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16	SUPERIOR COURT OF THE STATE OF CALIFORNIA		
17 18	FOR THE COUNTY ANTELOPE VALLEY ) GROUNDWATER CASES )	OF LOS ANGELES Judicial Council Coordination Proceeding No. 4408	
19	) Included Actions:	Santa Clara Case No. 1-05-CV-049053	
20	Los Angeles County Waterworks District No.	Assigned to The Honorable Jack Komar	
21	40 v. Diamond Farming Co. Superior Court of ) California County of Los Angeles, Case No. BC) 325 201 Los Angeles County Waterworks	TRIAL SETTING CONFERENCE STATEMENT	
22	District No. 40 v. Diamond Farming Co.	Date: November 9, 2012	
23	Superior Court of California, County of Kern, ) Case No. S-1500-CV-254-348 Wm. Bolthouse )	Time: 9:00 a.m.	
24	Farms, Inc. v. City of Lancaster Diamond	Dept.: 1	
25	Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist. Superior		
26	Court of California, County of Riverside, consolidated actions, Case No. RIC 353 840,		
27	RIC 344 436, RIC 344 668		
28	/		
	SB 630091 v1:037966.0001		
	TRIAL SETTING CONFERENCE STATEMENT		

The Antelope Valley Groundwater Agreement Association ("AGWA") partially joins in the Trial Setting Conference Statement And Request For Jury Trial On Prescription Claims filed by Bolthouse Farms, dated November 3, 2012.

AGWA does not believe it is possible to resolve this adjudication through litigation. Over the past several years many parties have expressed the opinion that the only way this case will be resolved is through settlement, and AGWA believes this remains true. Thus, planning the next phase of trial is not about trying to find a way to bring the case to conclusion through trial, but is rather about trying to identify the set of issues for which Court resolution will provide a meaningful impetus toward settlement.

AGWA agrees with Bolthouse that the issue of amounts and rights to return flows from imported water is a threshold issue that must be tried before any other issues such as prescription. It will not be possible to determine whether prescriptive rights exist until it is determined what portion of the Total Safe Yield is constituted by return flows from imported water, and it will not be possible to determine whether pumping by any of the purveyor parties has established prescriptive rights until it is determined whether and to what extent such pumping was drawing from the Native Yield or from return flows from imported water.

A trial on amounts and rights to return flows from imported water will involve limited
factual discovery that can be accomplished prior to February 11, 2012. Furthermore, this issue
concerns the largest single claim on the Total Safe Yield and resolution of the issue will have the
greatest impact on the progress of settlement discussions. Additionally, should the next phase of
trial proceed as suggested by AGWA, the Court would not need to appoint a designated expert for
the Wood Class.

In contrast to Bolthouse, AGWA believes that Court resolution of issues concerning the
 claimed Federal reserved right would also be beneficial to the settlement process. AGWA has
 previously articulated the legal issues associated with the claimed reserved right in the factual
 situation of the Antelope Valley. (A copy of AGWA's previous brief on this subject is attached
 here as Exhibit "A.") The Public Water Suppliers' Trial Setting Conference Statement dated
 October 8, 2012, identified this issue as the first issue that should next be tried, and AGWA joins
 <u>SB 630091 v1:037966.0001</u> 2

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1 in this recommendation.

A trial on the claimed Federal reserved right will involve limited factual discovery that
can be accomplished prior to February 11, 2012. Like the issue of return flows from imported
water, resolution of this issue could also have a significant impact on the progress of settlement
discussions.

Dated: November 5, 2012

SB 630091 v1:037966.0001

BROWNSTEIN HYATT FARBER SCHRECK, LLP

had in By:

MICHAEL T. FIFE BRADLEY J. HERREMA ATTORNEYS FOR AGWA