

JUNE 9, 2020

QSA JPA FY 2021 BUDGET & WORK PLAN



REVIEW PROPOSED FY 2021 BUDGET & WORK PLAN: \$14,994,760

- Tables from Budget Document
- Tasks with Major Expenditures
- 5 Year Cash Flow Projections
- Description of Appendices
- Recommendation
- Questions



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	Calendar Year	Fiscal Year
2020	\$738,889		\$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	\$9,593,182	\$0	\$76,733,154	\$3,325,000	\$9,985,034	\$850,000	\$100,486,371	\$110,315,384

WATER AGENCY REMAINING PAYMENT SCHEDULE

Table 2. Detailed FY 2020 Expenditures

TASK	TASK DESCRIPTION	PROJECTED FY-2020	AMENDED BUDGET FY-2020	BUDGET SAVINGS
2	QSA Implementation Team Biologists	\$ 1,192,600	\$ 1,192,600	\$ -
3	Environmental Reporting and Monitoring	\$ 530	\$ 530	\$ -
4	Salton Sea Salinity and Elevation Program	\$ 16,020	\$ 16,020	\$ -
5	Salton Sea Mitigation Water	\$ 7,043,650	\$ 7,043,650	\$ -
6	Tamarisk Scrub Habitat - Surveys and Mitigation	\$ 6,000	\$ 70,620	\$ 64,620
8	Drain Habitat (Aquatic) – Create, Manage, Monitor "Managed Marsh"	\$ 7,276,880	\$ 5,884,147	\$ (1,392,733)
10/10A	Worker Education Program Covered Species Training and Manual	\$ -	\$ 620	\$ 620
11	Desert Habitat Survey and Mapping of Right of Way	\$ -	\$ 32,960	\$ 32,960
15	Pre-Construction Activity Burrowing Owl Surveys and Relocation	\$ -	\$ 3,190	\$ 3,190
16	Burrowing Owl Relative Abundance and Distribution Surveys	\$ 238,730	\$ 238,730	\$ -
17	Farmer and Public Education Program	\$ 5,000	\$ 7,090	\$ 2,090
18	Desert Pupfish Abundance and Distribution Study	\$ 500	\$ 6,200	\$ 5,700
19/19A	Pupfish Selenium Drain Studies	\$ 301,410	\$ 301,410	\$ -
20	Pupfish Construction and Maintenance Conservation Measures	\$ 5,000	\$ 834,300	\$ 829,300
23	Covered Species Baseline & Monitoring Surveys	\$ 10,000	\$ 163,770	\$ 153,770
24	Salton Sea Air Quality	\$ 4,000,000	\$ 6,199,070	\$ 2,199,070
35	Management and Planning	\$ 12,360	\$ 12,360	\$ -
36	JPA Audit Fees	\$ 10,350	\$ 10,660	\$ 310
37	JPA Bank Fees	\$ 1,024	\$ 1,650	\$ 626
42	Brown Pelican - Sea	\$ 1,000	\$ -	\$ (1,000)
44	Pupfish Refugium	\$ 31,000	\$ 31,000	\$ -
	Total	\$ 20,152,054	\$22,050,577	\$ 1,898,523

Table 3. FY 2020 Budget Summary

AMENDED FY 2020 BUDGET	PROJECTED FY 2020 EXPENDITURES	PROJECTED FY 2020 SAVINGS/DELAYS
\$ 22,050,577	\$ 20,152,054	\$ 1,898,523

FY 2020 BUDGET SUMMARY

Table 4. FY 2020 Projected Fund Balance

DESCRIPTION		CASH FLOW
FY 2019 Audited Fund Balance (6-30-19)		\$36,663,860
Sources	Mitigation Contributions	\$9,829,013
	Interest Income	\$900,000
		\$10,729,013
Uses	Environmental Mitigation	(\$20,152,054)
FY 2020 Projected Fund Balance (6-30-20)		\$27,240,819

FY 2020 PROJECTED FUND BALANCE

Table 5. Summary of Mitigation Contributions by Water Agency

AGENCY	CONTRIBUTIONS THROUGH FY 2020	FY 2021 CONTRIBUTIONS
CVWD	\$57,332,760	\$ 738,869
IID	\$46,663,462	\$ 4,551,346
Water Authority ¹	\$80,202,826	\$ 1,900,836
Total Agency Contributions	\$184,199,048	\$ 7,191,051

¹ Water Authority contributions have been reduced by credits for payments made to the U.S. Bureau of Reclamation for implementation of Conservation and Mitigation Measures for the Colorado River.

