



Salton Sea Authority Board of Directors Meeting

Thursday, April 23, 2020
10:00 a.m.



AGENDA: BOARD OF DIRECTORS MEETING
DATE: Thursday, April 23, 2020, 10:00 a.m.

In the interest of public health, and in cooperation with government COVID-19 meeting recommendations, this meeting will be conducted via Zoom Webinar. The public will be able to view the meeting live at 10:00 April 23. Please see the meeting login information at <http://saltonseaauthority.org/ssa-board-of-directors-meeting-13>.

I. CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

A copy of the complete agenda packet is available for viewing or download at: <http://saltonseaauthority.org/ssa-board-of-directors-meeting-13>

II. PUBLIC COMMENTS

To ensure that members of the public have an opportunity to be heard before the Salton Sea Authority Board pursuant to State Law, a Public Comment period is included at the beginning of every agenda. This Public Comments time is reserved for matters not already on the agenda. Any member of the public may address and ask questions of the Board relating to any matter within the Authority's jurisdiction.

Additionally, citizens are invited to comment on any item listed on the agenda, after the presentation of that item. Comments will be read at the presentation of that item.

*Please email your public comment c/o SSA's Board Secretary at info@ssajpa.org (subject line "Public Comment, 4/23/20 SSA board meeting"), or hand-deliver your comment, in an envelope addressed to "Board Secretary, Salton Sea Authority" to the security officer at the public defenders' office at 82995 Highway 111, Suite 200, Indio, CA 92201 (downstairs, glass entry next to the statue of justice at the west end of the building) **by Tuesday evening, April 21**, to be read aloud during the board meeting. A mail slot is available at the above address for dropping off comments before or after office hours.*

In your comment, please include your name and address (addresses will be redacted), and the agenda item number and topic to which your question or comment applies – or whether it is for this general public comment section. (Anonymous comments will not be read.)

The law prohibits members of the Board from taking action on matters not on the agenda.

Remarks are limited to a maximum of three (3) minutes unless additional time is authorized by the Board.

III. BOARD MEMBER COMMENTS

This is the time set aside for any Board Member to ask questions or address any issue posed by a member of the public.

IV. CONSENT CALENDAR – Receive, Approve, and File (*see attached*)

- A. Minutes of February 20, 2020
- B. Warrant Register Ratification for February 2020
- C. Warrant Register Ratification for March 2020
- D. Internal Financial Report for: 7/1/2019 – 2/29/2020

V. PRESENTATIONS

- A. UCR Briefing on National Institutes of Health epidemiology research at Salton Sea (David Lo, M.D., Ph.D, UC Riverside School of Medicine)

VI. ACTION ITEMS (*see attached*)

- A. Consideration of Letter of Support for Action on New River

VII. REPORTS

- A. General Manager’s Report on Activities – (Phil Rosentrater, GM/Executive Director, Salton Sea Authority) (*see attached*)
- B. Standing Reports from Federal and State Partners
 - 1. STATE:
 - a. Salton Sea Management Program – (Gail Sevrens, Salton Sea Program Manager, CA Dept. of Fish & Wildlife)
 - b. State Advocacy Report – (Oracio Gonzalez, Principal, Ollin Strategies)
 - 2. FEDERAL:
 - a. US Bureau of Reclamation – (Genevieve Johnson, Program Manager for the Salton Sea)
 - b. Federal Activities Update – (Lisa Lehman, Partner, Cultivating Conservation)

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION

The next regularly scheduled meeting is scheduled to be held:

Thursday, May 21, 2020, 10:00 a.m.

Imperial Irrigation District

Bill Condit Auditorium

1285 Broadway Avenue

El Centro, CA 92243

(760) 482-9618

Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection in the lobby at the front desk of the County Law Building located at 82995 Highway 111, Indio, CA 92201.



OFFICIAL PROCEEDINGS
SALTON SEA AUTHORITY
BOARD OF DIRECTORS MEETING
February 20, 2020

I. CALL TO ORDER

The regularly scheduled meeting of the Salton Sea Authority (“Authority” or “SSA”) Board of Directors (“Board”) was called to order by Cástulo Estrada, Chairman, at 10:08 a.m., at Coachella Valley Water District, Steve Robbins Administration Building, 75515 Hovley Lane East, Palm Desert, CA 92260, (760) 398-2651.

PLEDGE OF ALLEGIANCE

Chairman Cástulo Estrada led the Pledge of Allegiance

ROLL CALL:

DIRECTORS PRESENT

Cástulo R. Estrada, President
Alex Cardenas, Vice President
Luis A. Plancarte, Secretary
V. Manuel Perez, Treasurer
James C. Hanks, Director
Ryan E. Kelley, Director
G. Patrick O’Dowd, Director**

AGENCY

Coachella Valley Water District
Imperial Irrigation District
Imperial County
Riverside County
Imperial Irrigation District
Imperial County
Coachella Valley Water District

DIRECTORS PRESENT
VIA TELECONFERENCE

Jeff Hewitt, Director *

AGENCY

Riverside County

In keeping with the Salton Sea Authority Bylaws, there being at least three of the five member agencies represented, and a single Director carrying the vote of both Directors when the second Director of the same agency is absent, a Quorum was declared, and the meeting proceeded.

** Director Hewitt left the meeting at 11:20, just prior to Action Item VI.A, as noted in the text.*

*** Director O’Dowd left the meeting at 12:11 during the discussion of Action Item VI.E, prior to the vote as noted in the text of that item.*

DIRECTORS ABSENT

Thomas Tortez, Director
Altrena Santillanes, Director

AGENCY

Torres Martinez Desert Cahuilla Indians
Torres Martinez Desert Cahuilla Indians

SALTON SEA AUTHORITY STAFF PRESENT

Phil Rosentrater, General Manager/Executive Director
Bob Hargreaves, Best Best & Krieger, Legal Counsel

MEMBERS OF THE PUBLIC PRESENT

Alex Schriener, Jr.
Lynn Hastings
Shindig
John Braden
Mario Renteria
Rebecca Zaragoza
Ryan Llamas
Richard Cardulla
Gail Sevrens
Nikola Lakic
Miguel Figueroa
Nina Waszak
Vickie Doyle
Melanie Cox

AGENCY

Earth Systems
X-Way Delta

Office of Ben Hueso
Leadership Counsel
Audubon, CA
Land Owner
CDFW

City of Calexico
Coachella Valley Waterkeeper
IID
SSAC

II. PUBLIC COMMENTS

- A. Mr. Nikola Lakic introduced himself, gave a little of his background/history, and spoke in favor of his proposal for the Salton Sea.
- B. Mr. Miguel Figueroa, Assistant City Manager of Calexico, was invited to make his public comment at presentation V.B as requested.

III. BOARD MEMBER COMMENTS

- A. Director Cardenas recognized Mr. Frank Ruiz of the Audubon for arranging fly-overs at the Salton Sea last Friday.

IV. CONSENT CALENDAR – Receive, Approve, and File

- A. Minutes of January 23, 2020
- B. Warrant Register Ratification for January 2020
- C. Internal Financial Report for 7-1-19 thru 12-31-19

*Director Perez moved that the Consent Calendar be approved. **Seconded** by Director O’Dowd. **Unanimously carried.***

V. PRESENTATIONS

A. Alternative QSA Conveyance Concepts

Ms. Kelly L. Rodgers, Ph.D., P.E., Director of San Diego County Water Authority's Colorado River Program, shared a presentation that told about the SDCWA, the areas they service, how they plan for the future; alternatives they are researching for water supply, conveyance, and storage; next steps, and entertained questions and comments from the Board. Director Kelley advised Ms. Rodgers that Imperial County would want to see full environmental impacts on their community.

