

Coordination and Communication Plan

Poseidon Resources (Surfside) LLC

Development and Implementation of Huntington Beach Desalination Facility's Proposed Marine Life Mitigation Projects

June 8, 2021

Poseidon Resources (Surfside) LLC ("Poseidon") has developed the following coordination and communication plan pursuant to the terms and conditions found in the Santa Ana Regional Water Quality Control Board's ("RWB") ORDER R8-2021-0011 NPDES NO. CA8000403 ("Order") Marine Life Mitigation Plan Schedule (i.e. Attachment K of the Order) for the proposed Huntington Beach Desalination Facility.

The purpose of this document is to outline the procedures that Poseidon will utilize in developing and implementing the Proposed Marine Life Mitigation Projects, including all design plans and documents as described in the RWB's Order Attachment K.

The Proposed Marine Life Mitigation Projects include the following: the Fieldstone Property Restoration, Oil Pad/Berms/Roadways Restoration, Muted Tidal Basin Water Circulation Enhancement, Intertidal Shelf Restoration (collectively the "Bolsa Chica Mitigation Projects"), and the Palos Verdes Artificial Reef.

A. Bolsa Chica Mitigation Projects

- i. A summary of the methods and milestones (and any necessary interim milestones) to be used to coordinate with the California State Lands Commission and the Bolsa Chica Wetlands Steering Committee (Steering Committee) regarding the MLMP design, operations, performance standards, success criteria, and requirements under any permits the Discharger will need to obtain to complete the mitigation projects at the Bolsa Chica Wetlands. This summary shall include at least two scheduled meetings with representatives from the California State Lands Commission, the Steering Committee, and the Santa Ana Water Board.**
 - I. Terms defined within this Section A are only applicable to Section A unless otherwise specified.**

- II. The following agencies shall be consulted in the development of the Bolsa Chica Mitigation Projects (collectively referred to as “Agencies” or individually referred to as an “Agency”):
 - a. Santa Ana Regional Water Quality Control Board (“RWB”)
 - b. Bolsa Chica Steering Committee (“BCSC”), which includes:
 - 1. California State Lands Commission (“SLC”)
 - 2. U.S. Fish and Wildlife Service (“USFWS”)
 - 3. National Oceanic and Atmospheric Administration (“NOAA”)
 - 4. California Department of Fish and Wildlife (“CDFW”)
 - 5. California State Coastal Conservancy (“CA Coastal Conservancy”)
 - 6. U.S. Army Corps of Engineers (“USACE”)
 - 7. U.S. Environmental Protection Agency (“USEPA”)
 - 8. California Resources Agency (“CRA”)
- III. Upon RWB Executive Officer approval of this Coordination and Communication Plan, a copy shall be provided to each Agency.
- IV. Agencies will be asked to provide a name, phone number, and email address for at least one point of contact to act on behalf of that Agency in reviewing the Bolsa Chica Mitigation Projects (Agency’s “Representative”).
 - a. Agencies will have 30 days from receipt of the approved Coordination and Communication plan to identify their respective Representatives.
- V. From time to time Poseidon will provide an update at a regularly or specially scheduled BCSC meeting and all Agency Representatives shall be invited to the meeting (“Representatives Meeting”). Poseidon shall coordinate with the Representatives in scheduling these Representative Meetings but shall have the discretion to schedule a Representative Meeting as necessary or appropriate to advance the mitigation projects in a timely manner, whether virtually, in-person, or otherwise, provided that at least 10-days’ advanced notice is given to the Representatives.
 - a. The first Representatives Meeting will be scheduled no later than 90 days after the RWB Executive Officer’s approval of the Coordination and Communication Plan and shall be used to provide an overview of the proposed Bolsa Chica Mitigation Projects and development process to the Representatives.
- VI. Draft Restoration Plan

