

FOR IMMEDIATE RELEASE
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Diverse Coalition Supports Water Purchase Agreement from Huntington Beach Desalination Project

OC WISE calls for quick passage of term sheet for new, local, drought-proof, water

FOUNTAIN VALLEY, CALIF. – A diverse coalition of businesses, labor unions, community groups, non-profit organizations, and individuals united to support all forms of new water for Orange County, today praised the draft term sheet between the Orange County Water District (OCWD) and Poseidon Resources (Surfside) LLC (Poseidon).

Under the terms of the draft agreement released this week, OCWD would purchase 50 million gallons of water each day from Poseidon's planned desalination facility in Huntington Beach. The coalition – Orange County Water Independence, Sustainability and Efficiency Coalition (OC WISE) – is calling on OCWD to approve the terms of the agreement as soon as possible.

“OCWD has predicted a substantial short fall of water resources by 2035. The Huntington Beach Desalination project provides Orange County with water independence by reducing the amount of water it needs to import today regardless of water demand projections,” said OC WISE executive director Robert Sulnick. “Our strong coalition believes that the affordable water supplied by the Poseidon project would substantially alleviate the County's projected water needs well into the future.”

The OCWD term sheet significantly mitigates risk to the district from the financing and building of the distributions system, and OCWD has no obligation to purchase water unless Poseidon delivers water meeting contractual specifications for quantity, quality, reliability and price.. Poseidon would be responsible for permitting, financing, designing, constructing, and operating the desalination plant – and the projected monthly water bill increases would be less than \$1.00 per month per a resident, in 2015 dollars.

“This term sheet is a good deal for Orange County,” said Jerry Wheeler, President/CEO of the Huntington Beach Chamber of Commerce & OC WISE executive committee member. “I compliment the District staff for negotiating and excellent agreement. The very modest increase in monthly ratepayer costs is a significant bargain over the life of the project. In exchange, OCWD further reduces its reliance on imported water that continues to be challenged by drought, environmental restrictions, agricultural needs, competition and aging infrastructure. Thanks to the project, Orange County residents and businesses will have a reliable, affordable, local water resource for decades to come.”

The OCWD is expected to vote on the term sheet at their April 30, 2015 scheduled meeting.

OC WISE is a diverse coalition of businesses, labor, community groups, non-profit organizations, and individuals united to support and advocate for all forms of new water for Orange County. Its membership includes executive committee chair Dr. Allan Bernstein (Tustin

City Councilman & ACC-OC Water Committee Chair), Jerry Wheeler (Huntington Beach Chamber of Commerce), Dirissy Doan (Orange County Association of Realtors), Kevin Wen (Millennials for Water Security), Ernesto Medrano (LA/OC Building and Construction Trades Council), and Wayne Brown (South Orange County Economic Coalition).

The coalition was formed as a direct response to both the unpredictability of the County's water supply and the need to develop new supplies capable of ensuring adequate water for the County. Given the County's semi-arid environment and perpetual drought cycle, the County and state are currently experiencing, OC WISE believes relying on current water sources is unsustainable. All forms of new water: efficiency, conservation, recycling and seawater desalination should be supported and developed. For more information, please visit www.ocwise.org.

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