

## Director Siegfried Questions – January 2025

p. 8:

"We are working to build long-term resiliency in our system." How? Financial, operational?

Replacement of collection system will help to build long term resiliency in our system. Lowering the number of SSOs, reducing required maintenance, managing for growth.

Resiliency is the ability to withstand/recover from difficulties. New HDPE in the ground has a life expectancy of 50 yrs but can have a lifespan of over 100 years. Compared with other traditional piping materials HDPE demonstrates better longevity. It is flexible, corrosion resistant, lighter in weight and more cost effective than metal pipe. It is joined by welding or fusing the pipe sections together thus reducing root intrusion. Impact resistant and not as susceptible to same environmental stressors. It also has a high flow capacity and is resistant to many chemicals. Its low thermal conductivity cuts down on the need to insulate as it maintains more stable fluid temperatures. All these qualities make HDPE able to lower the number of SSOs, reduce required maintenance, and potentially manage for growth. All these qualities make putting new HDPE pipe in the ground a move toward greater resiliency.

While a considerable amount of our clay pipe shows evidence of cracking and root intrusion, We know that the Romans built their aqueducts out of clay and some have lasted centuries. Unfortunately, all of our pipes are underground and subject to earth movement which may cause cracking and explain our experience.

"gradually building to \$2.275 per year" ?

This is an error – it should read \$2,275M per year

Why did we reduce rates by 10%, and how did that work out?

We reduced rates by 10% because we were not spending down our reserves on capital and had accumulated \$50M+ in cash. Worked out fine – in fact we left rates level for the following two years. We are still not spending down capital very quickly.

Why do we still have "beliefs"?

We will endeavor to eliminate “believe” or “feel” from my staff reports. The reports will show facts and figures only.

You may have a personal belief that we have another forty years at our current location and this section is a management discussion, but that belief is neither confirmed nor contradicted by the Board so should you make that statement?

This is not so much a personal belief. It is based on documentation we have in our files. The Coastal Commission original Special Conditions state “...to allow for the continued operation and function of the Plant in its existing location for up to 30 years ...” They mention the 30 year timeframe repeatedly. Then we also have on file a “markup” of those special conditions that states “...Special Condition 1 is authorized for 40 years from the date of approval.”

The District also submitted documentation to the Coastal Commission (i.e. Coastal Hazards Monitoring Plan 03-24-20) suggesting that we have assets that timing of backwatered lagoon inundation impact would be beyond 2100. Then in 2022 we submitted our Coastal Hazards Planning Roadmap to the Coastal Commission that lays out “the general plan for the next 40 years.”

The District has documentation on file that supports a *potential 40 year* timeline. Note that same report also says, “major impacts to the WWTP operations could be 60 years”. That should also be qualified as *potential*. We do not really know for certain, but the board has accepted these reports submitted to the Coastal Commission. You are correct that the board has neither confirmed or contradicted, and I certainly am not trying to cross into Board territory, but I am suggesting, conservatively, 40 years based on documentation we have in the file. From reading our permit and other documents, I think we can say that the Coastal Commission is nothing if not conservative when it comes to SLR.

Ultimately this is our report. If you would like the number changed to something else I can do that. Will change to “potential forty”.