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Attorneys for Plaintiff and the Class

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF LOS ANGELES**

**ANTELOPE VALLEY  
GROUNDWATER CASES**

) RELATED CASE TO JUDICIAL  
) COUNCIL COORDINATION  
) PROCEEDING NO. 4408  
)

This Pleading Relates to Included Action:  
REBECCA LEE WILLIS, on behalf of herself  
and all others similarly situated,

) WILLIS CLASS' CASE MANAGEMENT  
) CONFERENCE STATEMENT  
)

Plaintiff,

vs.

LOS ANGELES COUNTY WATERWORKS  
DISTRICT NO. 40; CITY OF LANCASTER;  
CITY OF LOS ANGELES; CITY OF  
PALMDALE; PALMDALE WATER  
DISTRICT; LITTLEROCK CREEK  
IRRIGATION DISTRICT; PALM RANCH  
IRRIGATION DISTRICT; QUARTZ HILL  
WATER DISTRICT; ANTELOPE VALLEY  
WATER CO.; ROSAMOND COMMUNITY  
SERVICE DISTRICT; MOJAVE PUBLIC  
UTILITY DISTRICT; and DOES 1 through  
1,000;

) Date: June 19, 2012  
) Time: 9:00 a.m.  
) Dept: 316 (CCW)  
) Judge: Hon. Jack Komar  
) Coordination Trial Judge  
)

Defendants.

The Willis Class respectfully submits the following status conference statement. We  
write to explain why the Willis Class has not been actively participating in the mediation before  
Justice Robie and to express our concerns regarding that mediation.

1 As this Court is aware, the Willis Class entered into a Stipulation of Settlement (the  
2 “Settlement” or “Stipulation”) with the Public Water Suppliers (“Appropriators”) in July 2010,  
3 which was approved by the Court in February 2011 and entered as a Final Judgment in our case  
4 on May 13, 2011. That Settlement resolved all claims that the Willis Class had asserted in this  
5 litigation.

6 The Stipulation provides, in pertinent part, that: “the Settling Defendants [Appropriators]  
7 and the Willis Class Members each have rights to produce groundwater from the Basin’s . . .  
8 Native Safe Yield (¶ IV.D.); *and that the “Settling Defendants will not take any positions or*  
9 *enter into any agreements that are inconsistent with the exercise of the Willis Class members’*  
10 *Overlying Right to produce and use their correlative share of 85% of the Basin’s Native Safe*  
11 *Yield”* (¶ IV.D.2.) (emphasis added). The Settlement further provides that the Class will be  
12 bound by a Physical Solution ultimately entered by the Court, but only if such a Physical  
13 Solution is “consistent with the terms of this Stipulation.” (¶ V.B.).

14 Further, the Appropriators insisted that Class Counsel cease active involvement in the  
15 litigation and not seek further compensation from them (except for certain narrowly defined  
16 circumstances). In reliance on the fact that the Settlement was approved and became final, as  
17 well as the fact that no other parties have asserted any claims against the Class, Willis has not  
18 actively participated in the recent settlement negotiations before Justice Robie. Willis is pleased  
19 that the parties appear to be making progress towards a comprehensive resolution and will  
20 whole-heartedly support any resolution that is consistent with the terms of the Settlement that the  
21 Class previously reached with the Appropriators.

22 Based on comments that have recently been made to the Court, however, we are  
23 concerned that the mediating parties may be negotiating a proposed Physical Solution that  
24 allocates all or virtually all of the Basin’s groundwater to existing pumpers and does not respect  
25 the Class’ correlative rights to use the Basin’s Native Safe Yield, as provided by the Stipulation  
26 and May 13, 2011 Judgment. Although we agree that it is critically important for the parties to  
27 this coordinated proceeding to reach a comprehensive settlement that fairly allocates use of the  
28 Basin’s available groundwater and protects the Basin for future users, we must and will insist

1 that the Class' rights under the Settlement not be abrogated. In our view, Willis cannot agree to  
2 any proposal that does not confer meaningful benefits to the class members or respect their  
3 correlative rights. On behalf of landowners of some 65,000 parcels, which constitute  
4 approximately 60% of the Basin, we will reluctantly have to object to any proposal that does not  
5 fully respect the Class' Court-approved rights, or provide meaningful benefits to the Class,  
6 should such a proposal be presented for approval. Further, as noted above, we believe any such  
7 proposal would be inconsistent with the Court's May 13, 2011 Final Judgment.

8 We have raised these concerns with the Appropriators and other mediating parties. As  
9 noted above, however, Class Counsel's active ongoing involvement is restricted by the terms of  
10 the Stipulation (absent further Order of this Court under paragraph VIII.D.c of the Stipulation).  
11 Hence, we will continue to rely upon the terms of the Settlement in the expectation that any  
12 proposed Physical Solution will fully respect the Class' correlative rights that were recognized  
13 under the Stipulation and Judgment. However, we feel it important to advise the Court and all  
14 parties that, to the extent a proposed Physical Solution does not respect the Class' rights to use  
15 the Basin's groundwater, we will reluctantly have to oppose it.

16 Dated: June 13, 2012

KRAUSE KALFAYAN BENINK  
& SLAVENS LLP

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18  
19 /s/Ralph B. Kalfayan

20 Ralph B. Kalfayan, Esq.  
21 David B. Zlotnick, Esq.  
22 Attorneys for Plaintiff and the Class  
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