

POSEIDON SEAWATER DESALINATION PROJECT SCH# 2001051092

STATEMENT OF FACTS AND FINDINGS AND STATEMENT OF OVERRIDING CONSIDERATIONS

1.0 INTRODUCTION

The California Environmental Quality Act ("CEQA") in Public Resources Code Section 21081 provides that:

"[N]o public agency shall approve or carry out a project for which an environmental impact report has been certified which identifies one or more significant effects on the environment that would occur if the project is approved or carried out unless both of the following occur:

(a) The public agency makes one or more of the following findings with respect to each significant effect:

- (1) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment.
- (2) Those changes or alterations are within the responsibility and jurisdiction of another public agency and have been, or can and should be, adopted by that other agency.
- (3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the environmental impact report.

(b) With respect to significant effects which were subject to a finding under paragraph (3) of subdivision (a), the public agency finds that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment."

The City of Huntington Beach certifies the Poseidon Seawater Desalination Project Environmental Impact Report ("EIR") and approves the following project components: construction and operation of a seawater desalination plant, an aboveground product water storage tank, and pipelines to deliver drinking water into the regional water distribution system, a conditional use permit ("CUP") and a Coastal Development Permit ("CDP"). Due to the potential impacts to the environment and because the proposed action constitutes a project under CEQA and the State CEQA Guidelines, the City of Huntington Beach has prepared a Draft EIR (State Clearinghouse No. 2001051092). The Draft EIR identified certain potentially significant effects that may occur as a result of implementation of the project, unless mitigation measures, project design features and/or standard conditions are adopted for the project. The mitigation measures, project design features, and standard conditions identified in the Draft EIR are proposed to be adopted for the project.

The Draft EIR was circulated for public review and comment for a 45-day period (September 19, 2002 to November 4, 2002) as specified in the State CEQA Guidelines. Public comments were

received by the City and have been responded to by the City in accordance with CEQA requirements.

The City of Huntington Beach determines that the Final EIR, comprised of the Draft EIR, a list of persons, organizations and public agencies commenting on the Draft EIR, comments received from the public and interested agencies, the Responses to Comments prepared by the City, and all attachments and documents incorporated by reference is complete and adequate, and has been prepared in accordance with CEQA and the State CEQA Guidelines.

The Final EIR identified certain significant effects on the environment that may occur if the project is approved or carried out. Therefore, in accordance with CEQA, the City of Huntington Beach adopts this Statement of Facts and Findings and makes one or more of the three Section 21081 findings for each significant impact identified. For all but one of the significant effects identified in the Final EIR, changes or alterations have been required in, or incorporated into, the project that mitigate or avoid the significant effects on the environment. In addition, for certain significant effects that may occur, the Final EIR has identified changes or alterations that are within the responsibility and jurisdiction of other public agencies. Those changes or alterations have been, or can and should be, adopted by those other agencies.

The Final EIR also identified one unavoidable significant effect on the environment that may occur as a result of the project, even with the implementation of mitigation (see Section 5.0 of this Statement of Facts and Findings). Where the decision of a public agency allows the occurrence of a significant effect which is identified in the Final EIR but is not avoided, the agency must state in writing the specific reasons to support its action based on the Final EIR and other information in the record. Such a statement is called a Statement of Overriding Considerations. In accordance with CEQA, therefore, the City of Huntington Beach adopts the Statement of Overriding Considerations included as Section 7.0 of this Statement of Facts and Findings.

This Statement of Facts and Findings, including the Statement of Overriding Considerations, is adopted by the City of Huntington Beach as part of its action to certify the Final EIR and approve the Poseidon Seawater Desalination Project.

2.0 DESCRIPTION OF PROJECT PROPOSED FOR APPROVAL

The proposed project involves the construction and operation of a seawater desalination plant producing approximately 50 million gallons per day (mgd) of potable water. The facility will intake cooling water (raw seawater) after it has passed through the existing AES Huntington Beach Generating Station's power generation units steam condensers, purify it utilizing reverse osmosis technology, and discharge concentrated seawater back into the condenser cooling water system, downstream of the intake point, for dilution and discharge back into the ocean. The product drinking water will be delivered to the existing regional water distribution system to meet the needs of the Southern California Region and particularly Orange County. A more detailed project description is provided in Section 3.0, *PROJECT DESCRIPTION* of the Final EIR.

The Draft EIR presented two basic options for on-site storage of potable water produced by the seawater desalination plant: an underground product water storage tank, an aboveground product water storage tank. Based on the Final EIR and this Statement of Findings and Facts, the City approves an aboveground product water storage tank. Off-site components necessary to effectuate delivery of the potable product water into the existing regional water distribution

system include a water transmission pipeline alignment extending into the City of Costa Mesa and two booster pump stations (one within an unincorporated portion of Orange County and another within the City of Irvine). The Draft EIR provided general location information for the required pump station component of the project. During the public review of the Draft EIR there were several comments regarding the most appropriate location for the pump stations. The Responses to Comments prepared by the City provide additional information regarding specific pump station locations. That information is included in the Final EIR and the City's approval of the project.

3.0 FINDINGS CONCERNING IMPACTS FOUND TO BE LESS THAN SIGNIFICANT

In evaluating the potential impacts associated with the project, the Final EIR identified potential impacts that would not be significant. This section of the Statement of Facts and Findings identifies those impacts that may occur with project implementation but were found to be below the threshold of significant. CEQA does not require findings for impacts that are found to be less than significant, and therefore do not require mitigation. Nevertheless, the following information is provided in order to summarize the bases for determinations of non-significance for the potential impacts as presented in the Section 4.0, *ENVIRONMENTAL ANALYSIS*, in the Final EIR. (Note that Section 7.0, *EFFECTS FOUND NOT TO BE SIGNIFICANT*, provides an examination of potential project impacts that were found not to be significant in the Initial Study. That information is not repeated herein, but is incorporated by reference as if set forth in full in this Statement of Facts and Findings.)

In some cases, the impacts addressed in this Statement of Facts and Findings are found not to be significant due to their nature. In other cases, the determinations take into account certain design features of the project. Although impacts determined to be not significant do not themselves require mitigation, in some cases mitigation measures that have been required to address other impacts found to be potentially significant and in need of mitigation will also further reduce the non-significant impacts. In these cases, the mitigation measures are noted, although the impacts would be less than significant even without such measures. Mitigation measures are referenced in this Statement of Facts and Findings using the same numbering system employed in the Mitigation Monitoring Program and the Final EIR. Refer to Attachment B, *MITIGATION MONITORING PROGRAM* for a complete listing of mitigation measures and monitoring requirements.

A. IMPACTS RELATED TO LAND USE/RELEVANT PLANNING

Section 4.1 of the Final EIR addresses the potential impacts related to land use/relevant planning. Both topics (land use and relevant planning) are addressed in this Section of the Statement of Facts and Findings.

Finding for Potential Land Use Impacts

The Poseidon Seawater Desalination Project will not create any significant impacts to surrounding land uses. Less than significant impact. In addition, mitigation measures NOI-1, ALG-1, ALG-2, and CON-1 through CON-45, inclusive, further reduce these less than significant impacts.

Facts in Support of Finding

Based on the analysis presented in Section 4.1 of the Final EIR, land use impacts are less than significant without mitigation. Potential land use impacts have been eliminated or substantially lessened to a level of less than significant by virtue of project design features identified in the Final EIR. Moreover, mitigation measures NOI-1, ALG-1, ALG-2, and CON-1 through CON-45, inclusive, further reduce these less than significant impacts.

Finding for Potential Relevant Planning Impacts

The Poseidon Seawater Desalination Project will not conflict with applicable relevant planning programs. No impact.

Facts in Support of Finding

Based on the analysis presented in Section 4.1 of the Final EIR, relevant planning impacts are not significant. The project as described in Section 2.0 of this Statement of Facts and Findings will be consistent with the City of Huntington Beach General Plan, Local Coastal Program, Zoning and Subdivision Ordinance, and with the SCAG Regional Comprehensive Plan and Guide. There is no need to change any General Plan or Zoning designations. During the “design development” stage, the Applicant will be submitting more detailed plans reflecting code and policy compliance with specific issues. The design will be required to comply with all applicable standard development conditions.

