Whitney, Thompson & Jeffcoach LLP 1 Marshall C. Whitney, #82952 2 mwhitney@wtjlaw.com Kristi D. Marshall, #274625 3 kmarshall@wtjlaw.com Devon R. McTeer, #230539 4 dmcteer@wtjlaw.com 970 W. Alluvial Ave. 5 Fresno, California 93711 Telephone: (559) 753-2550 Facsimile: (559) 753-2560 6 7 Attorneys for Sandridge Partners, L.P. and Roller Land Company, Inc. 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 **COUNTY OF KINGS** 10 11 12 TULARE LAKE CANAL COMPANY, a California Corporation, 13 Plaintiff, 14 V. 15 SANDRIDGE PARTNERS, L.P., a California limited partnership; ROLLER LAND 16 COMPANY, INC., a California business entity; and DOES 1 through 20, inclusive, 17 Defendants. 18 19 SANDRIDGE PARTNERS, L.P., a California 20 limited partnership; ROLLER LAND COMPANY, INC., a California corporation, 21 Cross-Complainants, 22 V. 23 TULARE LAKE CANAL COMPANY, a 24 California corporation; WOOD BROS., INC., a California corporation; and ROES 21 25 through 50, inclusive, 26 Cross-Defendants.

FILED 2/2/2022 12:33 PM Nocona Soboleski, Clerk of Court Superior Court of the State of California County of Kings

Case No. 22C-0019

DECLARATION OF MARK GREWAL IN SUPPORT OF CROSS-**COMPLAINANTS' EX PARTE** APPLICATION FOR ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION AND TEMPORARY RESTRAINING ORDER

February 7, 2022 Date: 10:30 a.m. Time:

Dept.:

28

WHITNEY

THOMPSON &

JEFFCOACH

27

54.14 05643070.000

I, Mark Grewal, declare as follows:

- 1. I am the General Manager of Angiola Water District, the General Manager of the Wilbur Reclamation District, the President of Reclamation District 761, and I am also on the Board of Directors of various groundwater sustainability agencies. In addition, I am President of Grewal Consulting Team, which provides consultation in agricultural issues, including water, soil, air and crop issues.
- 2. If called as a witness, I would and could competently testify to all facts stated herein from my personal knowledge except where stated upon information and belief and, as to these matters, I am informed and believe them to be true.
- 3. I have a Bachelor of Science degree from Fresno State University in Agronomy and an MBA from Saint Mary's College.
- 4. I have been involved in agriculture in the Central Valley for over 40 years. From 1979-2005, for twenty-six (26) years, I was employed by J.G. Boswell Co. ("Boswell"). I was the Vice President and Ranch Manager of Operations Boswell. I was also an officer and board member of Boswell's Board of Directors. While in Boswell's employ, I sat on the board of various water districts and agencies, including, but not limited to, the Tulare Lake Drainage District, the Corcoran Irrigation District, the Tulare Lake Basin Water Storage District, the Chamberlain Water Company and many reclamation districts, including El Rico Reclamation District 1618 and 749, North Central and South Central Reclamation District.
- 5. In my capacity as an officer, board member, and manager of operations at Boswell, one of my primary responsibilities was to develop an understanding of the sources and most efficient uses and conveyance of water available to Boswell, which included developing a working knowledge of the Kings River, Pine Flat Reservoir and various other waterways, including the canal at issue in this action.
- 6. I am personally aware of the construction of the pipeline project being laid across APN 026-230-010, which is the northern parcel to the canal at issue owned by Sandridge and APN 026-230-011, which is the southern parcel to the canal at issue owned by Roller Land Company (hereafter "the Property"). I have personal knowledge of the fact that the canal at issue in this action 54.14 05643070.000

runs between the subject properties and is also owned by Cross-Complainants. Water flows through the canal from time to time and runs from north west, flowing south east. I am intimately familiar with the subject properties as well as the canal that runs through them, given my extensive experience and participation in the above-referenced entities.

