

JUNE 13, 2019

QSA JPA FY2020 BUDGET & WORK PLAN



WATER AGENCY REMAINING PAYMENT SCHEDULE

Table 1. Water Agency Remaining Payment Schedule

Year	CVWD		IID		Water Authority		Total Payments	
	Due 12/31	Due 7/1	Due 12/31	Due 7/1	Due 12/31	Due 7/1	By Calendar Year	By Fiscal Year
2019	\$745,350	\$1,000,000	\$2,473,610	\$2,800,000	\$1,060,053	\$1,750,000	\$9,829,013	\$20,121,404
2020	\$738,869		\$2,726,346	\$1,825,000	\$1,050,836	\$850,000	\$7,191,051	\$9,829,013
2021	\$2,697,555		\$2,885,115	\$1,500,000	\$3,801,632		\$10,884,302	\$7,191,051
2022	\$2,706,745		\$3,309,240		\$1,517,597		\$7,533,582	\$10,884,302
2023	\$2,733,006		\$4,746,284		\$1,221,837		\$8,701,127	\$7,533,582
2024	\$151,876		\$4,888,673		\$1,345,439		\$6,385,989	\$8,701,127
2025	\$565,131		\$5,035,333		\$1,047,693		\$6,648,157	\$6,385,989
2026			\$5,186,393				\$5,186,393	\$6,648,157
2027			\$5,341,985				\$5,341,985	\$5,186,393
2028			\$5,502,244				\$5,502,244	\$5,341,985
2029			\$5,130,911				\$5,130,911	\$5,502,244
2030			\$5,308,589				\$5,308,589	\$5,130,911
2031			\$5,322,392				\$5,322,392	\$5,308,589
2032			\$4,556,924				\$4,556,924	\$5,322,392
2033			\$6,005,020				\$6,005,020	\$4,556,924
2034			\$5,643,731				\$5,643,731	\$6,005,020
2035			\$5,143,974				\$5,143,974	\$5,643,731
2036								\$5,143,974
Total	\$10,338,532	\$1,000,000	\$79,206,764	\$6,125,000	\$11,045,087	\$2,600,000	\$110,315,384	\$130,436,788

FY 2019 EXPENDITURES

Table 2. Detailed FY 2019 Expenditures

TASK	TASK DESCRIPTION	PROJECTED FY-2019	BUDGETED FY-2019	BUDGET SAVINGS
2	QSA Implementation Team Biologists	\$1,157,740	\$1,157,740	\$0
3	Environmental Reporting and Monitoring	\$0	\$510	\$510
4	Salton Sea Salinity and Elevation Program	\$7,995	\$16,600	\$8,605
5	Salton Sea Mitigation Water to Salton Sea	\$34,142	\$16,610	-\$17,532
6	Tamarisk Scrub Habitat - Surveys and Mitigation	\$0	\$368,560	\$368,560
8	Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas	\$1,995,898	\$4,555,000	\$2,559,102
10/10a	Worker Education Program Training and Manual	\$0	\$600	\$600
11	Desert Habitat Survey and Mapping of Right of Way	\$0	\$32,000	\$32,000
15	Pre-Construction Burrowing Owl Surveys/Relocation	\$66	\$14,100	\$14,034
16	Burrowing Owl Relative Abundance Surveys	\$224,314	\$157,000	-\$67,314
17	Farmer and Public Education Program	\$3,200	\$5,000	\$1,800
18	Desert Pupfish Abundance and Distribution Study	\$1,000	\$6,000	\$5,000
19/19A	Pupfish Selenium Drain Studies	\$176,440	\$421,000	\$244,560
20	Pupfish Conservation Measures	\$107,325	\$933,000	\$825,675
23	Covered Species Baseline and Monitoring Surveys	\$0	\$316,000	\$316,000
24	Salton Sea Air Quality	\$3,997,334	\$7,065,000	\$3,067,666
35	Management and Planning	\$12,000	\$12,000	\$0
36	JPA Audit Fees	\$10,350	\$10,350	\$0
37	JPA Bank Fees	\$1,600	\$1,600	\$0
43	Salton Sea Shoreline Strand Study	\$0	\$10,000	\$10,000
44	Pupfish Refugium	\$700	\$30,600	\$29,900
Total		\$7,730,104	\$15,129,270	\$7,399,166

Table 4. FY 2019 Projected Fund Balance

DESCRIPTION		CASH FLOW	
FY 2018 Audited Fund Balance (6-30-18)		\$23,170,402	
Sources	Mitigation Contributions	\$20,121,404	\$20,821,404
	Interest Income	\$700,000	
Uses	Environmental Mitigation		(\$7,730,104)
FY 2019 Projected Fund Balance (6-30-19)		\$36,261,702	

