



Salton Sea Authority Board of Directors Meeting

Thursday, October 13, 2022
10:00 a.m.

At Coachella Valley Water District
Steve Robbins Administration Building
and via Zoom Webinar

**AGENDA:****DATE:****LOCATION:****BOARD OF DIRECTORS MEETING****Thursday, October 13, 2022****10:00 a.m.****Coachella Valley Water District Board Room
Steve Robbins Administration Building
75515 Hovley Lane East
Palm Desert, CA 92260
(760) 398-2651**

Pursuant to Assembly Bill 361, 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. October 13. Please see the meeting login information at SaltonSea.com/meetings, or access www.zoom.us, click “Join Meeting,” and enter Webinar ID 865 1887 6523 and Passcode 626529.

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 Section V or on matters not on the agenda.

*Any member of the public may address the Board relating to any matter within the Authority’s jurisdiction and are invited to speak to any **Section V 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, through the Chairman.

*You may also **email your comments in advance to info@saltonsea.com** (include in your subject line “Public Comment, 10/13/22 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 October 12, 2022.***

*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 October 12**, 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. SPECIAL PRESENTATIONS

- A. North Lake Pilot Demonstration Project Update, Engineering and Planning – Riverside County and Charles (Chuck) Greely, PE, Principal, Dudek

V. ITEMS FOR BOARD DISCUSSION AND POSSIBLE ACTION

- A. CONSENT CALENDAR – Approve, Receive, and File
 - 1. AB 361 Remote Meeting Authorization for October 13, 2022
 - 2. Minutes of Salton Sea Authority Board Meeting August 25, 2022
 - 3. Salton Sea Authority Internal Financial Report for: 7/01/2022 – 7/31/2022
 - 4. Salton Sea Authority Internal Financial Report for: 7/01/2022 – 8/31/2022
 - 5. Salton Sea Authority Warrant Register Ratification for August 2022
 - 6. Salton Sea Authority Warrant Register Ratification for September 2022
 - 7. 2022/2023 Committee Assignments
- B. 2023 Board Meeting Calendar – Recommendation: Approve
- C. Follow Up Discussion of Colorado River Shortages and Possible Impacts to Salton Sea and Region. Recommendation: Direct Staff as to next steps.

VI. REPORTS

- A. Federal
 - 1. Federal Activities – Lisa Moore Lehman, Partner, Cultivating Conservation
 - 2. US Bureau of Reclamation – Jeremy Brooks, Salton Sea Program Manager, Bureau of Reclamation (Invited)
- 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

VII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

The Salton Sea Authority board meeting will be held:

Thursday, December 8, 2022, at 10:00 a.m.

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

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: October 13, 2022
Re: AB 361 Remote Meeting Authorization for October 13, 2022
CM No. V.A.1 - 10-13-2022

GENERAL:

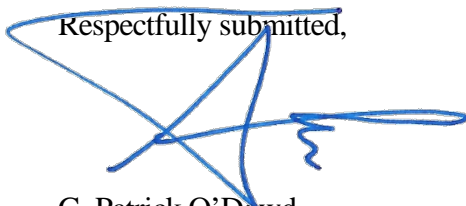
AB 361 (Government Code Section 54953(e)) provides that a local agency may employ remote teleconferencing upon a monthly finding by the governing board that certain circumstances exist, among those that there is a Governor-declared emergency and state or local officials are recommending social distancing.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

August 25, 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., August 25, 2022, at Imperial County Board of Supervisors Chamber, 940 W. Main Street, El Centro, California, and via Zoom Webinar.

PLEDGE OF ALLEGIANCE

Led by Director Ryan Kelley

ROLL CALL:

DIRECTORS PRESENT ON SITE

Luis A. Plancarte, President
Ryan E. Kelley, Director
V. Manuel Perez, Director*
James C. Hanks, Director*

AGENCY

Imperial County
Imperial County
Riverside County
Imperial Irrigation District

DIRECTORS PRESENT VIA ZOOM

Altrena Santillanes, Vice-President
Cástulo R. Estrada, Secretary*
Thomas Torte, Director
Jeff Hewitt, Director*
Arturo Delgado, Ex-Officio Member

AGENCY

Torres Martinez Desert Cahuilla Indians
Coachella Valley Water District
Torres Martinez Desert Cahuilla Indians
Riverside County
California Natural Resources Agency
(CNRA)

DIRECTORS ABSENT

Anthony Bianco, Director*
Alex Cárdenas, Treasurer*

AGENCY

Coachella Valley Water District
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 (in person)
Bob Hargreaves, Best Best & Krieger, Legal Counsel (via Zoom)

MEMBERS OF THE PUBLIC PRESENT

On site: Silvia Paz, Nilda Ruiz, and Aydee Palomino of Alianza Coachella Valley; Miguel Hernandez, California Natural Resources Agency; Sky Ainsworth, ICDCC; Lisa Bravata, Linda Thill, and Johnathan McDannell of Salton Sea Authority; and others whose names were not given.

Via Zoom: presenter Lowry Crook of Best Best & Krieger, and 42 others.

II. PUBLIC COMMENTS

There were no general public comments.

III. BOARD MEMBER COMMENTS

Director Perez, Director Plancarte, Director Estrada, Director Hewitt, Director Kelley, and Director Hanks shared comments.

