



ORANGE COUNTY WATER DISTRICT

FOR IMMEDIATE RELEASE

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OCWD BOARD OF DIRECTORS AFFIRMS COMMITMENT TO WATER RELIABILITY

Board Votes To Start Negotiations With Poseidon Resources

FOUNTAIN VALLEY, Calif. (Jan. 8, 2015) — Since 1933, the Orange County Water District (OCWD; the District) has explored and implemented projects that increase local water reliability for north and central Orange County, which includes more than 2.4 million people. At last night's board meeting, the OCWD board of directors voted 9 to 1 to begin negotiating a term sheet with Poseidon Resources to purchase 50 million gallons of water a day (56,000 acre-feet annually) created by the proposed Huntington Beach Ocean Desalination Plant.

Entering into this agreement provides the District the opportunity to gain critical financial and project information necessary to fully consider the project. This is the first step in what will be a thorough and deliberate process to make Orange County more drought resilient. As part of this process, the board will appoint a citizen's advisory committee to ensure the public is provided ample opportunity to provide input. The District will continue to engage and inform the public as it goes through this process.

"The board made an important decision last night that reaffirmed OCWD's commitment to invest in solutions that create long-term water reliability and we must remember that reliability has a price," said OCWD President Cathy Green. "We look forward to this collaborative process that will help ensure water sustainability for our service area well into the future," she added.

OCWD remains committed to promoting the development of a diverse portfolio of reliable water sources to replenish the vast groundwater basin it manages, which provides 72 percent of the water needs for north and central Orange County. Stewardship of the basin includes purchasing and developing new local water supplies, promoting water-use efficiency, and increasing water reuse and reclamation.

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In early 2015, the Initial Expansion of OCWD's Groundwater Replenishment System, the world's largest water reuse project of its kind, will come online and bring the project's total daily water production to 100 million gallons, or enough to serve 850,000 residents annually. In an effort to fully maximize the supply of treated sewer water, the District is exploring the feasibility of a Final Expansion of the GWRS, which would take production to 130 million gallons of water a day. OCWD is committed to analyzing all available water resources and maximizing every drop.

As the current California drought reminds us, we can't rely on the traditional water supply sources that have previously sustained our region. We live in a desert, water coming into Orange County from the Santa Ana River is steadily decreasing, imported water supplies from the North and the Colorado River are restricted; we expect droughts to routinely occur; AND the population will increase. It's apparent that there is an urgent need for projects that increase local water reliability.

OCWD is an acknowledged world leader in water reuse and groundwater management and takes steps every day to achieve water reliability. It will continue to do its due diligence to explore and implement projects that help it fulfill its mission to provide an adequate, reliable and high-quality water supply to local water retailers at the lowest reasonable cost and in an environmentally responsible manner.

For more information about the District, please visit www.ocwd.com. To read more about Poseidon Resources, visit <http://poseidonwater.com/>.

About OCWD

OCWD is committed to enhancing Orange County's groundwater quality and reliability in an environmentally friendly and economical manner. The following cities utilize the groundwater basin managed by OCWD: Anaheim, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Garden Grove, Huntington Beach, Irvine, La Palma, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach, Stanton, Tustin, Villa Park, Westminster and Yorba Linda.

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