

**RIO LINDA / ELVERTA COMMUNITY WATER DISTRICT
SPECIAL MEETING OF THE
BOARD OF DIRECTORS**

New Beginnings Fellowship
7008 10th St. Rio Linda, CA
February 13, 2025 (5:30 p.m.)

THIS MEETING WILL BE PHYSICALLY OPEN TO THE PUBLIC WITH SOME REASONABLE
LIMITATIONS PURSUANT TO CURRENT STATE AND COUNTY HEALTH & SAFETY
GUIDELINES.

Our Mission is to provide a safe and reliable water supply in a cost-effective manner.

AGENDA

The Board may discuss and take action on any item listed on this agenda. The Board may address any item(s) in any order as approved by the Board.

The public will be given the opportunity to directly address the Board on each listed agenda item during the Board's consideration of that item. Public comment on items appearing on this agenda are welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or any majority of the members of the Board of Directors less than 24 hours before the meeting are available for public inspection at the District office at 730 L Street, Rio Linda, CA 95673. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the District office at (916) 991-1000. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

1. CALL TO ORDER, ROLL CALL,

2. PUBLIC COMMENT

2.1. Members of the public are invited to speak to the Board regarding items that are on the agenda. Each speaker may address the Board once under Public Comment for a limit of 2 minutes. (Policy Manual § 2.01.160).

3. ITEMS FOR DISCUSSION AND ACTION

3.1. Consider approving the Engagement Agreement with Best, Best and Krieger for Provision of Legal Services.

4. PUBLIC COMMENT PRIOR TO CLOSED SESSION

5. CLOSED SESSION - THE BOARD OF DIRECTORS WILL MEET IN CLOSED SESSION TO DISCUSS THE FOLLOWING ITEM:

5.1. CONFERENCE WITH LABOR NEGOTIATORS - (Pursuant to Government Code Section 54957.6) District Negotiators; Shaw, Young, & Cline. RLECWD Employee General Unit, Teamster Local 150 regarding Renewal of Memorandum of Understanding.

6. RETURN TO OPEN SESSION, REPORT OF ACTIONS TAKEN IN CLOSED SESSION

7. ADJOURNMENT

Upcoming meetings:

Regular Board Meeting

February 24, 2025, 6:30 pm Visitors / Depot Center 6730 Front St. Rio Linda, CA .



Items for Discussion and Action Agenda Item: 3.1

Date: February 13, 2025

Subject: Engagement of Best, Best and Krieger for Legal Services

Staff Contact: Timothy R. Shaw, General Manager

Recommended Committee Action:

N/A – This item was not discussed at Executive Committee

Current Background and Justification:

This item was stipulated by the Board at the January 27th meeting. Specifically, the Board directed the engagement of new Legal Counsel be the first item on the next meeting agenda.

Further, the District reasonably needs to be formally engage with the new Legal Counsel for its closed session item on this special meeting agenda.

The proposed engagement agreement is a document associated with this item.

Conclusion:

I recommend the Board authorize execution of the engagement agreement with Best, Best, and Krieger.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline _____ Gifford _____ Green _____ Liverett _____ Young _____
(A) Yea (N) Nay (Ab) Abstain (Abs) Absent

**AGREEMENT FOR GENERAL COUNSEL AND SPECIAL COUNSEL
LEGAL SERVICES
BETWEEN
RIO LINDA ELVERTA COMMUNITY WATER DISTRICT, A PUBLIC UTILITY
DISTRICT OF THE STATE OF CALIFORNIA ("RLECWD")
AND
BEST BEST & KRIEGER LLP**

1. PARTIES AND DATE

This Agreement is made and entered into as of the 28th day of January, 2025, by and between the RIO LINDA ELVERTA COMMUNITY WATER DISTRICT, a Public utility district of the State of California ("RLECWD"), a County Water District ("Client") and Best Best & Krieger LLP, a limited liability partnership engaged in the practice of law ("BB&K").

2. RECITALS

2.1 Client wishes to engage the services of BB&K as its General Counsel to perform all necessary legal services for the Client on the terms set forth below.

3. TERMS.

3.1 Term. The term of this Agreement shall commence on January 28, 2025 and shall continue in full force and effect until terminated in accordance with Section 3.12.

