Complaint, District admits the allegations in
24 Paragraph 104.

25 105. Answering Paragraph 105 of the Complaint, District admits the allegations in
26 Paragraph 105.

27 106. Answering Paragraph 106 of the Complaint, District admits the allegations in
28 Paragraph 106.

1 **Fifth Cause of Action**

2 128. Answering Paragraph 128 of the Complaint, District responds that a demurrer to
3 the Fifth Cause of Action, including Paragraph 128, has been sustained without leave to amend
4 and no answer is required.

5 129. Answering Paragraph 129 of the Complaint, District responds that a demurrer to
6 the Fifth Cause of Action, including Paragraph 129, has been sustained without leave to amend
7 and no answer is required.

8 130. Answering Paragraph 130 of the Complaint, District responds that a demurrer to
9 the Fifth Cause of Action, including Paragraph 130, has been sustained without leave to amend
10 and no answer is required.

11 131. Answering Paragraph 131 of the Complaint, District responds that a demurrer to
12 the Fifth Cause of Action, including Paragraph 131, has been sustained without leave to amend
13 and no answer is required.

14 **AFFIRMATIVE DEFENSES**

15 District hereby alleges the following affirmative defenses as set forth below, each as a
16 further, separate, and distinct defense to the Complaint and to each and every alleged cause of
17 action in the Complaint.

18 **FIRST DEFENSE**

19 **(Failure to State Facts Sufficient to Constitute a Cause of Action)**

20 The Complaint and each purported cause of action alleged therein, is barred, in whole or
21 in part, for failure to state facts sufficient to constitute a cause of action.

22 **SECOND DEFENSE**

23 **(Failure to Join Necessary and Indispensable Parties)**

24 The Complaint and each purported cause of action alleged therein, is barred, in whole or
25 in part, pursuant to Code of Civil Procedure section 389 on the grounds of failure to join
26 necessary and indispensable parties.

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THIRD DEFENSE

(Consent)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the purported breaches and/or purported wrongful acts or omissions of District were done with the consent of SVM.

FOURTH DEFENSE

(Waiver)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of waiver.

FIFTH DEFENSE

(Estoppel)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, by the doctrine of equitable estoppel.

SIXTH DEFENSE

(Justification, Privilege, Good Faith, and Excuse)

The Complaint and each purported cause of action alleged therein, is barred, in whole or part, because any actions taken by District were done to protect its legitimate interests, were justified, privileged, and excused, were done in good faith, necessary under the circumstances, and did not proximately cause any loss to SVM.

SEVENTH DEFENSE

(Failure to Name Known Parties)

The Complaint and each purported cause of action alleged therein is barred, in whole or in part, pursuant to Code of Civil Procedure sections 762.010 and 762.060(b) on the grounds of failure to name all known parties and unknown parties with an interest.

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EIGHTH DEFENSE

(Statutes of Limitation)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the applicable statutes of limitation, including Code of Civil Procedure sections 318, 319, 337, 337.1, 337.17, 338, 339, 339.5, 340, 343, 344 and/or Government Code section 12654.

NINTH DEFENSE

(Laches)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, by the doctrine of laches.

TENTH DEFENSE

(Lack of Jurisdiction)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as the Court lacks jurisdiction as a result of SVM's failure to join necessary and indispensable parties.

ELEVENTH DEFENSE

(Defect or Misjoinder of Parties)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because there is a defect (nonjoinder) and/or misjoinder of parties as SVM has, among other things, failed to name necessary and/or indispensable parties.

TWELFTH DEFENSE

(Uncertainty/Unenforceability)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because the Complaint is uncertain as to the groundwater basin conditions which SVM seeks to support a physical solution.

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THIRTEENTH DEFENSE

(No Loss of Economic Benefit)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered the loss of any economic benefit, advantage, or relationship as the result of any alleged actions by District.

FOURTEENTH DEFENSE

(Unreasonable Use of Water)

The Complaint, and each purported cause of action alleged therein, is barred, in whole or in part, because SVM's use was and is unreasonable and not a beneficial use of water under Article X, Section 2 of the California Constitution.

FIFTEENTH DEFENSE

(No Damages/Failure to Mitigate Damages)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM has not suffered any damages caused by District's actions or omissions, and/or has failed and neglected to mitigate their damages, if there were any, and to the extent of such failure to mitigate, any damages awarded to SVM under the Complaint should be reduced accordingly.

SIXTEENTH DEFENSE

(Unjust Enrichment)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM would be unjustly enriched if allowed to recover the relief requested in the Complaint, in whole or in part.

SEVENTEENTH DEFENSE

(Admissions)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, by admissions of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof.

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EIGHTEENTH DEFENSE

(Reliance)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because District reasonably relied on the representations, acts, omissions, or other conduct of SVM and/or its predecessors-in-interest, including the agents and/or officers thereof, with respect to the alleged unlawful acts that are the subject of the Complaint.

NINETEENTH DEFENSE

(Public Policy)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, as a matter of public policy of the State of California.

TWENTIETH DEFENSE

(Assumption of the Risk)

The Complaint and each purported cause of action alleged therein, is barred, in whole or in part, because SVM voluntarily assumed the risk of damages, if any.

TWENTY-FIRST DEFENSE

(Municipal Priority)

District extracts groundwater and uses that water to serve domestic water needs of members of the public and, therefore, pursuant to Water Code sections 106 and 106.5, other applicable law, and equity, District's right to extract and use groundwater is superior to or at least equal to SVM's alleged rights.

