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ANTELOPE VALLEY

GROUND WATERS CASES

MICHAEL T. FIFE (State Bar No: 203025) STEPHANIE OSLER HASTINGS (State Bar No: 186716) BRADLEY J. HERREMA (State Bar No: 228976) HATCH & PARENT, A LAW CORPORATION 21 East Carrillo Street Santa Barbara, California 93101 Telephone No: (805) 963-7000 Facsimile No: (805) 965-4333

Attorneys for: B.J. Calandri, John Calandri, John Calandri as Trustee of the John and B.J. Calandri 2001 Trust, Forrest G. Godde, Forrest G. Godde as Trustee of the Forrest G. Godde Trust, Lawrence A. Godde, Lawrence A. Godde and Godde Trust, Kootenai Properties, Inc., Gailen Kyle, Gailen Kyle as Trustee of the Kyle Trust, James W. Kyle, James W. Kyle as Trustee of the Kyle Family Trust, Julia Kyle, Wanda E. Kyle, Eugene B. Nebeker, R and M Ranch, Inc., Edgar C. Ritter Paula E. Ritter, Paula E. Ritter as Trustee of the Ritter Family Trust, Trust, Hines Family Trust, Malloy Family Partners, Consolidated Rock Products, Calmat Land Company, Marygrace H. Santoro as Trustee for the Marygrace H. Santoro Rev Trust, Marygrace H. Santoro, Helen Stathatos, Savas Stathatos, Savas Stathatos as Trustee for the Stathatos Family Trust, Dennis L. & Marjorie E. Groven Trust, Scott S. & Kay B. Harter, Habod Javadi, Eugene V., Beverly A., & Paul S. Kindig, Paul S. & Sharon R. Kindig, Jose Maria Maritorena & Marie Pierre Maritorena, Trustees of the Maritorena Living Trust, Richard H. Miner, Jeffrey L. & Nancee J. Siebert, Barry S. Munz, Terry A. Munz and Kathleen M. Munz, Beverly Tobias, Leo L. Simi, White Fence Farms Mutual Water Co. No. 3, William R. Barnes & Eldora M. Barnes Family Trust of 1989, collectively known as the Antelope Valley Ground Water Agreement Association ("AGWA")

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SANTA CLARA

Included Actions:
Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California County of Los Angeles, Case No. BC 325 201 Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Kern, Case No. S-1500-CV-254-348Wm. Bolthouse Farms, Inc. v. City of Lancaster Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist. Superior Court of California, County of Riverside, consolidated actions, Case No. RIC 353 840, RIC 344 436, RIC 344 668
Case No. S-1500-CV-254-348Wm. Bolthouse Farms, Inc. v. City of Lancaster Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist. Superior Court of California, County of Riverside, consolidated actions, Case No. RIC 353 840,

Judicial Council Coordination Proceeding No. 4408

Santa Clara Case No. 1-05-CV-049053 Assigned to The Honorable Jack Komar

RESPONSE TO PUBLIC WATER SUPPLIERS' PROPOSALS FOR CLASS DEFINITIONS AND METHOD OF NOTICE

Date: April 16, 2007 Time: 9:00 A.M. Dept: 1

SB 423518 v1:007966.0001

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On March 17, 2007 the "Public Water Suppliers" filed a brief outline of a Proposal for Class Definitions and Method of Notice ("Proposal"). The Proposal lacks sufficient detail to allow the Court to certify landowner classes and is inconsistent with the direction of the Court provided at the March 12, 2007 hearing on this subject.

The Use of a Class Action with Respect to Presently Exercised Overlying Rights is I. Procedurally Uncertain and Should be Avoided

The Antelope Valley Groundwater Agreement Association ("AGWA") joins in the briefs filed by White Fence Farms Mutual Water Company, dated April 5, 2007 and Diamond Farming Company dated April 6, 2007. While AGWA supports the use of a class action for dormant overlying landowners, the nature of the claims made against landowners who have historically exercised their rights make the use of a class action suspect for the reasons articulated by White Fence Farms Mutual Water Company and Diamond Farming Company.

