



**QUANTIFICATION SETTLEMENT AGREEMENT  
JOINT POWERS AUTHORITY  
VIRTUAL MEETING MINUTES  
June 6, 2022, at 9:00 a.m.**

**Commissioners and Alternates present:**

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

**QSA JPA staff present:**

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

**Others present:**

Tonya Marshall, California Department of Fish and Wildlife (CDFW)	Dennis Davis, SDCWA
Miguel Hernández, CNRA	Wendy Joplin, SDCWA
Jessica Schroeder, CNRA	Alan Okewole, SDCWA
Joanna Hoff, IID	Darren Simon, SDCWA
Jessica Humes, IID	Angela Tomayko, SDCWA
	Chris Woidzik, SDCWA

**PRELIMINARY MATTERS**

1. Call to Order  
Chair Arturo Delgado called the meeting to order at 9:04 a.m.
2. Roll Call  
There was a quorum of the Commission present at the time of the meeting.
3. Action: Adopt Resolution No. 2022-03 of the Commission of the Quantification Settlement Agreement Joint Powers Authority Authorizing Remote Teleconference/Virtual Meetings of the Legislative Body for the Period of June 6, 2022 to July 6, 2022 Pursuant to Brown Act Provisions (Jeff Ferre, BBK)  
Chair Delgado made a motion to adopt the resolution, which was seconded by Alternate Commissioner Rodgers. The resolution was adopted unanimously by a roll call vote.
4. Public Comment  
There were no public comments at that time.

**ORGANIZATIONAL MATTERS**

5. Action: Approve minutes of regular QSA JPA meeting held March 23, 2022 (Alexi Schnell, SDCWA)  
Alternate Commissioner Rodgers made a motion to approve the minutes, which was seconded by Alternate Commissioner Shields. The minutes were approved by a roll call vote. Commissioner Barrett abstained.
6. Information: FY 2023 QSA JPA Meeting Logistics (Alexi Schnell, SDCWA)  
Alexi Schnell (CAO) requested the Commissioners' feedback on the hybrid remote and in-person meeting format. Ms. Schnell also requested the Commissioners' input on the idea of scheduling dates for the four FY 2023 QSA JPA meetings at the start of the fiscal year. The Commissioners provided input to schedule the quarterly meetings as long as there is flexibility to adjust the meetings as needed.

#### FINANCIAL MATTERS

7. Information: Treasurer's Report ending March 31, 2022 (Chris Woidzik, SDCWA)  
Mr. Woidzik provided a review of the Treasurer's Report ending March 31, 2022. The quarter ended with \$37.9 million in cash and investments. The majority of that was in asset-backed securities of approximately \$22 million, held by Chandler Asset Management amongst others, with the remainder of \$15.6 million in the Local Agency Investment Fund (LAIF). The effective rate of return is approximately 0.63%, and the interest received (fiscal year to date) was \$179,385.08. No deposits were made in the quarter and two invoices were paid totaling approximately \$1.6 million. Mr. Woidzik reported the updated total outstanding balance due was \$82.4 million, or \$57.3 million at net present value at 6%.

Commissioner Barrett inquired about the possibility of some of the funds in LAIF being invested by Chandler. He also inquired as to the timeline for Commission action on the Managed Marsh land valuation item.

Chris responded that the amount in LAIF is needed to ensure the JPA can meet liquidity needs for the fiscal year 2023 budget and for any funds needed to address the outstanding Managed Marsh land valuation item.

Alternate Commissioner Rodgers commented that the Managed Marsh land valuation item has become a standing agenda item to keep moving it forward. Once we know the fair market value of the marsh property, the JPA will be able to remove this item from its balance sheet, giving the JPA a clearer picture of the remaining funds that can be invested with Chandler.

Alternate Commissioner Shields commented that IID's land valuation analysis should be complete by the end of June 2022, and based on the analysis, a recommendation regarding the price of the marsh property could be provided to the Commission at the next QSA JPA meeting.

Alan Okewole (SDCWA) followed up on a question posed at the March 23, 2022 JPA meeting regarding the JPA's supranational investments, specifically the JPA's exposure through supranationals to investments in Russia and Belarus. Mr. Okewole reported that the JPA has minimal exposure to Russia and Belarus through its supranational investments. Supranationals make up three percent of the JPA's investment portfolio, and the Commission reserves the right to restrict future supranational investments.

8. Information: Financial Report ending March 31, 2022 (Chris Woidzik, SDCWA)  
Mr. Woidzik provided a review of the Financial Report ending March 31, 2022. Total assets were \$93.2 million with \$804,688 in liabilities. Unavailable mitigation contributions were \$56.4 million, and the total fund balance was \$36 million. Total revenues were \$10 million and total expenditures \$4.2 million. Approximately 35.6% of the fiscal year 2022 budget was spent to date. Mr. Woidzik concluded with a summary of expenses on Tasks 2, 8 and 24, as included in the Budget Status Report.

