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9 Attorneys for Cross-Defendants/Cross-Complainants,  
10 ANTELOPE VALLEY UNITED MUTUALS GROUP;  
11 and Cross-Defendants, ADAMS BENNETT  
12 INVESTMENTS, LLC; MIRACLE IMPROVEMENT  
13 CORPORATION dba GOLDEN SANDS MOBILE  
14 HOME PARK, aka GOLDEN SANDS TRAILER  
15 PARK, named as ROE 1121; ST. ANDREW'S  
16 ABBEY, INC., named as ROE 623; SERVICE ROCK  
17 PRODUCTS, L.P.; and SHEEP CREEK WATER  
18 COMPANY, INC.

11 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
12 **IN AND FOR THE COUNTY OF LOS ANGELES**

13	Coordination Proceeding	)	Judicial Council Coordination
14	Special Title (Rule 1550(b))	)	Proceeding No. 4408
15	<b>ANTELOPE VALLEY</b>	)	Santa Clara Case No. 1-05-CV-049053
16	<b>GROUNDWATER CASES</b>	)	Assigned to the Honorable Jack Komar
17	Including <u>Consolidated</u> Actions:	)	Department 17C
18	<b>Los Angeles County Waterworks District</b>	)	<b>OBJECTIONS AND CHALLENGES TO</b>
19	<b>No. 40 v. Diamond Farming Co.</b>	)	<b>THE ELECTION FOR THE TWO</b>
20	Superior Court of California, County of Los	)	<b>LANDOWNER WATERMASTER SEATS</b>
21	Angeles, Case No. BC 325 201	)	
22	<b>Los Angeles County Waterworks District</b>	)	Judge: Hon. Jack Komar, Judge
23	<b>No. 40 v. Diamond Farming Co.</b>	)	
24	Superior Court of California, County of	)	DATE: June 30, 2016 [RESERVED]
25	Kern, Case No. S-1500-CV-254-348	)	TIME: 10:00 a.m.
26	<b>Wm. Bolthouse Farms, Inc. v. City of</b>	)	DEPT: Room TBA
27	<b>Lancaster</b>	)	Los Angeles Superior Court
28	<b>Diamond Farming Co. v. City of</b>	)	111 N. Hill Street
	<b>Lancaster</b>	)	Los Angeles, California
	<b>Diamond Farming Co. v. Palmdale</b>	)	
	<b>Water Dist.</b>	)	
	Superior Court of California, County of	)	
	Riverside, consolidated actions, Case Nos.	)	
	RIC 353 840, RIC 344 436, RIC 344 668	)	
	<b>AND RELATED ACTIONS.</b>	)	

1 Cross-Defendants / Cross-Complainants, **ANTELOPE VALLEY UNITED MUTUALS**  
2 **GROUP** [comprised of Antelope Park Mutual Water Co., Aqua-J Mutual Water Co., Averydale  
3 Mutual Water Co., Baxter Mutual Water Co., Bleich Flat Mutual Water Co., Colorado Mutual  
4 Water Co., El Dorado Mutual Water Co., Evergreen Mutual Water Co., Land Projects Mutual  
5 Water Co., Landale Mutual Water Co., Shadow Acres Mutual Water Co., Sundale Mutual Water  
6 Co., Sunnyside Farms Mutual Water Co., Tierra Bonita Mutual Water Co., West Side Park  
7 Mutual Water Co., and White Fence Farms Mutual Water Co., Inc.]; and Cross-Defendants,  
8 **ADAMS BENNETT INVESTMENTS, LLC** and **SERVICE ROCK PRODUCTS, L.P.**  
9 (collectively, “Challenging Parties”) object to and challenge (“Challenge”) the Election for the  
10 Two Landowner Seats on the Antelope Valley Watermaster Board (“Election”).

11 This Challenge to the Election is made pursuant to the final paragraph of the June 8, 2016  
12 Order of the Honorable Jack Komar.

