

Minutes
CHINO BASIN WATERMASTER
WATERMASTER BOARD MEETING

December 15, 2011

The Watermaster Board Meeting was held at the offices of the Chino Basin Watermaster, 9641 San Bernardino Road, Rancho Cucamonga, CA, on December 15, 2011 at 11:00 a.m.

WATERMASTER BOARD MEMBERS PRESENT

Ken Willis, Chair	West End Consolidated Water Company
Steve Elie	Inland Empire Utilities Agency
Ken Jeske	California Steel Industries
Bob Kuhn	Three Valleys Municipal Water District
Charles Field	Western Municipal Water District
Paula Lantz	City of Pomona
Tom Haughey	City of Chino
Paul Hofer	Agricultural Pool
Geoffrey Vanden Heuvel	Agricultural Pool

Watermaster Staff Present

Danielle Maurizio	Senior Engineer/Interim CEO
Gerald Greene	Senior Environmental Engineer
Sherri Molino	Recording Secretary

Watermaster Consultants Present

Scott Slater	Brownstein, Hyatt, Farber & Schreck
Michael Fife	Brownstein, Hyatt, Farber & Schreck
Mark Wildermuth	Wildermuth Environmental Inc.
Andy Malone	Wildermuth Environmental Inc.

Others Present Who Signed In

Jeff Pierson	Ag Pool – Crops
Bob Feenstra	Ag Pool – Dairy
Pete Hall	Ag Pool – State of California – CIM
Mark Kinsey	Monte Vista Water District
Marty Zvirbulis	Cucamonga Valley Water District
Raul Garibay	City of Pomona
Dave Crosley	City of Chino
Rosemary Hoerning	City of Upland
Justin Scott-Coe	Monte Vista Water District
Terry Catlin	Inland Empire Utilities Agency
Ryan Shaw	Inland Empire Utilities Agency
Hank Stoy	Cucamonga Valley Water District
Eunice Ulloa	Chino Basin Conservation District
Jack Safely	Western Municipal Water District

Chair Willis called the Watermaster Board meeting to order at 11:00 a.m.

PLEDGE OF ALLEGIANCE

AGENDA - ADDITIONS/REORDER

There were no additions or reorders made to the agenda.

RECOGNITION OF OUTGOING BOARD MEMBERS

1. Commendation Presentation to Mr. Tom Haughey 2010-2011, Current Board Secretary/Treasurer
2. Presentation to Mr. Ken Willis, Board Chairman from 2006-2011

Mr. Kuhn read the commendation plaque to Mr. Tom Haughey, who served on the Watermaster Board for two years and held the Secretary/Treasurer position this past year; Mr. Kuhn presented the plaque to Mr. Haughey. Mr. Kuhn thanked Mr. Haughey for a job well done and for his input over the last couple of years.

Mr. Kuhn presented Chair Willis with a special engraved clock for his past six years of service as Watermaster Board Chairman. Mr. Kuhn read the inscription. Mr. Kuhn stated Mr. Willis has taken the Watermaster Board to a whole new level over these past six years. Mr. Kuhn thanked him for all he has done for the Watermaster and the parties during his time as Board Chair. Mr. Kuhn noted there will be a special lunch served in honor of Mr. Willis directly after this meeting. Chair Willis stated his wife, Jane, is in the audience today and will be also joining us for lunch.

I. CONSENT CALENDAR**A. MINUTES**

1. Minutes of the Watermaster Board Meeting held November 10, 2011

B. FINANCIAL REPORTS

1. Cash Disbursements for the month of October 2011
2. Watermaster VISA Check Detail for the month of October 2011
3. Combining Schedule for the Period July 1, 2011 through October 31, 2011
4. Treasurer's Report of Financial Affairs for the Period October 1, 2011 through October 31, 2011
5. Budget vs. Actual July 2011 through October 31, 2011

