

SAN BERNARDINO, CALIFORNIA; TUESDAY, JUNE 23, 2015

DEPARTMENT S36
A.M. SESSION

APPEARANCES:
LYNNE SAXTON, Attorney at Law; JAMES BUCHAL,
Attorney at Law; DAVID YOUNG, Attorney at Law; JONATHAN
EVANS, Attorney at Law, representing Plaintiff; BRADLEY
SOLOMON, Deputy Attorney General; MARC MALNICK, Attorney at
Law; JOHN MATTOX, Attorney at Law, representing Defendant.
(Mary Anderson, C.S.R.,
Official Reporter 10319)
THE COURT: Number 2, In Re: Suction Dredge.
MR. BUCHAL: James Buchal for plaintiff, the New
49ers, et al.
MR. EVANS: Jonathan Evans for Karuk Tribe.
MS. SAXTON: Lynne Saxton for the Karuk Tribe
Coalition.
MR. SOLOMON: Bradley Solomon, California
Department of Fish and Wildlife.
MR. MALNICK: Marc Malnick for the defendants,
your Honor.
MR. MATTOX: John Mattox for the California
Department of Fish and Wildlife.
MR. WALKER: Steve Walker representing myself.
THE COURT: Yesterday afternoon there was an attempted ex parte communication by Mr. Walker. Mr. Walker, one-on-one conversations with the court are appropriate for the mandatory settlement conferences which have been

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conducted in this case, but it is not appropriate for a hearing
like this. I understand the confusion that you might have had
as a result. I wanted to inform everybody of that, that
there's no communication as to that ex parte.

Mr. Young, state your appearance.
MR. YOUNG: David Young, your Honor, on behalf of the Kimble plaintiffs and most of the POP plaintiffs.

THE COURT: Before we get to the matter at hand, I don't believe that we have a trial date on the merits. I want to discuss that date first and select a date.

So does anybody have any recommendation for when you
want to have the trial on this?
MR. MALNICK: Your Honor, we submitted a stipulation
setting a briefing schedule on the --
THE COURT: When did you submit that?
MR. SOLOMON: It's been a number of weeks now. I think the Court -- we contacted the Court, and I think there have been some inquiries to you as to the status of the stipulation. It laid out -- perhaps you have seen it already. It laid out all the briefing schedule for the CEQA matter.

THE COURT: Was a date selected?
MR. SOLOMON: We don't have a date for the hearing.
We only said that it would be in, I believe, in January.
MS. SAXTON: The week of January 18th, I believe. THE COURT: How about January 20th for the trial date?

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MR. MALNICK: At what time, your Honor?
MS. SAXTON: Just to clarify, when you say trial date, the stipulation had just spoke about the hearing date being just for the CEQA issues. I know the miners have additional, like, Takings issues and some other --

THE COURT: It's everything, so everything. It will be on that date.

You have a time estimate that you would like?
MR. SOLOMON: Well, to be frank, your Honor, if we were try the Takings claim, that would take days, if not weeks. So there's a question as to whether the miners are going to proceed on those claims. If they are on that date, it's going to completely change the framework of that hearing.

MR. MALNICK: The CEQA claims are based on briefing, your Honor. There will be no live evidence. It's based on the record, so it's just argument. That's different than a real trial.

THE COURT: So are you telling me you don't have an estimate, then, because you don't know?

MR. MALNICK: We haven't met and conferred about that, your Honor.

MR. SOLOMON: I think this is the first, your Honor, that we considered the possibility that that hearing in January would resolve all the issues in the case. We talked about handling the case in phases, and the final phase was going to be potentially the Takings claim, if the miners were going to
proceed on that. I think we were all operating on the understanding that the CEQA and on all other issues other than the Takings claims would be tried in January, and then we would decide at that point whether there was going to be any further litigation on the Takings claim. I think we're sort of a bit at a loss right now because we hadn't considered that possibility yet.

THE COURT: I don't think that the decision has to be made after the CEQA issues have been litigated. The case has been around a long time. It's my longest CEQA case that I have, so $I$ want to get rid of all of it. Everything is going to be dealt with on the 20th, so we're going to go forward on the Takings if they are going forward. And if we're not, then that -- CEQA issues shouldn't take more than an hour.

