



Salton Sea Authority Board of Directors Meeting

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

At Imperial County
Board of Supervisors Chamber
and via Zoom Webinar



AGENDA:
DATE:
LOCATION:

BOARD OF DIRECTORS MEETING
Thursday, March 24, 2022
10:00 a.m.
County of Imperial Board of
Supervisor Chambers
County Administration Center
940 West Main Street, Suite 211
El Centro, CA 92243

Pursuant to Assembly Bill 361, to reduce the potential risk of COVID spread to our local communities, this meeting will be conducted both in person at the aforementioned location and via Zoom webinar.

The meeting can be viewed live at 10:00 a.m. March 24. Please see the meeting login information at <http://SaltonSea.com/meetings>, or access www.zoom.us, click "Join Meeting," and enter Webinar ID 894 6540 5906 and Passcode 659191.

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: 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, 3/24/22 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 3/23/22 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 March 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 March 24, 2022
2. Minutes of Salton Sea Authority Board Meeting February 24, 2022
3. Warrant Register Ratification for February 2022
4. Internal Financial Report for: 7/01/2021 – 1/31/2022

V. SPECIAL PRESENTATIONS AND RECOGNITIONS

- A. Salton Sea Summit – Introduction of upcoming event jointly hosted by University of California at Riverside and the Pacific Institute - Kurt Schwabe, Ph.D., Associate Dean and Professor of Environmental Economics and Policy, School of Public Policy
- B. Torres Martinez Desert Cahuilla Indians – Report on projects and activities – Otoniel “Tony” Quiroz – Natural Resources Manager, Torres Martinez Desert Cahuilla Indians

VI. DISCUSSION ITEMS

- A. Salton Sea Air Quality Monitoring, Regulation, Enforcement, and Funding – Discussion and direction to staff - G. Patrick O’Dowd, Executive Director

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 – Steve Quartieri, District Superintendent, California State Parks

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 regularly scheduled meeting will be held
Thursday, April 21, 2022, at 10:00 a.m.
Coachella Valley Water District
Steve Robbins Administrative Building
75515 Hovley Lane East
Palm Desert, CA 92260
(760) 398-2651

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

Participation will also be available virtually.

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: March 24, 2022
Re: AB 361 Remote Meeting Authorization for March 24, 2022
CM No. IV.A.1 - 3-24-2022

GENERAL:

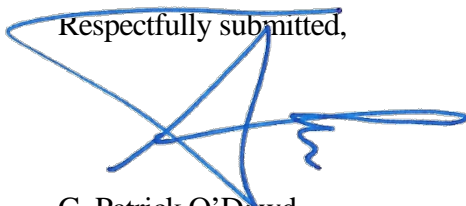
AB 361 (Government Code Section 54953(e)) provides that a local agency may employ remote teleconferencing upon a monthly finding by the governing board that certain circumstances exist, among those that there is a Governor-declared emergency and state or local officials are recommending social distancing.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

February 24, 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 10:01 a.m., Thursday, February 24, 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
Jeff Hewitt*, Director
Luis A. Plancarte, Vice-President
Ryan E. Kelley*, Director
Anthony Bianco*, Treasurer**
Thomas Tortez*, Director**
Alex Cárdenas, Director**
Arturo Delgado*, Ex-Officio Member

AGENCY

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

** Director Bianco was present in the attendee section when roll was called. Directors Tortez, Kelley, and Hewitt, and CNRA (California Natural Resources Agency) Assistant Secretary Delgado joined the meeting as noted in the text of the item during which they appeared.*

DIRECTORS ABSENT

Cástulo R. Estrada, Director**
Altrena Santillanes, Secretary**
Jim Hanks, Director**

AGENCY

Coachella Valley Water District
Torres Martinez Desert Cahuilla Indians
Imperial Irrigation 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 28 members of the public present via Zoom and 13 participants in addition to the board members.

II. PUBLIC COMMENTS

Written comments (none)

Verbal comments:

- Mr. Michael Cohen, Pacific Institute, requested an update from Imperial County and the Imperial Irrigation District (IID), at a future Authority board meeting, on the in-process memorandum of understanding granting the County the authority, in the absence of IID staff, to issue fines and make arrests for trespassing on IID property.
- Mr. Tom Sephton, President of Ecomedia Compass and a member of the Desert Shores Channel Restoration Oversight Committee, expressed his hope that, in the necessary enforcement against OHV (off-highway vehicle) abuse of the playa, there would still be allowance for the residents who live near the shore to continue to walk along that shoreline without being cited or arrested.

