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SUPERIOR COURT FOR THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

Coordination Proceeding
Special Title (Rule 1550(b))

ANTELOPE VALLEY GROUNDWATER
CASES

RICHARD A. WOOD, an individual, on
behalf of himself and all others similarly
situated,

Plaintiff,

v.

LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40; et
al.

Defendants.

Judicial Council Coordination
Proceeding No. 4408
(Honorable Jack Komar)

Lead Case No. BC 325201

Case No.: BC 391869

**SECOND SUPPLEMENTAL
DECLARATION OF MICHAEL D.
MCLACHLAN IN SUPPORT OF
MOTION FOR AWARD OF
ATTORNEYS' FEES, COSTS AND
INCENTIVE AWARD**

Location: Dept. TBA
Santa Clara Superior Court
191 N. First Street
San Jose, California

Date: April 1, 2016
Time: 1:30 p.m.

1 **SECOND SUPPLEMENTAL DECLARATION OF MICHAEL D.**
2 **MCLACHLAN**

3
4 I, Michael D. McLachlan, declare:

5 1. I make this declaration of my own personal knowledge, except where
6 stated on information and belief, and if called to testify in Court on these matters,
7 I could do so competently.

8 2. I am co-counsel of record of record for Plaintiff Richard Wood and
9 the Class, and have been since 2008. I am duly licensed to practice law in
10 California. I make this second supplemental declaration in support of the Motion
11 Award of Attorney Fees, Costs and Incentive Award.

12 3. Attached as **Exhibit 13** is a true and correct copy of the relevant
13 pages of the hearing transcript of March 12, 2007.

14 4. Attached as **Exhibit 14** is a true and correct copy of the relevant
15 pages of the hearing transcript of April 16, 2007.

16 5. Attached as **Exhibit 15** is a true and correct copy of the relevant
17 pages of the hearing transcript of August 11, 2008.

18 6. The PWS and the Court fully acknowledged that the case could be at
19 issue and be litigated with the Class mechanism. (Ex. 13, 12:16-23.)

20 7. Attached as **Exhibit 16** is a true and correct copy of the relevant
21 pages of the hearing transcript of May 21, 2007 (*see* 28:17-28), wherein the Court
22 stated:

23 THE COURT: NONE OF THIS, MR. WEINSTOCK, WE CAN DO IN ANY
24 BINDING WAY UNTIL WE HAVE EVERYBODY A PARTY AND SERVED,
25 EITHER AS A CLASS MEMBER OR AS A DEFENDANT CLASS OR
26 OTHERWISE. AND SO FAR, IT HAS BEEN LIKE PULLING TEETH TO
27 GET THAT TO OCCUR. AND I'VE BEEN TALKING ABOUT THAT NOW
28 FOR A LONG TIME. AND ONCE THAT IS ACCOMPLISHED I WILL BE
VERY HAPPY TO START HEARING EVIDENCE CONCERNING ALL OF
THE ISSUES THAT YOU JUST DESCRIBED. BUT UNTIL THAT HAS
HAPPENED, IT WOULD BE AN EXERCISE IN FUTILITY AND

1 REDUNDANCY FOR THE COURT TO START
2 HEARING THAT KIND OF EVIDENCE.

3 (*Id.* at 41:3-12.)

4 8. I have practiced law for over 20 years, nearly all of which has been
5 spent as a Plaintiff's attorney. I therefore have considerable experience in having
6 service of summons effectuated, and the costs of doing same. Personal service in
7 a remote area like the Antelope Valley, or out of state, where a large portion of the
8 Willis and Small Pumper Class members live, would cost in the range of \$100 -
9 \$300, or more, on average.

10 9. After the failed settlement hearing on June 16, 2011, at the Court's
11 encouragement, I met with Jeff Dunn, Warren Wellen and Richard Wood in the
12 courthouse cafeteria, where we all agreed to revise the settlement agreement in
13 accord with the Court's reservations, and resubmit it. I revised the agreement
14 accordingly and circulated it on June 20, 2011. On July 14, 2011, Warren Wellen
15 advised me in writing that the settlement did not have to go back to District 40's
16 board for re-approval.

17 10. Thereafter, by August 4, 2011, counsel for District 40 went silent
18 again, and refused to proceed with the settlement. During this time, several
19 other PWS continued to express a preference for settling with the Class,
20 including Thomas Bunn and Doug Evertz. Attached as **Exhibit 17**, collectively,
21 are true and correct copies of relevant emails from 2011 discussed above.

22 11. In the Spring of 2013, I had a discussion with Jeff in Court about a
23 settlement, using a class complaint against the landowners as leverage to force
24 them to not oppose it. If they did, we would go through with the PWS settlement
25 and litigate against the landowners. Dunn blessed this idea. The AV Materials
26 case was filed on May 23, 2013. That day I emailed all PWS to advise of the
27 settlement plans. That same day, Eric Garner emailed regarding his interest. He
28 On June 18, 2013, Warren Wellen called to inform me that D40 was reneging on

1 its agreement to settle after the filing of AV Materials.

2 12. On June 26, I wrote to all other PWS counsel on settlement, with a
3 discussion of legal fees. On July 3, 2013, I emailed all PWS counsel again with a
4 revised draft agreement. By August 15, the following counsel had agreed that
5 their clients would settle: Brad Weeks; Doug Evertz; Tom Bunn; and Wes
6 Miliband. An e-mail of that same day, contained discussion of fee exposure. On
7 August 19, John Tootle called to tell me that Cal Water was also going to join the
8 settlement.

9 13. On October 17, Quartz Hill took the matter to their Board for
10 approval (I was aware of this by direct communications from Bradley Weeks),
11 after the preliminary approval motion was filed, and voted to pull out of the
12 settlement. In a telephone call the next day, Mr. Weeks told me his client pulled
13 out due to “intense” pressure from District 40. On October 23, 2013, after the
14 motion for preliminary approval had been filed, Cal Water also pulled out via a
15 formal notice filed with the Court.

16 14. Attached as **Exhibit 18**, collectively, are true and correct copies of
17 relevant emails from 2013 discussed above.

18 15. It is well known that District 40 spent many year trying to stop
19 settlement efforts, including the foregoing and the long-running principles
20 mediation process under James Waldo (in which I participated directly). In
21 November of 2013, the growing frustration with District 40’s efforts to stop
22 settlement led a handful of parties – the United States, Palmdale Water District,
23 AVEK, and a few other parties, including myself as Class counsel – to commence
24 settlement discussions in a small, private group. District 40 and the other public
25 water suppliers were expressly excluded, and not advised. These settlement
26 meetings went on for many months, and ultimately produced the agreement that
27 ultimately, after further improvement, became the Judgment and Physical
28 Solution.

1 16. My extensive experience with groundwater-related litigation spans
2 over 20 years. It was very useful when interfacing with experts in this case, and
3 enabled me to handle those issues without access to a hydrogeologist or
4 hydrologist expert of my own.

5 17. The Court should recall that the Scalmanini deposition was taken
6 over many days in order to preserve his testimony for the Phase III trial due to
7 his health problems. In fact, the deposition occurred during a break in the trial.
8 It appeared that there would have been no opportunity to wait for the transcripts
9 and review them before the trial recommenced. So both myself and Mr. O’Leary
10 attended portions of this deposition. But only I flew to Northern California to
11 conduct the Class’ cross-examination of Mr. Scalamini.

12 18. Attached as **Exhibit 19** is a true and correct copy of the Stipulation
13 for Entry of Judgment and Physical Solution, omitting the voluminous signature
14 pages beyond that of District 40.

15 19. Mr. Dunn’s statement in paragraph 13 of his declaration is wrong. I
16 did attend trial on February 10, 2014. Similarly, Ms. Wang is incorrect that I did
17 not attend the settlement conference on February 18, 2014.

18 20. Attached as **Exhibit 20** is a true and correct copy of the
19 declarations of Wesley Milliband, Thomas Bunn and Douglas Evertz, filed in
20 2013.

21
22 **ALLOCATION AMONG DEFENDANTS**

23 21. The table below shows the water right for each of the defendants
24 subject to this motion (Dunn Decl., Ex. G.) as a relative percentage among, and
25 then the proportionate share of the lodestar at issue in this Motion:
26
27
28

Defendant	Production Right	Relative %	Percentage of Lodestar
District No. 40	6,789.26	74.76%	\$2,503,084
Quartz Hill	563.73	6.21%	\$207,921
Littlerock Creek I.D.	796.58	8.77%	\$293,634
California Water	343.14	3.78%	\$126,560
Desert Lake C.S.D.	73.53	.81%	\$27,120
Palm Ranch I.D.	465.69	5.13%	\$171,761
North Edwards	49.02	.54%	\$18,080
	9,080.95	100.00%	\$3,348,160.00

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 25th day of March, 2016, at Hermosa Beach, California.

Michael D. McLachlan

Exhibit 13

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA

2 FOR THE COUNTY OF LOS ANGELES

3 DEPARTMENT NO. 1

HON. JACK KOMAR, JUDGE

4
5 COORDINATION PROCEEDING)
SPECIAL TITLE (RULE 1550B))
6 ANTELOPE VALLEY GROUNDWATER CASES))

JUDICIAL COUNCIL
COORDINATION NO. P4408

7
8 PALMDALE WATER DISTRICT AND)
QUARTZ HILL WATER DISTRICT,)

SANTA CLARA CASE NO.
1-05-CV-049053

9 CROSS-COMPLAINANTS,)

10 VS)

11 LOS ANGELES COUNTY WATERWORKS,)
12 DISTRICT NO. 40, ET AL,)

13 CROSS-DEFENDANTS.)
14

15 REPORTER'S TRANSCRIPT OF PROCEEDINGS

16 **MONDAY, MARCH 12, 2007**

17
18 APPEARANCES:

19 (SEE APPEARANCE PAGES)
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21
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23 ORIGINAL
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27 CHARLOTTE NICHOLAS MOHAMED, CSR #2384
28 OFFICIAL REPORTER

1 LOS ANGELES, CALIFORNIA; **MONDAY, MARCH 12, 2007; 9:03 A.M.**

2 DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE

3 **CASE NO.:** 1-05-CV-049053

4 **CASE NAME:** ANTELOPE VALLEY GROUNDWATER CASES

5 **APPEARANCES:** (AS NOTED ON TITLE PAGE)

6
7 (CHARLOTTE NICHOLAS MOHAMED, CSR #2384)

8 ---0---

9 THE COURT: GOOD MORNING.

10 THIS IS THE ANTELOPE VALLEY GROUND WATER CASES.
11 COORDINATED PROCEEDINGS. WE HAVE SEVERAL MATTERS TO TAKE UP
12 THIS MORNING.

13 HOW MANY COUNSEL INTEND TO APPEAR THIS MORNING?
14 (RAISE HANDS)

15 THE COURT: OKAY. LET'S HAVE EACH COUNSEL STAND AND
16 IDENTIFY THEMSELVES FOR THE RECORD.

17 THE OTHER THING THAT I'LL ASK YOU TO DO, WHEN YOU
18 SPEAK, IN CONNECTION WITH THESE PROCEEDINGS, MAKE SURE TO
19 IDENTIFY YOURSELF FOR THE RECORD SO THAT THE REPORTER HAS YOUR
20 NAME.

21 SO WE WILL START.

22 MR. FIFE: GOOD MORNING, YOUR HONOR.

23 MICHAEL FIFE, ANTELOPE VALLEY GROUNDWATER
24 AGREEMENT ASSOCIATION.

25 MR. DUNN: GOOD MORNING, YOUR HONOR.

26 JEFFREY DUNN ON BEHALF OF ROSAMOND COMMUNITY
27 SERVICES DISTRICT AND LOS ANGELES COUNTY WATERWORKS DISTRICT
28 NUMBER 40.

1 THE COURT: WE ARE PROBABLY GOING TO ADDRESS PART OF
2 THEM TODAY. BUT THERE IS GOING TO BE OBVIOUSLY, AS I JUST
3 SAID, A FUTURE HEARING UPON NOTICE, THAT WE WILL TAKE UP A
4 FINAL DETERMINATION AS TO THAT.

5 MR. FIFE: THEN I'LL WAIT TO ADDRESS THEM.

6 THE COURT: BUT I DO WANT TO TALK ABOUT THE CLASS
7 CERTIFICATION MOTION THAT HAS BEEN FILED ON BEHALF OF THE
8 WATER WORKS DISTRICT 40 AND ROSEMOND. AND THAT IS FOR THE
9 CREATION OF A DEFENDANT CLASS. AND I HAVE SOME CONCERNS ABOUT
10 IT BECAUSE IT SEEMS TO ME AS IT IS STATED, IT IS OVERBROAD,
11 NUMBER ONE.

12 BUT THE PRECURSOR TO ANY MOTION TO CERTIFY A
13 CLASS HAS TO BE A PLEADING UPON WHICH IT IS BASED. AND RIGHT
14 NOW WE DON'T HAVE A PLEADING, WE HAVE A PROPOSED PLEADING.
15 AND WHAT I THINK I NEED TO DO THIS MORNING IS AUTHORIZE THE
16 FILING OF THAT CROSS-COMPLAINT. NOW, AS I'VE INDICATED -- AS
17 AN AMENDED CROSS-COMPLAINT.

18 AS I HAVE INDICATED, THE FILING OF A PLEADING
19 DOES NOT, PER SE, RESULT IN CERTIFICATION OF A CLASS THAT IS
20 ALLEGED IN THAT PLEADING. AND THAT IS A SEPARATE ISSUE AND I
21 WANT TO TAKE THAT UP IN PART THIS MORNING BECAUSE I THINK THAT
22 THE PROPOSED CLASS AS STATED IS OVERBROAD AND IN SOME WAYS
23 MIGHT MAKE IT IMPOSSIBLE TO CERTIFY A CLASS BECAUSE OF THE
24 NUMBER OF INDIVIDUAL ISSUES THAT MIGHT PREDOMINATE DEPENDING
25 ON HOW THE CLASS IS CONSTRUCTED.

