

# Exhibit B

1 **MICHAEL T. FIFE (State Bar No. 203025)**  
2 **BRADLEY J. HERREMA (State Bar No. 228976)**  
3 **BROWNSTEIN HYATT FARBER SCHRECK, LLP**  
4 **21 East Carrillo Street**  
5 **Santa Barbara, California 93101**  
6 **Telephone No: (805) 963-7000**  
7 **Facsimile No: (805) 965-4333**

8 **Attorneys for:** Gene T. Bahlman, William R. Barnes & Eldora M. Barnes Family Trust of 1989,  
9 Thomas M. and Julie Bookman, Bruce Burrows, 300 A 40 H, LLC, B.J. Calandri, John Calandri,  
10 John Calandri as Trustee of the John and B.J. Calandri 2001 Trust, Calmat Land Company, Cameo  
11 Ranching Co., Sal and Connie L. Cardile, Consolidated Rock Products, Del Sur Ranch LLC, Forrest  
12 G. Godde, Forrest G. Godde as Trustee of the Forrest G. Godde Trust, Lawrence A. Godde,  
13 Lawrence A. Godde and Godde Trust, Gorrindo Family Trust, Leonard and Laura Griffin, Healy  
14 Enterprises, Inc., Hines Family Trust, Habod Javadi, Juniper Hills Water Group, Eugene V., Beverly  
15 A., & Paul S. Kindig, Paul S. & Sharon R. Kindig, Kootenai Properties, Inc., Dr. Samuel Kremen,  
16 Gailen Kyle, Gailen Kyle as Trustee of the Kyle Trust, James W. Kyle, James W. Kyle as Trustee of  
17 the Kyle Family Trust, Julia Kyle, Wanda E. Kyle, Malloy Family Partners, Jose Maritorena Living  
18 Trust, Richard H. Miner, Barry S. Munz, Terry A. Munz and Kathleen M. Munz, Eugene B.  
19 Nebeker, R and M Ranch, Inc., John and Adrienne Reca, Edgar C. Ritter, Paula E. Ritter, Paula E.  
20 Ritter as Trustee of the Ritter Family Trust, Sahara Nursery, Marygrace H. Santoro as Trustee for the  
21 Marygrace H. Santoro Rev Trust, Marygrace H. Santoro, Mabel Selak, Jeffrey L. & Nancee J.  
22 Siebert, Helen Stathatos, Savas Stathatos, Savas Stathatos as Trustee for the Stathatos Family Trust,  
23 Tierra Bonita Ranch Company, Beverly Tobias, Vulcan Lands, Inc., collectively known as the  
24 **Antelope Valley Ground Water Agreement Association ("AGWA")**

25 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
26 **FOR THE COUNTY OF LOS ANGELES**

27 **ANTELOPE VALLEY**  
28 **GROUNDWATER CASES**

Included Actions:

Los Angeles County Waterworks District No.  
40 v. Diamond Farming Co. Superior Court of  
California County of Los Angeles, Case No. BC  
325 201 Los Angeles County Waterworks  
2District No. 40 v. Diamond Farming Co.  
Superior Court of California, County of Kern,  
Case No. S-1500-CV-254-348Wm. Bolthouse  
Farms, Inc. v. City of Lancaster Diamond  
Farming Co. v. City of Lancaster Diamond  
Farming Co. v. Palmdale Water Dist. Superior  
Court of California, County of Riverside,  
consolidated actions, Case No. RIC 353 840,  
RIC 344 436, RIC 344 668

Judicial Council Coordination Proceeding  
No. 4408

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

**AGWA's OBJECTION AND JOINDER IN  
OBJECTIONS TO MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
SETTLEMENT FILED BY RICHARD  
WOOD AND LOS ANGELES COUNTY  
WATERWORKS DISTRICT NO. 40**

DATE: MAY 24, 2011  
TIME: 9:00 a.m.  
DEPT: 316  
JUDGE: Hon. J. Komar

1 The Antelope Valley Groundwater Agreement Association ("AGWA") joins in the  
2 objections filed by Bolthouse Properties and Copa De Oro Land Company. The proposed Wood  
3 Class settlement is adverse to the rights of AGWA members in numerous ways in violation of the  
4 Court's Order of Consolidation. The primary areas of adversity created are:

5 The Agreement purports to allocate up to 3 acre-feet per household. (Agreement 11:4-5.) The  
6 Agreement says that if the Court does not "approve this provision" then the Agreement is void.  
7 (Agreement 116-7.) The Court cannot approve an allocation of a specific acre-foot amount to the  
8 Wood Class without reducing the amount of water available for allocation to the other landowners.  
9 Thus, approval of the Agreement harms the rights of the other landowners in the consolidated  
10 action.<sup>1</sup>

11 Such an allocation is especially prejudicial because it appears significantly overstated in  
12 comparison to the actual historical pumping by rural residential users. The purveyor's Summary  
13 Expert Report stated that:

