1 BEST BEST & KRIEGER LLP **EXEMPT FROM FILING FEES** ERIC L. GARNER, Bar No. 130665 UNDER GOVERNMENT CODE 2 JEFFREY V. DUNN, Bar No. 131926 SECTION 6103 5 PARK PLAZA, SUITE 1500 3 IRVINE, CALIFORNIA 92614 TELEPHONE: (949) 263-2600 4 TELECOPIER: (949) 260-0972 5 OFFICE OF COUNTY COUNSEL COUNTY OF LOS ANGELES 6 RAYMOND G. FORTNER, JR., Bar No. 42230 COUNTY COUNSEL FREDERICK W. PFAEFFLE, Bar No. 145742 7 PRINCIPAL DEPUTY COUNTY COUNSEL 8 500 WEST TEMPLE STREET LOS ANGELES, CALIFORNIA 90012 9 TELEPHONE: (213) 974-1901 TELECOPIER: (213) 458-4020 10 Attorneys for Cross-Complainants 11 ROSAMOND COMMUNITY SERVICES DISTRICT and LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40 12 SUPERIOR COURT OF THE STATE OF CALIFORNIA 13 COUNTY OF LOS ANGELES - CENTRAL DISTRICT 14 15 ANTELOPE VALLEY Judicial Council Coordination No. 4408 16 **GROUNDWATER CASES** Santa Clara Case No. 1-05-CV-049053 17 Included Actions: Assigned to The Honorable Jack Komar Los Angeles County Waterworks District 18 No. 40 v. Diamond Farming Co., Superior Court of California, County of Los 19 CASE MANAGEMENT CONFERENCE Angeles, Case No. BC 325201; STATEMENT 20 Los Angeles County Waterworks District Hearing: No. 40 v. Diamond Farming Co., Superior 21 Court of California, County of Kern, Case Date: **April 16, 2007** No. S-1500-CV-254-348; Time: 9:00 a.m. 22 Dept.: 1 Wm. Bolthouse Farms, Inc. v. City of 23 Lancaster, Diamond Farming Co. v. City of Lancaster, Diamond Farming Co. v. 24 Palmdale Water Dist., Superior Court of California, County of Riverside, Case Nos. 25 RIC 353 840, RIC 344 436, RIC 344 668 26 27 28 RVPUB\EGARNER\730349.1

CASE MANAGEMENT CONFERENCE STATEMENT

Following the last court hearing, the Court issued its minute order granted a modified request for certification of a class or classes. The Court requested further proposals for class definitions to be followed by proposals concerning potential class representatives. This case management conference statement first addresses the issue of class representatives. Next, the statement contains mediation proposals and requests the Court facilitate a mediation process.

1. There Are Proposed Class Representatives for the Property Owner Classes

A separate class action lawsuit was filed by Rebecca Willis. The Willis class action has been coordinated with the existing adjudication proceedings. Willis is the putative class representative and is purportedly an adjudication landowner with land does not pump groundwater. There are purportedly many other class members similarly situated.

Within the adjudication area, there are certain landowners who formed a group commonly known as the "Nebeker Group" and self-designated as "AGWA." They purportedly own land that pumps groundwater. There are purportedly many other class members similarly situated.

Willis has been proposed to represent the subclass previously and preliminarily designated as "Subclass A" because they are similarly situated landowners who do not pump groundwater. It has also been proposed that one or more members of the Nebeker Group represent the subclass preliminarily designated as "Subclass B" because they are similarly situated landowners with groundwater wells. Rosamond Community Services District ("Rosamond") and the Los Angeles County Waterworks District No. 40 ("Waterworks District No. 40") do not object to these proposed class representatives.

2. Mediation

After the Judicial Council approved coordinated groundwater adjudication proceedings, many of the public and private parties in this litigation began meeting to discuss resolving the litigation and addressing groundwater conditions in the Antelope Valley. Discussions have occurred with relatively large numbers of attorneys. Occasionally, experts and party principals attended the meetings.

A number of parties have suggested the use of a facilitator to move along a mediation process and there seems to be widespread agreement that this makes sense. Although not an idea RVPUB\EGARNER\730349.1

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initiated by Rosamond and Waterworks District No. 40, both are very supportive of an expeditious resolution of this case and support using a mediator. There are several reasons a mediator is appropriate.

