

1 BEST BEST & KRIEGER LLP
ERIC L. GARNER, Bar No. 130665
2 JEFFREY V. DUNN, Bar No. 131926
WENDY Y. WANG, Bar No. 228923
3 18101 VON KARMAN AVENUE, SUITE 1000
IRVINE, CALIFORNIA 92612
4 TELEPHONE: (949) 263-2600
TELECOPIER: (949) 260-0972
5 Attorneys for LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 40

**EXEMPT FROM FILING
FEES UNDER GOVERNMENT
CODE SECTION 6103**

6 OFFICE OF COUNTY COUNSEL
7 COUNTY OF LOS ANGELES
MARY WICKHAM, BAR NO. 145664
8 INTERIM COUNTY COUNSEL
WARREN WELLEN, BAR NO. 139152
9 PRINCIPAL DEPUTY COUNTY COUNSEL
500 WEST TEMPLE STREET
10 LOS ANGELES, CALIFORNIA 90012
TELEPHONE: (213) 974-8407
11 TELECOPIER: (213) 687-7337
Attorneys for CROSS-COMPLAINANT
12 LOS ANGELES COUNTY WATERWORKS DISTRICT
NO. 40

13
14 SUPERIOR COURT OF THE STATE OF CALIFORNIA

15 COUNTY OF LOS ANGELES

16 ANTELOPE VALLEY GROUNDWATER CASES
Included Actions:
17
18 Los Angeles County Waterworks District No. 40 v.
Diamond Farming Co., Superior Court of
California, County of Los Angeles, Case No. BC
19 325201;
20 Los Angeles County Waterworks District No. 40 v.
Diamond Farming Co., Superior Court of
21 California, County of Kern, Case No. S-1500-CV-
254-348;
22 Wm. Bolthouse Farms, Inc. v. City of Lancaster,
23 Diamond Farming Co. v. City of Lancaster,
Diamond Farming Co. v. Palmdale Water Dist.,
24 Superior Court of California, County of Riverside,
Case Nos. RIC353840, RIC344436, RIC344668
25
26 RICHARD WOOD, on behalf of himself and all
other similarly situated v. A.V. Materials, Inc., et
27 al., Superior Court of California, County of Los
Angeles, Case No. BC509546

Judicial Council Coordination
Proceeding No. 4408

CLASS ACTION

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

**PUBLIC WATER SUPPLIERS'
CASE MANAGEMENT
CONFERENCE STATEMENT**

Date: September 4, 2015
Time: 1:30 p.m.
Dept.: Via Court Call

1 RICHARDS WATSON & GERSHON
2 James L. Markman, Bar No. 43536
3 355 S. Grand Avenue, 40th Floor
4 Los Angeles, CA 90071-3101
(213) 626-8484; (213) 626-0078 fax
Attorneys for City of Palmdale

5 MURPHY & EVERTZ LLP
6 Douglas J. Evertz, Bar No. 123066
7 650 Town Center Drive, Suite 550
8 Costa Mesa, CA 92626
(714) 277-1700; (714) 277-1777 fax
9 Attorneys for City of Lancaster and Rosamond
Community Services District

10 LEMIEUX & O'NEILL
11 W. Keith Lemieux, Bar No. 161850
12 4165 E. Thousand Oaks Blvd., Ste. 350
13 Westlake Village, CA 91362
14 (805) 495-4770; (805) 495-2787 fax
Attorneys for Littlerock Creek Irrigation District,
15 Palm Ranch Irrigation District, Desert Lake Community Services District, North Edwards Water
16 District, Llano Del Rio Water Company, Llano Mutual Water Company, and Big Rock Mutual
17 Water Company

18 LAGERLOF SENEAL GOSNEY & KRUSE
19 Thomas Bunn III, Bar No. 89502
20 301 North Lake Avenue, 10th Floor
21 Pasadena, CA 91101-4108
22 (626) 793-9400; (626) 793-5900 fax
23 Attorneys for Palmdale Water District

24 CHARLTON WEEKS LLP
25 Bradley T. Weeks, Bar No. 173745
26 1031 West Avenue M-14, Suite A
27 Palmdale, CA 93551
28 (661) 265-0969; (661) 265-1650 fax
Attorneys for Quartz Hill Water District

CALIFORNIA WATER SERVICE COMPANY
John Tootle, Bar No. 181822
2632 West 237th Street
Torrance, CA 90505
(310) 257-1488; (310) 325-4605 fax

