

Salton Sea Authority Board of Directors Meeting

Thursday, June 2, 2016
10:00 a.m.

Imperial Irrigation District
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618



**AGENDA: BOARD OF DIRECTORS
MEETING**
**DATE: Thursday, June 2, 2016
10:00 a.m.**
**LOCATION: Imperial Irrigation District
Bill Condit Auditorium
1285 Broadway Avenue
El Centro, CA 92243
(760) 482-9618**

I. CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

II. BOARD MEMBER COMMENTS

This is the time set aside for any Board Member to ask questions or address any issue posed by a member of the public.

III. PUBLIC COMMENTS

*Any member of the public may address and ask questions of the Board relating to any matter within the Authority's jurisdiction. **This time is reserved for matters not already on the Agenda. Remarks shall be limited to a maximum of three (3) minutes unless additional time is authorized by the Board.***

IV. CONSENT CALENDAR – Receive, Approve, and File

- A. Minutes of April 28, 2016
- B. Warrant Register Ratification for April 2016
- C. Internal Financial Report for 7/01/2015 – 4/30/2016

V. ACTION ITEMS

- A. Biennial Audits

VI. REPORTS

- A. General Manager's Report on Activities (Phil Rosentrater)
- B. Update from Contractor on FFAP Benchmark 5 - IFD
- C. Legislative Update (Phil Johnson)
- D. Standing Report
 - 1. FEDERAL: US Bureau of Reclamation Program Manager for Salton Sea (Val Simon)
 - 2. STATE: Assistant Secretary of Resources for Salton Sea (Bruce Wilcox)
- E. Salton Sea Action Committee (SSAC) (Juan DeLara)

VII. ADJOURNMENT

NEXT MEETING TIME & LOCATION:

Thursday, June 30, 2016

10:00 a.m.

Coachella Valley Water District
Steve Robbins Administration Building
75515 Hovley Lane East
Palm Desert, CA 92260
(760) 398-2651

Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection in the lobby at the front desk of the County Law Building located at 82995 Highway 111, Indio, CA 92201.



OFFICIAL PROCEEDINGS
SALTON SEA AUTHORITY
BOARD OF DIRECTORS MEETING
April 28, 2016

I. CALL TO ORDER

The regularly scheduled meeting of the Salton Sea Authority (“Authority”) Board of Directors (“Board”) was called to order by John J. Benoit, Chairman, at 10:03 a.m., April 28, 2016, at the Coachella Valley Water District, Steve Robbins Administration Building, 75515 Hovley Lane East, Palm Desert, CA 92260, (760) 398-2651.

PLEDGE OF ALLEGIANCE

Director Benoit led the Pledge of Allegiance

ROLL CALL:

DIRECTORS PRESENT

John J. Benoit, President
G. Patrick O’Dowd, Treasurer
Marion Ashley, Director
James C. Hanks, Director
Thomas Tortez, Director

AGENCY

Riverside County
Coachella Valley Water District
Riverside County
Imperial Irrigation District
Torres Martinez Desert Cahuilla

In keeping with the Salton Sea Authority Bylaws, there being at least three of the five member agencies represented, and a single Director carrying the vote of both Directors when the second Director of the same agency is absent, a Quorum was declared, and the meeting proceeded.

DIRECTORS ABSENT

Ryan E. Kelley, Vice President
Matt Dessert, Secretary
Frank Durgin, Director
Cástulo R. Estrada, Director
John Renison, Director

AGENCY

Imperial County
Imperial Irrigation District
Torres Martinez Desert Cahuilla
Coachella Valley Water District
Imperial County

SALTON SEA AUTHORITY STAFF PRESENT

Phil Rosentrater, GM/Executive Director
Linda Seroy, Board Secretary/Administrative Assistant
Gloria Sampson, Gloria J. Sampson Accounting Services, Consultant
Esmeralda Soria
Bob Hargreaves, Best Best & Krieger, Legal Counsel
Bill Brownlie, Tetra Tech, Consultant
Phil Johnson, Intern
Steven Thorp, Intern

MEMBERS OF THE PUBLIC PRESENT

Suzie Earp
Linda Beal
Juan Murillo
Stephen Klein
Larry Krepps
Rich Cabanilla
Robert Cheng
Kelly Claar
Mike Sutton
Vickie Doyle
Mary Serra
Fritz Bachli
Lupe Sanchez
Ed Schiller
Juan De Lara
Andy Vossler
Jim Wood
Colt Stewart
Michael Flores
Graeme Donaldson
Melanie Cox
Lilia Morales
Alex Schriener
Patrick Bourne
John Shumway
Pat Cooper
Brian Nestande

AGENCY

CSUSB WRI
Salton Sea History Museum
CSUSB WRI
Transnational Environmental, Inc.