Motion by Elie second by Field, and by unanimous vote

Moved to approve Consent Calendar items A through B, as presented

II. BUSINESS ITEMS**A. CHINO BASIN WATERMASTER RESERVES**

Ms. Maurizio stated the issue of the reserves has been discussed ever since the budget process began. Ms. Maurizio stated the question was raised by the Appropriators at the time of the budget process as to how much money is in the reserves, and how much of that is excess reserves. Ms. Maurizio stated there are a few issues with the reserves; however, the immediate need is to agree on the reserve method to be used in the upcoming Assessment Package. Ms. Maurizio stated the other issues are should Watermaster have a permanent policy and what to do with the excess reserves. Ms. Maurizio stated normally our CFO, Mr. Joswiak, would be giving this presentation and he is the one who gave it at the Pool meetings; however, he is out on leave for a few weeks. Ms. Maurizio gave the Chino Basin Watermaster Reserves presentation in detail. Ms. Maurizio provided the actions taken at the Pool meetings earlier this month. Ms. Maurizio read staff's recommendation from the staff letter which was provided in the meeting package. Mr. Vanden Heuvel inquired as to what action the Advisory Committee took this morning on this item. Ms. Maurizio stated the Advisory Committee unanimously approved staff's recommendation. Mr. Vanden Heuvel made a motion to approve staff's recommendation and Mr. Kuhn seconded the motion. Mr. Vanden Heuvel inquired about Table A regarding the interest income and if that money was taken out, would that affect the interest income that Watermaster is counting on as part of this year's budget. Ms. Maurizio stated yes it would. A discussion regarding Mr. Vanden Heuvel's question and the presented Assessment Package ensued. Mr. Love offered comment on the reserves and encouraged the parties to consider establishing a higher level of reserve funding because he believes preemptive replenishment will become more of the normal rather than the exception that it has in the past. Mr. Kuhn stated he has heard more than once about a committee being formed to take on the reserve position and

asked for more information on this new committee. Ms. Maurizio stated so far only Cucamonga Valley Water District has recommended a person from their staff to assist and to be a part of that committee. Ms. Maurizio stated no other party has definitely committed a person and/or financial officer for this committee; this is still a work in progress.

Motion by Vanden Heuvel second by Kuhn, and by unanimous vote

Moved to approve staff recommendation to approve (1) Watermaster moving forward with the creation of the Assessment Package using the 30/30 Reserve and \$200,000 savings to offset assessments; (2) Return the current Appropriative Pool Excess Reserves of \$2,542,181 and Non-Agricultural Pool Excess Reserves of \$81,757 allocated back to the Parties based on the last four years of pro-rata share of the assessments and return it as a credit on their invoice for current fiscal year assessments (any Party with a greater Excess Reserve allocation than current assessment will be issued a check); and (3) That the Parties work with Watermaster staff to develop a permanent reserve policy, as presented

B. TURNER BASIN IMPROVEMENT PROJECT AGREEMENT

Ms. Maurizio stated this item is regarding the Turner Basin Improvement Project Agreement and introduced the item in detail. Ms. Maurizio stated Mr. Greene provided the motions made at the recent Pool meetings; however, the Advisory Committee approved staff's recommendation this morning. Mr. Greene gave the Cost Sharing Agreement for Turner Basin/Guasti Park Recharge Improvements presentation. In the presentation Mr. Greene reviewed the Groundwater Recharge Projects in detail, including the Bureau of Reclamation Grant with Inland Empire Utilities Agency. A detailed map of the Change in Groundwater Levels from Spring 2000 to Spring 2010 was reviewed. Mr. Greene reviewed the Turner Basin Task Force Summer 2010 as well as the Milliken Grade Separation Project in detail. The Proposed Cost Sharing Agreement and Cost Recovery Projection, and Staff Recommendations were reviewed in detail. Mr. Greene reviewed the individual Pool motions and staff's recommendation. A discussion regarding the Advisory Committee's motion ensued. Ms. Maurizio discussed the midyear budget check-in.

