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Government Organization and Economy
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Subject: Written Testimony Regarding Salton Sea Restoration

Dear Mr. Vice Chair and Members of the Commission:

The Imperial Irrigation District offers the following written testimony requested for the Little Hoover Commission's hearing on the Salton Sea scheduled on April 28, 2015. IID is gratified by the Commission's attention to the Salton Sea. The Salton Sea is one of California's most important environmental resources, and the current threat to its continued viability presents an issue of both local and statewide importance. Also of statewide importance are the Quantification Settlement Agreement water transfers, which are central to California's water policy, and which went forward on the understanding that the State of California would fulfill its obligation to restore the Sea so that the transfers would not negatively affect the communities and ecosystem of the Salton Sea region, including the health and welfare of area residents and the critical wildlife habitat that the Sea offers.

As detailed below, the most crucial point that has emerged since the Quantification Settlement Agreement was signed in 2003 is that a number of responsible entities have concluded that a sustainable restoration plan for the Salton Sea is feasible. Multiple studies confirm that the Sea can be restored, and at a reasonable cost. These studies also show that restoration can be accomplished in a way that is sustainable, including by using predictable existing inflows from agricultural return flows rather than requiring water from a separate source—a crucial feature in this time of drought. A variety of currently planned, small-scale restoration projects at the Sea, although they would represent only a fraction of the overall restoration that is needed, confirm the feasibility of restoration. As the architects of the QSA recognized, creating a smaller, sustainable Salton Sea through restoration is the only way to fulfill the twin goals of allowing California to live within its 4.4 million acre-foot-per-year Colorado River entitlement and, at the same time, preserving the Sea's status as a crucial stopping point on the Pacific Flyway and protecting the people of the Imperial and Coachella valleys and the Salton Sea ecosystem from an environmental, public-health and economic crisis.

Background of the Imperial Irrigation District

You have asked IID to provide *background information about the Imperial Irrigation District and its constituents*.

IID has two core businesses and one overarching mission—to keep the lights on and the water flowing. As intended a century ago, IID channels irrigation water to farms and municipalities across the great expanse of land that comprises its water service area. Under steady stewardship of water, people came to the desert and, eventually, generated the need for public power. Today, 180,000 residents call Imperial Valley home, and everyone here relies on IID to provide safe, affordable and reliable energy. These two basic functions, both having to do with meeting our customers' essential needs, require extensive planning, teamwork and consistency.

With more than 3,000 miles of canals and drains, IID is the largest irrigation district in the nation. As a public agency, IID strives to provide the highest level of service at the most economical price while still preserving the unique ecosystem associated with this working landscape. IID is responsible for the timely operation and maintenance of the extensive open channel system, and effectively delivers water to nearly one-half million irrigated acres, seven municipalities, one private water company and two community water systems, as well as a variety of industrial uses and rural homes and businesses.

From IID's origins as a rural power provider, to a modern and innovative consumer-owned enterprise, the district has become the sixth largest electrical utility in California proudly serving more than 145,000 customers in the Imperial and Coachella valleys. IID is currently capitalizing on new technologies, securing affordable energy resources, expanding our capacity for local generation and strengthening our power delivery system—all the while caring for the environment. IID emphasizes environmentally friendly operations by employing as many "green" resources as available and the district's diverse resource portfolio provides customers with some of the lowest rates in Southern California.

Please visit IID's website for additional district background information at www.iid.com.

Imperial Irrigation District's Petition with the State Water Resources Control Board

On November 18, 2014, IID filed a petition with the State Water Resources Control Board (State Water Board) for Modification of its Revised Order WRO 2002-0013, which approved long-term water transfers to Southern California under the Quantification Settlement Agreement (QSA). The petition is an effort by IID to start a collaborative process to ensure restoration of the Salton Sea and prevent a looming environmental and public-health crisis at the Sea and in the Imperial and Coachella valleys. To date, the State of California has not fulfilled its statutory commitment to restore the Salton Sea – a commitment the Legislature undertook in order to facilitate the signing of the QSA.

