



Salton Sea Authority Board of Directors Meeting

Thursday, May 24, 2018
10:00 a.m.

Imperial Irrigation District
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618



AGENDA: **BOARD OF DIRECTORS MEETING**
DATE: **Thursday, May 24, 2018**
10:00 a.m.
LOCATION: **Imperial Irrigation District**
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618

The following directors will be attending via videoconference:

Director Marion Ashley, at:
Riverside County Administration Center
Conference Room D
4080 Lemon St., 5th floor
Riverside, CA 92501
(951)-955-1050 / (951)-955-1052

Director V. Manuel Perez, at:
Riverside County District 4 Office
Conference Room
73-710 Fred Waring Drive, Suite 222
Palm Desert, CA 92260-2574
(760) 863-8211

I. CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

II. 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.

III. PUBLIC COMMENTS

*Any member of the public may address and ask questions of the Board relating to any matter within the Authority's jurisdiction. **This Public Comments time is reserved for matters not already on the agenda. The law prohibits members of the Board from taking action on matters not on the agenda.***

Citizens are invited to speak on any item listed in the agenda upon presentation of that item.

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

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

A. Minutes of April 26, 2018

B. Warrant Register Ratification for April 2018

C. Internal Financial Report for: 7/01/2017 – 03/31/2018

V. PRESENTATIONS

- A. Briefing on Water Bond Proposed for November 2018 General Election – (Gerald Meral, California Water Director, Natural Heritage Institute)

VI. ACTION ITEMS

- A. Consider adoption of Resolution to support Meral Water Bond Proposal for November.
- B. Consider approval of MOA with the Torres Martinez Tribe for Phase 2 of the Wetlands project.
- C. Consider adoption of proposed Salton Sea Authority annual budget for Fiscal Year 2018-19

VII. REPORTS

- A. General Manager's Report on Activities – (Phil Rosentrater, GM/Executive Director, Salton Sea Authority)
- B. Legislative Update – (Phillip Johnson, Assistant Executive Director, Salton Sea Authority)
- C. Standing Report
 - 1. FEDERAL: US Bureau of Reclamation – (KayLee Nelson, Planner – Water Resources, Engineering Services Office)
 - 2. STATE: Salton Sea Management Program – (Bruce Wilcox, Assistant Secretary for Salton Sea Policy)
- D. Salton Sea Action Committee – (Juan DeLara, President)

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

Thursday, June 28, 2018

10:00 a.m.

Coachella Valley Water District

Steve Robbins Administration Building

75515 Hovley Lane East

Palm Desert, CA 92260

(760) 398-2651

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

April 26, 2018

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 G. Patrick O’Dowd, President, at 10:03 a.m., April 26, 2018, at the Coachella Valley Water District, Steve Robbins Administration Building, 75515 Hovley Lane East, Palm Desert, CA 92260, (760) 398-2651.

PLEDGE OF ALLEGIANCE

Director O’Dowd led the Pledge of Allegiance

ROLL CALL:

DIRECTORS PRESENT

G. Patrick O’Dowd, President
Cástulo R. Estrada, Treasurer *
Thomas Torte, Secretary
Marion Ashley, Director
Altrena Santillanes, Director *
V. Manuel Perez, Director
Erik J. Ortega, Director

AGENCY

Coachella Valley Water District
Coachella Valley Water District
Torres Martinez Desert Cahuilla
Riverside County
Torres Martinez Desert Cahuilla
Riverside County
Imperial Irrigation District

* *Director Santillanes arrived at 10:06, as noted in the text.*

* *Director Estrada arrived at 10:12, as noted in the text.*

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.

DIRECTORS PRESENT **VIA TELECONFERENCE**

John Renison, Director

AGENCY

Imperial County

DIRECTORS ABSENT

James C. Hanks, Vice-President
Ryan E. Kelley, Director

AGENCY

Imperial Irrigation District
Imperial County

SALTON SEA AUTHORITY STAFF PRESENT

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

MEMBERS OF THE PUBLIC PRESENT

Jose L. Angel
Greg Boston
Cindy Byerrum
Pat Cooper
Jennifer Farr
Ray Lennox
Nikolai Lakic
Juan De Lara
Tom Levy
Antony Jones
Valerie Simon
Bill Jacobsen
Ron Spears
Brad Williams
Genevieve Johnson
Kurt Schoppe
Darren Simon
Vickie Doyle

AGENCY

CRWQCB R7
PX 300
Platinum Consulting
Supervisor Perez
Davis Farr, LLP
CA State Parks
Geothermal World Wide, Inc
Federated Insurance, SSAC
Consultant
Geosyntec
Peregrine SEMS Consulting
PX 300

Granite Construction Company
Bureau of Reclamation
SA Recycling Organics
SDCWA
IID

II. BOARD MEMBER COMMENTS

- A. Director O'Dowd reported on the *ad hoc* finance committee meeting that was held in April.
- B. Director Perez said he was looking forward to Bruce Wilcox's report on what he's hearing about the water import concept for the Sea.

** Director Santillanes arrived at 10:06 a.m. during board member comment.*

III. PUBLIC COMMENTS

- A. Mr. Nicola Lakic said he had sent his proposal to Bruce Wilcox and copied it to each of the SSA Board members, and he understands it is under review. He expressed concern that some may not understand all of it and said he is available to answer any questions.

IV. CONSENT CALENDAR – Receive, Approve, and File

- A. Minutes of March 29, 2018
- B. Warrant Register Ratification for March 2018
- C. Internal Financial Report for: 7/01/2017 – 2/28/2018

Director Ashley moved that the Consent Calendar be approved. Seconded by Director Perez. Unanimously carried by roll call vote.

** Director Estrada arrived at 10:12 a.m., between the vote and the presentation.*

V. PRESENTATIONS

A. New River Water Quality

Jose Angel, Executive Officer, California Regional Water Quality Control Board, gave a presentation on the New River: the factors that contribute to its pollution; steps that have been taken and are being taken to clean it up; emerging problems that will make it worse, and proposed strategies – including binational cooperation – to overcome those problems; and status of the New River Parkway development. He recommends Federal involvement in the New River cleanup.

B. Auditor's Report on SSA FY 2016-2017 Financial Statements

Jennifer Farr, Partner, of Davis Farr LLP, reported on their audit of Salton Sea Authority's financial statements for the fiscal year ending June 30, 2017. They produce three reports: the basic financial statements, a communication letter to those in governance, and a government auditing standards report. She reported that it was a very clean audit, yielding an "unmodified" opinion on financial statements – the highest level of audit opinion one can receive.

VI. ACTION ITEMS

A. Salton Sea Authority Insurance Analysis 7-1-18

SSA staff obtained three insurance bids in preparation for upcoming renewal, and an analysis was presented to the Board of the advantages and disadvantages of each one. Staff recommended that the SSA Board consider changing to the policy with the lower cost and the best coverage – the JPRIMA policy.

Director O'Dowd confirmed that the *ad hoc* finance committee did support staff's recommendation.

Chairman O'Dowd entertained a motion to approve staff's recommendation. Director Perez so moved. Seconded by Director Estrada. Unanimously carried by roll call vote.

VII. REPORTS

A. General Manager's Report on Activities

Phil Rosentrater, GM/Executive Director, Salton Sea Authority, offered to answer any questions on the report that he submitted previously. He reported on the Water Flowing Ceremony on April 12 – the celebration of the successful completion of Phase One of the Torres Martinez Wetlands Project, the first project completed at the Salton Sea with State money.

