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9 SUPERIOR COURT OF THE STATE OF CALIFORNIA

10 FOR THE COUNTY OF LOS ANGELES

11 **ANTELOPE VALLEY**) Judicial Council Coordination Proceeding No.
12 **GROUNDWATER CASES**) 4408
13 Included Actions:)
14 Los Angeles County Waterworks District No. 40) Santa Clara Case No. 1-05-CV-049053
15 v. Diamond Farming Co.) Assigned to The Honorable Jack Komar
16 Superior Court of California)
17 County of Los Angeles, Case No. BC 325 201) **JOINT PURVEYOR & LANDOWNER CASE**
18 Los Angeles County Waterworks District No. 40) **MANAGEMENT PROPOSAL OF TEJON**
19 v. Diamond Farming Co.) **RANCHCORP, CITY OF LOS ANGELES,**
20 Superior Court of California, County of Kern,) **CALIFORNIA WATER SERVICE**
21 Case No. S-1500-CV-254-348) **COMPANY, CITY OF LANCASTER,**
22) **PALMDALE HILLS PROPERTY LLC,**
23) **LITTLE ROCK CREEK IRRIGATION**
24) **DISTRICT, AND PALM RANCH**
25) **IRRIGATION DISTRICT**
26 Wm. Bolthouse Farms, Inc. v. City of Lancaster)
27 Diamond Farming Co. v. City of Lancaster)
28 Diamond Farming Co. v. Palmdale Water Dist.) Date: February 17, 2006
Superior Court of California, County of Riverside,) Time: 9:00 a.m.
consolidated actions, Case Nos.) Department: 1
RIC 353 840, RIC 344 436, RIC 344 668)

29 **INTRODUCTION**

30 In compliance with the Court's request at the December 2, 2005 Case Management
31 Conference, the following landowners and water purveyors reached a consensus to support this case
32 management proposal: Tejon Ranchcorp, City of Los Angeles, California Water Service Company,
33 Palmdale Hills Property LLC, Little Rock Creek Irrigation District and Palm Ranch Irrigation District
34 (joining part 1 only), and City of Lancaster. We invite and welcome support from additional parties, at
35 or before the February 17 Case Management Conference.

36 320075_1.DOC

JOINT PURVEYOR & LANDOWNER CASE MANAGEMENT PROPOSAL OF TEJON RANCHCORP, CITY OF LOS ANGELES, CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, PALMDALE HILLS PROPERTY LLC, LITTLE ROCK CREEK IRRIGATION DISTRICT, AND PALM RANCH IRRIGATION DISTRICT

1 **1. PHASE 1 – BASIN BOUNDARIES – OUTER AND SUBAREA BOUNDARIES.**

2 The first phase of these cases should adjudicate both the outer boundaries of the Antelope
3 Valley Groundwater Basin as well as identify any subareas that should be separately managed and/or
4 adjudicated within the larger basin. (For the Court's convenience, attached is a 2003 USGS depiction of
5 the Antelope Valley Groundwater Basin, its seven subbasins, and its watershed or drainage area.) These
6 boundary issues should be decided first for several reasons, including:

7 (1) it is necessary to determine who are necessary parties, and which parcels of land
8 will have their water rights adjudicated; and

9 (2) until there is agreement or adjudication of the potential management subareas of
10 the basin, the parties will not be able to engage in productive settlement discussions.

11 We request that the trial of these issues be scheduled in the fall of 2006. Meanwhile, the parties and
12 experts should try to resolve these issues amicably, as discussed below.