IV. SPECIAL PRESENTATION

A. "A Pathway to Resilient Salton Sea Communities"

Silvia Paz, Executive Director, Alianza Coachella Valley, introduced her Executive Assistant Nilda Ruiz and her Environmental Justice Project Manager Aydee Palomino, and introduced their organization.

She shared examples of issues they have tackled, how they went about it, and organizations and agencies they engaged in the process. Their vision at the Salton Sea is for access to the yacht club and visitor's center: walkways and bridge over the main road and train, and to connect yacht club and visitor's center via concrete path. Not knowing where the shoreline is going to be is an issue, Ms. Paz said.

V. ITEMS FOR BOARD DISCUSSION AND POSSIBLE ACTION

A. CONSENT CALENDAR – Approve, Receive, and File

1. AB 361 Remote Meeting Authorization for August 25, 2022
2. Minutes of Salton Sea Authority Board Meeting June 23, 2022
3. Salton Sea Authority Warrant Register Ratification for June 2022
4. Salton Sea Authority Warrant Register Ratification for July 2022
5. Salton Sea Authority Internal Financial Report for: 7/01/2021 – 5/31/2022
6. Salton Sea Authority Internal Financial Report for: 7/01/2021 – 6/30/2022

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

Approved by the following vote:

AYES: Directors Plancarte, Kelley, Tortez, Santillanes, Estrada, Hanks, Perez.

NOES: None

ABSENT: Directors Bianco, Cardenas, and Hewitt (online connection failed)

ABSTAINED: None

MOTION PASSED: 10 – 0

B. *Ad Hoc* Committees Appointments

Director Kelly recommended going forward with the names currently in place; then, if there are interests or hesitations, let them be made known at the next meeting. No one expressed disapproval, Director Perez voiced approval; no changes on committees were made at this time.

C. Update on California Natural Resources Agency Community Outreach Scope of Work

Executive Director O'Dowd reported that the agreement between the CNRA and the Authority was signed for a scope of work involving community education and engagement in the amount of \$568,597 for a 2-year grant term. Three tasks are included in this agreement: outreach, education, and engagement with community-based organizations for additional work they are doing on outreach regarding community amenities.

D. Update on Desert Shores Dust Mitigation and Revitalization Project

Executive Director O'Dowd reported that, after looking into a non-competitive proposal to get this work underway, and discussing it with the Bureau, the Authority will work on and issue a Request for Proposal (RFP), secure the bid, and get this work underway.

Director Kelley offered that the County of Imperial is willing to assist in the development of a design-build RFP.

Director Kelly made a motion that the Authority proceed with a design-build RFP.

Seconded by Director Perez.

Board member questions were entertained prior to the vote, followed by public comments by Tom Sephton of Ecomedia Compass; Mr. Cockroft; Ms. Jasmyn Phillips, with the Desert Shores Oversight Committee; Ron Spears, President of the Bahia Del Mar Property Owners Association.

Director Kelley amended his earlier motion:

In the RFP, he would like the applicant in all bids to reflect user group meetings with the Desert Shores Community.

Director Perez seconded that amendment.

On motion by Kelley and second by Perez, the Board approved that the Authority proceed with a design-build RFP with the stipulation that the

applicants in all bids reflect user group meetings with the Desert Shores Community.

Approved by the following vote:

AYES: Directors Plancarte, Kelley, Santillanes, Hanks, Perez.

NOES: None

ABSENT: Directors Torte, Estrada, Bianco, Cardenas, and Hewitt

ABSTAINED: None

MOTION PASSED: 8 – 0

- E. Discussion of Colorado River Shortages and Possible Impacts to Salton Sea and Region.

Executive Director O'Dowd reviewed state and federal efforts for the Salton Sea and region, and his consideration of the Authority's role once water allocation decisions are made.

Directors' questions and comments were entertained.

The Chairman stated conversations on the Colorado River shortages would continue.

- F. Next meeting – Recommend change to October 13th due to facilities conflict.

In the interest of time a vote was not taken, as Executive Director O'Dowd told the Chairman he had already confirmed that a quorum would be available for the revised date.

VI. REPORTS

A. Federal

1. Federal Activities

Lowry Crook, Best Best & Krieger, gave updates on the Inflation Reduction Act, the progress of the Salton Sea Projects Improvement Act (Senate and House versions), and the Army Corps of Engineers feasibility study (a signing ceremony will be arranged in the next few months).

The written report from Lisa Moore Lehman, Partner, Cultivating Conservation is included in the board meeting agenda packet (available on this meeting's web page).

2. US Bureau of Reclamation (no report)

B. State

1. State Advocacy Report (written report included in the board packet)

2. State of California

Miguel Hernandez, Public Affairs Officer, California Natural Resources Agency, gave updates on the Species Conservation Habitat Project, the vegetation enhancement projects, and the Salton Sea Management Plan ten-year plan, announced upcoming events, and answered questions.

3. Salton Sea State Recreation Area (no report)

C. Local

1. Salton Sea Action Committee (no report)

D. Executive Director's Report and Comments

1. General Manager's Report and Comments (written report is available on the meeting web page)

VII. <u>ADJOURNMENT</u>

Board President Plancarte adjourned the meeting at 12:34 p.m.