- a. During a subsequent Representatives Meeting, Poseidon shall propose a draft Restoration Plan for the Bolsa Chica Mitigation Projects, including an Operating Plan (e.g. tidal regime, proposed tidal flooding depths, locations, and durations, water circulation flows and volumes, and any proposed seasonal operational variabilities), a Habitat Distribution Map showing habitat types and locations, and a set of Project Objectives (e.g. success criteria and performance standards).
- b. After the Representatives Meeting, Agencies will have 60 days to provide Poseidon with written feedback on the proposed Restoration Plan. If no timely comments are received from one or more Agencies, it will be assumed that those Agencies do not have any comments. Late comments will be given secondary consideration as compared to timely comments. Oral comments will not be accepted unless also submitted in writing.
- c. Poseidon shall prepare documentation showing how all comments were addressed (“RTC” document) and modify the Restoration Plan accordingly.
 1. In considering how to appropriately respond to comments, Poseidon shall prioritize its obligations to comply with the performance standards and success criteria as outlined in the RWB Order.
- d. To the extent that any two or more comments appear to be in conflict with one another (“Conflict”), the SLC Executive Officer shall have the sole and absolute discretion to resolve each Conflict. The SLC Executive Officer shall resolve any and all Conflicts that Poseidon brings to his or her attention within 30 days.
 1. In resolving any such Conflict, the SLC Executive Officer shall consider and give deference to Poseidon’s obligations to comply with the performance standards and success criteria as outlined in the RWB Order.
 2. If the SLC Executive Officer fails to resolve the Conflict in a timely manner, Poseidon shall use its discretion to resolve the Conflict and shall notify the SLC Executive Officer and each Agency Representative who had provided the conflicting

comments of its decision to do so. All Conflict resolutions shall be based on currently available data.

- e. Poseidon shall circulate the revised Restoration Plan to all Representatives, including the RTC document.

VII. 30% Design Plans

- a. Poseidon shall develop draft 30% Design Plan documents for all components of the Bolsa Chica Mitigation Projects based on the revised Restoration Plan. Draft 30% Design Plans will be shared with Agency Representatives and Poseidon will also present the draft 30% Design Plans during a Representatives Meeting.
 - 1. Draft 30% Design Plans will include all components as outlined in the RWB Order, including but not limited to designs, operational information, performance standards, success criteria, expected permitting requirements, cost estimates, and an implementation schedule.
- b. Representatives will have 60 days following receipt of the draft 30% Design Plans to provide Poseidon with written feedback on the proposed 30% Design Plans. If no timely comments are received from one or more Agencies, it will be assumed that those Agencies do not have any comments. Late comments will be given secondary consideration as compared to timely comments. Oral comments will not be accepted unless also submitted in writing.
- c. Conflicts will be addressed in the same manner as described in Paragraph A.i.VI.d above.
- d. Poseidon shall then submit revised 30% Design Plans to the RWB Executive Officer for approval, including a RTC document, and provide copies to all Agency Representatives. The RWB Executive Officer shall have 30 days to approve the plans or reject the plans citing specific areas of concern or deficiency. The RWB Executive Officer shall consult with the SLC Executive Officer to ensure that the SLC is also supportive of the 30% Design Plans and RTC document.
- e. If the RWB Executive Officer rejects the 30% Design Plans, Poseidon shall have the right to appeal the RWB Executive Officer's rejection of the 30% Design Plans to the RWB Board for a decision.

- f. Any subsequent revisions to the 30% Design Plans to obtain RWB approval shall not be subject to additional comments from the Agency Representatives.

