SUPERIOR COURT OF CALIFORNIA COUNTY OF SACRAMENTO

DATE/TIME : MARCH 6, 2013 DEPT. NO : 47

JUDGE : LLOYD G. CONNELLY CLERK : C. BEEBOUT

COORDINATED PROCEEDINGS SPECIAL TITLE (RULE 1550(b))

QSA COORDINATED CIVIL CASES

Case No.: JCCP 4353

Nature of Proceedings: ORDER STAYING ISSUANCE OF DECISION UNTIL 6/3/2013

By minute order issued February 22, 2013, the Court proposed that it refrain from issuing a tentative decision for the 90-day resubmission period beginning March 5, 2013, and terminating June 3, 2013, while the parties seek a global settlement of the coordinated cases. As explained in the minute order, this proposal was prompted by Imperial Irrigation District's motion for a stay of the proceedings, the filing of a tentative decision and/or entry of judgment for a 90-day period.

The Court has received and reviewed a number of responses to its proposal in the February 22, 2013 minute order. In addition to the notice of intent filed by the County of Imperial and Imperial County Air Pollution Control District, the Court has reviewed responses filed by the Morgan/Holtz parties and Cuatro Del Mar supporting the Court's proposal and responses by the San Diego County Water Authority and Coachella Valley Water District objecting to the proposal. Finally, the Court has reviewed Imperial Irrigation District's responses to the objections of San Diego, Coachella Valley and the Departments of Water Resources and Fish and Game and a joinder in Imperial Irrigation District's responses by the County of Imperial and Imperial Air Pollution Control District. (Although Imperial Irrigation District and Imperial County mention an objection by the Departments to the Court's proposal, the Court has not received any papers from the Departments regarding their objection.)

On the basis of this review, the Court confirms its proposal to refrain from issuing a decision for the 90-day resubmission period beginning March 5, 2013, thereby providing the parties to these coordinated cases an opportunity to negotiate and reach a global settlement of the case. Given the strong and prudent public policies supporting negotiated settlements of litigation, the likelihood of settlement should not be a precondition for negotiations, particularly in light of the substantial experience accumulated and the significant circumstances evolving with implementation of the QSA almost a decade ago.

Negotiations should not be discouraged simply because Salton Sea restoration would be a focal point. Whether or not Salton Sea restoration is an issue central to the adjudication of the coordinated cases – a matter of dispute among the parties – the viability of QSA implementation in the long term appears to be intricately intertwined with Salton Sea restoration both legislatively and in

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CASE TITLE : QSA COORDINATED CIVIL CASES BY: C. BEEBOUT,

Deputy Clerk

CASE NUMBER: JCCP 4353 DEPARTMENT: 33

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PROCEEDINGS: ORDER STAYING ISSUANCE OF DECISION UNTIL 6/3/2013

the QSA Joint Powers Agreement. A negotiated settlement among all parties is more likely to produce a practical and workable resolution than a judgment entered in the coordinated cases.

Concerns that validation of the QSA can only be determined by a judgment are unfounded. As explained by Imperial Irrigation District, a global negotiated settlement will resolve all issues in the litigation. The Court will reject any settlement presented to it which does not resolve all issues, including the ultimate issue of validation, and will instead issue a decision which adjudicates all issues pending in the litigation.

Finally, a 90-day period for negotiations will not create a significant delay either in this litigation or in the implementation of the QSA. The 90-day period will run concurrently with the 90-day resubmission period provided to the Court for the issuance of its decision. Because the Court has received and accepted a variety of court assignments subsequent to the issuance of its minute order on February 22, 2013, the time available to the Court to work on the decision will be considerably reduced, and the Court expects to need most of the 90 days of the resubmission period to complete the order.

Accordingly, this case is resubmitted for decision effective March 5, 2013. The parties shall have 90 days, from March 5 until June 3, 2013, to engage in negotiations to globally settle all the issues in these coordinated cases, and the court will refrain from issuing a tentative decision during the 90 days. Imperial Irrigation District is directed to file a status report with the Court on April 1, May 1, and June 1, 2013 regarding whether the negotiations are progressing; the status reports should not disclose the substantive content of the negotiations. Any other party may but is not required to file any responses to Imperial Irrigation District's status reports.

Dated: March 6, 2013

Lloyd G. Connelly, Retired Judge of the Superior Court

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SUPERIOR COURT OF CALIFORNIA,

COUNTY OF SACRAMENTO

BY: C. BEEBOUT,

Deputy Clerk

CERTIFICATE OF SERVICE BY MAILING (C.C.P. Sec. 1013a(4))

I, the Clerk of the Superior Court of California, County of Sacramento, certify that I am not a party to this cause, and on the date shown below I served the ORDER STAYING ISSUANCE OF DECISION UNTIL 6/3/2013 and ORDER DENYING REQUEST FOR 90-DAY STAY OF RESUBMISSION AND 90-DAY STAY OF BRIEFING by depositing true copies thereof, enclosed in separate, sealed envelopes with the postage fully prepaid, in the United States Mail at 720 9th Street, Sacramento, California, each of which envelopes was addressed respectively to the persons and addresses shown on the attached service list.

I, the undersigned Deputy Clerk, declare under penalty of perjury that the foregoing is true and correct.

SUPERIOR COURT OF CALIFORNIA COUNTY OF SACRAMENTO

Deputy Clerk

Dated: March 7, 2013 By: C. BEEBOUT, Chubou

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Coordination Proceeding Special Title (Rule 1550(b)) QSA COORDINATION CIVIL CASES SERVICE LIST (revised 2/19/2013)

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