- 1			
1	Michael Duane Davis, SBN 093678 Marlene L. Allen-Hammarlund, SBN 126418		
2			
3	A Professional Corporation 3750 University Avenue, Suite 250		
4			
5	Facsimile: (951) 684-2150		
6	Attorneys for Cross-Defendant/Cross-Comple A.V. UNITED MUTUALS GROUP; and 0	ainant,	
7	Defendants, ADAMS BENNETT INVESTME LLC; MIRACLE IMPROVEMENT CORPORA	ENTS,	
8	dba GOLDEN SANDS MOBILE HOME PARE GOLDEN SANDS TRAILER PARK, named as	K, aka	
9	1121; ST. ANDREW'S ABBEY, INC., named as 623; WHITE FENCE FARMS PRODUCTS, L.F.	s ROE	
10	SHEEP CREEK WATER COMPANY, INC.	., and	
11	SUPERIOR COURT OF THI	E STATE OF CALIF	ORNIA
12	IN AND FOR THE COUN	NTY OF LOS ANGE	LES
13	Coordination Proceeding Special Title (Rule 1550(b))	Judicial Council Coor	dination
14	` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` ` `	Proceeding No. 4408	1 05 077 0400-
15	ANTELOPE VALLEY GROUNDWATER CASES	Santa Clara Case No.Assigned to the HonorDepartment 17C	
16	Including Consolidated Actions:)	ANT/CDOSS
17	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.		ANTELOPE VALLEY
18	Superior Court of California, County of Los Angeles, Case No. BC 325 201	OF PROOF AND	LS GROUP'S OFFER PROPOSED]
19		ON THE ISSUE O	OR PHASE 5 TRIAL F RETURN FLOWS
20	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.	FROM IMPORTE [PROPOSED] ORI	D WATER; DER THEREON
21	Superior Court of California, County of Kern, Case No. S-1500-CV-254-348	Phase 5 Trial Date:	February 10, 2014
22	Wm. Bolthouse Farms, Inc. v. City of) Time) Dept.:	9:00 A.M. Dept. 1
23	Lancaster Diamond Farming Co. v. City of Lancaster) Judge:	Hon. Jack Komar
24	Diamond Farming Co. v. Palmdale Water Dist.)	
25	Superior Court of California, County of Riverside, consolidated actions, Case Nos. RIC 353 840, RIC 344 436, RIC 344 668)))	
2627	AND RELATED ACTIONS.))	
28	-1	, -	

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:

Cross-Defendants / Cross-Complainants, El Dorado Mutual Water Co. ("El Dorado"), Landale Mutual Water Co. ("Landale"), Shadow Acres Mutual Water Co. ("Shadow Acres"), Sunnyside Farms Mutual Water Co. ("Sunnyside Farms"), West Side Park Mutual Water Co. ("West Side Park"), and White Fence Farms Mutual Water Co., Inc. ("White Fence Farms") [which are six of the 16 mutual water companies that comprise the A. V. UNITED MUTUALS GROUP, and are referred to herein collectively as "These Mutual Water Companies"], by and through their attorneys of record, Gresham Savage Nolan & Tilden, PC, by Michael Duane Davis, Marlene L. Allen-Hammarlund, and Derek R. Hoffman, having either stipulated with and/or having received no material objections from any party, and based on the evidence identified in the Exhibit Lists of These Mutual Water Companies and the proposed testimony of the witness(es) identified in the Witness Lists of These Mutual Water Companies, which evidence is summarized in the Trial Brief of These Mutual Water Companies, makes the following Offers of Proof on the issue of return flows from imported water in the Phase 5 Trial:

15

1

2

3

4

5

6

7

8

9

10

11

12

13

14

16

17 ///

///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

28

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -2-

OFFERS OF PROOF

OFFER OF PROOF NO. 1.

These Mutual Water Companies have purchased imported State Water Project ("SWP") water for distribution to their customers, who are the stockholders in the respective mutual water companies, in the following quantities:

A. V. UNITED MUTUALS WATER COMPANY	YEARS THAT IMPORTED WATER HAS BEEN PURCHASED	AMOUNT OF IMPORTED WATER PURCHASED DURING THAT PERIOD
El Dorado MWC	1982 to 2013	4,728 acre feet
Landale MWC	1991 to 2013	317 acre feet
Shadow Acres MWC	1988 to 2013	5272 acre feet
Sunnyside Farms MWC	1977 to 2013	7695 acre feet
West Side Park MWC	1982 to 2010	943 acre feet
White Fence Farms MWC	1983 to 2013	5,918 acre feet

Supporting Evidence:

- (a) Summaries showing SWP water purchased. [Exhibits 5-El Dorado-1; 5-Landale-1; 5-Shadow Acres-1; 5-Sunnyside Farms-1; 5-West Side Park-1; 5-White Fence Farms-12.]
- (b) AVEK Water Deliveries Report, attached as "Exhibit 3" to Antelope Valley East Kern Water Agency's ("AVEK") Proposed Stipulation of Facts for Phase 5 Trial, which contains annual delivery figures for the period of 1976 2013. When corrected for its math errors and an incomplete 2012 figure for White Fence Farms Mutual Water Company, the Report reflects the imported water deliveries for These Mutual Water Companies that are set forth in annual table, above.

