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ENVIRONMENTAL
LAW GROUP LLP
Varco & Rosenbaum

May 30, 2025

Via Email Only

Elizabeth Gibbs, City Manager
City of Beaumont
Beaumont Civic Center
550 E. 6th Street
Beaumont, CA 92223
E: egibbs@beaumontca.gov

Re: Engagement for Legal Services

Dear Ms. Gibbs:

Effective June 3, 2025, Varco & Rosenbaum Environmental Law Group LLP (“ELG”) is pleased to represent the City of Beaumont (“Client”) in matters relating to an enforcement action by the Santa Ana Regional Water Quality Control Board (Region 8) alleging a sanitary sewer spill caused by a slope failure. This letter will set out the formal terms of this firm’s representation of Client and will serve as the agreement by which we will be engaged to represent Client after we have all signed this letter agreement. Unless we enter into a new agreement in writing, this letter will govern all future services we may perform for Client, including new matters that Client requests we handle in the future.

Our experience has shown that the attorney-client relationship works best when there is a mutual understanding about fees, expenses, billing, and payment terms. Therefore, the purpose of this letter is to explain our billing policies and procedures. You are encouraged to discuss with us any questions you have about these policies and procedures. Any specific billing arrangements different from those set forth below will be confirmed in a separate written agreement between Client and the firm.

Client agrees to be truthful with ELG and not withhold information. Further Client agrees to cooperate, to keep ELG informed of any information or developments relevant to the representation, to abide by this agreement, to pay ELG’s bills on time, and to keep ELG advised of any changes to your address, telephone number or email.

FEES FOR PROFESSIONAL SERVICES

Our fees for the legal work we will undertake will be based in substantial part on time spent by personnel in our office on your behalf. In special circumstances, which will be discussed with you 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. ELG acknowledges that the amount billed to Client in this matter is not to exceed \$150,000 without further written authorization by Client.

Hourly rates are set to reflect the skill and experience of the attorney or other legal personnel rendering services on your behalf. While S. Wayne Rosenbaum will be primarily responsible for the handling of this matter, other attorneys, paralegals, and staff members

may be assigned tasks from time to time as necessary. Client agrees to pay for time spent at the hourly rates reflected on the attached rate sheet. The scheduled rates are subject to change upon 30 days written notice to you.

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 IRS Standard Mileage Rate, extraordinary telephone and document delivery charges, copying charges at \$0.15 per copy, computer research, court filing fees and other court related fees, and expenditures including court reporting and transcription fees. No separate charge is made for secretarial or word processing services.

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 may include costs of other professionals and experts. These are out-of-pocket charges, and we need to have sufficient funds on hand from Client to pay them when due. We will advise you from time to time when we expect items of significant cost to be incurred, and it is required that Client send us advances to cover those costs within ten (10) days of ELG's request.

MONTHLY INVOICES AND PAYMENT

Monthly invoices will be provided to Client and will reflect both professional and other fees for services rendered through the end of the prior month, as well as expenses incurred on 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. All billings are due and payable within ten (10) days of presentation unless the full amount is covered by the balance of a retainer held in our trust account. Invoices can be paid by check, e-check, or credit card. All credit card payments are subject to a service charge. Failure to pay invoices on a timely basis subjects Client to discontinuance of legal services at the option of ELG. In any event, if a bill is not paid within 30 days, a late charge of 1½% per month on the unpaid balance shall be added to the balance owed, commencing with the next statement and continuing until paid.

Client agrees that all disputes regarding the payment of ELG's fees and costs will be subject to the arbitration and mediation procedures set forth in California Business & Professions Code section 6200.

CLIENT APPROVAL NECESSARY FOR SETTLEMENT

ELG will not make any settlement or compromise of any nature of any of Client's claims without Client's prior approval. Client retains the absolute right to accept or reject any settlement.