3.2 Scope of Services. BB&K shall serve as General Counsel and shall perform legal services ("Services") as may be required from time to time by the Client as set forth by this Agreement, unless otherwise agreed to by the Client and BB&K. As part of the Services to be performed hereunder, BB&K shall be responsible for the following:

3.2.1 Preparation for, and attendance at, regular meetings of the Client;

3.2.2 Provision of legal counsel at such other meetings as directed by the Client;

3.2.3 Preparation or review of Client ordinances and resolutions, together with such staff reports, orders, agreements, forms, notices, declarations, certificates, deeds, leases and other documents as requested by the Client;

3.2.4 Rendering to the officers and employees of the Client legal advice and opinions on all legal matters affecting the Client, including new legislation and court decisions, as directed by the Client;

3.2.5 Researching and interpreting laws, court decisions and other legal authorities in order to prepare legal opinions and to advise the Client on legal matters pertaining to Client operations, as directed by the Client;

3.2.6 Performing legal work pertaining to property acquisition, property disposal, public improvements, public rights-of-way and easements, as directed by the Client;

3.2.7 Responding to inquiries and review for legal sufficiency ordinances, resolutions, contracts, and administrative and personnel matters, as directed by the Client;

3.2.8 Representing and assisting on litigation matters, as directed by the Client. Such services shall include, but shall not be limited to, the preparation for and making of appearances, including preparing pleadings and petitions, making oral presentations, and preparing answers, briefs or other documents on behalf of the Client, and any officer or employee of the Client, in all federal and state courts of this State, and alternative dispute resolution officer, and before any governmental board or commission, including reviewing, defending or assisting any insurer of the Client or its agents or attorneys with respect to any lawsuit filed against the Client or any officer or employee thereof, for money or damages.

ADDITIONAL SERVICES FOR AN ADDITIONAL FEE

3.2.9 **BB&K's Project 5 Program.** Provides participants with memoranda summarizing new changes in case law under the California Environmental Quality Act ("CEQA"), an annually updated set of CEQA notices and forms to aid participants in meeting CEQA's requirements, an annually updated set of Local CEQA Guidelines and a draft Resolution for adopting Local CEQA Guidelines, memoranda summarizing pending and recently passed CEQA legislation, and other CEQA resources and materials. Memoranda, forms, and guidelines are provided to participating agencies via the CEQA Guidelines Client Portal, a secure website providing an on-demand and continually updating library of CEQA resources. By providing our Project 5 Program updates to a large pool of participants, BB&K is able to divide the overall cost of the products among all participants and charge only a fraction of the total costs to the individual client agencies.

3.2.10 **BB&K's Advanced Records Center Services.** Through its new Advanced Records Center ("ARC"), BB&K combines its legal acumen and experience with cutting-edge technology to provide comprehensive and cost-effective support for non-routine records-related matters. Specifically, at the Client's option, the ARC team will assist Client with non-routine Public Records Act Processing and Policy Drafting, as detailed below. See Exhibit "A" for more details.

3.2.11 **BB&K Trainings.** Best Best & Krieger LLP offers a variety of trainings to public agency and private business leadership and staff on topics required by law, as well as preventative and educational legal topics. The trainings are interactive and can be given onsite, via live webinar or virtual on-demand. Some of our most popular trainings include AB 1234 Ethics, Workplace Civility and Sexual Harassment Avoidance Training, The Brown Act "Open Meetings Law," Crystalizing Your Agency's CPRA Policies & Procedures and SB 1343 Sexual Harassment Avoidance Training for Non-Supervisors.

3.2.12 **BB&K's Election Law Center Subscription Services.** Participants in BB&K's Election Law Center will be given access to up-to-date election document templates, including resolutions and other mandatory election documents. The annual subscription also gives

participants access to BB&K's Election Law Center hotline, which participants can use for guidance on day-to-day election law questions that arise during campaign and election season.

3.3 Designated General Counsel. Andreas Booher shall be designated as General Counsel, and shall be responsible for the performance of all Services under this Agreement, including the supervision of Services performed by other members of BB&K. Olivia Clark shall be designated as Assistant General Counsel, and shall attend such meetings as may be requested by the General Counsel. Andreas Booher shall be designated as Successor Agency Counsel. No change in these assignments shall be made without the consent of the Client.

3.4 Time of Performance. The Services of BB&K shall be performed expeditiously in the time frames and as directed by the Client.

3.5 Assistance. The Client agrees to provide all information and documents necessary for the attorneys at BB&K to perform their obligations under this Agreement.

3.6 Independent Contractor. BB&K shall perform all legal services required under this Agreement as an independent contractor of the Client and shall remain, at all times as to the Client, a wholly independent contractor with only such obligations as are required under this Agreement. Neither the Client, nor any of its employees, shall have any control over the manner, mode or means by which BB&K, its agents or employees, render the legal services required under this Agreement, except as otherwise set forth. The Client shall have no voice in the selection, discharge, supervision or control of BB&K's employees, representatives or agents, or in fixing their number, compensation, or hours of service.