///

///

-3-

GRESHAM | SAVAGE
ATTORNEYS AT LAW
3750 UNIVERSITY AVE.
STE. 250
RIVERSIDE, CA 92501-3335
(951) 684-2171

OFFER OF PROOF NO. 2.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

///

///

///

///

///

///

///

///

///

///

///

///

///

///

Landale, Shadow Acres, Sunnyside Farms and White Fence Farms are within the AVEK service area and have purchased their water directly from AVEK out of its SWP allotment.

Supporting Evidence:

(a) Agreement between AVEK and White Fence Farms, dated March 4, 2013 [Exhibit 5-White Fence Farms-17], as an exemplar.

20 /// 21 /// 22 /// 23 /// 24 ///

25

26

28

27 ///

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -4

OFFER OF PROOF NO. 3.

El Dorado and West Side Park are within Palmdale Water District's ("PWD") service area and have purchased their water from AVEK out of PWD's SWP allotment under three-way agreements with AVEK and PWD.

Supporting Evidence:

- (a) Agreement between PWD, AVEK and El Dorado dated April 1981 [Exhibit 5-El Dorado-6], as an exemplar.
- (b) Letter dated November 17,1993, from Harold M. Fones, General Manager at PWD, to the Board of Directors of PWD, regarding West Side Park and El Dorado [Exhibit 5-El Dorado-7] as an exemplar.

11 ///

1

2

3

4

5

6

7

8

9

10

12 ///

13 | ///

14 | ///

15 | ///

16 ///

17 ///

18 ///

19 ///

///

///

///

///

///

20

21 ///

22

23 ///

24 ///

25

26

27

28

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -5-

1 OFFER OF PROOF NO. 4. 2 These Mutual Water Companies have various agreements with AVEK and/or PWD regarding the purchase, delivery and storage of SWP water. 3 Supporting Evidence: 4 Agreement between PWD, AVEK and El Dorado dated April 1981 [Exhibit 5-El 5 (a) 6 Dorado-6]; and (2) Agreement between AVEK and White Fence Farms, dated 7 March 4, 2013 [Exhibit 5-White Fence Farms-17], as exemplars. 8 /// 9 /// /// 10 11 /// 12 /// /// 13 14 /// 15 /// /// 16 /// 17 /// 18 19 /// 20 /// 21 /// /// 22 23 /// 24 /// 25 /// 26 /// 27 ///

GRESHAM SAVAGE

28

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -6-

OFFER OF PROOF NO. 5.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

Neither AVEK nor PWD have retained any interest in the water sold to any of These Mutual Water Companies. There is no agreement, written or oral, by which AVEK or PWD reserved any rights to return flows. Therefore, These Mutual Water Companies (like any other mutual water company) that import water have a complete and undivided interest in the SWP water they purchase from AVEK or PWD, including any return flows from that imported water.

Supporting Evidence:

- (a) Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Agreement between PWD, AVEK and El Dorado dated April 1981 [Exhibit 5-El Dorado-6]; and (2) Agreement between AVEK and White Fence Farms, dated March 4, 2013 [Exhibit 5-White Fence Farms-17], as exemplars.
- (c) Minutes of White Fence Farms Mutual Water Company Board of Directors regarding entering into water purchase agreement with AVEK, dated September 1, 1981, February 2, 1982, March 2, 1982, and July 6, 1982. [Exhibit 5-White Fence Farms-18.]

20 | ///

21 ///

22 ///

23 ///

24 ///

- ||

25 ///

26 ///

27 ///

28

20 GRESHAM SAVAGE

-7-

OFFER OF PROOF NO. 6.

1

2

3

4

5

6

7

8

9

10

11

12

13

The use of imported SWP water results in a certain percentage of return flows, which enter the Basin through recycling pools, septic systems, or other percolation. When that water is reintroduced into the aquifer, it becomes part of the groundwater in the Basin and to the extent it is separate because there is storage room, the mutual water company that imports the water is entitled to store that return flow. To the extent that there is no storage, and it merges, there may still be value in drought or overdraft conditions.

