



Salton Sea Authority Board of Directors Meeting

Thursday, March 25, 2021
10:00 a.m.

Via Zoom Webinar



AGENDA:
DATE:
LOCATION:

BOARD OF DIRECTORS MEETING
Thursday, March 25, 2021
10:00 a.m.
Via Zoom Webinar

In the interest of public health, and in cooperation with government COVID-19 meeting recommendations, this meeting will be conducted via Zoom Webinar. The public will be able to view the meeting live at 10:00 a.m. March 25, 2021. Please see the meeting login information at <https://saltonsea.com/meetings>.

I. CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

A copy of the complete agenda packet is available for viewing or download at: <https://saltonsea.com/meetings>

II. PUBLIC COMMENTS

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.

Any member of the public may address the Board relating to any matter within the Authority's jurisdiction and are invited to speak to any specific action item listed in the agenda when presented.

Remarks shall be limited to a maximum of three (3) minutes.

*Public comment may be delivered verbally (use "raised hand" feature in Zoom or press *9 by phone to be acknowledged), **via email to info@saltonsea.com** (include in your subject line "Public Comment, 3/25/21 SSA board meeting"), or hand-delivered to 82995 Highway 111, Suite 200, Indio, California. Please place hand delivered comments in an envelope addressed to "Board Secretary, Salton Sea Authority" and leave with the attending security officer.*

*All written comments should include your name, address (addresses will be redacted), and whether it is for general public comment or a specific agenda item (number and topic). Anonymous comments will not be read. Comments received in writing, either by email or written, will be distributed to the Board, posted on the Salton Sea Authority website for public review, and if received **before noon on Wednesday March 24**, receipt will be acknowledged during public comments. Written comments will not be read aloud into the public record.*

III. BOARD MEMBER COMMENTS

This is a time set aside for members of the Board to share their thoughts and concerns regarding general Authority matters not on the agenda, ask questions of staff, and request that items be added to an agenda at a later date.

The Brown Act expressly prohibits lengthy Board Member discussion of matters not on the agenda. The Board may at its discretion (by 4/5 vote) add items deemed to be an emergency to the agenda in order to engage in public discourse.

IV. ACTION ITEMS

A. CONSENT CALENDAR – Approve, Receive, and File

1. Minutes of the Salton Sea Authority Board Meeting February 28, 2021
2. Warrant Register Ratification for February 2021
3. Internal Financial Report for: 7/01/2020 – 1/31/2021

V. DISCUSSION

A. Budget Review: Proposed 2021-2022 Budget

B. Customs, Practices and the law regarding Public Comments – Robert Hargreaves, Esq

VI. REPORTS

A. Federal

1. Federal Activities – (Lisa Lehman, Partner, Cultivating Conservation; Lowry Crook, Best Best & Krieger)

B. State

1. State Advocacy Report – (Oracio Gonzalez, Principal, Ollin Strategies)
2. State of California – (Gail Sevens, Salton Sea Program Manager, California Dept. of Fish & Wildlife)
3. Salton Sea State Recreation Area Update on Activities – (Steve Quartieri, District Superintendent, California State Parks)

C. Local

1. Salton Sea Action Committee (SSAC) – (Juan M. DeLara, SSAC President)

D. Executive Director/GM

1. GM Report – (G. Patrick O'Dowd, Executive Director/GM, Salton Sea Authority)

VII. PRESENTATIONS

A. Overview of QSA JPA – Organization representative.

B. AB 617 and Air Quality monitoring, mitigation, and protection – Imperial County Air Pollution Control District (ICAPCD) and South Coast Air Quality Management District (SCAQMD – invited)

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

Salton Sea Authority board meetings will be held via Zoom until further notice.
Thursday, April 22, 2021, 10:00 a.m.

We are exploring options to resume in-person meetings. It is expected that our April meeting will be offered in Zoom, and if a proper venue can be identified and adequate safety protocols established, a hybrid alternative may be available and the Board and public will be so notified.

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



OFFICIAL PROCEEDINGS

SALTON SEA AUTHORITY

BOARD OF DIRECTORS MEETING

February 25, 2021

I. CALL TO ORDER

The regularly scheduled meeting of the Salton Sea Authority (“Authority”) Board of Directors (“Board”) was called to order by Alex Cardenas, President, at 10:04 a.m., February 25, 2021, Via Zoom Webinar.