26 AND THE OTHER ISSUE IS, WITH REGARD TO THE CLASS
27 MEMBERS, IS THE -- WELL, I AM LOSING MY TRAIN OF THOUGHT ON
28 THIS, BUT I THINK THAT WHAT WE HAVE TO DO IS CONSIDER WHETHER

1 OR NOT THERE NEED TO BE SUB CLASSES WITHIN THE CLASS
2 CERTIFICATION OR THE CLASS THAT IS CERTIFIED.

3 THE OTHER THING THAT -- WITH REGARD TO A
4 DEFENDANT CLASS, IT SEEMS TO ME THAT YOU HAVE TO NAME A CLASS
5 REPRESENTATIVE AS THE DEFENDANT. AND ONE WHO IS SIMILARLY
6 SITUATED TO THE MEMBERS OF THE CLASS, THAT THAT DEFENDANT
7 OUGHT TO REPRESENT. AND IT PROBABLY NEEDS THE CONCURRENCE OF
8 THAT CLASS MEMBER, BECAUSE I DON'T THINK YOU CAN MAKE SOMEBODY
9 AN INVOLUNTARY REPRESENTATIVE OF A CLASS. I DON'T THINK THAT
10 IS FUNCTIONALLY APPROPRIATE.

11 SO AS THE CLASS IS CONSTRUCTED HERE, IT SEEMS TO
12 ME THAT IT IS CERTAINLY POSSIBLE TO HAVE A DEFENDANT CLASS OR
13 A SUB CLASS OF ALL OVERLYING OWNERS WHO ARE OUTSIDE OF WATER
14 SERVICE DISTRICTS AND WHO ARE NOT PUMPING AND HAVE NOT PUMPED.
15 SO THAT IS BASICALLY A DORMANT CLASS.

16 SO THAT A CLASS, IT SEEMS TO ME, OF THAT NATURE,
17 COULD BE A SUB CLASS. AND I'M GOING TO ASK COUNSEL TO ADDRESS
18 THAT.

19 THE OTHER CLASS, WHICH I -- IT SEEMS TO ME IS NOT
20 EVEN A NECESSARY CLASS IN ORDER TO PROPERLY ADJUDICATE THIS
21 CASE, ARE THOSE INDIVIDUALS WHO RESIDE WITHIN THE WATER
22 SERVICE DISTRICT AND RECEIVE WATER FROM THAT WATER SERVICE
23 DISTRICT, DO NOT HAVE WELLS, AND DO NOT MAKE ANY CLAIM TO
24 WATER RIGHTS UNDERLYING THEIR LAND OR THE USE OF THE WATER
25 UNDERLYING THEIR LAND.

26 A THIRD GROUP COULD BE THOSE INDIVIDUALS WHO
27 INTEND TO PUMP, AND THAT IS OBVIOUSLY THE ADD-ON CASE THAT WE
28 HAVE HERE THIS MORNING, AN ASSERTION THAT THEY MAY WISH TO

1 PUMP IN THE FUTURE. AND IF THE INDIVIDUALS ARE PART OF AN
2 ADDITIONAL PLAINTIFF'S CLASS, THAT MIGHT SOLVE THAT PROBLEM.

3 NOW IT SEEMS TO ME THAT ANYBODY WHO IS A
4 SIGNIFICANT PUMPER NEEDS TO BE A PARTY AND THEY EITHER NEED TO
5 BE SERVED OR THEY HAVE TO HAVE FILED THEIR ACTIONS THEMSELVES.
6 AND THOSE ARE INDIVIDUALS WHO DON'T INTEND TO OR WHO ARE
7 NOMINAL PUMPERS OR WATER PRODUCERS WITH AN INDIVIDUAL WELL IN
8 THEIR BACKYARD. I DON'T KNOW HOW MANY OF THOSE THERE ARE.
9 THEY MIGHT WELL BE MINIMUS INDIVIDUALS AND MAY NOT NEED TO BE
10 A PART OF THIS ADJUDICATION BECAUSE THEY DON'T AFFECT THE
11 WATER SUPPLY IN ANY MEASURABLE AMOUNT AND WHATEVER HAPPENS
12 HERE IS GOING TO HAVE LITTLE IMPACT ON THEM.

13 SO IT SEEMS TO ME THAT THAT IS KIND OF THE BROAD
14 STRUCTURE THAT I ENVISION HERE AND I WOULD LIKE COUNSEL TO
15 ADDRESS THAT. AND I DON'T REALLY CARE WHO STARTS.

16 MR. DUNN: I THINK, IF MY NOTES ARE CORRECT, WE ARE
17 LOOKING AT RESPONDING HERE TO THREE POTENTIAL SUBCLASSES OR
18 CLASSES. ONE WOULD BE, FOR LACK OF A BETTER DESCRIPTION, THE
19 DORMANT CLASS OF ALL PERSONS OUTSIDE THE MUNICIPAL WATER
20 SERVICE AREAS AND THESE INDIVIDUALS OR ENTITIES DO NOT PUMP.

21 AND THE SECOND GROUP COULD BE THOSE INDIVIDUALS
22 WHO DO NOT HAVE WELLS BUT ARE WITHIN THE SERVICE AREA
23 DISTRICTS AND THE MUNICIPAL WATER SUPPLIER SERVICE AREAS BUT
24 DO NOT CLAIM TO PUMP OR PUMP.

25 AND THEN THE THIRD GROUP COULD POSSIBLY BE THOSE
26 INDIVIDUALS WHO MAY WISH TO PUMP IN THE FUTURE, BEING THINK
27 SORT OF GENERALLY DESCRIBED IN THE PUTATIVE CLASS MEMBER
28 WILLIS' PETITION.

1 MR. ZIMMER: YOUR HONOR, WHAT WAS THE RESPONSE DEADLINE
2 NOW, THE 23RD?

3 THE COURT: FRIDAY, THE 23RD. THIS FRIDAY HE IS GOING
4 TO PREPARE -- APRIL THE --

5 MR. ZIMMER: 6TH?

6 THE COURT: 6TH? APRIL, WHATEVER THE DATE WAS THAT I
7 STATED ON THE RECORD.

8 MR. JOYCE: APRIL 6, YOUR HONOR.

9 THE COURT: YES. APRIL 6.

10 YOU ASKED FOR 2 WEEKS?

11 MR. ZIMMER: YES, YOUR HONOR, THANK YOU. THAT IS WHAT
12 I THOUGHT IT WAS.

13 THE COURT: ALL RIGHT. SO YOU HAVE A LOT OF WORK TO DO
14 BETWEEN NOW AND FRIDAY.

15 IS THERE ANYTHING ELSE, COUNSEL, WE SHOULD TAKE
16 UP? ANYBODY ELSE HAVE ANYTHING THEY WOULD LIKE TO ADDRESS?

17 (NO AUDIBLE RESPONSE)

18 THE COURT: ALL RIGHT. WE WILL BE IN RECESS.

19 THANK YOU VERY MUCH.

20
21
22 (AT 10:30 A.M. PROCEEDINGS CONCLUDED)
23
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SUPERIOR COURT FOR THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 1

HON. JACK KOMAR, JUDGE

COORDINATION PROCEEDING)
SPECIAL TITLE (RULE 1550(B)))
ANTELOPE VALLEY GROUNDWATER CASES)

JUDICIAL COUNCIL
COORDINATION NO. P4408

PALMDALE WATER DISTRICT AND)
QUARTZ HILL WATER DISTRICT,)

SANTA CLARA CASE NO.,
1-05-CV-049053

CROSS-COMPLAINANTS,)

VS)

REPORTER'S CERTIFICATE

LOS ANGELES COUNTY WATERWORKS,)
DISTRICT NO. 40, ET AL,)

CROSS-DEFENDANTS.)

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

I, CHARLOTTE NICHOLAS MOHAMED, CSR, OFFICIAL
REPORTER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,
FOR THE COUNTY OF LOS ANGELES, DO HEREBY CERTIFY THAT THE
FOREGOING PAGES, 1 THROUGH 50, COMPRISE A TRUE AND
CORRECT TRANSCRIPT OF THE PROCEEDINGS HELD IN THE
ABOVE-ENTITLED MATTER ON MONDAY, MARCH 12, 2007.

DATED THIS 13th DAY OF MARCH, 2007.



CHARLOTTE NICHOLAS MOHAMED, CSR #2384
OFFICIAL REPORTER

Exhibit 14

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA

2 FOR THE COUNTY OF LOS ANGELES

3 DEPARTMENT NO. 1

HON. JACK KOMAR, JUDGE

4
5 COORDINATION PROCEEDING)
SPECIAL TITLE (RULE 1550B))

6 ANTELOPE VALLEY GROUNDWATER CASES))

JUDICIAL COUNCIL
COORDINATION NO. P4408

7
8 PALMDALE WATER DISTRICT AND)
QUARTZ HILL WATER DISTRICT,)

SANTA CLARA CASE NO.
1-05-CV-049053

9 CROSS-COMPLAINANTS,)

10 VS)

11 LOS ANGELES COUNTY WATERWORKS,)
12 DISTRICT NO. 40, ET AL,)

13 CROSS-DEFENDANTS.)
14

15 REPORTER'S TRANSCRIPT OF PROCEEDINGS

16 **MONDAY, APRIL 16, 2007**

17
18 APPEARANCES:

19 (SEE APPEARANCE PAGES)

20
21
22 **COPY**
23
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26
27 CHARLOTTE NICHOLAS MOHAMED, CSR #2384
28 OFFICIAL REPORTER

1 LOS ANGELES, CALIFORNIA; **MONDAY, APRIL 16, 2007; 9:00 A.M.**

2 DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE

3 **CASE NO.:** 1-05-CV-049053

4 **CASE NAME:** ANTELOPE VALLEY GROUNDWATER CASES

5 **APPEARANCES:** (AS NOTED ON TITLE PAGE)

6
7 (CHARLOTTE NICHOLAS MOHAMED, CSR #2384)

8 ---0---

9 THE COURT: GOOD MORNING.

10 (COUNSEL RESPOND "GOOD MORNING, YOUR HONOR.")

11 THE COURT: THIS IS IN THE ANTELOPE GROUND WATER CASES.

12 IT IS THE TIME SET FOR HEARING ON SEVERAL THINGS.
13 IT IS A CASE MANAGEMENT CONFERENCE SCHEDULED. WE ARE GOING TO
14 TALK ABOUT THE CLASS DEFINITION. WE ARE GOING TO TALK ABOUT
15 NOTICE TO THE CLASS. AND I ALSO HAVE A MOTION TO INTERVENE
16 THAT HAS BEEN FILED BY ANAVERDE. SO WE WILL TAKE UP THOSE
17 THINGS AND ANYTHING ELSE THAT COUNSEL ARE INTERESTED IN THIS
18 MORNING.

19 WE HAVE SOMEBODY APPEARING BY TELEPHONE?

20 MS. CAHILL: WE DO, YOUR HONOR.

21 VIRGINIA CAHILL APPEARING FOR THE STATE OF
22 CALIFORNIA ALTHOUGH I BELIEVE MY COLLEAGUE MICHAEL CROW IS IN
23 THE COURTROOM.

24 MR. ALLENBY: YES, YOUR HONOR. LIKewise, ROBERT
25 ALLENBY APPEARING ON BEHALF OF JUNG TOM WHO IS A DEFENDANT AND
26 MINIMAL PROPERTY OWNER.

27 MR. HOLMES: GOOD MORNING, YOUR HONOR.

28 MIKE HOLMES ON BEHALF OF SPC DEL SUR RANCH, LLC.

1 MR. PFAEFFLE: IT IS NOT.

2 THE COURT: AND I PRESUME THEN THAT TO THE EXTENT ONE
3 OF MR. DUNN'S CUSTOMERS WANTS TO HAVE A WELL IN THEIR FRONT
4 YARD, AS A PRACTICAL MATTER THEY MAY NOT DO IT BUT TECHNICALLY
5 THEY HAVE THE RIGHT TO DO IT; IS THAT RIGHT?

6 MR. PFAEFFLE: THAT'S CORRECT.

7 THE COURT: ALL RIGHT. DO YOU THINK THAT -- AND I
8 UNDERSTAND, MR. DUNN, YOUR DESIRE NOT TO SUE YOUR CUSTOMERS,
9 ALTHOUGH DECLARATORY RELIEF IS NOT NECESSARILY ADVERSE TO
10 THEM; IT COULD BE SUPPORTIVE OF THEIR INTERESTS. AND OF
11 COURSE THERE IS ANOTHER ISSUE CONCERNING THE ABILITY TO DO A
12 CLASS ACTION FOR DECLARATORY RELIEF. BUT WITHOUT GETTING TO
13 THAT POINT, MY ONLY CONCERN IS THAT IF SOMEBODY HAS AN
14 OBJECTION TO WHAT WE ARE DOING HERE, THAT THEY HAVE A RIGHT TO
15 COME IN AND INTERVENE AND/OR TO SEEK TO BE A MEMBER OF THE
16 CLASS.

17 AND IT SEEMS TO ME THAT THE CLASS IS PRETTY CLOSE
18 TO THE CLASS THAT IS ENVISIONED BY MS. WILLIS' COMPLAINT, OR
19 CROSS-COMPLAINT AS IT WERE, FOR A CLASS ACTION. AND IT MIGHT
20 BE THAT THAT IS SUFFICIENTLY BROAD TO ENCOMPASS YOUR CLIENTS.
21 AND TO THE EXTENT THAT THEY WISH TO BE WITHIN THE LITIGATION,
22 THEY CAN DO SO; IF THEY CHOOSE NOT TO BE, THEY CAN SEEK TO
23 MOVE OUT.

24 BUT THERE IS NO QUESTION, I THINK, THAT TO THE
25 EXTENT THAT A PARTY IS AN OVERLYING OWNER OF REAL PROPERTY,
26 THEY DO HAVE CERTAIN MINERAL AND WATER RIGHTS UNDERLYING THAT
27 PROPERTY AND THIS COURT CANNOT AND SHOULD NOT CAUSE DETRIMENT
28 TO THOSE RIGHTS WITHOUT DUE PROCESS.

1 SO I'M CONCERNED ABOUT TWO THINGS HERE: I'M
2 CONCERNED ABOUT YOUR CONCERN ABOUT NOT HAVING TO BRING IN, BY
3 CLASS OR OTHERWISE, ALL OF YOUR CUSTOMERS AND THE CUSTOMERS OF
4 RELATED WATER PROVIDERS. BUT I ALSO AM CONCERNED ABOUT NOT
5 INFRINGING UPON ANYBODY'S RIGHTS WITHOUT NOTICE AND
6 OPPORTUNITY FOR HEARING. IN OTHER WORDS, DUE PROCESS.