Supporting Evidence:

(a) Order After Hearing on January 27, 2014, 1. Motion by Cross-Complainant Antelope Valley-East Kern Water Agency ("AVEK") for Summary Judgment/Summary Adjudication," which was posted to the Santa Clara County Superior Court website on January 30, 2014) [Exhibit 5-AVUMG-1 to Request for Judicial Notice.]

14 /// 15 /// 16 /// 17 /// 18 /// 19 /// 20 /// 21 /// /// 22 23 /// 24 /// 25 /// 26 ///

-8-

27

28

///

1	OFFER OF PROOF NO. 7.
2	AVEK reports in its 2008 and 2010 Urban Water Management Plans that These
3	Mutual Water Companies have been purchasing imported water.
4	Supporting Evidence:
5	(a) AVEK 2008 Urban Water Management Plan, dated January 13, 2009, page 15 of 39
6	[Exhibit 5-AVUMG-3 to Request for Judicial Notice.]
7	(b) AVEK 2010 Urban Water Management Plan, dated June 20, 2011, pages 3-1 and 3-2.
8	[Exhibit 5-AVUMG-7 to Request for Judicial Notice.]
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
27	
28	-9-

OFFER OF PROOF NO. 8.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

These Mutual Water Companies accept the average return flow percentage of thirty-nine percent (39%) as the percentage right to return flows from the water that each mutual water company imports.

Supporting Evidence:

- (a) Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Court's Transcript from Phase 3 Trial proceedings on October 16, 2013, which is attached as Exhibit LL to Los Angeles County Waterworks District No. 40's Supplemental Request for Judicial Notice of Phase Three Trial Testimonies and Exhibits, Pages 17-18 and 24-26, which was posted to the Santa Clara County Superior court website on January 24, 2014 [Exhibit 5-AVUMG-4].

15 /// /// 16 /// 17 18 /// 19 /// 20 /// /// 21 22 /// 23 /// 24 /// 25 /// /// 26

///

27

28

-10-

1 2

3

4

OFFER OF PROOF NO. 9.

These Mutual Water Companies, as well as their stockholders, have paid a significant amount of money toward the infrastructure that is used to deliver the SWP water.

5

Supporting Evidence:

6

8

9

10

11

12

13 14

15

16 17

18

19

20 21

22

23

24

25

26 27

28

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 University Ave. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

- (a) Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Correspondence and itemization of expenses for the cost of the infrastructure from AVEK. [Exhibits 5-White Fence Farms-18; 5-El Dorado-7; 5-El Dorado-14; 5-El Dorado-15], as exemplars.
- (c) Newsletter distributed to stockholders of mutual water company explaining that the cost to the mutual water companies and the stockholders for the infrastructure will be "considerable." [Exhibit 5-El Dorado-13.]
- (d) Evidence of capacity charges paid by the mutual water companies and their stockholders for infrastructure, including summaries of charges and AVEK's receipts for capacity charges paid. [Exhibits 5-White Fence Farms-13; 5-White Fence Farms-14; 5-White Fence Farms-15], as exemplars.
- (e) Evidence of payments to AVEK for banking State Water Project water in the Water Supply Stabilization Project No. 2 ("WSSP2") for later withdrawal. [Exhibit 5-White Fence Farms-17.]
- Property tax bills showing amounts paid for "special water" taxes and other (f) assessments. [Exhibits 5-Landale-2; 5-West Side Park-5; 5-White Fence Farms-11; 5-White Fence Farms-16], as exemplars.

-11-

(g) Minutes of the mutual water companies' board meetings regarding the cost of connecting to AVEK to acquire the State Water Project water. [Exhibit 5-White 2 Fence Farms-18], as an exemplar. 3 /// 4 5 /// /// 6 /// 8 /// 9 /// 10 /// 11 /// /// 12 13 /// /// 14 15 /// 16 /// 17 /// 18 /// 19 /// 20 /// /// 21 /// 22 23 /// /// 24 25 /// 26 /// 27 /// 28 -12-

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

OFFER OF PROOF NO. 10.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

These Mutual Water Companies store imported water in the groundwater Basin, whose service areas are located in the Amargosa Creek wash area of the Basin. Most of the customers of These Mutual Water Companies are on septic (rather than on sewer) systems, which means that the unconsumed water goes back into the Amargosa Creek wash area of the Basin, through the septic systems within their service area boundaries.

