



Salton Sea Authority

Executive Director's Report

To the Board of the Directors

April 22, 2021

Executive Summary

On April 7th, the State Water Resources Control Board Division of Water Rights held a public workshop on the status of Phase 1 of the Salton Sea Management Plan via the Zoom platform. At that hearing, which lasted over 7 hours in length, the Salton Sea Authority ("Authority") had an opportunity to share a panel of "Local entities" alongside representatives from Imperial Irrigation District, Imperial County. Six panels in all made presentations to the Water Board representing a wide range of interests and stakeholder groups. Of particular interest to many, Panel 1 included community members from around the Sea, sharing with the Board their long-lived experiences, fears, and frustrations. In response, the State committed to redouble its efforts to reach out to the communities and accelerate the pace of work in addressing the decline around the Sea; however, the general sentiment of the community members, though grateful for the good intentions expressed, was "we've heard it all before". Perhaps, not coincidentally, the Authority's presentation (which [can be viewed here](#)) focused in large part on the unmet needs of the communities.

This report will touch on the Authority's recent and prospective efforts to address challenges raised at the hearing and while highlighting our efforts at improved communications and collaboration with the State and project sponsors, as well as stakeholders generally. We will also briefly summarize some of the work the Authority has done and is doing to identify and secure a wide range of funding sources to facilitate financial certainty to the revitalization efforts moving forward. It must be noted however, that none of this can be accomplished by the Authority alone. Rather, our success requires the coordinated efforts of the Authority, its members and its partners including the State of California and the Federal family.

Community Engagement

It has been clear for some time and became glaringly obvious at the Water Board hearing that there is a chasm between the significant work being undertaken by the State to address habitat restoration and air quality impacts relating to the Sea's decline and the sense of progress felt by the people of the region. Breaking ground on the 4,000 plus acres SHC project was a pivotal milestone of the State's effort, but to the people in communities which continue to be negatively impacted by the declining Sea it means little. For some months, the Authority has been engaged both in Imperial and Riverside Counties, working with our members to address community-specific projects. In Riverside County, working with County executives and staff, we have forged an agreement with the State to fund a \$19.25 million "demonstration project" which when completed will inform the work of potential future perimeter lake project(s) and other similar investments in the region. This funding was made possible through Proposition 68 and the Authority's long, diligent advocacy in that regard. Once completed, the project will also

greatly enhance the aesthetic and recreational resources of the North Shore community, a Sea-adjacent village which has long waited for hope to return. Once the grant funding agreement is fully signed, extensive community outreach and engagement will begin to better inform the community of the broad project scope, and to further refine the project within its physical and financial limitations.

Desert Shores in Imperial County is another community-centric undertaking where the Authority is actively engaged. Originally focused principally on mitigating the impacts to the “finger lakes” resulting from it being cut off from the Sea, this effort is taking on an expanded scope to evaluate several opportunities to address a wide variety of relevant, cost effective and perhaps synergistic community-specific opportunities to address the receding shoreline and its attendant impacts. Several funding sources have been identified for this project and we are working to finalize the scale, cost and available funding before a more comprehensive public engagement process is undertaken to refine the scope and efforts. Engineering students from Cal Poly San Luis Obispo’s “Engineers with Borders” program have also expressed an interest in being involved in the project, and we will explore how their program could possibly contribute to future efforts around the Sea. Again, we are actively working with community representatives in developing the project scope.

In consultation with the State and our members, we are looking to better understand the impacts associated with the decline on all communities around the Sea, and assist in bringing the proper resources and attention to bear to ensure safe, livable communities for generations to come.

Air Quality

Impacts attributable to poor air quality have plagued the region for decades. The oft repeated stories of epic “burps” and fish kills have weighed heavily on the negative image of the Sea and region, and persistent reports of childhood asthma and nose bleeds have created a level of anxiety in the communities which is not sustainable. Over the past few months, the Authority has been in regular contact with the agencies most primarily responsible for air quality in the region, including Imperial County Air Pollution Control District and South Coast Air Quality Management District. Our efforts have focused principally on understanding how the collective efforts of each, as well as the responsibilities identified under the Salton Sea Air Quality Mitigation Program, and in conjunction with leveraging resources available under programs such as the Community Air Protection Program established by AB 617 can responsibly and timely mitigate the threats to human health and safety. Based on that effort, it appears much more can be done to synchronize the efforts of the State and regional authorities and others to provide surety to the people of the region that theirs is a safe place to live, and the pursuit of this is one of the Authority’s highest priorities.