B. Legislative Update

Phillip Johnson, Assistant Executive Director, Salton Sea Authority, described features for each of the bills for which staff recommends support.

Staff recommended support on AB-2060 (Garcia) Water: Grants: Advanced Payments.

*Director Ashley so **moved**. **Seconded** by Director Perez. Chairman O'Dowd invited discussion. There being none, roll call vote was taken. **Unanimously carried**.*

Staff recommended support on AB-2208 (Garcia) Geothermal - California Renewables Portfolio Standard Program, which includes Salton Sea geothermal area.

Chairman O'Dowd recommended that, in the interest of time, Assistant Executive Director Johnson go through the report; a Board member may pull any item; and then the vote be taken to approve the recommendations all at one time.

Staff recommended support on H.R. 3281 (Lamborn) Reclamation Title Transfer and Non-Federal Infrastructure Incentivization Act

Andy Horn made a public comment regarding AB 2208 (Garcia) Geothermal.

*Director Perez **moved** to support staff recommendations. **Seconded** by Director Ashley. Chairman O'Dowd invited discussion. There being none, roll call vote was taken. **Unanimously carried**.*

C. Standing Report

1. FEDERAL: US Bureau of Reclamation (BOR)

Genevieve Johnson, Program Manager for the Salton Sea, reported that a boat launch location had been found so the BOR is scheduling trips to the Sea to begin sampling the water again.

2. STATE: Salton Sea Management Program (SSMP)

Bruce Wilcox, Assistant Secretary for Salton Sea Policy, reviewed the status of the SSMP projects. Two new committees are being formed: a community engagement committee to solicit information from disadvantaged communities of what they would like to see at the Salton Sea; and an advisory committee for water quality – probably to be led by Phil Rosentrater – to interface with the regional board and the state on water quality issues at the Salton Sea.

Mr. Wilcox reported that the Farm Bill came out of committee with the requested language in it, so it can now be used for adjacent playas in addition to farms. The income eligibility requirements were waived.

Philanthropic communities pledged \$10,000,000 to State of California for Salton Sea projects and are looking into what kind of governance would be required.

Director Perez asked Mr. Wilcox to give an update on water import. Mr. Wilcox reported that letters of interest have been received. The state plans to work with Imperial County to put on a workshop so people have an opportunity to comment, then submittals will undergo review for consideration as a possible solution.

There currently is no money budgeted for additional studies of water import.

D. Audubon California

Frank Ruiz, Salton Sea Program Director, gave a presentation on Audubon's involvements: advertisements via billboard, KMIR, and Univision; prop 68 education; and bird count reports.

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

Ray Lennox, Acting Sector Superintendent, California State Parks, reported that visitations at the SSSRA are down after an increase over the spring, not many coming during the work week.

F. Salton Sea Action Committee (SSAC)

Juan DeLara, president, reported that the Board of SSAC unanimously approved Salton Sea Authority's request for \$7,200 to pay for Prop 68 awareness campaign.

VIII. ADJOURNMENT

There being no further business, Chairman O'Dowd invited a motion to adjourn.

*Director Perez so moved. **Seconded** by Director O'Dowd. There being no objection, the meeting was adjourned at 11:46 a.m.*

NEXT MEETING TIME & LOCATION:

Thursday, May 24, 2018
10:00 a.m.

Imperial Irrigation District
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618

Checking Account Activity
April 1, 2018 through April 30, 2018

Date	Number	Name	Amount
04/09/2018	EFT	American Express	-7,150.66
04/11/2018	EFT	American Express	-46.32
04/12/2018	EFT	Rabobank Credit Card	-331.31
04/23/2018	EFT	Transfer from Money Market Account	100,000.00
04/24/2018	16372	Best, Best & Krieger	-5,494.00
04/24/2018	16373	Johnson, Phillip	-520.57
04/24/2018	16374	Platinum Consulting Group LLC	-12,148.40
04/24/2018	16375	RivCo EDA	-12,475.60
04/24/2018	16376	Riverside County	-75,000.00
04/24/2018	16377	Rosentrater, Phil	-241.65
04/24/2018	16378	Void Check	VOID
04/25/2018	EFT	Verizon Wireless	-229.20
04/30/2018	EFT	Bank Service Charge	-25.00

Total \$ (6,134.42)

Salton Sea Authority
Profit & Loss
 July 2017 - March 2018

	General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
1 INCOME				
2 Local Gov/Member Assessments	\$ 610,000	\$ -	\$ -	\$ 1,220,000
3 State of California Grants	-	375,924	-	375,924
4 Pooled Cash Allocated Interest	911	-	-	911
5 Miscellaneous Revenue	9,317	-	-	9,317
6 Use of Reserves from PY Excess	-	-	-	410,964
7 TOTAL INCOME	620,229	375,924	-	2,017,117
8 EXPENSE				
9 SSA Administration				
10 Salaries				
11 Salaries - GM / Executive Director	86,195	-	-	211,195
12 Executive Director Support	4,160	-	-	4,160
13 Admin Support A	30,958	-	-	77,558
14 Admin Support B	3,759	-	-	3,759
15 Total Salaries	125,072	-	-	296,672
16 Employee Benefits				
17 Employee Benefits - GM / Exec. Dir.	24,419	-	-	59,719
18 Employee Benefits - SSA	20,474	-	-	59,174
19 Total Employee Benefits	44,893	-	-	118,893
20 Contract Service / Professional				
21 Admin Support B	26,828	-	-	86,828
22 Executive Support	47,726	-	-	132,726
23 Finance / CPA	63,251	-	-	163,251
24 Finance - Admin Support	6,098	-	-	46,098
25 Audit	9,692	-	-	21,392
26 Total Contract Service / Professional	153,594	-	-	450,294
27 Contract Attorney	19,321	-	-	64,321
28 Equipment Maintenance	6,639	-	-	17,639
29 Capital Equipment (Over \$5K)	-	-	-	5,000
30 Equipment Lease	264	-	-	1,764
31 Insurance	9,551	-	-	22,551
32 Office Exp/Operating Supplies	3,209	-	-	8,209
33 Office Exp/Online Services	890	-	-	3,890
34 Postage, Mail	592	-	-	2,592

Salton Sea Authority
Profit & Loss
July 2017 - March 2018

		General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
35	Printing Services	462	-	-	4,462
36	Dues, Subscriptions	11,470	-	-	24,470
37	Communications	2,898	-	-	10,898
38	Travel/Mileage	63,889	-	-	143,889
39	Technical Support - Consultant	-	-	-	50,000
40	Technical Support - Engineering	-	-	-	5,000
41	Technical Support - General	-	6,335	-	56,335
42	Contract Svc / Website	-	-	-	5,000
43	Utilities	-	-	-	3,000
44	Grants & Advocacy	-	-	-	25,000
45	Project Manager	-	-	-	-
46	Contingency	-	-	-	50,000
47	Unbudgeted Contingency	-	-	-	100,164
48	Use of Reserves from PY Excess	-	-	-	-
49	Total SSA Administration	442,745	6,335	-	1,470,044
50	Wetlands Grant Administration				
51	Contract Svcs/Attorney	509	3,580	482	4,572
52	Contract Svcs/Accountant	-	14,135	-	14,135
53	Total Wetlands Grant Administration	509	17,715	482	18,707
54	Wetlands Grant Technical				
55	Contract Svcs/LCP	-	2,389	-	2,389
56	Contract Svcs/Construction	-	142,902	-	142,902
57	Total Wetlands Grant Technical	-	145,291	-	145,291
58	TOTAL EXPENSE	443,254	169,341	482	1,634,041
59	NET INCOME	\$ 176,974	\$ 206,584	\$ (482)	\$ 383,075