7 SO WE ARE GOING TO HAVE TO DEAL WITH THAT AND I'D
8 LIKE TO SEE IF WE CAN COME TO SOME TERMS THIS MORNING ABOUT
9 HOW WE ARE GOING TO DEAL WITH THAT. IN PART, WE MAY BE
10 INHIBITED BECAUSE THERE IS A DEMURRER, A MOTION TO STRIKE,
11 PENDING -- I THINK IT IS SET FOR MAY THE 21ST -- AS TO THE
12 WILLIS PLEADINGS. AND OBVIOUSLY UNTIL THOSE PLEADINGS ARE AT
13 ISSUE, I CAN'T TELL WHAT EFFECT THAT MIGHT HAVE IN THESE
14 PROCEEDINGS.

15 OKAY. WOULD ANYBODY ELSE LIKE TO OFFER ANYTHING
16 ON THESE ISSUES?

17 MR. DUNN: MAY I HAVE A MOMENT, YOUR HONOR.

18 THE COURT: YES.

19 MR. DUNN: THANK YOU.

20 (PAUSE)

21 MR. DUNN: A COUPLE OF IDEAS, YOUR HONOR, IN TERMS OF
22 THE CONCERN THE COURT HAS EXPRESSED OVER INDIVIDUALS WHO
23 HAVE -- I'LL CALL THEM "HOMEOWNERS" AT THIS POINT, JUST TO
24 SORT OF KEEP IT SIMPLE -- HOMEOWNERS WHO DON'T CURRENTLY HAVE
25 A GROUNDWATER WELL BUT RECEIVE WATER SERVICE FROM A PUBLIC
26 WATER SERVICE SUPPLIER.

27 AS MR. PFAEFFLE HAS MENTIONED, IT IS A
28 MINISTERIAL DUTY ON THE PART OF AT LEAST THE COUNTY TO ISSUE

1 THE PERMIT, SUBJECT TO MEETING THE HEALTH AND SAFETY
2 DEPARTMENT.

3 ALL OF THIS IS SORT OF BACKGROUND OF SAYING THAT
4 WHAT WE HAVE PROPOSED IN THE INITIAL PRIMER HERE IS A CLASS
5 DEFINITION THAT EXCLUDES THESE INDIVIDUALS. BUT BECAUSE THEY
6 WOULD HAVE TO APPLY FOR A WELL PERMIT, THEY CAN BE IDENTIFIED
7 AT A LATER POINT IN TIME AND THEY COULD IN FACT UNDER THE
8 ONGOING JURISDICTION OF THE COURT, ALBEIT EVEN WITH A WATER
9 MASTER, THESE INDIVIDUALS OVER TIME AS THEY APPLY FOR A WELL
10 PERMIT, THEY COULD THEN BECOME SUBJECT TO THE JURISDICTION OF
11 THE COURT AT THAT POINT IN TIME. SO THERE WOULD NOT BE A
12 SITUATION NECESSARILY WHERE THERE WOULD BE NO MEANS OF SORT OF
13 IN THE FUTURE OF DEALING WITH THIS PROBLEM.

14 I THINK AS A PRACTICAL MATTER THE NUMBER OF
15 POTENTIAL CASES INVOLVING THIS IS PRETTY SLIM AT BEST. AND SO
16 AGAIN, I KEEP RAISING THIS ISSUE OF BEING PRAGMATIC.

17 THE OTHER PART OF THE PROBLEM IS IF WE ARE IN
18 FACT LOOKING AT THE ZLOTNICK SLASH WILLIS CLASS ACTION
19 COMPLAINT AS A MECHANISM FOR BRINGING IN ALL OF THESE PARTIES,
20 THEN IT DOES IN FACT, I WOULD HAVE TO CONCEDE, IT TAKES THE
21 COUNTY AND MY CLIENT OUT OF THE POSITION OF SORT OF SUING
22 THEM. THEY ARE BROUGHT IN ON SOMEBODY ELSE'S CLASS ACTION
23 LAWSUIT. SO THEN IT SORT OF GOES TO THE NOTICE ISSUE.

24 SO IF THE COURT IS SORT OF HEADING IN THAT
25 DIRECTION, OF SORT OF LOOKING AT THE EXISTING WILLIS CROSS --
26 CLASS ACTION COMPLAINT, AS BEING SORT OF THE MECHANISM AS
27 OPPOSED TO, SAY, THE ONE THAT HAS BEEN FILED BY THE PUBLIC
28 WATER SUPPLIERS, THEN THAT PROCEDURALLY PUTS US IN PROBABLY A

1 SLIGHTLY BETTER -- OR MAYBE A SIGNIFICANTLY BETTER SITUATION.

2 THE COURT: SUBCLASS A IS DORMANT LANDOWNERS WHO HAVE
3 NOT OPERATED THE GROUNDWATER WELL SINCE FIVE YEARS IMMEDIATELY
4 PRIOR TO A CERTAIN DATE. ISN'T THAT ALSO CONSISTENT WITH THE
5 ALLEGATIONS IN THE WILLIS CLASS ACTION COMPLAINT?

6 MR. DUNN: I WOULD HAVE TO DEFER TO MR. ZLOTNICK ON
7 THAT. I'M JUST NOT, MEMORYWISE, FAMILIAR WITH THOSE
8 ALLEGATIONS.

9 THE COURT: WELL, IT CERTAINLY IS CONSISTENT WITH HIS
10 CLIENT'S DEFINITION, AND THAT IS A LANDOWNER OF ABOUT TEN
11 ACRES WHO HAS NOT PUMPED BUT MIGHT PUMP IN THE FUTURE.

12 MR. DUNN: GENERALLY, YES.

13 THE COURT: SO I GUESS WHAT I'M LOOKING AT HERE IS I'M
14 TRYING TO PARE DOWN THE VARIOUS SUBCLASSES, IF WE CAN, AND TO
15 MAKE SURE THAT WE COVER EVERYBODY WHO HAS ANY RIGHTS WITHIN
16 THIS ANTELOPE VALLEY, AND MAKE SURE THAT THEIR RIGHTS ARE
17 PROPERLY PROTECTED AND ADJUDICATED.

18 SO THAT IT MAY BE THAT IF THE WILLIS COMPLAINT
19 STANDS, THAT DORMANT SUBCLASS A, DORMANT LANDOWNERS, FALLS BY
20 THE WAYSIDE AS A DEFENDANT CLASS BECAUSE THEY ARE A PLAINTIFF
21 CLASS.

22 MR. DUNN: YES. YES. AND I WOULD QUICKLY ADD THAT
23 PROCEDURALLY IT IS SIMPLER AND I'LL CALL IT "CLEANER" TO
24 PROCEED AS A PLAINTIFF'S CLASS IN ANY EVENT. SO THERE ARE A
25 VARIETY OF ADVANTAGES OF DOING IT IN THAT FASHION.

26 THE COURT: CERTAINLY A LOT MORE PRECEDENT --

27 MR. DUNN: YES.

28 THE COURT: -- THAT WE CAN RELY ON IN DOING THAT.

1 MR. DUNN: SERVICE HAS BEEN SENT TO WAGAS ALREADY SO
2 YOU MIGHT WANT TO CHECK YOUR OFFICE.

3 MR. RENWICK: GLAD TO KNOW THAT. OKAY.

4 THE COURT: WELL, WELCOME ABOARD. THANK YOU.

5 MR. JOYCE: YOUR HONOR, THIS IS BOB JOYCE AGAIN.

6 THE DIFFICULTY AND THE CONCERN I HAVE IS THAT IT
7 IS MY UNDERSTANDING THAT THE EFFORT AT SERVICE WAS
8 CORRESPONDENCE WITH SUMMONS AND COMPLAINT AND A NOTICE AND
9 ACKNOWLEDGMENT. MY REAL CONCERN IS THAT HAVE ALL OF THOSE
10 NOTICES AND ACKNOWLEDGMENTS BEEN SIGNED AND RETURNED; AND
11 THOSE PEOPLE WHO HAVE NOT FORMALLY APPEARED, ARE THEY THEN NOW
12 POSTURED TO BE DEFAULTED. AND THAT IS THE QUESTION THAT HAS
13 NOT YET BEEN ANSWERED. AND IF NOT RETURNED, THEN HAVE THEY
14 MADE A FOLLOWUP EFFORT OF PERSONAL SERVICE, AND THAT LIKEWISE
15 HAS NOT BEEN ADDRESSED AND ANSWERED.

16 MY CONCERN IS THAT WHEN WE GET TO THE END, IF WE
17 GET A FINAL JUDGMENT THAT IS GOING TO BIND --

18 THE COURT: STOP THUMPING ON THAT LECTERN.

19 MR. JOYCE: I AM SORRY, YOUR HONOR. THAT WAS MY HEART
20 POUNDING.

21 THE COURT: I THOUGHT IT WAS.

22 MR. JOYCE: THANK YOU, YOUR HONOR.

23 THE COURT: THANK YOU.

24 MR. LEININGER.

25 MR. LEININGER: GOOD MORNING, YOUR HONOR.

26 LEE LEININGER FOR THE UNITED STATES.

27 JUST A QUESTION PROCEDURALLY WITH REGARD TO THE
28 CERTIFICATION ORDER. IT SOUNDS LIKE AT THIS POINT WE HAVE TWO

1 CLASSES, TWO SUBCLASSES: SUBCLASS A, WHICH IT SOUNDS AS IF IT
2 WOULD BE MOST APPROPRIATE AS A PLAINTIFF'S CLASS WITH MISS
3 WILLIS AS CLASS REPRESENTATIVE. THEN WE HAVE SUBCLASS B WITH
4 LANDOWNERS WITH WELLS, BUT WE DON'T HAVE A DEFINED CLASS
5 REPRESENTATIVE FOR THAT CLASS.

6 IS IT THE COURT'S INTENT TO ATTEMPT TO HAVE THIS
7 RESOLVED BY MAY 21ST WHEN WE HAVE ADDITIONAL HEARING ON THAT
8 QUESTION?

9 THE COURT: YES.

10 MR. LEININGER: OKAY.

11 THE COURT: AND YOU ARE EXACTLY RIGHT. I THINK
12 THE PLAINTIFF'S CLASS REALLY ENCOMPASSES ONE OF THE
13 SUBCLASSES AND THE OTHER SUBCLASS NEEDS A REPRESENTATIVE.

14 MR. LEININGER: THAT IS MY UNDERSTANDING. BEFORE THE
15 COURT CAN ISSUE A CERTIFICATED ORDER, WE NEED TO DETERMINE THE
16 CLASS REPRESENTATIVE.

17 THE COURT: YES. AND COUNSEL WHO ARE INTERESTED IN
18 THIS ADJUDICATION AND WHO WANT TO HAVE AN EFFECTIVE
19 ADJUDICATION NEED TO WORK WITH EACH OTHER TO DEVELOP WHO THAT
20 DEFENDANT CLASS REPRESENTATIVE MIGHT BE, BOTH FROM A -- AND I
21 THINK THERE MAY WELL BE A PARTY WHO IS ALREADY SERVED HERE WHO
22 MEETS THAT DESCRIPTION. BUT WE WANT COMPETENT COUNSEL AND AN
23 EFFECTIVE DEFENDANT FOR THAT CLASS. WE MAY HAVE HEARD FROM
24 HIM TODAY.

25 ALL RIGHT. SO I EXPECT COUNSEL TO HAVE THAT FOR
26 US BY THE 21ST.

27 ANYTHING ELSE?

28 (NO AUDIBLE RESPONSE)

1 THE COURT: OKAY. I WILL SEE YOU ON THE 21ST.

2 THANK YOU.

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(AT 10:10 A.M. PROCEEDINGS CONCLUDED)

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

DEPARTMENT NO. 1

HON. JACK KOMAR, JUDGE

COORDINATION PROCEEDING)
SPECIAL TITLE (RULE 1550(B)))
ANTELOPE VALLEY GROUNDWATER CASES)

JUDICIAL COUNCIL
COORDINATION NO. P4408

PALMDALE WATER DISTRICT AND)
QUARTZ HILL WATER DISTRICT,)

SANTA CLARA CASE NO.
1-05-CV-049053

CROSS-COMPLAINANTS,)

VS)

LOS ANGELES COUNTY WATERWORKS,)
DISTRICT NO. 40, ET AL,)

REPORTER'S CERTIFICATE

CROSS-DEFENDANTS.)

STATE OF CALIFORNIA)
) SS.
COUNTY OF LOS ANGELES)

I, CHARLOTTE NICHOLAS MOHAMED, CSR, OFFICIAL
REPORTER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA,
FOR THE COUNTY OF LOS ANGELES, DO HEREBY CERTIFY THAT THE
FOREGOING PAGES, 1 THROUGH 40, COMPRISE A TRUE AND
CORRECT TRANSCRIPT OF THE PROCEEDINGS HELD IN THE
ABOVE-ENTITLED MATTER ON MONDAY, APRIL 16, 2007.

DATED THIS 17th DAY OF APRIL, 2007.

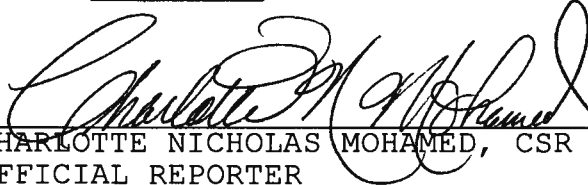

CHARLOTTE NICHOLAS MOHAMED, CSR #2384
OFFICIAL REPORTER

Exhibit 15

1 SUPERIOR COURT OF THE STATE OF CALIFORNIA
2 FOR THE COUNTY OF LOS ANGELES
3 DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE

4 COORDINATION PROCEEDING)
5 SPECIAL TITLE (RULE 1550B))
6 ANTELOPE VALLEY GROUNDWATER CASES) JUDICIAL COUNCIL
7) COORDINATION
8) NO. JCCP4408
9)
10)
11) PALMDALE WATER DISTRICT AND) SANTA CLARA CASE NO.
12) QUARTZ HILL WATER DISTRICT,) 1-05-CV-049053
13) CROSS-COMPLAINANTS,)
14) VS.)
15) LOS ANGELES COUNTY WATERWORKS,)
16) DISTRICT NO. 40, ET AL,)
17) CROSS-DEFENDANTS.)