NEXT MEETING TIME & LOCATION:

The regularly scheduled meeting will be held

Thursday, October 13, 2022, 10:00 a.m.

Coachella Valley Water District

Steve Robbins Administration Building

75515 Hovley Lane East

Palm Desert, CA 92260

760-398-2651



Salton Sea Authority

Profit & Loss Budget to Actual

General Fund (Unaudited-Preliminary)

Year to Date through July 31, 2022

	A	B	C	B / C	B - C
	July 2022	YTD	Budget FY 23	YTD Target 8%	\$ Variance
1 REVENUE					
2 Local Government / Member Assessments	\$ 600,000	\$ 600,000	\$ 800,000	75%	\$ (200,000)
3 Other Federal / State / Local Reimbursements	-	-	250,000	0%	(250,000)
4 State Grant, Reimbursement to General Fund	-	-	110,000	0%	(110,000)
5 TOTAL REVENUE	600,000.0	600,000.0	1,160,000.0	52%	(560,000)
6 EXPENSES					
7 SSA Administration					
8 Salaries & Benefits					
9 Total Salaries	18,352.5	18,352.5	270,600	7%	(252,247)
10 Total Employee Benefits	11,420.8	11,420.8	135,300	8%	(123,879)
11 Total Salaries & Benefits	29,773	29,773	405,900	7%	(376,127)
12 Contract / Professional Services					
13 DC Advocates	7,000	7,000	88,200	8%	(81,200)
14 Sacramento Advocates	7,500	7,500	84,000	9%	(76,500)
15 Grant Administration	3,774	3,774	100,000	4%	(96,226)
16 Contract Attorney	-	-	50,000	0%	(50,000)
17 Audit & Accounting	2,359	2,359	75,000	3%	(72,641)
18 Total Contract / Professional Services	20,633	20,633	397,200	5%	(376,567)
19 Equipment / IT Maintenance	679	679	8,700	8%	(8,021)
20 Insurance	877	877	10,500	8%	(9,623)
21 Office Expense/Operating Supplies	161	161	8,300	2%	(8,139)
22 Office Expense/Online Services	174	174	3,300	5%	(3,126)
23 Dues, Subscriptions	1,034	1,034	14,200	7%	(13,166)
24 Travel/Mileage	3,942	3,942	40,000	10%	(36,058)
25 TOTAL EXPENSES	57,274	57,274	888,100	6%	(830,826)
26 NET INCOME / (LOSS)	\$ 542,726	\$ 542,726	\$ 271,900		\$ 270,826

*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 Sheet

(Unaudited- Preliminary)

As of July 31, 2022

	General Fund	Fish Clean Up	DWR - Prop 68 Grant	TOTAL
1 ASSETS				
2 Checking/Savings	\$ 391,000	\$ 20,991	\$ -	\$ 411,991
3 Other Current Assets				
Accounts Receivable	210,000	-	-	210,000
4 Due from Grant Funds	15,822	-	-	15,822
5 Prepaid Items	10,347	-	-	10,347
6 Grant Receivable	-	-	50,194	50,194
7 Total Other Current Assets	236,170	-	50,194	286,363
8 TOTAL ASSETS	627,169	20,991	50,194	698,354
9 LIABILITIES & FUND BALANCE				
Liabilities				
10 Credit Cards				
11 Credit Card Payable	2,580	-	-	2,580
12 Total Credit Cards	2,580	-	-	2,580
13 Other Current Liabilities				
14 Accrued Expenditures	9,359	-	-	9,359
15 Deferred Revenue	210,000	-	-	210,000
16 Accrued Payroll	15,590	-	-	15,590
17 Due to Other Funds	-	-	15,822	15,822
18 Due to Riverside County	-	-	34,371	34,371
19 Accrued Vacation	21,610	-	-	21,610
20 Total Other Current Liabilities	256,560	-	50,194	306,754
21 Total Liabilities	259,140	-	50,194	309,333
22 Fund Balance	368,030	20,991	-	389,021
23 TOTAL LIABILITIES & FUND BALANCE	\$ 627,169	\$ 20,991	50,194	\$ 698,354

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Salton Sea Authority

Profit & Loss Budget to Actual

Combined (Unaudited- Preliminary)