PLEDGE OF ALLEGIANCE

Director Supervisor Perez led the Pledge of Allegiance.
Chairman Cardenas welcomed Director Galindo of IID to the Salton Sea Authority Board of Directors.

ROLL CALL:

DIRECTORS PRESENT

Alex Cárdenas, President
V. Manuel Perez, Vice-President
Altrena Santillanes, Treasurer
Luis A. Plancarte, Secretary
Ryan E. Kelley, Director
Thomas Torte, Director
Cástulo R. Estrada, Director
Jeff Hewitt, Director *
Anthony Bianco, Director
Norma S. Galindo, Director

AGENCY

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

** Director Hewitt arrived at 10:42, during Presentations and Recognitions.*

There being a Quorum of members present, the meeting proceeded.

SALTON SEA AUTHORITY STAFF PRESENT

G. Patrick O’Dowd, Executive Director/GM
Bob Hargreaves, Best Best & Krieger, Legal Counsel

MEMBERS OF THE PUBLIC PRESENT

There were 52 attendees and participants present via Zoom in addition to the board members.

II. PUBLIC COMMENTS

Written comments:

- Ms. Joan Taylor, Chair of Tahquitz Group of the Sierra Club, wrote on behalf of the Sierra Club to request a status update on the conceptual design for the North Lake Pilot project being prepared by Webb and Associates.
- Mr. Nikola Lakic, Geothermal Worldwide, urged the Board to stop supporting the Perimeter Lake concept and to adopt his multifaceted proposal.

There were no verbal comments.

III. BOARD MEMBER COMMENTS

- A. Director Kelley observed that any public comment that has derogatory language or impugns should not be presented to the Board. There are certain guidelines for how one should present one's case/argument.
- B. Director Perez also addressed appropriate/useful comments versus hurtful comments, then invited Salton Sea Authority board members to join a Zoom meeting the next day on AB 617 legislation regarding environmental justice to provide comment.
- C. Director Bianco, new to the SSA Board, asked about SSA's role on the Salton Sea. The Chairman asked the Executive Director to get together with the Director to give him an orientation.
- D. Director Estrada mentioned efforts to expand the membership of the QSA JPA and asked what position the Authority should take. Executive Director O'Dowd stated the matter would be placed on the agenda for discussion next month.
- E. Director Galindo introduced herself and noted progress achieved by the agencies' diligence.

IV. ACTION ITEMS

- A. CONSENT CALENDAR – Approve, Receive, and File
 1. Minutes of the January 28, 2021 Salton Sea Authority Board Meeting
 2. Warrant Register Ratification for January 2021
 3. Internal Financial Report for: 7/01/2020 – 12/31/2020

On motion by Perez, seconded by Plancarte, the Board approved the Consent Calendar to be received, approved, and filed.

Approved by the following vote:

AYES: Directors Cardenas, Perez, Santillanes, Plancarte, Kelley, Tortez, Estrada, Bianco

NOES: None

ABSENT: Director Hewitt

ABSTAINED: Director Galindo abstained, as the items being approved preceded his seating on the Board.

MOTION PASSED: 8 - 0

V. PRESENTATIONS AND RECOGNITIONS

A. Resolution honoring the life and service of Kevin E. Kelley

The chairman opened the floor to general comments about Mr. Kelley and his contributions to the community and Salton Sea, followed by the reading of the resolution.

On motion by Galindo and second by Perez, the Board adopted the resolution.

Approved by the following vote:

AYES: Directors Cardenas, Perez, Santillanes, Plancarte, Galindo, Kelley, Tortez, Estrada, Hewitt, Bianco

NOES: None

ABSENT: None

ABSTAINED: None

MOTION PASSED: 10 – 0

**** Director Hewitt arrived at 10:42, during Presentations and Recognitions.***

VI. DISCUSSION ITEMS

A. USDA NRCS Watershed Protection and Flood Control Act - Salton Sea History, Status, and Next Steps. Seeking board direction on Watershed Plan preparation.

Lisa Moore Lehman, Partner, Cultivating Conservation, gave a brief background of the USDA NRCS Watershed Protection recap in her memo that had been posted to this meeting's website and shared her memories of Kevin Kelley.

B. Strategic Priorities and values – board direction for 2021-2022 budget

Executive Director O'Dowd highlighted findings from the strategic planning exercises of the last 18 months and reviewed the Authority's mission and purpose as defined by its governing documents. That information will be foundational to develop a draft budget for presentation at next board meeting. Input was solicited from all directors.

