



# Salton Sea Authority Board of Directors Meeting

Thursday, October 24, 2019  
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, October 24, 2019  
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 video/teleconference from:

**SSA Director Jeff Hewitt**  
County Administrative Center  
4080 Lemon Street, 5th floor  
Conference Room D  
Riverside, CA 92501  
Ph: (951) 955-9500

**SSA Director V. Manuel Perez**  
Riverside County District 4 Office  
73710 Fred Waring Drive  
Suite 222  
Palm Desert, CA 92260  
Ph: (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 September 19, 2019
- B. Warrant Register Ratification for September 2019
- C. Internal Financial Report for: 7/01/2019 – 8/31/2019
- D. Approval of 2020 SSA Board Meeting Schedule

**V. PRESENTATIONS**

- A. “Pay for Performance” concept – Glen Williams, California Projects Director, Ecosystem Investment Partners
- B. Proposal for Restoration of the Salton Sea – Nikola Lakic, Geothermal Worldwide, Inc.

**VI. ACTION ITEMS**

- A. Approval of Resolution honoring retiring CNRA Assistant Secretary for Salton Sea Policy

**VII. REPORTS**

- A. General Manager’s Report on Activities – (Phil Rosentrater, GM/Executive Director, Salton Sea Authority)
- B. Standing Reports from Federal and State Partners
  - 1. FEDERAL:
    - A. US Bureau of Reclamation – (Genevieve Johnson, Program Manager for the Salton Sea)
    - B. Federal Activities – (Lisa Lehman, Partner, Cultivating Conservation)
  - 2. STATE:
    - A. Salton Sea Management Program – (Arturo Delgado, Assistant Secretary for Salton Sea Policy)
    - B. State Advocacy Report – (Oracio Gonzalez, Principal, Ollin Strategies)
- C. Salton Sea State Recreation Area Update on Activities – (Steve Quartieri, Acting District Superintendent, California State Parks)
- D. Salton Sea Action Committee – (Juan DeLara, President)

**VIII. ADJOURNMENT**

**NEXT MEETING TIME & LOCATION:**

Thursday, December 19, 2019  
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

#### September 19, 2019

#### **I. CALL TO ORDER**

The regularly scheduled meeting of the Salton Sea Authority (“Authority” or “SSA”) Board of Directors (“Board”) was called to order by Cástulo R. Estrada, President, at 10:03 a.m., September 19, 2019, 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 Estrada led the Pledge of Allegiance.

#### **ROLL CALL:**

##### **DIRECTORS PRESENT**

Cástulo R. Estrada, President  
Alex Cardenas, Vice-President  
Luis A. Plancarte, Secretary  
V. Manuel Perez, Treasurer  
James C. Hanks, Director  
Ryan E. Kelley, Director  
Thomas Tortez, Director  
Altrena Santillanes, Director

##### **AGENCY**

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

*\* Board Member Altrena Santillanes arrived at the start of board member comments.*

*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 ABSENT**

G. Patrick O’Dowd, Director  
Jeff Hewitt, Director

**AGENCY**

Coachella Valley Water District  
Riverside County

**SALTON SEA AUTHORITY STAFF PRESENT**

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

**MEMBERS OF THE PUBLIC PRESENT**

Ronald N. Spears  
Norma Olivas  
Norman Strickland  
Roxanne Strickland  
Phil Cruver  
Art Gertz  
Anna Gradys  
Alexander Schriener  
Moses Khuu  
Sylvia Montenegro  
Mark T. Gran  
Tracey Milsop  
Grace Bennett  
Don Porter  
Chris Freeland  
Pat Cooper  
Bob Betancourt  
Chuck Parker  
Feliz Nuñez  
Kerry F. Morrison  
Kynen Cauthion  
Barbara Quiroz  
Ben Quiroz  
Tom Sephton  
Nikola Lakic  
Miguel Romero  
Dean & Carlene Ness  
Steve Hernandez  
Emmanuel Martinez  
William Patterson  
Melanie Cox  
Steve Bigley  
Mike Sutton  
Lin Lloyd  
Nina Waszak  
Suzie Earp

**AGENCY**

Salton Sea Restoration Committee  
Salton Sea Restoration Committee  
Salton City Restoration  
Salton City Resident  
ReGen BioMass  
Vice-Mayor West Shores  
City of Indian Wells  
Earth System  
Aqua Farming Tech  
Salton Sea Coalition  
Cal Energy  
Salton City Resident  
Salton City Resident  
  
City of Indian Wells  
Riverside County  
Desert Shores  
Salton Sea Coalition  
Salton Sea Coalition  
West Shores Salton Sea  
Sea Salvation  
SCSD Salton City  
SC Resident  
Ecomedia Compass  
Geothermal Worldwide Inc.  
Asm. Garcia  
POA  
County of Riverside  
Imperial Irrigation District  
Coachella Valley Water District  
Salton Sea Action Committee  
Coachella Valley Water District  
Kimley Horn  
(none)  
Coachella Valley Waterkeeper  
Cal State University San Bernardino

|                  |                              |
|------------------|------------------------------|
| Homer Lesihau    | Self                         |
| Lesly Figueroa   | USA                          |
| Rebecca Zaragoza | LCJA                         |
| Steve Quartieri  | CA State Parks               |
| Juan De Lara     | Federated Insurance, SSAC    |
| Vickie Doyle     | Imperial Irrigation District |
| Phoebe Seaton    | Leadership Counsel           |
| Jeff Geraci      | CRWQCB R-7                   |

## **II. BOARD MEMBER COMMENTS**

- A. Director Cardenas expressed his hopes about the Salton Sea Authority's involvement in the potential Salton Sea hearing - that the Executive Director would make recommendations, perhaps consider an ad-hoc committee, and perhaps drive the agenda.
- B. Director Perez agrees, wants to move forward with a strategic planning session so all parties can be represented and present a united front, wants it agendized.
- C. Director Estrada reported that, in response to Rep. Raul Ruiz' question at a recent meeting of how his office could be more helpful, Director Estrada asked the congressman to help put together a hearing in Washington, D.C., and asked him to follow up with SSA consultant Lisa Lehman.