3.7 Fees and Costs. BB&K shall render and bill for legal services in the following categories and at rates set forth in Exhibit "A" and in accordance with the BB&K Billing Policies set forth in Exhibit "B", both of which are attached hereto and incorporated herein by reference. In addition, the Client shall reimburse BB&K for reasonable and necessary expenses incurred by it in the performance of the Services under this Agreement. Authorized reimbursable expenses shall include, but are not limited to, printing and copying expenses, mileage expenses at the rate allowed by the Internal Revenue Service, toll road expenses, long distance telephone and facsimile tolls, computerized research time (e.g. Lexis or Westlaw), research services performed by BB&K's library staff, extraordinary mail or delivery costs (e.g. courier, overnight and express delivery), court fees and similar costs relating to the Services that are generally chargeable to a client. However, no separate charge shall be made by BB&K for secretarial or word processing services.

3.8 Billing. BB&K shall submit monthly to the Client a detailed statement of account for Services. The Client shall review BB&K's monthly statements and pay BB&K for Services rendered and costs incurred, as provided for in this Agreement, on a monthly basis.

3.9 Annual Reviews. The Client and BB&K agree that a review of performance and the compensation amounts referenced in this Agreement should occur at least annually.

3.10 Insurance. BB&K carries errors and omissions insurance with Lloyd's of London. After a standard deductible, this insurance provides coverage beyond what is required by the State of California. A declaration page containing information about BB&K's errors and omissions insurance policy is available upon Client's request.

3.11 Attorney-Client Privilege. Confidential communication between the Client and BB&K shall be covered by the attorney-client privilege. As used in this article, “confidential communication” means information transmitted between the Client and BB&K in the course of the relationship covered by this Agreement and in confidence by a means that, so far as the Client is aware, discloses the information to no third persons other than those who are present to further the interests of the Client in the consultation or those to whom disclosure is reasonably necessary for the transmission of the information or the accomplishment of the purpose for which BB&K is consulted, and includes any legal opinion formed and advice given by BB&K in the course of this relationship.

3.12 Termination of Agreement and Legal Services. This Agreement and the Services rendered under it may be terminated at any time upon thirty (30) days’ prior written notice from either party, with or without cause. In the event of such termination, BB&K shall be paid for all Services authorized by the Client and performed up through and including the effective date of termination. BB&K shall also be reimbursed for all costs associated with transitioning any files or other data or documents to a new law firm or returning them to the Client.

3.13 Entire Agreement. This Agreement contains the entire Agreement of the parties with respect to the subject matter hereof, and supersedes all prior negotiations, understandings or agreements.

3.14 Governing Law. This Agreement shall be governed by the laws of the State of California. Venue shall be in Sacramento County.

3.15 Amendment; Modification. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing and signed by both parties.

3.16 Waiver. No waiver of any default shall constitute a waiver of any other default or breach, whether of the same or other covenant or condition. No waiver, benefit, privilege, or service voluntarily given or performed by a party shall give the other party any contractual rights by custom, estoppel, or otherwise.

3.17 Invalidity; Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

3.18 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.19 Delivery of Notices. All notices permitted or required under this Agreement notices shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service. All notices permitted or required under this Agreement shall be given to the respective parties at the following address, or at such other address as the respective parties may provide in writing for this purpose:

Client: Name: Rio Linda Elverta Community Water District
 Timothy Shaw
 Title: General Manager
 Address: 730 L Street
 Rio Linda CA 95673

BB&K: Andreas Booher
 Partner
 Best Best & Krieger LLP
 500 Capitol Mall, Suite 250
 Sacramento, CA 95814
 Tel.: (916) 551-2829

3.20 Indemnification.

(A) BB&K agrees to indemnify Client its officers, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities") that may be asserted or claimed by any person, firm or entity arising from the negligent acts or omissions of BB&K hereunder, or arising from BB&K's negligent performance of any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the negligence or willful misconduct of Client, its officers, agents or employees.

(B) Client acknowledges BB&K is being appointed as General Counsel pursuant to the authority of Government Code Section 36505, and has the authority of that office. Accordingly, the Client is responsible pursuant to Government Code Section 825 for providing a defense for the General Counsel for actions within the scope of its engagement hereunder. Therefore, Client agrees to undertake its statutory duty and indemnify BB&K, its officers, employees and agents against and will hold and save each of them harmless from, any and all claims or liabilities that may be asserted or claims by any person, firm or entity arising out of or in connection with the work, operations or activities of BB&K within the course and scope of its performance hereunder, but nothing herein shall require Client to indemnify BB&K for liability arising from its own negligence or alleged negligence. In connection herewith:

(i) Client will promptly provide a defense and pay any judgment rendered against the Client, its officers, agency or employees for any such claims or liabilities arising out of or in connection with such work, operations or activities of Client hereunder; and

(ii) In the event BB&K, its officers, agents or employees is made a party to any action or proceeding filed or prosecuted against Client for such damages or other claims solely arising out of or in connection with the work operation or activities of Client hereunder, Client agrees to pay to BB&K, its officers, agents or employees any and all costs and expenses incurred by attorney, its officers, agents or employees in such action or proceeding, including, but not limited to, legal costs and attorneys' fees.