18
19 REPORTER'S TRANSCRIPT OF PROCEEDINGS
20 MONDAY, AUGUST 11, 2008

21 APPEARANCES:
22 (SEE APPEARANCE PAGES)

23
24
25
26
27 GINGER WELKER, CSR #5585
28 OFFICIAL REPORTER

8-11-08 ANTELOPE VALLEY FINAL ASCII TRANSCRIPT

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1 CASE NUMBER: JCCP 4408
2 CASE NAME: ANTELOPE VALLEY
3 LOS ANGELES, CALIFORNIA, MONDAY, AUGUST 11, 2008
4 DEPARTMENT NO. HON. JACK KOMAR
5 REPORTER GINGER WELKER, CSR #5585
6 TIME: 9:00 A.M.
7 APPEARANCES: (SEE APPEARANCE PAGES)

8

9 THE COURT: GOOD MORNING. WE HAVE A RATHER
10 AMBITIOUS CALENDAR THIS MORNING AND, UNFORTUNATELY, NOT
11 AS MUCH TIME AS I WOULD LIKE TO DO IT. SO LET'S START
12 BY FINDING OUT WHO IS HERE, WHO WANTS TO APPEAR IN
13 CONNECTION WITH THESE MATTERS.

14 MR. BUNN: GOOD MORNING, YOUR HONOR, THOMAS BUNN
15 ON BEHALF OF PALMDALE WATER DISTRICT AND QUARTZ HILL
16 WATER DISTRICT.

17 MR. ROBERT KUHS: ROBERT KUHS APPEARING ON BEHALF
18 OF TEJON RANCH CORP.

19 MR. LEMI EUX: KEITH LEMI EUX, L-E-M-I-E-U-X, ON
20 BEHALF OF THE LITTLE ROCK CREEK IRRIGATION DISTRICT, ET
21 AL.

22 MR. O' LEARY: GOOD MORNING, YOUR HONOR, DANIEL

14 SOMETHING THAT MAY BE EXERCISED. IT IS A STATUTE OF
15 LIMITATION DEFENSE. THERE IS NO LIMITATION ON THE RIGHT
16 TO ASSERT THAT DEFENSE BECAUSE IT WAS A GOVERNMENTAL
17 AGENCY OR ENTITY OR QUASI -GOVERNMENTAL ENTITY OR AGENCY
18 OR A PRIVATE PARTY.

19 AND IT IS -- IT JUST SEEMS TO ME WE ARE
20 TAKING LANGUAGE OUT OF CASES THAT HAS SOME SIGNIFICANCE
21 IN THOSE CASES, BUT REALLY DOESN'T APPLY TO THE BASIC
22 ISSUE THAT WE ARE TALKING ABOUT HERE. AND THAT IS, IS
23 THE GOVERNMENT EVER PRECLUDED FROM ASSERTING IN THIS
24 TYPE OF A SITUATION THE DEFENSE OF THE STATUTE OF
25 LIMITATIONS.

26 AND I JUST DON'T THINK IT IS. THERE ARE
27 ELEMENTS TO THE STATUTE OF LIMITATIONS THAT THEY HAVE TO
28 ESTABLISH. AND SOMEHOW THAT HAS EVOLVED INTO A

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1 SUBSTANTIVE CONCEPT OF HOW TO TAKE PROPERTY. AND -- BUT
2 THAT IS REALLY AN OVERBROAD, I THINK, CONCLUSION THAT WE
3 HAVE REACHED WITH REGARD TO ADVERSE POSSESSION, OR
4 PRESCRIPTION AS THE CASE MAY BE.

5 BUT I SEE NOTHING IN ANY LAW THAT I HAVE
6 EVER SEEN. I HAVE SEEN NO CASE THAT EVER SAYS THAT THE
7 GOVERNMENT AND QUASI -GOVERNMENTAL ENTITIES CAN NOT
8 ASSERT THE STATUTE OF LIMITATIONS AS A DEFENSE OR TO USE
9 IT AS AN OFFENSIVE WEAPON.

10 MR. ZLOTNICK: WELL, I THINK, YOU KNOW, THE LAST
11 POINT THAT THE COURT MADE IS THE KEY HERE. AND AS YOUR
12 HONOR HAS PREVIOUSLY RECOGNIZED, THE WILLIS CLASS

13 SUED -- WE ARE PLAINTIFFS SO WE BROUGHT THIS CASE
14 ESSENTIALLY IN A DEFENSIVE MODE TO PREVENT OUR RIGHTS TO
15 BEING AFFIRMATIVELY TAKEN.
16 THE COURT: IT IS DECLARATORY RELIEF. YOU HAVE TO
17 ESTABLISH WHAT YOUR RIGHTS ARE. YOU HAVE A RIGHT TO DO
18 THAT. AND, HOPEFULLY, AT SOME POINT IN TIME IN THIS
19 CENTURY, WE WILL GET TO THAT DETERMINATION AND THAT
20 DECLARATION MADE.

21 MR. ZLOTNICK: I UNDERSTAND THE COURT'S POSITION.
22 THE ONE FINAL POINT I WOULD LIKE TO MAKE IS JUST THAT IN
23 THE -- I THINK THE CITY OF BARSTOW CASE MADE CLEAR THAT
24 THE KEY IS NOT THE COMPREHENSIVENESS ISSUE. THE KEY
25 IS -- AND I QUOTE THAT DECISION -- "BECAUSE THE COURT
26 CANNOT FIX OR ABSOLUTELY ASCERTAIN THE QUANTITY OF WATER
27 REQUIRED FOR FUTURE USE AT ANY GIVEN TIME."

28 THE COURT: AND I THINK THAT IS TRUE, BUT YOU CAN

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1 LIMIT WHAT PEOPLE CAN PUMP.

2 MR. ZLOTNICK: ONE CAN LIMIT WHAT PEOPLE CAN PUMP,
3 AND WE ARE NOT TRYING TO AVOID THAT. YOUR HONOR, THAT
4 IS WHY WE ARE IN THIS LITIGATION. THANK YOU.

5 THE COURT: AND I APPRECIATE THE FACT THAT YOU
6 ARE, MR. ZLOTNICK. I WANT YOU TO UNDERSTAND THAT.

7 MR. ZLOTNICK: I UNDERSTAND.

8 THE COURT: THE OTHER PARTIES ARE APPRECIATED,
9 TOO.

10 MR. BUNN, MR. MARKMAN, YOU WANT TO SAY
11 ANYTHING?

12 MR. MARKMAN: NO, YOUR HONOR, IN VIEW OF THE
13 COURT'S DISPOSITION ON THIS, WE DON'T WANT TO GIVE
14 OURSELVES OUT OF IT.

15

16 (LAUGHING)

17

18 THE COURT: SNATCH VICTORY FROM DEFEAT -- FROM THE
19 JAWS OF VICTORY. OKAY. LET'S TALK ABOUT THE STATUS OF
20 SERVICE.

21 MR. DUNN, YOU RECEIVED THIS DECLARATION FROM
22 YOU SETTING FORTH WHOSE BEEN SERVED AND WHO HASN'T AND
23 WHY CERTAIN PEOPLE HAVE NOT YET BEEN SERVED. AND
24 ESSENTIALLY -- I'M A LITTLE RELUCTANT TO PUT IT THIS
25 WAY, BUT WHAT I'M READING HERE IS AN EXCUSE.

26 BUT IT IS NOT JUSTIFICATION. WE NEED TO GET
27 EVERYBODY SERVED. NOW WHAT ARE YOU DOING ABOUT THAT?
28 AND I KNOW THAT IS A TOUGH QUESTION TO ANSWER.

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1 MR. DUNN: WELL, LET ME TELL YOU WHAT WE HAVE
2 DONE. WE HAVE IDENTIFIED AS DISCUSSED WITH THE COURT IN
3 THE PAST PROPERTY OWNERS WHO OWN MORE THAN 100 ACRES OF
4 LAND WITHIN THE ADJUDICATION AREA. WE HAVE COME UP WITH
5 APPROXIMATELY 600 OF THOSE PROPERTY OWNERS.

6 THE COURT: WELL, LET ME CUT TO THE BOTTOM LINE
7 HERE. AS I UNDERSTAND IT, THERE ARE 58 LARGE PROPERTY
8 OWNERS WHO HAVE NOT YET SERVED OR AT LEAST WEREN'T
9 SERVED AS OF THE TIME THAT I RECEIVED THE DECLARATION.

10 MR. DUNN: YES.

11 THE COURT: WHAT ARE YOU DOING TO SERVE THEM?

12 MR. DUNN: WE WERE WAITING TO SEE WHAT THE COURT
13 WOULD DO ON THE CERTIFICATION OF THE CLASS OR CLASSES.
14 THE COURT MAY OR MAY NOT RECALL THAT OVER THIS EXTENDED
15 PERIOD OF TIME WHEN SERVICE WAS STARTED AND THEN STOPPED
16 AND STARTED AND STOPPED -- AND I BELIEVE SEVERAL TIMES
17 THAT HAPPENED.

18 BUT WHAT HAD HAPPENED IN ONE OF THOSE TIME
19 PERIODS IS THAT WHEN WE WERE OUT PERSONALLY SERVING
20 HUNDREDS OF THESE PROPERTY OWNERS, MANY OF THEM
21 RESPONDED BY CONTACTING NOT JUST OUR OFFICE, BUT THEY
22 CONTACTED THE COURT. AND THE COURT MAY RECALL WHAT IT
23 WAS RECEIVING -- I DON'T KNOW. I GUESS IT WAS PHONE
24 CALLS OR CORRESPONDENCE OR BOTH.

25 BUT THAT PROMPTED AT A HEARING HERE AND A
26 DISCUSSION WITH THE COURT THAT LET'S PUT THIS SERVICE ON
27 HOLD ON ALL THESE FOLKS, AND LET'S SEE IF THE CLASS
28 MECHANISM CAN ENCOMPASS THE REMAINDER OF THESE

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1 INDIVIDUALS AND SERVICE.

2 BECAUSE WHAT YOU WERE HEARING -- WHAT WE
3 WERE TOLD THAT I KNOW IS WHAT WE HAD HEARD IS THAT WHEN
4 WE SERVE THESE PEOPLE AND THEY CONTACT US AND SAY WE
5 DON'T WANT TO BE A PART OF THIS. WE DON'T HAVE AN
6 INTEREST IN IT. WE DON'T WANT TO BE A PART OF IT. WE
7 JUST WANT TO SORT OF STAND ON THE SIDELINES AND LET THIS
8 THING SORT OF WORK ITS COURSE.

9 AND WE HAVE BEEN BACK BEFORE THE COURT WITH

10 THIS. AND I KNOW WE HAVE GONE BACK AND FORTH WITH
11 SERVICE, AND WE HAVE GONE BACK AND FORTH WITH CLASS
12 CERTIFICATION. BUT THE SHORT ANSWER TO YOUR QUESTION --
13 AND I'LL BE VERY CLEAR ON THIS -- IS THAT WE WERE
14 ULTIMATELY WAITING TO SEE WHAT THE FINAL RESOLUTION OF
15 THE CLASS CERTIFICATION DEFINITIONS ARE.

16 BECAUSE IF THERE HAD NOT BEEN, FOR EXAMPLE,
17 A CUTOFF AT 25-ACRE FEET, WE WOULD HAVE EFFECTIVELY PUT
18 ALL THE REST OF THESE FOLKS INTO THIS CLASS, AND WE
19 WOULDN'T HAVE TO DO ANYTHING MORE ON THAT.

20 THE COURT: EXCEPT THAT THOSE WHO ARE -- WITH THE
21 EXCEPTION OF KERN COUNTY WHO ARE PUMPING MORE THAN
22 25-ACRE FEET A YEAR, HAVE BEEN CHARACTERIZED. THEY HAVE
23 BEEN SERVED WITH THE EXCEPTION OF NINE PEOPLE.

24 MR. DUNN: YES.

25 THE COURT: SO THAT IS REALLY KIND OF ACADEMICS,
26 AND WE'RE TALKING ABOUT A VERY SMALL NUMBER OF PEOPLE
27 WHO ARE GOING TO BE SELF-DEFINING IN THE KERN COUNTY WHO
28 MAY BE PUMPING.

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1 MR. DUNN: WE HOPE SO.

2 THE COURT: BUT WHAT WE ARE TALKING ABOUT NOW IS
3 THE 58 YOU WOULD HAVE LEFT OUT OF THAT 600 AND WHAT IS
4 HAPPENING WITH THEM? THAT IS MY REAL QUESTION.

5 MR. DUNN: YES. THE SHORT ANSWER IS WE HAVE NOT
6 ENGAGED IN ANY FURTHER EFFORTS TO SERVE THOSE PEOPLE
7 WITH INDIVIDUAL SERVICE OF PROCESS. THERE HAS BEEN ONE
8 ATTEMPTED PERSONAL SERVICE AS TO EVERYONE. AND MUCH OF

8-11-08 ANTELOPE VALLEY FINAL ASCII TRANSCRIPT
10 OPPORTUNITY -- THE PUBLIC WHO HAVE AN INTEREST IN THIS
11 CASE HAVE AN OPPORTUNITY TO BE PRESENT TO OBSERVE IT
12 EVEN THOUGH MOST OF THE STUFF WE'RE GOING TO BE DOING IS
13 LEGAL AND EXPERT, BUT NEVERTHELESS IT'S ON OPEN COURT.
14 ALL RIGHT. WE ARE OFF THE RECORD, AND WE'RE ADJOURNED
15 FROM OUR CALENDAR.

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(THE PROCEEDINGS WERE THEN CONCLUDED.)

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74

1 SUPERIOR COURT FOR THE STATE OF CALIFORNIA
2 COUNTY OF LOS ANGELES
3 DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE
4
5 COORDINATION PROCEEDING)
SPECIAL TITLE (RULE 1550B))
6 ANTELOPE VALLEY GROUNDWATER CASES) JUDICIAL COUNCIL
COORDINATION
NO. JCCP4408
7 _____)
8 PALMDALE WATER DISTRICT AND) SANTA CLARA CASE NO.
QUARTZ HILL WATER DISTRICT,) 1-05-CV-049053

9 8-11-08 ANTELOPE VALLEY FINAL ASCII TRANSCRIPT
 CROSS-COMPLAINANTS,)
10 VS.)
11 LOS ANGELES COUNTY WATERWORKS,)
 DISTRICT NO. 40, ET AL,)
12 CROSS-DEFENDANTS.)
13 _____)

14
15 I, GINGER WELKER, OFFICIAL REPORTER OF THE
16 SUPERIOR COURT OF THE STATE OF CALIFORNIA, FOR THE
17 COUNTY OF LOS ANGELES, DO HEREBY CERTIFY THAT THE
18 TRANSCRIPT DATED AUGUST 11, 2008 COMPRISES A FULL, TRUE,
19 AND CORRECT TRANSCRIPT OF THE PROCEEDINGS HELD IN THE
20 ABOVE ENTITLED CAUSE.

