

**EXHIBIT C**

IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

IN RE: )  
 )  
 ANTELOPE VALLEY GROUNDWATER ) JUDICIAL COUNCIL  
 CASES. ) COORDINATION NO. 4408  
 )  
 ) SANTA CLARA COUNTY CASE  
 ) NO. 1-05-CV-049053  
 ) (For Court Use Only)  
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REPORTER'S TRANSCRIPT OF PROCEEDINGS

BEFORE THE HONORABLE JACK KOMAR

JUDGE OF THE SUPERIOR COURT

OCTOBER 25, 2013

STEPHANIE ESTES, CSR #12452  
OFFICIAL REPORTER

## APPEARANCES :

1  
2  
3 MICHAEL MC LACHLAN

4 THOMAS BUNN

5 STEVEN ORR

6 WESLEY MILIBAND

7 DOUGLAS EVERTZ

8 WARREN WELLEN

9 WILLIAM SLOAN

10 JEFFREY DUNN

11 NOAH GOLDEN-KRASNER

12 WILLIAM BRUNICK

13 SHELDON BLUM

14 KEITH LEMIEUX

15  
16 TELEPHONIC APPEARANCES :

17 HERUM CRABTREE

18 MARILYN LEVIN

19 R. LEE LEININGER

20 JOHN TOOTLE

21 WALTER RUSINEK

22 BRADLEY WEEKS

23 ROBERT KUHS

24 BOB JOYCE

25 SCOTT KUNEY

26 JOSEPH HUGHES

27 RYAN DRAKE

28 LELAND MC ELHANEY

- 1 JANET GOLDSMITH
- 2 ANDREW RAMOS
- 3 JOHN UKKESTAD
- 4 MICHAEL DAVIS
- 5 BRUCE NELSON
- 6 WENDY WANG
- 7 THEODORE CHESTER JR.
- 8 RICHARD ZIMMER
- 9 RICHARD WOOD
- 10 NEAL MAGUIRE
- 11 BRADLEY HERREMA

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1 you're paying them less than they're entitled to or more  
2 than they're entitled to.

3 MR. EVERTZ: Agreed, Your Honor. I just want to  
4 make sure that we have the opportunity to thoroughly brief  
5 this issue.

6 THE COURT: Well obviously you will. I wouldn't  
7 do anything without giving you an opportunity to brief it.  
8 Okay.

9 MR. EVERTZ: Thank you.

10 THE COURT: All right.

11 MR. BUNN: Thank you.

12 MR. MC LACHLAN: So then -- then, Your Honor, all  
13 that remains would be getting a date to put in the class  
14 notice for the fairness hearing and we were proposing  
15 December the 13th if --

16 THE COURT: I can't do it between the 12th and the  
17 19th.

18 MR. MC LACHLAN: Then what about December  
19 the 11th, which is a Wednesday?

20 THE COURT: Can we do that up here?

21 MR. MC LACHLAN: I don't have a problem with that.

22 MR. BUNN: Sure.

23 THE COURT: Okay. We'll do it up here. The 11th  
24 at 9:00. Is that too early?

25 MR. MC LACHLAN: No, 9:00 is -- is fine. Yes,  
26 that's fine, Your Honor.

27 MR. KUHS: Your Honor, Robert Kuhs. Before we  
28 leave that issue --

1 THE COURT: Well, before we do that, I want to  
2 know if -- if that's a sufficient period of time for you  
3 to -- to get evidence together to support the settlement?

4 MR. MC LACHLAN: I'm not sure exactly what Your  
5 Honor's alluding to.

6 THE COURT: Well, I'm concerned with technical  
7 evidence.

8 MR. MC LACHLAN: Well, we anticipate, I believe,  
9 that the Court appointed expert -- well, technical  
10 evidence -- I'm having -- I'm struggling with what you  
11 mean by technical evidence.

12 THE COURT: Well, you're -- you're asking the  
13 Court to approve a number, an allocation number, of -- of  
14 three acre feet a year per person as being reasonable,  
15 aren't you?

16 MR. MC LACHLAN: No, we're not.

17 THE COURT: You're not?

18 MR. MC LACHLAN: All we're asking -- all we're  
19 saying is that these four settling parties in the future  
20 can't contest that; that's the issue of the class' water  
21 rights not being determined. And so -- and the Court  
22 appointed expert's report won't even address that question  
23 because that's not phase four.

24 THE COURT: What do you intend to present at that  
25 hearing?

26 MR. MC LACHLAN: I intend to present the  
27 settlement agreement. And we intend to file a joint  
28 motion for approval of the attorney's fees with the back

1 up and information for that. But obviously as Mr. Bunn  
2 read, the class is very clearly on notice that it's not  
3 getting water rights so we're not going --

4 THE COURT: Yeah, that's true.

5 MR. MC LACHLAN: I'm not going to try phase six in  
6 December because that's not part of the settlement.

7 THE COURT: Right. Okay. I just want to look at  
8 my calendar and make sure the 11th works.

9 MR. MC LACHLAN: We plan to give notice on or  
10 before next Friday. So, I've calculated out the  
11 timetables and that does work in terms of the periods for  
12 objections and so forth.

