

COLANTUONO
HIGSMITH
WHATLEY, PC

MACKENZIE D. ANDERSON | 916-898-0042 | MANDERSON@CHWLAW.US

December 11, 2025

Honorable Chair and Board Members
Indian Valley Community Services District
P.O. Box 160
Greenville, CA 95947

Re: **Representation of Indian Valley Community Services District re General Counsel Services**

Honorable Chair and Board Members of the District,

As you asked, I write to propose the terms under which we agree to represent the Indian Valley Community Services District (“you”) regarding general counsel services. This will be our sole project for you; if we can assist you on other matters, please let me know. Colantuono, Highsmith & Whatley, PC and all of its professionals are very pleased to represent you in this matter.

This letter sets forth the basis upon which we will provide legal services to you and bill you for services and costs. The firm maintains a conflict of interest index which lists all clients of our firm and matters in which we represent them. We will not represent any party with an interest that may be adverse to an indexed person without first determining if a professional conflict of interest would arise.

We have reviewed our files and our conflicts index and have no client relationships which would interfere with our ability to represent you in this matter. Please let me know if there are parties with an interest in the District or District matters that we should list. Unless we hear from you to the contrary, we will assume our conflict of interest index is accurate and complete.

As we have discussed, the nature of general counsel services makes it impossible for us to precisely estimate the fees you may incur. You will receive monthly statements

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informing you of the fees and costs incurred during the prior month. We will, of course, do our best to represent you efficiently and without undue expense.

Please make payments payable to Colantuono, Highsmith & Whatley, PC to our Grass Valley office at:

Colantuono, Highsmith & Whatley, PC
420 Sierra College Drive, Suite 140
Grass Valley, CA 95945-5091

Our federal employer identification number is 75-3031545.

I will have primary responsibility for your representation and the firm will use other attorneys and legal assistants in the best exercise of our professional judgment. If you have questions, concerns or criticisms at any time, please contact me at once. Naturally, we expect you to keep us reasonably informed of significant developments regarding this representation.

We review all statements before they are issued to ensure the amount charged is appropriate. The statement for fees is simply the product of the hours worked multiplied by the hourly rates for the attorneys and legal assistants who did the work.

Our hourly rates are based upon the experience, reputation and ability of the lawyer or legal assistant performing the services, and for 2026 range between \$265 and \$625 per hour for attorneys' time, and between \$160 and \$210 for the time of paralegals and legal assistants. As a courtesy to you, however, we agree to cap our standard rates at \$285 per hour for general counsel work and \$305 per hour for labor, litigation, and other special counsel work. This is a significant discount from our standard rates. These rates will be adjusted for inflation as of July 1, 2027 and annually thereafter according to the increase in the consumer price index (CPI) for all urban consumers for the Western States region, capped at 5 percent. Our rate structure in general and the rates of particular lawyers may be increased from time to time, and are usually adjusted as of the beginning of each calendar year.

It may be necessary to bill you for items such as, but not limited to, authorized travel (mileage to be charged at the IRS rate and travel time at one-half the time incurred), long distance telephone calls, filing fees, photocopying, computerized legal research outside the scope of our Westlaw contract and the like. These amounts will be billed in addition to our fees.

We will send you monthly statements and expect payment within 15 days of the billing date. If payment is not received within 30 days of the billing date, we reserve the right to charge interest on the unpaid balance at the rate of 1% per month and to terminate our representation.

We rarely have disputes with clients over our fees. Nevertheless, you should be aware that you are entitled to require that any fee dispute be resolved by binding arbitration pursuant to the arbitration rules for legal fee disputes of the County Bar Association in any county in which we maintain an office. We agree that all disputes between us regarding the services rendered or fees charged not resolved via County Bar fee arbitration will be submitted to binding arbitration in Sacramento County to be conducted by ADR Services, Inc. in accordance with its commercial arbitration rules. **YOU SHOULD REVIEW THIS PARAGRAPH CAREFULLY AND, IF YOU WISH, SEEK INDEPENDENT LEGAL COUNSEL REGARDING IT, AS YOU AND WE ARE AGREEING TO FOREGO SIGNIFICANT RIGHTS IN THE EVENT OF A DISPUTE BETWEEN US, INCLUDING THE RIGHT TO A JURY TRIAL.**

On occasion, we may receive small sums of money belonging to you, such as a credit for an overpayment by a vendor, a refund from a court, or the like. The California State Bar requires us to alert you to sums we receive on your behalf within 14 days of receipt and to forward those funds to you within 45 days of receipt unless we have your direction otherwise. Processing payments for small amounts may be burdensome to your accounting staff and to ours. Therefore, by signing this letter agreement for legal services, you agree that, should we receive any amount to your credit of \$500 or less and we do not have other instructions from you with respect to that money, we may place these funds in our client trust account and apply them to future invoices to you for our services. You can alter this agreement at any time as to some or all funds we hold by letting us know, in writing, how we should handle your money. We will inform you of our receipt of funds promptly upon each receipt and will remind you of your right to alter these standing instructions as to any payment.

You have the right to terminate our representation at any time. We have the same right, but are obliged to give you reasonable notice to arrange alternative representation. In either circumstance, you agree to secure new counsel to represent you as quickly as possible and to cooperate fully in the substitution of the new counsel as counsel of record in any litigation in which we may subsequently agree to represent you. Notwithstanding the termination of our representation, you will remain obligated to pay to us all fees and costs incurred previously.

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You agree that we may, in our discretion, maintain all or part of your client file in electronic format using secure cloud storage services. If so, the firm will apply all reasonable methods to maintain the confidentiality of your files, just as it does for your non-digital information. Your data will be password protected and encrypted using currently available technology. Clients requiring information from their files may obtain that information only by written request to us.

You should know that we may use artificial intelligence tools in our representation of the District. If we do so, we will ensure that your confidential information is maintained in confidence and that any writing or analysis produced by generative artificial intelligence is edited or confirmed by an attorney before use. If you have any questions or concerns about our use of artificial intelligence tools, please let us know.

You also agree that following termination of our attorney-client relationship, we will not be required to maintain your client file for more than two years. If you ask us to deliver your file to you, you agree that delivery of an electronic version, together with any materials that cannot be saved electronically, satisfies our obligation to release all your client papers and property to you. You agree that we may destroy your client file, including all electronic records, two years after termination of our relationship, and after reasonable notice to you. We may mail a copy of your file to you at your address last known to us before two years expire. You agree that “reasonable notice” means our mailing a notice of our intent to destroy your client file to you at that address.

I apologize for the formality of this letter, but we are required by California law to provide you this information in writing. We must also inform you that we currently maintain professional liability insurance coverage.

Please review the foregoing and, if it meets with your approval, execute it and return it to me. If you have any questions, please feel free to call me at the direct-dial number above. Thank you for the opportunity to represent you!

Very truly yours,

Mackenzie D. Anderson

MDA:MDA

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cc: Jamie Little, Interim General Manager

On behalf of Indian Valley Community Services District, I agree to retain Colantuono, Highsmith & Whatley, PC to provide legal services as set forth above.

Signature

Date:_____, 202_

By:_____

Title:_____