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8	SUPERIOR COURT OF THE STATE OF CALIFORNIA	
9	COUNTY OF LOS ANGELES	
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11	Coordination Proceeding Special Title (Rule 1550(b))	Judicial Council Coordination Proceeding No. 4408
12	ANTELOPE VALLEY GROUNDWATER CASES	Assigned to The Honorable Jack Komar
13	Included Actions:	Jack Kolliai
1415	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co. Superior Court of California, County of Los Angeles,	U.S. BORAX'S CASE MANAGEMENT CONFERENCE STATEMENT
16	Case No. BC 325 201	FOR JANUARY 9, 2009 HEARING
17	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.	Date: January 9, 2009
18	Superior Court of California, County of Kern, Case No. S-1500-CV-254-348	Time: 1:30 p.m. Dept: 1 (L.A. County Superior)
19	Wm. Bolthouse Farms, Inc. v. City of Lancaster	
20	Diamond Farming Co. v. City of Lancaster Diamond Farming Co. v. Palmdale Water Dist.	
21	Superior Court of California, County of Riverside, Case Nos. RIC 353 840, RIC 344 436, RIC 344 668	
22	(Consolidated Actions)	
23		
24	The Court has requested further briefing regarding the next phase of trial. Given the	
25	importance of the next phase, U.S. Borax reiterates its position that the trial should, at the very least,	
26	address the entire claim of prescription asserted by the public water suppliers.	
27	A limited trial only on safe yield and overdraft will be expensive, may increase the level of	
28	contention in this action, and will still leave all parties with the prospect of another expensive trial	

before resolving any of their respective rights. The law governing the adjudication of causes of action, as briefed already by Borax, does not favor splitting the public water suppliers' single claim of prescription into multiple trials. Indeed, such bifurcation will almost certainly prejudice many of the smaller parties in this adjudication by attempting to craft this next phase into another limited but expensive "battle of experts." The cost will be prohibitive for many landowners, notwithstanding that safe yield and overdraft are relevant to every landowners' defense against prescription. Taking into account all of these reasons, Borax sees no merit in limiting this next phase of trial only to safe yield and overdraft.

Borax also wishes to state its position now that there should be no dispute the burden of proof going forward lies with the public water suppliers. Unlike the earlier phases, prescription does not constitute a jurisdictional question. Safe yield and overdraft, as elements of the cause of action for prescription, should not be treated "in the abstract" for expert analysis.

In the interest of efficiency, Borax also requests that the Court set for trial in the next phase the federal reserved right claimed by the United States. Whether or not the United States has such a right, and if so, in what amount, are critical questions to the resolution of this adjudication. Borax sees no utility in postponing this significant claim to later stages of the proceedings.

Regarding discovery, Borax is willing to cooperate in any sensible proposal (and has cooperated throughout this adjudication), but Borax is unable to allow its unique interests to be represented by a liaison.

Dated: December 31, 2008 EDGAR B. WASHBURN WILLIAM M. SLOAN MORRISON & FOERSTER LLP

By: William M. Sloan

Attorneys for U.S. BORAX INC.

PROOF OF SERVICE

1 2 I declare that I am employed with the law firm of Morrison & Foerster LLP, whose address is 425 Market Street, San Francisco, California 94105-2482. I am not a party to the within cause, and I 3 am over the age of eighteen years. 4 I further declare that on December 31, 2008, I served a copy of: U.S. BORAX'S CASE MANAGEMENT CONFERENCE 5 STATEMENT FOR JANUARY 9, 2009 HEARING 6 7 BY ELECTRONIC SERVICE by electronically posting a true copy thereof to Santa Clara County Superior X Court's electronic filing website for complex civil litigation cases (Judge Jack Komar, Dept. 17C http://www.scefiling.org) with respect to Judicial Council Coordination Proceeding No. 4408 (Antelope 8 Valley Groundwater matter). 9 BY U.S. MAIL by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid, addressed as follows, for collection and mailing at Morrison & Foerster LLP, 425 Market Street, San 10 Francisco, California 94105-2482 in accordance with Morrison & Foerster LLP's ordinary business practices. I am readily familiar with Morrison & Foerster LLP's practice for collection and processing of correspondence for mailing with the United States Postal Service, and know that in the ordinary course of Morrison & Foerster 11 LLP's business practice the document(s) described above will be deposited with the United States Postal Service on the same date that it (they) is (are) placed at Morrison & Foerster LLP with postage thereon fully 12 prepaid for collection and mailing. BY FACSIMILE by sending a true copy from Morrison & Foerster LLP's facsimile transmission telephone 13 number 415.268.7522 to the fax number(s) set forth below, or as stated on the attached service list. The transmission was reported as complete and without error. The transmission report was properly issued by the 14 transmitting facsimile machine. I am readily familiar with Morrison & Foerster LLP's practice for sending facsimile transmissions, and know that in the ordinary course of Morrison & Foerster LLP's business practice 15 the document(s) described above will be transmitted by facsimile on the same date that it (they) is (are) placed at Morrison & Foerster LLP for transmission. 16 I declare under penalty of perjury under the laws of the State of California that the foregoing 17 is true and correct. 18 Executed at San Francisco, California, December 31, 2008. 19 20 21 atherine 22 Catherine L. Berté (typed) 23 24

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