



**QUANTIFICATION SETTLEMENT AGREEMENT  
JOINT POWERS AUTHORITY  
VIRTUAL MEETING MINUTES  
June 10, 2021 at 9:30 a.m.**

**Commissioners and Alternates present:**

Arturo Delgado, California Natural Resources Agency (CNRA) – Chair  
Jim Barrett, Coachella Valley Water District (CVWD) – Commissioner  
Dan Denham, San Diego County Water Authority (SDCWA) – Commissioner  
Henry Martinez, Imperial Irrigation District (IID) – Commissioner  
Robert Cheng, Coachella Valley Water District (CVWD) – Alternate Commissioner  
Kelly Rodgers, San Diego County Water Authority (SDCWA) – Alternate Commissioner  
Tina Shields, Imperial Irrigation District (IID) – Alternate Commissioner

**JPA staff present:**

Jeff Ferre, Best, Best, and Krieger – Legal Counsel  
Kara Mathews, SDCWA – Chief Administrative Officer (CAO)

**Others present:**

Mike Cohen, Pacific Institute	Ivory Reyburn, CVWD
Joanna Hoff, IID	Jessica Schroeder, CNRA
Jessica Humes, IID	Darren Simon, SDCWA
Wendy Joplin, SDCWA	Kimberlyn Velasquez, SDCWA
Brea Mohamed	Evon Willhoff, California Department of Fish and Wildlife (CDFW)
Patrick O’Dowd, Salton Sea Authority	Chris Woidzik, SDCWA
Alan Okewole, SDCWA	

**PRELIMINARY MATTERS**

1. Call to Order  
Chair Delgado called the meeting to order at 9:30 a.m.
2. Roll Call  
There was a quorum of the Commission present at the time of the meeting.
3. Public Comment  
Patrick O’Dowd, Salton Sea Authority Executive Director expressed appreciation to the QSA JPA team regarding the proposed fiscal year 2022 budget document being sent out early.

**ORGANIZATIONAL MATTERS**

4. Discussion: General Counsel Report – Preparation for presentation to the Salton Sea Authority. (Jeff Ferre, BBK)

Mr. Ferre announced that a request had been received to do a brief presentation on the JPA to the Salton Sea Authority. Mr. Ferre noted the presentation scheduled for June 24, 2021, which will include a discussion of the history, structure and the function of the QSA JPA, and its obligations.

5. Action: Approval of Minutes of Regular QSA JPA Meeting Held March 11, 2021.

Commissioner Barrett made a motion to approve the minutes, which was seconded by Commissioner Denham. The minutes were approved unanimously by a roll call vote.

6. Action: QSA JPA Website (Kimberlyn Velasquez, SDCWA)

Recommendation: QSA JP staff recommends the QSA JPA Commission approve development of the proposed QSA JPA website (housed under the San Diego County Water Authority website) by Planeteria Media, and include \$10,000 in the fiscal year 2022 budget for website development and annual maintenance.

Ms. Velasquez presented the proposed QSA JPA website covering the pages that is proposed to be included, which is a homepage, board meetings page and a documents and outside sources page. She also discussed the background design choices, document library resource page and costs of the website. The total cost to the QSA JPA of developing the site is estimated at \$10,000, with an annual maintenance fee of approximately \$425. per year. The \$10,000 line item is included in the proposed fiscal year 2022 QSA JPA budget.

After several questions and much discussion about details and specifics, Commissioner Barrett made a motion to approve the recommendation, which was seconded by Commissioner Denham. The item was approved unanimously by a roll call vote.

#### FINANCIAL MATTERS

7. Information: Treasurer's Report ending March 31, 2021 (Chris Woidzik, SDCWA)

Mr. Woidzik provided a review of the Treasurer's Report ending March 31, 2021. The quarter ended with \$35.9 million in cash and investments. The majority of that was in LAIF at \$20.8 million and then Asset Back Securities held by Chandler Asset Management of \$15 million, amongst others. Chandler is currently investing \$20 million now. The effective rate of return is decreasing at 0.74 percent. The interest received was about \$199,800. No deposits were made in the quarter and two invoices were paid totaling approximately \$259,600. The total outstanding balance due was \$93.3 million or \$64.5 million at net present value at 6 percent.

8. Information: Financial Report ending March 31, 2021 (Chris Woidzik, SDCWA)

Mr. Woidzik provided a review of the Financial Report ending March 31, 2021. Total assets were \$99.4 million with \$3.2 million in liabilities. Unavailable mitigation contributions were at \$63.5 million, total fund balance was \$32.7 million. Total revenues were \$5.3 million and total expenditures at \$6.8 million. Approximately 45 percent of the budget was spent to date. He concluded with a summary of expenses on certain tasks.

9. Action: Review and consider approval of QSA JPA Fiscal Year 2022 Budget and Work Plan (Kara Mathews, SDCWA and Jessica Humes, IID)

Ms. Mathews stated the proposed budget was \$11,698,380 and reviewed tables from the budget document, which included remaining payment schedule for each agency, fiscal year 2021 expenditures, fiscal year 2021 projected fund balance, summary of agency payments coming in, fiscal year 2022 projected fund balance, fiscal year 2022 major expenditures (top three tasks).

Ms. Humes reviewed the mitigation tasks with larger expenditures. Task 2, Task 8 and Task 24 were the top three activities. She also reviewed a few of the other tasks.