Salton Sea Authority
Balance Sheet
July 2017 - March 2018

General Fund	Wetlands Grant 1	Wetlands 2	702 Fish Clean Up Trust	TOTAL
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1 ASSETS

2 Current Assets

3 Checking/Savings

4 Cash - Checking	\$ 89,943	\$ (19,702)	\$ -	\$ -	\$ 70,241
5 Cash - Money Market	431,948	-	-	20,991	452,939
6 Cash - RivCo Fund	16,943	-	-	-	16,943
7 RivCo investment fund	1,031	-	-	-	1,031
8 Cash - Petty Cash	200	-	-	-	200

9 Total Checking/Savings	540,065	(19,702)	-	20,991	541,354
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10 Accounts Receivable	750	288,786	-	-	289,536
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11 Other Current Assets

12 Due from Other Funds	50,934	-	-	-	50,934
13 Other Receivables	-	78,389	-	-	78,389

14 Total Other Current Assets	50,934	78,389	-	-	129,323
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15 Total Current Assets	591,749	347,473	-	20,991	960,213
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16 TOTAL ASSETS	591,749	347,473	-	20,991	960,213
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17 LIABILITIES & EQUITY

18 Liabilities

19 Current Liabilities

20 Accounts Payable	44,377	42,797	482	-	87,657
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21 Credit Cards

22 Credit Card Payable	401	-	-	-	401
23 Credit Card Payable (AE)	6,109	-	-	-	6,109

24 Total Credit Cards	6,510	-	-	-	6,510
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25 Other Current Liabilities

26 Due to Other Funds	-	50,934	-	-	50,934
27 Deferred Revenue	-	105,326	-	-	105,326

28 Total Other Current Liabilities	-	156,260	-	-	156,260
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29 Total Current Liabilities	50,887	199,057	482	-	250,426
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30 Total Liabilities	50,887	199,057	482	-	250,426
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31 Equity

32 Fund Balance	344,966	(58,167)	-	20,991	307,790
33 Net Income	195,896	206,584	(482)	-	401,997

34 Total Equity	540,862	148,416	(482)	20,991	709,787
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35 TOTAL LIABILITIES & EQUITY	\$ 591,749	\$ 347,473	\$ -	\$ 20,991	\$ 960,213
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Memorandum

To: Salton Sea Authority Board of Directors
From: Phillip Johnson, Assistant Executive Director
Date: May 24, 2018
Re: California Water Infrastructure and Watershed Conservation Bond Initiative
CM No. VIA – 05/24/18

BACKGROUND:

The California Water Infrastructure and Watershed Conservation Bond Initiative has qualified to appear on the ballot in California as an initiated state statute on November 6, 2018. This measure would issue \$8.877 billion in general obligation bonds for water-related infrastructure and environmental projects.

This Water Bond, if approved by voters of California, will appropriate \$200 million to the Natural Resources Agency for water-related projects that implement the Natural Resources Agency's Salton Sea Management Program, including \$1 million for the Salton Sea Authority to develop Integrated Watershed planning at the Sea.

In addition to the already allocated \$80.5 million and the potential for \$200 million from both Proposition 68 and the California Water Infrastructure and Watershed Conservation Bond Initiative, the CNRA SSMP 10-Year Plan could be fully funded by the end of 2018.

The SSA, in accord with its Guiding Principles, desires to provide leadership in identifying and supporting funding for the Salton Sea in order to accomplish the Salton Sea Authority's objective of a Salton Sea that will be healthier for habitat and humans, and potentially more prosperous with a fully funded CNRA SSMP 10-Year Plan.

RECOMMENDATION:

The Salton Sea Authority staff recommends that the Salton Sea Authority Board take a support position on the California Water Infrastructure and Watershed Conservation Bond Initiative for the reasons outlined above.

Respectfully submitted,

Phillip Johnson
Assistant Executive Director/SSA



**SALTON SEA AUTHORITY
RESOLUTION NO. 18-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SALTON SEA AUTHORITY
IN SUPPORT OF THE CALIFORNIA WATER INFRASTRUCTURE AND
WATERSHED CONSERVATION BOND INITIATIVE (2018)**

WHEREAS, the Salton Sea region is an irreplaceable environmental resource for California – providing vital habitat sustaining over 400 resident and migratory avian species, which is even more important as California has lost over 90% of its other wetlands; and

WHEREAS, the Salton Sea Authority is an organization established in 1993 for the purpose of providing a local consensus for actions to revitalize the Salton Sea, with membership comprised of the Imperial Irrigation District, Coachella Valley Water District, Riverside and Imperial Counties, and Torres Martinez Band of Cahuilla Indians; and

WHEREAS, stakeholders including the state of California know that inaction at the Salton Sea poses imminent threats to California's environment, human health, large-scale agricultural food supply, water security, renewable energy production, and economic vitality;

WHEREAS, the natural resources surrounding the Imperial and Coachella Valleys including the Salton Sea provide unique wildlife and recreational resources and are tourism and economic drivers for all of Southern California; and

WHEREAS, the agricultural lands in the Coachella and Imperial Valleys play a pivotal role in our nation's food security; and

WHEREAS, the Salton Sea region offers vast and unique renewable energy resources, estimated to eventually provide over 1,800 megawatts of continuously available geothermal energy plus other renewable generation opportunities to ensure California meets its clean energy goals; and

WHEREAS, the communities immediately surrounding the Salton Sea already suffer from some of the highest rates of air quality related illnesses in the nation; and

WHEREAS, tourism is the number one industry in the Coachella Valley with more than 15 million visitors each year and supports more than 46,000 (one in four) jobs and \$6.4 billion in total business sales; and generates \$952 million in tax revenues, including \$538 million in state and local revenues; and

WHEREAS, an impact study by Tourism Economics in 2015 on the potential impact of the Salton Sea reports that the continued degradation could cost the Coachella Valley region between \$1.3 billion and \$6.5 billion in lost tourism spending over a five-year period; and the resulting total economic loss would range from \$1.7 billion to \$8.6 billion, including indirect supply chain and induced income effects; and state and local taxes could experience up to a cumulative \$712 million loss; and

WHEREAS, the cost of doing nothing to improve the Salton Sea – estimated to exceed \$70 Billion in a 30-year span – is by far the most costly and irresponsible of all responses to the challenges at the Salton Sea; and

WHEREAS, the 2003 Quantification Settlement Agreement (QSA), which authorized the nation's largest agricultural-to-urban water transfer, includes commitments made by the State of California to ensure that the impacts of the water transfer will be mitigated and, as articulated in Section 2940 of the Fish and Game Code, the fish and wildlife resources at the Salton Sea will be protected in the long-term; and

WHEREAS, mitigation water under the QSA ended in December 2017, accelerating the decline of the Sea elevation and water quality, causing severe wildlife and air quality impacts unless immediate and sustained action is taken; and

WHEREAS, the Secretary of the Natural Resources Agency, is required to work with local stakeholders as articulated in Fish and Game Code, Article 2 of Section 2940 wherein the Natural Resources Agency shall lead Salton Sea restoration efforts in consultation and coordination with the Salton Sea Authority, and;