13 THE COURT: Yeah. Yeah. Okay. Mr. Dunn?

14 MR. DUNN: I understand that the Court's available  
15 on the 11th. The concern we have is that we have  
16 sufficient time to review what we expect to be the back up  
17 on the attorney's fees. It's going to require more than  
18 just the typical noticed motion time period or the statute  
19 given the length of time of these proceedings. So, it may  
20 make some sense for the Court to set the date by which the  
21 motion would need to be filed and then an opportunity -- a  
22 date by which we would respond. We're going to need  
23 obviously more than two weeks or so under the code. We're  
24 going to need some time to sift through all of this.

25 THE COURT: Can you respond to that?

26 MR. MC LACHLAN: Yeah. I don't see that as the  
27 case. We have CCP provisions that supply ample time. Why  
28 does District 40, who's not a settling party, need two

1 extra weeks or three extra weeks or whatever it is? We  
2 plan to file all this paperwork, which will be  
3 considerable, on statutory notice.

4 THE COURT: When do you expect to file it?

5 MR. MC LACHLAN: Well, whatever would be 16 court  
6 days before -- you know, we could file a couple days  
7 before that. But I didn't do the calculation off of the  
8 11th. I think that puts us somewhere shortly before  
9 Thanksgiving and that week of the 18th, I guess.

10 MR. DUNN: Your Honor, is probably familiar that  
11 with these types of motions on fees that there is an  
12 opportunity if a party needs to do so, requests to do so,  
13 we can do discovery. I'm not saying that's what we're  
14 going to do here. But I think it is fair to say that  
15 given what we all know today about what is probably coming  
16 in this rather large fee motion. I think it requires some  
17 fairness to the parties who are subject to it either  
18 directly or indirectly.

19 THE COURT: Well, let me ask you this, can you  
20 file it -- can you file your papers by the 14th of  
21 November?

22 MR. MC LACHLAN: That proposes -- that is  
23 essentially possible. I start trial on the 12th in  
24 Riverside, which is going to take about anywhere between  
25 four and seven court days. So, I'm in the middle of trial  
26 at that point in time. And I'm in an arbitration  
27 proceeding the prior week so it's very difficult to do  
28 that. And Mr. O'Leary is in trial I think in Novato.



1 THE COURT: When can you file it?

2 MR. MC LACHLAN: I could file it -- just give me a  
3 moment, Your Honor, to look at the calendar.

4 THE COURT: The -- the --

5 MR. MC LACHLAN: So, you know, I could file it --  
6 I guess --

7 THE COURT: Well, the code has you filing it on  
8 the 15th of November.

9 MR. MC LACHLAN: Right. So Your Honor just  
10 previously asked me about the 14th?

11 THE COURT: Yes.

12 MR. MC LACHLAN: Right. So, I'm going to have to  
13 get it -- so, I could have it filed by -- I could have it  
14 filed by the 14th. I'll just have to do it. I'll have to  
15 work a night shift.

16 THE COURT: It's one day early.

17 MR. MC LACHLAN: Right. So, I guess we'll make it  
18 happen on the 14th, that's fine. That gives three full  
19 weeks.

20 THE COURT: Let me ask you this, Mr. Dunn, does  
21 that help you if it has to be filed early?

22 MR. DUNN: No, that's not early.

23 THE COURT: File it on the 15th, okay. File it  
24 per the code on the 15th; that means the opposition is due  
25 on the 26th and the reply on the 4th of December.

26 MR. MC LACHLAN: That's fine. That's fine, Your  
27 Honor.

28 THE COURT: All right.

1 STATE OF CALIFORNIA )  
2 COUNTY OF SANTA CLARA ) Ss.

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6 I, STEPHANIE ESTES, CSR, HEREBY CERTIFY: THAT  
7 I WAS THE DULY APPOINTED, QUALIFIED SHORTHAND REPORTER OF  
8 SAID COURT IN THE ABOVE-ENTITLED ACTION TAKEN ON THE  
9 ABOVE-ENTITLED DATE; THAT I REPORTED THE SAME IN MACHINE  
10 SHORTHAND AND THEREAFTER HAD THE SAME TRANSCRIBED THROUGH  
11 COMPUTER-AIDED TRANSCRIPTION AS HEREIN APPEARS; AND THAT  
12 THE FORGOING TYPEWRITTEN PAGES CONTAIN A TRUE AND CORRECT  
13 TRANSCRIPT OF THE PROCEEDINGS HAD IN SAID MATTER AT SAID  
14 TIME AND PLACE TO THE BEST OF MY ABILITY.

15  
16 I FURTHER CERTIFY THAT I HAVE COMPLIED WITH  
17 CCP 237(A) (2) IN THAT ALL PERSONAL JUROR IDENTIFYING  
18 INFORMATION HAS BEEN REDACTED IF APPLICABLE.

19 DATED: November 18, 2013.

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STEPHANIE ESTES  
CSR No. 12452

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