



**QUANTIFICATION SETTLEMENT AGREEMENT  
JOINT POWERS AUTHORITY  
VIRTUAL MEETING MINUTES  
October 31, 2024, at 1:30 p.m.**

**Commissioners and Alternates present:**

Tonya Marshall, California Department of Fish and Wildlife (CDFW) – Chair  
 Tina Shields, Imperial Irrigation District (IID) – Commissioner  
 Jamie Asbury, Imperial Irrigation District – Alternate Commissioner  
 Jim Barrett, Coachella Valley Water District (CVWD) – Commissioner  
 Robert Cheng, Coachella Valley Water District – Alternate Commissioner  
 Alexi Schnell, San Diego County Water Authority (SDCWA) – Alternate Commissioner

**QSA JPA staff present:**

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

**Others present:**

Jessica Schroeder, CDFW	Deborah Hodgins, SDCWA
Shannon Ayala, Davis Farr	Wendy Joplin, SDCWA
Miguel Hernández, California Natural Resources Agency (CNRA)	Alan Okewole, SDCWA
Joanna Hoff, IID	Mojgan Poursadighi, SDCWA
Jessica Humes, IID	Marilen Santos, SDCWA
Patrick O’Dowd, Salton Sea Authority	Darren Simon, SDCWA
Michael Cohen, Pacific Institute	Chris Woidzik, SDCWA

**PRELIMINARY MATTERS**

1. Call to Order  
Chair Marshall called the meeting to order at 1:30 p.m.
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 at that time.

**ORGANIZATIONAL MATTERS**

4. Action: Approve minutes of regular QSA JPA meeting held June 14, 2024 (Alexi Schnell, SDCWA)  
Chair Marshall made a motion to approve the minutes, which was seconded by Commissioner Shields. The minutes were approved by a roll call vote.
5. Report from Legal Counsel – Response to inquiry regarding term of the QSA JPA Agreement  
Mr. Jeff Ferre (QSA JPA Legal Counsel) provided a verbal report to highlight sections of the QSA JPA Creation and Funding Agreement related to the term of the QSA JPA Agreement.

#### FINANCIAL MATTERS

6. Action: Review and accept fiscal year 2024 Audited Financial Report (Shannon Ayala, Davis Farr)  
Ms. Ayala presented information regarding the Audited Financial Statements for the QSA JPA as of and for the fiscal year ended June 30, 2024. Davis Farr issued an unmodified audit opinion (dated September 12, 2024), the highest level that can be received, and indicates the financial statements and footnotes were presented fairly, in all material respects, in accordance with generally accepted accounting principles. The areas of audit focus were conflicts of interest and related parties, and invoices received from IID. Davis Farr also issued two letters: 1) Communication to Those in Governance, dated September 12, 2024, and 2) Government Auditing Standards Opinion, dated September 12, 2024. Ms. Ayala stated that SDCWA finance staff was well prepared and no journal entries or significant deficiencies in internal control were detected as a result of the audit process. Commissioner Shields made a motion to accept the audit report, which was seconded by Commissioner Barrett. The item was approved unanimously by a roll call vote.
7. Information: Finance Report ending June 30, 2024 (Chris Woidzik, SDCWA)  
Mr. Woidzik provided a review of the Financial Report ending June 30. Total assets were \$79.1 million, with \$3.1 million in liabilities. The total fund balance was \$76 million. The total revenues were \$10.7 million, and total expenditures were \$8.4 million. Mr. Woidzik reminded the Commission that since SDCWA, IID, and CVWD have satisfied their mitigation contribution obligations, there will be no more contributions from these three agencies. Approximately 70% of the FY 2024 budget was spent through this period. Mr. Woidzik concluded with a summary of expenses on Tasks 2, 19, and 24, as included in the Budget Status Report.
8. Information: Treasurer’s Report ending June 30, 2024 (Alan Okewole, SDCWA)  
Mr. Okewole provided a review of the Treasurer’s Report ending June 30. The quarter ended with \$78.9 million in cash and investments. Approximately \$64.4 million of that amount was managed by Chandler Asset Management. The effective rate of return for the portfolio was reported at 3.45%, and the interest received (FY to date) was \$2.7 million. Three invoices were paid, totaling approximately \$1.7 million.