TWENTY-SECOND DEFENSE

(Prior Appropriative Rights)

District extracts groundwater to serve the needs of members of the public for reasonable and beneficial uses. To the extent the Court determines that the areas from which District pumps groundwater contain surplus water, District has acquired a prior and appropriative right to groundwater that is superior to or at least equal to SVM's alleged rights.

1 **TWENTY-THIRD DEFENSE**

2 **(Loss of Rights Due to Nonuse or Prescription)**

3 District alleges that SVM's alleged water rights have been lost through nonuse and/or
4 prescription. For many years, District has produced and distributed groundwater for reasonable
5 and beneficial uses. District's production of groundwater has been done under a claim of right in
6 an actual, open, and notorious manner, adverse or hostile to any rights of SVM, and has
7 continued for a period of more than five consecutive years during which overdraft conditions
8 existed where District has pumped groundwater. By reason of District's production of
9 groundwater, District has acquired a prescriptive right to groundwater superior to or at least
10 equal in priority to SVM's alleged rights.

11 **TWENTY-FOURTH DEFENSE**

12 **(Incomplete Physical Solution))**

13 The Complaint seeks relief that cannot be granted as sought, in that the Complaint seeks
14 an incomplete physical solution that does not address all necessary technical, hydrologic,
15 hydrogeologic, and other Basin conditions, water rights, and other necessary elements of a
16 practical, equitable, and defensible physical solution.

17 **TWENTY-FIFTH DEFENSE**

18 **(Reservation of Defenses)**

19 District has insufficient knowledge or information upon which to form a belief as to
20 whether it may have additional, as yet unstated, separate affirmative defenses available,
21 particularly in light of the general, non-specific allegations of the Complaint. Accordingly,
22 District reserves its right to assert additional separate affirmative defenses in the event discovery
23 indicates they would be appropriate.

24 **PRAYER**

- 25 1. As to the First Cause of Action:
- 26 a. That SVM's request and prayer for relief be granted;
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- b. That the Court declare the GSP, the Sustainable Yield Report, Engineer’s Report, and Extraction Fee, and each of them, violate applicable law, including the Water Code and CEQA;
- c. That the Court declare the GSP is unlawful and invalid;
- d. That the Court issue a writ of mandate or peremptory writ to compel the IWVGA to (i) rescind, remove, and vacate its adoption of the GSP, the Sustainable Yield Report, the Engineer’s Report, and Extraction Fee; and (ii) for IWVGA to perform its legal duty to manage the Basin consistent with the law and refrain from making groundwater rights priority determinations;
- e. That the Court enter judgment declaring any conclusions, analysis, references, proposed projects, and management actions contained in the GSP, the Sustainable Yield Report, and the Engineer’s Report are based on the IWVGA’s unauthorized, erroneous, and inadequate interpretation of water law and water right priorities to be null and void;
- f. That the Court grant relief under Code of Civil Procedure section 526a; and
- g. That the Court grant any and all other relief in favor of District that it deems fair, just, equitable, or otherwise proper.

- 2. As to the remaining causes of action:
 - a. That the Complaint be dismissed in its entirety and SVM take nothing by way of its Complaint;
 - b. That SVM’s request and prayer for relief be denied; and
 - c. That the Court grant any and all other relief in favor of District that it deems fair, just, equitable, or otherwise proper.

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DATED: September 17, 2025

MURPHY & EVERTZ LLP

By: /s/ Douglas J. Evertz
Douglas J. Evertz
Emily L. Madueno
Attorneys for Respondent and Defendant
INDIAN WELLS VALLEY WATER DISTRICT

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PROOF OF SERVICE

*Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

Orange County Superior Court - Civil Complex Center

The Honorable William Claster, Dept. CX101

Lead Case No. 30-2021-01187589-CU-WM-CXC

Consolidated with Case No. 30-2021-01188089-CU-WM-CXC

Related to: Case No. 30-2021-01187275-CU-OR-CJC; Case No. 30-2022-01239479-CU-MC-CJC; Case No. 30-2022-01239487-CU-MC-CJC; & Case No. 30-2022-01249146-CU-MC-CJC

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, CA 92626.

On September 18, 2025, I served true copies of the following document(s) described as **NOTICE OF MOTION AND MOTION OF INDIAN WELLS VALLEY WATER DISTRICT FOR ORDER CONFIRMING “INTERESTED PARTY” STATUS, OR, IN THE ALTERNATIVE, GRANTING LEAVE TO AMEND ANSWER; MEMORANDUM OF POINTS AND AUTHORITIES AND DECLARATION OF DOUGLAS J. EVERTZ** on the interested parties in this action as follows:

PLEASE SEE SERVICE LIST

BY E-MAIL OR ELECTRONIC TRANSMISSION: I caused a copy of the document(s) to be sent from e-mail address aconstant@murphyvertz.com to the persons at the e-mail addresses listed in the Service List. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

BY ELECTRONIC SERVICE: I caused a copy of the document(s) to be submitted to One Legal, LLC, through the user interface at www.onelegal.com.

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

Executed on **September 18, 2025**, at Costa Mesa, California.



Alexandra Constant

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SERVICE LIST

*Mojave Pistachios, LLC; et al. v. Indian Wells Valley Groundwater Authority; et al.
Searles Valley Minerals Inc. v. Indian Wells Valley Groundwater Authority; et al.*

Orange County Superior Court - Civil Complex Center

The Honorable William Claster, Dept. CX101

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