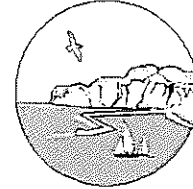

B O A R D O F D I R E C T O R S
R E G U L A R M E E T I N G
O C T O B E R 2 3 , 2 0 0 8



A G E N D A

SOUTH COAST WATER DISTRICT

Meeting Location:
City of Dana Point Council Chamber
33282 Golden Lantern
Dana Point, CA 92629

Thursday, October 23, 2008
5:00 p.m.

IN ACCORDANCE WITH THE REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE SECTION 54954.2, THIS AGENDA HAS BEEN POSTED IN THE MAIN LOBBY OF THE DISTRICT'S ADMINISTRATIVE OFFICES NOT LESS THAN 72 HOURS PRIOR TO THE MEETING DATE AND TIME ABOVE. ALL WRITTEN MATERIALS RELATING TO EACH AGENDA ITEM ARE AVAILABLE FOR PUBLIC INSPECTION IN THE OFFICE OF THE BOARD SECRETARY.

IN THE EVENT ANY MATTER NOT LISTED ON THIS AGENDA IS PROPOSED TO BE SUBMITTED TO THE BOARD FOR DISCUSSION AND/OR ACTION, IT WILL BE DONE IN COMPLIANCE WITH SECTION 54954.2(b) AS AN EMERGENCY ITEM OR BECAUSE THERE IS A NEED TO TAKE IMMEDIATE ACTION, WHICH NEED CAME TO THE ATTENTION OF THE BOARD SUBSEQUENT TO THE POSTING OF THE AGENDA, OR AS SET FORTH ON A SUPPLEMENTAL AGENDA POSTED IN THE MANNER AS ABOVE, NOT LESS THAN 72 HOURS PRIOR TO THE MEETING DATE.

A. CLOSED SESSION (5:00 PM)

DURING THE COURSE OF CONDUCTING THE BUSINESS SET FORTH ON THIS AGENDA AS A REGULAR MEETING OF THE BOARD OF DIRECTORS, THE PRESIDENT MAY CONVENE THE BOARD IN CLOSED SESSION TO CONSIDER MATTERS OF PENDING OR POTENTIAL LITIGATION, OR PERSONNEL MATTERS, PURSUANT TO GOVERNMENT CODE SECTIONS 54956.9, 54957 OR 54957.6.

REPORTS RELATING TO (A) PURCHASE AND SALE OF REAL PROPERTY; (B) MATTERS OF PENDING OR POTENTIAL LITIGATION; (C) EMPLOYMENT ACTIONS OR NEGOTIATIONS WITH EMPLOYEE REPRESENTATIVES; OR WHICH ARE EXEMPT FROM PUBLIC DISCLOSURE UNDER THE CALIFORNIA PUBLIC RECORDS ACT, MAY BE REVIEWED BY THE BOARD DURING A PERMITTED CLOSED SESSION AND ARE NOT AVAILABLE FOR PUBLIC INSPECTION. AT SUCH TIME AS FINAL ACTIONS ARE TAKEN BY THE BOARD ON ANY OF THESE SUBJECTS, THE MINUTES WILL REFLECT ALL REQUIRED DISCLOSURES OF INFORMATION.

- (1) Convene in Closed Session
 - (a) Pursuant to Government Code Section 54956.9, confer with District Counsel and Special Counsel regarding existing litigation: Ferry, et al. vs. South Coast Water District et al.
 - (b) Pursuant to Government Code Section 54956.9, confer with District Counsel and Special Counsel regarding existing litigation: Golden Phoenix Products Corp vs. South Coast Water District et al.

B. RECONVENE BOARD MEETING IN REGULAR SESSION (6:00 PM)

- (2) Consideration of action, if any, on matters considered in closed session
- (3) Report on actions taken in closed session, as required

C. PLEDGE OF ALLEGIANCE Director Moore

D. ROLL CALL OF BOARD MEMBERS

- President Richard Dietmeier
- Vice President Ingrid McGuire
- Director Richard Gardner
- Director Robert Moore
- Director Richard Runge

E. ORAL COMMUNICATIONS / PUBLIC COMMENTS

All persons wishing to address the Board on specific agenda items or matters of general interest should do so at this time by completing a "Request to Speak" form available at the door. The completed "Request to Speak" form is to be submitted to the secretary prior to an individual being heard by the Board. Members of the public who wish to discuss consent calendar items should do so at this time. **As determined by the President, speakers may also be heard following the Staff Report on each item and remarks may be limited to three (3) minutes.** Matters of interest addressed by a member of the public and not listed on this agenda cannot have action taken by the Board except as authorized by Government Code Section 54954.2(b).

F. CONSENT CALENDAR

All matters listed under Consent Calendar are considered by the Board of Directors to be routine and will all be enacted by one motion by the form listed below. There will be no separate discussion of the items prior to the time the Board votes on the motion unless members of the Board, staff or public request specific items to be discussed and/or removed from the Consent Calendar for separate discussion. Staff reports will only be given if items are pulled from the Consent Calendar.

Members of the public who wish to discuss a Consent Calendar Item should do so under Oral Communications/Public Comments.

Recommended Action: Motion to approve Consent Calendar Item(s).

