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**Attorney for BLUM TRUST**

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
COUNTY OF LOS ANGELES - CENTRAL DISTRICT**

Coordinated Proceedings  
Special Title {Rule 1550 (b)}

Judicial Council Coordination Proceeding  
No. 4408

**ANTELOPE VALLEY GROUNDWATER  
CASES**

Santa Clara Case No. 1-05-CV-049053

Included Actions:

**BLUM TRUST'S CASE MANAGEMENT  
CONFERENCE STATEMENT**

Los Angeles County Waterworks District  
No. 40 v. Diamond Farming Co.  
Los Angeles County Superior Court  
Case No. BC 325 201

Date: August 11, 2014  
Time: 10:00 a.m.  
Place: Courtroom 222  
Judge: Hon. Jack Komar

Los Angeles County Waterworks District  
No. 40 v. Diamond Farming Co.  
Kern County Superior Court  
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. City of  
Palmdale Water District.  
Riverside County Superior Court  
Consolidated Action Nos. RIC 344 840,  
RIC 344 436, RIC 344 668

**AND RELATED CROSS-ACTIONS**

BLUM TRUST respectfully submits the following Case Management Conference Statement:

1 **I. PROCEDURAL COMPLIANCE BY BLUM TRUST**

2 This Court's order following the *May 23, 2014* Case Management Conference instructed  
3 counsel for BLUM TRUST to attempt to resolve all unresolved issues and evidentiary matters in  
4 dispute with the settling parties, arising out of BLUM TRUST's overlying groundwater production  
5 rights.

6  
7 On *June 12, 2014*, counsel for BLUM TRUST E-filed on the court's Discovery web site a  
8 letter addressed to 'All Attorneys and Unrepresented Parties' which outlined twenty (20)  
9 undisputed facts with footnotes, supported by twenty (22) evidentiary exhibits and decisional law.  
10 This letter was supplemented by an E-filed *June 20, 2014, letter* which attached one (1) exhibit.

11 In response, there was only one (1) objection raised by counsel for WM. BOLTHOUSE  
12 FARMS, INC, and BOLTHOUSE PROPERTIES, LLC. The objection was generic and did not  
13 contest any of BLUM TRUST's 20 undisputed facts or 23 evidentiary exhibits.

14 At the *July 11, 2014*, Case Management hearing, this Court ordered counsel for BLUM  
15 TRUST to 'meet and confer' with the Liaison Committee by *July 31, 2014*, to determine all matters  
16 that either can be stipulated or otherwise are in dispute with the settling parties as it pertains to  
17 BLUM TRUST's overlying production rights.

18  
19 On *July 30, 2014*, a Liaison Committee 'meet and confer' telephone conference was held  
20 in which counsel for BLUM TRUST discussed it's production rights. The meeting concluded with  
21 the understanding that BLUM TRUST would set forth a writing of all relevant facts to support its  
22 groundwater production from the Basin's native yield.

23 Once again, on *July 30, 2014*, counsel for BLUM TRUST E-filed on the Discovery web  
24 site, a letter which set forth fifteen (15) statement of facts, with footnotes, supported by evidentiary  
25

1 exhibits, and legal analysis to establish BLUM TRUST's entitlement to water production rights.

2 Briefly stated, the subject statement of facts either had a tendency in reason to either  
3 prove a fact in dispute, related to or concerned BLUM TRUST's entitlement to groundwater  
4 production claims/rights, or otherwise addressed a potential defense of another party who may  
5 seek to deny BLUM TRUST's production claims/rights.

6  
7 Counsel for the Woods Class was the only responding party who requested clarification on  
8 five (5) statement of facts. By letter dated *August 1, 2014*, Mr. Sheldon R. Blum replied to Mr.  
9 Michael D. McLachlan's inquiries.

10 To date, no other counsel or party has voiced any legal position but rather have abstained  
11 from any involvement. It is this counsel's position that there are no unresolved evidentiary matters  
12 nor factual issues in dispute between the settling/non-settling parties and BLUM TRUST.

13 Based on the foregoing, BLUM TRUST respectfully request a Stipulated Order shorting  
14 time to file a Motion for Summary Judgment on its overlying production rights relative to its  
15 approximate 120 acres of farmland which has 3 water wells, located in the City of Lancaster, CA,  
16 identified as APN: (1) 3384-009-001= 80+/-Acs.; & (2) 3384-009-006= 39+/-Acs.

17  
18 If this Court should deny BLUM TRUST'S Motion, BLUM TRUST requests a Trial without  
19 delay. Except for Expert Witness disclosure and discovery, there is nothing further which needs to  
20 be undertaken on the BLUM TRUST matter.