Imperial County Planning
CVWD
California State Parks
SSAC
Imperial Irrigation District
Colorado River Basin Water Board
Citizen of Coachella Valley
Torres Martinez Tribe
ILC, Inc.
SSAC/Federated Insurance
Landmark Golf
Imperial Valley Research Center

CDFW
Imperial Irrigation District
SSAC/RTSS
C.O.D.
Earth Systems
DPFG
Concord Group
Supervisor Benoit
Executive Office, Riverside County

II. BOARD MEMBER COMMENTS

A. Director Benoit reported on the Little Hoover Commission (“LHC”) workshop in Sacramento in which he participated on April 25 along with representatives from several other agencies representing the Salton Sea. The LHC had a few new

commissioners. The questions asked showed progress from a thinking that “it’s impossible” to “how do we accomplish this?”

- B. Director Hanks reported that IID continues to work on the petition, and that word is out that the elevation of the water in Lake Mead is building. IID will be keeping an eye on the level of the lake, as an increase in elevation should be an indicator that more water should be released to Southern California.

III. PUBLIC COMMENTS

- A. Linda Beal gave a brief biography of her father and told of his passing and Norm Niver’s. Both men were long-time supporters of the Salton Sea. She encouraged all to purchase the Salton Sea license plate to support the Salton Sea, referring to Lake Tahoe’s success with a similar program.

IV. CONSENT CALENDAR – Receive, Approve, and File

- A. Minutes of March 24, 2016
- B. Warrant Register Ratification for March 2016
- C. Internal Financial Report for 7/01/2015 – 3/31/2016

Director Tortez moved that the Consent Calendar be approved. Seconded by Director Ashley. Unanimously carried.

V. PRESENTATIONS

- A. Jennifer Farr of Davis Farr LLP reported on their audit of the Authority’s FY 2014 Financial Statements. They “looked at internal controls over cash receiving, cash disbursement, payroll, and other investing transactions” and, as a result of their procedures, “did not note any material weaknesses or significant deficiencies in internal controls.” She reported that it was a very clean audit, and that Davis Farr LLP had given the Salton Sea Authority the highest level of audit opinion possible.

With such great audit results, Director Benoit inquired whether the Authority would qualify for biennial audits to reduce that cost, and asked staff to look into whether biennial audits would be feasible for the Authority.

SSA GM/Executive Director Phil Rosentrater, “giving credit where credit is due,” acknowledged Gloria Sampson, of Gloria J. Sampson Accounting Services, as being responsible for the majority of the great work done on behalf of the Salton Sea Authority.

VI. ACTION ITEMS

A. FFAP: Process for Submitting Final Report to State

Mr. Rosentrater presented, and asked the Board's approval of, the proposed process to give the Board an opportunity to review and comment on the FFAP report prior to its submittal to the state on May 16. Tetra Tech would respond to comments received by May 6; comments received after May 6 and before the deadline would be included, but without comment. Director Benoit asked, with the consent of the other directors, to hold the vote until the related reports later in the meeting could be heard.

VII. REPORTS

A. General Manager's Report on Activities (Phil Rosentrater)

The directors expressed their appreciation for Mr. Rosentrater's written report, which "covered a lot of ground," as one director commented.

B. Update on Activities: Funding and Feasibility Action Plan Report (Bill Brownlie, Tetra Tech)

Mr. Brownlie said that the final discussion draft of Benchmark 7 had been distributed to the Board the day before for their review and comment prior to submitting the documents to the state in another two weeks. He gave a brief history of the beginning of the project.

He said the Benchmark 7 document presents a fairly comprehensive plan for the Sea that includes IID's Initiative for dust control, habitat, and energy development in the south; it provides for a lake larger than Lake Havasu; it would be of higher quality than the current lake and would be sustainable at a lower salinity – probably brackish; it would have deep water habitat areas and be suitable for recreation; water would be cleaned up before entering the lake by going through a treatment wetland system; and it would have shallow habitat along the shoreline and along the levies, and a stable shoreline to benefit communities and development around the lake.

Benchmark 4.2 is being revised to incorporate answers to the state's questions and will be distributed to the Board for their review and comment shortly. The state commented that they found no fatal flaws in the concept presented.

Director Benoit, at this point, asked Bruce Wilcox, the state's Assistant Secretary of Resources for Salton Sea, to come forward to discuss the state's perspective.

Mr. Wilcox said that the state's Division of Engineering does not see any long-term problems in the plan presented by Tetra Tech, but they will recommend test berms be constructed as Tetra Tech has recommended from the beginning. IID's Initiative will be going through a similar process with their distribution channel. These projects are both part of the initial projects list that the state is trying to expedite as quickly as possible.

