1 2 3 4 5 6 7 8	CRAIG A. PARTON, State Bar No. 132759 TIMOTHY E. METZINGER, State Bar No. 1452 CAMERON GOODMAN, State Bar No. 307679 PRICE, POSTEL & PARMA LLP 200 East Carrillo Street, Fourth Floor Santa Barbara, California 93101 Telephone: (805) 962-0011/Fax: (805) 965-3978 E-Mail: cap@ppplaw.com tem@ppplaw.com cg@ppplaw.com Attorneys for Antelope Valley Watermaster	
9	SUPERIOR COURT OF TH	HE STATE OF CALIFORNIA
10	FOR THE COUNTY OF LOS A	NGELES - CENTRAL DISTRICT
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12	Coordination Proceeding, Special Title (Rule 1550(b))	Judicial Council Coordination Proceeding No. 4408
13		LASC Case No.: BC 325201
14	ANTELOPE VALLEY GROUNDWATER CASES	Santa Clara Court Case No. 1-05-CV-049053
15		Assigned to the Hon. Jack Komar, Judge of the Santa Clara Superior Court
16 17		WATERMASTER'S REPLY TO ZAMRZLAS' OPPOSITION TO
18		RENEWED MOTION FOR MONETARY, DECLARATORY AND INJUNCTIVE RELIEF
19		Date: November 17, 2023
20	AND ALL RELATED ACTIONS	Time: 9:00 a.m. Dept.: CourtCall
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TABLE OF CONTENTS 1 Page 2 3 INTRODUCTION4 THERE IS NO BASIS FOR A STAY OF THE WATERMASTER'S MOTION......4 4 II. There is No Automatic Stay.....4 5 A. There is No Basis for a Discretionary Stay.....5 B. 6 7 III. THE AMOUNT OF RWAs SOUGHT IN THE MOTION IS UNDISPUTED6 8 IV. THE WATERMASTER HAS PROPERLY SOUGHT ATTORNEYS' FEES7 V. 9 CONCLUSION.....8 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28

1	TABLE OF AUTHORITIES	
2	Cases	
3	People v. American Surety Co. (2019) 31 Cal. App. 5th 380 4	
4	In re Estate of Waters, (1919) 181 Cal. 5845	
5	Miller v. Gross (1975) 48 Cal.App.3d 6084	
6	Other Authorities	
7	Cal. Practice Guide: Civil Appeals and Writs (The Rutter Group 2022) ¶ 7.269 p. 7-775	
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PRICE, POSTEL & PARMA LLP SANTA BARBARA, CA

I. <u>INTRODUCTION</u>

The Court should award the monetary, declaratory and injunctive relief sought by the Watermaster in its motion filed against the Zamrzlas on September 29, 2021, as modified by the Watermaster's renewed motion filed on October 11, 2023 (the "Watermaster Motion").

The Watermaster Motion is not automatically stayed pending the appeal of the Court's June 9, 2023 Order denying the Zamrzlas' motions to set aside or modify the Judgment (the "Order"), and the court should not exercise discretion to stay the Watermaster Motion pending the outcome of the appeal of the Order.

The amount of water pumped by the Zamrzlas on their respective properties during the year 2018—and consequently the amount of RWAs sought by the Watermaster in the Watermaster Motion—remains undisputed. Therefore there is no further need for discovery, designation of experts and/or presentation of testimony with respect to the Watermaster Motion in the event the appeal of the Order is unsuccessful. Since the calculation of the RWAs is indisputable, the interest thereon is likewise indisputable and authorized under the Judgment.

Finally, the Judgment explicitly authorizes the Watermaster to recover delinquent RWAs "together with" attorneys' fees incurred in RWA collection efforts pursuant to a noticed motion, which the Watermaster has done by way of the Watermaster Motion, as renewed herein.

There are simply no more barriers to this Court awarding the relief sought in the Watermaster Motion, especially given that the Watermaster will not seek to enforce any money judgment against the Zamrlzas pending the appeal of the Order.

II. THERE IS NO BASIS FOR A STAY OF THE WATERMASTER'S MOTION

A. THERE IS NO AUTOMATIC STAY

The Zamrzlas' appeal of the Order does not automatically stay enforcement of the Judgment. It is well established that the appeal of a post-judgment order denying a motion to set aside or vacate a judgment does not stay the enforcement of the underlying judgment. (*People v. American Surety Co.* (2019) 31 Cal.App.5th 380, 393 ("If an appeal is taken from an order after final judgment [citation] but not from the judgment itself, a stay of the appealed order does not stay the underlying judgment [citation]."); see also *Miller v. Gross* (1975) 48 Cal.App.3d 608,

612-613 (appeal from denial of motion to vacate judgment did not stay enforcement of the underlying judgment); Eisenberg et al., *Cal. Practice Guide: Civil Appeals and Writs* (The Rutter Group 2022) ¶ 7.269 p. 7-77.)

