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EXEMPT FROM FILING FEES UNDER  
GOVERNMENT CODE SECTION 6103

15 SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 COUNTY OF LOS ANGELES – CENTRAL DISTRICT

17 ANTELOPE VALLEY GROUNDWATER  
18 CASES

19 Included Actions:  
*Los Angeles County Waterworks District No. 40 v.*  
*Diamond Farming Co.*, Superior Court of  
20 California, County of Los Angeles, Case No. BC  
325201;  
*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;  
*Wm. Bolthouse Farms, Inc. v. City of Lancaster,*  
*Diamond Farming Co. v. City of Lancaster,*  
22 *Diamond Farming Co. v. Palmdale Water Dist.*,  
Superior Court of California, County of Riverside,  
23 Case Nos. RIC 353 840, RIC 344 436, RIC 344 668  
*Rebecca Lee Willis v. Los Angeles County*  
24 *Waterworks District No. 40, et al.*, Superior Court  
of California, County of Los Angeles, Case No.  
25 BC364533  
*Richard Wood v. Los Angeles County Waterworks*  
26 *District No. 40, et al.*, Superior Court of California,  
County of Los Angeles, Case No. BC391869

Judicial Council Coordination  
Proceeding No. 4408

CLASS ACTION

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

**NOTICE AND MOTION UNDER  
SECTIONS 6.5 OF THE PHYSICAL  
SOLUTION FOR  
INTERPRETATION OF  
JUDGMENT CONFIRMING  
APPLICABILITY OF RAMPDOWN  
AND CARRYOVER RIGHTS TO  
PUBLIC WATER SUPPLIERS;  
MEMORANDUM OF POINTS AND  
AUTHORITIES; DECLARATION  
OF JEFFREY V. DUNN**

Hearing: January 31, 2018  
Time: 9:00 a.m.  
Dept.: 222

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1 TO ALL PARTIES AND THEIR RESPECTIVE ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on January 31, 2018 at 9:00 a.m., or as soon thereafter as  
3 the matter may be heard by the Court, located at 111 North Hill Street, Los Angeles, California,  
4 in Room 222 or such other location as determined by the Court, Los Angeles County Waterworks  
5 District No. 40 ("District No. 40"), Palmdale Water District, Rosamond Community Services  
6 District, Quartz Hill Water District, Littlerock Creek Irrigation District, and Palm Ranch  
7 Irrigation District (collectively, the "Moving Parties") will and hereby move to issue an order  
8 confirming the Moving Parties' interpretation of the Judgment that rampdown provisions are  
9 applicable to the Public Water Suppliers and carry over provisions are applicable to unused  
10 federal reserved water rights.

11 This Motion is made and based upon this Notice of Motion, the accompanying  
12 Memorandum of Points and Authorities and Declaration of Jeffrey V. Dunn, all matters currently  
13 on file with the Court regarding this case, all evidence that may be presented at the hearing of this  
14 matter, and all matters of which the Court may take judicial notice.

15 Dated: December 29, 2017

BEST BEST & KRIEGER LLP

17 By:   
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TABLE OF CONTENTS

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

Page

I. INTRODUCTION AND SUMMARY OF ARGUMENT ..... 1

II. PUBLIC WATER SUPPLIERS, AS “PARTIES” TO THE JUDGMENT, ARE ENTITLED TO RAMPDOWN THEIR PRODUCTION PURSUANT TO SECTION 8.3 ..... 2

    A. Interpretation of the Judgment Is a Matter of Law, and the Clear and Language of the Judgment Governs Its Interpretation..... 3

    B. The Plain Language of the Judgment Makes Clear the Rampdown Applies To “All Parties.” ..... 3

    C. If the Physical Solution Limits the Rampdown to Landowners Listed on Exhibit 4, It Would Have So Stated ..... 4

    D. Testimony Presented by All Stipulating Parties—including Overlying Landowners—Establishes Their Intent That the Rampdown Provisions Apply to the Public Water Suppliers..... 6

III. THE PHYSICAL SOLUTION PERMITS UNUSED FEDERAL RESERVE WATER RIGHTS TO BE CARRIED OVER ..... 8

    A. The California Constitution Requires All Groundwater Resources To Be Put to “the Fullest Extent of Which They Are Capable.” ..... 9

    B. Unused Federal Reserved Water Rights Must Be Carried Over to Avoid Voiding Provisions of the Physical Solution ..... 10

IV. CONCLUSION ..... 11

**TABLE OF AUTHORITIES**

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

**Page**

**State Cases**

*City of Lodi v. East Bay Municipal Utility Dist.*  
(1936).....9

*City of Santa Maria v. Adam* (2012)  
211 Cal.App.4th 266 .....9

*Founding Members of the Newport Beach County Club v. Newport Beach County  
Club, Inc.* (2003)  
109 Cal.App.4th 944 .....3, 11

*Kitty-Anne Music Co. v. Swan* (2003)  
112 Cal.App.4th 30 .....3

*Larsen v. Beekmann* (1969)  
276 Cal.App.2d 185 .....3

**State Statutes**

Civ. Code, § 1638 .....3

Civ. Code, § 1642 .....3, 11

**Constitutional Provisions**

California Constitution.....9, 10

Article X, § 2 of the California Constitution.....9

1 **I. INTRODUCTION AND SUMMARY OF ARGUMENT**

2 A dispute has arisen regarding the Watermaster’s implementation of the Court’s Judgment  
3 and Physical Solution (“Judgment” or “Physical Solution”).<sup>1</sup> Specifically, certain landowner  
4 parties contest the extent to which the Public Water Suppliers<sup>2</sup> are entitled to “rampdown” their  
5 groundwater production pursuant to Section 8 of the Physical Solution, and whether Public Water  
6 Suppliers are entitled to carry over the unused Federal Reserved Water Rights that are allocated to  
7 them by the Physical Solution.<sup>3</sup>

8 Section 8.3 of the Physical Solution provides that all groundwater-using parties are able to  
9 “rampdown” their groundwater production during the first two years of the Physical Solution’s  
10 “rampdown period:”

11 **Reduction of Production During Rampdown.** During the first  
12 two Years of the Rampdown Period no Producer will be subject to a  
13 Replacement Water Assessment. During Years three through seven  
14 of the Rampdown Period, the amount that *each Party* may Produce  
15 from the Native Safe Yield will be progressively reduced, as  
16 necessary, in equal annual increments, from its Pre-Rampdown  
17 Production to its Production Right....” (Emphasis added.)

18 The rampdown’s two-year grace period ends on December 31, 2017 and the parties’  
19 groundwater production rampdown commences in January, 2018. Despite the plain language in  
20 Section 8.3 of the Physical Solution, certain parties contend that the Public Water Suppliers are  
21 limited to producing only their post-“Rampdown Production Rights” free of a Replacement Water  
22 Assessment. Stated another way, some parties claim that only those Overlying Production Rights  
23 listed on Exhibit 4 of the Physical Solution with quantified “Pre-Rampdown Production” are  
24 entitled to benefit from a rampdown period. Both the unambiguous language of the Physical  
25

26 <sup>1</sup> The Physical Solution was attached as Exhibit A to the Judgment and approved by the Court on  
December 23, 2015.

27 <sup>2</sup> Undefined capitalized terms used herein shall have the same meaning as the terms are defined in  
the Physical Solution.

28 <sup>3</sup> Relevant portions of the Physical Solution are attached herein to Declaration of Jeffrey V. Dunn  
 (“Dunn Decl.”) as Exhibit “A”.

1 Solution and the uncontroverted evidence presented by the many Stipulating Parties at the Phase  
2 6 trial unequivocally establish that the Rampdown applies to each Stipulating Party -- including  
3 the Public Water Suppliers.

4 A dispute has also arisen as to whether unused Federal Reserved Water Rights that are  
5 allocated to Non-Overlying Production Rights holders pursuant to Section 5.1.4.1 of the Physical  
6 Solution can be carried over to subsequent years pursuant to Section 15.3 of the Physical  
7 Solution. Section 15.3 allows a Non-Overlying Production Rights holder to “[c]arry over its  
8 rights to the unproduced portion of its Production Rights for up to ten (10) Years.” Both a plain  
9 reading of the Physical Solution and the California Constitutional mandate that groundwater be  
10 used for beneficial uses and to the fullest extent of which they are capable. For these reasons,  
11 once the unused Federal Reserved Water Rights have been allocated to the Non-Overlying  
12 Production Rights holders, they can be carried over from year to year.

13 Section 6.5 of the Physical Solution confirms the continuing jurisdiction of this Court,  
14 providing that “[t]he Court retains and reserves full jurisdiction, power and authority for the  
15 purpose of an enabling the Court, upon a motion of a Party or Parties noticed in accordance with  
16 the notice procedures of Paragraph 20.6 hereof, to make such further or supplemental order or  
17 directions as may be necessary or appropriate *to interpret*, enforce, administer or carry out this  
18 Judgment...” (Emphasis added.) The moving parties hereby request that the Court interpret the  
19 Judgment and confirm that the Public Water Suppliers are entitled to their benefits and  
20 protections of both the Rampdown and the Carry Over of the unused Federal Reserved Water  
21 Rights.

22 **II. PUBLIC WATER SUPPLIERS, AS “PARTIES” TO THE JUDGMENT, ARE**  
23 **ENTITLED TO RAMPDOWN THEIR PRODUCTION PURSUANT TO SECTION**  
24 **8.3**

25 By the clear terms of the Judgment, California law governing interpretation of the  
26 Judgment, and the circumstances in which the Judgment was entered, the Public Water Suppliers  
27 have the right to rampdown their groundwater production.

1           A.     Interpretation of the Judgment Is a Matter of Law, and the Clear and  
2                     Language of the Judgment Governs Its Interpretation.

3           A stipulated judgment “is regarded as a contract and must be construed like any other  
4 contract.” (*Larsen v. Beekmann* (1969) 276 Cal.App.2d 185, 191.) “Interpretation of a written  
5 instrument is generally a question of law.” (*Kitty-Anne Music Co. v. Swan* (2003) 112  
6 Cal.App.4th 30, 37.) “The language of a contract is to govern its interpretation, if the language is  
7 clear and explicit, and does not involve an absurdity.” (Civ. Code, § 1638.) In addition, a court  
8 interpreting a contract may consider “the circumstances under which the parties negotiated or  
9 entered into the contract, the object, nature, and subject matter of the contract, and the  
10 subsequent conduct of the parties.” (*Kitty-Anne Music, supra*, 112 Cal.App.4th at p. 37.)

11           “An interpretation rendering contract language nugatory or inoperative is disfavored.”  
12 (*Founding Members of the Newport Beach County Club v. Newport Beach County Club, Inc.*  
13 (2003) 109 Cal.App.4th 944, 957; Civ. Code, § 1642 [“A contract must receive such an  
14 interpretation as will make it lawful, operative, definite, reasonable, and capable of being carried  
15 into effect.”].)

16           B.     The Plain Language of the Judgment Makes Clear the Rampdown Applies To  
17                     “All Parties.”

18           Section 8.3 of the Physical Solution provides that:

19                     “During Years three through seven of the Rampdown Period, the  
20 amount that *each Party* may Produce from the Native Safe Yield  
21 will be progressively reduced, as necessary, in equal annual  
22 increments, from its Pre-Rampdown Production to its Production  
23 Right.” (Emphasis added.)

24           “Party” is defined in Section 3.5.27 as “any Person(s) that has (have) been named and  
25 served or otherwise properly joined, or has (have) become subject to the Judgment...”

26           “Producer” is defined in Section 3.5.30 as “[a] Party who Produces Groundwater.” As each Non-  
27 Overlying Producer/Public Water Supplier is a Party that Produces Groundwater, and thus both a  
28 “Party” and a “Producer” within the meaning of Section 8.3, the rampdown unequivocally



1 applies to each Party.

2 Certain parties contend that rampdown does not apply to the Non-Overlying Production  
3 Rights holders, such as the Public Water Suppliers, listed on Exhibit 3. Those parties  
4 erroneously contend that only parties listed on Exhibit 4 are entitled to Rampdown their  
5 Production because Exhibit 4 quantifies those parties' Pre-Rampdown Production. While  
6 Exhibit 3 to the Physical Solution does not list the Pre-Rampdown Production for the Non-  
7 Overlying Production Rights holders, Section 3.5.28 of the Physical Solution defines "Pre-  
8 Rampdown Production" as "[t]he reasonable and beneficial use of Groundwater, excluding  
9 Imported Water Return Flows, at a time prior to this Judgment, or the Production Right,  
10 whichever is greater."

11 This definition of "Pre-Rampdown Production" has no reference to Exhibit 4 of the  
12 Physical Solution or any other exhibits. The definition does *not* state that the amount of Pre-  
13 Rampdown Production must be quantified or otherwise stated in an exhibit to the Physical  
14 Solution.<sup>4</sup> If the Rampdown provisions of Section 8.3 of the Physical Solution were intended to  
15 apply only to landowners with quantified Pre-Rampdown volume listed on Exhibit 4, such  
16 limiting/restrictive language would have necessarily been included in the Physical Solution—but  
17 it was not.

18 **C. If the Physical Solution Limits the Rampdown to Landowners Listed on**  
19 **Exhibit 4, It Would Have So Stated.**

20 The Physical Solution is clear which provisions apply to all Parties and that includes the  
21 rampdown provisions. The Physical Solution provides that "[a] number of Parties have agreed  
22 and stipulated to entry of a Judgment consistent with the terms of this Judgment...this Judgment  
23 is entered into as a Judgment and binding on all Parties..., including without limitation, those  
24 Parties which have stipulated to this Judgment, are subject to prior settlements and judgments of

25 \_\_\_\_\_  
26 <sup>4</sup> Public Water Suppliers' historical use of groundwater, including groundwater production  
27 amounts, was in evidence and subject to stipulation in the Phase 4 trial. As such, it is not subject  
28 to genuine dispute, and can and should be used as the Pre-Rampdown Production. Moreover, as  
specified below, Dr. Dennis William provided testimony during trial concerning the Pre-  
Rampdown Production of the Public Water Suppliers. (Dunn Decl., Ex. "E" [Trial Exhibits  
PWS-0543-44 through -46] & Ex. B [Dr. Williams' 9/29/2015 trial testimony] at pp. 25380.)

1 this Court...” (Dunn Decl., Ex. “A” [Physical Solution] at p. 1.) Section 3.2 entitled “Parties”  
2 further provides that “[a]ll Public Water Suppliers, landowners, Non-Pumper Class and Small  
3 Pumper members and other Persons having or making claims have been or will be included as  
4 Parties to the Action.” Stated simply, the term “Parties” is all encompassing.

5 Nothing in Section 8.3 or anywhere else limits the rampdown to only those landowners  
6 listed on Exhibit 4. If Section 8.3 was intended to apply to only those Parties listed on Exhibit 4,  
7 it would have so stated.

8 For example, the Physical Solution is clear when certain rights are limited to specific  
9 parties:

- 10 1. The Physical Solution includes provisions regarding the transfer of groundwater  
11 production rights (see Section 16), but specifically excludes the Small Pumpers  
12 Class and Non-Pumpers Class from transferring any groundwater production  
13 right. (See Sections 5.1.2.1 and 5.1.3.3.) Similarly, the Physical Solution  
14 specifically provides Boron Community Service District’s production rights are  
15 not transferable. (Section 16.4)
- 16 2. All Parties are subject to the rampdown provisions, except the federal  
17 government, whose groundwater production “is not subject to Rampdown or any  
18 reduction...” (Section 5.1.4)
- 19 3. Section 5.1.4.1 provides that if the federal government does not produce its entire  
20 federal reserved water rights “the unused amount in any Year will be allocated to  
21 the Non-Overlying Production Rights holders, *except* for Boron Community  
22 Services District and West Valley County Water District....” (Emphasis added.)
- 23 4. Non-Stipulating Parties who become subject to the provisions of the Physical  
24 Solution are limited from and participating in certain benefits provided by the  
25 Physical Solution, “including but not limited to Carry Over pursuant to Paragraph  
26 15 and Transfers pursuant to Paragraph 16.” (Section 5.1.10.)
- 27 5. Section 9.2 provides that “each Party” shall be subject to Replacement Water  
28 Assessments “provided that no Replacement Water Assessment shall be imposed

1 on the United States *except* upon the United States’ written consent to such  
2 imposition....” (Emphasis added.)

3 6. Section 9.3 provides that “the Balance Assessment shall be assessed on all  
4 Production Rights, *excluding* the United States’ actual Production, but *including*  
5 that portion of the Federal Reserved Right Produced by other Parties, in an  
6 amount determined by the Watermaster.” (Emphasis added.)

7 7. Conversely, Section 14 entitled “Storage” provides that “All Parties” shall have  
8 the right to store water in the Basin pursuant to a Storage Agreement with the  
9 Watermaster.”

10 The above references are but a few of the many provisions that clearly establish when a  
11 provision, right or remedy is intended to apply to a specific Party or Parties.

12 **D. Testimony Presented by All Stipulating Parties—Including Overlying**  
13 **Landowners—Establishes Their Intent That the Rampdown Provisions Apply**  
14 **to the Public Water Suppliers.**

15 At the Phase 6 trial<sup>5</sup>, all Stipulating Parties called expert witnesses to testify as to how the  
16 Physical Solution works to protect the Basin. These witnesses’ expert opinions were based on  
17 the rampdown applying to all parties, including the Public Water Suppliers.

18 The primary expert witness called to testify regarding the Physical Solution was Dr.  
19 Dennis Williams. He was called to provide testimony on, among other things (1) the impact of  
20 the Judgment/Physical Solution on the Parties, and (2) whether the Physical Solution can bring  
21 the Basin’s overproduction of groundwater into balance with its long term supply. (Dunn Decl.,  
22 Ex. “B” [Dr. Williams’ 9/29/2015 trial testimony] at pp. 25327, 25332 and 25336.) The  
23 Stipulating Parties were joint proponents of Dr. Williams’ testimony subject only to some  
24 parties’ reservation of objections regarding the actual components of Dr. Williams’ groundwater  
25 model. (*Id.* at p. 25472.) Dr. Williams presented a number of demonstrative exhibits to  
26 illustrate his testimony. (See Dunn Decl., Ex. “E”.) Critical portions of Dr. Williams’ testimony

27 \_\_\_\_\_  
28 <sup>5</sup> The “Phase 6 trial” was a prove-up of the Physical Solution by the Stipulating Parties and a trial  
against the Non-Stipulating Parties.

1 are highlighted on pages 25380 and 25384-25385 of the trial transcript. (Dunn Decl., Ex. “B”.)  
2 His trial testimony corresponds to (attached) Trial Exhibit PWS-0543-44 through -46. (Dunn  
3 Decl., Ex. “E”.)

4 Dr. Williams’ trial testimony exhibits—presented to the Court to illustrate his opinion  
5 testimony on the Rampdown—establish that the Stipulating Parties contemplated and presented  
6 uncontroverted evidence that the Rampdown applies to all “Parties” including the Public Water  
7 Suppliers. Specific groundwater production pumping numbers are included for each group of  
8 pumpers during the Rampdown period. These numbers show the Public Water Suppliers have a  
9 collective Pre-Rampdown groundwater production allocation of 40,450.02 acre-feet per year  
10 (“afy”), including the unused Federal Reserved Right (Dunn Decl., Ex. “E” at PWS-0543-44).  
11 During the first year of the Rampdown, the Public Water Suppliers are expected to collectively  
12 reduce their groundwater pumping to 36,807.79 afy. (*Id.* at PWS-0543-46.) This reduction takes  
13 place in each subsequent year of the Rampdown until the Public Water Supplier groundwater  
14 production is lowered to 18,596.66 afy. (*Id.* at PWS-0543-45 & 46.) The Public Water  
15 Suppliers’ rampdown represents a more than 50 percent reduction in groundwater use by the  
16 Public Water Suppliers over a five year time frame.

17 During the course of his testimony regarding Exhibit PWS-0543-46, Dr. Williams noted  
18 that the exhibit illustrates “how the proposed physical solution would operate as to each of the  
19 general parties or specific parties listed there.” (Dunn Decl., Ex. “B” at pp. 25384:27-25385:3.)  
20 Similar testimony was provided by hydrology expert Charles Binder and his exhibit, 6-AVEK-2.  
21 (Dunn Decl., Ex. “F”.) Slide 5 of Exhibit 6-AVEK-2 also shows the rampdown applying to the  
22 Public Water Suppliers. Slide 5 is a bar chart depicting “production during the ramp down and  
23 post-ramp down period.” (Dunn Decl., Ex. “D” [Mr. Binder’s 10/15/2015 trial testimony] at  
24 26813:21-26814:13.) Slide 5 shows the annual rampdown during years three through seven for  
25 both the Exhibit 4 overlying parties as well as the Exhibit 3 Public Water Supplier parties. The  
26 exhibit depicts the rampdown by all Parties and establishes that the Basin will be in a hydrologic  
27 balance at the end of the rampdown. (Dunn Decl., Ex. “D” at 26815:2-7.)

28 The gradual reduction of Public Water Supplier groundwater pumping during the

1 rampdown period was part of the Court’s determination that the rampdown would not  
2 permanently harm the Basin. During the Phase 6 trial, no Stipulating Party introduced any  
3 evidence that the Public Water Suppliers were not entitled to a rampdown. No Stipulating Party  
4 objected to, or presented evidence rebutting, the aforementioned testimony and exhibits. To the  
5 contrary, this evidence was jointly presented on behalf of the Stipulating Parties. The overlying  
6 landowners cannot now disavow the evidence that they presented to the court and they are  
7 estopped from contesting the Public Water Suppliers’ rampdown.

8 **III. THE PHYSICAL SOLUTION PERMITS UNUSED FEDERAL RESERVE WATER**  
9 **RIGHTS TO BE CARRIED OVER**

10 Section 5 of the Physical Solution defines the parties’ “Production Rights.” Section 5.1.4  
11 defines the Production Right of the United States as follows: “The United States has a right to  
12 Produce 7,600 acre-feet per Year from the Native Safe Yield as a Federal Reserved Water Right  
13 for use for military purposes at Edwards Air Force Base and Air Force Plant 42.” Section 5.1.4.1  
14 further provides: “In the event the United States does not Produce its entire 7,600 acre-feet in any  
15 given Year, the unused amount in any Year will be allocated to the Non-Overlying Production  
16 Rights holders, except for Boron Community Services District and West Valley County Water  
17 District, in the following Year, in proportion to Production Rights set forth in Exhibit 3.” Thus, if  
18 the United States does not use its full Production Right, the unused Federal Reserved Water Right  
19 is allocated to the appropriate Non-Overlying Production Rights holders. As it is the United  
20 States’ Production Right that is transferred to the Non-Overlying Production Right holders, the  
21 unproduced water can then be carried over pursuant to Section 15.3:

22 **15.3 Production Right Carry Over.** If a Producer identified in  
23 Paragraph 5.1.1 [Parties listed on Exhibit 4], 5.1.5 [the State of  
24 California] and 5.1.6 [Parties listed in Exhibit 3] fails to Produce its  
25 full Production Right in any Year, the Producer may Carry Over its  
26 right to the unproduced portion of its Production Right for up to ten  
27 (10) Years. A Producer must Produce its full Production Right  
28 before any Carry Over water, or any other water, is Produced.