VII. REPORTS

A. Federal

1. Federal Activities

Lowry Crook, Best Best & Krieger, added to Ms. Moore's report the Army Corps Water Resources Development Act authorization for the Perimeter Lake (the potential Army Corps investigation of the Perimeter Lake concept). The Army Corps Los Angeles district offered them a time to meet to discuss potential options for partnering with them on that effort.

2. US Bureau of Reclamation (BOR)

Genevieve Johnson, Program Manager for the Salton Sea, gave a brief update and Meghan Thiemann, Civil Engineer with the BOR, shared progress on three Science and Technology Program dust suppression projects at the Salton Sea and provided contact information for those who want to give feedback or discuss further.

Public comment:

Luis Olmedo, of Comité Cívico del Valle, said environmental justice and disadvantaged communities should be front and center to every conversation and presentation, and asked BOR to provide to them exactly how do they submit priority research? influence priorities and projects? get projects to the finish line?

Miguel Hernandez, Comité Cívico del Valle, thanked the BOR for sharing the presentation, echoed Supervisor Perez's support for AB 617, and expressed his concern about many questions that have been asked many times but not answered. He offered his services if needed.

President Cardenas expressed a desire to further discuss AB 617 next month in conjunction with an environmental justice advisory component.

B. State

1. State Advocacy Report

Oracio Gonzalez, Principal, Ollin Strategies, reported that Assembly member Eduardo Garcia introduced legislation that would place a general obligation bond before voters to invest a minimum of \$240 million in the Salton Sea; of that amount \$30 million would be set aside for the Salton Sea Authority.

2. State of California

Gail Sevrens, Salton Sea Program Manager, California Dept. of Fish & Wildlife, gave an update on the status/progress of 10-year-plan projects, advised of staffing opportunities with Department of Water Resources, and noted her department's participation in the AB 617 meetings.

3. Salton Sea State Recreation Area

Steve Quartieri, District Superintendent, California State Parks, unable to attend, submitted a written report, included in the board packet, which shows which

operations are open, that visitation continues to be strong, current and upcoming improvements, and that the Garganey female and long-tailed ducks are back.

C. Local

1. Salton Sea Action Committee (SSAC)

Juan M. DeLara, SSAC President, reported that the Salton Sea Action Committee is back in action. In the interest of time, he said he would forward a report to be included next month.

D. General Manager's Report and Comments

G. Patrick O'Dowd, Executive Director/GM, Salton Sea Authority, referred the board and attendees to his general manager's report that is available on the meeting's webpage.

VIII. ADJOURNMENT

There being no further business, Board President Cardenas adjourned the meeting at 12:12 p.m.

NEXT MEETING TIME & LOCATION:

The regularly scheduled meeting will be held

Thursday, March 25, 2021

10:00 a.m.

Via Zoom Webinar

Checking Account Activity

February 1, 2021 through February 28, 2021



Warrant Date	Warrant Number	Vendor Name	Amount
Beginning Cash			\$ 239,520.14
02/02/2021	Deposit	Berkshire Hathaway Energy	6,000.00
02/02/2021	Deposit	Office Team - overpayment refund	110.66
02/03/2021	EFT	Pitney Bowes	(10.00)
02/02/2021	Deposit	CVMC Grant Receipt -October	21,479.19
02/02/2021	Deposit	CVMC Grant Receipt -November	3,183.23
02/11/2021	EFT	Pacific Western Payment	(372.00)
02/23/2021	1009	Best, Best & Krieger	(4,229.90)
02/23/2021	1010	California Association of Mutual Water Companies	(100.00)
02/23/2021	1011	County of Riverside Facilities Management	(24,107.34)
02/23/2021	1012	Cultivating Conservation	(7,000.00)
02/23/2021	1013	Eide Bailly LLP	(5,403.75)
02/23/2021	1014	OfficeTeam	(8,159.36)
02/23/2021	1015	Ollin Strategies	(5,000.00)
02/23/2021	1016	Riverside County Payroll fund	(75,000.00)
02/23/2021	1017	SystemGo IT LLC	(704.00)
02/23/2021	1018	National Water Resources Association	(525.00)
02/24/2021	EFT	VISA Payment	(685.76)
02/24/2021	Deposit	USBR Grant Payment – 4 th quarter 2020	24,455.43
02/24/2021	EFT	Verizon Wireless	(260.95)
Net Activity			(76,329.55)
Ending Cash			\$ 163,190.59