WHEREAS, the SSA has been directly involved in the development of plans that served as the foundation for the SSMP in accord with state law (AB 71 - M. Perez) directing the California Natural Resources Agency to “work in consultation and cooperation with the Salton Sea Authority” on matters pertaining to Salton Sea restoration; and

WHEREAS, in May 2015, Governor Edmund G. Brown Jr. created the Salton Sea Task Force and directed agencies to develop a comprehensive management plan for the Sea that will meet a short-term goal to construct 9,000 to 12,000 acres and a medium-term goal to construct 18,000 acres to 25,000 acres of habitat and dust suppression projects; and

WHEREAS, in March 2017, California’s Natural Resources Agency released a 10-Year Plan, which describes the first phase of the Salton Sea Management Program, detailing the number of acres of lakebed expected to face exposure each year from 2018 through 2028, the number of acres to be covered through proposed construction efforts, and the projected annual costs of the effort; and

WHEREAS, the California’s Natural Resources Agency SSMP 10-Year Plan has been allocated \$80.5 million from the California budget with only \$60 million of that being available for construction and a price tag over \$400 million; and

WHEREAS, the California Water Infrastructure and Watershed Conservation Bond Initiative has qualified to appear on the ballot in California as an initiated state statute on November 6, 2018. This measure would issue \$8.877 billion in general obligation bonds for water-related infrastructure and environmental projects; and

WHEREAS, this Water Bond, if approved by voters of California, will appropriate \$200 million to the Natural Resources Agency for water-related projects that implement the Natural Resources Agency's Salton Sea Management Program, including \$1 million for the Salton Sea Authority to develop Integrated Watershed planning at the Sea; and

WHEREAS, the Natural Resources Agency may expend these funds on projects that provide multiple benefits of ecosystem restoration, air quality improvement, and economic recovery for severely disadvantaged communities; and

WHEREAS, the California Water Infrastructure and Watershed Conservation Bond Initiative will provide \$200 million to the CNRA SSMP 10-Year Plan in addition to \$80.5 million allocated in the California Governor's budget. This, along with a potential for \$200 million from Proposition 68, Parks, Environment, and Water Bond in June of 2018 would fully fund the CNRA SSMP 10-Year Plan; and

WHEREAS, the SSA Board in accord with its Guiding Principles desires to provide leadership in identifying and supporting funding for the Salton Sea in order to accomplish the Salton Sea Authority's objective of a Salton Sea that will be healthier for habitat and humans, and potentially more prosperous with a fully funded CNRA SSMP 10-Year Plan;

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Salton Sea Authority supports the California Water Infrastructure and Watershed Conservation Bond Initiative (2018) as a major step toward achieving revitalization of the Salton Sea through funding the state SSMP 10-Year Plan for the Salton Sea.

APPROVED AND ADOPTED this 24th day of May 2018.

G. Patrick O'Dowd
President

[illegible]

I, Thomas Tortez, Secretary of the Board of Salton Sea Authority, a Joint Powers Agency of the State of California, do hereby attest that the foregoing is a true and correct copy of Resolution No. 18-01 adopted by the Board of Directors of said Salton Sea Authority at a regular meeting thereof duly held and convened on the 24th day of May, 2018, at which meeting a quorum of said Board was present and acting throughout.

Dated this 24th day of May, 2018.

Thomas Torte
Secretary of the Board of
Salton Sea Authority

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, General Manager
Date: May 24, 2018
Re: Memorandum of Agreement between the Salton Sea Authority and the Torres Martinez Tribe for Torres Martinez Wetlands Project (Phase II)
CM No. VLB – 05/24/18

BACKGROUND:

The SSA, under contract with the State of California and in partnership with the Torres Martinez Tribe of Desert Cahuilla, has delivered – on time and on budget – Phase I of the first state- funded project ever completed at the Salton Sea.

The SSA and its partners recognize that in order to safeguard human health, ecosystem habitat and economic opportunity of the communities around the sea in addition to the water security and health of state, national and multinational stakeholders, this small but monumental step must be repeated many times over, in larger scope and at accelerated pace that includes an expanding collaborative of federal, state and local agencies and private sector stakeholders.

With due diligence and a sense of urgency, SSA and the TM Tribe are working in cooperation and consultation with the state of California to launch the second phase of the TM Wetlands project under terms outlined in the attached Memorandum of Agreement. The MOA, which closely resembles the MOA that successfully delivered Phase I of this project, has been reviewed and approved as to form by SSA legal counsel, and subsequently adopted by the Torres Martinez Tribal Council.

Phase II will tier off the infrastructure installed in Phase I (i.e., Solar PV array and water distribution system) and will roughly double the acreage of this wetlands project located on tribal land adjacent to the Whitewater River/Coachella Valley Storm Channel, and up-slope from the receding Salton Sea. Phase II will be designed to enhance seepage control and improve circulation and aeration for the benefit of fish. Phase II will also explore use of shallow groundwater to minimize ongoing operating costs while maximizing resource sustainability.

The MOA calls for SSA to serve as lead agency for the project under contract with the California Natural Resources Agency Department of Water Resources, and in partnership with the TM Tribe. A Funding Agreement between the Department of Water Resources and the Salton Sea Authority is

expected to support this MOA, and will be provided to the SSA Board to be considered for adoption at its next meeting in June, 2018. While the agencies involved in Phase II remain the same as Phase I, the funding source will change -- from state funds provided under Proposition 84 to a new source, Proposition 1.

Therefore, transmitted herewith, please find for your consideration and approval the draft Memorandum of Agreement. Upon the Salton Sea Authority Board approval of the Agreement the Funding Agreement with the state can be secured, and in all due haste the environmental and permitting work can be initiated for this project.

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board approve the attached Memorandum of Agreement with the Torres Martinez Tribe.

Respectfully,

Phil Rosentrater
GM/Executive Director

Attachments: Copy of Draft Memorandum of Agreement

**AMENDMENT OF MEMORANDUM OF AGREEMENT
BETWEEN THE SALTON SEA AUTHORITY
AND THE TORRES MARTINEZ DESERT CAHUILLA INDIANS
REGARDING WETLANDS GRANT 2017-2019**

WHEREAS, the Salton Sea Authority (“Authority”) is a joint powers agency, existing pursuant to a Joint Powers Agreement (“JPA”), created to work with the State of California, the federal government and others to restore the Salton Sea, including the protection of endangered species, fisheries, water fowl and recreation; and

WHEREAS, the Torres Martinez Desert Cahuilla Indians (“Tribe”) is a federally recognized sovereign Indian nation that administers lands, waters, wetlands, wildlife, lakeshore, habitat and other trust resources contiguous to and underlying the Salton Sea, and is a member of the Authority; and

WHEREAS, the Authority, in cooperation with the Tribe, applied for <and has been awarded by California Department of Water Resources (“Resources”)>, a grant in the amount of \$1,500,000 (“Grant”) pursuant to a Funding Agreement with the State of California, California Natural Resources Agency, Department of Water Resources for Habitat Creation Project, Agreement Number XXXXXXXXXX (“Funding Agreement”); and

WHEREAS, pursuant to the Funding Agreement, the Authority and Tribe entered into a Memorandum of Agreement regarding the wetlands grant, dated **September 26, 2013 (“Prior MOA”)**, which delineated their respective obligations in implementing the Funding Agreement;

WHEREAS certain tasks of the Prior MOA were accomplished, and certain payments made by Authority to Tribe; and

WHEREAS, the Authority, in cooperation with the Tribe, have identified the need to extend the Scope of Work of the Funding Agreement using Proposition 1 funding sources to build upon the successful completion of Phase I project components funded by the state Financial Assistance Program (FAP); and

WHEREAS, the goal remains the same: Habitat Enhancement & Creation; and

WHEREAS, the Authority, in cooperation with the Tribe, has identified the following Wetlands Rehabilitation goals (“Phase II Project”):

1. Deepen and aerate ponds to assure propagation of fish populations as suitable for deep water avian habitat
2. Expand the water supply through the installation of one or more shallow wells and pumps to convert Ponds 3 and 4 from ephemeral wetlands to permanent, year-round wetlands (21 acres)
3. Rehabilitate and supply water and flow connectivity to seven (7) existing water cells area (10 acres)

4. Develop new pond areas of up to 25 acres
5. Expand power system to provide a permanent sustainable energy source to power the pumps and create water supply
6. Explore methods and materials for reduction of seepage loss in order to reduce power demand and maximize water supply available for habitat

This scope will add 46 acres of year-round wetlands and will expand the total complex to 95 acres of year-round, sustainable wetlands.