B. New River Water Quality

Ms. Trina Hamby, REHS, of Imperial County Environmental Health reviewed the history of the New River: becoming a waste conduit, 75 years of inaction, inconsistencies between water quality standards and in methods of measuring water quality, lack of protocol and communication.

She proposed the following:

- New Minute reflecting compliance with the Clean Water Act as adopted in California regulations with actions and sanctions for non-compliance.
- A standardized testing protocol, better adherence to that protocol, and financing to support the County of Imperial water testing program estimated at \$150,000/year.
- A wastewater treatment facility in Imperial County.
- Communication Protocol to alert, inform, and motivate community action.

The directors discussed the New River and need for wastewater treatment plant, and Director Kelley invited Mr. Miguel Figueroa, Assistant City Manager of Calexico, to comment. Mr. Figueroa recited the history of the New River Improvement Plan and what happened to the treatment facility part of the plan and agreed that revisiting having a treatment facility is and should be a priority. Director Perez asked Mr. Figueroa to work with Executive Director Rosentrater to put together next step action plans for the Salton Sea Authority for their advocacy efforts at the federal and state level.

Director Kelly remarked that the wastewater plant is one of their asks to the IBWC, to the state of California, and to the federal government – to be placed on Imperial County land, in the River, outside the City of Calexico. He encouraged the board to handle this matter in such a way as not to delay Mr. Figueroa's project.

Director Hanks commented regarding the "Minutes" – negotiations between IBWC US and IBWC Mexico. "Who gets to sit at that table?" He mentioned several So. Cal. water agencies, none of whom have a seat at the table. Yet those who meet bring the resultant Minute to the local water companies and want them to approve it. He wants these agencies to start taking a "no, not until it includes some kind of provision for this" stance.

Director Hewitt (via teleconference) left the meeting at 11:20.

VI. ACTION ITEMS

- A. Salton Sea Authority (“SSA”) Board consideration to accept SSA Annual Audit Findings:

Ms. Shannon Ayala, CPA, Partner, of Davis Farr LLP, gave a brief presentation on SSA’s FY 2018-2019 independent annual audit. All reports issued by Davis Farr were included in the agenda packet. Ms. Ayala reported that there were no exceptions, and that they issued an unmodified opinion on the financial statements, the highest level audit opinion that can be received.

Chairman Estrada invited a motion that the Salton Sea Authority Board receive and direct staff to circulate the audit report to the appropriate agencies.

Director Cardenas so moved. Seconded by Director Plancarte. Unanimously carried. (Director Kelley stepped out temporarily during this report and was not present for the vote.)

- B. SSA Board consideration to amend retention agreement for Federal Advocacy:

SSA GM/Executive Director Phil Rosentrater introduced this item. Staff requested that the SSA Board approve amendments to the federal advocacy contract with Cultivating Conservation. The scope of work has expanded in accord with the SSA board-approved Federal Legislative Platform. SSA has achieved remarkable progress at the federal level, particularly with the farm bill which is largely the work of Cultivating Conservation - and of Lisa Moore in particular.

Director O’Dowd asked for clarification of from where the funds would be coming. Mr. Rosentrater replied that they are in the Board-approved budget for advocacy. (No impact to the current fiscal year budget.)

Director O’Dowd spoke in support of Ms. Moore’s work and moved for approval of the amended contract; Director Estrada confirmed that she has done wonderful work for the SSA and seconded the motion. Unanimously carried. (Director Kelley was not present for this vote.) (Director Cardenas stepped out briefly during this discussion but returned in time to vote.)

- C. SSA Board consideration to approve project funding agreement with State for contribution toward joint agency project to restore Sea access:

SSA’s GM/Executive Director introduced this item. Staff requested approval of a funding agreement (not yet in hand) - on terms acceptable to the President of the Board and Authority Legal Counsel - with the Department of Water Resources in the approximate amount of \$500,000 to complete funding for the SSA joint agency access restoration project currently underway at the North Shore Yacht Club with support from the US Bureau of Reclamation and the Coachella Mountains Conservancy in coordination with the County of Riverside to dredge the harbor – restoring access so that the federal and state agencies can fulfill their mandated monitoring and reporting functions using that venue. The state has promised its participation. To date it has not provided a completed, executable document.

Legal Counsel Bob Hargreaves explained that there is a document, hopefully in the works - that we haven't seen yet, that the state will contribute \$500,000. What is being requested is that, once that document becomes available, the Board president be authorized to execute it after counsel has reviewed and approved it - to keep it moving without having to wait for another meeting.

Director O'Dowd asked to understand the urgency – why it couldn't wait until the next meeting. The General Manager replied that the intent is to maintain cash flow. There is adequate cash flow to date, but the next phase will require state participation. The agreement does not create any funding obligation to the SSA: the joint-agency project is coordinated by the SSA but does not involve Salton Sea Authority funds.

Counsel confirmed that, as in past projects, the agreements SSA has had with contractors specify that SSA reimburses as it receives money from the people who are obligated to fund this.

With that clarification, *Director O'Dowd made a **motion to approve** the SSA entering into said funding agreement with the Department of Water Resources on terms acceptable to the President of the Board and the Authority's Legal Counsel. **Seconded** by Director Cardenas. **Unanimously carried.***

(Director Kelley returned immediately following this vote and before the next item.)

D. SSA Board consideration of request for IBWC amendment of Minute Order to address discrepancies in water quality standards on New River:

The Authority's GM/Executive Director introduced this item and recommended that the Salton Sea Authority Board authorize staff to send a letter to Commissioner Jayne Harkins of the International Boundary and Water Commission requesting IBWC action to address disparities in water quality standards on the New River that impact Imperial County quality of life and SSA efforts to restore a healthier and more prosperous Salton Sea.

Director Ryan Kelley commented that there is no proposed letter attached to this item's memo, and in the reference in the general manager's report he didn't see acknowledgement or support of the Emergency Declaration that was made by Imperial County or the specific asks that were made by Imperial County in that Emergency Declaration, so he hoped that the action being taken would be amended to include those items.

The General Manager responded that if they were not included, that was an oversight on staff's part and would be duly noted.

*Director Estrada invited a motion to approve. Director Kelley made a **motion** that the board approve a letter in support of Imperial County's action that incorporates the Emergency Declarations and the specific asks on the New River. **Seconded** by Director Plancarte.*

Director O'Dowd asked Director Kelley for clarification whether his motion, as worded, was the same as what staff requested, and read the requested action.

Director Kelley confirmed that it was, but said he was adding wording showing support for the emergency declaration on the New River.

Discussion followed.

*Director Kelley **withdrew his motion** so the matter could proceed as presented by staff.*

*Director O’Dowd **moved** staff’s recommendation.*

***Seconded** by Director Cardenas.*

Discussion ensued to sort out the technical procedure for board action under Roberts Rules of Order.

Director Hanks asked for a roll call vote.

The chairman invited a roll call vote. In response to the secretary’s request to clarify the final motion, Director O’Dowd confirmed that his motion was for the staff recommendation which includes, in its intent, the New River as part of the Salton Sea restoration.