In this case, the Zamrzlas have only appealed the Order denying their motions to set aside or modify the Judgment. They have not appealed the Judgment itself. Because the appeal of a post-judgment order does not stay enforcement of the underlying judgment, the Zamrzlas' appeal of the Order does not affect the enforceability of the Judgment. The Court instead is fully empowered to grant the relief requested in the Watermaster Motion.

In their Opposition, the Zamrzlas make no attempt to dispute or distinguish the above authorities holding that the appeal of a post-judgment order does not stay the enforcement of the underlying appeal. The Zamrzlas instead simply cite a century-old case, *In re Estate of Waters*, (1919) 181 Cal. 584, for the general proposition that the filing of an appeal divests the trial court of jurisdiction. *In re Estate of Waters* did not address the issue presented here and does not support the Zamrzlas' position, but instead holds that "where . . . a separate appeal from an order on a motion for a new trial is authorized, the perfection of an appeal from the judgment or order in the main proceeding does not divest the court of jurisdiction to hear and determine the motion." (*Id.* at p. 587.) This holding merely underscores the fact that in many circumstances the appeal of a judgment or order will *not* stay proceedings relating to a different order, as is the case here.

B. THERE IS NO BASIS FOR A DISCRETIONARY STAY

The Zamrzlas have also failed to identify any persuasive grounds for the issuance of a discretionary stay. The Watermaster has already indicated in its moving papers that it will forebear from enforcing the monetary component of the order requested in the Watermaster Motion pending the Zamrzlas' appeal of the Order. The Zamrzlas consequently are unable to identify any unfair prejudice resulting from the Court ruling on the Watermaster Motion, in part because the RWAs sought in the Watermaster Motion are based on the Zamrzlas undisputed, self-reported production numbers for the year 2018, eliminating the need for any discovery, experts or testimony on this factual issue.

In contrast, the Watermaster will be unfairly prejudiced if the Court delays ruling on the

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Watermaster Motion until after the appeal of the Order is completed. If the appeal of the Order is unsuccessful, and the Court then proceeds to rule on the Watermaster Motion, the Zamrzlas will be able to appeal that ruling, causing a second very considerable delay (approximately eighteen months on average for each appeal, for a total of thirty-six months) in the enforcement of the Judgment. In contrast, if the Court rules immediately on the Watermaster Motion, any appeal of that order by the Zamrzlas can be consolidated with the Zamrzlas' current appeal of the Order, which has not yet progressed to the briefing stage. The court of appeal could then review both rulings at the same time, which would be more economical and would save considerable time.

Given the absence of any harm to the Zamrzlas, and the very considerable probability that granting the stay would delay enforcement of the Judgment to the harm of the Watermaster and the Basin, the Court should not impose a discretionary stay.

III. THE AMOUNT OF RWAS SOUGHT IN THE MOTION IS UNDISPUTED

Although the Zamrzlas dispute that they are liable for monetary damages and subject to injunctive relief—an argument inherent in the legal theories rejected by this Court in the Order—they have never disputed their self-reported production numbers dated March 18, 2019, submitted to the Watermaster via their attorney, true and correct copies of which are set forth in Exhibit A to the declarations of Patricia Rose and Craig A. Parton in support of the Watermaster Motion (the "Production Reports")(see Declaration of Craig A. Parton at 1:9-15, dated September 29, 2021).

In their Opposition the Zamrzlas carefully sidestep the issue to avoid admitting that the amounts set forth in the Production Reports are incorrect. (*See* Opposition at 2:25 – 3:1 (alleging that "the amounts claimed by the Watermaster are not correct" but only because "[t]he Zamrzlas dispute the Watermaster's claim to interest and attorneys' fees" and "[t]here has not been an evidentiary hearing on the Watermaster's motion and as to the amount of water the Zamrzlas' are allowed to produce"); *see also* Opposition at 5:26 – 6:2 (claiming that "the damages sought against the Zamrzlas have not been litigated," and "[t]he Zamrzlas dispute the injunctive relief and monetary damages sought against them," but only because "the issue as to the Zamrzlas' production rights and the quantity of water they may be allowed to produce under the Judgment was to be deferred to a later hearing.").)