SUMMARY OF AGENCY PAYMENTS

Table 6. FY 2021 Projected Fund Balance

DESCRIPTION		CASH FLOW	
FY 2020 Projected Cash Balance (6-30-20)		\$27,240,819	
Sources	Mitigation Contributions	\$7,191,051	\$8,091,051
	Interest Income	\$900,000	
Uses	Environmental Mitigation		(\$14,994,760)
FY 2021 Projected Cash Balance (6-30-21)		\$20,337,110	

FY 2021 PROJECTED FUND BALANCE

Table 8. Major Expenditures in FY 2021

TASK	TASK DESCRIPTION	FY 2021 BUDGET	PERCENT OF TOTAL BUDGET
2	QSA Implementation Team Biologists	\$ 1,093,590	7%
8	Drain Habitat (Aquatic) – Create, Manage, Monitor "Managed Marsh" Areas	\$ 4,860,210	32%
24	Salton Sea Air Quality	\$ 7,785,200	52%
--	Other Tasks	\$ 1,255,760	8%
Total		\$ 14,994,760	100%

FY 2021 MAJOR EXPENDITURES

Task 2: QSA Implementation Team Biologists**Salary and expenses for IT Biologists**

Task Activities	Activity Description	Projected FY 2021 Cost
IT Biologist	Environmental Project Manager	\$ 182,022
Environmental Specialist I	Four (4) Environmental Specialists I position for JPA year.	\$ 505,465
Environmental Specialist II	Two (2) Environmental Specialist II position for JPA year.	\$ 241,796
Water Conservation Data Tech I	One (1) Water Conservation Data Tech I	\$ 93,268
Vehicle (2x4)	Includes fuel and mainteance for vehicle at 168 hours per month for 12 months	\$ 10,463
Vehicle (4x4)	Four (5) vehicles. Includes fuel and mainteance for vehicle at 168 hours per month for 12 months	\$ 44,957
Vehicle (SUV)	One (1) SUVs. Includes fuel and mainteance for vehicle at 168 hours per month for 12 months	\$ 8,991
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 Proposed Budget		\$ 1,093,593



TASK 2: QSA IMPLEMENTATION TEAM BIOLOGISTS
\$1,093,590 – 7%

Task 8: Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas		
Task Activities	Activity Description	Projected FY 2021 Cost
Irrigation Water	Irrigation water.	\$ 164,440
Operation & Maintenance Phase I & II	Road grading, structure/pipe replacement, and washout maintenance. Includes Northend Maintenance time.	\$ 53,045
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.	\$ 212,180
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.	\$ 53,045
Phase III: Construction	Earthwork completed by Dec 31, 2020. estimate based on engineers 35% design. Expenses include IID PMO and Inspector.	\$ 4,120,000
Phase III: Vegetation Planting	Vegetation for Phase III and planting costs.	\$ 257,500
Land Purchase from IID	Option to Purchase Site, Lease or Offer Credit to IID.	TBD
Total Proposed Budget		\$ 4,860,210

TASK 8: MANAGED MARSH
\$4,860,210 – 32%



Task 24: Salton Sea Air Quality		
Task Activities	Activity Description	Projected FY 2021 Cost
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.	\$ 1,215,400
AQ Network Operations & Maintenance	O&M for 6 AQ stations, O&M for portable MET/camera stations and O&M for roundshot camera network	\$ 857,291
Proactive Dust Control Projects - Planning, Characterization & Design	Planning and design specs for proactive dust control projects: Tule Wash, San Felipe, Bombay Beach, Clubhouse.	\$ 958,333
Proactive Dust Control Projects - Implementation & Construction	Implementation of construction for projects using As-Need Ag Services contracts. 4 planned project areas: Tule Wash, San Felipe, Bombay Beach, Clubhouse, Temporary Surface Roughening for SCH & RHB	\$ 1,421,838
Proactive Dust Control Projects - Performance Monitoring & Reporting	Monitoring of proactive dust control projects: Alamo South, Vail Cutoff, New River West, Trifolium, Poe Road.	\$ 695,250
Alternative BACM		\$ 63,333
Stakeholder Support	Coordination with ICAPCD, SCAQMD, CARB and other agencies.	\$ 258,333
Groundwater Resource Development - Groundwater Test Well	Installation of groundwater test well at Tule Wash and Clubhouse for future pilot study is production wells are feasible.	\$ 657,758
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.	\$ 275,834
AQ Mitigation Planning: Soil Coring	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.	\$ 705,000
AQ Permitting Needs	Permitting for projects on the playa below -231ft that may require 404, 401, 1600 and other permits.	\$ 155,650
Restrict Access	Restrict public access on playa using signs, gates, and partially funding Imperial County Sheriffs for high traffic weekends to issue tickets.	\$ 212,180
As Needed Technical & Field Services	Unanticipated support from outside services, may include: regulatory support, field monitoring, and instrumentation replacement.	\$ 309,000
Total Estimated Budget		\$ 7,785,200

