

MEMORANDUM OF UNDERSTANDING

BETWEEN CADIZ, INC. A PUBLIC COMPANY AND ITS WHOLLY OWNED SUBSIDIARY, FENNER VALLEY MUTUAL WATER COMPANY (COLLECTIVELY "CADIZ") & THE FARMWORKERS INSTITUTE OF EDUCATION (FIELD) dba CESAR CHAVEZ ENVIRONMENTAL CORPS (CCEC)

This Memorandum of Understanding (MOU) is made and entered into on 9/9/22, by and between **Cadiz, Inc.** a public company and its wholly owned subsidiary, Fenner Valley Mutual Water Company (collectively "Cadiz") and **FARMWORKER INSTITUTE OF EDUCATION AND LEADERSHIP DEVELOPMENT ("FIELD")**.

Whereas, FIELD is a 501(c)3 non-profit organization founded and established in 1978 by Farmworker Leader Cesar E Chavez committed to uplifting the economic prospects of underserved populations in poor, minority communities and realizing Cesar's ultimate vision to inspire farmworkers & the rural workforce to gain self-sufficiency through employee-owned social enterprises;

Whereas, FIELD's mission is to foster economic & social prosperity through a continuum of educational and workforce development programs including **FIELD's** fully accredited EPIC de Cesar E Chavez High School, English as a Second Language programs, Career Technical Education and the creation of business opportunities for students through social enterprises in which students can build wealth through the acquisition of assets.

Whereas, FIELD's Social Businesses support **FIELD's** training programs by providing hands on experience through **FIELD** business incubators in the fields of Natural Resources Conservation and Agriscience, including water quality and conservation, soil conservation, wildlife preservation and management; and factors that influence plant growth, including carbon and nitrogen cycles, soil classification and irrigation techniques, pest management, organic farming as well as how changes in climate impact agriculture and resource management.

Whereas, Cadiz is the owner of 45,000 acres of land, water rights in Southern California and the largest agricultural operation in San Bernardino County; is working with public water agencies to implement the Cadiz Water Project, a state of the art groundwater conservation and storage project that utilizes innovative technologies and groundwater management techniques to create sustainable new water supplies by conserving water that will otherwise be lost to evaporation, and owns water infrastructure assets including 220 miles of pipeline and will be first in the world to convert pipelines used for fossil fuels to transport water, and

Whereas, Cadiz also holds assets related to water filtration technology that are capable of removing nitrates, arsenic, Hexavalent Chromium and other contaminants in groundwater systems and seeks to make water filtration technology available to disadvantaged communities in California suffering from contaminated wells and distressed groundwater systems exacerbated by the impacts of drought and climate change;

Whereas, Cadiz and **FIELD** have entered into a Letter of Intent to implement a joint venture agreement ("Joint Venture") that will increase water supply availability in California through sustainable groundwater management, efficient conservation practices and water infrastructure improvements related to 10,000 acres of Cadiz-owned properties in the Danby and Piute watersheds ("Joint Venture").

Whereas, for their mutual benefit Cadiz and **FIELD** desire to establish a state-of-the-art technology innovation and learning center at Cadiz Ranch through **FIELD's** accredited CTE programs with a focus on water conservation, water quality, groundwater management and strategies to adapt to the impacts of climate change on water resources and agriculture;

NOW THEREFORE, in consideration of the above, the parties hereto agree as follows:

A. FIELD agrees to:

- a. Establish a FIELD Innovation Lab / Learning Center at Cadiz Ranch focused on climate-adaptive technologies and best practices in water conservation, groundwater management, and farming that will focus on providing CTE Pathway instruction incorporating best practices and innovations in technology to prepare a future labor workforce that understands the importance of water conservation and adaptive agricultural methods.
- b. Establish an English as a Second Language program at FIELD's Cadiz Learning Center.
- c. Provide student-workers for specified jobs at Cadiz Ranch and Cadiz Water Project including, but not limited to, farm management and operations, well equipment and management, water quality system design, installation, operation and management, pipeline engineering and construction and business operations.
- d. Limit program costs by using existing local, state, federal, and private resources and personnel as much as possible, by seeking in-kind contributions of services, supplies, and equipment; including student/worker housing from participating agencies and program benefactors and may undertake entrepreneurial activities as methods of support for the nonprofit entity, consistent with the other purposes of the organization; and
- e. Apply for reimbursement by the federal government, any state or local public agency, or private organization for actual expenses incurred by FIELD for qualified projects.