13 Preliminarily, Challenging Parties wish to make perfectly clear that they, in no way,  
14 object to or challenge the actions of U.S. Attorney James DuBois, the Court approved Inspector  
15 of Elections. Mr. DuBois performed his neutral Inspector of Elections responsibilities admirably  
16 and above reproach, for which Challenging Parties are most grateful. Further, because the voting  
17 will close and the deadline for the receipt of ballots by the Inspector of Elections is 6:00 p.m. on  
18 Tuesday, June 28, 2016, the results of the Election will not be posted until less than two (2) days  
19 before the hearing set for 10:00 a.m. on Thursday, June 30, 2016. In order to timely file this  
20 Challenge, Challenging Parties reserve their challenges to the results of the Election to either a  
21 supplemental Challenge or to the time of the hearing.

22 Specifically, Challenging Parties object to and challenge:

- 23 1. The provision in Section H of the *Rules and Procedures of Election of Initial*  
24 *Landowner Party Watermaster Representatives* (“Rules”) [*Exhibit 1*, with the  
25 challenged provisions highlighted] which grants two votes for each acre foot of  
26 water in the Overlying Production Rights column of Exhibit 4;

- 1           2.     The provisions in Sections E and I of the Rules which provide for the election of  
2                     only one “Landowner Alternate” to cover the two Landowner seats, and for that to  
3                     be determined by the third-highest vote-getter; and  
4           3.     The provision in Section H of the Rules which grants voting rights to Public  
5                     Overlyers on Exhibit 4 (collectively, the “Challenged Provisions”).

6           These first two of these challenged provisions were included in the Rules over the  
7     objections of the Challenging Parties. The third of these challenged provisions was included in  
8     the Rules despite having been raised in the Challenging Parties’ *Motion for Order Interpreting*  
9     *Judgment regarding Watermaster Formation* (“*Motion*”), and reserved in “meet and confer”  
10    discussions regarding the Rules.

11  
12    **CHALLENGE NO. 1 – ONE VOTE FOR EACH LANDOWNER SEAT:**

13           As was forecast in the *Motion*, the lack of Court-approved **organizational** procedures for  
14    the conduct of this Election have proven to be very problematic by allowing the large Landowner  
15    Parties to control the Election not by their votes, but by the Rules under which the Election is  
16    taking place.

17           The first of these Challenged Provisions is set forth in Section H of the Rules, which  
18    grants **two** votes for **each** acre foot of water in the Overlying Production Rights column of  
19    Exhibit 4 to the Judgment. The specific objectionable language reads:

20                     “Each Party on Exhibit 4 to the Judgment shall have one (1) vote  
21                     for each acre foot of water set forth in the Overlying Production  
22                     Rights column, **for each of the two (2) landowner Party**  
23                     **representative seats.**” (Rules, Section H) (Emphasis added)

24           The provision of the Judgment and Physical Solution from which this Rule purports to  
25    originate is Section 18.1.1., which reads in pertinent part:

26                     “ ... The Watermaster shall be a five (5) member board composed  
27                     of ... two (2) landowner Parties, exclusive of public agencies and  
28                     members of the Non-Pumper and Small Pumper Classes, selected

1 by majority vote of the landowners identified on Exhibit 4 (or their  
2 successors in interest) *based on their proportionate share of the*  
3 *total Production Rights identified in Exhibit 4.*” (Judgment,  
4 Section 18.1.1.) (Emphasis added.)

5 Nothing in Section 18.1.1 (or any other Section of the Judgment, for that matter) permits  
6 each Exhibit 4 Party to cast two votes for each acre foot, thereby doubling each Exhibit 4 Party’s  
7 proportionate share of the Overlying Production Rights.

8 Furthermore, by doubling the proportionate share, each large Landowner Party is allowed  
9 to effectively determine the selection of **both** Landowner Watermaster seats.

10 Though the large Landowners argue that this provision will be applicable only for the  
11 initial Election, they disregard that it initially gives them control over both Landowner  
12 Watermaster seats, at a time when the Watermaster Engineer will be selected, the Watermaster  
13 Rules and Regulations will be established, and the framework for the bulk (if not all) of the  
14 major Watermaster operations will be established.

15  
16 **CHALLENGE NO. 2 – ONE ALTERNATE FOR BOTH LANDOWNER SEATS,**  
17 **SELECTED AS THE THIRD HIGHEST VOTE-GETTER.**

18 Again, the lack of Court-approved **organizational** procedures for the conduct of this  
19 Election have proven problematic by allowing the large landowner parties to control the Election  
20 not by their votes, but by the Rules.