VIII. 60% Design Plans

- a. Upon approval of the 30% Design Plans by the RWB Executive Officer, Poseidon will develop draft 60% Design Plans. Draft 60% Design Plans will be circulated to all Agency Representatives.
 - 1. Draft 60% Design Plans will include all components as outlined in the RWB Order, including but not limited to designs, operational information, performance standards, success criteria, expected permitting requirements, cost estimates, and an implementation schedule.
- b. Representatives will have 60 days following receipt of the draft 60% Design Plans to provide Poseidon with written feedback on the proposed 60% Design Plans. If no timely comments are received from one or more Agencies, it will be assumed that those Agencies do not have any comments. Late comments will be given secondary consideration as compared to timely comments. Oral comments will not be accepted unless also submitted in writing.
- c. Conflicts will be addressed in the same manner as described in Paragraph A.i.VI.d above. Poseidon will have no obligation to address comments that Conflict with the previously approved 30% Design Plans.
- d. Poseidon will then submit revised 60% Design Plans to the RWB Executive Officer for approval, including a RTC document, and provide copies to all Agency Representatives. The RWB Executive Officer shall have 30 days to approve the plans or reject the plans citing specific areas of concern or deficiency. The RWB Executive Officer shall consult with the SLC Executive Officer to ensure that the SLC is also supportive of the 60% Design Plans and RTC document.
- e. If the RWB Executive Officer rejects the 60% Design Plans, Poseidon shall have the right to appeal the RWB Executive Officer's rejection of the 60% Design Plans to the RWB Board for a decision.

- f. Any subsequent revisions to the 60% Design Plans to obtain RWB approval shall not be subject to additional comments from the Agency Representatives.
- IX. Schedule, Cost Estimates, and Proposed Financial Assurances and Penalties
 - a. Upon approval of the 60% Design Plans by the RWB Executive Officer, Poseidon shall submit a schedule, cost estimates, and proposed financial penalties and financial assurances based on the approved 60% Design Plans to the RWB Board for consideration and approval prior to removal of the Operating Prohibition pursuant to Section VI.C.3.h.v of the Order.
 - b. Once the RWB Board removes the Operating Prohibition, Poseidon will implement the remaining mitigation project milestones in accordance with the approved 60% Design Plans and schedule.
- X. Additional Agency Feedback
 - a. The Agency Representatives will be allowed to comment on the 90% Design Plans in the same manner as the 60% Design Plans provided that such comments do not conflict with previously approved design plans. Poseidon shall not be obligated to present the 90% Design Plans at a Representatives Meeting unless there have been significant changes to the Bolsa Chica Mitigation Projects that have occurred as a result of the permitting process.
- ii. **A process for California State Lands Commission staff with input from the Steering Committee to submit comments on any drafts of the plans required below for the Bolsa Chica Wetlands.**
 - I. Please see section A.i above for details on how the Agencies, including SLC with input from BCSC, will be able to provide feedback on the required plans for the Bolsa Chica Mitigation Projects.
- iii. **An explicit statement that the Discharger shall submit the plans required below for the Bolsa Chica Wetlands for Santa Ana Water Board review and approval only after the California State Lands Commission staff and Steering Committee has had a reasonable period of time to review the plans required below for the Bolsa Chica Wetlands and provide any recommended changes before the Santa Ana Water Board considers the plans.**

- I. Poseidon shall submit the required plans for the Bolsa Chica Mitigation Projects to the RWB Executive Officer for review and approval only after the Agencies have had a reasonable period of time to review and comment on the plans in accordance with section A.i above.
- iv. **A plan for managing potential conflicts between the proposed circulation improvements and the California State Lands Commission with input from the Steering Committee's operation of the Muted Tidal Basins (MTBs). For example, there may be a scenario where the California State Lands Commission with input from the Steering Committee would like to operate the MTBs for multi-species benefit. Specifically, during Snowy Plover nesting season, the MTB flats may be completely drained to provide nesting habitat. This management decision could have impacts on the Discharger's compliance with the final MLMP and success criteria that may be developed for the MTB enhancement activities.**
 - I. Please see the Conflict resolution policy outlined in section A.i.VI.d above.
- v. **A plan for documenting the California State Lands Commission staff and Steering Committee's comments and concerns and how these were addressed by the Discharger.**
 - I. In accordance with section A.i above, Poseidon will circulate a RTC document alongside each of the revised Restoration Plans, revised 30% Design Plans, revised 60% Design Plans, and revised 90% Design Plans for the Bolsa Chica Mitigation Projects that documents how all timely-received comments from the Agencies, including SLC and BCSC, were addressed.
- vi. **A letter of intent from the California State Lands Commission or other agreement between the California State Lands Commission and the Discharger, which demonstrates a willingness by the California State Lands Commission to accept the Discharger's mitigation proposal for the Bolsa Chica site.**
 - I. Please find attached hereto a letter of intent from the SLC to the RWB dated December 5, 2019 which demonstrates SLC's willingness to accept the Bolsa Chica Mitigation Projects.
- vii. **A plan and schedule for submittal of an Application for Use of State Lands and other required application materials to the State Lands Commission to obtain a lease and/or other mechanism(s) (which may include a Land Use Agreement or other agreement(s)) to be executed between the California State Lands Commission and the Discharger**