- 7. Although the pipeline at issue in this matter was to be installed by Cross-Complainants, Angiola Water District and other associated entities also intend to use the pipeline. In fact, Angiola Water District owns approximately twelve (12) percent of the shares in Tulare Lake Canal Company, the Cross-Defendant in this action.
- 8. I am aware that Tulare Lake Canal Company uses the canal during certain times of the year to transport water. Of importance to the present action is that the placement of the pipeline and sleeve at issue will not interfere with the water being moved by any third parties in the canal. In addition, I understand that the month of January was strategically selected to commence this Project because third parties typically do not use this portion of the canal to deliver water during this time of year. In my experience in the agriculture industry in the area, and my personal experience and observations in observing the use of the canal at issue, I am aware that Tulare Lake Canal Company does not use the canal for delivery in the winter months in the area of the pipeline project.
- 9. In an attempt at being courteous, on January 17, 2022, on behalf of Angiola District, I reached out to Mark Unruh at Tulare Lake Canal Company informing him of the plan to lay the pipeline and also to make clear that the work would be performed within the week and that there would be no interference with the canal or its operation. Attached hereto as **Exhibit "A"** is a true and correct copy of my letter to Mr. Unruh. Although Mr. Unruh responded to my correspondence, two days later, on January 19, 2022, his response included what I believe to be unreasonable demands that the parties enter into a common use agreement to establish the rights and obligations of the parties. Mr. Unruh informed me that Tulare Lake Canal Company went as far as to draft an agreement and he forwarded the proposed draft to me for review and comment. A true and correct copy of Mr. Unruh's response to my letter is attached hereto as **Exhibit "B"**.

- 10. On January 26, 2022, the day the trenching for the pipe and sleeve under the subsurface of the canal was set to commence, I understand that the canal only contained a minimal amount of residual water at the location where the trench was to be dug.
- On January 26, 2022, Tulare Lake Canal Company, without permission from Cross-Complainants, came to the location of the pipeline project and parked several pieces of large construction machinery (including but not limited to a trucks, trailers, excavators, motor graders and bulldozers) on the embankments of the canal, within the staked parameters of where the trenching was to take place for the Project. I was at the construction site on January 26, 2022 and personally observed Cross-Defendants' obstruction of the Project. The machines and other equipment were parked along the two embankments along the canal essentially forming a wall to block the trench of the Project.
- 12. Given Cross-Defendants' intentional ongoing blocking of the canal where the construction was to take place, the contractor at the project remains unable to continue with the Project.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Declarations was executed on this 31st day of January, 2022, at Lemoore, California.

Mark Grewal

Exhibit

Α

В

WHITNEY THOMPSON & JEFFCOACH

54.14 05643070.000

INDEX OF EXHIBITS TO
DECLARATION OF MARK GREWAL IN SUPPORT OF CROSS-COMPLAINANTS'

EX PARTE APPLICATION FOR ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION AND TEMPORARY RESTRAINING ORDER

Description

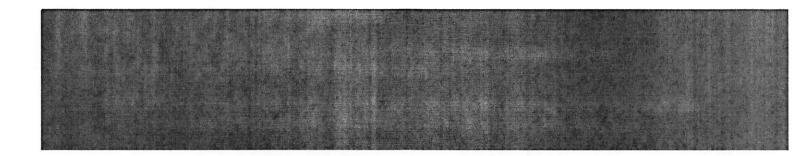
Mr. Unruh's response letter to Mark Grewal dated January 19, 2022

Mark Grewal's letter to Mr. Unruh dated January 17, 2022

Page

DECLARATION OF MARK GREWAL IN SUPPORT OF EX PARTE APPLICATION FOR TEMPORARY RESTRAINING ORDER AND ORDER TO SHOW CAUSE RE PRELIMINARY INJUNCTION

Exhibit "A"



From: Mark Grewal < mark grewal@sbcglobal.net>

Date: January 18, 2022 at 8:34:35 AM PST

To: Mark Unruh < munruh@igboswell.com >, Carlo Wilcox < wilcox.carlo@gmail.com >

Subject: Hold harmless AWD/SRP-TLC hold harmless

Mark, here's a letter holding TLC harmless regarding the pipe crossing. Carlo will touch base with you and sometime we need to discuss other items when you're free. Best, Mark

Mark S. Grewal Grewal's Consulting - President 564 Philan Circle Lemoore, Ca. 93245 559-281-1838



17th January, 2022 Mark Unruh Tulare Lake Canal Company PO Box 877 Corcoran, CA 93212

Re: TLC Pipeline Crossing

Mark.

I understand you have been talking with Carlo Wilcox on the 42" pipeline Sandridge is going to install under the TLC. In the spirit of cooperation and consideration, we have reached out to you to provide you with the crossing plans. As you are aware, Sandridge owns the parcels upon which the canal is located. We acknowledge the canal right of way is located on our property and we will ensure that the installation will not interfere with the canal or its operation. We intend to install the pipeline next week.

This pipeline is being installed by Sandridge, but will be used by Angiola Water District and other associated entities as well. Sandridge and Angiola will hold TLCC harmless from any damages or interference with the use and operation of the canal.

