

## **EXHIBIT 4**

# **Portions of March 22, 2010 CMC Transcript**

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

DEPARTMENT NO. 1 HON. JACK KOMAR, JUDGE

COORDINATION PROCEEDINGS  
SPECIAL,

ANTELOPE VALLEY GROUNDWATER. } SUPERIOR COURT  
JCCP4408

MONDAY, MARCH 22, 2010

APPEARANCES:

FOR PLAINTIFF:

RALPH KALFAYAN  
MICHAEL MCLACHLAN  
ATTORNEYS AT LAW

FOR THE DEFENDANT:  
IN PERSON

THOMAS BUNN, BRADLEY WEEKS,  
JAMES DUBOIS, WARREN WELLEN,  
STEPHANIE HEDLUND  
ATTORNEYS AT LAW

BY COURT CALL:

KEITH LEMIEUX, MICHAEL CROW,  
STEPHEN SIPTROTH, ROBERT KUHS,  
BOB JOYCE, BRADLEY HERREMA,  
CHRIS SANDERS, MALISSA MCKEITH,  
ANNA MILLER, JOHN UKKESTAD,  
KARA GERMANE, JEFF DUNN,  
MICHAEL DAVIS, EDWARD RENWICK,  
RICHARD ZIMMER, RICHARD WOOD,  
MICHAEL FIFE, JANET GOLDSMITH,  
SUSAN TRAGER, TAQMMY JONES,  
WILLIAM SLOAN, SCOTT KUNEY.  
ATTORNEYS AT LAW

CHARLES KUHN, CSR# 7810  
OFFICIAL REPORTER

1 THE COURT: YES, AND TO THE EXTENT THAT THERE  
2 ARE SERIOUS WITNESS ISSUES THAT CANNOT BE RESOLVED, WE  
3 WILL FIGURE OUT A WAY TO DO IT.

4 MR. DUNN: THANK YOU, YOUR HONOR.

5 THE COURT: ALL RIGHT.

6 MR. MCLACHLAN: YOUR HONOR, I THINK ALSO THAT  
7 CLASS COUNSEL WHO ESSENTIALLY IS INVOLVED IN THAT CASE  
8 NEEDS TO OFFER A DECLARATION AND NECESSARY DOCUMENTS TO  
9 BE ABLE TO TELL THE CLASS HOW SERVICE IS CONDUCTED, WHO  
10 HAS BEEN SERVED, AND WHO IS IN THE CLASS SO EVERYBODY  
11 KNOWS WHO IS IN THE CLASS AND WHO ISN'T.

12 THAT IS A STANDARD PROCEDURE AND I THINK  
13 THAT NEEDS TO BE DONE AT SOME POINT IN THE NEXT MONTH  
14 OR TWO.

15 THE COURT: ALL RIGHT, WHAT I WOULD LIKE TO DO  
16 IS MAKE SURE THAT WE UNDERSTAND TWO THINGS. ONE, WHAT  
17 THE ISSUES ARE THAT WE ARE GOING TO TRY; AND SECONDLY,  
18 TO SET SOME TIME LINES. WE SET A COUPLE OF TIME LINES  
19 FOR EXPERTS AND I THINK THERE WAS SOME CONFUSION AS TO  
20 WHAT THOSE WERE.

21 MY NOTES INDICATE A RATHER BRIEF TIME FOR  
22 EXPERT DEPOSITIONS. I THOUGHT IT WAS STATED ON THE  
23 RECORD. SOMEBODY INDICATED THAT AS LONG AS I ISSUED A  
24 CORRECTIVE ORDER GIVING UNTIL THE END OF AUGUST TO  
25 COMPLETE EXPERT DISCOVERY, BUT LET'S TALK ABOUT FIRST  
26 OF ALL WHAT THE ISSUES ARE.

27 I THOUGHT I MADE THIS VERY CLEAR, THE  
28 COURT'S CONCERN AT THIS POINT IS WITH WHETHER OR NOT

1 THAT DON'T CO-EXIST AND ARE NOT THE SAME.

2 I'M NOT SURE HOW YOU DO DISCOVERY ON  
3 THAT. HOW WOULD YOU GET YOUR EXPERT TO ADDRESS IT  
4 WITHOUT KNOWING WHAT AREA WITHIN THIS AREA OF  
5 ADJUDICATION WE ARE TALKING ABOUT.

