

**LEGAL SERVICES AGREEMENT BETWEEN  
CHESTER PUD AND PRENTICE|LONG, PC**

THIS AGREEMENT for legal services is entered into by and between Chester PUD, a political subdivision of the State of California (“District”), and Prentice|Long, PC (“Law Firm”), effective July 1, 2025 (the “Effective Date”).

**SECTION 1. SERVICES.** Subject to the terms and conditions set forth in this Agreement, Law Firm shall provide to District the services described in the Scope of Work attached hereto and incorporated herein as Exhibit A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, the Agreement shall prevail.

**1.1 Terms of Services.** The term of this Agreement shall begin on the Effective Date and shall end on June 30, 2028, and Law Firm shall complete the work described in Exhibit A prior to that date, unless the term of the Agreement is otherwise terminated, as provided for in Section 7. The time provided to Law Firm to complete the services required by the Agreement shall not affect the District’s right to terminate the Agreement, as provided for in Section 7.1.

Upon expiration of the term of this Agreement, District has the option to offer Law Firm up to two (2) additional one (1) year negotiated extensions. The term and extension periods of this Agreement are as follows:

|                    |          |           |
|--------------------|----------|-----------|
| Term of Agreement: | 7/1/2025 | 6/30/2028 |
| First Extension:   | 7/1/2028 | 6/30/2029 |
| Second Extension:  | 7/1/2029 | 6/30/2030 |

**1.2 Standard of Performance.** Law Firm shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Law Firm is engaged in the State of California. Law Firm shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Law Firm’s profession.

**1.3 Assignment of Personnel.** Law Firm shall assign only competent personnel to perform services pursuant of this agreement. In the event that District, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Law Firm shall, immediately upon receiving notice from District of such desire of District, reassign any such persons. Margaret Long is assigned as the primary contact and she will be assisted by other members of the Law Firm. Law Firm shall not change the primary contact or primary service provider without District’s written consent.

**1.4 Time.** Law Firm shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.2 above, and to satisfy Law Firm's obligations hereunder.

**SECTION 2. COMPENSATION.** District hereby agrees to pay Law Firm a sum not to exceed the amounts described in Exhibit B, notwithstanding any contrary indications that may be contained in Law Firm's proposal, for services to be performed and reimbursable costs incurred under this agreement. In the event of a conflict between this Agreement and Law Firm's proposal regarding the amount of compensation, the Agreement shall prevail. District shall pay Law Firm for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from District to Law Firm for services rendered pursuant to this Agreement. Law Firm shall submit all invoices to District in the manner specified herein. Except as specifically authorized by District, Law Firm shall not bill District for duplicate services performed by more than one person.

Law Firm and District acknowledge and agree that compensation paid by the District to Law Firm under this Agreement is based upon Law Firm's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Law Firm. Consequently, the parties further agree that compensation hereunder is intended to include the cost of contributions to any pensions and/or annuities to which the Law Firm and its employees, agents, and subcontractors may be eligible. District therefore has no responsibility for such contributions beyond compensation required under this Agreement.

**2.1 Invoices.** Law Firm shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount from prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion;
- For each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense; and
- The total number of hours of work performed under the Agreement by each person employed by Law Firm.

**2.2 Monthly Payment.** District shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. District shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Law Firm.

**2.3 Total Payment.** District shall pay for the services to be rendered by Law Firm pursuant to this Agreement. District shall not pay any additional sum for any expense or cost whatsoever incurred by Law Firm in rendering services pursuant to this Agreement. District shall make no payment for any extra, further, or additional services pursuant to this Agreement.

In no event shall Law Firm submit any invoice for an amount in excess of the maximum amount of compensation provided above, either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such invoice by a properly executed change order or amendment approved by the District.

**2.4 Fees.** Fees for work performed by Law Firm on an hourly basis shall not exceed the amounts shown on the Compensation Schedule attached hereto and incorporated herein as Exhibit B.

