



For Immediate Release

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Searles Valley Minerals Seeks Temporary Restraining Order to Protect Employees, Community in Face of Exorbitant New Groundwater Replenishment Fee

Searles Takes Steps to Protect Economic Engine of Trona; Multi-Million-Dollar Groundwater Fee Would Hurt Local Businesses and Residents

Trona, CA — Searles Valley Minerals Inc. (Searles), an economic bedrock of the Trona and Ridgecrest communities, filed litigation for an emergency order today in Orange County Superior Court to save local jobs and stop an excessive groundwater fee imposed by the Indian Wells Valley Groundwater Authority (Authority). The Authority has demanded payment of this fee and threatened to shut off water supplies, despite the fact that they have no plan as to how the fee will be used. The water supply shutoff would not only impact Searles, but also cut supplies to the disadvantaged Trona communities that rely on Searles as their sole source of domestic water.

The request for a temporary restraining order (TRO) seeks to maintain the status-quo and prevent the Authority from pursuing the enforcement of a \$2,130 per acre foot "replenishment fee," which, if paid, would cause Searles to suffer devastating and irreparable harm, including permanent business line closures and the layoff of nearly 100 employees. Additionally, the TRO states the replenishment fee is unlawful and unenforceable due to the Authority's failure to comply with established water law principles and Proposition 218.

The exorbitant, unlawful and arbitrary fee threatens the existence of Searles, which has supported the local economy with pioneering technologies and good-paying jobs since its founding in 1873. The company — which holds the most senior water rights in the basin — is proud to be the largest employer in the Searles Valley. However, should the replenishment fee be enforced, it would cause the company's water costs to skyrocket to nearly \$500,000 a month, a 7,000% increase over current pumping fees.

"The Authority board members imposed a plan that would leave hundreds of individuals without a job during one of the most difficult economic times in California's history, which is why we made the decision to use our finite resources to fight for our employees, our community and the future of our company," said Burnell Blanchard, Vice President of Operations for Searles.

"This is an example of well-intentioned public policy gone wrong when government officials abdicate their responsibility to the public. How can the Authority justify adding to the unemployment numbers at this time? How can they justify forcing a 140-year-old local business into litigation to protect its rights and keep its workforce? The Authority is responsible for the impact of its decisions." Blanchard said.

The state of California adopted the Sustainable Groundwater Management Act (SGMA) in 2014 to help bring the state's over-drafted groundwater basins into balance by 2040. SGMA directs local groundwater agencies, such as the Authority, to sustainably manage groundwater. However, the success of the policy depends on equitable and reasonable implementation of a groundwater sustainability plan at the local level.

The Authority's Groundwater Sustainability Plan and related replenishment fee were ultimately approved by the Authority board despite hundreds of protest letters and widespread calls for a more reasonable and equitable process.

The Authority's groundwater replenishment plan neglects to identify where this replenishment water would be imported from, how much that water will cost, and how or when the massive infrastructure needed to actually get that water into the local groundwater basin would be developed and financed.

A '[Save Searles](#)' campaign has been in place for several months, representing a coalition of Searles' employees, their families, as well as local residents and businesses from the town of Trona and nearby City of Ridgecrest – many of whom live in what the federal government has classified as underserved and severely disadvantaged communities already suffering from economic burdens.

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