MR. SOLOMON: I completely agree with the Court's time estimation with regard to CEQA. The only thing with the Takings, your Honor, if someone were to bring a true Takings claim in the context of this case in what counsel has asked for would be a class action, the amount of discovery that would be required would make it next to impossible to complete that discovery prior to a January hearing date. I'm not envisioning that's where the miners are going with this. I know Mr. Buchal -- and you can correct me if I'm wrong -- has already said we wouldn't probably go there.

MR. BUCHAL: We will go there. That's the whole idea. If we can't mine, we should be paid.

MR. SOLOMON: Then, your Honor, if that's the case, we would ask for a farther out date with regard to the Takings claim because --

THE COURT: How much farther? How long has the Takings claim been around, Mr. Buchal?

MR. BUCHAL: Since the first day the claim was filed. What was it -- I don't have the first of 16 volumes of pleadings with me. I can't remember. 2012 maybe.

MR. YOUNG: 2013.
THE COURT: It's been around since 2012. This is 2016. That's four years.

MR. SOLOMON: Right, your Honor. I think there's an understanding that the parties have not for -- in order to conserve resources and because of the direction we were taking because of settlement discussions and the very nature of this unique case --

THE COURT: How much additional time do you want?
MR. SOLOMON: If Mr. Buchal is going to move to certify a class before we get to the trial of the Takings claim because if he does not certify a class we would be trying individual Takings claims. That would take months to do that. There are hundreds, if not thousands, of claimants. So we have to get some understanding of what this Takings case is.

MR. BUCHAL: It's not so complicated. There's about -- my case have, I think, 24 mining claims in them by something like a dozen plaintiffs. And if we were to try just
those, it would take maybe a half day for each claimant to get up and say, Here's what I got out of the claim. Here is what I lost by losing it. Here is what it's worth. Talking about --

THE COURT: Six days?
MR. BUCHAL: I think you can do it in six days from my side. I don't know what he will do. Between now and January 20th, we'll move to certify, and the Court can make its decision on certification. If it's certified then what we have suggested is that the Court would devise some mini-trial-type format on damages. What we would do is we would decide if there's Takings liability, as a matter of law, and then some expedited procedure with notice of classing, here is what you should send in. And there will be some almost quasi-administrative scheme for determining the value. It's a little more complicated if there's a class, but it's not --

THE COURT: How much time do you need, Mr. Solomon?
MR. SOLOMON: At minimum a few months. May I ask, your Honor, if we could after this hearing try to work out a proposed stipulation for the Court as to the scheduling of his certification hearing and then --

THE COURT: That's fine. But $I$ want to select a date for the trial today before everybody leaves.

MR. SOLOMON: Is the Court considering if we continue -- that we're going to continue the CEQA matter if we request additional time for the Takings matter?

THE COURT: I'll leave it to you folks to work
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something out. I'm willing to work with you, as I have been all along. But we just kind of need to put the matter to rest, at least in this court.

MR. YOUNG: The Kimble proceeding, in September we're running up against the five-year statute. Mr. Solomon and I have stipulated among ourselves to extend that. And I think it meets whatever statutory requirements there. But if the Court would like something formal for the file, I guess we can prepare something formally so it would be in the file and for the Court's eyes.

THE COURT: If you extend the five years, you need some type of stipulation.

MR. YOUNG: We have that.
THE COURT: You're not going to be able to do that orally.

MR. YOUNG: Under the statute I think you can do it orally in court. I have it with me. But I think it can be done orally. And we have stipulated among ourselves in sort of informal e-mails. But we can file a stipulation -- formal stipulation with the Court.

THE COURT: I said orally, I mean outside the presence of the Court. I mean, obviously, if I don't know about it, that's not working. I can do it, certainly, on the record in court.

MR. SOLOMON: Your Honor, I apologize. Actually, I left my calendar back at the hotel. And I should have been
contemplating that potentially we'd be setting a date like this today, so I apologize. What I'm wondering is, I don't envision that we want to delay the CEQA matter further. Maybe I'm wrong. But I'm envisioning the Takings claims would be heard shortly -- at a trial date shortly after the CEQA.

Could we potentially enter into a stipulation after today's hearing that we would send the Court within the next few days with regard to the cert? Mr. Buchal seems to be indicating that he wants to set a date right now?