Potential consultants were interviewed over the summer, and two consultants were hired to get things moving in Sacramento. Current focus is to try to get the \$30,000,000 from the state released in January so it will be in the governor's budget. Consultant Oracio Gonzales will give more detail in his report later in this meeting.

Director Estrada met with a few people in Sacramento to let them know that the SSA is working on this.

## **III. PUBLIC COMMENTS**

- A. Chuck Parker, member of the Salton Sea Coalition in Coachella Valley, told of his efforts to promote the importation of ocean water and in support of the Desert Shores project.
- B. Ronald N. Spears spoke in support of the Desert Shores restoration project, requested SSA's support, and encouraged formation of an advisory group of local residents to act as liaison between local community and lead agencies.
- C. Art Gertz spoke in support of quick action on the Desert Shores project and showed a jar of murky Desert Shores keys water.
- D. Homer Lesihau said he is working on a proposal for a freshwater network to bring in fresh water rather than saltwater to neutralize the Salton Sea water.
- E. Sylvia Montenegro, member of the Salton Sea Coalition, noted that health and economy are severely affected by the Salton Sea's condition, and promoted the importation of water from Baja via open, lined aqueduct.

- F. Nikola Lakic spoke against the current course of action and recommended the acceptance of his own long-term solution to restore the Salton Sea.
- G. Chuck Tobin, of Burrtec and of Salton Sea Action Committee, encouraged those present to attend the Salton Sea Summit October 17 and 18 at UCR Palm Desert. They are looking for promoters and sponsors.
- H. Kerry Morrison – spoke just prior to agenda item V.B

**IV. CONSENT CALENDAR – Receive, Approve, and File**

- A. Minutes of June 27, 2019
- B. Warrant Register Ratification for June 2019
- C. Warrant Register Ratification for July 2019
- D. Warrant Register Ratification for August 2019
- E. Internal Financial Report for: 7/01/2018 – 6/30/2019
- F. Internal Financial Report for: 7/01/2019 – 7/31/2019

*Chairman Estrada invited a motion to approve the Consent Calendar. Director Perez so moved. Seconded by Director Tortez. Unanimously carried.*

**V. PRESENTATIONS**

- A. Presentation of Leadership Recognition Plaque to Director Thomas Tortez, Jr.

Chairman Estrada read a prepared statement of appreciation to Director Thomas Tortez, Jr., Chairman of the Torres Martinez Band of Desert Cahuilla Indians, and presented him with a recognition plaque for his leadership as president of the Board of the Salton Sea Authority for FY 2018-2019. Director Tortez expressed his appreciation for the opportunity, for the support of the Board members and their agencies and of the public. He said the tribe is advocating for mitigation and cleaning up of the Sea – however that may be done – and they appreciate the public’s support for cleaning up the Sea.

Public comment: Kerry Morrison, Ecomedia Compass, made prefacing remarks regarding the West Shores project at Desert Shores.

- B. West Shores Project Update (Nathan White, CEO & Founder, Agess, Inc.)

Tom Sephton presented an update on the Desert Shores community and project with visuals showing historic and current conditions. A phase 1 plan to pump water from the Salton into the keys has been developed. Mr. Sephton asked the SSA to consider this as part of their small project portfolio.

Nathan White shared immediate next steps and his vision of where they could go with the project beyond phase 1. He asked the Salton Sea Authority to consider supporting phase 2 of the project either with a memorandum of understanding (MOU) or a letter of support.

When involvement of Imperial County Air Pollution Control District (APCD) and California Natural Resources Agency (CNRA) was mentioned, Director Kelley

responded that on Tuesday the letter of intent for APCD to enter into negotiations on the MOU with Natural Resources would be on the County of Imperial BOS agenda.

Nathan White said that the purpose of phase 2 is to develop the property that is now owned by Ecomedia Compass and discussed the need for operations and maintenance funding.

Mr. Wilcox agreed to hold his comment until his report.

## VI. ACTION ITEMS

### A. Ratification of SSA interagency coordination to restore research vessel access to the Salton Sea via dredging project at the North Shore Yacht Club

1. MOU with Riverside County for Restoration of Research Vessel access to Sea
2. Funding Agreement with Bureau of Reclamation for Restoration of Research Vessel access to Sea
3. Funding Agreement with Coachella Valley Mountain Conservancy for Restoration of Research Vessel access to Sea

GM/Executive Director Rosentrater introduced this item, which is a response to a need repeatedly expressed by federal and state partners to the Salton Sea Authority board and others – agencies that have a mandated responsibility to monitor and report on conditions at the Sea but are unable to do so because there is no access for launching research vessels.

Mr. Rosentrater asked the Board's support on these items so SSA can move forward on the next phase of the project: environmental reviews, permitting, and final design.

Chairman Estrada invited a motion to approve the three agreements as one motion.

*Director Perez so moved. Seconded by Director Santillanes. Unanimously carried.*

Director Kelley asked Executive Director Rosentrater to look into the use of QSA mitigation monies to open the channel at the North Shore Yacht Club.

### B. Consider Nominations to ACWA Region 9 Board

Mr. Rosentrater introduced this item. The Salton Sea Authority is a member of the Association of California Water Agencies (ACWA). ACWA's nominating committee has recommended a slate of candidates for Region 9, which includes the Salton Sea in the area it represents. If the nominating committee's recommended slate is elected, Mr. Rosentrater would serve as president of ACWA Region 9 for the 2020-2021 term.

*Chairman Estrada invited a motion to approve the recommended slate, if there were no objection. Director Perez so moved. Seconded by Director Cardenas. Unanimously carried.*



## **VII. REPORTS**

### **A. General Manager's Report on Activities**

Phil Rosentrater, GM/Executive Director of the Salton Sea Authority, included in the agenda packet a written report on activities conducted on behalf of Salton Sea Authority since the last meeting.