1 Carry Over water will be Produced on a first-in, first-out basis. At  
2 the end of the Carry Over period, the Producer may enter into a  
3 Storage Agreement with the Watermaster to store unproduced  
4 portions, subject to terms and conditions in the Watermaster’s  
5 discretion. Any such Storage Agreements shall expressly preclude  
6 operations, including the rate and amount of extraction, which will  
7 cause a Material Injury to another Producer or Party, any subarea or  
8 the Basin. If not converted to a Storage Agreement, Carry Over  
9 water not Produced by the end of the tenth Year reverts to the  
10 benefit of the Basin and the Producer no longer has a right to the  
11 Carry Over water. The Producer may transfer any Carry Over water  
12 or Carry Over water stored pursuant to a Storage Agreement.

13 In addition to unequivocal language permitting the Public Water Suppliers to carry over  
14 their groundwater rights, the California Constitution mandates that those water be put to use, and  
15 hence, carried over until they can be put to use.

16 **A. The California Constitution Requires All Groundwater Resources To Be Put**  
17 **to “the Fullest Extent of Which They Are Capable.”**

18 A physical solution is a practical remedy employed by courts to permit as many uses of a  
19 groundwater supply as possible, while advancing the constitutional rule of reasonable and  
20 beneficial use of the State's water supply. (*City of Lodi v. East Bay Municipal Utility Dist.* (1936)  
21 7 Cal.2d 316, 339-341 (“*Lodi*”); *City of Santa Maria v. Adam* (2012) 211 Cal.App.4th 266, 287-  
22 88.) Specifically, a physical solution must carry out the mandates of Article X, Section 2 of the  
23 California Constitution, including the mandate that the state’s water resources be put to  
24 “beneficial use to the fullest extent of which they are capable.” (*Lodi, supra*, 7 Cal.2d at 341.)

25 The trial exhibits introduced during the Phase 6 prove-up of the Physical Solution and the  
26 testimony of Dr. Williams demonstrate the Stipulating Parties’ intention that the entirety of the  
27 Native Safe Yield be put to beneficial use – consistent with Article X, Section 2 of the California  
28 Constitution. Specifically, Exhibit PWS 0543-01, -41 and -45 and page 5 of 6-AVEK-2 show

1 that the Physical Solution was designed to allow for the maximum use of the Native Safe Yield of  
2 the Basin. (Dunn Decl., Exs. “E” at PWS 0543-01, 41 and -45 [presuming all Native Safe Yield  
3 will be pumped and used] & “F” at p. 5.) As Dr. Williams testified, a major component of the  
4 Physical solution is the ramping down of groundwater pumping to Native Safe Yield, which  
5 would “stabilize water level and subsidence.” (Dunn Decl., Exs. “E” at PWS 0543-01 and 90,  
6 “B” [Dr. Williams 9/29/2015 testimony] at 25307:23-25308:2, 25374:6-19 & 25460:15-20 & “C”  
7 [Dr. Williams 9/30/2015 testimony] at 25606:23-25607:8.)

8 The 7,600 acre-feet of Federal Reserved Water Right is part of the Native Safe Yield.  
9 (Dunn Decl., Ex. “A” [Physical Solution] at §5.1.4.) The evidence established that Public Water  
10 Supplier use of the unused Federal Reserved Water Rights would not harm the Basin. (Dunn  
11 Decl., Exs. “B” at 25307:23-25308:2 & “C” at 25606:23-25607:8.)

12 Furthermore, carrying over any unused portion of the Federal Reserved Water Rights  
13 would not harm the Basin. Specifically, Section 15.3 prohibits any long term storage or carrying  
14 over of unused Production Rights that would cause “Material Injury” to the Basin. (Dunn Decl.,  
15 Ex. “A” [Physical Solution] at §15.3.)

16 Consequently, allowing Public Water Suppliers to pump and carry over the unused federal  
17 reserved right would not harm the Basin and is consistent with the Constitutional mandate that the  
18 water resources of the State be put to beneficial use to the fullest extent of which they are capable.  
19 To hold otherwise would risk violating California Constitution because the unused Federal  
20 Reserved Water Rights would not be put to a beneficial use.

21 **B. Unused Federal Reserved Water Rights Must Be Carried Over to Avoid**  
22 **Voiding Provisions of the Physical Solution**

23 The Public Water Supplier’s right to carry over unused Federal Reserved Water Rights is  
24 further supported by Section 5.1.4.1, which provides that any unused federal reserved rights “will  
25 be **allocated** to the Non-Overlying Production Rights holders [i.e., the Public Water Suppliers] . .  
26 . in the **following Year**, in proportion to Production Rights set forth in Exhibit 3.” (Emphasis  
27 added.) First, once the unused water has been “allocated” to the Public Water Suppliers, it is  
28 automatically subject to the Carry Over provision of Section 15.3 which permits carrying over by

1 Public Water Suppliers of all “Production Right[s].” Production Right includes federal reserved  
2 rights (i.e., all Native Safe Yield production rights not subject to assessment). (Dunn Decl., Ex.  
3 “A” [Physical Solution] at §3.5.32.)

4 Second, as a practical matter, all unused Federal Reserved Water Rights are carried over,  
5 because neither the Watermaster nor the Federal Government can know in advance what amount  
6 of reserved water remains unused until an accounting has been done “in the following Year.”  
7 Carrying over the unused federal reserved right is necessary to allow the Watermaster and the  
8 Federal Government to fully account for the Federal Government’s (lack of) groundwater usage,  
9 and for the Public Water Suppliers to plan for their water supply needs. If unused federal  
10 reserved right waters are not allowed to be carried over, Section 5.1.4.1 would effectively be  
11 rendered null and void, which the law abhors. (*Founding Members of the Newport Beach County*  
12 *Club v. Newport Beach County Club, Inc., supra*, 109 Cal.App.4th at p. 957 [“[a]n interpretation  
13 rendering contract language nugatory or inoperative is disfavored.”]; Civ. Code, § 1642 [“A  
14 contract must receive such an interpretation as will make it lawful, operative, definite, reasonable,  
15 and capable of being carried into effect.”].)

16 **IV. CONCLUSION**

17 For the foregoing reasons, the Moving Parties request that the Court find that the Public  
18 Water Suppliers are entitled to rampdown their groundwater production in equal annual  
19 increments in years three through seven of the Physical Solution’s rampdown period, and that the  
20 Physical Solution’s “carry over” provisions apply to unused Federal Reserved Water Rights.

21 Dated: December 29, 2017

BEST BEST & KRIEGER LLP

22  
23  
24 By: 

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



**DECLARATION OF JEFFREY V. DUNN**

I, Jeffrey V. Dunn declare:

1. I have personal knowledge of the facts below, and if called upon to do so, I could testify competently thereto in a court of law.

2. I am an attorney licensed to practice law in the State of California. I am a partner of Best, Best & Krieger LLP, attorneys of record for Los Angeles County Waterworks District No. 40 (“District No. 40”).

3. Attached hereto as Exhibit “A” are true and correct copies of excerpts from the Court’s Physical Solution, which was attached as Exhibit A to and incorporated into the Judgment approved by the Court on December 23, 2015.

4. Attached hereto as Exhibit “B” are true and correct copies of excerpts from the Reporters’ Transcript on Appeal, containing the reporters’ transcripts for trial testimony provided by Dr. Dennis Williams on September 29, 2015 during the Phase 6 trial.

5. Attached hereto as Exhibit “C” are true and correct copies of excerpts from the Reporters’ Transcript on Appeal, containing the reporters’ transcripts for the trial testimony provided by Dr. Dennis Williams on September 30, 2015 for the Phase 6 trial.

6. Attached hereto as Exhibit “D” are true and correct copies of excerpts from the Reporters’ Transcript on Appeal, containing the reporters’ transcript for the trial testimony provided by Mr. Charles Binder on October 15, 2015 for the Phase 6 trial.

7. Attached hereto as Exhibit “E” are true and correct copies of excerpts from exhibit numbered PWS-0543, which were submitted to the Court during the Phase 6 trial.

8. Attached hereto as Exhibit “F” are true and correct copies of excerpts from exhibit numbered 6-AVEK-2, which were submitted to the Court during the Phase 6 trial.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 29 day of December, 2017, at Irvine, California.

  
\_\_\_\_\_  
Jeffrey V. Dunn

# **EXHIBIT A**

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES - CENTRAL DISTRICT**

Coordination Proceeding Special Title  
(Rule 1550(b))

**ANTELOPE VALLEY  
GROUNDWATER CASES**

Judicial Council Coordination Proceeding No.  
4408

**Santa Clara Case No.: 1-05-CV-049053**

Judge: The Honorable Jack Komar, Dept. 17

**[PROPOSED] JUDGMENT AND PHYSICAL  
SOLUTION**

1	<b>I. DESCRIPTION OF LITIGATION</b> .....	1
2	<b>1. PROCEDURAL HISTORY</b> .....	1
3	<b>1.1</b> Initiation of Litigation.....	1
4	<b>1.2</b> General Adjudication Commenced.....	2
5	<b>1.3</b> Other Actions.....	3
6	<b>1.4</b> McCarran Amendment Issues.....	4
7	<b>1.5</b> Phased Trials.....	4
8	<b>1.6</b> Defaults.....	5
9	<b>2. GENERAL ADJUDICATION DOES NOT APPLY TO SURFACE WATER</b> .....	5
10	<b>II. DECREE</b> .....	6
11	<b>3. JURISDICTION, PARTIES, DEFINITIONS</b> .....	6
12	<b>3.1</b> Jurisdiction. ....	6
13	<b>3.2</b> Parties.....	6
14	<b>3.3</b> Factual and Legal Issues.....	6
15	<b>3.4</b> Need for a Declaration of Rights and Obligations for a Physical Solution.....	6
16	<b>3.5</b> Definitions.....	7
17	<b>4. SAFE YIELD AND OVERDRAFT</b> .....	15
18	<b>4.1</b> Safe Yield.....	15
19	<b>4.2</b> Overdraft.....	15
20	<b>5. PRODUCTION RIGHTS</b> .....	15
21	<b>5.1</b> Allocation of Rights to Native Safe Yield.....	15
22	<b>5.1.1</b> Overlying Production Rights.....	16
23	<b>5.1.2</b> Non-Pumper Class Rights.....	16
24	<b>5.1.3</b> Small Pumper Class Production Rights.....	17
25	<b>5.1.4</b> Federal Reserved Water Right.....	19
26	<b>5.1.5</b> State of California Production Rights.....	20
27	<b>5.1.6</b> Non-Overlying Production Rights.....	23
28	<b>5.1.7</b> City of Lancaster.....	23

1  
2  
3  
4  
5  
6  
7  
8  
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10  
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18  
19  
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21  
22  
23  
24  
25  
26  
27  
28

5.1.8	Antelope Valley Joint Union High School District .....	24
5.1.9	Construction of Solar Power Facilities .....	24
5.1.10	Production Rights Claimed by Non-Stipulating Parties .....	24
5.2	Rights to Imported Water Return Flows .....	25
5.2.1	Rights to Imported Water Return Flows .....	25
5.2.2	Water Imported Through AVEK .....	25
5.2.3	Water Not Imported Through AVEK .....	26
5.3	Rights to Recycled Water .....	26
6.	<b>INJUNCTION</b> .....	27
6.1	Injunction Against Unauthorized Production .....	27
6.2	Injunction Re Change in Purpose of Use Without Notice to The Watermaster .....	27
6.3	Injunction Against Unauthorized Capture of Stored Water .....	27
6.4	Injunction Against Transportation From Basin .....	28
6.5	Continuing Jurisdiction .....	28
III.	<b>PHYSICAL SOLUTION</b> .....	29
7.	<b>GENERAL</b> .....	29
7.1	Purpose and Objective .....	29
7.2	Need For Flexibility .....	29
7.3	General Pattern of Operations .....	29
7.4	Water Rights .....	30
8.	<b>RAMPDOWN</b> .....	30
8.1	Installation of Meters .....	30
8.2	Rampdown Period .....	30
8.3	Reduction of Production During Rampdown .....	30
8.4	Drought Program During Rampdown for Participating Public Water Suppliers .....	31
9.	<b>ASSESSMENTS</b> .....	32
9.1	Administrative Assessment .....	32
9.2	Replacement Water Assessment .....	33

1	9.3	Balance Assessment.....	35
2	<b>10.</b>	<b>SUBAREAS.....</b>	<b>36</b>
3	10.1	Central Antelope Valley Subarea .....	36
4	10.2	West Antelope Valley Subarea .....	37
5	10.3	South East Subarea .....	37
6	10.4	Willow Springs Subarea .....	37
7	10.5	Rogers Lake Subarea .....	37
8	<b>11.</b>	<b>INCREASE IN PRODUCTION BY THE UNITED STATES.....</b>	<b>37</b>
9	11.1	Notice of Increase of Production Under Federal Reserved Water Right.....	38
10	11.2	Water Substitution to Reduce Production by United States .....	38
11	<b>12.</b>	<b>MOVEMENT OF PUBLIC WATER SUPPLIERS PRODUCTION FACILITIES ...</b>	<b>38</b>
12	12.1	No Requirement to Move Public Water Suppliers’ Production Wells .....	38
13	<b>13.</b>	<b>FEDERAL APPROVAL.....</b>	<b>39</b>
14	<b>14.</b>	<b>STORAGE .....</b>	<b>39</b>
15	<b>15.</b>	<b>CARRY OVER.....</b>	<b>40</b>
16	15.1	In Lieu Production Right Carry Over .....	40
17	15.2	Imported Water Return Flow Carry Over.....	41
18	15.3	Production Right Carry Over.....	41
19	<b>16.</b>	<b>TRANSFERS .....</b>	<b>42</b>
20	16.1	When Transfers are Permitted .....	42
21	16.2	Transfers to Non-Overlying Production Right Holders.....	42
22	16.3	Limitation on Transfers of Water by Antelope Valley United Mutuals Group.....	42
23	<b>17.</b>	<b>CHANGES IN POINT OF EXTRACTION AND NEW WELLS .....</b>	<b>43</b>
24	17.1	Notice of New Well .....	43
25	17.2	Change in Point of Extraction by the United States .....	43
26	<b>18.</b>	<b>WATERMASTER.....</b>	<b>44</b>
27	18.1	Appointment of Initial Watermaster .....	44

1	<b>18.2</b>	Standard of Performance .....	45
2	<b>18.3</b>	Removal of Watermaster .....	45
3	<b>18.4</b>	Powers and Duties of the Watermaster .....	46
4	<b>18.5</b>	Watermaster Engineer.....	48
5	<b>18.6</b>	Recommendations of the Watermaster Engineer.....	56
6	<b>18.7</b>	Interim Approvals by the Court.....	56
7	<b>19.</b>	<b>ADVISORY COMMITTEE</b> .....	56
8	<b>19.1</b>	Authorization .....	56
9	<b>19.2</b>	Compensation .....	56
10	<b>19.3</b>	Powers and Functions .....	56
11	<b>19.4</b>	Advisory Committee Meetings.....	56
12	<b>19.5</b>	Subarea Advisory Management Committees .....	57
13	<b>20.</b>	<b>MISCELLANEOUS PROVISIONS</b> .....	58
14	<b>20.1</b>	Water Quality.....	58
15	<b>20.2</b>	Actions Not Subject to CEQA Regulation .....	58
16	<b>20.3</b>	Court Review of Watermaster Actions .....	58
17	<b>20.4</b>	Multiple Production Rights.....	59
18	<b>20.5</b>	Payment of Assessments.....	59
19	<b>20.6</b>	Designation of Address for Notice and Service.....	59
20	<b>20.7</b>	Service of Documents .....	60
21	<b>20.8</b>	No Abandonment of Rights .....	60
22	<b>20.9</b>	Intervention After Judgment.....	60
23	<b>20.10</b>	Judgment Binding on Successors, etc.....	61
24	<b>20.11</b>	Costs.....	61
25	<b>20.12</b>	Headings; Paragraph References .....	61
26	<b>20.13</b>	No Third Party Beneficiaries .....	61
27	<b>20.14</b>	Severability .....	61

28

1  
2  
3  
4  
5  
6  
7  
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14  
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17  
18  
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20  
21  
22  
23  
24  
25  
26  
27  
28

**20.15** Cooperation; Further Acts ..... 61  
**20.16** Exhibits and Other Writings ..... 61



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
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14  
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16  
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**INDEX OF EXHIBITS AND APPENDICES**

**Exhibits:**

- Exhibit 1: Listing of Parties Against Which a Default Judgment Has Been Entered.
- Exhibit 2: Map of Area Adjudicated in This Action.
- Exhibit 3: Non-Overlying Production Rights.
- Exhibit 4: Overlying Production Rights
- Exhibit 5: Phase 3 Trial Decision.
- Exhibit 6: Map of boundaries of Edwards Air Force Base.
- Exhibit 7: Map of boundaries of Air Force Plant 42.
- Exhibit 8: Rights to Produce Imported Water Return Flows.
- Exhibit 9: Map of the Watershed of the Basin.
- Exhibit 10: Map of Subareas.

**Appendices:**

- Appendix A: Non-Pumper Class Judgment.
- Appendix B: Non-Pumper Class Stipulation of Settlement.

1 A number of Parties have agreed and stipulated to entry of a Judgment consistent with the  
2 terms of this Judgment and Physical Solution (hereafter “this Judgment”). The stipulations of the  
3 Parties are conditioned upon further proceedings that will result in a Judgment binding all Parties  
4 to the Action. The Court, having considered the pleadings, the stipulations of the Parties, and the  
5 evidence presented, and being fully informed in the matter, approves the Physical Solution<sup>1</sup>  
6 contained herein. This Judgment is entered as a Judgment binding on all Parties served or  
7 appearing in this Action, including without limitation, those Parties which have stipulated to this  
8 Judgment, are subject to prior settlement(s) and judgment(s) of this Court, have defaulted or  
9 hereafter stipulate to this Judgment.

10 **I. DESCRIPTION OF LITIGATION**

11 **1. PROCEDURAL HISTORY**

12 **1.1 Initiation of Litigation.**

13 On October 29, 1999, Diamond Farming Company (“Diamond Farming”) filed in  
14 the Riverside County Superior Court (Case No. RIC 344436) the first complaint in what would  
15 become these consolidated complex proceedings known as the Antelope Valley Groundwater  
16 Cases. Diamond Farming's complaint names as defendants the City of Lancaster, Palmdale  
17 Water District, Antelope Valley Water Company, Palm Ranch Irrigation District, Quartz Hill  
18 Water District, Rosamond Community Services District, and Mojave Public Utility District.

19 On February 22, 2000, Diamond Farming filed another complaint in the Riverside  
20 County Superior Court (Case No. RIC 344468). The two Diamond Farming actions were  
21 subsequently consolidated.

22 On January 25, 2001, Wm. Bolthouse Farms, Inc. (“Bolthouse”) filed a complaint  
23 in the same Court against the same entities, as well as Littlerock Creek Irrigation District and Los  
24 Angeles Waterworks Districts Nos. 37 and 40 (Case No. RIC 353840).

---

25 <sup>1</sup> A “physical solution” describes an agreed upon or judicially imposed resolution of conflicting claims in a manner  
26 that advances the constitutional rule of reasonable and beneficial use of the state’s water supply. (*City of Santa Maria*  
27 *v. Adam* (2012) 211 Cal. App. 4th 266, 288.) It is defined as “an equitable remedy designed to alleviate overdrafts  
28 and the consequential depletion of water resources in a particular area, consistent with the constitutional mandate to  
prevent waste and unreasonable water use and to maximize the beneficial use of this state’s limited resource.”  
(*California American Water v. City of Seaside* (2010) 183 Cal. App. 4th 471, 480.)

1 **II. DECREE**

2 **3. JURISDICTION, PARTIES, DEFINITIONS.**

3 **3.1 Jurisdiction.** This Action is an *inter se* adjudication of all claims to the  
4 rights to Produce Groundwater from the Basin alleged between and among all Parties. This Court  
5 has jurisdiction over the subject matter and Parties herein to enter a Judgment declaring and  
6 adjudicating the rights to reasonable and beneficial use of water by the Parties in the Action  
7 pursuant to Article X, section 2 of the California Constitution.

8 **3.2 Parties.** The Court required that all Persons having or claiming any  
9 right, title or interest to the Groundwater within the Basin be notified of the Action. Notice has  
10 been given pursuant to the Court's order. All Public Water Suppliers, landowners, Non-Pumper  
11 Class and Small Pumper Class members and other Persons having or making claims have been or  
12 will be included as Parties to the Action. All named Parties who have not been dismissed have  
13 appeared or have been given adequate opportunity to appear.

14 **3.3 Factual and Legal Issues.** The complaints and cross-complaints in the  
15 Action frame many legal issues. The Action includes over 4,000 Parties, as well as the members  
16 of the Non-Pumper Class and the members of the Small Pumper Class. The Basin's entire  
17 Groundwater supply and Groundwater rights, extending over approximately 1390 square miles,  
18 have been brought to issue. The numerous Groundwater rights at issue in the case include,  
19 without limitation, overlying, appropriative, prescriptive, and federal reserved water rights to  
20 Groundwater, rights to return flows from Imported Water, rights to recycled water, rights to  
21 stored Imported Water subject to the Watermaster rules and regulations, and rights to utilize the  
22 storage space within the Basin. After several months of trial, the Court made findings regarding  
23 Basin characteristics and determined the Basin's Safe Yield. The Court's rulings and judgments  
24 in this case, including the Safe Yield determination, form the basis for this Judgment.

25 **3.4 Need for a Declaration of Rights and Obligations for a Physical**  
26 **Solution.** A Physical Solution for the Basin, based on a declaration of water rights and a formula  
27 for allocation of rights and obligations, is necessary to implement the mandate of Article X,  
28

1 service, (2) all properties that are listed as “improved” by the Los Angeles County or Kern  
2 County Assessor's offices, unless the owners of such properties declare under penalty of perjury  
3 that they do not pump and have never pumped water on those properties, and (3) those who opted  
4 out of the Non-Pumper Class. The Non-Pumper Class does not include landowners who have  
5 been individually named under the Public Water Suppliers' cross-complaint, unless such a  
6 landowner has opted into such class.

7 **3.5.23 Non-Pumper Class Judgment.** The amended final Judgment that  
8 settled the Non-Pumper Class claims against the Public Water Suppliers approved by the Court  
9 on September 22, 2011.

10 **3.5.24 Non-Stipulating Party.** Any Party who had not executed a  
11 Stipulation for Entry of this Judgment prior to the date of approval of this Judgment by the Court.