Director Hanks asked if they could wait until after the rest of the reports before voting on the submittal process. Request granted by Chairman Benoit.

C. Patrick Bourne, of DPF, presented an update on FFAP Benchmark 5 – IFD

They will hold an industry forum at CVWD this afternoon and will hold another in Imperial County on May 12.

They have completed the first three phases of their scope of work, will have the remainder completed in time to present to the State by May 16, and will present a final report to the Salton Sea Authority at the Authority's June 2 Board meeting.

Mr. Bourne clarified again that the graphics they are showing are an illustration of the study area, not of the IFD boundaries.

Mr. Bourne presented his report and answered Board member questions.

Bill Brownlie wrapped up the report with additional comments.

D. Legislative Update

SSA intern Phil Johnson gave an update on the movements of the various legislation the Authority supports or is watching.

E. Standing Report

1. FEDERAL: US Bureau of Reclamation Program Manager for Salton Sea (Val Simon)

Ms. Simon commented on the state Outreach Committee activities. They are finalizing their list of 15 public workshops to be held in a wide range of locations in Imperial and Riverside counties between now and August. She reported that the Bureau of Reclamation is still supporting Tom Sephton's project. The Salton Sea remains a top priority for the Assistant Secretary, and BOR is working on a MOU with the state. Ms. Simon and Director Benoit agreed that the cooperation and communication going on between agencies is encouraging and is a testament to the right people in the right places with the right motivations.

2. STATE: Assistant Secretary of Resources for Salton Sea (Bruce Wilcox)

In addition to the comments he made in item VII.B – FFAP update on activities, Mr. Wilcox addressed Director Hanks' concerns about the possibility of anoxic water. Mr. Wilcox said the state is looking at treatment wetlands for both the Initiative and for the Perimeter Lake. The Perimeter Lake is built to have flow-through and will be built incrementally as the Initiative will be.

Director Hanks drew attention to the latest NREL report which he said does a more complete job of comparing types of renewable energy than their first report did, presenting geothermal energy in a more favorable light in comparison to other renewable energy sources than in their previous report.

F. Salton Sea Action Committee (SSAC)

Paul Quill expressed his excitement about the Benchmark 5 report, and gave an update on SSAC activities.

VI. ACTION ITEMS (revisited)

A. Biennial Audits

Director Benoit recapped the request to accept the final draft of the Benchmark reports. Additional comments from members would be appreciated by May 6 so they could be commented on, additional comments should be received prior to May 16 to be included in the May 16 submittal.

Director Ashley so moved. Director Benoit seconded the motion. Unanimously carried.

Director Hanks commented that it is very important that the Perimeter Lake and the Initiative *must* work together. The backbone infrastructure is critical to air and water quality and to bird and wildlife habitat. From IID's standpoint it is also critical because it will have an impact on their drainage and delivery systems.

Bruce Wilcox confirmed that the first phase of the backbone infrastructure is the first project the state plans to initiate (pending receipt of a feasible design). The Perimeter Lake and the Initiative will be melded into one project moving forward.

VIII. ADJOURNMENT

There being no further business, Board President Benoit adjourned the meeting at 11:45 a.m.

NEXT MEETING TIME & LOCATION:

The regularly-scheduled "May" meeting will be held

Thursday, June 2, 2016

10:00 a.m.

Imperial Irrigation District

Bill Condit Auditorium

1285 Broadway Avenue

El Centro, CA 92243

(760) 482-9618

Warrant Register
April 1, 2016 through April 30, 2016



Warrant Date	Warrant Number	Vendor Name	Amount
04/01/2016	EFT	FedEx	21.77
04/07/2016	EFT	Rabobank Credit Card	709.14
04/15/2016	EFT	FedEx	15.69
04/18/2016	16073	OfficeTeam	465.00
04/18/2016	16074	RivCo EDA	12,102.28
04/18/2016	16075	Sampson, GJ Acct	7,573.00
04/18/2016	16076	WRI - CSUSB	9,834.00
04/18/2016	16077	Sampson, GJ Acct - 214	450.00
04/18/2016	16078	Sampson, GJ Acct - 215	2,340.00
04/18/2016	16079	Best, Best & Krieger	2,888.49
04/19/2016	16080	Best, Best & Krieger	4,880.70
04/19/2016	16081	RivCo EDA	18,921.48
04/19/2016	EFT	Rabobank Credit Card	1,800.00
04/25/2016	EFT	Verizon Wireless	189.67
04/26/2016	16082	OfficeTeam	957.90
04/26/2016	16083	Rosentrater, Phil	407.73
04/26/2016	EFT	Rabobank Credit Card	1,700.00
04/30/2016			15.00