President Perez directed staff to put this item on the agenda for the next meeting and, if possible, get a report from Salton Sea Authority Executive Director or from IID and County of Imperial for discussion.

** Directors Kelley, and Torte joined the meeting during public comments.*

III. BOARD MEMBER COMMENTS

- Director Cardenas supported the request for an agenda item to discuss enforcement regarding OHV use of playa, deferred to Vice President Plancarte for roles and responsibilities regarding enforcement, encouraged the public to read the informative staff reports (State, Federal, and Executive Director), and inquired of staff about the status of the public relations outreach.

Executive Director O'Dowd and CNRA Assistant Secretary Delgado confirmed that public relations outreach is a high priority and is in process, with the state expecting to have an executed agreement with the Salton Sea Authority in the next couple of months to fund the public outreach component.

- Vice President Plancarte said he would reach out to the Sheriff's Office and the Air District to provide some general information for the next meeting.
- President Perez shared news updates on President Biden's mention of the Salton Sea, the work of the Imperial Valley Lithium Commission, the North Lake Pilot

Demonstration Project virtual meeting on February 5, and the accomplishments and passing of long-time Friend of the Salton Sea, Bruce Wilcox.

** CNRA Assistant Secretary Arturo Delgado joined the meeting during board member comments.*

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

On motion by Plancarte 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, Plancarte, Kelley, Bianco*, Tortez*, and Cardenas*

NOES: None

ABSENT: Directors Santillanes*, Estrada*, Hewitt*, and Hanks*

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. “Hell’s Kitchen” Status Report and Update

Mr. Rod Colwell, CEO, Controlled Thermal Resources, gave an update on the “Hell’s Kitchen” project: construction of a lithium- and power-production plant for which two full-size production wells have been completed and are going through the testing phase. The plant employs an eco-friendly closed-loop process for direct lithium recovery and onsite conversion, powered by 100% renewable energy and steam, with near-zero carbon emissions. As part of the local community, they are environmentally and socially minded. Historically, geothermal has employed 90-95% local procurement and training; the local geothermal companies are working with the County of Imperial to create local opportunities.

** Director Hewitt joined the meeting during discussion on the above item.*

B. Lithium Valley Economic Opportunity Investment Plan

Ms. Rebecca Terrazas-Baxter, Intergovernmental Relations Director, County of Imperial, reported that the Lithium Valley Economic Opportunity Investment Plan (“LVIP”), a formal plan of action to help bring new economic investments to Imperial

County, was unanimously passed by the Imperial County board of supervisors on February 15, 2022. The communities of Imperial County have long been economically challenged. The LVIP is a process by which the County of Imperial takes control of its economic future as it relates to lithium and rare mineral extraction. The County of Imperial will continue to work with community members and groups and their regional partners at the state and federal levels to bring new jobs and economic opportunities to their region.

VI. DISCUSSION ITEMS (none)

VII. REPORTS

A. Federal

1. Federal Activities

Ms. Lisa Moore Lehman, Partner, Cultivating Conservation, reported that the most pressing matter on which she is engaged is to get a cost-share agreement in place for the Army Corps of Engineers feasibility study with the goal of bringing 65% federal funding for the Long-Range Management Plan at the Sea.

2. US Bureau of Reclamation (none)

B. State

1. State Advocacy Report

Mr. Oracio Gonzalez, Principal at Ollin Strategies, reported that \$100 million for the Salton Sea was included in the actual technical budget bill in January. More detail about what the dollars can be used for is anticipated.

A letter was sent to the governor lauding him for his investment and impressing on him the importance of speedily moving to partner with the Army Corps of Engineers for the purpose of completing the Salton Sea feasibility study to enable the federal government to pay about 60% of what will be the long-range Salton Sea plan.

Assemblymember Garcia introduced a package of “intent” bills regarding the Lithium Valley and introduced a bill to place another water bond before voters – similar to what was placed before – which could potentially benefit the Salton Sea.

2. State of California

Mr. Miguel Hernandez, Public Affairs Officer, California Natural Resources Agency, reported on good progress at the Species Conservation Habitat site, on engagement of the science committee to help review the monitoring and implementation plan, on vegetation enhancement projects, and on the soon-to-be-released annual report.