B. IMPACTS RELATED TO GEOLOGY, SOILS, & SEISMICITY

Section 4.2 of the Final EIR addresses the project’s potential impacts related to geology, soils and seismicity. The Final EIR addresses six topics, two of which (topography and off-site pipelines and underground pump stations) are addressed in this Section. The remaining four topics are addressed in Section 4.0-A of this Statement of Facts and Findings.

Finding for Topography

The Poseidon Seawater Desalination Project will have no significant impact on the natural topography of the project area. Less than significant impact.

Facts in Support of Finding

Based on the analysis presented in Section 4.2 of the Final EIR, topography impacts are less than significant without mitigation. No significant landform impacts will result because the project area is relatively flat. The proposed desalination plant site consists of three fuel storage tanks on a flat surface, surrounded by containment berms of 10 to 15 feet in height. The western and southern berms would be removed prior to construction of the desalination plant, while the eastern and northern berms (the northern berm exists outside of the project boundaries) will not be removed. The site does not contain any unique physical or topographical features.

Finding for Off-Site Pipelines and Underground Pump Stations

The Poseidon Seawater Desalination Project off-site pipelines and underground pump stations will not subject to significant hazards related to geology, soils and seismicity. Less than

significant impact. In addition, applicable mitigation measures contained within Section 4.9 of the Final EIR, inclusive, further reduce these less than significant impacts.

Facts in Support of Finding

Based on the analysis presented in Section 4.2 of the Final EIR, impacts related to geology, soils and seismicity for the project's off-site pipelines and pump stations are less than significant. No significant impacts will result because the majority of the pipeline alignment will occur within existing street right-of-way and various utility lines currently exist along the alignment. The pump station locations are also located in close proximity to existing pipelines. Standard conditions similar to those to be implemented for the on-site desalination facilities will apply to minimize impacts and design level geotechnical investigations will be performed. Moreover, applicable mitigation measures contained within Section 4.9 of the Final EIR, inclusive, further reduce these less than significant impacts.

C. IMPACTS RELATED TO HYDROLOGY AND WATER QUALITY

Section 4.3 of the Final EIR addresses the project's potential long-term impacts related to hydrology and water quality. The Final EIR addresses six topics, five of which are addressed in this Section. The remaining topic is addressed in Section 4.0-B of this Statement of Facts and Findings. The topics where the impacts were found to be less than significant are:

- Fertilizer and Pesticides
- Impacts on Source Water Quality
- Water Quality Impacts to Marine Biological Resources
- Water Quality Impacts to Nearby Coastal Wetlands from Off-site Ocean Discharge
- Water Quality Impacts to Nearby Coastal Wetlands from On-site Spillage

Finding for Fertilizer and Pesticides

The use of fertilizers and pesticides on landscaping at the Poseidon Seawater Desalination Project will not have a significant impact on water quality. Less than significant impact. In addition, mitigation measure HWQ-1 further reduces this less than significant impact.

Facts in Support of Finding

The project will incorporate both native and non-native landscaping on site. Non-native vegetation may require periodic fertilization and pest control. The landscaping will be maintained in accordance with City of Huntington Beach standards. Based on the size of the landscaped areas, small amounts of fertilizers and pesticides will be needed. Use of these chemicals on project landscaping will not result in a significant impact to groundwater, adjacent Ocean waters, or surrounding uses. Moreover, mitigation measure HWQ-1 further reduces this less than significant impact.

Finding for Potential Impacts from Source Water Quality

Impacts on the Poseidon Seawater Desalination Project from source water will not be significant. Less than significant impact. In addition, the California Department of Health Services has the responsibility to review and approve the quality of the drinking water produced by the project.

Facts in Support of Finding

Oceanographers from the Scripps Institution of Oceanography conducted modeling studies using a computer model to simulate “worst case” ocean conditions near the AES Huntington Beach Generating Station intake facility. The model calculates the degree of mixing of various potential contaminant sources for the Pacific Ocean that could potentially impact the quality of the project’s source water in the vicinity of the intake facility. The Santa Ana River, Talbert Marsh, Orange County Sanitation District (OCSD) wastewater discharge outfall, and the proposed desalination plant discharge (the AES outfall) were all investigated. Based on the analysis presented in Section 4.3 of the Final EIR, impacts on source water quality are less than significant without mitigation. In addition, mitigation measure HWQ-4 will further reduce these nonsignificant impacts.

❖ **Impacts on Source Water from the Santa Ana River and Talbert Marsh**

The Santa Ana River and Talbert Marsh receive runoff from highly urbanized areas and discharge into the Pacific Ocean 8,300 feet and 7,000 feet southeast, respectively, from the AES intake. Under typical conditions the discharges from the Santa Ana River and the Talbert Marsh flow away from the AES intake. However, there are times when the currents flow towards the AES intake. During a worst case, extreme storm event, the water drawn into the intake would still consist of 99.999 percent seawater and 0.001 water from the Santa Ana River and Talbert Marsh. In more typical conditions there would be even greater amounts of dilution.

❖ **Impacts on Source Water from Dry Weather Urban Runoff from the Talbert Marsh**

Urban runoff and seawater can be trapped in the Talbert Marsh during the dry season and the build up can then be released in a single tidal flush. Even in a worst case condition, however, the Marsh water will be diluted with seawater 10 billion to 1 and essentially does not reach the AES intake. This is due to the fact that the Marsh water is released into the surf zone and the onshore waves keep the Marsh water in the shallow near shore water. The AES intake is located 2,292 feet offshore in 34 feet of water.

❖ **Impacts on Source Water from the OCSD Outfall**

The OCSD discharges up to 480 million gallons per day of wastewater that has received primary treatment and some secondary treatment at an outfall that is located five miles offshore at a depth of 195 feet. As indicated in the OCSD’s comments on the Draft EIR, OCSD has committed to provide secondary treatment for 100 percent of all effluent it receives (development of necessary facilities could take up to 11 years to complete). As of August 12, 2002, OCSD implemented a new disinfection process. The model (which did not account for OCSD’s proposed secondary treatment or its new disinfection process) showed that under worst case, extreme conditions, the OCSD discharge would be diluted with seawater 10 million to 1 at the AES intake and would not affect water quality at the intake. This dilution would be further increased in consideration of OCSD’s proposed secondary treatment and its new disinfection process.

❖ **Impacts on Source Water from the AES Outfall**

The AES outfall is located 1,500 feet offshore and 792 feet from the AES intake. The discharge consists of primarily cooling water, but a small amount of power plant process wastewater and storm water can be mixed with the cooling water. In addition, the concentrated seawater from the project will be mixed with the cooling water. Under the worst case model conditions, the dilution of power plant/project discharge with seawater at the intake would be 1,000 to 1. This means that only 0.01 percent of the power plant/project discharge would be recirculated to the intake.

Finding for Potential Water Quality Impacts to Marine Biological Resources

The Poseidon Seawater Desalination Project will have no significant impact on marine biological resources. Less than significant impact. In addition, the State Water Resources Control Board working through the Regional Water Quality Control Board for the Santa Ana Region has the responsibility and jurisdiction to issue a NPDES permit for the project discharge through the AES outfall into the Pacific Ocean. Furthermore, the California Coastal Commission has the responsibility to review changes in the AES outfall salinity resulting from the project as part of the Coastal Development Permit process.

Facts in Support of Finding

Based on the extensive studies included in the Draft EIR Appendix and the clarifying information included in the Final EIR as response to comments, the project's impact on marine biological resources is less than significant. In fact, the project is specifically designed to minimize potential impacts on marine biological resources. Section 3.0, *PROJECT DESCRIPTION*, of the Final EIR explains how the concentrated seawater resulting from the project's desalination process will be mixed with the AES Huntington Beach Generating Station's cooling water before it is discharged into the Pacific Ocean through the AES outfall. The outfall structure produces a vertical discharge stream that forces the combined discharge to mix rapidly with the seawater as it broaches the surface. The denser, combined discharge water subsequently sinks to the bottom and spreads outward from the base of the outfall tower, further mixing with the surrounding seawater. The salinity of the concentrated seawater/cooling water that is discharged into the ocean will depend on the level of operation of the AES facility. As more generating units are operated, more cooling water is added to the mix. This results in a decrease in the salinity of the combined discharge and a smaller area of the surrounding marine environment will be exposed to elevated salinities.