Total \$ 65,271.85

Salton Sea Authority
Balance Sheet by Fund

As of April 30, 2016

	101 General	214 Wetlands Grant	215 Funding Feasibility Review	702 Fish Clean Up Trust	TOTAL
ASSETS					
Current Assets					
Checking/Savings					
0001010 - Cash - Checking	150,882.59	-115,829.68	-30,118.30	0.00	4,934.61
0001011 - Cash - Money Market	238,688.64	10,712.04	0.00	20,991.43	270,392.11
0001012 - Cash - RivCo Fund	6,813.59	0.00	0.00	0.00	6,813.59
0001015 - Cash - Petty Cash	200.00	0.00	0.00	0.00	200.00
Total Checking/Savings	396,584.82	-105,117.64	-30,118.30	20,991.43	282,340.31
Accounts Receivable					
0001210 - Accounts Receivable	610,000.00	67,670.21	376,642.89	0.00	1,054,313.10
Total Accounts Receivable	610,000.00	67,670.21	376,642.89	0.00	1,054,313.10
Total Current Assets	1,006,584.82	-37,447.43	346,524.59	20,991.43	1,336,653.41
TOTAL ASSETS	1,006,584.82	-37,447.43	346,524.59	20,991.43	1,336,653.41
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
0002010 - Accounts Payable	5,282.28	135,078.03	355,701.31	0.00	496,061.62
Total Accounts Payable	5,282.28	135,078.03	355,701.31	0.00	496,061.62
Credit Cards					
0002015 - Credit Card Payable	839.02	0.00	0.00	0.00	839.02
Total Credit Cards	839.02	0.00	0.00	0.00	839.02
Other Current Liabilities					
0002820 - Deferred Revenue	610,000.00	67,670.21	0.00	0.00	677,670.21
Total Other Current Liabilities	610,000.00	67,670.21	0.00	0.00	677,670.21
Total Current Liabilities	616,121.30	202,748.24	355,701.31	0.00	1,174,570.85
Total Liabilities	616,121.30	202,748.24	355,701.31	0.00	1,174,570.85
Equity					
0003009 - Fund Balance	170,121.79	-128,056.19	-219,932.28	20,991.43	-156,875.25
Net Income	220,341.73	-112,139.48	210,755.56	0.00	318,957.81
Total Equity	390,463.52	-240,195.67	-9,176.72	20,991.43	162,082.56
TOTAL LIABILITIES & EQUITY	1,006,584.82	-37,447.43	346,524.59	20,991.43	1,336,653.41

Salton Sea Authority
Revenue & Expenditure by Fund
 July 2015 through April 2016

	101 General	214 Wetlands Grant	215 Funding Feasibility Review	TOTAL
Ordinary Income/Expense				
Income				
0004662 - Local Gov/Member Assessments	610,000.00	0.00	0.00	610,000.00
0004660 - State of California Grants	0.00	0.00	807,023.20	807,023.20
0004710 - Pooled Cash Allocated Interest	614.31	0.00	0.00	614.31
Total Income	610,614.31	0.00	807,023.20	1,417,637.51
Expense				
1020000 - SSA ADMINISTRATION				
1025010 - Salaries				
Salaries - GM	34,261.04	0.00	0.00	34,261.04
Salaries - RivCo EDA	60,372.64	0.00	0.00	60,372.64
Salaries - Admin Support A	31,217.24	0.00	0.00	31,217.24
Total 1025010 - Salaries	125,850.92	0.00	0.00	125,850.92
1025500 - Employee Benefits				
Employee Benefits - RivCo EDA	17,095.14	0.00	0.00	17,095.14
Employee Benefits - SSA	21,393.13	0.00	0.00	21,393.13
Total 1025500 - Employee Benefits	38,488.27	0.00	0.00	38,488.27
1026050 - Contract Svc/Professional				
Contract Svc/Prof - Adm Sup C	34,537.50	0.00	0.00	34,537.50
Contract Svc/Prof - Adm Sup D	8,355.02	0.00	0.00	8,355.02
Contract Svc/Prof - Audit	7,000.00	0.00	0.00	7,000.00
Contract Svc/Prof - Finance	38,807.50	0.00	0.00	38,807.50
Total 1026050 - Contract Svc/Professional	88,700.02	0.00	0.00	88,700.02
1026010 - Contract Svc/Attorney				
Contract Svcs/Attorney - Genera	17,265.68	0.00	0.00	17,265.68
Contract Svcs/Attorney - Legisl	104.40	0.00	0.00	104.40
Total 1026010 - Contract Svc/Attorney	17,370.08	0.00	0.00	17,370.08
1026090 - Contract Svc/Technical	3,000.00	0.00	0.00	3,000.00
1026095 - Contract Svc/Equipment Maint	5,232.90	0.00	0.00	5,232.90
1028551 - Capital Equipment <\$5,000	9,131.34	0.00	0.00	9,131.34
1026096 - Contract Svc/Equipment Lease	262.46	0.00	0.00	262.46
1026120 - Insurance	9,255.56	0.00	0.00	9,255.56
1027030 - Office Exp/Operating Supplies	3,982.65	0.00	0.00	3,982.65
1027035 - Office Exp/Online Services	705.63	0.00	0.00	705.63
1026450 - Postage, Mail	761.11	0.00	0.00	761.11
1026470 - Printing Services	152.47	0.00	0.00	152.47
1026439 - Dues, Subscriptions	3,643.53	0.00	0.00	3,643.53
1026350 - Communications	5,405.37	0.00	0.00	5,405.37
1026370 - Travel/Meetings	48,936.10	0.00	0.00	48,936.10
1026060 - Contract Svcs/WRI,Archive Mgmt	28,000.00	0.00	0.00	28,000.00
Total 1020000 - SSA ADMINISTRATION	388,878.41	0.00	0.00	388,878.41
6020000 - WETLANDS GRANT ADMINISTRATION				
6025010 - Salaries	1,117.37	0.00	0.00	1,117.37
6025500 - Employee Benefits	276.80	0.00	0.00	276.80
6026010 - Contract Svcs/Attorney	0.00	809.60	0.00	809.60