21 This court should note that BLUM TRUST's additional 30 acres at APN: (3) 3384-020-  
22 012=10+/-Acs.; (4) 3384-020-013=10+/-Acs.; & (5) 3262-016-011=10+/-Acs., do not have water  
23 wells on the parcels and therefore are similarly situated with the Willis Class landowners. BLUM  
24 TRUST agrees with and is in Joinder to the WILLIS Case Management Statement filed herein. By  
25

1 virtue of the location of these overlying parcels the BLUM TRUST has an appurtenant/correlative  
2 right to pump and/or divert groundwater for their beneficial use.

3 **II. SUBSTATIVE ISSUE REGARDING BLUM TRUST'S OVERLYING PRODUCTION CLAIM**

4 The only apparent *Query* for adjudication regarding the above-stated APNs' 1 & 2, is one  
5 (1) legal issue:

6 Whether the groundwater pumped from Lessee BOLTHOUSE FARM's  
7 adjacent parcels' water well(s) which were applied and beneficially used  
8 on Lessor BLUM TRUST's 120 Acres of overlying farmland to irrigate  
9 onions and carrots during BOLTHOUSE FARMS lease term (id. 1/1/2002  
10 through 12/31/2009), is to be allocated to BLUM TRUST, BOLTHOUSE  
11 FARMS or otherwise forfeited?

12 'Farming Units' involving separate parcels have been traditionally operated in the Antelope  
13 Valley Basin farming community. The method of extracting groundwater from one water well on a  
14 APN parcel for use on a contiguous or adjoining APN parcel is both an Overlying Landowner  
15 farming practice and Water Supplier practice. Likewise, water diversions and transfers are also  
16 appropriate under the California Water Code.

17 After marshaling the facts and evidence, this court should find that the groundwater  
18 production entitlement belongs to the 'Place of Use' farmland of BLUM TRUST as a valid exercise  
19 of groundwater production rights, and under the terms of an Agriculture Lease Agreement, free of  
20 replacement assessment. The '*Privity of Contract*' farming operation was a valid exercise of  
21 overlying production rights in conformity with good agriculture farming standards, practices, and in  
22 compliance with all applicable State and Federal laws.

23 Furthermore, the 'Place of Use' methodology most accurately represents BLUM TRUST's  
24 reasonable and beneficial water usage without any danger of "double counting", nor impairment or  
25 injurious to the rights of others.

1 It is also a matter of record that the Declaration of BOLTHOUSE FARMS, INC's General  
2 Counsel, Ms. Tracy M. Saiki dated January 31, 2013, declared that "**BOLTHOUSE FARMS is not**  
3 **claiming any groundwater rights in this action.**" (E-filed #5958). Consistent with BLUM TRUST's  
4 & BOLTHOUSE FARMS' legal position, BOLTHOUSE PROPERTIES President Anthony L. Leggio  
5 verified in discovery (*id.* May 9, 2008, *Response To Blum Trust's Special Interrogatories No. 92*), that  
6 BOLTHOUSE FARMS 'leased BLUM TRUST'S water rights regarding the SUBJECT  
7 PROPERTY'. (E-filed #8990).

8  
9 Based on the doctrine of **Judicial Estoppel** both BOLTHOUSE ENTITIES are debarred  
10 from contesting BLUM TRUST's water rights. They have long recognized its existence in its  
11 business records (*id.* Addendum Exhibits To Declaration of Anthony L. Leggio dated 5/13/13, Exhibit  
12 "P-1", *Crop Rotation*, & Exhibit "P-2" *Legend Crop Map*) (E-filed #5929); filed Annual Notices of  
13 Groundwater Extraction & Diversion Forms; and in their discovery responses.

14 **III. CONCLUSION**

15 An expedited setting for a Motion for Summary Judgment and/or Trial is requested.

16  
17 As a matter of law, BLUM TRUST's groundwater entitlement is measured and limited by the  
18 'Place of Use' methodology. Under the Applied Crop Water Duties & Irrigation Efficiency Values for  
19 Onions (*id.* *Summary Expert Report Appendix D-3: Table 4* ), during the 2004-2005 harvest, BLUM  
20 TRUST's production rights equals **531 Ac. Ft. Per Year** (118 Acres Irrigated x 4.5 Applied Crop  
21 Water Duty), and is without danger of "double counting" or injurious to the rights of others.

22 Dated: August 8, 2014

23 Respectfully submitted,  
LAW OFFICES OF SHELDON R. BLUM

24 By:   
25 SHELDON R. BLUM, Esq.  
Attorney For The BLUM TRUST