Section 4.3 of the Final EIR examined the worst case scenario for salinity increases in the area around the AES outfall (limited amounts of cooling water mixed with the concentrated seawater discharge and limited natural ocean mixing) even though that scenario would result less than one percent of the time. Under the worst case scenario, the discharge results in only a 15 percent increase above the background seawater salinity 100 feet away from the outfall tower and a 10 percent increase 1,000 to 1,200 feet away. A maximum of 15.6 acres of ocean floor (benthic area) and 18.3 acres of the water (pelagic area) around the outfall tower are expected to be exposed to water with a salinity over 10 percent higher than the ambient seawater during the worst case scenario. In average conditions, the distances drop and a maximum of 6.5 acres of ocean floor (benthic area) and 8.3 acres of the water (pelagic area) around the outfall tower are expected to be exposed to water with a salinity over 10 percent higher than the ambient seawater. A 10 percent anomaly is within the normal variability for seawater salinity and would be tolerated by fish species, planktonic organisms and benthic species common offshore of

Huntington Beach. Mobile species will simply avoid the areas they cannot tolerate, while the benthic species at the base of the outfall tower will probably be replaced by species, which are more tolerant of high salinities.

Section 4.3 of the Final EIR also examined potential impacts to the local marine environment due to the discharge of reverse osmosis membrane cleaning solution through the AES outfall. During the "first flush," approximately 200,000 to 300,000 gallons of treated waste cleaning solution would be mixed with the concentrated seawater/cooling water in the outfall. In a worst case scenario, the cleaning solution would be diluted at a ratio of 260 to 1 before it would be discharged into the ocean. Since the majority of the chemicals in the cleaning solution would be either below detection levels or regulatory limits even before this dilution took place, impacts to the local marine environment would be less than significant. Second and all subsequent flushes would only contain trace amounts of cleaning compounds.

Finding for Potential Water Quality Impacts to Nearby Coastal Wetlands from Off-Site Ocean Discharge

Ocean discharges from the Poseidon Seawater Desalination Project will have no impact on nearby coastal wetlands. No impact.

Facts in Support of Finding

Three nearby coastal wetlands in the vicinity of the AES outfall were examined in Section 4.3 of the Final EIR. A protected California least tern nesting area is located approximately two kilometers southeast of the AES outfall on Huntington State Beach between the Talbert Marsh and the mouth of the Santa Ana River. This area is well outside of the modeled area of increased salinities and will not be impacted by project discharges. Likewise, the mouth of the Talbert Marsh is outside of the area of increased salinities and will not be impacted by project discharges. A privately owned open space/wetlands area abuts the edge of the southwest corner of the desalination plant site. This area does not have tidal access and, therefore, is not impacted by discharges from the AES outfall.

Finding for Potential Water Quality Impacts to Nearby Coastal Wetlands from On-Site Spillage

Potential on-site spillage from the Poseidon Seawater Desalination Project will have no significant impact on nearby coastal wetlands. Less than significant impact.

Facts in Support of Finding

As explained in Section 4.8 of the Final EIR, the project design incorporates appropriate leak/spill containment features that minimize the likelihood for hazardous materials being stored, used or transported on-site from impacting adjacent uses. Moreover, nearby coastal wetlands, including the privately owned open space/wetlands area that abuts the edge of the southwest corner of the desalination plant site, are physically separated from the desalination facility by existing berms (that will remain in place).

D. IMPACTS RELATED TO AIR QUALITY

Section 4.4 of the Final EIR addresses the potential impacts related to air quality. Three topics (long-term emissions, consistency with regional plans and sensitive receptors) are addressed in this Section of the Statement of Facts and Findings.

Finding for Long-Term Emissions

The Poseidon Seawater Desalination Project will not result in significant impacts in regards to long-term area source, mobile, or off-site energy related air emissions. Less than significant impact.

Facts in Support of Finding

The analysis in Section 4.4 of the Final EIR shows that the desalination plant would generate nominal amounts of on-site area source and off-site mobile source emissions. In addition, off-site energy emissions associated with the proposed plant's electricity consumption have been previously accounted for within local and regional planning documents as well as environmental documentation prepared for SCAQMD's Regional Clean Air Incentives Market (RECLAIM) and New Source Review programs. Impacts in this regard are not anticipated to be significant.

Finding for Consistency with Regional Plans

The Poseidon Seawater Desalination Project will not conflict with local and regional air quality planning documents. Less than significant impact.

Facts in Support of Finding

As explained in Section 4.1 of the Final EIR, the proposed project does not involve a General Plan amendment, zone change, or other change in land use, and is consistent with the County of Orange and City of Huntington Beach land use assumptions. The regional Air Quality Management Plan (AQMP) is based on the City and County's General Plan assumptions, and the project is consistent with these assumptions. Consequently, as explained in Section 4.4 of the Final EIR, the project would be considered consistent with the AQMP. Impacts in this regard are not anticipated to be significant.

Finding for Sensitive Receptors

The Poseidon Seawater Desalination Project will not have significant air quality impacts on sensitive receptors. Less than significant impact. In addition, mitigation measure CON-9 further reduces these less than significant impacts.

Facts in Support of Finding

Sensitive receptors are located within the vicinity of the desalination plant site, along the pipeline route and near the underground pump stations. As explained in Section 4.4 of the Final EIR, however, the project is consistent with the plans and policies set forth by the South Coast Air Quality Management District and the Southern California Association of Governments. Consequently, impacts in this regard are less than significant. Moreover, mitigation measure CON-9 further reduces these less than significant impacts.

E. IMPACTS RELATED TO NOISE

Section 4.5 of the Final EIR addresses the project's potential impacts related to noise. The Final EIR addresses two topics (mobile noise sources and stationary noise sources). Mobile noise sources are addressed in this Section. Stationary noise sources are addressed in Section 4.0-C of this Statement of Facts and Findings.

Finding for Mobile Noise Sources

The Poseidon Seawater Desalination Project will not generate a significant amount of noise resulting from mobile noise sources. Less than significant impact.

Facts in Support of Finding

As explained in Section 4.5 of the Final EIR, the project would generate a nominal amount of noise resulting from mobile sources as a result of employee trips and truck-generated traffic. The proposed desalination plant would employ a total of approximately 18 people, with an average of five to seven people on-site per shift on weekdays. In addition, facility operation would require approximately three truck trips per day for solid waste disposal and chemical delivery. Noise generated by mobile sources as a result of the proposed desalination plant is so nominal that impacts in this regard will be less than significant.

F. IMPACTS RELATED TO PUBLIC SERVICES AND UTILITIES

Section 4.6 of the Final EIR addresses the project's potential impacts related to public services and utilities. The Final EIR addresses fourteen topics, eight of which are addressed in this Section. The remaining topics are addressed in Section 4.0-D of this Statement of Facts and Findings. The topics where the impacts were found to be less than significant are:

- Fire Service
- Police Service
- Libraries
- Parks and Recreation
- Reclaimed Water
- Electricity
- Gas
- Telephone and Cable

Finding for Fire Service

The Poseidon Seawater Desalination Project will not have a significant impact on the demand for fire service within the City of Huntington Beach. Less than significant impact.

Facts in Support of Finding

It is not anticipated that project implementation would result in the need for additional Fire Department facilities. The project is not of the scope or nature to create a significant increase in demand for services requiring physical additions to the City of Huntington Beach Fire Department. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Police Service

The Poseidon Seawater Desalination Project will not have a significant impact on the demand for police service within the City of Huntington Beach. Less than significant impact.

Facts in Support of Finding

Implementation of the project will not create a significant increase in service calls to the project area nor is it expected to result in the need for additional police facilities within the City of Huntington Beach. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Libraries

The Poseidon Seawater Desalination Project will not have a significant impact on the City of Huntington Beach library system. Less than significant impact.

