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13 14 15	SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF LOS ANGELES			
16 17 18	Coordination Proceeding  ANTELOPE VALLEY GROUNDWATER CASES,	Judicial Council Coordination Proceeding No. 4408		
		RESPONSE TO PUBLIC WATER		
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19 20 21	Los Angeles County Waterworks District No.	SUPPLIERS' OPPOSITION TO WATERMASTER MOTION TO INTERPRET  Date: January 31, 2018 Time: 9:00 a.m.		
20	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.  Los Angeles County Waterworks District No.	SUPPLIERS' OPPOSITION TO WATERMASTER MOTION TO INTERPRET  Date: January 31, 2018 Time: 9:00 a.m. Dept.: 222  The Hon. Jack Komar, Dept. 17 Santa Clara Case No. 105 CV 049053  Riverside County Superior Court Lead Case No. RIC 344436 Case No. RIC 344668		
20 21 22 23 24	Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.  Los Angeles County Waterworks District No. 40 v. Diamond Farming Co.  Wm Bolthouse Farms, Inc. v. City of Lancaster  Diamond Farming Co. v. City of Lancaster  Diamond Farming Co. v. Palmdale Water	SUPPLIERS' OPPOSITION TO WATERMASTER MOTION TO INTERPRET  Date: January 31, 2018 Time: 9:00 a.m. Dept.: 222  The Hon. Jack Komar, Dept. 17 Santa Clara Case No. 105 CV 049053  Riverside County Superior Court Lead Case No. RIC 344436		

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### I. INTRODUCTION

The Exhibit 3 Public Water Suppliers purport to narrow their Judgment "interpretation" claims to one theory seeking a right to Pre-Rampdown Production that appears nowhere in the Judgment. Their "Notice of Withdrawal" drops their claim to Carry Over Federal Reserved Water Rights¹ and ignores their earlier request that the Watermaster allow Carry Over of Pre-Rampdown Production. But the Public Water Suppliers qualify their narrowing as "without prejudice," so they seek to preserve their Carry Over claims as leverage, while the Watermaster works toward approving Rules and Regulations accounting for all groundwater production and Carry Over governed by the Judgment. That makes no sense. Despite the back-pedaling, a live dispute exists that requires this Court's declaration of what the Judgment means. That declaration is important, because the Watermaster needs clear direction to prepare Rules and Regulations — and to start the Replacement Water Assessment — without confusion and delay threatened by unresolved claims that will be repeated if they evade review now. All the interpretation claims raised by the PWS Motion and Watermaster Motion are briefed. The Court should decide them.

Meanwhile, the Public Water Suppliers argue for the first time that the Watermaster cannot even ask the Court for help interpreting the Judgment. That new argument should be rejected as violating the Judgment and common sense.

Judgment Section 18.2 charges the Watermaster with providing unbiased representation for thousands of parties. Most lack the wherewithal to monitor every move by the Public Water Suppliers, or anyone else, and cannot prosecute costly Court motions to protect their rights under the Judgment. The Watermaster was created by the Judgment and appointed by this Court to implement the Judgment, so it has a concrete interest in proper interpretation of the Judgment and is "subject to" the Judgment's terms within the meaning of Section 3.5.27. As a result, the Watermaster is a "Party" with standing to request the Court's help resolving Judgment interpretation disputes. Beyond that, the Watermaster has inherent authority to request the Court's help to interpret

See Water Suppliers' Notice of Withdrawal of Portions of Their Motion Under Sections 6.5 of the Physical Solution for Interpretation of Judgment Confirming Applicability of Rampdown and Carryover Rights to Public Water Suppliers (filed January 18, 2018).

the Judgment, so that it can be successfully implemented.

That help has been requested here and is needed now. While attempting to draft the Watermaster Rules and Regulations for implementing the Judgment amidst a cross-fire of competing interpretations, the Watermaster Engineer concluded: "It is my professional Judgment that it is a matter of vital urgency that interpretive certainty be obtained with respect to . . . Pre-Rampdown Production Rights and Carry Over water . . . ." (Watermaster Motion, Declaration of Phyllis Stanin at 1:19-22 [filed January 2, 2018].) Failure to act now on the merits of the Watermaster Motion will frustrate the Watermaster's legitimate need for guidance and will further delay preparation of Rules and Regulations to collect Replacement Water Assessments and carry out all Judgment provisions needed to balance the Basin.