Year to Date through July 31, 2022

	A	B	A + B = C	D	C / D	C - D
	General Fund YTD	DWR - Prop 68 Grant YTD	Total YTD	Budget FY 23	YTD Target 8%	\$ Variance
1 REVENUE						
2 Local Government / Member Assessments	\$ 600,000	\$ -	\$ 600,000	\$ 800,000	75%	\$ (200,000)
3 Other Federal / State / Local Reimbursements	-	-	-	250,000	0%	(250,000)
4 State Grant, Reimbursement to General Fund	-	-	-	110,000	0%	(110,000)
5 State of California Grants (Prop 68)	-	-	-	2,200,000	0%	(2,200,000)
6 TOTAL REVENUE	600,000	-	600,000	\$ 3,360,000	18%	\$ (2,760,000)
7 EXPENSES						
8 SSA Administration						
9 Salaries & Benefits						
10 Total Salaries	18,353	-	18,353	270,600	7%	(252,247)
11 Total Employee Benefits	11,421	-	11,421	135,300	8%	(123,879)
12 Total Salaries & Benefits	29,773	-	29,773	405,900	7%	(376,127)
13 Contract / Professional Services						
14 DC Advocates	7,000	-	7,000	88,200	8%	(81,200)
15 Sacramento Advocates	7,500	-	7,500	84,000	9%	(76,500)
16 Grant Administration	3,774	-	3,774	100,000	4%	(96,226)
17 Contract Attorney	-	-	-	50,000	0%	(50,000)
18 Audit & Accounting	2,359	-	2,359	75,000	3%	(72,641)
19 Total Contract / Professional Services	20,633	-	20,633	397,200	5%	(376,567)
20 Equipment / IT Maintenance	679	-	679	8,700	8%	(8,021)
21 Insurance	877	-	877	10,500	8%	(9,623)
22 Office Expense/Operating Supplies	161	-	161	8,300	2%	(8,139)
23 Office Expense/Online Services	174	-	174	3,300	5%	(3,126)
24 Dues, Subscriptions	1,034	-	1,034	14,200	7%	(13,166)
25 Travel/Mileage	3,942	-	3,942	40,000	10%	(36,058)
26 Total SSA Administration	57,274	-	57,274	888,100	6%	(830,826)
27 Grant Expenses						
28 Grant Expenses - Contractors				2,090,000	0%	(2,090,000)
29 Grant Expenses - to General Fund	-	-	-	110,000	0%	(110,000)
30 Total Grant Expenses	-	-	-	2,200,000	0%	(2,200,000)
31 TOTAL EXPENSES	57,274	-	57,274	3,088,100	2%	(3,030,826)
32 NET INCOME / (LOSS)	\$ 542,726	\$ -	\$ 542,726	\$ 271,900		\$ 270,826

*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
Financial Statement Analysis
July 2022 – 8% of the Fiscal Year
Unaudited

General Fund

Line 2 Local Government / Member Assessments: Member agency contributions, paid in full at the beginning of the year. To date, we have received \$600,000 in payments from three of the four member agencies.

Line 3 Other Federal / State / Local Reimbursements: Potential support on behalf of the tribal agencies.

Line 4 State Grant, Reimbursement to General Fund: Reimbursement for administrative costs related to the Proposition 68 grant, invoiced quarterly. No activity YTD.

Line 9 Total Salaries: Employee salary expenses for the General Manager and two support staff; Budgeted salary increases will not take place until mid-year. YTD is trending slightly below budget at 7%.

Line 10 Total Employee Benefits: Employee benefits expenses for the General Manager and two support staff; YTD is on budget at 8%.

Line 13 DC Advocates: Cultivating Conservation. YTD is on budget at 8%.

Line 14 Sacramento Advocates: Ollin Strategies. YTD is slightly over budget at 9%.

Line 15 Grant Administration: Grant administration expenses. YTD is 4%.

Line 16 Contract Attorney: Legal fees relating to general matters and federal funding. No activity YTD.

Line 17 Audit/Accounting: Accounting / consulting services and annual audit costs. YTD is trending below budget at 3%.

Line 19 Equipment/IT Maintenance: Monthly IT services from SystemGO IT. YTD is trending on budget at 8%.

Line 20 Insurance: Property/liability insurance and workers' compensation. YTD is 8%.

Line 21 Office Expense – Operating Supplies: General office supply purchases. YTD is 2%.

Line 22 Office Expense – Online Services: Office expenses for online services including: Zoom, Start Meeting, IVPRESS, Constant Contract, Adobe, and DocuSign. YTD is 5%.

Line 23 Dues, Subscriptions: Annual membership dues for ACWA, CSDA, and NWRA. YTD is 7%.

Line 24 Travel/Mileage: Travel, mileage, and staff meeting expenses. YTD is 10%.

Proposition 68 Grant

Line 2 State of California Grants (Prop 68): Grant revenue from activities related to Proposition 68. Invoices are submitted quarterly, so there is no activity YTD.

Line 5 Grant Expenses – Contractors: Reimbursements to the EDA for salaries and contractors for work related to the Proposition 68 grant. Invoices are submitted quarterly, so there is no activity YTD.

Line 6 Grant Expenses – to General Fund: Reimbursement to the General Fund for administrative costs related to the Proposition 68 grant. Invoices are submitted quarterly, so there is no activity YTD.



Salton Sea Authority

Profit & Loss Budget to Actual

General Fund (Unaudited)

