



Salton Sea Authority Board of Directors Meeting

Thursday, December 9, 2021
10:00 a.m.

At Imperial County
Board of Supervisors Chamber
and via Zoom Webinar



AGENDA:
DATE:
LOCATION:

BOARD OF DIRECTORS MEETING
Thursday, December 9, 2021
10:00 a.m.
Imperial County Board of Supervisors
Chamber
940 W. Main Street
El Centro, California
and via Zoom Webinar

VIRTUAL ATTENDANCE

Pursuant to Assembly Bill 361, this meeting may be conducted in part by Zoom webinar.

The meeting can be viewed live at 10:00 a.m. December 9. Please see the meeting login information at <http://SaltonSea.com/meetings>, or access www.zoom.us, click “Join Meeting,” and enter Webinar ID 837 2226 3080 and Passcode 945600.

Those attending in person will be required to maintain appropriate social distancing: wear a facemask and maintain a six-foot distance between yourself and other individuals.

I. CALL TO ORDER
PLEDGE OF ALLEGIANCE
ROLL CALL

*A copy of the agenda and supplemental materials will be available for viewing or download at:
<https://saltonsea.com/meetings>*

II. PUBLIC COMMENTS

This Public Comments time is reserved for comments on any agenda item that is not included under “Action Items” and for comments on matters not already 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 **at the time it is called**; **all other agenda items should be addressed during this general public comment period**. California law prohibits members of the Board from taking action on matters not on the agenda.*

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

*Public comment may be delivered **verbally** during the meeting.*

In person: before the meeting, fill out a Request to Speak form and give it to the board secretary. You will be called in order of receipt for the item on which you are commenting.

*Via Zoom: use Zoom’s “raised hand” feature, or by phone press *9 to be acknowledged.*

When you speak, state your name for the record prior to providing your comments. Please address the board as a whole, through the Chairman.

*You may also **email your comments in advance to info@saltonsea.com** (include in your subject line “Public Comment, 12/9/21 SSA board meeting.”) Hand-delivered comments should be placed in an envelope addressed to “Board Secretary, Salton Sea Authority,” delivered to 82995 Highway 111, Suite 200, Indio, California, and left with the attending security officer by noon Wednesday 12/8/21 at the latest.*

*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). 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 December 8**, 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. AB 361 Remote Meeting Authorization for December 9, 2021
2. Minutes of Salton Sea Authority Board Meeting October 28, 2021
3. Warrant Register Ratification for October 2021
4. Internal Financial Report for: 7/01/2021 – 9/30/2021

V. SPECIAL PRESENTATIONS AND RECOGNITIONS

- A. Resolution of Leadership Recognition: Director James C. Hanks of Imperial Irrigation District.
- B. North Shore Pilot Demonstration Project Status Report – Juan Perez, Chief Operating Officer, County of Riverside; Douglas Ordoñez Jr, MPA, Management Analyst, Executive Office, County of Riverside

VI. DISCUSSION ITEMS

- A. Public Relations Scope of Work – Coordination and Collaboration with CNRA, Discussion and possible Board action.

VII. REPORTS

A. Federal

1. Federal Activities – (Lisa Moore Lehman, Partner, Cultivating Conservation)
2. US Bureau of Reclamation – (none)

B. State

1. State Advocacy Report – Oracio Gonzalez, Principal, Ollin Strategies

2. State of California – Mr. Miguel Hernandez, Public Affairs Officer, California Natural Resources Agency

3. Salton Sea State Recreation Area Update on Activities – (none)

C. Local

1. Salton Sea Action Committee (SSAC) – Alan Pace, SSAC President

D. General Manager's Report and Comments

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

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

SSA board meetings will be held on:

Thursday, January 27, 2022
10:00 a.m.

This meeting will be conducted both in person and via Zoom. The meeting is expected to be held in the Coachella Valley subject to securing a safe, suitable venue. A determination will be made, and public notice will be provided no later than January 13, 2022.

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.

