



ORANGE COUNTY WATER DISTRICT

FOR IMMEDIATE RELEASE

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OCWD STRENGTHENS COMMITMENT TO WATER RELIABILITY

Board approves term sheet for Huntington Beach Desalination Project

FOUNTAIN VALLEY, Calif. (May 19, 2015) — The Orange County Water District (OCWD; the District) board of directors took another step forward toward a possible agreement with Poseidon Resources to purchase 50 million gallons of water a day (56,000 acre-feet annually) from its Huntington Beach Ocean Desalination Plant. In January, the board voted to begin negotiating a term sheet with Poseidon Resources and during last Thursday’s special board meeting, it voted to approve the term sheet. Additional actions taken during the special board meeting include establishing a project budget of \$230,000 and authorizing staff to hire consultants to assist with key project elements.

During March and April, the District established and engaged a 20-member citizen’s advisory committee, which met on multiple occasions with OCWD staff and an independent facilitator, to provide input about the term sheet and the project. This input helped District staff in its negotiations and resulted in changes made to the term sheet.

“It is extremely important to engage the public in this process,” said OCWD President Cathy Green. “We will judiciously analyze the project and all future possibilities that promote the development of a diverse portfolio of reliable water sources,” she added.

With approval of the term sheet, the District plans to conduct numerous studies and further analyses prior to considering a final water purchase contract with Poseidon Resources. Consultants hired to assist the District in its ongoing analysis of the project will help determine the best way to use the Poseidon water and integrate it into the existing supplies within OCWD; evaluate the reliability of imported water that is brought into the area, and review alternative water supply sources that can be considered.

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As California is in the midst of its fourth year of a serious drought, it is imperative that agencies explore all options and invest in projects that create long-term water reliability. That is why, next month, OCWD will come online with a \$142 million expansion of its Groundwater Replenishment System (GWRS), which will bring total water production to 100 million gallons of water a day. With this project, the District will be recycling 100 percent of the available wastewater from the Orange County Sanitation District's Plant No. 1, located in the City of Fountain Valley.

But the District is not stopping here. It is concurrently exploring a final expansion of the GWRS, increasing stormwater capture and enhancing its complex groundwater recharge system. There is much work to be done to create a reliable water future for the region and OCWD will continue 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.

To review OCWD's special board meeting agenda, which contains the term sheet, staff presentations and other relevant information, please visit <http://bit.ly/1L6VKVc>. For more information 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.