



Salton Sea Authority Board of Directors Meeting

Thursday, February 24, 2022
10:00 a.m.

via Zoom Webinar



AGENDA:
DATE:
LOCATION:

BOARD OF DIRECTORS MEETING
Thursday, February 24, 2022
10:00 a.m.
Via Zoom Webinar

VIRTUAL ATTENDANCE

Pursuant to Assembly Bill 361, to reduce the potential risk of COVID spread to our local communities, this meeting will be conducted via Zoom webinar.

The meeting can be viewed live at 10:00 a.m. February 24. Please see the meeting login information at <http://SaltonSea.com/meetings>, or access www.zoom.us, click "Join Meeting," and enter Webinar ID 815 6924 6256 and Passcode 162540.

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.*

*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, 2/24/22 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 2/23/22 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 February 23**, 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 February 24, 2022
2. Minutes of Salton Sea Authority Board Meeting January 27, 2022
3. Warrant Register Ratification for January 2022
4. Internal Financial Report for: 7/01/2021 – 12/31/2021

V. SPECIAL PRESENTATIONS AND RECOGNITIONS

- A. “Hell’s Kitchen” Status Report and Update – presented by Controlled Thermal Resources
- B. Lithium Valley Economic Opportunity Investment Plan – presented by County of Imperial

VI. DISCUSSION ITEMS (none)

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. Executive Director’s Report and Comments

1. G. Patrick O’Dowd, Executive Director/GM, Salton Sea Authority

VIII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

The Salton Sea Authority board meeting will be held:

Thursday, March 24, 2022, at 10:00 a.m.

Location:

County of Imperial Board of Supervisor Chambers
County Administration Center
940 West Main Street, Suite 211
El Centro, CA 92243

(subject to change based on public health directives then in effect)

Participation will also be available via Zoom

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: February 24, 2022
Re: AB 361 Remote Meeting Authorization for February 24, 2022
CM No. IV.A.1 - 2-24-2022

GENERAL:

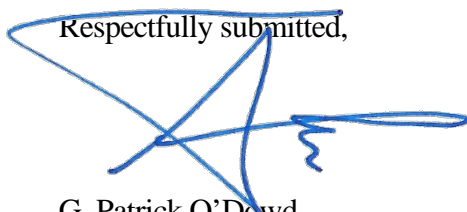
AB 361 (Government Code Section 54953(e)) provides that a local agency may employ remote teleconferencing upon a monthly finding by the governing board that certain circumstances exist, among those that there is a Governor-declared emergency and state or local officials are recommending social distancing.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

January 27, 2022

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 10:00 a.m., Thursday, January 27, 2022, via Zoom Webinar.

PLEDGE OF ALLEGIANCE

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

ROLL CALL:

DIRECTORS PRESENT VIA ZOOM

V. Manuel Perez, President
Luis A. Plancarte, Vice-President
Thomas Torte, Director
Cástulo R. Estrada*, Director
Alex Cárdenas*, Director
Jeff Hewitt*, Director
Jim Hanks, Director
Arturo Delgado*, Ex-Officio Member

AGENCY

Riverside County
Imperial County
Torres Martinez Desert Cahuilla Indians
Coachella Valley Water District
Imperial Irrigation District
Riverside County
Imperial Irrigation District
California Natural Resources Agency

** Directors Estrada, Cardenas and Hewitt joined the meeting during public comments. CNRA Assistant Secretary Delgado joined the meeting during board member comments.*

DIRECTORS ABSENT

Ryan E. Kelley, Director
Altrena Santillanes*, Secretary
Anthony Bianco*, Treasurer

AGENCY

Imperial County
Torres Martinez Desert Cahuilla Indians
Coachella Valley Water District

*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
Robert Hargreaves, Best Best & Krieger, Legal Counsel
Carlos Campos, Best Best & Krieger, Legal Counsel

MEMBERS OF THE PUBLIC PRESENT

There were 36 members of the public present via Zoom and 14 participants in addition to the board members.