### II. PROCEDURAL HISTORY

The PWS Motion and the Watermaster Motion arise from disputes preventing the Watermaster from preparing Rules and Regulations to implement Judgment provisions on Pre-Rampdown Production and Carry Over rights, which affect the Watermaster's ability to calculate and collect Replacement Water Assessments starting in 2018.

The PWS Motion provides no information about the Watermaster proceedings giving rise to the disputes, and the Watermaster Motion does not provide the written record of proceedings before the Watermaster (apparently based on direction from the Watermaster Board). The written record is provided by the Request for Judicial Notice and Declaration of Stanley C. Powell In Response to Motions to Interpret ("RJN") (filed January 18, 2018). The record includes an index (RJN Exhibit 1), materials from the Watermaster meeting agenda packages for the August 23, 2017 meeting (RJN Exhibit 2), the October 18, 2017, meeting (RJN Exhibit 3), the November 15, 2017 meeting (RJN Exhibit 4), the December 6, 2017, meeting (RJN Exhibit 5), and a November 22, 2017, letter from Keith Lemieux to the Watermaster that was not included in the December 6, 2017, agenda package (RJN Exhibit 6).

At the November 15, 2017, meeting, the Watermaster instructed its Watermaster Counsel to provide its opinion with respect the Pre-Rampdown Production issues and Carry Over issues. At the December 6, 2017, Watermaster Meeting, the Watermaster Counsel provided two opinion

rights (RJN Exhibit 5 at CLA\_0114-0123). At that meeting, the five-member Watermaster board rejected by one vote (by the Public Water Suppliers representative) the Watermaster Counsel's proposed resolutions (RJN Exhibit 5 at CLA-0080 and CLA-0112-0113), which would have included the Watermaster Counsel opinions in the Watermaster Motion.

memoranda on Pre-Rampdown Production (RJN Exhibit 5 at CLA 0081-0092) and Carry Over

Instead, the Watermaster directed its Watermaster Counsel to exclude its two opinion memoranda from the Watermaster Motion, and to provide its opinion only if the Court asks. Those memoranda accurately synthesize the parties' comments provided to the Watermaster (including oral comments made at the November 15 Watermaster meeting), and are the best and most efficient means to understand the range of issues and competing positions raised. The Watermaster Counsel committed to file the motion "after the holidays" and before the next Watermaster meeting in January 2018.

The Public Water Suppliers then raced to the Courthouse and filed their Motion on December 29, 2017 — the last work day before New Years — and the Watermaster Motion was filed the next work day, on January 2, 2018.

## III. ARGUMENT

# A. The Watermaster Is Responsible For Preparing Rules And Regulations, And Is Not A Third Party In A Dispute Between Other Parties

The Judgment interpretations requested by the Watermaster Motion are needed so the Watermaster can "fulfill its urgent legal obligation" to prepare Rules and Regulations (Watermaster Motion at 2:3-5) and start Replacement Water Assessments (Judgment, § 9.2). The Judgment makes the Watermaster Engineer, and not the Parties, responsible for preparing Rules and Regulations for Court approval (Judgment, § 18.4.2). This dispute is not just between certain blocks of pumper Parties seeking different Judgment interpretations, but is a dispute preventing the Watermaster Engineer from preparing Rules and Regulations the Watermaster must approve and then propose for Court approval to implement the Judgment. The Watermaster Engineer, Watermaster Counsel and Watermaster tried to resolve the interpretation disputes through an administrative process whose failure culminated in the Watermaster's unanimous direction to file the Watermaster Motion. The

Replacement Water Assessment.

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Judgment."

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all interests in the Basin.

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See PWS Motion at 4:4-7 (listing moving parties).

See Notice of Withdrawal at 1:1-9 (listing withdrawing parties).

how to calculate Pre-Rampdown Production values for Public Water Suppliers).