Memorandum

To: Salton Sea Authority Board of Directors
From: G. Patrick O'Dowd, Executive Director/GM
Date: December 9, 2021
Re: AB 361 Remote Meeting Authorization for December 9, 2021
CM No. IV.A.1 - 12-9-2021

GENERAL:

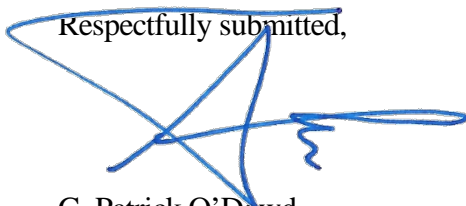
AB 361 (Government Code Section 54953(e)) provides that a local agency may employ remote teleconferencing upon a monthly finding by the governing board that certain circumstances exist, among those that there is a Governor-declared emergency and state or local officials are recommending social distancing. Both of those circumstances currently exist.

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board authorize this meeting to be held remotely via Zoom webinar by adopting the following finding:

The Board of Directors of the Salton Sea Authority hereby finds that the State of California continues in a Governor-declared state of emergency to combat the Covid epidemic and state and local health officials are recommending social distancing, and consequently the Authority Board and its other Brown-Act bodies will continue to employ remote teleconferencing under Government Code Section 54953(e).

Respectfully submitted,



G. Patrick O'Dowd
Executive Director/GM



OFFICIAL PROCEEDINGS

SALTON SEA AUTHORITY

BOARD OF DIRECTORS MEETING

October 28, 2021

I. CALL TO ORDER

The regularly scheduled meeting of the Salton Sea Authority (“Authority”) Board of Directors (“Board”) was called to order by V. Manuel Perez, President, at 10:05 a.m., Thursday, October 28, 2021, via Zoom Webinar.

PLEDGE OF ALLEGIANCE

Executive Director G. Patrick O’Dowd led the Pledge of Allegiance

ROLL CALL:

DIRECTORS PRESENT

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

AGENCY

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

* *Director Plancarte was present when the meeting started, not present when his name was called, but reconnected at 10:10 a.m. for the duration of the meeting*

** *Director Estrada was present 11:00-11:24 as noted in the text*

DIRECTORS ABSENT

Ryan E. Kelley, Director
Norma S. Galindo, Director
Arturo Delgado, Ex-Officio Member

AGENCY

Imperial County
Imperial Irrigation District
California Natural Resources Agency

In keeping with the Salton Sea Authority bylaws, there being at least three of the five member agencies represented, and a single director carrying the vote of both directors when the second director of the same agency is absent, a quorum was declared, and the meeting proceeded.

SALTON SEA AUTHORITY STAFF PRESENT

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

MEMBERS OF THE PUBLIC PRESENT

There were 33 members of the public present via Zoom and 11 participants in addition to the board members.

II. PUBLIC COMMENTS

Written comments (none)

Verbal comments (none)

III. BOARD MEMBER COMMENTS

Supervisor Perez invited board member comments. There being none, he gave an update on Riverside County activities, including that the Riverside County Board of Supervisors, at their Tuesday October 19, 2021 meeting, passed the agreement between the County of Riverside and the Salton Sea Authority to manage the Salton Sea North Lake Pilot Demonstration Project utilizing the \$19.25 million in state funding from the voter-approved Proposition 68 park bonds.

IV. ACTION ITEMS

A. CONSENT CALENDAR – Approve, Receive, and File

1. AB 361 Remote Meeting Authorization for October 28, 2021
2. Minutes of Salton Sea Authority Board Meeting September 23, 2021
3. Warrant Register Ratification for September 2021
4. Internal Financial Report for: 7/01/2021 – 8/31/2021
5. Change December 2021 meeting date from the 16th to the 9th
6. Approve 2022 Meeting Schedule

On motion by Hewitt and second by Cardenas, the Board approved the Consent Calendar to be received, and filed.

Public comment was invited prior to the vote. No comment received.

Approved by the following vote:

AYES: Directors Perez, Hewitt, Plancarte*, Santillanes, Tortez, Bianco*, Cardenas*

NOES: None

ABSENT: Director Kelley*, Estrada*, and Galindo*

ABSTAINED: None

MOTION PASSED: 10 – 0*

**In keeping with the Salton Sea Authority bylaws, a single director carries the vote of both directors of the agency when the second director of the same agency is absent.*

B. Presentation and Approval: Audit Report for Salton Sea Authority FY 2020-2021

Ms. Shannon Ayala, CPA, Partner, Davis Farr, reported on the audit Davis Farr performed for the Salton Sea Authority. They issued an unmodified opinion (the highest level of opinion that can be received) dated October 20, 2021, on the financial statements. The audit report can be viewed in the board packet online.

