

DEPARTMENT OF WATER RESOURCES

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**LETTER AGREEMENT BETWEEN THE CALIFORNIA DEPARTMENT OF WATER RESOURCES AND THE SALTON SEA
AUTHORITY FOR COLLABORATION AND COOPERATION FOR THE IMPERIAL STREAMS SALTON SEA AND
TRIBUTARIES FEASIBILITY STUDY**

This Letter Agreement is entered into this 13th day of December, 2022, by the California Department of Water Resources (hereinafter the "DWR") and the Salton Sea Authority (hereinafter the "Authority"), regarding the manner of their collaboration and cooperation for implementation of the Imperial Streams Salton Sea and Tributaries Feasibility Study Agreement between the Department of the Army (hereinafter the "Government"), the DWR, and the Authority executed on December 16, 2022 (hereinafter the "Agreement").

Background:

Pursuant to a resolution of the U.S. Senate Committee on Environmental and Public Works, 114th Congress, 2nd Session (April 28, 2016), the Government is authorized to investigate and recommend improvements for flood risk management, ecosystem restoration, and other water and land related resources for the Salton Sea and the vicinity. Activities and tasks required to identify and evaluate alternatives and prepare a decision document that, as appropriate, recommends a coordinated and implementable solution for ecosystem restoration and public health and safety at the Salton Sea and vicinity have been identified in the Agreement, and hereinafter, as the "Study".

DWR and the Authority have agreed to be local co-sponsors of the Study and are referred to collectively herein and in the Agreement as the "Non-Federal Sponsors".

Through this Letter Agreement, the DWR and the Authority intend to establish the manner in which they will collaborate on the Study with regard to cost sharing and decision making.

Cost Sharing:

Pursuant to the terms of the Agreement, study costs incurred by the Government and Non-Federal Sponsors after the effective date of the Agreement will be shared. The Non-Federal Sponsors will contribute fifty percent of the study costs, including by creditable in-kind contributions, in accordance with the relevant provisions of the Agreement.

Pursuant to this **Letter Agreement**, the full amount of such funding for the fifty percent cost share shall be provided to the Government by DWR through payment of funds and provision of creditable in-kind contributions.

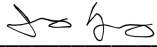
Structured Decision Making Process:

The Assistant Deputy Director for Salton Sea and the Executive Director/General Manager for the Authority will consult and endeavor to come to an agreement on all matters relevant to their obligations as Non-Federal Sponsors in the Agreement and the scope of alternatives to be analyzed, the selected plan, and the project to be recommended for construction. If there is no concurrence between them, within fourteen calendar days the Executive Director shall present the State's position to the Authority's Board of Directors (the Board) for decision. Within that fourteen day period the Board will accept, reject, or propose modifications to the State's position. If the Board rejects the State's position or proposes modifications, the Assistant Deputy Director for Salton Sea can decide to accept the Board's rejection or proposed modification, or promptly refer the matter to the Secretary of Natural Resources for resolution. The Secretary's decision shall be delivered to the Board within fourteen calendar days following referral.

Counterparts:

This Letter Agreement may be signed in two or more counterparts each of which, when executed and delivered, shall be an original and all of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

CALIFORNIA DEPARTMENT OF
WATER RESOURCES



James Newcomb
Assistant Deputy Director for Salton Sea

SALTON SEA AUTHORITY



G. Patrick O'Dowd
Executive Director/General Manager, Salton Sea
Authority