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Court needs to decide all the interpretation issues raised in the Watermaster Motion, so the

Watermaster has the guidance it needs to prepare the Rules and Regulations and to start the 2018

confirms the Court's continuing jurisdiction "to interpret, enforce, administer or carry out this

disputes arising between the Public Water Suppliers and other Parties, the PWS Motion fails to

identify any specific Party with whom it has a Judgment interpretation dispute and fails to describe

any competing Judgment interpretations creating the dispute. If the Court were to reject the

Watermaster Motion for lack of standing, the Public Water Suppliers would end up presenting the

Court with an incomplete and one-sided Judgment interpretation pitch that frustrates and subverts

the Watermaster's obligation to "carry out its duties, powers and responsibilities in an impartial

manner without favor or prejudice to any Subarea, Producer, Party or Purpose of Use" (Judgment,

§ 18.2). That duty is broad, encompassing Parties lacking the power to vote for any of the

Watermaster representatives under Section 18.1.1. Excluding the Watermaster from seeking the

Court's help interpreting the Judgment eliminates the one neutral Party that has a duty to consider

Motion, because the Watermaster must consider interests of Public Water Suppliers that are not part

of the PWS Motion or Opposition. For example, the Lemieux Letter (RJN Exhibit 6 at CLA 0126)

presented the Watermaster with Judgment interpretations by Desert Lake Community Services

District and North Edwards Water District, which are not part of the PWS Motion<sup>2</sup> or Notice of

Withdrawal.<sup>3</sup> Some positions in the Lemieux Letter differ from positions in the PWS Motion (e.g.,

Failure to decide the Judgment interpretation issues raised by the Watermaster Motion would

Finally, the Court should decide all the interpretation issues raised by the Watermaster

Both the PWS Motion and Watermaster Motion rely on Judgment Section 6.5, which

Although the Watermaster Motion clearly describes the Judgment interpretation

allow the Public Water Suppliers to control a critical process — preparation of Rules and Regulations — that the Judgment allocates to the Watermaster.

# B. The Watermaster Is A Party That Can Bring A Motion Under Section 6.5

Judgment Section 3.5.27 defines "Party" to include both: (1) any person that has been named and served or otherwise properly joined; and (2) any person that has become subject to this Judgment and any prior judgments of this Court. The Watermaster is an entity created by the Judgment, is "[s]ubject to the continuing supervision and control of the Court" (Section 18.4 [emphasis added]) and, therefore, is indisputably "subject to this Judgment." For purposes of the Judgment, a "person" can include an organization, such as the Watermaster, and there has been no dispute that the Watermaster is a "person" that can enter into contracts (Judgment, § 3.5.27 and Civil Code Section 1556).

In addition to not comporting with the plain language of the Judgment, the Public Water Suppliers' argument that the Watermaster may not avail itself of Judgment Section 6.5 leads to an absurd result, where the Watermaster as the entity charged with enforcing and administering the Judgment is unable to avail itself of Section 6.5 provisions dealing with Watermaster functions (like "interpret, enforce, administer or carry out this Judgment"). Instead, the PWS Opposition would require that another Party must "champion" the Watermaster's cause in the Court, effectively wresting Judgment implementation from the Watermaster and reserving it exclusively to those Parties that can afford to litigate their way to controlling the process.

## C. The Watermaster Motion Is Not Duplicative Of The PWS Motion

The PWS Opposition erroneously argues the Watermaster Motion is not needed because it seeks "the relief already sought by the Water Suppliers" (PWS Opposition at 1:9-10), and contends that "[h]aving duplicative motions that present the issues slightly differently may cause confusion with the Parties and the Court as to the issues in dispute" (PWS Opposition at 3:23-24).<sup>4</sup> That is

As Parties responding to these motions, the procedural difficulties have primarily come from the PWS Motion being presented without any reference to the Watermaster's administrative process to develop Rules and Regulations, and the Watermaster's decision to not allow its counsel to present the full record to the Court and to provide its opinion.

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wrong. The Watermaster conducted a multi-month administrative process to resolve Judgment interpretation disputes preventing the Watermaster from preparing Rules and Regulations required to implement the Judgment. That process culminated in a unanimous Watermaster board decision to file the Motion asking the Court to resolve those Judgment interpretation disputes. A decision on the merits of the Watermaster Motion is needed, so the Watermaster can discharge its duty to prepare the Rules and Regulations on Pre-Rampdown Production and Carry Over rights in time to implement the 2018 Replacement Water Assessment.