Staff recommendation: Salton Sea Authority Board to receive and direct staff to circulate the report to appropriate agencies.

On motion by Cardenas and second by Plancarte, unanimously approved.

Public comment was invited prior to the vote. No comment received.

Approved by the following vote:

AYES: Directors Perez, Hewitt, Plancarte*, Santillanes, Tortez, Bianco*, Cardenas*

NOES: None

ABSENT: Director Kelley*, Estrada*, and Galindo*

ABSTAINED: None

MOTION PASSED: 10 – 0*

**In keeping with the Salton Sea Authority bylaws, a single director carries the vote of both directors of the agency when the second director of the same agency is absent.*

C. Review North Lake Demonstration Project Contract with County

The Authority's Attorney, Robert Hargreaves, spoke on the contract between the Salton Sea Authority and Riverside County. The contract is a pass-through agreement to pass the funds from the state through the Authority to reimburse Riverside County for efforts it has undertaken and will undertake on behalf of the North Lake project. The Authority-County agreement and the State-Authority contract include the caveat that we will not roll over into construction until there's been a negotiation and agreement regarding the ongoing maintenance, and there will be no dirt moving until we've complied with CEQA and the public engagement process. Executive Director O'Dowd stated that the agreement includes that not all of the work will be done by the County. Discussion.

Staff recommendation: approve as submitted.

On motion by Hewitt and second by Cardenas, the Board approved the agreement between Riverside County and the Salton Sea Authority as submitted.

Public comment: question by Tom Sephton re: water source. Executive Director O'Dowd responded that all options for water supply are being evaluated and the feasibility of each is being considered.

Approved by the following vote:

AYES: Directors Perez, Hewitt, Plancarte*, Tortez*, Bianco*, Cardenas*

NOES: None

ABSENT: Directors Kelley*, Santillanes*, Estrada*, and Galindo*

ABSTAINED: None

MOTION PASSED: 10 – 0*

**In keeping with the Salton Sea Authority bylaws, a single director carries the vote of both directors of the agency when the second director of the same agency is absent.*

V. SPECIAL PRESENTATIONS AND RECOGNITIONS

A. State report on vegetation projects on West Shore and East Bombay Beach

Ms. Evon P. Willhoff, Program Manager I of the California Department of Water Resources, gave an update on the Salton Sea Management Program vegetation enhancement project on US Bureau of Reclamation lands: plant selection, plant protection, and the reasoning behind the course of action selected.

Director Cardenas expressed an interest in promoting smart off-roading to protect the state's investment in recovery of the terrain and to create a balance between conservation and recreation.

B. Presentation by Kounkuey Design Initiative (KDI)

Ms. Lauren Elachi, KDI Senior Design Coordinator, told of work they do in the community and showed examples of gathering community input and working with local communities to design parks that the communities will enjoy using.

C. Presentation of Leadership Recognition Plaque to Director Alex Cárdenas

Chairman Perez displayed the leadership recognition plaque that will be sent to Director Cardenas and read a series of accomplishments during Director Cardenas' leadership, then invited other directors and Director Cardenas to speak.

VI. DISCUSSION ITEMS

A. Standardized procedure regarding letters of support for for-profit and non-profit enterprises doing work at or around the Sea. Discussion and possible action/board direction.

In follow-up to this item from September's board meeting, a standardized general letter of support and resolution were drafted for the board's approval for use – when authorized by either member of the *ad hoc* Executive Committee (President or Vice President) – in expressing general support for efforts benefitting the Salton Sea without endorsing the specific individual, business, or proposed project or technology.

Staff Recommendation: Adopt proposed resolution and template letters of support as an ongoing policy in support of such efforts, or as the Board may otherwise direct.

On motion by Cardenas and second by Tortez, the Board approved the resolution and implementation of procedure as presented by staff.

Public comment was invited prior to the vote. No comments received.