3. Salton Sea State Recreation Area – (none)

C. Local

1. Salton Sea Action Committee (SSAC)

Mr. Mark Gran, of CalEnergy and SSAC, reported that the Salton Sea Action Committee's website is up; they are still adding content and invite recommendations. They are working on a virtual tour of the Salton Sea, and have an outreach committee that is available to make presentations to civic groups, governmental agencies, etc., to share the message of what is going on at the Salton Sea. They are prepared to produce a support letter for the Army Corps of Engineers feasibility study for the perimeter lake either with the Salton Sea Authority or on their own – whichever is recommended. They are also helping with UCR's symposium on the Salton Sea.

D. Executive Director's Report and Comments

1. Mr. G. Patrick O'Dowd, Executive Director/GM, Salton Sea Authority, thanked Mr. Gran for mentioning the letters of support for the Army Corps of Engineers which the Salton Sea Authority will be seeking, and highlighted a few items from his report in the board packet on the website at saltonsea.com/meetings: the process of working with the state to get perfect alignment on the watershed plan and the ACOE feasibility study, commented on the President's round table on February 23, 2022, and pointed out that the Salton Sea Authority is a non-profit entity and has a donation link on its saltonsea.com website from which all funds collected are used for education and information, including funding their internship programs.

VIII. ADJOURNMENT

There being no further comments, President Perez adjourned the meeting at 11:30 a.m.

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



Salton Sea Authority

Profit & Loss Budget to Actual

(Unaudited)

Year to Date through January 31, 2022

	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	4,250	-	4,250	80,000	5%	(75,750)
6 State of California Grants (Prop 68)	-	265,083	265,083	250,000	106%	15,083
7 Pooled Cash Allocated Interest	25	-	25	1,000	2%	(975)
8 TOTAL INCOME	\$ 614,275	\$ 265,083	\$ 879,358	\$ 1,141,000	77%	\$ (261,642)
9 EXPENSE						
10 SSA Administration						
11 Salaries & Benefits						
12 Total Salaries	\$ 117,425	\$ 21,247	\$ 138,672	\$ 371,800	37%	\$ (233,128)
13 Total Employee Benefits	73,867	-	73,867	166,200	44%	(92,333)
14 Total Salaries & Benefits	191,292	21,247	212,539	538,000	40%	(325,461)
15 Contract Service / Professional						
16 DC Advocates	49,000	-	49,000	84,000	58%	(35,000)
17 Sacramento Advocate	35,000	-	35,000	60,000	58%	(25,000)
18 Grant Administration	46,146	-	46,146	100,000	46%	(53,854)
19 Contract Attorney	5,834	9,445	15,279	75,000	20%	(59,721)
20 Audit & Accounting	32,722	1,799	34,521	75,000	46%	(40,479)
21 Contract Service / Professional	168,702	11,244	179,945	394,000	46%	(214,055)
22 Equipment Maintenance	4,837	-	4,837	12,000	40%	(7,163)
23 Capital Equipment	-	-	-	2,400	0%	(2,400)
24 Insurance	5,915	-	5,915	9,300	64%	(3,385)
25 Office Expense/Operating Supplies	5,048	-	5,048	6,000	84%	(952)
26 Office Expense/Online Services	1,648	-	1,648	3,000	55%	(1,352)
27 Dues, Subscriptions	10,684	-	10,684	10,000	107%	684
28 Public Relations	2,801	-	2,801	36,000	8%	(33,200)
29 Travel/Mileage	11,718	-	11,718	48,000	24%	(36,282)
30 Technical Support - Consultant	-	-	-	24,000	0%	(24,000)
31 Utilities	-	-	-	3,000	0%	(3,000)
32 Total SSA Administration	402,644	32,491	435,135	1,085,700	40%	(650,565)
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	402,644	265,083	667,728	1,085,700	62%	(417,972)
38 NET INCOME	\$ 211,630	\$ -	\$ 211,630	\$ 55,300		\$ 156,330