*Director Hanks **moved to table** the matter and to ask the staff to come back with clear documents in written form that they can see: letters both ways.*

*Director O’Dowd offered, as an **amendment to his previous motion**, that staff prepare a letter to be reviewed and approved by the president and vice-president prior to its release.*

*Director Kelley **seconded** Director O’Dowd’s **amended motion**.*

*Director Cardenas **seconded** Director Hanks’ **motion to table and revisit** with clear, written letters.*

*Per Chairman Estrada’s instruction, a **roll call vote was taken on the motion to table and revisit**:*

Yea: Directors Cardenas, Perez, Hanks, O’Dowd.

Nay: Directors Estrada, Plancarte, Kelley.

Motion to table carried.

E. SSA Board consideration of Memorandum of Understanding (“MOU”) between SSA and CNRA for Prop 68 funds

At the request of the California Natural Resources Agency (“Resources”), this MOU was drafted to expedite the drawdown of funds that were approved by California voters in Prop 68 for the Salton Sea Authority to participate in the Salton Sea Management Program projects.

Approved by the state legislature and signed by the Governor, AB 71 (Perez) has already established that the legislature directs the CNRA to coordinate and consult with the SSA on matters regarding restoration of the Sea.

The Department of Finance (“Finance”) has shared with the Resources Agency that they are interested in additional definition of the SSA/CNRA working relationship. The MOU as proposed by CNRA attempts to accomplish this is attempting through more fully participating as an ex officio member in Salton Sea Authority board meetings and closer coordination between the State and the SSA on funding

opportunities at the federal level, leveraging state funds that could expand if we have closer cooperation. This is intended to maximize the opportunities available to both entities. The General Manager reviewed for the Board the content of the MOU and offered to answer any questions.

Discussion ensued on the purpose of the MOU and the process of getting to this point.

Director O'Dowd apologized that he had to run to another commitment.

CNRA Assistant Secretary Arturo Delgado came forward and confirmed that the version of the MOU in the Board packet is the version that the CNRA approved.

(Director O'Dowd left at this point in the proceedings.)

Further discussion took place on the usefulness of the MOU and whether other detail should be included.

*Director Kelley moved to approve the MOU. Director Plancarte seconded the motion, requesting a modification to exclude an outdated entry on the JPA list of ex-officio members that was appended to this item. Counsel explained that the page to which Director Plancarte is referring is an existing excerpt out of the JPA agreement and is also in SSA's bylaws, and that cleaning those up would require another action item. Director Kelley concurred. The vote on the original motion proceeded. **Motion carried unanimously.***

VII. REPORTS

A. General Manager's Report on Activities

SSA GM/Executive Director Phil Rosentrater invited questions or comments from the Board on the report he had submitted in the Board packet. None were presented.

B. Standing Reports from Federal and State Partners

1. FEDERAL: US Bureau of Reclamation ("BOR" or "Bureau")

Genevieve Johnson, BOR's Program Manager for the Salton Sea, reported, via teleconference, that the Bureau of Reclamation did receive an additional \$2 million for Salton Sea activities this year so they will be able to continue to work with their partners around the Sea to allocate those funds for projects.

Director Hanks asked what the Bureau's position is on the perimeter lake concept. Ms. Johnson replied that the BOR is supportive of whatever the State believes the activity should be to implement the Salton Sea Management Plan.

2. STATE: Salton Sea Management Program

Arturo Delgado, Assistant Secretary for Salton Sea Policy, reported that they've been working on their annual report to submit to the State Water Board. That report should start laying out the vision both for the 10-year plan and for the long-term plan. He shared a presentation that showed timelines for SSMP Phase 1 10-Year Plan and Long-Term Plan, showed a map of dust suppression projects (the first of which was completed last month).

Director Cardenas stated a desire for surveillance on the SCH project, and expressed concern over the long-term liability that design-build companies inherit after the project is completed that greatly increases the cost.

(Directors Plancarte and Perez left the meeting during this discussion at 12:39)

Director Kelley asked where is the perimeter lake in planning for the state of California? Mr. Delgado replied that it's part of the long-term solution.

C. Salton Sea State Recreation Area (SSSRA) Update on Activities

Steve Quartieri, Acting District Superintendent, California State Parks, reported that visitation at the visitor's center spiked dramatically in the month of February; the SSSRA, Sea-and-Desert Interpretive Association and the Sonny Bono Wildlife Refuge put together an information booth at the Date Festival; and the SSSRA is holding a work day on February 29.

D. Salton Sea Action Committee

Juan DeLara, SSAC President, told of SSAC's February 5 stakeholders meeting at which representatives from public organizations gathered to exchange ideas and updates on what they are doing so they can collaboratively support what the SSA is doing and what the state is doing. He has two upcoming presentations, told of a Salton Sea series at UCR Palm Desert, and encouraged the SSA board in what they are doing.

VII. ADJOURNMENT

There being no further business, Board President Castulo Estrada invited a motion to adjourn the meeting.

Director Cardenas so moved. Seconded by Director Plancarte. Unanimously carried.

Meeting adjourned at 12:55 p.m.

NEXT MEETING TIME & LOCATION:

The regularly-scheduled meeting will be held

Thursday, March 26, 2020

10:00 a.m.

Imperial Irrigation District

Bill Condit Auditorium

1285 Broadway Avenue

El Centro, CA 92243

(760) 482-9618

*(which meeting was subsequently canceled
due to pandemic restrictions)*

Checking Account Activity

February 1, 2020 through February 29, 2020



Warrant Date	Warrant Number	Vendor Name	Amount
		Beginning Cash	\$ 585,490.23
02/14/2020	EFT	AMEX Payment	(7,208.23)
02/18/2020	1065	Best, Best & Krieger	(19,152.40)
02/18/2020	1066	CalMutuals	(100.00)
02/18/2020	1067	Cultivating Conservation	(4,100.00)
02/18/2020	1068	Davis Farr LLP	(3,250.00)
02/18/2020	1069	OfficeTeam	(7,344.00)
02/18/2020	1070	Ollin Strategies	(5,000.00)
02/18/2020	1071	SystemGo IT LLC	(699.50)
02/18/2020	Dep	Deposit-CVMC Grant Oct/Nov	8,460.73
02/18/2020	Dep	Deposit-NWRA Reimbursement	395.00
02/24/2020	EFT	Pitney Bowes	(100.00)
02/24/2020	EFT	Verizon Wireless	(267.98)
02/24/2020	EFT	Visa Payment	(480.95)
		Net Activity	(38,847.33)
		Ending Cash	\$ 546,642.90

Checking Account Activity

March 1, 2020 through March 31, 2020



Warrant Date	Warrant Number	Vendor Name	Amount
		Beginning Cash	\$ 546,642.90
03/16/2020	EFT	AMEX Payment	(3,796.73)
03/17/2020	1072	Best, Best & Krieger	(7,084.80)
03/17/2020	1073	Bravata, Lisa	(99.18)
03/17/2020	1074	VOID	VOID
03/17/2020	1075	Cultivating Conservation	(7,000.00)
03/17/2020	1076	OfficeTeam	(9,180.00)
03/17/2020	1077	Ollin Strategies	(5,000.00)
03/17/2020	1078	Platinum Consulting Group LLC	(2,794.25)
03/17/2020	1079	Printer Copier Guys	(89.00)
03/17/2020	1080	RivCo EDA	(31,250.00)
03/17/2020	1081	Rosentrater, Phil	(1,067.23)
03/17/2020	1082	SystemGo IT LLC	(699.50)
03/17/2020	1083	V John White & Associates	(4,000.00)
03/17/2020	1084	County of Riverside Facilities Management	(4,696.93)
03/20/2020	1085	Thill, Linda	(541.83)
03/23/2020	EFT	Pitney Bowes	(100.00)
03/23/2020	EFT	Visa Payment	(294.75)
03/25/2020	EFT	Verizon Wireless	(267.98)
		Net Activity	(77,962.18)
		Ending Cash	\$ 468,680.72