Facts in Support of Finding

The proposed desalination project is not anticipated to have significant impacts on the City of Huntington Beach library system. Although the nearest library facility to the project site (the Banning Branch Library) is small in size, the project is anticipated to have a negligible impact on the branch. The applicant will be required to pay standard library enrichment fees concurrent with building permit issuance. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Parks and Recreation

The Poseidon Seawater Desalination Project will not have a significant impact on the demand for parks and recreational facilities within the City of Huntington Beach. Less than significant impact.

Facts in Support of Finding

The desalination plant will employ approximately 18 people, with five to seven people on duty during regular working hours Monday through Friday, and a minimum of two people on duty during swing shifts, graveyard shifts, and weekends. Consequently, the project is anticipated to have a negligible impact on parks and recreation facilities within the City of Huntington Beach. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Reclaimed Water

The Poseidon Seawater Desalination Project will not have a significant impact on the availability of the City's reclaimed water facilities. Less than significant impact.

Facts in Support of Finding

The proposed project will not require the use of reclaimed water or installation of reclaimed water facilities, as the project itself will be a new water reclamation source. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Electricity

The Poseidon Seawater Desalination Project will not have a significant impact on the electrical facilities providing service to the project vicinity. Less than significant impact.

Facts in Support of Finding

The project would consume approximately 720 to 840 megawatt hours per day. The facility may utilize off-peak power to the maximum extent practicable. Electric power generating plants are distributed throughout the state, and the project's electrical demand would be met by dozens of power plants connected to a regional power supply source, with many of those plants located outside of Southern California. SCE is prepared to install electrical distribution facilities to the project site. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Gas

The Poseidon Seawater Desalination Project will not have a significant impact on local natural gas facilities. Less than significant impact.

Facts in Support of Finding

The Southern California Gas Company can provide gas service to the proposed project via numerous gas mains surrounding the subject site. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

Finding for Telephone and Cable

The Poseidon Seawater Desalination Project will not have a significant impact on telephone or cable service facilities within the vicinity of the project area. Less than significant impact.

Facts in Support of Finding

Both Verizon (telephone) and Time Warner (cable) will be available to provide service to the subject site from existing facilities surrounding the subject site. As explained in Section 4.6 of the Final EIR, impacts are less than significant.

G. IMPACTS RELATED TO AESTHETICS/ LIGHT AND GLARE

Section 4.7 of the Final EIR addresses the project's potential impacts related to aesthetics/light and glare. The Final EIR addresses three topics, one of which (off-site light and glare) is addressed in this Section. The remaining two topics are addressed in Section 4.0-E of this Statement of Facts and Findings.

Finding for Off-Site Light and Glare

The Poseidon Seawater Desalination Project will not have a significant off-site light and glare impact. Less than significant impact.

Facts in Support of Finding

As explained in Section 4.7 of the Final EIR, off-site light and glare impacts are less than significant. Project implementation may result in an insignificant increase in the amount of light

and glare off-site from vehicles utilizing the facility. However, additional lighting or glare-inducing surfaces will not occur as a result of the water transmission pipeline or underground pump stations because those facilities will be underground.

H. IMPACTS RELATED TO HAZARDS AND HAZARDOUS MATERIALS

Section 4.8 of the Final EIR addresses the potential impacts related to hazards and hazardous materials.

Finding for Hazards and Hazardous Materials

The Poseidon Seawater Desalination Project will not result in significant impacts in regards to hazards or hazardous materials. Less than significant impact.

Facts in Support of Finding

While potential future uses may require the storage, use, transportation, and/or handling of hazardous materials, as explained in Section 4.8 of the Final EIR, any such hazards would be minimized by adherence to Federal, State, and City regulations. These requirements include monitoring devices, spill control, emergency response plans, appropriate on-site safety equipment, and the proper design of all facilities. With the implementation of standard conditions and required design features, impacts in this regard will be less than significant.

I. CUMULATIVE IMPACTS

Finding for Potential Cumulative Impacts

The Poseidon Seawater Desalination Project will not result in significant cumulative impacts. Less than significant impact.

Facts in Support of Finding

Section 5.3 of the Final EIR addressed the cumulative impacts associated with the Poseidon Seawater Desalination Project. The cumulative impact analysis was based primarily on build-out of the City's General Plan, Zoning and Subdivision Ordinance, and General Plan EIR. The analysis also identified, listed and considered the potential cumulative impacts resulting from the currently known probable projects at the time of Draft EIR publication. Section 5.3 of the Final EIR specifically analyzed potential cumulative impacts in the areas of land use/relevant planning, geology and soils, hydrology and water quality, air quality, noise, public services and utilities, aesthetics/light and glare, hazards and hazardous materials, and construction related impacts. No significant cumulative impacts were identified.

The Final EIR noted that additional seawater desalination plants were being considered by various cities and agencies along the Southern California coast. Because those projects were in various stages of conceptual consideration, and construction has not begun, the Final EIR did not attempt to quantify or evaluate potential cumulative impacts of those projects. Such an analysis would be speculative at best, and is not required under CEQA Guidelines, Section 15130[b]. The Final EIR noted that the project, together with other proposed desalination projects may facilitate new development in south Orange County or elsewhere. However, because the project's water has not been, and may not be, allocated to any specific development project, and because other desalination projects are still in the conceptual stage,

the Final EIR did not identify any potential growth-inducing impacts on a cumulative basis. (The potential growth-inducing impacts of the project are discussed in Section 3.0-J of this Statement of Facts and Findings.)

J. GROWTH-INDUCING IMPACTS

Finding for Potential Growth-Inducing Impacts

The Poseidon Seawater Desalination Project will not result in significant growth-inducing impacts. Less than significant impact.

Facts in Support of Finding

As required under CEQA, Section 5.2 of the Final EIR included a discussion of the ways in which the Poseidon Seawater Desalination Project could be growth-inducing. Under CEQA, growth inducement is not considered necessarily detrimental, beneficial, or of little significance to the environment. Typically, the growth-inducing potential of a project would be considered significant if it fosters growth or a concentration of population in excess of what is assumed in pertinent master plans, land use plans, or in projections made by regional planning agencies such as the Southern California Association of Governments (SCAG). Significant growth impacts could also occur if the project provides infrastructure or service capacity to accommodate growth beyond the levels currently permitted by local or regional plans and policies. It must first be noted that the project will sell water on a wholesale basis to water agencies who in turn will sell the water to customers at retail prices. The project does not propose to sell water at a retail level. On page 3-20, the Final EIR explains in some detail how the water produced by the proposed seawater desalination facility will be delivered into the regional distribution system operated by the Metropolitan Water District of Southern California ("MWD"). The regional system operated by MWD serves Orange County and most of the South Coast Hydrologic Region. It will be up to the water agencies served by that system to determine how best to allocate the water produced by the project. The project may have the potential to indirectly induce growth because additional or supplemental water supplies will be made available to the South Coast Hydrologic Region of California and particularly to County of Orange as a result of the project's implementation. However, while the provision of additional/supplemental water realized by the desalination plant may be characterized as reducing one of the barriers to growth, implementation of the project will not necessarily induce growth because the new water supply made available by the project may be required to simply replace anticipated reductions in available imported water supplies. Growth in Southern California will occur with or without the Poseidon Seawater Desalination Project. Implementation of the project will provide greater flexibility for Southern California water agencies to meet existing water supply needs during times of drought, but it is only one part of the solution to meet existing and future water needs in Orange County and the surrounding Southern California region. Other water supplies such as imported water, groundwater replenishment, water reuse, and more aggressive forms of conservation must also be considered as part of the solution because the project would only result in the addition of less than eight percent (8%) of the existing supplies used in Orange County. With a projected population growth of approximately two percent (2%) per year, the project's water supply would soon fail to keep up with existing growth projections for Orange County. Consequently, the project will not result in significant growth-inducing impacts.

4.0 FINDINGS FOR SIGNIFICANT IMPACTS

The following issues were determined to be “less than significant with mitigation” as set forth in the EIR. The City of Huntington Beach finds that these potentially significant adverse impacts can be mitigated to a level that is considered less than significant after implementation of the existing City development review requirements, standards, codes, and the mitigation measures identified in the Final EIR. Mitigation measures are referenced in this Statement of Facts and Findings using the same numbering system employed in the Mitigation Monitoring Program and the Final EIR. Refer to Attachment B, *MITIGATION MONITORING PROGRAM* for a complete listing of mitigation measures and monitoring requirements.