21 The second of these Challenged Provisions is contained in Sections E and I of the Rules,  
22 which provide that only one Landowner Alternate is being elected [Section E] and that it will be  
23 the third-highest vote-getter [Section I].

24 For one thing, there is nothing in the Judgment that provides for the election of alternates.  
25 The only provision under which a Landowner Alternate might be elected is Section 18.4.2.,  
26 which states that the “Court may adopt appropriate rules and regulations prepared by the  
27 Watermaster Engineer and proposed by the Watermaster for conduct pursuant to this Judgment.”  
28

1 For another thing, this challenged provision is problematic because, when the Rule that  
 2 permits each Landowner Party to cast a vote "... for **each** of the two (2) landowner Party  
 3 **representative seats**[]" is coupled with the provisions in Section I of the Rules that limit the  
 4 numbers of Landowner Alternates to one and that read "**The third-highest vote-getter is**  
 5 **elected as the Landowner Alternate**[],]" the large Landowner Parties effectively control the  
 6 selection of the Landowner Alternate, and potentially the Landowner Alternate as well.

7  
 8 **CHALLENGES 1 AND 2 ARE NECESSARY TO PREVENT AN INJUSTICE:**

9 The following examples are illustrative of the injustice created by these two objectionable  
 10 provisions.

11 For purposes of these illustrations, assume (1) that the large Landowners are able to  
 12 collectively vote as much as sixty-six percent (66%) of the Overlying Production Rights on  
 13 Exhibit 4; and (2) that the small Landowners are able to collectively vote only thirty-four percent  
 14 (34%) of the Overlying Production Rights.

15 **Example 1** illustrates that, without doubling the votes, the large Landowners will **only** be  
 16 able to elect **one** Landowner representative **and** the Alternate Landowner.

Example 1	Seat 1	Seat 2	Alternate
Large Landowners Vote	33%	33%	
Small Landowners Vote			34%

20 **Example 2** illustrates that by doubling the votes, electing only one Landowner Alternate,  
 21 and allocating a portion of their doubled votes amongst the two Landowner seats and the  
 22 Landowner Alternate, the large Landowners **will be able** to elect **both** representatives **and** the  
 23 Landowner Alternate.

Example 2	Seat 1	Seat 2	Alternate
Large Landowners – Vote 1	44%		22%
Large Landowners – Vote 2		44%	22%
Small Landowners – Vote 1	34%		
Small Landowners - Vote 2			34%

1           **Example 2** (which illustrates the effect of the challenged provisions in Sections E, H and  
2 I of the Rules) is illustrative of a very realistic possibility in light of the fact that the large  
3 Landowners have put forward three candidates, one of whom represents the largest single  
4 Overlying Production Rights on Exhibit 4. See the Ballot [*Exhibit 2*].

5           These examples illustrate the **lack of fundamental fairness** in the challenged provisions  
6 of the Rules. They allow the large Landowner Parties to cast their votes amongst the candidates  
7 for three two Landowner Seats and the Alternate Landowner seat in such a manner as to ensure  
8 the election of all three.

9           These examples are also necessary to afford any opportunity for the balanced Board that  
10 represents the diverse interests in the Antelope Valley, as was briefed in Sections III and IV of  
11 the *Motion*.

12  
13 **CHALLENGE NO. 3 – VOTING BY PUBLIC OVERLYERS ON EXHIBIT 4 IS NOT**  
14 **PERMITTED AND WILL UNFAIRLY ALLOW PUBLIC**  
15 **AGENCY CONTROL OVER THE WATERMASTER:**

16           The third Challenged Provision is contained in Sections H of the Rules, which permits  
17 every Party on Exhibit 4 of the Judgment (including Public Overliers) to vote for the two (2)  
18 Landowner Watermaster seats.

19           As previously argued in Section III of the *Motion*, the Judgment precludes public  
20 agencies, including public agencies listed in Exhibit 4 to the Physical Solution, from holding  
21 either of the two Landowner Seats and from voting on the selection of those seats, including in  
22 the event that a public agency acquires the Overlying Production Rights of a party listed in  
23 Exhibit 4.