**2.5 Reimbursable Expenses.** Reimbursable expenses are specified in Exhibit B, and expenses not listed in Exhibit B are not chargeable to the District.

**2.6 Payment of Taxes.** Law Firm is solely responsible for the payment of employment taxes incurred under this Agreement and any similar federal or state taxes.

**2.7 Payment upon Termination.** In the event that the District or Law Firm terminates this Agreement pursuant to Section 7 of this Agreement, the District shall compensate the Law Firm for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Law Firm shall maintain adequate logs and timesheets in order to verify costs incurred to that date.

**2.8 Authorization to Perform Services.** Except as expressly provided in the Agreement, Law Firm is not authorized to perform any services or incur any costs whatsoever without receipt of authorization from the District board or their designee.

**SECTION 3. FACILITIES AND EQUIPMENT.** Except as set forth herein, Law Firm shall, at its sole cost and expense, provide facilities and equipment that may be necessary to perform the services required by this Agreement. District shall make available to Law Firm only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

District shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Law Firm's use while consulting with District employees and reviewing records and the information in possession of the District. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of the District. In no event shall the District be obligated to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long distance telephone or other communication charges, vehicles, and reproduction of facilities.

**SECTION 4. INSURANCE REQUIREMENTS.** Before beginning any work under this Agreement, Law Firm, at its own cost and expense, shall procure and maintain professional malpractice insurance in the amount of not less than \$2 million per occurrence throughout the term of this Agreement. Law Firm shall provide proof satisfactory to District of such insurance that meets the requirements of this section and under forms of insurance satisfactory in all respects to the District, and that such insurance is in effect prior to commencing work under this Agreement. Law Firm shall maintain the insurance policy required by this section throughout the term of this Agreement. Verification of the required insurance shall be submitted and made part of this Agreement as Exhibit C prior to execution.

**4.1 Variation.** Law Firm may request the District to approve a variation in the insurance requirements, upon a determination that the coverage, scope, limit, and form of such insurance is either not commercially available, or that the District's interests are otherwise fully protected. The District may grant or deny any such request in its sole discretion.

**4.2 Notice of Reduction in Coverage.** In the event that any coverage required by this section is reduced, limited, or materially affected in any other manner, Law Firm shall provide written notice to District at Law Firm's earliest possible opportunity and in no case later than five (5) days after Law Firm is notified of the change in coverage.

**4.3 Remedies.** In addition to any other remedies District may have if Law Firm fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, District may, at its sole option, exercise any of the following remedies, which are alternatives to other remedies District may have and are not the exclusive remedy for Law Firm's breach:

**4.3.1** Order Law Firm to stop work under this Agreement or withhold any payment that becomes due to Law Firm hereunder, or both stop work and withhold any payment, until Law Firm demonstrates compliance with the requirements hereof; and/or

**4.3.2** Terminate this Agreement.

## **SECTION 5. STATUS OF LAW FIRM.**

**5.1 Independent Contractor.** At all times during the term of this Agreement, Law Firm shall be an independent contractor and shall not be an employee of District. District shall have the right to control Law Firm insofar as the results of Law Firm's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise District shall not have the right to control the means by which Law Firm accomplishes services rendered pursuant to this Agreement. Notwithstanding any other District, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Law Firm and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled

to, and hereby agree to waive any and all claims to any compensation, benefit, or any incident of employment by District, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of District and entitlement to any contribution to be paid by District of employer contributions and/or employee contributions for PERS benefits.

**5.2 Law Firm, Not Agent.** Except as District may specify in writing or as provided by law, Law Firm shall have no authority, express or implied, to act on behalf of District in any capacity whatsoever as an agent. Law Firm shall have no authority, express or implied, pursuant to this Agreement to bind District to any obligation whatsoever.