14 "[I]n the general category of municipal-type water requirements, rural  
15 residences (considered to be represented by some 7,000 improved land  
16 parcels located outside the service areas of municipal water purveyors or  
17 smaller mutual or other private water companies) were estimated to have  
18 utilized a total of about 8,200 afy in 2006 (approximately 1.2 afy per  
19 parcel). Similar to the method employed for estimating the historical rate  
20 of growth of mutual water company water demand (described below), the  
21 2006 rural residential water requirement of 8,200 afy equaled  
22 approximately 8 percent of the requirement of the major purveyors, and  
the historical rural residential water requirements are considered to be that  
constant fraction of the historical M&I water requirements of the major  
purveyors. As such, the rural residential water requirement in 2009 is  
estimated to be about 7,000 afy."  
(SER Appendix D, page D-20.)

23 The Agreement says that any assessments ultimately charged by the Watermaster will be  
24 subject to the Wood Class 3-acre-foot exemption. (Agreement 11:9.) This will result in higher  
25 assessments to the other landowners. Thus, approval of the Agreement harms the rights of the other  
26 landowners in the consolidated action.

27  
28 <sup>1</sup> The Wood Class is defined as users who use 25 acre-feet or less. No where is an explanation given  
as to how the settlement will affect class members who use more than 3 acre-feet.

1 The Agreement says that "any assessments shall be borne by the Overlying Landowners"  
2 which includes landowners not party to the Wood Class action. (Agreement 11:8-9.) Thus, approval  
3 of the Agreement harms the rights of the other landowners in the consolidated action.

4 The Agreement binds the Watermaster with regard to potential ordered reduction in pumping  
5 with respect to other Overlying Landowners. (Agreement 11:25-12:16.) This acts as a limitation on  
6 other landowners ability to make such legal claims in the future with regard to the Wood Class  
7 members. Thus, approval of the Agreement harms the rights of the other landowners in the  
8 consolidated action.

9 The Agreement states that, "Any pumping reductions needed because of the Wood Class  
10 exemption would be made solely by Overlying Owners from their 85% share of the Federally  
11 Adjusted Native Safe Yield." (Agreement 12:14-16.) Thus, approval of the Agreement harms the  
12 rights of the other landowners in the consolidated action.

13 The Agreement states, "The Wood Class members recognize that other Overlying Owners  
14 may have the right to pump correlatively with them 85% of the Federally Adjusted Native Safe  
15 Yield of the Basin for reasonable and beneficial uses on their overlying land. However, by approving  
16 this Agreement, the Court expressly recognizes that the 3 acre-foot per year Assessment-exemption  
17 pumping right, set forth is IV.D.2, above, is domestic use pursuant to California Water Code section  
18 106." (Agreement 12:23-27.) Thus, the approval of the Agreement requires the Court to make a  
19 specific determination that could affect the priority of use as between other landowners and the  
20 Wood Class.

21 Use of water for "domestic purposes," only includes consumption for sustenance of human  
22 beings, for household conveniences and for care of livestock. (*Deetz v. Carter* (1965) 232  
23 Cal.App.2d 851.) The Agreement requires the Court to make such a factual determination without  
24 any evidence of same, potentially in derogation of the rights of other parties to the case. As the  
25 Bolthouse objection points out, residential water use in the Antelope Valley is approximately one-  
26 acre foot per household. This use estimate includes water for outdoor irrigation. Thus, the proposed  
27 settlement requires the Court to make the factual finding that water use by Wood Class members for  
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sustenance of human beings and household conveniences (i.e., excluding outdoor irrigation) is three times higher than the average of all water use by residential users in the Valley.

Dated: May 11, 2011

BROWNSTEIN HYATT FARBER SCHRECK, LLP



By: \_\_\_\_\_  
MICHAEL T. FIFE  
BRADLEY J. HERREMA  
ATTORNEYS FOR AGWA

**PROOF OF SERVICE**

**STATE OF CALIFORNIA,  
COUNTY OF SANTA BARBARA**

I am employed in the County of Santa Barbara, State of California. I am over the age of 18 and not a party to the within action; my business address is: 21 E. Carrillo Street, Santa Barbara, California 93101.

On May 11, 2010, I served the foregoing document described as:

**AGWA's OBJECTION TO MOTION FOR PRELIMINARY APPROVAL OF CLASS  
SETTLEMENT FILED BY RICHARD WOOD AND LOS ANGELES COUNTY  
WATERWORKS DISTRICT NO. 40**

on the interested parties in this action.

By posting it on the website by 5:00 p.m. on May 11, 2010.  
This posting was reported as complete and without error.

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

Executed in Santa Barbara, California, on May 11, 2010.

BROWNSTEIN HYATT FARBES SCHRECK, LLP  
21 East Carrillo Street  
Santa Barbara, CA 93101

MARIA KLACHKO-BLAIR  
TYPE OR PRINT NAME



SIGNATURE

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