LAW OFFICES OF 1 SHELDON R. BLUM 2 2242 CAMDEN AVENUE, SUITE 201 SAN JOSE, CALIFORNIA 95124 TEL: (408) 377-7320 3 Fax: (408) 377-2199 STATE BAR No. 83304 4 Attorney for .BLUM TRUST 5 6 7 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA 8 IN AND FOR THE COUNTY OF LOS ANGELES 9 Coordinated Proceedings Special Title (Rule 1550 (b)) **Judicial Council Coordination Proceeding** No. 4408 ANTELOPE VALLEY GROUNDWATER Santa Clara Case No. 1-05-CV-049053 CASES 12 Included Actions: Assigned to Hon. Jack Komar 13 Los Angeles County Waterworks District SUPPLEMENTAL DECLARATION OF SHELDON No. 40 v. Diamond Farming Co. **BLUM TRUSTEE FOR BLUM TRUST &** os Angeles County Superior Court **OBJECTION TO DECLARATIONS OF BOLTHOUSE ENTITIES ANTHONY L. LEGGIO** Case No. BC 325 201 & TRACY M. SAIKI IN LIEU OF DEPOSITION 16 Los Angeles County Waterworks District **TESTIMONY FOR PHASE 4 TRIAL** No. 40 v. Diamond Farming Co. 17 Kern County Superior Court Case No. S-1500-CV-254-348 18 Wm. Bolthouse Farms, Inc., v. City of _ancaster; Diamond Farming Co. v. City of Lacncaster: Diamond Farming Co. v. City of 20 Palmdate Water District. Riverside County Superior Court Consolidated Action Nos. RIC 344 840, RIC 344 436. RIC 344 668 Defendants. 23 24 Pursuant to the Court's First Amendment to Case Management Order For Phase 4 Trial, 25 the BLUM TRUST submits its Supplemental Declaration & Objections to the BOLTHOUSE ENTITIES 26 Supplemental Declaration of Sheldon Blum Trustee & Objection To Declarations of Bolthouse Entities 27

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Declarations In Lieu of Deposition Testimony for Phase 4 Trial.

As discussed herein, The BOLTHOUSE ENTITIES have no legal nor equitable title to the groundwater beneficially and reasonably used to irrigate and harvest Carrots & Onions on the BLUM TRUST leased parcels. Rather, each admit in their responses to BLUM TRUST's Special Interrogatories, Set One, that there were no Lease Agreement terms that provided the BOLTHOUSE ENTITIES with any allocated entitlement to groundwater rights arising out of BOLTHOUSE FARMS farming operations on the leased parcels. (Declaration of Sheldon Blum, 2/8/13, Exhibit "C"). Furthermore, there is no genuine factual basis which as a matter of law, establishes any groundwater rights to the BOLTHOUSE ENTITIES in lieu of BLUM TRUST, based upon the Declarations of Mr. Anthony Leggio and/or Ms. Tracey Saiki.

SUPPLEMENTAL DECLARATION & OBJECTION TO BOLTHOUSE ENTITIES DECLARATIONS

- I, SHELDON R. BLUM, declare:
- 1. I am the Trustee for the BLUM TRUST, a party to this action. This supplemental declaration is made in further support of the Declaration of Sheldon Blum Trustee dated February 8, 2013, and in objection to the January 31, 2013, Declarations of BOLTHOUSE ENTITIES' Anthony L. Leggio, and Tracy M. Saiki in Lieu of Deposition Testimony For Phase 4 Trial. I have personal knowledge of each fact herein, and would testify competently thereto under oath.
 - I. <u>Courted Ordered Deposition of BOLTHOUSE ENTITIES Designated "PMK" With Production of Documents</u>
- 2. On January 16, 2013, the BLUM TRUST's 'meet and confer' discovery motion to compel the deposition testimony of WM. BOLTHOUSE FARMS, INC., Management Employees Daniel Wilke; Steve Rodrigeus; Michael Kovacevich and to produce business records at deposition,

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pursuant to the BLUM TRUST's Notice of Deposition & Production of Business Records dated

January 10, 2013, came on for hearing before the Hon. Jack Komar. After oral argument by the

parties counsel and good cause appearing, the Court ordered a 6-hour deposition of BOLTHOUSE

ENTITIES "PMK" (i.e. Person Most Knowledgeable), with documents to be taken during the week of

February 4, 2013. A true and correct copy of the BLUM TRUST Notice of Deposition & Production of

Business Records is attached as <u>Exhibit "1"</u>, herein.

3. On February 8, 2013, in Bakersfield, California, the deposition of BOLTHOUSE ENTITIES designated "PMK" Irrigation Equipment Manager DANIEL WILKE was taken, who appeared with BOLTHOUSE ENTITIES counselors' Mr. Richard Zimmer and Ms. Tracy Saiki without producing any documents, whatsoever. True and correct copies of relevant excerpts from the WILKE Deposition transcript are attached as **Exhibit "2"**, and incorporated by reference.