12 **3.5.25 Overdraft.** Extractions in excess of the Safe Yield of water from  
13 an aquifer, which over time will lead to a depletion of the water supply within a groundwater  
14 basin as well as other detrimental effects, if the imbalance between pumping and extraction  
15 continues.

16 **3.5.26 Overlying Production Rights.** The rights held by the Parties  
17 identified in Exhibit 4, attached hereto and incorporated herein by reference.

18 **3.5.27 Party (Parties).** Any Person(s) that has (have) been named and  
19 served or otherwise properly joined, or has (have) become subject to this Judgment and any prior  
20 judgments of this Court in this Action and all their respective heirs, successors-in-interest and  
21 assigns. For purposes of this Judgment, a “Person” includes any natural person, firm, association,  
22 organization, joint venture, partnership, business, trust, corporation, or public entity.

23 **3.5.28 Pre-Rampdown Production.** The reasonable and beneficial use of  
24 Groundwater, excluding Imported Water Return Flows, at a time prior to this Judgment, or the  
25 Production Right, whichever is greater.

26 **3.5.29 Produce(d).** To pump Groundwater for existing and future  
27 reasonable beneficial uses.

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**3.5.30 Producer(s).** A Party who Produces Groundwater.

**3.5.31 Production.** Annual amount of Groundwater Produced, stated in acre-feet of water.

**3.5.32 Production Right.** The amount of Native Safe Yield that may be Produced each Year free of any Replacement Water Assessment and Replacement Obligation. The total of the Production Rights decreed in this Judgment equals the Native Safe Yield. A Production Right does not include any right to Imported Water Return Flows pursuant to Paragraph 5.2.

**3.5.33 Pro-Rata Increase.** The proportionate increase in the amount of a Production Right, as provided in Paragraph 18.5.10, provided the total of all Production Rights does not exceed the Native Safe Yield.

**3.5.34 Pro-Rata Reduction.** The proportionate reduction in the amount of a Production Right, as provided in Paragraph 18.5.10, in order that the total of all Production Rights does not exceed the Native Safe Yield.

**3.5.35 Public Water Suppliers.** The Public Water Suppliers are Los Angeles County Waterworks District No. 40, Palmdale Water District, Quartz Hill Water District, Littlerock Creek Irrigation District, California Water Service Company, Desert Lake Community Services District, North Edwards Water District, City of Palmdale, City of Lancaster, Palm Ranch Irrigation District, Rosamond Community Services District, and West Valley County Water District.

**3.5.36 Purpose of Use.** The broad categories of type of water use including but not limited to municipal, irrigation, agricultural and industrial uses.

**3.5.37 Rampdown.** The period of time for Pre-Rampdown Production to be reduced to the Native Safe Yield in the manner described in this Judgment.

**3.5.38 Recycled Water.** Water that, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.

1                                   **5.1.1 Overlying Production Rights.** The Parties listed in Exhibit 4,  
2 attached hereto and incorporated herein by reference, have Overlying Production Rights. Exhibit  
3 4 sets forth the following for each Overlying Production Right: (1) the Pre-Rampdown  
4 Production; (2) the Production Right; and (3) the percentage of the Production from the Adjusted  
5 Native Safe Yield.

6                                   **5.1.1.1** The Parties listed on Exhibit 4 have the right to Produce  
7 Groundwater, on an annual basis, up to their Overlying Production Right set forth in Exhibit 4 for  
8 each Party. Each Party’s Overlying Production Right is subject to the following conditions and  
9 limitations:

10                                   **5.1.1.2** Pursuant to the terms of this Judgment, the Parties listed on  
11 Exhibit 4 have the right to Produce their Overlying Production Right for use on land they own or  
12 lease and without the need for Watermaster approval.

13                                   **5.1.1.3** Overlying Production Rights may be transferred pursuant to  
14 the provisions of Paragraph 16 of this Judgment.

15                                   **5.1.1.4** Overlying Production Rights are subject to Pro-Rata  
16 Reduction or Increase only pursuant to Paragraph 18.5.10.

17                                   **5.1.2 Non-Pumper Class Rights.** The Non-Pumper Class members  
18 claim the right to Produce Groundwater from the Native Safe Yield for reasonable and beneficial  
19 uses on their overlying land as provided for in this Judgment. On September 22, 2011, the Court  
20 approved the Non-Pumper Class Stipulation of Settlement through an amended final judgment  
21 that settled the Non-Pumper Class’ claims against the Public Water Suppliers (“Non-Pumper  
22 Class Judgment”). A copy of the Non-Pumper Class Judgment and the Non-Pumper Class  
23 Stipulation of Settlement are attached for reference only as Appendices A and B. This Judgment  
24 is consistent with the Non-Pumper Class Stipulation of Settlement and Judgment. Future  
25 Production by a member of the Non-Pumper Class is addressed in the Physical Solution.

26                                   **5.1.2.1** The Non-Pumper Class members shall have no right to  
27 transfer water pursuant to this Judgment.

1                                   **5.1.3 Small Pumper Class Production Rights.** Subject only to the  
2 closure of the Small Pumper Class membership, the Small Pumper Class’s aggregate Production  
3 Right is 3806.4 acre-feet per Year. Allocation of water to the Small Pumper Class is set at an  
4 average Small Pumper Class Member amount of 1.2 acre-feet per existing household or parcel  
5 based upon the 3172 known Small Pumper Class Member parcels at the time of this Judgment.  
6 Any Small Pumper Class Member may Produce up to and including 3 acre-feet per Year per  
7 existing household for reasonable and beneficial use on their overlying land, and such Production  
8 will not be subject to Replacement Water Assessment. Production by any Small Pumper Class  
9 Member above 3 acre-feet per Year per household or parcel will be subject to Replacement Water  
10 Assessment, as set forth in this Judgment. Administrative Assessments for unmetered Production  
11 by Small Pumper Class Members shall be set based upon the allocation of 1.2 acre-feet per Year  
12 per household or parcel, whichever is the case; metered Production shall be assessed in accord  
13 with the actual Production. A Small Pumper Class Member who is lawfully, by permit, operating  
14 a shared well with an adjoining Small Pumper Class Member, shall have all of the same rights  
15 and obligations under this Judgment without regard to the location of the shared well, and such  
16 shared use is not considered a prohibited transfer of a pumping right under Paragraph 5.1.3.3.

17                                   **5.1.3.1** The Production of Small Pumper Class Members of up to 3  
18 acre-feet per Year of Groundwater per household or per parcel for reasonable and beneficial use  
19 shall only be subject to reduction if: (1) the reduction is based upon a statistically credible study  
20 and analysis of the Small Pumper Class’ actual Native Safe Yield Production, as well as the  
21 nature of the use of such Native Safe Yield, over at least a three Year period; and (2) the  
22 reduction is mandated by Court order after notice to the Small Pumper Class Members affording a  
23 reasonable opportunity for the Court to hear any Small Pumper Class Member objections to such  
24 reduction, including a determination that Water Code section 106 may apply so as to prevent a  
25 reduction.

26                                   **5.1.3.2** The primary means for monitoring the Small Pumper Class  
27 Members’ Groundwater use under the Physical Solution will be based on physical inspection by  
28

1 the Watermaster, including the use of aerial photographs and satellite imagery. All Small Pumper  
2 Class Members agree to permit the Watermaster to subpoena the electrical meter records  
3 associated with their Groundwater wells on an annual basis. Should the Watermaster develop a  
4 reasonable belief that a Small Pumper Class Member household is using in excess of 3 acre-feet  
5 per Year, the Watermaster may cause to be installed a meter on such Small Pumper Class  
6 Member's well at the Small Pumper Class Member's expense.

7 **5.1.3.3** The pumping rights of Small Pumper Class Members are  
8 not transferable separately from the parcel of property on which the water is pumped, provided  
9 however a Small Pumper Class Member may move their water right to another parcel owned by  
10 that Small Pumper Class Member with approval of the Court. If a Small Pumper Class Member  
11 parcel is sold, absent a written contract stating otherwise and subject to the provisions of this  
12 Judgment, the water right for that Small Pumper Class Member parcel shall transfer to the new  
13 owners of that Small Pumper Class Member parcel. The pumping rights of Small Pumper Class  
14 Members may not be aggregated for use by a purchaser of more than one Small Pumper Class  
15 Member's property.

16 **5.1.3.4** Defaults or default judgments entered against any Small  
17 Pumper Class Member who did not opt out of the Small Pumper Class are hereby deemed non-  
18 operative and vacated *nunc pro tunc*, but only with respect to their ownership of real property  
19 meeting the Small Pumper Class definition.

20 **5.1.3.5** The Small Pumper Class shall be permanently closed to new  
21 membership upon issuance by the Court of its order granting final approval of the Small Pumper  
22 Class Settlement (the "Class Closure Date"), after the provision of notice to the Class of the Class  
23 Closure Date. Any Person or entity that does not meet the Small Pumper Class definition prior to  
24 the Class Closure Date is not a Member of the Small Pumper Class. Similarly, any additional  
25 household constructed on a Small Pumper Class Member parcel after the Class Closure Date is  
26 not entitled to a Production Right as set forth in Paragraphs 5.1.3 and 5.1.3.1.



1                   **5.1.3.6** Unknown Small Pumper Class Members are defined as: (1)  
2 those Persons or entities that are not identified on the list of known Small Pumper Class Members  
3 maintained by class counsel and supervised and controlled by the Court as of the Class Closure  
4 Date; and (2) any unidentified households existing on a Small Pumper Class Member parcel prior  
5 to the Class Closure Date. Within ten (10) Court days of the Class Closure Date, class counsel  
6 for the Small Pumper Class shall publish to the Court website and file with the Court a list of the  
7 known Small Pumper Class Members.

8                   **5.1.3.7** Given the limited number of additions to the Small Pumper  
9 Class during the more than five Years since the initial notice was provided to the Class, the Court  
10 finds that the number of potentially unknown Small Pumper Class Members and their associated  
11 water use is likely very low, and any Production by unknown Small Pumper Class Members is  
12 hereby deemed to be *de minimis* in the context of this Physical Solution and shall not alter the  
13 Production Rights decreed in this Judgment. However, whenever the identity of any unknown  
14 Small Pumper Class Member becomes known, that Small Pumper Class Member shall be bound  
15 by all provisions of this Judgment, including without limitation, the assessment obligations  
16 applicable to Small Pumper Class Members.

17                   **5.1.3.8** In recognition of his service as class representative, Richard  
18 Wood has a Production Right of up to five 5 acre-feet per Year for reasonable and beneficial use  
19 on his parcel free of Replacement Water Assessment. This Production Right shall not be  
20 transferable and is otherwise subject to the provisions of this Judgment.

21                   **5.1.4 Federal Reserved Water Right.** The United States has a right to  
22 Produce 7,600 acre-feet per Year from the Native Safe Yield as a Federal Reserved Water Right  
23 for use for military purposes at Edwards Air Force Base and Air Force Plant 42. *See Cappaert v.*  
24 *United States*, 426 U.S. 128, 138 (1976); *United States v. New Mexico*, 438 U.S. 696, 700 (1978).  
25 Maps of the boundaries of Edwards Air Force Base and Plant 42 are attached hereto as Exhibits 6  
26 and 7. The United States may Produce any or all of this water at any time for uses consistent with  
27 the purposes of its Federal Reserved Water Right. Water uses at Edwards Air Force Base and  
28

1 Plant 42 as of the date of this Judgment are consistent with the military purposes of the facilities.  
2 The Federal Reserved Water Right to Produce 7,600 acre-feet per Year is not subject to  
3 Rampdown or any reduction including Pro-Rata Reduction due to Overdraft.

4 **5.1.4.1** In the event the United States does not Produce its  
5 entire 7,600 acre-feet in any given Year, the unused amount in any Year will be allocated to the  
6 Non-Overlying Production Rights holders, except for Boron Community Services District and  
7 West Valley County Water District, in the following Year, in proportion to Production Rights set  
8 forth in Exhibit 3. This Production of unused Federal Reserved Water Right Production does not  
9 increase any Non-Overlying Production Right holder's decreed Non-Overlying Production Right  
10 amount or percentage, and does not affect the United States' ability to fully Produce its Federal  
11 Reserved Water Right as provided in Paragraph 5.1.4 in any subsequent Year. Upon entry of a  
12 judgment confirming its Federal Reserved Water Rights consistent with this Judgment, the United  
13 States waives any rights under State law to a correlative share of the Groundwater in the Basin  
14 underlying Edwards Air Force Base and Air Force Plant 42.

15 **5.1.4.2** The United States is not precluded from acquiring State law  
16 based Production Rights in excess of its Federal Reserved Water Right through the acquisition of  
17 Production Rights in the Basin.

18 **5.1.5 State of California Production Rights.** The State of California  
19 shall have a Production Right of 207 acre-feet per Year from the Native Safe Yield and shall have  
20 the additional right to Produce Native Safe Yield as set forth in Paragraphs 5.1.5.3 and 5.1.5.4  
21 below. This Production of Native Safe Yield shall not be subject to Pro-Rata Reduction. Any  
22 Production by the State of California above 207 acre-feet per Year that is not Produced pursuant  
23 to Paragraphs 5.1.5.3 and 5.1.5.4 below shall be subject to Replacement Assessments. All  
24 Production by the State of California shall also be subject to the Administrative Assessment and  
25 the Balance Assessment except in emergency situations as provided in Paragraph 5.1.5.4.3 below.  
26 Any Production of Native Safe Yield pursuant to Paragraphs 5.1.5.3 and 5.1.5.4 below shall not  
27 reduce any other Party's Production Rights pursuant to this Judgment.

1                           **5.1.5.1**           The State of California’s Production Right in the amount of  
2 207 acre-feet per Year is allocated separately to each of the State agencies, departments, and  
3 associations as listed below in Paragraph 5.1.5.2. Notwithstanding the separate allocations, any  
4 Production Right, or portion thereof, of one of the State agencies, departments, and associations  
5 may be transferred or used by the other State agencies, departments, and associations on parcels  
6 within the Basin. This transfer shall be done by agreement between the State agencies,  
7 departments, or associations without a Replacement Water Assessment and without the need for  
8 Watermaster approval. Prior to the transfer of another State agency, department, or association’s  
9 Production Right, the State agency, department, or association receiving the ability to use the  
10 Production Right shall obtain written consent from the transferor. Further, the State agency,  
11 department, or association receiving the Production Right shall notify the Watermaster of the  
12 transfer.

13                           **5.1.5.2**           The Production Rights are allocated as follows and may be  
14 exercised by the following nine (9) State agencies:

15                           **5.1.5.2.1**           The California Department of Water Resources-104  
16 acre- feet per Year.

17                           **5.1.5.2.2**           The California Department of Parks and Recreation-  
18 9 acre-feet per Year.

19                           **5.1.5.2.3**           The California Department of Transportation -47  
20 acre-feet per Year.

21                           **5.1.5.2.4**           The California State Lands Commission-3 acre-feet  
22 per Year

23                           **5.1.5.2.5**           The California Department of Corrections and  
24 Rehabilitation-3 acre-feet per Year.

25                           **5.1.5.2.6**           The 50th District Agricultural Association-32 acre-  
26 feet per Year.

1                                   **5.1.5.2.7**           The California Department of Veteran Affairs-3  
2 acre-feet per Year.

3                                   **5.1.5.2.8**           The California Highway Patrol -3 acre- feet per  
4 Year.

5                                   **5.1.5.2.9**           The California Department of Military-3 acre-feet  
6 per Year.

7                                   **5.1.5.3**            If at any time, the amount of water supplied to the State of  
8 California by District No. 40, AVEK, or Rosamond Community Service District is no longer  
9 available or no longer available at reasonable rates to the State of California, the State of  
10 California shall have the additional right to Produce Native Safe Yield to meet its reasonable and  
11 beneficial needs up to 787 acre-feet per Year, the amount provided by District No. 40, AVEK and  
12 Rosamond Community Services District to the State of California in the Year 2013.

13                                   **5.1.5.4**            The following provisions will also apply to each specific  
14 agency listed below:

15                                   **5.1.5.4.1**           California Department of Corrections &  
16 Rehabilitation (CDCR). In addition to its Production Right pursuant to Paragraphs 5.1.5.2.5 and  
17 5.1.5.3, CDCR may also pump Groundwater: (1) to the extent necessary to conduct periodic  
18 maintenance of its well pumping equipment; and (2) as a supplementary source of drinking water  
19 or as an emergency back-up supply as set forth in Water Code section 55338.

20                                   **5.1.5.4.2**           California Department of Water Resources (DWR).  
21 In addition to its Production pursuant to Paragraphs 5.1.5.2.1 and 5.1.5.3 above, DWR may also  
22 pump Native Safe Yield from the area adjacent to and beneath the California Aqueduct and  
23 related facilities at a time and in an amount it determines is reasonably necessary to protect the  
24 physical integrity of the California Aqueduct and related facilities from high Groundwater.  
25 Further, notwithstanding provisions of this Judgment prohibiting the export of Native Safe Yield  
26 from the Basin, DWR may place the Native Safe Yield that it pumps for the protection of the  
27 California Aqueduct into the California Aqueduct, whether or not such Native Safe Yield is  
28

1 ultimately returned to the Basin. However, DWR and AVEK shall use their best efforts to enter  
2 into an agreement allowing AVEK to recapture the Native Safe Yield DWR puts into the  
3 California Aqueduct and return it to the Basin.

4 **5.1.5.4.3** Department of Military. The Department of Military  
5 may Produce additional Groundwater in an amount necessary to protect and promote public  
6 health and safety during an event deemed to be an emergency by the Department of Military  
7 pursuant to California Government Code sections 8567 and 8571, and California Military and  
8 Veterans Code sections 143 and 146. Such Production shall be free from any assessment,  
9 including any Administrative, Balance, or Replacement Water Assessment.

10 **5.1.5.4.4** The California Department of Veterans Affairs. The  
11 California Department of Veteran Affairs has begun the expansion and increased occupancy  
12 project of the Veterans Home of California – Lancaster facility owned by the State of California  
13 by and on behalf of the California Department of Veterans Affairs. The California Department of  
14 Veterans Affairs fully expects that it will be able to purchase up to an additional 40 acre-feet per  
15 Year for use at this facility from District No. 40.

16 **5.1.6 Non-Overlying Production Rights.** The Parties listed in Exhibit 3  
17 have Production Rights in the amounts listed in Exhibit 3. Exhibit 3 is attached hereto, and  
18 incorporated herein by reference. Non-Overlying Production Rights are subject to Pro-Rata  
19 Reduction or Increase only pursuant to Paragraph 18.5.10.

20 **5.1.7 City of Lancaster.** The City of Lancaster ("Lancaster") can  
21 Produce up to 500 acre-feet of Groundwater for reasonable and beneficial uses at its National  
22 Soccer Complex. Such production shall only be subject to Administrative Assessment and no  
23 other assessments. Lancaster will stop Producing Groundwater and will use Recycled Water  
24 supplied from District No. 40, when it becomes available, to meet the reasonable and beneficial  
25 water uses of the National Soccer Complex. Lancaster may continue to Produce up to 500 acre-  
26 feet of Groundwater until Recycled Water becomes available to serve the reasonable and  
27 beneficial water uses of the National Soccer Complex. Nothing in this paragraph shall be  
28

1 construed as requiring Lancaster to have any responsibility for constructing, or in any way  
2 contributing to the cost of, any infrastructure necessary to deliver Recycled Water to the National  
3 Soccer Complex.

4 **5.1.8 Antelope Valley Joint Union High School District.** Antelope  
5 Valley Joint Union High School District is a public school entity duly organized and existing  
6 under the laws of the State of California. In addition to the amounts allocated to Antelope Valley  
7 Joint Union High School District (“AVJUHS”) and pursuant to Exhibit 4, AVJUHS can  
8 additionally produce up to 29 acre-feet of Groundwater for reasonable and beneficial uses on its  
9 athletic fields and other public spaces. When recycled water becomes available to Quartz Hill  
10 High School (located at 6040 West Avenue L, Quartz Hill, CA 93535) which is a site that is part  
11 of AVJUHS, at a price equal to or less than the lowest cost of any of the following:

12 Replacement Obligation, Replacement Water, or other water that is delivered to AVJUHS at  
13 Quartz Hill High School, AVJUHS will stop producing the 29 acre-feet of Groundwater  
14 allocated to it and use recycled water as a replacement to its 29 acre-feet production. AVJUHS  
15 retains its production rights and allocation pursuant to Exhibit 4 of this Judgment.

16 **5.1.9 Construction of Solar Power Facilities.** Any Party may Produce  
17 Groundwater in excess of its Production Right allocated to it in Exhibit 4 for the purpose of  
18 constructing a facility located on land overlying the Basin that will generate, distribute or store  
19 solar power through and including December 31, 2016 and shall not be charged a Replacement  
20 Water Assessment or incur a Replacement Obligation for such Production in excess of its  
21 Production Rights. Any amount of such production in excess of the Production Right through  
22 and including December 31, 2016 shall be reasonable to accomplish such construction but shall  
23 not exceed 500 acre-feet per Year for all Parties using such water.

24 **5.1.10 Production Rights Claimed by Non-Stipulating Parties.** Any  
25 claim to a right to Produce Groundwater from the Basin by a Non-Stipulating Party shall be  
26 subject to procedural or legal objection by any Stipulating Party. Should the Court, after taking  
27 evidence, rule that a Non-Stipulating Party has a Production Right, the Non-Stipulating Party  
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1 shall be subject to all provisions of this Judgment, including reduction in Production necessary to  
2 implement the Physical Solution and the requirements to pay assessments, but shall not be  
3 entitled to benefits provided by Stipulation, including but not limited to Carry Over pursuant to  
4 Paragraph 15 and Transfers pursuant to Paragraph 16. If the total Production by Non-Stipulating  
5 Parties is less than seven percent (7%) of the Native Safe Yield, such Production will be  
6 addressed when Native Safe Yield is reviewed pursuant to Paragraph 18.5.9. If the total  
7 Production by Non-Stipulating Parties is greater than seven percent (7%) of the Native Safe  
8 Yield, the Watermaster shall determine whether Production by Non-Stipulating Parties would  
9 cause Material Injury, in which case the Watermaster shall take action to mitigate the Material  
10 Injury, including, but not limited to, imposing a Balance Assessment, provided however, that the  
11 Watermaster shall not recommend any changes to the allocations under Exhibits 3 and 4 prior to  
12 the redetermination of Native Safe Yield pursuant to Paragraph 18.5.9. In all cases, however,  
13 whenever the Watermaster re-determines the Native Safe Yield pursuant to Paragraph 18.5.9, the  
14 Watermaster shall take action to prevent Native Safe Yield Production from exceeding the Native  
15 Safe Yield on a long-term basis.

16 **5.2 Rights to Imported Water Return Flows.**

17 **5.2.1 Rights to Imported Water Return Flows.** Return Flows from  
18 Imported Water used within the Basin which net augment the Basin Groundwater supply are not a  
19 part of the Native Safe Yield. Subject to review pursuant to Paragraph 18.5.11, Imported Water  
20 Return Flows from Agricultural Imported Water use are 34% and Imported Water Return Flows  
21 from Municipal and Industrial Imported Water use are 39% of the amount of Imported Water  
22 used.