II. PUBLIC COMMENTS

Written comments (none)

Verbal comments:

- Ron Spears, President of Bahia Del Mar Property Owners Association, advised the Authority board of the creation of the Desert Shores Channel Restoration Oversight Committee for the Desert Shores Channel Restoration Project, its purpose, and their desire to be part of the project planning and implementation.
- Tom Sephton, President of Ecomedia Compass, and a member of the Desert Shores Channel Restoration Oversight Committee, spoke on the importance of a project at Desert Shores, and expectation of transparency of project activity.

Directors Estrada, Cardenas and Hewitt joined the meeting during public comments.

III. BOARD MEMBER COMMENTS

Director Estrada replied to a comment about QSA responsibilities – that the responsibilities were defined as part of the QSA negotiations and that the agencies involved are addressing those responsibilities.

Chairman Perez welcomed Director Hanks back to the Authority board.

Vice Chairman Plancarte reported on the change of Mexico's government following elections in Mexico and the opportunity it provided to inform new appointees and electeds regarding the Salton Sea.

Director Hewitt, also, commented on possible opportunities with the new government of Mexico.

Chairman Perez suggested a possible tour here for officials from Mexico and a meeting either here in the U.S. or in Mexicali. He then reported on recent and upcoming events.

IV. ACTION ITEMS

A. CONSENT CALENDAR – Approve, Receive, and File

1. AB 361 Remote Meeting Authorization for January 27, 2022
2. Minutes of Salton Sea Authority Board Meeting December 9, 2021
3. Warrant Register Ratification for November 2021
4. Warrant Register Ratification for December 2021
5. Internal Financial Report: 7/01/2021 – 11/30/2021
6. Update LAIF Authorizations

On motion by Hewitt and second by Plancarte, 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*, Torte*, Estrada*, Cardenas, and Hanks

NOES: None

ABSENT: Directors Kelley*, Santillanes*, and Bianco*.

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. New River Improvement Project, Calexico Reach – Project Update report by Miguel Figueroa, City Manager, City of Calexico

Chairman Perez announced that there is a discussion item under VI.A related to this presentation that may result in board action. He invited a motion to consolidate these two items so action could be taken as appropriate once this presentation is completed.

On motion by Torte* and second by Cardenas, the Board approved consolidating item V.A and item VI.A into one item in case the board would choose to discuss and take action after the presentation.

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

Approved by the following vote:

AYES: Directors Perez, Hewitt, Plancarte*, Torte*, Estrada*, Cardenas, and Hanks.

NOES: None

ABSENT: Directors Kelley*, Santillanes*, and Bianco*.

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.*

Mr. Figueroa gave a presentation update on the New River Improvement Project: discussed the history of this effort, gave an overview of the project and its “reaches” and the current status and timeline.

Discussion followed, with no action taken.

B. North Lake Pilot Demonstration Project – Schedule Update

Douglas Ordonez, Jr., MPA, Management Analyst, Executive Office, County of Riverside, gave a brief update on the County’s Request for Proposals (RFP), the project website which would go live the next week, and on the upcoming community outreach meeting to be held Saturday, February 5.

C. Desert Shores Update

Executive Director O’Dowd gave a brief overview of the Authority’s involvement with the Desert Shores project.

VI. DISCUSSION ITEMS

A. Discuss Salton Sea Authority’s Proposition 68 funding for New River Water Quality, Public Health, and River Parkway Development Program, and at Board direction take appropriate action regarding the proposed New River Improvement Project

(This discussion took place with item V.A. New River Improvement Project)

B. US Army Corps of Engineers “Investigations Work Plan” / Feasibility Study: Update and Next Steps

Executive Director O’Dowd reported that efforts to engage the US Army Corps of Engineers on work at the Salton Sea have been in the works since 2007 in Water Resource Development Act (WRDA), and in 2020 WRDA authorization for a feasibility study was successfully secured, a testament to our advocacy in D.C. and support from Congressmen Ruiz and Vargas and Senators Feinstein and Padilla. (Feasibility studies are required in order to utilize Corps funding. Very few – typically fewer than ten per year – are able to secure congressional authorization.)

Mr. O’Dowd invited federal advocate Lisa Moore to comment further, which she did as part of her report.

VII. REPORTS

A. Federal

1. Federal Activities

Ms. Lisa Moore Lehman, Partner, Cultivating Conservation, reported that both our congressional delegation and the Corps have made this Salton Sea funding one of their highest priorities. The Corps’/Federal funding portion is a 65% share. The state’s process and the Corps’ process should move in tandem. The board

meeting packet includes a memo provided by Ms. Moore that gives more detail on the funding opportunity.