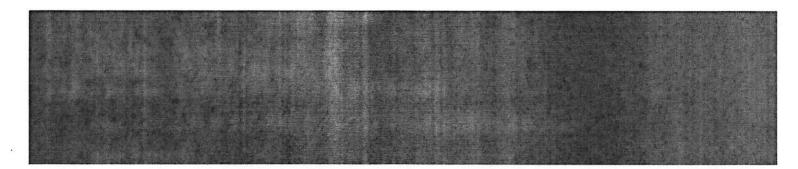
Sandridge Partners L.P.
A California Limited Partnership
By: John Vidovich, LLC
A California Limited Liability Company,
Its General Partner

John Vidovich, Manager

Angiola Water District

Mark Grewall

Exhibit "B"



From: Mark Grewal < mark grewal@sbcglobal.net >

Date: January 19, 2022 at 4:54:54 PM PST To: "Unruh, Mark" < munruh@jgboswell.com > Co: Carlo Wilcox < wilcox.carlo@gmail.com >

Subject: Re: Hold harmless AWD/SRP-TLC hold harmless

Mark, I just received your email. I'm sending on to legal for any comments.

Mark S. Grewal Grewal's Consulting - President 564 Philan Circle Lemoore, Ca. 93245 559-281-1838

On Jan 19, 2022, at 4:14 PM, Unruh, Mark < munruh@jgboswell.com > wrote:

Mark,

Thank you for the letter. As previously indicated to Carlo, TLCC is requesting a common use agreement to establish the rights and obligations of the parties. TLCC has prepared a draft common use agreement for review and comment. Please see attachment, we plan to use a portion of your proposed pipeline construction plans for the Exhibits A and B (we will need your help for the Exhibits). Also, please confirm that the "Landowner" is correct for the signatories.

I understand that based on the letter from Sandridge, construction activities near and within TLCC's right-of-way are scheduled to take place next week. Please confirm that no construction activities will occur until we have reached a mutual resolution on the attached agreement. I would appreciate such confirmation no later than close of business Thursday (1/20/22).

Please contact me with any questions.

Thank you and we look forward to your response.

Mark

From: Mark Grewal < mark grewal@sbcglobal.net >

Sent: Tuesday, January 18, 2022 8:34 AM

To: Unruh, Mark < munruh@jgboswell.com >; Carlo Wilcox < wilcox.carlo@gmail.com >

Subject: Hold harmless AWD/SRP-TLC hold harmless

Mark, here's a letter holding TLC harmless regarding the pipe crossing. Carlo will touch base with you and sometime we need to discuss other items when you're free. Best, Mark

Mark S. Grewal Grewal's Consulting - President 564 Philan Circle Lemoore, Ca. 93245 559-281-1838

COMMON USE AND HOLD HARMLESS AGREEMENT

,
inafter
tively
l

Recitals

WHEREAS,	Landowner	owns	the	real	property	located	at
(hereinafter "Property");							

WHEREAS, TLCC is the owner of a pre-existing easement and right-of-way, described in the attached Exhibit A, for its use in connection with the construction, maintenance, operation and use of the Tulare Lake Canal and incidental appurtenances (hereinafter "Canal").

WHEREAS, Landowner desires to safely install a pipeline for the movement of groundwater, a portion of the pipeline will be installed within TLCC's right-of-way, underneath the Canal, which overlapping portion is more specifically described as that area shown on the attached Exhibit A, and hereby designated as the "Area of Common Use".

WHEREAS, the pipeline improvements to be constructed by Landowner within the TLCC's right-of-way are described in Exhibit B.

WHEREAS, Landowner represents that it owns the groundwater it intends to transport through the underground pipeline improvements on such Exhibit B and such movement or transfer of groundwater is in compliance with the Sustainable Groundwater Management Act, any relevant Groundwater Sustainability Plans, and any additional law, rules or regulations in relation thereto.