A. IMPACTS RELATED TO GEOLOGY, SOILS, & SEISMICITY

Section 4.2 of the Final EIR addresses the project’s potential impacts related to geology, soils and seismicity. The Final EIR addresses six topics, four of which are addressed in this Section. The remaining topics were addressed in Section 3.0-B of this Statement of Facts and Findings. The topics where the impacts were found to be less than significant after implementation of mitigation are:

- Wind/Water Erosion
- Geology/Soils
- Seismicity/Faulting
- Liquefaction Potential

Finding for Wind/Water Erosion

The Poseidon Seawater Desalination Project may create significant impacts in regards to wind and water erosion during grading activities. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard erosion control practices as typically required by the City of Huntington Beach and mitigation measure HWQ-1. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.2 of the Final EIR, the potential impacts related to wind and water erosion have been eliminated or substantially lessened to a level of less than significant by virtue of project design considerations, standard conditions and mitigation measure HWQ-1, all of which have been incorporated into the project. The proposed project will require a Water Quality Management Plan (WQMP) to minimize wind and water erosion impacts.

Finding for Geology/Soils

The Poseidon Seawater Desalination Project may be subject to significant impacts resulting from unstable soils and shallow groundwater conditions in the vicinity of the project area. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including adherence to standard UBC conditions and incorporation of mitigation measures GEO-1, GEO-2, GEO-5 and GEO-6. Less than significant impact with mitigation.

Facts in Support of Findings

As noted in Section 4.2 of the Final EIR, impacts associated with excavation for the underground storage tank are avoided (and the need for incorporation of mitigation measures GEO-3 and GEO-4 is also avoided) by adoption of an aboveground storage tank project feature. Substantially less excavation (and thus, dewatering) occurs with an aboveground storage tank option. A detailed geotechnical survey will still be prepared to minimize other impacts in regards to geology and soils, the recommendations of which shall be incorporated into the site grading plan. To mitigate for compressible soils known to exist on-site, such soils shall either be removed and recompacted or structural improvements (such as piles or grade beams) shall be incorporated into project design.

Finding for Seismicity/Faulting

The Poseidon Seawater Desalination Project may be subject to significant hazards from seismicity and faulting. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including adherence to standard UBC conditions and incorporation of mitigation measures GEO-7 and GEO-8. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.2 of the Final EIR, adequate measures shall be taken to protect building foundations and on-site pipelines from the effects of seismicity, including compliance with all UBC standards and California Division of Gas and Geothermal Resources (DOGGR) Special Publication 117. Additionally, special studies and a subsurface investigation (as a part of the detailed geotechnical survey) will be performed to examine potential impacts from the South Branch Fault.

Finding for Liquefaction Potential

The Poseidon Seawater Desalination Project may be subject to significant hazards due to high liquefaction potential in the vicinity of the project site. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including adherence to standard UBC conditions and incorporation of mitigation measures GEO-9, GEO-10 and GEO-11. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.2 of the Final EIR, adequate measures shall also be taken to protect against liquefaction, including compliance with all UBC standards and California Division of Gas and Geothermal Resources (DOGGR) Special Publication 117. Additionally, the detailed geotechnical survey will analyze the potential for lateral spread on-site. Methods such as overexcavation, recompaction, in-situ soil densification, injection grouting, and deep soil mixing will be performed to stabilize structures from liquefiable soils.

B. IMPACTS RELATED TO HYDROLOGY AND WATER QUALITY

Section 4.3 of the Final EIR addresses the project's potential impacts related to hydrology and water quality. The Final EIR addresses six topics, one of which is addressed in this Section. The remaining topics were addressed in Section 3.0-C of this Statement of Facts and Findings

Finding for Flooding and Storm Water Runoff

The Poseidon Seawater Desalination Project may have significant long-term water quality impacts related to flooding and storm water runoff. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measures HWQ-1 through HWQ-3, inclusive. Less than significant impact with mitigation. In addition, the State Water Resources Control Board working through the Regional Water Quality Control Board for the Santa Ana Region has the responsibility and jurisdiction to issue a NPDES permit.

Facts in Support of Finding

As explained in Section 4.3 of the Final EIR, potential impacts in regards to hydrology and water quality have been eliminated or substantially lessened to a level of less than significant by virtue of project design features and mitigation measures HWQ-1 through HWQ-3, inclusive which have been incorporated into the project. The proposed project will require a Water Quality Management Plan (WQMP) which identifies Best Management Practices (BMPs) and implementation measures specified in the Countywide NPDES Drainage Area Management Plan (DAMP). In addition, appropriate site specific hydrology and hydraulic analysis will be performed for the project prior to the issuance of grading or building permits, whichever comes first. The analysis shall include mitigation measures, if necessary, in regards to storm water drainage and flooding. An on-site drainage system will also be installed integrating permanent storm water quality features. It should be noted that an aboveground tank would increase the total impervious area of the project site, thereby increasing the amount of storm water runoff. In order to contain storm water on-site, an on-site storm water system will direct storm water to the desalination facility's storm water system, ultimately discharging into the Pacific Ocean via the AES outfall. In addition, containment berms surrounding the northern and eastern side of the tank site would be left in place further containing storm water on-site.

C. IMPACTS RELATED TO NOISE

Section 4.5 of the Final EIR addresses the project's potential impacts related to noise. The Final EIR addresses two topics (mobile noise sources and stationary noise sources). Stationary noise sources are addressed in this Section. Mobile noise sources are addressed in Section 3.0-E of this Statement of Facts and Findings.

Finding for Stationary Noise Sources

The Poseidon Seawater Desalination Project may create significant impacts to sensitive receptors adjacent to the desalination plant site from long-term stationary noise sources associated with project operation. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measure NOI-1. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.5 of the Final EIR, potential noise impacts have been eliminated or substantially lessened to a level of less than significant by virtue of project design features incorporated into the project and through incorporation of mitigation measure NOI-1. Prior to the issuance of any building or grading permits, an acoustical analysis report and appropriate plans shall be prepared. This documentation will describe the stationary noise generation potential and noise mitigation measures (such as the installation of sound enclosures or placing noise-generating equipment indoors), if needed, which shall be included in the plans and specifications of the project. Operation of an aboveground tank is not expected to be a significant noise generator. Should a pump station be placed adjacent to the tank, noise attenuation features similar to those utilized for the rest of the desalination plant would be employed to minimize noise levels to less than significant levels. All stationary equipment shall be designed to meet the noise criteria as specified in the City of Huntington Beach Municipal Code Chapter 8.40 (Noise Control), and will be subject to the approval of the City of Huntington Beach.

D. IMPACTS RELATED TO PUBLIC SERVICES AND UTILITIES

Section 4.6 of the Final EIR addresses the project's potential impacts related to public services and utilities. The Final EIR addresses fourteen topics, six of which are addressed in this Section. The remaining topics are addressed in Section 3.0-D of this Statement of Facts and Findings. The topics where the impacts were found to be less than significant after implementation of mitigation are:

- Schools
- Roadway Maintenance
- Wastewater
- Storm Water Drainage
- Water
- Solid Waste

Finding for Schools

The Poseidon Seawater Desalination Project may place additional demand on schools located within the project vicinity. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including incorporation of mitigation measure PSU-1. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.6 of the Final EIR, the project does not include housing or other student-generating uses. In response to the questionnaire sent by the City of Huntington Beach to local school districts, the Huntington Beach Union High School District provided a project student generation rate of .0000356882. The Huntington Beach City School District response letter dated October 24, 2001, indicated that no students would be generated by the project, and informed the City that "no assessment fees or other school mitigation measures are required." Any potential additional demand on schools located in the project vicinity has been lessened to a level of less than significant by virtue of the incorporation of mitigation measure PSU-1. To

properly mitigate impacts to schools, fees will be paid by the project applicant in accordance with State law.

Finding for Roadway Maintenance

The Poseidon Seawater Desalination Project may create an increased demand on streets nearby the project site and an increased need for roadway maintenance services. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including conditions of approval and incorporation of mitigation measure PSU-2. Less than significant impact with mitigation.

