

# **Bond Case Briefs**

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## **PUBLIC UTILITIES - CALIFORNIA**

### **Green Valley Landowners Association v. City of Vallejo**

**Court of Appeal, First District, Division 1, California - October 16, 2015 - Cal.Rptr.3d - 2015 WL 6121779**

Nonresident water customer brought class action seeking to preserve its alleged right to continue receiving water at reasonable rates from an historical water delivery system owned and operated by the City of Vallejo. Customer sued for breach of contract, breach of implied covenant of good faith and fair dealing, breach of duty to charge reasonable water rates, breach of fiduciary duty, specific performance, declaratory and injunctive relief, and accounting. The Superior Court sustained demurrer without leave to amend. Customer appealed.

The Court of Appeal held that:

- Charter city was governed by general law providing that all contracts with a city must be in writing to be valid;
- City could not be sued under an implied-in-law or quasi-contract theory;
- Right to Vote on Taxes Act precluded city from owing any fiduciary duty to continue prior fee ratio; and
- Injunction claims were premature.