AGWA notes that in the Court's original proposal to the parties at the March 12, 2007 hearing, the use of the class action was not to apply to landowners who have historically exercised their rights. (March 12, 2007 Transcript, page 12.) It was only upon subsequent discussion that the use of the class was expanded to also include "minimal producers." The issues with regard to minimal producers are discussed in detail in section III of this pleading.

If the Court decides to utilize a class action for landowners who have historically exercised their rights, the class should be limited to "minimal producers" as that concept is traditionally construed. This will at least minimize the procedural risk inherent in the use of a class action for such landowners. The discussion below and the Counter Proposal described in section V. of this pleading are intended to assist in the further minimization of the procedural risks involved in the use of a class action in this case.

II. **Class Definition**

The fundamental point that must be observed in the certification of any class or classes involving landowner parties is the legal conflict that exists between exercised and unexercised (ie., dormant) rights. This conflict was raised by AGWA in its brief dated February 27, 2007. It was also raised by Diamond Farming (February 26, 2007 Brief page 6) and White Fence Farms Mutual Water

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Company (February 27, 2007 Brief page 7). Even the Public Water Suppliers in their response brief dated March 9, 2007, did not attempt to argue that this conflict does not exist. Their only argument was that the existence of the conflict should not inhibit the certification of a landowner class.

The conflict exists, and it is a present, not a future, conflict. If the Public Water Suppliers are successful in proving their prescriptive rights claim, then those landowners who have exercised their overlying rights will argue that they have protected their rights through self help. One consequence of such an argument is that dormant landowners will be left with no water rights since they will not have protected themselves through self-help. This scenario will have consequences for the approach of both groups to the question of prescription and will have consequences for attempts to resolve the litigation through settlement.

The Proposal suggests that there shall be one class divided into two subclasses. It is not clear what is significant about proceeding in this manner rather than through the use of two separate classes. The only clue provided by the Proposal is the suggestion that if dormant landowners now begin to pump, that they will move from one subclass to another. (Proposal 3:9; 3:26-27.)

The suggestion that a dormant overlying landowner can at some point now or in the future initiate pumping and thereby alter is status as a dormant overlying landowner indicates a misunderstanding on the part of the Public Water Suppliers about the nature of the legal conflict that exists between presently exercised rights and dormant landowners. As described above, the significance of the distinction is in the claims that will be raised about self-help by the landowner during the prescriptive period. The Proposal indicates that the prescriptive period that will be asserted by the Public Water Suppliers is the 5 years preceding October 29, 1999. (Proposal 3:12.) Even if the Public Water Suppliers assert a more recent five-year period, the end of that period must be a point in time that is in the past. Thus, the future initiation of pumping by a dormant overlying landowner will be irrelevant to the issues that create the conflict. If a party is a dormant overlying landowner now, then it will remain so throughout the litigation

Because the nature of the distinction between dormant overlying landowners and landowners who have exercised their rights and so protected themselves through self-help is a present legal conflict, the important point is that adequate representation of either group demands separate and

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competent legal counsel for each and class representatives who are adequate to represent the interests of the class. It is unclear from the Proposal whether these requirements can be satisfied by the use of one class divided into subclasses.

Class Definition Relative to Exercised Overlying Rights III.

At the hearing on March 12, 2007, the Court initially indicated that all landowners with exercised rights should be individually named and served except for "minimal producers" who would not be made a part of the litigation. (March 12, 2007 Transcript, page 12.) During the subsequent discussion, parties indicated that because of the vast number of "minimal producers," such an exclusion would result in a large component of groundwater pumping left out of the adjudication. The Court then indicated that there should be a class of landowners who are presently exercising their rights but who fall within the "minimal producer" category. The Court left it to the parties to propose who should be within this "minimal producer" category. (Transcript, page 39)

The Proposal glosses over this issue entirely. The Proposal says only that the class of exercised rights (ie., "Subclass B") will include all landowners who are not dormant overlying landowners except for "... any party that has been or will be individually named and served" (Proposal 3:21.) The Proposal offers no proposal at all concerning who it will be who is not individually named and served. The Proposal is all the more troubling in this regard since the naming and serving of landowners thus far appears to have been haphazard at best. See, for example, the March 9, 2007 Request for Intervention by Annaverde, LLC, a landowner owning over 2,000 acres who was not named and served.