The Zamrzlas are over-complicating a straightforward matter. If the appeal of the Order is unsuccessful, then the Zamrzlas are conclusively members of the Small Pumper Class under the Judgment, entitled to produce only up to 3 acre-feet per year without payment of RWAs. (Judgment at 5.1.3.) In that case there are no further legal or factual questions to be resolved as to the Zamrzlas' production rights or the quantity of water they may be allowed to produce. The facts and the law as applied to those issues are clearly set forth in the Judgment.¹

Yet the Zamrzlas inexplicably fixate on the need to engage in discovery, designate experts and/or present expert testimony, none of which will be necessary if the appeal of the Order is denied, in which case they will indisputably owe RWAs for the amounts they admit they produced in 2018 as set forth in the Production Reports. The calculation of the RWAs due for 2018, and the interest thereon, are likewise indisputable and easily calculable based on the RWA rates for 2018.

IV. THE WATERMASTER HAS PROPERLY SOUGHT ATTORNEYS' FEES

The Watermaster has complied with the process necessary to collect its reasonable attorneys' fees. Paragraph 18.4.12 of the Judgment and Section 19.g of the Watermaster's Courtapproved Rules and Regulations explicitly authorize recovery of attorneys' fees incurred in the Watermaster's efforts to collect RWAs.

Specifically, the Judgment provides that "delinquent assessment[s], together with interest thereon, costs of suit, attorneys fees and reasonable costs of collection, may be collected pursuant to ... motion by the Watermaster giving notice to the delinquent Party only..." (Judgment at 18.4.12 (emphasis added).) Clearly the Court has authorized the Watermaster to seek its reasonable costs and attorneys' fees incurred in collecting RWAs as part of a noticed motion to collect delinquent RWAs. The judicial efficiency of allowing the Watermaster to collect its reasonable costs and fees concurrently with a motion to collect delinquent RWAs makes sense, given that the Watermaster's RWA collection efforts are an essential component of the

and necessitate further discovery, designation of experts and testimony. However ruling on the Watermaster Motion now, with the Watermaster's agreement not to enforce the monetary component of the order during the pendency of the appeal, does not preclude that possible outcome.

¹ Admittedly, if the Zamrzlas' appeal of the Order is successful, then the issue of the Zamrzlas production rights and the amount of water they are allowed to produce may come back into play

Watermaster's enforcement duties to protect the Basin under the Judgment. 1 The Watermaster followed the prescribed procedure by filing the Watermaster Motion and 2 providing notice to the Zamrzlas. The attorneys' fees incurred by the Watermaster in seeking to 3 collect the delinquent RWAs from the Zamrzlas have grown exponentially, due to the Zamrzlas' 4 repeated efforts to thwart the Watermaster and deny their obligations under the Judgment. When 5 the Watermaster renewed the Watermaster Motion on October 11, 2023, it gave the Zamrzlas 6 notice and an opportunity to object to the increased fees at hearing, in full compliance with the 7 procedures set forth in Paragraph 18.4.12 of the Judgment and the Watermaster Rules and 8 Regulations. The declaration of Craig A. Parton, Watermaster General Counsel, filed on October 9 11, 2023, sets forth the basis for the amount of the increased attorneys' fees sought herein. 10 V. **CONCLUSION** 11 For the foregoing reasons, the Court should award the monetary, declaratory and 12 injunctive relief requested in the Watermaster Motion, acknowledging that the Watermaster will 13 not enforce the monetary component of the order pending the appeal of the Order. 14 Respectfully submitted, 15 16 PRICE, POSTEL & PARMA LLP Dated: November 9, 2023 17 18 CRAIG A. PARTON 19 TIMOTHY E. METZINGER 20 **CAMERON GOODMAN** Attorneys for 21 Antelope Valley Watermaster 22 23 24 25

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PROOF OF SERVICE 1 2 STATE OF CALIFORNIA, COUNTY OF SANTA BARBARA 3 I am employed in the County of Santa Barbara, State of California. I am over the age of eighteen (18) and not a party to the within action. My business address is 200 East Carrillo Street, 4 Fourth Floor, Santa Barbara, California 93101. 5 On November 9, 2023, I served the foregoing document described WATERMASTER'S REPLY TO ZAMRZLAS' OPPOSITION TO RENEWED MOTION FOR MONETARY, 6 DECLARATORY AND INJUNCTIVE RELIEF on all interested parties in this action by placing the original and/or true copy. 7 8 BY ELECTRONIC SERVICE: I posted the document(s) listed above to the Santa Clara X County Superior Court Website @ www.scefiling.org and Glotrans website in the action of 9 the Antelope Valley Groundwater Cases. 10 (STATE) I declare under penalty of perjury under the laws of the State of California that X the foregoing is true and correct. 11 (FEDERAL) I hereby certify that I am employed in the office of a member of the Bar of 12 this Court at whose direction the service was made. 13 14 Executed on November 9, 2023, at Santa Barbara, California. 15 16 Signature Elizabeth Wright 17 18 19 20 21 22 23 24 25

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