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
(Unaudited)

Year to Date through February 29, 2020

	General Fund	Wetlands 2	NSBYC Grant	TOTAL
1 INCOME				
2 Local Government/Member Assessments	\$ 610,000	\$ -	\$ -	\$ 610,000
3 Grant Funding	-	-	80,571	80,571
4 State of California Grants	-	-	-	-
5 Pooled Cash Allocated Interest	1,888	-	-	1,888
6 Miscellaneous Revenue	612	-	-	612
7 TOTAL INCOME	612,500	-	80,571	693,070
8 EXPENSE				
9 SSA Administration				
10 Salaries				
11 Salaries - GM / Executive Director	74,578	-	4,147	78,725
12 Grant Support	63,813	-	-	63,813
13 Admin Support A	30,771	-	142	30,913
14 Admin Support B	20,894	-	37	20,930
15 Total Salaries	190,056	-	4,325	194,381
16 Employee Benefits				
17 Employee Benefits - GM / Exec. Dir.	22,582	-	1,244	23,826
18 Employee Benefits - Other SSA Staff	31,268	-	101	31,369
19 Total Employee Benefits	53,850	-	1,345	55,195
20 Audit/Accounting	29,956	-	-	29,956
21 Contract Attorney	45,137	-	-	45,137
22 Equipment Maintenance	4,897	-	-	4,897
23 Capital Equipment	-	-	-	-
24 Equipment Lease	-	-	-	-
25 Insurance	6,029	-	-	6,029
26 Office Exp/Operating Supplies	1,683	-	-	1,683
27 Office Exp/Online Services	1,272	-	-	1,272
28 Postage, Mail	426	-	-	426
29 Printing Services	-	-	-	-
30 Dues, Subscriptions	7,657	-	-	7,657
31 Communications	2,746	-	-	2,746
32 Travel/Mileage	52,950	-	-	52,950
33 Technical Support - Consultant	-	-	-	-
34 Technical Support - Engineering	-	-	-	-
35 Technical Support - General	-	-	-	-
36 Contract Svc / Website	-	-	-	-
37 Technical Support - Enviromental	-	-	-	-
38 Technical Support - Fiscal	-	-	-	-

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
(Unaudited)

Year to Date through February 29, 2020

	General Fund	Wetlands 2	NSBYC Grant	TOTAL
39 Communications & Outreach	1,500	-	-	1,500
40 Utilities	-	-	-	-
41 Grants & Advocacy	103,391	-	-	103,391
42 Project Manager	-	-	-	-
43 Total SSA Administration	501,550	-	5,670	507,220
44 Wetlands Grant Administration				
45 Contract Svcs/Attorney	-	114	-	114
47 Total Wetlands Grant Administration	-	114	-	114
48 Wetlands Grant Technical				
49 Contract Svcs/LCP	-	-	-	-
50 Contract Svcs/Construction	-	-	-	-
51 Transfer In/Out Grant Administration	3,724	-	-	3,724
52 Total Wetlands Grant Technical	3,724	-	-	3,724
53 North Shore Grant				
54 EDA Salaries	-	-	24,179	24,179
55 Grant Expenses - Contractors	-	-	40,282	40,282
56 Total North Shore Grant	-	-	64,461	64,461
57 TOTAL EXPENSE	505,274	114	70,131	575,519
58 NET INCOME	\$ 107,226	\$ (114)	\$ 10,440	\$ 117,551

**No assurance is provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. are not included.*

Salton Sea Authority
Balance Sheets
(Unaudited)

As of February 29, 2020

	General Fund	Wetlands 2	702 Fish Clean Up Trust	NSBYC Grant	TOTAL
1 ASSETS					
2 Local Government/Member Assessments					
3 Checking/Savings					
4 Cash - PW Checking	\$ 521,283	\$ (2,920)	\$ 20,991	\$ 7,289	\$ 546,643
5 Cash - RivCo Fund	64,294	-	-	(280)	64,014
6 RivCo investment fund	4,495	-	-	-	4,495
7 Cash - Petty Cash	490	-	-	-	490
8 Total Checking/Savings	590,562	(2,920)	20,991	7,009	615,642
9 Other Current Assets					
10 Prepaid Items	7,834	-	-	-	7,834
11 Grant Receivable	-	-	-	72,110	72,110
12 Total Other Current Assets	7,834	-	-	72,110	79,944
13 TOTAL ASSETS	598,396	(2,920)	20,991	79,119	695,586
14 LIABILITIES & EQUITY					
15 Liabilities					
16 Current Liabilities					
17 Accounts Payable	86,421	-	-	8,916	95,336
18 Credit Cards					
19 Credit Card Payable (Visa)	54	-	-	-	54
20 Credit Card Payable (AE)	4,456	-	-	-	4,456
21 Total Credit Cards	4,510	-	-	-	4,510
22 Other Current Liabilities					
23 Accrued Expenditures	-	-	-	-	-
24 Accrued Payroll	3,685	-	-	-	3,685
25 Due to EDA for NSBYC Grant	-	-	-	59,764	59,764
26 Accrued Vacation	6,852	-	-	-	6,852
27 Total Other Current Liabilities	10,537	-	-	59,764	70,301
28 Total Current Liabilities	101,468	-	-	68,680	170,148
29 Total Liabilities	101,468	-	-	68,680	170,148
30 Equity					
31 Fund Balance	389,702	(2,806)	20,991	-	407,887
32 Net Income	107,226	(114)	-	10,440	117,551
33 Total Equity	496,927	(2,920)	20,991	10,440	525,438
34 TOTAL LIABILITIES & EQUITY	\$ 598,396	\$ (2,920)	\$ 20,991	\$ 79,119	\$ 695,586

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, GM/Executive Director
Date: April 23, 2020
Re: **SSA Consideration of approval for letter to International Boundary and Water Commission requesting action to address disparity of water quality standards on New River**
CM No. VI.A – 04-23-2020

GENERAL:

The SSA acknowledges that through the efforts of many parties, especially the International Boundary Water Commission (IBWC), the pollution in the New River today is much improved compared to its worst years.

IBWC's purpose is to represent the citizens of the United States on matters of concern regarding the border and the waters shared with Mexico.

The SSA joins its member agencies in Imperial County in support of the county's Declaration of Emergency, noting that sporadic failures in the Mexicali, Mexico sewage collection and treatment system continue to release millions of gallons of untreated sewage to flow into communities on the American side of the border, with serious health and environmental consequences.

However, due to inadequate and inconsistent water quality standards established in border treaties with Mexico and the US, even during periods when the Mexicali treatment system is functioning properly, the levels of pollution allowed to cross the border – in full compliance with flawed water quality standards – is unacceptable.

Minute 264 to the US/Mexico 1944 treaty allows Mexicali to send water into the United States that contains 30,000 colonies of fecal coliform per 100 ml. This is a standard measure of bacterial contaminant from human waste.

In contrast, Minute 270 requires the City of Tijuana to treat its effluent to 1,000 colonies of fecal coliform per 100 ml. Fecal coliform is just one of a whole chemistry book of full pollutants in the New River, but one that points out an improper disparity along the border.