Financial Statement, p. 1 of 2



Salton Sea Authority Balance Sheets

(Unaudited)
As of January 31, 2022

	General Fund	Fish Clean Up	DWR - Prop 68 Grant	TOTAL
1 ASSETS				
2 Checking/Savings	114,283	20,991	-	135,274
3 Other Current Assets				
4 Due from Grant Funds	33,648	-	-	33,648
5 Prepaid Items	11,108	-	-	11,108
6 Grant Receivable	-	-	266,241	266,241
7 Total Other Current Assets	44,755	-	266,241	310,996
8 TOTAL ASSETS	\$ 159,038	\$ 20,991	\$ 266,241	\$ 446,270
9 LIABILITIES & FUND BALANCE				
Liabilities				
10 Credit Cards				
11 Credit Card Payable (Pac West)	1,251	-	-	1,251
12 Total Credit Cards	1,251	-	-	1,251
13 Other Current Liabilities				
14 Accrued Expenditures	9,869	-	-	9,869
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	31,479	-	266,241	297,720
19 Total Liabilities	32,730	-	266,241	298,971
20 Fund Balance	126,308	20,991	-	147,300
21 TOTAL LIABILITIES & FUND BALANCE	\$ 159,038	\$ 20,991	266,241	\$ 446,270

Checking Account Activity

February 1, 2022 through February 28, 2022



Warrant Date	Warrant Number	Vendor Name	Amount
Beginning Cash			\$ 168,094.23
02/11/2022	EFT	Pacific Western Payment	(895.39)
02/24/2022	EFT	Verizon Wireless	(102.48)
02/24/2022	1299	Best, Best & Krieger	(2,633.00)
02/24/2022	1300	CalMutuals	(100.00)
02/24/2022	1301	Cultivating Conservation	(7,000.00)
02/24/2022	1302	Eide Bailly LLP	(2,868.70)
02/24/2022	1303	OfficeTeam	(9,434.00)
02/24/2022	1304	Ollin Strategies	(5,000.00)
02/24/2022	1305	SystemGo IT LLC	(691.00)
02/16/2022	Deposit	SSAC Website Domain Contribution	6,000.00

Net Activity	<u>(22,724.57)</u>
Ending Cash	<u>\$ 145,369.66</u>

Memorandum

To: Salton Sea Authority Board of Directors
From: G. Patrick O'Dowd, Executive Director/GM
Date: March 24, 2022
Re: Salton Sea Air Quality Monitoring, Regulation, Enforcement, and Funding
CM No. VI.A – 3/24/2022

GENERAL:

At last month's meeting of the Salton Sea Authority Board of Directors, public comments were introduced regarding air quality monitoring, regulation, and the challenge of enforcement to ensure public safety. As directed, this issue was researched by staff, including calls to Imperial County Air Pollution Control District (ICAPCD) and Imperial Irrigation District (IID), and we have reached out to representatives from the South Coast Air Quality Management District (SCAQMD). As usual, the situation is more complex than most would prefer.

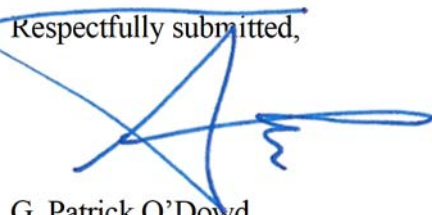
Moreover, this research spawned a far greater question: What role should the Authority play in addressing concerns by the community and others regarding risks to health and safety? Each agency involved in this effort (ICAPCD, IID and SCAQMD, along with the State – including work being done under its Dust Suppression Action Plan, and likely others) has a specific role and responsibility concerning this issue. What is not clear, at least to the general public, is who is responsible for what, and, more importantly, “are we safe”? In order to answer those questions, it is essential that the responsibilities of each of the various entities be clearly understood to ensure that all aspects of this risk are being properly monitored and evaluated, and effective mitigation is taking place, so that they can *know* the risks and that they are being properly addressed. And to the extent mitigation is not fully achievable, the public should be so informed and advised of what measures they should take to protect their own health, along with the resources available to them to assist in that regard. And though highly technical in nature, this information must be presented to the public in a clear, easy to understand manner.

Accomplishing this important work requires a continuous commitment of resources. For example, a comprehensive, continuous monitoring program requires both investments in equipment and continuous man-hour costs for operation, maintenance, and monitoring thereof. And as discussed, while local jurisdictions are capable of passing ordinances that in theory improve the outcomes around the Sea, they must be crafted in such a way that are both practical and achievable. The complexities associated with this were highlighted by Mr. Sefton last month, illustrating the conflicts between keeping people off of the playa and allowing people access to the playa for open space enjoyment. The question must also be answered as to who is responsible for implementing and funding these enforcement efforts?