13 **2. SETTLEMENT PROCESS WITH LAWYERS & ENGINEERS' COMMITTEE.**

14 Practically all complex multi-party groundwater adjudications are resolved by settlement
15 among all or most of the parties. In light of the lengthy history of this litigation and the prior technical
16 work done by the USGS and others regarding this Basin, it is not too soon to commence efforts to reach
17 agreement regarding technical issues and a physical solution. To promote a settlement here, the "active"
18 parties (particularly those that have retained experts) should be ordered to commence regularly
19 scheduled discussions to resolve the Phase 1 boundary issues. Discussions should extend to potential
20 physical solutions for water management in the basin and any subareas thereof. As in the Santa Maria
21 Groundwater Cases, where the parties and their experts agreed on the outer basin boundaries and later
22 on the subarea boundaries, the Court should order creation of a settlement committee of lawyers and
23 experts. To promote candor and flexibility, these settlement communications should be ordered to be
24 privileged, non-discoverable, and inadmissible in evidence. If such informal settlement efforts are
25 unsuccessful, the Court should order formal mediation or court-supervised settlement conferences.


26 The undersigned counsel for Tejon Ranchcorp was authorized to list these supporters of
27 this case management proposal by their counsel of record, as follows: (1) City of Los Angeles – Janet
28 Goldsmith, Kronick, Moskowitz, Tiedemann & Girard; (2) California Water Service Company – John

1 Tootle; (3) Palmdale Hills Property LLC – Edward Casey and Tammy Jones, Weston, Benshoof,
2 Rochefort, Rubalcava, MacCuish LLP; (4 & 5) Little Rock Creek Irrigation District and Palm Ranch
3 Irrigation District – Wayne K. Lemieux, Lemieux & O’Neill, joining part 1 only; and (6) City of
4 Lancaster – Douglas Evertz, Stradling, Yocca, Carlson & Routh.

