

Robert G. Kuhs, SBN 160291
Bernard C. Barmann, Jr., SBN 149890
Kuhs & Parker
P. O. Box 2205
1200 Truxtun Avenue, Suite 200
Bakersfield, CA 93303
Telephone: (661) 322-4004
Facsimile: (661) 322-2906
E-Mail: rgkuhs@kuhsparkerlaw.com

Attorneys for Granite Construction Company

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

**ANTELOPE VALLEY GROUNDWATER
CASES**

Included Actions:

Los Angeles County Waterworks District No. 40
v. Diamond Farming Co., Superior Court of
California, County of Los Angeles, Case No. BC
325201;

Los Angeles County Waterworks District No. 40
v. Diamond Farming Co., Superior Court of
California, County of Kern, Case No. S-1500-CV-
254-348;

Wm. Bolthouse Farms, Inc. v. City of Lancaster,
Diamond Farming Co. v. Lancaster, Diamond
Farming Co. v. Palmdale Water Dist., Superior
Court of California, County of Riverside, Case
No. RIC 353 840, RIC 344 436, RIC 344 668

Judicial Council Coordination No. 4408

Santa Clara Case No. 1-05-CV-049053
Assigned to Hon. Jack Komar

**DECLARATION OF MICHAEL D.
MCLACHLAN IN OPPOSITION TO
LANE FAMILY'S MOTION FOR
POST JUDGMENT
SUPPLEMENTAL ORDER RE
GRANITE CONSTRUCTION
COMPANY**

Date: March 21, 2016
Time: 1:30 p.m.
Dept.: TBA
Court: San Jose Superior Court
191 N. First Street
San Jose, CA 95113

I, MICHAEL D. MCLACHLAN, declare:

1. I make this declaration of my own personal knowledge, except where stated on
information and belief, and if called to testify in Court on these matters, I could do so
competently.

1 2. I am co-counsel of record of record for Plaintiff Richard Wood and the Small
2 Pumper Class, and am duly licensed to practice law in California.

3 3. In February 2014, the Court suspended the Phase 5 trial on Federal Reserve
4 Rights and Right to Return Flow of Imported Water, and ordered the parties into settlement
5 discussions at the offices of Best, Best & Krieger (**BBK**) in Los Angeles, California. Over the
6 next several weeks, I, along with more than 40 lawyers, participated in negotiating the
7 substantive framework for the current settlement and water allocation among the various parties.

8 4. On or about March 31, 2014, lawyers representing more than 100 parties met at
9 the BBK offices for continued settlement negotiations. I was present for my clients. Robert G.
10 Kuhs was present representing Tejon Ranchcorp and Granite Construction Company (**Granite**).
11 Ted Chester was also present representing his clients Littlerock Sand & Gravel, Inc. (**LS&G**),
12 Landinv, Inc., Frank and Yvonne Lane 1993 Trust, George and Charlene Lane Family Trust,
13 A.V. Materials, Inc., Littlerock Aggregate Co., Holliday Rock Co., Inc., Monte Vista Building
14 Sites, Inc., and Bruce Burrows and 300 A 40 H, LLC.

15 5. I understood based in part on the Phase 4 evidence that Granite operated two
16 quarries within the AVAA, the Big Rock Quarry and the Little Rock Quarry. I also understood
17 that Granite owns the land under the Big Rock Quarry, and that the land under the Little Rock
18 Quarry is owned in part by Granite, and in part by LS&G and leased to Granite. I was also
19 informed that Granite, not LS&G, was using the water.

20 6. As part of the global settlement, and in particular the allocations of native safe
21 yield on Exhibit 4 to the Stipulation for Entry of Judgment and Physical Solution, I along with
22 the other stipulating parties, agreed to allocate 126 acre-feet to Granite for its Big Rock Quarry,
23 and 234 acre-fee related to Granite's operation at the Little Rock Quarry. As a necessary part of
24 the allocation settlement between the stipulating parties, Ted Chester and Robert Kuhs reached
25 an agreed allocation of the 234 acre-feet as between Granite, with Granite retaining 100 acre-feet
26 and LS&G receiving the balance.

27 7. On April 4, 2014, as reflected in the minute order, counsel appeared before the
28 Court and reported that all parties had reached a global settlement. (Docket # 8932.) At this

1 time, it was my understanding, based on the prior representations of counsel, that allocation
2 issues had been resolved.

3 8. In November 2014, Ted Chester suggested that the stipulating parties leave an
4 opening in the Stipulation to allow Lane to litigate its dispute with Granite. During an email
5 exchange on November 24, 2014, I made it clear to Mr. Chester that his proposal was not
6 acceptable and that Mr. O'Leary and I were not willing to leave Exhibit 4 open to future
7 litigation. I also made it clear in the email that Mr. Lane and his related business interests either
8 needed to be part of the settlement, or entirely outside the settlement.

9 9. In late February of 2015, Mr. Chester submitted the signature pages of Lane Trust
10 and LS&G to the Stipulation for Entry of Judgment and Physical Solution to James Dubois and
11 me. These were among the very last signatures we received. In submitting the signature pages,
12 Mr. Chester made comment about potential further litigation over Exhibit 4 allocations, but I
13 took those as posturing and of no real import. Given my prior statements to Mr. Chester, the
14 similar statements from other counsel, and the clear language of Stipulation that all disputes
15 between the stipulating parties were resolved (Stipulation at ¶ 2.b), I concluded that the potential
16 allocation dispute between LS&G and Granite was terminated with the submission of the LS&G
17 signature page. With that understanding, I submitted the fully executed Stipulation to the Court
18 for preliminary approval on March 4, 2015.

19 10. I am opposed to any change in the allocation on Exhibit 4, as that could
20 jeopardize the Judgment and Physical Solution, and the substantial benefits the Small Pumper
21 Class has achieved under that Stipulation.

22 I declare under penalty of perjury under the laws of the State of California that the
23 foregoing is true and correct.

24 Executed this 8th day of March, 2016, at Hermosa Beach, California.

25
26 
27 _____
28 Michael D. Mclachlan