Salton Sea Authority
Profit & Loss Budget to Actual
(Unaudited)
Year to Date through January 31, 2021

	General Fund	NSBYC Grant	TOTAL	FY 20-21 Budget	% of Budget	\$ Variance
1 INCOME						
2 Local Government/Member Assessments	\$ 549,000	\$ -	\$ 549,000	\$ 549,000	100%	\$ -
3 Grant Funding	-	89,509	89,509	79,600	112%	9,909
4 State of California Grants (Prop 68)	-	-	-	750,000	0%	(750,000)
5 Pooled Cash Allocated Interest	71	-	71	1,500	5%	(1,429)
6 Miscellaneous Revenue	84	-	84	700	12%	(616)
7 TOTAL INCOME	549,155	89,509	638,664	1,380,800	46%	(742,136)
8 EXPENSE						
9 SSA Administration						
10 Salaries						
11 GM / Executive Director	141,098	-	141,098	156,100	90%	(15,002)
12 Grant Support	49,215	2,137	51,352	95,500	54%	(44,148)
13 Executive Director Support	23,616	-	23,616	27,300	87%	(3,684)
14 Admin Support A	30,258	-	30,258	48,700	62%	(18,442)
15 Admin Support B	25,768	38	25,806	39,100	66%	(13,294)
16 Total Salaries	269,955	2,175	272,130	366,700	74%	(94,570)
17 Employee Benefits						
18 Employee Benefits - GM / Exec. Dir.	37,806	-	37,806	62,000	61%	(24,194)
19 Employee Benefits - Other SSA Staff	34,551	25	34,576	51,200	68%	(16,624)
20 Total Employee Benefits	72,357	25	72,382	113,200	64%	(40,818)
21 Audit/Accounting	32,050	3,179	35,229	96,700	36%	(61,471)
22 Contract Attorney	60,419	-	60,419	75,000	81%	(14,581)
23 Equipment Maintenance	7,115	-	7,115	8,400	85%	(1,285)
24 Capital Equipment	557	-	557	2,500	22%	(1,943)
25 Insurance	7,095	-	7,095	8,900	80%	(1,805)
26 Office Expense/Operating Supplies	2,562	-	2,562	3,000	85%	(438)
27 Office Expense/Online Services	2,412	-	2,412	1,400	172%	1,012
28 Postage, Mail	1,322	-	1,322	1,800	73%	(478)
29 Printing Services	-	-	-	4,000	0%	(4,000)
30 Dues, Subscriptions	7,262	-	7,262	10,000	73%	(2,738)
31 Communications	3,102	-	3,102	5,000	62%	(1,898)
32 Travel/Mileage	6,830	-	6,830	56,000	12%	(49,170)
33 Technical Support - Consultant	-	-	-	40,000	0%	(40,000)
34 Technical Support - Engineering	-	-	-	60,000	0%	(60,000)
35 Technical Support - General	-	-	-	40,000	0%	(40,000)
36 Contract Services / Website	-	-	-	5,000	0%	(5,000)
37 Technical Support - Enviromental	-	-	-	60,000	0%	(60,000)
38 Technical Support - Fiscal	-	-	-	50,000	0%	(50,000)
39 Communications & Outreach	10,625	-	10,625	40,000	27%	(29,375)
40 Utilities	-	-	-	3,000	0%	(3,000)
41 Grants & Advocacy	106,781	-	106,781	150,000	71%	(43,219)
42 Project Management	-	-	-	60,000	0%	(60,000)
43 Contingency	-	-	-	33,400	0%	(33,400)
44 Total SSA Administration	590,444	5,379	595,823	1,294,000	46%	(698,177)

*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
Profit & Loss Budget to Actual
(Unaudited)
Year to Date through January 31, 2021

	General Fund	NSBYC Grant	TOTAL	FY 20-21 Budget	% of Budget	\$ Variance
46 North Shore Grant						
47 EDA Salaries	-	20,599	20,599	-	0%	20,599
48 Grant Expenses - Contractors	-	63,534	63,534	-	0%	63,534
49 Total North Shore Grant	-	84,133	84,133	-	0%	84,133
50 TOTAL EXPENSE	590,444	89,512	679,956	1,294,000	53%	(614,044)
51 NET INCOME	\$ (41,289)	\$ (3)	\$ (41,292)	\$ 86,800		\$ (128,092)



