Salton Sea Authority

Memorandum

To: Salton Sea Authority Board of Directors **From:** G. Patrick O'Dowd, Executive Director/GM

Date: June 15, 2023

Re: SB_583 – "Salton Sea Conservancy"

For some months, Salton Sea Authority staff has been reporting the status of SB_583, the "Salton Sea Conservancy" bill authored by Senator Padilla of Chula Vista, CA. Since its first drafting the bill has evolved in both language and expressed intent, from an initial "spot" bill, to the creation of an agency that would subsume most all of the work presently being performed both by the Salton Sea Management Program (SSMP) and the Salton Sea Authority, to an entity that would "support" the efforts of these two entities, including the implementation of the 10-year plan and the long range plan, both of which are obligations of the State alone pursuant to a Water Board Order, itself brought about by a lawsuit filed by the Imperial Irrigation District to compel the State to honor its agreements under the Quantification Settlement Agreement.

Early on, Authority staff had been researching a conservancy as part of our diligence to explore options for addressing long term project operations and maintenance activities and costs. We engaged staff from Assemblymember Garcia's office in the conversation to better understand, should we move in that direction what the process might entail and how long it might take. We tinkered with legislative language, using the Baldwin Park Conservancy (what we understood at the time to be the last conservancy created by the legislature) as a template, but never elevated our commitment to this process to where we felt neceary or appropriate to bring to this Board for consideration. Addressing these long-range obligations should be a thoughtful process, including an evaluation of perhaps multiple alternatives.

We learned in February that a separate group, comprised principally of out of state environmental interests in collaboration with a handful of environmental justice stakeholders had been engaging with Senator Padilla on a conservancy bill. We met with both Senator Padilla, Assemblymember Garcia, their respective staffs, and stakeholders supporting the Padilla effort shortly before the original spot language was filed. They shared with us then their intention to shift the SSMP responsibilities locally as discussed earlier, and though having little notice or preparation we shared our own conservancy perspective and expressed concerns about what was being proposed. Nonetheless, the bill was filed on February 15th and the legislation moved forward, having been amended on March 20th to reflect more fully the authors initial intent as discussed, and again on May 23rd. The May edits did eliminate some of the specificity as to how the conservancy would operate, but

language remaining in the bill, including that it would "support" the states SSMP efforts and "implement" programs thereunder, continue to cause us grave concerns. These concerns are based on what we know, including potential negative impacts to important work already being done under the 10-year plan and the implementation of the US Army Corps of Engineers feasibility study (Corps Project), as well as the things we simply don't know, not having sufficient time to properly evaluate all the risks. With respect to the Corps Project, that opportunity was secured through efforts of the Salton Sea Authority, beginning with securing (with great assistance from then Senator Barbara Boxer, herself a champion of regional concerns) a Resolution from The Senate Committee on Environment and Public Works on April 28, 2016 to conduct this study. In 2020, again throught he efforts of the Authority, we were able to secure authorization for this study from Congress in 2020 under the Water Resources Development Act, and was finally able to secure full federal funding (requiring local match) through the Infrastructure Investments and Jobs Act in 2021. It should be noted that less than 10 of these such studies are authorized nationwide each year, and in this particular year a total three were funded.

In December of last year, the Corps, along with the State of California and the Salton Sea Authority, as joint local sponsors, signed an agreement to initiate the Corps Project. That effort will take the work the State completed under its Water Board long range plan obligations, and translate that into a project that when deemed feasible by the Corps, becoming eligible for federal matching funding of 65% of project costs. This could literally mean billions in federal assistance to ensure the challenges at the Sea are fully understood and responsibly mitigated. As mentioned, the Corps Study is a joint effort between the Corps, the State of California (through the Department of Water Resources, a division of the California Natural Resources Agency), and the Salton Sea Authority. Anything that upsets that rubric and creates uncertainty in that space may place at risk this significant investment, and we should continue to oppose.

Listening to the Senator's representative recently it became clear to us that there was an area of mutual interest and concern, and that if would could focus our collective attention and resources on a conservancy that dealt strictly with operations and maintenance of completed projects, that might be a framework for the Authority to consider and perhaps even support. At present the state has no identified means to specifically address the costs associated with completed project. There are some proposed dollars to be set aside from lithium development, but those revenues have yet to materialize and how those proceeds are to be spent have not been specifically articulated. A new conservancy, working in coordination and consultation with the Authority, can both manage these completed projects and seek and secure funding for their continued sustainability.

Recommendation:

For the reasons stated herein, Staff recommends a continued OPPOSE position on SB_583. Language has been drafted for consideration by this Board which would accomplish the mutual objectives discussed earlier. If approved, Board may consider amending its position to OPPOSE unless amended / SUPPORT if amended, to assist the Senator in getting this legislation across the finish line in a manner beneficial to all stakeholders. In that regard, staff recommends the Authority requests that Senator Padilla schedule an open stakeholder meeting to educate the public about the legislation and discuss how to best address the challenges outlined therein. And of course, Authority staff would be happy to assist the Senator in putting such a gathering together.

Respectfully submitted,

G. Patrick (Dowd Executive Director/GM