21 DATED THIS 12TH DAY OF AUGUST, 2008.

22
23
24 _____
25 OFFICIAL REPORTER, CSR #5585

26
27
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1 I N V O I C E
2 SUPERIOR COURT OF THE STATE OF CALIFORNIA
3 FOR THE COUNTY OF LOS ANGELES
4
5 GINGER WELKER, CSR #5585
6 25916 ROYAL OAKS ROAD
7 STEVENSON RANCH, CALIFORNIA 91381

Exhibit 16

1 LOS ANGELES, CALIFORNIA; MONDAY, MAY 21, 2007; 10:00 A.M.

2 DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE

3 CASE NO.: SANTA CLARA CASE NO. 1-05-CV-049053

4 CASE NAME: ANTELOPE VALLEY GROUNDWATER CASES

5 APPEARANCES: (AS NOTED ON TITLE PAGE)

6

7 (CHARLOTTE NICHOLAS MOHAMED, CSR #2384)

8 ---0---

9 THE COURT: GOOD MORNING.

10 THIS IS THE ANTELOPE VALLEY GROUND WATER CASES.

11 I THINK I WILL START WITH ASKING IF THERE ARE ANY
12 TELEPHONIC APPEARANCES.

13 MR. KUNEY: YES, YOUR HONOR.

14 SCOTT KUNEY APPEARING ON BEHALF OF VAN DAM FARMS,
15 ET CETERA.

16 MR. CROW: YOUR HONOR, MICHAEL CROW APPEARING ON BEHALF
17 OF THE STATE OF CALIFORNIA.

18 MS. CAHILL: YOUR HONOR, VIRGINIA CAHILL ALSO APPEARING
19 ON BEHALF OF THE STATE PARTIES.

20 MR. HOLMES: GOOD MORNING, YOUR HONOR.

21 MIKE HOLMES APPEARING ON BEHALF OF SPC DEL SUR
22 RANCH, LLC.

23 THE COURT: ANY OTHERS?

24 (NO AUDIBLE RESPONSE)

25 THE COURT: ALL RIGHT. WE HAVE SEVERAL MATTERS ON THIS
26 MORNING. LET'S START WITH THE DEMURRER TO THE WILLIS
27 COMPLAINT.

28 MR. ORR: GOOD MORNING, YOUR HONOR.

1 THE COURT: SO I THINK WE ARE AT THE POINT WHERE WE
2 NEED TO HEAR FURTHER CONCERNING THE DESCRIPTION OF THE CLASS
3 AND THE SUBCLASSES. AND CERTAINLY WITH REGARD TO THE
4 DEFENDANTS I WANT A REPRESENTATIVE DEFENDANT TO BE DESIGNATED AT
5 SOME POINT HERE.

6 MR. JOYCE: I UNDERSTAND.

7 THE COURT: AND I THINK THAT COUNSEL HAVE BEEN APPRISED
8 OF THAT ON SEVERAL OCCASIONS AND I THINK THAT WE NEED TO MOVE
9 IN THAT DIRECTION TOO.

10 MR. JOYCE: YOUR HONOR, I APPRECIATE IT. AND I ACCEPT
11 THE COURT'S RULING.

12 THE COURT: ALL RIGHT. THANK YOU.

13 ANYBODY WANT TO SAY ANYTHING IN OPPOSITION TO THE
14 MOTION?

15 (NO AUDIBLE RESPONSE)

16 THE COURT: OKAY. ALL RIGHT. THERE WAS A REQUEST FOR
17 AN ORDER THAT -- THAT THE COURT MAKE AN ORDER CONCERNING THE
18 REQUEST AT THE APRIL HEARING FOR JUDICIAL NOTICE. PRESUMABLY
19 I DID NOT MAKE THAT ON THE RECORD, BUT THE REQUEST FOR
20 JUDICIAL NOTICE IS DENIED, THE REASON BEING THAT THERE HAS
21 BEEN NO PROVISION GIVEN TO THE COURT AS TO THE BASIS FOR THE
22 COURT TO TAKE JUDICIAL NOTICE. IT WAS A REQUEST FOR JUDICIAL
23 NOTICE WITHOUT ANY INDICATIONS OF WHY. SO IT IS DENIED. AND
24 I DON'T THINK IT MAKES ANY DIFFERENCE. BUT THAT IS THE ORDER.

25 MS. CAHILL: THANK YOU, YOUR HONOR.

26 THE COURT: YOU ARE WELCOME.

27 THERE ARE TWO OTHER MATTERS THAT ARE HERE.

28 ACTUALLY I WANT TO GO BACK AND TALK TO THE PUBLIC WATER

1 PRODUCERS ABOUT THEIR REQUEST OR ABOUT MY REQUEST THAT THERE
2 BE A DEFENDANT REPRESENTATIVE FOR THE PURPORTED CLASS AND THE
3 PUTATIVE CLASS.

4 WHO WOULD LIKE TO ADDRESS THAT? MR. DUNN?

5 MR. DUNN: YES, YOUR HONOR. JEFFREY DUNN.

6 I THINK THE BEST WAY TO ADDRESS THIS IS TO PICK
7 UP WHERE WE WERE LAST BEFORE THE COURT. THE COURT HAD
8 INDICATED THAT THE DEFENDANT CLASS WOULD NEED ONE OR MORE
9 REPRESENTATIVES. AND IT WAS THE COURT'S DESIRE OR PREFERENCE,
10 IF I COULD PUT IT THAT WAY, THAT THERE NOT HAVE TO BE AN ORDER
11 IMPOSED UPON THE DEFENDANTS OR A GROUP OF DEFENDANTS. AND
12 BECAUSE OF THAT, WHAT WE HAVE DONE SINCE WE WERE LAST BEFORE
13 THE COURT IS TO SEE IF WE COULD FIND -- IN SIMPLE TERMS TO
14 FIND SOMEBODY WHO WOULD BE WILLING TO REPRESENT THE CLASS ON A
15 DEFENDANT BASIS, SUBJECT TO MEETING ALL THE GENERAL
16 REQUIREMENTS FOR BOTH CLASS REPRESENTATION AND CLASS COUNSEL.

17 WITHOUT GETTING TOO DETAILED OR REVEALING SORT OF
18 WHAT I GUESS WOULD BE GENERALLY OUT-OF-COURT TYPE DISCUSSIONS
19 WITH COUNSEL, THERE HAD BEEN SOME PROGRESS MADE, IN PARTICULAR
20 WHEN, IF I COULD CALL IT "GROUP" -- I THINK IT IS FAIR TO SAY
21 THAT THERE IS NOT A COMPLETE AGREEMENT AT THIS POINT ON THAT
22 GROUP WILLING TO DO IT, AT LEAST ACCORDING TO WHAT HAS BEEN
23 PROPOSED.

24 SO WE ARE TODAY STILL WITHOUT SOMEONE WHO IS --
25 OTHER THAN MR. ZLOTNICK WITH HIS CLASS REPRESENTATION AND HIS
26 CLIENT MISS WILLIS -- AS FAR AS I KNOW THERE IS NO ONE AS OF
27 THIS MOMENT WHO IS STEPPING FORWARD AND SAYING "I WILL
28 REPRESENT A DEFENDANT CLASS" AS IT HAS BEEN PROPOSED.

1 THE COURT: WELL, MR. DUNN, TO THE EXTENT THAT
2 PLAINTIFF WILLIS IS, AND HAS BROUGHT A CLASS ACTION ON BEHALF
3 OF NONPUMPERS, WHICH SEEMS TO ME TO BE THE LARGEST GROUP OF
4 PEOPLE, THERE IS PROBABLY NO NEED FOR A DEFENDANT CLASS
5 REPRESENTATIVE OF THAT CATEGORY OF SUBCLASS MEMBERS; WOULD YOU
6 AGREE?

7 MR. DUNN: I WOULD AGREE WITH THAT, YES. WE HAVE BEEN
8 FOCUSING -- AND I SHOULD HAVE MADE THIS CLEAR AT THE OUTSET --
9 OUR DISCUSSIONS OR INQUIRIES HAVE BEEN FOCUSED -- WELL, WITH
10 THE ASSUMPTION THAT WE HAVE MISS WILLIS AND COUNSEL
11 MR. ZLOTNICK TO HANDLE THE GROUP THAT THE COURT JUST
12 DESCRIBED, OUR FOCUS HAS BEEN ENTIRELY ON WHAT I WOULD
13 GENERALLY CALL "A PUMPER GROUP," THE SMALLER PUMPERS. AND
14 THERE HAS BEEN DISCUSSIONS BACK AND FORTH ON WHERE THAT
15 THRESHOLD WOULD BE DRAWN. BUT THE FOCUS IS ON CLASS
16 REPRESENTATION OR SUBCLASS FOR A PUMPER GROUP.

17 AND THAT IS WHERE WE ARE CURRENTLY. WE DON'T
18 HAVE -- AT LEAST AMONGST THE CURRENT DEFENDANTS IN THIS
19 CASE -- SOMEONE WHO HAS STEPPED FORWARD AND SAID "I WILL DO
20 IT" VOLUNTARILY.

21 AS THE COURT MAY RECALL, THIS IS -- THE DEFENDANT
22 CLASS ASPECT IS MORE UNUSUAL, SHALL WE SAY, THAN THE
23 PLAINTIFF'S CLASS. AS WE HAD EXPLAINED IN EARLIER FILINGS OR
24 POSTINGS, THAT IN SOME CASES COURTS HAVE HAD TO RESORT TO
25 ORDERING A DEFENDANT GROUP, GROUP OF DEFENDANTS. I KNOW THE
26 COURT HAS INDICATED OTHERWISE. AND FOR THAT REASON WE HAVE
27 TRIED TO ENGAGE IN DISCUSSION OR EVEN NEGOTIATION, I GUESS YOU
28 COULD CALL IT, WITH PARTIES TO TRY AND COME UP WITH SOMEONE TO

1 AND SO THAT IS JUST ONE IDEA.

2 THE COURT: WELL, I THINK THAT IS A GOOD IDEA. I WOULD
3 LIKE TO HEAR OTHERS CONCERNING THAT, BUT IT DOES SEEM TO ME
4 THAT AT THIS POINT, CERTAINLY IN TERMS OF GETTING A
5 DESCRIPTION OF THE BASIN, WHETHER THERE ARE SUBBASINS, THE
6 STATE OF THE AQUIFER.

7 MR. JOYCE POINTS OUT THAT HE BELIEVES THAT THERE
8 IS EVIDENCE SHOWING OVERDRAFT IN ONE AREA AND MAY NOT SHOW
9 OVERDRAFT IN ANOTHER AREA. I DON'T HAVE ANY EVIDENCE
10 CONCERNING THAT. WE HAVE NOT MADE ANY DETERMINATIONS
11 CONCERNING THAT. AND THOSE ARE IMPORTANT ISSUES THAT HAVE TO
12 BE DECIDED.

13 I THINK WE NEED TO DECIDE WHAT THE SAFE YIELD OF
14 THE BASIN IS AND PERHAPS THERE IS MORE THAN ONE SAFE YIELD
15 DETERMINATION THAT HAS TO BE MADE, DEPENDING ON THE NATURE OF
16 THE AQUIFER.

17 SO I AGREE WITH YOU AND, YOU KNOW, I WOULD LIKE
18 TO GET THE MATTER AT ISSUE AND GET AS MANY PEOPLE ON NOTICE
19 WHO HAVE TO BE ON NOTICE. AND TO THE EXTENT THAT THE -- AND I
20 WANT TO SEE THE FINAL PLEADING THAT MR. ZLOTNICK FILES ON
21 BEHALF OF MISS WILLIS. BUT IT MAY WELL BE THAT WE CAN PROVIDE
22 ADEQUATE NOTICE OF THE PROCEEDINGS FOR THAT CLASS ONCE THE
23 MATTER IS AT ISSUE AND MAKE SOME DETERMINATIONS AS TO THE
24 STATE OF THE AQUIFER. SO THAT OBVIOUSLY IS ONE OF THE FIRST
25 ORDERS OF BUSINESS HERE.

26 SO I THINK WHAT WE HAVE TO HAVE IS THE MATTER AT
27 ISSUE. AND I DON'T KNOW IF MR. ZLOTNICK -- DO YOU INTEND TO
28 FILE AN AMENDMENT TO YOUR PLEADINGS ON INVERSE CONDEMNATION?

1 MR. ZLOTNICK: YOUR HONOR, I DO NEED SOME TIME TO
2 CONFER WITH MY CLIENT AND DO A LITTLE INVESTIGATION BEFORE I
3 CAN REALLY ANSWER THAT.

4 THE COURT: ALL RIGHT. IT SEEMS TO ME, THOUGH, THAT
5 YOU NEED TO DO THAT WITHIN 30 DAYS --

6 MR. ZLOTNICK: YES, YOUR HONOR.

7 THE COURT: -- OF TODAY'S DATE.

8 MR. ZLOTNICK: I'M HAPPY TO DO THAT WITHIN 30 DAYS,
9 YOUR HONOR.

10 THE COURT: AND THAT MEANS THAT WHAT I WOULD LIKE TO DO
11 IS HAVE ANOTHER HEARING SCHEDULED SO THAT FOLLOWING YOUR
12 DETERMINATION AS TO THE NATURE OF YOUR PLEADING, WE CAN DECIDE
13 WHERE TO GO FROM THERE.

14 SO THAT IS GOING TO PROBABLY BE ABOUT SIXTY DAYS
15 HENCE?

16 MR. ZLOTNICK: YES, YOUR HONOR. I THINK THAT MAKES
17 SENSE.

18 BUT I WOULD LIKE TO JUST BRIEFLY GO BACK TO ONE
19 OF THE POINTS THAT HAS BEEN IN THE AIR HERE. AND ALTHOUGH OUR
20 ORIGINAL PLEADING WAS NOT LIMITED TO NONPUMPERS, I THINK, YOU
21 KNOW, IN THE COURSE OF DISCUSSIONS WE HAVE HAD OVER THE LAST
22 SEVERAL MONTHS, IT DOES SEEM TO ME THAT THAT IS PROBLEMATIC
23 FOR US TO REPRESENT BOTH GROUPS. SO, YOU KNOW, I THINK THAT
24 IT DOES NEED TO BE SOME SEPARATE REPRESENTATION.

