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11 BLEICH FLAT MUTUAL WATER COMPANY, INC.,  
12 a member of the Antelope Valley United Mutual Group

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
14 **IN AND FOR THE COUNTY OF LOS ANGELES**

15 Coordination Proceeding  
16 Special Title (Rule 1550(b))

) Judicial Council Coordination  
) Proceeding No. 4408

17 **ANTELOPE VALLEY GROUNDWATER**  
18 **CASES**

) Santa Clara Case No. 1-05-CV-049053  
) Assigned to the Honorable Jack Komar  
) Department 17

19 Including Actions:

20 **Los Angeles County Waterworks District**  
21 **No. 40 v. Diamond Farming Co.**  
22 Superior Court of California, County of Los  
23 Angeles, Case No. BC 325 201

) **[PROPOSED] STIPULATION**  
) **REGARDING THE DEPOSITION AND**  
) **TRIAL TESTIMONY OF CROSS-**  
) **DEFENDANT BLEICH FLAT MUTUAL**  
) **WATER COMPANY, INC., A MEMBER**  
) **OF THE ANTELOPE VALLEY UNITED**  
) **MUTUAL GROUP**

24 **Los Angeles County Waterworks District**  
25 **No. 40 v. Diamond Farming Co.**  
26 Superior Court of California, County of Kern,  
27 Case No. S-1500-CV-254-348

28 **Wm. Bolthouse Farms, Inc. v. City of**  
29 **Lancaster**  
30 **Diamond Farming Co. v. City of Lancaster**  
31 **Diamond Farming Co. v. Palmdale Water**  
32 **Dist.**

33 Superior Court of California, County of  
34 Riverside, consolidated actions, Case Nos. RIC  
35 353 840, RIC 344 436, RIC 344 668

36 **AND RELATED ACTIONS.**

1 This *Stipulation Regarding the Deposition and Trial Testimony of Cross-Defendant*  
2 ***BLEICH FLAT MUTUAL WATER COMPANY, INC.,*** a member of the Antelope Valley  
3 *United Mutual Group*, is submitted pursuant to Paragraph 2 of the Court's January 17, 2013 *First*  
4 *Amendment to Case Management Order for Phase Four Trial* and in connection with the  
5 deposition and trial testimony therefore, which Trial which is currently scheduled to commence  
6 on May 28, 2013, in the above-encaptioned matter.

7 Bleich Flat Mutual Water Company, Inc. ("Bleich Flat") has provided, under penalty of  
8 perjury, the facts, information and documents submitted to the Court and posted on the Court's  
9 website on December 21, 2012 (the "*Discovery Responses*") and on January 29, 2013 (the  
10 "*Supplemental Discovery Responses*"), including, but not limited to, the following:

11 1. Bleich Flat is an active California mutual benefit non-profit corporation, with an  
12 entity address of 46201 Kings Canyon Rd, Lancaster, CA 93536. It was formed on January 26,  
13 1968. Its membership is comprised of the owners of the 47 mostly 5 acre lots that are situated  
14 within its below-described service area. Bleich Flat's 33 active meters serve the improved real  
15 properties within the Bleich Flat service area, and stand by to serve the unimproved properties  
16 when improved.

17 Reference: *Cross-Defendant/Cross-Complainant, Antelope Valley United Mutual*  
18 *Group's* (verified) *Information and Materials Responsive to December 12, 2012*  
19 *Discovery Order for Phase 4 Trial* for Bleich Flat Mutual Water Company  
20 ("*Discovery Responses*"), Paragraphs ("¶") I.1.b., I.3.c.ii.; California Secretary of  
21 State, Business Entity Detail (December 14, 2012); *Cross-Defendant/Cross-*  
22 *Complainant, Antelope Valley United Mutual Group, Specifically Bleich Flat*  
23 *Mutual Water Company's*, (verified) *First Supplemental Response to December*  
24 *12, 2012 Discovery Order for Phase 4 Trial* ("*Supplemental Discovery*  
25 *Responses*") ¶ I.3.c.; Bleich Flat Mutual Water Company Articles of  
26 Incorporation (and Certificate of Amendment); Bleich Flat Mutual Water  
27 Company – By-Laws; Bleich Flat Mutual Water Company – Share Certificate  
28

(sample); Grant Deed (exemplar) to a member of Bleich Flat Mutual Water Company.

2. Bleich Flat's service area consists of 660 acres, which are bounded by Ave F-12 to the North, Ave G-12 to Ave H to the South, 210th St West to the East, and 220th St West to the West. Bleich Flat is the owner of the water rights and the production, storage and distribution facilities. Bleich Flat services its members / shareholders identified by the Assessor's Parcel Numbers ("APN") listed in the *Discovery Responses*. The properties within the Bleich Flat service area are single family residential parcels.

Reference: *Discovery Responses* ¶¶ I.1.a., I.1.h., I.1.j.; Bleich Flat Mutual Members list of APNs.

3. Bleich Flat owned and operated four (4) wells and boosters with Edison energy efficiency calibrated motor driven pumps that were situated within its service area during the Base Period years 2000 to 2004 and the recent years 2011 to 2012. During the years 2000 to 2004 and 2011 to 2012, Bleich Flat used the water produced from these wells for the provision of domestic water service to its residential mutual members. All of the groundwater produced by Bleich Flat from these wells was used in its service area by its members.