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board provide direction to staff to (a) convene a meeting or meetings, individually or collectively with all air quality monitoring, mitigating, and enforcement entities in the region, (b) gather information on current monitoring, mitigation, education and enforcement efforts for Board review, and (c) provide feedback to the Board on gaps identifies and possible recommendations to address those gaps, and possible next steps.

Respectfully submitted,



G. Patrick O'Dowd
Executive Director/GM



Cultivating Conservation

MEMO

TO: Salton Sea Authority Board of Directors and G. Patrick O'Dowd
FROM: Lisa Moore
RE: Federal Report
DATE: March 18, 2022

The February report noted that we have been working with the State to cooperatively move our federal funding initiatives forward. This report discusses our progress regarding that coordination with respect to both USDA and Corps of Engineers funding streams, as well as an update on additional federal legislation which was recently enacted that advances our federal advocacy efforts with respect to Bureau of Reclamation funding. We are also actively working with our delegation on a way to coordinate all these funding efforts, and will have a report for our Directors in this regard for the next board meeting.

Reclamation:

Our federal Salton Sea advocacy is framed, in part, around the premise that the federal government must increase federal investment at the Sea because it is a major landowner and bears tribal trust responsibilities to the Torres Martinez Tribe. When we began our federal funding advocacy in earnest in 2015, this argument was not widely accepted in the federal family.

The administration notably accepted that premise in the Trump administration's FY 21 budget request to Congress. In that document, Interior officially recognized its responsibility and estimated a \$332.5 million near-term cost to manage exposed or anticipated to be exposed federal Salton Sea lands, with an estimated \$4.5 million in annual operations and maintenance costs.

Following up on this estimate, Congress included relevant language/direction in the Consolidated Appropriations Act (PL 117-103) signed by the President on March 15, 2022. In particular, Congress directs Reclamation "to provide to the Committees not later than 90 days after enactment of this Act a briefing on Reclamation's plan for managing the air quality impacts of the estimated 8.75 square miles of lands it owns that will emerge from the receding sea over the next decade."

Corps of Engineers:

We conducted two very productive meetings to advance the Corps/Authority/CNRA long-term Salton Sea Feasibility Study. First, we conducted a teleconference with the Corps and CNRA to discuss moving forward with the required cost-share agreement to begin the study. That meeting reflected an agreement to do so in partnership.

Related to the study, the recently enacted Consolidated Appropriations Act discussed above includes \$200,000 requested by our Congressional delegation and the Authority to be earmarked for

the Corps of Engineers to undertake the first year of this study. Because the passage of this FY22 legislation was delayed, we had also advocated that the Corps include funding for the study in its work plan to spend funding provided to the Corps via the Infrastructure Investment and Jobs Act legislation enacted in 2021. The Corps included \$1.5 million for the Sea study in that work plan. In our discussion with the Corps this month, they indicated it would be their intention to maintain both pieces of funding to ensure we have adequate resources to undertake the feasibility study.

Second, as you may recall, CNRA had expressed interest in securing new Water Resources Development Act (WRDA) language to modify the description of the feasibility study enacted in WRDA 2020. Based on our discussion with the Corps and CNRA, it was agreed that additional legislation is not needed at this time.

USDA:

We also productively discussed the status of the USDA Watershed Plan with CNRA. As you will recall, work on that plan is nearly complete. We discussed the process for moving that plan forward for an approval and/or waiver process. Once approved, activities described/evaluated in that plan should be eligible for USDA 100% design funding and 50/50 cost share. Based on this information, I reached out to USDA HQ to express the Authority's strong support for moving the plan forward so that we may secure project implementation funding via USDA.

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

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

State Legislative Developments

On March 17, 2022, Assemblymember Eduardo Garcia amended one of his bills, AB 2248, to make \$100 million available to the California Environmental Protection Agency to address water quality issues arising from rivers flowing into the United States from Mexico. Half of the funding is being set aside for the New River.

To qualify for funding, a project must be consistent with the work of the California EPA Border Affairs Program to build collaboration between the federal government, the Republic of Mexico, the State of Baja California, and the cities of Tijuana and Mexicali. To this end, the bill will prioritize funding for projects that have secured a funding commitment from one of these governmental entities, and will also authorize funding for projects in the State of Baja California if the funded project or action will result in water quality improvements in river's flowing into the United States.

