



Win-Win ALSSI

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Attention: Thomas

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 Superior Court of California
 County of Los Angeles

APR 03 2017

4 Attorneys for Defendant and Cross-Complainant,
 5 Palmdale Water District

Sherri R. Carter, Executive Officer/Clerk
 By Jenny Chea, Deputy

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

11 Coordination Proceeding
 Special Title (Rule 1550 (b))
 12 **ANTELOPE VALLEY GROUNDWATER**
 13 **CASES**

LASC Case No. BC 325201
 Judicial Council Coordination
 Proceeding No. 4408
 [Assigned to The Honorable Jack Komar, Judge
 Santa Clara County Superior Court]
 Santa Clara Court Case No. 1-05-CV-049053
**Watermaster Status Report and Request for
 Extension of Time to File Annual Report**
 [No hearing scheduled]

21 Palmdale Water District is filing this status report on behalf of the Watermaster (which does not
 22 yet have its own attorneys), by authorization of the Watermaster board.

23 The judgment requires the Watermaster Engineer to file an annual report with the Court. The
 24 first annual report is due April 1, 2017. For the reasons set forth below, the Watermaster requests a four-
 25 month extension, until August 1, 2017.

1 **I. Watermaster activities**

2 **1. Watermaster composition¹**

3 The court approved the board members of the Watermaster on an interim basis on June 30, 2016,
4 and on a permanent basis on September 8. The board held its first formal board meeting August 17,
5 although there were informational meetings earlier. Since then, the board has met eleven times in eight
6 months.

7 The landowners are in the process of electing their alternate representatives under the election
8 rules and procedures approved by the court December 7, 2016. The City of Palmdale is acting as
9 Inspector of Elections.

10 **2. Formation of Advisory Committee²**

11 The Watermaster facilitated the formation of the Advisory Committee by the Producers. The
12 committee is formed and functioning, and has given input into various Watermaster decisions, including
13 the selection of the Watermaster Engineer. The Subarea Advisory Management Committees³ have not
14 yet been formed.

15 **3. Watermaster Engineer selection⁴**

16 The Watermaster decided to use a recruiting firm to assist in selecting the Watermaster Engineer.
17 The Watermaster interviewed several qualified candidates, and agreed on a preferred candidate for a
18 second interview. On March 28, the Watermaster board voted unanimously to negotiate a contract with
19 Todd Groundwater. After the contract is negotiated and signed, it will be presented to the court for
20 approval.

21 **4. Rules and regulations⁵**

22 The Judgment states that the Watermaster Engineer is to prepare the rules and regulations.
23 Accordingly, the Watermaster deferred action on rules and regulations until the Watermaster Engineer is
24 on board.

26 ¹ Judgment ¶18.1.1.

27 ² Judgment ¶19.

³ Judgment ¶19.5.

28 ⁴ Judgment ¶18.4.1.

⁵ Judgment ¶18.4.2.

1 **5. Administrative functions⁶**

2 Administrative functions of the Watermaster are shared, on an interim basis, between AVEK and
3 Palmdale Water District. The Watermaster is reimbursing actual costs. This will be reevaluated after the
4 Watermaster Engineer is on board.

5 **6. Notice list⁷**

6 The Watermaster has contracted with Glotrans to maintain the notice list for both the
7 Watermaster activities and trial court proceedings. The Watermaster has a page on the AVEK web site
8 (www.avek.org), to which it posts notices and agendas. This will be replaced by a dedicated web site,
9 maintained by Glotrans (www.avwatermaster.org), which will also contain all the court filings.

10 **7. Administrative budget⁸**

11 The Watermaster has approved an administrative budget for 2016, which resulted in an
12 administrative assessment of \$1.00 per acre-foot. The Watermaster deferred a 2017 budget until the cost
13 of the Watermaster Engineer is known.

14 **8. Investment of funds⁹**

15 AVEK and Palmdale Water District advanced start-up funds on behalf of the Watermaster. The
16 Watermaster has now established a bank account to receive assessments and pay expenses.