Year to Date through August 31, 2022

	A	B	C	D	C / D	C - D
	July 2022	August 2022	YTD	Budget FY 23	YTD Target 17%	\$ Variance
1 REVENUE						
2 Local Government / Member Assessments	\$ 600,000	\$ -	\$ 600,000	\$ 800,000	75%	\$ (200,000)
3 Other Federal / State / Local Reimbursements	-	-	-	250,000	0%	(250,000)
4 State Grant, Reimbursement to General Fund	-	-	-	110,000	0%	(110,000)
5 TOTAL REVENUE	600,000.0	-	600,000.0	1,160,000.0	52%	(560,000)
6 EXPENSES						
7 SSA Administration						
8 Salaries & Benefits						
9 Total Salaries	18,353	28,764	37,507	270,600	14%	(233,093)
10 Total Employee Benefits	11,421	17,940	23,381	135,300	17%	(111,919)
11 Total Salaries & Benefits	29,773	46,705	60,888	405,900	15%	(345,012)
12 Contract / Professional Services						
13 DC Advocates	7,000	7,700	14,700	88,200	17%	(73,500)
14 Sacramento Advocates	7,500	7,500	15,000	84,000	18%	(69,000)
15 Grant Administration	3,774	11,095	14,868	100,000	15%	(85,132)
16 Contract Attorney	-	11,732	11,732	50,000	23%	(38,269)
17 Audit & Accounting	2,359	8,880	11,240	75,000	15%	(63,760)
18 Total Contract / Professional Services	20,633	46,906	67,539	397,200	17%	(329,661)
19 Equipment / IT Maintenance	679	1,092	1,771	8,700	20%	(6,930)
20 Insurance	877	877	1,755	10,500	17%	(8,745)
21 Office Expense/Operating Supplies	162	392	554	8,300	7%	(7,746)
22 Office Expense/Online Services	174	174	348	3,300	11%	(2,952)
23 Dues, Subscriptions	1,034	633	1,667	14,200	12%	(12,533)
24 Travel/Mileage	4,225	4,680	8,905	40,000	22%	(31,095)
25 TOTAL EXPENSES	57,557	101,459	143,425	888,100	16%	(744,675)
26 NET INCOME / (LOSS)	\$ 542,443	\$ (101,459)	\$ 456,575	\$ 271,900		\$ 184,675

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Salton Sea Authority
Profit & Loss Budget to Actual
DWR - Proposition 68 Grant (Unaudited)
Year to Date through August 31, 2022

	A	B	C	D	C / D	C - D
	August 2022	July 2022	YTD	Budget FY 23	YTD Target 17%	\$ Variance
1 REVENUE						
2 State of California Grants (Prop 68)	\$ -	\$ -	\$ -	\$ 2,200,000	0%	\$ (2,200,000)
3 TOTAL REVENUE	-	-	-	2,200,000	0%	\$ (2,200,000)
4 EXPENSES						
5 Grant Expenses - Contractors	-	-	-	2,090,000	0%	(2,090,000)
6 Grant Expenses - to General Fund	-	-	-	110,000	0%	(110,000)
7 TOTAL EXPENSES	-	-	-	2,200,000	0%	(2,200,000)
8 NET INCOME / (LOSS)	\$ -	\$ -	\$ -	\$ -		\$ -

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Salton Sea Authority

Profit & Loss Budget to Actual

Combined (Unaudited)

Year to Date through August 31, 2022

	A	B	A + B = C	D	C / D	C - D
	General Fund YTD	DWR - Prop 68 Grant YTD	Total YTD	Budget FY 23	YTD Target 17%	\$ Variance
1 REVENUE						
2 Local Government / Member Assessments	\$ 600,000	\$ -	\$ 600,000	\$ 800,000	75%	\$ (200,000)
3 Other Federal / State / Local Reimbursements	-	-	-	250,000	0%	(250,000)
4 State Grant, Reimbursement to General Fund	-	-	-	110,000	0%	(110,000)
5 State of California Grants (Prop 68)	-	-	-	2,200,000	0%	(2,200,000)
6 TOTAL REVENUE	600,000	-	600,000	\$ 3,360,000	18%	\$ (2,760,000)
7 EXPENSES						
8 SSA Administration						
9 Salaries & Benefits						
10 Total Salaries	37,507	-	37,507	270,600	14%	(233,093)
11 Total Employee Benefits	23,381	-	23,381	135,300	17%	(111,919)
12 Total Salaries & Benefits	60,888	-	60,888	405,900	15%	(345,012)
13 Contract / Professional Services						
14 DC Advocates	14,700	-	14,700	88,200	17%	(73,500)
15 Sacramento Advocates	15,000	-	15,000	84,000	18%	(69,000)
16 Grant Administration	14,868	-	14,868	100,000	15%	(85,132)
17 Contract Attorney	11,732	-	11,732	50,000	23%	(38,269)
18 Audit & Accounting	11,240	-	11,240	75,000	15%	(63,760)
19 Total Contract / Professional Services	67,539	-	67,539	397,200	17%	(329,661)
20 Equipment / IT Maintenance	1,771	-	1,771	8,700	20%	(6,930)
21 Insurance	1,755	-	1,755	10,500	17%	(8,745)
22 Office Expense/Operating Supplies	554	-	554	8,300	7%	(7,746)
23 Office Expense/Online Services	348	-	348	3,300	11%	(2,952)
24 Dues, Subscriptions	1,667	-	1,667	14,200	12%	(12,533)
25 Travel/Mileage	8,905	-	8,905	40,000	22%	(31,095)
26 Total SSA Administration	143,425	-	143,425	888,100	16%	(744,675)
27 Grant Expenses						
28 Grant Expenses - Contractors	-	-	-	2,090,000	0%	(2,090,000)
29 Grant Expenses - to General Fund	-	-	-	110,000	0%	(110,000)
30 Total Grant Expenses	-	-	-	2,200,000	0%	(2,200,000)
31 TOTAL EXPENSES	143,425	-	143,425	3,088,100	5%	(2,944,675)
32 NET INCOME / (LOSS)	\$ 456,575	\$ -	\$ 456,575	\$ 271,900		\$ 184,675