B. Cadiz agrees to:

- a. Assist FIELD in developing the curriculum for CTE pathways in farming, water quality and conservation, groundwater management and water infrastructure development;
- b. Provide scope and guidance for student-workers and collaborate with FIELD/EPIC CTE teachers and administrators to revise and create Pathways that address market labor needs while providing oversight for students while they gain hands-on skills as part of the lab component for CTE courses.
- c. Provide land, water, electricity and classroom space (trailers/modules) for FIELD Learning Center.
- d. Provide housing and commissary for FIELD students and worker-trainees (*see Part A-d. above*)
- e. Assist FIELD with logistical concerns, such as, but not limited to, student/teacher, classroom and field training schedules, safety/security training.
- f. Hire student-workers through FIELD CTE programs and the FIELD Agriculture Social-Business Program to for at least 50% of the new jobs created by businesses owned in whole or in part by Cadiz including but not limited to:
 - **Cadiz Ranch** - Farm Operations, Management and Agricultural Sciences
 - **Cadiz Water Conservation and Storage Project** - Geohydrology and Environmental Sciences (groundwater quality evaluation and monitoring, well siting investigations, data collection and analyses, system maintenance)
 - **Pipeline Construction**, conversion, operation and maintenance (Cadiz Water Conservation and Storage Project – Northern and Southern Pipeline) in coordination with Project Labor Agreements with International Union of Operating Engineers and Laborers International Union of North America
 - **Joint Venture (Cadiz/FIELD/Torres Martinez)** - Business Operations and Development of Piute and Danby properties, Geohydrology and Environmental Sciences.

Funding/Compensation

This service agreement includes a commitment of funds from **Cadiz** to **FIELD**:

1. \$15,000 per month for staffing, training, administration and CTE program development.
2. **Cadiz** and its affiliated businesses will pay the cost of salaries for new jobs created in **FIELD's** Agricultural Social-Business entity for **FIELD** students.

Mutual Indemnification

Each Party will indemnify, defend and hold the other Party and its assignees, agents, officers and employees harmless from and against any claims, suits, proceedings, costs, liabilities, expenses (including court costs and reasonable legal fees), or damages (Claims) to real or tangible personal property and/or bodily injury to persons, including death, resulting from its or its employees, Clients or agents negligence or willful misconduct arising from or related to this Agreement.

Notice

All notices or demands required or permitted by the terms of this Agreement will be given in writing and delivered to the following parties;

FIELD

David M. Villarino
President / CEO
122 E. Tehachapi Blvd. Suite C
Tehachapi, CA. 93561

Cadiz, Inc.

Susan P Kennedy
Executive Chair
550 South Hope Street, Suite 2850
Los Angeles, CA 90071

Integration

This Agreement contains the entire agreement and understanding by and between FIELD and Cadiz and no representations, promises, agreements or understandings, written or oral, not herein contained shall be of any force or effect.

Duration

This MOU is at-will and may be modified by mutual consent of authorized officials from Cadiz and FIELD. This MOU shall become effective upon signature by the authorized officials from Cadiz and FIELD and will remain in effect until modified by mutual consent or terminated by any one of the partners. Notwithstanding the preceding termination and modification terms, this MOU shall start on September 1, 2022.

In **WITNESS WHEREOF**, the parties have agreed to the conditions of this MOU as of the last date written below:

Cadiz, Inc.

By: Susan P Kennedy
Susan P Kennedy

9/6/2022
Date

FARMWORKER INSTITUTE OF EDUCATION LEADERSHIP DEVELOPMENT

By: David M. Villarino
David M. Villarino, President/CEO

9/9/22
Date