17 **9. Meetings¹⁰**

18 The board has held all its meetings in compliance with the Ralph M. Brown Act. The
19 Watermaster has conducted its affairs transparently, including holding interviews and deliberations to
20 select the Watermaster Engineer in open session. All Watermaster decisions have been taken by
21 unanimous vote of the board.¹¹

22 **10. Assessments¹²**

23 The Watermaster sent invoices for the 2016 administrative assessment to all Producers except
24 the small pumper class. The assessment was levied on each acre-foot of production right, but not on the

25 ⁶ Judgment ¶18.4.3.

26 ⁷ Judgment ¶18.4.4.

27 ⁸ Judgment ¶18.4.5.

28 ⁹ Judgment ¶18.4.6.

¹⁰ Judgment ¶18.4.11.

¹¹ Judgment ¶18.1.2.

¹² Judgment ¶18.4.12.

1 parties' right to produce imported return flows or their production in excess of production rights, which
2 is unknown.¹³ Payment was due January 31, 2017. To date, the Watermaster has received payment for
3 95% of the invoiced administrative assessments.

4 **11. Production reports¹⁴**

5 The Watermaster sent requests for 2016 production information to all Producers except the small
6 pumper class, on a form approved by the Watermaster. Responses were due March 15, 2017.

7 **12. Intervention after judgment¹⁵**

8 The Watermaster approved a stipulation for intervention with First Solar, which had bought
9 certain properties and their associated water rights. The Court subsequently approved the intervention.

10 **II. Request for extension of time**

11 The Judgment requires the Watermaster Engineer to file an annual report with the court not later
12 than April 1 of each year, beginning April 1 following the first full year after entry of judgment.¹⁶ Thus,
13 the annual report is due April 1, 2017. Prior to filing the annual report, the Watermaster Engineer must
14 make a draft available for review and hold a public hearing on the report.¹⁷

15 The Watermaster requests a four-month extension of time—until August 1, 2017—to file the
16 initial annual report, because the Watermaster Engineer is not yet on board. This should allow sufficient
17 time for the Watermaster Engineer to prepare a draft, make it available for review, and hold a public
18 hearing.

19 Dated: March 31, 2017

Lagerlof, Senecal, Gosney & Kruse LLP

20
21 By: Thomas S. Bunn III
22 Thomas S. Bunn III
23 Attorneys for Palmdale Water District
24
25

26 ¹³ See Judgment ¶9.1.

27 ¹⁴ Judgment ¶18.5.12.

28 ¹⁵ Judgment ¶20.9.

¹⁶ Judgment ¶18.5.17.

¹⁷ *Id.*

PROOF OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of 18 years, and am not a party to the within action; my business address is 301 North Lake Avenue, 10th Floor, Pasadena, California 91101-4108.

On March 31, 2017, I served the document(s), described as **WATERMASTER STATUS REPORT AND REQUEST FOR EXTENSION OF TIME TO FILE ANNUAL REPORT** on the interested parties in this action as follows:

____ (BY REGULAR MAIL) As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Pasadena, California in the ordinary course of business. I am aware that on motion of 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.

X (VIA ELECTRONIC MAIL) Electronically filed on the Santa Clara County Superior Court's website, <http://onelegal.com> , pursuant to the guidelines on this case.

____ (VIA FACSIMILE) On ***, I caused the above-referenced document(s) to be transmitted via facsimile to the offices of the addressee(s) as follows: A true and correct copy of the transmission report indicating transmission without error is attached hereto.

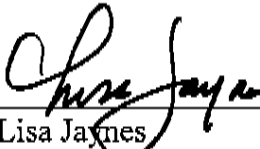
____ (BY FEDERAL EXPRESS) I caused such envelope(s) to be delivered by air courier, with next day service.

____ (BY PERSONAL SERVICE) I delivered such envelope(s) by hand to the offices of the addressee(s).

X (STATE) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

____ (FEDERAL) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

EXECUTED at Pasadena, California on March 31, 2017.



Lisa Jaynes

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