

EXHIBIT C

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES – CENTRAL DISTRICT

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. RIC 353 840,
RIC 344 436, RIC 344 668

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

STATEMENT OF DECISION

1 **VII. SUPPORTING LANDOWNER PARTIES – TRIAL STIPULATIONS**

2 On March 4, 2015, a large number of parties representing a majority of the total
3 groundwater production in the Basin (the “Stipulating Parties”) stipulated to the Proposed
4 Judgment and Physical Solution, which was subsequently amended on March 25, 2015. Since
5 March 25, 2015, a limited number of parties not signatory to, but supportive of, the Proposed
6 Judgment and Physical Solution (a “Supporting Landowner Party” or collectively, “Supporting
7 Landowner Parties”) asserted claims to produce groundwater from the Basin and executed
8 separate Trial Stipulations for Admission of Evidence by Non-Stipulating Parties and Waivers of
9 Procedural and Legal Obligations to Claims by Stipulating Parties Pursuant to Paragraph 5.1.10
10 of the Judgment and Physical Solution (“Trial Stipulations”) with the Stipulating Parties.

11 Under the Trial Stipulations, Supporting Landowner Parties agreed to reduce production
12 of groundwater under Paragraph 5.1.10 of the Judgment and Physical Solution to the following
13 amounts:

- 14 a. Desert Breeze MHP, LLC – 18.1 acre-feet per year;
- 15 b. Milana VII, LLC dba Rosamond Mobile Home Park – 21.7 acre-feet per year;
- 16 c. Reesdale Mutual Water Company – 23 acre-feet per year;
- 17 d. Juanita Eyherabide, Eyherabide Land Co., LLC and Eyherabide Sheep Company.
18 – 12 acre-feet per year;
- 19 e. **Clan Keith Real Estate Investments, LLC. dba Leisure Lake Mobile Estates – 64**
20 **acre-feet per year;** and
- 21 f. White Fence Farms Mutual Water Co. No. 3 - 4 acre-feet per year.

22 *g. LV Ritter Ranch, LLC - 0 acre-feet per year.* *h. Robar Enterprises, Inc., Hi-Grade Materials, Co., and CTR, a General Partnership - 800 acre-feet per year.*
The Supporting Landowner Parties claim overlying rights to the Basin’s groundwater.

23 Each Supporting Landowner Party has proven its respective land ownership or other appropriate
24 interest in the Basin, and its reasonable and beneficial use, and established its overlying right.
25 (*Santa Maria, supra*, 211 Cal.App.4th at p. 298 citing *California Water Service, supra*, 224
26 Cal.App.2d at 725; *Tulare, supra*, 3 Cal.2d at p. 524.)

27 Here, the Court heard evidence from the Supporting Landowner Parties in the sixth phase
28 of trial. **Based on the credible and undisputed evidence presented by the Supporting Landowner,**

1 Parties, the Court finds that there is substantial and credible evidence that each Supporting
2 Landowner Party has reasonably and beneficially used amounts of water. The Court finds that
3 the Supporting Landowner Parties will be required to make severe reductions in their current and
4 historical reasonable and beneficial water use under the Trial Stipulations and the Physical
5 Solution. The Court further finds that there is substantial evidence that all allocations of
6 groundwater in the Trial Stipulations and the Physical Solution will effectively protect the Basin
7 for existing and future users.

8 Therefore, based on the evidence submitted by the Supporting Landowner Parties, the
9 Court approves the Trial Stipulations executed by the Stipulating Parties and the Supporting
10 Landowner Parties and finds that the production rights agreed to therein are for reasonable and
11 beneficial uses.

12 **VIII. SMALL PUMPER CLASS SETTLEMENT AGREEMENT IS APPROVED**

13 The Small Pumper Class settlement agreement with the Public Water Suppliers which was
14 previously approved conditionally by the Court is hereby approved. The Court finds that the
15 agreement is fair, just, and beneficial to the Small Pumper Class members.

16 The Court finds the testimony by Mr. Thompson, the Court-appointed expert, to be
17 credible and undisputed regarding Small Pumper Class water use. The Court finds that the
18 average use of 1.2 AFY per parcel or household is reasonable, and is supported by Mr.
19 Thompson's report and testimony. Given the variation in Class Member water use for reasonable
20 and beneficial purposes, the same is true of individual Class Member use of up to 3 AFY. The
21 Court finds reasonable all other provisions in the proposed Judgment and Physical Solution that
22 impact or relate to the Small Pumper Class members rights or administration of those rights.

23 **IX. CHARLES TAPIA, AS AN INDIVIDUAL AND AS TRUSTEE OF NELLIE TAPIA**
24 **FAMILY TRUST**

25 Charles Tapia, as an individual and as trustee of Nellie Tapia Family Trust (collectively,
26 "Tapia Parties") failed to prove their groundwater use. The Court finds that the evidence and
27 testimony presented by the Tapia Parties was not credible in any way and that the evidence
28 presented by Tapia Parties was inherently contradictory. Consequently, the Court cannot make a

1 No such risk exists here because the Court-approved notice to the Willis Class, put them on notice
2 that they would be subject to a physical solution yet to be approved by the Court. The notice
3 stated that the Willis Class members “will be bound by the terms of any later findings made by
4 the Court and any Physical Solution imposed by the Court” and “it is likely that there will be
5 limits imposed on the amount of pumping in the near future.” (Notice of Proposed Settlement at
6 §§ 9 & 17.)

7 The Willis Class has actively participated in these proceedings since January 11, 2007,
8 knows that the other Landowner Parties and Public Overliers claim a correlative share of the
9 Basin’s native safe yield, and agreed in the Willis Class Stipulation that they would be subject to
10 the Court’s future jurisdiction and judgment and be bound by a physical solution.

11 **XIII. CONCLUSION**

12 The Court finds that the Physical Solution is required and appropriate under the unique
13 facts of the Basin. The Physical Solution resolves all groundwater issues in the Basin and
14 provides for a sustainable groundwater supply for all parties now and in the future. The Physical
15 Solution addresses all parties’ rights to produce and store groundwater in the Basin while
16 furthering the mandates of the State Constitution and the water policy of the State of California.
17 The Court finds that the Physical Solution is reasonable, fair and beneficial as to all parties, and
18 serves the public interest.

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21 Dated: December 23, 2015



JUDGE OF THE SUPERIOR COURT

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