23 **5.2.2 Water Imported Through AVEK.** The right to Produce Imported  
24 Water Return Flows from water imported through AVEK belongs exclusively to the Parties  
25 identified on Exhibit 8, attached hereto, and incorporated herein by reference. Each Party shown  
26 on Exhibit 8 shall have a right to Produce an amount of Imported Water Return Flows in any  
27 Year equal to the applicable percentage multiplied by the average amount of Imported Water used  
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1                   **6.4           Injunction Against Transportation From Basin.** Except upon further  
2 order of the Court, each and every Party, its officers, agents, employees, successors and assigns,  
3 is ENJOINED AND RESTRAINED from transporting Groundwater hereafter Produced from the  
4 Basin to areas outside the Basin except as provided for by the following. The United States may  
5 transport water Produced pursuant to its Federal Reserved Water Right to any portion of Edwards  
6 Air Force Base, whether or not the location of use is within the Basin. This injunction does not  
7 prevent Saint Andrew’s Abbey, Inc., U.S. Borax and Tejon Ranchcorp/Tejon Ranch Company  
8 from conducting business operations on lands both inside and outside the Basin boundary, and  
9 transporting Groundwater Produced consistent with this Judgment for those operations and for  
10 use on those lands outside the Basin and within the watershed of the Basin as shown in Exhibit 9.  
11 This injunction also does not apply to any California Aqueduct protection dewatering Produced  
12 by the California Department of Water Resources. This injunction does not apply to the recovery  
13 and use of stored Imported Water by any Party that stores Imported Water in the Basin pursuant  
14 to Paragraph 14 of this Judgment.

15                   **6.4.1           Export by Boron and Phelan Piñon Hills Community Services**  
16 **Districts.**

17                               **6.4.1.1**           The injunction does not prevent Boron Community Services  
18 District from transporting Groundwater Produced consistent with this Judgment for use outside  
19 the Basin, provided such water is delivered within its service area.

20                               **6.4.1.2**           The injunction does not apply to any Groundwater Produced  
21 within the Basin by Phelan Piñon Hills Community Services District and delivered to its service  
22 areas, so long as the total Production does not exceed 1,200 acre-feet per Year, such water is  
23 available for Production without causing Material Injury, and the District pays a Replacement  
24 Water Assessment pursuant to Paragraph 9.2, together with any other costs deemed necessary to  
25 protect Production Rights decreed herein, on all water Produced and exported in this manner.

26                   **6.5           Continuing Jurisdiction.** The Court retains and reserves full jurisdiction,  
27 power and authority for the purpose of enabling the Court, upon a motion of a Party or Parties  
28



1 noticed in accordance with the notice procedures of Paragraph 20.6 hereof, to make such further  
2 or supplemental order or directions as may be necessary or appropriate to interpret, enforce,  
3 administer or carry out this Judgment and to provide for such other matters as are not  
4 contemplated by this Judgment and which might occur in the future, and which if not provided for  
5 would defeat the purpose of this Judgment.

### 6 **III. PHYSICAL SOLUTION**

#### 7 **7. GENERAL**

8 **7.1 Purpose and Objective.** The Court finds that the Physical Solution  
9 incorporated as part of this Judgment: (1) is a fair and equitable basis for satisfaction of all water  
10 rights in the Basin; (2) is in furtherance of the State Constitution mandate and the State water  
11 policy; and (3) takes into account water rights priorities, applicable public trust interests and the  
12 Federal Reserved Water Right. The Court finds that the Physical Solution establishes a legal and  
13 practical means for making the maximum reasonable and beneficial use of the waters of the Basin  
14 by providing for the long-term Conjunctive Use of all available water in order to meet the  
15 reasonable and beneficial use requirements of water users in the Basin. Therefore, the Court  
16 adopts, and orders the Parties to comply with this Physical Solution.

17 **7.2 Need For Flexibility.** This Physical Solution must provide flexibility and  
18 adaptability to allow the Court to use existing and future technological, social, institutional, and  
19 economic options in order to maximize reasonable and beneficial water use in the Basin.

20 **7.3 General Pattern of Operations.** A fundamental premise of the Physical  
21 Solution is that all Parties may Produce sufficient water to meet their reasonable and beneficial  
22 use requirements in accordance with the terms of this Judgment. To the extent that Production by  
23 a Producer exceeds such Producer's right to Produce a portion of the Total Safe Yield as provided  
24 in this Judgment, the Producer will pay a Replacement Water Assessment to the Watermaster and  
25 the Watermaster will provide Replacement Water to replace such excess production according to  
26 the methods set forth in this Judgment.

1           **7.4        Water Rights.** A Physical Solution for the Basin based upon a declaration  
2 of water rights and a formula for allocation of rights and obligations is necessary to implement  
3 the mandate of Article X, section 2 of the California Constitution. The Physical Solution requires  
4 quantifying the Producers’ rights within the Basin in a manner which will reasonably allocate the  
5 Native Safe Yield and Imported Water Return Flows and which will provide for sharing Imported  
6 Water costs. Imported Water sources are or will be available in amounts which, when combined  
7 with water conservation, water reclamation, water transfers, and improved conveyance and  
8 distribution methods within the Basin, will be sufficient in quantity and quality to assure  
9 implementation of the Physical Solution. Sufficient information and data exists to allocate  
10 existing water supplies, taking into account water rights priorities, within the Basin and as among  
11 the water users. The Physical Solution provides for delivery and equitable distribution of  
12 Imported Water to the Basin.

13           **8.        RAMPDOWN**

14           **8.1        Installation of Meters.** Within two (2) Years from the entry of this  
15 Judgment all Parties other than the Small Pumper Class shall install meters on their wells for  
16 monitoring Production. Each Party shall bear the cost of installing its meter(s). Monitoring or  
17 metering of Production by the Small Pumper Class shall be at the discretion of the Watermaster,  
18 subject to the provisions of Paragraph 5.1.3.2.

19           **8.2        Rampdown Period.** The “Rampdown Period” is seven Years beginning  
20 on the January 1 following entry of this Judgment and continuing for the following seven (7)  
21 Years.

22           **8.3        Reduction of Production During Rampdown.** During the first two Years  
23 of the Rampdown Period no Producer will be subject to a Replacement Water Assessment.  
24 During Years three through seven of the Rampdown Period, the amount that each Party may  
25 Produce from the Native Safe Yield will be progressively reduced, as necessary, in equal annual  
26 increments, from its Pre-Rampdown Production to its Production Right. Except as is determined  
27 to be exempt during the Rampdown period pursuant to the Drought Program provided for in  
28

1 Paragraph 8.4, any amount Produced over the required reduction shall be subject to Replacement  
2 Water Assessment. The Federal Reserved Water Right is not subject to Rampdown.

3 **8.4 Drought Program During Rampdown for Participating Public Water**

4 **Suppliers.** During the Rampdown period a drought water management program (“Drought  
5 Program”) will be implemented by District No. 40, Quartz Hill Water District, Littlerock Creek  
6 Irrigation District, California Water Service Company, Desert Lake Community Services District,  
7 North Edwards Water District, City of Palmdale, and Palm Ranch Irrigation District,  
8 (collectively, "Drought Program Participants”), as follows:

9 **8.4.1** During the Rampdown period, District No. 40 agrees to purchase  
10 from AVEK each Year at an amount equal to 70 percent of District No. 40's total annual demand  
11 if that amount is available from AVEK at no more than the then current AVEK treated water rate.  
12 If that amount is not available from AVEK, District No. 40 will purchase as much water as  
13 AVEK makes available to District No. 40 at no more than the then current AVEK treated water  
14 rate. Under no circumstances will District No. 40 be obligated to purchase more than 50,000  
15 acre-feet of water annually from AVEK. Nothing in this Paragraph affects AVEK’s water  
16 allocation procedures as established by its Board of Directors and AVEK’s Act.

17 **8.4.2** During the Rampdown period, the Drought Program Participants  
18 each agree that, in order to minimize the amount of excess Groundwater Production in the Basin,  
19 they will use all water made available by AVEK at no more than the then current AVEK treated  
20 water rate in any Year in which they Produce Groundwater in excess of their respective rights to  
21 Produce Groundwater under this Judgment. During the Rampdown period, no Production by a  
22 Drought Program Participant shall be considered excess Groundwater Production exempt from a  
23 Replacement Water Assessment under this Drought Program unless a Drought Program  
24 Participant has utilized all water supplies available to it including its Production Right to Native  
25 Safe Yield, Return Flow rights, unused Production allocation of the Federal Reserved Water  
26 Rights, Imported Water, and Production rights previously transferred from another party.  
27 Likewise, no Production by a Drought Program Participant will be considered excess  
28

1 Groundwater Production exempt from a Replacement Water Assessment under this Drought  
2 Program in any Year in which the Drought Program Participant has placed water from such  
3 sources described in this Paragraph 8.4.2 into storage or has transferred such water to another  
4 Person or entity.

5 **8.4.3** During the Rampdown period, the Drought Program Participants  
6 will be exempt from the requirement to pay a Replacement Water Assessment for Groundwater  
7 Production in excess of their respective rights to Produce Groundwater under this Judgment up to  
8 a total of 40,000 acre-feet over the Rampdown Period with a maximum of 20,000 acre-feet in any  
9 single Year for District No. 40 and a total of 5,000 acre-feet over the Rampdown Period for all  
10 other Drought Program Participants combined. During any Year that excess Groundwater is  
11 produced under this Drought Program, all Groundwater Production by the Drought Program  
12 Participants will be for the purpose of a direct delivery to customers served within their respective  
13 service areas and will not be transferred to other users within the Basin.

14 **8.4.4** Notwithstanding the foregoing, the Drought Program Participants  
15 remain subject to the Material Injury limitation as provided in this Judgment.

16 **8.4.5** Notwithstanding the foregoing, the Drought Program Participants  
17 remain subject to a Balance Assessment as provided in Paragraph 9.3 of this Judgment.

18 **9. ASSESSMENTS.**

19 **9.1 Administrative Assessment.** Administrative Assessments to fund the  
20 Administrative Budget adopted by the Watermaster shall be levied uniformly on an annual basis  
21 against (1) each acre foot of a Party's Production Right as described in Paragraph 5.1, (2) each  
22 acre foot of a Party's right to Produce Imported Water Return Flows as determined pursuant to  
23 Paragraph 5.2, (3) each acre foot of a Party's Production for which a Replacement Water  
24 Assessment has been imposed pursuant to Paragraph 9.2, and (4) during the Rampdown, each  
25 acre foot of a Party's Production in excess of (1)-(3), above, excluding Production from Stored  
26 Water and/or Carry Over water, except that the United States shall be subject to the  
27 Administrative Assessment only on the actual Production of the United States. During the  
28

1 Rampdown the Administrative Assessment shall be no more than five (5) dollars per acre foot, or  
2 as ordered by the Court upon petition of the Watermaster. Non-Overlying Production Rights  
3 holders using the unused Production allocation of the Federal Reserved Water Right shall be  
4 subject to Administrative Assessments on water the Non-Overlying Production Rights holders  
5 Produce pursuant to Paragraph 5.1.4.1.

6           **9.2           Replacement Water Assessment.** In order to ensure that each Party may  
7 fully exercise its Production Right, there will be a Replacement Water Assessment. Except as is  
8 determined to be exempt during the Rampdown period pursuant to the Drought Program provided  
9 for in Paragraph 8.4, the Watermaster shall impose the Replacement Water Assessment on any  
10 Producer whose Production of Groundwater from the Basin in any Year is in excess of the sum of  
11 such Producer's Production Right and Imported Water Return Flow available in that Year,  
12 provided that no Replacement Water Assessment shall be imposed on the United States except  
13 upon the United States' written consent to such imposition based on the appropriation by  
14 Congress, and the apportionment by the Office of Management and Budget, of funds that are  
15 available for the purpose of, and sufficient for, paying the United States' Replacement Water  
16 Assessment. The Replacement Water Assessment shall not be imposed on the Production of  
17 Stored Water, In-Lieu Production or Production of Imported Water Return Flows. The amount of  
18 the Replacement Water Assessment shall be the amount of such excess Production multiplied by  
19 the cost to the Watermaster of Replacement Water, including any Watermaster spreading costs.  
20 All Replacement Water Assessments collected by the Watermaster shall be used to acquire  
21 Imported Water from AVEK, Littlerock Creek Irrigation District, Palmdale Water District, or  
22 other entities. AVEK shall use its best efforts to acquire as much Imported Water as possible in a  
23 timely manner. If the Watermaster encounters delays in acquiring Imported Water which, due to  
24 cost increases, results in collected assessment proceeds being insufficient to purchase all Imported  
25 Water for which the Assessments were made, the Watermaster shall purchase as much water as  
26 the proceeds will allow when the water becomes available. If available Imported Water is  
27 insufficient to fully meet the Replacement Water obligations under contracts, the Watermaster  
28

1 shall allocate the Imported Water for delivery to areas on an equitable and practicable basis  
2 pursuant to the Watermaster rules and regulations.

3           **9.2.1**           The Non-Pumper Class Stipulation of Settlement, executed by its  
4 signatories and approved by the Court in the Non-Pumper Class Judgment, specifically provides  
5 for imposition of a Replacement Water Assessment on Non-Pumper Class members. This  
6 Judgment is consistent with the Non-Pumper Class Stipulation of Settlement and Judgment. The  
7 Non-Pumper Class members specifically agreed to pay a replacement assessment if that member  
8 produced “more than its annual share” of the Native Safe Yield less the amount of the Federal  
9 Reserved Right. (See Appendix B at paragraph V., section D. Replacement Water.) In approving  
10 the Non-Pumper Class Stipulation of Settlement this Court specifically held in its Order after  
11 Hearing dated November 18, 2010, that “the court determination of physical solution cannot be  
12 limited by the Class Settlement.” The Court also held that the Non-Pumper Class Stipulation of  
13 Settlement “may not affect parties who are not parties to the settlement.”

14           **9.2.2**           Evidence presented to the Court demonstrates that Production by  
15 one or more Public Water Suppliers satisfies the elements of prescription and that Production by  
16 overlying landowners during portion(s) of the prescriptive period exceeded the Native Safe Yield.  
17 At the time of this Judgment the entire Native Safe Yield is being applied to reasonable and  
18 beneficial uses in the Basin. Members of the Non-Pumper Class do not and have never Produced  
19 Groundwater for reasonable beneficial use as of the date of this Judgment. Pursuant to *Pasadena*  
20 *v. Alhambra* (1949) 33 Cal 2d 908, 931-32 and other applicable law, the failure of the Non-  
21 Pumper Class members to Produce any Groundwater under the facts here modifies their rights to  
22 Produce Groundwater except as provided in this Judgment. Because this is a comprehensive  
23 adjudication pursuant to the McCarran Amendment, consistent with the California Supreme Court  
24 decisions, including *In Re Waters of Long Valley Creek Stream System* (1979) 25 Cal. 3d 339,  
25 this Court makes the following findings: (1) certainty fosters reasonable and beneficial use of  
26 water and is called for by the mandate of Article X, section 2; (2) because of this mandate for  
27 certainty and in furtherance of the Physical Solution, any New Production, including that by a  
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1 member of the Non-Pumper Class must comply with the New Production Application Procedure  
2 specified in Paragraph 18.5.13; (3) as of this Judgment no member of the Non-Pumper Class has  
3 established a Production Right to the reasonable and beneficial use of Groundwater based on their  
4 unexercised claim of right to Produce Groundwater; (4) if in the future a member of the Non-  
5 Pumper Class proposes to Produce Groundwater for reasonable and beneficial use, the  
6 Watermaster as part of the New Production Application Procedure, has the authority to determine  
7 whether such a member has established that the proposed New Production is a reasonable and  
8 beneficial use in the context of other existing uses of Groundwater and then-current Basin  
9 conditions; and (5) the Watermaster's determinations as to the approval, scope, nature and priority  
10 of any New Production is reasonably necessary to the promotion of the State's interest in fostering  
11 the most reasonable and beneficial use of its scarce water resources. All provisions of this  
12 Judgment regarding the administration, use and enforcement of the Replacement Water  
13 Assessment shall apply to each Non-Pumper Class member that Produces Groundwater. Prior to  
14 the commencement of Production, each Producing Non-Pumper Class member shall install a  
15 meter and report Production to the Watermaster. The Court finds that this Judgment is consistent  
16 with the Non-Pumper Stipulation of Settlement and Judgment.

17 **9.3 Balance Assessment.** In order to ensure that after Rampdown each Party  
18 may fully exercise its Production Right, there may be a Balance Assessment imposed by the  
19 Watermaster. The Balance Assessment shall be assessed on all Production Rights, excluding the  
20 United States' actual Production, but including that portion of the Federal Reserved Right  
21 Produced by other Parties, in an amount determined by the Watermaster. A Balance Assessment  
22 may not be imposed until after the end of the Rampdown. In determining whether to adopt a  
23 Balance Assessment, and in what amount, the Watermaster Engineer shall consider current Basin  
24 conditions as well as then-current pumping existing after Rampdown exclusive of any  
25 consideration of an effect on then-current Basin conditions relating to Production of Groundwater  
26 pursuant to the Drought Program which occurred during the Rampdown, and shall only assess a  
27

1 Balance Assessment or curtail a Party's Production under section 9.3.4 below, to avoid or  
2 mitigate Material Injury that is caused by Production after the completion of the Rampdown.

3 **9.3.1** Any proceeds of the Balance Assessment will be used to purchase,  
4 deliver, produce in lieu, or arrange for alternative pumping sources of water in the Basin, but shall  
5 not include infrastructure costs.

6 **9.3.2** The Watermaster Engineer shall determine and collect from any  
7 Party receiving direct benefit of the Balance Assessment proceeds an amount equal to that Party's  
8 avoided Production costs.

9 **9.3.3** The Balance Assessment shall not be used to benefit the United  
10 States unless the United States participates in paying the Balance Assessment.

11 **9.3.4** The Watermaster Engineer may curtail the exercise of a Party's  
12 Production Right under this Judgment, except the United States' Production, if it is determined  
13 necessary to avoid or mitigate a Material Injury to the Basin and provided that the Watermaster  
14 provides an equivalent quantity of water to such Party as a substitute water supply, with such  
15 water paid for from the Balance Assessment proceeds.

16 **10. SUBAREAS.** Subject to modification by the Watermaster the following Subareas  
17 are recognized:

18 **10.1 Central Antelope Valley Subarea.** The Central Antelope Valley Subarea  
19 is the largest of the five Subareas and underlies Rosamond, Quartz Hill, Lancaster, Edwards AFB  
20 and much of Palmdale. This Subarea also contains the largest amount of remaining agricultural  
21 land use in the Basin. The distinctive geological features of the Central Antelope Valley Subarea  
22 are the presence of surficial playa and pluvial lake deposits; the widespread occurrence of thick,  
23 older pluvial lake bed deposits; and alluvial deposits from which Groundwater is produced above  
24 and below the lake bed deposits. The Central Antelope Valley Subarea is defined to be east of the  
25 largely buried ridge of older granitic and tertiary rocks exposed at Antelope Buttes and extending  
26 beyond Little Buttes and Tropic Hill. The Central Subarea is defined to be southwest and  
27  
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1 Injury. The Court shall not impose the cost of moving the Public Water Supplier Production  
2 Facilities on any non-Public Water Supplier Party to this Judgment.

3 **13. FEDERAL APPROVAL.** This Judgment is contingent on final approval by the  
4 Department of Justice. Such approval will be sought upon final agreement of the terms of this  
5 Judgment by the settling Parties. Nothing in this Judgment shall be interpreted or construed as a  
6 commitment or requirement that the United States obligate or pay funds in contravention of the  
7 Anti-Deficiency Act, 31 U.S.C. § 1341, or any other applicable provision of law. Nothing in this  
8 Judgment, specifically including Paragraphs 9.1, 9.2 and 9.3, shall be construed to deprive any  
9 federal official of the authority to revise, amend, or promulgate regulations. Nothing in this  
10 Judgment shall be deemed to limit the authority of the executive branch to make  
11 recommendations to Congress on any particular piece of legislation. Nothing in this Judgment  
12 shall be construed to commit a federal official to expend federal funds not appropriated by  
13 Congress. To the extent that the expenditure or advance of any money or the performance of any  
14 obligation of the United States under this Judgment is to be funded by appropriation of funds by  
15 Congress, the expenditure, advance, or performance shall be contingent upon the appropriation of  
16 funds by Congress that are available for this purpose and the apportionment of such funds by the  
17 Office of Management and Budget and certification by the appropriate Air Force official that  
18 funding is available for this purpose, and an affirmative obligation of the funds for payment made  
19 by the appropriate Air Force official. No breach of this Judgment shall result and no liability  
20 shall accrue to the United States in the event such funds are not appropriated or apportioned.

21 **14. STORAGE.** All Parties shall have the right to store water in the Basin pursuant to  
22 a Storage Agreement with the Watermaster. If Littlerock Creek Irrigation District or Palmdale  
23 Water District stores Imported Water in the Basin it shall not export from its service area that  
24 Stored Water. AVEK, Littlerock Creek Irrigation District or Palmdale Water District may enter  
25 into exchanges of their State Water Project “Table A” Amounts. Nothing in this Judgment limits  
26 or modifies operation of preexisting banking projects (including AVEK, District No. 40, Antelope  
27 Valley Water Storage LLC, Tejon Ranchcorp and Tejon Ranch Company, Sheep Creek Water  
28

1 Co., Rosamond Community Services District and Palmdale Water District) or performance of  
2 preexisting exchange agreements of the Parties. The Watermaster shall promptly enter into  
3 Storage Agreements with the Parties at their request. The Watermaster shall not enter into  
4 Storage Agreements with non-Parties unless such non-Parties become expressly subject to the  
5 provisions of this Judgment and the jurisdiction of the Court. Storage Agreements shall expressly  
6 preclude operations which will cause a Material Injury on any Producer. If, pursuant to a Storage  
7 Agreement, a Party has provided for pre-delivery or post-delivery of Replacement Water for the  
8 Party's use, the Watermaster shall credit such water to the Party's Replacement Water Obligation  
9 at the Party's request. Any Stored Water that originated as State Water Project water imported by  
10 AVEK, Palmdale Water District or Littlerock Creek Irrigation District may be exported from the  
11 Basin for use in a portion of the service area of any city or public agency, including State Water  
12 Project Contractors, that are Parties to this action at the time of this Judgment and whose service  
13 area includes land outside the Basin. AVEK may export any of its Stored State Project Water to  
14 any area outside its jurisdictional boundaries and the Basin provided that all water demands  
15 within AVEK's jurisdictional boundaries are met. Any Stored Water that originated as other  
16 Imported Water may be exported from the Basin, subject to a requirement that the Watermaster  
17 make a technical determination of the percentage of the Stored Water that is unrecoverable and  
18 that such unrecoverable Stored Water is dedicated to the Basin.

