



Salton Sea Authority Board of Directors Meeting

Thursday, December 6, 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, December 06, 2018
10:00 a.m.
LOCATION: Imperial Irrigation District
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618

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 October 18, 2018
- B. Warrant Register Ratification for October 2018
- C. Internal Financial Report for: 7/01/2018 – 9/30/2018
- D. Internal Financial Report for: 7/01/2018 – 10/31/2018

V. PRESENTATIONS

- A. Status of Federal Actions Impacting the Salton Sea – Lisa Moore, Partner, Grand View Group Consulting
- B. Salton Sea: Developing Value from Overlooked Resource Opportunities: Recovery of Strategic Minerals – Jonathan M. Weisgall of Berkshire Hathaway Energy, and Eric Besseling of BHE Renewables

VI. ACTION ITEMS

- A. Consider Adoption of Draft SSA Legislative Platform for 2019
- B. Resolution in Honor of Supervisor Ashley's leadership as the Senior Member of the Salton Sea Authority Board of Directors

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. Update on Resolutions of Support for Inter-County MOU – (Phillip Johnson, Assistant Executive Director, Salton Sea Authority)
- D. Status of Funding for Salton Sea in State's Salton Sea Restoration Fund for QSA Mitigations – (Phillip Johnson, Assistant Executive Director, Salton Sea Authority)
- E. Standing Reports from Federal and State Partners
 - 1. FEDERAL: US Bureau of Reclamation – (Genevieve Johnson, Program Manager for the Salton Sea)
 - 2. STATE: Salton Sea Management Program – (Bruce Wilcox, Assistant Secretary for Salton Sea Policy)
- F. Salton Sea State Recreation Area Update on Activities – (Ray Lennox, Acting Sector Superintendent, California State Parks)
- G. Salton Sea Action Committee – (Juan DeLara, President)

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

Thursday, January 24, 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
October 18, 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 Thomas Tortez, Jr., President, at 10:00 a.m., October 18, 2018, at the Coachella Valley Water District, Steve Robbins Administration Building, 75515 Hovley Lane East, Palm Desert, California 92260, (760) 398-2651

PLEDGE OF ALLEGIANCE

Director O’Dowd led the Pledge of Allegiance

ROLL CALL:

DIRECTORS PRESENT

Thomas Tortez, President
Cástulo R. Estrada, Vice-President
Erik J. Ortega, Treasurer
James C. Hanks, Director
G. Patrick O’Dowd, Director
Altrena Santillanes, Director
V. Manuel Perez, Director

AGENCY

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

DIRECTORS ABSENT

Marion Ashley, Director
John Renison, Secretary
Ryan E. Kelley, Director

AGENCY

Riverside County
Imperial County
Imperial 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.

SALTON SEA AUTHORITY STAFF PRESENT

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

MEMBERS OF THE PUBLIC PRESENT

Frans Bigelow
Paul Kaymark
Donna Kennedy
William Linehan
Harvey Ninkala
Ray Lennox
Melanie Cox
Chuck Tobin
Crystal Howard
Nikola Lakic
Alex Schriener
Jay McCarren
David Hanselman
Juan M. DeLara
Andy Vossler
Tom Sephton
Mike Sutton
Michele Rubino
Peter Carlstrom
Andy Horne
Tom DuBose
Alberto Ramirez
Daniel Tirado-Lopez
Robert X. Betancourt
Pat Cooper

AGENCY

GLC
PCG Consulting
Presenter/Author
Presenter/Author
GLC
California State Parks
Salton Sea Action Committee
Salton Sea Action Committee
EnviroMine Inc.
Geothermal Worldwide, Inc.
Earth Systems
Synthetic Genomics, Inc.
Synthetic Genomics, Inc.
Salton Sea Action Committee
Salton Sea Action Committee
Sefton Water Technology
Kimley-Horn
Synthetic Genomics, Inc.
Congressman Ruiz
County of Imperial
Dubose Design Group
Torres Martinez DCI
Torres Martinez DCI
DAS North Shore
RivCo Supervisor Perez

II. BOARD MEMBER COMMENTS

Individual directors expressed their appreciation to Assemblymember Eduardo Garcia for hosting the round table locally, shared points that were covered in the round table session, and expressed their opinions regarding which approach would be most beneficial.

Director Hanks said there is a two-prong attack on the SSA: 1) the QSA and 2) restoration; mixed in is Salton Sea development. SSA must be careful not to take ownership of the State's obligation under the QSA. Director Hanks suggested the GM look at the funds assessed in the QSA to the various districts and whether it has been spent. The lower basin Drought Contingency Plan is still in circulation; he recommended keeping an eye on, and being very careful about, impacts on the Salton Sea.

III. PUBLIC COMMENTS

- A. Chuck Tobin, Burrtec Waste: expressed appreciation for Imperial Irrigation District's request to test processed organics for dust control. He expressed concern over the 8-to-10-foot depth of the State's version of the perimeter lake; supports the 25' depth of the SSA's version of the perimeter lake.
- B. Nikola Lakic told of a letter he had sent to Bruce Wilcox and copied to the Board that expressed disappointment that they did not support his proposal but opted for the smaller lake.
- C. Andy Vossler, Salton Sea Action Committee: encouraged the kind of planning on the west side of the Salton Sea that would be a basis for the Enhanced Infrastructure Financing District: recreation, health, and schools draw people.
- D. Tom Sephton, of Brawley: Thanked Supervisor Perez for visiting Owens Lake, observed that one could learn dust control methods from it, but that it is not a good model for the Salton Sea, as the Salton Sea is not dead yet - all age ranges of fish are still in the Salton Sea, a few pelicans are still coming. He encouraged getting habitat in place before the Sea IS dead.

IV. CONSENT CALENDAR – Receive, Approve, and File

- A. Minutes of September 20, 2018
- B. Warrant Register Ratification for September 2018
- C. Internal Financial Report for: 07/01/2018 – 08/31/2018
- D. Approval of 2019 Board Meeting Schedule

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

V. PRESENTATIONS

- A. SSA President Thomas Torte presented a Leadership Recognition Plaque to Director G. Patrick O'Dowd in recognition of his leadership as Chairman of the Board of Salton Sea Authority 2017-2018.
- B. Rediscovering Salton Sea: Developing value from overlooked resource opportunities:
SSA GM/Executive Director Phil Rosentrater introduced the speaker, David Hanselman, as being with Synthetic Genomics Inc., a private sector entity making this presentation on their own initiative, not asking for resources, but simply to provide awareness of the opportunities for the private sector if they partner with the public to improve conditions. They are looking to transform this into economic opportunities that have additional benefits for a healthier Salton Sea.

