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

8 Coordination Proceeding
9 Special Title (Rule 1550(b))

10 ANTELOPE VALLEY GROUNDWATER
11 CASES

12 RICHARD A. WOOD, an individual, on behalf
13 of himself and all others similarly situated,

14 Plaintiff,

15 v.

16 LOS ANGELES COUNTY WATERWORKS
17 DISTRICT NO. 40; et al.,

18 Defendants.

Judicial Council Coordination Proceeding
No. 4408

(Honorable Jack Komar)

Case No. BC 391869

**DECLARATION OF
JENNIFER M. KEOUGH
REGARDING NOTICE
DISSEMINATION**

19 I, JENNIFER M. KEOUGH, declare as follows:

20 1. I am Chief Operating Officer of The Garden City Group, Inc. ("GCG"). The
21 following statements are based on my personal knowledge and information provided by other
22 GCG employees working under my supervision, and if called on to do so, I could and would
23 testify competently thereto.

24 2. GCG was retained in the above-captioned litigation (the "Litigation"), and
25 appointed pursuant to Section VI.B of the Wood Class Stipulation of Settlement (the "Stipulation
26 of Settlement") to serve as the Administrator. I submit this Declaration in order to provide the
27 Court and the parties to the Litigation with information regarding: (i) the dissemination of the

1 Notice of Partial Class Action Settlement for the “Small Pumper” Class Action (the “Notice”), as
2 directed by paragraph 1 of the Court’s Order Granting Preliminary Approval of Class Action
3 Partial Settlement and Notice to the Class (the “Order”); and (ii) the list of persons who have
4 requested exclusion from the Class, pursuant to paragraph 7 of the Order.

5
6 **DISSEMINATION OF THE NOTICE**

7 3. In paragraph 1 of the Order, the Court found that the form and content of the
8 Notice would provide the best practicable notice to Class Members. Pursuant to the Order, GCG
9 was responsible for disseminating the Notice to the “Wood Class,” as defined in Section III.Y of
10 the Stipulation of Settlement:

11 All private (*i.e.*, non-governmental) persons and entities that own real property
12 within the Basin, as adjudicated, and that have been pumping less than 25 acre-
13 feet per year on their property during any year from 1946 to the present. The
14 Class excludes the defendants herein, any person, firm, trust, corporation, or
15 other entity in which any defendant has a controlling interest or which is
16 related to or affiliated with any of the defendants, and the representatives,
heirs, affiliates, successors-in interest or assigns of any such excluded party.
The Class also excludes all persons and entities that are shareholders in a
mutual water company.

17 4. On or about October 29, 2013, Plaintiff’s Counsel provided GCG with Excel
18 spreadsheets containing data records for 4,312 Class Members (“Class List”), which included
19 Class Members’ names and addresses. However, data records for nine (9) Class Members did
20 not contain a valid mailing address. Those nine (9) records were forwarded to Class Counsel for
21 further research.

22 5. GCG promptly loaded the information into the database created for this Litigation
23 and updated the addresses through the National Change of Address (NCOA) database. Of the
24 4,312 records sent out for search, 366 were returned with address updates, and GCG updated the
25 addresses accordingly. GCG gave unique identifiers to all records in order to maintain the ability
26 to track them throughout the administration process.
27

1 6. GCG thereafter formatted the Notice and caused it to be printed, posted for first-
2 class mail, postage prepaid, and delivered to a U.S. Post Office for mailing to each Class
3 Member on October 31, 2013 (the “Main Notice Date”).

4 7. On the Main Notice Date, 4,303 copies of the Notice were mailed. A copy of the
5 Notice, as mailed, is attached hereto as **Exhibit A**.

6 8. Pursuant to Section VI.B of the Stipulation of Settlement, on the Main Notice
7 Date, GCG also sent the Notice as a PDF e-mail attachment to the 124 unique Class Member e-
8 mail addresses contained in the Class List. The Notice was successfully delivered to 89 of the
9 124 e-mail addresses.

10 9. On or about November 2, 2013, Class Counsel provided contact information for
11 the nine (9) Class Members for whom contact information was missing on the original Class
12 List. Two (2) of the nine (9) Class Members had additional contact addresses. GCG caused
13 eleven (11) copies of the Notice to be printed, posted for first-class mail, postage prepaid, and
14 delivered to a U.S. Post Office for mailing to each Class Member on November 6, 2013 (the
15 “Supplemental Notice Date”).

16 10. Notices that were returned by the U.S. Postal Service with forwarding address
17 information were promptly re-mailed using the updated address information received from the
18 U.S. Postal Service. As of December 2, 2013, GCG had re-mailed eleven (12) Notices to
19 updated addresses received from the U.S. Postal Service.

20 11. As of December 2, 2013, a total of 690 Notices had been returned undeliverable
21 without forwarding address information.