MR. BUCHAL: We're happy with the January 20 th date. We'll talk to you, if you need another month or something. It has gone on forever. And cases have to come to an end. There's only more the State can do to increase our costs and delay our justice, and we're tired of it.

MR. YOUNG: Can we have a stipulation with Mr. Solomon and myself on the record in court that on the Kimble, the five-year statute is extended?

MR. SOLOMON: We're not going -- that's stipulated, your Honor. We're not claiming the five-year statute on Kimble. We understand the Court wants more formal documentation on that.

But with regard to the Takings, your Honor, your Honor tries a lot of cases --

THE COURT: Hold on, Mr. Solomon. You made a request for more time, and I'm willing to entertain that request. What I'm going to have you do after the hearing this morning, maybe
you can run back to the hotel, get your calendar and talk about it. And then when you guys are ready to talk again, I'm here all day. So I'm not going anywhere today. So that's what I would ask you to do. That's on the trial date.

So let's move on to the hearing. I've given you the tentative.

Does the movement wish to be heard?
MR. BUCHAL: Yes, your Honor.
THE COURT: You have five minutes. Mr. Buchal, gentlemen, if you can remain standing. It's a motion. It's only five minutes. Unless you have a physical infirmity, you can sit down.

MR. BUCHAL: Your Honor, these cases are coordinated;
they're not consolidated. Mr. Young filed a motion for preliminary injunction. He did not include a great deal of the evidence that we have included. The ruling that you made in Kimble on irreparable injury is in some sense not binding on my clients. My clients have their own record, and that record shows actual arrests, visits to the house, seizures, business --

THE COURT: I agree with you there, Mr. Buchal. Maybe you can explain to the Court what the irreparable injury to your clients. I know they have harm, and I know that they have injuries. But for the issuance of the preliminary injunction, there needs to be irreparable injury. That injury is something other than that can be dealt with through damages
as in, I'm losing my house today. I don't want to be kicked out of my house. That's an irreparable injury. You need a preliminary injunction so the bank doesn't sell it.

MR. BUCHAL: Their mining claims are like their houses. They are kicked off of their houses. What they do in those houses every day this summer or last summer or next summer are things that the State will never pay us a dime for. The State will never pay us a dime because one of these guys stands up and says, I would have found $\$ 20,000$ worth of gold this summer.

This is a case that falls right down the middle of Section 526. I would say section 526 of Code of Civil Procedure does not require irreparable injury. What it requires in Section (a) (3) in some act in violation of the rights of another party to the action respecting the subject of the action and tending to render the judgment ineffectual. Now, this court has rendered what is, in substance, a judgment. It is a summary adjudication on a cause of action. That cause of action has been --

THE COURT: Summary adjudication is not a judgment. There's an adjudication of a cause of action. It is not a judgment.

MR. BUCHAL: Right. But we have shown you two or three cases when there's multiple claims in the case and one of the cases calls for equitable remedy, one of the causes of action is fully adjudicated. Normal course of action is to
issue the injunction to prevent the future harm. On the other causes of action go back and give the damages. That happens all the time in California courts. And so what is going on is these people are, essentially, ignoring their summary adjudication and trampling on the rights of the miners. So we think it's a 526(a) (3).

It's also a 526(a)(2), irreparable injury, because we
have established that when you have a business and your customers can't come to the business -- Mr. McCracken (phonetic) has a business. And the business involves people coming to mine their own claims. Whether these customers would have come or not, how can we prove what customers would have come?

That's the case of the truck stop and the sheriff who are illegally arresting people near the truck stop. The truck stop can get an injunction if the troopers are acting illegally because the truck stop will never be able to prove how many customers were deterred or put away by the activity of the government operatives. And that's what we have here. We have a business whose customers are being interfered with through illegal conduct by the California Department of Fish and Game. It's a different kind of injury. It's clearly irreparable under the cases because we can never -Mr. McCracken can't stand up in January 20 and say, By my estimate I would have had a 101 people, and they're mining and buying memberships, and I should get this much money. It would

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be dismissed outright as speculation. It is -- because of the nature of the interference with the rights, then an injunction is appropriate.

There is (a) (5) of Section 526, which is damages are hard to ascertain. This case falls right down the middle of that. All we would have is the testimony of the miners about how much gold they would have dug up. And if they're cross-examined --

THE COURT: Do most miners make money, or do they lose money? Most of your clients.