Mr. Hanselman gave a presentation on SGI's development of algal biofuel. They have studied micro algae to generate algal oil. Their goal is to make it economically viable for jet fuel - they are trying to train the algae to produce more oil. Rather than use good farmland or drinking water, their project uses salt water, waste land, sun.

C. Historical book documents tourist heyday of Salton Sea:

Local authors and historians Donna Kennedy and William Linehan shared history of Salton Sea Beach from 1929 when Donna's pioneering mother and grandfather, Helen Burns and Floyd, moved to the Salton Sea and opened a souvenir stand, which grew into a bar and hotel, through the late 1940s and beyond.

VI. ACTION ITEMS

A. Consider adoption of resolution to take a stand on stronger federal participation in New River cleanup

SSA GM/Executive Director Phil Rosentrater brought this action item to the Board, which was originally requested by the former Executive Officer of the California Regional Water Quality Control Board (CRWQCB), Jose Angel, who gave a presentation at the March 28 SSA Board meeting on the condition of the New River as well as CRWQCB plans for cleanup in cooperation with the State and the Salton Sea Authority. The resolution is presented to the SSA Board for consideration to reinforce that concern and the need for additional action.

Chairman Tortez invited a motion to approve the resolution. Director Perez so moved; Seconded by Director O'Dowd. Unanimously carried.

VII. REPORTS

A. General Manager's Report on Activities

Phil Rosentrater, GM/Executive Director, SSA, informed the Board of an upcoming meeting of the Colorado River Citizens Forum, a body of volunteers with the International Boundary and Water Commission, which include an update on the New River Improvement Program from the RQCB, as well as a discussion on the Colorado River Drought Contingency Plan. Mr. Rosentrater invited questions concerning the GM report; there were none.

B. Legislative Update

Phillip Johnson, Assistant Executive Director, SSA, gave updated Farm Bill vote expectations, and advised the Board that the annual restructuring on SSA's legislative platform would soon begin and he would be reaching out to the member agencies' staff. One of the planks they will be discussing more in-depth is the governance structure and, as requested by Director Santillanes, he will try to add action items.

C. Federal and State Partner Reports:

1. FEDERAL: US Bureau of Reclamation

Genevieve Johnson, Program Manager for the Salton Sea, was unable to be present, but did call in. She reported that she had shared the governance document with decision makers in the Bureau of Reclamation and the Department of the Interior so everyone in the Federal chain should be aware of it. They want to help support the SSA to implement actions at the Sea. She also offered, if there are any meetings the SSA feels a federal partner should be more involved in, let her know and she'll make sure someone is available.

2. STATE: Salton Sea Management Program

Bruce Wilcox, Assistant Secretary for Salton Sea Policy, reported that he attended the round table discussion, would like to see the Feds involved. Reclamation has been very helpful. The Department of Fish and wildlife has been doing fish sampling at the sea, and confirms there is a range of fish ages.

Mr. Wilcox clarified that Riverside County's North Lake project is different from what the State proposes. Riverside County has presented four alternatives – some are 10-15-20' deep in some areas. TetraTech did an analysis of about \$1 million per mile because of building in the wet. A larger North Lake and perimeter lake are part of the SSMP plan.

The Bureau of Reclamation does salinity testing for the State at the Sea. The Department of Water Resources restructuring has begun; there will now be direct communication between the Director and Deputy Director of the Salton Sea team; four to five new members report directly to the director, who will report to Resources. The State's Salton Sea program manager is at the Bermuda Dunes office.

D. Salton Sea State Recreation Area Update on Activities

Ray Lennox, Acting Sector Superintendent, California State Parks, reported that he had submitted four major projects to State Parks, including a boat ramp that may change into direct Sea launch access. The Salton Sea Bird Festival will be held January 19 and 20; fees are being waived to draw in locals.

E. Salton Sea Action Committee

Juan DeLara, SSAC President, reported that the Salton Sea Coalition, which is not registered with the State, is pushing for Sea-to-Sea. He said the SSAC is looking to the SSA for guidance in how to help; he will attend the next La Quinta council meeting to let them know what the SSA is doing.

VIII. ADJOURNMENT

Chairman Tortez granted Mr. Lakic an ending comment.

*There being no further business, Board President Thomas Tortez, Jr. invited a motion to adjourn. Director O'Dowd so **moved, seconded** by Director Estrada. **Unanimously carried.*** The meeting was adjourned at 11:52 a.m.

NEXT MEETING TIME & LOCATION:

The regularly-scheduled meeting will be held

Thursday, December 6, 2018

10:00 a.m.

Imperial Irrigation District

Bill Condit Auditorium

1285 Broadway Avenue

El Centro, CA 92243

(760) 482-9618

Checking Account Activity
October 1, 2018 through October 31, 2018



Warrant Date	Warrant Number	Vendor Name	Amount
			Beginning Cash \$ 258,840.04
10/10/2018	16440	Best, Best & Krieger	(3,698.40)
10/10/2018	16441	Bravata, Lisa	(212.05)
10/10/2018	16442	Johnson, Phillip	(314.49)
10/10/2018	16444	Riverside County	(75,000.00)
10/10/2018	16445	RivCo EDA	(27,192.66)
10/10/2018	16446	RivCo EDA	(2,215.37)
10/10/2018	EFT	Pitney Bowes	(91.20)
10/11/2018	EFT	Transfer to Money Market	50,000.00
10/23/2018	EFT	Verizon Wireless	(229.19)
10/23/2018	EFT	AMEX	(5,031.35)
10/23/2018	EFT	Visa	(149.04)
10/31/2018	EFT	Service Charge	(25.00)
			Net Activity <u>(64,158.75)</u>
			Ending Cash <u>\$ 194,681.29</u>

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
Year to Date through September 30, 2018

