

EXHIBIT B

1 WHICH THAT'S BEEN APPLIED IN BASIN-WIDE WATER
2 ADJUDICATIONS, AND THAT IS ONE OPTION WHICH THE COURT
3 DID NOT FEEL LIKE TAKING UP AT THAT POINT IN TIME. BUT
4 ONE THING MR. O'LEARY AND I ARE NOT GOING TO DO IS SPEND
5 50 TO \$100,000 AND THEN HAVE MR. DUNN AND HIS CLIENT
6 SAY, LOOK, YOUR HONOR, AT 1033.5 WE DON'T TO HAVE PAY
7 THESE AT THE END OF THE CASE.

8 I'M NOT INTO -- YOU KNOW, I'VE ALREADY PUT
9 FOUR YEARS AND OVER 2000 HOURS OF TIME IN. THIS CASE IS
10 BANKRUPTING MY PRACTICE LITERALLY, AND THE LAST THING
11 I'M GOING TO DO IS GO SPEND THAT MONEY IN A SITUATION.

12 NOW, UNFORTUNATELY LEGISLATURE HASN'T FIXED
13 THIS YET. AT SOME POINT IN THE NEXT YEAR OR SO WE
14 BELIEVE THAT GOVERNOR BROWN WILL FIX THIS PROBLEM, BUT
15 IT STILL EXISTS AND IT'S A REAL PROBLEM. AND THAT'S
16 EXACTLY WHY IN THE CIVIL CONTEXT YOU CAN USE A
17 COURT-APPOINTED EXPERT IN THIS SITUATION, AND WITHOUT IT
18 I WOULD PUT TO YOUR HONOR THAT WE DON'T HAVE A
19 COMPREHENSIVE ADJUDICATION.

20 SO I APPRECIATE YOUR HONOR'S TIME AND
21 INDULGENCE.

22 THE COURT: WELL, MR. MCLACHLAN, I DON'T DISAGREE
23 WITH YOU IN TERMS OF THE NECESSITY OF HAVING AN EXPERT
24 EVIDENCE CONCERNING THAT ISSUE IF THE PARTIES CANNOT
25 COME TO A AGREEMENT THAT IS FACT BASED. AND I HAVE
26 EVERY INTENTION OF INSURING THAT THE COURT IS FULLY
27 APPRISED SO THAT THIS IS A COMPREHENSIVE ADJUDICATION
28 DEALING WITH EVERYBODY'S INTERESTS IN IT.

1 AND I CAN TELL YOU I ALSO APPRECIATE THE
2 FACT THAT YOU'RE NOT WILLING TO YOURSELF SPEND \$100,000
3 OR WHATEVER THE PROPOSAL MIGHT BE IN ORDER TO BRING THIS
4 MATTER TO FRUITION.

5 WHETHER THAT BECOMES NECESSARY OR WHETHER
6 IT BECOMES AN IMPEDIMENT, AT THIS POINT I CAN'T TELL
7 YOU, BUT I'M CERTAINLY WILLING AND I'VE INDICATED THAT I
8 WILL WANT SOME TESTIMONY FROM AN EXPERT, A COURT EXPERT,
9 IF THAT'S THE ONLY SOURCE THAT I HAVE, AT THE TIME THAT
10 WE'RE HAVING AN EVIDENTIARY HEARING TO DETERMINE THE
11 VARIOUS ALLOCABLE RIGHTS IN THE VALLEY.

12 AND I THINK THAT THAT SPECIFIC
13 APPOINTMENT -- AND I THINK IT MIGHT BE SOMEWHAT
14 DIFFERENT THAN WAS ORIGINALLY PROPOSED BY MR. THOMPSON,
15 DEPENDING UPON WHAT FORM THE PROPOSED SETTLEMENT AMONG
16 THE VARIOUS PARTIES TAKES.

17 I DON'T WANT TO GET TOO FAR INTO WHAT THE
18 CONTINGENCIES ARE IN REGARD TO THAT AND THAT PHASE OF
19 THE TRIAL BECAUSE I DON'T EXACTLY KNOW WHAT THE
20 SETTLEMENT PROPOSALS ARE BETWEEN THE PARTIES, BUT WE'LL
21 TAKE THAT UP WHEN WE REACH THAT POINT.