A common practice in groundwater adjudications has been to define minimal producers either through an amount of water pumped, or through an amount of acreage owned, on the assumption that overlying uses on a small amount of land will likely involve a small amount of water. Most often, however, minimal producers are defined through the amount of water pumped. Attached to this pleading as Exhibit "A" are representative definitions of minimal producers from other California groundwater adjudications. Most of these limit minimal producers to anyone pumping less than 25 acre-feet per year.

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Similarly, in the context of statutory stream adjudications and adjudications to protect groundwater quality, the Water Code specifies that minimal producers shall not include anyone whose pumping exceeds 10 acre-feet per year. (Water Code §§ 2102, 2503.)

While the final judgment in the Santa Maria adjudication has not yet been completed, based on information and belief, counsel believes that the standard that has been used in that litigation is to exclude any parties who own 10 acres or less of property.

AGWA recommends that a 20 acre limitation be used in the current adjudication. Note that even a 20 acre parcel planted with Alfalfa will use approximately 140 acre-feet of water per year, which is a significant amount of water. Nonetheless, 20 acres seems a workable acreage amount that is consistent with past adjudication practice and California law and which will result in a not unreasonable amount of parties who will be individually named and served, while still providing significant litigation benefits from a class that includes many tens of thousands of parties.

IV. **Method of Class Notice**

One of the very significant aspects of the use of a class is the adequacy of the notice provided to the class members. The Proposal devotes two sentences to this subject.

In its February 27, 2007 brief, AGWA provided an extensive discussion of the legal authorities relevant to this question. The conclusion of this analysis is that notice by first class mail is the minimum legal notice that will be adequate in this instance. This conclusion derives from the fact that the names and addresses of the members of the class are readily ascertainable from property records. It is worth noting that the custodian of these records is a subdivision of the same political entity (Los Angeles County) as is the proponent of the class – suggesting that LA County Waterworks can reasonably expect at least some level of cooperation in its attempt to obtain these names and addresses.

For the convenience of the Court, the remainder of AGWA's February 27, 2007 analysis is reprinted below.

Individual Notice is Required in This Case 1.

In order to satisfy the due process protections of any class (plaintiffs' or defendants'), meaningful notice must be provided to all members of the class. (See City of San Jose v. Superior

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Court (1974) 12 Cal.3d 447, 454-55 [115 Cal. Rptr. 797].) Notice to the class members should be made as soon as possible after the court determines the class action appropriate. (Id.) The acceptable method for providing such notice is unclear under California precedent. Reviewing an action brought pursuant to Rule 23, the United States Supreme Court has held that class members must be provided the best notice practicable under the circumstances including individual notice to all members who can be identified through reasonable efforts. (Eisen v. Calisle & Jacquelin (1974) 417 U.S. 156, 173 [94 S.Ct. 2140]; see also Phillips Petroleum Co. v. Shutts (1985) 472 U.S. 797, 812 [105 S.Ct. 2965]; Mullane v. Central Hanover Tr. Co. (1950) 339 U.S. 306, 314 [70 S.Ct. 652].)

This rule is partly at odds with certain state opinions. (See Cooper v. American Sav. & Loan Assn. (1976) 55 Cal.App.3d 274, 285 [127 Cal.Rptr. 579].) Cooper explained that where the class is huge and the damages are minimal, service by publication may be adequate. (Id.) On the other hand, it also provided that "where members of a class have a substantial claim, individual notice is required because it is essential for them to decide whether to remain as members of the class and become bound by the rule of res judicata; whether to intervene with their own counsel; or whether to 'opt out' and pursue their independent remedies." (Id.) California courts have further held that "the representative plaintiff in a California class action is not required to notify individually every readily ascertainable member of his class without regard to the feasibility of such notice; he need only provide meaningful notice in a form that 'should have a reasonable chance of reaching a substantial percentage of the class members." (Archibald v. Cinerama Hotels (1976) 15 Cal.3d 853, 861 [126 Cal.Rptr. 811] citing Cartt v. Superior Court (1975) 50 Cal.App.3d 960, 974 [124 Cal.Rptr. 376].)