Salton Sea Authority
Revenue & Expenditure by Fund
 July 2015 through April 2016

	101 General	214 Wetlands Grant	215 Funding Feasibility Review	TOTAL
6026013 · Contract Svcs/Accountant	0.00	7,785.00	0.00	7,785.00
Total 6020000 · WETLANDS GRANT ADMINISTRATION	1,394.17	8,594.60	0.00	9,988.77
6040000 · WETLANDS GRANT TECHNICAL				
6046070 · Contract Svcs/LCP	0.00	2,461.25	0.00	2,461.25
6046020 · Contract Svcs/AMEC - update	0.00	18,362.53	0.00	18,362.53
6046025 · Contract Svcs - AMEC/NSYC	0.00	2,870.00	0.00	2,870.00
6046040 · Contract Svcs/Design	0.00	79,851.10	0.00	79,851.10
Total 6040000 · WETLANDS GRANT TECHNICAL	0.00	103,544.88	0.00	103,544.88
6050000 · FUNDING/FEASIBILITY ADMIN				
6055010 · Salaries				
Salaries - Admin Support 215	0.00	0.00	3,730.88	3,730.88
Salaries - GM 215	0.00	0.00	38,475.97	38,475.97
Total 6055010 · Salaries	0.00	0.00	42,206.85	42,206.85
6055500 · Employee Benefits	0.00	0.00	9,593.85	9,593.85
6056010 · Contract Svcs/Attorney	0.00	0.00	19,653.30	19,653.30
6056011 · Contract Svcs/J Schlange	0.00	0.00	962.50	962.50
6056013 · Contract Svcs/Accountant	0.00	0.00	13,005.00	13,005.00
Total 6050000 · FUNDING/FEASIBILITY ADMIN	0.00	0.00	85,421.50	85,421.50
6060000 · FUNDING/FEASIBILITY TECHNICAL				
6066016 · Contract Svcs/TetraTech \$1.7	0.00	0.00	510,846.14	510,846.14
Total 6060000 · FUNDING/FEASIBILITY TECHNICAL	0.00	0.00	510,846.14	510,846.14
Total Expense	390,272.58	112,139.48	596,267.64	1,098,679.70
Net Ordinary Income	220,341.73	-112,139.48	210,755.56	318,957.81
Other Income/Expense				
Other Expense	0.00	0.00	0.00	0.00
Net Other Income	0.00	0.00	0.00	0.00
Net Income	220,341.73	-112,139.48	210,755.56	318,957.81

Memorandum

To: Salton Sea Authority Board of Directors
From: Phil Rosentrater, GM/Executive Director
Date: June 02, 2016
Re: **Biennial Financial Statement Audits**
CM No. V.A – 6/2/16

BACKGROUND:

At the April 28, 2016 meeting of the SSA Board of Directors Supervisor Benoit informed us that California Government Code allows Special Districts meeting certain requirements to implement biennial financial statement audits. Supervisor Benoit suggested this be researched as a possible cost-effective option for the Salton Sea Authority given the past history of clean audits.

Research reveals that requirements of California Government Code Section 6505(f) pertaining to Special Districts, and consideration for biennial audit status, would require SSA to: 1) amend the JPA Bylaws which currently require an annual financial statement audit; and 2) have unanimous approval of the Salton Sea Authority Board of Directors.