Supporting Evidence:

- (a) Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Map depicting locations of El Dorado MWC, Landale MWC, Shadow Acres MWC, Sunnyside Farms MWC, West Side Park MWC and White Fence Farms MWC, on January 29, 2007 Map of Water Purveyors of Antelope Valley, produced by Wildermuth Environmental, Inc. [Exhibit 5-AVUMG-10.]
- (c) "City of Palmdale's Proposition 1E Stormwater Flood Management Grant Proposal for the Upper Amargosa Creek Flood Control, Recharge and Habitat Restoration Project", dated April 15, 2011. [Exhibit **5-AVUMG-5** to Request for Judicial Notice.]
- (d) "Study of Potential Recharge Sites in the Antelope Valley, prepared for Antelope Valley State Water Contractors Association" by Stetson Engineers, Inc., dated September 2002. [Exhibit 5-AVUMG-8 to Request for Judicial Notice.]
- (e) Antelope Valley Integrated Regional Water Management Plan, 2007, with highlights for emphasis. [Exhibit **5-AVUMG-9** to Request for Judicial Notice.]

///

26 ///

27 ///

28

-13-

OFFER OF PROOF NO. 11.

1

2

3

4

5

6

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

Experts evaluating the Antelope Valley have identified the area in which These Mutual Water Companies are located to be a high priority location for future groundwater recharge activities due to favorable soil conditions. Data for wells located within the service areas of These Mutual Water Companies confirms that subsurface soil conditions are sufficiently porous to be able to receive and store percolating waters. Accordingly, unused water in the septic systems of These Mutual Water Companies may percolate into and be stored in the Basin for subsequent use.

Supporting Evidence:

- Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-(a) Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Department of Water Resources, Bulletin No. 91-12 "Water Wells in the Eastern Part of the Antelope Valley Area Los Angeles County, California" prepared by the U.S. Department of the Interior Geological Survey, December 1966, pp. D-44 to D-46, D-49 to D-50, and D-116. [Exhibit 5-AVUMG-6 to Request for Judicial Notice.]
- (c) Map depicting locations of El Dorado MWC, Landale MWC, Shadow Acres MWC, Sunnyside Farms MWC, West Side Park MWC and White Fence Farms MWC, on January 29, 2007 Map of Water Purveyors of Antelope Valley, produced by Wildermuth Environmental, Inc. [Exhibit 5-AVUMG-10.]
- (d) "City of Palmdale's Proposition 1E Stormwater Flood Management Grant Proposal for the Upper Amargosa Creek Flood Control, Recharge and Habitat Restoration Project", dated April 15, 2011. [Exhibit 5-AVUMG-5 to Request for Judicial Notice.]

28

-14-

24

25

26

27

1		(e)	"Study of Potential Recharge Sites in the Antelope Valley, prepared for Antelope
2			Valley State Water Contractors Association" by Stetson Engineers, Inc., dated
3			September 2002. [Exhibit 5-AVUMG-8 to Request for Judicial Notice.]
4		(f)	Antelope Valley Integrated Regional Water Management Plan, 2007, with
5			highlights for emphasis. [Exhibit 5-AVUMG-9 to Request for Judicial Notice.]
6	///		
7	///		
8	///		
9	///		
10	///		
11	///		
12	///		
13	///		
14	///		
15	///		
16	///		
17	///		
18	///		
19	///		
20	///		
21	///		
22	///		
23	///		
24	///		
25	///		
26	///		
27	///		
28			-15-
AGE			

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

OFFER OF PROOF NO. 12.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

These Mutual Water Companies have a contractual right to store imported water with AVEK for later use. These Mutual Water Companies have contracted to bring the imported SWP water into the Basin, to store it until needed, call for its delivery, and after the water has been partially used, the unused component percolates back into the ground to be recovered at a later time.

Supporting Evidence:

- (a) Declaration of John Ukkestad In Support Of Cross-Defendant / Cross-Complainant Antelope Valley United Mutuals Group's Offer Of Proof For Phase 5 Trial On The Issue Of Return Flows From Imported Water, filed by posting on February 7, 2014.
- (b) Agreement Between AVEK and White Fence Farms to Store Water at the Water Supply Stabilization Project No. 2, dated March 4, 2013, paragraphs (1)(e) and (f), page 2 [Exhibit 5-White Fence Farms-17], as an exemplar.

15 /// 16 /// /// 17 /// 18 /// 19 20 /// 21 /// 22 /// 23 /// /// 24 /// 25

///

///

26

27

28

-16-

OFFER OF PROOF NO. 13.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

These Mutual Water Companies are mutual benefit, non-profit corporations, the stockholders of which are the owners of the real property within their respective service areas. Upon organization, the property owners / stockholders exchanged their rights of control in the use of their water rights to These Mutual Water Companies, for their shares of stock in the corporation. Title to their individual water rights was thereafter held by These Mutual Water Companies; and These Mutual Water Companies, thereafter constructed, operated and maintained the production, storage and distribution facilities, by which the stockholders receive their water. Consequently, These Mutual Water Companies are the end users of the water purchased from State Water Project contractors.

