

**AN ORDINANCE TO DECLARE IT IMPRACTICAL AND UNFEASIBLE
TO BID; TO AUTHORIZE AN AGREEMENT WITH THE FIRM OF
WRIGHT, LINDSEY & JENNINGS, LLP, FOR LEGAL WORK IN A CASE
THAT QUESTIONS THE PROPRIETY OF MUNICIPAL FRANCHISE
FEES; TO DECLARE AN EMERGENCY; AND, FOR OTHER PURPOSES.**

WHEREFORE, litigation has been filed against the City, Central Arkansas Water (“CAW”), and the Little Rock Water Reclamation Authority (“LRWRA”), as to the amount of franchise fees assessed by the City of Little Rock for the use of its right-of-way by CAW and LRWRA; and,

WHEREAS, the nature of this litigation required expertise that is not currently possessed by the Office of the City Attorney, and therefore it was necessary to obtain such expertise as quickly as possible in order merely to answer the Complaint in this matter; and,

WHEREAS, the law firm of Wright, Lindsey & Jennings, LLP, as set forth in the attached Engagement Agreement consented to do this work for the City, and meets all of the qualifications needed by the City in this matter.

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY
OF LITTLE ROCK, ARKANSAS:**

Section 1. The Board declares that the time frame to research and respond to the complaint in this particular matter makes it impractical and unfeasible to bid for legal services.

Section 2. Pursuant to the terms and conditions of Exhibit A to this Ordinance, an engagement agreement with the law firm and particular attorneys, the City Manager may authorize expenditures needed to assist in the named litigation.

Section 3. At the time in the future when the City Manager and Finance Director believe it to be necessary a specific Account for the payment of legal fees shall be named.

Section 4. This Resolution authorizes the City's execution of Exhibits A-C attached hereto.

Section 5. Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of this ordinance, which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of this ordinance.

Section 6. Repealer. All ordinances or resolutions of the City in conflict herewith are hereby repealed to the extent of such conflict.

1 Section 7. Emergency Clause. The ability to represent the City's legal interest in litigation that deals
2 with the collection of franchise fees for two utilities and to assure that all corporate and municipal
3 considerations are properly presented by the City is essential to the public health, safety, and welfare
4 especially in light of the short time frame between the service of the litigation and the time for a responsive
5 pleading; an emergency is, therefore, declared to exist and this ordinance shall be in full force and effect
6 from and after the date of its passage.

7 **PASSED: February 3, 2026**

8 **ATTEST:**

APPROVED:

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11 **Allison Segars, City Clerk**

Frank Scott, Jr., Mayor

12 **APPROVED AS TO LEGAL FORM:**

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15 **Thomas M. Carpenter, City Attorney**

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EXHIBIT A
Engagement Agreement as to the City



WRIGHT LINDSEY JENNINGS

200 West Capitol Avenue, Suite 2300 Little Rock, AR 72201-3699 Main 501.371.0808 Fax 501.376.9442 wlj.com

Judy Simmons Henry
ATTORNEY

Direct: 501.212.1391 | jhenry@wlj.com

January 9, 2026

Via Email: tcarpenter@littlerock.gov

Tom Carpenter
Office of the City Attorney
City of Little Rock
500 W. Markham Street
Little Rock, AR 72201

RE: *Donald R. Shellabarger, Individually and on the behalf of those similarly situated vs. City of Little Rock, Frank Scott, in his capacity as Mayor of the City of Little Rock, Central Arkansas Water, Stan Benton in his capacity as Director of Central Arkansas Water; Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater); and Jean Block, in her capacity as Director of Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater);*

Case No. 60CV-25- 15780; Circuit Court of Pulaski County, Arkansas

Dear Mr. Carpenter:

This letter will confirm the City of Little Rock's ("City") engagement of Wright, Lindsey & Jennings LLP ("WLJ") to represent it in the above-referenced lawsuit ("Shellabarger Case"). The City has been made aware that WLJ also represents co-defendants Central Arkansas Water ("CAW") and Little Rock Water Reclamation Authority ("LRWRA") in other unrelated matters, and the City has waived any conflict for WLJ to continue to represent those entities in unrelated matters and to also represent the City in connection with the Shellabarger Case. Likewise, CAW and LRWRA have agreed to waive or have waived any conflict for WLJ to represent the City in the Shellabarger Case and other unrelated matters.

On behalf of WLJ, I will serve as the City's primary contact. As the scope of the representation becomes clearer, I will appropriately staff the engagement with lawyers and professionals at WLJ. Communications will be directed to you and to anyone else to whom you instruct me to keep informed. You are authorized by the

WRIGHT LINDSEY JENNINGS

January 9, 2026

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City, after consultation with the City Manager, Mayor and/or Board of Directors, to make substantive decisions and provide WLJ direction in connection with the Shellabarger Case.