25 THE COURT: IT SEEMS TO ME TO BE A CONFLICT BETWEEN THE
26 PUMPERS AND NONPUMPERS.

27 MR. ZLOTNICK: RIGHT. THERE SEEMS TO BE. THERE ARE
28 DIFFERENT ISSUES.

1 NATURE OF THE BASIN. I THINK IT WOULD BE MORE PRACTICAL TO
2 DO --

3 THE COURT: NONE OF THIS, MR. WEINSTOCK, WE CAN DO IN
4 ANY BINDING WAY UNTIL WE HAVE EVERYBODY A PARTY AND SERVED,
5 EITHER AS A CLASS MEMBER OR AS A DEFENDANT CLASS OR OTHERWISE.
6 AND SO FAR, IT HAS BEEN LIKE PULLING TEETH TO GET THAT TO
7 OCCUR. AND I'VE BEEN TALKING ABOUT THAT NOW FOR A LONG TIME.
8 AND ONCE THAT IS ACCOMPLISHED I WILL BE VERY HAPPY TO START
9 HEARING EVIDENCE CONCERNING ALL OF THE ISSUES THAT YOU JUST
10 DESCRIBED. BUT UNTIL THAT HAS HAPPENED, IT WOULD BE AN
11 EXERCISE IN FUTILITY AND REDUNDANCY FOR THE COURT TO START
12 HEARING THAT KIND OF EVIDENCE.

13 MR. WEINSTOCK: ABSOLUTELY, YOUR HONOR. AND THAT IS
14 WHY WE WOULD NOT PROPOSE SCHEDULING THIS TRIAL IN THE NEXT FEW
15 MONTHS BECAUSE WE ASSUMED THAT WHEN WE HAVE A HEARING IN JULY,
16 THAT IT WILL TAKE MORE TIME AFTER THAT BEFORE ALL THE PARTIES
17 ARE ACTUALLY JOINED AND REPRESENTED.

18 THE COURT: MR. WEINSTOCK, I CAN'T EVEN SEND OUT A
19 NOTICE OF TRIAL UNTIL I HAVE ALL THE PARTIES WHO ARE GOING TO
20 BE INVOLVED IN THAT TRIAL HERE.

21 MR. WEINSTOCK: WELL, YOUR HONOR, THE NOTICE OF TRIAL
22 COULD CERTAINLY GO OUT BUT IT WOULDN'T BE BINDING ON PEOPLE
23 WHO AREN'T PARTIES YET. BUT WE THINK IF WE SCHEDULE THIS FOR
24 THE END OF THE YEAR, THERE SHOULD BE ENOUGH TIME TO DO EVEN
25 THAT.

26 THE COURT: WELL, I THINK THAT I CAN SCHEDULE IT. I
27 WOULDN'T DO IT IN DECEMBER; DECEMBER IS A VERY BAD TIME TO TRY
28 AND GET LAWYERS TO DO ANYTHING. BUT JANUARY IS PROBABLY A

Exhibit 17

Mike McLachlan

From: Mike McLachlan
Sent: Monday, June 20, 2011 12:14 PM
To: Jeffrey Dunn
Cc: Wellen, Warren; Eric Garner; Dan Oleary
Subject: revised Wood Agreement
Attachments: RV_PUB-767215-v23-AV - LOS ANGELES COUNTY - WOOD CLASS SETTLEMENT.doc

I attach a redlined revision to the settlement agreement that I think deals with the Court's comments, other than the one about class member vs. household, which we agreed should stay as is.

Please let me know your thoughts on this draft. I would also like to know whether these modifications will require this to go back through the entire Board of Supervisor process. We have a number of steps we may need to take, contingent upon whether a settlement can be re-drafted, the timing on that, and what occurs at the next status conference.

Mike McLachlan

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Los Angeles, CA 90025
Office: 310-954-8270
Fax: 310-954-8271

Mike McLachlan

From: Wellen, Warren <Wwellen@counsel.lacounty.gov>
Sent: Thursday, July 14, 2011 5:54 PM
To: Mike McLachlan; Eric Garner; Stefanie Hedlund
Cc: Dan Oleary; Jeffrey Dunn
Subject: RE: Revised Draft Agreement

Yes, the revised version is consistent with what the Board has already approved. I have confirmed with my boss that we do not need to seek further Board approval for the revised agreement.

Warren R. Wellen
Principal Deputy County Counsel
Office of the County Counsel
County of Los Angeles
500 West Temple Street
Los Angeles, CA 90012
Tel: (213) 974-9668
Fax: (213) 687-7337

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Please consider the environment before printing this e-mail.

From: Mike McLachlan [mailto:mike@mclachlanlaw.com]
Sent: Thursday, July 14, 2011 5:54 PM
To: Eric Garner; Stefanie Hedlund
Cc: Dan Oleary; Jeffrey Dunn; Wellen, Warren
Subject: RE: Revised Draft Agreement

And I will assume Warren and Jeff still agree that this modified version does not have to go back to the Board.

From: Eric Garner [mailto:Eric.Garner@bbklaw.com]
Sent: Thursday, July 14, 2011 5:42 PM
To: Mike McLachlan; Stefanie Hedlund
Cc: Dan Oleary; Jeffrey Dunn; Wwellen@counsel.lacounty.gov
Subject: RE: Revised Draft Agreement

once we are all okay with the clean document I need to circulate to the other PWS.

From: Mike McLachlan [mailto:mike@mclachlanlaw.com]
Sent: Thursday, July 14, 2011 5:45 PM
To: Eric Garner; Stefanie Hedlund
Cc: Dan Oleary; Jeffrey Dunn; Wwellen@counsel.lacounty.gov
Subject: Re: Revised Draft Agreement

Mike McLachlan

From: Mike McLachlan
Sent: Tuesday, July 19, 2011 5:08 PM
To: keith@lemieux-oneill.com
Cc: wayne@lemieux-oneill.com; Dan Oleary; Jeffrey Dunn; Tom Bunn; Bradley T.Weeks; 'wmiliband@awattorneys.com'; Doug Evertz
Subject: RE: Revised Small Pumper Settlement

Keith, This was drafted by BBK and plaintiff's counsel with the Court's comments in mind. It winds up being essentially the Willis agreement, with water allocations deferred. Your use of the word 'reconsider' suggests you are thinking about not participating.

We are either going to litigate this the prescription claims now, or pursue settlement. If your clients perceive some benefit to litigating the class claims, that is certainly their right. If you feel there is some modification in the agreement that is material to your clients such that you need to discuss that with them, I would urge you to do so soon. We plan to file this by August 5 for hearing on the 30th. We will pursue the revised settlement with any and all those public water suppliers who are willing. Presently I believe that everyone else remains on board.

Mike McLachlan

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From: keith@lemieux-oneill.com [<mailto:keith@lemieux-oneill.com>]
Sent: Monday, July 18, 2011 4:53 PM
To: Mike McLachlan
Cc: wayne@lemieux-oneill.com
Subject: RE: Revised Small Pumper Settlement

We will need to reconsider this in light of the judge's comments and the other settlement efforts. I will let you know our thoughts once we have a chance to talk to our various boards.

W. Keith Lemieux

Lemieux & O'Neill
4165 East Thousand Oaks Blvd, Suite 350
Westlake Village, CA 91362
Office: 805.495.4770
Cell: 805.208.6952

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From: Mike McLachlan [<mailto:mike@mclachlanlaw.com>]
Sent: Thursday, July 14, 2011 6:26 PM
To: Tom Bunn; Doug Evertz; James L. Markman; Wayne Lemieux; Keith Lemieux; Bradley T.Weeks; 'Tootle, John';

Mike McLachlan

From: Mike McLachlan
Sent: Tuesday, July 19, 2011 10:50 PM
To: Eric Garner; Jeffrey Dunn; 'Wellen, Warren'
Subject: RE: Small pumper settlement

The concern is, again, Lemieux. I have no interest in wrestling with these guys on the settlement.

From: Eric Garner [<mailto:Eric.Garner@bbklaw.com>]
Sent: Tuesday, July 19, 2011 7:29 PM
To: Mike McLachlan; Jeffrey Dunn; 'Wellen, Warren'
Subject: RE: Small pumper settlement

Mike,

We will discuss internally and get back to you.

Eric

From: Mike McLachlan [<mailto:mike@mclachlanlaw.com>]
Sent: Tuesday, July 19, 2011 4:34 PM
To: Jeffrey Dunn; 'Wellen, Warren'; Eric Garner
Subject: Small pumper settlement

Does the County are if this settlement does not include every public water supplier? I inquired last time around and I recall the answer was no, but I would like to reconfirm.

Mike McLachlan

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Mike McLachlan

From: Mike McLachlan
Sent: Thursday, August 04, 2011 12:44 PM
To: Tom Bunn
Subject: RE: Revised Small Pumper Settlement

Tom, I have not responded further on this as it is apparent this settlement is not going forward right now. The county has gone back into 'non-responsive' mode.

Mike

From: Tom Bunn [<mailto:TomBunn@lagerlof.com>]
Sent: Thursday, July 28, 2011 11:55 AM
To: Mike McLachlan; Doug Evertz; James L. Markman; Wayne Lemieux; keith@lemieux-oneill.com; Bradley T. Weeks; Tootle, John; wmiliband@awattorneys.com; Steven R. Orr
Cc: Eric Garner; Wwellen@counsel.lacounty.gov; Jeffrey Dunn; Stefanie Hedlund; Dan Oleary
Subject: RE: Revised Small Pumper Settlement

Mike,

Thank you for your revised draft. As to my third suggestion regarding meters, I still think it is appropriate to use language similar to the language you put elsewhere in the agreement – for example, “The Wood Class Members whose pumping exceeds the annual production of 3 acre-feet per year, or such other allocation as set by the Corut, agree to provide Replacement Water ...” and “The Settling Defendants agree and recognizes that the 3 acre-foot per year pumping right, set forth in IV.D.2, above, or any lesser amount set by the Court, is domestic use pursuant to California Water Code section 106.” Why can’t we use the same language for meters?

However, as an alternative, I would consider deleting the entire paragraph relating to meters (paragraph 2 on page 14) and leave it up to the court and the Watermaster.

Tom

From: Mike McLachlan [<mailto:mike@mclachlanlaw.com>]
Sent: Tuesday, July 26, 2011 2:37 PM
To: Tom Bunn; Doug Evertz; James L. Markman; Wayne Lemieux; keith@lemieux-oneill.com; Bradley T. Weeks; Tootle, John; wmiliband@awattorneys.com; Steven R. Orr
Cc: Eric Garner; Wwellen@counsel.lacounty.gov; Jeffrey Dunn; Stefanie Hedlund; Dan Oleary
Subject: RE: Revised Small Pumper Settlement

Tom, I made the first change. I also made the second change, which I think is simply not appropriate given the court’s numerous comments about tying his hands on any of the terms of a physical solution. If he comments on that, I am pointing the finger at you, ok? You might discuss it with Eric and Jeff.

I did not make change number 3 as it simply makes no sense. The agreement no longer has a 3 afy exemption. We don’t know what the class number will be, whether it is subject to exemption, etc. The judge will decide that down the road along with various other elements of the physical solution, if that comes to pass.

If we are going to resolve the class claims without further litigation, we need to move this forward. If this is not filed for approval next week, it will not be heard on the 30th. If that does not occur, we are going to propound a good deal of written discovery and start taking PMK depositions.

Exhibit 18

Mike McLachlan

From: Mike McLachlan
Sent: Thursday, May 23, 2013 7:15 AM
To: Tom Bunn; Jeffrey Dunn; John Tootle (jtootle@calwater.com); Doug Evertz; Brad Weeks (brad@charltonweeks.com); Keith Lemieux (Keith@lemieux-oneill.com)
Cc: Dan Oleary; Warren Wellen (wwellen@counsel.lacounty.gov)
Subject: Small Pumper class settlement

I have previously discussed with some of you the concept of settling with the water suppliers and proceeding against the landowners if they would not agree to terms with the Class. There are essentially two options here: (1) the landowners agree to our water rights allocation as set forth before and there is a global settlement with the Class; (2) we settle on terms with your clients similar to the Willis settlement (prescription surrendered and class bound by ultimate physical solution judgment), and we proceed against the landowners on the complaint filed yesterday, seeking our fees and costs against them alone at a later date.

If option 1 is the course, which I believe more likely, your clients will also need to agree not to object to the rather limited fees and filing cost relative to the landowner complaint. Your clients can reserve the right to challenge the hourly rate.

Please let me know whether your clients wish to proceed.

Mike McLachlan

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Fax: 310-954-8271

Mike McLachlan

From: Eric Garner <Eric.Garner@bbklaw.com>
Sent: Thursday, May 23, 2013 4:22 PM
To: Mike McLachlan
Cc: Dan Oleary; Wellen, Warren
Subject: RE: New Filing

Okay, I won't be in San Jose tomorrow but Warren and I will be back to you on a time to talk next week.

Eric

From: Mike McLachlan [<mailto:mike@mclachlanlaw.com>]
Sent: Thursday, May 23, 2013 4:00 PM
To: Eric Garner
Cc: Dan Oleary
Subject: RE: New Filing

I will be in San Jose tomorrow and available next week.

Mike McLachlan

----- Original message -----

From: Eric Garner <Eric.Garner@bbklaw.com>
Date: 05/23/2013 3:56 PM (GMT-08:00)
To: Mike McLachlan <mike@mclachlanlaw.com>
Cc: "Wellen, Warren" <Wwellen@counsel.lacounty.gov>, Jeffrey Dunn <jeffrey.dunn@BBKLAW.COM>
Subject: New Filing

Mike,

Warren forwarded to me the email you sent to the public water suppliers. I am very intrigued by your filing and we would like to discuss it with you and also discuss the options you outlined in your email. We are very busy this week trying to complete stipulations. Do you have any time next week, probably after Tuesday since that is the first day of trial, when we could set up a phone conference?

Eric

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Mike McLachlan

From: Eric Garner <Eric.Garner@bbklaw.com>
Sent: Monday, June 10, 2013 8:42 AM
To: Mike McLachlan
Cc: Dan Oleary
Subject: RE: Antelope call, 9:30

Mike,

I will review this and call your cell. My 8:30 conf call is running late, can I call you closer to 9:45?