More recently, the California Supreme Court acknowledged the tension between the federal precedent and the more liberal standards set forth in these state opinions:

"Thrifty contends that Eisen, [citation] and Phillips Petroleum Co. v. Shutts [citation] support the Court of Appeal's conclusion that the putative class members here are readily identifiable and therefore must be given notice by first class mail in order to satisfy constitutional due process concerns. Conversely, Linder relies on California authorities to argue that notice by publication may be constitutionally permissible whether or not the names and addresses of

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class members are readily ascertained."

(Linder v. Thrifty Oil Co. (2000) 23 Cal.App.4th 429, 444 [97 Cal.Rptr.2d 179].) Ultimately, the Linder Court held that it did not have to resolve the issue because the issue remained factually undeveloped regarding the necessity, feasibility and costs of any particular form of notice. (Id.) It therefore declined to speculate whether or not notice by first class mail may be constitutionally required. (Id.)

Although this issue remains outstanding, it is likely that constitutional due process protections indeed require individual notice where the names are readily ascertainable. The U.S. Supreme Court's reasoning does not appear to be limited to an interpretation of Rule 23, but extends to due process concerns in general. In Eisen, the court acknowledged an earlier opinion, which held that "publication notice [can] not satisfy due process where the names and addresses of the beneficiaries are known. In such cases, 'the reasons disappear for resort to means less likely than the mails to apprise them of [an action's] pendency." (Eisen, 417 U.S. at 175 citing Mullane, 339 U.S. 306, at 318.) The Eisen Court also dismissed an argument that the costs of individual notice should be taken into consideration in such circumstances: "There is nothing in Rule 23 to suggest that the notice requirements can be tailored to fit the pocketbooks of particular plaintiffs." (Id. at 176.)

Individual Notice is Required Under Statutory Stream Adjudications 2. Pursuant to Water Code §§ 2500, Et Seq.

A relevant comparison concerning this issue of notice is the procedure adopted by Water Code, section 2527, as used to notice claimants of surface water rights in a statutory stream adjudication brought by the State Water Resources Control Board (SWRCB) to determine and fix surface water rights pursuant to Water Code, section 2500, et. seq. Section 2527 provides as follows:

"The notice shall be published at least once a week for four consecutive weeks, commencing within 20 days of the date of issuance of the notice, in one or more newspapers of general circulation published in each county in which any part of the stream system is situated, and, within the same 20-day period, the notice shall be mailed to all persons known to the board

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who own land that appears to be riparian to the stream system or who divert water from the stream system."

(Water Code § 2527.) The statute originally only required a system of publication, but was amended in 1976 to require individual mailing to known riparians.

The procedure required by section 2527 is relevant to our analysis because this class action seeks similar results through a similar procedure, albeit by the courts instead of the SWRCB. (See City of Barstow v. Mojave Water Agency (2000) 23 Cal.4th 1224 [99 Cal.Rptr.2d 294] (f.n. 13); Long Valley, 25 Cal.3d at 359; and Wright, 174 Cal.App.3d at 88.) Accordingly, the comparison suggests that individual notice to the owners of the subject parcels will be required.

Ultimately, it is up to the Court to decide and instruct what method and form of notice will be required. (See Simons, 151 Cal.App.3d at 839, 846.) The form of the notice must be approved by the court and be of neutral content, explaining the right of each member to opt out of the class. (See Gainey v. Occidental Land Research (1986) 186 Cal. App. 3d 1051, 1057-58 [231 Cal. Rptr. 249].)

The Public Water Suppliers Must Provide An Accounting of Their 3. **Success in Notification to Class Members**

On December 11, 2006, the public water suppliers posted a list of the names and addresses of those landowners who have been named and served in the case so far so that AGWA, as liaison counsel, could communicate with those parties. AGWA attempted to communicate via letter with these parties and 17% of those letters were returned as undeliverable. (See Declaration of Rachel Robledo attached to February 27, 2007 brief.) If this is the return rate on parties who have actually already been served, AGWA is concerned that the mass notification to the classes will fail to notify a significant percentage of the landowners. This is especially troubling since it seems that to date not even all of the very large landowners have yet been named and served.