24           Section 18.1.1. of the Judgment and Physical Solution provides, in pertinent part, that:

25                   “ ... The Watermaster shall be a five (5) member board composed  
26                   of ... two (2) landowner Parties, **exclusive of public agencies and**  
27                   **members of the Non-Pumper and Small Pumper Classes,**  
28                   selected by majority vote of the landowners identified on Exhibit 4

1 (or their successors in interest) *based on their proportionate share*  
2 *of the total Production Rights identified in Exhibit 4.*” (Judgment,  
3 Section 18.1.1.) (Emphasis added.)

4 Challenging Parties submit that the emphasized language means two things.

5 First, neither public agencies, nor the members of the Non-Pumper or Small Pumper  
6 Classes, are entitled to hold or vote on the selection of the two Landowner Watermaster Seats.  
7 Rather, Article 18 assigns those functions to the landowners, “**exclusive of public agencies and**  
8 **members of the Non-Pumper and Small Pumper Classes.**” The term “landowners” is used in  
9 the ordinary sense to mean *private* landowners, and not public agencies. (See Cal. Civ. Code §  
10 1644 [words of a contract to be understood in ordinary and popular sense].) Accordingly, the  
11 two landowner seats should be filled by private “*landowner* Parties ... selected by majority vote  
12 of the private *landowners* ...” based upon the private *landowners*’ proportionate share of the  
13 total Production Rights on Exhibit 4.

14 If Section 18.1.1. was intended to extend voting privileges to public agencies on Exhibit  
15 4, it would have referred to holders of “Overlying Production Rights,” which is defined in the  
16 Judgment as “the rights held by the Parties identified in Exhibit 4.”<sup>1</sup> Instead, the voting privilege  
17 clause of Section 18.1.1. assigns voting rights to the private “landowners identified on Exhibit 4  
18 (or their successors in interest)”. Were it not so, AVEK – a public agency that holds Overlying  
19 Production Rights on Exhibit 4 comprising 5.022% of the Adjusted Native Safe Yield and that  
20 *already holds a Watermaster Seat* – could exert considerable voting power in the selection of the  
21 Landowner Watermaster Seats and potentially control (or at least significantly influence) a  
22 majority the Watermaster Board. The risk of an AVEK-controlled Watermaster Board is  
23 especially acute when considering that AVEK acquired its Exhibit 4 status in the first place by  
24 purchasing large tracts of overlying land in the Basin and that it may continue to expand with  
25 purchases of additional Overlying Production Rights. Nevertheless, some Exhibit 4 Parties,  
26  
27

28 <sup>1</sup> Physical Solution, Section 3.5.26. Additionally, Section 5.1.1 defines “Overlying Production Rights” by stating simply, in relevant part, that “[t]he Parties listed in Exhibit 4 have Overlying Production Rights.

1 including AVEK, disagree and contend that public agencies like AVEK have the right to vote on  
2 the selection of, if not hold, either or both of the Landowner Seats.

3 Second, the Challenging Parties understand that the phrase “or their successors in  
4 interest” in Section 18.1.1. does not authorize a Public Water Supplier<sup>2</sup> or other public agency to  
5 acquire Exhibit 4 *voting* privileges in the event that it acquires Exhibit 4 Production Rights.  
6 Section 16.2. of the Physical Solution provides that “Overlying Production Rights that are  
7 transferred to Non-Overlying Production Right holders shall remain on Exhibit 4 and be subject  
8 to adjustment as provided in Paragraph 18.5.10., but may be used anywhere in the transferee’s  
9 service area.” The purpose of the requirement that those Overlying Production Rights must  
10 “remain on Exhibit 4” is primarily to ensure the integrity both of the Rampdown and the  
11 corresponding proportional adjustments associated with the potential re-adjustment of the Native  
12 Safe Yield. (Physical Solution, Section 18.5.10.)