Approved by the following vote:

AYES: Directors Perez, Hewitt, Plancarte*, Torte, Bianco*, Cardenas*

NOES: None

ABSENT: Director Kelley*, Estrada*, and Galindo*

ABSTAINED: Santillanes

MOTION PASSED: 9 – 0*

**In keeping with the Salton Sea Authority bylaws, a single director carries the vote of both directors of the agency when the second director of the same agency is absent*

VII. REPORTS

A. Federal

1. Federal Activities

Ms. Lisa Moore Lehman, Partner, Cultivating Conservation, reported on the Salton Sea Projects Improvement Act that increases the amount of money that the Bureau of Reclamation can spend at the Salton Sea to \$250 million (authorization to spend, and funding to do so). Also in place is authorization for the Army Corps of Engineers to do a feasibility study for the Salton Sea, which would be needed if they were asked to fund a portion of the SSMP long-range plan.

2. US Bureau of Reclamation

Ms. Genevieve Johnson, Program Manager for the Salton Sea, reported on the Bureau's various projects around the Sea and that there won't be an update on Reclamation's budget until Congress passes that budget (perhaps in December)?

B. State

1. State Advocacy Report

Mr. Oracio Gonzalez, Principal at Ollin Strategies, reported that after last month's meeting the governor signed the budget bill containing the \$40 million for the Salton Sea.

2. State of California

Mr. Miguel Hernandez, Public Affairs Officer, California Natural Resources Agency, gave an update on the Species Conservation Habitat project: construction is on schedule, a causeway embankment is complete, access road maintenance continues, and the project is expected to continue through the end of 2023.

3. Salton Sea State Recreation Area (none)

C. Local

1. Salton Sea Action Committee (SSAC)

Mr. Alan Pace, SSAC President, told of upcoming events: a presentation, a field trip, and a virtual tour.

D. General Manager's Report and Comments

1. G. Patrick O'Dowd, Executive Director/GM, Salton Sea Authority, referred attendees to his written manager's report, and reported that he, advocate Oracio

Gonzalez, and a representative of the lithium industry met with Assemblymember Garcia and Assemblymember Rivas at the Salton Sea to share with them the history of the Salton Sea, how we got to where we are, what we're doing, and where we're going.

VIII. ADJOURNMENT

Board President Perez adjourned the meeting at 11:54 a.m.

NEXT MEETING TIME & LOCATION:

Thursday, December 9, 2021, at 10:00 a.m.

Location to be confirmed:

via Zoom,

or at

County of Imperial Board of Supervisor Chambers

County Administration Center
940 West Main Street, Suite 209
El Centro, CA. 92243

Checking Account Activity

October 1, 2021 through October 31, 2021



Warrant Date	Warrant Number	Vendor Name	Amount
Beginning Cash			\$ 343,782.00
10/12/2021	EFT	Pacific Western Payment	(2,863.89)
10/25/2021	EFT	VISA Payment	(51.99)
10/25/2021	1259	ACWA	(5,695.00)
10/25/2021	1260	Best, Best & Krieger	(4,230.40)
10/25/2021	1261	Bravata, Lisa	(15.12)
10/25/2021	1262	Cultivating Conservation	(7,000.00)
10/25/2021	1263	Eide Bailly LLP	(6,495.35)
10/25/2021	1264	OfficeTeam	(8,901.12)
10/25/2021	1265	Ollin Strategies	(5,000.00)
10/25/2021	1266	SystemGo IT LLC	(691.00)
10/25/2021	1267	O'Dowd, G.Patrick	(403.70)
10/25/2021	EFT	Verizon Wireless	(124.20)
Net Activity			(41,471.77)
Ending Cash			\$ 302,310.23



Salton Sea Authority

Profit & Loss Budget to Actual

(Unaudited)