#### IMPLEMENTATION

9. Information: Status report on implementation of mitigation measures (Jessica Humes, IID)  
Ms. Humes provided an update on various mitigation measures:

*Task 2 – QSA Implementation Team Biologists:* IID filled a vacancy for an environmental specialist in November. The team is now fully staffed.

*Task 8 – Drain Habitat (Aquatic) – “Managed Marsh” Areas:* IID reported on ongoing operation and maintenance activities, including grading roads and fixing washouts. A recently purchased cattail cutter will allow crews to manage overgrown vegetation in some marsh areas.

*Task 15 – Pre-Construction Activity Burrowing Owl Surveys and Relocation:* On October 10, the California Fish and Game Commission unanimously approved naming the western burrowing owl

as a candidate for potential listing as a protected species under the California Endangered Species Act. CDFW will undertake a one-year review of the species' status before a final decision is made on the list. In the meantime, the burrowing owl is temporarily afforded the same protections as a state-listed endangered or threatened species. IID environmental staff are retraining all water department field staff on burrowing owl avoidance and how to identify a burrow as well as pausing any projects that could potentially impact burrowing owls.

*Task 18 – Desert Pupfish Abundance and Distribution Study:* IID reported that staff continues to implement pupfish surveys in direct-to-sea drains.

*Task 24 – Salton Sea Air Quality:* IID's Bombay Beach shallow groundwater wells, including the 30-day pump test, are complete. Pumping data from the test will be used for a conditional use permit with Imperial County for long-term operation of the wells. IID also provided an update on its Clubhouse vegetation project in Salton City. Four existing shallow groundwater wells will be used to irrigate 75 acres of exposed playa that will be seeded and covered with straw bales, among other improvements. Laurel Ag & Water is the contractor working on the project. IID plans for the project to be completed by the end of November 2024, with irrigation to start in January 2025.

Chair Marshall expressed her appreciation to the IID team for refining their annual mitigation expense estimate process, which resulted in an approximately 70% budget execution rate for FY 2024.

Alternate Commissioner Cheng inquired how much confidence IID staff have that the Clubhouse vegetation project would successfully mitigate playa dust, including particulate matter with a diameter of 10 micrometers or less (PM10). Ms. Humes responded that IID staff were very confident that the project would be successful based on the results of the state's vegetation projects at the sea. IID staff will monitor the effectiveness of the project but expect it to produce 95% to 99% control efficiency of playa dust, including PM10, on this site. As more playa is exposed, IID can expand the project.

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

Miguel Hernández, Public Affairs Officer for the SSMP at CNRA, provided the SSMP Update. Mr. Hernández reported the following items to the Commission:

*SCH Expansion Project:* The Species Conservation Habitat (SCH) project is the state's first large-scale aquatic habitat project, encompassing 4,100 acres. The SCH protects air quality and provides critical habitat for birds and fish at the Salton Sea. Work to expand the SCH by 750 acres (East Pond 1 expansion) is underway, including permitting and design, and is funded by \$250 million from the Inflation Reduction Act (IRA). The remaining IRA funding will be used to expand the SCH West and Center ponds. Secretary Wade Crowfoot and Salton Sea partners at all levels of government attended a groundbreaking ceremony in October 2024 to celebrate the expansion and collaboration among Salton Sea partners that made the expansion possible.

*SSMP Project Tracker:* The project tracker was recently updated. It shows all SSMP projects and provides an overview of SSMP progress for Phase I 10-Year projects, including the total acres of dust suppression and fish and wildlife habitat created, and total funds committed to the program.

11. Adjournment

Before the meeting was adjourned, Alternate Commissioner Schnell informed meeting attendees that QSA JPA staff are working to schedule the next meeting date in January 2025. QSA JPA staff will also explore tentative dates for the other 2025 QSA JPA quarterly meetings.

The meeting was adjourned at 2:10 p.m.