Water Quality and Availability

From the onset of the first project, water quality and water availability have been at the forefront of every conversation. Yet as projects begin to develop, lingering issues continue to make it difficult to select the best available, most cost-effective source of supply for project development. Work initiated by our Federal partners is better informing the process, and in

conjunction with our members and the State, we are hopeful that a more programmatic understanding of water rights and uses can be developed for future projects. In addition, after a several year hiatus, the State has committed to reconvene the Science Committee to include continuing discussions on this issue. The Authority intends to remain fully informed in that effort. Hopefully this rejoinder to a long expressed need for informed decision making will take a form and function that allows for the development of informed, actionable recommendations that will expedite future project deliveries.

Land Use

As has been evidenced in recent months, lack of proper access and land use rights severely impact the ability to develop successful projects at and around the Sea. Recognizing this challenge, the Authority has undertaken an outreach effort to significant landowners – public, private, and tribal - in the vicinity of currently planned and proposed future projects to ascertain their sensitivities to working with the Authority and its partners in pursuit of projects that realize a better Salton Sea and region. Generally, our efforts have been well received, but we have confirmed our belief that putting together these assemblages will not be simple. Each landowners' rights must be respected, and the unique objectives and values of each – financial, cultural, and otherwise – must be inventoried and considered. Nonetheless, we have found and believe that by getting out front in a transparent manner and working in close cooperation and collaboration with the State, our affected members, and partners in the region that the prospects of assembling the necessary acreage for project purposes is imminently achievable. Specific detail in this regard will be addressed as each project moves forward.

Funding Sources

- **Federal**

In addition to the Authority's work on WRDA, the Watershed Act and otherwise which was previously reported, we have been focused on securing funding under pending federal infrastructure legislation, and are positioning the Sea and region to access any monies that might come available via a possible reintroduction of "earmarks". While large scale direct Federal appropriations has been elusive, we have been successful in and are grateful for securing grant funding through the United States Bureau of Reclamation. Those periodic funding opportunities have allowed us to direct resources to targeted opportunities, making real impacts in the communities and regions. We are working throughout the entire Federal family to identify funding sources for projects at the Sea and are appreciative of the attention and support of Congressmen Ruiz and Vargas, and the fair consideration from Senator Feinstein.

- **State**

Several bills are making their way through the Assembly, which if enacted, could provide significant additional bond funding to the Sea, ranging from \$185 million to \$240 million. In addition, several other legislative actions are considering how other State funds might be directed to the efforts and how State policy can improve the implementation of projects at the Sea.

We continue to aggressively explore a wide variety of mechanisms and resources at the State which might facilitate access funding for the Authority as contemplated by our draft 2021/2022 business plan. We are hopeful that one or several of those avenues will be realized.

- **Local/Special Districts**

From time-to-time funds become available through special districts and other local entities. We are aware of relatively small sums in a number of different baskets that might fit well with projects being developed in the region and are actively pursuing those opportunities.

- **JPA**

Over the past several months we have had considerable discussion about the QSA Joint Powers Authority (JPA) and funds under its administration. As mentioned, these funds are advanced by the transfer participants for very specific purposes and expensed per an annual plan. We have had extensive discussion with JPA members and leadership as to how the Authority can best understand the nature of the expenditures being made by the JPA and what opportunity, if any, the Authority might have in informing that spending plan. A strategy has been discussed which would allow a more fulsome evaluation of the JPA's spending plan, which would in turn better afford the Authority's expressed desire to understand how that plan integrates into efforts of the Authority and others in the whole to mitigate risks around the Sea. The JPA approves its annual budget in June, and the Authority expects to provide public comments to the JPA as appropriate to inform the JPA to the extent it might better align its spending plan with other regional investments.

- **Private/NGO**

We have initiated conversations with local nonprofits regarding funding some of the Authority's efforts in the region and have been well received. In addition, we have learned that there may be funds available to help defray the cost of hiring interns from a local university. As these sources materialize, however modest, it will go a long way to solidifying a diverse stream of funding sources for Authority operations going forward.