**5.3 California Tort Claims Act.** Notwithstanding the foregoing provisions, should Law Firm or any of its attorneys, professionals, or staff be named as parties to any civil action or administrative proceedings brought by any third party, based on advice Law Firm or such individuals have given to District or actions they have taken on behalf of the District, the District shall defend and indemnify Law Firm and such individuals in the same manner in which it must defend District Employees pursuant to the California Tort Claims Act, California Government Code section 810 *et seq.* However, the District shall have no duty to defend or indemnify Law Firm or any of its attorneys, professionals, or staff if the advice given or actions taken did not occur within the course and scope of their duties under this Agreement, or if such advice given or actions taken were inconsistent with the Rules of Professional Conduct or constituted malpractice.

## **SECTION 6. LEGAL REQUIREMENTS.**

**6.1 Governing Law.** The laws of the State of California shall govern this Agreement.

**6.2 Compliance with Applicable Law.** Law Firm and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.

**6.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Law Firm and any subcontractors shall comply with all applicable rules and regulations to which District is bound by the terms of such fiscal assistance program.

**6.4 Licenses and Permits.** Law Firm represents and warrants to District that Law Firm and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Law Firm represents and warrants to District that Law Firm and its employees, agents, any subcontractors shall at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Law Firm and any subcontractors shall obtain and maintain during the term of this Agreement valid business licenses from District.

**6.5 Nondiscrimination and Equal Opportunity.** Law Firm shall not discriminate, on the basis of a person's race, religion, color, national origin age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Law Firm under this Agreement. Law Firm shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement.

## **SECTION 7. TERMINATION AND MODIFICATION.**

**7.1 Termination.** District may cancel this Agreement at any time and without cause upon written notification to Law Firm.

Law Firm may cancel this Agreement upon sixty (60) days written notice to District and shall include in such notice the reasons for cancellation.

In the event of termination, Law Firm shall be entitled to compensation for services performed to the effective date of termination; District, however, may condition payment of such compensation upon Law Firm delivering to District any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Law Firm or prepared by or for Law Firm or the District in connection with this Agreement.

**7.2 Amendments.** The parties may amend this Agreement only by a writing signed by all the parties.

**7.3 Assignment and Subcontracting.** District and Law Firm shall recognize and agree that this Agreement contemplates personal performance by Law Firm and is based upon a determination of Law Firm's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to District for entering into this Agreement was and is the professional reputation and competence of Law Firm. Law Firm may not assign the Agreement or any interest therein without the prior written approval of the Contract Administrator. Law Firm shall not subcontract any portion of the performance contemplated and provided herein, other than to the subcontractors noted in the proposal, without prior written approval of the Contract Administrator.

**7.4 Survival.** All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between District and Law Firm shall survive the termination of this Agreement.

**7.5 Options Upon Breach by Law Firm.** If Law Firm materially breaches any of the terms of this Agreement, District's remedies shall include, but not be limited to the following:

**7.5.1** Immediately terminate the Agreement;

**7.5.2** Retain the plans, specifications, memoranda, correspondence, and any other work product prepared by Law Firm pursuant to this Agreement; or

**7.5.3** Retain a different Law Firm to complete the work described in Exhibit A not finished by Law Firm.

## **SECTION 8. KEEPING AND STATUS OF RECORDS.**

**8.1 Records Created as Part of Law Firm's Performance.** All reports, data, maps, models, charts, studies, photographs, memoranda, plans, specifications, records, files or any other documents or materials, in electronic or any other form, that Law Firm prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the District. Law Firm hereby agrees to deliver those documents to the District upon termination of the Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the District and are not necessarily suitable for any further or other use.

**8.2 Law Firm's Books and Records.** Law Firm shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the District under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Law Firm to this Agreement.

**8.3 Inspection and Audit of Records.** Any records or documents that Section 8.2 of this Agreement requires Law Firm to maintain shall be made available for inspection, audit, and/or copying at any time during business hours, upon oral or written request of the District.

## **SECTION 9. MISCELLANEOUS PROVISIONS.**

**9.1 Attorney's Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. The court may set such fees in the same action or in a separate action brought for that purpose.