In addition, he introduced upcoming speakers Oracio Gonzales (state advocacy) and Lisa Lehman (federal) and thanked the Board for their support on the project to restore research vessel access to the Salton Sea, which models the type of inter-agency cooperative approach to getting things done at the Sea that benefits all concerned.

### **B. Standing Reports from Federal and State Partners**

#### **1. FEDERAL: US Bureau of Reclamation:**

Genevieve Johnson, Program Manager for the Salton Sea, was unable to be present, but provided a brief statement that Mr. Rosentrater read on her behalf regarding the successful drafting of a project agreement among the SSA, Riverside County's EDA, and the Bureau of Reclamation to restore research vessel access to the North Shore Beach Marina. She anticipates the agreement to be fully executed by the end of September 2019, and reported that environmental reviews are already well underway.

#### **2. STATE: Salton Sea Management Program:**

Bruce Wilcox, Assistant Secretary for Salton Sea Policy, reported on the response to advertisement for the Species Habitat Project. They may extend the response period by a month or so, putting the bids toward end of year.

The state continues to work with other agencies on the North Lake. They currently are trying to work through water use issues.

The State of California is going to help with funding on the Yacht Club project (amount as yet undetermined).

Air Quality: Genevieve (BOR), and representatives of DWR, CDFW and IID are to look at several air quality areas that the state of California may consider funding.

The state is also looking at Johnson's landing on the other side of the Sea as a potential site for lengthening and reconnecting that harbor. IID gathered information and developed a dust mitigation plan along with Imperial County Air Pollution Control District (APCD). The state may move forward with those plans as presented.

Mr. Wilcox said he does think the Desert Shores project is a good idea and is pleased that the Imperial County APCD has agreed to take on that project. He wanted to clear up a couple of points:

- The state is seriously considering approving the funding for this project but has not yet approved it, pending receipt of documentation from Imperial County.
- Although a December date was suggested for the plan, the state does not have a date at this point, and December is unlikely, as land access is still an issue. The State and the County are working on required land use permission.
- Director Ryan Kelley responded that in December the County would know where it is on the project.
- Regarding the suggested advisory group, Mr. Wilcox clarified that the state would have input from the local citizenry, but the state would be in contract with, and answer to, the Imperial County APCD.

### C. State Advocacy Report

Mr. Rosentrater introduced Oracio Gonzalez, Principal, of Ollin Strategies, who briefed the Board on the progress in securing the \$30 million and future monies through Prop 68. Mr. Gonzalez said he grew up in Mecca and regards this issue as personal, and thanked the Board for the opportunity to serve the SSA in Sacramento.

He said he came on board in August with the directive to work with the Resources agency and the state legislator to effectuate a commitment that had been made by the Resources agency to transfer \$30 million to the SSA. When he met with budget staff, he discovered that required discussions had not yet taken place to be considered in the budget bill junior. He is taking steps to get these discussions done over the fall with the goal that this item be included in the governor's budget to be released on January 10, 2020.

Mr. Gonzalez advised that it is important that the SSA have a spending plan that outlines exactly what the SSA will do. The SSA will have to prove that it has the capacity to manage those dollars and is in a position to put them to work.

Having gone through this process many times before, the sense he has gotten from the Resources agency is that they are committed to moving this forward.

In other news, there was language in the budget bill junior that appropriated \$111 million new dollars for the Species Conservation Habitat Program.

Director Perez commended that he finds the support of the current Governor and Secretary Crowfoot promising and that the SSA must do everything possible to be ready for the governor's budget in January, including answering the questions that Secretary Crowfoot raised.

Director Estrada thanked Mr. Gonzalez for his work in Sacramento on behalf of the SSA and emphasized the importance of being clear how the SSA will spend the \$30 million. He believes the assemblymember is supportive of following the statute that the money is for the Salton Sea Authority, and encouraged fellow Board members to advocate for the monies to come to the Salton Sea Authority not to some other agency.

#### D. Federal Activities Update

Lisa Lehman, Partner, Cultivating Conservation, spoke about the possible upcoming congressional hearing and the reason for it.

- The Corps of Engineers Ordinary High Water Mark issue now includes dry land; Senator Feinstein's ask is that the Corp not include work on dry playa (revision is anticipated). Ms. Lehman suggested submittal of a pre-construction notification to let the Corps know you're going to engage in mitigation, but a permit should not be required.)
- The Corps has agreed to require only an environmental assessment rather than a full EIS for SSMP permitting in order not to unduly hold up progress on the Sea.
- 2018 USDA Farm Bill implementation: USDA money can now be used on the playa.
- Watershed Act pilot: The state is working on a plan that includes all the SSMP.
- President Trump's repeal of the waters of the US should not affect work at the Salton Sea.

#### E. Salton Sea State Recreation Area Update on Activities

Steve Quartieri, Acting District Superintendent, California State Parks, reported good summer visitation. That funding was obtained to update interpretive panels in the visitor's center and to hire staff to offer interpretive programs during the season. They have been working with Sea and Desert Interpretive Association on their kids program, and are planning the Bird Festival and a new Egg Festival in the spring.

#### F. Salton Sea Action Committee – (Mr. De Lara did not give a report)

### VIII. ADJOURNMENT

In closing, Director Kelley announced that the Citizens Forum for the International Water Commission will be meeting on October 24 in Calexico regarding the New River water quality issues.

There being no further business, *Director Estrada invited a motion to adjourn. Director Plancarte so moved. Seconded by Director Perez. Unanimously carried.* The meeting adjourned at 12:20 p.m.

