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*Exempt from filing fee pursuant to  
Gov't. Code Section 6103*

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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
13 **FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT**

14 Coordination Proceeding  
15 Special Title (Rule 1550(b))

Judicial Council Coordination Proceeding  
No. 4408

16 **ANTELOPE VALLEY**  
17 **GROUNDWATER CASES**

**Santa Clara Case No.**  
**1-05-CV-049053**  
The Honorable Jack Komar, Dept.17

18 **Included Actions:**

**ANTELOPE VALLEY-EAST KERN**  
**WATER AGENCY'S CASE**  
**MANAGEMENT STATEMENT**

19 Los Angeles County Waterworks District  
20 No. 40 vs. Diamond Farming Company, a  
21 corporation, Superior Court of California,  
22 County of Los Angeles, Case No.  
23 BC325201;

Date: August 30, 2011  
Time: 8:00 a.m.  
Dept.: 316 (Los Angeles)

24 Los Angeles County Waterworks District  
25 No. 40 vs. Diamond Farming Company, a  
26 corporation., Superior Court of California,  
27 County of Kern, Case No. S-1500-CV-254-  
28 348;

Wm. Bolthouse Farms, Inc. vs. City of  
Lancaster, Diamond Farming Company, a  
corporation, vs. City of Lancaster, Diamond  
Farming Company, a corporation vs.  
Palmdale Water District, Superior Court of  
California, County of Riverside, Case Nos.  
RIC 353840, RIC 344436, RIC 344668.

1 The Antelope Valley-East Kern Water Agency (AVEK) hereby submits its Case  
2 Management Statement for the hearing on August 30, 2011 in Department 316 of the Los  
3 Angeles County Superior Court.

4 I.

5 INTRODUCTION

6 In its Order dated July 14, 2011, the Court ordered all counsel to file Case  
7 Management/Case Status Narrative Statements for the Case Management Conference on August  
8 30, 2011. Antelope Valley-East Kern Water Agency has participated in the mediation process  
9 with Justice Robie which at the present time is focused on division of water rights claimed in  
10 the adjudication. As the Court is aware, further mediation is scheduled with Justice Robie on  
11 August 30 and 31, 2011.

12 II.

13 PHYSICAL SOLUTION

14 A division of Native Safe Yield water rights includes return flows, water allocation to  
15 the two classes and the potential claim of self-help by parties not participating in the mediation  
16 process. Hopefully these issues can be resolved by Justice Robie. If necessary, a key issue that  
17 should be addressed in the next phase of trial is basin management in the form of the Court's  
18 development of a Physical Solution. The development of a Physical Solution may include the  
19 following:

- 20 1. A rampdown of existing pumping to attain Native Safe Yield to allow the  
21 economy and ratepayers an opportunity to adjust over a period of years.
- 22 2. Management zones which may benefit from independent management.
- 23 3. Transferability rules if production transfer is to be allowed.
- 24 4. An assessment structure to fund a Watermaster engineer and purchase  
25 supplemental water.
- 26 5. Possible appointment of an interim Watermaster subject to the control and  
27 direction of the Court which would assist in developing a Physical Solution as directed by the  
28 Court.

1 The Physical Solution should leave little discretion in a Watermaster. All Watermaster  
2 decisions should be subject to review by the Court. The Court is in effect the final decision  
3 maker. Watermaster can be removed at any time by the Court or any party to the adjudication  
4 upon proper noticed motion to all parties of the adjudication.

### 5 III.

#### 6 SUPPLEMENTAL WATER AND DELIVERY SYSTEMS

7 Antelope Valley-East Kern Water Agency is a wholesale water agency. The Agency  
8 contracts with the State of California for 141,400 acre feet of Northern California water to  
9 provide supplemental water in the adjudicated basin areas as well as additional lands within the  
10 Agency's boundaries, but outside the area of adjudication. AVEK has available supplemental  
11 water. AVEK has the backbone plumbing system to deliver such water either alone or in  
12 cooperation with others to implement the Physical Solution which should include banking and  
13 conjunctive use.

14 It would be ideal to immediately implement a suggested approach by Scalmanini for the  
15 basin. However, the estimate of the cost to do so is the immediate purchase of unused AVEK  
16 entitlement. Based upon the state variable water rate it is estimated that the cost would be  
17 \$8,000.000 a year. This would be a tremendous burden on the economy in the area and on  
18 individual ratepayers of the public suppliers. Rampdown , growth and transfers will will  
19 eventually develop the funding to manage and purchase supplemental water. Other financing  
20 mechanisms may become acceptable to the community to import AVEK entitlement as well as  
21 purchase additional supplemental water.

### 22 IV.

#### 23 CONCLUSION

24 The next phase of trial if it is necessary, could develop the initial administration and  
25 organization of this adjudication and implementation of a Physical Solution. An interim  
26 Watermaster could assist the Court in this matter. Financing options, including grants are  
27 available to construct additional conveyance facilities.

1 Supplemental water is available, but at a tremendous cost to both the water purveyors and  
2 agricultural interests. A Physical Solution incorporating a gradual rampdown along with  
3 transferability would allow the community to adjust and eventually lead to the purchase of  
4 available supplemental water and acquisition of new supply as the economy develops.

5 Dated: August 26, 2011

**BRUNICK, McELHANEY, BECKETT, DOLEN  
& KENNEDY PLC**

6  
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I am employed in the County of the San Bernardino, State of California. I am over the age of 18 and not a party to the within action; my business address is 1839 Commercenter West, San Bernardino, California.

On August 26, 2011, I served the foregoing document(s) described as: **ANTELOPE VALLEY-EAST KERN WATER AGENCY'S CASE MANAGEMENT STATEMENT** on the interested parties in this action served in the following manner:

■ **BY ELECTRONIC SERVICE AS FOLLOWS** by posting the document(s) listed above to the Santa Clara website in the action of the *Antelope Valley Groundwater Litigation*, Judicial Council Coordination Proceeding No. 4408, Santa Clara Case No. 1-05-CV-049053.

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

Executed on August 26, 2011, at San Bernardino, California.

  
P. Jo Anne Quihuis