1 Los Angeles County Waterworks District No. 40, Littlerock Creek Irrigation District,
2 Palm Ranch Irrigation District, Desert Lake Community Services District, North Edwards Water
3 District, Llano Del Rio Water Company, Llano Mutual Water Company, Big Rock Mutual Water
4 Company, Rosamond Community Services District, the City of Lancaster, Palmdale Water
5 District, Quartz Hill Water District, the City of Palmdale, and California Water Service Company
6 (collectively, "Public Water Suppliers") hereby submit the following Case Management
7 Conference Statement on behalf on the parties who have entered into the settlement agreement
8 known as the Stipulation for Judgment and Physical Solution ("Physical Solution"):

9 **I. SETTLEMENT STATUS**

10 The parties to the Physical Solution ("Settling Parties") have a liaison legal counsel group
11 for settlement discussions with the following non-stipulating parties:

12 Rosamond Mobile Home Park (owned by Milana VII, LLC);

13 Eyherabide Land Company;

14 Charles Tapia and Nellie Tapia Family Trust;

15 Desert Breeze MHP, LLC (mobile home park), and

16 Reesdale Mutual Water Company.

17 Liaison legal counsel group has reached a tentative settlement with all above entities,
18 except for Charles Tapia and Nellie Tapia Family Trust. Liaison legal counsel group continues
19 its efforts to reach an agreement with Charles Tapia and Nellie Tapia Family Trust.

20 As indicated in the last case management conference statement, the Public Water
21 Suppliers named several parties who were believed to have been members of the Wood Class but
22 do not meet criteria for Wood Class membership. They are as follows: Goodyork Corporation
23 and Lancaster Summit Properties, Ltd., together they operate Leisure Lake Mobile Home Estate;
24 Robar Enterprises, Inc. and its affiliates, Hi-Grade Materials Co., and CJR general partnership
25 (collectively, "Robar Entities").

26 Liaison legal counsel group has reached a tentative settlement with Goodyork Corporation
27 and Lancaster Summit Properties, Ltd., and has been in communications with counsel for the
28 Robar Entities in an effort to resolve the dispute.

1 **II. NEW PARTIES**

2 The Public Water Suppliers recently named and served Renaissance Perinatal Medical
3 Group Professional Corporation (“Renaissance Perinatal Medical”), who purchased the parcel
4 known as the “Leslie Property” from the Archdiocese of Los Angeles (“Archdiocese”). Early this
5 year, the Archdiocese withdrew the answer it filed on behalf of the Leslie Property and formally
6 opted into the Willis Class. Upon discovering the identity of the new owner of the Leslie
7 Property through property records search, the Public Water Suppliers named and served
8 Renaissance Perinatal Medical.

9 **III. EX PARTE APPLICATION BY ROBAR ENTITIES**

10 As indicated by the legal counsel for the Wood Class during the June 15, 2015 case
11 management conference, Robar Entities were on the Wood Class notice service list and contacted
12 Mr. McLachlan upon receiving the settlement notice. Upon learning that the Robar Entities
13 allegedly use more than 25 acre-feet of water per year, the Public Water Suppliers named and
14 served them.

15 The Public Water Suppliers are informed and believe that the Robar Entities were aware
16 of this groundwater adjudication proceeding as early as May 2009 and received prior Wood Class
17 notices, but only made its pumping known recently. As such, the Court should not allow the
18 Robar Entities to delay the upcoming trial. To the extent the Court is inclined to allow the Robar
19 Entities more time to gather records regarding its water usage, the Public Water Suppliers
20 respectfully request that the Court sever the Robar Entities’ from upcoming trial and thereby
21 avoid delaying the trial.

22 **IV. ORDER OF PROOF FOR NEXT PHASE OF TRIAL**

23 The following matters need to be determined before final judgment: (1) non-stipulating
24 parties’ water rights, including rights of defaulted parties; and (2) a court-imposed physical
25 solution for the entire Antelope Valley Adjudication Area (“Basin”) together with final approval
26 of the Small Pumper Class Stipulation of Settlement.

27 As discussed in the Public Water Suppliers’ prior case management statements, the Court
28 will need to resolve non-stipulating parties’ claims to water including the default “prove up”

1 against defaulted parties for the prove up of the physical solution. (*City of Barstow v. Mojave*
2 *Water Agency* (2000) 23 Cal. 4th 1224, 1249-50.) For that reason, the Public Water Suppliers
3 propose the following timetable consistent with existing Case Management Orders:

4 **A. Public Water Suppliers' Causes of Action Against Non-Stipulating Parties**

5 The Court should first hear the Public Water Suppliers' causes of action against non-
6 stipulating parties and the defaulted parties, including the Public Water Suppliers' prescriptive
7 rights claim and return flow claims. In the Phase 3 trial, the Court found that the Basin has been
8 in a state of overdraft since 1951. (Phase 3 Statement of Decision at 5.) Because groundwater
9 use adversity commences with overdraft conditions, all Public Water Supplier pumping has been
10 adverse to landowner pumping since at least 1951. (*Pasadena v. Alhambra* (1949) 33 Cal.2d 908,
11 929 [adversity begins with the commencement of overdraft].)