TASK 24: SALTON SEA AIR QUALITY

\$7,785,200 – 52%



Task	Projected FY 2021 Cost
Task 3: Environmental Reporting and Monitoring (General)	\$ 540
Task 4: Salton Sea Salinity and Elevation Program	\$ 16,330
Task 6: Tamarisk Scrub Habitat - Surveys and Mitigation	\$ 72,740
Task 10/10A: Worker Education Program Covered Species Training and Worker Education Manual	\$ 640
Task 11: Desert Habitat Survey and Mapping of Right of Way	\$ 33,950
Task 15: Pre-Construction Activity Burrowing Owl Surveys and Relocation	\$ 3,290
Task 16: Burrowing Owl Relative Abundance and Distribution Surveys	\$ 245,890
Task 17: Farmer and Public Education Program	\$ 7,300
Task 18: Desert Pupfish Abundance and Distribution Study	\$ 6,400
Task 19: Pupfish Selenium Drain Studies	\$ 310,450
Task 20: Pupfish Construction and Maintenance Conservation Measures	\$ 253,390
Task 23: Covered Species Baseline and Monitoring Surveys	\$ 171,870
Task 35: Management and Planning	\$ 12,730
Task 36: JPA Audit Fees	\$ 10,770
Task 37: JPA Bank Fees	\$ 3,000
Task 38: Financial Advisor	\$ 16,000
Task 42: Brown Pelican Sea	\$ 58,540
Task 44: Pupfish Refugium	\$ 31,930
Total Estimated Budget	\$ 1,255,760

OTHER TASKS
\$1,255,760– 8%



	6/30/2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Revenues (Agency Payments)		\$ 9,829,013	\$ 7,191,051	\$ 10,884,302	\$ 7,533,582	\$ 8,701,127	\$ 6,385,988
Interest Income (2.5%)		\$ 900,000	\$ 683,520	\$ 505,516	\$ 545,721	\$ 502,560	\$ 491,665
Expenditures		\$ 20,052,054	\$ 14,994,760	\$ 9,781,590	\$ 9,805,750	\$ 9,639,480	\$ 9,559,380
Expenditures Description		IID FY20 Projection	Proposed FY21 Budget	IID 5 Year Projection	IID 5 Year Projection	IID 5 Year Projection	IID 5 Year Projection
Cash Balance	\$36,663,860	\$ 27,340,819	\$ 20,220,630	\$ 21,828,858	\$ 20,102,412	\$ 19,666,619	\$ 16,984,892

Projections do not include Managed Marsh land purchase



5 YEAR PROJECTED CASH FLOW

APPENDICES

APPENDIX I - AUDITED HISTORICAL SPENDING

Task	Task Description	Total FY 2004-2019	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	FY 2013	FY 2012	FY 2011	FY 2004-2010
1	QSA Implementation Team	\$383,879								\$1,440	\$1,512	\$380,927
2	QSA Implementation Team Biologists	\$6,793,294	\$1,081,358	\$1,026,602	\$769,055	\$613,942	\$505,547	\$536,389	\$490,019	\$516,993	\$219,985	\$1,033,404
3	Environmental Reporting and Monitoring	\$82,458	\$0									\$82,458
4	Salton Sea Salinity and Elevation Program	\$17,484	\$4,895	\$7,100								\$5,489
5	Salton Sea Mitigation Water to Salton Sea	\$89,622,523	\$34,142	\$9,851,798	\$18,412,449	\$17,483,767	\$11,607,035	\$10,580,006	\$3,834,494	\$300,000	\$4,053,901	\$13,464,931
6	Tamarisk Scrub Habitat - Surveys and Mitigation	\$9,548										\$9,548
7	Drain Habitat - Initial Vegetation and Habitat Surveys	\$209,123										\$209,123
8	Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas	\$11,776,720	\$1,911,610	\$439,409	\$297,032	\$389,963	\$2,787,567	\$390,935	\$205,940	\$249,921	\$343,918	\$4,760,425
9	Drain Habitat Restrictions/Requirements for Construction and Maintenance	\$8,473										\$8,473
10/ 10a	Worker Education Program Covered Species Training and Manual	\$35,302										\$35,302
11	Desert Habitat Survey and Mapping of Right of Way	\$379,191										\$379,191
12	Desert Habitat Create/Maintain Desert Habitat	\$17,300										\$17,300