*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 Sheet

(Unaudited)
As of August 31, 2022

	General Fund	Fish Clean Up	DWR - Prop 68 Grant	TOTAL
1 ASSETS				
2 Checking/Savings	333,511	20,991	-	354,503
3 Accounts Receivable	210,000	-	-	210,000
4 Other Current Assets				
5 Due from Grant Funds	15,822	-	-	15,822
6 Prepaid Items	8,559	-	-	8,559
7 Grant Receivable	-	-	50,194	50,194
8 Total Other Current Assets	24,381	-	50,194	74,575
9 TOTAL ASSETS	\$ 567,893	\$ 20,991	\$ 50,194	\$ 639,077
10 LIABILITIES & FUND BALANCE				
Liabilities				
11 Accounts Payable	\$ 14,574	\$ -	\$ -	\$ 14,574
12 Credit Cards				
13 Credit Card Payable	4,091	-	-	4,091
14 Total Credit Cards	4,091	-	-	4,091
15 Other Current Liabilities				
16 Accrued Expenditures	20,155	-	-	20,155
17 Deferred Revenue	210,000	-	-	210,000
18 Accrued Payroll	15,590	-	-	15,590
19 Due to Other Funds	-	-	15,822	15,822
20 Due to Rivco- DWR	-	-	34,371	34,371
21 Accrued Vacation	39,316	-	-	39,316
22 Total Other Current Liabilities	285,061	-	50,194	335,255
23 Total Liabilities	303,726	-	50,194	353,920
24 Fund Balance	264,166	20,991	-	285,158
25 TOTAL LIABILITIES & FUND BALANCE	\$ 567,893	\$ 20,991	\$ 50,194	\$ 639,077

*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
Financial Statement Analysis
August 2022 – 17% of the Fiscal Year
Unaudited

General Fund

Line 2 Local Government / Member Assessments: Member agency contributions, paid in full at the beginning of the year. To date, we have received \$600,000 in assessments from member agencies.

Line 3 Other Federal / State / Local Reimbursements: Potential support on behalf of the tribal or other funding sources.

Line 4 State Grant, Reimbursement to General Fund: Reimbursement for administrative costs related to the Proposition 68 grant, invoiced quarterly. No activity YTD.

Line 9 Total Salaries: Employee salary expenses for the General Manager and two support staff; Budgeted salary increases will not take place until mid-year. YTD is trending slightly below budget at 14%.

Line 10 Total Employee Benefits: Employee benefits expenses for the General Manager and two support staff; YTD is on budget at 17%.

Line 13 DC Advocates: Cultivating Conservation. YTD is on budget at 17%.

Line 14 Sacramento Advocates: Ollin Strategies. YTD is slightly over budget at 18%.

Line 15 Grant Administration: Grant administration expenses. YTD is 15%.

Line 16 Contract Attorney: Legal fees relating to general matters and federal funding. YTD is 23%.

Line 17 Audit/Accounting: Accounting / consulting services and annual audit costs. YTD is 15%.

Line 19 Equipment/IT Maintenance: Monthly IT services from SystemGO IT. YTD is 20%.

Line 20 Insurance: Property/liability insurance and workers' compensation. YTD is 17%.

Line 21 Office Expense – Operating Supplies: General office supply purchases. YTD is 7%.

Line 22 Office Expense – Online Services: Office expenses for online services including: Zoom, Start Meeting, IVPRESS, Constant Contract, Adobe, and DocuSign. YTD is 11%.

Line 23 Dues, Subscriptions: Annual membership dues for ACWA, CSDA, and NWRA. YTD is 12%.

Line 24 Travel/Mileage: Travel, mileage, and staff meeting expenses. YTD is 22%.

Proposition 68 Grant

Line 2 State of California Grants (Prop 68): Grant revenue from activities related to Proposition 68. Invoices are submitted quarterly, so there is no activity YTD.

Line 5 Grant Expenses – Contractors: Reimbursements to the EDA for salaries and contractors for work related to the Proposition 68 grant. Invoices are submitted quarterly, so there is no activity YTD.

Line 6 Grant Expenses – to General Fund: Reimbursement to the General Fund for administrative costs related to the Proposition 68 grant. Invoices are submitted quarterly, so there is no activity YTD.

Checking Account Activity

August 1, 2022 through August 31, 2022



Warrant	Warrant	Vendor	
Date	Number	Name	Amount
Beginning Cash			\$ 422,532.44
08/11/2022	EFT	Pacific Western Bank	(2,455.42)
08/22/2022	1354	Best, Best & Krieger	(4,743.30)
08/22/2022	1355	Cultivating Conservation	(7,350.00)
08/22/2022	1356	Eide Bailly LLP	(2,359.35)
08/22/2022	1357	O'Dowd, G.Patrick	(641.12)
08/22/2022	1358	OfficeTeam	(7,169.84)
08/22/2022	1359	Ollin Strategies	(7,500.00)
08/22/2022	1360	SystemGo IT LLC	(1,091.50)
08/22/2022	1361	Thill, Linda	(80.16)
08/24/2022	EFT	Verizon Wireless	(102.64)