Interestingly, the laws of Mexico are themselves in accord with Minute 270. Mexico's law known as Norma 003.4.1 specifically requires effluent water from a treatment plant (suitable for indirect human contact) to contain no more than 1,000 colonies of fecal coliform per 100 ml.

The SSA insists upon equal treatment under the law in requesting a modification of Minute 264. The SSA specifically requests that the water quality standards of Minute 264 should be consistent with Minute 270. The expectation that follows is for Mexico to abide by the treaty and treat the

sewage of Mexicali to meet its own standards as stated in Norma 003.4.1 for all contaminants and conditions.

Mexicali has shown a long history of being unable to enforce these standards on its own. Similar inabilities along the border where water flows from south to north have led the IBWC and its partners to implement sustainable solutions, specifically in Nuevo Laredo, Tamaulipas, Mexico; Nogales, Arizona; and San Ysidro, California.

With these precedents in mind, the SSA requests that the IBWC begin negotiations for a new minute to implement water quality standards consistent with the neighboring cross-border tributaries such as Tijuana River in San Diego. The SSA further asserts for the protection of the New River tributary to the Salton Sea that appropriate investments should be made in partnership between the U.S. government and Mexico to jointly fund improvements and ongoing maintenance of the Mexicali sewage collection, pumping and treatment system. While each problem area along the border is unique, again precedents provide models for IBWC to follow.

The condition of the New River has hindered economic development opportunities within Imperial County, particularly the area west of Calexico. The deteriorated water quality of the river also poses challenges for the SSA and for its state and federal partner agencies in achieving the shared goals of restoration as called for in the QSA and Stipulated Orders.

As a result of this situation, SSA staff has recommended that the SSA join Imperial County in requesting International Boundary and Water Commission action to address the inequities of water quality standards on the New River.

Subsequent to SSA Board discussion at the February 20, 2020 meeting, the Board directed staff to draft a letter to IBWC that affirms the SSA position of support for the Imperial County Declaration of Emergency on the New River, and request for IBWC to support specific remedies including, but not limited to the following:

- New Minute reflecting compliance with the Clean Water Act as adopted in California regulations with actions and sanctions for non-compliance.
- A standardized testing protocol, better adherence to that protocol, and financing to support the County of Imperial water testing program estimated at \$150,000/year.
- A wastewater treatment facility in Imperial County.
- Communication Protocol to alert, inform, and motivate community action.

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board authorize staff to send a letter to Commissioner Jayne Harkins of the International Boundary Commission affirming SSA support for the Imperial County emergency declaration and requesting IBWC action to address disparities in water quality standards on the New River that severely impact quality of life and opportunities that SSA and its member agencies are leading in order to restore a healthier and more prosperous Salton Sea.

Respectfully submitted,

Phil Rosentrater GM/Executive Director



April 23, 2020

Attn: Commissioner Jayne Harkins

International Boundary and Water Commission
United States and Mexico / United States Section
4191 N. Mesa
El Paso, Texas 79902

Dear Commissioner Harkins:

Since our last meeting (October 24, 2019) touring the New River, followed by discussions with the IBWC Colorado River Citizens Forum, the conditions on the New River remain in a state of severe impact to the environment and human health for surrounding communities and ecosystems downstream at the Salton Sea.

The Salton Sea Authority (SSA) wishes to express its support for Imperial County's Declaration of Emergency on the New River. The SSA respectfully requests expedited IBWC action to address disparities in water quality standards on the New River that severely impact quality of life and opportunities that SSA and its member agencies are leading in order to restore a healthier and more prosperous Salton Sea.

The SSA is a joint powers authority empowered to work with state and federal agencies to revitalize the Salton Sea, California's largest inland lake and critical nesting ground for the international Pacific Flyway. International water treaties on the Colorado River involving the US and Mexico also impact human health and economic wellbeing of communities that share this watershed and associated tributary flows. The member agencies of the SSA – Imperial Irrigation District, Coachella Valley Water District, Imperial and Riverside Counties, and the Torres Martinez Band of Desert Cahuilla Indians) – are all likewise impacted by the health of the Salton Sea.

The SSA and its partner agencies at state and federal levels have achieved significant progress on consensus plans and funding for projects at the Salton Sea. In fact, the current California draft budget provides \$28.5 million from state bond funds for projects to improve the New River (with \$10 million of that amount flowing through the SSA). Now is the time to maximize the benefit of shared federal and state investment on the New River.

The SSA would be remiss if we did not acknowledge that through the efforts of many parties, especially the International Boundary Water Commission (IBWC), the pollution in the New River today is much improved compared to its worst years. The SSA board further recognizes that recent improvements in US/Mexico trade agreements and funding in federal implementing legislation and annual appropriations provide additional opportunity to address cross-border water issues that should include the New River.

While long awaited projects for New River improvement warrant immediate attention, not every IBWC action requires capital investment. The SSA urges IBWC to support specific remedies to New River including, but not limited to the following:

- New Minute reflecting compliance with the Clean Water Act as adopted in California regulations with actions and sanctions for non-compliance.
- A standardized testing protocol, better adherence to that protocol, and financing to support the County of Imperial water testing program estimated at \$150,000/year.
- A future wastewater treatment facility in Imperial County compatible with currently planned (CEQA completed) improvement projects in and around the community of Calexico.
- Communication Protocol to alert, inform, and motivate community action.

IBWC's purpose is to represent the citizens of the United States on matters of concern regarding the border and the waters shared with Mexico. The SSA appreciates your leadership in participating in the recent CRC Forum in Calexico and the tour of New River where local leaders provided perspective on the challenges we share as a result of sporadic failures in the Mexicali, Mexico sewage collection and treatment system that continue to release millions of gallons of untreated sewage flowing into communities on the American side of the border, with serious health and environmental consequences.

However, due to inadequate and inconsistent water quality standards established in border treaties with Mexico and the US, even during periods when the Mexicali treatment system is functioning properly, the levels of pollution allowed to cross the border – in full compliance with flawed water quality standards – is unacceptable.

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Commissioner Jayne Harkins
April 23, 2020

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With these precedents in mind, the SSA requests that the IBWC begin negotiations for a new minute to implement water quality standards consistent with the neighboring cross-border tributaries such as the Tijuana River in San Diego. The SSA further asserts that, for the protection of the New River tributary to the Salton Sea, appropriate investments should be made in partnership between the U.S. government and Mexico to jointly fund improvements and ongoing maintenance of the Mexicali sewage collection, pumping and treatment system. While each problem area along the border is unique, again precedents provide models for IBWC to follow.

The condition of the New River has hindered economic development opportunities within Imperial County, particularly the area west of Calexico. The deteriorated water quality of the river also poses challenges for the SSA and for its state and federal partner agencies in achieving the shared goals of restoration as called for in the Quantification Settlement Agreement and Stipulated Orders.

In light of the emergency conditions on the New River, the SSA urges immediate action from IBWC in concert with the SSA and its local, state and federal partners as recommended in this letter. The SSA looks forward to working cooperatively with IBWC and all other interested stakeholders to assure a healthier and more prosperous New River and Salton Sea.