IN WITNESS WHEREOF, the Client and BB&K have executed this Agreement for General Counsel Legal Services as of the date first written above.

(signatures contained on following page)

DRAFT

**SIGNATURE PAGE TO
AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES
BETWEEN
RIO LINDA ELVERTA COMMUNITY WATER DISTRICT, A PUBLIC UTILITY
DISTRICT OF THE STATE OF CALIFORNIA ("RLECWD")
AND
BEST BEST & KRIEGER LLP**

**RIO LINDA ELVERTA COMMUNITY
WATER DISTRICT, A PUBLIC UTILITY
DISTRICT OF THE STATE OF
CALIFORNIA ("RLECWD"):**

By: _____
Name:

ATTEST:

By: _____
Name:

BEST BEST & KRIEGER LLP:

By: _____
Name: Andreas Booher
Title: Partner

EXHIBIT A

TO

AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES

BETWEEN

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT, A PUBLIC UTILITY

DISTRICT OF THE STATE OF CALIFORNIA ("RLECWD")

AND

BEST BEST & KRIEGER LLP

BILLING ARRANGEMENTS

1. Basic Legal Services - Description. Basic legal services shall include all services provided to Client that are not otherwise specifically identified below as other types of specialized legal services.

2. Basic Hourly Rates. The Client shall pay for Basic Legal Services at the following rates:

All Attorneys	\$290
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Paralegals, Law Clerks, Analysts	\$175
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3. PRA Processing tasks handled by the Advanced Records Center (ARC) will be billed at the following rates:

Attorneys, Paralegals, Law Clerks, Analysts	\$250
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Through its new Advanced Records Center ("ARC"), BB&K combines its legal acumen and experience with cutting-edge technology to provide comprehensive and cost-effective support for non-routine records-related matters. Specifically, at the Client's option, the ARC team will assist Client with non-routine Public Records Act Processing and Policy Drafting, as detailed below.

4. PRA Processing

A. Support the Client in the processing of public records by:

(i) working with Client's staff, including technology staff, to identify and collect the records that are responsive to public records requests;

(ii) using processing and review software to efficiently treat and handle paper and electronic responsive records; and

(iii) reviewing and redacting records, uncovering complex legal questions, and analyzing records for potential significance.

5. Policy Drafting

A. Assist the Client in updating the following policies to reflect industry standards and best practices:

(i) Document Retention Policy & Schedule, specifically the purging of emails and other electronic records;

(ii) Litigation Hold Policy, including procedures for when and how to suspend document destruction schedule;

(iii) Electronic Devices Policy, including Client-issued and personal devices (BYOD) as well as responsible and personal use; and

Social Media Policy, including responsible use and document retention.

6. Special Legal Services - Description. Special Legal Services shall include the following types of services:

- A. Litigation and formal administrative or other adjudicatory hearing matters
- B. Labor relations and employment matters
- C. Non-routine real estate matters (e.g. CC&R's, deed or title work)
- D. Land acquisition and disposal matters (including pre-condemnation)
- E. Successor Agency and housing matters
- F. Taxes, fees and charges matters (e.g. Prop. 218 & Mitigation Fee Act)
- G. Public construction disputes
- H. Non-routine contract negotiation matters (including non-BB&K model agreements and franchise agreements)
- I. Non-routine land use and development matters (including general plan updates, Williamson Act issues, annexations and development agreements)
- J. Environmental matters (e.g. CEQA, NEPA, endangered species)
- K. Water law matters (e.g. water rights & quality)
- L. Tax and ERISA related matters
- M. Toxic substances matters (e.g. CERCLA, RCRA)

N. Complex public utility matters (e.g. electric, natural gas, telecommunications, water, rail or transit that involve state or federal regulatory issues)

O. Renewable energy and energy efficiency project contracts and power purchase agreements

P. Intergovernmental Relations and Advocacy efforts (e.g. legislative and regulatory representation) at the federal and state level.

Q. Non-routine election law matters, including election law litigation.

R. Other matters mutually agreed upon between BBK and the General Manager.

7. Special Legal Services – Rates. The Client shall pay for Special Legal Services at the following hourly rates:

Partners & Of Counsel	\$ 375
Associates	\$ 295
Pension Consultants	\$ 280
Paralegals, Law Clerks, Analysts	\$ 185

8. Agreement Regarding Rate Categories. If BB&K believes that a matter falls within the Special Legal Services, Third Party Reimbursable Legal Services, or Public Finance Legal Services rate categories, BB&K shall seek approval from the General Manager or his designee. The General Manager's or his designee's approval of such a request from BB&K shall not be unreasonably withheld.

9. Other Billing Personnel. If, as, and when BB&K employs additional or different billing personnel, this Agreement may be supplemented by written administrative memoranda, providing for the categories and billing rates for such personnel, which memoranda may be approved by the General Manager.

