

REPORT ON CASA MEETING JUL 31- AUG 2, 2024
AT MONTEREY, CA
by Dwight Merrill

1. CSRMA Board of Directors Meeting. I would like to highlight four items.

A) KYND Cyber Security Services has been hired to provide real time monitoring of cyber threats to members domains/ports. I think we should enroll to obtain protection. I hope Stege is already registered; the webinar sessions were held Jun 27 & Jul 11th.

B) Smart SOP has been updated again—it just keeps getting better. I hope Stege is using it. Now it is web based, so no phone app is needed. SOP (standard operating procedures) are thereby at everyone's fingertips. When creating an SOP, outlines are available so one can't overlook important features. With retirements we need to keep our SOPs up to date.

C) Insurance market has stabilized. Still no dividends from WC, but reserves are building. Liability insurance will show the most significant increases, about 10%.

D) Financials were incomplete. I felt insulted. The Clean Water Insurance Captive (CWIC) is a wholly owned subsidiary and thus we should get a CONSOLIDATED financial report of the two entities in one combined report. As it was, we only received the old CSRMA report which showed big losses as assets were transferred to the CWIC. The CWIC has about 40% of its assets invested in conservative mutual funds, the rest in fixed income. The CWIC has about one-third of the insurance fund assets, so $40\% \times 1/3 =$ about 12% of the whole, just in time for the recent stock market crash. Dennis MulQueeney assured everyone that the pool was doing well, but we had to take that on faith. Not everyone can read a financial report, but no one can read a financial report that isn't there.

2. Nutrient Reduction. "Nutrient Removal" is a big part of The Environmental Defense Fund's agenda and Baykeeper, etc are all in on "nutrient removal." Current treatment reduces nutrients, but apparently not enough to avoid occasional harmful algal blooms (HAB) in the bay. Hot weather; reduced tidal flows (neap tides) and little wind reduce the stirring up of sediment allowing more sunlight into the water; clouds and fog can reduce the sunlight striking the water; etc. all affect the capacity of HABs. The recent HAB was not merely the result of the algal mass decaying and causing hypoxia, but some of the algal appeared to be toxic, because green sturgeon deaths seem to start before the hypoxia event. To meet the SWQCB proposal for a 40% reduction in total inorganic nitrogen (mainly ammonia and nitrate/nitrite) will cost \$11 billion statewide. SF will have to spend about 1 billion, but EBMUD thinks they can do it much more cheaply, since they have unused secondary treatment capacity in dry weather, because the plant was sized for the high BOD reduction necessary when there were many canneries in the area which have all closed down. The aerobic treatment can grow more activated sludge which will sequester more nitrogen. There is a ten year compliance period suggested. Do the math: 800,000 people in SF, 3 persons per unit, 270,000 will take more than \$300/per unit to come up with the billion dollars over 10 years, plus something for operation and depreciation.

3. Discussion of PFAs. OK, treatment plants have a problem. The handwriting is on the wall: we will have to remove the PFAs, but no one knows how. About 40% of the PFAs end up in the biosolids, and farmers won't accept biosolids with PFAs, especially since the PFAs have been shown to leach out with rain. The POTW treatment processes yield more PFAs than enter the plant—apparently some biological activity actually produces PFAs.

4. Keynote: Managing Change. Mabel Miguel, professor at University of North Carolina Kenan-Flagler Business School, gave a very good and engaging presentation on managing change in any

organization. In the second hour professor Miguel had us set our smart phones on a QR code she displayed on the screen which took us to her computer in the back of the room and we were able to vote on which issues we felt were the most important, and then later on we were able to text comments to her and she scrolled them so we could see them on the screen, and she picked out the most appropriate ones.

The basic outline was that change is hard and takes time. Bridges' STEEP framework indicates the main sticking points. Social (S), Technical Factors (T), Economic Factors (E), Environmental Factors (E), and Political Factors (P) all have to be considered. As you work through the issues, morale may dip, but eventually will come back up. Throughout the process listen, listen, listen. Be transparent in your communications. When listening, start off with yes, and..., only later move to yes, but..., and finally, better if.... Any change must be feasible, and you must be willing to accept input. If you can get 60% of the organization to buy in, then you can go forward. (Stege has 10 employees and 5 board members. 60% of 15 is 9.)

5. Energy Management Session. Discussion of how the water sector can reduce its carbon footprint. Solar right now is being wasted mid day-- there is more electricity than we can use—we need more storage, and maybe we could electrolyze water to yield hydrogen which we could store briefly, then burn it later to produce electricity in the evening when it is needed. Our plants emit more methane than we capture. One study suggests 50% of this uncaptured methane come from our mains. Nitrous oxide results in global warming. We need to come up with solutions.

6. Future Issues in the Water Sector. The principle focus was on economics—We are running a deficit of \$91 billion dollars a year as our infrastructure ages and isn't being replaced. Over the next 20 years we will have to spend \$3 trillion, some to reduce our carbon footprint. Water processing and pumping contributes about 3% of the global carbon footprint.

7. State Legislation Committee. The budget is lean (as we all know). Most of the damaging legislation has been derailed, but there are still significant issues, such as forced consolidation of failing sewer systems into sound ones. The 4 billion bond measure (down from the 30 billion we were talking about last year) left out a lot of water projects, but still has quite a bit for the water sector.

8. Federal Legislation Committee. We celebrated two victories, at least it looks like they will pass, the legislative process is not yet complete, but we should have good standards for flushability labeling of wipes, and we should have a ten year NPDES permit schedule. Everything else is dependent on the election. Budget is Due Oct 1st; that isn't going to happen. The House wants heavy cuts in most programs. A continuing resolution should get us into Nov., and then depending on the results of the election we will either be up the creek or worse. Tessa, however should be alright, because the Army Corps of Engineers is part of the Defense Budget.

9. Closing Keynote. John Ashford, political guru, gave us his predictions. Close election, advantage Trump. Republicans will gain control of the Senate (unless you can stop John Justice). The House is up for grabs.