The total acre feet of water for the ponds are as follow:

Pond 2 – 170 acre feet of water or 55,394,743 gallons of water

Pond 3 – 56 acre feet of water or 18,247,680 gallons of water

Pond 4 – 66 acre feet of water or 21,506,194 gallons of water

Totaling 292 acre feet of water or 95,148,617 gallons of water; and

WHEREAS, the Authority has entered into the Amended Funding Agreement with Resources dated _____ that provides the terms and conditions of the Authority's receipt of the Grant and Resources' requirements for implementation of the Revised Project; and

WHEREAS, the Authority and the Tribe desire to work together to implement the Revised Project pursuant to the Amended Funding Agreement, on the terms and conditions provided below.

NOW, THEREFORE, in order to effectuate the above-stated goals, the parties hereby agree as follows:

1. The Authority and the Tribe agree to work together to implement the Project pursuant to the Amended Funding Agreement.
2. Term of this Agreement will commence upon its execution by both Parties ("Commencement Date") and will terminate three years after Commencement Date. The Agreement will terminate at any time Resources refuses to fund continuation of Revised Project or the Amended Funding Agreement terminates.
3. Salton Sea Authority responsibilities, as described more fully in the Revised Work Plan, attached hereto as Exhibit "B":
 - (a) Prepare and certify required CEQA documentation and obtain any necessary state permits.
 - (b) Prepare required NEPA documentation and assist Tribe in acquiring necessary federal permits.
 - (c) Prepare any necessary engineering plans for Revised Project.

- (d) Prepare, bid, award and manage construction contracts for Revised Project.
- (e) Pay Tribe \$75,000 services for a Tribal Representative designated by the Tribe, to be invoiced in 12 monthly installments, commencing on NOV 1, 2017.
- (f) Pay Tribe \$8,000 for services of Tribal Cultural Monitors for a maximum of forty hours of work.
- (g) Pay Tribe a maximum of \$3,500 for all required Tribal building permits, payment to be made upon application for such permits.
- (h) Pay Tribe administration fees of \$37,500 to be invoiced by the Tribal Finance Director after state funding of the project.
- (i) Oversee Project monitoring activities for three years.
- (j) Perform all tasks required by the Amended Funding Agreement that are not specifically delegated to Tribe pursuant to this Amended MOA, and provide Tribe with copies of all reports filed with Resources in compliance with Amended Funding Agreement.
- (k) Indemnify Tribe from any claims made by Authority's agents or contractors arising out of activities in furtherance of the Project to extent such claims do not arise from negligence, omissions, or intentional wrongdoing by Tribe, its employees or agents.
- (l) With respect to all payments required by this Agreement by the Authority to the Tribe, Authority will expeditiously submit all proper invoices received from the Tribal Finance Director to Resources for payment. Upon receipt of payment from Resources, Authority will expeditiously transmit payment to Tribe. Any amounts retained by Resources from Tribal payments until Project completion, shall be forwarded to Tribal Accounting Manager upon receipt by Authority. Authority's requirements to pay Tribe pursuant to this Agreement are limited to amounts received from Resources as reimbursement pursuant to the Revised Funding Agreement. Authority shall not have any obligation to pay Tribe from its own funds.

4. Tribe's responsibilities:

- (a) Provide necessary construction and monitoring easements for Project activities on the Site during the term of this Agreement.
- (b) Upon advance courtesy notice to the Tribe from the Authority or its officers, employees, funders, agents and contractors, in a timely manner Tribe will provide site access for Project activities daily, Monday through

Friday except federal and Tribal holidays, commencing on Commencement Date and continuing until all Project activities are complete.

- (c) Cooperate with Authority, its officers, employees, funders, agents and contractors in accomplishing Project activities.
 - (d) Provide Tribal Representative and Tribal Cultural Monitors as reasonably needed to accomplish Project. Tribal Representative and Monitors shall be employees of the Tribe and not of the Authority.
 - (i) Tribal Representative and Monitors will have authority to make routine decisions as necessary to see that Project proceeds in an orderly fashion.
 - (ii) Consensus from Tribal Representative will be obtained by SSA regarding use of funds, contracts, expenditures, etc. following established Tribal or SSA procurement procedures.
 - (e) Issue Tribal Building Permits as required in a timely manner.
 - (f) Operate and maintain Project for a minimum of three (3) years after completion.
 - (g) Provide assurance of continuity of land use designated for this project for the term of the project as defined in the Funding Agreement.
 - (h) Provide three (3) years Project water quality monitoring under the Tribe and develop a Water Quality Assurance Program Plan for water monitoring, using available federal funds.
 - (i) Monitoring to include water quality in the ponds and cells for habitat conditions for migrant birds and aquatic ecosystems.
 - (ii) Annual reports to be presented to the Salton Sea Authority Board.
 - (i) Comply with all requirements of the Amended Funding Agreement, including the requirement that funding recipients give priority consideration in filling vacancies in positions funded by the Funding Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.
5. This Agreement is not to be construed as affecting, modifying, diminishing, or Agreement otherwise impairing the sovereign immunity from suit enjoined by the Tribe. This Agreement does not authorize or require the termination of any existing trust responsibility of the United States with respect to the Tribe. The Tribe waives its sovereign immunity for the limited purpose of the enforcement or confirmation of an arbitration award established pursuant to Section 7 of the Agreement. The Tribe does not waive its sovereign immunity to any action

beyond those arising in relation to the interpretation of Agreement. The Tribe does not waive any aspect of its sovereign immunity with respect to actions by third parties.

6. Any policy of insurance for the Tribe shall contain a provision that the insurance carrier shall waive any right it may have to raise as a defense the sovereign immunity of an Indian tribe from suit, but that such waiver shall extend only to claims in the amount and nature of which are within the coverage and limits of the policy and it shall not authorize or empower such insurance carrier to waive or otherwise limit the Tribe's sovereign immunity outside and beyond the coverage or limits of the insurance policy approved by the Tribe. No waiver of sovereign immunity of the Tribe shall be given in regard to any potential liability for interest prior to judgment or for punitive damages or for any other limitations on liability imposed by the laws of State of California.
7. Any controversy, dispute or claim between the Authority and Tribe arising under this Agreement that cannot be resolved by good faith negotiations between the parties shall be resolved by binding arbitration pursuant to Article 13.1 of the JPA.
8. In executing this Amended MOA, Tribe and Authority intent to completely supersede the Prior MOA and work plan and acknowledge that all obligations of the prior MOA are fulfilled or terminated and that all amounts owing under the Prior MOA have been paid in full or are forgiven.