Supporting Authority: When These Mutual Water Companies were organized, the property owners surrendered their right of control or regulation in the use of their water rights to These Mutual Water Companies in exchange for their stock [see Fuller v. Azusa Irrigating Co. (1902) 138 Cal. 204, 213-214], without impairing or severing the right from the appurtenant land [see Turner v. Lowell Avenue Mutual Water Co. (1951) 104 Cal.App.2d 204, 209; In re Thomas' Estate (1905) 147 Cal. 236, 242; Woodstone Marble & Tile Co. v. Dunsmore Canyon Water Co. (1920) 47 Cal.App. 72, 77], or changing the substance in the ownership of the right [see Locke v. Yorba Irr. Co. (1950) 35 Cal.2d 205, 209]. The water right remains the substance of individual ownership after the formation of These Mutual Water Companies, as well as before [see Hildreth v. Montecito Creek Water Co. (1903) 139 Cal. 22, 29, the only distinction being that it is held and exercised by The Mutual Water Companies under a formally different title [see In re Thomas' Estate, supra at 242; Locke v. Yorba Irr. Co., supra at 209]. It is through These Mutual Water Companies, which constructed, operated and maintained the production, storage and distribution facilities, that the stockholders receive their water. The corporation becomes merely the agent of its shareholders for the purpose of serving their several interests [see Hildreth v. Montecito Creek Water Co., supra at 29].

27

28

∠0 GRESHAM|SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

<u>Supporting Evidence:</u>

- (a) Map depicting locations of El Dorado MWC, Landale MWC, Shadow Acres MWC, Sunnyside Farms MWC, West Side Park MWC and White Fence Farms MWC, on January 29, 2007 Map of Water Purveyors of Antelope Valley, produced by Wildermuth Environmental, Inc. [Exhibit 5-AVUMG-10.]
- (b) Evidence of capacity charges paid by the mutual water companies and their stockholders for infrastructure, including summaries of charges and AVEK's receipts for capacity charges paid. [Exhibits 5-White Fence Farms-13; 5-White Fence Farms-14; 5-White Fence Farms-15, as exemplars.]
- (c) Agreement Between AVEK and White Fence Farms to Store Water at the Water Supply Stabilization Project No. 2, dated March 4, 2013, paragraphs (1)(e) and (f), page 2 [Exhibit 5-White Fence Farms-17], as an exemplar.
- (d) Antelope Valley United Mutual Group's Responses to December 12, 2012 Discovery Order for Phase 4 Trial, submitted under penalty of perjury and filed by posting on December 21, 2012. [Exhibits 5-El Dorado-8, 5-Landale-7, 5-Shadow Acres-7, 5-Sunnyside Farms-7, 5-West Side Park-10, 5-White Fence Farms-20.]
- (e) Antelope Valley United Mutual Group, <u>Specifically El Dorado Mutual Water</u>

 <u>Company's</u>, First Supplemental Responses to December 12, 2012 Discovery

 Order for Phase 4 Trial, submitted under penalty of perjury and filed by posting
 on January 30, 2013. [Exhibit 5-El Dorado-9.]
- (f) Antelope Valley United Mutual Group, <u>Specifically Landale Mutual Water</u>

 <u>Company's</u>, First Supplemental Responses to December 12, 2012 Discovery

 Order for Phase 4 Trial, submitted under penalty of perjury and filed by posting on January 30, 2013. [Exhibit **5-Landale-8**.]
- (g) Antelope Valley United Mutual Group, <u>Specifically Shadow Acres Mutual Water</u>

 <u>Company's</u>, First Supplemental Responses to December 12, 2012 Discovery

-18-

26

27

GRESHAM | SAVAGE
ATTORNEYS AT LAW
3750 UNIVERSITY AVE.
STE. 250

RIVERSIDE, CA 92501-3335 (951) 684-2171

[PROPOSED] STIPULATION

The parties hereto stipulate and agree that the facts, information and documents provided
herein and in the verified Discovery Responses (as supplemented and amended) which have been
posted on the Court's website will not be contested, and are therefore deemed accepted, for
purposes of the Phase 5 Trial.