MR. BUCHAL: I don't know the answer to that. It's the nature --

THE COURT: I think the answer was most of them lose money. It's a form of recreation. Obviously there are some who may do it for a living or do it to supplement their income. But it's my understanding that most of them are recreational miners.

MR. BUCHAL: That's -- in the whole universe of suction dredge miners, that's true. But the people in front of you today are people who include people who made their living doing this and have been locked out of their job since 2009. So the fact that a bunch of people just dabble at it doesn't undermine the fact that we have people here who are professionals who have been locked out of their profession. And they can't come into this court in January and say, In 2009 I would have dug in this hole. I know at the bottom of the
hole I would have found this much gold. In 2010 I would have moved up the river a hundred yards to that place next to the boulder, and I would have gone under the boulder and found a big strike there.

This type of testimony it's -- is not going to be credited by the Court to award damages commensurate with being locked out of their profession for year after year. There is -- there is no way that there is ever an adequate damage remedy. That is -- again, another subsection of $526(a)$ is, essentially, the inadequacy of the pecuniary relief because of the nature. It's like your Honor says, some people make the big strike, some don't. That's inherently a problemistic (phonetic) matter when you lock them out of the big strike. That's why we need a remedy because pecuniary relief doesn't work --

THE COURT: Why do people mine for gold?
MR. BUCHAL: To get the gold.
THE COURT: Because they want the money, right?
MR. BUCHAL: They want the gold.
THE COURT: Gold fever. Damages will address that.
That's just a money-damage issue. There's not something inherently special about gold mining like you might have an inherently special feeling about your one and only home.

MR. BUCHAL: It's not like --
THE COURT: Doesn't sound like irreparable harm. I'm not disputing that harm is occurring to your clients. That

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much is obvious.
MR. BUCHAL: It's not like a McDonald's. McDonald's, you set up your McDonald's, and you have costs and revenues, and you can show here is how much I made, here is how much I made. So when the illegal order to close the McDonald's, you get out your accounting record.

The miner comes in and says, I bought that claim. I don't know what's under it. I paid $\$ 30,000$ for it. I've been deprived of my opportunity to dig for gold. I think I would have found this much gold. You can't award damages because he says, I think I would have found this much gold on this place that I just bought but I never dug before.

THE COURT: Okay thank you, Mr. Buchal. You had over your five minutes.

Any brief response from respondents?
MR. SOLOMON: No, your Honor. Unless the Court --
THE COURT: Thank you. The Court's tentative will become the ruling. If you prepare --

MR. YOUNG: Your Honor, may I address the Court on this? We're also moving.

THE COURT: Briefly.
MR. YOUNG: Yes, I will. We're talking about money damages. This isn't a case totally about money damages. Primarily it's constitutional case. What the Court is doing now is saying we have a ruling --

THE COURT: Mr. Young, we're not arguing a
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constitutional issue. We're arguing preliminary injunction. MR. YOUNG: But the preliminary injunction, if you're talking about irreparable harm, these people are subject, one, after the Court has ruled that the Department's scheme is unconstitutional, that it -- that it is violative of the supremacy clause of the Constitution of the United States, this Court is now allowing the Department to continue to violate the constitution. That constitutes irreparable harm.

Secondly, every miner who goes out and wants to mine now, and some have based upon the Court's ruling, is subject to arrest. Just the threat of arrest is irreparable harm. We cited cases to your Honor on that. I think what we are -- what the Court is facing is, what really is the law on this? What constitutes the law?

I look at the law the way Holmes looked at the law. He said, The law is what the Court, in fact, will do. My prophecies as to what the Court, in fact, will do constitutes my view of the law. I mean nothing more pretentious than that. What the Court is doing is allowing -- if it continues with its tentative ruling, is allowing the state to continue to violate the constitution. That constitutes irreparable harm to my clients.

What the Court is doing is threaten -- is allowing the State to arrest my clients for engaging in actions and in work that this court has ruled is constitutional, is lawful. I think the Court has a bit of a dilemma here because the law, as
written, is not the law in fact, in fact what the Court will do.