Sincerely,

Phil Rosentrater
GM/Executive Director
Salton Sea Authority

cc: Senator Dianne Feinstein
Senator Kamala Harris
Congressman Raul Ruiz
Congressman Juan Vargas
Congressman Paul Cook
Congressman Ken Calvert
Governor Gavin Newsom
State Senator Ben Hueso
State Senator Richard Roth
Assemblyman Eduardo Garcia
Assemblyman Chad Mayes

Salton Sea Authority

General Manager/Executive Director Progress Report to the Board of Directors
April 23, 2020

PURPOSE:

- 1) Provide Salton Sea Authority (SSA) Board of Directors with an executive summary of progress toward essential objectives; and,
- 2) Provide accountability and perspective for staff performance.

MISSION-CRITICAL OBJECTIVES FOR SSA (NEXT 6 MONTHS TO 1 YEAR):

Time is extremely short, funding limited, and staff focus is finite. While the SSA GM/Executive Director is committed to seizing every opportunity, and maximizing Return on Investment (ROI) on every dollar and all time invested, we recognize we cannot do everything in this complex assignment. Accordingly, the following top priority imperatives must be accomplished within this fiscal year:

- **ASSERT LOCAL LEADERSHIP: MAINTAIN LOCAL PRIORITIES IN STATE/FEDERAL PARTNERSHIPS;**
- **INTEGRITY/PERFORMANCE: DEVELOP & DELIVER PROJECTS ON TIME, UNDER BUDGET;**
- **SECURE SIGNIFICANT FUNDING TO IMPROVE CONDITIONS IN/AROUND THE SEA; and,**
- **LAUNCH SELF-HELP REVENUE STRATEGIES: Develop projects and partnerships (local/state/federal & public/private) that will generate new investments/revenues from Enhanced Infrastructure Financing District (EIFD) and Renewable Energy.**

LEADERSHIP

Administration

In accord with national, state and county health directives to shelter in place, SSA staff adjusted work schedules and technical capabilities to accomplish essential work while continuing to build momentum in support of SSA objectives at the Sea.

A skeletal crew, on rotating shifts that maximize social distancing, remains available at the SSA office through the regular working week (Monday – Friday) while those not in the office are equipped with remote capabilities and working safely offsite. Planning and coordination work is

continuing and although other private firms and agencies have experienced delays due to virus complications, SSA is adjusting its formats and protocols in order to continue to meet all critical deadlines.

Upon the advice of counsel and consent of the SSA Board executive committee, the March 2020 was cancelled. In anticipation of the need for remote access to conduct the April 23 SSA Board meeting, staff streamlined the agenda, established enhanced remote meeting capabilities and participated in special district training webinars designed to ensure Brown Act compliance within the state and county issued guidelines for social distancing for public meetings. The April SSA board meeting will be the first live exercise of this new format for the SSA Board.

Also amid this socially distant SSA board meeting, SSA will introduce a new level of intimacy for working relations between the SSA and CNRA. April 23, 2020 marks the first SSA board meeting to include a CNRA representative as an ex officio member of the SSA Board. The CNRA representative will have standing to participate in SSA board meetings short of casting a vote. This development is pursuant to the MOU approved by SSA Board in February to establish a closer working relationship with CNRA as intended by AB 71 (Perez) wherein the California Legislature and Governor direct the CNRA to work “in cooperation and consultation with the Salton Sea Authority” on matters pertaining to Salton Sea restoration.

In other important SSA board meetings coming up, SSA staff are working to reset the follow-up session of SSA Board Strategic Planning that was interrupted due to COVID social distancing requirements. In hopes that distancing protocols will be lifted by late May, staff is targeting dates in mid to late June for this timely exercise.

SSA continues to coordinate interagency meetings – via conference call – for staff at local, state, and federal levels to ensure a unified local voice is maintained in efficient and effective advocacy for funding as well as project implementation.

DEVELOP REALISTIC REVITALIZATION STRATEGY

Salton Sea Management Plan (SSMP) / 10-Year Plan / Stipulated Order

In keeping with state law (AB 71), SSA is pursuing cooperation and consultation with the California Natural Resources Agency (CNRA), to implement the SSMP Revitalization Plan for the Salton Sea as defined in the 10-Year Plan.

Recognizing SSA revitalization strategies may need to adjust tactics to reflect changing budget timelines and priorities with state and federal partners, SSA staff initiated numerous staff discussions with counterparts at CNRA to improve situational awareness and to adjust targeting for funding strategies as may be needed. The goal remains the same, however: SSA will assert local leadership to advance the shared priorities of the state and the SSA Board-approved state legislative platform. SSA staff and consultants remain intensively focused upon the state budget

commitments necessary to move SSMP projects forward in a manner consistent with SSA board-approved priorities outlined in the SSA board-approved resolutions. Recent addendums to the board priorities include supporting the Perimeter Lake as well as subsequent SSA Board positions such as support for Imperial County's Emergency Declarations on dust mitigation and defining the path for drawdown of Prop 68 funds designated to the SSA for deployment on SSMP projects (i.e., New River and North Lake portion of Perimeter Lake).

In response to anticipated federal stimulus opportunities, SSA is coordinating discussions between consultants for SSA and CNRA to develop a list of the funding needs for multi-benefit SSMP projects that are shovel-ready within this year (feasible plans, permits and non-federal matching funds committed) so that the SSA can effectively position the Salton Sea for budget consideration in appropriate budgets for Army Corps, US Bureau of Reclamation, EPA, Dept. of Energy, Dept. of Defense, and USDA. Since stimulus funding will be targeted to projects that can generate economic recovery by creating new jobs and expanded revenue streams in local communities hardest hit by the economic downturn caused by COVID virus, the Salton Sea could be in a prime position to leverage federal funding for SSMP projects that are already in line for state funding through Prop 68 such as SCH, North Lake and New River.

State efforts to launch Species Conservation Habitat (SCH), a 3,770-acre wetlands project located at the New River, have reached a key milestone with project design-build criteria sufficiently developed to allow RFP bid response by summer 2020. This project is the most nearly shovel-ready of all the projects identified in the state's priority list. As this Southern Perimeter Lake component approaches its RFP launch into design-build, the state is preparing to develop feasible designs for a Northern Perimeter Lake offering a recreational deep-water habitat lake in the northern portion of the Sea.

While the state continues to invest in SCH and the Governor's draft budget includes \$28 Million toward implementation of New River improvement projects, the Governor's draft budget has not yet provided funding for other portions of SSMP – but CNRA staff are working with SSA to further define the drawdown of monies for SSA oversight approved by the voters in Prop 68 as listed in the state response letter to the Emergency Declaration. SSA staff and consultants are continuing to work with administrative and legislative staff to ensure final state budgets and bond proposals reflect the priorities espoused by the SSA. The MOU approved by the SSA Board on the Feb 20 agenda opens the door for the release of these monies by refining the CNRA/SSA expectations for coordinated expenditure of these funds.

Since the February SSA board meeting, SSA staff and consultants have conferred numerous times with CNRA staff to solidify joint project funding agreements that, respectively, clarify financial mechanisms for drawdown of the \$20M Prop 68 funding designated by California voters for SSA oversight on SSMP projects at the Salton Sea, as well as Prop 1 funds which will allow the state to participate as a partnering contributor toward the SSA joint agency project to re-establish access to the Salton Sea. SSA staff and counsel have reviewed the interagency agreements and are very close to providing a final draft to SSA Board Chair for signature in accord with SSA Board action in February to approve agreements that meet SSA board approved objectives.