On March 18, 2015, the State Water Board held a workshop regarding the Salton Sea. Several participants spoke on behalf of themselves, as well as their agencies and organizations. Extensive oral and written comments were received that gave varying views of the extent of the eventual environmental and public-health crisis at the Salton Sea and how restoration will be achieved. However, all participants recognized that the State of California faces a looming crisis at the Salton Sea that, unless checked, will cause significant adverse impacts on tens of thousands of residents in the Imperial and Coachella valleys and that restoration of the Sea is feasible and achievable.

IID anticipates the collaborative process with the State Water Board called for in its petition to continue forward in the coming months.

Effects of the Receding Salton Sea

You have asked IID to explain *the effects of the receding Salton Sea on Imperial Irrigation District*.

Numerous existing analyses of restoration of the Salton Sea establish that the *failure* to undertake restoration will result in significant environmental impacts to the Salton Sea that cannot be fully mitigated. Absent restoration, the Natural Resources Agency determined, there will be a “decline and ultimate loss of open water fish populations,” which in turn will “reduce and possibly eliminate use of the Salton Sea by fish-eating birds,” including those listed as endangered, threatened, or as species of concern under federal and state law. (*Salton Sea Ecosystem Restoration Program Preferred Alternative Report and Funding Plan*, May 2007, at p. 4.) The Salton Sea Authority reached the same conclusion: “If no remedial actions are taken, the Sea will become so saline within 15 years ... that the sport fishery and the fish that serve as a food source for the birds will be effectively eliminated.” (*Salton Sea Authority Plan for Multi-Purpose Project*, July 2006, at p. ES-2.)

The people of the Imperial and Coachella valleys cannot risk any further delay in funding and implementation of meaningful restoration—both in the short term and in planning for the long-term future of the Salton Sea. Current projections show that thousands of acres of highly emissive playa will become exposed at the Sea in the coming years, accelerating sharply when deliveries of mitigation water end in 2017. The QSA transfers do not just exacerbate the environmental problems at the Sea; rather, absent restoration, they will fundamentally transform those problems into a threat to the entire region. Salton Sea-related air quality problems are almost exclusively the result of the QSA transfers. Water transfers under the QSA significantly reduce agricultural return flows into the Sea. This reduction, in turn, reduces the elevation of the Sea and exposes underlying playa to the air, and it is this exposed playa that poses the greatest threat to human health. (California State Auditor, *Salton Sea Restoration Fund*, November 2013, at pp. 18-19.) To be sure, some playa might have been exposed without the transfers. But there is no question that the dramatic, sustained and unprecedented exposure of playa anticipated in coming decades, absent restoration, will be a direct result of the reduction in agricultural return flows stemming from the QSA transfers.

In addition, with the end of mitigation water, the Salton Sea will very quickly exceed the critical 60 mg/l salinity level thought to be fatal to remaining fish populations. The Environmental Impact Reports prepared for the QSA show that, absent restoration, the QSA would have the effect of accelerating the demise of the Salton Sea by nearly a decade, causing the Sea to become too saline to support aquatic life far earlier than under baseline conditions. As the State Water Board recognized in 2002, without swift implementation of a restoration plan, the QSA has the potential not merely to exacerbate problems at the Salton Sea, but to make saving the Sea a scientific impossibility. This was why, in 2002, the State Water Board ordered the delivery of mitigation water for 15 years. At the time, the assumption that the State would carry out its statutory restoration obligation within 15 years was entirely reasonable. But the State has not met that obligation, and we are now faced with the grim certainty that continued implementation of the QSA will not merely “exacerbate” the problems at the Sea, but make them irreversible.

If the Salton Sea does not have adequate bird habitat in place when the fisheries collapse, migratory bird populations that depend on the Sea will be forced to find alternative sources of food.

Because few if any such alternative sources exist, the likely result will be a dramatic reduction in the bird population at the Sea—but it is not clear where the birds will go, because there are few if any suitable alternative habitats nearby.