Motion by Vanden Heuvel second by Haughey, and by unanimous vote

Moved to approve the approval of the cost sharing agreement, as presented

C. ANNUAL FINDING WITH COMPLIANCE OF UPDATED RECHARGE MASTER PLAN

Ms. Maurizio stated Watermaster is required to make this annual finding that it is in compliance with the 2010 Recharge Master Plan Update and Wildermuth Environmental has prepared a report to address this. Ms. Maurizio stated the report states although WEI's calculations indicate there is enough recharge capacity, it is known there is an imbalance of recharge and discharge in areas, particularly in MZ3, and those issues are being worked on. Ms. Maurizio stated the report also states that Watermaster has committed to begin a process toward implementing a Preemptive Replenishment Program. Ms. Maurizio reviewed the actions taken at the Pools and Advisory Committee meetings. Mr. Kuhn inquired about the timeline that the Advisory Committee set. Mr. Jeske stated one year. Mr. Vanden Heuvel inquired about the court requirements on this finding. Counsel Slater stated it is required and there are draconian consequences for failure to make the finding, and the access to the 400,000 acre-feet is contingent upon our continued compliance. Mr. Vanden Heuvel stated what the Advisory Committee did was the only prudent action, at the moment, because to try and leverage on this particular point puts a lot of what we do here at risk. Mr. Vanden Heuvel stated Watermaster has not made significant progress on this Recharge Master Plan and there are real issues which Jurupa Community Services District (JCSD) outlines in their letter; JCSD has legitimate concerns and agrees with the caveats that the Advisory Committee put on their motion. Mr. Vanden Heuvel offered further comment on this matter.

Motion by Vanden Heuvel second by Lantz, and by unanimous vote

Moved to approve that within the next year there will be the completion of Recharge Master Plan Update, there will be the development of an Implementation Plan to address balance issues within the Chino Basin subzones, and the development of a Funding Plan, as presented

III. REPORTS/UPDATES

A. WATERMASTER GENERAL LEGAL COUNSEL REPORT

1. Update on 180 day deferral of December 17, 2011 Recharge Master Plan Filing
Counsel Slater stated at the last meeting this committee acted upon a recommendation of the Advisory Committee to continue the filing date on the Recharge Master Plan from December 17, 2011 by 180 days, which takes an order of the court to complete that action. Counsel Slater stated the pleading with this regard has been completed and filed with the court in order for the Judge to review the pleading in advance of the scheduled hearing tomorrow. Counsel Slater stated this pleading was emailed and a copy is on the back table; this pleading is noncontroversial and unopposed.
2. Aqua Capital Management versus California Steel Industries
Counsel Slater stated this item was discussed recently in closed session. Counsel Slater stated this case raises issues concerning Watermaster's jurisdiction, the scope of the Judgment, and notice provisions, and it may be necessary for Watermaster to intervene in this proceeding if it continues in a parallel court room that is not joined with Watermaster's ongoing case. Counsel Slater if this case continues in another court with another judge that raises a potential issue. Counsel Slater stated there is a hearing on Monday which will be monitored by counsel and a report will be provided if there is further action that may be required.

B. WATERMASTER ENGINEERING REPORT

1. Chino Creek Wellfield Extensometer Location
Mr. Malone stated in the Peace II CEQA documentation there is a monitoring and mitigation requirement to install an extensometer near the Chino Creek Desalter Well Field. Mr. Malone reviewed a map of the location in detail. Mr. Malone reviewed the property area in which the extensometer will hopefully be installed. Mr. Malone noted the extensometer is going to be below ground. Mr. Malone discussed the proposed construction, easement, and permanent easement. Mr. Malone noted the county has stated that the site is acceptable with them; however, complete confirmation has not been received. Mr. Malone stated once the final lease agreement is received, Watermaster Counsel will be reviewing it. Mr. Malone stated we were working with the Agricultural Pool's chair, Bob Feenstra and Frank Brommenschenkel to help us get a site by working with a private land owner in the event the county's site falls through. Mr. Malone stated he will keep the parties apprised on this matter at future meetings.