ا	purposes of the Phase 5 Than.	
6	IT IS SO STIPULATED.	
7	Dated: February 13, 2014.	GRESHAM)SAVAGE NOLAN & TILDEN, PC
8	,,	
9		By: April and have
10		Michael Duane Davis Marlene L. Allen-Hammarlund
11		Derek R. Hoffman Attorneys for CROSS-DEFENDANT /
12		CROSS-COMPLAINANT, A. V. UNITED MUTUALS GROUP; and CROSS-
13		DEFENDANTS, ADAMS BENNETT INVESTMENTS, LLC, MIRACLE
14		IMPROVEMENT CORPORATION dba GOLDEN SANDS MOBILE HOME
15		PARK, aka GOLDEN SANDS TRAILER
16		PARK [ROE 1121], ST. ANDREW'S ABBEY, INC. [ROE 623], WHITE FENCE
17		FARMS PRODUCTS, L.P., and SHEEP CREEK WATER COMPANY, INC.
18	Detect February 2014	OHADI TON WEEKG LED
19	Dated: February, 2014.	CHARLTON WEEKS LLP
20		D
21		By: Bradley T. Weeks
22		Attorneys for Cross-Complainant, Quartz Hill Water District
23	D 4 1 E 1	
24	Dated: February, 2014.	BEST BEST & KRIEGER LLP
25		_
26		By: Eric L. Garner
27		Jeffrey V. Dunn Attorneys for Cross-Complainant, Los
28		Angeles County Waterworks District No. 40

GRESHAM | SAVAGE

2

3

4

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

1	Dated: February, 2014.	RICHARDS, WATSON & GERSHON
2		
3		By:Steven Orr
4		James L. Markman
5		Attorneys for Cross-Complainant, City of Palmdale
6	D-4-1 F-1 2014	MANDAMA A DANDOGO
7	Dated: February, 2014.	MURPHY & EVERTZ
8		n.
9		By:
10		Attorneys for Cross-Complainant, City of Lancaster and Rosamond Community
11		Services District
12	Dated: February, 2014.	CALIFORNIA WATER SERVICE COMPANY
13		
14		By:
15 16		Attorneys for Cross-Complainant, California Water Service Company
17	Dated: February, 2014.	LEMIEUX & O'NEILL
18		
19		By:
20		Wayne Lemieux Attorneys for Cross-Complainant, Littlerock Creek Irrigation District, Palm Ranch
21		Irrigation District, et al.
22	Dated: February, 2014.	LAGERLOF SENECAL GOSNEY & KRUSE
23		
24		By: Thomas Bunn III
25		Attorneys for Cross-Complainant, Palmdale Water District
26		
27		
28 ge		-21-
/ [[CROSS-DEFENDANT/CROSS-COMPL.	AINANT ANTELOPE VALLEY LINITED MITILALS CROLID'S

1	Dated: February, 2014.	UNITED STATES OF AMERICA
2		
3		Ву:
4		By: R. Lee Leininger U.S. Department of Justice Environment of Justice
5		Attorneys for The United States of America
6	D. 1 F.1	
7	Dated: February, 2014.	FAGEN, FRIEDMAN & FULFROST, LLP
8		D
9		By: Daphne Borromeo Hall
10		Attorneys for Antelope Valley Joint Union High School District
11		riigii school District
12	Dated: February, 2014.	BRUNICK, McELHANEY & KENNEDY PLC
13		By:William J. Brunick
14		Leland P. McElhanev
15		Attorneys for Cross-Complainant, Antelope Valley-East Kern Water District
16		variety East Rein Water District
17	Dated: February, 2014.	LAW OFFICES OF SHELDON BLUM
18		
19		By:
20		By: Sheldon R. Blum Attorneys for Blum Trust
21		•
22	Dated: February, 2014.	McMURTREY, HARTSOCK & WORTH
23		
24		By:
25		James Worth Attorneys for Boron Community Service District
26		
27		
28		-22-
GRESHAM SAVAGE	CDOSS DEEENDANT/CDOSS COMBI	AINANT ANTEL OPE VALLEY LIMITED MUTUALS CROUPS