providing the Discharger with land use rights to carry out the mitigation at the Bolsa Chica Wetlands and requiring the Discharger to provide financial assurances to implement the restoration and enhancement projects at the Bolsa Chica Wetlands in the final MLMP for the operational lifetime of the Facility. The schedule must also include a timeline for completing any environmental review required under CEQA.

- I. In accordance with section A.i.IX above, Poseidon will implement the Bolsa Chica Mitigation Projects in accordance with the schedule as approved by the RWB Board.
 - a. The approved schedule is expected to outline all major milestones and activities that will be required to fully implement the Bolsa Chica Mitigation Projects.
 - b. Subject to approval by the RWB Board, Poseidon currently expects the schedule to include the following milestones:
 1. Submittal of an application for a land use agreement and CEQA certification to the SLC within 90 days following the date at which the Facility debt is closed and the proceeds are issued to Poseidon to begin construction;
 - i. The land use agreement will include financial assurances consistent with those approved by the RWB Board.
 - ii. The SLC, in its CEQA environmental review of the Bolsa Chica Mitigation Projects and consideration of a land use agreement, shall rely on the 60% Design Plans as approved by the RWB Executive Officer and other information to be provided as necessary.
 2. Submittal of an application for a Coastal Development Permit to the CCC within 120 days following the SLC CEQA certification and approval of a land use agreement; and
 3. Poseidon shall assume responsibility for performing the ocean inlet maintenance dredging within 12 months of the date at which the Facility debt is closed and the proceeds are issued to Poseidon to begin construction of the Facility pursuant to the Section VI.C.3.h.v.d of the Order.

viii. A plan and schedule for the Discharger to assume responsibility for performing the maintenance dredging from the State Lands Commission and to provide financial assurances to perform the maintenance dredging as required by the State Lands Commission and Steering Committee for the operational life of the Facility.

I. In accordance with A.vii above, Poseidon shall assume responsibility for performing the ocean inlet maintenance dredging at Bolsa Chica within 12 months of the date at which the Facility debt is closed and the proceeds are issued to Poseidon to begin construction. Poseidon will continue ocean inlet maintenance for the entire construction period and operating life of the Facility until 100% of the impacts from the Facility have been mitigated.

a. Poseidon understands that SLC already has all of the required permits and approvals to perform the ongoing ocean inlet maintenance at Bolsa Chica and will either assign all necessary permits and approvals to Poseidon or contract with Poseidon to complete the work as needed.

b. The land use agreement(s) approved by SLC will include financial assurances consistent with those approved by the RWB Board, including in relation to the ocean inlet maintenance at Bolsa Chica.

1. To the extent that Poseidon is obligated to begin ocean inlet maintenance at Bolsa Chica prior to SLC's approval of the land use agreement(s) for the Bolsa Chica Mitigation Projects, appropriate financial assurances, consistent with those approved by the RWB Board, will be included in the contract between Poseidon and SLC to complete the ocean inlet maintenance work.