First, due to the large number of attorneys in the meetings, meetings are difficult to schedule on a volunteer participation basis. Moreover, they sometimes suffer from the absence of sound technical data. In all meetings there is certain attorney verbosity, lack of experience in groundwater and/or class litigation, and personality issues. For these reasons, Rosamond and Waterworks District No. 40 suggest that the Court facilitate a settlement process that involves Court supervision over a group of principals of major pumpers. It is hoped that active Court supervision over the settlement process will minimize or eliminate previous and existing mediation obstacles.

There are crucial issues that need to be resolved by the major pumpers in the Basin. Until issues such as the general allocation of Basin pumping rights are worked through, resolution of the case and implementation of a needed physical solution are impossible. Although the technical committee is still developing important data related to the conditions in the Basin, there is currently sufficient hydrologic data available for the pumpers to have meaningful discussions. Such discussions may provide a basis to facilitate the resolution of the case and at the very least may lead to an interim solution providing significant protection to the Basin while the litigation proceeds. If the pumpers cannot reach agreement, resolution of the case short of trial and interim protection of the Basin will be much more difficult. Waterworks District No. 40 and Rosamond request the following:

- 1. The Court orders the parties to mediation. In the event the Court decides not to conduct the mediation, a number of parties have already agreed to Bill Dendy as a mediator.
- 2. The Court determines that it is unnecessary for each party to attend every mediation. Almost all parties share sufficient characteristics with other parties so that they may participate in the mediation through court-appointed representatives. For example, mediation concerning issues such as allocation of native groundwater supply should include only principals for the following as representatives for those parties claiming a right to the native groundwater RVPUB\EGARNER\730349.1

supply: Tejon Ranch, Nebeker Group, Los Angeles County Waterworks District No. 40, Mutual Water Companies' representative, Palmdale Water District, Los Angeles County Sanitation Districts, City of Los Angeles (Los Angeles World Airports), Edwards Air Force Base, Rosamond Community Services District, Borax, Van Dams, Quartz Hill District, and Bolthouse and Diamond Farms.

- 3. The Court retains control over the mediation process by imposing mediation schedules, conducting post-mediation hearings and taking further action, as necessary.
- 4. The Court determines mediation issues and their order. Many parties agree that the important initial issues relate to native groundwater.
- 5. The informal Technical Committee may continue with its work without interference from the mediator, and can be responsible for gathering and providing technical analysis for mediation and litigation issues. These issues may include the determination of native groundwater yield, quantification of return flows, and storage of supplemental water ("groundwater banking").

Perhaps more than in most cases, the settlement process for complex groundwater proceedings can benefit greatly from judicial supervision and involvement. In this case there are already large numbers of parties and attorneys meeting from time-to-time on various issues. As explained, however, there is a recognized need for judicial assistance in the settlement process. For these reasons, the above mediation proposals are respectfully submitted for the Court's consideration.

Dated: April 13, 2007

BEST BEST & KRIEGER LLP

By

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ROSAMOND COMMUNITY SERVICES

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PROOF OF SERVICE

I, Kerry V. Keefe, declare:

I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is Best & Krieger LLP, 5 Park Plaza, Suite 1500, Irvine, California 92614. On April 13, 2007, I served the within document(s):

CASE MANAGEMENT CONFERENCE STATEMENT

X	by posting the document(s) listed above to the Santa Clara County Superior Court website in regard to the Antelope Valley Groundwater matter.
	by placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States mail at Irvine, California addressed as set forth below.
	by causing personal delivery by ASAP Corporate Services of the document(s) listed above to the person(s) at the address(es) set forth below.
	by personally delivering the document(s) listed above to the person(s) at the address(es) set forth below.
	I caused such envelope to be delivered via overnight delivery addressed as indicated on the attached service list. Such envelope was deposited for delivery by Federal Express following the firm's ordinary business practices.

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 in the ordinary course of business. I am aware that on motion of the 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.

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

Executed on April 13, 2007, at Irvine, California.

Kerry V Keefe

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