10. Annual Adjustments

The above rates will be adjusted annually. Beginning July 1, 2026 and every July 1 thereafter with advanced written notice, the rates above shall be increased for the change in the cost of living for the most recently published twelve (12) month period, as shown by the U.S. Department of Labor in its All Urban Consumers Index set forth West Region (monthly) provided, however, that such adjustment shall never be lower than zero percent (0%). In addition to the automatic rate increases, either BB&K or the Client may initiate consideration of a rate increase at any time.

11. Third Party Reimbursable Legal Services - Description. Third Party Reimbursable Legal Services shall include legal services provided to the Client for which the Client receives reimbursement from a developer or other third party. These reimbursable legal services include, but are not limited to, negotiation and review of development agreements, planning entitlements, review of CC&Rs; establishment of financing districts (i.e., Community Facilities Districts; Assessment Districts; Landscape and Lighting Maintenance Districts); the processing of land use/environmental projects for which the Client is entitled to reimbursement, as well as defending any challenges to project entitlements or any dispute or litigation related to such reimbursable legal services.

12. Third Party Reimbursable Legal Services - Rates. The Client shall pay for Third Party Reimbursable Legal Services at BB&K's then current published standard private client rates. Upon execution of this Agreement, BB&K shall provide a copy of its published rate schedule to the Client. BB&K shall also provide annual written updates to the Client when changes are made to the published rate schedule.

13. Public Finance & Bond Services. BB&K will provide bond counsel, special counsel or disclosure counsel services at the request of the Client. Such bond counsel and special counsel services include the preparation of all legislative approvals and legal documentation relating to the appropriate sale and delivery of the bonds, notes or other obligations. BB&K will also prepare such closing certificates and legal opinions necessary for the delivery of the bonds. As disclosure counsel, we will prepare the disclosure documents for the Client and conduct the necessary due diligence related to the transaction. Our fees will be determined based upon the type of financing and the expected involvement of the attorneys involved. We will provide the Client with a detailed description of our services and our fees and reimbursable costs upon the Client's request. Notwithstanding the foregoing, in those cases where the fees are reimbursable by a third party, at BB&K's option it may proceed on an hourly basis and utilize the Third Party Reimbursable Legal Services category provided for in this Amendment, including with respect to services rendered for the formation of, or annexation to, a CFD (of either the Client or other local public agency), as well as the negotiation and preparation of funding agreements and joint financing agreements. Legal services related to the Client's compliance with its continuing disclosure covenants and provide such necessary advice on the Client's compliance shall be billed as Special Legal Services, above.

EXHIBIT B

TO

AGREEMENT FOR GENERAL COUNSEL LEGAL SERVICES

BETWEEN

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT, A PUBLIC UTILITY

DISTRICT OF THE STATE OF CALIFORNIA ("RLECWD")

AND

BEST BEST & KRIEGER LLP

BB&K BILLING POLICIES

Our century of experience has shown that the attorney-client relationship works best when there is mutual understanding about fees, expenses, billing and payment terms. Therefore, this statement is intended to explain our billing policies and procedures. Clients are encouraged to discuss with us any questions they have about these policies and procedures. Clients may direct specific questions about a bill to the attorney with whom the client works or to our Accounts Receivable Department (accounts.receivable@bbklaw.com). Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between the client and the firm.

Invoice and Payment Options

Best Best & Krieger strives to meet our clients' needs in terms of providing a wide variety of invoice types, delivery and payment options. Please indicate those needs including the preferred method of invoice delivery (Invoice via Email; or USPS). In addition, accounts.receivable@bbklaw.com can provide a W-9 upon request and discuss various accepted payment methods.

Fees For Electronically Stored Information ("ESI") Support and Storage

BBK provides Electronically Stored Information ("ESI") services for matters requiring ESI support, which are matters with a document population over 1 GB – typically litigation or threatened litigation matters. BBK provides services for basic ESI processing and storage at the following rates per month based on the number of gigabytes of data ("GB") processed and stored:

1GB -250GB: \$10 per GB
 251GB - 550GB: \$8 per GB
 551GB - 750GB: \$6 per GB
 751GB - 1TB: \$4 per GB

The amount BBK charges for basic processing and storage of ESI allows BBK to recover the costs of providing such services, plus a net profit for BBK. BBK believes that the rates it charges for processing and storage are lower than comparable services available from third party vendors in the market. If you wish to contract separately with a third party vendor for processing and storage costs, please notify PracticeSupportServices@bbklaw.com in writing. BBK also provides advanced ESI processing services at hourly rates for personnel in its Litigation Support Group. A copy of BBK's current rates for such services will be provided upon request.