19 **15. CARRY OVER**

20 **15.1 In Lieu Production Right Carry Over.** Any Producer identified in  
21 Paragraph 5.1.1, 5.1.5 and 5.1.6 can utilize In Lieu Production by purchasing Imported Water and  
22 foregoing Production of a corresponding amount of the annual Production of Native Safe Yield  
23 provided for in Paragraph 5 herein. In Lieu Production must result in a net reduction of annual  
24 Production from the Native Safe Yield in order to be entitled to the corresponding Carry Over  
25 benefits under this paragraph. In Lieu Production does not make additional water from the Native  
26 Safe Yield available to any other Producer. If a Producer foregoes pumping and uses Imported  
27 Water In Lieu of Production, the Producer may Carry Over its right to the unproduced portion of  
28

1 its Production Right for up to ten (10) Years. A Producer must Produce its full current Year's  
2 Production Right before any Carry Over water is Produced. Carry Over water will be Produced  
3 on a first-in, first-out basis. At the end of the Carry Over period, the Producer may enter into a  
4 Storage Agreement with the Watermaster to store unproduced portions, subject to terms and  
5 conditions in the Watermaster's discretion. Any such Storage Agreements shall expressly  
6 preclude operations, including the rate and amount of extraction, which will cause a Material  
7 Injury to another Producer or Party, any subarea or the Basin. If not converted to a Storage  
8 Agreement, Carry Over water not Produced by the end of the tenth Year reverts to the benefit of  
9 the Basin and the Producer no longer has a right to the Carry Over water. The Producer may  
10 transfer any Carry Over water or Carry Over water stored pursuant to a Storage Agreement.

11 **15.2 Imported Water Return Flow Carry Over.** If a Producer identified in  
12 Paragraph 5.1.1, 5.1.5 and 5.1.6 fails to Produce its full amount of Imported Water Return Flows  
13 in the Year following the Year in which the Imported Water was brought into the Basin, the  
14 Producer may Carry Over its right to the unproduced portion of its Imported Water Return Flows  
15 for up to ten (10) Years. A Producer must Produce its full Production Right before any Carry  
16 Over water, or any other water, is Produced. Carry Over water will be Produced on a first-in,  
17 first-out basis. At the end of the Carry Over period, the Producer may enter into a Storage  
18 Agreement with the Watermaster to store unproduced portions, subject to terms and conditions in  
19 the Watermaster's discretion. Any such Storage Agreements shall expressly preclude operations,  
20 including the rate and amount of extraction, which will cause a Material Injury to another  
21 Producer or Party, any subarea or the Basin. If not converted to a Storage Agreement, Carry Over  
22 water not Produced by the end of the tenth Year reverts to the benefit of the Basin and the  
23 Producer no longer has a right to the Carry Over water. The Producer may transfer any Carry  
24 Over water or Carry Over water stored pursuant to a Storage Agreement.

25 **15.3 Production Right Carry Over.** If a Producer identified in Paragraph  
26 5.1.1, 5.1.5 and 5.1.6 fails to Produce its full Production Right in any Year, the Producer may  
27 Carry Over its right to the unproduced portion of its Production Right for up to ten (10) Years. A  
28

1 Producer must Produce its full Production Right before any Carry Over water, or any other water,  
2 is Produced. Carry Over water will be Produced on a first-in, first-out basis. At the end of the  
3 Carry Over period, the Producer may enter into a Storage Agreement with the Watermaster to  
4 store unproduced portions, subject to terms and conditions in the Watermaster's discretion. Any  
5 such Storage Agreements shall expressly preclude operations, including the rate and amount of  
6 extraction, which will cause a Material Injury to another Producer or Party, any subarea or the  
7 Basin. If not converted to a Storage Agreement, Carry Over water not Produced by the end of the  
8 tenth Year reverts to the benefit of the Basin and the Producer no longer has a right to the Carry  
9 Over water. The Producer may transfer any Carry Over water or Carry Over water stored  
10 pursuant to a Storage Agreement.

11 **16. TRANSFERS.**

12 **16.1 When Transfers are Permitted.** Pursuant to terms and conditions to be  
13 set forth in the Watermaster rules and regulations, and except as otherwise provided in this  
14 Judgment, Parties may transfer all or any portion of their Production Right to another Party so  
15 long as such transfer does not cause Material Injury. All transfers are subject to hydrologic  
16 review by the Watermaster Engineer.

17 **16.2 Transfers to Non-Overlying Production Right Holders.** Overlying  
18 Production Rights that are transferred to Non-Overlying Production Right holders shall remain on  
19 Exhibit 4 and be subject to adjustment as provided in Paragraph 18.5.10, but may be used  
20 anywhere in the transferee's service area.

21 **16.3 Limitation on Transfers of Water by Antelope Valley United Mutuals**  
22 **Group.** After the date of this Judgment, any Overlying Production Rights pursuant to Paragraph  
23 5.1.1, rights to Imported Water Return Flows pursuant to Paragraph 5.2, rights to Recycled Water  
24 pursuant to Paragraph 5.3 and Carry Over water pursuant to Paragraph 15 (including any water  
25 banked pursuant to a Storage Agreement with the Watermaster) that are at any time held by any  
26 member of the Antelope Valley United Mutuals Group may only be transferred to or amongst  
27 other members of the Antelope Valley United Mutuals Group, except as provided in Paragraph  
28

1 16.3.1. Transfers amongst members of the Antelope Valley United Mutuals Group shall be  
2 separately reported in the Annual Report of the Watermaster pursuant to Paragraphs 18.4.8 and  
3 18.5.17. Transfers amongst members of the Antelope Valley United Mutuals Group shall not be  
4 deemed to constitute an abandonment of any member's non-transferred rights.

5 **16.3.1** Nothing in Paragraph 16.3 shall prevent Antelope Valley United  
6 Mutuals Group members from transferring Overlying Production Rights to Public Water  
7 Suppliers who assume service of an Antelope Valley United Mutuals Group member's  
8 shareholders.

9 **16.4** Notwithstanding section 16.1, the Production Right of Boron Community  
10 Services District shall not be transferable. If and when Boron Community Services District  
11 permanently ceases all Production of Groundwater from the Basin, its Production Right shall be  
12 allocated to the other holders of Non-Overlying Production Rights, except for West Valley  
13 County Water District, in proportion to those rights.

14 **17. CHANGES IN POINT OF EXTRACTION AND NEW WELLS.** Parties may  
15 change the point of extraction for any Production Right to another point of extraction so long as  
16 such change of the point of extraction does not cause Material Injury. A replacement well for an  
17 existing point of extraction which is located within 300 feet of a Party's existing well shall not be  
18 considered a change in point of extraction.

19 **17.1 Notice of New Well.** Any Party seeking to construct a new well in order to  
20 change the point of extraction for any Production Right to another point of extraction shall notify  
21 the Watermaster at least 90 days in advance of drilling any well of the location of the new point  
22 of extraction and the intended place of use of the water Produced.

23 **17.2 Change in Point of Extraction by the United States.** The point(s) of  
24 extraction for the Federal Reserved Water Right may be changed, at the sole discretion of the  
25 United States, and not subject to the preceding limitation on Material Injury, to any point or  
26 points within the boundaries of Edwards Air Force Base or Plant 42. The point(s) of extraction  
27 for the Federal Reserved Water Right may be changed to points outside the boundaries of  
28

**Judicial Council Coordination  
 Proceeding No. 4408  
 Santa Clara Case No.: 1-05-CV-049053**

<b>Producer Name</b>	<b>Non-Overlying Production Rights (in Acre-Feet)</b>	<b>Percentage Share of Adjusted Native Safe Yield</b>
Los Angeles County Waterworks District No. 40	6,789.26	9.605%
Palmdale Water District	2,769.63	3.918%
Little Rock Creek Irrigation District	796.58	1.127%
Quartz Hill Water District	563.73	0.798%
Rosamond Community Services District	404.42	0.572%
Palm Ranch Irrigation District	465.69	0.659%
Desert Lake Community Services District	73.53	0.104%
California Water Service Company	343.14	0.485%
North Edwards Water District	49.02	0.069%
Boron Community Services District	50.00	0.071%
West Valley County Water District	40.00	0.057%
<b>Total Acre Feet:</b>	<b>12,345.00</b>	

**Judicial Council Coordination  
 Proceeding No. 4408  
 Santa Clara Case No.: 1-05-CV-049053**

<b>Producer Name</b>	<b>Pre-Rampdown Production</b>	<b>Overlying Production Rights</b>	<b>Percentage Share of Adjusted Native Safe Yield</b>
60th Street Association Water System	2.16	2.16	0.003%
Adams Bennett Investments, LLC	0.00	0.00	0.000%
Antelope Park Mutual Water Company	208.75	169.89	0.240%
Antelope Valley Joint Union High School District	71.74	41.00	0.058%
Antelope Valley Mobile Estates	19.88	8.75	0.012%
Antelope Valley Water Storage LLC	1772.00	1772.00	2.507%
Aqua-J Mutual Water Company	44.90	44.35	0.063%
AV Solar Ranch 1, LLC	96.00	96.00	0.136%
AVEK	4000.00	3550.00	5.022%
Averydale Mutual Water Company	257.95	254.35	0.360%
Gene Bahlman	5.25	5.00	0.007%
Baxter Mutual Water Company	44.75	35.02	0.050%
Mark W. and Nancy L. Benz	1.00	1.00	0.001%
Big Rock Mutual Water Company	0.00	0.00	0.000%
Bleich Flat Mutual Water Company	33.50	33.50	0.047%
Sheldon R. Blum, Trustee of the 1998 Sheldon R. Blum Family Trust	50.00	50.00	0.071%
Bolthouse Properties LLC	16805.89	9945.00	14.069%
Thomas and Julie Bookman 2007 Trust	272.50	136.00	0.192%
James and Elizabeth Bridwell	1.00	1.00	0.001%
Brittner Trust, Glen Brittner, Trustee	4.00	4.00	0.006%
Burrows/300 A40 H LLC	295.00	295.00	0.417%
John A. Calandri; Calandri Water Company, LLC; John A. Calandri and Shannon C. Calandri as cotrustees of "The John and Shannon Calandri 1992 Trust"; Katherine J. Calandri Nelson, Trustee of "The Katherine J. Calandri Nelson 2008 Trust"	3803.00	1776.00	2.512%
Sal and Connie Cardile	1.00	1.00	0.001%
Irma Ann Carle Trust, Irma-Anne Carle, Trustee	1.00	1.00	0.001%
Effren Chavez	44.00	44.00	0.062%
C. Louise R. Close Living Trust	1.00	1.00	0.001%
Colorado Mutual Water Co.	25.90	25.54	0.036%
Copa De Oro Land Company	325.00	325.00	0.460%
County Sanitation Districts of Los Angeles #14 and 20	8000.00	3400.00	4.810%
Del Sur Ranch LLC	600.00	600.00	0.849%
Diamond Farming Co. LLC/Crystal Organic LLC/Grimmway/Lapis	3354.00	1986.00	2.810%
Randall and Billie Dickey	1.00	1.00	0.001%
El Dorado Mutual Water Company	276.05	272.16	0.385%
eSolar Inc.; Red Dawn Suntower LLC	150.00	150.00	0.212%
eSolar, Inc.; Sierra Sun Tower, LLC	5.76	3.00	0.004%
eSolar Inc.; Tumbleweed Suntower LLC	0.00	0.00	0.000%
Lawrence Dean Evans, Jr. and Susan Evans	1.00	1.00	0.001%

**Judicial Council Coordination  
 Proceeding No. 4408  
 Santa Clara Case No.: 1-05-CV-049053**

<b>Producer Name</b>	<b>Pre-Rampdown Production</b>	<b>Overlying Production Rights</b>	<b>Percentage Share of Adjusted Native Safe Yield</b>
Evergreen Mutual Water Company	69.50	68.54	0.097%
Ruth C. Findley	1.00	1.00	0.001%
First Mutual Water Company	15.62	5.25	0.007%
Leah Frankenberg	1.00	1.00	0.001%
Denise Godde, Steven F. Godde, Pamela M. Godde and Gary M. Godde; Denise Godde and Steven Godde as Trustees of the D & S Godde Trust	1461.50	683.00	0.966%
Gorrindo Resourceful LLC	629.00	629.00	0.890%
Granite Construction Company (Big Rock Facility)	126.00	126.00	0.178%
Granite Construction Company (Little Rock Sand and Gravel, Inc.)	400.00	234.00	0.331%
LAURA GRIFFIN, trustee of the FAMILY BYPASS TRUST created under the LEONARD W. GRIFFIN AND LAURA GRIFFIN TRUST, dated July 9, 1993	1170.00	668.00	0.945%
H & N Development Co. West Inc.	1799.75	808.00	1.143%
Jane Healy and Healy Enterprises Inc.	700.00	700.00	0.990%
Gailen W. Kyle and Julie Kyle, Trustees of The Kyle Revocable Living Trust	9275.00	3670.00	5.192%
Land Projects Mutual Water Co.	622.50	613.54	0.868%
Landale Mutual Water Co.	157.75	155.57	0.220%
Landinv Inc	2000.00	969.00	1.371%
Lands of Promise Mutual Water Company	64.61	21.69	0.031%
G. Lane Family (Frank and Yvonne Lane 1993 Family Trust, Little Rock Sand and Gravel, Inc., George and Charlene Lane Family Trust) [Does not include water pumped on land leased to Granite Construction]	1402.00	773.00	1.094%
James M. Leer, III and Diana Leer	1.00	1.00	0.001%
Littlerock Aggregate Co., Inc., Holliday Rock Co., Inc.	405.00	151.00	0.214%
Llano Del Rio Water Company	572.65	279.00	0.395%
Llano Mutual Water Company	0.00	0.00	0.000%
City of Los Angeles, Department of Airports	7851.00	3975.00	5.623%
Jose M. Maritorenna & Marie P. Maritorenna, Trustees of the Maritorenna Living Trust Dated March 16, 1993	3800.55	1775.00	2.511%
Dennis M. and Diane K. McWilliams	1.00	1.00	0.001%
Richard Miner	1089.40	999.00	1.413%
Miracle Improvement Corporation dba Golden Sands Mobile Home Park dba Golden Sands Trailer Park	45.40	27.00	0.038%
Barry and Sharon Munz 2014 Revocable Trust, Terry A. & Kathleen M. Munz	5.00	5.00	0.007%
Eugene B. Nebeker	4016.00	1775.00	2.511%



**Judicial Council Coordination  
 Proceeding No. 4408  
 Santa Clara Case No.: 1-05-CV-049053**

<b>Producer Name</b>	<b>Pre-Rampdown Production</b>	<b>Overlying Production Rights</b>	<b>Percentage Share of Adjusted Native Safe Yield</b>
Richard Nelson, Willow Springs Co.	180.65	135.00	0.191%
Northrop Grumman Systems Corporation	2.00	2.00	0.003%
NRG Solar Alpine, LLC	64.21	38.00	0.054%
R AND M RANCH, INC.	1458.00	686.00	0.970%
John and Adrienne Reza	501.45	251.00	0.355%
Suzanne J. Richter	1.00	1.00	0.001%
Rosamond High School	586.40	202.23	0.286%
Rosamond Ranch, LP	598.00	598.00	0.846%
Rose Villa Apartments	22.72	7.62	0.011%
Sahara Nursery and Farm	22.18	22.00	0.031%
Saint Andrew's Abbey, Inc.	175.00	102.00	0.144%
Lawrence J. Schilling and Mary P. Schilling, Trustees of the L&M Schilling 1992 Family Trust	4.00	4.00	0.006%
Lilia Mabel Selak, TTEE; Barbara Aznarez Decd Trust and Selak, Mabel Trust	150.00	150.00	0.212%
Service Rock Products, L.P.	503.00	267.00	0.378%
SGS Antelope Valley Development, LLC	57.00	57.00	0.081%
Shadow Acres Mutual Water Company	52.60	51.74	0.073%
Sheep Creek Water Co.	0.00	0.00	0.000%
Jeffrey and Nancee Siebert	200.00	106.00	0.150%
Sonrise Ranch, LLC	662.00	0.00	0.000%
Southern California Edison Company	17.75	8.00	0.011%
Sundale Mutual Water Company	472.23	472.23	0.668%
Sunnyside Farms Mutual Water Company, Inc.	75.40	74.26	0.105%
Tejon Ranchcorp and Tejon Ranch Co.	3414.00	1634.00	2.312%
Tierra Bonita Mutual Water Company	40.75	40.32	0.057%
Tierra Bonita Ranch	505.00	430.00	0.608%
Triple M Property Co.	15.00	15.00	0.021%
Turk Trust dated December 16, 1998	1.00	1.00	0.001%
Marie A. Unini and Robert J. LeClair	1.00	1.00	0.001%
U.S. Borax	1905.00	1905.00	2.695%
Craig Van Dam, Marta Van Dam, Nick Van Dam, Janet Van Dam	1037.00	640.00	0.905%
Gary Van Dam, Gertrude Van Dam, Delmar Van Dam, Delmar D. Van Dam and Gertrude J. Van Dam, as Trustees of the Delmar D. and Gertrude J. Van Dam Family Trust – 1996, Craig Van Dam, Marta Van Dam, High Desert Dairy Partnership, High Desert Dairy	9931.50	3215.00	4.548%
Vulcan Materials Co., Vulcan Lands Inc., Consolidated Rock Products Co., Calmat Land Co., and allied Concrete & Materials	519.10	260.00	0.368%
WAGAS Land Company LLC	984.15	580.00	0.821%
WDS California II, LLC	2397.00	1159.00	1.640%
Michael and Dolores A. Weatherbie	1.00	1.00	0.001%

Judicial Council Coordination  
 Proceeding No. 4408  
 Santa Clara Case No.: 1-05-CV-049053

Producer Name	Pre-Rampdown Production	Overlying Production Rights	Percentage Share of Adjusted Native Safe Yield
West Side Park Mutual Water Co.	280.75	276.86	0.392%
White Fence Farms Mutual Water Co.	783.05	772.13	1.092%
Donna Wilson	10.00	7.00	0.010%
William Fisher Memorial Water Company	4.53	4.53	0.006%
<b>Totals</b>	<b>105878.08</b>	<b>58322.23</b>	

# **EXHIBIT B**

COURT OF APPEAL OF THE STATE OF CALIFORNIA  
FOURTH APPELLATE DISTRICT

COORDINATION PROCEEDING	)	JUDICIAL COUNCIL
SPECIAL TITLE (RULE 1550(B))	)	COORDINATED
	)	PROCEEDING
ANTELOPE VALLEY GROUNDWATER	)	CASE NO. 4408
CASES	)	
_____	)	APPEAL FILED:
	)	2/19/16, 2/25/16,
AND RELATED ACTIONS.	)	3/2/16 & 3/2/16
_____	)	

APPEAL FROM THE SUPERIOR COURT OF LOS ANGELES COUNTY

HONORABLE JACK KOMAR, JUDGE PRESIDING

REPORTERS' TRANSCRIPT ON APPEAL

SEPTEMBER 29, 2015

APPEARANCES:

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(APPEARANCES CONTINUED ON THE  
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SANDRA GECO, CSR #3806  
OFFICIAL REPORTER

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1 CASE NUMBER: JCCP4408  
2 CASE NAME: ANTELOPE VALLEY GROUNDWATER  
3 CASES PHASE SIX  
4 LOS ANGELES, CALIFORNIA TUESDAY, SEPTEMBER 29, 2015  
5 ROOM NO. 222 HON. JACK KOMAR, JUDGE  
6 APPEARANCES: AS HERETOFORE MENTIONED  
7 REPORTER: AUDREY L. MOLINAR, CSR #12462  
8 TIME: 9:01 A.M.  
9

10 (THE FOLLOWING PROCEEDINGS  
11 WERE HELD IN OPEN COURT:)

12  
13 THE COURT: GOOD MORNING. PLEASE BE SEATED. WE HAD  
14 A COUPLE OF THINGS WE NEEDED TO REVIEW THIS MORNING IN  
15 ADVANCE OF THE WITNESS. PLEASE.

16 MR. TOOTLE: GOOD MORNING, YOUR HONOR. JOHN TOOTLE  
17 ON BEHALF OF CALIFORNIA WATER SERVICE COMPANY. WOULD THIS  
18 BE AN APPROPRIATE TIME FOR US TO SUBMIT OUR GROUNDWATER  
19 PUMPING DECLARATION?

20 THE COURT: YES.

21 MR. TOOTLE: YES. I'VE BROUGHT COPIES OF JOHN FOE'S  
22 DECLARATION, WHICH WAS POSTED SEPTEMBER 21ST. AND IN THE  
23 DECLARATION, HE BASICALLY STATES THAT HE'S PREPARED A  
24 HISTORY OF GROUNDWATER PUMPING FOR CALIFORNIA WATER SERVICE  
25 COMPANY BASED OFF PRODUCTION METER READS AND --

26 UNIDENTIFIED ATTORNEY: (VIA COURT CALL) YOUR HONOR,  
27 I DON'T KNOW IF ANYONE ELSE ON COURT CALL CAN HEAR, AT  
28 LEAST I CANNOT HEAR THE PERSON SPEAKING. HE'S GOING IN AND

1 MOTION IN LIMINE, YOU REFERRED SEVERAL TIMES TO A GLOBAL  
2 SETTLEMENT AND I JUST HAVE TO POINT OUT THAT IT IS NOT  
3 QUITE GLOBAL BECAUSE MY CLIENT HAS NOT SIGNED ONTO IT.

4 THE COURT: YOU NOTICED I USED THE WORD "SO-CALLED."

5 MS. AILIN: NO, I ACTUALLY DID NOT, BUT I APPRECIATE  
6 THAT.

7 THE COURT: WELL, I DID.

8 MS. AILIN: AND IN RESPONSE TO MR. ZIMMER'S COMMENTS  
9 FOR OUR PURPOSES DR. WILLIAMS' TESTIMONY HAS A VERY  
10 DIFFERENT EFFECT. AT LEAST PART OF IT APPARENTLY IS GOING  
11 TO GO TO MY CLIENT'S IMPACT ON THE ADJUDICATION AREA SO IT  
12 IS REALLY NOT JUST DEMONSTRATIVE IN THAT SENSE.

13 MR. ZIMMER: YOUR HONOR, JUST TO BRIEFLY RESPOND TO  
14 MS. AILIN'S POINT AND ALSO TO MR. KALFAYAN'S, TO A CERTAIN  
15 EXTENT. THE TESTIMONY IS NOT BEING INTRODUCED, AS I  
16 UNDERSTAND IT, MR. DUNN COULD HIGHLIGHT THIS, TO SHOW  
17 THAT'S EXACTLY HOW IT WILL HAPPEN IN THE FUTURE, SO I THINK  
18 SOME OF THESE COMMENTS ABOUT HOW EXACTLY THEY WILL BE  
19 IMPACTED WOULD BE PREMATURE.