II. Deposition Testimony of Daniel Wilke "PMK"

- 4. DANIEL WILKE testified that he understood his designated role as "PMK" by the BOLTHOUSE ENTITIES regarding the amount and duration of groundwater used on BLUM TRUST's farmland. Mr. WILKE also stated that he knew the location of the water well(s) where the groundwater pumping occurred. However as later determined, such was not the case.
- 5. Mr. WILKE testified that during the 2002- 2009, lease term between BLUM TRUST and WM. BOLTHOUSE FARMS, INC, the groundwater used on the BLUM TRUST farmland came from the water wells on AVOL 14-3, NORTH and/or 14-3 SOUTH, located on Avenue 65 East & J Street. However, Mr. WILKE was unable to identify which of the two (2), water wells or whether both were used at any given time or year on the BLUM TRUST parcels. Furthermore, Mr. WILKE did not know the type of crop or applied irrigated acreage of the AVOL 14-3 NORTH and 14-3 SOUTH water wells

when not in use on the BLUM TRUST parcels.

- 6. Furthermore, Mr. WILKE testified that his "Updated Declaration of Dan Wilke Regarding Water Use on Blum Property" dated June 26, 2012, attached as Exhibits "C" & "D", filed State Water Resources Control Board ANNUAL NOTICES OF GROUNDWATER EXTRACTION from 2002-2007, regarding the AVOL 14-3 SOUTH and the AVOL 14-3 NORTH water well Applied Acre Feet. However he was unable to apportion any of the identified Acre Feet to some other parcel then the BLUM TRUST leased parcel.
- 7. In addition, Mr. WILKE admitted that the Applied Acre Feet entries for the BLUM TRUST parcels were the same Groundwater Production Applied Acre Feet numbers that are identified in the Declaration of Anthony L. Leggio, attached as Exhibit "F", thereto. True and correct copies of the Annual Notices of Groundwater Extraction and the Declaration of Leggio Exhibit "F", Groundwater Production Acre Feet copy with redaction, are collectively attached as Exhibit "3".
- 8. On October 22, 2009, at the hour of 11:00 am, I meet with BOLTHOUSE ENTITIES

 Director of Farming Operations Mr. Darren Filkens and Lancaster Ranch Manager Mr. Steve

 Rodrigues at the BLUM TRUST farmland for the purpose of inspecting and surrendering the

 leasehold premises. During our walk-through of the BLUM TRUST leased property, we observed

 groundwater pipeline hardware casings on both sides of the bordered streets of Avenue J, from

 imported groundwater delivered from the LAID 13-3 water well at APN 3384-008-020, and 70th Street

 East from imported groundwater delivered from the AVOL 14-3 water wells at 3384-004-004. On

 October 23, 2009, I wrote a confirming letter to Mr. Filkens regarding our meeting and necessary

 steps to restore the leased premises at the expiration of the lease term.
 - 9. In response, on November 16, 2009, I received an email from WM. BOLTHOUSE

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FARMS, INC's Agriculture Properties/Legal Manager Mr. Michael W. Kovacevich, which attached my October 23, 2009, letter To Mr. Filkens; a BLUM TRUST Plot Map Diagram; and Pictures that identified two (2) separate sources of groundwater piping delivered onto the BLUM TRUST farmland from both Avenue J and 70th Street East. Mr. Kovacevich's subject email, my confirming 10/23/009, letter, and the BLUM TRUST Plot Map Diagram are factually inconsistent with Mr. WILKE's "PMK" sworn deposition testimony of February 6, 2013, as well as his three (3) Declarations dated May 24, 2012, June 26, 2012 and September 6, 2012, regarding the amount, duration and location from where the groundwater was pumped onto the BLUM TRUST parcels. True and correct copies of my letter to Mr. Filkens, Mr. Kovacevich's email, and the BLUM TRUST Plot Map Diagram are collectively attached and marked as **Exhibit "4"**, and incorporated herein by reference.

- 10. Similarly, on November 30, 2011, Mr. Richard Zimmer remitted an email to me stating that that WM. BOLTHOUSE FARMS, INC, imported groundwater onto the BLUM TRUST parcels from the water wells designated as LAID 13-3 and AVOL 14-3 North and South. Mr. Zimmer's email is also factually inconsistent with Mr. WILKE's sworn deposition and declaration testimony, however entirely consistent with Mr. Kovacevich's email, and my observations and letter. A true and correct copy of Mr. Zimmer's email is attached and marked as **Exhibit "5"**, and incorporated herein by reference.
- 11. Likewise, both Mr. Kovacevich's email and attachments, and Mr. Zimmer's email are entirely consistent with my Declaration in Lieu of Deposition Testimony For Phase 4 Trial dated and e-filed on February 8, 2012, as well as the BLUM TRUST's Responses To Discovery Order For Phase 4 Trial dated and e-filed on December 21, 2012, which are incorporated herein by reference.

III. Conclusion

12. Based on the foregoing, and on information and belief, it is customary for farmers in the Antelope Valley Basin to use two (2) separate parcels, similar to the subject LAID, AVOL and BLUM TRUST farmland parcels, to represent a 'collective farming unit' to irrigate and harvest agriculture crops. Consistent therewith, the BLUM TRUST farmland consisting of 119 acres, as a matter of law should be allocated all groundwater rights associated to BOLTHOUSE FARMS beneficial and reasonable agriculture use on the leased premises from 2002-2009. Consequently, both the AVOL parcel consisting of approximately 80 Acres and/or the LAID parcel consisting of approximately 40 Acres, are each smaller in size to the BLUM TRUST 119 Acre parcel, and therefore historic groundwater pumping from those water wells could never be duplicated in irrigated Acre Feet as applied to the BLUM TRUST leased parcel.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, including those matters stated on information and belief.

Executed this 22th day of February 2013, at San Jose, California.

SHELDON R. BLUM