



**QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY**

CONFERENCE CALL MEETING MINUTES

March 25, 2019 at 4:00 p.m.

Commissioners and Alternates present:

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

JPA staff present:

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

Others present:

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| Geena Balistreri, SDCWA | Earl Withycombe, California Air Resources Board |
| Chris Woidzik, SDCWA | Ivory Reyburn, CVWD |
| Jessica Humes, IID | Brea Mohamed, Imperial Valley Farm Bureau |
| Arturo Delgado, California Department of Fish and Wildlife (CDFW) | |
| Mike Cohen, Pacific Institute | |

PRELIMINARY MATTERS

1. Call to Order
Alternate Chair Wilcox called the meeting to order at 4:06 p.m.
2. Roll Call
There was a quorum of the Commission present at the time of the meeting.
3. Public Comment
There were no public comments.

ORGANIZATIONAL MATTERS

4. Action: Approval of Minutes of Regular JPA Meeting Held November 20, 2018
Commissioner Barrett made a motion to approve the minutes, seconded by Alternate Chair Wilcox. The minutes were approved unanimously.

5. Information: Annual Conflict of Interest Form 700 Filings Due April 2
Chief Administrative Officer Mathews provided a reminder to the Commissioners that annual Form 700 filings were due April 2, 2019.

6. Information: New Commissioner Appointments for IID and SDCWA
Chief Administrative Officer Mathews provided an update on new Commissioner Appointments for the QSA JPA. Beginning January 1, Henry Martinez became the new Commissioner for IID. Beginning March 14, Dan Denham became the new Commissioner and Kelly Rodgers became the new Alternate Commissioner for SDCWA.

FINANCIAL MATTERS

7. Information: Financial Report Ending December 31, 2018
Mr. Chris Woidzik provided a review of the Financial Report ending December 31, 2018. Total assets are at \$115.5 million with \$909,589 in liabilities. About 9.4 percent of the budget has been spent for the fiscal year.

8. Information: Treasurer's Report ending December 31, 2018
Mr. Chris Woidzik provided a review of the Treasurers' Report ending December 31, 2018. The quarter ended with \$43 million in cash and investments, an increase from the previous Treasurer's Report at \$29.4 million. A total of \$72.4 million remains due from the QSA JPA water agencies.

IMPLEMENTATION

9. Information: Status Report on Implementation of Mitigation Measures
Mrs. Jessica Humes gave a status report on implementation of mitigation measures:

Task 8 Managed Marsh – Phase I berm maintenance work will be starting within the next two weeks. This includes releveling of the P3I cell. In Phase II, the 011 cell has been redesigned to plant willow trees as a wind barrier to cattail seeds. In total, 1,600 trees were planted. Phase III design is almost complete to submit for review. It is anticipated the Phase III solicitation process will take three months before a notice to proceed goes and plantings are anticipated to begin March 2020.

Task 16 Burrowing Owl Mitigation – IID is currently finishing up annual training with Water Department operation and maintenance staff related to construction and operation activities. All staff will have been trained by the end of the month. IID is starting burrowing owl subsampling population studies.

Task 19 Pupfish Selenium Drain Studies – Selenium monitoring started last year. Data for the first quarter of monitoring has been compiled and is in review with contractors.

Task 20 Pupfish Construction and Maintenance – IID completed a LIDAR acquisition along the south end of the Salton Sea to inform how pupfish drain interconnection will be completed.

Task 24 Air Quality – Playa exposure for the end of year 2018 showed that 20,911 acres of playa was exposed around the Salton Sea. Of those exposed acres, 4,300 acres have established vegetation near drains. SCS Engineers began operating and maintaining the air quality monitoring station network in January and completed their audit with the California Air Resources Board at the beginning of March. Formation Environmental is working with CVWD to obtain an encroachment permit for soil cores and LIDAR acquisition along the north end of the Salton Sea and currently waiting on a letter from the Bureau of Reclamation (BOR) to do the same on BOR property along the Salton Sea. The emissions estimate and proactive dust control plan is in final internal review with an anticipated release at the beginning of April. Three large projects are planned in the coming year: Red Hill Bay West – surface roughening and vegetation enhancement, Poe Road Extension – extending surface roughening to the east, Vail cutoff drain – surface roughening north of the species conservation habitat project. Additional projects on newly exposed playa are pending due to an ordinary high water mark issue with the U.S. Army Corps of Engineers.

Jessica stated her draft JPA budget will be completed by the end of the following week for the implementation team to review.

Mike Cohen, member of the public, asked if there is a general acreage estimate for the three new projects mentioned. Mrs. Humes stated she would get an estimate for Mr. Cohen.

10. Information: Managed Marsh Negotiations Update

Alternate Chair Wilcox stated Alternate Commissioner Shields sent him estimates for the managed marsh land and he would look at those at a later time. Alternate Commissioner Shields stated she would look over these estimates again and send updated pricing information due to more recent transactions that have taken place. Commissioner Denham stated he was curious how the increasing cost of the land is being addressed with the lapse in time to an eventual negotiation. Alternate Commissioner Shields stated that they plan to come to an understanding and mutual agreement of a fair price. Commissioner Denham asked if the two appraisals from the past are being used. Alternate Commissioner Shields stated those appraisals are not being used and general comparable land purchases are being used. IID does not plan to do another appraisal and is still interested in taking a credit for the land purchase.

11. Information: Update on State Salton Sea Management Program (SSMP)

Alternate Chair Wilcox gave an update on the State SSMP. There is a request for proposals out for the Species Habitat Conservation (SCH) project of 3,770 acres pending resolution of

easement issues, which are close to being resolved. Construction of the SCH project will likely happen late this year. The North Lake project is still in a conceptual design stage and the state is working with Riverside County and the Salton Sea Authority on this project. IID needs to become involved in discussions for the North Lake project due to their land ownership. There may be potential to access funding from the Farm Bill for projects. These funds will double the amount of money available for projects.

Commissioner Barrett asked if the \$200 million IID was waiting on to join the DCP has been provided through the Farm Bill. Alternate Chair Wilcox stated no, the \$200 million was an arbitrary number based on how much the state had available. The state is in a position where Phase I of the SSMP has been approved by US Department of Agriculture to move forward. The state would like to move forward in partnership with IID and one or two federal agencies. The state plans to go to the Farm Bill to fund projects going forward. Alternate Commissioner Shields clarified the motion passed by the IID board was not to request a specific dollar amount, but a federal to state fund-matching commitment.

12. Adjournment

The meeting was adjourned at 4:37 p.m.