	General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
1 INCOME				
2 Local Government/Member Assessments	\$ 610,000	\$ -	\$ -	\$ 610,000
3 State of California Grants	-	21,685	-	21,685
4 Pooled Cash Allocated Interest	335	-	-	335
5 Miscellaneous Revenue	6,492	-	-	6,492
6 TOTAL INCOME	616,827	21,685	-	638,512
7 EXPENSE				
8 SSA Administration				
9 Salaries				
10 Salaries - GM / Executive Director	25,845	-	-	25,845
11 Executive Director Support	19,387	-	-	19,387
12 Due from Grant Funds	12,360	-	-	12,360
13 Admin Support B	9,700	-	-	9,700
14 Total Salaries	67,292	-	-	67,292
15 Employee Benefits				
16 Employee Benefits - GM / Exec. Dir.	9,599	-	-	9,599
17 Employee Benefits - Other SSA Staff	21,142	-	-	21,142
18 Total Employee Benefits	30,740	-	-	30,740
19 Contract Service / Professional				
20 Finance / CPA	11,597	-	-	11,597
21 Total Contract Service / Professional	11,597	-	-	11,597
22 Contract Attorney	4,760	-	-	4,760
23 Equipment Maintenance	2,349	-	-	2,349
24 Capital Equipment	-	-	-	-
25 Insurance	4,669	-	-	4,669
26 Office Exp/Operating Supplies	378	-	-	378
27 Office Exp/Online Services	341	-	-	341
28 Postage, Mail	193	-	-	193
29 Printing Services	302	-	-	302
30 Dues, Subscriptions	7,877	-	-	7,877
31 Communications	909	-	-	909
32 Travel/Mileage	14,612	-	-	14,612
33 Technical Support - Consultant	-	-	-	-
34 Technical Support - Engineering	-	-	-	-
35 Technical Support - General	-	-	-	-
36 Contract Svc / Website	-	-	-	-
37 Utilities	-	-	-	-
38 Grants & Advocacy	-	-	-	-
39 Project Manager	-	-	-	-

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
Year to Date through September 30, 2018

	General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
40 Total SSA Administration	146,105	-	-	146,105
41 Wetlands Grant Administration				
42 Contract Svcs/Attorney	-	-	966	966
44 Total Wetlands Grant Administration	-	-	966	966
45 Wetlands Grant Technical				
46 Contract Svcs/LCP	-	-	-	-
47 Contract Svcs/Construction	-	-	-	-
48 Transfer In/Out Grant Administration	-	-	-	-
49 Total Wetlands Grant Technical	-	-	-	-
50 TOTAL EXPENSE	146,105	-	966	147,071
51 NET INCOME	\$ 470,722	\$ 21,685	\$ (966)	\$ 491,441

**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

As of September 30, 2018

General Fund	Wetlands Grant 1	Wetlands 2	702 Fish Clean Up Trust	TOTAL
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1	ASSETS				
2	Local Government/Member Assessments				
3	Checking/Savings				
4	Cash - Checking	\$ 260,317	\$ -	\$ (1,343)	\$ -
5	Cash - Money Market	644,688	-	-	20,991
6	Cash - RivCo Fund	40,624	-	-	-
7	RivCo investment fund	1,341	-	-	-
8	Cash - Petty Cash	22	-	-	-
9	Total Checking/Savings	946,991	-	(1,343)	20,991
10	Accounts Receivable	-	24,048	-	-
11	Other Current Assets				
12	Due from Grant Funds	24,048	-	-	-
	Prepaid Items	-	-	-	-
13	Other Receivables	-	-	-	-
14	Total Other Current Assets	24,048	-	-	-
15	Total Current Assets	971,039	24,048	(1,343)	20,991
16	TOTAL ASSETS	971,039	24,048	(1,343)	20,991
17	LIABILITIES & EQUITY				
18	Liabilities				
19	Current Liabilities				
20	Accounts Payable	41,463	-	856	-
21	Credit Cards				
22	Credit Card Payable (Visa)	142	-	-	-
23	Credit Card Payable (AE)	3,445	-	-	-
24	Total Credit Cards	3,587	-	-	-
25	Other Current Liabilities				
26	Due to Other Funds	-	24,048	-	-
27	Accrued Expenditures	33,228	-	-	-
28	Deferred Revenue	-	24,048	-	-
27	Accrued Payroll	5,701	-	-	-
28	Accrued Vacation	9,239	-	-	-
29	Total Other Current Liabilities	48,169	48,096	-	-
30	Total Current Liabilities	93,219	48,096	856	-
31	Total Liabilities	93,219	48,096	856	-
32	Equity				
33	Fund Balance	407,099	(45,733)	(1,233)	20,991
34	Net Income	470,722	21,685	(966)	-
35	Total Equity	877,821	(24,048)	(2,199)	20,991
36	TOTAL LIABILITIES & EQUITY	\$ 971,039	\$ 24,048	\$ (1,343)	\$ 20,991

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
Year to Date through October 31, 2018

	General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
1 INCOME				
2 Local Government/Member Assessments	\$ 610,000	\$ -	\$ -	\$ 610,000
3 State of California Grants	-	45,733	-	45,733
4 Pooled Cash Allocated Interest	539	-	-	539
5 Miscellaneous Revenue	6,584	-	-	6,584
6 TOTAL INCOME	617,123	45,733	-	662,856
7 EXPENSE				
8 SSA Administration				
9 Salaries				
10 Salaries - GM / Executive Director	35,460	-	-	35,460
11 Executive Director Support	25,079	-	-	25,079
12 Due from Grant Funds	15,891	-	-	15,891
13 Admin Support B	12,472	-	-	12,472
14 Total Salaries	88,902	-	-	88,902
15 Employee Benefits				
16 Employee Benefits - GM / Exec. Dir.	12,972	-	-	12,972
17 Employee Benefits - Other SSA Staff	27,639	-	-	27,639
18 Total Employee Benefits	40,612	-	-	40,612
19 Contract Service / Professional				
20 Finance / CPA	14,274	-	-	14,274
21 Total Contract Service / Professional	14,274	-	-	14,274
22 Contract Attorney	4,760	-	-	4,760
23 Equipment Maintenance	2,349	-	-	2,349
24 Capital Equipment	-	-	-	-
25 Insurance	4,669	-	-	4,669
26 Office Exp/Operating Supplies	403	-	-	403
27 Office Exp/Online Services	409	-	-	409
28 Postage, Mail	193	-	-	193
29 Printing Services	678	-	-	678
30 Dues, Subscriptions	7,906	-	-	7,906
31 Communications	1,238	-	-	1,238
32 Travel/Mileage	23,769	-	-	23,769
33 Technical Support - Consultant	-	-	-	-
34 Technical Support - Engineering	-	-	-	-
35 Technical Support - General	-	-	-	-
36 Contract Svc / Website	-	-	-	-
37 Utilities	-	-	-	-
38 Grants & Advocacy	-	-	-	-
39 Project Manager	-	-	-	-

