LAW OFFICES OF 1 SHELDON R. BLUM 2242 CAMDEN AVENUE, SUITE 201 2 SAN JOSE, CALIFORNIA 95124 TEL: (408) 377-7320 3 Fax: (408) 377-2199 STATE BAR No. 83304 4 Attorney for BLUM TRUST 5 6 SUPERIOR COURT OF THE STATE OF CALIFORNIA 7 COUNTY OF LOS ANGELES - CENTRAL DISTRICT 8 Coordinated Proceedings **Judicial Council Coordination Proceeding** Special Title (Rule 1550 (b)) No. 4408 ANTELOPE VALLEY GROUNDWATER Santa Clara Case No. 1-05-CV-049053 CASES STATUS CONFERENCE STATEMENT 11 OF BLUM TRUST Included Actions: 12 Los Angeles County Waterworks District Date: May 23, 2014 No. 40 v. Diamond Farming Co. Time: 9:00 a.m. Los Angeles County Superior Court Place: Telephonic Case No. BC 325 201 Judge: Hon. Jack Komar 15 Los Angeles County Waterworks District 16 No. 40 v. Diamond Farming Co. Kern County Superior Court 17 Case No. S-1500-CV-254-348 18 Wm. Bolthouse Farms, Inc., v. City of 19 Lancaster; 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 22 23 AND RELATED CROSS-ACTIONS 24 25 The Blum Trust respectfully submits the following Status Conference Statement. 26 27 Blum Trust's Status Conference Statement

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The Blum Trust has had limited involvement in the parties settlement discussions through telephonic appearance while monitoring its progress. The Blum Trust plans to participate in the settling parties' Physical Solution consistent with all overlying settling parties, including receiving a correlative share of 85% of the Federally Adjusted Native Safe Yield for reasonable and beneficial uses on its overlying parcels free of replacement assessment.

By virtue of the location of Blum Trust's 150 Acres of farmland which overlies the Antelope Valley Area of Adjudication, the Blum Trust has an appurtenant/correlative right to pump and/or divert groundwater for the reasonable and beneficial use of its farmland.

The Blum Trust further agrees with the settling parties on the implementation of water control safeguards and methods of achieving anticipated reduction of production pumping in the future arising out of overdraft and/or triggering cutbacks.

The Blum Trust intends to participate in the Phase 6 Trial. The trial setting for Phase 6 should provide sufficient time for the discovery of lay and expert witnesses, filing of dispositive motions, filing of in limine motions and exchanging of Trial Exhibits and Briefs between the parties.

As explained in earlier case management conference statements and briefs, since 1985

Blum Trust has owned approximately 150 acres of farmland located in the City of Lancaster, County of Los Angeles identified as APN: (1) 3384-009-001 [80+/- Acs.]; (2) 3384-009-006 [39 +/- Acs.]; (3) 3384-020-012 [10+/-Acs.]; (4) 3384-020-013 [10+/- Acs.]; (5) 3262-016-011 [10+/- Acs.].

During all relevant time-frames assigned by the Court, the Blum Trust's overlying extraction/allocation claims/rights on APN 3384-009-001 [80+/- Acs.], and 3384-009-006 [39 Acs.] are based on a deep rooted, traditional and historic "Collective Farming Unit", arising under an Agriculture Lease Agreement between Former Lessor Blum Trust and Lessee Bolthouse Farms.

The adjacent water well parcels of Former Lessee Wm. Bolthouse Farms, Inc, and its assignee and/or successor in interest Bolthouse Properties, LLC identified as <u>AVOL 14-3 North</u>; <u>AVOL 14-3 South</u>; <u>& LAID 13-3</u>, were reasonably and beneficially used to conduct its farming operations on Blum's parcels via irrigating and harvesting Carrots & Onions. All of the agriculture lease covenants were deemed *covenants running with the land* and inured to the benefit of and be binding upon the successors in interest of the parties.

The Blum Trust groundwater pumping/allocation rights are both crop determined and recorded under Annual Notices of Groundwater Extraction And Diversions. The California Department of Water Resources, Southern District archives further identifies **two (2) recorded**"Water Well Index Cards" filed by Blum Trust's farming predecessors, who drilled water wells on the Blum Trust parcels. A **third (3rd) water well** is also present on the property.

The law disfavors forfeitures which are strictly construed in favor of the persons against whom they are sought to be imposed. (*Tamalpais Land & Water Co. v. Northwestern Pac. R. Co.* (1946) 73 Cal.App.2d 917, 929; *County of Los Angeles v. Granite State Ins. Co.* (2004) 121 Cal.App.4th 1,3.).

Based on the foregoing, the Blum Trust's groundwater entitlement are not duplicative to any parties' claims, nor injuries, prejudicial, or otherwise unreasonably effect the overall economy, or the fish, wildlife or other instream beneficial uses of the basin. (*Water Code §1736;* and *Barnes v. Hussa* (2006) 136 Cal.App.4th 1358, 39 Cal.Rptr. 3d 659).

Dated: May 20, 2014

Respectfully submitted,

LAW OFFICES OF SHELDON R. BLUM

By:

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Blum Trust's Status Conference Statement