



To: Kristine Day

From: Bob Rovzar

Date: 12/03/2021

Subject: Pre-Treatment Facility Agreement Request for Extension - Revised

Dear Ms. Day,

This memorandum is intended to serve as a formal request to extend our Pre-Treatment Facility Agreement by eight months, which was executed on September 24, 2019, with a granted interim rate that was based on the flow component only set at \$3.09/HCF. The duration of the interim agreement was established July 1, 2018 to December 31, 2022.

As discussed, we recognize the need to go beyond our initial agreed upon investment as proposed by Gannet Fleming's Perricone Interim Agreement Letter on March 25, 2019. For this reason, we are asking for a rate extension until August 31, 2023 to be set at \$3.09/HCF.

We are in the final selection process of retaining Ryan Gallagher now representing MKN & Associates to optimize our waste-water pre-treatment facility to further enhance the efficacy of our effluent. We are proposing the following project implementation schedule:

ACTION	MILESTONE
Design of Equalization Tank	December 1, 2021 - January 31, 2022
Permit Approval	February 1, 2022 - March 31, 2022
Construction of Equalization Tank	July 31, 2022
Startup and Optimization	August 31, 2022
End of Interim Rate Agreement (revised)	August 31, 2023

As noted above, the additional eight months extension will consist of design, construction, and startup of a larger equalization tank and system. We estimate our additional construction cost to be \$1M. This would bring our total spend to \$4.1M.

If you have any questions, please feel free to contact Jerry Badeau at (559) 805-8757.

Sincerely,

Bob Rovzar  
CEO, Perricone Juices