Net Activity	(33,493.33)
Ending Cash	\$ 389,039.11

Checking Account Activity

September 1, 2022 through September 30, 2022



Warrant	Warrant	Vendor	
Date	Number	Name	Amount
Beginning Cash			\$ 396,389.11
09/12/2022	EFT	Pacific Western Bank	(4,066.61)
09/16/2022	EFT	Pitney Bowes	(67.46)
09/23/2022	EFT	Verizon Wireless	(102.50)
09/26/2022	1362	Best, Best & Krieger	(6,988.20)
09/26/2022	1363	Bravata, Lisa	(114.08)
09/26/2022	1364	Coachella Valley WD	(600.00)
09/26/2022	1365	Cultivating Conservation	(14,700.00)
09/26/2022	1366	Davis Farr LLP	(5,000.00)
09/26/2022	1367	O'Dowd, G.Patrick	(888.75)
09/26/2022	1368	OfficeTeam	(8,732.68)
09/26/2022	1369	Ollin Strategies	(7,000.00)
09/26/2022	1370	SystemGo IT LLC	(679.00)
09/26/2022	1371	Thill, Linda	(122.13)
09/30/2022	EFT	Stop payment fee	(15.00)
09/09/2022	Deposit	Torres Martinez Desert Cahuilla Indians	10,000.00
09/09/2022	Deposit	DWR - Prop 68	17,281.38
Net Activity			(21,795.03)
Ending Cash			\$ 374,594.08

Memorandum

To: Salton Sea Authority Board of Directors
From: G. Patrick O'Dowd, Executive Director /GM
Date: October 13, 2022
Re: Ad Hoc Committee Appointments for FY 2022-2023
CM No. V.A.7 – 10-13-2022

Salton Sea Authority Ad Hoc Committees FY 2022-2023

The SSA JPA states: “The Commission or the Chairman may establish such committees as from time to time are deemed necessary as good for the Authority.”

❖ **Executive: Chair – President Luis A. Plancarte, Vice-President Altrena Santillanes**

- Review policies and procedure as requested by staff.
- Review legislative proposals (Federal/State platforms).
- Review new programs and projects initiated by staff.
- Confer with General Manager regarding general activities of the Authority, as required.

❖ **Finance: Chair – Treasurer Alex Cardenas, members Director Jeff Hewitt and Director Anthony Bianco.**

- Review the budget (proposed and current mid-year and yearly).
- Periodic review of bank statements, accounts payable and receivable, etc., and insurance and contractual commitments.
- Review procedures and practices of accounting.
- Review of audits and reports.

❖ **Personnel: Chair – Vice-President Altrena Santillanes, members Luis A. Plancarte and Director Cástulo Estrada.**

- Review updated employee manual and procedures.
- Review employee labor compliance and contractual commitments.
- Review and suggest alternative solutions to personnel issues – as requested by Board and General Manager.
- Review job descriptions, employee needs, and compensation with General Manager.

❖ **Projects Committee: Chair – Director Ryan Kelley, members Director Altrena Santillanes, Director Alex Cardenas, and Ex-Officio member CNRA Assistant Secretary TBD**

- Review current projects including their status, pending contracts or identified issues of concern.
- Coordinate interagency cooperative planning to assure project outcomes are beneficial to all concerned.
- As requested or appropriate, attend outside meetings.
- Review and advise staff of member agencies of the impacts Authority projects may have in relation to member agencies' programs and operations.



Cultivating Conservation

MEMO

TO: Salton Sea Authority Board of Directors and G. Patrick O'Dowd
FROM: Lisa Moore
RE: **Federal Report**
DATE: October 11, 2022

Summary: As described in the last federal report, the Inflation Reduction Act (IRA) included Colorado River provisions to help mitigate the economic and environmental impacts of Reclamation's recent call for 2-4 million acre feet of conserved water from the Colorado River. The IRA provides **\$4 billion** in funding for water rights purchases, water conservation, and **ecosystem restoration** for the Salton Sea, and specifically states that these provisions are to be implemented in compliance with environmental laws. Among other things, those laws require that federal actions which may have a significant impact on the environment be evaluated prior to implementation and mitigation for impacts provided.

In order to determine the impact of proposed cuts described below on the Salton Sea and the level of required federal funding for mitigation, **staff recommend** working with Interior to allocate IRA resources to a mutually agreeable contractor to conduct such an assessment. That assessment would then form the basis for the establishment of an assured federal mitigation fund using IRA resources that would be established prior to the implementation of Colorado River cuts and which would assure, per IRA language, that those cuts are implemented in a manner which complies with environmental laws.

Background: Over the last several months, Colorado River contractors have engaged in negotiations concerning this federal call for conserved water, including how these IRA provisions should be implemented to address Colorado River drought. We have engaged in discussions with both Interior officials and our Congressional delegation regarding the same.

On October 5, 2022, California Colorado River contractors wrote to federal Interior officials to pledge 400,000/year of conserved water stating that the parties had "identified a collection of proposed water conservation and water use reduction opportunities" that would yield this level of conserved water in Lake Mead each year beginning in 2023 through 2026. The letter acknowledges that these actions "will further shrink" the Sea and that voluntary water conservation actions proposed to reach that 400,000 AF contribution "depends on a clear federal commitment to contribute meaningfully to stabilization efforts at the Salton Sea."