B. Palos Verdes Artificial Reef

i. **A summary of the methods and milestones (and any necessary interim milestones) to be used to coordinate with staff from the California State Lands Commission, NOAA Restoration Center/Montrose Settlements Restoration Center, California Coastal Commission, Santa Ana Water Board, California Department of Fish and Wildlife (collectively, agency staff), and United States Army Corps of Engineers regarding the Discharger's proposed creation of the Palos Verdes Artificial Reef design,**

operations, performance standards, success criteria, and commitments under the permits. This summary shall include at least two scheduled meetings with the agency staff.

- I. Terms defined within this Section B are only applicable to Section B unless otherwise specified.
- II. The following agencies shall be consulted in the development of the Bolsa Chica Mitigation Projects (collectively referred to as “Agencies” or individually referred to as an “Agency”):
 - a. Santa Ana Regional Water Quality Control Board (“RWB”)
 - b. California State Lands Commission (“SLC”)
 - c. California Department of Fish and Wildlife (“CDFW”)
 - d. California Coastal Commission (“CCC”)
 - e. National Oceanic and Atmospheric Administration (“NOAA”)
 - f. Southern California Marine Institute (“SCMI”)
- III. Upon RWB Executive Officer approval of this Coordination and Communication Plan, a copy shall be provided to each Agency.
- IV. Agencies will be asked to provide a name, phone number, and email address for at least one point of contact to act on behalf of that Agency in reviewing the Palos Verdes Artificial Reef project (Agency’s “Representative”).
 - a. Agencies will have 30 days from receipt of the approved Coordination and Communication plan to identify their respective Representatives.
- V. From time to time Poseidon shall invite all Agency Representatives to a meeting (“Representatives Meeting”). Poseidon shall coordinate with Representatives in scheduling these Representative Meetings but shall have the discretion to schedule a Representative Meeting as necessary or appropriate to advance the mitigation projects in a timely manner, whether virtually, in-person, or otherwise, provided that at least 10-days’ advanced notice is given to the Representatives.
 - a. The first Representatives Meeting will be scheduled no later than 90 days after the RWB Executive Officer’s approval of the Coordination and Communication Plan and shall be used to provide an overview of the proposed Palos Verdes Artificial Reef and development process to the Representatives.
- VI. 30% Design Plans

- a. Poseidon shall develop draft 30% Design Plan documents for all components of the Palos Verdes Artificial Reef. Draft 30% Design Plans will be shared with Agency Representatives and Poseidon will also present the draft 30% Design Plans during a Representatives Meeting.
 1. Draft 30% Design Plans will include all components as outlined in the RWB Order, including but not limited to designs, performance standards, success criteria, expected permitting requirements, cost estimates, and an implementation schedule.
- b. Representatives will have 60 days following receipt of the draft 30% Design Plans to provide Poseidon with written feedback on the proposed 30% Design Plans. If no timely comments are received from one or more Agencies, it will be assumed that those Agencies do not have any comments. Late comments will be given secondary consideration as compared to timely comments. Oral comments will not be accepted unless also submitted in writing.
- c. Poseidon shall prepare documentation showing how all comments were addressed (“RTC” document) and modify the 30% Design Plans accordingly.
 1. In considering how to appropriately respond to comments, Poseidon shall prioritize its obligations to comply with the performance standards and success criteria as outlined in the RWB Order and to provide continuity with the design of the existing Palos Verdes Reef Restoration completed on behalf of the NOAA Restoration Center/Montrose Settlements Restoration Program and California Coastal Conservancy (“Existing Reef”).
- d. To the extent that any two or more comments appear to be in conflict with one another (“Conflict”), the SLC Executive Officer shall have the sole and absolute discretion to resolve each Conflict. The SLC Executive Officer shall resolve any and all Conflicts that Poseidon brings to his or her attention within 30 days.
 1. In resolving any such Conflict, the SLC Executive Officer shall consider and give deference to:
 - i. As a primary priority, Poseidon’s obligations to comply with the performance standards and