Fees for Professional Services

Unless a flat fee is set forth in our engagement letter with a client, our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on that client's behalf. In special circumstances which will be discussed with the client and agreed upon in writing, fees will be based upon the novelty or difficulty of the matter, or the time or other special limitations imposed by the client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on the client's behalf. All legal services are billed in one-tenth of an hour (0.10/hour) or six-minute increments. Our attorneys are currently billed at rates from \$260 to \$1085 per hour, and our administrative assistants, research assistants, municipal analysts, litigation analysts, paralegals, paraprofessionals and law clerks are billed at rates from \$145 to \$350 per hour for new work. These rates reflect the ranges in both our public and our private rates. These hourly rates are reviewed annually to accommodate rising firm costs and to reflect changes in attorney status as lawyers attain new levels of legal experience. Any increases resulting from such reviews will be instituted automatically and will apply to each affected client, after advance notice.

Non-Attorney Personnel: BBK may employ the services of non-attorney personnel under the supervision of a BBK attorney in order to perform services called for in the legal services agreement. The most common non-attorney personnel utilized are paralegals. Other types of non-attorney personnel include, but are not limited to, case clerks, litigation analysts, and specialty consultants. The client agrees that BBK may use such non-attorney personnel to perform its services when it is reasonably necessary in the judgment of the responsible BBK attorney. Hourly fees for non-attorney personnel will be charged at the rate then in effect for such personnel. A copy of BBK's current rates and titles for non-attorney personnel will be provided upon request.

Fees For Other Services, Costs and Expenses

We attempt to serve all our clients with the most effective support systems available. Therefore, in addition to fees for professional legal services, we also charge separately for some other services and expenses to the extent of their use by individual clients. These charges include but are not limited to, mileage at the current IRS approved rate per mile, extraordinary telephone and document delivery charges, copying charges, computerized research, court filing fees and other court-related expenditures including court reporter and transcription fees. No separate charge is made for secretarial or word processing services; those costs are included within the above hourly rates.

We may need to advance costs and incur expenses on your behalf on an ongoing basis. These items are separate and apart from attorneys' fees and, as they are out-of-pocket charges, we need to have sufficient funds on hand from you to pay them when due. We will advise the client from time to time when we expect items of significant cost to be incurred, and it is required that the client send us advances to cover those costs before they are due.

Advance Deposit Toward Fees And Costs

Because new client matters involve both a substantial undertaking by our firm and the establishment of client credit with our accounting office, we require an advance payment from

clients. The amount of this advance deposit is determined on a case-by-case basis discussed first with the client, and is specified in our engagement letter.

Upon receipt, the advance deposit will be deposited into the firm's client trust account. Our monthly billings will reflect such applications of the advance deposit to costs and not to attorney's fees (unless otherwise noted in our accompanying engagement letter). At the end of engagement, we will apply any remaining balance first to costs and then to fees. We also reserve the right to require increases or renewals of these advanced deposits.

By signing the initial engagement letter, each client is agreeing that trust account balances may be withdrawn and applied to costs as they are incurred and to our billings, when we issue our invoice to the client. If we succeed in resolving your matter before the amounts deposited are used, any balance will be promptly refunded.

Monthly Invoices and Payment

Best Best & Krieger LLP provides our clients with monthly invoices for legal services performed and expenses incurred. Invoices are due and payable upon receipt.

Each monthly invoice reflects both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on the client's behalf that have been processed by the end of the prior month. Processing of some expenses is delayed until the next month and billed thereafter.

Our fees are not contingent upon any aspect of the matter and are due upon receipt. All billings are due and payable within ten days of presentation unless the full amount is covered by the balance of an advance held in our trust account.

It is our policy to treat every question about a bill promptly and fairly. It is also our policy that if a client does not pay an invoice within 60 days of mailing, we assume the client is, for whatever reason, refusing to pay. We reserve the right to terminate our engagement and withdraw as attorney of record whenever our invoices are not paid. If an invoice is 60 days late, however, we may advise the client by letter that the client must pay the invoice within 14 days or the firm will take appropriate steps to withdraw as attorney of record. If the delay is caused by a problem in the invoice, we must rely upon the client to raise that with us during the 14-day period. This same policy applies to fee arrangements which require the client to replenish fee deposits or make deposits for anticipated costs.

From time to time clients have questions about the format of the bill or description of work performed. If you have any such questions, please ask them when you receive the bill so we may address them on a current basis.

Changes in Fee Arrangements and Budgets

It may be necessary under certain circumstances for a client to increase the size of required advances for fees after the commencement of our engagement and depending upon the scope of the work. For example, prior to a protracted trial or hearing, the firm may require a further advance payment to the firm's trust account sufficient to cover expected fees. Any such changes in fee arrangements will be discussed with the client and mutually agreed in writing.

Because of the uncertainties involved, any estimates of anticipated fees that we provide at the request of a client for budgeting purposes, or otherwise, can only be an approximation of potential fees.