#### **NEXT MEETING TIME & LOCATION:**

**Thursday, October 24, 2019**

**10:00 a.m.**

**Imperial Irrigation District**

**Bill Condit Auditorium**

**1285 Broadway Avenue**

**El Centro, CA 92243**

**(760) 482-9618**

## Checking Account Activity

September 1, 2019 through September 30, 2019



| <b>Warrant</b> | <b>Warrant</b> | <b>Vendor</b>                 |                      |
|----------------|----------------|-------------------------------|----------------------|
| <b>Date</b>    | <b>Number</b>  | <b>Name</b>                   | <b>Amount</b>        |
|                |                | <b>Beginning Cash</b>         | <b>\$ 767,657.62</b> |
| 09/16/2019     | 1009           | Cultivating Conservation      | -4,100.00            |
| 09/16/2019     | 1010           | Imperial Valley Energy Summit | -1,500.00            |
| 09/16/2019     | 1011           | OfficeTeam                    | -7,272.00            |
| 09/16/2019     | 1012           | Platinum Consulting Group LLC | -4,805.64            |
| 09/16/2019     | 1013           | Seroy, Linda                  | -20.65               |
| 09/16/2019     | 1014           | SystemGo IT LLC               | -699.50              |
| 09/16/2019     | 1015           | V John White & Associates     | -4,000.00            |
| 09/16/2019     | EFT            | AMEX Payment                  | -6,471.04            |
| 09/17/2019     | 1016           | Best, Best & Krieger          | -3,005.00            |
| 09/17/2019     | 1017           | RivCo EDA                     | -31,656.15           |
| 09/17/2019     | 1018           | V John White & Associates     | -4,000.00            |
| 09/17/2019     | EFT            | Pitney Bowes                  | -88.09               |
|                |                | <b>Net Activity</b>           | <b>(67,618.07)</b>   |
|                |                | <b>Ending Cash</b>            | <b>\$ 700,039.55</b> |

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

Year to Date through August 31, 2019

|   | General Fund | Wetlands 2 | TOTAL      |
|---|--------------|------------|------------|
| <b>1 INCOME</b>                               |              |            |            |
| 2 <b>Local Government/Member Assessments</b>  | \$ 460,000   | \$ -       | \$ 460,000 |
| 3 <b>Grant Funding</b>                        | -            | -          | -          |
| 4 <b>State of California Grants</b>           | -            | -          | -          |
| 5 <b>Pooled Cash Allocated Interest</b>       | 56           | -          | 56         |
| 6 <b>Miscellaneous Revenue</b>                | 83           | -          | 83         |
| 7 <b>TOTAL INCOME</b>                         | 460,139      | -          | 460,139    |
| <b>8 EXPENSE</b>                              |              |            |            |
| 9 <b>SSA Administration</b>                   |              |            |            |
| 10 <b>Salaries</b>                            |              |            |            |
| 11 <b>Salaries - GM / Executive Director</b>  | 16,225       | -          | 16,225     |
| 12 <b>Grant Support</b>                       | 14,562       | -          | 14,562     |
| 13 <b>Admin Support A</b>                     | 7,274        | -          | 7,274      |
| 14 <b>Admin Support B</b>                     | 5,693        | -          | 5,693      |
| 15 <b>Total Salaries</b>                      | 43,754       | -          | 43,754     |
| 16 <b>Employee Benefits</b>                   |              |            |            |
| 17 <b>Employee Benefits - GM / Exec. Dir.</b> | 5,076        | -          | 5,076      |
| 18 <b>Employee Benefits - Other SSA Staff</b> | 7,824        | -          | 7,824      |
| 19 <b>Total Employee Benefits</b>             | 12,900       | -          | 12,900     |
| 20 <b>Audit/Accounting</b>                    | 4,806        | -          | 4,806      |
| 21 <b>Contract Attorney</b>                   | 5,155        | -          | 5,155      |
| 22 <b>Equipment Maintenance</b>               | 1,399        | -          | 1,399      |
| 23 <b>Capital Equipment</b>                   | -            | -          | -          |
| 24 <b>Equipment Lease</b>                     | -            | -          | -          |
| 25 <b>Insurance</b>                           | 1,859        | -          | 1,859      |
| 26 <b>Office Exp/Operating Supplies</b>       | 206          | -          | 206        |
| 27 <b>Office Exp/Online Services</b>          | 194          | -          | 194        |
| 28 <b>Postage, Mail</b>                       | 80           | -          | 80         |
| 29 <b>Printing Services</b>                   | -            | -          | -          |
| 30 <b>Dues, Subscriptions</b>                 | 1,893        | -          | 1,893      |
| 31 <b>Communications</b>                      | 355          | -          | 355        |
| 32 <b>Travel/Mileage</b>                      | 10,128       | -          | 10,128     |
| 33 <b>Technical Support - Consultant</b>      | -            | -          | -          |
| 34 <b>Technical Support - Engineering</b>     | -            | -          | -          |
| 35 <b>Technical Support - General</b>         | -            | -          | -          |
| 36 <b>Contract Svc / Website</b>              | -            | -          | -          |
| 37 <b>Technical Support - Enviromental</b>    | -            | -          | -          |
| 38 <b>Technical Support - Fiscal</b>          | -            | -          | -          |

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

Year to Date through August 31, 2019

|  | General Fund      | Wetlands 2      | TOTAL             |
|--|-------------------|-----------------|-------------------|
| 39 <b>Communications &amp; Outreach</b>        | 1,500             | -               | 1,500             |
| 40 <b>Utilities</b>                            | -                 | -               | -                 |
| 41 <b>Grants &amp; Advocacy</b>                | 12,200            | -               | 12,200            |
| 42 <b>Project Manager</b>                      | -                 | -               | -                 |
| 43 <b>Total SSA Administration</b>             | 96,428            | -               | 96,428            |
| 44 <b>Wetlands Grant Administration</b>        |                   |                 |                   |
| 45 <b>Contract Svcs/Attorney</b>               | -                 | 114             | 114               |
| 47 <b>Total Wetlands Grant Administration</b>  | -                 | 114             | 114               |
| 48 <b>Wetlands Grant Technical</b>             |                   |                 |                   |
| 49 <b>Contract Svcs/LCP</b>                    | -                 | -               | -                 |
| 50 <b>Contract Svcs/Construction</b>           | -                 | -               | -                 |
| 51 <b>Transfer In/Out Grant Administration</b> | -                 | -               | -                 |
| 52 <b>Total Wetlands Grant Technical</b>       | -                 | -               | -                 |
| 53 <b>TOTAL EXPENSE</b>                        | 96,428            | 114             | 96,543            |
| 54 <b>NET INCOME</b>                           | <b>\$ 363,711</b> | <b>\$ (114)</b> | <b>\$ 363,596</b> |