IN WITNESS WHEREOF, THE PARTIES AFFIX THEIR SIGNATURES ON THE
DATE(S) INDICATED BELOW:

Dated: _____

SALTON SEA AUTHORITY

By: _____

XXXXXXX

Authority President

Dated: _____

TORRES MARTINEZ DESERT CAHUILLA INDIANS

By: _____

Thomas TorteZ,
Tribal Chairman

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, General Manager
Date: May 24, 2018
Re: Salton Sea Authority Draft Budget FY 2018-19
CM No. VLC – 05/24/18

BACKGROUND:

The Salton Sea Authority is wrapping up a year during which finances have been managed in a stable and fully accountable manner. The Authority is heading into what is anticipated to be an extremely busy year and presents a draft budget for FY 2018-2019 that supports aggressive funding procurement and coordination.

The draft FY 2018-19 budget was presented for review and discussion at the SSA *ad hoc* Financial Committee meeting. It was noted that member agency contributions remain constant at \$150,000 each for Imperial and Riverside Counties, IID and CVWD and \$10,000 for the Torres Martinez.

Careful stewardship of funds budgeted in the current year has resulted in a carryover of \$318,000 to the proposed FY 2018-2019 budget. Another \$260,077 in funds are pending deposit from an invoice to the state for grant activities billed, but not yet reimbursed by the state. The SSA *ad hoc* Financial Committee recommended staff should budget some of this funding toward preparations of robust activity, should California voters on June 5 approve Proposition 68 (with up to \$200 Million in funds designated to SSMP projects at the Salton Sea).

While the SSA anticipates receiving grant funding in the coming fiscal year from new grants in the pipeline but not yet finalized, the draft proposed budget for FY 2018-19 remains conservative in counting only those funds known to be committed.

The proposed budget for General Office Staff compensation (Executive Director, Assistant Executive Director, Board Secretary and Administrative Assistant) will remain essentially status quo from prior year. Two SSA full time positions were transferred by SSA board action earlier in the year from temp agency payroll to Riverside County payroll, improving employee compensation without incurring additional budget burden. The FY 2018-19 budget reflects this transfer.

The proposed budget for Professional Services in FY 2018-2019 will increase in the area of Project Management and Legal Counsel in anticipation of heavy workload in contract preparation and review

as well as grant procurement support. The addition of new grant funding is expected to include project management budget in the grants that will offset directly associated staff costs in these areas as workload continues to ramp up.

The proposed budget for other categories of Administrative costs (including Website development, Office Expenses, Online Services, Communications, and Insurance) have been trimmed by over \$16,000 due to services being handled in-house and implementation of cost efficiencies. Budget for travel/mileage is increased by \$10,000 to meet the rising level of coordination activity in the region, in Sacramento and Washington, DC.

A proposed budget item of \$5,000 for WRI will resume SSA's support of the CSU archives project which provides a home for and increases access to the plethora of Salton Sea documents from all sources, as well as the new GIS mapping overlay which facilitates map requirements for Salton Sea management planning and other purposes.

The proposed budget calls for a drawdown of Contingency Reserve which starts the FY 2018-19 with a \$318,000 carryover from prior year. SSA *ad hoc* Financial Committee directed staff to budget for substantial ramp-up of services required to effectively administer state and federal grant funds flowing through the SSA to accomplish SSMP projects at the Salton Sea.

Even after addressing these needs, the projected ending cash balance for FY 2018-2019 is expected to be \$186,877, which will be on reserve for any contingent expenses. Members of the SSA Board *ad hoc* Finance Committee recommended a refund of \$20,000 from this account to each member agency paying full annual assessment, and a refund of \$1,300 to the TM Tribe (the pro rata share at same rate as the other SSA agencies).

The overall budget reflects SSA staff's anticipation of increased projects and activity stemming from the management planning now in progress. New projects are expected to include recovery of management costs which will help to offset some of the increased operating costs.

RECOMMENDATION:

The Salton Sea Authority *ad hoc* Financial Committee has reviewed and approved the draft budget for FY 2018-19. Staff hereby submits the draft budget to the Salton Sea Authority Board for review at this May 24 SSA Board meeting and recommends consideration of adoption at the June 28 SSA Board meeting.

Respectfully submitted,

Phil Rosentrater
GM / Executive Director



**SALTON SEA AUTHORITY
PROPOSED FY 18/19 BUDGET, BY PROGRAM**

DRAFT

	A	B	C	D	E
	FY 18	FY 17/18	FY 18/19	\$ Budget	% Budget
	Projections	Total	Total	Variance	Variance
		Budget	Budget		
1 Income					
2 Local Gov/Member Assessments	\$ 610,000	\$ 610,000	\$ 528,700	\$ (81,300)	-13.3%
3 Grant Funds	-	-	-	-	0.0%
4 Carry Over Funds - Prior Year Budget	-	410,964	-	(410,964)	N/A
5 Torrez Martinez	-	-	-	-	0.0%
6 Torrez Martinez Wetlands (FAP)	-	-	-	-	0.0%
5 Pooled Cash Allocated Interest	1,300	-	1,500	1,500	N/A
6 Miscellaneous Revenue	2,000	-	-	-	N/A
7 Total Income	613,300	1,020,964	530,200	-490,764	
8 Expenses					
9 SSA ADMINISTRATION					
10 Salaries					
11 Salaries - GM/Exec Director	125,000	125,000	125,000	-	0.0%
12 Asst GM/Exec Director	20,800	-	74,000	74,000	N/A
13 Admin Support A	44,400	46,600	47,285	685	1.5%
14 Admin Support B	13,500	-	37,106	37,106	N/A
15 Total Salaries	203,700	171,600	283,391	111,791	65.1%
16 Employee Benefits					
17 Employee Benefits GM/Exec Dir	35,300	35,300	36,400	1,100	3.1%
18 Employee Benefits - SSA	55,400	38,700	71,800	33,100	85.5%
19 Total Employee Benefits	90,700	74,000	108,200	34,200	46.2%
20 Contract Service / Professional					
21 Admin Support B	26,800	60,000	-	(60,000)	-100.0%
22 Executive Director Support	47,700	85,000	-	(85,000)	-100.0%
23 Finance / CPA	86,000	100,000	100,000	-	0.0%
24 Finance - Admin Support	6,100	40,000	-	(40,000)	-100.0%
25 Attorney - General	22,000	45,000	95,900	50,900	113.1%
26 Audit	11,700	11,700	11,700	-	0.0%
27 Total Contract Service / Professional	200,400	341,700	207,600	(134,100)	-39.2%
28 Equipment Maintenance	10,400	11,000	11,000	-	0.0%
29 Equipment Purchases	-	5,000	5,000	-	0.0%
30 Equipment Lease	200	1,500	-	(1,500)	-100.0%
31 Insurance	13,000	13,000	8,300	(4,700)	-36.2%
32 Office Exp/Operating Supplies	5,000	5,000	5,000	-	0.0%
33 Office Exp/Online Services	1,400	3,000	1,400	(1,600)	-53.3%
34 Postage, Mail	700	2,000	1,000	(1,000)	-50.0%
35 Printing Services	1,100	4,000	4,000	-	0.0%
36 Dues, Subscriptions	11,100	13,000	13,000	-	0.0%
37 Communications	5,400	8,000	5,500	(2,500)	-31.3%
38 Travel/Mileage	93,100	80,000	90,000	10,000	12.5%
39 Contract Svc/ Website	-	5,000	-	(5,000)	-100.0%
40 Utilities	-	3,000	3,000	-	0.0%