The present engagement is limited to the performance of services related to the defense of the Shellabarger Case. The City may expand the scope of the representation from time to time, so long as any substantial expansion is agreed to by WLJ. In the event the scope of our responsibility changes significantly, a new or amended engagement letter may be required to reflect the agreements or the changes in the role and responsibilities of WLJ.

This letter will also confirm the fee arrangements of WLJ. WLJ will submit its billing invoices to you for services rendered and expenses incurred on a monthly basis at the then hourly rates for each timekeeper. My current hourly rate is \$475.00 per hour. WLJ partner and associate rates will range from approximately \$240.00 – \$500.00, commensurate with experience, and paralegals current rates are \$165.00 per hour. WLJ's eDiscovery director's rate is \$175.00 per hour. All rates are subject to adjustment at the outset of each new calendar year.

WLJ may make routine disbursements on behalf of the City in connection with this matter which will be itemized in the invoices. These would include expenses paid by us such as long distance telephone charges, overnight delivery charges, electronic research, travel, deposition charges and photocopying.

Enclosed is a copy of WLJ's Memorandum of Understanding ("MOU") which contains general terms that, along with this letter, govern the relationship with the City.

WLJ appreciates the opportunity to represent the City and to work with you in defending the Shellabarger Case. If, as this matter proceeds, you have any questions or concerns, please don't hesitate to contact me.

Sincerely,

WRIGHT, LINDSEY & JENNINGS LLP


Judy Simmons Henry

Attachment: Memorandum of Understanding

3535755-v1

WRIGHT, LINDSEY & JENNINGS LLP

200 West Capitol Avenue, Suite 2300
Little Rock, Arkansas 72201-3699
(501) 371-0808

3333 Pinnacle Hills Parkway, Suite 510
Rogers, Arkansas 72758-8960
(479) 986-0888

Memorandum of Understanding

We are pleased to have the opportunity to serve you. Experience has shown that our relationship will be stronger if we start with a mutual understanding about the services we will provide you and the terms of engagement including the fees and expenses for those services. Unless a separate engagement letter alters these arrangements, we will assume that these terms are acceptable to you and that they will also apply to future matters you refer to us. We encourage you to ask questions about any aspect of these arrangements or our statements including the amount of our statements.

Client. The person or entity that is our client is the person or entity that is identified as such in our engagement letter. Our client does not include any affiliates of such person or entity. For example, if you are a corporation or partnership, then, absent another express agreement, we do not represent any parents, subsidiaries, employees, officers, directors, shareholders, or partners of the corporation or partnership, or commonly-owned corporations or partnerships. Likewise, if you are a trade association, we do not represent any members, employees, officers, or directors of the trade association.

Attorney-Client Relationship. It is our policy that the attorney-client relationship will be considered terminated upon our completion of the services that you have engaged us to perform. If you later retain us to perform further or additional services, our attorney-client relationship will be revived subject to these terms of engagement, as they may be supplemented at that time.

Fees. Our fees are formulated in an effort to assess the value of our services to our clients. When deciding on our fee or hourly rate, in addition to time required, we may also consider other factors such as the novelty or complexity of the issues and problems encountered, the extent of the responsibility involved, the results achieved, the efficiency of our work, the customary fees for similar legal services, and other factors that will enable us to arrive at a fair fee. In those instances where the nature of the work demands extraordinarily intensive efforts of our lawyers and staff, that factor of the engagement will also be taken into account.

Work Assignments. Where we deem it appropriate, the attorney principally responsible for your file may assign parts of your work to other attorneys or paralegals under the responsible attorney's supervision. The responsible lawyer will continue to be responsible for the entire engagement and will be available to discuss the use of other personnel with you.

Services Rendered and Disbursements on Your Account. Statements will normally be provided monthly for work done the previous month unless our engagement letter provides otherwise. Statements may be sent through electronic format, e-Billing platform, or by physical mail as agreed to by you. Our statements will identify services rendered as well as disbursements and other charges and will conform to any agreed billing guidelines. These disbursements and charges include expenses paid by us on your behalf such as long-distance telephone charges, special postage, delivery charges, fax charges, travel, photocopying, and fees for the use of providers of special services such as printers or experts, if needed. In litigated matters, we include payments we must make for court fees, process servers, court reporters, investigators, witness fees, and the like. Sizeable disbursements may be billed directly to you for payment. We also include as an expense the use of computerized legal research systems and computerized document and deposition indexing.