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

**Salton Sea Authority**  
**Balance Sheets**  
(Unaudited)

As of August 31, 2019

|  | General Fund      | Wetlands 2        | 702 Fish Clean<br>Up Trust | TOTAL             |
|--|-------------------|-------------------|----------------------------|-------------------|
| <b>1 ASSETS</b>                              |                   |                   |                            |                   |
| <b>2 Local Government/Member Assessments</b> |                   |                   |                            |                   |
| <b>3 Checking/Savings</b>                    |                   |                   |                            |                   |
| 4 Cash - PW Checking                         | 753,196           | (2,806)           | 20,991                     | 767,658           |
| 5 Cash - Money Market                        | -                 | -                 | -                          | -                 |
| 6 Cash - RivCo Fund                          | 68,074            | -                 | -                          | 68,074            |
| 7 RivCo investment fund                      | 2,663             | -                 | -                          | 2,663             |
| 8 Cash - Petty Cash                          | 321               | -                 | -                          | 321               |
| <b>9 Total Checking/Savings</b>              | <b>824,255</b>    | <b>(2,806)</b>    | <b>20,991</b>              | <b>838,716</b>    |
| <b>10 Other Current Assets</b>               |                   |                   |                            |                   |
| 11 Prepaid Items                             | 11,045            | -                 | -                          | 11,045            |
| <b>12 Total Other Current Assets</b>         | <b>11,045</b>     | <b>-</b>          | <b>-</b>                   | <b>11,045</b>     |
| <b>13 TOTAL ASSETS</b>                       | <b>985,300</b>    | <b>(2,806)</b>    | <b>20,991</b>              | <b>999,762</b>    |
| <b>14 LIABILITIES &amp; EQUITY</b>           |                   |                   |                            |                   |
| <b>15 Liabilities</b>                        |                   |                   |                            |                   |
| <b>16 Current Liabilities</b>                |                   |                   |                            |                   |
| 17 Accounts Payable                          | 53,309            | 114               | -                          | 53,423            |
| <b>18 Credit Cards</b>                       |                   |                   |                            |                   |
| 19 Credit Card Payable (Visa)                | 849               | -                 | -                          | 849               |
| 20 Credit Card Payable (AE)                  | 17,460            | -                 | -                          | 17,460            |
| <b>21 Total Credit Cards</b>                 | <b>5,542</b>      | <b>-</b>          | <b>-</b>                   | <b>5,542</b>      |
| <b>22 Other Current Liabilities</b>          |                   |                   |                            |                   |
| 23 Accrued Expenditures                      | 12,500            | -                 | -                          | 12,500            |
| 24 Accrued Payroll                           | 3,685             | -                 | -                          | 3,685             |
| 25 Accrued Vacation                          | 6,852             | -                 | -                          | 6,852             |
| <b>26 Total Other Current Liabilities</b>    | <b>173,037</b>    | <b>-</b>          | <b>-</b>                   | <b>173,037</b>    |
| <b>27 Total Current Liabilities</b>          | <b>231,888</b>    | <b>114</b>        | <b>-</b>                   | <b>232,002</b>    |
| <b>28 Total Liabilities</b>                  | <b>231,888</b>    | <b>114</b>        | <b>-</b>                   | <b>232,002</b>    |
| <b>29 Equity</b>                             |                   |                   |                            |                   |
| 30 Fund Balance                              | 389,702           | (2,806)           | 20,991                     | 404,163           |
| 31 Net Income                                | 363,711           | (114)             | -                          | 363,596           |
| <b>32 Total Equity</b>                       | <b>753,412</b>    | <b>(2,920)</b>    | <b>20,991</b>              | <b>767,760</b>    |
| <b>33 TOTAL LIABILITIES &amp; EQUITY</b>     | <b>\$ 985,300</b> | <b>\$ (2,806)</b> | <b>\$ 20,991</b>           | <b>\$ 999,762</b> |



**2020 MEETING SCHEDULE**  
**SALTON SEA AUTHORITY**  
**BOARD of DIRECTORS**  
**10:00 a.m.**

**January 23**

Imperial Irrigation District

**July 23**

No Meeting

**February 20**

Coachella Valley Water District

**August 27**

No Meeting

**March 26**

Imperial Irrigation District

**September 24**

Imperial Irrigation District

**April 23**

Coachella Valley Water District

**October 22**

Coachella Valley Water District

**May 21**

Imperial Irrigation District

**November 19**

No Meeting

**June 25**

Coachella Valley Water District

**December 17**

Imperial Irrigation District

**Location Addresses**

**Coachella Valley Water District**

Steve Robbins Administration Building  
75515 Hovley Lane East  
Palm Desert, CA 92260  
(760) 398-2651

**Imperial Irrigation District**

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

**North Shore Yacht Club**

99155 Sea View Dr.  
Mecca, CA 92254  
(760) 393-0602

**Salton Community Services District**

1209 Van Buren Avenue, Suite 1  
Salton City, CA 92274  
(760) 394-4446



## Memorandum

**To:** Salton Sea Authority Board of Directors  
**From:** Phil Rosentrater, GM/Executive Director  
**Date:** October 24, 2019  
**Re:** **Approval of Resolution honoring retiring CNRA Assistant Secretary for Salton Sea Policy**  
**CM No.** **VIA – 10-24-2019**

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### GENERAL:

Bruce Wilcox has honorably served as the first Assistant Secretary of California Natural Resources Agency (CNRA) for Salton Sea Policy since 2015. In the time leading to his retirement from this position at the end of October 2019, Mr. Wilcox unselfishly devoted his energies, experience, knowledge, judgment, professional expertise, political acumen and time to the betterment of the Salton Sea.