**SALTON SEA AUTHORITY
PROPOSED FY 18/19 BUDGET, BY PROGRAM**

DRAFT

		A	B	C	D	E
		FY 18	FY 17/18	FY 18/19	\$ Budget	% Budget
		Projections	Total	Total	Variance	Variance
			Budget	Budget		
41	Contract Svcs/WRI,Archive Mgmt	-	-	5,000	5,000	N/A
42	Technical Support - Engineering	-	5,000	10,000	5,000	100.0%
43	Technical Support - Consultant	-	50,000	40,000	(10,000)	-20.0%
44	Technical Support - General	-	50,000	45,000	(5,000)	-10.0%
45	Grants & Advocacy	-	25,000	25,000	-	0.0%
46	Project Manager	-	-	50,000	50,000	N/A
47	Contingency	-	50,000	-	(50,000)	-100.0%
48	Unbudgeted Contingency	-	100,164	-	(100,164)	-100.0%
49	Total Expenses	\$ 636,000	1,020,964	921,400	(99,564)	-9.8%
50	Net Addition (Use) of Reserves	(22,700)	-	(391,200)	(391,200)	

Projected Beginning Cash 7/1/18	\$ 318,000
Use of Reserves for FY 18/19 Budget	\$ (391,200)
Grant Closeout Transfer to General Fund	\$ 260,077
Projected Ending Cash 6/30/19	\$ 186,877

Staff Report

To: Salton Sea Authority Board of Directors
From: Phillip Johnson, Assistant Executive Director, SSA
Date: May 24, 2018
Re: Legislative Update
CM No. VII.B – 5/24/2018

Staff members from agencies of the Salton Sea Authority are coordinating a unified response to threats and opportunities in the legislative arena at both the state and federal levels.

SSA and its member agencies jointly engaged in the following activities to drive legislative and policy initiatives supported by the Salton Sea Authority Board of Directors:

California Senate/Assembly Bill Summaries

SB-1277 (Hueso) Salton Sea: governance

SSA Position: Watch

Status: Introduced Feb. 16, 2018. Referred to Com. on RLS on March 1, 2018.

This bill would state the intent of the Legislature to enact legislation that would create a governance and administrative structure to manage the day-to-day implementation of the Salton Sea Management Program.

There has already been a meeting with major stakeholders hosted by Senator Hueso to discuss this matter and discussion will continue to be on going. Staff will continue to monitor and will participate in the discussion.

AB-2060 (Garcia) Water: grants: advanced payments

SSA Position: SUPPORT

Status: Introduced Feb. 6, 2018. Referred to Coms. on W., P., & W. and E.S. & T.M. on Feb. 22, 2018. From committee: Do pass and re-refer to Com. on E.S. & T.M. (Ayes 15. Noes 0.) (March 20). Re-referred to Com. on E.S. & T.M. (Committee on Environmental Safety & Toxic Materials) From committee: Amend and do pass as amended and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 10). Re-referred to Com. on APPR. In committee: Set, first hearing. Referred to APPR. suspense file on May 9, 2018.

This bill is aimed at making it easier for Disadvantaged Communities working on water and waste water projects to receive advance payments for those projects. Existing law only allows for projects under the amount of \$1 million to receive 50% of the advanced payment.

This bill would get rid of the \$1 million cap and replace it with an advanced payment for any project of \$500,000 or 50% of the project cost to any project proponent that requests and demonstrates a need for advanced payment. Staff will continue to monitor this bill as it could be of great help in the Salton Sea area.

SB-100 (De Leon) California Renewables Portfolio Standard Program: emissions of greenhouse gases.

SSA Position: Watch

Status: Introduced on Jan. 1, 2017. Amended in Senate May 1, 2017. Amended in Senate May 17, 2017. Amended in Senate May 26, 2017. Passed the Senate and Ordered to the Assembly May 31, 2017. Amended in the Assembly June 26, 2017. Amended in the Assembly July 18, 2017. Amended in the Assembly Sept. 8, 2017. From committee with author's amendments. Read second time and amended. Re-referred to Com. on U. & E on Sept. 11, 2017.

SB-100 Establishes the 100 percent clean energy act of 2017 which would increase the Renewables Portfolio Standard (RPS) requirement from 50 percent to 60 percent by 2030. This bill will also create a policy of planning to meet all the state's retail Electricity supply with a mix of (RPS) eligible and zero carbon resources by December 31, 2045. With the goal of reaching 100 percent clean energy. Of note this is important to the SSA due to the Salton Sea's geothermal potential and how that may fit in with getting the state to 100 percent by 2045 utilizing zero carbon resources. Salton Sea Authority staff will continue to monitor this bill as it moves forward in 2018.

SB-979 (Cannella) Water Quality, Supply, and Infrastructure Improvement Act of 2014.

SSA Position: Watch

Status: Introduced on Feb. 1, 2018. Referred to Com. On RLS on Feb.14, 2108.

Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The bond act provides that the sum of \$810,000,000 is to be available, upon appropriation by the Legislature, for expenditures on, and competitive grants and loans to, projects that are included in and implemented in an adopted integrated regional water management plan and respond to climate change and contribute to regional water security. The bond act requires \$200,000,000 of that amount to be available for grants for multi-benefit storm water management projects.

This bill would make a non-substantive change in those grant provisions, currently a spot bill.

AB-2208 (Garcia) California Renewables Portfolio Standard Program: local publicly owned electric utilities: electrical and corporations: geothermal, biogas, and biomass energy resources.

SSA Position: SUPPORT

Status: Introduced on Feb. 12, 2018. Referred to Coms. on U. & E. and NAT. RES on March 1, 2018. From committee chair, with author's amendments: Amend, and re-refer to Com. on U. & E. Read second time and amended on March 23, 2018. In committee: Set, first hearing. Hearing canceled at the request of author on April 3, 2018. From committee: Do pass and re-refer to Com. on NAT. RES. (Ayes 10. Noes 0.) (April 18). Re-referred to Com. on NAT. RES on April 19, 2018. Coauthors revised, from committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 2.) (April 23). Re-referred to Com. on APPR on April 24, 2018. In committee: Set, first hearing. Referred to APPR. suspense file on May 9, 2018.

This bill in regards to the California Renewables Portfolio Standard Program, would require that not less than an unspecified percentage of the incremental procurement requirements for each compliance period be satisfied with geothermal, biogas, or biomass energy resources, procured on or after July 1, 2017, until either an unspecified percentage of the total electricity products procured to satisfy the overall procurement requirements are from those energy sources generation or December 31, 2030, whichever occurs first. The bill would require an unspecified of this increment to be procured from the Salton Sea Known Geothermal Resources Area.

Staff will continue to monitor this bill's progress as it specifically calls for geothermal procurement from the Salton Sea.

Federal Bill Summaries

H.R. 2 (Conaway) Agriculture and Nutrition Act of 2018

SSA Position: SUPPORT

Status: Introduced and referred to the House Committee on Agriculture on April 12, 2018. Committee Consideration and Mark-up Session Held. Ordered to be Reported (Amended) by the Yeas and Nays: 26 – 20 on April 18, 2018. Reported (Amended) by the Committee on Agriculture and placed on the Union Calendar, Calendar No. 508.on May 3, 2018. Committee of the Whole House on the State of the Union rises leaving H.R. 2 as unfinished business on May 17, 2018. House vote (198 yeas - 213 nays vote) on May 18, 2018.