C. CEO/STAFF REPORT

1. RWQCB Basin Plan Amendment Update
Mr. Wildermuth stated with regard to the RWQCB Basin Plan Amendment Update, Wildermuth Environmental was able to get a draft copy of the language late last week. Mr. Wildermuth stated the Regional Board staff has added something else to the amendment which is unrelated to Chino Basin, which is somewhat problematic. Mr. Wildermuth stated as to the language, as it goes towards the Chino Basin, it's almost perfect and some non-controversial changes have to be made; they are basically working off something Wildermuth prepared a long time ago and things have changed for the scheduling of some modeling. Mr. Wildermuth stated Wildermuth is giving the RWQCB the updates as to the Basin Plan Amendment that was desired. Mr. Wildermuth stated this was an amendment which was to be a special purpose amendment for the Chino Basin Watermaster and Inland Empire Utilities Agency (IEUA). Mr. Wildermuth stated the controversial language they put in there has to do with the definition of incidental recharge

of planned recycled water recharge. Mr. Wildermuth stated when he saw that additional language he tried to reach the Regional Board staff; however, they would not return his calls, so he sent an email which went to Watermaster, IEUA, and some of the dischargers telling them that this language does not belong in this Basin Plan Amendment and can be potentially catastrophic. Mr. Wildermuth stated it is his understanding this will be noticed with or without them in the next few days, and is up for consideration by the RWQCB in February 2012. Mr. Elie inquired if the RWQCB could chop it up by approving portions of it. Mr. Wildermuth stated they have that discretion, and we have to be there and convince them if that is the case. Mr. Vanden Heuvel inquired what would it take for this Board to authorize our legal counsel to make sure we are represented at that meeting to interject if at all needed. Counsel Slater stated legal counsel works at the discretion and pleasure of the Board; if you want legal counsel to take an issue up and prepare a strategy, legal counsel will do that. Mr. Vanden Heuvel offered further comment on this matter. A lengthy discussion regarding this matter ensued.

2. Recharge Update

Ms. Maurizio stated there is an updated Recharge spreadsheet, which was not available at the Pool meetings earlier this month, for November. Ms. Maurizio stated 1,174 acre-feet has been received for storm water, zero acre-feet of imported water, and 648 acre-feet of recycled water. Ms. Maurizio stated annual totals to date are approximately 2,500 acre-feet of storm water, 23,000 acre-feet of imported water, and 3,400 acre-feet of recycled water for a total of all three categories at approximately 30,000 acre-feet to date.

3. Resolution of Preemptive Replenishment Water Purchase

Ms. Maurizio noted there is a handout on the back table regarding this item. Ms. Maurizio stated all the numbers are finalized now and some adjustments had to be made for the water that was received through OC59, which is always the case when Orange County Water District is accepting water at the same time Watermaster is out of that connection. Ms. Maurizio stated there are some meters that measure split of the water and there was also a calibration correction that needed to be done. Ms. Maurizio stated the handout shows how much was injected, wet water recharge, and what portion went through OC59 which is what satisfies the MZ1 requirement for recharge. Ms. Maurizio stated the total quantity of water was 33,099.5 acre-feet, with a cost of \$14,020,560.94. Ms. Maurizio presented the history on this item and stated she is very happy to report that since the last Watermaster Board meeting Watermaster has signed the agreements with Jurupa Community Services District and the City of Ontario. Ms. Maurizio stated the City of Ontario agreement was signed very quickly after the Board meeting and they gave a check to Watermaster almost immediately. In turn, Watermaster paid IEUA. Ms. Maurizio noted for your information, the balance due to IEUA was paid in two checks. Ms. Maurizio stated on November 23, 2011 Watermaster paid IEUA in the amount given by the City of Ontario Agreement. The Jurupa agreement had to go back to their board on November 28, 2011 and the next morning they had the check and the agreement to Watermaster, and those funds were then taken to IEUA for the last payment on the balance due. Ms. Maurizio stated IEUA had to pay MWD by November 30, 2011, otherwise they were going to pay a late fee – Watermaster did get the monies due to IEUA in time so that they did not incur any penalties. Ms. Maurizio stated she attended the actual IEUA board meeting recently where Watermaster had officially asked for them to waive our penalties and interest because we paid them late according to their invoice; the IEUA board considered our request and they waived the fees for Watermaster. Ms. Maurizio stated Watermaster now has all of the agreements needed and has paid IEUA in full for the water and all is good.

4. Notice of Availability of Non-Agricultural Pool Water

Ms. Maurizio stated this item is the Notice of Availability for the Non-Agricultural Pool water which starts on page 71 of the meeting packet. Ms. Maurizio stated this is just notification that if any party of the Non-Agricultural Pool parties would like to sell their water out of storage they need to notify Watermaster by December 31, 2011 via email to Ms. Maurizio.