Facts in Support of Finding

To properly mitigate any increased demand on streets nearby the project site and any increased need for roadway maintenance services, adequate traffic impact fees will be paid by the project applicant to provide for additional facilities, if necessary. As explained in Section 4.6 of the Final EIR, the project applicant will be required to provide certain street improvements as a condition of approval. Any potential increased demand on streets nearby the project site or increased need for roadway maintenance service has been lessened to a level of less than significant by virtue of the incorporation of mitigation measure PSU-2 and the conditions of approval.

Finding for Wastewater

The Poseidon Seawater Desalination Project may create an increased demand on the local wastewater system. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measure PSU-3. Less than significant impact with mitigation.

Facts in Support of Finding

To properly mitigate any increased demand on the local wastewater system, adequate sewer connection fees will be paid by the project applicant to provide for additional facilities, if necessary. As explained in Section 4.6 of the Final EIR, the project would produce nominal amounts of domestic wastewater, as the plant would employ approximately 18 people. The Orange County Sanitation District has indicated that it has capacity to accommodate any waste cleaning solution that may be discharged into the local sanitary sewer by the project. Any potential increased demand on the local wastewater system has been lessened to a level of less than significant by virtue of project design features and the incorporation of mitigation measure PSU-3.

Finding for Storm Water Drainage

The Poseidon Seawater Desalination Project may create increased storm water drainage. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measures HWQ-1, HWQ-2 and HWQ-3. Less than significant impact with mitigation. In addition, the State Water Resources Control Board working through the Regional Water Quality Control Board for the

Santa Ana Region has the responsibility and jurisdiction to issue a NPDES permit for the project discharge through the AES outfall into the Pacific Ocean.

Facts in Support of Finding

The Orange County Flood Control District and the City of Huntington Beach operate the storm water drainage system within the City. The system removes water runoff from streets and transports the runoff to the Ocean. As explained in Section 4.6 of the Final EIR, the addition of impervious surfaces at the project site will increase the potential amount of surface runoff. However, an on-site local storm water drainage system will be included as one of the project design features. Storm water will be collected on site and treated (using a clarification process) before it is transported to the Ocean via the AES outfall. The inclusion of project design features and the incorporation of mitigation measures HWQ-1, HWQ-2 and HWQ-3 will mitigate any increased storm water drainage impacts to less than significant levels. In addition, the State Water Resources Control Board working through the Regional Water Quality Control Board for the Santa Ana Region has the responsibility and jurisdiction to issue a NPDES permit for the project discharge through the AES outfall into the Pacific Ocean.

Finding for Water

The Poseidon Seawater Desalination Project may create an increased demand for City water service and may create impacts in regards to water compatibility, water quality and hydraulics. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measures PSU-4 and HWQ-4. Less than significant impact with mitigation. In addition, the California Department of Health Services has the responsibility to review and approve the quality of the drinking water produced by the project. Moreover, the owners and operators of regional water systems that will deliver project water must approve and accept the blending of the project water in their system.

Facts in Support of Finding

To properly mitigate any increased demand for City water service, adequate water connection fees will be paid by the project applicant to provide for additional facilities, if necessary. As explained in Section 4.6 of the Final EIR, it is anticipated that the normal domestic demand created by the approximately 18 employees at the plant can be provided with desalinated water generated on-site. Adequate backflow prevention devices will be required as a condition of receiving any water service from the City. Any potential increased demand for City water service has been lessened to a level of less than significant by virtue of conditions of approval and the incorporation of mitigation measure PSU-4. The product water created by the desalination plant will be blended with the imported water delivered by the Metropolitan Water District of Southern California ("MWD"). It is anticipated that the water produced by the desalination plant will be comparable in physical characteristics to the MWD water. However, prior to project operation, coordination, testing and monitoring with involved water agencies will be required as a condition of approval. The owners and operators of regional water systems that will deliver project water must approve and accept the blending of the project water in their system. Moreover, all Department of Health Services water quality requirements must be met before the blended supply can be delivered to water customers by the applicable retail water agencies or City water departments. Any potential impacts in regards to water compatibility or water quality have been lessened to a level of less than significant by virtue of conditions of

approval and the incorporation of mitigation measure HWQ-4. Final project design features will reflect coordination with the owners and operators of the regional water systems that will deliver project water and address any hydraulic and surge control issues to insure that no significant impacts to regional pipelines will result from project operation.

Finding for Solid Waste

The Poseidon Seawater Desalination Project may create an increased demand on solid waste disposal facilities. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measures PSU-5 and PSU-6. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.6 of the Final EIR, the project applicant must coordinate with the City of Huntington Beach recycling representative to ensure compliance with the City's waste reduction and recycling program, and will be required to prepare a waste reduction plan for the generation of construction and operational waste from the proposed project. The inclusion of project design features and the incorporation of mitigation measures PSU-5 and PSU-6 will mitigate any increased demand on solid waste disposal facilities to less than significant levels.

E. IMPACTS RELATED TO AESTHETICS/LIGHT & GLARE

Section 4.7 of the Final EIR addresses the project's potential impacts related to aesthetics/light and glare. The Final EIR addresses three topics, two of which (aesthetics and on-site light and glare) are addressed in this Section. The remaining topic is addressed in Section 3.0-G of this Statement of Facts and Findings.

Finding for Aesthetics

The Poseidon Seawater Desalination Project may create significant aesthetic impacts. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measure ALG-1. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.7 of the Final EIR, potential aesthetic impacts have been eliminated or substantially lessened to a level of less than significant by virtue of project design features incorporated into the project and through incorporation of mitigation measure ALG-1. Mitigation measure ALG-1 requires that exterior mechanical equipment be screened and setback 15 feet from the exterior edges of the building. All such screening shall be architecturally compatible with the building. In addition, the existing berms on the perimeter of the property will partially screen the project from view. The existing project site can be described as low to non-existent in aesthetic value. As designed and with mitigation, the project will improve the aesthetic character of the site.

Finding for On-Site Light and Glare

The Poseidon Seawater Desalination Project may generate light and glare through on-site nighttime security lighting and additional automobile traffic. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including project design features and incorporation of mitigation measure ALG-2. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.7 of the Final EIR, on-site light and glare impacts have been eliminated or substantially lessened to a level of less than significant by virtue of project design features and through the incorporation of mitigation measure ALG-2. To mitigate impacts from light and glare, light intensity shall be limited to only that necessary for adequate security and safety, and light “spillage” onto adjacent properties shall be controlled by directional or shielded lighting fixtures.

F. IMPACTS RELATED TO CONSTRUCTION

Section 4.9 of the Final EIR addresses the project’s potential short-term construction related impacts. The Final EIR addresses nine topics, eight of which are addressed in this Section. The remaining topic is addressed in Section 5.0 of this Statement of Facts and Findings. The topics where the impacts were found to be less than significant after implementation of mitigation are:

- Hydrology and Water Quality
- Noise
- Public Services and Utilities
- Aesthetics/Light and Glare
- Hazards and Hazardous Materials
- Traffic
- Biological Resources
- Cultural Resources

Finding for Hydrology and Water Quality

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to hydrology and water quality. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-1 through CON-8, inclusive. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to hydrology and water quality have been eliminated or substantially lessened to a level of less than significant by appropriate project design features and through incorporation of mitigation measures CON-1 through CON-8, inclusive. Short-term impacts in regards to hydrology and water quality will be mitigated through adherence to NPDES and Santa Ana

Regional Water Quality Control Board regulations, preparation of a City-approved Erosion Control Plan, and the acquisition of appropriate permits/approvals for dewatering activities. Overall short-term construction impacts related to hydrology and water quality will be reduced because an aboveground storage tank will involve substantially less grading and excavation than an underground tank.

Finding for Noise

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to noise. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-10 through CON-12, inclusive. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to noise have been eliminated or substantially lessened to a level of less than significant by appropriate project design features and through incorporation of mitigation measures CON-10 through CON-12, inclusive. The project will be in compliance with the City's Noise Ordinance and construction activities will adhere to various standards in regards to construction equipment, staging areas, and hours of construction operations. Overall short-term construction impacts related to noise will be reduced because an aboveground storage tank will involve substantially less grading and excavation than an underground tank.

