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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

ANTELOPE VALLEY GROUNDWATER CASES
Included Actions:

Los Angeles County Waterworks District No. 40 v.
Diamond Farming Co., Superior Court of
California, County of Los Angeles, Case No. BC
325201;

Los Angeles County Waterworks District No. 40 v.
Diamond Farming Co., Superior Court of
California, County of Kern, Case No. S-1500-CV-
254-348;

Wm. Bolthouse Farms, Inc. v. City of Lancaster,
Diamond Farming Co. v. City of Lancaster,
Diamond Farming Co. v. Palmdale Water Dist.,
Superior Court of California, County of Riverside,
Case Nos. RIC353840, RIC344436, RIC344668

RICHARD WOOD, on behalf of himself and all
other similarly situated v. A.V. Materials, Inc., et
al., Superior Court of California, County of Los
Angeles, Case No. BC509546

Judicial Council Coordination
Proceeding No. 4408

CLASS ACTION

Santa Clara Case No. 1-05-CV-049053
Assigned to the Honorable Jack Komar

**PUBLIC WATER SUPPLIERS'
CASE MANAGEMENT
CONFERENCE STATEMENT**

Date: June 15, 2015
Time: 1:30 p.m.
Dept.: 1 of Santa Clara County
Superior Court

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Los Angeles County Waterworks District No. 40, Littlerock Creek Irrigation District, Palm Ranch Irrigation District, Desert Lake Community Services District, North Edwards Water District, Llano Del Rio Water Company, Llano Mutual Water Company, Big Rock Mutual Water Company, Rosamond Community Services District, the City of Lancaster, Palmdale Water District, Quartz Hill Water District, the City of Palmdale, and California Water Service Company (collectively, "Public Water Suppliers") hereby submit the following Case Management Conference Statement:

I. SETTLEMENT DISCUSSIONS

The parties stipulating to the Proposed Judgment and Physical Solution ("Settling Parties") have formed a liaison legal counsel group to engage in settlement discussions with the following non-stipulating parties: Rosamond Mobile Home Park (owned by Milana VII, LLC), Eyherabide Land Company, Charles Tapia and Nellie Tapia Family Trust, Desert Breeze MHP, LLC, Reesdale Mutual Water Company, and Phelan Piñon Hills Community Service District.

Since the last court hearing, liaison legal counsel group has reached a tentative agreement with Reesdale Mutual Water Company and Desert Breeze MHP, LLC.

Liaison legal counsel group continues its efforts to reach an agreement with Eyherabide Land Company and Rosamond Mobile Home Park, and is awaiting their respective responses.

Discovery is required to resolve claims by Charles Tapia and Nellie Tapia Family Trust. The Settling Parties have served a Request for Production of Documents and will serve deposition notices on Charles Tapia and Nellie Tapia Family Trust.

No agreement has been reached with Phelan Piñon Hills Community Service District.

Discussions with the Willis Class had not lead to any settlement progress.

II. ORDER OF PROOF FOR NEXT PHASE OF TRIAL

The following matters need to be determined before final judgment: (1) court determination of the non-stipulating parties' water rights; (2) a court-imposed physical solution for the Antelope Valley Adjudication Area ("Basin") together with final approval of the Small Pumper Class Stipulation of Settlement. Simultaneously, the Court will also need to conduct proceedings for a final approval of the proposed Small Pumper Class Settlement.

1 In order for the Court to approve the Stipulating Parties proposed physical solution for the
2 Basin, the Court will need to resolve non-stipulating parties' claims to water including the default
3 "prove up" against defaulted parties. Once the Court determines the non-stipulating parties'
4 water rights, the Court can impose the physical solution upon all groundwater users within the
5 Basin. (*City of Barstow v. Mojave Water Agency* (2000) 23 Cal. 4th 1224, 1249-50.)

6 Here, the Court will decide remaining groundwater claims by and against Phelan Piñon
7 Hills Community Services District during the three days of trial scheduled in August 2015. When
8 trial resumes in September, the Court will decide groundwater claims by other non-stipulating
9 parties, if any. The Court will also hear a default "prove up" of the Public Water Suppliers'
10 causes of action against the defaulted parties.

11 Once the Court decides all non-stipulating parties' claims to groundwater, the Court can
12 receive evidence regarding the proposed physical solution presented by the Stipulating Parties.
13 The Court will hear expert witness testimony concerning the proposed physical solution and how
14 it benefits all Basin groundwater users and landowners.

15 Upon completion of the evidence, the Stipulating Parties will request that the Court
16 approve the proposed physical solution and enter a final judgment consistent with the proposed
17 physical solution. If there is no final court approval of the proposed physical solution, the
18 Stipulating Parties will not have a settlement agreement; it is contingent upon final court approval
19 of the Stipulating Parties' proposed physical solution.

20 As for the final approval of the proposed Small Pumper Class Settlement, the Court has
21 approved notice to the Small Pumper Class members that there will be a final approval hearing
22 commencing on August 3, 2015. On that date, the Court will hear Small Pumper Class member
23 objections, if any, to the proposed Small Pumper Class Settlement. Final approval of the
24 proposed Small Pumper Class Settlement, will take place after the Court determines all non-
25 stipulating parties' water rights and the evidence supporting the proposed Physical Solution by
26 the Stipulating Parties because the Small Pumper Class are members of the Stipulating Parties.
27 The proposed Small Pumper Class Stipulation of Settlement incorporates the Stipulating Parties'
28 Settlement Agreement and Proposed Physical Solution.

1 Pursuant to the Court's case management order, the Public Water Suppliers and other
2 parties have designated witnesses and evidence for trial. The Public Water Suppliers and other
3 parties have also exchanged expert witness information pursuant to Code of Civil Procedure
4 sections 2034.210 et seq. As discovery in this case is ongoing, the Public Water Suppliers reserve
5 their right to amend their witness and exhibit lists.

6 Dated: June 12, 2015

BEST BEST & KRIEGER LLP

7
8
9 By


ERIC L. GARNER
JEFFREY V. DUNN
WENDY Y. WANG
Attorneys for
LOS ANGELES COUNTY
WATERWORKS DISTRICT NO. 40

PROOF OF SERVICE

I, Rosanna R. Pérez, declare:

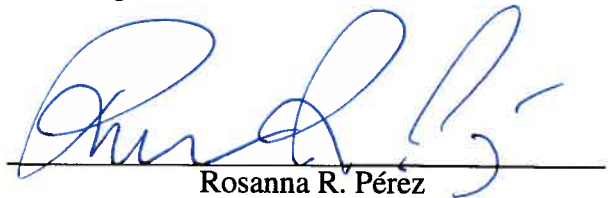
I am a resident of the State of California and over the age of eighteen years, and not a party to the within action; my business address is Best Best & Krieger LLP, 300 South Grand Avenue, 25th Floor, Los Angeles, CA 90071. On June 12, 2015, I served the within document(s):

**PUBLIC WATER SUPPLIERS'
CASE MANAGEMENT CONFERENCE STATEMENT**



by posting the document(s) listed above to the Santa Clara County Superior Court website in regard to the Antelope Valley Groundwater matter.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on June 12, 2015, at Los Angeles, California.


Rosanna R. Pérez

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