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February 26, 2025

Elizabeth Gibbs
City Manager
City of Beaumont
550 E. 6th Street
Beaumont, CA 92223

Dear Ms. Gibbs:

We thank you for the opportunity to continue our relationship with the City of Beaumont (the “City”) as bond and disclosure counsel with respect to the proposed 2025 refunding of various community facilities districts (the “CFD Refundings”) in one or more pooled refundings and the issuance of bonds to refund the Beaumont Public Improvement Authority’s Wastewater Revenue Bonds, Series 2018A (the “Wastewater Bonds”). The CFD Refundings may consist of up to 17 community facilities districts and Improvement Areas (each a “CFD”) depending on the economics and may consist of multiple pooled financings (each a “Pooled Financing”). This letter is a supplement to the our letter dated February 26, 2025, including the Terms of Retention (the “Master Terms of Retention”) set forth therein (collectively, the “Master Engagement Letter”). Except as expressly provided in this letter, the terms of the Master Engagement Letter will apply to the transaction and our Firm’s representation in connection therewith contemplated by this letter as if the same were herein set forth at length. Unless otherwise confirmed in writing, the terms of the Master Engagement Letter, as supplemented by this letter, including the attached Terms of Retention, will govern our bond and disclosure counsel representation of you.

We are attaching our normal Terms of Retention, which is an integral part of our retention agreement. If this letter, including the attached Terms of Retention, accurately reflects your understanding of our relationship, please acknowledge your approval and acceptance of these terms by signing and returning this letter to me. Copies of each are enclosed for your files. I would be pleased to answer any questions you might have.

Very truly yours,

STRADLING YOCCA CARLSON & RAUTH LLP

Brian P. Forbath

Elizabeth Gibbs, City Manager
City of Beaumont
February 26, 2025
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The undersigned hereby agrees that the terms and conditions in this letter and the accompanying Terms of Retention shall apply to services rendered by Stradling Yocca Carlson & Rauth LLP.

CITY OF BEAUMONT

By: _____
City Manager

**TERMS OF RETENTION
OF
STRADLING YOCCA CARLSON & RAUTH LLP**

**TERMS OF RETENTION
OF
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1. **Master Terms of Retention set forth in Master Engagement Letter.** Except as expressly provided in this letter, the terms of the Master Terms of Retention will apply to the transaction and our Firm's representation contemplated by this letter as if the same were herein set forth at length.

2. **Fees and Costs.** Stradling Yocca Carlson & Rauth LLP (the "Firm") is compensated for its services based primarily on the value of the services and the time spent performing them. Such compensation may include the time spent on client conferences, travel, research, drafting documents, and other activities. The amount of fees charged on a statement is determined by the hours expended by the different attorneys and other professional personnel involved and the applicable rates.

Bond and Disclosure counsel services in connection with the issuance of the Wastewater Bonds will be done on a fixed fee contingent basis for a fixed fee of \$85,000. Such fee will be paid contingent on the successful closing of the Wastewater Bonds. Bond and Disclosure Counsel services with respect to the CFD Refundings will be done on a fixed fee contingent basis. Due to the uncertainty as to the number of CFD's to be included in the CFD Refundings and the number of Pooled Financings to be issued only a range of fees can be given at this time. We would propose a range of fees from \$75,000 to \$250,000. The exact fee(s) will be agreed to by the parties pursuant to a supplement to the Master Engagement Letter when the proposed structure of the CFD Refundings is known. Work in connection with the City's ongoing matters other than the CFD Refundings and the Wastewater Bonds will be charged on an hourly rate basis. A schedule of the hourly rates applicable to attorneys expected to work on City matters is attached as Exhibit A. The hourly rates provided in Exhibit A are the discounted rates the Firm charges for public agencies on financing matters. Such rates may change from time-to-time but no increases in excess of 2% per annum shall be implemented without the written consent of the City Manager. Fees and Costs not related to the CFD Refundings or the Wastewater Bonds are capped at \$125,000 for CFD matters unless the Terms of Retention are otherwise amended by the City and the Firm.

The firm also charges for various costs such as copying, telephone charges, computerized legal research, word processing and/or other computer time, overtime costs, messenger services, travel, filing fees and other costs. Bills for some costs are passed on directly, such as bills for certified shorthand reporters, technical consultants, and other professional fees.

3. **Client Communication.** You hereby designate Elizabeth Gibbs, City Manager, to act on your behalf for this matter, and you authorize us to communicate with, and receive directions from, that person and any other person that you may designate in the future.

4. **Authority to Sign.** The person signing this letter on behalf of the City represents that he or she has the full right and authority to do so, and to fully commit and bind the City to this engagement letter.

5. **Firm Not Providing Financial Advice.** The Firm is not a registered municipal advisor and does not provide financial advisory services or otherwise provide financial advice to Firm clients. We understand that your registered municipal advisor, Urban Futures Inc., will be providing financial advisory services to you with respect to the ongoing bond matters.

6. **Miscellaneous.** The Master Engagement Letter, as supplemented by this letter, sets forth the entire agreement between you and the Firm, and there is no other or additional understanding between you and the Firm on these subjects. This agreement supersedes any prior agreements or representations, written or oral, between you and the Firm on these subjects. Any modification or amendment to this agreement must be in a writing signed by you and the Firm. This agreement shall be governed by California law without reference to its conflict of law principles. If any provision of this agreement is found to be invalid or unenforceable, that provision shall be deemed modified or removed so that it is valid and enforceable to the fullest extent of the law, and the other provisions of this agreement shall be unimpaired.

7. **Primary Attorneys.** The primary attorneys with responsibility for this representation will be Brian Forbath, Reed Glycer, Carol Lew and Nicolas Yeager. The parties agree that the Firm is being retained based on the unique skill, experience, and expertise of Brian Forbath, Reed Glycer, Carol Lew and Nicolas Yeager and no change will be made in the primary attorneys without the prior, written consent of the City. The Firm will not substitute another primary attorney without the prior, reasonable, approval of the City.

2025 DISCOUNTED RATES

| PARTNERS | 2025 RATE |
|-------------------|------------------|
| BRIAN FORBATH | \$680.00 |
| CAROL LEW | \$680.00 |
| REED GLYER | \$630.00 |
| OTHERS | \$630.00 |
| ASSOCIATES | 2025 RATE |
| NICOLAS YEAGER | \$425.00 |
| OTHERS | \$385.00 |

ALL PARALEGALS ARE AT \$195.00/HOUR