



PRESS RELEASE

Date: August 24, 2023

## **San Bernardino County Joins Joint Powers Authority that Oversees Cadiz Water Supply, Pipeline and Storage Project**

**The Joint Powers Authority will approve the design, construction, and operation of project facilities, including the first-ever conversion of a natural gas pipeline to transport water to remote, desert communities**

San Bernardino, California (08.24.23) - Cadiz, Inc. (NASDAQ: CDZI/CDZIP) (“Cadiz”, the “Company”) announced today that the San Bernardino County Board of Supervisors voted to execute a joinder agreement with Santa Margarita Water District (“SMWD”) and Fenner Gap Mutual Water Company (“Fenner Gap”) becoming an ex-officio member of the Fenner Valley Water Authority (“Authority”), the joint powers authority that will oversee design, construction and operation of the Cadiz Water Conservation & Storage Project (“Water Project”). The Board of Supervisors appointed Third District Supervisor and Board Chair Dawn Rowe to serve as its Authority representative and Fourth District Supervisor Curt Hagman was appointed as alternate.

“This Project will provide critical water infrastructure to improve water access and reliability for the entire region as Southern California grapples with climate change,” said Frank Ury, Chair of the Authority and President of the SMWD Board of Directors.

The Authority was formed in 2014 by SMWD, the lead agency of the Project’s California Environmental Quality Act (“CEQA”) process, and Fenner Gap, a non-profit mutual water company comprised of public water agencies participating in the Project. The Authority will approve the design, construction, operation, and maintenance of project facilities, including the first-ever conversion of a natural gas pipeline to carry water. The 220-mile pipeline originates at Cadiz in the Eastern Mojave Desert, directly crosses the Mojave River region of San Bernardino County and will provide connections to water storage and State Water Project facilities. In addition to construction and operation of project facilities, the Authority oversees the Project’s groundwater monitoring plan and third-party financing for construction of project facilities to achieve the lowest possible cost for delivered water.



“This project is about future-proofing our water supply,” said Supervisor Dawn Rowe. “San Bernardino is on the front lines of extreme weather and water insecurity, particularly in the Mojave River region and high desert cities like Barstow. Access to clean, reliable water supply is a regional problem that can be solved with smart regional investment in infrastructure. Utilizing a 220-mile pipeline that is already in the ground to deliver reliable water supplies to High Desert communities during the next megadrought is a smart investment we should certainly take advantage of.”

“Access to water will be the greatest climate challenge the world faces in the next decade,” said Susan Kennedy, Executive Chair of Cadiz and President of Fenner Gap. “And, it will be rural, low-income and disadvantaged communities that bear the brunt, particularly areas that are highly dependent upon State Water Project supplies.”

San Bernardino County served as a responsible agency during the Water Project’s CEQA process and, in 2012, approved the Project’s groundwater monitoring plan to ensure the protection of desert resources during operation. In February 2023, the County and SMWD formed the Technical Review Panel comprised of hydrology experts to begin reviewing hydrological data and establish a baseline for Project operations.

The Authority Board meets monthly.

### **About Fenner Valley Water Authority**

Founded in 2014, the Fenner Valley Water Authority (“FVWA”) is a joint powers agency between Santa Margarita Water District, Fenner Gap Mutual Water Company, and San Bernardino County with SMWD serving as the “designated entity” of FVWA under California Government Code § 6509, whose purpose is to lease, maintain and eventually own the facilities and associated appurtenances necessary for the conveyance and delivery of water from the Cadiz Water Conservation, Recovery and Storage Project and provide oversight for operation of the Project in accordance with the groundwater monitoring plan approved by San Bernardino County.

### **About Fenner Gap Mutual Water Company**

Fenner Gap Mutual Water Company (“FGMWC”) is a nonprofit mutual benefit corporation established in 2012 by Cadiz Inc. as a California Mutual Water Company pursuant to California Public Utilities Code §§ 2704 and 2705 and authorized to deliver conserved water to its members as it is made available by Cadiz at cost.

### **About Cadiz, Inc.**

Founded in 1983, Cadiz Inc. (NASDAQ: CDZI) is a California water solutions company dedicated to providing access to clean, reliable and affordable water for people through a variety of innovative water supply, storage, conveyance and treatment projects. For more information, please visit [www.cadizinc.com](http://www.cadizinc.com).



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*FORWARD LOOKING STATEMENT: This release contains forward-looking statements that are subject to significant risks and uncertainties, including statements related to the future operating and financial performance of the Company and the financing activities of the Company. Although the Company believes that the expectations reflected in our forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Factors that could cause actual results or events to differ materially from those reflected in the Company's forward-looking statements include the Company's ability to maximize value for Cadiz land and water resources, the Company's ability to obtain new financing as needed, the receipt of additional permits for the water project and other factors and considerations detailed in the Company's Securities and Exchange Commission filings.*

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