Salton Sea Authority's current State grants will allow biennial audits. The State Auditor/Controller's Office will allow them, if approved per the requirements noted above.

In addition to a financial statement audit, the Federal government requires a single-audit for any fiscal year in which more than \$750,000 of Federal grant money is expended. When less than \$750,000 is expended, a financial statement audit may still be required depending on the requirements of the awarding agency. For the past several years Salton Sea Authority activities, funding and expenditures have been at a level for which biennial audits may have been suitable. However, the recently awarded Federal grant funds are expected to move SSA outside the parameters for which biennial audits would be applicable for the next several years, making the effort unfeasible at this time.

RECOMMENDATION:

The Salton Sea Authority Staff recommends that the Salton Sea Authority Board approve the continuation of annual financial statement audits.

Respectfully submitted,

Phil Rosentrater
GM/Executive Director

Staff Report

To: Salton Sea Authority Board of Directors
From: Phil Johnson, Salton Sea Policy Intern, SSA
Date: June 2, 2016
Re: **Legislative Update**
CM No. VI.C – 6/2/16

Staff members from agencies of the Salton Sea Authority are coordinating a unified response to threats and opportunities in the legislative arena at both the state and federal levels.

SSA and its member agencies jointly engaged in the following activities to drive legislative and policy initiatives supported by the Salton Sea Authority Board of Directors:

Assembly Bill Summaries

AB 1095 (Garcia) - Proposition 1 appropriation: Salton Sea

SSA Position: Support

Status: **Passed Assembly unopposed on June 2nd. Ordered to Senate, 1st read through with Comm. on Rules. As of Oct. 9th this bill was approved by the Governor, and has been chaptered by Secretary of State - Chapter 722, Statutes of 2015.**

AB 1095 was signed into law last year, and directs the Natural Resources Agency to submit to the Legislature a list of shovel-ready Salton Sea restoration projects, including information regarding project costs and project completion timelines no later than March 31st, 2016. The Natural Resources Agency has submitted this report to the Legislature for review.

Gov. Jerry Brown's proposed state budget sets aside \$80.5 for the Salton Sea projects from the Proposition 1 state water bond. This funding allocation has remained intact in state budget committee hearings and actions thus far.

The SSA Authority and its member agencies are also working on pursuing additional funding from the Proposition 1 pool of \$475 million.

The SSA will continue to work with the author and Resources Agency staff to enact the intent of AB 1095 to spur appropriation of state funding required to avert disaster at the Salton Sea, and to serve as a down payment on state contractual obligations related to the regional water transfer (QSA) brokered by the state.

AB 2304 (Levine) - California Water Market Exchange

SSA Position: Watch

Status: Introduced on Feb 18th, 2016. Referred to Committee on Water, Parks, & Wildlife on March 3rd, 2016. Re-referred to Com. on Appropriations on April 13th, 2016. From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended on May 11th, 2016.

AB 2304 would establish a California Water Market exchange, governed by a 5 member board, in the Natural Resources Agency.

This bill would also require that the market exchange before Dec. 31st, 2018 create a centralized water market platform on the internet that provides information about water that is available for transfer or exchange. This bill would also require that as of Jan 1st, 2020 any transfers or exchanges would be required to submit certain information/data and payment of an administrative fee to the market exchange. Lastly this bill would require the market exchange to develop specified procedures in consultation with local, state, and federal agencies.

The Salton Sea Authority will continue to watch this bill and any revisions made to the bill as it progresses through the assembly.

AB 1755 (Dodd) - The Open and Transparent Water Data Act

SSA Position: Watch

Status: Introduced on Feb 2nd, 2016. Referred to Committee on Water, Parks, & Wildlife on Feb. 18th, 2016. Amended per recommendation of Committee Chair, and then re-referred to Committee on Water, Parks, & Wildlife on March 2nd, 2016. Amended a second time per recommendation of Committee Chair, and then re-referred to Committee on Water, Parks, & Wildlife on April 6th, 2016. Currently in committee and the hearing is postponed as of April 7th, 2016. Passed by Committee on Water, Parks, & Wildlife, and then re-referred to Committee on Appropriations on April 20th, 2016. From committee chair, with

**author's amendments: Amend, and re-refer to Com. on APPR.
Read second time and amended on May 11th, 2016.**

AB 1755 would enact the Open and Transparent Water Data Act. The act would require the Department of Water Resources to create a public benefit corporation. This corporation would then create and manage a statewide water information system, and an online water transfer information to report on water transactions.