Note, the funding in the bill will require a separate action by either an accompanying bill or a budget bill to appropriate the \$100 million from the general fund to the California EPA.

State Fiscal Developments

As part of his 2022-2023 State Budget, the Governor has proposed an investment of \$100 million for the Salton Sea that will fund "local assistance, state operations, or capital outlay." The funding is included in AB 1624, the 2022-2023 State Budget Act.

At present, the investment is not expected to go before either the Assembly or the Senate Budget Sub Committees on resources. This is because the investment is considered to be part of the "base" budget. Absent the Governor adjusting the funding amount as part of his updated state budget proposal on May 10, 2022 (the "May Revise"), the funding will be included in the final budget that is sent to the Governor by the constitutional deadline of June 15, 2022.

Note, if approved by the legislature, there would be a remaining balance from the Governor's \$220 million commitment to the Salton Sea of \$80 million.



Executive Director's Report To the Board of the Directors March 24, 2022

Eating an Elephant

Desmond Tutu once wisely said that “there is only one way to eat an elephant: a bite at a time”. Indeed, for years we have discussed tackling the projects at the sea “incrementally”, to phase them into digestible components that were both financeable and achievable. But one thing we all know about the Sea is that it is large, and the challenges and opportunities associated therewith are of equal scale. Numerous projects have been proposed and are being proposed to address the changes long occurring in the Sea and region, including a “backbone” project that will tether the stabilization of the Sea with that of the adjacent communities and the region as a whole. But whether the region is stabilized by way of a small subset of projects or, more likely, a wide array of strategies implemented both at the Sea and in and around the communities, it’s going to take an enormous amount of effort and resources.

It is also well said that “time is money” (often attributed to Benjamin Franklin), and nowhere has that expression been more pronounced than in the water space. To be sure, if the Hoover Dam wasn’t built when it was, it is doubtful we could afford it today. Similarly, though it will be necessary to compartmentalize the important works in the region, delaying their full and final implementation will certainly cause them to be much more expensive, and may indeed compromise their likelihood of success. That is why it is essential that we do not tarry in addressing the immediate, intermediate, and long-range challenges and opportunities in the region. And for all the good intentions expressed, eating an elephant one bite at a time takes a very long time, and also subjects the meal to degradation and ultimately, waste.

The Salton Sea Authority believes, rather than tackling this task discreetly, “one bite at a time” if you will, working in conjunction with our State and Federal partners, effectively utilizing the resources of our members, and harmonizing with the needs and aspiration of our local, regional, national, and global partners, many projects can be identified, funded, and developed simultaneously, so that the long neglected needs of this region can be fully and finally addressed. So, rather than eating the elephant “one bite at a time”, we believe a more prudent approach would be to invite over all our family, neighbors, and friends – even some we might not always get along with, carve this “elephant” up, and have a banquet!

Funding has historically also been a challenge. But rather than fighting over thinner and thinner slices of the same pie, we have found it more productive to in essence, open a bakery and bake a whole bunch of pies. Through the diligent efforts of the Authority and its advocates, working with our members, again in coordination with our partners including the State and the Federal family, and with the strong voice and support of our stakeholders, we have been successful at identifying and securing numerous near- and long-term funding opportunities. And through outreach, education, and collaboration we have been able to draw attention to not just the problems that exist, not just the cost of addressing those problems, but the benefits and importance of making timely investments to address those opportunities and challenges. Extensive work has been undertaken at the Federal level, producing opportunities under the Watershed Act, in WRDA legislation, and through Farm Bill, among others. And by working with the State of California to secure commitments that provide hundreds of millions of general fund dollars for work at the Sea, and actively educating and informing the people of California, resulting in voter authorization of Bond funding for this important work, the Authority and its advocates have placed the Sea and region in a position to actively and aggressively pursue transformative work with a reasonable expectation that it really can happen.

Finally, economic development activities occurring throughout the region – including but not limited to geothermal and lithium development, will continue to draw attention to the Sea. By extension, it will be essential that member agencies, in coordination and collaboration with the Authority, ensure that the infrastructure needs and community impacts of these changes are properly identified, evaluated and addressed. And know that anything that helps facilitate a transition of the Sea and region – including the communities therein – from what it once was to what it sustainably can be is part and parcel of what the Authority stands for. We continue to work for our members, with our partners, and alongside our many stakeholders to ensure a brighter, more prosperous future for the Sea, the region, and the people who live here.