Salton Sea Authority
Statement of Revenues, Expenditures, and Fund Balance
Year to Date through October 31, 2018

	General Fund	Wetlands Grant 1	Wetlands 2	TOTAL
40 Total SSA Administration	190,340	-	-	190,340
41 Wetlands Grant Administration				
42 Contract Svcs/Attorney	-	-	966	966
44 Total Wetlands Grant Administration	-	-	966	966
45 Wetlands Grant Technical				
46 Contract Svcs/LCP	-	-	-	-
47 Contract Svcs/Construction	-	-	-	-
48 Transfer In/Out Grant Administration	-	-	-	-
49 Total Wetlands Grant Technical	-	-	-	-
50 TOTAL EXPENSE	190,340	-	966	191,306
51 NET INCOME	\$ 426,783	\$ 45,733	\$ (966)	\$ 471,550

**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

As of October 31, 2018

General Fund	Wetlands Grant 1	Wetlands 2	702 Fish Clean Up Trust	TOTAL
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1	ASSETS				
2	Local Government/Member Assessments				
3	Checking/Savings				
4	Cash - Checking	\$ 196,880	\$ -	\$ (2,199)	\$ -
5	Cash - Money Market	619,023	-	-	20,991
6	Cash - RivCo Fund	96,868	-	-	-
7	RivCo investment fund	1,354	-	-	-
8	Cash - Petty Cash	156	-	-	-
9	Total Checking/Savings	914,280	-	(2,199)	20,991
10	Accounts Receivable	-	-	-	-
11	Other Current Assets				
12	Due from Grant Funds	-	-	-	-
	Prepaid Items	-	-	-	-
13	Other Receivables	-	-	-	-
14	Total Other Current Assets	-	-	-	-
15	Total Current Assets	914,280	-	(2,199)	20,991
16	TOTAL ASSETS	914,280	-	(2,199)	20,991
17	LIABILITIES & EQUITY				
18	Liabilities				
19	Current Liabilities				
20	Accounts Payable	11,117	-	-	-
21	Credit Cards				
22	Credit Card Payable (Visa)	1,517	-	-	-
23	Credit Card Payable (AE)	3,929	-	-	-
24	Total Credit Cards	5,446	-	-	-
25	Other Current Liabilities				
26	Due to Other Funds	-	-	-	-
27	Accrued Expenditures	48,894	-	-	-
28	Deferred Revenue	-	-	-	-
27	Accrued Payroll	5,701	-	-	-
28	Accrued Vacation	9,239	-	-	-
29	Total Other Current Liabilities	63,835	-	-	-
30	Total Current Liabilities	80,398	-	-	-
31	Total Liabilities	80,398	-	-	-
32	Equity				
33	Fund Balance	407,099	(45,733)	(1,233)	20,991
34	Net Income	426,783	45,733	(966)	-
35	Total Equity	833,882	-	(2,199)	20,991
36	TOTAL LIABILITIES & EQUITY	\$ 914,280	\$ -	\$ (2,199)	\$ 20,991

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, GM/Executive Director
Date: December 6, 2018
Re: **Approval of SSA Legislative Platform for 2019: Federal and State**
CM No. **VIA – 12-6-2018**

GENERAL:

The Salton Sea Authority has effectively achieved significant results from its Board-approved legislative agenda in the past four years. The draft platform proposed for Board consideration in 2019 builds upon these advancements and remains consistent with the SSA Board-adopted Vision and Guiding Principles for Legislative Action.

The platform is intended to serve as a dynamic guide to SSA Board and staff alike in shaping favorable outcomes for the SSA in legislative policies and procurement priorities at federal and state levels.

Upon approval of this draft platform, SSA staff in coordination with member agencies will continue to advocate its position on public policy issues in a unified manner. Under the direction of the Board, staff from the member agencies will closely monitor state and federal legislative proposals, executive actions and overall public policy initiatives that may have a direct impact on Salton Sea restoration efforts.

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board approve the 2019 Legislative Platform and authorize staff to take prudent action as needed in order to advance a unified and well-coordinated development of state and federal policies consistent with the SSA Board-approved Vision and Guiding Principles for Legislative Action.

Respectfully submitted,

Phil Rosentrater
GM/Executive Director

Salton Sea Authority

2019 Legislative Platform

Background:

The Salton Sea Authority (SSA) is empowered under state law (AB 71 – Perez) to work in cooperation with the California Natural Resources Agency to ensure the beneficial uses of the Salton Sea. SSA is a joint powers agency comprised of: Coachella Valley Water District, Imperial Irrigation District, Riverside County, Imperial County and the Torres Martinez Desert Cahuilla Indians. The SSA closely monitors and provides comment on state and federal legislative proposals that may have a direct impact on Salton Sea management and revitalization efforts.

The Salton Sea is the largest inland sea in California. The 365-square mile lake is a shallow, increasingly saline terminal lake sustained by agricultural discharges from highly productive farmlands that produce more than \$2 billion annually in agricultural commodities. The Sea provides significant habitat for birds, with an estimated 420 species relying upon the Sea, as well as habitat for several state and federally-listed species.

The Salton Sea is impacted by rising salinity of the Sea as well as changes in runoff from irrigated agriculture (supplied by Colorado River water). Legal agreements to provide conserved water to Southern California urban users in order to enable the state of California to live within its legal entitlement to Colorado River water has significantly reduced flows to the Sea, and if left unchecked, nearly 100 square miles of dry lake bed will be exposed, resulting in diminished habitat, significant air quality problems and a damaged economy. Areas downwind from the Sea are already suffering from severe non-attainment for PM 10 under the Clean Air Act. These areas suffer the highest rates of childhood asthma in California, with emergency room admissions for children under four years of age roughly twice the state average.

In accord with the conserved water agreements, flow of mitigation water to the Sea was terminated at the end of 2017, accelerating the Sea's decline. Further, conserved water agreements are currently being considered under Drought Contingency Plan (DCP) federal-state negotiations to improve national and international water supply reliability of the Colorado River system, further impacting the economic and ecological health of the Sea including the human populations and migratory birds of the Pacific Flyway. Tens of millions of citizens downwind from the Sea could be impacted by dust blown from the playa into densely urbanized areas throughout Southern California (see attached map of actual AQ impacts in SoCal from the Salton Sea).