Finding for Public Services and Utilities

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to public services and utilities. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions and incorporation of mitigation measure CON-13. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to public services and utilities have been eliminated or substantially lessened to a level of less than significant by standard conditions and through incorporation of mitigation measure CON-13. In order to mitigate impacts to public services and utilities, the project engineer shall perform geophysical surveys to identify subsurface utilities and structures, the findings of which shall be incorporated into site design. Pipelines or conduits which may be encountered within the excavation and graded areas shall either be relocated or be cut and plugged according to the applicable code requirements.

Finding for Aesthetics/Light and Glare

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to aesthetics/light and glare. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially

lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-14 and CON-15. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to aesthetics/ light and glare have been eliminated or substantially lessened to a level of less than significant by appropriate project design features and through incorporation of mitigation measures CON-14 and CON-15. Aesthetic impacts will be minimized by installation aesthetic screening around the construction site, and by concentrating construction activities and staging areas away from adjacent sensitive receptors, to the extent feasible.

Finding for Hazards and Hazardous Materials

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to hazards and hazardous materials. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-16 through CON-29, inclusive. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to hazards and hazardous materials have been eliminated or substantially lessened to a level of less than significant by standard conditions, appropriate project design features and through incorporation of mitigation measures CON-16 through CON-29, inclusive. Numerous measures will be implemented to mitigate impacts in regards to hazards and hazardous materials, including, but not limited to, adherence to standards as administered by the Occupational Safety and Health Administration, South Coast Air Quality Management District, State Division of Oil, Gas, and Geothermal Resources, Regional Water Quality Control Board, County Integrated Waste Management, Orange County Health Care Agency, Solid Waste Local Enforcement Agency, and City of Huntington Beach Fire Department.

Finding for Traffic

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to traffic. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-30 through CON-35, inclusive. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to traffic have been eliminated or substantially lessened to a level of less than significant by standard conditions, appropriate project design features and through incorporation of mitigation measures CON-30 through CON-35, inclusive. Overall short-term construction

impacts related to traffic will be reduced because an aboveground storage tank will involve substantially less grading and excavation than an underground tank.

Finding for Biological Resources

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to biological resources. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-36 through CON-43, inclusive. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to biological resources have been eliminated or substantially lessened to a level of less than significant by standard conditions, appropriate project design features and through incorporation of mitigation measures CON-36 through CON-43, inclusive. Focused surveys will be performed as necessary to determine the potential for endangered species.

Finding for Cultural Resources

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to cultural resources. However, changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measures CON-44 and CON-45. Less than significant impact with mitigation.

Facts in Support of Finding

As explained in Section 4.9 of the Final EIR, potential short-term construction related impacts in regards to cultural resources have been eliminated or substantially lessened to a level of less than significant by appropriate project design features and through incorporation of mitigation measures CON-44 and CON-45. In order to mitigate potential impacts in regards to cultural resources at the booster pump station site, a paleontological resource recovery program shall be implemented, and all construction activities will be halted should historical or archaeological resources be discovered during excavation until a qualified archaeologist can evaluate the nature and significance of the finds.

5.0 ENVIRONMENTAL EFFECTS WHICH WOULD REMAIN SIGNIFICANT AND UNAVOIDABLE AFTER MITIGATION

IMPACTS RELATED TO CONSTRUCTION – AIR QUALITY

Section 4.9 of the Final EIR addresses the project's potential short-term construction related impacts. The Final EIR addresses nine topics, one of which (air quality) is addressed in this Section. The remaining topics are addressed in Section 4.0-F of this Statement of Facts and Findings.

Finding for Short-Term Air Quality

The proposed Poseidon Seawater Desalination Project may have adverse short-term construction related impacts in regards to air quality. Changes or alterations have been required in, or incorporated into, the project that avoid or substantially lessen the potential significant environmental effects identified in the Final EIR, including standard conditions, project design features and incorporation of mitigation measure CON-9. In addition, the South Coast Air Quality Management District and California Air Resources Board have jurisdiction over stationary and mobile emission sources, respectively. Even after incorporation of mitigation measure CON-9, the Project will result in an unavoidable significant impact in regards to short-term construction related reactive organic gases (ROG), nitrogen oxides (NO_x), and carbon monoxide (CO). Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible additional mitigation measures or alternatives identified in the Final Environmental Impact Report. The City of Huntington Beach is adopting the Statement of Overriding Considerations set forth in Section 7.0 of this Statement of Findings and Facts to address this impact of the Project.

Facts in Support of Finding

Construction related air quality impacts will be mitigated through preparation of a dust control plan and adherence to City standards and South Coast Air Quality Management District Rules 402 and 403. As detailed within Section 4.9 of the Final EIR, and despite the implementation of standard conditions, project design features and mitigation measure CON-9, significant and unavoidable short-term air quality impacts remain. The proposed project is anticipated to exceed South Coast Air Quality Management District (SCAQMD) thresholds in regards to short-term air emissions (remediation, demolition, construction). Mitigation measures will be implemented, but these measures are unable to reduce ROG, NO_x, and CO emissions to a less than significant level according to SCAQMD thresholds. Thus, air quality impacts in this regard are considered an unavoidable significant impact of the Poseidon Seawater Desalination Project. This impact is overridden by the project benefits as set forth in the Statement of Overriding Considerations (Section 7.0 of this Statement of Facts and Findings). There are no feasible alternatives that could avoid this significant impact. Moreover, the South Coast Air Quality Management District and California Air Resources Board have jurisdiction over stationary and mobile emission sources, respectively.

6.0 FINDINGS REGARDING PROJECT ALTERNATIVES

Pursuant to Public Resources Code Section 21002 and the CEQA Guidelines Section 15126.6, an EIR must assess a reasonable range of alternatives to the project action or location.

- (a) Section 15126.6 places emphasis on focusing the discussion on alternatives which provide opportunities for eliminating any significant adverse environmental impacts, or reducing them to a level of insignificance, even if these alternative would impede to some degree the attainment of the project objectives, or would be more costly. In this regard, the EIR must identify an environmentally superior alternative among the other alternatives.
- (b) As with cumulative impacts, the discussion of alternatives is governed by the "rule of reason".

- (c) The EIR need not consider an alternative whose effect cannot be reasonably ascertained, or does not contribute to an informed decision-making and public participation process.

The range of alternatives is defined by those alternatives, which could feasibly attain the objectives of the project. Accordingly, Section 6.0 of the Final EIR analyzes various alternatives to the proposed project in evaluating the opportunity for avoiding or substantially lessening environmental impacts. Section 6.0 of the Final EIR provides descriptions and analysis of each alternative in adequate detail to allow the decision-maker(s) to evaluate the proposed project in comparison to identified alternatives.

As directed in CEQA Guidelines section 15126.6(c), an EIR shall include alternatives to the project that could feasibly accomplish most of the basic objectives of the project. A specific objective of the project was to provide a reliable local source of drinking water. While water conservation efforts have resulted in successfully stretching the existing water supply, and more gains from conservation are projected for the future, conservation in and of itself is not a "source of drinking water." It must also be emphasized that although an objective of the project is to provide a reliable local source of drinking water, most of the project objectives emphasize development of a drinking water source that is "independent of," "decreases pressures on" and "minimizes demands on" existing drinking water supplies (*i.e.*, imported water supplies and local groundwater supplies). (See the list of project objectives on page 6-1 of the Final EIR.) Desalinated seawater is unique because it does not fall into the categories of either "imported water" or "local groundwater." In contrast, water reuse projects are dependent on existing water supplies because, by their very nature, they "recycle" existing imported or local groundwater supplies. In addition, water reuse projects do not produce direct use potable/drinking water. DHS will not allow recycled water to be used as a direct use potable water source. Because there are no feasible alternative water sources to evaluate that meet the objectives of the project, an alternative water source "alternative" was not included in the Final EIR.