2. US Bureau of Reclamation (none)

B. State

1. State Advocacy Report

Mr. Oracio Gonzalez, Principal at Ollin Strategies, reported that the governor's budget released January 10 included two items related to the Salton Sea but, based on his preliminary review, he did not see reference to the remaining balance of the \$220 million the governor had committed to the Salton Sea. Discussion followed about writing and sending a letter requesting the inclusion of this funding in the budget. He also reported that the governor is enabling the Lithium Valley as a top priority for the budget.

2. State of California

Mr. Miguel Hernandez, Public Affairs Officer, California Natural Resources Agency, reported on dates of long-range planning committee meetings, on vegetation enhancement efforts, and air quality monitor placements (some Q&A followed), the wrapping up of the 2022 annual report, and the upcoming February 9 community engagement committee meeting via Zoom

3. Salton Sea State Recreation Area (SSSRA)

Steve Quartieri, District Superintendent, California State Parks, reported that despite COVID, attendance remains strong at the SSSRA. Day use areas and campgrounds remain open, and the visitors' center is open Wednesday through Sunday. They are working with Kounkuey Design Initiative (KDI) to enhance community engagement, including development of a local astronomy club that meets with local astronomers.

C. Local

1. Salton Sea Action Committee (SSAC)

Mr. Alan Pace, SSAC President, reported that the SSAC has committed \$6000 toward Salton Sea Authority's website, and continues work on their own website and outreach plans.

D. General Manager's Report and Comments

1. G. Patrick O'Dowd, Executive Director/GM, Salton Sea Authority, referred the chairman and attendees to his report in the board packet on the website and called attention to two items not in the report:

The Salton Sea Authority was able to host the Water Education for Latino Leaders ("WELL") at the North Shore Yacht Club and he answered questions from officials from throughout the state on the work of the Authority and on activities in the area. He attended, with Director Hewitt, a SoCal Water Coalition meeting, of which the Salton Sea was the main focus.

VIII. ADJOURNMENT

President Perez adjourned the meeting at 12:00 p.m.

NEXT MEETING TIME & LOCATION:

The Salton Sea Authority board meeting will be held:

Thursday, February 24, 2022, 10:00 a.m.

Via Zoom

DRAFT

Checking Account Activity

January 1, 2022 through January 31, 2022



Warrant Date	Warrant Number	Vendor Name	Amount
Beginning Cash			\$ 196,948.33
01/23/2022	EFT	Pacific Western Payment	(4,575.68)
01/23/2022	EFT	Verizon Wireless	(55.92)
01/24/2022	1290	Best, Best & Krieger	(2,498.20)
01/24/2022	1291	Bravata, Lisa	(218.40)
01/24/2022	1292	Cultivating Conservation	(7,000.00)
01/24/2022	1293	Eide Bailly LLP	(6,094.25)
01/24/2022	1294	O'Dowd, G.Patrick	(1,031.79)
01/24/2022	1295	OfficeTeam	(5,720.01)
01/24/2022	1296	Ollin Strategies	(5,000.00)
01/24/2022	1297	SystemGo IT LLC	(691.00)
01/24/2022	1298	Thill, Linda	(218.85)
01/25/2022	Deposit	Donation for Assembly member Garcia's Salton Sea Tour from Hell's Kitchen, Geothermal, LLC	4,250.00
Net Activity			(28,854.10)
Ending Cash			\$ 168,094.23

Salton Sea Authority
Warrant Register Jan. 2022



Salton Sea Authority

Profit & Loss Budget to Actual

(Unaudited)