22
23 **REQUESTS FOR EXCLUSION**

24 12. Pursuant to Section VI.C of the Stipulation of Settlement, Class Members who
25 wished to exclude themselves from the Settlement had to do so in writing by submitting a signed
26 and dated opt-out request to GCG, postmarked no later than December 2, 2013. As of
27 December 2, 2013, GCG had received six (6) timely requests for exclusions from the Class.

1 A list of the Class Members who have requested exclusion is attached to this Declaration as
2 **Exhibit B.**

3
4 **OBJECTIONS TO THE SETTLEMENT**

5 13. Pursuant to paragraph 10(d) of the Order, Class Members who wish to object to
6 the Settlement have to do so in writing by submitting their objections to the Court and the
7 parties' Counsel by December 4, 2013. As of December 2, 2013, the Administrator had not
8 received any objections.

9 I declare under the penalty of perjury under the laws of the State of California that the
10 foregoing is true and correct to the best of my knowledge and belief.
11

12 Executed on December 3, 2013, at Seattle, Washington.

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15 _____
16 JENNIFER M. KEOUGH
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Exhibit A

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

RICHARD A. WOOD, an individual, on behalf of
himself and all others similarly situated,

Plaintiff,

v.

LOS ANGELES COUNTY WATERWORKS
DISTRICT NO. 40; et al.,

Defendants.

JUDICIAL COUNCIL COORDINATION
PROCEEDING No. 4408

**NOTICE OF PARTIAL CLASS ACTION
SETTLEMENT FOR THE “SMALL
PUMPER” CLASS ACTION**

**TO CERTAIN ANTELOPE VALLEY LANDOWNERS WHO HAVE IN THE PAST, OR CURRENTLY PUMP
GROUNDWATER ON THEIR PROPERTY: CAREFULLY READ THIS NOTICE, AS IT MAY AFFECT YOUR
RIGHT TO PUMP GROUNDWATER ON YOUR PROPERTY IN THE FUTURE.**

GENERAL INFORMATION

1. Why was this notice issued?

You have been sent this Notice because as a property owner in the Antelope Valley, your rights to pump and use groundwater on your property may be affected by this case. The Court issued this notice because you have a right to know about a proposed partial settlement of a class action lawsuit that the Court has preliminarily approved. If the Court grants final approval and any appeals are resolved, this settlement will resolve certain of your rights with the Settling Defendants, and may impact the future determination of your water rights. This notice explains the lawsuit, the partial settlement, your legal rights, who is in the class, and your options.

2. What is this lawsuit about?

This Class Action lawsuit involves water rights in the Antelope Valley Groundwater Basin. Under California law, property owners have a right to pump and use groundwater (water underneath the surface) on their land. In this case, however, the Court has determined that the naturally available supply of water in the Basin may not be adequate to satisfy everyone who wants to use that water.

Plaintiff Richard Wood brought this action to protect his right and that of other Antelope Valley landowners to pump and use the water under their properties and to obtain compensation for any wrongful taking of their property rights. Mr. Wood claims that he and other landowners have water rights which are superior to the rights of certain public water suppliers to use that water. The public water suppliers claim that their historical pumping has given them superior water rights. If the public water suppliers win, your rights to use the groundwater under your property may be cut back. The Court has not yet ruled on these claims.

3. Who is involved in this lawsuit?

Plaintiff Richard Wood is the plaintiff and class representative. On his behalf and on behalf of the class he represents, he is suing ten public water suppliers in the Antelope Valley: City of Lancaster; City of Palmdale; Desert Lake Community Services District; Littlerock Creek Irrigation District; Los Angeles County Waterworks District No. 40; North Edwards Water District; Palmdale Water District; Palm Ranch Irrigation District; Phelan Piñon Hills Community Services District; Quartz Hill Water District; and Rosamond Community Services District. Mr. Wood also sued the cities of Lancaster and Palmdale.

This lawsuit is coordinated with several other lawsuits pending before a single judge, the Honorable Jack Komar. Those other lawsuits involve many other parties who also claim the right to pump groundwater in the Antelope Valley.

4. Why is there a partial settlement?

Some of the defendants wished to resolve their claims with the class at this time, while several others did not wish to settle. Richard Wood is settling with the City of Lancaster, Palmdale Water District, Phelan Piñon Hills Community Services District, and Rosamond Community Services District. Mr. Wood will continue to litigate all of the claims against the non-settling defendants.

CLASS MEMBERSHIP

5. How do I know if I am part of the class subject to this settlement?

You have been designated as a class member because records show that you own improved property in the Antelope Valley, and otherwise meet the class definition. The class includes all private (*i.e.*, non-governmental) landowners within the Antelope Valley Groundwater Basin that have pumped groundwater on their property at any time since 1946, with certain exceptions set out below. You were sent a Class Notice in 2009, and did not choose to opt out of the class at that time.