BEST BEST & KRIEGER LLP

DRAFT



Andreas Booher
Partner
(916) 551-2829
andreas.booher@bbklaw.com

February 12, 2025

VIA EMAIL: GM@RLECWD.COM

Tim Shaw
General Manager
Rio Linda Elverta Community Water District
730 L Street
Rio Linda, CA 95673

Re: Advance Conflict Waiver Regarding Representation of Other Clients in
Water Law Issues

Dear Mr. Shaw:

Best Best & Krieger ("BBK") has been asked to represent Rio Linda Elverta Community Water District (the "Water District") on a variety of matters as its General Counsel (the "Water District Matters"). As you may know, BBK also represents a broad range of clients involved in water law issues that may be adverse or potentially adverse to the Water District in the future. It is possible that BBK may represent additional clients within or surrounding the Water District on water issues in the future. BBK is not handling any matter adverse to the Water District at this time, but such conflicts may arise due to BBK representing other clients on groundwater matters related to the same water basin used by the Water District, or groundwater matters that may have an impact on the water basins used by the Water District.

This letter is to request an advance waiver from the Water District so that BBK may represent other clients in the future on water issues adverse or potentially adverse to the Water District. If we are to represent other clients on water issues adverse to the Water District, we must still obtain the Water District's informed written consent to any potential or actual conflict of interest.

RULES OF PROFESSIONAL CONDUCT

Rule 1.7 of the California Rules of Professional Conduct provides:

- (a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.
- (b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer's representation of the client will be materially limited by the lawyer's

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responsibilities to or relationships with another client, a former client or a third person, or by the lawyer's own interests.

. . .

- (d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), . . . and:
- (1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;
 - (2) the representation is not prohibited by law; and
 - (3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

**REPRESENTATION OF OTHER CLIENTS IN WATER LAW ISSUES –
ADVANCE WAIVER OF CONFLICTS**

BBK represents many types of clients in a variety of matters. For many years, water law has been a large part of BBK's practice. BBK advises many of its clients regarding water law issues, such as surface water, ground water, imported water, water transfers, water quality, water rights, and various Delta related matters. These other BBK clients are routinely involved in water law issues which could directly or indirectly affect water supplies, rights and policies of the Water District because our other clients may share the same water basins as the Water District or have an impact on the water basins used by the Water District.

As far as we know, BBK is not currently representing any other client on water issues adverse to the Water District. If another current, or new BBK client has an interest in water issues affecting the Water District, then BBK might be asked to provide advice and representation on that matter. Such work might include representation concerning groundwater sustainability agencies, transactions, negotiations, representation on CEQA or NEPA issues, administrative hearings before the State Water Resources Control Board or other state or federal agencies, regulatory permitting, disputes, or litigation ("Future Water Matters"), any of which could be adverse to the Water District's interest in water issues.

If we are representing the Water District on the Water District Matters or any other issues, and another client asks BBK to represent it against the Water District on Future Water Matters, then we would otherwise first need to obtain consent from the Water District to represent the other client. Because of our lengthy relationship with many of our water purveyor clients, and because such a large part of our practice involves clients with a variety of water issues, we cannot risk refusal of such consent. Therefore, we ask that the Water District sign this letter giving the Water District's advanced consent now to any future representation of other current or future BBK clients in Future Water Matters adverse to the Water District so that we do not need to ask the Water District for such consent in the future.

As part of this advance consent, BBK shall promptly inform the Water District in writing of any future representation of a client(s) against or adverse to the Water District to provide the Water District the opportunity to determine if it wishes to replace BBK in those circumstances. If the Water District decides to continue to use BBK as counsel, and BBK agrees to continue representing the Water District in those circumstances, then we will establish an ethical screen so that the lawyers representing the Water District do not share any confidential information of the Water District with other lawyers at BBK and vice versa. Regardless of the circumstances, BBK will not disclose any confidential information received from the Water District to any other client of BBK. Likewise, by signing this letter, the Water District agrees that it will not disclose any confidential the Water District information to BBK on any issues involving water rights, interests, policy or strategy concerning water issues.

POTENTIAL ADVERSE CONSEQUENCES

Because BBK is not currently representing a client adverse to the Water District regarding water issues, it is impossible to predict exactly the facts related to any such future conflict, but we do believe it is possible to describe the reasonably foreseeable potential adverse consequences that would arise, which include the following:

- We may be tempted to favor the interests of one client over the other.
- Our exercise of independent judgment to the Water District may be impaired or clouded by our relationship with other clients.
- There may be an appearance of impropriety in our representation of both clients simultaneously on unrelated matters.
- We may inadvertently disclose confidential information to a client that the Water District would not like revealed.
- We may be restricted from forcefully advocating the Water District's position for fear of alienating another client depending upon the circumstances.