Prior to Assistant Secretary Wilcox' tenure, he was hired in November 2004 by Imperial Irrigation District to help implement projects to fulfill the terms of the Quantitative Settlement Agreement (QSA) serving as an Environmental Program Manager. He was instrumental in the development of Salton Sea Restoration and Renewable Energy Initiative (SSRREI) approach to integrating renewable energy resources in Imperial Valley as a component of a smaller but more sustainable Salton Sea.

Recognizing the value of a unified local focus to influence state and federal priorities for the Salton Sea, Mr. Wilcox supported the efforts of local leaders to build local consensus that could not be ignored in Sacramento and Washington, DC. Mr. Wilcox was a supporter of empowering the Salton Sea Authority in 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. That Financial Feasibility Action Plan, produced by the SSA on time and within budget under contract with the CNRA, borrowed heavily from the SSRREI to provide a starting point for state and locally supported revitalization plans that made sense from a hydrologic, engineering and financially achievable standpoint.

Mr. Wilcox provided critical input on subsequent discussions involving technical design for a Perimeter Lake concept that would capture irrigated agricultural drainage flows to the Salton Sea with a levee system parallel to the shoreline. This stable shoreline would provide multiple

benefits of protecting human health from potentially emissive playa, restoring habitat for the Pacific Flyway and enhancing development of a recovered economy through renewable energy and aquatic recreation.

Additional iterations of this concept have matured as the Salton Sea Management Plan (SSMP) with tasks, timelines and deliverables for state investments in Salton Sea improvements established in the Stipulated Order at the beginning of Mr. Wilcox' service as Assistant Secretary to CNRA for Salton Sea Programs.

As a result of his leadership, the Salton Sea effort has secured historic levels of funding at state and federal levels with growing cooperation among local, state, and federal stakeholders working toward a healthier and more prosperous Salton Sea.

**RECOMMENDED ACTION:**

Staff recommends that the Board of Directors of the Salton Sea Authority approve SSA Resolution No. 9-12 expressing appreciation and gratitude to Bruce Wilcox 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. 19-12**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE SALTON SEA AUTHORITY  
EXPRESSING APPRECIATION AND COMMENDATION  
TO BRUCE WILCOX UPON HIS RETIREMENT AS  
CALIFORNIA NATURAL RESOURCES AGENCY'S FIRST  
ASSISTANT SECRETARY for SALTON SEA POLICY**

**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**, Bruce Wilcox has honorably served as the first Assistant Secretary of California Natural Resources Agency (CNRA) for Salton Sea Policy since 2015; and

**WHEREAS**, Mr. Wilcox unselfishly devoted his energies, experience, knowledge, judgment, professional expertise, political acumen and time to the betterment of the Salton Sea during his term as Assistant Secretary of CNRA; and

**WHEREAS**, prior to Assistant Secretary Wilcox' tenure, he was hired in November 2004 by Imperial Irrigation District to help implement projects to fulfill the terms of the Quantitative Settlement Agreement (QSA) serving as an Environmental Program Manager.

**WHEREAS**, Mr. Wilcox was instrumental in the development of Salton Sea Restoration and Renewable Energy Initiative (SSRREI) approach to integrating renewable energy resources in Imperial Valley as a component of a smaller but more sustainable Salton Sea; and

**WHEREAS**, Recognizing the value of a unified local focus to influence state and federal priorities for the Salton Sea, Mr. Wilcox supported the efforts of local leaders to build local consensus that could not be ignored in Sacramento and Washington, DC; and

**WHEREAS**, Mr. Wilcox strengthened the local voice of the Sea in Sacramento through empowerment of the Salton Sea Authority in AB 71 (Perez) which clarified the relationship of the SSA with the CNRA, and authorized funding from the Salton Sea Restoration Fund for the Salton Sea Authority to lead a feasibility action plan; and

**WHEREAS**, that Financial Feasibility Action Plan, produced by the SSA on time and within budget under contract with the CNRA, borrowed key components from the SSRREI to provide a starting point for state and locally supported revitalization plans that made sense from a hydrologic, engineering and financially achievable standpoint; and

**WHEREAS**, Mr. Wilcox provided critical input on subsequent discussions involving technical design for a Perimeter Lake concept that would capture irrigated agricultural drainage flows to the Salton Sea with a levee system parallel to the shoreline. This stable shoreline would provide multiple benefits of protecting human health from potentially emissive playa, restoring habitat for the Pacific Flyway and enhancing development of a recovered economy through renewable energy and aquatic recreation; and

**WHEREAS**, additional iterations of the SSRREI and Perimeter Lak concepts were merged into the state’s Salton Sea Management Plan (SSMP) with tasks, timelines and deliverables for state investments in Salton Sea improvements established in the Stipulated Order at the beginning of Mr. Wilcox’ service as CNRA’s Assistant Secretary for Salton Sea Policy; and

**WHEREAS**, Mr. Wilcox provided leadership to help a historic coalition of Salton Sea partner agencies and stakeholders to secure unprecedented levels of funding at state and federal levels with growing cooperation among local, state, and federal stakeholders working towards a healthier and more prosperous Salton Sea;

**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 Bruce Wilcox 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.

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# Salton Sea Authority

## *General Manager/Executive Director Progress Report to the Board of Directors*

October 24, 2019

### **PURPOSE:**

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

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

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

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

### **LEADERSHIP**

#### **Administration**

The Salton Sea Authority Board of Directors and staff have been working with the agency contract CPA to update and realign staff accounting processes for accurate project accounting and streamlined project grant accounting as SSA continues to assert its leadership role in facilitating progress at the Salton Sea, in accord with SSA Board-adopted Guiding Principles and in anticipation of overseeing a minimum of \$30 million in state funds (directly designated to SSA in Prop 68) for implementation of SSMP projects.

The SSA board authorized recruitment of additional SSA contract staff to be retained in order to manage and develop SSMP projects, subject to release to SSA of voter-approved state funding in Prop 68. Budget and scope for projects are being developed in parallel to preparation for

recruitment. Internal support for project management in conjunction with partner agencies is underway in anticipation of additional workload related to bond funds and other grant sources that can drive projects at the Sea.