I ask the Court on behalf of my clients, one, to hold that the violation by the Department, by the State of California of the Constitution of the United States constitutes irreparable harm. Secondly, the mere threat of arrest constitutes irreparable harm. Third, the actual fact of arrest constitutes irreparable harm. These people are harmed by now engaging in activity that this court has ruled it is constitutional and has ruled --

THE COURT: Let me have Mr. Solomon comment, not on the second and the third prong, but on the first prong, that irreparable harm equates to a violation of your constitutional rights. If you want to comment on that.

MR. SOLOMON: It's sort of a broad subject matter, your Honor. In that -- first of all, we dispute there's a violation of constitutional rights here. I imagine there might be some scenario in which constitutional rights in terms of someone's free speech or a specific instance in which they had to do something at the moment where that can conceivably be irreparable harm. In this context when you're talking about an ongoing activity over time, I don't see that as constituting irreparable harm.

THE COURT: All right. Thank you. The Court's tentative will become the ruling. If you'll prepare the order. I'm ordering all the parties to meet after this hearing to

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discuss the trial on the merits. Yes.
MR. BUCHAL: One housekeeping matter. There was an ex parte application made by the Department back on April 30th to forbid the plaintiffs from filing other lawsuits. And there was clarification sought as to what the word "plaintiff" meant in that context. And the Court has before it a proposed order from Mr. Solomon to which I've objected.

And so we are operating under the assumption unless and until that order is issued that what is barred right now is that these plaintiffs are not allowed to file for relief, but just these plaintiffs.

THE COURT: You're saying there's an outstanding order the Court hasn't signed?

MR. SOLOMON: There is, your Honor. When we submitted --

THE COURT: How long ago was that?
MR. SOLOMON: It's maybe six to eight weeks. I'm trying to think of the exact date. We submitted a cover letter with the order where we outlined the dispute Mr. Buchal had with our proposed order.

THE COURT: I'll tell you right now, the Court has no outstanding orders sitting on my desk.

MR. SOLOMON: We can resubmit all the terms again, your Honor.

THE COURT: Do that. Because if there's something outstanding and a ruling that hasn't been made, that's a

MR. BUCHAL: We have copies here, your Honor.
THE COURT: If you have copies today, I would ask that you hand them to my clerk. I'll either sign or not sign the order today.

MR. BUCHAL: I can bring up the -- ex parte application, what was the date?

MR. MALNICK: It was in a packet of material, your Honor, where we sent a schedule for the CEQA hearing. There was a proposed stipulated order on that as well as --

THE COURT: Did you file it with the Court or the clerk's office?

MR. SOLOMON: I believe it was both, your Honor.
MR. MALNICK: We checked in with Ms. Poland last week or the week before about it.

THE COURT: I'm saying I have never seen it, and there are no unsigned orders that are older than -- that I have.

MR. SOLOMON: We can call our office and have it sent to Ms. Poland's e-mail right now.

THE COURT: That's fine.
MR. BUCHAL: I have it right here.
May I approach, your Honor?
THE COURT: Can you give it to me? And the Court will take a look at it. Court is in recess.

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

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DEPARTMENT S36 HON. GILBERT OCHOA, JUDGE
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Coordination Proceeding Special)
Title (Rule 1550 (b) )
SUCTION DREDGE MINING CASES ) Case No. JCPDS4720
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STATE OF CALIFORNIA $\quad$ ) $\operatorname{sis}$
COUNTY OF SAN BERNARDINO )
I, MARY ANDERSON, Official Reporter, of the
State of California, for the County of San Bernardino,
do hereby certify that the foregoing pages, 1 through
18, comprise a full, true and correct computerized
transcript of the proceedings held in the
above-entitled matter on Tuesday, June 23, 2015 .
Dated this
$\qquad$ day of $\qquad$ , 2015 .


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June 29, 2015
I N V O I C E

JAMES BUCHAL Attorney at Law 3425 Southeast Yamhill \#100 (503) 227-1011 jbuchal@mbllp.com ATTN: JAMES BUCHAL

Re: SUCTION DREDGE MINING CASES Case No. JCPDS4720

Date
Description Amount Due

6/23/2015 Transcript of Proceedings of the above-referenced matter held in Department s36
(Motion)
Original and One Copy -
171.18

TOTAL AMOUNT DUE
171.18

THANK YOU
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