Ms. Maurizio stated the notice is included in the meeting packet as well. Ms. Maurizio stated the rate for this water is always taken from the MWD Replenishment Rate. Ms. Maurizio stated in previous years it was interpreted this was to be paid by the rate at the time of the offer to sell water and not at the time of the actual sale; MWD changes their rates on January 1st. Ms. Maurizio stated it has now been interpreted, based on some discussions that occurred at the August meetings, to mean at the January rate at the actual time of the actual sale of the water. Ms. Maurizio stated the language for this is included in the meeting package.

6. Agricultural Pool Recommendation on the Applications for Recharge Update

Ms. Maurizio stated in the Pool meetings earlier this month there were two Applications for Storage and Recharge Agreements in the meeting package under the Consent Calendar from the City of Upland and San Antonio Water Company (SAWCO) which were actually pulled from the Consent Calendar by each Pool. Ms. Maurizio stated these applications were discussed thoroughly. Ms. Maurizio stated the Appropriative and Non-Agricultural Pools deferred the item. Ms. Maurizio stated the Appropriative Pool requested staff to review all Storage Agreement requests that have been received to date, going back to the Peace agreement, directed staff to have a Material Physical Injury Analysis done on them, and to review where we are with regard to the cap and how all the agreements fit into that cap. Ms. Maurizio stated the Non-Agricultural Pool deferred this item pending action from the Appropriative Pool. Ms. Maurizio stated the Agricultural Pool took a separate direction and decided to move forward the Applications for Recharge, not the Storage Agreement portion, only the Recharge Application section. Ms. Maurizio stated this issue has been out there for at least fourteen years that she has been able to track down and has remained unresolved. Mr. Vanden Heuvel stated if there are representatives here today from the City of Upland or San Antonio Water Company to offer comment on this matter, he would like to hear from them. Mr. Vanden Heuvel stated he would like to know whether the failure of passing these applications is going to cause the Chino Basin to lose any opportunity for supplemental water because of the failure of the Watermaster to process these applications. Ms. Hoerning stated the City of Upland does have immediate recharge needs. Ms. Hoerning noted SAWCO was replenishing some water and was taking it through the City of Upland's system and recharging it into Upland Basin. Ms. Hoerning stated SAWCO had a prior arrangement with the Chino Basin Watermaster to do that. Ms. Hoerning stated it is important for us because we made a \$22M investment in the construction of the Upland Basin. Ms. Hoerning offered further commented on the construction of the Upland Basin and this matter. Ms. Hoerning stated the City of Upland does not want to delay this action as expressed at the last Appropriative Pool meeting. Mr. Vanden Heuvel stated what he heard from Ms. Hoerning is that a month delay would not hurt and noted that was the concern of the Agricultural Pool. Mr. Vanden Heuvel stated the Agricultural Pool inquired at their meeting to staff about the process to get to a decision, and there was not really a defined process for this which is why the Agricultural Pool made the motion they did. Mr. Vanden Heuvel stated the other item the Agricultural Pool asked staff for was to come back in a month with a plan on how this is going to get resolved. Mr. Vanden Heuvel offered further comment on this matter and noted this is a very important issue that needs attention that gives us some policy clarity so that parties know what the rules are and they can then act appropriately. Ms. Hoerning offered further comment on the Upland Basin and asked that this process not be a several month process review. Counsel Slater stated the concept is correct, the overall articulation that the Watermaster process did set aside quantities for local supplemental for storage and recovery, and there were policy considerations that went into that specific allocation. Counsel Slater stated water has accumulated in the storage accounts and staff, since midsummer, has had the accounting issue of categorization of water into which accounts, and the overarching policy issue to be addressed. Counsel Slater stated the Appropriative Pool has expressed a strong desire to get together with staff on an urgent basis to get a handle on this matter and to come forward with some recommendation on how to address this issue. Counsel Slater stated, given the changeover we had in the CEO position, that this is a very important issue, and