6. Are there exceptions to being included in the settlement?

You are not in the class if you fall within one of the categories set forth below:

- A. You have pumped 25 acre-feet or more of groundwater for use on that parcel in any calendar year since 1946; *or*
- B. You are a shareholder in a mutual water company in the Antelope Valley; *or*
- C. You are already a party to this litigation.

THE PARTIAL SETTLEMENT OF THIS LAWSUIT

7. Who is included in the settlement?

Richard Wood and the class are settling with six defendants in this lawsuit: City of Lancaster; Palmdale Water District; Phelan Piñon Hills Community Services District; and Rosamond Community Services District.

8. What does the settlement provide?

Of primary benefit to you is the agreement by the Settling Defendants to drop their prescription claims against you. The prescription claims asserted that these defendants had potentially obtained by way of their adverse historical pumping, a portion of your right to pump water in the Antelope Valley. The Settling Defendants are agreeing not to challenge the class' assertion of the right of class members to pump up to 3 acre-feet of water per year for domestic purposes without having to pay a fee to for doing so. Other parties remain free to challenge that water right, which will be determined in the future. Under the settlement, you are agreeing not to challenge the Settling Defendants' right to pump up to a set amount of groundwater each year. The Settlement Agreement also contains agreements among the parties as to your rights if you pump more than 3 acre-feet per year. The Court has not yet ruled on any of these Settling Parties' water rights, and is not limited in the future by the terms of the settlement. You may read the Settlement Agreement at: <http://www.avgroundwater.com/smallpumper/wood.cfm>.

9. What happens with class claims against the defendants who are not part of the settlement?

Richard Wood and the Class Counsel will continue to pursue all of the claims in the lawsuit against the non-settling defendants until those claims are resolved in a future settlement or by order of the court after trial.

10. Does this settlement give me a water right?

No. This settlement does not provide you with a Court-determined water right. The Court has not yet determined the water rights of any party, but those determinations are expected to be made in future phases of the proceeding. As set forth above, this settlement may impact the determination of your water right at a future date.

11. What claims against the Settling Defendants am I releasing?

As part of the settlement, you will be releasing (giving up) certain of your legal rights against the Settling Defendants only. The release in the Settlement Agreement is as follows:

In addition to the effect of any Judgment entered in accordance with this Stipulation, upon this Stipulation becoming final as set out in Section Paragraph VIII.H of this Stipulation, and in consideration for the settlement consideration set forth above, and for other valuable consideration, the Settling Plaintiffs, except as otherwise expressly provided for herein, shall completely release, acquit and forever discharge the Settling Defendants and their representatives, successors, agents, affiliates, attorneys, employees, supervisors, officers, directors, or shareholders, from any and all claims, demands, actions, suits, causes of action, whether class, individual, or otherwise in nature that Settling Plaintiffs, or each of them, ever had, now has, or hereafter can, shall, or may have on account of or in any way arising out of, any and all known or unknown, foreseen or unforeseen, suspected or unsuspected injuries, damages, and the consequences thereof in any way arising out of or relating in any way to the matters at issue in the Wood Action ("Released Claims"). Each Settling Plaintiff may hereafter discover facts other than or different from those which he, she, or it knows or believes to be true with respect to the claims which are the subject matter of

this Stipulation, but each Settling Plaintiff hereby expressly waives and fully, finally, and forever, settles and releases, upon this Stipulation becoming final, any known or unknown, suspected or unsuspected, contingent or non-contingent claim with respect to the subject matter of the provisions of Paragraph VII.A of this section of the Stipulation, whether or not concealed or hidden, without regard to the subsequent discovery or existence of such different or additional facts.

1. As provided in the Release set forth above, the Settling Plaintiffs, including any of Settling Plaintiffs' representatives, successors, agents, affiliates, employees, supervisors, officers, directors, or shareholders, agree to waive and release all rights and benefits which they might otherwise have pursuant to Section 1542 of the California Civil Code with regard to the release of such unknown, unanticipated or misunderstood claims, causes of action, liabilities, indebtedness and obligations. California Civil Code section 1542, provides that:

A General Release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the Release, which if known by him or her must have materially affected his or her settlement with the debtor.

2. The Release set forth above does not include claims by any of the Settling Plaintiffs other than the claims set forth therein. In particular, the Settling Parties recognize that many persons own more than one parcel of land within the Basin. The foregoing Release only binds Wood Class Members and only with respect to those properties within the Basin on which they have pumped or are pumping within the terms of the class definition.