As directed in CEQA Guidelines section 15126.6(c), an EIR shall include alternatives to the project that could avoid or substantially lessen one or more of the significant effects. The Final EIR notes (at page 6-1) that with the exception of short-term air quality emissions associated with construction activities, "all potentially significant impacts" (which includes potential impacts to marine organisms and water quality) can be "mitigated to less than significant levels." Therefore, it is not anticipated that increased conservation efforts or any alternative water source (assuming there is one) will avoid or substantially lessen significant impacts when compared to the project.

Section 6.0 of the Final EIR evaluates four alternatives, including a "No Project/No Development" alternative, "Alternative Site" alternative, "Aboveground Product Water Storage Tank" alternative, and "Alternative Project Design" alternative.

The "No Project/No Development" alternative conflicts with the primary purpose of the proposed project, and is not being considered by the City for the following reasons:

The "No Project/No Development" alternative would:

- not meet basic project objectives;
- not remediate petroleum hydrocarbon contamination known to exist on-site;
- leave the existing degraded, abandoned fuel oil storage tanks in place; and not preclude site development of a similar or worse nature.

**Table 1
 ALTERNATIVE IMPACTS**

Alternative	Alternative Impact Summary Matrix		
	Impact (compared to the proposed project)	Feasible	Meets Objectives
No Project/No Development	Less	Yes	No
Alternative Site	Equal/ Greater	Potentially	Yes
Aboveground Product Water Storage Tank*	Less	Yes	Yes
Alternative Project Design	Equal	No	Yes

*Environmentally superior to the Applicant's proposal

The “Alternative Site” alternative would potentially result in impacts greater than or equal to those of the proposed project situated in Huntington Beach (depending on site-specific conditions). This alternative would implement the project on either a site adjacent to the proposed subject site (identified in the Initial Study/NOP for this project) or within the City of San Clemente, City of Dana Point, or in San Onofre. This alternative is not being considered by the City for the following reasons:

The "Alternative Site" alternative would:

- not substantially reduce identified impacts associated with the proposed project;
- not avoid the unavoidable significant impact for short-term air quality; and
- result in potentially greater impacts for those alternative sites requiring a new ocean intake/outfall.

The “Aboveground Product Water Storage Tank” alternative would generally have a reduced environmental impact than the proposed project and is considered the environmentally superior alternative. Based on the Final EIR and this Statement of Facts and Findings, the City of Huntington Beach finds an Aboveground Product Water Storage Tank alternative to be the environmentally superior alternative and, therefore, approves an aboveground product water storage tank.

The "Aboveground Product Water Storage Tank” alternative would:

- require substantially less grading and excavation, as this alternative involves an aboveground product water tank versus an underground tank, thereby reducing construction related impacts and impacts in regards to geology, soils, and seismicity;
- result in slightly greater aesthetic impacts, as the proposed aboveground tank would be a maximum of 30 feet in height (although those impacts are mitigated to a less than significant level by required landscape and screening as explained in Section 4.0-E of this Statement of Facts and Findings); and
- Result in slightly greater impacts in regards to hydrology and water quality, as this alternative would increase the total amount of impervious area, thus

increasing surface runoff (those impacts are also mitigated to a less than significant level as explained in Section 4.0-B of this Statement of Facts and Findings).

The “Alternative Project Design” alternative would either reduce the output of the proposed desalination project or utilize an alternative method of desalination (such as thermal distillation). Impacts associated with a reduced output alternative would not be substantially lessened in comparison to the proposed project. The utilization of an alternative method of desalination would not be feasible.

The “Alternative Project Design” alternative would:

- Not substantially reduce impacts in comparison to the proposed project; and
- Be either technically or financially infeasible to implement.

7.0 STATEMENT OF OVERRIDING CONSIDERATIONS

Pursuant to Section 15093 of the CEQA Guidelines, decision-makers are required to balance the benefits of a project against its unavoidable environmental risks in determining whether to approve a project. In the event the benefits of a project outweigh the unavoidable adverse effects, the adverse environmental effects may be considered “acceptable”. The CEQA Guidelines require that, when a public agency allows for the occurrence of significant effects which are identified within the final EIR but are not at least substantially mitigated, the agency shall seek in writing the specific reasons the action was supported. Any statement of overriding considerations should be included in the record of project approval and should be mentioned in the Notice of Determination.

To the extent the significant effects of a project are not avoided or substantially lessened to a level of insignificance, the City of Huntington Beach, having reviewed and considered the information contained within the Final Environmental Impact Report for the project, and having reviewed and considered the information contained within the public record, and having balanced the benefits of the project against the unavoidable effects which remain, finds that such unmitigated effects to be acceptable in consideration of the following overriding considerations discussion.

The City finds that all feasible mitigation measures have been imposed to lessen project impacts to a less than significant level where feasible, and furthermore, that alternatives to the project are either infeasible because they have greater environmental impacts, do not provide the benefits of the project, do not eliminate the project’s unavoidable significant air quality impact, or are otherwise socially or economically infeasible.

The environmental analysis undertaken for the Poseidon Seawater Desalination Project indicates that, while mitigation measures would be effective in reducing the level of certain short-term air quality impacts, the project may still result in significant adverse impacts in regards to short-term air quality. It should be noted that the project’s unavoidable adverse impacts would occur under current General Plan designations.

The City of Huntington Beach, as lead agency and decision-maker for the project, has reviewed and considered the information contained in the Final EIR prepared for the Poseidon Seawater Desalination Project and the public record. The City finds that the benefits of the Project include the following:

- ❖ The Poseidon Seawater Desalination Project will provide a reliable source of potable water to Orange County and the surrounding region that is sustainable independent of climatic conditions and the availability of imported water supplies and local groundwater supplies. The Project offers Orange County's water agencies up to 50 million gallons per day (MGD) or 56,000 acre-feet of water per year to include in their portfolio of available water resources. Water conservation efforts have resulted in successfully stretching the developed water supply, and more gains from conservation are projected for the future. Still, in the latest California Water Plan Update (Bulletin 160-98), the California Department of Water Resources predicts that the South Coast Region (and the entire State) will face significant water shortages by the year 2020. While the amount of water produced by the Project is only a small percentage of the current 650 MGD (710,000 acre-feet per year) Orange County water demand, it is an important drought-proof, renewable supply that will enhance the overall portfolio of water resources available to Orange County water agencies.
- ❖ The Poseidon Seawater Desalination Project will provide product water that meets or exceeds the requirements of the Safe Drinking Water Act (SDWA) and the California Department of Health Services (DHS).
- ❖ The Poseidon Seawater Desalination Project will reduce the salt imbalance of current imported water supplies by providing a potable water source with lower salt loads for blending with existing supplies.
- ❖ The Poseidon Seawater Desalination Project will remediate the subject site of on-site contaminants resulting from approximately 35 years of use as a fuel oil storage facility thereby protecting the health and safety of those in the surrounding community.
- ❖ The Poseidon Seawater Desalination Project will create ecosystem and biological resources benefits that may accrue due to decreased pressures on existing water sources. The Orange County Water District (OCWD) has identified that Santa Ana River Groundwater Basin has been overdrafted by more than 400,000 acre feet due to drought conditions of the last three years. The Project could offset withdrawals from the groundwater basin during dry years, allowing the Groundwater Basin to recharge. The Project could also offset demands on imported supplies transported from the Colorado River and/or Northern California, allowing more water to remain available for use in environmentally sensitive areas in those locations.
- ❖ The Poseidon Seawater Desalination Project will minimize demands on the existing imported water system. Southern California could not exist without its extensive imported water supply system. The Metropolitan Water District of Southern California ("MWD"), together with many local water agencies, operates numerous water facilities to transport, store and recycle water supplies to meet the needs of Orange County and the surrounding Southern California region. Given the announced cutbacks of water supply from the Colorado River and the continuing environmental water demands on the State Water Project in Northern California, the water produced by the Poseidon Project could be dedicated by Orange County water agencies to simply replacing existing water supplies for current Orange County residents and future generations.

Based on this Statement of Facts and Findings and on all of the evidence presented, the City of Huntington Beach finds that the benefits of the Poseidon Seawater Desalination Project (as described above) outweigh the adverse short-term air quality impacts associated with the construction of Project (as described in Section 5.0 of this Statement of Facts and Findings).