20 THE COURT: DO I UNDERSTAND CORRECTLY THIS IS A  
21 HYPOTHETICAL EXAMPLE? IS THAT WHAT THE MODEL IS?

22 MR. DUNN: AND I APPRECIATE MR. ZIMMER'S COMMENTS  
23 AND CONCUR. WHAT I'D LIKE TO ADD IS, FIRST OF ALL, ANSWER  
24 THE COURT'S QUESTION. WHEN WE COME BEFORE THE COURT TO  
25 PROVE UP A PHYSICAL SOLUTION, A PHYSICAL SOLUTION TO BE  
26 SUCCESSFULLY PROVED UP WOULD SHOW THAT, OVER TIME, IF  
27 IMPLEMENTED, THE PHYSICAL SOLUTION WILL SOLVE A PROBLEM AND  
28 THE PROBLEM HERE IS A LONG STANDING OVERDRAFT. SO IT

1 DOESN'T HAPPEN INSTANTANEOUSLY, IT TAKES PLACE OVER TIME.  
2 AND WHAT DR. WILLIAMS' TESTIMONY WILL SHOW IS THAT THIS  
3 PHYSICAL SOLUTION IS IN FACT A PHYSICAL SOLUTION. HE HAS  
4 DEVELOPED A MODEL, WHICH CAN BE USED TO SHOW OVER TIME HOW  
5 THE PHYSICAL SOLUTION WILL IMPACT THE BASIN. AND IT SHOULD  
6 BE NO SURPRISE COMING FROM US THAT WE'RE OFFERING THIS TO  
7 SHOW THAT IT IS IN FACT A PHYSICAL SOLUTION. SO YES, IT  
8 DOES SHOW, OVER TIME, HOW THE BASIN WILL RESPOND.

9 THE COURT: BUT MR. DUNN, THE PURPOSE OF OUR  
10 PROCEEDINGS HERE IS TO DETERMINE WHETHER OR NOT THE COURT  
11 IS GOING TO APPROVE THE SETTLEMENT. THE COURT IS GOING TO  
12 EVALUATE THE SETTLEMENT BOTH IN TERMS OF THE IMPACT ON THE  
13 PARTIES TO THE SETTLEMENT, THE IMPACT ON THE FUTURE, THE --  
14 AND IN PARTICULAR, THE PUBLIC INTEREST WHICH INCLUDES, BY  
15 THE WAY, COUNSEL, EVERYBODY THAT IS IN AREA OF THE VALLEY  
16 DOES NOT INCLUDE EVERYBODY EXCEPT THE WILLIS CLASS. I -- I  
17 DO NOT UNDERSTAND WHERE THAT LANGUAGE CAME FROM. YOU DON'T  
18 HAVE TO TELL ME NOW, EITHER, BUT I FIND IT NONSENSICAL WHEN  
19 THE COURT TALKS ABOUT THE PUBLIC INTEREST, THAT YOU THINK  
20 IT EXCLUDES SOMEBODY. SO IF THE COURT WERE TO SAY THE  
21 COURT FINDS THAT THE PROPOSED PHYSICAL SOLUTION IS A GOOD  
22 ONE, IT'S EFFECTIVE BUT THE TERMS OF THE GLOBAL SETTLEMENT  
23 AND THE IMPACT ON THE PUBLIC INTEREST ARE NOT EXACTLY IN  
24 THE PUBLIC INTEREST AND SHOULD BE MODIFIED, THE COURT WILL  
25 BE ONLY ABLE TO TELL YOU THAT YOUR MOTION TO APPROVE IS  
26 DENIED. I DO NOT HAVE BEFORE ME, AND NOBODY HAS PRESENTED  
27 IT TO ME IN THIS FASHION, THAT THE COURT MAY FIND THAT  
28 THERE IS A GOOD PHYSICAL SOLUTION BUT THE TERMS OF THE



1 AGREEMENT ARE NOT APPROVED. SO I'M GOING TO GO AHEAD AND  
2 APPROVE THE PHYSICAL SOLUTION AS I SEE IT AND I'M GOING TO  
3 DENY YOUR SETTLEMENT IN TERMS OF THE TERMS. THAT'S NOT  
4 BEFORE ME. I DON'T BELIEVE I CAN DO THAT AS MUCH AS I  
5 MIGHT LIKE TO.

6 SO AT THIS POINT, WE'RE DEALING WITH THE GLOBAL  
7 SETTLEMENT, SO-CALLED, MS. AILIN, AND WE ARE GOING TO  
8 DETERMINE WHETHER OR NOT IT AND THE TERMS AND CONDITIONS OF  
9 THE SETTLEMENT AGREEMENT CAN BE APPROVED.

10 MR. DUNN: OKAY.

11 THE COURT: THAT'S ALL THAT'S BEFORE US WITH REGARD  
12 TO THAT EXCEPT FOR THE DEFAULTING PARTIES.

13 MR. DUNN: YES.

14 THE COURT: TRUE?

15 MR. DUNN: YES, YOUR HONOR.

16 THE COURT: OKAY. THEN WITH THAT IN MIND, LET'S  
17 HEAR THE EVIDENCE. MR. MCLACHLAN?

18 MR. MCLACHLAN: MICHAEL MCLACHLAN FOR RICHARD WOOD  
19 AND SMALL PUMPER CLASS. I WAS A LITTLE SLOW TO STAND UP  
20 EARLIER. I WANTED TO JUST PUT A COUPLE OF COMMENTS ON THE  
21 RECORD REALLY BRIEFLY REGARDING THE MOTION IN LIMINE. I  
22 DIDN'T GET A CHANCE TO DO THAT AND I'LL TRY TO BE SUCCINCT.  
23 WHILE I DO, LIKE MOST OF THE OTHER SO-CALLED GLOBAL  
24 STIPULATORS, DISAGREE WITH MR. KALFAYAN AND MS. BRENNAN'S  
25 LEGAL POSITION, I DO HAVE SOME LEVEL OF SYMPATHY FOR THE  
26 TASK THEY HAVE IN HAND. AND MY CONCERN MORE GLOBALLY, AND  
27 I THINK THIS MOTION IN LIMINE WE'RE GOING TO SEE THIS COME  
28 UP IN A FEW DIFFERENT AREAS, I MAY BE WRONG, BUT I THINK

1 YOU MAY GIVE IN THE CAUSE NOW PENDING BEFORE THIS COURT  
2 SHALL BE THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT THE  
3 TRUTH, SO HELP YOU GOD?

4 THE WITNESS: I DO.

5 THE CLERK: THANK YOU. PLEASE BE SEATED. SIR,  
6 WOULD YOU PLEASE STATE AND SPELL YOUR NAME FOR THE RECORD?

7 THE WITNESS: DENNIS WILLIAMS; D-E-N-N-I-S,  
8 W-I-L-L-I-A-M-S.

9 THE CLERK: THANK YOU.

10 THE COURT: GOOD MORNING, DR. WILLIAMS.

11 THE WITNESS: GOOD MORNING.

12 THE COURT: ALL RIGHT. PROCEED.

13

14

DIRECT EXAMINATION

15 BY MR. DUNN:

16 Q. THANK YOU, YOUR HONOR.

17 DR. WILLIAMS, BEFORE WE ASK FOR YOUR OPINIONS, I  
18 WOULD LIKE TO ASK YOU FOR YOUR BACKGROUND, YOUR EDUCATIONAL  
19 BACKGROUND.

20 A. I HAVE A -- MY EDUCATION, I HAVE UNDERGRADUATE  
21 DEGREE IN GEOLOGY AND A MASTER'S IN PH.D. IN GROUNDWATER  
22 HYDROLOGY. I'M A REGISTERED CALIFORNIA GEOLOGIST,  
23 CERTIFIED CALIFORNIA HYDRO GEOLOGIST AND CERTIFIED  
24 GROUNDWATER HYDROLOGIST WITH THE AMERICAN INSTITUTE OF  
25 HYDROLOGY.

26 Q. AND DR. WILLIAMS, WHAT IS YOUR PROFESSION?

27 A. I AM A CONSULTING GROUNDWATER HYDROLOGIST.

28 Q. AND FOR HOW LONG HAVE YOU BEEN A CONSULTING

1 MORE RECENTLY, IN 2014, I WAS -- GAVE A DEPOSITION ON THE  
2 PHELAN ISSUE -- THE PHELAN PINON HILLS COMMUNITY SERVICES  
3 DISTRICT AND THEN MOST RECENTLY WITH REGARD TO THIS PHASE  
4 SIX PHYSICAL SOLUTION.

5 Q. THANK YOU, DR. WILLIAMS. WHAT WERE YOU ASKED  
6 TO DO FOR THIS PHASE SIX PROCEEDINGS?

7 A. I WAS ASKED TO LOOK AT THE PHYSICAL SOLUTION  
8 AND SEE IF IT MADE HYDROLOGIC SENSE. IN OTHER WORDS, THE  
9 BASIN HAS BEEN IN OVERDRAFT, WHETHER THE PHYSICAL SOLUTION  
10 WOULD IN FACT PRESENT A SOLUTION WHICH COULD BRING THE  
11 BASIN BACK INTO BALANCE.

12 Q. WERE YOU ASKED TO DO ANYTHING ELSE IN THE PHASE  
13 SIX? FOR EXAMPLE, ANYTHING WITH REGARDS TO PHELAN PINION  
14 HILLS COMMUNITY SERVICE DISTRICT?

15 A. YES, I WAS. I WAS ASKED TO LOOK AT THE IMPACT  
16 OF PHELAN PINION HILLS COMMUNITY SERVICES DISTRICT WELL 14,  
17 WHICH LIES WITHIN THE BOUNDARIES OF THE ANTELOPE VALLEY  
18 AREA OF ADJUDICATION. I WAS ASKED TO LOOK AT THOSE  
19 IMPACTS.

20 Q. WE'LL SPEND THE REST OF THE TIME TALKING ABOUT  
21 THE WORK THAT YOU DID. BUT DID YOU FORM OPINIONS?

22 A. YES, I DID. BASICALLY, TWO OPINIONS: THAT THE  
23 PHYSICAL SOLUTION WILL BRING THE BASIN BACK IN BALANCE.  
24 THE PHYSICAL SOLUTION ESSENTIALLY CONSISTS OF THREE MAIN  
25 PARTS. ONE WAS A REDUCTION IN PUMPING, WHICH IS  
26 GENERICALLY CALLED -- IT'S SHOWN ON THE SCREEN HERE --  
27 GENERALLY CALLED A RAMP DOWN, SO TO THE NATIVE SAFE YIELD  
28 VALUE OF 82,300. THE SECOND MAIN PART WOULD BE IMPORTATION

1 OF SUPPLEMENTAL WATER TO MEET DEMAND. THE THIRD MAIN PART  
2 WOULD BE MONITORING AND MANAGING THE GROUNDWATER BASIN  
3 USING A MANAGEMENT PLAN UNDER THE GUIDANCE OF A COURT-  
4 APPOINTED WATER MASTER.

5 MR. DUNN: AND ON THE SCREEN THAT YOU REFER TO, YOUR  
6 HONOR, WE WOULD MARK AS PUBLIC WATER SUPPLIER EXHIBIT 543,  
7 A SERIES OF THE DEMONSTRATIVE SLIDES TO BE USED BY  
8 DR. WILLIAMS DURING HIS TESTIMONY. FOR THE RECORD, HE'S  
9 REFERRED TO PAGE 1 OF THAT EXHIBIT 543, PUBLIC WATER  
10 SUPPLIER.

11 THE COURT: ALL RIGHT. NOW YOU SAY THEY'RE SLIDES.  
12 THERE'S ALSO A HARD COPY; IS THAT CORRECT?

13  
14 (MARKED FOR IDENTIFICATION, EXHIBIT  
15 NO. PWS 543, SLIDES.)  
16

17 MR. DUNN: I STAND CORRECTED. YES, THERE ARE --  
18 THERE IS AN ACTUAL EXHIBIT. IT IS 543 PUBLIC WATER  
19 SUPPLIER. IT'S A PRINTOUT OF THE SLIDES THAT WILL BE USED  
20 TODAY BY DR. WILLIAMS.

21 THE COURT: PURELY DEMONSTRATIVE?

22 MR. DUNN: YES, ALL DEMONSTRATIVE WITH ONE  
23 QUALIFICATION AND I'LL YIELD HERE TO MR. KUHS, BUT SOME OF  
24 THE SLIDES ARE IN FACT EXHIBITS THAT HAVE BEEN PREVIOUSLY  
25 ENTERED INTO THE CASE.

26 THE COURT: OKAY.

27 MR. KUHS: MY ONLY QUESTION WAS TO MR. DUNN AND THAT  
28 WAS WHETHER OR NOT THE SLIDE PRESENTATION WAS AVAILABLE,

1 A. YES.

2 Q. REGARDING THE SMALL PUMPER CLASS?

3 A. YES.

4 Q. ALL RIGHT.

5 A. AND THAT REPORT CONTAINED A NUMBER OF -- IN THE  
6 DIFFERENT COLUMNS, FOR EXAMPLE, THE GROUNDWATER USE PER  
7 HOUSEHOLD RANGING FROM 0 UP TO 12 PLUS ACRE FEET PER YEAR.  
8 THERE WAS CALCULATION DONE. THERE WAS ACTUALLY 117  
9 PARTICIPATING IN THIS ESTIMATE. AND SO BASED ON THIS, THE  
10 SECOND COLUMN AND THIRD COLUMN FOR 2011, 2012 BASICALLY IS  
11 THAT THE CUMULATIVE PERCENTAGES OF HOW MUCH PEOPLE USED AND  
12 SO ON. BUT AT THE END, THE RESULT OF THIS ANALYSIS WAS THE  
13 HOW MUCH GROUNDWATER WAS USED BY THE SMALL PUMPERS WHICH  
14 WAS 9,747.55 ON AVERAGE FOR 2011 AND 2012.

15 Q. AGAIN, ALL THIS INFORMATION COMES FROM THE GSI  
16 WATER SOLUTION, INC. REPORT DATED JULY 2015?

17 A. THEY PROVIDED THE INFORMATION, WE ACTUALLY DID  
18 THE -- THE CALCULATION, BUT WE USED THEIR INFORMATION ON  
19 THE NUMBER OF HOUSEHOLDS AND HOW MUCH EACH HOUSEHOLD USED  
20 AND THE NUMBER OF PEOPLE PARTICIPATING IN THIS CLASS.

21 Q. AND SO THIS REFLECTS, AGAIN, WHAT YOU ESTIMATE  
22 THE CURRENT OR THE 2011 2012 PUMPING FOR MEMBERS OF THE  
23 SMALL PUMPER CLASS?

24 A. THAT'S CORRECT.

25 Q. ALL RIGHT. LET'S GO AHEAD AND LOOK AT THE NEXT  
26 SLIDE, PLEASE.

27 A. OKAY. YEAH, THIS -- THIS SLIDE SHOWS THE RAMP  
28 DOWN CONSISTS OF A PRE-RAMP DOWN PERIOD OF TWO YEARS AND

1 THEN FIVE YEAR RAMPING DOWN UNTIL YOU GET TO THE NATIVE  
2 SAFE YIELD. AND THEN --

3 Q. SO DR. WILLIAMS, LET ME STOP YOU. FIRST OF  
4 ALL, THIS IS SLIDE 44. IT'S CALLED "PRE-RAMPDOWN PUMPING  
5 ASSUMPTIONS FOR SC-2 AND SC-2A." SO THESE ARE PUMPING  
6 ASSUMPTIONS FOR THE MODEL RUNS THAT YOU LABEL SC-2 AND  
7 SC-2A?

8 A. YES. THIS IS THE SCENARIOS THAT INCLUDED THE  
9 RAMP DOWN, THE REDUCTION FROM CURRENT PUMPING TO THE NATIVE  
10 SAFE YIELD.

11 Q. AND YOU TOOK THAT INFORMATION FROM THE PROPOSED  
12 PHYSICAL SOLUTION; IS THAT CORRECT?

13 A. YES.

14 Q. AND IT'S YOUR UNDERSTANDING THAT AS PART OF  
15 THAT RAMP DOWN FOR YEARS ONE AND TWO, YOU CALL IT A  
16 PRE-RAMP DOWN WHICH MEANS WHAT?

17 A. WELL, BASICALLY THESE ARE THE VALUES THAT WERE  
18 AGREED UPON THAT WOULD BE PUMPED FOR THOSE FIRST TWO YEARS.  
19 AND THEN BETWEEN THE YEARS -- THE NEXT FIVE YEARS THROUGH  
20 YEAR SEVEN WOULD BE RAMPING DOWN OF THIS PUMPING TO THE  
21 82,300 OR CLOSE TO IT.

22 Q. SO IS IT YOUR UNDERSTANDING THAT IN THIS  
23 SEVEN-YEAR TIME PERIOD AND PROPOSED PHYSICAL SOLUTION,  
24 YEARS ONE AND TWO, THERE ARE NO REDUCTIONS IN PUMPING AND  
25 THEN EQUAL REDUCTIONS IN PUMPING FOR YEARS THREE THROUGH  
26 SEVEN TO GET TO THE FINAL ALLOCATIONS OF THE RAMP DOWN  
27 NUMBERS; IS THAT CORRECT?

28 A. THAT'S CORRECT.

1 Q. WHERE DID THAT COME FROM?

2 A. THAT WAS ALSO SECTION 6.4.1.2 OF THE JUDGMENT  
3 IN PHYSICAL SOLUTION.

4 Q. OKAY. NOW DR. WILLIAMS, WE HAVE AS THE NEXT  
5 SLIDE IN ORDER, SLIDE NO. 45, IT HAS THE TITLE, "RAMP DOWN  
6 PUMPING ASSUMPTIONS FOR SC-2 AND SC-2A." IS GENERALLY  
7 WHAT'S SHOWN HERE IS THE NUMBER TO WHAT THE PHYSICAL --  
8 PROPOSED PHYSICAL SOLUTION WOULD HAVE AS THE RAMP DOWN  
9 NUMBER?

10 A. YES, THAT'S CORRECT. THIS WOULD BE THE NUMBER  
11 AFTER THE TWO YEAR PRE-RAMP DOWN AND THE FIVE-YEAR RAMP  
12 DOWN. THIS WOULD BE THE NUMBER THAT WE WOULD THEN SIMULATE  
13 INTO THE FUTURE.

14 Q. SO ALL OF THESE FIGURES COME FROM THE PROPOSED  
15 PHYSICAL SOLUTION DOCUMENT; IS THAT CORRECT?

16 A. THEY DO, YES.

17 Q. AND THEN MOVING TO THE NEXT SLIDE, NO. 46,  
18 PLEASE. THIS IS TITLED "PUMPING ASSUMPTIONS FOR PREDICTIVE  
19 SCENARIOS 2 AND 2A. WHAT DOES THIS SHOW?

20 A. WELL, THE FIRST COLUMN, THE MODEL YEARS 1 AND 2  
21 THE PRE-RAMP DOWN WE DISCUSSED ON THE PREVIOUS SLIDES. AND  
22 THEN THAT VALUE FOR EACH ONE OF THE PUMPERS WOULD BE  
23 LINEARLY RAMPED DOWN IN MODEL YEARS THREE, FOUR, FIVE, SIX  
24 AND SEVEN. SO WE HAVE ONE, TWO, THREE, FOUR -- THE  
25 FIVE-YEAR RAMP DOWN AND THEN SO THAT WE START PREDICTING IN  
26 YEARS EIGHT TO 50 AT THE NATIVE SAFE YIELD VALUE.

27 Q. SO -- AND WHAT THIS SLIDE ILLUSTRATES IS HOW  
28 THE PROPOSED PHYSICAL SOLUTION WOULD OPERATE AS TO EACH OF

1 THE GENERAL PARTIES OR SPECIFIC PARTIES LISTED THERE; IS  
2 THAT CORRECT?

3 A. THAT'S CORRECT.

4 Q. SO YOU START WITH THE CURRENT -- OR EXCUSE  
5 ME -- THE 2011 2012 PUMPING NUMBER THAT --

6 A. YES.

7 Q. -- THAT YOU WOULD DERIVE FROM VARIOUS SOURCES  
8 AND THEN WHAT IT SHOWS IS HOW THE MODEL WOULD TAKE INTO  
9 ACCOUNT THE RAMP DOWN AS PROVIDED FOR THE PHYSICAL SOLUTION  
10 SO THAT BY THE END OF THE PHYSICAL SOLUTION FOR EACH OF THE  
11 PARTIES OR GROUP OF PARTIES SHOWN THERE, THE ALLOCATED  
12 NUMBER WOULD BE IN PLACE?

13 A. THAT'S CORRECT.

14 Q. OKAY. AND THEN LET'S GO TO THE NEXT SLIDE, 47,  
15 PLEASE.

16 A. YES, SLIDE 47 IS A GRAPHIC OF -- SHOWING THE  
17 PRE-RAMP DOWN PRODUCTION THEN THE LINEAR RAMP DOWN TO  
18 NATIVE SAFE YIELD, AND THEN STARTING IN YEAR EIGHT THE  
19 NATIVE SAFE YIELD PRODUCTION UP TO YEAR 50. SO THIS IS  
20 WHAT WAS SIMULATED BY THE MODEL FOR THE PHYSICAL SOLUTION.

21 Q. AND THIS IS SLIDE NO. 47. IT'S CALLED "PUMPING  
22 ASSUMPTIONS FOR PREDICTIVE SCENARIOS 2 AND 2A." SO MOVING  
23 FROM LEFT TO RIGHT, WE SEE WHAT?

24 A. WELL, YOU SEE A PUMPING IN THOUSANDS OF ACRE  
25 FEET PER YEAR ON THE LEFT AXIS, THE Y AXIS. SO YOU SEE  
26 STARTING PRE-RAMP DOWN IS AROUND 160,000 ACRE FEET A YEAR  
27 AND THEN THAT GOES ON FOR ABOUT TWO YEARS. AND THEN  
28 THERE'S A FIVE YEAR RAMP DOWN THROUGH THE END OF THE FIFTH



1 WITH REGARD TO MR. BINDER, WHO ALSO HAS LOOKED AT THE  
2 PHYSICAL SOLUTION, BUT PART OF THAT WILL DEPEND UPON WHAT  
3 HAPPENS TOMORROW. SOME OF THOSE WITNESSES ARE NOT  
4 AVAILABLE UNTIL NEXT WEEK, BUT WE'RE GOING TO -- WE WANT TO  
5 MAKE THIS AS EXPEDITIOUS AS POSSIBLE AND WE WILL BE DOING  
6 THAT DEPENDING UPON WHAT HAPPENS TOMORROW.