the Appropriative Pool expects to work with staff in the next 60 days to get to the accounting question which has a bearing on what the City of Upland is trying to accomplish. Mr. Vanden Heuvel noted there is nothing in front of this Board to take action on and he urged staff if there is a way to give SAWCO and the City of Upland what they are asking for, and if there is no harm in what they are doing, we should not stand in their way and facilitate that. Counsel Slater stated there is no prohibition on recharge, it is the storage; Watermaster can proceed to have a Recharge Agreement with a party and its only condition is the finding by the Board that no material physical harm will result. Counsel Slater stated it is the second element, which is if it can be safely recovered and held in a storage account, which requires an application. Counsel Slater stated the question that Wildermuth Environmental and Watermaster would have to answer is, is our capacity full, given the directive of maintaining hydraulic control. Counsel Slater stated if that is not the case, then the Board's authorization merely stacks more water on top of the other water; we have to come up with a more global solution to address this issue. Counsel Slater stated he believes it could be done with the understanding that if there could be some form of conditioning that they would understand that if Watermaster had developed a policy to deal with excess water in storage, that they are going to be held accountable and treated in the same fashion that everybody else is. Counsel Slater stated we are all on notice that the capacity may be limited. Mr. Vanden Heuvel offered comment on capacity, hydraulic control, and this matter. Counsel Slater stated there is a legal limitation on a category and to the extent the category could be exceeded, because we don't know and don't have an accounting that we can trust at the moment, that if we are going to stack additional water into the pool, there needs to be a set of rules that take into account when the accounting is complete it's dealt with equitably and on the same basis as the other water is treated, or differently if it is decided and agreed upon. Ms. Maurizio stated the material physical injury analysis is not just how it affects hydraulic control, it is also with regard to the type of water that the City of Upland wants to recharge; they want to recharge recycled water so an analysis needs to be done. Ms. Hoerning stated recycled water would happen out in the future and if the Storage Agreement or the Recharge Application needs to be caveated such that the appropriate studies are done and conducted before that type of water is recharged within the Upland Basin that would be acceptable to the City of Upland. Ms. Hoerning thanked Mr. Vanden Heuvel for his support and comments on behalf of the City of Upland's interest in bringing water to the Chino Basin using the Upland Basin facility. Ms. Lantz stated it appears a Recharge Agreement can be approved once this finding takes place and leave the storage component in abeyance until some of the other things are addressed. Ms. Lantz inquired as to how long it will take to do the material physical injury analysis. Ms. Maurizio stated Wildermuth Environmental will perform that analysis, and staff is working to try and have them completed by next month. A discussion regarding timeframes, process for Recharge Applications, and this matter ensued. Mr. Hofer commented on the value of water and the need for a sense of urgency when it comes to water being available. Counsel Slater stated counsel understands the desire and will work with staff to figure out a way to legally do it consistent with the process protections that the stakeholder's desire.

7. Mailing of Archibald South Plume Water Quality Results

Ms. Maurizio stated this item was a Business Item on the Agricultural Pool agenda this month. Ms. Maurizio stated Watermaster staff has been doing quite a lot of sampling around the Archibald South Plume and, while staff has been out there, there have been multiple requests from the owners and the users to receive their data. Ms. Maurizio stated staff discussed with the Agricultural Pool how that data would be transmitted. Ms. Maurizio stated the Agricultural Pool directed staff to send the information to both the owners and users, including all of the water quality results. Mr. Elie stated he would like to also see the results. Ms. Maurizio explained past practice on releasing water quality data information. Mr. Elie stated the format described would be fine for him to see. Ms. Maurizio stated she can put that format together and give a report on it next month. It was noted with the information is already going to the Regional Board; this is now public information anyway.

8. Annual and Election Meetings for January, 2012 Reminder

Ms. Maurizio stated this is a reminder that the annual meetings will be in January, 2012 where the elections take place, and the dates are listed in the Future Meetings section of the agenda. Ms. Maurizio reminded the parties that the Board meeting has moved up a week to December 15, 2011 to accommodate the upcoming holiday. Ms. Maurizio stated on that day there will also be a Land Subsidence Committee meeting at 8:00 a.m., and a workshop has been added for the review of 2011 Groundwater Production & Replenishment Projections at 1:30 p.m. Ms. Maurizio stated we are having a special lunch in honor of Chair Willis today for those of you who can stay to join us.

