

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
EAST ORANGE COUNTY WATER DISTRICT

May 23, 2017

1. **Call to Order.** A Special Meeting of the Board of Directors of the East Orange County Water District was called to order by DOUGLASS DAVERT President of the Board of Directors, at 6:06 p.m. on Tuesday, May 23, 2017, at Hewes Middle School, 13232 Hewes Avenue, North Tustin, CA 92705. JEFFREY FREY, of Bowie, Arneson, Wiles & Giannone, as Acting Secretary, recorded the minutes of the meeting.

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN, SEYMOUR EVERETT and JOHN SEARS.

Also present were:

LISA OHLUND	General Manager
LARRY BRENNLER	Orange County Health Care Agency
JAMES FABIAN	Fieldman, Rolapp & Associates
JEFFREY FREY	Acting District Secretary and Legal Counsel
PUBLIC ATTENDEES	See Sign-In Sheet Exhibit "A"

2. **Public Communications to the Board.** None on Non-Agenda Items.

3. **Welcome, Introduction, and Opening Remarks.** President DAVERT made opening remarks, explaining the District's whole sale and retail water operations, as well as sewer provider operations, and introducing the members of the Board.

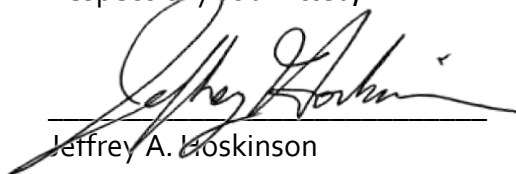
4. **Presentation on Background of Sewer and Septic Issues.** Ms. OHLUND provided a presentation relative to the sewer and septic history issues facing the District's territory, including that there are between 350-400 septic systems within the District's service area, and that some property owners desire to convert as septic systems age and are failing. Ms. OHLUND highlighted that the District is attempting to assess interest in conversions from septic to sewer, and that no one will be forced to participate, nor will anyone have to pay those costs needed to help other properties. Included discussion on the potential costs associated with conservations, including estimates for properties (i) near an existing sewer mainline with no pumping requirements, and (ii) not near an existing sewer mainline, but no pumping requirements.

5. **Presentation Environmental & Health Effects of Septic Systems.** Mr. BRENNLER of Orange County Health Care Agency provided a presentation covering the history of septic tanks and the potential health impacts created by such systems.
6. **Presentation on Financial Issues Relative to Septic System Conversions.** Mr. FABIAN of Fieldman, Rolapp & Associates made a presentation relative to the financial issues in connection with conversion from septic to sewer, and history and requirements of Assessment Districts. Issues relative to the formation of Assessment Districts, and Proposition 218 considerations were discussed. Ms. OHLUND discussed price estimates, and property tax bill implications of Assessment District.
7. **Question and Answer Opportunity for Attendees.** Attendees had an opportunity to ask questions. Such questions included questions on participation, monthly sewer cost estimates, participation thresholds, how notice was given, and how better communication of the issue with interested parties could be achieved.
8. **Adjournment.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:52 p.m., the next regular meeting date and time being Thursday, June 15, 2017, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,



Jeffrey A. Hoskinson