success criteria as outlined in the RWB Order;
and

- ii. As a secondary priority, continuity with the design of the Existing Reef.
2. If the SLC Executive Officer fails to resolve the Conflict in a timely manner, Poseidon shall use its discretion to resolve the Conflict and shall notify the SLC Executive Officer and each Agency Representative who had provided the conflicting comments of its decision to do so. All Conflict resolutions shall be based on currently available data.
- e. Poseidon shall then submit revised 30% Design Plans to the RWB Executive Officer for approval, including the RTC document, and provide copies to all Agency Representatives. The RWB Executive Officer shall have 30 days to approve the plans or reject the plans citing specific areas of concern or deficiency. The RWB Executive Officer shall consult with the SLC Executive Officer to ensure that the SLC is also supportive of the 30% Design Plans and RTC document.
 - f. If the RWB Executive Officer rejects the 30% Design Plans, Poseidon shall have the right to appeal the RWB Executive Officer's rejection of the 30% Design Plans to the RWB Board for a decision.
 - g. Any subsequent revisions to the 30% Design Plans to obtain RWB approval shall not be subject to additional comments from the Agency Representatives.

VII. 60% Design Plans

- a. Upon approval of the 30% Design Plans by the RWB Executive Officer, Poseidon will develop draft 60% Design Plans. Draft 60% Design Plans will be circulated to all Agency Representatives.
 1. Draft 60% Design Plans will include all components as outlined in the RWB Order, including but not limited to designs, performance standards, success criteria, expected permitting requirements, cost estimates, and an implementation schedule.
- b. Representatives will have 60 days following receipt of the draft 60% Design Plans to provide Poseidon with written feedback on the proposed 60% Design Plans. If no timely comments are received from one or more Agencies, it will be

assumed that those Agencies do not have any comments. Late comments will be given secondary consideration as compared to timely comments. Oral comments will not be accepted unless also submitted in writing.

- c. Conflicts will be addressed in the same manner as described in Paragraph B.i.VI.d above. Poseidon will have no obligation to address comments that Conflict with the previously approved 30% Design Plans.
- d. Poseidon will then submit revised 60% Design Plans to the RWB Executive Officer for approval, including a RTC document, and provide copies to all Agency Representatives. The RWB Executive Officer shall have 30 days to approve the plans or reject the plans citing specific areas of concern or deficiency. The RWB Executive Officer shall consult with the SLC Executive Officer to ensure that the SLC is also supportive of the 60% Design Plans and RTC document.
- e. If the RWB Executive Officer rejects the 60% Design Plans, Poseidon shall have the right to appeal the RWB Executive Officer's rejection of the 60% Design Plans to the RWB Board for a decision.
- f. Any subsequent revisions to the 60% Design Plans to obtain RWB approval shall not be subject to additional comments from the Agency Representatives.

VIII. Schedule, Cost Estimates, and Proposed Financial Assurances and Penalties

- a. Upon approval of the 60% Design Plans by the RWB Executive Officer, Poseidon shall submit a schedule, cost estimates, and proposed financial penalties and financial assurances based on the approved 60% Design Plans to the RWB Board for consideration and approval prior to removal of the Operating Prohibition pursuant to Section VI.C.3.h.v of the Order.
- b. Once the RWB Board removes the Operating Prohibition, Poseidon will implement the remaining mitigation project milestones in accordance with the approved 60% Design Plans and schedule.

IX. Additional Agency Feedback

- a. The Agency Representatives will be allowed to comment on the 90% Design Plans in the same manner as the 60% Design Plans provided that such comments do not conflict with

previously approved design plans. Poseidon shall not be obligated to present the 90% Design Plans at a Representatives Meeting unless there have been significant changes to the Palos Verdes Artificial Reef that have occurred as a result of the permitting processes.

