
BOARD OF DIRECTORS

REGULAR MEETING

SEPTEMBER 22, 2011



AGENDA

SOUTH COAST WATER DISTRICT
Meeting Location:
City of Dana Point Council Chamber
33282 Golden Lantern
Dana Point, CA 92629

Thursday, September 22, 2011
6:00 p.m.

(Closed Session at 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 24 HOURS PRIOR TO THE MEETING DATE.

A. CLOSED SESSION

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 on 1 matter of potential litigation: South Coast Water District appeal of Laguna Beach Design Review Board decision to reject full demolition permit for 4th Avenue Property.

- (b) Pursuant to Government Code Section 54956.9, confer with District Counsel and outside Counsel on 1 matter of existing litigation: South Coast Water District vs. San Diego Regional Water Quality Control Board, Case No. OC-30-2010-00364016, Petition for Writ of Mandate.

B. RECONVENE BOARD MEETING IN REGULAR SESSION

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

C. PLEDGE OF ALLEGIANCE Director Moore

D. ROLL CALL OF BOARD MEMBERS

- President Wayne Rayfield
- Vice President Ingrid McGuire
- Director Richard Gardner
- Director Bob 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 (Item 1 - 18)

1. Approval of Board Minutes

- a. Regular Board Meeting of August 25, 2011

2. Consideration of Meeting Requests that are Outside of District Ordinance No. 205

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. Directors must file their request with the Board Secretary the Wednesday before the Regular Meeting for inclusion on the Board agenda; if said request is not received then the requesting Director may pull item for consideration at the meeting.

Recommended Action: Information Item

3. Schedule of Checks and Expenditures

a. Expenditures for SCWD for the period of 7/1/11 through 7/31/11
General Funds and Restricted Funds

b. Expenditures for JRWSS for the period of 7/1/11 through 7/31/11
General Funds and Restricted Funds

4. Annual Investment Report

Recommended Action: The Administration & Finance Committee recommends that the Board of Directors receive and file the attached Annual Investment Report.

5. Annual Review and Adoption of District's Statement of Investment Policy

Resolution No. 1-11/12 entitled, "A Resolution of the Board of Directors of South Coast Water District Establishing the Investment Policy for District Funds for Fiscal Year 2011-2012 and Repealing Resolution No. 8-10/11.

Recommended Action: The Administration & Finance Committee recommends that the Board of Directors approve Resolution No. 1-11/12 entitled, "A Resolution of the Board of Directors of South Coast Water District Establishing the Investment Policy for District Funds for Fiscal Year 2011-2012 and Repealing Resolution No. 8-10/11.

6. South Coast Water District Unaudited Annual Financial Statements

Recommended Action: The Administration & Finance Committee recommends that the Board of Directors receive and file the attached financial statements.

7. Annual Review of the Deferred Compensation Fund Investments

Recommended Action: The Administration & Finance Committee recommends that the Board of Directors concur in the action of the District's 457 Plan Administrator, Kathleen Kane, to revise the Deferred Compensation Fund choices consistent with the July 28, 2011 recommendations of Thomas Wolfson, Wolfson-Sutherland Retirement Group of Wells Fargo Advisors.

8. Memorandum of Understanding between South Coast Water District and MWDOC for the Reservation of a Portion of San Juan Creek Property for Ocean Desalination.

Recommended Action: The Administration & Finance Committee recommends that the Board of Directors authorize the General Manager to execute the Memorandum of Understanding between Municipal Water District of Orange County and South Coast Water District regarding the reservation of a portion of the San Juan Creek Property for location of an Ocean Desalination Plant.

9. Groundwater Recovery Facility Monthly Report – Reporting July 2011 Production

Recommended Action: Information Item

10. Computerized Maintenance Management System Monthly Report – July 2011

Recommended Action: Information Item

11. Sewer Cleaning/Maintenance Progress Report – July 2011

Recommended Action: Information Item

12. Tunnel Stabilization & Sewer Pipeline Replacement Project Update

Recommended Action: Information Item

13. Engineering Monthly Project Status Report – August 2011

Recommended Action: Information Item

14. Lift Station No. 2 Force Main Cathodic Protection

Recommended Action: The Engineering & Operations Committee recommends that the Board of Directors authorize the General Manager to: a) Negotiate with Tetra Tech, Inc., and award a contract in the amount of amount of \$20,500 for engineering services for the Lift Station No. 2 Force Main Assessment Project; and b) Issue Change Orders up to \$2,050 (10% contingency), if required.

15. Tunnel Stabilization and Sewer Pipeline Replacement Project

Recommended Action: The Engineering & Operations Committee recommends that the Board of Directors authorize the General Manager to: a) Negotiate with Atkinson Underground, LP, and Kiewit Infrastructure West Co., and award contracts to each firm in an amount not to exceed \$150,000 (for a total of \$300,000) for Constructability Review services related to the Tunnel Stabilization and Sewer Pipeline Replacement Project; and b) Issue Change Orders up to \$15,000 per contract (10% contingency or up to \$30,000 total), if required.

16. 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)

G. NEW BUSINESS

17. CalPERS Update

Staff Report
Questions of Staff
Public Comments
Director Discussion

Recommended Action: Information Item

18. Tunnel Stabilization and Sewer Pipeline Replacement Project

Staff Report
Questions of Staff
Public Comments
Director Discussion

Recommended Action: That the Board of Directors direct staff from the following options:

- 1) Authorize the General Manager to:
 - a) Award a contract in the amount of \$7,550 to Thirtieth Street Architects, Inc. for execution of an assessment of the property at 31762 So. Coast Highway; and
 - b) Issue change orders up to \$800 (10% contingency) if required; or
- 2) Bring expenditure proposal back to the Board after the appeal of the DRB decision is concluded.

19. Groundwater Recovery Facility Well No. 2 (Creekside Park)

Staff Report
Questions of Staff
Public Comments
Director Discussion

Recommended Action: That the Board of Directors authorize:

- a) Drilling of the well at site #2 for the GRF and that it be at Creekside Park; and
- b) Execution of a Consulting Services Agreement with Geosciences Services, Inc. for the well design and geotechnical services, in an amount not to exceed \$98,500.00; and
- c) Execution of a Consulting Services Agreement with RBF Consulting for the GRF Well No.2-Wellhead Facilities and Pipeline design, in an amount not to exceed \$337,888.00; and
- d) Staff to pursue water rights/acquisitions beyond 1,300 af/yr

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. 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.

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

J. ORAL COMMENTS/BOARD GOVERNANCE/AGENCY REPORTS; DIRECTORS, GENERAL MANAGER

There will be a time limit of three (3) minutes per person for general comments and five (5) minutes per person for agency reports. 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 and the Directors may present oral reports on meetings they attended in the past month with affiliated agencies and organizations. These reports are for information only and no action is required or permissible by the Directors.

Director Richard Gardner
 Director Bob Moore
 Director Richard Runge
 General Manager Michael Dunbar
 Vice President Ingrid McGuire
 President Wayne Rayfield

K. 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. 3160 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.