The Salton Sea Authority and its partner agencies, working with state and federal counterparts, have achieved unprecedented progress in recent years with the State launching a draft Salton Sea Management Program 10-year plan with achievable projects with feasible designs, realistic budgets. This minimalist plan falls far short of what the ultimate objectives need to be for revitalization of the Sea areas impacted by the QSA. However, it is at least a consensus road map forward that outlines the objectives and the funding estimated for the state to begin to meet its obligations. Coupled with the 10 Year Plan is a stipulated Water Order between the State and the parties of the QSA establishing accountable performance to implement the SSMP 10 Year Plan. 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 sustain a healthier, more prosperous Sea.

Ultimately the Salton Sea Authority and its partners have helped bring about this plan through painstaking consensus building. It is not a perfect plan, but it is finally a plan with real projects with real designs, permits and funding. Now that an actionable plan exists, the effort to procure funding for this plan and its projects now becomes much more achievable. The funding of this plan was significantly bolstered by \$200 million due with the passage of proposition 68 in June 2018. The following SSA legislative platform for 2018 outlines the objectives and actions necessary to advance toward a smaller but healthy and prosperous Salton Sea in cooperation and consultation with the SSA and its local, regional, state and federal partners.

Federal Priorities

United States Department of Agriculture (USDA) Partnerships

- J SSA supports efforts to secure a greater portion of USDA's \$6 billion annual mandatory conservation funding through appropriations and/or the 2018 Farm Bill by expanding the current partnership's activities to the Salton Sea playa; this would provide a more comprehensive federal-state-local conservation partnership which could be scaled appropriately to the challenge.
- J The SSA member agencies are situated in a major agricultural region and the Sea itself is sustained by agricultural drainage flows from roughly 500,000 acres of prime irrigated agricultural land supplied by Imperial Irrigation District (IID) and Coachella Valley Water District (CVWD). Diminishing drainage flows to the Sea pose a negative impact on the air quality and habitat values surrounding the Sea, and

threaten the sustainability of an agricultural region which generates over \$2 billion annually in agricultural commodities.

- J Recognizing the critical importance of Sea restoration to this agricultural region, USDA approved the Salton Sea Regional Conservation Partnership Program (RCPP) to address habitat, water quality and air quality issues on agricultural land surrounding the Sea. A \$7.5 Million grant was secured through the SSA as lead agency in the RCPP partnership for this purpose. The programs available under RCPP, however, limit the use of funding to projects on private agricultural lands.
- J SSA supports making PL 566 a mandatorily-funded USDA conservation program in the 2018 Farm Bill in order to provide a substantial and sustainable source of cost-share funding for Salton Sea management and restoration.
- J SSA along with CNRA has been successful in helping secure appropriations into USDA's Watershed Protection and Flood Prevention Act (PL 566) in the passed 2018 Omnibus spending bill. The SSA will now support the CNRA at leveraging the already obtained \$1.5 million in Watershed Act money to go after the \$150 million in the Watershed Act this year.
- J SSA supports a change in the Watershed acreage size limitations, removing the restriction that the funding could only be applied in watersheds less than 250k acres. SSA was successful and Congress modified as requested and also modified a notification provision requiring congressional approval (House and Senate Ag Cmte resolutions) for projects over \$5 million. Congress raised the notification threshold to \$25 million. This means if more funding is sought for the Sea from this account, Congressional approval will not be required, and importantly, SSA does not have to worry about the program slicing our large watershed into smaller pieces to qualify.
- J SSA supports expanding the Salton Sea RCPP by permitting enrollment of public lands that endanger public health and the environment of prime agricultural region in USDA's Conservation Reserve Enhancement Program (CREP), which would thereby provide substantial federal financial resources to cost-share with State investments in air quality, habitat and other Ag-related investments at the Sea.
- J SSA supports expanding the Salton Sea RCPP by permitting the application of Environmental Quality Incentives Program (EQIP) funding to off-farm projects in an Agricultural region.
- J SSA supports the Feinstein USDA EQIP Air Quality Initiative, which sets aside \$25 million in EQIP funding annually to address air quality concerns related to agricultural operations; SSA recommends expanding this initiative by increasing its

funding and directing the increase to projects on public or private lands in an agricultural region impacted by negative air quality.

-) SSA supports ensuring in the 2018 Farm Bill that communities surrounding the Salton Sea qualify for USDA rural development programs which target funding for health care infrastructure and telemedicine in order to help address the high prevalence of childhood asthma in the region.
-) 2018 Farm Bill Senate and House Conferences have been held, no compromise has been reached as of yet. A vote on the bill is anticipated to occur after the November 6th elections.

ACTION:

-) *The SSA will cooperate and consult with state and federal partners to continue to push for passage of 2018 Farm Bill with the provisions in the final bill that make it easier to utilize funding from the USDA.*
-) *Consistent with MOU Implementing One Federal Decision under EO 13807, the SSA supports actions to enhance federal interagency working group cooperation in a manner that expedites action at the Salton Sea benefiting all parties concerned.*

United States Army Corps of Engineers (Corps)

-) SSA supports federal funding and cooperation with the Army Corps of Engineers. \$30 million in federal funding for Salton Sea revitalization was authorized in 2007 under the federal Water Resource Development Act (WRDA), but never appropriated even though it has been included in past Administration budgets for the Corps.
-) A renewed authorization for this \$30 million for the Salton Sea was included in the Dec 2016 passage of WRDA legislation (***S. 612 WIIN Act***). The updated version extends broad authorization for full Army Corps participation in watershed level planning at the Salton Sea, and specifically designates the SSA as the preferred nonfederal partner for the funding agreements to be established with the Corps.
-) SSA supports America's Water Infrastructure Act of 2018 (S. 3021) (WRDA 2018) and its increase funding for the Water Infrastructure Finance and Innovation Act (WIFIA). SSA supports the usage of WIFIA's low-cost supplemental loans for projects at the Sea that address significant EPA national priorities.
-) SSA supports the Corps Tribal Partnership Program (TPP), a program with existing funding available to conduct feasibility planning in coordination with SSA and

specifically as requested by tribes that hold property in and around the Sea. The SSA will continue to provide Letters of Interest in partnership with interested tribes at the Sea in order to activate this Army Corps program in coordination with SSA and partners, especially the tribes.