Meanwhile, the Salton Sea Authority continues to work with stakeholders and staff from partner agencies and counterparts at state and federal levels to ensure technical coordination is happening as the SSMP plans take shape. In addition, SSA is coordinating interagency meetings for staff at local, state, and federal levels to ensure a unified local voice is maintained in efficient and effective advocacy for funding as well as project implementation.

## **DEVELOP REALISTIC REVITALIZATION STRATEGY**

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

Bruce Wilcox, Assistant Secretary for Salton Sea Policy at CNRA since 2015, announced late last month that he would be stepping down from his post. Wilcox presided over the initial development of the SSMP, and its set of immediate projects in the 10 Year phase of SSMP promulgated in response to the Stipulated Order setting performance milestones for implementing that plan. Wilcox was instrumental in working with SSA and other stakeholders to secure state bond funding in support of that plan, as well as significant advancements in federal policy and funding through the USDA (Farm Bill) capable of propelling SSMP projects well beyond the first ten years phase.

Replacing Wilcox is Arturo Delgado, formerly of California Fish and Wildlife and also California Department of Forestry. Delgado has worked on Salton Sea programs for CDFW at several times during his career, and is moving quickly to establish productive working relationships with SSA and other stakeholders since his swearing in on October 3, 2019.

The CNRA has assigned nearly a dozen state staff to work on SSMP as of the beginning of October. SSA Directors have requested state consideration for more staff to be recruited and placed in the Coachella and Imperial Valley areas to enhance efficiency and coordination. The SSA Board has also requested an exact accounting of the new positions to be filled and the budget for build-out of the state roster, as well as the state funds expended from Props 1 and 68 thus far.

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

State efforts are concentrated on launching Species Conservation Habitat (SCH), a 3,770-acre wetlands project located at the New River. This project is the most nearly shovel-ready of all

the projects identified in the state's priority list. State budget documents reveal there is a \$110 million budget request by CNRA for this project in the coming year.

SSA Board has authorized recruitment of additional contract support staff and consultants in order to build capacity needed to accept the \$30 M authorized for SSA oversight in Prop 68. In accord with SSA board directives, SSA management is recruiting additional support to help the state define the path and projects for deployment of those monies.

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

This support is reinforced by advancement of the local commitments for investment in infrastructure around the Sea that can accelerate and sustain progress. Specifically, the counties are moving forward with EIFD proposals that can reinforce and accelerate public-private partnership investment at the Sea, leveraging the public infrastructure investments anticipated with the SSMP.

Significantly, the feasibility of EIFD benefiting investments to be financed in Riverside County advanced this month with a public workshop with the newly established EIFD Finance Authority on October 5, at the North Shore Yacht Club. The Finance Authority directed staff from Riverside County to initiate development of financial analysis of Perimeter Lake plans in Riverside County (i.e., North Lake) that would establish deep water recreational habitat.

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

These SSMP 10-Year Plan first-phase projects have been proposed by the state with the expectation that they can be constructed quickly, delivering multiple benefits of air quality improvement through playa coverage and habitat restoration, while also enhancing economic

development potential that builds long-term financial sustainability into the projects across the watershed.

SSMP inclusion of the stable shoreline anticipated in a Perimeter Lake represents a significant step toward establishing viable EIFD's in the respective county jurisdictions. Properly configured, the state funding deployed in Sea projects designed to create a stable shoreline would enhance economic benefits on shore, thus stimulating an otherwise nonexistent revenue stream that can be harnessed locally in partnership with the state and federal governments to address shared concerns at the Sea.

At the federal level, SSA and its member agencies are beginning to see signs of progress in seeking federal agency investments commensurate with property ownership and public trust and tribal trust responsibilities at the Sea. The US Bureau of Reclamation and SSA have executed a project funding agreement to work cooperatively with the SSA in order to help re-establish research vessel access needed for that agency to fulfill its mandated responsibilities. This effort has provided a feasible approach for other mandated state and federal activities to proceed as well as research institutions needing access to the Sea for monitoring and reporting activities. A similar funding agreement with Coachella Valle Mountains Conservancy has been executed with the SSA. The state CNRA, faced with similar mandated duties to monitor and report on Sea conditions, is continuing to review the scope and budget that SSA provided to all partner agencies earlier in the summer. State staff report that support for their portion of the project is forthcoming for consideration by the SSA Board of Directors in the future.

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

## **PERFORMANCE**

### ***Making good on grants for projects at the Sea***

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

SSA is working successfully with local, state and federal agencies to address a lack of launch access at the Salton Sea. Harbors that once provided access to the Sea are now unable to continue that function due to lowered Sea elevations and silt drift that has blocked ingress/egress from the harbors.

With increasing frequency in the past year, university research teams as well as state and federal agency staff approached the SSA Board with reports that access points are compromised for research mandated to be fulfilled by state and federal agencies.



In response, SSA staff has facilitated, and SSA Board of Directors has ratified, interagency cooperation to re-establish access via the North Shore Yacht Club.

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

With the assistance of the Salton Sea Authority, federal, state and local agencies have identified specific investments in maintenance and rehabilitation of infrastructure at the North Shore Yacht Club and marina facility that will restore critical access to the Sea for these mandated environmental activities.

Staff from US Bureau of Reclamation have worked diligently with SSA and the Project Management Office at the Economic Development Agency of Riverside County (property owner) to further develop the cost and feasibility of dredging a channel at that location in order to meet the critical need for federal and state research vessels that are mandated to sample, monitor and report environmental conditions in the water and wildlife at the Sea. Both agencies have executed cooperative agreements for their share of the project that were ratified by the SSA board at the September board meeting. Coachella Valley Mountains Conservancy has also contributed funding to restore research vessel access needed to monitor the habitat health that is central to their mission. Although the state has verbally committed to support this project which helps the state fulfill its mandated responsibilities for monitoring and reporting on Sea conditions, formal documentation remains a work in progress.