This act would also require DWR, the state board, and the Department of Fish and Wildlife to develop protocols for data sharing, documentation, quality control, public access, and promotion of open source platforms related to water data. The act would also specify that a recipient of state funds for research or projects relating to the improvement of water data shall adhere to those protocols or be ineligible for state funding.

Lastly, the act would create the Water Data Administration Fund. The act would then specify that moneys in the fund would be available, upon appropriation, to DWR for the improvement of water data and the act itself.

The Salton Sea Authority will continue to watch this bill and any revisions made to the bill as it progresses through the assembly.

AB 2700 (Brown) - Electrical corporation: California Renewables Portfolio

SSA Position: Watch

Status: Introduced on Feb 19th, 2016. Referred to Committee on Utilities and Commerce, and the Committee on Natural Resource on Mar. 17th, 2016. Amended per recommendation of Committee Chair, and then re-referred to Committee on Utilities and Commerce, on March 28th, 2016. Passed by Committee on Utilities and Commerce, and then re-referred to Committee on Natural Resources on April 6th, 2016. Passed by Committee on Natural Resources, and then re-referred to Committee on Appropriations on April 19th, 2016. From committee chair, with author's amendments: Amend, and re-refer to Com. on APPR. Read second time and amended on May 11th, 2016.

AB 2700 would amend PUC rules governing the state Renewable Portfolio Standard in order to include job production as criteria for meeting investment guidelines.

Specifically, the bill would require the Commission to update the RPS criteria by July 2017 in a manner that takes into account jobs retained associated with contracting for existing eligible renewable energy resources. The bill would also require the commission to identify the value of maintaining existing base load resources to achieve the goal of a balanced portfolio of eligible renewable energy resources.

Because the SSA board-adopted legislative Platform calls for support of policies that create a level playing field for more competitive procurement of renewable energy from baseload sources, the SSA staff recommends to watch AB 2700 as it progresses.

SB 1416 (Stone) - Salton Sea restoration

SSA Position: Staff recommends SUPPORT

Status: Introduced on Feb 19th, 2016. Referred to Committee on Rules on March 10th, 2016. Read second time and amended, Re-referred to Com. on Rules on March 28th, 2016. Re-referred to Committee on Governance. & Finance on March 31st, 2016. Set for committee hearing on April 20th, 2016. Passed as amended by Committee on Governance. & Finance, and then re-referred to Committee on Appropriations on April 20th, 2016. May 9th, 2016 hearing from committee: Do pass. (Ayes 6. Noes 0.) Read second time. Ordered to third reading on May 10th, 2016.

SB 1416 would create a Revive the Salton Sea Fund allowing voluntary designation of personal income tax refunds to be deposited in the Revive the Salton Sea Fund. This bill would prohibit a voluntary contribution designation for the Revive the Salton Sea Fund from being added on the tax return until another voluntary contribution designation is removed or a space is available. Contributions will be allocated to the Natural Resources Agency for distributions of grants to provide funds or supplement funding of the state, county and local agencies, nonprofit, and projects identified as necessary for the restoration and maintenance of the Salton Sea and to develop a mechanism to provide ongoing public awareness, as specified.

The contributions to the fund shall be used for the following items. (1) Programs to create statewide public awareness and grassroots support for the restoration of the Salton Sea. (2) Programs to engage the public through promotion and education about the Salton Sea. (3) Current and future projects identified as necessary for restoration and maintenance of the Salton Sea, including projects identified by the Salton Sea Authority.

The Revive the Salton Sea Fund is run by the Salton Sea Action Committee, and they have been instrumental in developing and pushing this legislation forward.

AB 1587 (Mathis) - Groundwater

SSA Position: Watch

Status: Introduced on Jan. 6th, 2016. Referred to Com. on Water, Parks, & Wildlife on Feb. 1st, 2016. Amended and re-referred to Com. on

W., P. & W on Feb 25th, 2016. Amended a second time and re-referred to Com. on W., P. & W on Mar. 16th, 2016. From committee: Amend, and do pass as amended and re-refer to Com. on APPR, and then amended a third time on April 14th, 2016. In committee: Set, first hearing. Referred to APPR. suspense file on April 27th, 2016.

AB 1587 is bill that is centered on Proposition 1, and specifically the bond acts allocation of \$900,000,000 that is to be available upon appropriation for competitive grants for projects that prevent or clean up the contamination of groundwater that serves or has served as drinking water. The bond authorizes the use of \$100,000,000 of those fund to be allocated for competitive grants for projects that develop and implement groundwater planning requirements.

This bill would require *special consideration be given to those projects that would create groundwater recharge basins in areas of fallow farmland*. This would appropriate \$50,000,000 from the proceeds of the bond act for the purpose of that competitive grant program.

The Salton Sea Authority will continue to watch this bill and any revisions made to the bill as it progresses through the assembly.