Payment. Payment will be due upon receipt of our billing statement or invoice. If we do not receive comment about the statement within 15 days of the invoice date, we will presume you have

seen the invoice and find it acceptable. Payment should be made by check payable to "Wright, Lindsey & Jennings LLP" or by electronic transfer. You may also pay your invoice or your retainer deposit by credit card, debit card, or e-check through our additional payment options at www.wlj.com under the Contact tab. Our firm's Taxpayer Identification Number is 71-0239196. If a statement has not been paid in full within 90 days of receipt, we reserve the right to cease work on the engagement in accordance with applicable rules of professional conduct. Accounts over 60 days old may be subject to a 6% interest charge if not paid within a reasonable period of time.

Possible Representation of Opposing Counsel. Our firm has been retained by malpractice insurance carriers that insure some Arkansas lawyers. This means that our firm may have represented, might now be representing, or might in the future represent opposing counsel in your case. If this occurs, it will not in any way affect the diligence or vigor with which we represent your interests in the matter or matters on which you have employed our firm.

Termination. You may terminate our representation at any time, with or without cause, by notifying us. If such termination occurs, we will provide you with a copy of the materials in your file as required by the applicable rules of professional conduct. Your termination of our services will not affect your responsibility for payment for legal services rendered and additional charges incurred before termination and in connection with an orderly transition of the matter. Likewise, we reserve the right to terminate our representation consistent with applicable rules of professional conduct.

Storage of Files. We retain records relating to professional services that we provide so that we are better able to assist with your needs and, in some cases, to comply with professional guidelines. Our file will include documents and other materials furnished by you or on your behalf in addition to documents and materials that we generate. After the engagement ends, we will store the significant substantive contents of the file for a minimum of 5 years or a longer period of time appropriate to the nature of the engagement. Eventually, we will destroy all file contents. Consequently, if you wish to preserve any documents or other materials when the engagement is concluded, you should promptly request that our firm transmit them to you upon the conclusion of the engagement.

Privacy Policy Notice. At Wright, Lindsey & Jennings LLP, we value our clients' privacy and have protected the confidentiality of the personal information clients have given us for over 100 years. The attorneys at Wright, Lindsey & Jennings LLP are bound by professional standards of confidentiality found in Rule 1.6 of the Model Rules of Professional Conduct adopted by the Arkansas Supreme Court. In the course of providing our clients advice, we may receive significant nonpublic personal information from our clients. Such information that we receive from you is held in confidence, and is not released to people outside the firm, except as agreed to by you, or as required under an applicable rule or law or under the Model Rules of Professional Conduct.

Corporate Transparency Act. As of January 1, 2024, the Corporate Transparency Act (CTA) requires many entities formed or registered in the United States to report information to the U.S. Department of Treasury's Financial Crimes Enforcement Network (FinCEN). For each reporting company, this includes detailed information about the company, its beneficial owners, and for newly formed entities, individuals involved in the formation of the company. Compliance with the CTA is the responsibility of the reporting companies, and our engagement does not include legal advice relating to any potential CTA reporting obligations, beneficial ownership analysis, or other assistance relating to the CTA. For the avoidance of doubt, even if our engagement includes assistance in connection with (i) forming, registering, licensing, or otherwise qualifying a new legal entity or (ii) a transaction that may trigger a reporting obligation, we will not be advising in connection with the CTA or any other similar state or local reporting obligations. Information regarding the Beneficial Ownership Information reporting requirements can be found at <https://www.fincen.gov/boi>.

EXHIBIT B
Waiver of Conflict of Interest



200 West Capitol Avenue, Suite 2300 Little Rock, AR 72201-3699 Main 501.371.0808 Fax 501.376.9442 wlj.com

Judy Simmons Henry
ATTORNEY

Direct: 501.212.1391 | jhenry@wlj.com

January 9, 2026

VIA EMAIL: tcarpenter@littlerock.gov

Tom Carpenter
Office of the City Attorney
City of Little Rock
500 W. Markham Street
Little Rock, AR 72201

Re: Conflict Consent and Waiver

Donald R. Shellabarger, Individually and on the behalf of those similarly situated vs. City of Little Rock, Frank Scott, in his capacity as Mayor of the City of Little Rock, Central Arkansas Water, Stan Benton in his capacity as Director of Central Arkansas Water; Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater); and Jean Block, in her capacity as Director of Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater);

Case No. 60CV-25- 15780; Circuit Court of Pulaski County, Arkansas

Dear Mr. Carpenter:

The City of Little Rock (the "City") has by separate letter engaged Wright, Lindsey & Jennings LLP ("WLJ") to represent it in the above-referenced case ("Shellabarger Case") in which the City, Central Arkansas Water ("CAW") and Little Rock Water Reclamation Authority ("LRWRA") are named defendants. I have disclosed to the City, that CAW and LRWRA are current clients of WLJ on a variety of legal issues and matters, wholly unrelated to the Shellabarger Case. The City authorized me to disclose to CAW and LRWRA that the City has requested WLJ to represent and defend it in the Shellabarger Case, and those disclosures have been made. This confirms that both CAW and LRWRA have waived or committed to waive in writing any conflict of interest in WLJ representing and defending the City in the Shellabarger Case.

