

**WATER SUPPLY AGREEMENT
CITY OF COALINGA AND GLADSTONE CALIFORNIA WATER LP, A DELAWARE
LIMITED PARTNERSHIP**

2026 Agreement: Water Supply

This Agreement is entered into by and between the City of Coalinga (“City”) and Gladstone California Water LP, a Delaware Limited Partnership (“GCWLP”), with respect to the following Recitals, which are a substantive part of this Agreement.

RECITALS

WHEREAS, from time to time, City may have the ability to sell excess USBR water to GCWLP in the Pleasant Valley Water District located within the City’s defined USBR Contractor Service Area; and

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

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

WHEREAS, City may also make available conveyance of GCWLP-owned water using City’s conveyance agreement with Westlands Water District; and

WHEREAS, City desires to provide excess USBR water to GCWLP and GCWLP 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 GCWLP, and in conformity with applicable State and Federal regulations.

NOW, THEREFORE, City and GCWLP agree to the following:

1. **Term of Agreement.** This Agreement shall be effective March 1, 2026, for water transactions mutually agreed by the parties, provided the Agreement is fully executed by City and each farmer listed hereto, for service to each farmer as each executes, and shall be effective through February 28, 2027.
2. **USBR Water Supply.** This Agreement is for both contracted long-term USBR Water Supply (Contracted Water) available to City. Contracted Water may be made available to GCWLP to the extent it is made available to City by USBR, and after a full supply has been provided to City’s treated water customers.
3. **Price and Volumes for Purchase Water.** The price for contract water hereunder shall be six hundred eighty-five dollars (\$685.00) per AF inclusive of all costs incurred by the City up to the Delivery Point (Initial Price). The Initial Price of \$685.00 is fixed and not subject to revision or adjustment, except if the Central Valley Project South of Delta (CVP SOD) Allocation for the 2026/27 water year is increased to 26 to 50 percent. If so, pursuant to Exhibit E of the Exchange Contractors 2026-2038 Transfers Agreement Price Schedule, the Initial Price shall be reduced by \$225 per AF, consistent with the reduction in the Transfers Agreement Price Schedule. The City’s pricing shall be inclusive of all costs incurred by City up to the Delivery Point including amounts

due from the City to USBR, San Luis and Delta Mendota Water Authority, and Westland's Water District.

4. Monthly Sales Volumes. Water volumes shall be determined by GCWLP and City prior to each calendar month. GCWLP shall use their best effort to monitor water deliveries not to exceed determined monthly volumes. Water volumes sold and conveyed under this agreement are contingent on Regulatory Compliance, as defined herein. City may immediately suspend deliveries in the event the City Manager deems additional water is needed for the City's treated water use.
5. Notices, Billing, and Payment. City shall issue billing statements to GCWLP following each month of water deliveries. Payment shall be rendered by GCWLP 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:

Firestone Avenue Coalinga, LP
1521 Westbranch Drive, Suite 100
McLean, VA 22102
Attn: Bill Reiman
bill.r@gladstoneland.com
(805) 377-7701

Payments shall be made to:
City of Coalinga
155 W Durian Avenue
Coalinga, CA 93210

Ms. Mai Vang
Financial Services Director
mvang@coalinga.com
559-935-1533 Ext. 129

6. Delivery Point. The Delivery Point for water sold hereunder shall be GCWLP's turn-out located near the end of the Coalinga Canal.
7. Regulatory Compliance. The obligations of City and GCWLP to perform under this Agreement are conditioned upon ongoing compliance, approvals, and consents, including without limitation consent from the USBR, Westlands Water District, the State Water Resources Control Board, and any other authority with jurisdiction impacting this Agreement.
8. 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 GCWLP or any affiliate thereof any gift or entertainment of significant value, or any commission, fee, or rebate in connection with this Agreement.
9. GCWLP. This Agreement is being entered into with GCWLP.
10. Operating Communication. The City shall designate a representative for ongoing operating coordination with GCWLP, and similarly GCWLP shall designate a representative authorized to represent GCWLP for operating coordination.

11. 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.

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

CITY OF COALINGA

By: _____
Sean Brewer
City Manager

Date: _____

ATTEST:

City Clerk

GLADSTONE CALIFORNIA WATER LP, a Delaware limited partnership

By: Gladstone California Farmland, GP, LLC, a Delaware limited liability company, its General Partner

By: Gladstone Land Limited Partnership, a Delaware limited partnership, its Sole Member

By: Gladstone Land Partners, LLC, a Delaware limited liability company, its General Partner

By: Gladstone Land Corporation, a Maryland corporation, its Manager

By: _____
David Gladstone
President and CEO