

1) *County of San Joaquin et al v. Metropolitan Water District of Southern California et al*

The request for an injunction to a \$175 million purchase of five islands in the Sacramento-San Joaquin Delta (Delta) by Metropolitan Water District (Metropolitan) sought by San Joaquin and Contra Costa County and several environmental organizations was brought to an end this month by the California Supreme Court. In May, Judge Barbara Kronlund at the San Joaquin Superior Court found that the sale of the Delta islands did not include an approved project to implicate CEQA review. Plaintiffs appealed to the Third District Court of Appeals where, after the initial grant of a temporary stay on the purchase, Justice Vance W. Raye denied the injunction to prevent the sale on June 30, 2016. Plaintiffs then appealed that injunction denial to California's Supreme Court, which in turn denied that appeal on July 14, 2016.

Following California's Supreme Court decision, Metropolitan Water District announced on July 18, 2016 that it has completed the purchase of the islands. However, the Supreme Court order does not bring this litigation to an end. The suit continues at the Third District Appellate Court, as Plaintiffs have appealed the trial court's decision on the merits of the case.

2) *Central Delta Water v. Delta Wetlands Properties*

On May 27, 2016, another legal challenge was brought in Contra Costa Superior Court against the seller of the Delta islands. Central Delta Water alleges that the land sale puts Delta Wetlands Property in breach of contract as future buyers (i.e., Metropolitan Water District) are required to abide by negotiated settlements that restrict the land's use.

When Delta Wetlands Property bought the islands 20 years ago, it planned to develop a few of the islands as reservoirs for water storage. Local governments and landowners sued over the plan and a settlement was reached in 2013 that restricts the land's use. Metropolitan's position is that the settlement agreement is not implicated by its purchase because, according to the press, officials from Metropolitan have stated that the water district does not intend to use the islands as reservoirs.

Judge Barry P. Goode denied plaintiff's request for a temporary restraining order on June 9, 2016. There is a case management conference scheduled for August 3, 2016. We will continue to monitor and update the Council as warranted on the litigation developments of these land sale cases.