Salton Sea Authority
Balance Sheets
(Unaudited)

As of January 31, 2021

	General Fund	702 Fish Clean Up Trust	NSBYC Grant	TOTAL
1 ASSETS				
2 Checking/Savings				
3 Cash - PW Checking	\$ 215,984	\$ 20,991	\$ 2,544	\$ 239,520
4 Cash - RivCo Fund	(21,388)	-	(4,830)	(26,218)
5 RivCo investment fund	5,126	-	-	5,126
6 Cash - Petty Cash	153	-	-	153
7 Total Checking/Savings	199,874	20,991	(2,286)	218,580
8 Other Current Assets				
9 Due from Grant Funds	2,618	-	-	2,618
10 Prepaid Items	10,253	-	-	10,253
11 Grant Receivable	-	-	67,121	67,121
12 Total Other Current Assets	12,870	-	67,121	79,991
13 TOTAL ASSETS	212,745	20,991	64,835	298,571
14 LIABILITIES & EQUITY				
15 Liabilities				
16 Current Liabilities				
17 Accounts Payable	-	-	-	-
18 Credit Cards				
19 Credit Card Payable (Visa)	527	-	-	527
20 Credit Card Payable (Pac West)	147	-	-	147
21 Total Credit Cards	674	-	-	674
22 Other Current Liabilities				
23 Due to Other Funds	-	-	2,618	2,618
24 Accrued Payroll	12,323	-	-	12,323
25 Due to EDA for NSBYC Grant	-	-	63,364	63,364
26 Accrued Vacation	15,725	-	-	15,725
27 Total Other Current Liabilities	28,049	-	65,981	94,030
28 Total Liabilities	28,722	-	65,981	94,704
29 Fund Balance	184,022	20,991	(1,146)	203,868
30 TOTAL LIABILITIES & FUND BALANCE	\$ 212,745	\$ 20,991	\$ 64,835	\$ 298,571

*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.

Draft Budget Review

for the fiscal year ending June 30, 2022

Consistent with the framework presented last month in the Salton Sea Authority "Strategic Priorities and Values", included herewith is a draft budget for the fiscal year ending June 30, 2022. The proposed budget is presented comparatively with the budget approved for 2020-2021, as well as 12-month operating results for the period ended December 31, 2020. It should be noted that the prior year budget process produced a revenue and spending plan that was, in hindsight, unachievable. In particular, the budget assumed that \$750,000 would be received for work performed in connection with Prop 68, though it is not expected that any material receipts will be realized in the current year. In addition, the business was affected by COVID-19 and the transition to a new Executive Director.

The budget as presented attempts to tie expenses to revenues such that if budget revenue targets are not achieved certain specific planned expenses would not be incurred. As a result, and although there are significant non-dues revenues included in the budget, a plan exists that would allow the organization to survive the full plan year on dues and grant income, or dues income alone if necessary, allowing the members an opportunity over the course of the coming year to orderly assess the long term purpose and viability of the organization.

A summary explanation of sources and uses of funds is presented below:

Revenues:

Member Dues – last year, against a backdrop of uncertainties from COVID 19, member dues were reduced by 10%. Coupled with the Authority's failure to realize other budgeted revenues, and a general difficulty to rigidly manage expenses in a COVID workplace, the Authority's reserves have been all but depleted. It is proposed that Member Dues be reinstated at \$150,000 (\$10,000 for TMDCI) for the current budget year. Except for last year's relief, dues have been at this level since 2013.

Ex Officio Dues – While this line-item revenue might not be realized in exactly this form, the Authority has had extensive discussions with the State of California regarding funding regular contributions to support the administrative burden of the Authority necessary to effectively serve its Partners. This contribution may be tied to a budgeted additional staffing position (discussed below). As provided in our By Laws, there may be opportunities to add other dues paying Ex Officio members to contribute to the productive work of the Authority.

Sponsorships – beyond Ex Officio dues, we have found that others are willing to invest in the work of the Authority, particularly in public relations and to fund internships. Sponsorships will be available to municipalities, special districts, corporations, and other non-governmental organizations and individuals, including philanthropy.

Grant Revenues – the budget includes \$250,000 in Proposition 68 receipts, expected to be realized from the North Lake Demonstration project and based on its current project budget and anticipated timing. The budget also includes \$80,000 in other grant revenues from a variety of “Specific Projects” being actively pursued by the Authority, as well as that available under Proposition 68 for the New River Project. To the extent these revenues are not realized, the resources necessary to properly service and administer these grants will be proportionally adjusted.