7 THE COURT: OKAY. NOW, ONE OF THE THINGS THAT I  
8 THINK IS CLEAR, BUT MAYBE IT'S NOT, IS THAT IN TERMS OF THE  
9 PROPONENTS, THEY ARE ESSENTIALLY STIPULATING TO THIS  
10 EVIDENCE COMING IN AND THE POSITIONS TAKEN BY THE  
11 VARIOUS -- THE OPINIONS TAKEN BY THE VARIOUS WITNESSES THAT  
12 HAVE BEEN PRESENTED THUS FAR; IS THAT RIGHT?

13 MR. DAVIS: SO STIPULATED.

14 THE COURT: IN OTHER WORDS, THIS IS A JOINT  
15 PROPONENT -- YOU ARE JOINT PROPONENTS OF THE PHYSICAL  
16 SOLUTION AND THE PARTIES THAT ARE OPPOSED TO IT ARE NOT  
17 DIRECTLY PARTIES IN THE LITIGATION BETWEEN THE LAND OWNERS  
18 AND THE PUBLIC WATER SUPPLIERS AND OTHERS, BUT THEY  
19 OBVIOUSLY HAVE AN ASPECT OF INTEREST IN TERMS OF  
20 CONSISTENCY WITH THE STIPULATED JUDGMENT THAT THEY ENTERED  
21 INTO WITH THE PUBLIC WATER SUPPLIERS. SO IN TERMS OF THE  
22 COURT'S VIEW, THERE'S NO OPPOSITION FROM ANY OF THE  
23 PROPONENTS AS TO THIS EVIDENCE, BUT THERE OBVIOUSLY IS  
24 GOING TO BE OPPOSITION TO THE GLOBAL, SO-CALLED, SETTLEMENT  
25 BY THE WILLIS CLASS AND I DON'T KNOW ABOUT OTHERS.

26 WHAT ABOUT THE CLAIMS AGAINST -- THAT MR. TAPIA HAS?  
27 WHERE DOES THAT FIT INTO THIS?

28 MR. ZIMMER: LET ME ADDRESS BOTH ISSUES. ONE, YES,

# EXHIBIT C

COURT OF APPEAL OF THE STATE OF CALIFORNIA  
FOURTH APPELLATE DISTRICT

COORDINATION PROCEEDING	)	JUDICIAL COUNCIL
SPECIAL TITLE (RULE 1550(B))	)	COORDINATED
	)	PROCEEDING
ANTELOPE VALLEY GROUNDWATER	)	CASE NO. 4408
CASES	)	
_____	)	APPEAL FILED:
	)	2/19/16, 2/25/16,
AND RELATED ACTIONS.	)	3/2/16 & 3/2/16
_____	)	

APPEAL FROM THE SUPERIOR COURT OF LOS ANGELES COUNTY

HONORABLE JACK KOMAR, JUDGE PRESIDING

REPORTERS' TRANSCRIPT ON APPEAL

SEPTEMBER 30, 2015

APPEARANCES:

FOR DEFENDANT AND CROSS-COMPLAINANT/APPELLANT PHELAN  
PINON HILLS COMMUNITY SERVICES DISTRICT:

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(APPEARANCES CONTINUED ON THE  
NEXT PAGE.)

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VOLUME 47 OF 50  
PAGES 25601 TO  
25773-25900

SANDRA GECO, CSR #3806  
OFFICIAL REPORTER

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1 CASE NUMBER: JCCP4408  
2 CASE NAME: ANTELOPE VALLEY GROUNDWATER  
3 CASES PHASE SIX  
4 LOS ANGELES, CALIFORNIA WEDNESDAY, SEPTEMBER 30, 2015  
5 ROOM NO. 222 HON. JACK KOMAR, JUDGE  
6 APPEARANCES: AS HERETOFORE MENTIONED  
7 REPORTER: AUDREY L. MOLINAR, CSR #12462  
8 TIME: 8:58 A.M.

9  
10 (THE FOLLOWING PROCEEDINGS  
11 WERE HELD IN OPEN COURT:)

12  
13 THE COURT: ALL RIGHT. GOOD MORNING. BE SEATED,  
14 PLEASE. ALL RIGHT. WHEN WE RECESSED, I BELIEVE MR. DUNN,  
15 YOU HAD HAD SOME DISCUSSION ABOUT EXHIBIT SLIDE 83.

16 MR. DUNN: YES, YOUR HONOR, AND WE'RE PREPARED TO  
17 CONTINUE WITH THE DIRECT EXAMINATION. WE'LL MOVE TO SLIDE  
18 84.

19 THE COURT: OKAY.

20

21 DIRECT EXAMINATION (CONTINUED)

22 BY MR. DUNN:

23 Q. DR. WILLIAMS THIS SLIDE 84 IS UP ON THE SCREEN.  
24 SLIDE 84 IS OUR LAND SUBSIDENCE AT SELECTED BENCHMARKS.  
25 NOW DR. WILLIAMS, YESTERDAY IN YOUR TESTIMONY WE HEARD  
26 ABOUT SELECTED BENCHMARKS. WE ALSO HEARD HOW THEY'RE USED  
27 IN DETERMINING OR MEASURING HISTORICAL SUBSIDENCE. WHAT DO  
28 WE SEE HERE? WHAT PART OF YOUR TESTIMONY IS ILLUSTRATED BY

1 WOULD BE A RESIDUAL SUBSIDENCE, WHICH EVEN IF YOU  
2 TERMINATED ALL PUMPING, YOU WOULD STILL HAVE SOME -- SOME  
3 AREAS THAT WOULD STILL SUBSIDE.

4 Q. NOW AGAIN, SO WE'RE CLEAR BECAUSE WE'RE ON THE  
5 SECOND DAY HERE OF TRIAL, BOTH SCENARIO SC-2 AND SCENARIO  
6 SC-2A, THE RAMP DOWN, YOU TOOK THE NUMBERS THAT ARE IN THE  
7 PROPOSED PHYSICAL SOLUTION BEFORE THE COURT AND THOSE WERE  
8 THE RAMP DOWN NUMBERS; IS THAT CORRECT?

9 A. THAT'S CORRECT.

10 Q. AND WHAT YOU DID IS FOR EACH OF THE ALLOCATIONS  
11 YOU INPUT THAT PARTICULAR RAMP DOWN NUMBER FOR EACH OF THE  
12 SETTLING PARTIES INTO THE MODEL; IS THAT CORRECT?

13 A. THAT'S CORRECT. AND THE TOTAL OF THE RAMP DOWN  
14 PUMPING WAS EQUAL TO THE NATIVE SAFE YIELD.

15 Q. AND BECAUSE YESTERDAY YOU TESTIFIED THIS IS NOT  
16 WHAT'S CALLED A LUMP SUM MODEL PARAMETER BUT A DISTRIBUTED  
17 PARAMETER MODEL, THE KEY HERE IS THAT THE RAMP DOWN NUMBER  
18 IS SPECIFIC AS TO EACH PARTY AT THE LOCATION WHERE THEY OWN  
19 PROPERTY AND PUMP; IS THAT CORRECT?

20 A. THAT'S CORRECT. WE -- WE PUT THE -- THE  
21 PUMPING IN THE AREAS WHERE THE WELLS WERE.

22 Q. SO YOU DID NOT TREAT THIS AS A BACKUP AND JUST  
23 PUT IN A RAMP DOWN FIGURE AND COMPARE THAT TO THE YIELD?

24 A. NO. THIS IS NOT A LUMPED PARAMETER MODEL, IT'S  
25 DISTRIBUTED PARAMETER.

26 Q. SO JUST SO WE'RE CLEAR, SO FOR EVERY PARTY  
27 THAT'S IN THE PROPOSED PHYSICAL SOLUTION WITH AN ALLOCATION  
28 OF WATER, THAT FINAL RAMPED DOWN NUMBER WAS INPUT INTO THE

1 MODEL AT THE LOCATION WHERE EACH OF THE PARTY USES OR PUMPS  
2 THE WATER; IS THAT CORRECT?

3 A. YES.

4 Q. ALL RIGHT. LET'S GO THEN TO THE NEXT SLIDE.  
5 THIS IS SLIDE 89.

6 A. THIS -- THIS SLIDE SHOWS THE DIFFERENCE BETWEEN  
7 SCENARIO 1 AND SCENARIO 2A. SCENARIO 1 IS -- IS CURRENT  
8 PUMPING WITH DROUGHT CONDITIONS SUPPLEMENTAL WATER;  
9 SCENARIO 2A IS THE RAMP DOWN NATIVE SAFE YIELD PUMPING PLUS  
10 IMPORTING THE SUPPLEMENTAL SAFE YIELD IMPORTED WATER. AND  
11 BASICALLY IT SHOWS THAT THE DIFFERENCE BETWEEN THESE TWO  
12 SCENARIOS WOULD SHOW QUITE A STABILIZATION OF THE  
13 SUBSIDENCE IN THE AREA. IT MORE OR LESS REFLECTS THOSE  
14 PREVIOUS SLIDES SHOWING THAT THE TWO -- SCENARIOS 2 AND 2A  
15 WOULD SIGNIFICANTLY EITHER STOP ENTIRELY OR MINIMIZE  
16 SUBSIDENCE.

17 Q. SO WOULD IT BE A FAIR CHARACTERIZATION OF THIS  
18 SLIDE TO INDICATE THAT IF YOU TOOK ESSENTIALLY THE CURRENT  
19 SITUATION AND COMPARED IT TO THE PROPOSED PHYSICAL  
20 SOLUTION, THIS WOULD BE THE IMPROVEMENT IN LAND SUBSIDENCE?

21 A. THAT'S CORRECT. IT WOULD BE.

22 Q. NEXT SLIDE, PLEASE. THIS IS NO. 90.

23 A. THIS IS MY SUMMARY OF THE SIMULATION OF THE  
24 PHYSICAL SOLUTION, AND ESSENTIALLY, THE MODEL SCENARIOS 2  
25 AND 2A, THE RAMP DOWN TO NATIVE SAFE YIELD AND THE RAMP  
26 DOWN. AND NATIVE SAFE YIELD WITH SUPPLEMENTAL WATER EQUAL  
27 TO THE -- THE SUPPLEMENTAL SAFE YIELD WILL RESULT IN A  
28 PHYSICAL SOLUTION. SPECIFICALLY, SCENARIO 2 WILL STABILIZE

1 WATER LEVELS AND SUBSIDENCE AND SCENARIO 2A WILL ALSO ALLOW  
2 WATER LEVELS TO STABILIZE IN SUBSIDENCE. HOWEVER, IT WILL  
3 ALLOW WATER LEVELS TO RECOVER AND BASIN STORAGE WOULD BE --  
4 WILL BE INCREASED. SO THEN ALSO REDUCTION IN GROUNDWATER  
5 PUMPING TO THE SETTLEMENT AMOUNTS AS WELL AS CONTINUED USE  
6 OF IMPORTED WATER WILL RESULT IN A SUSTAINABLE YIELD FOR  
7 THE ANTELOPE VALLEY GROUNDWATER BASIN AND BRING THE BASIN  
8 BACK INTO BALANCE.

9 Q. ALL RIGHT. THANK YOU. NOW, YOU WERE ALSO  
10 ASKED TO EVALUATE THE IMPACT OF PUMPING BY PHELAN PINON  
11 HILLS COMMUNITY SERVICES DISTRICT ON THEIR WELL THAT'S  
12 LOCATED WITHIN THE ADJUDICATION AREA; IS THAT CORRECT?

13 A. THAT'S CORRECT.

14 Q. AND BEFORE WE -- AND DID YOU REACH A  
15 CONCLUSION?

16 A. I DID.

17 Q. WHAT IS THAT CONCLUSION?

18 A. WELL, THE WELL 14, WHICH IS WITHIN THE ANTELOPE  
19 VALLEY AREA OF ADJUDICATION WOULD -- IF PUMPING AT 1,200  
20 ACRE FEET A YEAR WILL RESULT IN A DECLINE IN BASIN STORAGE  
21 OF 700 ACRE FEET A YEAR.

22 THE COURT: LET'S PAUSE FOR JUST A MOMENT SO THAT WE  
23 CAN CONNECT COURT CALL.

24

25 (PAUSE IN THE PROCEEDINGS.)

26

27 THE COURT: ALL RIGHT. PROCEED.

28 Q. BY MR. DUNN: THANK YOU, YOUR HONOR.



# **EXHIBIT D**

COURT OF APPEAL OF THE STATE OF CALIFORNIA

FOURTH APPELLATE DISTRICT

COORDINATION PROCEEDING	)	JUDICIAL COUNCIL
SPECIAL TITLE (RULE 1550(B))	)	COORDINATED
	)	PROCEEDING
ANTELOPE VALLEY GROUNDWATER	)	CASE NO. 4408
CASES	)	
<hr/>		)
	)	APPEAL FILED:
	)	2/19/16, 2/25/16,
AND RELATED ACTIONS.	)	3/2/16 & 3/2/16
<hr/>		)

**CERTIFIED COPY**

APPEAL FROM THE SUPERIOR COURT OF LOS ANGELES COUNTY

HONORABLE JACK KOMAR, JUDGE PRESIDING

REPORTERS' TRANSCRIPT ON APPEAL

10-14-15, AND 10-15-15

APPEARANCES:

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SANDRA GECO, CSR NO. 3806.  
OFFICIAL COURT REPORTER

VOLUME 49 OF 50  
PAGES 26501 THROUGH 26647-26800  
PAGES 26801 THROUGH 26930-27100

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1 THE COURT: ALL RIGHT. GOOD MORNING, EVERYBODY.

2 ALL: GOOD MORNING, YOUR HONOR.

3 THE COURT: WE MAY PROCEED THIS MORNING. ALL  
4 RIGHT. MR. MCELHANEY?

5 MR. MCELHANEY: YES, YOUR HONOR. LELAND  
6 MCELHANEY FOR ANTELOPE VALLEY EAST KERN WATER AGENCY. AT  
7 THIS TIME, WITH YOUR HONOR'S PERMISSION, WE'D LIKE TO CALL  
8 MR. CHARLES BINDER.

9 THE COURT: YES. THANK YOU. MR. BINDER, COME  
10 FORWARD AND BE ADMINISTERED THE OATH. STAND NEXT TO THE  
11 WITNESS STAND. RAISE YOUR RIGHT HAND.

12 THE CLERK: DO YOU SOLEMNLY STATE THAT THE TESTIMONY  
13 YOU ARE ABOUT TO GIVE IN THE MATTER NOW PENDING BEFORE THIS  
14 COURT SHALL BE THE TRUTH, THE WHOLE TRUTH, AND NOTHING BUT  
15 THE TRUTH UNDER PENALTY OF PERJURY?

16 THE WITNESS: YES, I DO.

17 THE CLERK: THANK YOU. PLEASE BE SEATED IN THE  
18 WITNESS BOX AND STATE AND SPELL YOUR FULL NAME FOR THE  
19 RECORD.

20 THE COURT: STATE YOUR NAME AND SPELL IT.

21 THE WITNESS: YES. MY NAME IS CHARLES W. BINDER,  
22 C-H-A-R-L-E-S, MIDDLE INITIAL W, B-I-N-D-E-R.

23 DIRECT EXAMINATION

24 BY MR. MCELHANEY:

25 Q. MR. BINDER, THERE'S A BLACK EXHIBIT BOOK IN FRONT OF  
26 YOU. IF YOU'D BE KIND ENOUGH TO TURN TO THE FIRST TAB WHICH  
27 IS EXHIBIT 6-AVEK-1.

28 A. YES, I HAVE THAT.

1 SUFFICIENT TO MEET CURRENT WATER DEMANDS?

2 A. YES.

3 MR. MCELHANEY: THOSE ARE THE ISSUES, YOUR HONOR.

4 THE COURT: IS THERE ANY VOIR DIRE OF THE WITNESS?

5 MS. BRENNAN: YES, YOUR HONOR. WE BELIEVE THIS  
6 WITNESS IS GOING TO OVERLAP, TO SOME EXTENT, WITH

7 DR. WILLIAM'S PREVIOUS TESTIMONY, AND SO ON THAT BASIS --

8 THE COURT: WELL, THE QUESTION I'M ASKING YOU IS  
9 VOIR DIRE CONCERNING HIS QUALIFICATIONS.

10 MS. BRENNAN: OKAY. SORRY, YOUR HONOR. NO.

11 THE COURT: THE WITNESS IS QUALIFIED, AND HE MAY SO  
12 TESTIFY.

13 BY MR. MCELHANEY:

14 Q. ARE YOU ALSO PREPARED TO EXPRESS OPINIONS ON THE  
15 MANAGEMENT OF THE BASIN PER THE TERMS OF THE PROPOSED  
16 JUDGMENT AND PHYSICAL SOLUTION?

17 A. YES, I AM.

18 Q. WOULD YOU PLEASE TURN, MR. BINDER, TO THE SECOND  
19 TAB, WHICH IS EXHIBIT 6-AVEK-2.

20 A. YES, I HAVE THAT.

21 Q. DID YOU PREPARE THAT DOCUMENT OR THAT SERIES OF 17  
22 DOCUMENTS?

23 A. YES, I DID.

24 Q. WHAT ARE THEY?

25 A. EXHIBIT 6-AVEK-2 IS A 23 PAGE COMPILATION OF BULLET  
26 CHARTS, GRAPHS, AND TABLES THAT PROVIDES MY OPINIONS AND ALSO  
27 SUPPLEMENTAL INFORMATION THAT SUPPORTS MY OPINIONS.

28 Q. WHAT IS SHOWN ON PAGES ONE AND TWO OF EXHIBIT

1 DOCUMENTS THAT YOU LOOKED AT THAT THE COURT HAS ALREADY  
2 DETERMINED THE NATIVE SAFE YIELD FOR THIS BASIN?

3 A. YES.

4 Q. IS IT YOUR UNDERSTANDING THAT THE COURT HAS ALREADY  
5 DETERMINED THE TOTAL SAFE YIELD FOR THE BASIN?

6 A. YES.

7 Q. DO YOU UNDERSTAND THAT THE TOTAL SAFE YIELD IS  
8 COMPRISED OF THE NATIVE SAFE YIELD PLUS RETURN FLOWS FROM  
9 SUPPLEMENTAL IMPORTED WATER?

10 A. YES, THAT IS CORRECT.

11 Q. NOW, THE LAST BULLET POINT ON PAGE 4 OF EXHIBIT  
12 6-AVEK-2 STATES THAT "THE GROUNDWATER PRODUCTION EQUALS  
13 NATIVE SAFE YIELD TO BRING GROUNDWATER BASIN AND HYDROLOGIC  
14 BALANCE." WHAT IS MEANT BY THAT STATEMENT?

15 A. YES. THIS STATEMENT IS REALLY MEANT TO POSE THE  
16 QUESTION TO THEN GO TO THE NEXT STEP TO ANALYZE THAT  
17 QUESTION, AND I HAVE CALCULATIONS THAT SHOW MY ANALYSIS OF  
18 THAT QUESTION.

19 Q. DO YOU HAVE A CHART THAT ILLUSTRATES THAT CONCEPT?

20 A. YES, I DO.

21 Q. WOULD YOU TURN TO PAGE 5 OF THE EXHIBIT. AND WOULD  
22 YOU PLEASE ATTEMPT -- PLEASE EXPLAIN WHAT YOU'RE ATTEMPTING  
23 TO SHOW BY THAT PAGE.

24 A. YES. PAGE 5 SHOWS A STACK BAR CHART THAT'S ENTITLED  
25 "ILLUSTRATION OF ANNUAL GROUNDWATER PRODUCTION DURING  
26 RAMP-DOWN AND POST RAMP-DOWN PERIODS." THE VERTICAL AXIS  
27 SHOWS THE TOTAL ANNUAL PRODUCTION IN ACRE FEET. THE  
28 HORIZONTAL AXIS SHOWS THE YEARS 1 THROUGH 17, AND THEN AS

1 PROVIDED IN THE LEGEND AT THE BOTTOM OF THE GRAPH, THE THREE  
2 COLORS OF THE BARS FOR EACH YEAR THEN SHOW AN ILLUSTRATION OR  
3 ONE POSSIBLE SCENARIO FOR THE PUMPING IN EACH OF THOSE YEARS  
4 FOR EACH OF THOSE CATEGORIES WITH THE BLUE PORTION OF THE BAR  
5 SHOWING THE OVERLYING RIGHTS AS ASSOCIATED WITH EXHIBIT 4 IN  
6 THE PROPOSED JUDGMENT.

7 THE YELLOW SHOWS THE NON-OVERLYING RIGHTS ASSOCIATED  
8 WITH EXHIBIT 3 IN THE PROPOSED JUDGMENT, AND THEN ALL OTHER  
9 RIGHTS ARE LUMPED TOGETHER AS SHOWN IN THE RED AND THE MAIN  
10 TAKE AWAY FROM THIS GRAPH AND THE PURPOSE OF THIS GRAPH IS  
11 JUST TO SHOW AN EASY SIMPLE ILLUSTRATION TO DEMONSTRATE THAT  
12 BY YEAR EIGHT, THE GROUNDWATER PRODUCTION WILL BE REDUCED  
13 DOWN TO THE NATIVE SAFE YIELD OF 82,300 ACRE FEET PER YEAR.

14 Q. IN YOUR GRAPH, THE TOP NUMBER INDICATES 131,773 ACRE  
15 FEET AVERAGE FOR 2011, 2012. DID YOU ESTIMATE THAT AMOUNT?

16 A. YES, I DID.

17 Q. AND CAN YOU EXPLAIN HOW YOU ESTIMATED THAT AMOUNT?

18 A. I ESTIMATED THE AMOUNT OF THE -- WHAT I REFER TO AS  
19 THE CURRENT WATER REQUIREMENT OR THE CURRENT PUMPING IN TERMS  
20 AS OF AVERAGE YEARS 2011 AND '12, AND THEN REFERRED TO THAT  
21 AS THE CURRENT PUMPING. THE REASON THAT I SELECTED 2011 AND  
22 2012 IS BECAUSE THE PARTIAL DECISION ENTERED IN PHASE 4 OF  
23 THIS MATTER PROVIDES THE PRODUCTION FOR THE VARIOUS PARTIES  
24 IN YEARS 2011 AND 2012.

25 Q. BEFORE WE LEAVE THE GRAPH, DO YOU HAVE AN OPINION AS  
26 TO -- RELATED TO THE FUNCTIONALITY OF THE PROPOSED PHYSICAL  
27 SOLUTION?

28 A. YES.

1 Q. WHAT IS THAT OPINION?

2 A. MY OPINION IS THAT THIS GRAPH ILLUSTRATES THAT THE  
3 PROVISION THAT IS INCLUDED IN THE PROPOSED PHYSICAL SOLUTION  
4 FOR THE RAMP-DOWN WILL RESULT IN THE GROUNDWATER PRODUCTION  
5 BEING REDUCED DOWN TO THE NATIVE SAFE YIELD AND THUS THE  
6 GROUNDWATER BASIN WILL BE IN HYDROLOGIC BALANCE.

7 Q. WOULD YOU TURN, PLEASE, TO PAGE 6 OF THE EXHIBIT  
8 6-AVEK-2. DOES THAT PAGE SHOW YOUR CALCULATION OF THE  
9 CURRENT WATER PRODUCTION?