**9.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the Superior Court for Plumas County.

**9.3 Indemnification.** Law Firm agrees to indemnify, defend at its own expense, and hold District harmless from any and all liabilities, claims, losses, damages, or expenses, including

reasonable attorney's fees, arising from all acts or omissions to act of Law Firm or its officers, agents, or employees in rendering services under this Agreement; excluding, however, such liabilities, claims, losses, damages, or expenses arising from District's sole negligence or willful misconduct.

**9.4 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjusted shall remain in full force and effect. The individuality in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provisions of this Agreement.

**9.5 No Implied Waiver of Breach.** The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

**9.6 Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.

**9.7 Conflict of Interest.** Law Firm may serve other clients, but none whose activities within the corporate limits of District or whose business, regardless of location, would place Law Firm in a "conflict of interest," as that term is defined in the rules of professional responsibility governing Law Firm's professionalism, unless such conflict may be waived by District and District chooses to waive such conflict in writing.

Law Firm shall not employ any District official in the work performed to this Agreement. No officer or employee of District shall have any financial interest in this Agreement that would violate California Government Code sections 1090, *et seq.*

Law Firm hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the District. If Law Firm was an employee, agent, appointee, or official of the District in the previous twelve (12) months, Law Firm warrants that it did not participate in any manner in the forming of this Agreement. Law Firm understands that, if this Agreement is made in violation of Government Code section 1090 *et seq.*, the entire Agreement is void and Law Firm will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Law Firm will be required to reimburse the District for any sums paid to the Law Firm. Law Firm understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code section 1090 and, if applicable, will be disqualified from holding public office in the State of California.

**9.8 Solicitation.** Law Firm agrees not to solicit business at any meeting, focus group, or interview related to this Agreement either orally or through any written materials.

### **9.9 Notices.**

Any written notices to Law Firm shall be sent to:

Prentice|Long, PC  
Margaret Long, Partner  
2240 Court Street  
Redding, CA 96001

Any written notices to District shall be sent to:

General Manager  
251 Chester Airport Rd.  
Chester, CA 96020

**9.10 Integration.** This Agreement, including the attachments, represents the entire and integrated agreement between District and Law Firm and supersedes all prior negotiations representations, or agreements, either written or oral.

**9.11 Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

**9.12 Authorized Signature.** Each person and party signing this Agreement warrants that he/she has the authority to execute this Agreement on behalf of the principal and that the party will be bound by such signature.

The parties have executed this Agreement as of the Effective Date.

#### **DISTRICT**

CHESTER PUD,  
a political subdivision of the State  
of California

#### **LAW FIRM**

Prentice|Long, PC

By: \_\_\_\_\_  
Name: Bonnie Mullaney, General Manager

By: \_\_\_\_\_  
Margaret E. Long, Partner

**Exhibit A**

**SCOPE OF WORK**

The following services shall be provided under this Agreement:

- Represent the District as general counsel and perform all duties as assigned.

## **Exhibit B**

### **COMPENSATION**

District shall compensate Law Firm as follows:

#### **Other Services**

|                              |               |
|------------------------------|---------------|
| Attorney Rate                | \$195.00/hour |
| Paralegal/Legal Professional | \$90.00/hour  |

#### **Costs and Expenses**

|                 |                                                                  |
|-----------------|------------------------------------------------------------------|
| Travel expenses | Best available rate for overnight stays and IRS rate for travel. |
|-----------------|------------------------------------------------------------------|

Necessary costs incurred for the following: Actual Cost

- Court filing fees
- Attorney services (includes services of process fees, arbitrators, and mediators)
- Messenger services
- Westlaw research outside of our prepaid service fee
- Fed-ex, OnTrac Overnight, or other one-day delivery services
- Reasonable travel expenses and parking fees for court appearances, dispositions, arbitrations, mediations, and other necessary appointments
- Actual costs for large reproduction projects if performed by an outside service, or \$0.10 per page if performed in-house
- Any other expenses not listed above become necessary for the successful resolution of a particular matter.

**Exhibit C**

**INSURANCE REQUIREMENTS**

[Law Firm shall provide proof of insurance satisfactory to District.]