CONSENT TO USE OF EMAIL AND CLOUD SERVICES

To provide Client with efficient and convenient legal services, ELG will frequently communicate and transmit documents using e-mail. Because e-mail continues to evolve,

there may be risks communicating in this manner, including risks related to confidentiality and security. By entering into this Agreement, Client is consenting to such e-mail transmissions with Client and Client's representatives and agents. In addition, ELG uses cloud computing services with servers located in a facility other than ELG's office. Some of ELG's electronic data, including emails and documents, are stored in this manner. By entering into this Agreement, Client understands and consents to having communications, documents, and information pertinent to the Client's matter stored through such a cloud-based service.

INSURANCE COVERAGE

As a matter of professional responsibility, we are required to disclose that this firm carries errors and omissions insurance covering the scope of services we will be providing to you.

TERMINATION

Client may terminate our services at any time and will be responsible to us only for the payment of fees and costs accrued but not yet paid, plus reasonable fees and costs incurred by us in transferring the case to your new counsel. We reserve the right to terminate our services for good cause, or if permitted under the Rules of Professional Conduct of the State Bar of California and/or applicable law. Among the circumstances under which ELG may withdraw are: failure to pay monthly invoices as submitted; failure to provide any requested retainer; failure to cooperate with ELG in this matter; or in the event we determine we cannot continue to represent Client for ethical or practical concerns. If we terminate our services, Client would be required to pay any balance due and reasonable fees and costs incurred by this firm in transferring the case to another attorney.

CONCLUSION OF SERVICES

When ELG's services conclude, whether by completing the services covered by this agreement, or by discharge or withdrawal, all unpaid charges for fees or costs will be due and payable immediately. At the end of the engagement, Client may request the return of Client's case file. If Client has not requested the return of Client's file, and to the extent ELG has not otherwise delivered it or disposed of it consistent with Client's directions, ELG will retain the case file for a period of three (3) years after which ELG is authorized by this agreement to have the case file destroyed. If Client would like ELG to maintain Client's case file for more than three (3) years after the conclusion of ELG's services for Client on a given matter, a separate written agreement must be made between ELG and Client, which may provide for Client to bear the cost of maintaining the file. In the event Client requests that ELG transfer possession of Client's case file to Client or a third party, ELG is authorized, but not required, to retain copies of the case file at ELG's expense. The case file includes Client materials and property as defined in Rule 1.16(e)(1) of the California Rules of Professional Conduct.

DISCLAIMER OF GUARANTEE AND ESTIMATES

Nothing in this Agreement and nothing in ELG's statements to Client will be construed as a promise or guarantee about the outcome of the matter. ELG makes no such promises or guarantees. ELG's comments about the outcome of the matter are expressions of opinion only, are neither promises nor guarantees, and will not be construed as promises

City of Beaumont

May 30, 2025

Page 4

or guarantees. Any deposits made by Client, or estimate of fees given by ELG, are not a representation of a flat fee and will not be a limitation on fees or a guarantee that fees and costs will not exceed the amount of the deposit or estimate. Actual fees may vary significantly from estimates given.

We are pleased that you have selected ELG to provide representation in this matter, and we look forward to a long and valued relationship with you. If this letter agreement meets with your approval, please sign and date it, and return the original to us. If you have any questions about this letter, or any matter relating to our engagement, please do not hesitate to call.

Yours very truly,

VARCO & ROSENBAUM
ENVIRONMENTAL LAW GROUP LLP



S. Wayne Rosenbaum

SWR/mt
Enclosure

AGREED AND ACCEPTED:
City of Beaumont, CA

Dated: _____

By: _____
Elizabeth Gibbs, City Manager

Cc: John O. Pinkney (pinkney@sbemp.com)
Shannon Doyle (sdoyle@beaumontca.gov)

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Environmental Law Group LLP

Rate Sheet

2025

Suzanne R. Varco, partner	\$650.00 per hour
S. Wayne Rosenbaum, partner	\$650.00 per hour
Associate Attorney	\$490.00 per hour
Law Clerk	\$270.00 per hour
Paralegal	\$250.00 per hour