H.R. 2 is the 2018 Farm Bill. The significance of this bill to the Salton Sea revolves around the bill's funding authorizations for RCPP, Watershed Act, USDA rural developmental programs as well as much needed amendments in language to better utilize these programs at the Salton Sea.

The Salton Sea Authority has gathered signatures for, and sent out, a coalition support letter and is working with consultants in Washington D.C. to help move this bill forward with language helpful to the Salton Sea.

H.R. 4419 (Newhouse) Bureau of Reclamation and Bureau of Indian Affairs Water Project Streamlining Act

SSA Position: Watch

Status: **Introduced and referred to the House Committee on Natural Resources on Nov. 16, 2017. Committee Consideration and Mark-up Session Held. Ordered to be Reported (Amended) by the Yeas and Nays: 21 – 14 on May 16, 2018.**

H.R. 4419 requires the Bureau of Reclamation (BOR) and the Bureau of Indian Affairs (BIA) to accelerate studies and provide more accountability in the agency's process to study the feasibility of new and or expanded surface water storage. H.R. 4419 would provide the same streamlined water project development process for BOR and BIA surface water storage projects that the "Water Resources Reform and Development Act of 2014" (WRRDA) gave to the U.S. Army Corps of Engineers (Corps).

This bill's aim is to reform the current lengthy process at BOR and BIA so that there is an efficient mechanism to build new surface water storage projects in the West. As this may be beneficial to the Salton Sea in the future staff will watch the progress of H.R. 4419 as it progresses through the legislation.

S. 2329 (Hoeven) Water Infrastructure Finance and Innovation Reauthorization Act of 2018

SSA Position: **Watch**

Status: **Introduced and referred to the Committee on Environment and Public Works on Jan. 23, 2018.**

S. 2329 would reauthorize WIFIA through fiscal 2024 and would consolidate EPA's and the Army Corps' administration of the programs, allowing the corps to use EPA's administrative infrastructure.

When WIFIA was first created it was a part of the 2014 Water Resources Development Act (WRDA), Congress again is looking to develop a 2018 WRDA and this bill would more than likely be a part of that.

Of note this bill could be extremely helpful in SSA efforts to tie in multiple federal partners on the same projects. This bill also shows the willingness of the Federal government to link together agencies, and thus opens the opportunity for the SSA to show how the SSA has been working over the past few years itself to find ways to achieve that same goal of linking federal agencies together on projects.

S. 32 (Feinstein) - California Desert Protection and Recreation Act of 2017

SSA Position: **SUPPORT**

Status: Introduced to the Senate on Jan. 5, 2017. Read twice and referred to the committee on Energy and Natural Resources on Jan. 5, 2017. Committee on Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining. Hearings held on July 26, 2017.

Of note for the SSA the “disposition of revenues” section has remained the same as in S. 2568, the previous year’s bill concerning this issue. The specifics that affect SSA and “of note” this only applies to the development of wind or solar energy land managed by the BLM are as follows:

- 25% of the payments go to counties involved.
- 35% of the payments go to “Renewable Energy Resource Conservation Fund” which is managed by the Secretary of the Interior.
- Areas that are eligible for such “funds” that are of note for the SSA are ones around wind or solar development areas that need restoring and protecting such as: wildlife habitat, wildlife corridors, and water resources.

S. 1460 (Murkowski) - Energy and Natural Resources Act of 2017

SSA Position: Watch

Status: Introduced to the Senate, referred to the Senate Committee on Energy and Natural Resources. Hearings held Sept. 19, 2017.

S. 1460 is the major energy bill that will be discussed in 2018, this bill gained a lot of momentum in 2017 but fell short. Of note in this bill provides assistance to geothermal energy.

Specifically, it calls upon that within 10 years of enacting this bill that major producing geothermal sites should be identified to significantly increase new geothermal energy capacity on public land.

The SSA will also push for consideration of a revenue sharing provision to be added in this bill.

H.R. 434 (Denham) - New Water Available to Every Reclamation State Act

SSA Position: SUPPORT

Status: **Introduced to the House, referred to the House Committee on Natural Resources on Jan. 11, 2017. Referred to the Subcommittee on Water, Power and Oceans on Feb. 7, 2017.**

This bill authorizes the Department of the Interior, for 15 years after this bill's enactment, to provide financial assistance, such as secured loans or loan guarantees, to entities that contract under federal reclamation law to carry out water projects within the 17 western states served by the Bureau of Reclamation, other states where the Bureau is authorized to provide project assistance, Alaska, and Hawaii. Projects eligible for assistance include:

- non-federal water infrastructure projects that would contribute to a safe, adequate water supply for domestic, agricultural, environmental, or municipal and industrial use;
- projects for enhanced energy efficiency in the operation of a water system;
- projects for accelerated repair and replacement of aging water distribution facilities;
- brackish or sea water desalination projects; and
- The acquisition of real property or an interest therein for water storage, reclaimed or recycled water, or wastewater that is integral to such a project.
- Eligible project costs must be reasonably anticipated to be at least \$20 million.

The total amount of federal assistance for a project shall not exceed 80% of its total cost.

Interior shall establish: (1) a repayment schedule for each secured loan based on the useful life of the project, and (2) a uniform system to service the federal credit instruments made available under this bill.

H.R. 3281 (Lamborn) - Reclamation Title Transfer and Non-Federal Infrastructure Incentivization Act

SSA Position: **SUPPORT**

Status: **Introduced to the House, referred to the House Committee on Natural Resources on July 18, 2017. Placed on the Union**

Placed on the Union Calendar, Calendar No. 242 on Sept. 27, 2017.

This bill authorizes the Department of the Interior to convey U.S. interest in an eligible reclamation project or facility to an agency of a state political subdivision, a joint action or powers agency, a water users association, or an Indian tribe or tribal utility authority that holds a water service contract for such property and that has the capacity to continue to manage the property for the same purposes for which it has been managed under reclamation law.

Criteria for determining whether facilities are eligible for title transfer:

- (1) the transfer will not have an unmitigated significant effect on the environment
- (2) the qualifying entity intends to use the property for substantially the same purposes the property is being used for at the time Interior evaluates the potential transfer
- (3) the qualifying entity agrees to provide the United States the equivalent of the present value of any repayment obligation or other income stream the United States derives from the assets to be transferred.

Salton Sea Authority staff will continue to watch the progress of this bill as it may expedite facility or land transfers in certain situations at the Salton Sea.

Terminology Reference

Chaptered - After a bill has been signed by the Governor, the Secretary of State assigns the bill a Chapter Number, for example, "Chapter 123, Statutes of 1998," which subsequently may be used to refer to the measure.

Held under submission - action taken by a committee when a bill is heard in committee and there is an indication that the author and the committee members want to work on or discuss the bill further, but there is no motion for the bill to progress out of committee. This does not preclude the bill from being set for another hearing.

Inactive file - The portion of the Daily File containing legislation that is ready for floor consideration, but, for a variety of reasons, is dormant. An author may move a bill to the inactive file if he or she wishes to take it up at a later date. Once a bill is on the inactive file, one day's public notice is needed to place it back on the agenda.

Suspense File - A bill or set of bills, with a fiscal impact, set aside in Appropriations committee by a majority of Members present and voting. These bills may be heard at a later hearing.