Expenses:

Salaries – Salary expense is projected to increase 5% overall, including benefits and burden. (This does not reflect or portend an increase in staff salaries of a like amount). In addition, the Salaries budget includes two new positions:

- Public Relations Director – This position would be funded by Ex Officio dues and/or sponsorships.
- College Intern – This position, recruited from a local university, would be funded by Sponsorships or other non-dues revenue.

Contract Services

- Advocacy reflects existing contracts for services in DC and Sacramento.
- Grant Administration expense is an integral part of Grant disbursement supervision and reflects currently engaged resources. To the extent grant revenues fail to materialize as budgeted this resource would be reduced commensurately or eliminated.
- Legal includes Board legal guidance and other general legal support. Some of this general legal support may be incurred in Washington, DC to support highly technical work specific to the United States Army Corps of Engineers.
- Accounting expenses are budgeted slightly higher than prior year reflecting an investment in more robust financial reporting and tracking tools for Board and management purposes.

Other General and Administrative Costs

- These costs are budgeted based on historical experience. Two special provisions should be highlighted:
 - o Public Relations – This expense would provide collateral material and other resources for public outreach and engagement. As with the new Director’s position budgeted in Salaries, if funding is not realized specifically for public relations purposes these expenses will not be incurred.
 - o Travel/Mileage – while the budget for this account is down 50% from prior years, this expense will be closely monitored to ensure efficient, responsible utilization.

Summary:

The 2021-2022 Budget was prepared against a backdrop of significant prior year revenue shortfalls, expense overruns, and their associated impacts to reserves. It also takes into consideration a return to some semblance of “normalcy” as the COVID pandemic is brought under control and usual and customary activity resumes. Although the projected fiscal year end budgeted cash reserves are below the Board guidelines, management is confident that spending can be paired with revenue to ensure efficient, full year operations – with adjustments to spending as necessary to achieve that goal.

We welcome your comments and recommendation. Based on that feedback, this item will be reviewed, revised if appropriate, and brought back to the board next month for approval.



Salton Sea Authority

Draft Review Budget

FY 21/22

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INCOME

Local Gov/Member Dues

Ex Officio Dues

Non-Dues Revenues

Sponsorships

Grant Revenues - Net

North Lake Demonstration Project

Other Grants

Grant Funding for Project Management

Pooled Cash Allocated Interest

Miscellaneous Revenue

TOTAL INCOME

Conditional Revenue

EXPENSES

Salaries & Benefits

Total Salaries

Total Benefits

Total Salaries & Benefits

Contract Services / Professional

6010 · Admin Support B

5012 · Executive Director Support

Policy and Program Support

DC Advocates

Sacramento Advocate

Grant Administration

Attorney - General

Attorney - Board Council

Attorney - General Legal

Audit & Accounting

General Accounting

Audit

Total Contract Services / Professional

Equipment Maintenance

Capital Equipment <\$5,000

Insurance

Office Exp./Operating Supplies

Office Exp./Online Services

Postage & Mail

Printing Services

Dues & Subscriptions

Memberships

Conferences & Seminars

Periodicals

Communications

Communications & Outreach

Public Relations

Travel/Mileage

Utilities

Grant Funded Administrative Services

Contract Services / WRI & Archive Mgmt.

TOTAL EXPENSES

Grant Expenses for Outside Services

Net Loss from Grant Servicing

NET ADDITION (USE) OF RESERVES

Operating Losses from Grant Servicing

Transfer Out

Net Income

FY 20/21 Total Adopted Budget	12 mo trailing through Dec-2020	FY 21/22 Proposed Budget
\$ 549,000	\$ 549,000	\$ 610,000
		\$ 150,000
-		
		\$ 50,000
750,000		
		250,000
		80,000
79,600	206,926	-
1,500		1,000
700	1,056	-
1,380,800	756,982	1,141,000
366,700	256,890	371,800
113,200	111,961	166,200
479,900	368,851	538,000
	4,072	
	21,585	
150,000	198,262	-
-		84,000
-		60,000
-	68,560	100,000
75,000	119,159	
		25,000
		50,000
96,700		
	49,942	55,000
	17,810	20,000
321,700	479,390	394,000
8,400	11,708	12,000
2,500	557	2,400
8,900	11,138	9,300
3,000	4,350	6,000
1,400	3,126	3,000
1,800	1,598	-
4,000		-
10,000	12,597	10,000
5,000	5,172	-
	10,625	-
-		36,000
56,000	22,632	48,000
3,000		3,000
-		24,000
5,000		-
910,600	931,744	1,085,700
383,400	207,298	-
	371	
\$ 86,800	\$ (381,688)	\$ 55,300
	\$ (2,920)	
	\$ (384,609)	

