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Exempt from filing fee  
Government Code § 6103

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and Cross-Defendant CITY OF LANCASTER  
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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 FOR THE COUNTY OF LOS ANGELES  
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11 ANTELOPE VALLEY GROUNDWATER  
CASES

LASC, Case No. BC 325201

12 Included Actions:

Judicial Council Coordination  
Proceeding No. 4408

13 Los Angeles County Waterworks District  
14 No. 40 v. Diamond Farming Co.  
Superior Court of California, County of  
15 Los Angeles, Case No. BC325201;

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

16 Los Angeles County Waterworks District  
17 No. 40 v. Diamond Farming Co.  
Superior Court of California, County of Kern,  
Case No. S-1500-CV-254-348

**UPDATED CASE MANAGEMENT  
CONFERENCE STATEMENT OF  
CITY OF LANCASTER**

18 Wm. Bolthouse Farms, Inc. v. City of  
19 Lancaster, Diamond Farming Co. v. City of  
Lancaster, Diamond Farming Co. v. Palmdale  
20 Water Dist., Superior Court of California  
County of Riverside, consolidated actions; Case  
21 Nos. RIC 353 840, RIC 344 436, RIC 344 668.

**DATE:** September 7, 2010  
**TIME:** 9:00 a.m.  
**DEPT:** 1

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1 **I. STATUS OF ONGOING SETTLEMENT NEGOTIATIONS.**


2 The City of Lancaster, as requested by this Court in its Minute Order of July 29, 2010,  
3 provides the following update regarding the status of settlement negotiations, including the  
4 mediation before Justice Robie:

5 The Antelope Valley Mediation Principals ("Principals") participated in a mediation with  
6 Justice Robie on August 24, 2010. A copy of the Antelope Valley Accord ("Accord"), including  
7 technical material, was presented to Justice Robie. Also participating in the mediation were the  
8 United States, Los Angeles County Waterworks District No. 40, Littlerock Creek Irrigation  
9 District, et al. and California Water Company.

10 Justice Robie reviewed both confidential and non-confidential mediation briefs and, after  
11 having done so, was able to identify four "major" issues that, in his opinion needed to be resolved  
12 before a comprehensive settlement could be reached between the parties. The first of the identified  
13 issues encompassed most of the discussion on August 24, 2010. Following extensive discussion,  
14 Justice Robie presented a "mediator's proposal" regarding the primary issue under discussion.  
15 The parties "provisionally agreed" to utilize the proposal as a starting point in their continuing  
16 settlement discussions. Utilizing the mediator's proposal as a starting point, the parties  
17 have committed to meeting on a regular basis -- all for the purpose of potentially developing an  
18 negotiated physical solution. To assist in structuring a potential physical solution, the parties agreed  
19 that experts will meet and share information.

20 The parties agreed that there was not a need to meet again with Justice Robie on September 1,  
21 2010, though future mediation sessions with Justice Robie may be required. Justice Robie is targeting  
22 December 1, 2010 as the date for the parties to reach agreement on the terms of a settlement. The City  
23 of Lancaster respectfully requests that this court schedule another case management conference in  
24 approximately 30 days for the purpose of updating the court on the status of settlement.

25 DATED: August 31, 2010 MURPHY & EVERTZ LLP

26  
27 BY:   
28 Douglas J. Evertz, Attorneys for Defendant,  
Cross-Complainant and Cross-Defendant  
CITY OF LANCASTER

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**PROOF OF SERVICE**

**ANTELOPE VALLEY GROUNDWATER CASES**  
Judicial Council Coordination, Proceeding No. 4408

Santa Clara Case No. 1-05-CV 049053  
Assigned to the Honorable Jack Komar  
Los Angeles County Superior Court, Central, Dept. 1

I am a resident of the State of California, over 18 years of age and not a party to this action. I am employed in the County of Orange, State of California. My business address is 650 Town Center Drive, Suite 550, Costa Mesa, California 92626. On August 31, 2010, I served the within document(s):

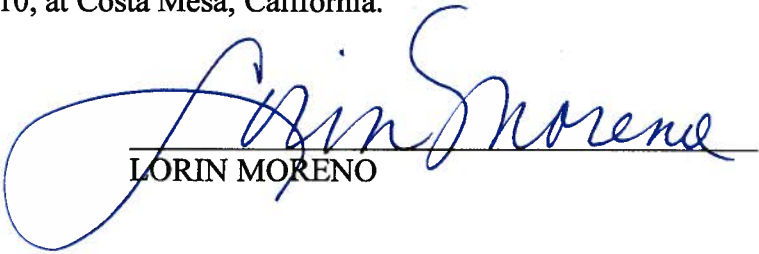
**UPDATED CASE MANAGEMENT STATEMENT**

- by posting the document(s) listed above to the website <http://www.scefiling.org>, a dedicated link to the Antelope Valley Groundwater Cases; Santa Clara Case No. 1-05-CV 049053, Assigned to the Honorable Jack Komar, said document(s) is electronically served/distributed therewith.
- By transmitting via e-mail the document(s) listed above to the e-mail address(es) and/or fax number(s) set forth below on this date.
- by placing the document(s) listed above in a sealed Overnight Express envelope/package for overnight delivery at Irvine, California addressed as set forth below.
- by causing personal delivery by Nationwide Legal of the document(s) listed above, to the person(s) at the address(es) set forth below.

I am readily familiar with Murphy & Evertz, LLP's practice for collecting and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on the same day that the correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

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

Executed on August 31, 2010, at Costa Mesa, California.

  
LORIN MORENO