Ms. Mathews reviewed five-year cash flow projections, Appendices 1 and 2 and concluded with requesting approval of the recommendation.

Mr. Barrett asked about vacancies. Ms. Humes explained.

Mr. Cheng asked for further confirmation in the remaining payment schedule. Ms. Mathews explained and clarified how the schedule was set up. He also asked about the variance and how it compares to prior years. Ms. Humes and Ms. Mathews answered his question explaining the historical variances.

Mr. Denham asked about reimbursements and investments and also air quality Task 24 regarding staffing. Ms. Mathews and Ms. Humes answered his questions.

Ms. Shields made a comment about reimbursements.

Commissioner Barrett made a motion to approve the recommendation, seconded by Commissioner Denham. The item was approved unanimously by a roll call vote.

## IMPLEMENTATION

### 10. Information: Status report on implementation of mitigation measures (Jessica Humes, IID)

Ms. Jessica Humes provided an update on various mitigation measures:

*Mitigation Measure 2 – Implementation Team Biologists:* One vacant position has been filled and the other vacant position will be filled soon, pending paperwork.

*Mitigation Measure 4 – Drain Habitat:* IID staff has been conducting managed marsh bird surveys and annual sampling within the marsh.

*Mitigation Measure 15 - Pre-Construction Activity Burrowing Owl Surveys and Relocation:* Ongoing burrowing owl inspection activities. More construction projects will begin after September.

*Mitigation Measure 18 – Pupfish Monitoring:* IID staff began monitoring and coordinated with CDFW in May and so far, had found pupfish in the P-Drain. Monitoring will be ongoing through the summer.

*Mitigation Measure 23 – Covered Species Baseline and Monitoring Surveys:* Southwestern willow flycatcher surveys were completed in the spring.

*Mitigation Measure 24 – Salton Sea Air Quality Mitigation:* In terms of planning, IID is working on a CEQA document for the Clubhouse groundwater test well, which is to be completed in June. IID is also planning for shallow groundwater wells in the San Felipe wash in the Salton City area.

Aquatic resources have been submitted in various locations around the Salton Sea and we are waiting on a response from Army Corps. IID is currently planning for surface roughening and vegetation in the Alamos South Extension, Mondo, and Bombay areas. IID is working on the Red Hill Bay best available control measures (BACM) project area which will include surface roughening and vegetation BACM. CEQA technical studies are underway for that project. For the implementation side of things, vegetation irrigation at the Alamos south project will continue through the end of June and performance monitoring around the Salton Sea is ongoing.

11. Information: Update on Managed Marsh negotiations (Jessica Schroeder, CDFW and Tina Shields, IID)

Ms. Shields reported that continued discussions were ongoing on how to best meet the permit requirements, how to agree upon the associated costs of the land, and what reimbursements would be appropriate for IID. She relayed that her goal is to complete this item this calendar year.

Ms. Schroeder provided additional details. The incidental take permit (ITP) itself doesn't require an appraisal. The issue of reimbursing IID for the cost of the land is a QSA JPA issue. There is the possibility of bifurcating the process of IID reimbursement versus fulfilling the ITP requirements, which would require either granting CDFW a conservation easement or fee title over the property. As of now, we are leaning toward a conservation easement. Determining the appraised value will require more discussion internally and bring something back to this group. Regarding the process of transferring the property to CDFW, the next step is to do due diligence regarding the mineral rights on the property. A mineral assessment report will be needed to determine if there is a risk of geothermal extraction occurring that might impair the conservation value and any potential next steps required.

Commissioner Denham asked about reimbursement to IID being a discretionary item of the commission and wanted to remind the QSA JPA that reimbursement to IID for the land has always been intended.

Ms. Shields agreed.

12. Information: Update on State Salton Sea Management Program (Evon Willhoff, CDFW)

Ms. Willhoff announced that Gail Sevrens had retired on May 21, 2021 and she was there to provide an update on the Salton Sea Management Program (SSMP). She explained the Species Conservation Habitat project construction is ongoing. Much of the preliminary work is complete on the west side of the New River and contractor had begun work on the east side. The Army Corps of Engineers, the lead agency, initiated the NEPA environmental assessment (EA) process for the SSMP Phase 1, 10-year plan on March 21, 2020. It will cover 30,000 acres of habitat and dust suppression projects including habitat pond expansion, habitat ponds at Alamo River, North Lake Demonstration pilot projects, Desert Shores channels restoration project, Audubon wetland restoration project and a variety of other dust suppression and habitats projects. The EA will also include a watershed plan funded by cooperative agreement between USDA National Resources Conservation Service and CNRA This will allow projects to qualify for federal farm bill funds. The draft EA will be released to the public in the September/October 2021 timeframe with anticipated completion by the end of the year. On April 26<sup>th</sup>, the state entered into a \$19.25 million funding agreement with the Salton Sea Authority utilizing Proposition 68 funds to help plan and implement the North Lake Demonstration pilot project located in Riverside County which will construct approximately a 155-acre lake to provide both shallow and deep-water habitat as well as other community benefits. Lastly, Ms. Willhoff announced that CNRA was recruiting for two positions: an Information Officer and a Deputy Assistant Secretary.

13. Adjournment

The meeting was adjourned 10:46 a.m.