ACTION:

-) *Coordinate watershed planning between the Corps, State and other Federal entities.*
-) *Renew the LOI to the Army Corps for TPP and establish an MOU between the SSA and interested tribes in and around the Sea pursuant to engaging the Corps in feasibility planning.*
-) *Consistent with MOU Implementing One Federal Decision under EO 13807, the SSA supports actions to enhance federal interagency working group cooperation in a manner that expedites action at the Salton Sea benefiting all parties concerned.*

Bureau of Reclamation (BOR) Partnership

-) SSA supports strong interagency cooperation between the BOR as a major federal landowner with public trust responsibilities at the Sea – in consultation with SSA and its member agencies and the State
-) The State of California and the Federal Department of Interior signed an MOU in 2016 wherein the DOI committed to a \$30 Million federal share in costs to operate and maintain projects related to air quality management and restoration of habitat at the Sea.
-) The SSA initiated an MOU with Department of Interior MOU in February 2014. The MOU signed by DOI (plus all sub-agencies) calls for sharing of information and expertise, with close cooperation and collaboration between SSA and DOI and its sub-agencies on matters relevant to the improvement of conditions at the Sea. In particular, the MOU called for cooperation in planning for rights of way, easements, and land exchanges necessary to expedite mutually beneficial projects at the Sea.

ACTION:

-) *SSA will coordinate with DOI and sub-agencies, including BOR, in order to integrate federal interests and resources in joint funding, planning, design, construction and maintenance of projects.*

-) *Consistent with MOU Implementing One Federal Decision under EO 13807, the SSA supports actions to enhance federal interagency working group cooperation in a manner that expedites action at the Salton Sea benefiting all parties concerned.*

Water Infrastructure Finance and Innovation Act (WIFIA)

-) SSA supports funding for WIFIA and partnerships at the sea that can leverage these funds. SSA has already initiated contact with EPA and arranged for discussion among its partners and contractors on the potential for the WIFIA program to accelerate investment at the Salton Sea by providing long-term, low-cost supplemental loans for projects at the Sea that address significant EPA national priorities. Successful application to this program would secure a significant federal partner and potentially match nonfederal investments at the Sea with a nearly equal share of federal investment (provided a secure means of repayment can be proven).
-) Funding for EPA WIFIA was increased to over \$60 million (FY was about \$27 million). This gives EPA \$6 billion in lending authority, which could be potentially tapped for work contemplated in the SSMP.

ACTION:

-) *Follow up consultation with EPA to refine original LOI and work with partners towards the next submittal period.*
-) *Consistent with MOU Implementing One Federal Decision under EO 13807, the SSA supports actions to enhance federal interagency working group cooperation in a manner that expedites action at the Salton Sea benefiting all parties concerned.*

Federal/Local Government revenue sharing on Energy/ Mineral extraction

-) SSA supports the development of local resources while provided there is appropriate compensation to the impacted communities, as called for in the SSA's board-adopted Guiding Principles for Legislative Action.
-) SSA supports revenue sharing agreements that are mutually acceptable to all concerned, along with legislation that will enable such arrangements. Cooperative ventures between the federal government and the mineral rich counties in the Salton Sea region may offer opportunities to equitably address federal and local priorities with new resources.

-) SSA supports *S. 32 (Feinstein) - California Desert Protection and Recreation Act of 2017* and other similar legislation as it aligns with SSA goals to incorporate revenue sharing as part of Salton Sea revitalization funding strategy. S. 32 is currently in the Senate Committee on Energy and Natural Resources Subcommittee on Public Lands, Forests, and Mining.

ACTION:

-) *Monitor status of relevant legislation and provide appropriate advocacy.*

State Priorities

Governance Structure

-) SSA supports the discussion and evaluation of enhancing efficiency through a reformed governance structure. This discussion was started with the introduction of SB 1277 (Hueso). Later in the session SB 1365 (Hueso) furthered the discussion and was ultimately held so that local agencies could come up with a viable option for a new governance structure.
-) The current structure through the State SSMP has made contracting on projects costly without delivering timely results.
-) A working model that follows the guiding principles of the SSA, state policy on watersheds, and state law AB (71) that directs the state to work in cooperation and consultation with the SSA would be to recognize the already develop SSMP as a functional equivalent of an Integrated Regional Water Management Plan (IRWMP). Under this model the state could then still maintain an oversight role while recognizing the SSA as a qualifying JPA to implement this plan according to state set criteria.

ACTION:

-) *Work with member agencies and stakeholders to come up with a governance structure that will help increase the efficiency of project implementation.*

Pending State Bonds

-) The SSA supported the passage of **Proposition 3, The Water Supply and Water Quality Act of 2018** which was a water bond initiative which would have provided significant new water supplies for urban, agricultural and environmental purposes. It appeared on the November 6, 2018 statewide California ballot.
-) Proposition 3 included a \$200 million grant for Salton Sea revitalization that consists of:
 - o \$179 million to the California Natural Resources Agency for the 10-Year Plan of the Salton Sea Management Program to develop habitat and dust suppression projects.
 - o \$20 million to be allocated to improve water quality at the New River, which flows through disadvantaged communities.
 - o \$1 million allocated to outreach to disadvantaged communities in developing the Salton Sea Integrated Watershed Plan.
-) SSA built voter awareness in the Coachella and Imperial Valleys regarding consideration of the Bond for the November 6th, 2018 statewide primary direct election.

ACTION:

-) *Work with legislature on a new bond bill that may fulfill the funding needs for the Salton Sea.*

Renewable Energy Development

-) The SSA supports development of all renewable energy resources at the Salton Sea in order to provide potential revenue streams to help fund revitalization projects and activities.
-) SSA supports efforts to promote geothermal energy development in the Salton Sea Known Geothermal Resource Area (estimated to potentially generate 2,000 MW of carbon-free baseload power).
-) SSA supports policies that encourage recovery of valuable minerals in geothermal brine.

ACTION:

-) *Monitor and support bills that can drive progress on this issue.*

Regional Priorities

Financing initiatives

-) SSA supports local county-driven financing initiatives such as Public/Private Partnerships and Infrastructure Financing Districts (IFD) developed in consultation and coordination with the SSA and State in order to expedite mutually beneficial progress on the SSMP 10 Year and Long-Range plans.
-) SSA supports the joint county MOU between Imperial and Riverside Counties. The MOU outlines a good faith commitment of collaboration between both counties. In the MOU, County leaders call for cooperation to fully implement a Perimeter Lake concept that would address air quality concerns by stabilizing the shoreline while providing habitat for waterfowl as well as enhancing economic opportunities in recreation and renewable energy that would drive (IFDs) setup by both counties.