9. Action: Review and consider approval of QSA JPA Fiscal Year 2023 Budget and Work Plan (Alexi Schnell, SDCWA and Jessica Humes, IID)

Ms. Schnell stated that the proposed budget was \$15,379,280, reflecting an adjustment of \$2500 from the figure initially posted to the QSA JPA website (\$15,376,780), based on updated information. Ms. Schnell reviewed tables from the budget document, which included the remaining payment schedule for each agency, fiscal year 2022 expenditures, fiscal year 2022 projected fund balance, summary of agency payments, fiscal year 2023 projected fund balance, and fiscal year 2023 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. Ms. Humes also stated that the Habitat Conservation Plan Implementation Team reviewed the proposed fiscal year 2023 budget in March and April 2022.

Chair Delgado asked Ms. Humes how many acres of air quality mitigation would be implemented in fiscal year 2023. Ms. Humes responded that she would confirm the amount and provide a follow up response.

Ms. Schnell reviewed the budget appendices and concluded with requesting the Commission's approval of the recommendation to approve the adjusted fiscal year 2023 budget of \$15,379,280.

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

#### IMPLEMENTATION

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

Ms. Humes provided an update on various mitigation measures:

*Task 8 – Drain Habitat (Aquatic) – Managed Marsh Complex:* IID continues to use more water to irrigate the marsh in response to increased summer temperatures. IID reported that it completed its rails survey of the marsh this past spring, the results of which will be shared with the wildlife agencies.

*Task 15 – Pre-Construction Activity Burrowing Owl Surveys and Relocation:* IID reported on-going activities related to its burrowing owl mitigation program. IID staff is ensuring that several construction projects starting this summer will not have any impacts to burrowing owls.

*Task 18 – Pupfish Monitoring:* IID has started presence/absence surveys for pupfish in IID drains. CDFW staff is training two IID employees on how to conduct presence/absence surveys without CDFW staff.

*Task 24 – Salton Sea Air Quality Mitigation:* IID reported that it completed construction of its Clubhouse groundwater test well, reaching depths of over 330 feet below ground surface. Pump and water quality tests are ongoing. The temporary construction fence enclosing the project site will be replaced with a permanent fence before the end of fiscal year 2022.

IID completed a surface roughening project at Bombay Beach and is moving equipment to its Mundo site to start surface roughening at that location. IID awarded a 3-year contract for the air station operation and maintenance and is in the process of soliciting a new Salton Sea Air Quality Program Manager.

IID is tentatively scheduled to present its annual Salton Sea Emissions Estimate Report and Proactive Dust Control Plan at its June 21 board meeting. Ms. Humes will provide the CAO with

links to the final documents for distribution. Lastly, IID has hired two new environmental specialists that filled the remaining vacancies for this task.

*Task 44 – Pupfish Refugium:* IID reported an outbreak of bullfrogs and tadpoles that are impacting the pupfish population in the refugium pond. IID is working with the wildlife agencies to create a mitigation plan to drain the pond, recover the pupfish, and remove the frogs and tadpoles.

11. Information: Managed Marsh land valuation (Tina Shields, IID)

Alternate Commissioner Shields shared that IID is moving forward with the land valuation and has hired a third-party appraiser to provide a restricted appraisal of the marsh property at a cost of \$2,500. IID anticipates the restricted appraisal will be completed by the end of June, and IID will share the appraisal with the Commission to facilitate discussion regarding the price for the marsh property. Once there is agreement as to the price for the marsh property, Alternate Commissioner Shields noted that the next step would be to amend the fiscal year 2023 budget to add any additional funds needed for this item and bring that before the Commission for its consideration.

12. Information: Update on State Salton Sea Management Program (Miguel Hernández, CNRA)

Miguel Hernández, Public Affairs Officer for the Salton Sea Management Program (SSMP) at CNRA, provided the SSMP Update. Mr. Hernández reported the following items to the Commission:

*SSMP New Team Members:* SSMP filled two key vacancies at CDFW’s Salton Sea Program. In April, Brett Daniels joined CDFW as an Environmental Scientist. Mr. Daniels previously served as the biologist and aquatic invasive species expert for CVWD and as Environmental Programs Director for the City of Coachella. In May, Charley Land was promoted to Salton Sea Program Supervisor at CDFW. Prior to this, Mr. Land served as the regulatory and scientific lead with SSMP.

Additionally, the Department of Water Resources is in the process of reviewing candidates for three positions in Imperial County, including a supervising engineer, a senior contract engineer, and a senior field engineer.

Mr. Hernández identified the following Salton Sea events hosted by either the SSMP team or SSMP partners:

- Long-Range Plan Public Workshop – Tuesday, June 7, 2022
  - A public workshop hosted by SSMP to provide an overview of the Long-Range Plan process, the initial suite of restoration concepts, and the evaluation criteria that will be used to help guide the development of the Long-Range Plan.
- SSMP Community Engagement Committee Meeting – Wednesday, June 8, 2022
  - The state’s Salton Sea team works collaboratively with the Community Engagement Committee to ensure that proper and effective outreach methods are used to reach and engage the frontline communities of the Salton Sea region. The committee meets regularly to coordinate outreach and engagement strategies for upcoming public community meetings.

13. Adjournment

The meeting was adjourned at 9:48 a.m.