



****NEWS RELEASE****

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SUPERIOR COURT RULES IN FAVOR OF CITY OF HUNTINGTON BEACH AND POSEIDON RESOURCES REGARDING DESALINATION FACILITY

Huntington Beach, CA – A Superior Court judge, on Monday, November 27 rejected the lawsuit filed by the Sierra Club and the Surfrider Foundation against the City of Huntington Beach, ruling there was sufficient evidence to support the findings in the Environmental Impact Report (EIR) and the City’s decision to approve a permit for the proposed seawater desalination facility. Judge David Velasquez upheld the city’s EIR stating “its decision is supported by the findings and the findings are supported by substantial evidence in light of the record as a whole.” The decision by Orange County Complex Civil Presiding Judge Velasquez was the Superior Court final ruling in the case which was filed in March of 2006.

After four years of exhaustive review and numerous public hearings, the Huntington Beach City Council certified the Environmental Impact Review at its September 6, 2005, meeting. By voting to certify the EIR, the city council confirmed the project’s comprehensive environmental analysis, description and findings are “adequate” as required by law. The City Council’s decision included a finding that the desalination project will not have any significant long-term impacts to the environment, with the exception of unavoidable short-term construction-related impacts typical of any construction project.

“The judge’s denial of this lawsuit reiterates the fact that city staff and the elected leaders of Huntington Beach spent considerable time and effort in reviewing this project,” said newly re-elected councilmember Cathy Green. “I’m glad this case has been denied and I’m proud to be one of several thousands of Huntington Beach residents to be outspoken and vigorously supportive of this project,” concluded Green.

The Huntington Beach Seawater Desalination Facility also received unanimous approval of its discharge permits from the CA Regional Water Quality Control Board – Santa Ana region this past August. It will be seeking various permit applications/agreements from the California State Lands Commission and California Coastal Commission before construction can begin on the project.

Supporters of the proposed desalination facility continue to grow. Some of the organizations endorsing this high-quality, drought-proof and reliable water source for Orange County residents are:

- The Orange County Business Council
- Orange County Taxpayers Association
- Huntington Beach Chamber of Commerce
- The Orange County Association of Realtors
- Los Angeles/Orange Counties Building and Construction Trades Council

Poseidon Resources specializes in developing and financing water infrastructure projects, primarily seawater desalination and water treatment plants. These projects are implemented through innovative public-private partnerships in which private enterprise assumes the developmental and financial risks. Poseidon Resources is

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