APPENDICES

APPENDIX 2 – WORK PLAN BY MITIGATION TASK

Work Task 8: Drain Habitat (Aquatic) - Create/Manage/Monitor "Managed Marsh" Areas

PROPOSED FY 2021	PROJECTED FY 2020	BUDGETED FY 2020	SPENT THROUGH FY 2019
\$4,860,210	\$7,276,880	\$5,884,147	\$11,776,720

Description and Purpose: To create 959 acres of managed marsh habitat over a 15 year period, 1/3 of the total within the first five years. The specific amount will be determined by the IT, and approved by USFWS and CDFW, based upon the drain vegetation survey (an amount equal to the total amount of habitat in the drains), as well as the acreage required to compensate for selenium effects. Due diligence will be conducted on land chosen for Managed Marsh and land will be purchased for managed marsh.

Permit Reference: HCP Drain Habitat; In-Valley Biological Opinion-Rail CM 1-2; CESA 4(g)(i) and MMRP 45, 46, 47, 88, 101, 102, 103

Accomplishments Through FY19: Phase 1 built in 2009 - 365 acres. Phase 2 built in 2014 - 360 acres. Phase 3 design and construction. Buffer zones double as native tree habitat for construction projects.

FY20 Activities: Operation & Maintenance of Phase I and II of Managed Marsh Complex conducted. Phase III Design and Construction to be carried out.

Proposed FY21 Activities: O&M of Phase I and II of Managed Marsh Complex. Complete construction of Phase III and beginning O&M.

APPENDICES

APPENDIX 3 – STATUS UPDATE ON MITIGATION TASKS

Task	Task Description	Proposed FY-2021 Budget	Description and Purpose	Permit Reference	Accomplishments Through FY19	Task Status
19/19 A	Pupfish Selenium Drain Studies	\$310,450	To operate and maintain drains in a manner that minimizes the effects of water conservation on water quality. To implement the selenium drain monitoring study. To work together with the IT to determine the best means for managing the drain channels to minimize potential selenium effects on pupfish, based upon the findings of studies conducted by USFWS or others and continue funding of the Selenium Toxicity Study.	HCP-Pupfish 4; CESA Permit Conditions 4(j)(ii), 4(j)(vi), 4(j)(vii), 4(j)(x); MMRP 80, 81, 87, 94; In-Valley Biological Opinion, SWRCB Order	USGS Selenium Study completed in 2009. Recommendations from USGS study used to create Selenium Work Plan for the RWQCB Ag Waiver completed. 1st year of 3 year study began in late 2018.	Ongoing
20	Pupfish Construction and Maintenance Conservation Measures	\$253,390	To implement the listed measures in connection with construction activities (i.e., in-channel modifications) that directly affect pupfish drains and require dewatering or removal of drain sections.	HCP-Pupfish 6; CESA Permit MMRP 80, 86, 89, 90, 94, 95, 96, 97; In-Valley Biological Opinion	Any required drain maintenance activities have been consulted with CDFW. Pupfish trapping occurred five consecutive days with no pupfish caught before work has started.	Ongoing
21	Salvage of Razorback Suckers when Dewatering Canals	\$0	The IT will develop a procedure for salvaging and returning fish to the Colorado River and ensure that a person qualified to capture and handle Razorback Suckers, and approved by USFWS and CDFW, will be present during dewatering of main canals or reservoirs.	HCP-Razorback Sucker 1; CESA Permit 4(k)(i) and MMRP 99	No relocation efforts have been conducted to date.	Ongoing
22	Maintain Habitat on Fallowed Parcels	\$0	N/A	N/A	Task has no value. Fallowed parcels are privately owned with residual cover from previous crops.	Completed
23	Covered Species Baseline and Monitoring Surveys	\$171,870	To work with the IT to define specific surveys and studies to be conducted as part of a study program for the "Other Species" listed in Table 3.9-1 of the HCP within the HCP area. The use of created or acquired native tree habitat is to be monitored. A baseline desert survey will be conducted.	HCP-OTHER Species 1 and 2; CESA Permit 4(i)(v) and MMRP 35, 48, 64, 65; HCP; CESA Permit 4(i)(v) and MMRP 64; HCP DH 2, DH3, DH4	Baseline survey of covered species completed in 2009. Imagery purchased for Imperial Valley Agricultural area. Annual marsh bird protocol surveys and Southwest Willow Flycatcher surveys conducted.	Included in Task 23.

RECOMMENDATION

Approve QSA JPA Fiscal Year 2021
Budget & Work Plan presented by staff at
\$14,994,760



**QUESTIONS?
COMMENTS?**