Projected Beginning General Fund Cash 7/1/21

Use of Reserves for FY 21/22 Budget

Projected Ending General Fund Cash 6/30/22

90 Days Operating Reserve Target

(Under)/Over Reserves

90 days
\$ 50,000
\$ 55,300
\$ 105,300
\$ 271,000
\$ (165,700)

Date: March 22, 2021
To: Salton Sea Authority Board of Directors Meeting
From: Steve Quartieri, District Superintendent
RE: Salton Sea State Recreation Report

- Current SVRA operations include:
 - Day Use – Fully Open
 - Campgrounds – Open (reopened on January 29, 2021)
 - Visitor Center – Remains Closed
 - Interpretive Programing – None Scheduled
- Despite the COVID restrictions, visitation continues to be strong at SSSRA.
 - Feb 2021
 - 3,808 day use visitors, which is a 5% increase over 2020
 - 1,764 camping visitors occupied 441 sites, which is down from prior year due to the lingering effect from the Dec/Jan camping closure
 - March 2021
 - Both day use and camping visitation remain constant during March 2021.
- As COVID guideline allow, we look forward to expanding services in the near future.
- Thank you for the opportunity to share our reports with the Board, and I wish you a Safe Season.



Salton Sea Authority
Executive Director's Report
To the Board of the Directors
March 25, 2021

Executive Summary

The Authority continues its pursuit of important projects at and around the Sea, though the thrust of this month's effort was targeted towards crafting an operating budget for the Authority for Board preliminary review. The Draft Review Budget and accompanying memo contained in your Board packet explains what each revenue and expense item is and how it was developed. This report will focus more on the policies that inform that budget, and provide a general sense of how the budget will be operationalized. At closing I also provide some brief comments regarding project implementation and some of the complexities being faced and addressed by the Authority in cooperation with our partners.

Budget Notes:

Revenues

As the budget reflects, member dues were returned to the pre-Covid rates being paid by Authority members since 2013. Had the rates been adjusted simply to reflect inflation over that period, Member dues would be roughly \$20,000 higher, and a modest 3% year over year increase would have resulted in \$40,000 higher dues. The budget also assumes there will be one full dues paying "Ex Officio" member.

For some months the Authority has been in conversations with the State of California regarding shouldering an equitable portion of the administrative burden necessary for the Authority to fully achieve its goals. In particular, we have diligently sought resources to fund a robust public relations effort, including outreach to the local communities and the production of collateral materials for presentation to the general public and both State and Federal audiences. While initial efforts in this regard were rebuffed, a continuing dialogue has demonstrated at least a general understanding on the part of the State that finding the proper resource to fund the Authority's efforts, which ultimately accrue principally to the benefit of the State, was a worthwhile pursuit. The Draft Budget reflects a State contribution as an Ex Officio member with a full dues-paying contribution. However, the ongoing negotiations may produce a solution with the State that may result in receiving the support we seek but which may manifest in and ultimately be characterized as something completely different than Ex Officio member dues. Whatever you call it, this additional support from the State is both appropriate and necessary.

Although not reflected in the budget but along these same lines, we are also exploring other possible dues-paying Ex Officio members of the Authority, as allowed broadly in our governing documents, and which would ultimately require Board approval.

The budget also reflects grant reimbursables from projects in which the Authority is or is anticipated to be engaged in and is facilitating in some capacity. In particular, the long-awaited North Lake Demonstration Project is budgeted to begin in fiscal 21/22 and contribute \$250,000 to expense reimbursements, based off an internal analysis of the actual, though yet unsigned agreement between the State and the Authority. There's an additional \$80,000 in grant reimbursable budgeted from other projects known to the Authority, any or all of which (including New River) may materialize in the current plan year.