**FY 2019 PROJECTED FUND
BALANCE**

Table 6. FY 2020 Projected Fund Balance

DESCRIPTION		CASH FLOW	
FY 2019 Projected Cash Balance (6-30-19)		\$36,261,702	
Sources	Mitigation Contributions	\$9,829,013	\$10,529,013
	Interest Income	\$700,000	
Uses	Environmental Mitigation		(\$16,399,660)
FY 2020 Projected Cash Balance (6-30-20)		\$30,391,055	

**FY 2020 PROJECTED FUND
BALANCE**

Table 8. Major Expenditures in FY 2020

TASK	TASK DESCRIPTION	FY 2019 BUDGET	PERCENT OF TOTAL BUDGET
2	QSA Implementation Team Biologists	\$ 1,192,600	7%
8	Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas	\$ 7,276,880	45%
20	Pupfish Construction and Maintenance Conservation Measures	\$ 834,300	5%
24	Salton Sea Air Quality	\$ 6,199,070	38%
--	Other Tasks	\$ 896,810	5%
Total		\$ 16,399,660	100%

FY 2020 MAJOR EXPENDITURES

Task 2 – IT Biologists	Activity Description	2020 Budget
IT Biologist	Environmental Project Manager.	\$222,549
Environmental Specialist I	Four (4) Environmental Specialists I position for JPA year.	\$606,742
Environmental Specialist II	Planning and design specs for proactive dust control projects.	\$179,570
Water Conservation Data Tech I	One (1) Environmental Specialist II position for JPA year.	\$110,761
Vehicle (2x4)	Includes fuel and maintenance for vehicle at 168 hours per month for 12 months.	\$10,776
Vehicle (4x4)	Four (5) vehicles. Includes fuel and maintenance for vehicle at 168 hours per month for 12 months.	\$46,305
Vehicle (SUV)	One (1) SUVs. Includes fuel and maintenance for vehicle at 168 hours per month for 12 months.	\$9,261
Off-Road Vehicle O&M	Vehicle and trailer donated by IID. Expenses for annual license, fuel and upkeep	\$1,530
General Expenses	Supplies and trainings.	\$5,100
Total Estimated Budget		\$1,192,600



TASK 2: QSA IMPLEMENTATION TEAM BIOLOGISTS
\$1,192,600 – 7%



Task 8 – Managed Marsh	Activity Description	2020 Budget
Irrigation Water		\$159,650
Operation & Maintenance Phase I	Road grading, structure/pipe replacement, and washout maintenance. Includes North end Maintenance time.	\$51,500
Operation & Maintenance Phase II	Road grading, structure/pipe replacement, and washout maintenance. Construction of pipeline replacement off gate O25 for water delivery. Includes North end Maintenance time.	\$360,500
Invasive Species Control	Chemical Control - includes inhouse PCA and expenses, Desert Weed Control Contract for Spraying & Chemicals. Mechanical Control - includes IID maintenance staff time for vegetation removal and conservation corps for hand removal.	\$206,000
Adaptive Management Plan - Monitoring	HCP Team to conduct field monitoring for habitat and wildlife analysis. Quarterly water sampling for selenium analysis. Annual water, sediment and tissue sampling collected by HCP Team. Outside consultant to conduct lab analysis. Expenses include lab analysis, equipment and satellite imagery.	\$51,500
Phase III: Design	Engineering design of Phase III. Design costs are based on cost for Phase II.	\$50,000
Phase III: Site Preparation	Tile Line Installation for Willow Trees	\$755,000
Phase III: Construction	Earthwork completed by Dec 31, 2019. estimate based on engineers 35% design. Expenses include IID PMO and Inspector.	\$4,000,000
Phase III: Vegetation Planting	Vegetation for Phase III and planting costs.	\$250,000
Phase I Releveling	Leveling of P3-1 cell and reconstruction of berms through Phase I. Work will begin in April 2019 - invoicing will be done on milestones and may carry over into FY 2020.	\$1,392,733
Site Purchase/Lease Option/Credit to IID	Option to Purchase Site, Lease, or Offer Credit to IID.	TBD
Total Estimated Budget		\$7,276,880

TASK 8: MANAGED MARSH

\$7,276,880 – 45%



Task 20 – Pupfish Conservation	Activity Description	2020 Budget
Drain Interconnection of 5 Drains	Cost estimate for interconnection of 5 drains - not based on engineers estimate, but on a reservoir cleaning project.	\$772,500
O&M of Drain Interconnection	Cost estimate for O&M of Drain Interconnection based on typical IID Drain O&M - per mile high costs \$10K. Assumed drain length would be approximately 5 miles during 1st year and increased by 5 miles every additional year.	\$51,500
Permitting	Fees associated with permitting: streambed alteration agreement, amendments to 2081 or BO, etc. estimate unknown at this time.	\$10,300
Total Estimated Budget		\$834,300