Of greater immediate concern to the residents of the Imperial and Coachella valleys is the stark reality that, absent restoration, dust emissions from exposed Salton Sea playa will increase dramatically from less than 1,000 tons of dust per year to anywhere between 4,000 and 38,000 tons of dust per year. (Pacific Institute, *Hazard's Toll: The Costs of Inaction At the Salton Sea*, September 2014, at p. 18, available at <http://pacinst.org/publication/hazards-toll/>; accord California State Auditor Report, *Salton Sea Restoration Fund Report*, November 2013, at p. 18, available at <http://www.auditor.ca.gov/pdfs/reports/2013-101.pdf>, [“State and federal experts agree that the high winds around the sea are likely to pick up significant amounts of fine dust from the dry seabed, increasing the amount of particulate matter in the air and further reducing the air quality in an already degraded basin.”].) It is almost impossible to overstate the threat these new dust emissions would pose to the Salton Sea region. Already, the Salton Sea air basin does not meet state or federal particulate matter pollution (PM-10) standards, and fugitive dust emissions account for almost 70 percent of PM-10 emissions in the region. (Pacific Institute Report, *supra*, at pp. 13-14.) The projected new dust emissions would have a significant adverse impact on the health of tens of thousands of residents in the Imperial and Coachella valleys, given the well-documented scientific evidence demonstrating a close causal link between increased particulate emissions and increased mortality rates, as well as increased incidence of cardiac disease, heart attacks, lung cancer, and asthma. (*Id.* at p. 12.)

As explained in detail in the petition, a failure by the State to fulfill its restoration obligations now would ultimately come at a severe cost once its full mitigation obligations are triggered; that is, after the \$133-million mitigation funding threshold under the QSA is reached. As explained in the November 2013 State Auditor Report, the State’s mitigation obligations will require some \$800 million in upfront costs and an annual \$50-million payment thereafter. But, as the Auditor noted, “by performing restoration activities now that are also designed to reduce the need to undertake mitigation activities in the future, the State could potentially decrease its future mitigation costs.” (State Auditor Report at pp. 2, 23.) Moreover, these expenses are just a fraction of the total financial costs that will result from a failure to restore the Sea. Other costs—in the form of increased public-health expenditures, loss of productivity, premature deaths, loss of habitat, decreased property values, and other impacts—are likely to reach into the tens of billions of dollars, according to the September 2014 report by the Pacific Institute.

The State’s Restoration Obligation

You have asked IID to provide *an overview of California’s obligations to address the sea and the impacts if the state does not meet its obligations.*

As stated in IID’s petition, the State has made an unequivocal statutory commitment to undertake the restoration of the Salton Sea. Section 2931 of the Fish & Game Code, added by Senate Bill 277 as part of the QSA legislation in 2003, provides that “[i]t is the intent of the Legislature that the State of California undertake the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem.” (Fish & Game Code § 2931, subd. (a).) The statute further mandates that “[t]his restoration shall be based on the preferred alternative developed as a result of the restoration study” undertaken by the Natural Resources Agency. (*Id.*, subd. (b).) These statements setting forth the State’s responsibilities with regard to the Sea could hardly be clearer.

In enacting SB 277, the Legislature unequivocally made “the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem” the governing law of the State. (Fish & Game Code § 2931, subd. (a).) The Legislature reaffirmed that mandate just last year in enacting Assembly Bill 71, which states that “[i]n restoring the Salton Sea, it is the intent of the Legislature,” among other things, “to protect fish and wildlife that are dependent on the Salton Sea ecosystem,” “[r]estore the long-term stable aquatic and shoreline habitat for fish and wildlife that depend on the Salton Sea,” “[m]itigate air quality from restoration projects,” and “[p]rotect water quality,” and “[m]inimize noxious odors and other water and air quality problems.” (Fish & Game Code § 2940.) That statutory language not only reaffirms the State’s policy of restoring the Salton Sea, but sets multiple concrete criteria delineating what the restoration is designed to accomplish.

Other aspects of the QSA legislation, enacted in 2003, confirm that the Legislature (as it expressly stated) committed the State to undertake the restoration of the Salton Sea. The QSA legislation requires, among other things, that IID, in particular, along with other agencies, make substantial monetary contributions to the cause of Salton Sea restoration—an obligation that would make no sense except as part of a comprehensive plan to restore the Salton Sea. Senate Bill 654 required IID, Coachella Valley Water District, and San Diego County Water Authority to contribute \$30 million to the Salton Sea Restoration Fund directly. IID and the other water agencies are fulfilling their obligations under the QSA and legislation, but the State has not held up its end of the bargain.