Reference: *Discovery Responses* ¶¶ I.1.c., I.1.d., I.1.f., I.1.g., I.1.h., I.3.a.i., I.3.a.ii., I.3.a.iii., I.3.a.iv., I.3.a.v., I.3.a.vi.; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2000; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2001; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2002; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2003; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2004; December 14, 2012 Facsimile report summarizing gallons of water pumped for 2011 and 2012; *Supplemental Discovery Responses*, ¶ I.3.a.; Bleich Flat Mutual Water Company water production and distribution schematic; Bleich Flat Mutual Water Company – photographs of water production, storage and distribution infrastructure and

facilities; Bleich Flat Mutual Water Company – well meter readings, 2011 and 2012; Bleich Flat Mutual Water Company – yearly well production spreadsheets, 2000 – 2004.

4. Bleich Flat groundwater production during the years 2000 through 2012 was as follows:

- i. 2000: 30.5 acre feet
- ii. 2001: 24.3 acre feet
- iii. 2002: 28.7 acre feet
- iv. 2003: 23.0 acre feet
- v. 2004: 27.2 acre feet
- vi. 2011: 21.9 acre feet
- vii. 2012 [1/1 – 11/30]: 24.8 acre feet

Reference: *Discovery Responses* ¶¶ I.1.c., I.1.d., I.1.f., I.1.g., I.1.h., I.3.a.i., I.3.a.ii., I.3.a.iii., I.3.a.iv., I.3.a.v., I.3.a.vi.; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2000; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2001; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2002; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2003; Bleich Flat Mutual Water Co. Statistical Data As Of December 31, 2004; December 14, 2012 Facsimile report summarizing gallons of water pumped for 2011 and 2012; *Supplemental Discovery Responses*, ¶¶ I.1.e., I.3.a.; Bleich Flat Mutual Water Company water production and distribution schematic; Bleich Flat Mutual Water Company – photographs of water production, storage and distribution infrastructure and facilities; Bleich Flat Mutual Water Company – well meter readings, 2011 and 2012; Bleich Flat Mutual Water Company – yearly well production spreadsheets, 2000 – 2004.

1           5.       Upon the formation of the mutual benefit, non-profit corporation, the overlying  
2 groundwater rights of the owners of the properties within the service area (who became the  
3 initial shareholders) became the rights of the mutual water company and have, ever since, been  
4 exercised by the mutual water company and not by the individual property owners /  
5 shareholders. There was no known express reservation of the overlying groundwater rights by  
6 the individual property owners at the time of formation. The property owners / shareholders  
7 simply pooled their collective water and (through the mutual water company) constructed,  
8 operated and maintained the production, storage and distribution system by which they all  
9 receive water for their domestic purposes. Simply stated, the property owners / shareholders  
10 exchanged their overlying water rights for the right to have water delivered to their individual  
11 properties. See *Erwin v. Gage Canal Company* (1964) 226 Cal.App.2d 189; see also *Hildreth v.*  
12 *Montecito Creek Water Co.* (1903) 139 Cal. 22, 29; see also *City of Glendale v. Crescenta etc.*  
13 *Water Co.* (1955) 135 Cal.App.2d 784, 801. As such, each shareholder has an interest in the  
14 water rights, production, storage and distribution facilities of the mutual water company and has  
15 the right to receive water upon development and demand.

16                 Reference: *Discovery Responses* ¶ I.1.j.; *Supplemental Discovery Responses*, ¶  
17 I.3.c.; Bleich Flat Mutual Water Company Articles of Incorporation (and  
18 Certificate of Amendment); Bleich Flat Mutual Water Company – By-Laws;  
19 Bleich Flat Mutual Water Company – Share Certificate (sample); Grant Deed  
20 (exemplar) to a member of Bleich Flat Mutual Water Company.

21           6.       Bleich Flat did not lease any property to anyone during the Base Period years of  
22 2000 to 2004 or the recent years of 2011 to 2012.

23                 Reference: *Discovery Responses* ¶ I.2.a.

24           7.       Bleich Flat did not import or acquire any imported water from the Antelope  
25 Valley – East Kern Water Agency, Palmdale Water District, Littlerock Creek Irrigation District  
26 or any other entity having rights to State Water Project water, during the Base Period years of  
27 2000 to 2004 or the recent years of 2011 to 2012, and claims no return flows.

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Reference: *Discovery Responses* ¶¶ III.1.a., III.1.b., III.1.d.


8. As stated above, the groundwater claimed by Bleich Flat is an overlying water right. The historic production upon which this claim is based, however, does not include water produced for the undeveloped properties within Bleich Flat's service areas, whose owners, as members of Bleich Flat, have the right to receive water service to their properties when built out. Bleich Flat also claims an amount of water sufficient to provide water to these presently unserved properties when water service thereto has been demanded. Other than as set forth herein, Bleich Flat does not claim any other groundwater rights that are the subject of this Adjudication for purposes of the Phase 4 Trial.

Reference: *Discovery Responses* ¶¶ I.1.g., I.1.j., II.1.a., III.1.a., III.1.b., III.1.d.

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The parties further stipulate and agree that neither deposition testimony nor trial testimony will be required of Bleich Flat for purposes of the Phase 4 Trial.

Dated: January 30, 2013.

By:   
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Derek R. Hoffman  
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CHARLTON WEEKS LLP

Dated: January , 2013.

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Dated: January \_\_\_, 2013.

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Dated: January \_\_\_, 2013.

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Dated: January \_\_\_, 2013.

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Dated: January \_\_\_, 2013.

LAGERLOF SENECA GOSNEY & KRUSE

By: \_\_\_\_\_  
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I am employed in the County of Riverside, State of California. I am over the age of 18 years and not a party to the within action; my business address is: 3750 University Avenue, Suite 250, Riverside, CA 92501-3335.

( X ) **BY ELECTRONIC SERVICE** – I posted the document(s) listed above to the Santa Clara County Superior Court website, <http://www.scefiling.org>, in the action of the Antelope Valley Groundwater Cases,

Executed on March 15, 2013 at Riverside, California.

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