1	Dated: February, 2014.	SMILAND CHESTER LLP
2		
3		By: Theodore A. Chester, Jr.
4		Attorneys for Landiny, Inc., Bruce Burrows and 300 A 40 H, LLC, et al.
5		
6	Dated: February, 2014.	KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD, P.C.
7		
8		By:
9		By: Janet K. Goldsmith Attorneys for Defendant, City of Los Angeles, Department of Airports
10		i mgoros, 2 oparament of imports
11	Dated: February, 2014.	BARTKIEWICZ, KRONICK & SHANAHAN, a professional corporation
12		professional corporation
13		By:
14		Ryan S. Bezerra
15		Andrew Ramos Attorneys for Cross-Defendant, Copa De Oro Land Company
16		. ,
17	Dated: February, 2014.	ELLISON, SCHNEIDER & HARRIS L.L.P.
18		
19		By:Christopher M. Sanders
20		Attorneys for Cross-Defendants, County of Sanitation Districts Nos. 14 and 20 of Los
21		Angeles County
22	Dated: February 2014	THE LAW OFFICES OF VOLVIC
23	Dated: February, 2014.	THE LAW OFFICES OF YOUNG WOOLDRIDGE, LLP
24		
25		By:
26 27		Scott K. Kuney Attorneys for Craig Van Dam, Gary Van Dam, Delmar D. Van Dam, Gertrude J. Van Dam and WDS California II, LLC
28		-23-
GE		

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171

1	Dated: February, 2014.	LeBEAU THELEN, LLP
2		
3		By:
4		Bob H. Joyce Attorneys for Diamond Farming, Company,
5		Crystal Organic Farms, Grimmway Enterprises, Inc. and Lapis Land Company,
6		LLC
7	Dated: February, 2014.	BROWNSTEIN HYATT FARBER SCHRECK,
8		LLP
9		D ₃₇ ,
10		Bradley J. Herrema
11		Michael T. Fife Attorneys for Cross-Complainants, Antelope
12		Valley Groundwater Agreement Association, et al.
13	D . 1 D 1	
14	Dated: February, 2014.	ALSTON & BIRD LLP
15		D
16		By: Neal P. Maguire
17		Attorneys for eSolar, Inc., Red Dawn Suntower LLC, et al.
18	D . 1 D 1	
19	Dated: February, 2014.	KUHS & PARKER
20		D
21		By:Robert G. Kuhs
22		Attorneys for Defendant, Tejon Ranch Corp., Granite Construction Company
23	D. J. F.I.	
24	Dated: February, 2014.	CLIFFORD & BROWN
25		D
26		By:Richard G. Zimmer
27		Attorneys for Bolthouse Properties, LLC and Wm. Bolthouse Farms, Inc.
28		-24-
GRESHAM SAVAGE		

1	Dated: February, 2014.	HERUM/CRABTREE
2		
3		By:
4		Jeanne M. Zolezzi William R. Carlson
5		Attorneys for Cross-Defendant, Antelope Valley Water Storage, LLC
6		,
7	Dated: February, 2014.	PROCOPIO, CORY, HARGREAVES & SAVITCH, LLP
8		
9		Ву:
10		Walter E. Rusinek Attorneys for Cross-Defendant, NRG Solar Alpine, LLC
11		
12	Dated: February, 2014.	TAYLOR & RING
13		
14		By:
15		Attorneys for Little Rock Sand and Gravel.
16		Inc., The George and Charlene Lane Family Trust, et al.
17	D (1 E 1	
18	Dated: February, 2014.	KLEIN, DeNATALE, GOLDNER, COOPER, ROSENLEIB & KIMBALL, LLP
19		
20		By:
21		Joseph D. Hughes Attorneys for H&N Development Co. West,
22		Inc.
23	Dated: February , 2014.	ALESHIRE & WYNDER, LLP
24	,	,
25		By:
26		David J. Aleshire
27		William W. Wynder Wesley A. Miliband Attorneys for Phelan-Piñon Hills CSD
28		-25-
GRESHAM SAVAGE	West and the second sec	4J "

1	Dated: February, 2014.	LAW OFFICES OF FRANK SATALINO
2		
3		By:Frank Satalino
4		Frank Satalino Attorneys for Defendants, Rosamond Ranch, L.P.; Elias Shokrian; and Shirley Shokrian
5		L.P.; Elias Shokrian; and Shirley Shokrian
6	Dated: February, 2014.	CALIFORNIA DEPARTMENT OF JUSTICE
7		
8		By: Noah Golden-Krasner
9		Noah Golden-Krasner Attorneys for State of California, et al.
10		
11	Dated: February, 2014.	MORRISON & FOERSTER
12		
13		By:William M. Sloan
14		Aleiandro L. Bras
15		Attorneys for U.S. Borax Inc.
16	Dated: February, 2014.	HANNA & MORTON LLP
17		
18		By:Edward S. Renwick
19		Attorneys for Cross-Defendant, Wagas Land
20		Company LLC
21	Dated: February, 2014.	LAW OFFICES OF MICHAEL D. McLACHLAN,
22		APC
23		D
24		By:Michael D. McLachlan
25		Attorneys for Plaintiff Richard Wood and the Class
26		
27		
28		-26-
GRESHAM SAVAGE	CDOSS DEFENDANT/CDOSS COMBI	ADIANT ANTELODE WALLEY DUEDD A CONTRACT OF CANAL