WHEREAS, TLCC and Landowner desire to ensure that their respective uses of the Area of Common Use are governed by the principles of agreement set forth herein;

NOW, THEREFORE, the Parties hereto agree as follows:

- 1. <u>Recitals.</u> The recitals above constitute material consideration for this agreement and are hereby incorporated by reference, relied upon and made a part of this Agreement in their entirety.
- 2. <u>Common Use of Property.</u> Landowner acknowledges that TLCC has an existing right-of-way and Canal. TLCC acknowledges that Landowner desires to cross under the existing canal and this overlap of improvements will create the Area of Common Use. TLCC hereby consents to the use by Landowner of the Area of Common Use for purposes of constructing, maintaining and operating the pipeline improvements described in Exhibit B to the extent expressly identified

in this agreement. Landowner's use of the Area of Common Use shall be subject to TLCC's right to fully use the Area of Common Use for all of TLCC's purposes, and to the terms and conditions herein contained. TLCC does not by this Agreement subordinate any rights it may have in the Area of Common Use to any use which Landowner shall make of the land. Landowner acknowledges that by TLCC's consent to Landowner's use of the Area of Common Use, is strictly limited by the express terms of this agreement and TLCC is making no representation or warranty regarding the existence or non-existence of any third parties claiming a right, title or interest in the Area of Common Use.

3. <u>Non-Interference</u>. Landowner shall, at its own cost and with TLCC's prior written approval, locate, construct and maintain the Improvements in the Area of Common Use in such a manner and of such material, consistent with the standards in the industry and as may be required so that it will not at any time create a foreseeable risk or be a source of danger or interference with the present or future uses of TLCC. Landowner is specifically required to coordinate the construction of the pipeline improvements so that it does not interfere with TLCC's water delivery schedules and maintenance activities. The constructed pipeline improvements shall be in conformance with the construction plans shown in Exhibit B.

Landowner acknowledges its failure to notify and obtain approval of TLCC for any maintenance activities of the pipeline that result in interference with the operation of the Canal will result in irreparable injury to TLCC. In such event, Landowner agrees TLCC may remove the pipeline to remedy such interference.

The right of TLCC to approve such construction details is solely for the benefit of TLCC as custodian of public resources and is not intended to assign to TLCC any responsibility for the safe and proper construction of the pipeline improvements, such responsibility and liability being entirely assigned to Landowner. Approval by TLCC of construction details shall not result in an assumption of liability for the pipeline improvements.

- 4. <u>Right-of-Way</u>. Except as expressly set forth herein, this Agreement shall not in any way alter, modify, or terminate TLCC's right-of-way described in Exhibit A. Both Parties shall use the Area of Common Use in such a manner as not to unreasonably interfere with rights of one another and nothing herein shall be construed as a release or waiver of any claim for compensation or damages which the Parties may now have, or may hereafter acquire, resulting from the construction or alteration of additional facilities by either Parties which causes damage to or unreasonable interference with the use of the Area of Common Use by the other Party.
- 5. <u>Notice to TLCC</u>. Prior to taking any action which may affect the TLCC's use and operation of the Canal, Landowner shall provide to TLCC in writing 30 days' notice of such action. In the event the TLCC objects to the proposed use, the parties, prior to litigation, shall attempt in good faith to resolve any dispute regarding the proposed use.

Landowner shall provide 30 days' written notice of its intent to wheel any water which is not groundwater for which Landowner claims it owns and is entitled to transfer. Landowner agrees to not transfer any water for itself or any third party in violation of any law, regulation, rule or covenant regarding the transfer of such water and any liability which may result of such transfer shall result in Landowner's indemnification, defense and hold harmless of TLCC as further described in Section 9 below.

- 6. <u>Interference in the Nature of Trespass</u>, <u>Theft.</u> Landowner acknowledges that any conduct causing harm to the Canal or the TLCC's operation thereof, as well as any attempt to divert or use water from the Canal in any manner not permitted by this Agreement or in writing by the TLCC, such activity on the part of Landowner shall constitute (i) a trespass against both the real property and personal property of the TLCC; (ii) an irreparable injury to TLCC, for which monetary damages are inadequate as a remedy; and (iii) theft of the TLCC's property.
- 7. <u>Insurance</u>. Landowner shall obtain and maintain at all times liability general comprehensive liability insurance with minimum coverages of \$5,000,000 bodily injury per individual, \$5,000,000 per occurrence, and \$1,000,000 property damage. Such insurance shall include TLCC as an additional named insured along with the Landowner, and provisions for notifying TLCC prior to termination or expiration of the insurance coverage. Landowner shall provide to TLCC proof of liability insurance and the additional insured endorsement prior to or at execution of this Agreement, and annually thereafter.
- 8. Payment. As consideration for the mutual promises contained herein, Landowner shall pay to TLCC the sum of \$5,000.00 for this Agreement, to reimburse TLCC for out-of-pocket costs. In addition, Landowner shall be responsible to pay, and shall reimburse TLCC, for any reasonable cost incurred by TLCC for work performed by TLCC that is caused by or required by Landowner's construction, maintenance or use of the Improvements, whether such work was completed to Landowner's expense or as reasonably determined to be necessary by TLCC. Payment shall be made by Landowner within 30 days of receipt of an invoice from TLCC.