22 SO WHETHER I'M GOING TO CONTINUE THE
23 HEARING ON THE MOTION OR DENY IT WITHOUT PREJUDICE, AT
24 THIS POINT I DON'T THINK IT MAKES A WHOLE LOT OF
25 DIFFERENCE, BUT I THINK THAT RATHER THAN DENYING IT
26 WITHOUT PREJUDICE, I WILL RESET IT FOR HEARING AT THE
27 TIME THAT WE DO THE ACTUAL TRIAL SETTING OR EVIDENTIARY
28 HEARING SETTING, THE NEXT PHASE OF THE TRIAL.

1 SO THAT WILL BE THE ORDER.

2 MR. MCLACHLAN: WE'LL JUST THEN RE-NOTICE IT --
3 SINCE THAT DATE IS UNKNOWN -- WELL, DO WE EXPECT TO KNOW
4 THAT DATE TODAY?

5 THE COURT: I HOPE TO KNOW THE DATE THAT WE'RE
6 GOING TO BE ABLE TO DO THAT BEFORE WE'RE DONE HERE, AND
7 I'M GOING TO PASS THIS ISSUE CONCERNING THE COURT-SEALED
8 DISTRICT REQUEST UNTIL AFTER WE'VE FIGURED OUT WHAT THE
9 DATE IS GOING TO BE.

10 SO LET'S TAKE UP THE CASE MANAGEMENT
11 CONFERENCE.

12 I'VE RECEIVED A VARIETY OF CASE MANAGEMENT
13 CONFERENCE STATEMENTS FROM COUNSEL, AND I THINK THAT
14 WHAT I'D LIKE TO DO IS TALK TO YOU ABOUT -- OR HAVE
15 SOMEBODY TELL ME, IF YOU CAN, BASICALLY WHAT THE STATUS
16 OF THE SETTLEMENT NEGOTIATIONS ARE, WHAT YOU EXPECT TO
17 ACCOMPLISH IN GENERAL TERMS, WITHOUT GETTING INTO THE
18 SPECIFICS, SO THAT I CAN EVALUATE WHAT OUR NEXT HEARING
19 DATE SHOULD BE.

20 MR. ZIMMER: I CAN PROBABLY ADDRESS THAT, YOUR
21 HONOR. RICHARD ZIMMER ON BEHALF OF BOLTHOUSE PROPERTIES
22 AND BOLTHOUSE FARMS.

23 THE COURT: YOU'RE GOING TO REALLY HAVE TO SPEAK
24 UP.

25 MR. ZIMMER: RICHARD ZIMMER, YOUR HONOR, ON BEHALF
26 OF BOATHOUSE FARMS AND BOATHOUSE PROPERTIES.

27 GENERALLY SPEAKING, WE HAVE HAD DISCUSSIONS
28 WITH JUSTICE ROBIE. THE DISCUSSIONS HAVE BEEN TWO-FOLD

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 FOR THE COUNTY OF LOS ANGELES

3 DEPARTMENT CCW 316

HON. JACK KOMAR, JUDGE

4 ANTELOPE VALLEY)
5 GROUNDWATER CASES)

6) NO. JCCP4408
7) REPORTER'S
8) CERTIFICATE
9)
10)

11 I, LYNNE M. FRANKO, OFFICIAL REPORTER OF THE
12 SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE
13 COUNTY OF LOS ANGELES, DO HEREBY CERTIFY THAT I DID
14 CORRECTLY REPORT THE PROCEEDINGS CONTAINED HEREIN AND
15 THAT THE FOREGOING PAGES 1 THROUGH 41, INCLUSIVE,
16 COMPRISE A FULL, TRUE, AND CORRECT TRANSCRIPT OF THE
17 PROCEEDINGS AND TESTIMONY TAKEN IN THE MATTER OF THE
18 ABOVE-ENTITLED CAUSE ON APRIL 17TH, 2012.

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20 DATED THIS 15TH DAY OF MAY, 2012
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25 _____
26 LYNNE FRANKO, CSR NO. 7403
27 OFFICIAL REPORTER
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