12. Who are the lawyers for the class?

The lawyers for Richard Wood and the class are:

Michael D. McLachlan
LAW OFFICES OF MICHAEL D. McLACHLAN, APC
10490 Santa Monica Boulevard
Los Angeles, California 90025
mike@mclachlanlaw.com

Daniel M. O'Leary
LAW OFFICE OF DANIEL M. O'LEARY
10490 Santa Monica Boulevard
Los Angeles, California 90025
dan@danolearylaw.com

13. How will the lawyers be paid?

The lawyers' fees and case costs will be paid by the Settling Defendants. You will not be asked to pay legal fees or case costs. Per the terms of the settlement, the parties have agreed to the amounts of the legal fees and case costs, which are set forth in the Settlement Agreement. The Court will be asked to approve these payments at the time of the final approval hearing.

YOUR OPTIONS

14. What happens if I do nothing at all?

If you do nothing, you will remain in the class and be bound by the terms of the settlement. You will not be able to sue the Settling Defendants for any of the claims being released by this settlement. You will also be bound by the future decisions in the case, whether favorable or unfavorable. Plaintiff Richard Wood and the class attorneys will continue to act as your representatives in this case, and you will not personally be obligated to pay any legal fees or costs of suit.

15. What if I do not want to participate in the settlement?

If you wish to be excluded from the settlement, you must complete and mail a valid request for exclusion postmarked by no later than December 2, 2013 to the Class Administrator identified below. This exclusion request must contain your name, address, signature, and a statement that you wish to be excluded from the class. If you timely do so, the Court will exclude you from the class. If you do nothing, you will remain in the class.

Your exclusion request must be sent to:

Small Pumper Class Action Administrator
c/o GCG
P.O. Box 35100
Seattle, WA 98124-1100

16. What happens if I exclude myself from the settlement?

If you opt out of the settlement, it is very likely that you will be sued directly by the public waters supplier defendants because the Court may still need to determine your water right in the future. If you are sued, you will either need to hire your own attorney at your expense or represent yourself in Court.

17. How do I tell the Court that I don't like the settlement?

If you're a class member, you can object to the settlement if you do not like it. To object, you must send a letter saying that you object to the settlement in *Richard Wood v. Los Angeles County Waterworks District No. 40, et al.* Be sure to include the case number (J.C.C.P. No. 4408), your name, address, telephone number, your signature, and the reasons why you object to the settlement. You must send the objection to these three different places so that they receive it by December 4, 2013:

COURT:

Clerk of the Court
600 South Commonwealth Avenue
Los Angeles, CA 90005

CLASS COUNSEL:

Michael D. McLachlan
LAW OFFICES OF MICHAEL D. McLACHLAN, APC
10490 Santa Monica Boulevard
Los Angeles, California 90025
mike@mclachlanlaw.com

DEFENSE COUNSEL:

Thomas S. Bunn III
LAGERLOF, SENEAL, GOSNEY & KRUSE, LLP
301 North Lake Avenue, 10th floor
Pasadena, California 91101
Attorneys for Palmdale Water District

18. When and where will the Court decide whether to grant final approval?

The Court has scheduled a hearing at 9:00 A.M. on December 11, 2013, at Santa Clara Superior Court, Department 1, 191 North First Street, San Jose, California. At this hearing, the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will also rule on the request for attorneys' fees and costs. After the hearing, the Court will decide whether to grant final approval of the settlement.

19. May I speak at the hearing?

You are welcome to come to the hearing at your own expense. If you send a written objection, you don't have to come to Court to talk about it. As long as you send your written objection so that it arrives on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

You may ask the Court for permission to speak at the hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Antelope Valley Groundwater Litigation.*" Be sure to include the case number (J.C.C.P. No. 4408), your name, address, telephone number, and signature. This letter must be received no later than December 4, 2013, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel at the three addresses listed in the answer to Question 17.

GETTING MORE INFORMATION

20. How do I get more information about the settlement?

The Class Action Complaint, certain other documents from the litigation, and some other general information are available at: <http://www.avgroundwater.com/smallpumper/wood.cfm>. You may complete and submit the response form on that website. In addition, that website has a list of answers to certain other questions you may have. That website has an e-mail address for you to obtain information if you have further questions. That website will be updated from time to time to advise you of the status of this litigation. Also, all of the documents filed in the case are available on the court's website at: <http://www.scefiling.org/cases/casehome.jsp?caseId=19>.

PLEASE DO NOT CALL OR WRITE THE COURT OR CLERK'S OFFICE. IF YOU HAVE ANY QUESTIONS, PLEASE CONSULT YOUR OWN COUNSEL, VISIT THE WEB SITES LISTED ABOVE, OR WRITE TO CLASS COUNSEL AT THE ADDRESS ABOVE.

Exhibit B

Antelope Valley Groundwater Litigation
List of Class Members Requesting Exclusion from the
Small Pumper Class Action

Frank Small

Bennie and Annette Moore

Edward Shelton

William Basner

The George and Charlene Lane Family Trust and George M. Lane

Raymond Eyherabide