1 2	Dated: February, 2014.	KRAUSE, KALFAYAN, BENINK & SLAVENS LLP
3		
4		By:
5		By:
6		and the Class
7	Dated: February, 2014.	
8		D.,,
9		By:
10		Attorneys for
11	Dated: February, 2014.	
12	Dated: 1 cordary, 2014.	
13		By:
14		
15		Attorneys for
16	Dated: February, 2014.	
17		D.
18		By:
19		Attorneys for
20	Datada Falamana 2014	
21	Dated: February, 2014.	
22		By:
23		
24		Attorneys for
25		
26		
27		
28		-27-
KGE W	CROSS-DEFENDANT/CROSS-COMPLAI	NANT ANTELOPE VALLEY LINITED MUTUALS GROUP'S

1	Dated: February, 2014.	
2		By:
3		
4		Attorneys for
5	Dated: February, 2014.	
6		
/		By:
8		Attorneys for
10		
11	Dated: February, 2014.	
12		By:
13		
14		Attorneys for
15	Dated: February, 2014.	
16		The state of the s
17		By:
18		Attorneys for
19	Dated: February, 2014.	
20		
21		By:
22		Attorneys for
23		1200110,0101
24	Dated: February, 2014.	
25		By:
26		
27		Attorneys for
28 se		

[PROPOSED] ORDER

THE COURT FINDS THAT the Offer of Proof made by El Dorado Mutual Water Co. ("El Dorado"), Landale Mutual Water Co. ("Landale"), Shadow Acres Mutual Water Co. ("Shadow Acres"), Sunnyside Farms Mutual Water Co. ("Sunnyside Farms"), West Side Park Mutual Water Co. ("West Side Park"), and White Fence Farms Mutual Water Co., Inc. ("White Fence Farms") is either stipulated to or not materially contested by any party.

THE COURT FURTHER FINDS THAT the Offer of Proof satisfies the requirements of this Court for the purposes of the Phase 5 Trial proceedings, and that El Dorado Mutual Water Co., Landale Mutual Water Co., Shadow Acres Mutual Water Co., Sunnyside Farms Mutual Water Co., West Side Park Mutual Water Co., and White Fence Farms Mutual Water Co., Inc. have established their rights to return flows from the water they import into the Basin.

IT IS HEREBY ORDERED that this Order shall not preclude any of the members of the A. V. United Mutuals Group from introducing in a later phase evidence to support its claimed water rights. All parties have reserved their rights to produce any evidence to support their claimed water rights and to make any related legal arguments including, without limitation, arguments based on any applicable constitutional, statutory, or decisional authority.

IT IS FURTHER ORDERED that pursuant to the Stipulation(s) of the parties to this action and/or upon the failure of any party to make a valid objection thereto; and based upon the offers of proof and/or evidence presented to this Court, the evidence presented by the A. V. United Mutuals Group is accepted by this Court and deemed admitted.

IT IS SO ORDERED:

22

24

25

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

²³ DATED: _____, 2014.

______, 2014. HONORABLE JACK KOMAR

26

27

28

GRESHAM SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -29-

PROOF OF SERVICE STATE OF CALIFORNIA, COUNTY OF SAN BERNARDINO

Re:

ANTELOPE VALLEY GROUNDWATER CASES

4

1

2

3

Los Angeles County Superior Court Judicial Council Coordinated Proceedings No. 4408; Santa Clara County Superior Court Case No. 1-05-CV-049053

5

I am employed in the County of San Bernardino, State of California. I am over the age of 18 years and not a party to the within action; my business address is: 550 E. Hospitality Lane, San Bernardino, CA 92408.

7

8

On February 13, 2014, I served the foregoing document(s) described as CROSS-DEFENDANT/CROSS-COMPLAINANT ANTELOPE VALLEY UNITED MUTUALS GROUP'S OFFER OF PROOF AND [PROPOSED] STIPULATION FOR PHASE 5 TRIAL ON THE ISSUE OF RETURN FLOWS FROM IMPORTED WATER; [PROPOSED] ORDER THEREON on the interested parties in this action in the following manner:

9

(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,

12

11

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

13 14

Executed on February 13, 2014, at Riverside, California.

15 16

DINA M. SNIDER

17

18 19

20

21

22

23

24

25

2627

28

Z0 GRESHAM | SAVAGE

ATTORNEYS AT LAW 3750 UNIVERSITY AVE. STE. 250 RIVERSIDE, CA 92501-3335 (951) 684-2171 -30-