The Restoration of the Salton Sea is an Issue of Statewide Significance

You have asked IID to explain *why the receding sea’s impact on Imperial Irrigation District’s members is of statewide significance.*

In the 13 years since the State Water Board issued Order 2002-0013 several things have happened, and much has not happened. What has happened is that multiple studies have confirmed the feasibility of restoration. Some modest funding has been provided for Salton Sea restoration projects and, with the use of these funds, some interim measures have been successful, though not on a scale sufficient to avert the looming crisis faced by the Sea and surrounding communities. Some planning for long-term restoration also has occurred, although this planning has not produced the sort of concrete progress on full-scale restoration funding and implementation that is urgently needed. And finally, there have been some modest steps toward restoration funding, including the passage of Proposition 1 by the voters last fall. But despite these efforts, no full restoration plan has been funded or implemented, and the limited efforts to date fall far short of what is needed. In the meantime, the fears that led the State Water Board in Order 2002-0013 to require mitigation of the effects of the water transfers are coming to pass, bringing about the very threat to the Sea and to the Imperial and Coachella valleys that would have prevented the QSA from going forward absent the State’s restoration commitment.

To be clear, no party, including IID, advocates curtailing the QSA transfers—which remain a key component of California’s Colorado River Water Use Plan and of the overall balance of the State’s water resources and needs. But the statewide benefits derived from that bargain need to be balanced by the fulfillment of the statewide commitment to implement restoration. It would be unjust, more than a decade since the State made the commitment to restore the Sea, to allow only part of that bargain (the water transfers) to go forward, while the other essential part (Salton Sea restoration) falls by the wayside. Given the statewide importance of the water-supply benefits of the QSA transfers, the

State has an obligation to ensure that such transfers do not unreasonably affect the Salton Sea region, including the Imperial and Coachella valleys.

IID appreciates the concerns that have been expressed about taking any action that “has the potential to unravel” the QSA—an outcome that IID agrees would have significant and undesirable water-supply implications for the State. Unlike any other regulatory body, the State Water Board has both the authority and the statutory mandate to ensure that the QSA transfers are carried out in a manner compatible with the protection of the environment at the Salton Sea and the health and welfare of the residents of the Imperial and Coachella valleys, consistent with the parties’ clear understanding at the time the QSA was signed. And the State Water Board also has plenary authority to make any changes in its Order 2002-0013, as may be appropriate in light of developments since 2002, such as the Legislature’s commitment to restore the Sea and the looming threat posed by the end of deliveries of mitigation water in 2017. It also would be appropriate for the State Water Board to require regular reporting of progress toward restoration with the understanding that the full authority of the Board could be used to ensure that the State fulfills its obligation in a timely manner. That power should be viewed as a valuable tool to moving the process forward, given the critical importance that the QSA transfers have to the water policy of the entire state.

Restoration also will further the key goals set forth in the California Water Action Plan—namely, ensuring reliable water supplies; making conservation a way of life; protecting and restoring important ecosystems and habitat; and creating a more resilient, sustainably managed water resources system that can withstand pressures in coming decades. (*Water Action Plan Implementation Report* at p. 4.) Salton Sea restoration under the QSA combines these goals by allowing Imperial valley farmers to implement more efficient irrigation techniques, thereby conserving water for transfer to urban users, *without* decimating the critical ecosystem at the Salton Sea or the air quality in the region.

As discussed above, what threatens to “unravel” the QSA is not anything IID proposes to do, but rather the State’s failure, to date, to accomplish significant progress on restoration of the Salton Sea. Restoration is just as essential an element of the QSA as the water transfers. Indeed, as IID explained in its petition (at pp. 36-44), the State undertook its restoration obligation *specifically because* the harm that would otherwise result from the water transfers was of such immense concern that it had previously derailed the QSA negotiations. All IID seeks is to have the QSA’s grand bargain enforced in its entirety. Any threat to the durability of the QSA and its water-supply benefits to the State comes not from IID, but from the absence of restoration.