The Watermaster Motion requests interpretive guidance on Carry Over related to Pre-Rampdown Production, which is not duplicated in the PWS Motion. The PWS Opposition fails to recognize that the Watermaster seeks to address comments from all Parties — not just the Public Water Suppliers. Parties that have argued that Pre-Rampdown Production can be Carried Over include Mr. Nebeker (RJN Exhibit 5 at CLA\_0109-0110) and Rosamond Community Services District (RJN Exhibit 5 at CLA\_0074-0075). Although Rosamond Community Services District purports to withdraw its prior argument<sup>5</sup> now, it previously told the Watermaster that it was presenting the argument on behalf of *other Parties*, who can reasonably be expected to raise the argument if it is not decided now. Therefore, the Watermaster still needs guidance on this issue.

The PWS Opposition also fails to recognize that the purported withdrawal "without prejudice" of the Public Water Suppliers' claim to Carry Over the unused portion of the Federal Reserved Water Right fails to resolve the Watermaster's need for guidance to develop Rules and Regulations on this issue. The Watermaster Motion requests that guidance. Far from making that request "duplicative," the Public Water Suppliers' purported withdrawal of the issue "without prejudice" preserves this disputed issue as it arose during the Watermaster's administrative process culminating in the Watermaster Motion.

The Court must decide the Watermaster Motion and PWS Motion on their merits, so the

Rosamond defined "Reduction Right" as "the groundwater that may be produced during years 3-7 of the Rampdown which is greater than the Party's final Production Right ..." (RJN Exhibit 4 at CLA\_0074), and that a "Party should then be entitled to Carry Over for producing less than the sum of the Reduction Water and their Production Right" (*id.* at CLA\_0075). This is inconsistent with the argument in the PWS Opposition.

Watermaster can timely prepare Rules and Regulations required to implement the Judgment's Replacement Water Assessments needed to balance the Basin.

#### IV. CONCLUSION

The Public Water Suppliers and others created a live dispute in the Watermaster's multimonth administrative process that has prevented the Watermaster from discharging its duty to prepare Rules and Regulations. That dispute affects thousands of Parties governed by the Judgment and culminated in the Watermaster board's unanimous vote to obtain this Court's assistance interpreting the Judgment. The Court should not allow the Exhibit 3 Public Water Suppliers to back-pedal their way into preventing the Watermaster from obtaining the Judgment interpretation guidance it needs to prepare Rules and Regulations implementing the 2018 Replacement Water Assessment in light of the Pre-Rampdown Production and Carry Over rights actually created by the Judgment. Instead, the Court should deny the PWS Motion and decide the Watermaster Motion on its merits.

DATED: January 24, 2018

KRONICK, MOSKOVITZ, TIEDEMANN & GIRARD

A Professional Corporation

By:

Eric N. Robinson

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DATED: January 24, 2018

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1 2	Judicial Council Coordination Proceeding No. 4408 For Filing Purposes Only: Santa Clara County Case No.: 1-05-CV-049053	
3	PROOF OF SERVICE	
4	I, Terri Whitman, declare:	
5	I am a citizen of the United States and employed in Sacramento County, California. I am	
6	over the age of eighteen years and not a party to the within-entitled action. My business address is	
7	400 Capitol Mall, 27th Floor, Sacramento, California 95814. On January 24, 2018, I submitted a	
8	copy of the within document(s): RESPONSE TO PUBLIC WATER SUPPLIERS'	
9	OPPOSITION TO WATERMASTER MOTION TO INTERPRET to www.avwatermaster.org	
10	for email submission to all parties appearing on the electronic service list for the Antelope Valley	
11	Groundwater case. Electronic service is complete at the time of transmission.	
12	I declare under penalty of perjury under the laws of the State of California that the above is	
13	true and correct.	
14	Executed on January 24, 2018 at Sacramento, California.	
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16	Cullutman	
17	Terri Whitman	
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