Year to Date through September 30, 2021

	General Fund	DWR - Prop 68 Grant	TOTAL	FY 21-22 Budget	% of Budget	\$ Variance
1 INCOME						
2 Local Government/Member Assessments	\$ 610,000	\$ -	\$ 610,000	\$ 610,000	100%	\$ -
3 Ex Officio State Dues	-	-	-	150,000	0%	(150,000)
4 Sponsorships	-	-	-	50,000	0%	(50,000)
5 Other Grants	-	-	-	80,000	0%	(80,000)
6 State of California Grants (Prop 68)	-	225,113	225,113	250,000	90%	(24,887)
7 Pooled Cash Allocated Interest	-	-	-	1,000	0%	(1,000)
8 Miscellaneous Revenue	-	-	-	-	0%	-
9 TOTAL INCOME	\$ 610,000	\$ 225,113	\$ 835,113	\$ 1,141,000	73%	\$ (305,887)
10 EXPENSE						
11 SSA Administration						
12 Salaries & Benefits						
13 Total Salaries	\$ 47,679	\$ 7,764	\$ 55,444	\$ 371,800	15%	\$ (316,356)
14 Total Employee Benefits	30,097	-	30,097	166,200	18%	(136,103)
14 Total Salaries & Benefits	77,777	7,764	85,541	538,000	16%	(452,459)
15 Contract Service / Professional						
16 DC Advocates	21,000	-	21,000	84,000	25%	(63,000)
17 Sacramento Advocate	15,000	-	15,000	60,000	25%	(45,000)
18 Grant Administration	18,173	-	18,173	100,000	18%	(81,827)
20 Contract Attorney	5,460	-	5,460	75,000	7%	(69,540)
21 Audit & Accounting	8,887	781	9,668	75,000	13%	(65,332)
22 Contract Service / Professional	68,520	781	69,301	394,000	18%	(324,699)
23 Equipment Maintenance	2,073	-	2,073	12,000	17%	(9,927)
24 Capital Equipment	-	-	-	2,400	0%	(2,400)
25 Insurance	2,316	-	2,316	9,300	25%	(6,984)
26 Office Expense/Operating Supplies	3,186	-	3,186	6,000	53%	(2,814)
27 Office Expense/Online Services	734	-	734	3,000	24%	(2,266)
28 Dues, Subscriptions	4,246	-	4,246	10,000	42%	(5,754)
29 Public Relations	-	-	-	36,000	0%	(36,000)
30 Travel/Mileage	3,148	-	3,148	48,000	7%	(44,852)
31 Technical Support - Consultant	-	-	-	24,000	0%	(24,000)
32 Utilities	-	-	-	3,000	0%	(3,000)
33 Total SSA Administration	162,000	8,546	170,545	1,085,700	16%	(915,155)
34 Grant Expenses						
35 Rivco Salaries	-	-	-	-	0%	-
36 Contractors	-	216,568	216,568	-	0%	216,568
37 Total Grant Expenses	-	216,568	216,568	-	0%	216,568
38 TOTAL EXPENSE	162,000	225,113	387,113	1,085,700	36%	(698,587)
39 NET INCOME	\$ 448,000	\$ -	\$ 448,000	\$ 55,300		\$ 392,700

*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 September 30, 2021

	General Fund	702 Fish Clean Up Trust	DWR - Prop 68 Grant	NSBYC Grant	TOTAL
1 ASSETS					
2 Checking/Savings					
3 Cash - PW Checking	\$ 322,791	\$ 20,991	\$ -	\$ -	\$ 343,782
4 Cash - RivCo Fund	41,998	-	-	-	41,998
5 RivCo investment fund	5,127	-	-	-	5,127
6 Cash - Petty Cash	-	-	-	-	-
7 Total Checking/Savings	369,916	20,991	-	-	390,907
8 Other Current Assets					
9 Due from Grant Funds	19,254	-	-	-	19,254
10 Prepaid Items	11,531	-	-	-	11,531
11 Interest Receivable	-	-	-	-	-
12 Grant Receivable	-	-	235,821	-	235,821
13 Total Other Current Assets	30,784	-	235,821	-	266,605
14 TOTAL ASSETS	\$ 400,700	\$ 20,991	\$ 235,821	\$ -	\$ 657,513
15 LIABILITIES & FUND BALANCE					
Liabilities					
16 Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
17 Credit Cards					
18 Credit Card Payable (Visa)	52	-	-	-	52
19 Credit Card Payable (Pac West)	2,864	-	-	-	2,864
20 Total Credit Cards	2,916	-	-	-	2,916
21 Other Current Liabilities					
22 Accrued Expenditures	13,495	-	-	-	13,495
23 Due to Other Funds	-	-	19,254	-	19,254
24 Due to Rivco	-	-	216,568	-	216,568
25 Accrued Vacation	21,610	-	-	-	21,610
26 Total Other Current Liabilities	35,106	-	235,821	-	270,927
27 Total Liabilities	38,022	-	235,821	-	273,843
28 Fund Balance	362,678	20,991	-	-	383,670
29 TOTAL LIABILITIES & FUND BALANCE	\$ 400,700	\$ 20,991	235,821	\$ -	\$ 657,513

*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.