13 Section 16.2. of the Physical Solution cannot be construed to provide a means for a  
14 Public Water Supplier or other public agency to acquire *voting powers* along with Overlying  
15 Production Rights. Landowners’ rights under the Judgment would be significantly diminished  
16 should, for example, Palmdale Water District and/or Waterworks District No. 40 and/or AVEK  
17 acquire the Overlying Production Rights *and accompanying voting powers* of, for example,  
18 Bolthouse Properties, LLC (comprising more than 14% of the Adjusted Native Safe Yield), the  
19 Kyle parties (more than 5%), the Calandri parties (more than 2.5%) or Mr. Nebeker (more than  
20 2.5%). In variants of this scenario, the Public Water Suppliers, who already hold two of the five  
21 Watermaster Seats, would have the power to influence (and possibly control) the selection of the  
22 Landowner Seats and potentially control the entire Watermaster Board. This was neither the  
23 intent of the Stipulating Parties to the Judgment, nor would it be good policy.

24 Consequently, Challenging Parties object to the provision in Section H of the Rules that  
25 purports to grant voting rights regarding the two (2) Landowner Watermaster seats, to any public  
26 agency.

27  
28 <sup>2</sup> References to Public Water Suppliers include the holders of “Non-Overlying Production Rights,” which are defined as the  
rights held by Parties listed in Exhibit 3 to the Physical Solution. Physical Solution, Sections 3.5.21 and 5.1.6.



1 **CONCLUSION:**

2 Challenging Parties respectfully request that the Court:

- 3 1. Find the Challenged Provisions of the Rules to be inconsistent and incompatible  
4 with the Judgment, including Section 18.1.1., and lacking in fundamental fairness;
- 5 2. Decline to confirm the Landowner Watermaster Board Members and Alternate;  
6 or,  
7 Confirm the two highest vote-getters based upon only one (1) vote for each acre  
8 foot of Overlying Production Right on Exhibit 4 of the Judgment; and
- 9 3. Modify the Rules for the Election of the initial Landowner Watermaster Seats to  
10 bring them into conformity with the Judgment and Physical Solution and re-conduct the Election.

11  
12 DATED: June 17, 2016.

Respectfully submitted,

13 GRESHAM SAVAGE NOLAN & TILDEN, PC

14  
15 By:

  
16 MICHAEL DUANE DAVIS, ESQ.  
17 MARLENE L. ALLEN-HAMMARLUND, ESQ.  
18 DEREK R. HOFFMAN, ESQ.  
Attorneys for A. V. UNITED MUTUALS GROUP,  
ADAMS BENNETT INVESTMENTS, LLC and SERVICE  
ROCK PRODUCTS, LP

# EXHIBIT 1

## **RULES AND PROCEDURES FOR ELECTION OF INITIAL LANDOWNER PARTY WATERMASTER REPRESENTATIVES**

### **A. Introduction**

All capitalized terms have the same meaning as defined in the Judgment and Physical Solution ("Judgment") for the Antelope Valley Groundwater Cases. "Exhibit 4" refers to Exhibit 4 to the Judgment. Section 18.1.1 of the Judgment provides for the composition of the Watermaster Board, which is to include:

[T]wo (2) landowner Parties, exclusive of public agencies and members of the Non-Pumper and Small Pumper Classes, selected by majority vote of the landowners identified on Exhibit 4 (or their successors in interest) based on their proportionate share of the total Production Rights identified in Exhibit 4.

This document sets forth the rules and procedures for electing the two initial landowner Party Watermaster Board members.

### **B. Scope**

These rules and procedures shall apply only to the initial selection of the two (2) landowner Parties' representatives on the Watermaster Board. None of the rules and procedures established herein shall be precedent for or binding on the Parties, except for the initial selection.

### **C. Notices**

All notices shall be transmitted by email, to the email addresses of the landowner Parties' designated representatives, and their attorneys of record, and by posting on the Court's website. The initial email list for such notice shall be that list, a copy of which is attached hereto as Appendix A, that was compiled by the attorneys for the United States, in cooperation with other counsel, for purposes of circulating the final Settlement Stipulation for review and approval. Corrections and additions to the initial email list shall be transmitted to the Inspector of Elections no later than **June 10, 2016**, along with an explanation of the need therefore. Revisions to the email list, if any, will be provided to all parties to the attached list on June 11, 2016. In addition, the Inspector of Elections shall request AVEK to provide additional notice by mail, where email addresses are suspect, undeliverable or non-existent, and may otherwise request AVEK to provide additional notice by mail where he deems appropriate, at the addresses that are set forth on the Court's website. Email or U.S. Mail notice shall not be transmitted to non-Parties or Parties not entitled to vote for the two (2) landowner Parties' representatives under Section 18.1.1 of the Judgment. All notices shall be transmitted and posted at the earliest practical time, and at least three (3) court days in advance of any event or deadline for action.