ACTION:

-) *Support both Riverside and Imperial Counties as they move forward on their (IFDs) and grow the local partnership and consensus around the principles of the Joint County MOU.*

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, GM/Executive Director
Date: December 6, 2018
Re: **Resolution in Honor of Retiring Director Marion Ashley's Leadership**
CM No. V.A – 12-6-2018

GENERAL:

Marion Ashley has honorably served as a member of the Board of Directors of the Salton Sea Authority (SSA) since 2003 making him the longest-serving member currently on the board. As a member of the Salton Sea Authority Board he has unselfishly devoted his energies, experience, knowledge, judgment, professional expertise, political acumen and time to the SSA.

During Director Ashley's tenure he was instrumental in the passage of AB 71 (Perez) which clarified the relationship of the SSA with the California Natural Resources Agency (CNRA), and authorized funding from the Salton Sea Restoration Fund for the Salton Sea Authority to lead a feasibility action plan. Director Ashley also oversaw the Torres Martinez Wetlands project which is the first and only state-funded project to be completed at the Salton Sea, built on time and on budget.

The Salton Sea effort has secured historic levels of funding at the state, and growing levels of cooperation from local, state, and federal stakeholders alike working towards a healthy more sustainable sea due to the dedication and determination of Director Ashley and countless others who selflessly donated their time and effort to the cause.

RECOMMENDED ACTION:

Staff recommends that the Board of Directors of the Salton Sea Authority approve SSA Resolution No. 18-06 expressing appreciation and gratitude to Director Ashley for his many contributions to the Salton Sea Authority, and the public he has served so diligently, and in extending sincere best wishes to him for continued happiness and success in his future endeavors.

Respectfully submitted,

Phil Rosentrater
GM/Executive Director



**SALTON SEA AUTHORITY
RESOLUTION NO. 18-06**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SALTON SEA AUTHORITY
EXPRESSING APPRECIATION AND COMMENDATION TO
MARION ASHLEY
UPON HIS RETIREMENT AS A BOARD MEMBER**

WHEREAS, the Salton Sea Authority (SSA) is a Joint Powers Authority comprised of Imperial County, Riverside County, Coachella Valley Water District, Imperial Irrigation District, and Torres Martinez Desert Cahuilla Indians; and

WHEREAS, the Salton Sea Authority seeks to protect human health, revitalize the environment and economy of the Salton Sea, and recognizes this requires an integrated approach to recognizing old problems as potential new solutions, and to delivering multiple benefits with thoughtful strategies that integrate economic opportunity and environmental stability; and

WHEREAS, Marion Ashley has honorably served as a member of the Board of Directors of the SSA since 2003, making him the longest-serving member currently on the board and, as a member of the Salton Sea Authority Board, has unselfishly devoted his energies, experience, knowledge, judgment, professional expertise, political acumen, and time to the SSA; and

WHEREAS, Director Ashley was instrumental in helping to clarify the relationship of the SSA with the California Natural Resources Agency (CNRA) in working to help pass AB 71 (Perez), which requires the CNRA to work in consultation and coordination with the Salton Sea Authority to lead Salton Sea restoration efforts; and

WHEREAS, AB 71 (Perez) authorized funding from the Salton Sea Restoration Fund for the Salton Sea Authority to lead a feasibility action plan – which is now referred to as the Financial Feasibility Action Plan (FFAP), a living document providing a blueprint to create a smaller but sustainable sea in a manner that is realistic, feasible, affordable, and achievable – that was delivered on time and on budget while working together with the CNRA; and

WHEREAS, Director Ashley oversaw the Torres Martinez Wetlands project, which is the first and only state-funded project to be completed at the Salton Sea, the Salton Sea Authority serving as lead agency, working in partnership with the tribe under contract with the state of California to complete the project on time and under budget; and

WHEREAS, the Salton Sea Authority, under Director Ashley, a certified public accountant (CPA), has consistently earned the highest marks in annual audits for the district and Salton Sea itself has reached historic levels of funding at the state level;

NOW, THEREFORE, BE IT RESOLVED THAT: The Board of Directors of the Salton Sea Authority, Salton Sea Authority GM/Executive Director Phil Rosentrater and staff join in expressing appreciation and gratitude to Director Ashley for his many contributions to the Salton Sea Authority and the public he has served so diligently, and in extending sincere best wishes to him for continued happiness and success in his future endeavors.

DRAFT

Staff Report

To: Salton Sea Authority Board of Directors
From: Phillip Johnson, Assistant Executive Director, SSA
Date: December 6, 2018
Re: **Legislative Update**
CM No. VII.B – 12/6/2018

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

2018 session has ended***

New Legislators were sworn in on Dec 3, 2018. Legislature will be convened on January 7, 2019 and bills may be introduced at that point through February 22, Staff and consultants from SSA and member agencies will monitor and confer on bills that may require further consideration and action by the SSA Board as called for in the SSA Board-adopted Guiding Principles and the current Legislative Platform.

Federal Bill Summaries

H.R. 2 (Conaway) Agriculture Improvement 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. Passed by the House by the Yeas and Nays: 213 - 211, Received in the Senate on June 21, 2018. Passed/agreed to in Senate: Passed Senate, having achieved 60 votes in the affirmative, with an amendment by Yea-Nay Vote. 86 - 11. Conference committee actions: Conference held on September 5, 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 assembled and distributed 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. Negotiations are taking place out of session.

H.R.5895 (Simpson) Energy and Water, Legislative Branch, and Military Construction and Veterans Affairs Appropriations Act, 2019

SSA Position: SUPPORT

Status: Introduced to the House and the House Committee on Appropriations reported an original measure, H. Rept. 115-697, by Mr. Simpson on May 21,2018. H. Amdt.718 (Ruiz) agreed to by voice vote on June 7, 2018. Passed/agreed to in House: On passage Passed by the Yeas and Nays: 235 – 179 on June 8, 2018. Received in the Senate. Read the first time. Placed on Senate Legislative Calendar under Read the First Time June 12, 2018. Motion to proceed to consideration of measure agreed to in Senate by Voice Vote on June 18, 2018. Considered by Senate on June 21, 2018. Passed/agreed to in Senate: Passed Senate with an amendment by Yea-Nay Vote. 86 – 5. Conference committee actions: Conference held. Conference report filed: Conference report H. Rept. 115-929 filed on September 10, 2018. Conference

**report passed by House and Senate, signed by President.
Became public law 115-244 on September 21, 2018.**

H.R. 5895 is a bill that provides appropriations: for U.S. Army Corps of Engineers civil works projects, Department of the Interior for the Central Utah Project and the Bureau of Reclamation, DOE for Energy Programs, and several independent agencies, including the Federal Energy Regulatory Commission and the Nuclear Regulatory Commission.