Finally, the budget anticipates a modest provision for "Sponsorship" revenue. As previously discussed, the Authority has invited and will invite various stakeholder groups to participate through sponsorships in the important work taking place at and around the Sea. We expect those sponsorships may come from cities, special districts, businesses, and other non-governmental organizations, as well as philanthropically minded individuals and institutions. Those sponsorship resources will in turn be used to specifically fund public relations, community outreach, advocacy, and educational efforts, including internships from local colleges and universities. This will better equip the Authority to inform and, through listening, be informed by the local communities, the region, and beyond as to the needs and opportunities to create a brighter future for the Sea and the region.

Participating sponsors will be appropriately acknowledged by the Authority on its website at saltonseas.com and other social media platforms, through its various other communications media including emails and mailers (if any), and at Authority sponsored events throughout the year. All donations to the Authority are for public purposes and, as such are tax deductible (consult your tax advisor). The Authority can now receive donations from its homepage at <http://www.saltonseas.com> - just click on the "DONATE" button to support this incredibly worthwhile cause (and thank you!).

Personnel

The budget reflects staffing levels management believes are necessary to perform the work outlined in the plan. Two additional team members are budgeted to be added, effective day one of the plan year, including a Communications Director to oversee the outreach and other public relations activities of the Authority, and an intern to provide general assistance to the team while training future generations for careers in water and public policy. These positions are both contingent on receiving sufficient firm commitment of resources, from the State, from Sponsorships or otherwise, to ensure that the Authority's financial underpinnings are not adversely affected by these commitments.

Over the course of the past four months we have been realigning resources within the Authority to best utilize the strengths of each team member and avoid duplication and redundancy. Through that process we eliminated one full time equivalent position, hired through a temporary service, which was deemed unnecessary. This ongoing process will seek to optimize the human capital to provide maximum opportunity for and yield peak efficiency from each team member. Our goal is to challenge and reward our team, and to provide opportunities for personal growth and professional development. The team is keenly aware that providing excellent, value added service to our members and partners is essential to earn and achieve our projected revenue targets critical to maintaining a stable, quality workforce.

Other Expenses

General operating expenses are based off historical experience. Two exceptions to note are travel and public relations. Concerning travel, the amount budgeted is a 50% reduction to recent historical highs budgeted for this category. Nonetheless, depending on how long the Covid restrictions linger, this may end up being much more than needed. Under any circumstance it is not likely that all these funds will be expended which will provide a modest cushion to potential impaired receipts – either from timing or otherwise, or unanticipated expenditures.

In addition, the budget includes \$36,000 for Public Relations expense. This would cover collateral material and other goods and services necessary to engage with the communities and seek their input into the important work of the Authority. As with the salaried Public Relations Director position, if we are unable to secure those funds – either from the State, from Sponsorships or otherwise, this effort will be significantly curtailed.

Project Complexities:

As we dig deeper into existing and planned projects, we continue to find complexities and loose ends, and are working with the State and other project Partners to programmatically tie them down. One issue which has been long discussed is Operations and Maintenance (O&M) post construction. While each project has or likely will have a principal advocate, there has been considerable deliberation as to who will be responsible for O&M project-by-project, in perpetuity. To date this issue remains unresolved. The State is keenly aware of this issue, and recognizes that it will be a constant impedance to progress as projects are conceptualized and ultimately developed around the Sea. Implementing a programmatic strategy for dealing with this important issue will be essential to underwriting virtually all future projects in the region.

Land use issues are another hurdle. While there are but a handful of large land holders around the Sea, land ownership is quite diverse. In addition, while some lands may be owned in fee by one party, encumbrances from third parties, including restrictions of use, further complicate project development. A number of projects have moved forward by the State with considerable lessons learned (or lessons currently being learned) in this area, and a strategic plan of action for long term land use with major landowners as well as strategies for inclusion or exclusion of small parcels must be developed in order to ensure that future projects can move forward in a timely manner.

Water quality and water availability also continue to affect nearly every project discussion. For example: how to deal with selenium and other constituents in source water, what waters can and cannot be used, and for how long would all feed into the plans for developing a successful project.

As it should, the State has recently amassed a sizeable team of professionals to assist it in developing current and future projects to satisfy their long-delayed commitments and obligations to the region. Nonetheless, only the Salton Sea Authority, with the resources drawn from its member agencies and their decades (indeed over a century) of local knowledge and experience in land use, water conservation, and community service, can best inform the creation, development, implementation, and operation of these planned projects - as mandated in State law under AB71. For the Authority to be effective on an ongoing going progressive basis, it must be so recognized by the State and other project partners, stakeholders and the community at large, as the Authority on the Salton Sea and the region. The Authority - It is in our name.