Restoration of the Salton Sea

Finally, you have asked IID to provide *an overview of the Imperial Irrigation District’s preferred solutions to restore the sea.*

There are three principal obstacles to the restoration of the Salton Sea: (1) a lack of funding; (2) a lack of a sense of urgency; and (3) the absence of a specific restoration plan to which the State and all parties are committed. The State Water Board can act as a catalyst to ensure these requirements are met by using its power to bring all necessary parties (including the Natural Resources Agency and any other necessary State entities) together to develop a specific, feasible restoration plan that will be funded and implemented in time to create a smaller, sustainable Sea that is compatible both with California’s water-supply needs and with the health and well-being of the Sea and surrounding communities.

In the short term, IID suggests two steps, which would proceed concurrently, as a means of moving the restoration process—including funding, further planning, and implementation—rapidly forward. As an initial step, IID suggests that the State Water Board hold a second workshop in Imperial County, at the Salton Sea, with all interested parties invited to attend. This second workshop would allow all parties to see firsthand both the ecological value of the Sea and the risks it faces and hear from the residents of the Imperial and Coachella valleys, many of whom were unable to travel to Sacramento. IID also suggests that the State Water Board convene a biweekly series of meetings, to be overseen by one or more State Water Board members, that all necessary parties, including the Natural Resources Agency and any other necessary State agencies, are required to attend. The purpose would be to develop a concrete funding plan for Salton Sea restoration and to identify and achieve consensus on a specific, feasible restoration plan for the Sea that builds off the efforts developed to date. The results of this process would be presented to the State Water Board for approval and for adoption in an amendment or amendments to Order 2002-0013. Because of the urgency of implementing a restoration plan before the Sea reaches a critical tipping point, IID suggests that this process begin immediately with an eye toward completion of these objectives in 2015.

One important focus of both of these initiatives—the workshop at the Sea and the mediated sessions—will be the status of projects that can be funded and commenced immediately, as well as the longer-term full funding and restoration plan that would build upon those initial efforts. And a critical element of the restoration-related discussions will be for the interested parties, particularly the Natural Resources Agency and other necessary State agencies, to work toward a commitment to a concrete plan for *funding* both the short-term and the long-term aspects of any ensuing restoration plan. To ease the process, the funding effort would need to work in tandem with the phased nature of the restoration plan: all of the funds need not be available immediately, but there must be enough funding for the initial round of habitat projects, and a reliable stream of committed funding for later phases. All possible funding sources should be thoroughly explored and pursued. Proposition 1 funds, although they may be an important starting point for the initial restoration projects, will not alone suffice to achieve full restoration—as recognized in the State Water Action Plan Implementation Report.

It is vital that the process be imbued with a sense of urgency. The people of the Imperial and Coachella valleys are already suffering the adverse effects of a lack of progress on restoration, and these effects will be accelerated significantly once deliveries of mitigation water end in 2017. The threat to the bird population and the entire Salton Sea ecosystem is also imminent, and likely irreversible if immediate action is not taken. Despite the efforts of all parties involved, at the current rate of progress, there will not be a sufficient restoration plan in place to avert the dire consequences that inevitably will follow from the end of mitigation water deliveries in 2017.

Status of Current Short-Term Restoration Efforts and Planning for Long-Term Restoration

In its notice for the March 18 workshop, the State Water Board asked about the status of restoration efforts to date. A survey of these efforts—including the current status of restoration planning and some preliminary habitat-oriented work—indicates that restoration is feasible and that the preliminary stages of restoration can proceed immediately upon the provision of additional incremental funding by the State. A longer-term, full restoration plan can then be finalized based on planning efforts to date, but with the added element of a concrete, long-term funding plan. This full restoration plan can be integrated into the initial, habitat-focused efforts, so that there is no “gap” in the restoration process during the developmental phase.