THE WATER DISTRICT'S CONSENT

If the Water District agrees to the above, we need an authorized representative of the Water District to sign this consent letter. This consent will not waive any protection that the Water District may have with regard to attorney-client communications with us in the Water District's matters. Those communications will remain confidential and will not be disclosed to any third party without the Water District's consent.

Please consider this matter carefully, and do not hesitate to contact us if the Water District has any questions or concerns. The Water District may wish to confer with independent legal counsel regarding this disclosure and the Water District's consent, and the Water District should feel free to do so.

The Water District's execution of the informed consent form on the following page will constitute an acknowledgment of full disclosure in compliance with the requirements of Rule 1.7 of the California Rules of Professional Conduct previously quoted in this letter, and the Water District's consent to proceeding with our representation of the Water District

Sincerely,



Andreas Booher
of BEST BEST & KRIEGER LLP

CONSENT

By this letter, Best Best & Krieger LLP has explained the existing and/or reasonably foreseeable potential risks and conflict(s) of interest in the above referenced matter, and has informed the Water District of the possible consequences of this representation and these conflicts. The Water District understands that it has the right to and has been encouraged to consult with independent counsel before signing this consent, and the Water District acknowledges that it has been given sufficient time to do so. Notwithstanding the foregoing, the Water District hereby consents and agrees to the above.

RIO LINDA ELVERTA COMMUNITY WATER DISTRICT

By: _____

Dated: _____

BOARD MEMBER MEETING HANDOUT

 **Topic:** Review of Legal Services Agreement with Best, Best & Krieger (BB&K)

 **Date:** February 13, 2025

 **Rio Linda / Elverta Community Water District Board Meeting**


◆ Key Questions & Contract References

1. Legal Fees & Cost Control

 **Page Reference:** Exhibit A, Section 10 ("Annual Adjustments")

 **Question:**


"The agreement includes automatic annual rate increases. Can we negotiate a cap on these increases or require Board approval before any rate adjustments?"

 **Page Reference:** Exhibit A, Section 7 ("Special Legal Services Rates")

 **Question:**

"The rates for Partners (\$375/hour) and Associates (\$295/hour) are higher than the standard rate (\$290/hour). Can we ensure that routine matters are handled at the lower rate?"

2. Termination & Transition Costs

 **Page Reference:** Section 3.12 ("Termination of Agreement and Legal Services")

 **Question:**

"If the District decides to terminate the agreement, what are the exact transition costs? Are there any hidden penalties for switching legal counsel?"

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 **Page Reference: Section 3.12 (Final Paragraph)**

 **Follow-up Question:**

*"BB&K will be reimbursed for '

◆ Key Legal Considerations (To Discuss with Attorney)

1. Board Authority vs. GM Authority

- The **Board of Directors, not the General Manager, is the governing body** of the district.
- The GM **reports to the Board**—not the other way around.
- If the Board **hires and retains legal counsel**, Board members should have reasonable access to that counsel.

2. Conflict of Interest & Transparency Concerns

- If the **GM is controlling access** to the attorney, it creates a **gatekeeping issue** that could:
 - ✗ Prevent board members from getting independent legal guidance.
 - ✗ Allow the GM to **filter** legal advice to fit his own agenda.
 - ✗ Result in the Board **not being fully informed** on legal matters.

3. Attorney-Client Privilege & Representation

- The **attorney represents the District as a whole, not just the GM.**
- Board members may have **a right to seek legal counsel independently** on district-related issues.



Agenda Item: 4

Date: February 13, 2025

Subject: Public Comment for Closed Session

Staff Contact: Timothy R. Shaw, General Manager

4. PUBLIC COMMENT FOR CLOSED SESSION

Public comment for closed session items only. The public is invited to comment on any item listed on the closed session agenda. Each speaker is limited to 2 minutes.



Closed Session Agenda Item: 5

Date: February 13, 2025

Subject: Closed Session

Staff Contact: Timothy R. Shaw, General Manager

5 CLOSED SESSION - The Board of Directors will convene to Closed Session to discuss the following items.

5.1 - CONFERENCE WITH LABOR NEGOTIATORS - (Pursuant to Government Code Section 54957.6) District Negotiators; Shaw, Young, & Cline. RLECWD Employee General Unit, Teamster Local 150 regarding Renewal of Memorandum of Understanding.



**Reconvene Open Session
Agenda Item: 6**

Date: February 13, 2025

Subject: Report of Action Taken in Closed Session

Staff Contact: Timothy R. Shaw, General Manager

6. Return to Open Session and Report of Action Taken in Closed Session

Announce any reportable actions authorized in closed session.

Board Action / Motion

Motioned by: Director _____ Seconded by Director _____

Cline:_____ Gifford:_____ Green _____ Liverett_____ Young_____.

(A) Yea (N) Nay (Ab) Abstain (Abs) Absent