Reinforcing the efficiencies of the SSA/CNRA funding agreements will be a higher profile for CNRA participation as an ex officio member of SSA at board meetings, starting with the SSA board meeting set for April 23, 2020. This action is in keeping with the state law (AB 71) requirement for CNRA to develop Salton Sea revitalization plans and projects *“in coordination and consultation with the Salton Sea Authority.”*

SSA staff continue to meet with numerous community organizations and stakeholder groups to provide updates consistent with SSA Board policy. SSA staff reports strong consensus on the shared conceptual project of the Perimeter Lake. The SSA and all its member agencies, as well as cities and tribes across the Salton Basin, have also adopted Resolutions of Support for this collaborative approach.

SSA is committed to do its utmost to facilitate local, state and federal success in performance of the Stipulate Order, with the SSMP 10-Year Plan as the first steps prerequisite to maintaining water security in California, in the southwestern US, and in Mexico.

PERFORMANCE

Making good on grants for projects at the Sea

North Shore Yacht Club Harbor Rehabilitation: Research Vessel Access for mandated activity

Progress to restore access to the Salton Sea via the existing launch ramp facilities at the North Shore Yacht Club is moving forward according to schedule, though the margin on that schedule is eroding under COVID delays. That said, the SSA’s joint agency project to restore access to the Salton Sea via North Shore Yacht Club continues to march forward even while COVID has resulted in complete shutdowns elsewhere.

While the major portion of this project is prepping for launch, significant preliminary work has been completed, including cleanup of the boat ramp. Prior to the completion of this work, weeds, trash and sediment were piled up so high that soil survey crews could not access the marina, and a dangerously deep trench caused by storm erosion separated the ramp from the parking lot. Now the road from parking lot to ramp is repaired and the ramp is cleaned & grubbed, ready for the next phases of the project.

This project is an example of the progress that can be replicated at other points of access around the Sea. Harbors that once provided access to the Sea are now unable to continue that function due to lowered Sea elevations and silt drift that has blocked ingress/egress from the harbors. For more than a year, there has been no functional point of access anywhere around the Sea for launching boats.

Federal and state agencies with mandated responsibilities to monitor and report on conditions at the Salton Sea have previously requested help at SSA Board meetings to re-establish Sea access for research vessels. University research teams have approached the SSA with similar requests. This issue was pointedly raised by state partner agencies in a Salton Sea roundtable discussion held June 26 last year in the Governor's conference room, organized by Assemblymember Garcia. SSA offered to assist in coordinating a solution beneficial to all parties involved.

The North Shore Yacht Club is a highly desirable option for restoration of Sea access. The North Shore Yacht Club offers optimal access and a combination of amenities for this purpose found nowhere else around the Sea: safe and swift public access via state highway; an attractive, historically significant landmark facility offering clean restrooms, running water, air-conditioned meeting areas and ample parking. In addition to the existing launch ramp and marina with a short fetch to the open Sea, the Yacht Club grounds feature an architectural attraction with picnic areas offering unparalleled views of the vast Salton Sea.

While the Yacht Club functions as an active community center today, launch ramp access is compromised from accumulation of mud and silt blocking the ramp and marina area. The first phase of the proposed North Shore Yacht Club rehabilitation project consists of cleaning debris from the ramp and clearing silt from the marina channel leading to the Salton Sea.

The immediate goal of the project is to restore accessible boat launching to the Salton Sea for public agencies that must work on the Sea. There is potential, with other added investments, to improve public access to the Sea for local communities and tourists who wish to experience the Salton Sea by either boat or from safe, accessible picnic viewing areas on public land and facilities located at the historic North Shore Yacht Club. The access restoration can also extend into additional phases of SSMP in North Lake.

SSA, with property owner Riverside County, duly coordinated and consulted with state and federal agencies as well as a critical local partner - the Coachella Valley Mountains Conservancy - to develop and scope to re-establish research vessel access needed for state and federal agencies to fulfill their mandated responsibilities.

Staff from US Bureau of Reclamation are working diligently with SSA and the Project Management Office at Riverside County Facilities Management (property owner) to complete the preliminary work to allow dredging necessary to meet the critical need for federal and state research vessels that are mandated to sample, monitor and report environmental conditions in the water and wildlife at the Sea. Both agencies have executed cooperative agreements for their share of the project that were ratified by the SSA Board at the September Board meeting. Coachella Valley Mountains Conservancy has also contributed funding to restore research vessel access needed to monitor the habitat health that is central to their mission.

The state has submitted draft agreements for their portion of contribution to this interagency project. At its February 2020 meeting, the SSA board authorized the SSA board Chairman to sign

the funding agreement for this project, subject to legal counsel approval as to form, to expedite the progress of this project toward completion.

DWR-Funded Grant -- Torres Martinez Wetlands Project (Phase 2)

Administrators at the Torres Martinez tribe are working with SSA and the state to re-energize this project that has been on hiatus after an impressive completion of Phase 1, which was built according to specifications and delivered on time and under budget. Progress to move forward on implementing the Phase 2 proposal for expansion of the TM Wetlands is pending project manager action to demonstrate continuous functionality of the project by flooding cells that are part of Phase 1. At that point, installation of a seepage barrier requested by the TM project managers for both Phase 1 (retrofit) and Phase 2 may commence.

SSA has confirmed available surplus seepage barrier material at Owens Lake that can be made available at very low cost for the tribe. The seepage barrier, while costly up front, should reduce potential pumping burden required to offset seepage and evaporation losses.

Meanwhile, with the exception of the additional seepage barrier installation, the project at Phase 1 level has been found to be fully functional as designed and built.

FUNDING

State:

- In accord with SSA Board direction, SSA has engaged with CNRA to develop guidance regarding the process for defining projects eligible for state funding (\$30 Million) designated to the SSA for direct oversight role in implementing SSMP projects, including \$10 million designated for improvements on the New River. The draft Governor's budget would allocate \$28 Million for New River projects but is silent on appropriations for other SSA priorities in SSMP. The COVID crisis has delayed the state budget process as well as changing priorities such that the legislature is now working on a triage version of budget simply to maintain existing operations and emergency response capabilities with no new spending to be considered. SSA is working with its state consultants to ensure the SSA appropriations requests are properly timed, prioritized and compatible with current realities in Sacramento and D.C.

Federal:

- In response to SSA Board direction to staff to raise the profile of Salton Sea issues in the context of federal roles, responsibilities and partnership opportunities, the SSA is working with its federal consultant to confirm commitments for additional hearings in Washington, DC. At start of the calendar year, SSA anticipated these hearings to take place in the spring

of 2020. However, with delays in calendar due to COVID, plus election year constraints, the likelihood of these hearings taking place in 2020 is greatly diminished.