The Salton Sea Restoration Act, passed by the Legislature in 2003 as a predicate to the signing of the QSA, committed the State to evaluate the feasibility of restoring the Sea and to implement a restoration plan. The Act directed the Natural Resources Secretary to develop a “preferred alternative” that would maximize a number of statutory objectives, including habitat restoration, the elimination of air quality impacts and the protection of water quality. (Fish & Game Code § 2931.) In May 2007, the Secretary submitted a report outlining his proposal for a “preferred alternative,” consisting of a large, horseshoe-shaped recreational lake that would cover the north end of the Sea, and a large-scale habitat complex at the southern end. The preferred alternative demonstrated the feasibility of Salton Sea restoration at an ecological and engineering level. But by seeking to restore much of the Sea to the conditions that existed during its recreational heyday in the 1950s and 1960s, the preferred alternative was overly ambitious. It would have cost an estimated \$8.9 billion—a price that proved politically impossible, particularly as the declining economy created budgetary pressures. Another challenge was that the preferred alternative called for the construction of more than 50 miles of dikes, berms, and barriers that were necessary to the operation of the plan. Most of this extensive engineering work and infrastructure construction was required at the inception of the project, so that significant upfront funds would be necessary even for preliminary implementation. Finally, the preferred alternative relied upon an overly optimistic estimate of the level of expected inflows to the Sea—so even if the infrastructure could be built, the plan was not sustainable based on actual existing inflows. The preferred alternative was never funded, and progress on restoration has remained stalled for years.

In its 2002 Order, the State Water Board noted that “[t]he feasibility of restoring the Salton Sea is the subject of an ongoing study by the Secretary of the Interior and the Salton Sea Authority,” and that implementation of a 15-year mitigation plan would “provide time to study the feasibility of long-term restoration actions and begin implementation of any feasible restoration projects.” (App. 6-7.) Part of that has happened: a number of studies have revealed that restoration is feasible and achievable at a realistic cost. These studies also have revealed that the Sea and the Imperial and Coachella valleys face an environmental crisis if restoration does not occur, and that restoration will eliminate or reduce the need for substantial mitigation expenditures. But implementation has not progressed. Under these circumstances, requiring the State to fulfill its commitment to restore the Sea as a condition of the QSA transfers is the only reasonable approach.

Numerous analyses of restoration have now been conducted, by both governmental and nongovernmental entities. These analyses uniformly have concluded that restoration of the Sea can be achieved, primarily by reducing the size of the Sea; creating special habitat zones to support fish, birds, and other organisms; and establishing a salt deposit area and a water barrier around exposed playa to minimize adverse air-quality impacts. The Salton Sea Authority has released a detailed plan for Salton Sea restoration that includes all of these elements, as well as water treatment facilities and a Colorado River water storage area, and would cost an estimated \$2.2 billion to carry out, a large portion of which may come from local funding sources such as the development of renewable energy resources. (Salton Sea Authority Plan, *supra*, at pp. ES-6 through ES-12.) The Natural Resources Agency has identified eight separate alternatives with construction costs ranging from \$2.3 billion to \$5.9 billion. (California Legislative Analyst’s Office, *Restoring the Salton Sea*, January 2008, at pp. 17-19.) Reclamation’s report arrived at similar conclusions and its estimates were in that same range. (Bureau of Reclamation, *Restoration of the Salton Sea: Summary Report*, September 2007, at p. xxi.)

Over the last two years, there has been some modest progress toward Salton Sea restoration, including renewed planning efforts and some preliminary funding—but much more is needed to avert the crisis described in the petition.

In 2013, the Legislature reaffirmed its commitment to restoration by enacting Assembly Bill 71, which requires the Natural Resources Secretary, in cooperation with the Salton Sea Authority, to lead restoration efforts. The Legislature appropriated money for a new restoration study and for certain restoration pilot projects, and also directed the Natural Resources Agency to begin implementing “early start” habitat development. Over the past two years, the Salton Sea Authority and the Natural Resources Agency have made some progress on planning for full restoration of the Sea, and are now expected to produce a new plan sometime in mid- to late-2016. The initial contours of any full restoration plan are already apparent. Its key elements would include engineered structures (such as dikes or berms and a salt sink) to stabilize the salinity level in the remaining Sea, sustained by a level of return flows compatible with the QSA transfers; dedicated habitat zones to preserve the Sea’s ecosystem; treatment of exposed playa to prevent dust emissions; and the development of renewable energy resources and recreational facilities at the Sea. It is important that such a restoration plan be implemented in a phased manner, as funding becomes available. The projects currently underway or planned for the immediate future would constitute the first phase of the overall restoration.