WLJ believes the factual and legal issues that are likely to arise in the Shellabarger Case are unrelated to the work WLJ attorneys are doing or are likely to do for CAW

January 9, 2026
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and LRWRA. I write also to confirm in writing that the City likewise has been informed and waives any conflict for WLJ to represent it in the Shellabarger Case and to continue to represent the CAW and LRWRA in other unrelated matters.

Under Rule 1.7 of the Arkansas Rules of Professional Conduct, WLJ may not be directly adverse to a current client, even on an unrelated matter, without the informed consent of each affected client. Although as co-defendants, the interests of the City, CAW and LRWRA appear to be aligned, there is the potential that the interests could become adverse. This means that WLJ must explain to the City, CAW and LRWRA the material risks of, and reasonably available alternatives to WLJ representing the City in the Shellabarger Case, and that WLJ cannot proceed with the representation unless all of you consent.

In deciding whether to consent, the City should consider how WLJ's representation of the City as described above and WLJ's representation of CAW and LRWRA in other unrelated matters could or might affect the representation of the City in the Shellabarger Case. The City should also consider that the existing representations of CAW and LRWRA are wholly unrelated to the Shellabarger Case. Further, CAW has engaged other counsel to represent it in the Shellabarger Case, and it is my understanding that LRWRA is in the process of securing other representation as well.

For these reasons, we do not believe that there is any material risk that WLJ's commitment and dedication to City's interests will be adversely affected by the representation of the CAW and LRWRA's in other matters. Any privileged, sensitive, proprietary, or other confidential information of a nonpublic nature, if any, acquired by WLJ as a result of representation of City in the Shellabarger Case will not be shared with CAW or LRWRA unless disclosure is authorized by the City. Similarly, without their consent, WLJ will not share with the City any such information regarding CAW or LRWRA acquired by WLJ in the course of representing them in other matters.

Please review this matter carefully. If the City has any questions, please let me know. If the City is willing to consent after appropriate review, please ask an authorized representative of the City to sign this letter in the space provided and return it to me.

WRIGHT LINDSEY JENNINGS

January 9, 2026
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Sincerely,

WRIGHT, LINDSEY & JENNINGS LLP

Judy S. Henry

Judy Simmons Henry

The City of Little Rock understands the information described above and consents to WLJ's representation of the City in the Shellabarger Case and waiver of any conflict in WLJ's continued representation of CAW and LRWRA in other unrelated matters.

The City of Little Rock

By: _____

Printed: _____

Title: _____

Date: _____

EXHIBIT C
Engagement Agreement as to Mayor Scott



200 West Capitol Avenue, Suite 2300 Little Rock, AR 72201-3699 Main 501.371.0808 Fax 501.376.9442 wlj.com

Judy Simmons Henry
ATTORNEY

Direct: 501.212.1391 | jhenry@wlj.com

January 30, 2026

Via Email: tcarpenter@littlerock.gov

Tom Carpenter
Office of the City Attorney
City of Little Rock
500 W. Markham Street
Little Rock, AR 72201

RE: *Donald R. Shellabarger, Individually and on the behalf of those similarly situated vs. City of Little Rock, Frank Scott, in his capacity as Mayor of the City of Little Rock, Central Arkansas Water, Stan Benton in his capacity as Director of Central Arkansas Water; Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater); and Jean Block, in her capacity as Director of Little Rock Water Reclamation Authority (formerly known as Little Rock Wastewater);*

Case No. 60CV-25- 15780; Circuit Court of Pulaski County, Arkansas

Dear Tom:

This letter expands the engagement of Wright, Lindsey & Jennings LLP ("WLJ") as documented in my letter of January 9, 2026. WLJ has been requested and agreed to include defendant Frank Scott in his capacity as Mayor of the City of Little Rock (the "City") as a WLJ client in connection with the defense of the above referenced case. All other terms of my January 9 letter and the Memorandum of Understanding are affirmed here and remain the same. WLJ appreciates the opportunity to serve the City and Mayor Scott.

Cordially,

WRIGHT, LINDSEY & JENNINGS LLP



Judy Simmons Henry