V. **Counter Proposal**

There shall be two landowner classes:

- Landowners who have not previously exercised their rights (Dormant Overlying Owners). 1.
- Landowners who have previously exercised their rights. 2.

Class Rules:

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Any landowner who owns 20 acres or more shall be individually named and served. Landowners who are individually named and served but who have not previously exercised their rights may opt in to class number 1 through procedures approved by the Court. Prior to final judgment, all parties who claim to have pumped water shall be required to demonstrate through credible evidence the amount and period of such pumping.

All landowners who own 20 acres or less shall be considered members of class number 1 unless they affirmatively opt out of that class. Landowners who opt out of class number 1 will have the option to opt in to class number 2 or to be separately represented.

Rebecca Willis shall be the class representative of class number 2.

90 days after notification, the Court shall hold a hearing to establish the composition of each class. Following determination by the Court, no party shall be permitted to change its class designation without a showing of good cause to the Court.

Notification:

Notification shall be through first class mail to parties who own 20 acres or less, and through publication.

Dated: April 6, 2007 HATCH & PARENT, A LAW CORPORATION

> Moline 1sh MICHAEL T. FIFE BRADLEY J. HERREMA

ATTORNEYS FOR AGWA

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA

I am employed in the County of Santa Barbara, State of California. I am over the age of 18 and not a party to the within action; my business address is: 21 E. Carrillo Street, Santa Barbara, California 93101.

On April 6, 2007, I served the foregoing document described as:

Response to Public Water Suppliers' Proposals for Class Definitions and Method of Notice

on the interested parties in this action.

By posting it on the website at 2.70 p.m./a.m. on April 6, 2007.

This posting was reported as complete and without error.

(STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed in Santa Barbara, California, on April 6, 2007.

HACHEL KOBLESO

TYPE OR PRINT NAME

Exhibit A

JUDGMENT AFTER TRIAL

JANUARY 10, 1996

MOJAVE BASIN AREA ADJUDICATION CITY OF BARSTOW, ET AL-V. CITY OF ADELANTO, ET AL RIVERSIDE COUNTY SUPERIOR COURT CASE NO. 208568 and only until the following Year free of any Replacement Water Assessment.

- j. Consumption or Consumptive Use The permanent removal of water from the Mojave Basin Area through evaporation or evapo-transpiration. The Consumptive Use rates resulting from particular types of water use are identified in Paragraph 2 of Exhibit "F".
- k. <u>Free Production Allowance</u> The total amount of water, and any Producer's share thereof, that may be Produced from a Subarea each Year free of any Replacement Obligation.
- 1. Groundwater Water beneath the surface of the ground and within the zone of saturation; i.e., below the existing water table, whether or not flowing through known and definite channels.
- m. <u>Harper Lake Basin</u> That portion of the Centro Subarea identified as such on Exhibit "A".
- n. <u>Lower Narrows</u> The United States Geological Survey gauging station "Mojave River near Victorville, CA."
- o. <u>Makeup Water</u> Water needed to satisfy a Minimum Subarea Obligation.
- P. <u>Makeup Obligation</u> The obligation of a Subarea to pay for Makeup Water to satisfy its Subarea Obligation.
- q. <u>Minimal Producer</u> Any Person whose Base Annual Production, as verified by MWA is not greater than

ten (10) acre-feet. A Person designated as a Minimal Producer whose Annual Production exceeds ten (10) acre-feet in any Year following the date of entry of Judgment is no longer a Minimal Producer.

- minimum Subarea Obligation The minimum Annual amount of water a Subarea is obligated to provide to an adjoining downstream Subarea or the Transition Zone or, in the case of the Baja Subarea, the minimum Annual Subsurface Flow at the MWA eastern boundary toward Afton in any Year, as set forth in Exhibit "G".
- Exhibit "A" that lies within the boundaries of the line labelled "Limits of Adjudicated Area" which generally includes the area tributary to the Mojave River and its tributaries except for such area not included within the Mojave Water Agency's jurisdiction.
- t. <u>MWA</u> Cross complainant Mojave Water Agency.
- u. Overdraft A condition wherein the current total Annual Consumptive Use of water in the Mojave Basin Area or any of its Subareas exceeds the long term average Annual natural water supply to the Basin Area or Subarea.
- v. <u>Party (Parties)</u> Any Person(s) named in this action who has intervened in this case or has