Year to Date through December 31, 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)	-	265,083	265,083	250,000	106%	15,083
7 Pooled Cash Allocated Interest	34	-	34	1,000	3%	(966)
8 TOTAL INCOME	\$ 610,034	\$ 265,083	\$ 875,117	\$ 1,141,000	77%	\$ (265,883)
9 EXPENSE						
10 SSA Administration						
11 Salaries & Benefits						
12 Total Salaries	\$ 98,881	\$ 21,247	\$ 120,128	\$ 371,800	32%	\$ (251,672)
13 Total Employee Benefits	63,129	-	63,129	166,200	38%	(103,071)
14 Total Salaries & Benefits	162,010	21,247	183,257	538,000	34%	(354,743)
15 Contract Service / Professional						
16 DC Advocates	42,000	-	42,000	84,000	50%	(42,000)
17 Sacramento Advocate	30,000	-	30,000	60,000	50%	(30,000)
18 Grant Administration	40,426	-	40,426	100,000	40%	(59,574)
19 Contract Attorney	3,336	9,445	12,780	75,000	17%	(62,220)
20 Audit & Accounting	26,956	1,799	28,755	75,000	38%	(46,245)
21 Contract Service / Professional	142,718	11,244	153,961	394,000	39%	(240,039)
22 Equipment Maintenance	4,146	-	4,146	12,000	35%	(7,854)
23 Capital Equipment	-	-	-	2,400	0%	(2,400)
24 Insurance	4,973	-	4,973	9,300	53%	(4,327)
25 Office Expense/Operating Supplies	4,811	-	4,811	6,000	80%	(1,189)
26 Office Expense/Online Services	1,342	-	1,342	3,000	45%	(1,658)
27 Dues, Subscriptions	8,507	-	8,507	10,000	85%	(1,493)
28 Public Relations	2,801	-	2,801	36,000	8%	(33,200)
29 Travel/Mileage	8,917	-	8,917	48,000	19%	(39,083)
30 Technical Support - Consultant	-	-	-	24,000	0%	(24,000)
31 Utilities	-	-	-	3,000	0%	(3,000)
32 Total SSA Administration	340,224	32,491	372,715	1,085,700	34%	(712,985)
33 Grant Expenses						
34 Riverside County Salaries	-	4,398	4,398	-	0%	4,398
35 Contractors	-	228,195	228,195	-	0%	228,195
36 Total Grant Expenses	-	232,593	232,593	-	0%	232,593
37 TOTAL EXPENSE	340,224	265,083	605,308	1,085,700	56%	(480,392)
38 NET INCOME	\$ 269,809	\$ -	\$ 269,809	\$ 55,300		\$ 214,509

Financial Statement p. 1 of 2

*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 December 31, 2021

	General Fund	Fish Clean Up	DWR - Prop 68 Grant	TOTAL
1 ASSETS				
2 Checking/Savings	173,589	20,991	-	194,580
3 Other Current Assets				
4 Due from Grant Funds	33,648	-	-	33,648
5 Prepaid Items	13,640	-	-	13,640
6 Grant Receivable	-	-	266,241	266,241
7 Total Other Current Assets	47,287	-	266,241	313,528
8 TOTAL ASSETS	\$ 220,876	\$ 20,991	\$ 266,241	\$ 508,108
9 LIABILITIES & FUND BALANCE				
Liabilities				
10 Credit Cards				
11 Credit Card Payable (Pac West)	4,582	-	-	4,582
12 Total Credit Cards	4,582	-	-	4,582
13 Other Current Liabilities				
14 Accrued Expenditures	10,197	-	-	10,197
15 Due to Other Funds	-	-	33,648	33,648
16 Due to Riverside County	-	-	232,593	232,593
17 Accrued Vacation	21,610	-	-	21,610
18 Total Other Current Liabilities	31,807	-	266,241	298,048
19 Total Liabilities	36,389	-	266,241	302,630
20 Fund Balance	184,487	20,991	-	205,479
21 TOTAL LIABILITIES & FUND BALANCE	\$ 220,876	\$ 20,991	266,241	\$ 508,108



Cultivating Conservation

MEMO

TO: Salton Sea Authority Board of Directors and G. Patrick O'Dowd
FROM: Lisa Moore
RE: Federal Report
DATE: February 20, 2021

As discussed in the January federal report, we are working with the State to develop an action plan to move forward two federal funding initiatives resulting from successful Authority-led, multi-year federal legislative advocacy efforts: (1) the USDA Watershed Act effort, which is now well-poised to secure USDA funding for near-term Salton Sea management projects; and (2) the required cost-share agreement with the Corps of Engineers to begin the longer-term Salton Sea Feasibility Study that the Authority, working with our Congressional delegation, secured in WRDA 2020 and recently secured \$1.5 million in Corps funding to move forward this year. In addition, I have briefed our Congressional delegation who — as the legislator sponsors of these two efforts — are keenly interested in ensuring these measures expeditiously move forward.