This bill also includes language requested by local Congressman Ruiz in the house report to support the MOU signed by DOI and CNRA for the Salton Sea plus an amendment to the house report to redirect \$2 million within the Water and Related Resources Account toward projects with a public health benefit, which would allow the Bureau of Reclamation to dedicate additional funding to prevent the potential public health crisis at the 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 Markup Session Held. Ordered to be Reported (Amended) by the Yeas and Nays: 21 – 14 on May 16, 2018. Reported (Amended) by the Committee on Natural Resources. Placed on the Union Calendar, Calendar No. 782 on Nov. 2, 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.

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 Calendar No. 242 on Sept. 27, 2017. Passed/agreed to in House: On passage Passed by recorded vote: 233 – 184 on July 12, 2018.

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.

Staff Report

To: Salton Sea Authority Board of Directors
From: Phillip Johnson, Assistant Executive Director, SSA
Date: December 6, 2018
Re: **Salton Sea Restoration Fund Report**
CM No. VII.D – 12/6/2018

Salton Sea Restoration Fund

The Salton Sea Restoration Fund (SSRF) was adopted in 2003 as a provision of the Quantification Settlement Agreement (QSA). The QSA made several provisions for water transfers, supply and Salton Sea mitigation funds in addition to the SSRF.^[1] Within the terms of the QSA, three local water agencies including San Diego Water District, Coachella Water District and Imperial Irrigation District would collectively contribute \$30 million dollars to the Salton Sea Restoration Fund. These contributions were allowed to be given in lump-sum payments or in installments.^[2] Coachella and San Diego opted to pay their contributions in a lump sum in fiscal year 2004-05. This amounted to a one-time payment of 21,961,700 From Coachella Valley Water district, and the San Diego County Water Authority.^[3] In contrast, Imperial opted to pay its contribution in installments, adjusted for interest at a rate of 6% per year, beginning in 2003 and ending in 2047. There have also been additional contributions through state appropriations totaling \$276,000. Thus, the total combined contributions of all three local water agencies and state funding will be approximately \$68.6 million.^{[4][5]}

In a report published on August 29, 2018, by the California Department of Finance, \$5,106,000 became available in the 2016-2017 fiscal year, \$3,936,000 in the 2017-18 fiscal year. Finally, at this point in the current 2018-19 fiscal year \$4,052,000 has become available for the SSRF. The majority of these funds are existing funds carried over from previous years. New funding is largely put into the system by the ongoing payments of the Imperial Irrigation District who contributed \$435,000 in the 2016-2017 fiscal year, \$385,000 in the 2017-18 fiscal year and \$385,000 in thus far in the 2018-19 fiscal year. Although there is a small portion of income which results from investment income. This involved \$56,000 in the 2016-2017 fiscal year, \$33,000 in the 2017-18 fiscal year and \$33,000 in thus far in the 2018-19 fiscal year. Of the \$68.5 million authorized to the SSRF as of June 2018, \$15 million has been spent. Funds have largely been spent by the California Natural Resources Agency on constructing 640 acres of saline ponds at the mouth of the New River in the south shore of the sea, as part of the California Species Conservation Habitat Project. It also supports staff and grants for local entities.^[6]

- [1] <https://www.sdcwa.org/quantification-settlement-agreement>
- [2] https://www.sdcwa.org/sites/default/files/files/QSA_jpa-funding.pdf
- [3] https://www.waterboards.ca.gov/waterrights/water_issues/programs/salton_sea/docs/comments031115/ryankelley_exhibits/rkexhbt18.pdf
- [4] <http://www.ebudget.ca.gov/2018-19/pdf/GovernorsBudget/3000/3600FCS.pdf>
- [5] http://www.dof.ca.gov/budget/manual_state_funds/Find_a_Fund/documents/8018.pdf
- [6] <https://lao.ca.gov/reports/2018/3879/salton-sea-082918.pdf>

Revive the Salton Sea Fund

The Revive the Salton Sea fund is a voluntary contribution fund which allows taxpayers to voluntarily give amounts in excess of their personal liability. It was developed both as a pathway to raising funding for Salton Sea maintenance and restoration and to foster public awareness of issues relating to the Salton Sea. The fund is to be administered by the California Natural Resources Agency and funds are to be disbursed for individual projects proposed by state, county, and local agencies, and nonprofit organizations, including the Salton Sea Authority.

All voluntary contribution funds administered by the state will continue to operate in perpetuity unless they fail to meet their minimum contribution amount or are repealed. This minimum contribution for each fund is to be assessed individually, once every calendar year adjusting for inflation. For the second calendar year the Revive the Salton Sea Fund is active, this minimum amount of donations is \$250,000.^[1]

2018: As of the end of September 8,805 contributions have been made to the Voluntary Contribution Fund totaling \$58,956 for the year 2018.

2017: 5,593 contributions were made to the Voluntary Contribution Fund totaling \$64,404 for the year 2017.^[2]

2017-18 Total: \$123,360

For the last two years that the VCF Fund has been in effect a similar ratio of donations per donor. The reason a higher total contribution from the year 2017 so far despite a lower number of donors is due to major donations being made by a small number of donors in the month of October 2017 totaling \$28,694 higher than any month before or since. For all other months the amount of donations per donor remains similar from year to year, although the numbers for October, November and December 2018 have yet to be determined. In 2018 a higher number of donors for the VCF. The grand total of all contributions since implementation of the VCF is \$123,360.

The Revive the Salton Sea Fund is in danger of failing to meet its minimum contributions of \$250,000 for the 2018 year. Only \$62,236 has been raised in 2018. In order to meet the minimum contribution \$187,764 would need to be raised by the end of the year.

[1] https://www.ftb.ca.gov/law/legis/15_16bills/sb1416_Final.pdf

[2] <https://www.ftb.ca.gov/individuals/vcfsr/reports/044.pdf>