

EXHIBIT 1

RESOLUTION NO. R-18-04

**APPROVING JANUARY 5, 2018 MEMORANDUM OF WATERMASTER
GENERAL COUNSEL RELATING TO LEGAL ISSUE RAISED BY PHELAN
PINON HILLS COMMUNITY SERVICES DISTRICT ("PPHCSD") AND
FINDING THAT PPHCSD IS OBLIGATED TO PAY A REPLACEMENT
WATER ASSESSMENT FOR ITS PRODUCTION IN 2016 AND 2017**

WHEREAS, the Antelope Valley Watermaster, formed by the Antelope Valley Groundwater Cases Final Judgment ("Judgment") Santa Clara Case No. 1-05-CV-049053 signed December 23, 2015, requested at its Special Board meeting on December 6, 2017 that its General Counsel provide a legal opinion as whether Phelan Pinon Hills Community Services District ("PPHCSD") is obligated to pay a Replacement Water Assessment for its Production in 2016 and 2017 within the Adjudication Area of the Antelope Valley (all of which said Production is exported from the Adjudication Area);

WHEREAS, General Counsel has provided the opinion requested in a memorandum dated January 5, 2018 and has concluded that PPHCSD is obligated to pay a Replacement Water Assessment for its Production in 2016 and 2017; and

WHEREAS, the Watermaster agrees with the legal opinion expressed in the January 5, 2018 memorandum from its General Counsel and wishes to direct Watermaster staff to impose those assessments pursuant to Section 9.2 of the Judgment.

NOW THEREFORE BE IT RESOLVED, the Watermaster Board unanimously approves the imposition of a Replacement Water Assessment for Production by PPHCSD in 2016 and 2017 pursuant to Section 9.2 of the Judgment and directs Watermaster staff to impose those assessments according to the terms of the Judgment.

I certify that this is a true copy of Resolution No. R-18-04 as passed by the Board of Directors of the Antelope Valley Watermaster at its meeting held January 24, 2018, in Palmdale, California.

Date: 1/24/18

ATTEST: Patricia Rose
Patricia Rose – Interim Secretary

Robert Parris
Robert Parris, Chairman