MEMO

TO: Salton Sea Authority Board of Directors and G. Patrick O'Dowd
FROM: Lisa Moore
RE: Year-End Federal Report
DATE: December 6, 2021

This federal report provides an update on the recently enacted Infrastructure Investment and Jobs Act (IIJA), the Build Back Better Act (BBB Act) (pending), and FY22 federal appropriations (pending) as these measures relate to the Salton Sea. In our prior board meeting, Directors requested background on the key recent achievements in our federal strategy, which is provided below following a brief summary for those looking for a shorter update.

Memo Summary:

In brief summary and described in more detail below, these achievements include: (1) advancing major funding in the IIJA for USDA, the Corps of Engineers and Reclamation that the Salton Sea is well positioned to access; (2) Sea-specific Corps of Engineers legislative project authorization and earmarked funding in the pending federal appropriations legislation for FY22 advocated for by the Authority; and (3) \$100 million in Sea-specific funding in the pending BBB Act also advocated for by the Authority. The advantageous positioning of the Salton Sea for federal investment via these measures is the result of the Authority's advocacy efforts and work over multiple years with our congressional delegation.

1. Infrastructure Investment and Jobs Act

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (IIJA) into law. The legislation authorized \$1.2 trillion in total spending. The legislation in general provided additional plus up funding into the budgets of federal agencies, rather than earmarked funding for specific projects. As described below, the practice of "earmarking" spending for specific projects returned to Congress this year after a ten-plus-year prohibition. Earmarking occurs in the annual federal appropriations bills, and the Authority was quick to act upon this development by securing a FY22 earmark to advance our federal strategy (see below).

Regarding IIJA, the Authority has worked to position the Salton Sea for investments from three of the federal agencies that received major plus ups in the newly enacted law — the Department of Agriculture (USDA), the Army Corps of Engineers (Corps), and the Bureau of Reclamation (Reclamation). Accessing the new project implementation/construction funding pumped into these agencies through IIJA requires the completion of legally required planning analyses in most cases. Through the Authority's legislative and administrative advocacy program, we have advanced these required planning steps such that the Sea is now in a good position to access these new project implementation resources. Only projects that have secured resources to advance such planning stages are well positioned to take advantage of the IIJA funding.

7.A. Federal Activities Report

a. USDA

Beginning in 2016, the Authority undertook a major effort to restore funds to USDA's Watershed Act program. We did this because the program was very well suited to the habitat and air quality work that forms the basis of the State's Salton Sea Management Program. In addition, it is one of the few federal programs where funds may also be used to advance recreational amenities. Because of the Authority's groundwork, the Salton Sea is now very well positioned to benefit from the major increases in funding this USDA program has received in large measure through our advocacy over the last several years, including most recently a \$500 million plus up in the IIJA.

In particular, after working with our delegation to legislatively restore overall funding to the program — taking it from \$0 in 2016 to roughly \$500 million in 2021, the Authority then took steps to access this funding for the Sea. In 2017, the Authority secured (by writing the State's application and related advocacy) the State USDA planning funding through USDA's competitive application process for the State to undertake the required Watershed Plan analysis that is a legal prerequisite to accessing Watershed Act design and construction assistance. Any project/activity reviewed in the completed Watershed Plan is eligible for 100% design assistance from USDA and 50/50 cost-share for construction.

Knowing that the State is now nearing completion of the Watershed Plan analysis and to increase the chances of securing major USDA funding to implement it, the Authority advocated for and helped to secure an additional \$500 million plus up to the Watershed Act program in the new IIJA. Following the enactment of the IIJA, the Authority has discussed securing Watershed Act design and construction assistance for the Salton Sea with USDA leadership in California and DC. Given the influx of funding to the program, USDA is actively looking for projects ready for design and construction assistance — USDA HQ recently sent out a directive to its state officials to identify such projects.