#### **D. Inspector of Elections**

James DuBois of the United States Department of Justice [james.dubois@usdoj.gov] is designated and has agreed to serve as the initial Inspector of Elections. Emails directed to the Inspector of Elections shall contain the applicable subject line of ‘**Inspector of Elections – Nominations**’ or ‘**Inspector of Elections – Ballots**’ or ‘**Inspector of Elections – Challenges.**’ Once established, the Watermaster shall succeed the initial Inspector of Elections. Pending the establishment of the Watermaster, Mr. DuBois may designate a successor Inspector of Elections, which designation shall become effective upon seven (7) days’ notice given in accordance with the foregoing provisions unless, within that time, greater than fifty percent ( $\geq 50\%$ ) of the eligible votes are cast against that designee, by email to Mr. DuBois.

#### **E. Landowner Terms**

In order to create staggered voting, the term for one of the landowner Watermaster seats ("Landowner Seat 1") shall be four (4) years. The initial term for the other landowner Watermaster seat ("Landowner Seat 2") shall be two (2) years, and thereafter shall be four (4) years. The terms shall commence on the date following the election when the Watermaster Board is fully constituted and shall terminate at 5:00 p.m. PST on the fourth and second anniversaries of the commencement date, respectively.

The Landowners identified on Exhibit 4 shall also select one alternate Watermaster Board member ("Landowner Alternate") who shall serve as the alternate Board member if one of the elected Watermaster Landowner representatives is unable to attend a Watermaster Board meeting or to complete his or her term. The initial term for the Landowner Alternate shall be four (4) years. The Landowner Alternate shall serve under the same rules as the selected landowner Watermaster Board members.

#### **F. Nominations**

Any Party identified on Exhibit 4 shall be entitled to nominate one individual to serve on the Watermaster Board. Each nominee must be a natural person and either be a Party listed on Exhibit 4, or be an officer, director, shareholder, managing member, general partner, limited partner, general manager, operations officer or managing agent of a Party listed on Exhibit 4. Nominations shall be made by posting the nomination on the Court’s website or by email to all Parties on the June 11, 2016 email list, and by emailing the Inspector of Elections as provided above. The nomination form is attached hereto as Appendix B. The nomination shall include the following information:

1. Name of Nominating Party as listed on Exhibit 4;
2. Name of natural person representing the Nominating Party as listed on Exhibit 4;
3. Name of person being nominated;
4. Address of person being nominated;
5. Name of Party on Exhibit 4 that the nominee represents;
6. Brief statement of qualifications that discloses the nominee’s official capacity with an Exhibit 4 Party;

7. Representation that the Nominating Party has personally confirmed that the nominee is willing to serve, and whether the nominee is willing to serve for a two (2) year or four (4) year seat; and
8. Verification by the nominating Party under penalty of perjury.

Nominations shall commence on the date on which the “opening” of nominations is posted to the Court’s website by the Inspector of Elections, and shall remain open until **12:00 p.m. (noon) on June 14, 2016.**

### **G. Ballots**

Within three (3) days of the close of nominations, the Inspector of Elections shall post the Ballot on the Court website and transmit the same by email to the voting landowner Parties and their attorneys as designated on the June 11, 2016 email list. The Ballot shall state the deadline for receipt of the cast Ballot by the Inspector of Elections that will provide at least a ten (10) day voting period, and shall be accompanied by a Statement of Qualification (from the nomination form) for each nominee. Voting shall be closed, and votes received by the Inspector of Elections, no later than **6:00 p.m. on June 28, 2016.** Ballots shall be cast confidentially, and transmitted by email to the Inspector of Elections.

Information to be provided on the Ballot include:

1. Name of Party as listed in Exhibit 4;
2. Name of person representing the Party listed on Exhibit 4;
3. Names of up to two nominees for which the Party casts its votes;
4. Date and signature of person representing the Party casting the Ballot.