Both of these efforts have been consistently prioritized by the Authority in our regular engagement with CNRA. As both items now require explicit, time-sensitive action and in an effort to ensure they be more highly prioritized, we scheduled a follow up teleconference with CNRA this month. CNRA ultimately had scheduling conflicts that led to the cancelation of this meeting. We hope to resume these discussions with CNRA at their earliest convenience. The Corps cost-share agreement to move forward with the feasibility study in particular is time sensitive, and requires the Corps, the Authority and CNRA to move this agreement forward expeditiously.

Of note in this regard, CNRA Secretary Crowfoot noted his support for our Corps efforts at a February 8, 2022 House Transportation and Infrastructure, Water Resources and Environment Subcommittee hearing on the 2022 Water Resources Development Act (WRDA). WRDA legislation is typically considered by Congress every two years, and is the main legislative vehicle for authorizing Corps projects.

While we do not need additional legislation in WRDA 2022 — as we have already secured both the authorization for the Salton Sea study in WRDA 2020 and the Corps' recent funding commitment via the Infrastructure Investment and Jobs Act of 2021 funding plan to move the study forward this year — the hearing provided the Secretary with the venue to underscore the importance of this work. In particular, Secretary Crowfoot testified that he hoped that Congress, through WRDA, “continues funding and support for the Corps at the Salton Sea” and that “it will take a strong partnership with the Corps — the lead federal agency on this work — for us to succeed in protecting public health and maintaining a crucial food supply for millions of migratory birds.”

Again, at this stage of the Corps feasibility process, additional legislation is not needed. In the future, once the Corps feasibility study is complete, WRDA legislation will be needed to move forward with the preferred long-term plan identified in that study after public engagement and analysis.

Federal Report p. 1 of 3

MEMO

TO: File
RE: U.S. Army Corps of Engineers Salton Sea Feasibility Study Meeting Notes
DATE: September 29, 2021
Attendees: Lisa Lien-Mager (CNRA), Arturo Delgado (CNRA), Keith Cialino (Asm. Garcia), Ed Demesa (Corps LA District, Chief of Planning), Tiffany Bostwick (Corps LA District, Chief of Environmental Resource Planning), G. Patrick O'Dowd (Authority), Oracio Gonzalez (Authority), Lowry Crook (Authority), Lisa Moore (Authority)

Background

The Sept. 29 teleconference with the U.S. Army Corps of Engineers Los Angeles District (Corps) was arranged by the Authority in follow up to prior meetings with CNRA Secretary and staff, Assembly Member Garcia and staff and the Authority (Directors, staff, consultants) on August 16 and September 10, 2021. The purpose of the Sept. 29 call was to discuss the implementation of the Corps Salton Sea feasibility study authorization enacted in the Water Resources Development Act of 2020 (WRDA) as a unified request of the California congressional delegation. In order to secure 65% federal funding to implement a long-range Salton Sea plan with the Corps, this feasibility study must first be undertaken jointly with local sponsors the Authority and CNRA.

In particular, earlier Authority/CNRA/Assembly teleconferences surfaced three main areas for clarification for this Sept. 29 teleconference: (1) the timing to initiate Corps study once federal appropriations are secured; (2) the compatibility of the CNRA long-range plan process and the Corps process; and (3) the duration of a Corps study.

These teleconferences have been initiated by the Authority because it is highly likely that federal appropriations to begin the Corps Salton Sea feasibility study will be enacted in late 2021. The Authority aims to ensure that all parties are prepared to move forward expeditiously once federal funds are provided so that these hard won funds are not lost. Both the House and Senate FY22 Energy and Water Appropriations bills, pending, contain funding for the Corps to initiate the study in 2022. This funding was included in this legislation as explicit congressionally-directed spending requested by Senators Feinstein and Padilla, and Congressmen Ruiz and Vargas. As required by Congress, this funding request was supported by local elected leaders and districts, including the Authority. As the funding is in both bills and Senator Feinstein is the Chairman of the Senate Energy and Water Appropriations Subcommittee, it is highly likely the funding will be enacted into law.