10 A. YES, IT DOES.

11 Q. WOULD YOU PLEASE EXPLAIN WHAT IS SHOWN ON PAGE 6?

12 A. YES. PAGE 6 IS A TABLE THAT IS ENTITLED "TOTAL  
13 CURRENT WATER REQUIREMENTS, AVERAGE USES FOR 2011 AND '12 AND  
14 THE VALUES SHOWN IN ACRE FEET PER YEAR." THE TABLE IS  
15 DIVIDED INTO TWO MAIN PARTS, THE UPPER PORTION OF THE TABLE  
16 PROVIDES THE GROUND WATER USES, AND YOU CAN LOOK DOWN THEN IN  
17 BOLD SHOWN AS THE SUBTOTAL FOR THE GROUNDWATER USES, YOU SEE  
18 THE NUMBER 131,773 ACRE FEET PER YEAR. THAT NUMBER WAS  
19 ARRIVED AT BY SUMMING THE INDIVIDUAL NUMBERS SHOWN FOR THE  
20 SEVEN-LINE ITEMS ABOVE.

21 Q. AND THAT'S THE SAME NUMBER SHOWN ON YOUR GRAPH ON  
22 PAGE 5?

23 A. YES, IT IS.

24 Q. ALL RIGHT. IF YOU COULD CONTINUE, PLEASE.

25 A. THE BOTTOM HALF OF THE CHART THEN OR TABLE SHOWS THE  
26 SUPPLEMENTAL WATER USES GOING DOWN AGAIN TO THE BOLD PORTION  
27 FOR THE SUBTOTAL OF SUPPLEMENTAL WATER USES. I'VE ESTIMATED  
28 FOR 2011 AND '12 CONDITIONS THAT THE SUPPLEMENTAL WATER USES



# **EXHIBIT E**

# OPINIONS

---

- 1 - **The Physical Solution as outlined in the Small Pumper Class Stipulation of Settlement (26-Feb-15), will result in achieving a hydrologic balance in the Antelope Valley Groundwater basin. The Physical Solution has three main components:**
  - **Ramp Down Pumping to Native Safe Yield**
  - **Import Supplemental Water to Meet Demands**
  - **Monitor and Manage the Basin using Management Tools under guidance of a Watermaster**
  
- 2 - **Pumping PPHCSD Well 14 at 1,200 afy will result in a net decrease in storage of 700 afy within the AVAA**

# **BASIS FOR OPINION 1**

---

- **Stabilization and recovery of groundwater levels and subsidence based on groundwater model simulation results.**
- **Water levels, subsidence and water balance**
- **Recharge is greater than or equal to extraction and the Basin will be in hydrologic balance or a state of recovery.**

## **Physical Solution Model Runs**

---

- **SC-1 (Run model 50 yrs) – Average 2011-2012 Pumping with Imported Water Under Severe Drought Conditions (Average 2014-2015)**
- **SC-1a (Run model 50 yrs) – Average 2011-2012 Pumping with Sufficient Imported Water Deliveries to Equal Supplemental Safe Yield**
- **SC-2 (Run model 50 yrs) – Ramp Down Current Pumping (Pre-Rampdown) to Native Safe Yield with Imported Water Under Severe Drought Conditions**
- **SC-2a (Run model 50 yrs) - Ramp Down Current Pumping (Pre-Rampdown) to Native Safe Yield with Sufficient Imported Water Deliveries to Equal Supplemental Safe Yield**

# NSY and ADJUSTED NSY

## Small Pumper Class Stipulation of Settlement

Exhibit A.1 Section <sup>1</sup>	Name	acre-ft/yr
4.1	Safe Yield (Native Safe Yield)	82,300
5.1.3	Small Pumper Class Production Rights	3,806.4
5.1.4	Federal Reserved Right	7,600
5.1.5	State of California	207
Subtotal 5.1.3+5.1.4+5.1.5		
3.5.2	Adjusted Native Safe Yield (82,300-11,613.4)	70,686.6
Exhibit 3	Public Water Suppliers	12,345
Exhibit 4 <sup>2</sup>	Land Owners	58,322.23
		82,280.63

<sup>1</sup> From Small Pumper Class Stipulation of Settlement (Judgment and Physical Solution)

<sup>2</sup> From the Second Revised Exhibit 4 to the Second Amended Stipulation for Entry the Judgment

# Pumping Assumptions for Predictive Scenarios 1 and 1a

Scenarios 1 and 1a (Average Pumping, between 2011 and 2012) Model Years 1 to 50, [acre-ft/yr]		
Name	Pumping	Sources
Small Pumper Class	9,747.55	Estimated based on report prepared by GSI Water Solutions, Inc. July 2015
Federal	1,348.34	Phase IV Amended Statement of Partial Decision
State of California	279.46	Based on email from Noah Golden-Krasner of California Department of Justice on 29-Jun-15
Public Water Suppliers	34,198.36	Phase IV Amended Statement of Partial Decision and historical pumping records provided by the West Valley County Water District
Land Owners	113,872.82	Materials provided by Mr. Kuney
City of Lancaster	506.34	Phase IV Amended Statement of Partial Decision
Phelan Pinon Hills CSD	1,044.2	Phase IV Amended Statement of Partial Decision
<b>Total</b>	<b>160,997.07</b>	

# Current Pumping from Small Pumpers

[1]	[2]	[3]	[4]	[5]	[6]	[7]
Groundwater Use AFY/HH*	2011 AFY/HH Cumulative %	2012 AFY/HH Cumulative %	Average AFY/HH Cumulative %	Average AFY/HH %	Number of HH	Groundwater Use, AFY
0	2	2	2	2	94	0.00
0 to 0.1	5	6	5.5	3.5	165	8.25
0.1 to 0.5	26	25	25.5	20	941	282.3
0.5 to 1	44	38	41	15.5	729	546.75
1 to 1.5	64	58	61	20	941	1,176.25
1.5 to 2	67	66	66.5	5.5	259	453.25
2 to 2.5	76	74	75	8.5	400	900
2.5 to 3	79	78	78.5	3.5	165	453.75
3 to 4	86	83	84.5	6	282	987
4 to 5	90	89	89.5	5	235	1,057.5
5 to 8	96	97	96.5	7	329	2,138.5
8 to 12	99	99	99	2.5	118	1,180
12+	100	100	100	1	47	564
			<b>Total</b>	<b>100</b>	<b>4,705</b>	<b>9,747.55</b>

\*HH = Household

[1], [2], and [3]: from GSI Water Solution, Inc. July 2015

[4] = ([2] + [3]) / 2

[5]: calculated from [4]

[6] = [5] x total number of households (4,705). Total number of households was calculated based on the total class members (3,459) divided by participating class members (86) multiplied by participating households (117) (4,705 = 3,459 / 86 x 117)

[7] = [6] x mid-value of [1]

# Pre-Rampdown Pumping Assumptions for SC-2 and SC-2a

Scenario 2 and 2a (Ramp Down Current Pumping to Native Safe Yield)	
Name	Model Years 1 and 2 Pre-Rampdown acre-ft/yr
Small Pumper Class	9,747.55
Federal <sup>1</sup>	1,348.34
State of California	279.46
Public Water Suppliers <sup>2</sup>	40,450.02
Land Owners	105,892.63
City of Lancaster	500
Phelan Pinon Hills CSD	1,200
<b>Total</b>	<b>159,418.00</b>

## Sources

Average of 2011 and 2012 pumping estimated based on report prepared by GSI Water Solutions, Inc. July

Average of 2011 and 2012 pumping based on the Phase IV Amended Statement of Partial Decision

Average of 2011 and 2012 pumping based on email from Noah Golden-Krasner of California Department of Justice on 29-Jun-15

Average of 2011 and 2012 pumping based on Phase IV Amended Statement of Partial Decision and historical pumping records provided by the West Valley County Water District

Pre-Rampdown production from the Second Revised Exhibit 4 to the Second Amended Stipulation for Entry of Judgment

Based on Section 5.1.7 of the Judgment and Physical Solution

Based on Section 6.4.1.2 of the Judgment and Physical Solution

<sup>1</sup> Federal reserved right is 7,600 AFY. 35 AFY of unused water right was reallocated to West Valley County Water District and the remaining unused water right was reallocated to the remaining public water suppliers based on percentage share shown in Exhibit 3 of the Judgment and Physical Solution.

<sup>2</sup> Including unused water right from the Federal reserved right.



# Rampdown Pumping Assumptions for SC-2 and SC-2a

## Scenario 2 and 2a (Ramp Down Current Pumping to Native Safe Yield)

Name	Model Years 8 and 50 Rampdown acre-ft/yr	Sources
Small Pumper Class	3,806.4	Rampdown production from the Section 5.1.3 of the Judgment and Physical Solution
Federal <sup>1</sup>	1,348.34	Rampdown production from the Section 5.1.4 of the Judgment and Physical Solution
State of California	207	Rampdown production from the Section 5.1.5 of the Judgment and Physical Solution
Public Water Suppliers <sup>2</sup>	18,596.66	Rampdown production from the Exhibit 3 of the Judgment and Physical Solution
Land Owners	58,322.23	Rampdown production from the Second Revised Exhibit 4 to the Second Amended Stipulation for Entry of Judgment
City of Lancaster	0	Based on Section 5.1.7 of the Judgment and Physical Solution
Phelan Pinon Hills CSD	1,200	Based on Section 6.4.1.2 of the Judgment and Physical Solution
<b>Total</b>	<b>83,480.63</b>	

<sup>1</sup> Federal reserved right is 7,600 AFY. 35 AFY of unused water right (6,251.66 AFY = 7,600 AFY - 1,348.34 AFY) was reallocated to West Valley County Water District and the remaining unused water right was reallocated to the remaining public water suppliers based on percentage share shown in Exhibit 3 of the Judgment and Physical Solution.

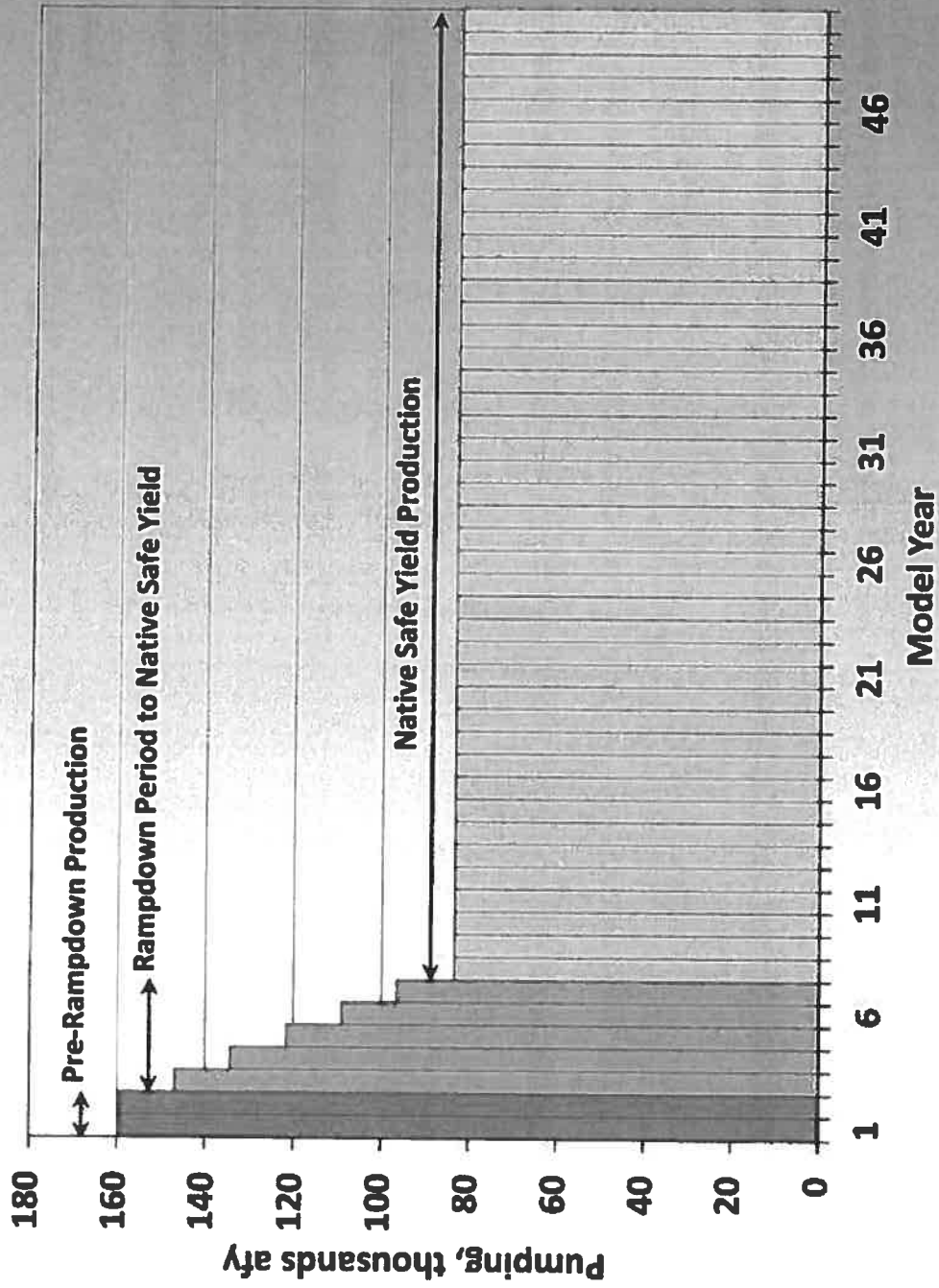
<sup>2</sup> Including 12,345 AFY public water suppliers water rights and 6,251.66 AFY unused water right from the Federal reserved right (18,596.66 AFY = 12,345 AFY + 6,251.66 AFY).

# Pumping Assumptions for Predictive Scenarios 2 and 2a

Name	Scenario 2 and 2a (Ramp Down Current Pumping to Native Safe Yield)										
	Model Years 1 and 2 Pre Rampdown	Model Year 3	Model Year 4	Model Year 5	Model Year 6	Model Year 7	Model Years 8 to 50	acre-ft/yr			
Small Pumper Class	9,747.55	8,757.36	7,767.17	6,776.98	5,786.78	4,796.59	3,806.4				
Federal <sup>1</sup>	1,348.34	1,348.34	1,348.34	1,348.34	1,348.34	1,348.34	1,348.34				
State of California	279.46	267.38	255.31	243.23	231.15	219.08	207				
Public Water Suppliers <sup>2</sup>	40,450.02	36,807.79	33,165.57	29,523.34	25,881.11	22,238.89	18,596.66				
Land Owners <sup>3</sup>	105,892.63	97,964.23	90,035.83	82,107.43	74,179.03	66,250.63	58,322.23				
City of Lancaster <sup>4</sup>	500	500	500	500	500	500	0				
Phelan Pinon Hills CSD <sup>5</sup>	1,200	1,200	1,200	1,200	1,200	1,200	1,200				
<b>Total</b>	<b>159,418.00</b>	<b>146,845.10</b>	<b>134,272.22</b>	<b>121,699.32</b>	<b>109,126.41</b>	<b>96,553.53</b>	<b>83,480.63</b>				

<sup>1</sup> Federal reserved right is 7,600 AFY. 35 AFY of unused water right was reallocated to West Valley County Water District and the remaining unused water right was reallocated to the remaining public water suppliers based on percentage share shown in Exhibit 3 of the Judgment and Physical Solution.  
<sup>2</sup> Including unused water right from the Federal reserved right.  
<sup>3</sup> Pre-Rampdown production from the Second Revised Exhibit 4 to the Second Amended Stipulation for Entry of Judgment.  
<sup>4</sup> Per Section 5.1.7 of the Judgment and Physical Solution.  
<sup>5</sup> Per Section 6.4.1.2 of the Judgment and Physical Solution.

# Pumping Assumptions for Predictive Scenarios 2 and 2a



## **Summary of Modeling Results**

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- **Model Scenarios 2 and 2a (ramp down to NSY) will result in a Physical Solution**
  - **Model Scenario 2 will stabilize water levels and subsidence**
  - **Model Scenario 2a will allow water levels to recover and further stabilize subsidence**
- **Reduction in groundwater pumping (to settlement amounts), as well as continued use of imported water will result in a sustainable yield for the Antelope Valley groundwater basin and bring the basin back in balance.**

# **EXHIBIT F**

**6-AVEK-2**

# Exhibits

## Charles W. Binder

# Opinions

- Proposed physical solution results in groundwater production being reduced to an amount equal to the native safe yield, resulting in the groundwater basin being in hydrologic balance.
- Native safe yield plus available supplemental supplies are sufficient to meet the total current water requirements.



# Opinions

- Proposed physical solution provides a functional structure to administer the judgment and manage the groundwater basin. Key elements of the proposed physical solution include:
  - Management structure organized through a Watermaster and Watermaster Engineer.
  - Financial plan to fund the management structure and implement the physical solution.
  - Flexible management tools to implement the judgment and manage the groundwater basin.
  - Continuing Court jurisdiction for enforcement and modification of provisions of the judgment.

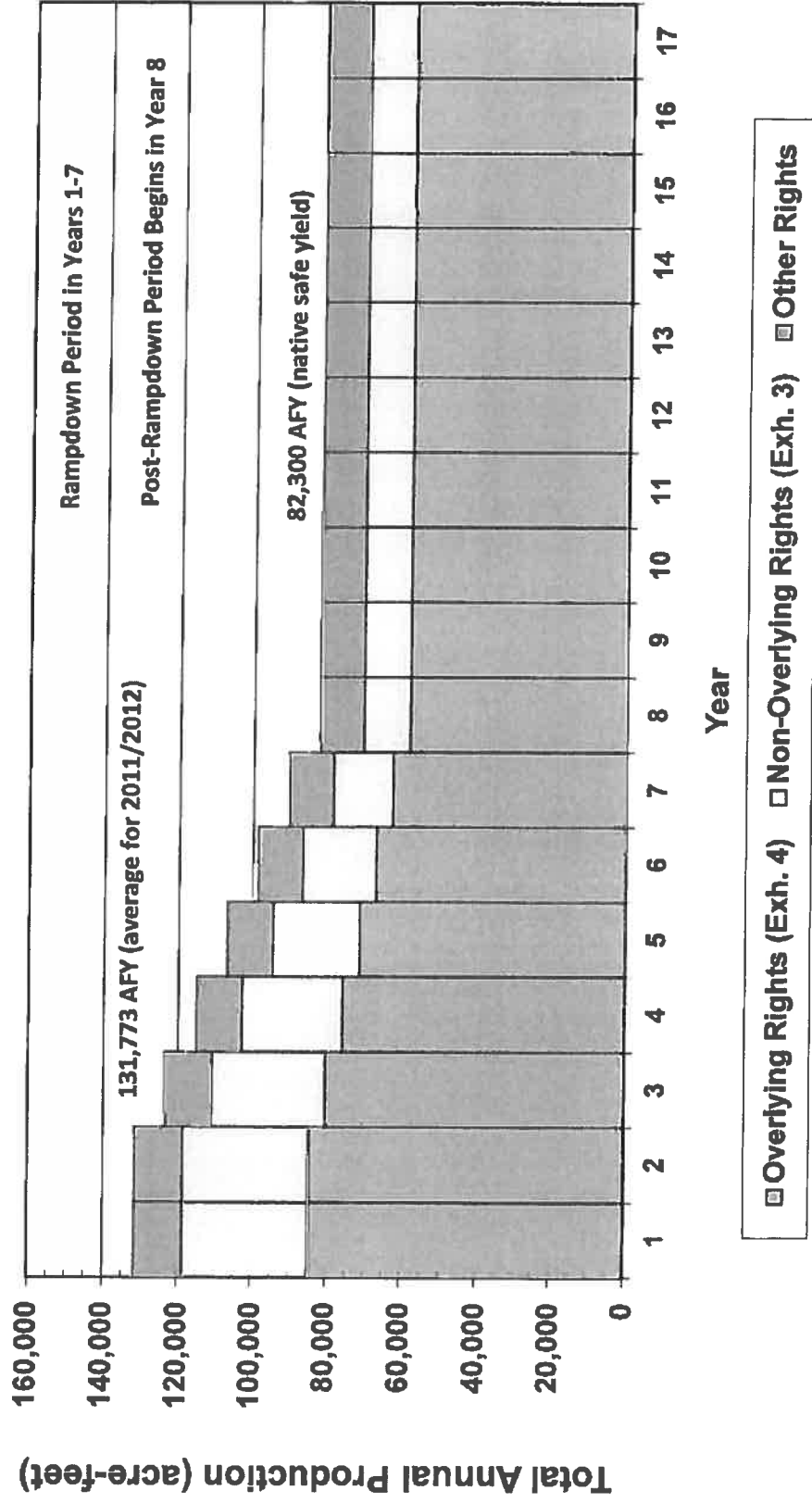
# Objectives of the Proposed Physical Solution and Stipulated Judgment

- Achieve Safe Yield and Stabilize Groundwater Levels
- Develop Structure to Administer Judgment and Manage Groundwater Basin
- Develop Financial Plan for Administration of Judgment and Management of Basin
- Provide Flexible Management Tools for Functional Physical Solution
- Provide Continuing Court Jurisdiction for Enforcement and Modification of Physical Solution and Judgment

# Balance Groundwater Production with Native Safe Yield

- Total Safe Yield Determined by Court
  - Native Safe Yield = 82,300 AFY
  - Supplemental Safe Yield = 27,700 AFY
  - Total Safe Yield = 110,000 AFY
  
- Groundwater Production Equals Native Safe Yield to Bring Groundwater Basin into Hydrologic Balance

## Illustration of Annual Groundwater Production During Rampdown and Post-Rampdown Periods



# Direct Measures to Balance Water Supplies and Water Requirements

- Seven-Year Rampdown for Groundwater Production to Reach Native Safe Yield
- Rights to Imported Water Return Flows
- Provide Supplemental Imported Supplies from State Water Project
- Provide Recycled Water as Source of Supplemental Supplies

# Management Tools for Coordinated and Conjunctive Use of Native and Supplemental Water Supplies

- Rights to Imported Water Return Flows
- Carryover Water
  - In Lieu Production
  - Imported Water Return Flows
  - Production Rights
- Groundwater Storage (Banking)
- Transfers
- Change in Point of Extraction

**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 December 29, 2017, I served the within document(s):

**NOTICE AND MOTION FOR INTERPRETATION OF JUDGMENT CONFIRMING APPLICABILITY OF RAMPDOWN AND CARRYOVER RIGHTS TO PUBLIC WATER SUPPLIERS; MEMORANDUM OF POINTS AND AUTHORITIES; DECLARATION OF JEFFREY V. DUNN**

- by posting the document(s) listed above to the Santa Clara County Superior Court via the Odyssey website and Glotrans 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 December 29, 2017, at Irvine, California.

  
Kerry V. Keefe