Eric

From: Mike McLachlan [<mailto:mike@mclachlanlaw.com>]
Sent: Monday, June 10, 2013 8:36 AM
To: Eric Garner
Cc: Dan Oleary
Subject: Antelope call, 9:30

Eric, please call on my cell, 310-936-4292.

I attach what I believe to be the last draft of the small pumper class settlement with the water suppliers from July of 2011. As you may recall, we had a settlement at that time which was objected to by several landowners based on the water right defined by the settlement. The Court suggested we pull the defined water right out. After that hearing, I met with Jeff, Warren and Richard Wood and we decided to pursue the Court's suggestion, and prepare a draft that looked more like the Willis settlement.

Since that time, our position has changed a bit, most noticeably with regard to the 3 afy per parcel average for domestic use. What I envision is inserting some "agree not to object to" language relative to the water right and some of the related terms. The attached .pdf file is from my most recent round of discussions with the landowners in April, which arose from the Robie meetings. The redlining is my markup to a set of hastily drawn up bullet points, and below that is some specific language Zimmer asked me to prepare for the larger settlement agreement.

If the terms are agreed to by the water suppliers, my plan would be to take the agreement in substance to the landowners on a two-week or less timetable to agree to the terms. Those who agreed would be added to the agreement. With the others, we will continue to litigate against.

Going forward, your client would not be obligated for legal fees beyond what is necessary to bring Wood v. LACW District 40 to a close (language close to what is contained in the Willis agreement). You would be required to complete the funding of the Court-appointed expert work, which is mid-stream and essential if we are to litigate against the water right issue. That cost is small when compared to the legal fees, but is not one we can recover even if we prevail.

Mike McLachlan

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Mike McLachlan

From: Mike McLachlan
Sent: Wednesday, June 19, 2013 11:32 AM
To: Warren Wellen (wwellen@counsel.lacounty.gov)
Cc: Dan Oleary; Jeffrey Dunn; Eric Garner (eric.garner@bbklaw.com)
Subject: Antelope Valley, Small Pumpers Class

Warren,

This shall memorialize our discussion last night regarding Waterworks District 40s decision not to resolve the pending lawsuit with the Richard Wood and the Small Pumper Class. You have cited some undefined concerns of a party or parties who are not defendants to the action.

This about-face runs counter to a series of discussions I have had with BB&K over the last six to eight months, but certainly your client can elect to continue the litigation with the Class.

Since we did not discuss any substantive terms of settlement, and I do not do so here, I do not consider this to be a settlement communication.

Mike McLachlan

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Mike McLachlan

From: Mike McLachlan
Sent: Wednesday, June 26, 2013 1:20 PM
To: Tom Bunn; Brad Weeks (brad@charltonweeks.com); Keith Lemieux (Keith@lemieux-oneill.com); Doug Evertz; Wes Miliband (wmiliband@awattorneys.com); John Tootle (jtootle@calwater.com)
Cc: Dan Oleary
Subject: Small Pumper Class Settlement

Gentlemen,

I write to inform you that we plan to move forward with a partial settlement with a number of you. We will not be doing this more than once, so if your client would like to permanently end its exposure to our legal fees, now is the time.

You will note that Waterworks' counsel is not copied on this e-mail, although they are aware we plan to move forward with this partial settlement. Warren has indicated to me that he sees some leverage arising from the latest class complaint and wishes to defer settlement with the class for some undefined period.

With regard to legal fees, subject to Court approval, we would agree to cap our request for fees at your clients respective share of the gross fee request as determined by that client's average annual groundwater production during the pendency of this action (2008 to 2012) as a ratio of the production for all ten defendants.

If your client(s) are interested in participating, please let me know. Later this week I hope to be able to circulate a proposed settlement agreement to those interested.

Mike McLachlan

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Los Angeles, CA 90025
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Mike McLachlan

From: Mike McLachlan
Sent: Wednesday, July 03, 2013 9:05 AM
To: Tom Bunn; Doug Evertz; Wes Miliband (wmiliband@awattorneys.com); Brad Weeks (brad@charltonweeks.com); Wayne Lemieux (Wayne@lemieux-oneill.com); John Tootle (jtootle@calwater.com)
Cc: Dan Oleary
Subject: Wood class settlement
Attachments: WOOD CLASS SETTLEMENT v29.doc

Per my email of a week ago, I enclose a draft settlement agreement. This is substantively unchanged from the version we drafted with BBK and some of you two years ago after the prior settlement was not approved by the Court.

I have left all the parties in the agreement, and will adjust that language once we know who is settling now.

I did not yet modify the legal fees language along the lines set forth in my last email, but will draft appropriate language once it is confirmed who is settling. Unless I hear otherwise, WW is still out.

Mike McLachlan

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10490 Santa Monica Boulevard
Los Angeles, CA 90025
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Mike McLachlan

From: Mike McLachlan
Sent: Thursday, August 15, 2013 5:03 PM
To: Tom Bunn; Doug Evertz; Brad Weeks (brad@charltonweeks.com); Wes Miliband (wmiliband@awattorneys.com)
Cc: John Tootle (jtootle@calwater.com); Keith Lemieux (Keith@lemieux-oneill.com); Dan Oleary
Subject: Small Pumper class settlement
Attachments: WOOD CLASS SETTLEMENT v29.doc

Gentlemen,

The four of you have indicated that your clients would like to settle with the small pumper class. It has been about six weeks since I forwarded the draft settlement agreement, but to date I have received only limited comment from one of you. If your client no longer wishes to pursue settlement with the Class at this time, please let us know.

As part of this proposal, we have offered, for the limited purpose of this settlement, to limit the fee request to your clients' proportionate share of total public water supplier pumping during the years of 2011 and 2012, as reflected in the Phase 4 trial stipulation. We have also agreed not to pursue your clients for legal fees incurred after the final approval of the settlement. This offer will be withdrawn as of September 3, 2013.

For Keith and John, who have not responded to the earlier settlement-related emails, we will assume that you have discharged your duties to forward the settlement offer to your clients, and they have declined. The smaller water suppliers in particular should understand that, in absence of an indemnity agreement from Waterworks District 40, the joint and several liability arising from a fee award under C.C.P. section 1021.5 could increase these defendants' individual exposure by a factor of several hundred times the offer that is currently on the table (in dollars, seven figures).

Mike McLachlan

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Mike McLachlan

From: Mike McLachlan
Sent: Monday, August 19, 2013 8:48 PM
To: Tom Bunn; Wesley A. Miliband; Doug Evertz; brad@charltonweeks.com
Cc: jtootle@calwater.com; Keith@lemieux-oneill.com; Dan Oleary
Subject: RE: Small Pumper class settlement

I am informed by John that Cal Water is similarly interested. I will send some fee language tomorrow, and see if I can't clean up a few non-substantive items in the document.

As we did two years ago, I need your input on the form and substance, so we can get a final version to take your respective clients/boards for approval.

Mike McLachlan

Law Offices of Michael D. McLachlan, APC
10490 Santa Monica Boulevard
Los Angeles, CA 90025
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Fax: 310-954-8271

From: Tom Bunn [mailto:TomBunn@lagerlof.com]
Sent: Monday, August 19, 2013 12:10 PM
To: Mike McLachlan; Wesley A. Miliband; Doug Evertz; brad@charltonweeks.com
Cc: jtootle@calwater.com; Keith@lemieux-oneill.com; Dan Oleary
Subject: RE: Small Pumper class settlement

PWD is still interested.

From: Mike McLachlan [mailto:mike@mclachlanlaw.com]
Sent: Monday, August 19, 2013 12:09 PM
To: Wesley A. Miliband; Tom Bunn; Doug Evertz; brad@charltonweeks.com
Cc: jtootle@calwater.com; Keith@lemieux-oneill.com; Dan Oleary
Subject: RE: Small Pumper class settlement

Wes,

Although we have discussed your email by phone last week, I thought I would respond briefly for the benefit of others, and to update you further.

I suspect what the confusion you reference in your e-mail arises from the sequence of the phone calls to various counsel, and more specifically that in the timeframe you reference, the fact that I likely spoke to you first. Shortly thereafter, I confirmed with Doug, Tom and Brad that their respective clients remained interested in settling.

I did not circle back to you at that time because of the mechanics of the proposed settlement. Unfortunately, it is not cost effective to have a standalone settlement with your client by itself, given the attorney time and costs of notice involved. In recent days, I have again spoken with Brad and Doug, who have confirmed their respective client's continuing interest in this settlement (subject to further detailed client discussions and comment on the draft settlement agreement).

I do not know as of today where PWD stands, but even if that supplier is no longer interested, a settlement with Rosamond CSD, QHWD, and your client is workable. I suspect when he gets the time, we will hear further from Tom.

I hope that nobody is bothered by my sharing any of the information above, as it seems necessary for all to be informed. This e-mail string is obviously a settlement communication among those listed parties. Unless until John or Keith indicate interest in the settlement, we will drop them from the string going forward. But their clients are still welcome to participate if they so choose.

Mike McLachlan

Law Offices of Michael D. McLachlan, APC
10490 Santa Monica Boulevard
Los Angeles, CA 90025
Office: 310-954-8270
Fax: 310-954-8271

From: Wesley A. Miliband [<mailto:wmiliband@awattorneys.com>]
Sent: Thursday, August 15, 2013 6:01 PM
To: Mike McLachlan; Tom Bunn; Doug Evertz; brad@charltonweeks.com
Cc: jtootle@calwater.com; Keith@lemieux-oneill.com; Dan Oleary
Subject: RE: Small Pumper class settlement

Mike,

Your email is surprising – it is inconsistent with our conversations from six weeks or so ago, wherein you told me that there is no sense in moving forward with this settlement agreement without certain suppliers interested in settling with the Wood Class (also, see your July 3 email which expresses the same uncertainty in moving forward with this process). Our discussions ended with you saying that you would need to confirm settlement interest from Tom and other suppliers' counsels in order for you to assess whether pursuing the settlement was worthwhile. Also, my question remains unanswered as to what your attorneys' fees and costs are to date.

I heard nothing more until your email below, though it appears PWD and QHWD are interested in settlement with the Wood Class. I believe PPHCSD remains interested in pursuing the settlement, and I do have specific comments that I can provide on the draft agreement.

Please let me know within the next week the Wood Class' fees and costs to date. I will be on vacation next week, but I can provide detailed comments about the agreement during the week of Aug. 26.

Thanks,
Wes

Mike McLachlan

From: Bradley T. Weeks <Brad@charltonweeks.com>
Sent: Friday, October 18, 2013 12:50 AM
To: Mike McLachlan
Subject: Wood Class Settlement

Follow Up Flag: Follow Up
Due By: Friday, October 18, 2013 7:25 AM
Flag Status: Flagged

Please withdraw Quartz Hill Water District from the motion for preliminary approval of the partial class settlement and be advised it has not approved the Wood Class Stipulation of Settlement.

Brad

Bradley T. Weeks
Charlton Weeks LLP
1031 West Avenue M-14, Sute A
Palmdale, CA 93551
(661) 265-0969
www.charltonweeks.com

Exhibit 19

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

Coordination Proceeding
Special Title (Rule 1550 (b))

**ANTELOPE VALLEY GROUNDWATER
CASES**

Judicial Council Coordination
Proceeding No. 4408

[Assigned to The Honorable Jack Komar, Judge
Santa Clara County Superior Court, Dept. 17]

Santa Clara Court Case No. 1-05-CV-049053

**STIPULATION FOR ENTRY OF
JUDGMENT AND PHYSICAL SOLUTION**

1. The undersigned Parties (“Stipulating Parties”) stipulate and agree to the entry of the proposed Judgment and Physical Solution (“Judgment”), attached hereto as Exhibit 1 and incorporated herein by reference, as the Judgment in this Action. This Stipulation is expressly conditioned, as set forth in Paragraph 4 below, upon the approval and entry of the Judgment by the Court.

2. The following facts, considerations and objectives, among others, provide the basis for this Stipulation for Entry of Judgment (“Stipulation”):

- a. The Judgment is a determination of all rights to Produce and store Groundwater in the Basin.
- b. The Judgment resolves all disputes in this Action among the Stipulating Parties.

1 c. The Stipulating Parties represent a substantial part of the total Production within
2 the Basin.

3 d. There exists now and has existed for many years an Overdraft on the
4 Groundwater supply within the Basin.

5 e. It is apparent to the Stipulating Parties that protection of the rights of the
6 Stipulating Parties and protection of the public interest within the Basin require the
7 development and imposition of a Physical Solution.

8 f. The Physical Solution contained in the Judgment is in furtherance of the mandate
9 of the State Constitution and the water policy of the State of California.

10 g. Entry of the Judgment will avoid the time, expense, and uncertainty associated
11 with continued litigation.

12 h. The Judgment will create incentives, predictability and long-term certainty
13 necessary to promote beneficial use of the Basin's Groundwater resources to the fullest
14 extent practicable and for the greatest public benefit.

15 i. The Judgment will create opportunities for state and local funding as may be
16 available to promote greater development and beneficial use of the Basin's Groundwater
17 resources.

18 j. The Judgment will aid in securing a reliable and cost-effective water supply to
19 serve the Stipulating Parties' constituencies and communities.

20 3. Defined terms in the Judgment shall have the same meaning in this Stipulation.

21 4. The provisions of the Judgment are related, dependent and not severable. Each and every
22 term of the Judgment is material to the Stipulating Parties' agreement. If the Court does not approve the
23 Judgment as presented, or if an appellate court overturns or remands the Judgment entered by the trial
24 court, then this Stipulation is *void ab initio* with the exception of Paragraph 6, which shall survive.

25 5. The Stipulating Parties will cooperate in good faith and take any and all necessary and
26 appropriate actions to support the Judgment until such time as this Judgment is entered by the Court, and
27 appeals, if any, are final, including:

28 a. Producing evidentiary testimony and documentation in support thereof;

1 b. Defending the Judgment against Non-Stipulating Parties, including, as
2 appropriate, providing evidence of the Stipulating Parties' prescriptive and self-help
3 rights.

4 6. Each Stipulating Party has agreed to this Stipulation without admitting any factual or
5 legal provisions of this Stipulation or the proposed Judgment. In the event that this Stipulation is void,
6 or if trial is necessary against any Non-Stipulating Party to determine issues provided for in the
7 Judgment, the resulting factual or legal determinations shall not bind any Stipulating Party or become
8 law of the case.