While Salton Sea Corps study authorizations were secured in both the 2007 and 2016 WRDA legislation, this is the first time funding has been advanced to actually implement a Corps study. The Corps indicated on the teleconference that securing both the new study authorization in December 2020 and the anticipated federal appropriations are significant achievements. The Corps indicated that the Salton Sea has long been the Los Angeles District's highest priority, and that the Corps is excited to work with the Authority and CNRA to advance this work.

1. Timing to initiate Corps study

As discussed on prior calls, once federal appropriations are provided, the Corps will negotiate a cost share agreement with the local sponsors. The Corps indicated that if the appropriations are enacted in December 2021, it would anticipate beginning to negotiate this agreement in April 2022. CNRA asked if the Corps could delay negotiating this cost share agreement until early in 2023. The Corps indicated that the agreement must be completed by September 2022. If the agreement is not reached by that time, the project will lose federal appropriations.

2. Compatibility of CNRA long-range plan and Corps feasibility study process

The Corps explained that it frequently works with local sponsors to advance locally-developed plans, and provided several examples. The Corps indicated that it recognized that significant planning has already been undertaken at the Salton Sea and is ongoing by CNRA. The Corps indicated that it saw no obstacle to harmonizing its processes with that of CNRA's current long-range plan process.

In particular, the Corps indicated that once the cost share agreement is in place, it will work with the local sponsors to avoid duplication in planning. The Corps feasibility study process will consider alternatives, including a locally-preferred alternative if one has been developed by CNRA, pursuant to federal NEPA requirements, which include scoping, public engagement, review and comment.

On prior calls, CNRA has expressed the concern that initiating a study with the Corps would effectively endorse or select a specific project/plan prior the CNRA making that determination as part of its long-range plan process set to culminate in a preferred alternative in December 2022. The Corps confirmed that this is not the case. The Corps Salton Sea WRDA legislation authorizes the Corps to initiate a study of a range of alternatives. NEPA does not permit the Corps to select one preferred alternative at the outset of the process. The feasibility study is designed to arrive at such an alternative at the conclusion of the study. As explained in prior calls, CNRA's consideration of alternatives and presentation of the preferred long-range plan will be significantly advanced before the Corps scoping process begins.

3. Duration of Corps study

Corps feasibility studies are typically conducted over the course of 3 years. CNRA asked whether the study if necessary could be conducted over a longer period of time. The Corps indicated that it had already anticipated that the Corps Salton Sea feasibility study could exceed the 3-year target for the study and had alerted Corps HQ that this would likely be the case. The Corps represented that so long as this request was initiated at the onset of the study, exceeding 3 years would be permitted.

TO: Salton Sea Authority Board of Directors
FROM: Oracio Gonzalez, Ollin Strategies
DATE: February 2022
SUBJECT: California State Advocacy

This memorandum provides a summary of state fiscal and legislative developments related to the Authority's state advocacy.

State Fiscal Developments

On January 10, 2022, Governor Gavin Newsom released his 2022-2023 state budget proposal. As expected, and in line with projections by the state's Legislative Analystist Office, the proposed budget included a projected \$31 billion surplus.

Last year, as part of his updated state budget proposal in May 2021 (the "May Revise") the Governor announced that he would invest \$220 million in the Salton Sea, with the first \$50 million as part of the 2021-2022 state budget. The Governor made this pledge in response to his opposition to placing a new water bond before voters. At the time, the two water bonds that were being considered, one by Assemblymember Eduardo Garcia and a second by Senator Ben Allen, included substantial funding for the Salton Sea. In September, the Governor signed legislation investing the first \$40 million from his pledge in the Salton Sea, leaving a balance of \$180 million outstanding.

While the Governor's 2022-2023 written budget proposal did not include a specific reference to last year's commitment, the actual budget bill, Assembly Bill 1624, did include a \$100 million investment in the Salton Sea for "local assistance, state operations, or capital outlay."

If approved by the legislature, there would be a remaining balance from the Governor's May 2021 commitment of \$80 million.

The Salton Sea Authority has submitted a formal letter of support to the Governor commending him for including a \$100 million investment in the 2022-2023, while also requesting that the state move forward with notifying the Army Corps of Engineers of its intention to serve as a Joint Local Sponsor with the Salton Sea Authority for purposes of completing the Salton Sea Feasibility Study authorized under the 2020 Water Resources Development Act (WRDA).

