

**WATER SUPPLY AGREEMENT BETWEEN CITY OF COALINGA AND MEMBERS OF
PLEASANT VALLEY WATER CONVEYANCE PARTNERS, LLC**

FEBRUARY 2020 AGREEMENT FOR SALES WITHIN WESTLANDS WATER DISTRICT

This Agreement is entered into effective as of the date fully executed by and between the City of Coalinga (“City”) and members of Pleasant Valley Water Conveyance Partners, LLC, (“Farmers”), with respect to the following Recitals, which are a substantive part of this Agreement:

RECITALS

WHEREAS, City has excess USBR water it can transfer and sell to Farmers in Westlands Water District; and

WHEREAS, City can make available excess contract water to Farmers to the benefit of City’s water ratepayers, and

WHEREAS, USBR water provided though City is good quality allowing Farmers to preserve ground water supplies; and

WHEREAS, when City desires to provide excess USBR water to Farmers and Farmers desire to acquire excess water from City, on the terms and conditions set forth in this Agreement, all for the mutual benefit of City and Farmers, and in conformity with applicable State and Federal regulations.

NOW THEREFORE, City and Farmers agree to the following:

1. Term of Agreement. This Agreement is effective upon execution and shall terminate upon completion of the transfer to Farmers and payment to City for a mutually agreeable volume of the City’s excess 2019/20 USBR water to Farmers.
2. USBR Water Supply. This Agreement is for the sale of City’s excess USBR water from the 2019/20 water year. The volume will be approximately 1,000 acre-feet, with the exact amount to be mutually agreed by City and Farmers, in writing, signed by both parties.
3. Price. The price for standard contract water shall be based on the City’s cost of water to provide this sale. The following calculation shows the price based on the USBR 2019/20 rates. The actual price shall be updated if any of the cost components with USBR are different as validated by USBR, or if any additional costs are incurred by City for conversion of the water from “M&I” to “Agricultural,” or for any other reason beyond the City’s control.

Water Price Components*	
	\$/AF
USBR Contract Rate	\$95.08
USBR Trinity PUD Assessment	0.30
USBR "Environmental Restoration Fund"	<u>21.82</u>
Total	\$117.20
* Does not include costs for San Luis Delta Mendota Water Authority, to be paid by Westlands Water District and ultimately charged to Farmers.	

6. Notices, Billing and Payment. City shall issue billing statements to Farmers following completion of this transaction. Payment shall be rendered by Farmers to City within fifteen (15) days of the date of the statement. Notices, including billing statements may be communicated via email, provided the receiving party acknowledges receipt.

Billing Statements shall be sent to:

Pleasant Valley Water Conveyance Partners, LLC
c/o Jim Anderson
35244 Oil City Road
Coalinga, CA 93210

Payments shall be made to:

City of Coalinga
155 W Durian Avenue
Coalinga, CA 93210

Attn: Jasmin Bains, Finance Director
Email: jbains@coalinga.com
Phone: 559-935-1533 x125

6. Delivery Point. This water is being transferred to Westlands Water District by City. The specific delivery point(s) to Farmers shall be the responsibility of Farmers with Westlands Water District.
7. Resale. Water sold to Farmers under this Agreement is explicitly for use by Farmers on land that is within Westlands Water District, and not for resale by Farmers.
8. Regulatory Compliance. The obligations of City and Farmers to perform under this Agreement are conditioned upon ongoing compliance, approvals and consents, including without limitation consent from the USBR, Westland's Water District,

the State Water Resources Control Board, and any other authority with jurisdiction impacting this Agreement.

9. Conflicts of Interest. Neither City, nor its City Manager, nor any City Council member, department head, manager, employee, consultant, or agent of City, shall give to or receive from any director, employee or agent of Farmers or any affiliate thereof any gift or entertainment of significant value, or any commission, fee, or rebate in connection with this Agreement.
10. Farmers. This Agreement is being entered into with members of Pleasant Valley Water Conveyance Partners, LLC. The Farmers that may be parties to this Agreement are listed as follows:

Jim Anderson, William J. Mouren
Farming
35244 Oil City Road
Coalinga, CA 93210
Phone: 559-935-0836

Rod Stiefvater
4831 Calloway, Suite 102
Bakersfield, CA 93312

Dave Wood
Wood Ag Management, Inc.
652 W. Cromwell, Suite 103
Fresno, CA 93711

Chuck Nichols
NK Development
13762 First Avenue
Hanford, CA 93230

Don Devine
Devine Farms, LLC
684 W. Cromwell, Suite 107
Fresno, CA 93711

Scott Kreyenhagen
150 E Durian Avenue
Coalinga, CA 93210

The Farmers participating in this Agreement agree to allocate water receipts cooperatively amongst their designated properties, track volumetric deliveries, and to be responsible for full payment to City for water taken hereunder. Specifically, any one participating Farmer having executed this Agreement agrees to be responsible for full payment of all water taken in the event of nonpayment by one or more other Farmers that execute this Agreement.

11. Operating Communication. The City shall designate a representative for ongoing operating coordination with Farmers, and similarly Farmers shall designate a representative authorized to represent Farmers for operating coordination.
12. Counterpart Signatures. The parties hereto agree that this Agreement may be signed in counterparts such that each signature alone or combined with others agrees to this single binding Agreement. This February 2020 Agreement shall apply only to Farmers that execute this Agreement.

IN WITNESS WHEREOF, City and Farmers agree to the terms and conditions herein.

CITY OF COALINGA

By: _____
Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney

PARTICIPATING FARMERS EVIDENCED BY EXECUTION HERE BELOW:

**JIM ANDERSON, WILLIAM J.
MOUREN FARMING**

ROD STIEFVATER

By: _____
Signature

By: _____
Signature

Name Printed

Name Printed

DAVE WOOD

CHUCK NICHOLS

By: _____
Signature

By:  _____ 2/11/2020
Signature
C:\OFFICE\00714356464...

chuck nichols

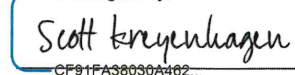
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Name Printed

DON DEVINE

SCOTT KREYENHAGEN

By: _____
Signature

By:  _____ 2/11/2020
Signature
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Scott Kreyenhagen

Name Printed

Name Printed