IV. INFORMATION

1. Cash Disbursements for November 2011

No comment was made.

2. Newspaper Articles

No comment was made.

V. COMMITTEE MEMBER COMMENTS

Mr. Haughey thanked the Board for the last two years and noted that everybody has been so congenial to him, and that it has been quite a learning experience for him. Mr. Haughey stated all council members for all the cities who participate here should take Watermaster 101 education and attend a few Watermaster meetings to see what happens here and how it really affects parties in the region. Mr. Haughey stated he will be watching the water issues more closely from now on from his knowledge he has gained over the past two years of experience here.

Mr. Feenstra thanked Chair Willis for his past six years of service. Mr. Feenstra referred to Chair Willis as the "calm silent giant" for the past six years. Mr. Feenstra stated Chair Willis stayed well in communications with the parties, chairs, and legal staff and applauded him for that effort. Mr. Feenstra thanked Chair Willis for being a great partner in basin management.

Mr. Vanden Heuvel addressed Chair Willis and thanked him for the leadership that he has been able to provide, and the confidence that he showed while making this Board better by his leadership. Mr. Vanden Heuvel stated for a chair to serve six straight consecutive years gave Watermaster some continuity that has not been enjoyed at the Watermaster prior, and maybe even never again. Mr. Vanden Heuvel stated Chair Willis was a great leader and has become a great friend, and thanked him again.

Mr. Kuhn stated this last year has been an interesting learning experience for us all. Mr. Kuhn stated Ms. Maurizio and him have become better friends after Mr. Manning left. Mr. Kuhn stated it has been a challenge for staff over this last year and he, as an individual as well as all Board members, want to thank Chair Willis and the rest of the Watermaster staff for stepping up, in addition to Chair Willis' leadership. Mr. Kuhn thanked Chair Willis again and asked that the rest of Watermaster staff be thanked as well.

Chair Willis stated he has a high respect for everybody involved here at Watermaster and noted there are a lot of very fine professionals within this organization. Chair Willis thanked Watermaster staff for always being so helpful and gave a special thank you to Ms. Molino. Chair Willis stated as long as Watermaster has the level and quality of consultants as we do, we should be in good stead here and thanked Counsel Slater, Counsel Fife, and Mr. Wildermuth, and noted his great appreciation for them and their work.

VI. OTHER BUSINESS

No comment was made.

The regular open Watermaster Board meeting was convened to hold its confidential session at 12:20 p.m.

VII. CONFIDENTIAL SESSION - POSSIBLE ACTION

Pursuant to Article 2.6 of the Watermaster Rules & Regulations, a Confidential Session may be held during the Watermaster committee meeting for the purpose of discussion and possible action.

1. Personnel Matters

The confidential session concluded at 1:00 p.m.

VIII. FUTURE MEETINGS

Thursday, December 15, 2011	8:00 a.m.	Land Subsidence Committee Meeting @ CBWM
Thursday, December 15, 2011	9:00 a.m.	Advisory Committee Meeting @ CBWM
* Thursday, December 15, 2011	11:00 a.m.	Watermaster Board Meeting @ CBWM
Thursday, December 15, 2011	1:30 p.m.	Workshop for Review of 2011 Groundwater Production & Replenishment Projections
Thursday, January 12, 2012	9:00 a.m.	Annual & Election Appropriative Pool Meeting @ CBWM
Thursday, January 12, 2012	11:00 a.m.	Annual & Election Non-Agricultural Pool Conference Call Meeting – and at CBWM
Thursday, January 12, 2012	1:00 p.m.	Annual & Election Agricultural Pool Meeting @ CBWM
Thursday, January 19, 2012	8:00 a.m.	IEUA DYY Meeting @ CBWM
Thursday, January 19, 2012	9:00 a.m.	Annual & Election Advisory Committee Meeting @ CBWM
Thursday, January 26, 2012	11:00 a.m.	Annual & Election Watermaster Board Meeting @ CBWM

*** Note:** Watermaster Board meeting date change due to the Christmas holiday

The Watermaster Board meeting was dismissed by Chair Willis at 1:01 p.m.

Secretary: _____

Minutes Approved: January 26, 2012