12 For judicial efficiency, the Public Water Suppliers can to introduce evidence regarding
13 their groundwater pumping, water use, and purchase of imported water by declaration prior to the
14 commencement of the September 28, 2015 trial. The Public Water Suppliers intend to post these
15 declarations by September 21, 2015. Parties who oppose submission of evidence by declaration
16 can submit their objections by September 24, 2015. To the extent the Court sustains those
17 objections, the Public Water Suppliers will call their percipient witnesses identified on their
18 respective notices of witness disclosure regarding groundwater pumping, water use, and purchase
19 of imported water.

20 Dr. Douglas Littlefield will offer testimony regarding historic notice of groundwater
21 conditions and overdraft. To the extent necessary, Dr. Dennis Williams will offer testimony
22 regarding return flows. The Public Water Suppliers reserve their right to call Dr. Williams and
23 Mr. Robert Beeby to offer testimony to rebut testimony of other experts.

24 Once the Public Water Suppliers prove prescriptive rights, non-stipulating parties must
25 prove "self-help" groundwater production and that their use of groundwater has been both
26 reasonable and beneficial. (*City of Santa Maria v. Adam* (2012) 211 Cal.App.4th 266, 279.) To
27 the extent any non-stipulating parties are appropriators, they must also establish a prescriptive or
28 other legal basis for their groundwater use.

1 **B. Settling Parties' Reasonable and Beneficial Use of Water**

2 After non-stipulating parties' groundwater rights have been determined, the remaining
3 Settling Parties, including the Small Pumper Class, can present evidence of their reasonable and
4 beneficial use of water. The Public Water Suppliers intend to call Mr. Beeby to offer testimony
5 regarding historic and present uses of groundwater and whether such uses are reasonable and
6 beneficial.

7 **C. Physical Solution**

8 After the Court hears evidence of the Public Water Suppliers' rights to groundwater, the
9 Court can receive evidence regarding the proposed Physical Solution. The Public Water
10 Suppliers will call Dr. Williams to offer testimony concerning the proposed Physical Solution and
11 how it provides a solution to the Basin overdraft condition and how the solution benefits current
12 and future Basin groundwater users and landowners.

13 **D. Other Matters**

14 During the August 25-26, 2015 trial concerning Phelan Piñon Hills Community Services
15 District ("Phelan"), the Court indicated that it would consider further evidence regarding Phelan's
16 claim for a discount to paying replacement assessment under the physical solution. The Public
17 Water Suppliers believe evidence introduced in the 2014 addressed the Court's concerns. To the
18 extent necessary, the Public Water Suppliers intend to call Dr. Williams and Mr. Don Bartz to
19 offer rebuttal testimony. The Public Water Suppliers reserve their right to call other witnesses for
20 rebuttal and impeachment purposes.

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

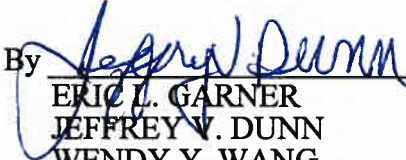
28

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

The Public Water Suppliers will be ready to present their evidence at the start of the trial on September 28, 2015.

Dated: September 3, 2015

BEST BEST & KRIEGER LLP

By 
ERIC L. GARNER
JEFFREY W. DUNN
WENDY Y. WANG
Attorneys for
LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40

LAW OFFICES OF
BEST BEST & KRIEGER LLP
18101 VON KARMAN AVENUE, SUITE 1000
IRVINE, CALIFORNIA 92612

PROOF OF SERVICE

I, Kerry V. Keefe, declare:

I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is Best Best & Krieger LLP, 18101 Von Karman Avenue, Suite 1000, Irvine, California, 92612. On September 3, 2015, I served the within document(s):

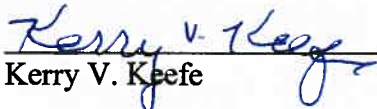
PUBLIC WATER SUPPLIERS' CASE MANAGEMENT CONFERENCE STATEMENT

- by posting the document(s) listed above to the Santa Clara County Superior Court website in regard to the Antelope Valley Groundwater matter.
- by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Irvine, California addressed as set forth below.
- by causing personal delivery by ASAP Corporate Services of the document(s) listed above to the person(s) at the address(es) set forth below.
- by personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.
- I caused such envelope to be delivered via overnight delivery addressed as indicated on the attached service list. Such envelope was deposited for delivery by Federal Express following the firm's ordinary business practices.

I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.

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

Executed on September 3, 2015, at Irvine, California.


Kerry V. Keefe

LAW OFFICES OF
BEST BEST & KRIEGER LLP
18101 VON KARMAN AVENUE, SUITE 1000
IRVINE, CALIFORNIA 92612