- At the federal level, the SSA Board-approved legislative platform for 2020 calls for federal agency investments commensurate with its property ownership and public trust and tribal trust responsibilities at the Sea.
- Among the areas where there is tangible evidence of progress is the SSA joint agency funded project to restore Salton Sea access at the North Shore Yacht Club. Funded in large part by US Bureau of Reclamation and Coachella Valley Mountains Conservancy, the cleanup and dredging of this important marina is already moving forward with visible improvements on the ground. A ravine separating the launch ramp from the main parking lot, due to flash flood erosion, is now repaired and the sediments and invasive plants clogging the ramp access to the marina have been cleared. SSA staff is pleased to report that funding partners US Bureau of Reclamation (BOR) and Coachella Valley Mountains Conservancy are working well with SSA and its project management team from Riverside County. The state Dept. of Water Resources (DWR) has provided a draft funding agreement for their cost share that will require minor clarifications at this point. Even more encouraging is the shared success among the participating agencies like US BOR who are demonstrating that funds channeled into the SSA to coordinate and administer contracts (such as project management through SSA member agencies) is proving to be a great way to get things done at the Salton Sea.
- US Department of Agriculture – SSA and its member agencies expended great effort since 2016 to amend policies and secure additional funding (\$500 million annually) for USDA programs that could be matched with non-federal funding to accelerate the SSMP. SSA staff have conferred with CNRA counterparts recently to affirm SSA’s intent to secure the maximum return on this opportunity, starting with the completion of a prerequisite Watershed Plan that is compatible with SSMP. SSA has already secured federal funding to complete this planning step and is coordinating further with CNRA to assure timely progress on this item for the benefit of all concerned. This enormous progress was achieved in part because every SSA director, along with leaders from stakeholder groups and the CNRA, signed a series of joint letters to help reinforce successful passage of the Farm Bill in 2018.
- Army Corps of Engineers (ACOE) – In accord with SSA board direction, the SSA and partner agencies are focused upon development and promotion of projects in the SSMP that will meet the eligibility requirements for ACOE funding. SSA staff and consultants are also working on proposals consistent with the SSA board-adopted legislative platform that will allow placement and funding for the ACOE Work Plan for upcoming budgets, and the eventual access to WRDA authorization (\$30 million). The SSA is working with the Torres Martinez Tribe in support of the Tribal Partnership Program that may provide Army Corps engagement in projects in the Salton Sea watershed on Torres Martinez tribal lands.

- Environmental Protection Agency (EPA) – SSA is supporting policies that empower local partner agencies to maximize state and federal investments at the Salton Sea in a Water Infrastructure Finance and Innovative Act (WIFIA) strategy. WIFIA provides a federal loan and guarantee program that aims to accelerate investment in the nation’s water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects, including many county water infrastructure projects. Prospective borrowers seeking WIFIA credit assistance must submit a letter of interest (LOI) to EPA to initiate the process. Discussions are on-going among potential local partners in EIFD strategies for application in subsequent rounds of WIFIA.

SELF HELP STRATEGIES

IFD/EIFD

SSA member agencies have taken historic steps to support financial strategies that can generate new and sustainable local investment in infrastructure around the Sea that can accelerate and sustain progress in partnership with the state and federal governments. Specifically, the counties are moving forward with EIFD proposals that can reinforce and accelerate public-private partnership investment at the Sea, leveraging the public infrastructure investments anticipated with the SSMP.

Riverside County Board of Supervisors authorized creation of an EIFD for the Salton Sea area in October 2018, and its newly appointed Finance Authority Board held a workshop at the North Shore Yacht Club (Oct 15, 2019). Riverside County remains committed to moving forward with the EIFD which will provide a powerful new financing strategy for economic recovery benefiting the Salton Sea, California and the federal government, provided public investments in infrastructure at the Sea are configured in a manner that integrates economic development (recreation, renewable energy) with projects delivering dust control and habitat restoration.

The Perimeter Lake concept, promoted by the SSA and endorsed by all of the SSA member agencies plus all tribal councils and city councils throughout both Imperial Valley and Coachella Valley, is the concept that most thoroughly embraces this multi-benefit strategy while accomplishing SSMP objectives for the state.

Initial observations find that unless COVID impacts on the regional economy become permanent, the pandemic does not appear to hinder the viability of this long term financing tool. EIFD plans are designed to generate revenue over 40 years, long after an economic downturn has had opportunity to recover. Because revenue streams from EIFD are determined by the creation of improved property value from infrastructure investment, a lower base value of property can actually create a higher ultimate yield as property values improve as a result of EIFD investments from the public sector. Additionally, lower interest rates for bonds aligned with an EIFD may be secured.

The EIFD rules call for investment in a specific defined infrastructure that establishes a clear nexus of benefit to the community or district that funds the infrastructure. The infrastructure associated with the Perimeter Lake, to be built in a manner that complements the state priorities and investment in SSMP, is identified as the primary project to be supported by the SSA, and all counties, cities and tribes throughout the Imperial and Coachella Valleys. This is fully consistent with the letter and spirit of state law as expressed in AB 71 (Perez). The Perimeter Lake is also internally consistent with the SSMP 10-Year Plan which includes the SCH on the New River and Northern Perimeter Lake on Whitewater, respectively as the first and second major projects that can anchor a series of additional SSMP projects. The objective is to establish a stable shoreline covering dusty playa and restoring aquatic habitat in a manner that enhances economic opportunity in recreation and renewable energy development - keys to yielding a healthier and more prosperous Salton Sea in the long term.

The SSA state legislative platform states:

“Coupled with the SSMP is a stipulated State Water Board Order between the state and the parties of the QSA establishing accountable performance to implement the SSMP. The SSA, along with every county, city, water agency and tribe in the Salton Basin, are united in supporting a Perimeter Lake strategy that will accomplish all of these State obligations in a manner that builds opportunity for economic development that can help establish a healthier, more prosperous Sea.”

SSMP inclusion of the concept of stable shoreline anticipated in a Perimeter Lake represents a significant step toward establishing viable EIFD’s in the respective county jurisdictions. Properly configured and expeditiously timed in coordination with SSA and member agencies, the state funding deployed Sea projects designed to create a stable shoreline would enhance economic benefits on shore, thus stimulating an otherwise nonexistent revenue stream that can be harnessed locally in partnership with the state and federal governments to address shared concerns at the Sea. This is a critical finding in published economic benefit analyses that has become critically important in the emerging federal and state stimulus discussion.

The SSA Board approved a resolution to recognize this historic level of local unity on the Perimeter Lake concept at the May 2019 Board of Directors meeting. The Perimeter Lake concept – which includes SCH and North Lake projects as the first and second steps (respectively) toward a series of additional projects providing the benefits of a stable shoreline – is universally supported by local governments around the Salton Sea. Both counties, all SSA member agencies, all cities in both Imperial and Coachella Valleys, plus all major Tribal nations have approved letters or resolutions of support for the Perimeter Lake. As noted, the CNRA has officially included Perimeter Lake concepts of the SCH and North Lake in the SSMP 10-Year Plan. This unified action provides a major boost toward establishing viable EIFD’s around the Salton Sea.

The IFD concept in the SSA Financial Feasibility Action Plan assumes the primary benefits to the property values would be derived from infrastructure built in the Sea that would create a stable shoreline with water distribution for dust control and deep-water habitat in addition to restored

recreational value for marina communities and renewable energy development. A subsequent report by Tourism Economics, based on far more conservative assumptions, still supports the findings that significant revenues may be generated from a project that creates deep water habitat on the north end of the Sea.

The report assumes the in-sea infrastructure would: 1) protect existing and future communities from an emissive lakebed exposed by a shrinking sea and an otherwise receding shoreline; and 2) provide a shoreline with aquatic recreation on a scale that would draw tourists, recreationists, and additional residential or commercial investment that could meet a growing demand for services and amenities related to a recreational lake.

A Perimeter Lake designed to create a stable shoreline would deliver the essential state mitigations for environmental protection and habitat while enhancing economic development that can provide a more financially sustainable Sea in the future. Over time, EIFD's are expected to harness local revenues that would otherwise dissipate to the general fund of each county. A Salton Sea EIFD would instead direct a portion of these improved revenues to productive projects at the Salton Sea in potential partnership with private sector, as well as state and federal governments.

The SSA will continue to cooperate and consult with county officials for the purpose of outlining a coordinated strategy and timeline for next steps that can accelerate local priorities in a manner consistent with state obligations and resources under the SSMP.