- ii. **A process for agency staff to submit comments on the plans required below for the proposed Palos Verdes Artificial Reef.**
 - I. Please see section B.i above for details on how the Agencies will be able to provide feedback on the required plans for the Palos Verdes Artificial Reef project.
- iii. **An explicit statement that the Discharger shall submit the plans required below for the Palos Verdes Artificial Reef for Santa Ana Water Board review and approval only after agency staff has reviewed and provided any recommended changes.**
 - I. Poseidon shall submit the required plans for the Palos Verdes Artificial Reef project to the RWB Executive Officer for review and approval only after the Agencies have had a reasonable period of time to review and comment on the plans in accordance with section B.i above.
- iv. **A plan for managing potential conflicts between the Discharger and agency staff on the habitat design, performance standards, and monitoring that will be developed and provided to the Santa Ana Water Board for review and approval.**
 - I. Please see the Conflict resolution policy outlined in section B.i.VI.d above.
- v. **A plan for documenting agency staff comments and concerns including how they were addressed by the Discharger.**
 - I. In accordance with section B.i above, Poseidon will circulate a RTC document alongside each of the revised 30% Design Plans, revised 60% Design Plans, and revised 90% Design Plans for the Palos Verdes Artificial Reef project that documents how all timely-received comments from the Agencies were addressed.
- vi. **A letter of intent from SCMI and the California State Lands Commission or other agreement between SCMI and the California State Lands Commission and the Discharger, which demonstrates a willingness to accept the Discharger's mitigation proposal for the Palos Verdes Artificial Reef site.**
 - I. Please find attached hereto:
- vii. **A plan and schedule for submittal of an Application for a Use of State Lands and other required application materials to the State Lands**

Commission to obtain a lease, and/or other mechanism(s) (which may include a Land Use Agreement or other agreement(s)) to be executed between SCMI, the California State Lands Commission, and the Discharger providing the Discharger with land use rights to carry out the Palos Verdes Artificial Reef project and requiring the Discharger to provide financial assurances to implement the Palos Verdes Artificial Reef project in the final MLMP for the operational life of the Facility. The schedule must also include a timeline for completing any environmental review required under CEQA.

I. In accordance with section B.i.VIII above, Poseidon will implement the Palos Verdes Artificial Reef project in accordance with the schedule as approved by the RWB Board.

a. The approved schedule is expected to outline all major milestones and activities that will be required to fully implement the Palos Verdes Artificial Reef.

b. Subject to approval by the RWB Board, Poseidon currently expects the schedule to include the following milestones:

1. Submittal of an application for a land use agreement and CEQA certification to the SLC within 90 days following the date at which the Facility debt is closed and the proceeds are issued to Poseidon to begin construction; and

i. The land use agreement will include financial assurances consistent with those approved by the RWB Board.

ii. The SLC, in its CEQA environmental review of the Palos Verdes Artificial Reef and consideration of a land use agreement, shall rely on the 60% Design Plans as approved by the RWB Executive Officer and other information to be provided as necessary.

2. Submittal of an application for a Coastal Development Permit to the CCC within 120 days following the SLC CEQA certification and approval of a land use agreement.

viii. A plan and schedule for submittal of an application for a Coastal Development Permit for the Palos Verdes Artificial Reef from the California Coastal Commission.

I. In accordance with B.vii above, Poseidon plans to submit an application for a Coastal Development Permit to the CCC within

120 days following the SLC CEQA certification and approval of a land use agreement.

- a. The CCC, in its consideration of the Coastal Development Permit application, shall rely on the 60% Design Plans as approved by the RWB Executive Officer, the CEQA environmental review of the Palos Verdes Artificial Reef as certified by SLC, and other information to be provided as necessary.

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IN WITNESS WHEREOF, the parties hereto have executed this Coordination and Communication Plan by their duly authorized representatives on the day and year first herein above written.

For and on behalf of:

**POSEIDON RESOURCES
(SURFSIDE) LLC**

By: _____

Name: Scott Maloni

Title: Vice President

Date: _____

For and on behalf of:

**SANTA ANA REGIONAL WATER
QUALITY CONTROL BOARD**

By: _____

Name: Hope Smythe

Title: Executive Officer

Date: _____

DRAFT