SCR 48 (McGuire and Hueso) - Geothermal Awareness Month and Geothermal Awareness Day.

SSA Position: Support

Status: Introduced on April 27th, 2015. Read and adopted by the Senate on June 25th, 2015. Chaptered by Secretary of State. Res. Chapter 72, Statutes of 2015.

SCR 48 would recognize the month of May 2015, as Geothermal Awareness Month and May 21, 2015, as Geothermal Awareness Day. In this measure there are many important legislative findings supporting our cause.

California contains the largest amount of geothermal generating capacity in the United States due to its location on the Pacific “Ring of Fire” and the tectonic plate junctions. Imperial County’s Salton Sea known Geothermal Resource Area is considered to have a significant near-term growth opportunity of over 2,000 megawatts of electric generation from additional geothermal resource development. Fully developing Imperial County’s Salton Sea Known Geothermal Resource Area could produce 5,214 construction jobs, and up to 1,093 long-term operating and maintenance jobs, substantially improving the economy of one of the most impoverished counties in the state, where over 22 percent of the population is

unemployed. The preservation of California's existing geothermal generation and the development of new geothermal generation could facilitate the achievement of the state's post 2020 energy and environmental goals.

All of these admissions coincide with one of the main goals of the Salton Sea Authority's platform of developing geothermal production at and around the Salton Sea.

Federal Bill Summaries

S. 2012 (Murkowski) - Energy Policy Modernization Act of 2015

SSA Position: Watch

Status: Introduced to Senate on Sept. 9th, 2015. Currently on the Senate Floor voting upon amendments as of Feb 4th, 2016. Passed the Senate as of April 20th.

The relevance of adding S. 2012 on to the SSA legislative report is that S. 1407 (Heller) Supported by the SSA, has been added to this bill via amendment. S. 1407 has been added by way of amendment 3286 to amendment 2953. Amendment 2953 was passed by the Senate; however our "revenue sharing provision" in S.1407 in which we supported the bill did not make the cut.

The SSA should continue to watch S.2012 as the Senate and House try to compromise between S.2012 and its House counterpart H.R. 8. As the final "energy bill" may hold value to the SSA.

S. 2568 (Feinstein) - California Desert Conservation, Off-Road Recreation, and Renewable Energy Act

SSA Position: Support

Status: Introduced to the Senate on Feb. 23rd, 2016.

The main reason behind the revision of S.414 into S. 2568 was President Obama's decision to create three national monuments in the Mojave Desert under the Antiquities Act, however that act did not allow many other valuable provisions that were in the original legislation of S. 414.

Of note for the SSA the "disposition of revenues" section has remained the same as in S. 414. The specifics that affect SSA and "of note" this only applies to the development of wind or solar energy land managed by the BLM are as follows:

- 25% of the payments go to counties involved
- 35% of the payments go to “Renewable Energy Resource Conservation Fund” which is managed by the Sec. of the Interior.
- Areas that are eligible for such “funds” that are of note for the SSA are ones around wind or solar development areas that are in need of restoring and protecting such as: wildlife habitat, wildlife corridors, and water resources.

With the “disposition of revenues” section in mind the SSA should support S. 2568 going forward.

S. 2848 (Inhofe) - Water Resources Development Act of 2016.

SSA Position: Staff recommends SUPPORT

Status: Introduced to the Senate on April 25th, 2016. Committee on Environment and Public Works. Ordered to be reported with an amendment favorably on April 28th, 2016.

This is a bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

Of note for the SSA Section 4011 would modify the WRDA 2007 authorization of Salton Sea Restoration Pilot Projects by striking the term “pilot” and adding “Salton Sea Authority or other non-federal interest” as potential parties for implementation agreements.

The recommendation is to support S. 2848 due to the bill specifically designating the SSA as a preferred partner for the funding agreements to be established with the Army Corps.

Terminology Reference

Chaptered - After a bill has been signed by the Governor, the Secretary of State assigns the bill a Chapter Number, for example, “Chapter 123, Statutes of 1998,” which subsequently may be used to refer to the measure.

Held under submission - action taken by a committee when a bill is heard in committee and there is an indication that the author and the committee members want to work on or discuss the bill further, but there is no motion for the bill to progress out of committee. This does not preclude the bill from being set for another hearing.

Inactive file - The portion of the Daily File containing legislation that is ready for floor consideration, but, for a variety of reasons, is dormant. An author may move a bill to the inactive file if he or she wishes to take it up at a later date. Once a bill is on the inactive file, one day's public notice is needed to place it back on the agenda.

Suspense File - A bill or set of bills, with a fiscal impact, set aside in Appropriations Committee by a majority of Members present and voting. These bills may be heard at a later hearing.