DONALD D. STARK A Professional Corporation ORIGINAL FILED Suite 201 Airport Plaza 2061 Business Center Drive Irvine, California 92715 JAN 3 0 1978 Telephone: (714) 752-8971 4 V. DLIMNIO WARDLE CLAYSON, ROTHROCK & MANN COUNTY CLERK 601 South Main Street Corona, California 91720 6 Telephone: (714) 737-1910 Attorneys for Plaintiff 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF SAN BERNARDINO 11 12 CHINO BASIN MUNICIPAL WATER DISTRICT, Plaintiff, No. 164327 15 CITY OF CHINO, et al. 16 Defendants. 17 18 19 20 21 22 23 24 25 26 27

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- (f) Chino Basin or Basin -- The ground water basin underlying the area shown as such on Exhibit "B" and within the boundaries described in Exhibit "K".
- (g) Chino Basin Watershed -- The surface drainage area tributary to and overlying Chino Basin.
- (h) Ground Water -- Water beneath the surface of the ground and within the zone of saturation, i.e., below the existing water table.
- (i) Ground Water Basin -- An area underlain by one or more permeable formations capable of furnishing substantial water storage.
- (j) Minimal Producer -- Any producer whose production does not exceed five acre-feet per year.
- (k) MWD -- The Metropolitan Water District of Southern California.
- (1) Operating Safe Yield -- The annual amount of ground water which Watermaster shall determine, pursuant to criteria specified in Exhibit "I", can be produced from Chino Basin by the Appropriative Pool parties free of replenishment obligation under the Physical Solution herein.
- (m) Overdraft -- A condition wherein the total annual production from the Basin exceeds the Safe Yield thereof.
- (n) Overlying Right -- The appurtenant right of an owner of lands overlying Chino Basin to produce water from the Basin for overlying beneficial use on such lands.
- (o) <u>Person</u>. Any individual, partnership, association, corporation, governmental entity or agency, or other organization.

SCOTT S. SLATER, ESQ. (State Bar No. 117317) ROBERT J. SAPERSTEIN, ESQ. (State Bar No. 166051) HATCH AND PARENT, PC 21 East Carrillo Street Santa Barbara, CA 93101 Telephone: (805) 963-7000 Attorneys for Plaintiff. 5 Special Counsel for Southern California Water Company NGELES SUPERIOR 6 DEC 18 1998 A CLAHNE CLERK 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF LOS ANGELES 10 SOUTHERN CALIFORNIA WATER COMPANY **CASE NO.** KC029152 11 Plaintiff, Assigned for All 12 Purposes to Judge VS. William O. McVittie 13 CITY OF LA VERNE, CITY OF CLAREMONT. Department O 14 CITY OF POMONA, CITY OF UPLAND, POMONA COLLEGE, POMONA VALLEY (Complaint Filed, September 28, 15 PROTECTIVE ASSOCIATION, SAN ANTONIO 1998) WATER COMPANY, SIMPSON PAPER COMPANY, THREE VALLEYS MUNICIPAL WATER DIŚTRICT, WEST END JUDGMENT 17 CONSOLIDATED WATER COMPANY, and DOES 1 through 1,000, Inclusive, 18 Respondents and Defendants. 19 20 21 22 23 24 25 THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED IS A FULL, TRUE, AND CORRECT COPY OF THE ORIGINAL ON FILE AND OF RECORD IN 26 MY OFFICE. DEC 1 8 1998 27 ATTEST. JOHN A. CLARKE 28 Executive Officer/Clerk of the

HATCH AND PARENT 21 EAST CARRILLO STREI SANTA BARBARA, CA 93101-2782

144876.1:6774.54

A MORALES

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Superior Court of California, County of

Los Angeles,

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IT IS HEREBY ORDERED, ADJUDGED AND DECREED:

I. INTRODUCTION

- A. <u>Definitions</u>.
- 1. "Base Annual Production Right" means the average annual production, in acre-feet, for each Party for the twelve year period beginning on January 1 of 1985 and ending on December 31 of 1996 as set forth in Exhibit "D".