Due to the groundwork laid by the Authority, the Sea is now well-positioned to receive such funding. Our ability to do so will be dictated somewhat by the strength of the State's Watershed Plan, which as noted above we have been told is close to complete.

b. Army Corps

The idea of securing Corps funding for the Salton Sea goes back to the early 2000s, with various legislative authorizations enacted, but funding never subsequently secured. When Cultivating was retained in 2019, our congressional delegation and Authority Directors expressed interest in making run at Corps funding once again in view of the anticipated large cost associated with long-term Salton Sea management. If we complete the steps to access Corps funding for such management, the Corps would contribute 65% federal funding to implement that management plan — a significant federal investment long term. As a strategy, the Corps makes sense because the agency is already engaged at the Salton Sea as the principal federal permitting agency, has a significant aquatic ecosystem restoration budget, and has engaged in major ecosystem restoration projects around the county. The IIJA includes \$17.1 billion in emergency appropriations to the Corps, including \$1.9 billion for its aquatic ecosystem restoration account.

7.A. Federal Activities Report

Finally, our congressional delegation holds key positions of influence over the Corps' work. In particular, in the Senate, Senator Padilla sits on the relevant committee responsible for authorizing Corps projects. Critically, Senator Feinstein is the chairman of the Senate Appropriations Subcommittee responsible for Corps funding. Congressmen Ruiz and Vargas have been active advocates on the House side, securing the initial authorization described below and successfully lobbying their colleagues for federal appropriations.

Like USDA's Watershed Act, accessing Corps of Engineers funding for the Salton Sea requires the completion of a prerequisite study — in the Corps' case, a feasibility study. While further study of the Salton Sea may seem or be duplicative, this is a Corps legal requirement that must be met to access 65% Corps project implementation funding. Because Corps of Engineers planning requirements are more significant relative to USDA's (they require specific legislative authorizations and generally take 3 years to complete), the Authority has targeted Corps funding as a match for the State's long-range planning/management effort.

In order to advance this strategy (which was discussed in detail with the State at the time), the Authority worked with our congressional delegation to secure the Corps' legislative authorization to undertake a Salton Sea feasibility study to evaluate long-term Salton Sea management options in the Water Resources Development Act of 2020. Such new authorizations are very difficult to secure. Our success in doing so is testament to the effectiveness of our Directors and staff in raising the visibility of the Salton Sea in Congress over multiple years.

Next, the Authority worked with our congressional delegation to request an earmark in the FY22 Energy and Water Appropriations legislation now pending to begin the study. New congressional rules surrounding earmarks limit the number/type of earmarks members may request. Notably, Senators Feinstein and Padilla, and Congressmen Vargas and Ruiz all made this Salton Sea earmark request, which was subsequently included in both the House and Senate versions of the appropriations legislation now pending.

The federal government is now operating under a continuing funding resolution until February 2022, at or before which time, it is likely that Congress will turn to moving the FY22 bills. Once enacted into law, a local partner for the Corps study will need to pledge cost-share on the study (initially \$200,000). We have discussed with the State a joint Authority/State local partnership to work with the Corps on the study. We have also conducted briefings with the Corps and the State that have demonstrated that the Corps process dovetails extremely well with the State's long-range planning process.

2. Build Back Better Act

The Build Back Better Act (BBB Act) is the major legislative vehicle Democrats are currently advancing through the budget reconciliation process. In the Senate, legislation advanced through reconciliation may be passed in the Senate on a majority vote rather than the 60 vote requirement applicable to other legislation. Not every legislative measure may be included in a reconciliation bill, however. In order to be eligible for inclusion, the measure must have an effect

on the budget. Further, outright earmarks to projects specifically named are generally prohibited under Senate reconciliation rules.

As described below, the House has passed its version of the BBB Act, which includes a measure specifically for the Salton Sea and funding for Reclamation designated for the Lower Colorado River basin states to address the impact of Colorado River drought and the 2019 Drought Contingency Plan agreement. The Senate is making modifications to the House-passed BBB Act.

a. Reclamation Salton Sea Funding

The BBB Act passed by the House includes section 70803, advanced by Congressmen Ruiz and Vargas. The Authority advocated for the inclusion of Salton Sea funding in the BBB Act via letter and direct advocacy. Because the bill will need to pass the Senate, and Senate reconciliation rules do not allow the specific, by name earmarking, the House Sea provision was written to avoid violating this Senate rule (and thereby avoid being stripped from the bill in the Senate). Section 70803 provides \$100 million in actual funding for Reclamation to provide grants and to enter into cooperative agreements with partners (State or subdivision, Tribe irrigation district, municipality, water district, non-profit, institution of higher learning or an agency established under state law [like the Authority]) to mitigate the impacts of drought/reduced water inflows.