Consent Calendar (Items 1 to 4)

1. *Approval of Board Minutes*

- a. Special Meeting of September 15, 2008
- b. Regular Meeting of September 25, 2008
- c. Special Meeting of September 30, 2008

Recommended Action: If no corrections or amendments, minutes will be deemed approved as submitted and be so ordered by the President

2. *Leave of Absence:* Permission to leave the State (this grants authority of any Director to be absent from the State and the performance of duties, if necessary, for a period of more than sixty (60) days)

3. *Schedule of Checks and Expenditures*

- a. Expenditures for SCWD for the period of 9/1/08 through 9/30/08
General Funds and Restricted Funds

Recommended Action: That the Board of Directors ratify all payments made for expenditures authorized by the approved South Coast Water District budget for FY

2008/09 as presented in the Schedule of Checks and Expenditures for the period of September 1, 2008 through September 30, 2008.

- b. Expenditures for JRWSS for the period of 9/1/08 through 9/30/08
JRWSS Contracts Operations

Recommended Action: That the Board of Directors ratify all payments made for expenditures authorized by the approved Joint Regional Water Supply System budget for FY 2008/09 as presented in the Schedule of Checks and Expenditures for the period of September 1, 2008 through September 30, 2008.

4. Automated Meter Program

- a. Update

Recommended Action: Information item

G. NEW BUSINESS

5. Quarterly Investment Update

Staff Report: Presentation by Mr. Jay Lembach
Board Questions
Public Comments
Director Discussion

Recommended Action: That the Board of Directors receive and file the Investment Report

6. Quarterly Capital Project Status Report

Staff Report: Capital Project Status Report
Board Questions
Public Comments
Director Discussion

Recommended Action: That the Board of Directors receive and file the Quarterly Capital Project Status Report

7. Quarterly Financial Statements

Staff Report: Financial Statements for the three months ending September 30, 2008
Board Questions
Public Comments
Director Discussion

Recommended Action: That the Board of Directors receive and file the Financial Statements for the Three Months Ending September 30, 2008

8. Red Flag Rules: Identity Theft Prevention Program

Staff Report: Implementation of Identity Theft Prevention Program
Board Questions
Public Comments
Director Discussion

Recommended Action: That the Board of Directors approve Resolution No. 1-08/09 entitled, "A Resolution of the Board of Directors of the South Coast Water District Adopting an Identify Theft Prevention Program, " and direct staff to implement the Identity Theft Prevention Program

H. ITEMS TO BE CONSIDERED AT NEXT MEETING

Board of Directors to identify specific items for consideration at the next regular Board of Director's meeting. The Board President shall assist staff in the preparation of the agenda for the next regular Board meeting. Items shall appear on the agenda if a consensus of the Board is to place an item on the agenda for consideration.

I. CONSIDERATION OF MEETING REQUESTS THAT ARE OUTSIDE OF DISTRICT ORDINANCE NO. 200

AB 1234 requires that Board Members who desire to be paid a per diem for attendance at events or meetings that are not identified by District Ordinance must get approval from the Board in advance of the event or meeting to be eligible for the per diem fee.

J. ORAL COMMENTS /STAFF, CONSULTANTS

There will be a time limit of three (3) minutes per person. The Directors, General Manager, District Counsel and/or Consultants may present oral reports on miscellaneous matters of general interest to the Directors which are not set forth specifically on the agenda. These reports are for information only and no action is required or permissible by the Directors.

- Director of Engineering Bob Clark
- Director of Operations Joe McDivitt
- District Counsel Betty Burnett
- Director of Finance Carolyn Rynda
- Director of Property Development Joe Sovella

K. ORAL COMMENTS/BOARD GOVERNANCE; DIRECTORS, GENERAL MANAGER

There will be a time limit of three (3) minutes per person. The Directors, General Manager, District Counsel and/or Consultants may present oral reports on miscellaneous matters of general interest to the Directors which are not set forth specifically on the agenda. These reports are for information only and no action is required or permissible by the Directors.

- President Richard Dietmeier
- Vice President Ingrid McGuire
- Director Richard Gardner
- Director Robert Moore
- Director Richard Runge
- General Manager Michael Dunbar

L. AGENCY REPORTS

The Directors will present oral reports on meetings they attended in the past month with affiliated agencies and organizations

- President Richard Dietmeier
- Vice President Ingrid McGuire
- Director Richard Gardner
- Director Robert Moore
- Director Richard Runge

M. CLOSED SESSION REPORTS

None

N. ADJOURNMENT

Accommodations for the Disabled. The Board of Directors Meeting Room is wheelchair accessible. If you require any special disability related accommodations, please contact the South Coast Water District Secretary's office at (949) 499-4555 ext. 3150 at least seventy-two (72) hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.

Written materials related to Board Agenda. At the time of the posting of the agenda for regular and special Board meetings, the entire agenda packet is available for public review at the District's Administrative Offices at 31592 West Street, Laguna Beach, California. Pursuant to Government Code Section 54957.5 any writing that is distributed to the Board of Directors after the posting of a regular or special meeting agenda shall also be made immediately available to the public at the District's Administrative Offices. Written materials distributed by members of the public at a South Coast Water District Board meeting shall be made available immediately following the meeting.