



**QUANTIFICATION SETTLEMENT AGREEMENT
JOINT POWERS AUTHORITY
VIRTUAL MEETING MINUTES
September 30, 2020 at 10:00 a.m.**

Commissioners and Alternates present:

Jim Barrett, Coachella Valley Water District (CVWD) – Chair
Robert Cheng, CVWD – Alternate Commissioner
Henry Martinez, Imperial Irrigation District (IID) – Commissioner
Kelly Rodgers, SDCWA – Alternate Commissioner
Tina Shields, IID – Alternate Commissioner

JPA staff present:

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

Other presenters:

Shannon Ayala, Davis Farr
Jessica Humes, IID
Gail Sevrens, CDFW
Chris Woidzik, SDCWA

PRELIMINARY MATTERS

1. Call to Order
Chair Barrett called the meeting to order at 10:07 a.m. CAO Mathews reviewed logistics related to the virtual meeting.
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. Information: Commissioner engagement
CAO Mathews informed the Commission that there will be additional engagement with Commissioners going forward and that she is available as a resource for any items related to QSA JPA.
5. Action: Approval of Minutes of Regular JPA Meeting Held June 9, 2020
Chair Barrett made a motion to approve the minutes, seconded by Commissioner Rodgers. The minutes were approved unanimously by a roll call vote.

FINANCIAL MATTERS

6. Action: Review and accept fiscal year 2020 Audited Financial Report

Mr. Chris Woidzik introduced Ms. Shannon Ayala from Davis Farr. Ms. Ayala provided information on the audit report, which was an unmodified opinion. The audit results included finance staff being prepared for the audit, no journal entries detected as a result of audit procedures, no significant deficiencies or material weaknesses were identified, and contract testing was completed.

Commissioner Martinez made a motion to accept the 2020 audited financial report, seconded by Commissioner Rodgers. The item was passed unanimously.

7. Information: Treasurer's Report ending June 30, 2020

Mr. Woidzik provided a review of the Treasurers' Report ending June 30, 2020, which was also included in the audited financial statements. Total cash and investments was \$45 million. The QSA JPA provided \$10 million to Chandler to invest. Interest income was \$875,000 for the year. Mr. Woidzik stated that a representative from Chandler would provide an update at the next JPA meeting.

8. Information: Financial Report ending June 30, 2020

Mr. Woidzik provided a review of the Financial Report ending June 30. He reviewed the quarterly financial statements including the assets and liabilities. Total expenses over the fiscal year were \$15 million. Tasks with the most expenditures this quarter were: Task 5 – Mitigation water at \$7 million; Task 24 - Salton Sea Air Quality at \$2.5 million; and Task 8 - Drain Habitat Aquatic Managed Marsh at \$900,000. The budget status report shows 68% of the budget spent in the fiscal year. Chair Barrett stated he was happy to see the actual expenditures closer to the budgeted amount this year compared to past years.

IMPLEMENTATION

9. Information: Status Report on implementation of mitigation measures

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

- *Mitigation Measure 2 – Implementation Team Biologists:* IID has an opening for an environmental specialist II which is a promotional opportunity that will then be backfilled.
- *Mitigation Measure 8 – Drain Habitat for Managed Marsh Complex:* IID is continuing work on Phase 3. Riparian habitat furrows and irrigation turnouts are installed on three of the four fields. Emergent wetland cells have been constructed. The first batch of riparian trees will arrive in October and then another batch is expected at the beginning of the year.
- *Mitigation Measure 16 – Burrowing Owl Abundance Surveys:* Blackhawk Environmental completed surveys this year and will provide a report in the coming months.
- *Mitigation Measure 20 – Pupfish:* IID staff has been surveying the IID drains. The first round of surveys is complete, the second round of surveys is in progress, and the goal is to complete a third round by the end of the year.
- *Mitigation Measure 24 – Air Quality:* IID is working on an Alamo South extension project that is almost ready to be implemented. IID is finalizing the solicitation packet for Clubhouse groundwater test wells. IID is working on aquatic resources delineation for projects on the east and west sides of the Salton Sea to be submitted to the US Army Corps of Engineers. IID received a Bureau of Reclamation grant for a project near Po Road. Grant funds are for NEPA permitting and design for the portion of the project located on Reclamation-owned land.

10. Information: Update on Red Hill Bay Notices of Violation

Ms. Tina Shields from IID provided an update on the notices of violation for the Red Hill Bay project that IID and US Fish and Wildlife Service received in June issued by the Imperial County Air Pollution Control District. IID is working through the regulatory and legal issues, and plans to implement a BACM (best available control measure) project in that area to comply with county standards. The project will require extension of electrical service and installation of pumps to bring water to the site. This project will likely hit the budget this fiscal year and additional funds will be

included in next year's budget. IID currently estimates the full BACM project will cost \$5 million to \$6 million.

Commissioner Martinez requested an overview of the U.S. Fish and Wildlife role in the Red Hill Bay project. Ms. Shields stated that the notices were issued to IID as the landowner and to U.S. Fish and Wildlife Service as the project proponent. IID is addressing site access issues which are complicated by the notices of violations being issued.

11. Information: Update on State Salton Sea Management Program

Ms. Gail Sevens, Salton Sea Program Manager for the California Department of Fish and Wildlife, provided an update on the state's Salton Sea Management Program. The presentation included a high level overview and update of program activities. The four program priorities are: making progress on the 10 year plan, establishing a pathway beyond the 10 year plan, building the SSMP team, and strengthening partnerships with local stakeholders. She reported that the state is making progress on the Species Conservation Habitat project where work will begin this fall and the full 3,770 acres will be completed by 2023. The Dust Suppression Action Plan was completed in July and includes projects through the end of 2022. The state is working on environmental planning for the projects included in the 10 year plan, with U.S. Army Corps of Engineers as NEPA lead agency. The Final Environmental Assessment is expected in summer 2021. As part of the establishment of a long-term pathway, the state is evaluating the range of feasible restoration alternatives including water importation. The solicitation for an independent review panel to analyze the feasibility of water importation did not receive any bids. The governor's budget includes funding for 10 new positions in the SSMP, five of them are currently posted openings that are based in the Salton Sea local area. To strengthen partnerships, there is a community engagement plan being developed, and memorandums of understanding have been executed with the Salton Sea Authority on the North Lake project and with the Imperial County Air Pollution Control District on Desert Shores.

Commissioner Martinez asked about whether water importation was still an active effort. Ms. Sevens stated that there had been two requests for proposals (RFPs) but no proposers responded. She clarified that the RFPs she was referring to were for independent reviewers of proposals that were received for water importation projects. Proposals have been received for importation projects but so far there were not any bids for the independent reviewers to set up expert panels to review the feasibility of the proposed projects.

12. Adjournment

The meeting was adjourned 11:02 a.m.