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

The North Shore Yacht Club is only two blocks from Highway 111, south of the community of Mecca in the former bustling recreational area of North Shore. This project will contribute to a restoration of mandated environmental functions of state and federal agencies while also encouraging a general revitalization of the sea and land area around the North Shore Yacht Club owned by Riverside County.

The immediate goal of the project is to restore accessible boat launching to the Salton Sea for public agencies that must work on the sea. There is potential, with other added investments, to improve public access to the Sea for local communities and tourists who wish to experience the

Salton Sea by either boat or safe, accessible picnic viewing areas on public land and facilities located at the historic North Shore Yacht Club.

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

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

Staff discussion between state, SSA and Torres Martinez partners remains focused upon resolution of operational delay in the completed Phase 1 project due to seepage concerns by tribal staff. Tribal project operators have noted that a viable seepage barrier can pay for itself over time by reducing operational costs for electricity (to run pumps) while also reducing maintenance costs by inhibiting growth of invasive plants and trees in the ponds.

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

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

## **FUNDING**

### **State:**

- The SSA has engaged contract consultants to work with CNRA to develop guidance regarding the process for defining projects eligible for state funding (\$30 Million) designated to the SSA for direct oversight role in implementing SSMP projects, including \$10 million designated to improvements on the New River.

### **Federal:**

- In response to SSA Board direction to staff to raise the profile of Salton Sea issues in the context of federal roles, responsibilities and partnership opportunities, the SSA is working with its federal consultant to confirm commitments for additional hearings in Washington, DC, likely in the spring of 2020.

- US Department of Agriculture – Through the unified efforts among the SSA, its partner agencies and key stakeholders, existing programs in USDA have been successfully aligned to allow the federal government to work in partnership with tribes, irrigation districts and the state to deploy and expand federal match funds in projects at the Salton Sea that would help the agricultural community weather Sea changes in a manner that protects the environment. This enormous progress was achieved in part because every SSA director, along with leaders from stakeholder groups and the CNRA, signed a series of joint letters to help reinforce successful passage of the Farm Bill last year. Now that funding has been secured, SSA and partner agencies are focused upon development and promotion of projects in the SSMP that will meet the eligibility requirements for this funding.
- Army Corps of Engineers (ACOE) – In accord with SSA board direction, the SSA has requested ACOE cooperation in expediting permit processing for the larger series of SSMP projects based upon the existing federal permits approved as part of the state’s SCH project (the first major project moving ahead in the SSMP 10-Year Plan list). SSA is pursuing placement and funding for the ACOE Work Plan for upcoming budgets, and eventual access to WRDA authorization (\$30 million). The SSA is working with the Torres Martinez Tribe in support of the Tribal Partnership Program that may provide Army Corps engagement in projects in the Salton Sea watershed on Torres Martinez tribal lands.
- Environmental Protection Agency (EPA) – SSA partner agency (Riverside County) action to convene its newly appointed Finance Authority Board for a Salton Sea EIFD on Oct 15 at North Shore Yacht Club is a critical step toward empowering local entities to maximize state and federal investments at the Salton Sea in a WIFIA strategy. WIFIA provides a federal loan and guarantee program that aims to accelerate investment in the nation’s water infrastructure by providing long-term, low-cost supplemental loans for regionally and nationally significant projects, including many county water infrastructure projects. Prospective borrowers seeking WIFIA credit assistance must submit a letter of interest (LOI) to EPA to initiate the process. Discussions are on-going among potential local partners in EIFD strategies for application in subsequent rounds of WIFIA.

## **SELF HELP STRATEGIES**

### **IFD/EIFD**

Riverside County and Imperial County are both moving ahead with strategies to generate local capital through EIFD scenarios that may jump-start infrastructure investments consistent with the SSMP. The counties, who are member agencies of the SSA, recognize the value of coordinating projects within the shared watershed that may be funded in part with locally leveraged finances.

Riverside County Board of Supervisors authorized creation of an EIFD for the Salton Sea Area in October 2018, and its newly appointed Finance Authority Board recently held a workshop at North Shore Yacht Club (Oct 15, 2019). The District is a Riverside County portion surrounding a northern section of a Perimeter Lake extending into Imperial County. A follow-up workshop to explain EIFD projects in the Riverside County portion of the Sea will be held in the spring of 2020.

Imperial County has commissioned a feasibility analysis with the Southern California Association of Governments (SCAG). This preliminary report was unveiled for public review at a workshop held prior to the SSA Board meeting in April, in conjunction with the Energy Summit sponsored by the Imperial Valley Economic Development Corporation. A more robust follow-up analysis by SCAG on renewable energy opportunities and land value improvement in Imperial County is anticipated.

SSA initiated preliminary action on IFD strategies by completing its contract – on time, and under budget – with the California Natural Resources Agency (as a result of AB 71) to identify potential revenue generated by improved property values and economic activity around the Sea due to stable shoreline allowing recreation and renewable energy development. This data has been shared with the two counties as partner agencies of the SSA in order to expedite progress within their respective taxing jurisdictions.

The IFD concept in the SSA Financial Feasibility Action Plan assumes the primary benefits to the property values would be derived from infrastructure built in the sea that would create a stable shoreline with water distribution for dust control and deep-water habitat in addition to restored recreational value for marina communities and renewable energy development. A subsequent report by Tourism Economics, based on far more conservative assumptions, still supports the findings that significant revenues may be generated from a project that creates deep water habitat on the north end of the Sea.

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

The SSA Board approved a resolution to recognize this historic level of local unity on the Perimeter Lake concept at the May 2019 board of directors meeting. The Perimeter Lake concept – which includes SCH and North Lake projects as the first and second steps (respectively) toward a series of additional projects providing the benefits of a stable shoreline – is universally supported by local governments around the Salton Sea. Both counties, all SSA member agencies, all cities in both Imperial and Coachella Valleys plus all major Tribal nations have approved letters or resolutions of support for the Perimeter Lake. As noted, the CNRA has

officially included Perimeter Lake concepts of the SCH and North Lake in the SSMP 10-Year Plan. This unified action provides a major boost toward establishing viable EIFD's around the Salton Sea.

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

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