6 THE COURT: WELL, I'M ASSUMING THAT THE ENTIRE  
7 BASIN IS A UNIT AND THAT PUMPING IN ONE PORTION WILL  
8 AFFECT OTHER PORTIONS OF THE AQUIFER, BUT I DON'T KNOW  
9 THAT AND I'M NOT MAKING ANY FINDINGS AT THIS POINT AS  
10 TO ANYTHING. ALL I WANT TO DO IS HEAR THE EVIDENCE AS  
11 TO THE CURRENT STATUS OF THE BASIN.

12 SO WHEN I MAKE REFERENCE TO IT ALL OR IN  
13 PART, BY THAT I JUST THINK THAT I DON'T KNOW AND I  
14 WANT TO HEAR THE EVIDENCE.

15 MR. SLOAN: YOUR HONOR, THIS IS WILLIAM SLOANE.  
16 IF I COULD JUST ACTUALLY COMMENT ON WHAT MR. ZIMMER  
17 WAS SAYING. MY UNDERSTANDING OF WHAT THE COURT WAS  
18 JUST SAYING IS THAT YOU WILL NOT BE MAKING FINDINGS ON  
19 NOTICE AND ADVERSITY AT THIS STAGE.

20 THE COURT: THAT'S CORRECT.

21 MR. SLOAN: SO, THE WAY I WAS CONCEPTUALLY  
22 VIEWING THE COURT'S COMMENTS AND WE CAN CERTAINLY WAIT  
23 FOR THE COURT ORDER, IS THAT, IN EFFECT, YOU ARE  
24 LOOKING AT SORT OF A GROSS CONDITION OF THE BASIN. THE  
25 BASIN THAT HAS BEEN OUTLINED BY THE ADJUDICATION  
26 BOUNDARIES AND THAT AT LEAST AT THIS POINT HAVE BEEN  
27 VIEWED AS ONE SINGLE BASIN AND THAT IS THE SECOND PHASE  
28 OF TRIAL.

1 BUT NOTHING THAT IS GOING TO HAPPEN WILL BE BASED UPON  
2 ANY FINDINGS OF FACT AS TO ENTITLEMENT COMING OUT OF  
3 THE THIRD PHASE OF TRIAL. I'M NOT GOING TO HEAR THAT  
4 KIND OF EVIDENCE.

5 MR. SLOAN: THANK YOU, YOUR HONOR. AND JUST TO  
6 CLARIFY BECAUSE WHERE I GUESS I GOT CONFUSED IS HEARING  
7 MR. ZIMMER'S COMMENTS.

8 WE WILL NOT AT THIS STAGE OF TRIAL BE  
9 ADDRESSING THE ISSUE OF WHETHER PUMPING IN ONE LOCATION  
10 IMPACTS THE PUMPING AT ANOTHER LOCATION WITHIN THE  
11 ADJUDICATION BOUNDARIES.

12 THE COURT: THAT IS FINE, MR. SLOAN, I DON'T  
13 MEAN TO TELL PEOPLE WHAT EVIDENCE THEY SHOULD PRODUCE.  
14 IT MAY BE THAT SOMEBODY WANTS TO PRODUCE EVIDENCE THAT  
15 SHOWS THAT THEIR PORTION, THEIR LAND IS IN AN AREA  
16 WHERE PUMPING HAS NO AFFECT ON ANYTHING.

17 I MEAN, I DON'T KNOW. SOMEBODY MAY WANT  
18 TO ESTABLISH THERE IS A SERIOUS PROBLEM THERE, BUT THAT  
19 IS GOING TO RELATE TO THE OVERALL CONDITION OF THE  
20 BASIN.

21 MR. SLOAN: AGAIN, MR. SLOAN SPEAKING. AND  
22 WOULD YOUR HONOR NOT BE MAKING FINDINGS AT THIS STAGE  
23 OF THE TRIAL WITH RESPECT TO WHETHER PUMPING IN ONE  
24 LOCATION AFFECTS PUMPING IN ANOTHER LOCATION BECAUSE I  
25 DO THINK THAT THAT WOULD OBVIOUSLY QUITE DRAMATICALLY  
26 CHANGE THE SCOPE OF THIS PHASE OF THE TRIAL IF THERE  
27 WERE THAT CONCERN THAT THE COURT WOULD ACTUALLY ISSUE  
28 FINDINGS OF FACT AS SUCH TO AN ISSUE AS THAT.