JUDGMENT

- 2. "Carryover Rights" means the maximum percentage of a Party's annual allocation of Operating Safe Yield production of which may be deferred until the following Year free of any Replacement Water Assessment.
- 3. "Effective Date" means January 1, 1999.
- 4. "Four Basins or Four Basins Area" means the following groundwater basins and the area overlying them: Canyon, Upper Claremont Heights, Lower Claremont Heights and Pomona as shown on Exhibit "A" and further described in Exhibit "B".
- 5. "Groundwater" means all water beneath the ground surface and contained within any one of the Six Basins except as provided in Article IIIA Section 1.
- 6. "Imported Water" means water that is not naturally tributary to the Six Basins Area and which is delivered to the Six Basins Area.
- 7. "In Lieu Procedures" means a method of either providing Replacement Water or water to be stored under a Storage and Recovery Agreement whereby a Party receives direct deliveries of Imported Water or water other than Replenishment Water in exchange for foregoing the production of an equivalent amount of such Party's share of the Operating Safe Yield.
- 8. "Minimal Producers" means any producer whose production is less than 25 acre feet each Year.
- 9. "Native Groundwater" means groundwater within the Six Basins Area that originates from the deep percolation of rainfall, natural stream flow or subsurface inflow, and

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HATCH AND PARENT 21 EAST CARRILLO STREE SANTA BARBARA, CA 93101-2782

NOVEMBER 20, 1973 FILED NOVEMBER 20, 1973 RECORDED BOOK 288, PAGE 122 et. seg. . of Judgment Book

SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF KERN

TEHACHAPI-CUMMINGS COUNTY WATER DISTRICT, a Body corporate and 12 | politic,

Plaintiff,

VS.

CITY OF TEHACHAPI, a municipal) appointing Watermaster and corporation, et al.,

Defendants.

NO. 97210

ASTENDMENT TO JUDGMENT (Enjoining extractions in

otherwise establishing

excess of specified quantity,

physical solution)

The application of TEHACHAPI-CUMMINGS COUNTY WATER 19 DISTRICT, a county water district, Plaintiff herein pursuant to 20 the continuing surisdiction of this Court as reserved in paragrams 21/3 of the Judgment herein (entered March 23, 1971 in Book 226, Pages 22 55 et seq. of Judgments and recorded April 13, 1971 in Book 4513, Pages 234 et seq., Official Records of Kern County Recorder), for 24 an injunction with respect to ground water pumping from Tehachapi Basin (as defined in said Judgment) and the imposition of a physical solution to meet the parties' water needs, including . appointment of a Watermaster, duly and regularly came on for hearing in Department 5 of the above-entitled Court, at

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hereinafter provided each party shall install on each well a 2 water measuring device of a type prescribed by Watermaster rules on each well. Such devices shall be installed prior to extracting any ground water from Tehachapi Basin on or after January 1, 1974. 5 There shall be excepted from the foregoing purely domestic wells 6 and those wells which in the judgment of the Watermaster will not collectively with any other wells on the same parcel or contiguous parcels, produce 25 acre feet or more in a calendar year, provided that the above exception shall not apply to any party who requests the purchase of Exchange Pool water. Any such exception granted 11 may be later revoked by the Watermaster. The parties shall 12 install and maintain such devices at their own expense. 1.3

(iii) <u>Inspections by Watermaster</u>. To make inspections of ground water production facilities and measuring devices at such times and as often as may be reasonable under the circumstances, to calibrate or test such devices, and require the parties to provide such maintenance, repairs or replacements as are reasonably necessary to provide accurate water measurement.

- (iv) Annual Report. The Watermaster shall prepare, file with the Court and mail to each of the parties on or before April 15, 1975 and each year thereafter an annual report for the preceding calendar year, the scope of which shall include but not-be limited to the following:
 - a. Ground Water Extractions
 - b. Exchange Pool Operation
 - c. Use of Imported Water
 - d. Violations of Judgment and Corrective
 Action Taken

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