Legislative Developments

February 18, 2022 was the deadline for legislators to introduce legislation for the 2022 legislative session. A number of proposals with a nexus to the Salton Sea were introduced. However, as is common during initial introduction, the bills are "intent" bills that note the intent of the legislation to focus on a specific issue, but don't yet have substantive language. Substantive language will be added in the coming weeks and months.

We are still reviewing bills, but below is a preliminary list of “intent” bills that were introduced by Assemblymember Eduardo Garcia with a nexus to the Salton Sea:

1. AB-2248: Salton Sea Restoration Fund.
2. AB 2851: Lithium batteries: manufacturing supply chain.
3. AB 2903: Lithium Recovery: Workforce Agreements
4. AB 2929: State revenues from lithium extraction to benefit Californians.
5. AB 2387: Places a \$7 billion Water Bond before voters



February 18, 2022

The Honorable Gavin Newsom
Governor of the State of California
State Capitol, First Floor
Sacramento, CA 95814

The Honorable Wade Crowfoot
Secretary, California Natural Resources
Agency
1416 Ninth Street, Suite 1311
Sacramento, CA 95814

Re: Governor's Commitment to the Salton Sea

Dear Governor Newsom and Secretary Crowfoot,

On behalf of the Salton Sea Authority, a Joint Powers Authority (JPA) consisting of the Coachella Valley Water District, the Imperial Irrigation District, Imperial County, Riverside County and the Torres Martinez Desert Cahuilla Indians, we write in enthusiastic support of your proposed investment of \$100 million in the Salton Sea as part of the 2022-2023 state budget.

While this critical investment will help California meet its moral and legal obligations to the Salton Sea and our constituents, to be successful California must secure significant financial support from the federal government. Both the California Natural Resources (CNRA) Secretary and the State Water Board Chair testified to that fact before Congress in September 2020, urging Congress to make such resources available.

To this end and heeding that call by State leaders, the Authority led a successful multi-year effort with our California Congressional delegation to secure language in the 2020 Water Resources Development Act (WRDA) authorizing the U.S. Army Corps of Engineers (Corps) to conduct a Salton Sea feasibility study of a long-range Salton Sea management solution in partnership with local sponsors (the Authority and the State of California). And, just three weeks ago, we secured the needed \$1.5 million in federal funding to move this study forward this year.

Once the feasibility study is completed in partnership with the Authority and the State, the Corps will fund **65% of the cost** to construct the preferred alternative selected in the study after public input. In other words, proceeding with the Corps' feasibility study will ultimately make the federal government the most significant funder of a long-range Salton Sea solution.

State Letter, p. 1

82995 Highway 111, Suite 200, Indio, CA 92201
Phone: 760.863.2695 Fax: 760.262.3008
info@saltonsea.com <http://saltonsea.com>

Securing this Salton Sea WRDA legislation and Biden administration support for Corps' engagement has been a unified and high priority for our Congressional delegation, and they expect us to now translate these legislative efforts into major Corps' investment at the Salton Sea. Recent meetings conducted among the Corps, the Authority and the California Natural Resources Agency (CNRA) have clearly demonstrated that CNRA's long-range Salton Sea Management Plan process can be very effectively harmonized with the Corps feasibility planning process.

With elected representatives from all the major agencies governing the Salton Sea, as well as the Torres Martinez Desert Cahuilla Indians, the Authority stands ready to partner with you as the joint local sponsor for purposes of completing the Corps feasibility study, ensuring that both local elected leaders and the state closely guide the Corps' work.

In closing, we appreciate and commend you for proposing \$100 million for the Salton Sea as part of the 2022-23 budget, but also urge you to work with us to expeditiously notify the Corps of our joint intention to serve as joint local sponsors for purposes of completing the Corps Salton Sea feasibility study.

Now is the time for the State to commit its share of the costs to conduct the feasibility study, and we stand ready to assist you in advocating for any additional funding in the budget needed so that the feasibility study can get started without further delay.

Sincerely,



V. Manuel Perez
President



Luis Plancarte
Vice President

State Letter, p. 2