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Dated: February 10, 2006

NOSSAMAN, GUTHNER, KNOX & ELLIOTT, LLP
FREDRIC A. FUDACZ
HENRY S. WEINSTOCK

By: 
HENRY S. WEINSTOCK
Attorneys for Tejon Ranchcorp

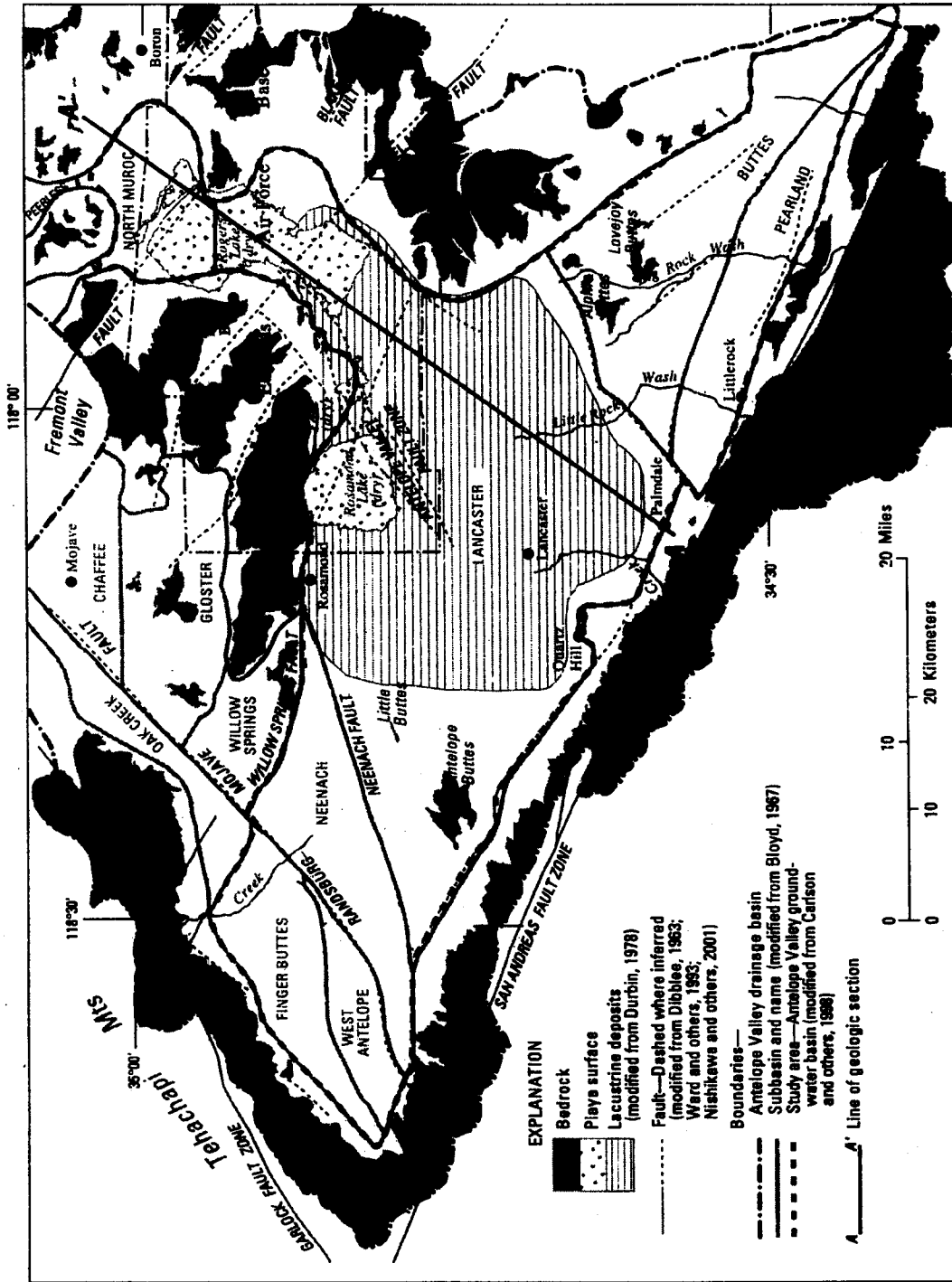


Figure 2. Location of faults, ground-water subbasins, line of geologic section, and approximate areal extent of lacustrine deposits in the Antelope Valley ground-water subbasin, California.

1 **PROOF OF SERVICE**

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3 The undersigned declares:

4 I am employed in the County of , State of California. I am over the age of 18 and am not a party
5 to the within action; my business address is c/o Nossaman, Guthner, Knox & Elliott, LLP, 445 S.
6 Figueroa Street, 31st Floor Los Angeles, California 90071-1602.

7 On **February 10, 2006**, I served the foregoing **JOINT PURVEYOR & LANDOWNER CASE**
8 **MANAGEMENT PROPOSAL OF TEJON RANCHCORP, CITY OF LOS ANGELES,**
9 **CALIFORNIA WATER SERVICE COMPANY, CITY OF LANCASTER, PALMDALE HILLS**
10 **PROPERTY LLC, LITTLE ROCK CREEK IRRIGATION DISTRICT, AND PALM RANCH**
11 **IRRIGATION DISTRICT** on all interested parties:

12 (X) (By U.S. Mail) On the same date, at my said place of business, said correspondence was sealed
13 and placed for collection and mailing following the usual business practice of my said employer.
14 I am readily familiar with my said employer's business practice for collection and processing of
15 correspondence for mailing with the United States Postal Service, and, pursuant to that practice,
16 the correspondence would be deposited with the United States Postal Service, with postage
17 thereon fully prepaid, on the same date at Los Angeles, California, addressed to:

18 Honorable Jack Komar
19 Judge of the Superior Court of California
20 County of Santa Clara
21 191 North First Street, Department 17C
22 San Jose, CA 95113

23 (X) (By E-Filing) I posted the document(s) listed above to the Santa Clara County Superior Court
24 website in regard to the Antelope Valley Groundwater matter in compliance with the Court's
25 electronic posting instructions and the Court's Clarification Order dated October 27, 2005.

26 () (By Federal Express) I served a true and correct copy by Federal Express or other overnight
27 delivery service, for delivery on the next business day. Each copy was enclosed in an envelope
28 or package designated by the express service carrier; deposited in a facility regularly maintained
by the express service carrier or delivered to a courier or driver authorized to receive documents
on its behalf; with delivery fees paid or provided for; addressed as shown on the accompanying
service list.

Executed on **February 10, 2006** at Los Angeles, California.

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

() (FEDERAL) I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct.

Mitchi Shibata