Some modest restoration projects—largely in the form of “early start” habitat—have been developed and are either in progress, partially funded by the limited revenue provided by the State to date, or are ready for implementation when funding becomes available. These programs are designed to test the effectiveness of various techniques for playa reclamation, creation of wetlands, development of fish habitat, and related efforts to create a smaller but sustainable Sea. A brief description of these projects follows:

- The Species Conservation Habitat Project—the project mentioned in the State Water Action Plan and in the State Water Board workshop notice—is a wetlands restoration project planned for an area around the mouth of the New River at the south end of the Sea. It will be built on IID property, and the construction and planning are being cooperatively managed by the Salton Sea Authority, the State, and IID. Phase I, which involves the construction of approximately 700 acres of new wetlands, has been funded by a grant of \$25 million in Proposition 84 funds. Phase I will break ground near the end of 2015. Phase II is more ambitious; it would call for an expansion of the project to 3,600 acres, at a cost of approximately \$100 million. Phase II has not yet been funded.
- The Red Hill Bay Wetlands Restoration Project is a joint undertaking by IID and the U.S. Fish & Wildlife Service. If it goes forward, the project would create between 600 and 700 acres of new wetlands habitat at the south end of the Sea near the mouth of the Alamo River. The State has contributed \$2 million in Prop. 84 funds, but this will cover only a fraction of the total cost of the project. With the necessary additional funds, ground could be broken on this project in 2015. Only limited funding for this project has been secured.
- The Marine Habitat Project is a collaboration between IID and a private company for the creation of 2.5 acres of solar gradient ponds that can both produce solar energy and create habitat for fish. Prop. 84 funds will cover approximately one-third of the cost, and some funds may come from the Bureau of Reclamation, but funding is needed for the remainder of the work.
- The Torres Martinez Wetlands Project involves efforts by the Torres Martinez Desert Cahuilla Indian Tribe, with partial funding from Prop. 84, to restore or enhance a series

of habitat ponds on the north end of the Sea. If funded, Phase I would produce approximately 80 acres of wetlands. Phase II would contribute a further 20 acres. Separately, IID also has proposed to create a further 50 acres of wetland upstream from the mouth of the New River.

With appropriate funding, these projects could begin breaking ground within the next year. And with further funding, most projects could be expanded and construction could begin in 2016.

These small projects provide an important proof of concept for the ultimate vision of human-health preservation and habitat restoration at the Sea. With appropriate funding, these projects would serve as the initial building blocks or beginning stages on which any final restoration plan can be constructed. They begin the process of restoration immediately by creating bird habitat that will help sustain the Sea as a stop on the Pacific Flyway and reduce the air quality effects of exposed playa along the shore, all using predictable existing inflows.

At the heart of all these current efforts is the concept of a smaller, sustainable Sea. IID does not advocate returning the Sea to its halcyon days of the 1950s and 1960s. The preferred alternative failed, in large part, because it sought to do that, and (relatedly) because its massive upfront cost proved untenable. The current vision for the Sea, by contrast, contemplates more modest restoration efforts, some beginning immediately, directed primarily toward preserving human health and providing habitat for the many species of birds that depend on the Sea.

As for the full restoration plan, a Sea with a smaller surface area and volume can be sustained and maintained using currently projected levels of inflows. The Salton Sea Authority is expected to complete a proposed plan by mid-2016. But work will not begin immediately on implementation of that plan, which still will require environmental approvals and may take years to be implemented. Nor, in light of the history of Salton Sea restoration proposals, is there any current assurance that a feasible plan, once put forward by the Authority, will in fact be funded and implemented.

We look forward to discussing all of these issues with the members of the Commission at the forthcoming hearing, and again thank the Commission for its attention to this matter of profound significance to all Californians.

Very truly yours,



Kevin E. Kelley
General Manager

cc: Stephen W. Benson, Board President, Imperial Irrigation District
Ralph Cordova, Jr., County Executive Officer, County of Imperial
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