### **H. Voting Rights**

Each Party on Exhibit 4 to the Judgment shall have one (1) vote for each acre foot of water set forth in the Overlying Production Rights column, for each of the two (2) landowner Party representative seats. Commonly held Exhibit 4 rights such as that held by “Diamond Farming Co. LLC/Crystal Organic LLC/Grimmway/Lapis” shall be deemed a single Overlying Production Right exercisable by the common ownership. The voting right shall be exactly as reflected on Exhibit 4, rounded up or down to the nearest acre foot. Only those Overlying Parties on Exhibit 4 shall be entitled to cast votes for the two (2) landowner Parties' representatives on the Watermaster Board.

### **I. Vote Count and Results**

In tabulating the votes, the Inspector of Elections shall weigh the votes based on each voting Party's proportionate share of the total Production Rights identified on Exhibit 4, as discussed in the “Voting Rights” section above.

The Inspector of Elections shall report the results of the election by posting the names of the three (3) Nominees receiving the highest number of votes to the Court’s website. Unless



otherwise agreed to by the top two vote-getters, the highest vote-getter is elected to Landowner Seat 1 with a four (4) year term, and the second-highest vote-getter is elected to Landowner Seat 2 with a two (2) year term. The third-highest vote-getter is elected as the Landowner Alternate.

The Inspector of Elections shall maintain a record of those Landowners identified on Exhibit 4 that did not cast Ballots.

The election process and results shall be provided to the Court upon completion.

# EXHIBIT 2

**ANTELOPE VALLEY WATERMASTER  
LANDOWNER REPRESENTATIVE ELECTION BALLOT**

Pursuant to Rule G of the Rules and Procedures for election of Initial Landowner Party Watermaster Representatives, each Party identified on Exhibit 4 to the Judgment and Physical Solution shall be entitled to vote for up to two nominees, as listed on this Ballot, to serve as Landowner Representative on the Watermaster Board. Voting shall be closed, and votes received by the Inspector of Elections, **no later than 6:00 p.m. on Tuesday, June 28, 2016.**

**Voting Party:** \_\_\_\_\_

**Name of natural person representing the Voting Party:**

\_\_\_\_\_

Please select a maximum of two candidates from the list below by checking the boxes to the right of the candidates' names. Statements of Qualification for the candidates may be found in the document accompanying this Ballot.

Dennis J. Atkinson

John A. Calandri

Randall Scott

Derek Yurosek

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_  
*(Signature of Voting Party)*

PDF copies of signed ballots will be recognized as "original" signatures.

**Please return your completed Ballot no later than 6:00 P.M. ON JUNE 28, 2016 by email to James DuBois at James.DuBois@usdoj.gov with "Inspector of Elections – Ballots" in the subject line. Ballots returned by U.S. Mail should be sent to James DuBois at 999 18<sup>th</sup> Street, South Terrace, Suite 370, Denver, CO 80202. Ballots returned by mail must be RECEIVED no later than 6:00 P.M. ON JUNE 28, 2016.**



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**PROOF OF SERVICE**  
**STATE OF CALIFORNIA, COUNTY OF SAN BERNARDINO**

Re: *ANTELOPE VALLEY GROUNDWATER CASES*  
Los Angeles County Superior Court Judicial Council Coordinated  
Proceedings No. 4408; Santa Clara County Superior Court Case No. 1-05-CV-049053

I am employed in the County of San Bernardino, State of California. I am over the age of 18 years and not a party to the within action; my business address is: 550 East Hospitality Lane, Suite 300, San Bernardino, CA 92408-4205.

On June 17, 2016, I served the foregoing document(s) described **OBJECTIONS AND CHALLENGES TO THE ELECTION FOR THE TWO LANDOWNER WATERMASTER SEATS** on the interested parties in this action in the following manner:

( X ) **BY ELECTRONIC SERVICE** – I posted the document(s) listed above to the Santa Clara County Superior Court website, <http://www.scefiling.org>, in the action of the Antelope Valley Groundwater Cases,

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

Executed on June 17, 2016 at San Bernardino, California.

DINA M. SNIDER