b. Drought Contingency Plan and other Interior Funding

The BBB Act also includes specific funding for Reclamation to implement the 2019 Colorado River Drought Contingency Plan (DCP) which is designed to bolster lake levels in Lake Mead and Lake Powell through voluntary water conservation efforts and/or otherwise improve the long-term efficiency of operations. The BBB Act specifically authorizes \$300 million for such efforts, reserving \$50 million of this amount for the Upper Basin. The bill also provides \$100 million for watershed health projects to be implemented as a grants program by the Secretary of the Interior to design, implement and monitor conservation outcomes of habitat restoration projects that improve watershed health in a river basin affected by a Bureau of Reclamation project.



Executive Director's Report To the Board of the Directors December 9, 2021

E Pluribus Unum *(out of many, one)*

The Authority was formed 28 years ago to bring together four local agencies to address known challenges and seize future opportunities relating to the Salton Sea and region. With the addition of the Torres Martinez Desert Cahuilla Indians a decade later, the collective, locally elected leadership of the Authority has faithfully served and represented every person in the Imperial and Coachella valleys in this critical undertaking. To be sure, over its history the Authority has had its peaks and valleys, but the lessons learned, and the durable relationships formed along the way, will serve this region well for generations to come.

Over the past year, the Authority focused on achieving three critical areas of alignment: Unified Vision, Unified Message, and Unified Effort.

Unified Vision

One of the Authority's great historical challenges has been first in defining and articulating those challenges and opportunities and agreeing on plans and programs to transition the Sea and region from what it once was to what it sustainably can be. From the grandiose concepts of the early years to days of complete frustration and near resignation (a sentiment also often expressed by local stakeholders due to the systemic inaction), the Authority can now see a clearer vision emerging. The State of California, with strong advocacy from the highest levels of this administration and robust commitments from the legislature, has boldly acknowledged their long failings to address the past promises made, and has demonstrated unprecedented attention to catching up to those unfulfilled commitments. In addition, the federal government has become less reticent to acknowledge its responsibilities at the Sea, and has become much more engaged and collaborative in the development of programs to both compliment the state's effort and pursue other investments necessary for the region's long term sustainable restoration.

And while each Member of the Authority represents and serves the particular needs of their individual constituency, the members collectively have become much more collaborative in the pursuit of projects that will contribute to improved quality of life in all communities around the Sea. That collaborative spirit and voice has been an indispensable tool in securing increased local, state, and federal support and funding

that will further enhance our ability to implement meaningful change in the coming years.

Unified Message

Historically, the visions, goals, and objectives, for the future of the Sea were vast and varied. University shelves are littered with study after study of projects conceived for the “restoration” of the Sea. As a result, any attempt to communicate a unified vision for and specific needs of the Sea and region were drowned out like the Tower of Babel, with every project proponent speaking their own language and in the end no one being heard. But the work now being done to develop a more cohesive plan has begun to change that dynamic, and a more clear, compelling story of the future of the region is emerging.

The state is in the process of launching its 10 year plan, and in collaboration with the Authority - with substantive input from its Stakeholders – is formulating the development of, funding for, and implementation of the ultimate “long range plan”. Because of the coordination and cooperation, it is becoming increasingly easier to harmonize the message of efforts being undertaken. And although this process is far from perfected, additional investments being made and proposed by the state will only enhance our collective ability to educate and inform the vast stakeholder group.

Moreover, through this process, input received from the communities and other stakeholders has and will continue to contribute to the evolution of the concepts and plans that will ultimately define the future of the region.

Unified Effort

Many hands make light work. Working with our state and federal partners the Authority has been successful over the past year in aligning the resources of our Member organizations on project-specific objectives and making measurable strides towards tangible goals. Imperial County’s hands-on involvement in the Desert Shores community project, Riverside County’s active participation in and administration of the North Lake Pilot Demonstration Project, or any one of several activities at and around the Sea (including Audubon’s Bombay Beach Wetlands project) are producing tangible benefits being derived from the collaboration with and between the Authority and its federal, state, public, and private partners.

As we continue to reach out into our communities, both at the Sea, within the region and elsewhere, we will be able to more fully inform and operationalize the talents and resources available to ensure the success of this great effort.