9 7. As consideration and as a material term of this Stipulation, the Stipulating Parties hereby
10 declare that they are not aware of any additional Person pumping Groundwater, or landowner owning
11 property in the Basin, that is not either named as a Party in the Action, included in the Non-Pumper
12 Class or Small Pumper Class, or a Defaulting Party.

13 8. The Stipulating Parties, in order to protect the Basin from over-pumping, have stipulated
14 and agreed to the terms of the Judgment and have agreed to substantial cuts to water allocation
15 compared with what they claim under California law, and in the case of the United States, also under
16 federal law. In return, the Stipulating Parties have agreed to provisions in the Physical Solution which
17 are only available by stipulation. These provisions include, without limitation, the right to transfer
18 Production Rights and the right to Carry Over rights from year to year, as set forth in the Judgment.
19 Non-Stipulating Parties, or any other Parties contesting the Judgment, shall not be entitled to the benefit
20 of these provisions, and shall have only the rights to which they may be entitled by law according to
21 proof at trial.

22 9. The Stipulating Parties agree to request the Court to order the representatives of the Non-
23 Pumper Class and the Small Pumper Class to identify any Persons which have opted out of the Classes
24 and provide the identities of any opt-outs to District No. 40 within twenty (20) days of the Court's order
25 approving this Stipulation. District No. 40 will assure that all Persons opting out of the Classes have
26 been named, served, and defaulted or otherwise adjudicated, and will provide a report to the Court and
27 the Stipulating Parties.

28

1 10. As consideration for this Stipulation between the Stipulating Parties, District No. 40
2 specifically agrees to the following:

3 a. District No. 40 agrees to identify all landowners in the Basin, to confirm that each
4 landowner was served, and to confirm that each landowner is a part of the Non-Pumper
5 Class, the Small Pumper Class, the Stipulating Parties, a Defaulting Party, or a Party that
6 has appeared, as the case may be. District No. 40 will file a report containing this
7 information with the Court and with all Parties.

8 b. District No. 40 agrees to take all available steps and procedures to prevent any
9 Person that has not appeared in this Action from raising claims or otherwise contesting
10 the Judgment.

11 11. The Public Water Suppliers and no other Parties to this Stipulation shall pay all
12 reasonable Small Pumper Class attorneys' fees and costs through the date of the final Judgment in the
13 Action, in an amount either pursuant to an agreement reached between the Public Water Suppliers and
14 the Small Pumper Class or as determined by the Court. The Public Water Suppliers reserve the right to
15 seek contribution for reasonable Small Pumper Class attorneys' fees and costs through the date of the
16 final Judgment in the Action from each other and Non-Stipulating Parties. Any motion or petition to the
17 Court by the Small Pumper Class for the payment of attorneys' fees in the Action shall be asserted by the
18 Small Pumper Class solely as against the Public Water Suppliers (excluding Palmdale Water District,
19 Rosamond Community Services District, City of Lancaster, Phelan Piñon Hills Community Services
20 District, Boron Community Services District, and West Valley County Water District) and not against
21 any other Party.

22 12. In consideration for the agreement to pay Small Pumper Class attorneys' fees and costs as
23 provided in Paragraph 11 above, the other Stipulating Parties agree that during the Rampdown
24 established in the Judgment, a drought water management program ("Drought Program") shall be
25 implemented as provided in Paragraphs 8.3, 8.4, 9.2 and 9.3 of the Judgment.

26 13. The Stipulating Parties do not object to the award of an incentive to Richard Wood, the
27 Small Pumper Class representative, in recognition of his service as Class representative. The Judgment
28 shall provide that Richard Wood has a Production Right of up to five (5) acre-feet per year for


1 reasonable and beneficial use on his parcel, free of a Replacement Water Assessment. This Production
2 Right shall not be transferable and is otherwise subject to the provisions of the Judgment. If the Court
3 approves this award of an additional two (2) acre-feet of water, such award shall be in lieu of any
4 monetary incentive payment.

5 14. The Stipulating Parties agree that an orderly procedure for obtaining the Court's approval
6 of the Judgment is a material term to this Stipulation. The Parties agree that the Case Management
7 Order attached hereto as Appendix 1 is an appropriate process for obtaining such approval.

8 15. The Stipulating Parties agree that this Stipulation shall bind and benefit them, and will be
9 binding upon and benefit all their respective heirs, successors-in-interest and assigns.


10 16. Each signatory to this Stipulation represents and affirms that he or she is legally
11 authorized to bind the Stipulating Party on behalf of whom he or she is signing. The Stipulating Parties
12 understand that this Stipulation and the Judgment are not effective as to the Small Pumper Class until
13 the Court grants approval of a settlement agreement in *Wood v. Los Angeles County Waterworks District*
14 *No. 40 et al.*

1 LOS ANGELES COUNTY WATERWORKS
2 DISTRICT NO. 40

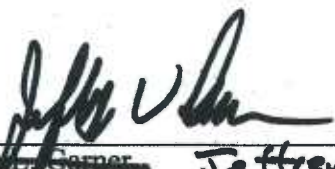
3 By: 
4 Gail Farber
5 Director of Public Works

Date: 2/24/15

6 Approved as to form by:
7 Mark J. Saladino, County Counsel

8
9 By: 
10 Warren R. Wellen
11 Principal Deputy County Counsel

12 Approved as to form by: Eric L. Garner

13
14 By: 
15 ~~Eric L. Garner~~ Jeffrey V. Ann and Eric L. Garner
16 Best Best & Krieger

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Exhibit 20

1 ALESHIRE & WYNDER, LLP
DAVID J. ALESHIRE, Bar No. 65022
2 WILLIAM W. WYNDER, Bar No. 84753
WESLEY A. MILIBAND, Bar No. 241283
3 18881 Von Karman Avenue, Suite 1700
Irvine, CA 92612
4 Telephone: (949) 223-1170
Facsimile: (949) 223-1180
5 daleshire@awattorneys.com
wwynder@awattorneys.com
6 wmiliband@awattorneys.com

7 Attorneys for Defendant and Cross-Complainant,
Phelan Piñon Hills Community Services District
8

9 **SUPERIOR COURT OF CALIFORNIA**
10 **COUNTY OF LOS ANGELES - CENTRAL DISTRICT**
11

12 Coordination Proceeding) Judicial Council Coordination Proceeding
Special Title (Rule 1550(b))) No. 4408
13)
14 **ANTELOPE VALLEY**) (For Filing Purposes Only: Santa Clara
GROUNDWATER CASES) County Case No.: 1-05-CV-049053)
15 Included Actions:) Assigned for All Purposes To:
Judge: Hon. Jack Komar
16 *Los Angeles County Waterworks District*)
No. 40 v.) (Filing Fees Exempt, Per Gov't Code § 6103)
17 *Diamond Farming Co., et al.*)
Los Angeles County Superior Court, Case)
18 No. BC 325 201) **DECLARATIONS OF SETTLING**
) **DEFENDANTS TO WOOD CLASS**
) **PARTIAL CLASS SETTLEMENT IN**
19 *Los Angeles County Waterworks District*) **SUPPORT OF WOOD CLASS MOTION**
No. 40 v.) **FOR FINAL APPROVAL OF PARTIAL**
20 *Diamond Farming Co., et al.*) **CLASS SETTLEMENT**
Kern County Superior Court, Case No.)
21 S-1500-CV-254-348)
22)
23 *Wm. Bolthouse Farms, Inc. v. City of*)
Lancaster) Hearing Date: December 11, 2013
24 *Diamond Farming Co. v. City of Lancaster*) Phase Five Trial Date: February 10, 2014
Diamond Farming Co. v. Palmdale Water) Phase Six Trial Date: August 4, 2014
25 *Dist.*)
Riverside County Superior Court,)
26 Consolidated Action, Case Nos. RIC 353)
840, RIC 344 436, RIC 344 668)
27)
28 **AND RELATED CROSS-ACTIONS**)

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PHELAN PINON HILLS COMMUNITY SERVICES DISTRICT


I, Wesley A. Miliband, declare:

1. I am a partner with the law firm of Aleshire & Wynder, LLP, attorney of record for Phelan Piñon Hills Community Services District (“PPHCSD”) in this action. I have personal knowledge of each fact stated in this declaration, and if called as a witness, I could and would competently testify thereto.

2. PPHCSD, Palmdale Water District, Rosamond Community Services District, and City of Lancaster (“Settling Defendants”) have entered into a settlement agreement with the Wood Class, for which the Court granted preliminary approval of on October 25, 2013 and for which the Court is set to determine final approval of on December 11, 2013 (“Settlement Agreement”).

3. I did not negotiate with the Wood Class (including its legal counsel) about the Wood Class’ attorneys’ fees or costs that are included within the Settlement Agreement until and after I came to agreement with the Wood Class on the substantive terms of the Settlement Agreement that do not relate to payment of the Wood Class’ attorneys’ fees and costs.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 3rd day of December, 2013, at Irvine, California.



Wesley A. Miliband

PALMDALE WATER DISTRICT

I, Thomas Bunn, III, declare:


1. I am a partner with the law firm of Lagerlof, Senecal, Gosney & Kruse, LLP, attorney of record for Palmdale Water District (“PWD”) in this action. I have personal knowledge of each fact stated in this declaration, and if called as a witness, I could and would competently testify thereto.

///
///

1 2. Phelan Piñon Hills Community Services District, PWD, Rosamond Community
2 Services District, and City of Lancaster (“Settling Defendants”) have entered into a settlement
3 agreement with the Wood Class, for which the Court granted preliminary approval of on October
4 25, 2013 and for which the Court is set to determine final approval of on December 11, 2013
5 (“Settlement Agreement”).

6 3. I did not negotiate with the Wood Class (including its legal counsel) about the Wood
7 Class’ attorneys’ fees or costs that are included within the Settlement Agreement until and after I
8 came to agreement with the Wood Class on the substantive terms of the Settlement Agreement that
9 do not relate to payment of the Wood Class’ attorneys’ fees and costs.

10 I declare under penalty of perjury under the laws of the State of California that the
11 foregoing is true and correct. Executed this 3rd day of December, 2013, at Pasadena, California.

12
13 

14 Thomas Bunn, III

15
16 **ROSAMOND COMMUNITY SERVICES DISTRICT AND CITY OF LANCASTER**

17 I, Douglas J. Evertz, declare:

18 1. I am a partner with the law firm of Murphy & Evertz, LLP, attorney of record for
19 Rosamond Community Services District (“RCSD”) and City of Lancaster (“Lancaster”) in this
20 action. I have personal knowledge of each fact stated in this declaration, and if called as a witness,
21 I could and would competently testify thereto.

22 2. Phelan Piñon Hills Community Services District, Palmdale Water District, RCSD,
23 and Lancaster (“Settling Defendants”) have entered into a settlement agreement with the Wood
24 Class, for which the Court granted preliminary approval of on October 25, 2013 and for which the
25 Court is set to determine final approval of on December 11, 2013 (“Settlement Agreement”).

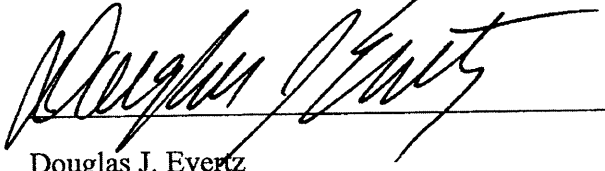
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1 3. I did not negotiate with the Wood Class (including its legal counsel) about the Wood
2 Class' attorneys' fees or costs that are included within the Settlement Agreement until and after I
3 came to agreement with the Wood Class on the substantive terms of the Settlement Agreement that
4 do not relate to payment of the Wood Class' attorneys' fees and costs.

5 I declare under penalty of perjury under the laws of the State of California that the
6 foregoing is true and correct. Executed this 3rd day of December, 2013, at Costa Mesa, California.

7
8 
9 _____
10 Douglas J. Evertz

11
12
13 Dated: December 3, 2013

12 Respectfully submitted,
13 ALESHIRE & WYNDER, LLP

14
15 By: 
16 _____
17 Wesley A. Miliband
18 Attorneys for Cross-Defendant and
19 Cross-Complainant,
20 Phelan Piñon Hills Community
21 Services District

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2
3 **PROOF OF SERVICE**

4 I, Linda Yarvis,

5 I am employed in the County of Orange, State of California. I am over the age of 18 and
6 not a party to the within action. My business address is 18881 Von Karman Avenue, Suite 1700,
Irvine, CA 92612.

7 On December 4, 2013, I served the within document(s) described as **DECLARATIONS**
8 **OF SETTling DEFENDANTS TO WOOD CLASS PARTIAL CLASS SETTLEMENT IN**
9 **SUPPORT OF WOOD CLASS MOTION FOR FINAL APPROVAL OF PARTIAL CLASS**
10 **SETTLEMENT** as follows:

11 (ELECTRONIC SERVICE) By posting the document(s) listed above to the Santa Clara
County Superior Court website in regard to Antelope Valley Groundwater matter pursuant to the
Court's Clarification Order. Electronic service and electronic posting completed through
www.scefiling.org.

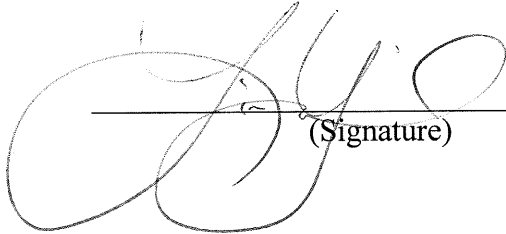
12 (BY MAIL) By placing a true copy of the foregoing document(s) in a sealed envelope
13 addressed as set forth above. I placed each such envelope for collection and mailing following
ordinary business practices. I am readily familiar with this Firm's practice for collection and
14 processing of correspondence for mailing. Under that practice, the correspondence would be
deposited with the United States Postal Service on that same day, with postage thereon fully
15 prepaid at Irvine, California, 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.

16 (BY OVERNIGHT DELIVERY) I deposited in a box or other facility regularly maintained
17 by Overnight Express, an express service carrier, or delivered to a courier or driver authorized by
said express service carrier to receive documents, a true copy of the foregoing document(s) in a
18 sealed envelope or package designated by the express service carrier, addressed as set forth above,
with fees for overnight delivery paid or provided for.

19 Executed on December 4, 2013, at Irvine, California.

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

22 Linda Yarvis
23 (Type or print name)

24 
25 (Signature)