Except as described above, TLCC and Landowner shall be responsible for the maintenance, repair, alteration, improvement, or relocation of their respective facilities within the Area of Common Use.

Nothing in this Agreement shall relieve the Parties from any responsibility toward the other for damage to the other's property located outside the Common Use Area.

- 9. <u>Prior Right</u>. Landowner acknowledges TLCC has a prior right to use of its Canal than any proposed future public use of the Area of Common Use.
- 10. <u>Indemnification</u>, <u>Defense</u>, and <u>Agreement to Hold Harmless</u>. To the maximum extent permitted under applicable law, Landowner shall indemnify, defend, and hold TLCC and its parent, subsidiary, or affiliated organizations, administrators, agents, beneficiaries, conservators,

custodians, directors, employees, executors, guardians, heirs, independent contractors, consultants, joint venturers, licensees, members, officers, partners, predecessors, representatives, servants, stockholders, successors, tenants, and all others acting for, under, or in concert with the TLCC. including associations, corporations, limited liability companies, and general or limited partnerships, past, present, and future, harmless of and from any and all actions, claims, costs, damages, expenses, liabilities and losses, including, without limitation, attorneys' fees and disbursements, arising out of, concerning or relating in any way to one (1) or more of the following: (i) Landowner's exercise of its rights under this Agreement; (ii) Landowner's access to the Canal; (iii) Landowner's failure to perform the duties, obligations and responsibilities prescribed by this Agreement; (iv) any and all violations by Landowner of any applicable laws, including, without limitation, environmental laws, the Sustainable Groundwater Management Act and any accompanying Groundwater Sustainability Plan, or Licenses issued by the State Water Resources Control Board; (v) any and all violations by Landowner of contractual obligations in connection with the Kings River Water Association, including but not limited to limitations on the place of use of Kings River water; and, (vi) actual damages which may arise to amenities, betterments, buildings, crops, drain tile, fences, fixtures, structures, trees and other improvements, on the Property from the exercise of any of the rights herein conferred. With regard to any violations by Landowner of any applicable environmental laws or any claim of such a violation, whether brought by a governmental agency, a private citizen, or in a court proceeding, that Landowner's duty to indemnify and hold harmless and obligation to defend shall extend to and include doing the following at that Landowner's sole cost and expense without the right to reimbursement from TLCC: (a) perform and complete any and all required abatement, clean up, demolition, detoxification, disposal, investigation, remediation, removal and/or restoration necessary or required to cure any violation of environmental laws; and, (b) respond to all such claims for its benefit and for the benefit of the Grantor. Notwithstanding the foregoing, each party shall remain responsible for its own reckless or willful misconduct. This Section shall survive the termination of this Agreement.

- 11. <u>Governing Law and Forum.</u> The laws of the State of California shall govern under the interpretation and enforcement of this Agreement. The Parties agree any legal action or proceeding brought as a result of this Agreement shall be in the Kings County Superior Court.
- 12. <u>Interpretation.</u> The Parties agree that the terms and provisions of this Agreement embody their mutual intent and that such terms and conditions are not to be construed more liberally in favor, or more strictly against, any Party.
- 13. <u>Partial Invalidity</u>. If any term or provision of this Agreement, or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, a provision shall be added to this Agreement as similar in terms to such invalid or unenforceable provision as may be possible, and be legal, valid and enforceable, and the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

- 13. Attorneys' Fees. In any litigation or arbitration between the parties in any manner related to or arising from this Agreement or the transactions or events arising therefrom, the prevailing party shall be entitled to recover all of the attorney's fees and costs, including, without limitation, all consulting and expert witness fees, incurred by the prevailing party from the inception of the proceeding until its final disposition.
- 14. <u>Counterparts.</u> This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.
- 15. <u>Assigns</u>. This Agreement shall apply to and bind successors and assigns for the respective Parties hereto.
- 16. <u>Termination</u>. Violation of any term of this Agreement shall be cause of termination of the Agreement, and in such an event, TLCC shall have all remedies available at law or equity to enforce TLCC's right to the unimpeded use of the Area of Common Use. No termination of this Agreement shall release Landowner from liability hereunder, whether of indemnity or otherwise.

TLCC:	LANDOWNER:
Tulare Lake Canal Company By: Its:	Roller Land Co. Inc. By: Its: Sandridge Partners L.P. By: Its:

EXHIBIT A

EXHIBIT B