The first step in determining the needed level of federal contribution to ensure that water conservation measures undertaken to generate the conserved water requested by the federal government comply with environmental laws is an assessment of the impacts of these water cuts on the Salton Sea. The IRA funding provided by Congress is purposely flexible and would enable Interior, working with the Authority and a mutually agreeable contractor, to fund such an assessment. That assessment, then, would be used to determine and set aside assured funding resources from the IRA to implement Salton Sea mitigation as water is conserved in Lake Mead.

IRA Funding v. Other Federal Programs

As Colorado River negotiations continue, it is very important to distinguish between the IRA's \$4 billion in funding and other Salton Sea related legislative efforts. The IRA's \$4 billion may be mobilized without further Congressional action. That is, unlike most legislation which requires first an act of Congress to authorize spending and then a subsequent act of Congress to appropriate that spending, this \$4 billion requires no further Congressional action to be used by Interior to protect the Salton Sea.

This differs from legislation like Senator Padilla and Congressman Ruiz's Salton Sea Projects Improvement Act, which authorizes Interior to spend an additional \$250 million on Salton Sea projects, including in conjunction with the Authority. After it is enacted, we will need to secure the enactment of federal appropriations legislation to mobilize this funding. This funding is likely to be provided incrementally and over time — it took 30 years to fully appropriate the initial \$10 million Congress initially authorized Reclamation to spend at the Sea. This legislation is a typical authorization bill. Likewise, our current effort to undertake a long-range feasibility study with the Corps of Engineers — which is proceeding well — will ultimately require future acts of Congress to actually appropriate funding to undertake the work called for in the study.

The fact that these other measures (the Salton Sea Projects Improvement Act and Corps feasibility study) require future acts of Congress to mobilize funding from them — an effort which is by its nature uncertain — underscores the importance of not relying on these measures to address the current mitigation needs associated with Colorado River cuts that may occur in the near term. The new \$4 billion fund is the most reliable and assured source of funding to address those impacts, and it was explicitly created to address Salton Sea conservation.

It is worth noting that during the last major Colorado River negotiations over the 2019 DCP, the Authority and IID argued that federal mitigation funding was needed if additional water conservation measures were to be implemented in the Salton Sea basin. At that time, this request was not supported by Interior or the basin states. Instead, these parties sought federal legislation to remove the environmental and public health protections that form the basis of that federal Salton Sea mitigation obligation. The Authority and IID succeeded in defeating that legislation.

It is a testament to your work at that time and since, that the IRA legislative negotiations concerning Colorado River drought embraced the need to forthrightly address the impacts of Colorado River water conservation on the Salton Sea and surrounding communities and affirmed the environmental laws which protect our region.

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

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

On August 30, 2022, the California State Legislature adjourned for the year. Prior to adjourning, the legislature adopted follow-on "trailer" bills to implement the state budget as well as legislation that is of consequence to the Salton Sea region. Below is a summary of these items.

Lithium Valley

As part of SB 126, a budget trailer bill, the legislature expanded the scope of the Climate Catalyst Fund to include financing for transmission projects eligible for federal matching funds. Administered by the California Infrastructure and Development Bank (IBank), the Climate Catalyst Fund provides low-interest financing tools for a portfolio of climate-related projects. The expansion of the fund's scope to include transmission is important to the Lithium Valley because, at present, the region lacks the transmission to export all its geothermal capacity, the precursor to lithium recovery, onto the market. Moreover, to build that transmission, geothermal projects must first secure Power Purchase Agreements (PPA). Under SB 126, the state will be able to move forward with financing the construction of that transmission immediately, without the need for geothermal developers to first secure PPAs, providing market certainty to both geothermal generators and by extension lithium developers, that the transmission needed to monetize this power will be in place.

SB 126 also authorized the creation of a Climate Innovation Grant program with \$1.05 billion to assist California-based companies developing or commercializing technologies that will help the state meet its climate goals including companies engaged in the recovery of lithium.

Finally, the legislation included a \$45 million Sales Tax Exclusion over three years, capped at \$15 million per year, for projects that manufacture, refine, extract, process, or recover lithium. SB 126 was signed into law.

Closely related, the legislature also passed, and the Governor signed, AB 2887 by Assemblymember Eduardo Garcia, which increased the current authorization for the California Alternative Energy and Advanced Transportation Authority to allocate sales and use tax exclusions from \$100 million to \$150 million annually, with a focus on lithium recovery.

Salton Sea

On August 18, 2022, the Governor vetoed AB 2248 by Assemblymember Eduardo Garcia. As passed by the legislature, AB 2248 would have invested \$100 million for grants and related expenditures to address water quality in the New River and the Tijuana River watersheds. In vetoing the legislation, the Governor cited his expectation that the state would receive lower than anticipated revenue inflows over the next few months, a theme he used to veto several dozen bills.

The Governor's rationale in vetoing AB 2248 is significant because he has committed \$220 million for the Salton Sea. In September of 2021, the Governor signed legislation investing the first \$40 million from his pledge to the Salton Sea, and as part of the 2022 budget, the Governor included an additional \$100 million, leaving a balance of \$80 million.

As the Authority prepares to request that the Governor include the balance of his commitment to the Salton Sea in his January 2023 budget proposal, it will be important that we organize local stakeholders to ensure they mirror the Authority's request. The stronger the support coalition, the more likely we are to overcome any concerns over the state's finances and ensure this critical investment is included as part of next year's budget.