TASK 20: PUPFISH CONSTRUCTION AND MAINTENANCE
\$834,300 – 5%

Task 24 – Air Quality	Activity Description	2020 Budget
Annual Emissions Estimate	Develop fiscal year annual emissions estimate: map playa exposure, monitor playa characteristics, PISWERL, estimate annual emissions, and identify areas for proactive dust control projects.	\$1,180,000
AQ Network Operations & Maintenance	O&M for 6 Air Quality stations, O&M for portable MET/camera stations, and O&M for Roundshot camera network.	\$832,320
Proactive Dust Control Projects - Planning, Characterization & Design	Planning and design specs for proactive dust control projects.	\$545,900
Proactive Dust Control Projects - Implementation & Construction	Implementation of construction for projects using as-needed ag services contracts. Four planned project areas.	\$450,000
Proactive Dust Control Projects - Performance Monitoring & Reporting	Monitoring of proactive dust control projects.	\$675,000
Stakeholder Support	Coordination with ICAPCD, SCAQMD, CARB, and other agencies.	\$281,500
Groundwater Resource Development - Groundwater Test Well	Installation of groundwater test well at Tule Wash and Clubhouse for future pilot study if production wells are feasible.	\$638,600
Groundwater Resource Development - Shallow Groundwater Monitoring	Maintain and expand access tube transects at locations around Salton Sea. Analyze shallow groundwater changes around the Salton Sea.	\$267,800
AQ Mitigation Planning	Collect soil cores on current and future exposed playa to estimate emissions potential for future playa. Prioritize areas that will need dust control based on soil conditions and anticipated emissions potential. Focusing on playa from 2017 to 2028.	\$755,000
Restrict Access	Restrict public access on playa using signs, gates, and partially funding Imperial County Sheriffs for high traffic weekends to issue tickets.	\$206,000
Shallow Tile Installation	Installation of shallow tile for agricultural reclamation on a small plot on the south end of the Salton Sea.	\$66,950
As Needed Technical & Field Services	Unanticipated support from outside services, may include: regulatory support, field monitoring, and instrumentation replacement.	\$300,000
Total Estimated Budget		\$6,199,070

TASK 24: SALTON SEA AIR QUALITY
\$6,199,070 – 38%



	6/30/2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Revenues (Payments)		\$ 20,121,404	\$ 9,829,013	\$ 7,191,051	\$ 10,884,302	\$ 7,533,582	\$ 8,701,127
Interest Income (2.5%)		\$ 579,260	\$ 903,524	\$ 761,846	\$ 721,699	\$ 773,931	\$ 746,249
Expenditures		\$ 7,730,104	\$ 16,399,660	\$ 9,558,770	\$ 9,516,720	\$ 9,414,820	\$ 9,384,270
Cash Balance	\$ 23,170,402	\$ 36,140,962	\$ 30,473,839	\$ 28,867,966	\$ 30,957,247	\$ 29,849,940	\$ 29,913,046



5 YEAR PROJECTED CASH FLOW

RECOMMENDATION

Approve QSA JPA Fiscal Year 2020
Budget & Work Plan presented by staff at
\$16,399,660



QUESTIONS? COMMENTS?

5 YEAR PROJECTED BUDGET

DRAFT Final JPA Five-Year Budget					
DRAFT Final JPA Budget Year 2020					
JPA Task	Budget Estimates				
	2020	2021	2022	2023	2024
Task 1: QSA Implementation Team	\$ -	\$ -	\$ -	\$ -	\$ -
Task 2: QSA Implementation Team Biologists	\$ 1,192,600	\$ 1,228,650	\$ 1,265,510	\$ 1,303,470	\$ 1,342,580
Task 3: Environmental Reporting and Monitoring (General)	\$ 530	\$ 540	\$ 560	\$ 570	\$ 590
Task 4: Salton Sea Salinity and Elevation Program	\$ 16,020	\$ 11,190	\$ 11,530	\$ 17,500	\$ 12,230
Task 5: Salton Sea Mitigation Water to Salton Sea	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6: Tamarisk Scrub Habitat - Surveys and Mitigation	\$ 70,620	\$ 72,740	\$ 74,920	\$ 77,160	\$ 79,480
Task 7: Drain Habitat - Initial Vegetation and Habitat Surveys	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8: Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas	\$ 7,276,880	\$ 1,350,230	\$ 1,418,050	\$ 1,187,410	\$ 1,223,030
Task 9: Drain Habitat Restrictions and Requirements for Construction and Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10/10A: Worker Education Program Covered Species Training and Worker Education Manual	\$ 620	\$ 640	\$ 660	\$ 680	\$ 700
Task 11: Desert Habitat Survey and Mapping of Right of Way	\$ 32,960	\$ -	\$ -	\$ -	\$ -
Task 12: Desert Habitat Create/Maintain Desert Habitat as Mitigation for Impacts	\$ -	\$ -	\$ -	\$ -	\$ -
Task 13: Changes to Operations on IID Canals to Avoid Covered Species	\$ -	\$ -	\$ -	\$ -	\$ -
Task 14: Burrowing Owl Worker Annual Education and Manual	\$ -	\$ -	\$ -	\$ -	\$ -
Task 15: Pre-Construction Activity Burrowing Owl Surveys and Relocation	\$ 3,190	\$ 14,960	\$ 11,580	\$ 15,870	\$ 3,590
Task 16: Burrowing Owl Relative Abundance and Distribution Surveys	\$ 238,730	\$ 245,890	\$ -	\$ -	\$ -
Task 17: Farmer and Public Education Program	\$ 7,090	\$ 7,300	\$ 7,520	\$ 7,750	\$ 7,980
Task 18: Desert Pupfish Abundance and Distribution Study	\$ 6,200	\$ 6,400	\$ 6,610	\$ 6,830	\$ 7,060
Task 19: Pupfish Selenium Drain Studies	\$ 301,410	\$ 209,670	\$ -	\$ -	\$ -
Task 20: Pupfish Construction and Maintenance Conservation Measures	\$ 834,300	\$ 901,770	\$ 983,450	\$ 1,069,230	\$ 1,159,270
Task 21: Salvage of Razorback Suckers when Dewatering Canals	\$ -	\$ -	\$ -	\$ -	\$ -
Task 22: Maintain Habitat on Fallowed Parcels	\$ -	\$ -	\$ -	\$ -	\$ -
Task 23: Covered Species Baseline and Monitoring Surveys	\$ 163,770	\$ 501,810	\$ 863,250	\$ 709,070	\$ 366,330
Task 24: Salton Sea Air Quality	\$ 6,199,070	\$ 4,949,640	\$ 4,814,020	\$ 4,958,440	\$ 5,107,190
Task 25: Minimize Dust Emissions from Fallowed Lands	\$ -	\$ -	\$ -	\$ -	\$ -
Task 26: Drain Connectivity to Salton Sea Elevation Decrease	\$ -	\$ -	\$ -	\$ -	\$ -
Task 27: Grade Spoil/Roads from Drain Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -
Task 28: Power Line Markers for Pumpback and Seepage Recovery Systems	\$ -	\$ -	\$ -	\$ -	\$ -
Task 29: Prepare and Implement Management Plan for Abandoned Portions of AAC	\$ -	\$ -	\$ -	\$ -	\$ -
Task 30: Southwestern Willow Flycatcher Surveys and Habitat Monitoring	\$ -	\$ -	\$ -	\$ -	\$ -
Task 31: Elf Owl Surveys	\$ -	\$ -	\$ -	\$ -	\$ -
Task 32: Desert Tortoise Survey and Avoidance	\$ -	\$ -	\$ -	\$ -	\$ -
Task 33: Least Term Surveys	\$ -	\$ -	\$ -	\$ -	\$ -
Task 34: Rail and Bittern Surveys	\$ -	\$ -	\$ -	\$ -	\$ -
Task 35: Management and Planning	\$ 12,360	\$ 12,730	\$ 13,110	\$ 13,510	\$ 13,910
Task 36: JPA Audit Fees	\$ 10,660	\$ 10,980	\$ 11,310	\$ 11,650	\$ 12,000
Task 37: JPA Bank Fees	\$ 1,650	\$ 1,700	\$ 1,750	\$ 1,800	\$ 1,850
Task 38: Financial Advisor	\$ -	\$ -	\$ -	\$ -	\$ -
Task 39: Bond Counsel Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Task 40: 2001 Biological Opinion Measures	\$ -	\$ -	\$ -	\$ -	\$ -
Task 41: Brown Pelican Coast	\$ -	\$ -	\$ -	\$ -	\$ -
Task 42: Brown Pelican Sea	\$ -	\$ -	\$ -	\$ -	\$ -
Task 43: Salton Sea Shoreline Strand Study	\$ -	\$ -	\$ -	\$ -	\$ 11,590
Task 44: Pupfish Refugium	\$ 31,000	\$ 31,930	\$ 32,890	\$ 33,880	\$ 34,890
Task 45: Recreation Facilities at Salton Sea	\$ -	\$ -	\$ -	\$ -	\$ -
Total	\$ 16,399,660	\$ 9,558,770	\$ 9,516,720	\$ 9,414,820	\$ 9,384,270

All values rounded to nearest ten dollars. * 3% rate and expenses increase each year for projections