

MEMORANDUM



To: Mayor and City Council

From: John Walsh, City Administrator

Date: December 17, 2025

Subject: AFFF Nationwide Class Action Settlement, Contingent Fee Agreement

Background: In September 2023, a nationwide class action products liability lawsuit was settled against Defendants 3M and Dupont and public water systems related to firefighting foam products (known as “aqueous film forming foam” or “AFFF”) containing perfluoroalkyl substances (“PFAS”) (including perfluorooctanoic acid (PFOA/C8), perfluorooctane sulfonate (PFOS), and any other related compounds). A \$13.1 billion settlement fund was created. The purpose of the fund is to compensate public water systems for the increased compliance costs related to new Environmental Protection Act (EPA) regulation as a result of AFFF chemicals manufactured by 3M and Dupont.

Oregon cities that have public water systems may be eligible under the original settlement to submit a claim and seek recovery under the class action settlement.

Recommendation: Baron Budd, P.C., an Environmental Law firm, is Plaintiff’s Counsel for the class action lawsuit, that brought about the \$13.1 billion settlement. Baron Budd is also highly experienced at helping municipalities submit claims and receive successful recovery under the class action settlement. Baron Budd proposes to represent the City on a contingent fee basis of 25% of the Net Recovery of any amount recovered by the City, after payment of costs, and with no out-of-pocket costs to the City. If there is no recovery, the City will not be required to reimburse the attorneys for costs and fees. In the event a recovery is less than the incurred costs and expenses, the City will not be required to reimburse attorneys for costs/expenses, above and beyond the recovery, and fees.

As an out of state law firm, Baron Budd, P.C. requires local counsel to represent an Oregon client. The City contracts with Jordan Ramis, P.C. for City Attorney services, which does not handle cases on a contingent fee basis. Wigod Law Office, who is serving as the City Attorney for the City of St. Helens under contract with Jordan Ramis, P.C., is able to represent the City in that capacity.

It is recommended to retain Barron Budd and Wigod Law to pursue recovery in the class action settlement claim process.

Recommended Motion: I move to approve the attached contingent fee agreement with Baron Budd and Wigod Law Office.

LEGAL SERVICES AGREEMENT

1. **IDENTIFICATION OF PARTIES.** This Agreement is made between City of St. Helens (“Client”) and the law firms of Baron & Budd, P.C., Cossich, Sumich, Parsiola & Taylor LLC and Wigod Law Firm (collectively referred to as “Attorneys”).
2. **RETENTION OF FIRM RATHER THAN PARTICULAR ATTORNEY.** By signing this Agreement, Client retains the law firms. Attorney services will be provided to Client by the firms and will not necessarily be performed by any particular attorney.
3. **AUTHORIZED REPRESENTATIVE OF CLIENT.** Client designates

as the authorized representative to direct Attorneys and to be the primary individual to communicate with Attorneys regarding the subject matter of Attorneys’ representation of Client under this Agreement. This designation is intended to establish a clear line of authority and to minimize potential uncertainty, but not to preclude communication between Attorneys and other representatives of Client.
4. **SCOPE AND DUTIES.** Attorneys will provide legal services to Client with respect to damages, compensation, and other relief to which Client may be entitled as a result of an Action to be filed by Attorneys on behalf of Client against the manufacturer(s) of firefighting foam products (known as “aqueous film forming foam” or “AFFF”) containing perfluoroalkyl substances (“PFAS”) (including perfluorooctanoic acid (PFOA/C8), perfluorooctane sulfonate (PFOS), and any other related compounds) that contaminate Client’s public water system and/or fire training center. Client hires Attorneys to provide legal services in connection with pursuing claims against all those responsible for damages Client suffered or will suffer. Attorneys shall provide those legal services reasonably required to represent Client and shall take reasonable steps to keep Client informed of progress and to respond to Client’s inquiries. Client shall be truthful with Attorneys, cooperate with Attorneys, and keep Attorneys informed of all factual developments. Attorneys will assist in negotiating liens but will not litigate them.
5. **LEGAL SERVICES SPECIFICALLY EXCLUDED.** Unless otherwise agreed in writing by Client and Attorneys, Attorneys will not provide legal services with respect to (a) defending any legal proceeding or claim against the Client commenced by any person unless such proceeding or claim is filed against the Client in the Action or (b) proceedings before any federal or state administrative or governmental agency, department, or board including, but not limited to, the United States Environmental Protection Agency. With Client’s permission, however, Attorneys may elect to appear at such administrative proceedings to protect Client’s rights. If Client wishes to retain Attorneys to provide any legal services not provided under this Agreement for additional compensation, a separate written agreement between Attorneys and Client will be required.
6. **JOINT RESPONSIBILITY.** Baron & Budd, P.C., Cossich, Sumich, Parsiola & Taylor LLC and Wigod Law Office assume joint legal responsibility to Client for the representation described in this Agreement, and all agree to be available for consultation with the client. Client approves of and consents to the participation of all firms in the representation.

7. **ATTORNEYS' FEES.** Client and Attorneys have agreed that Client will pay Attorneys a contingent fee for representing Client in this matter. The fee is not set by law but is negotiable between Attorneys and Client. Attorneys and Client agree that the contingent fee will be calculated as described below.

A. Calculation of Contingent Fee

Attorneys will receive a contingency fee of twenty-five percent (25%) of the gross recovery (as defined below).

The contingent fee is to be calculated based on Client's gross recovery before deduction of costs and expenses (as defined below). The contingent fee is calculated by multiplying the gross recovery by the applicable fee percentage

B. Definitions

"Costs" and "Expenses" include, but are not limited to, the following: process servers' fees, court reporters' fees, document management costs, messenger and other delivery fees, parking, investigation expenses, consultants' fees, expert witness fees, fees fixed by law or assessed by courts or other agencies, and other similar items, incurred by Attorneys in the course of representing Client.

"Document Management Costs" are the costs associated with collecting, copying, and storing documents relevant to the Action as discussed in paragraph 8, below. These costs include processing and hosting charges, hardware, software, and any other resources necessary to manage documents.

"Gross recovery" means the total recovery, whether obtained by settlement, arbitration award, court judgment following trial or appeal, or otherwise. "Gross recovery" shall include, without limitation, the following: (1) the then-present value of any monetary payments to be made to Client; and (2) the fair market value of any non-monetary property and services to be transferred and/or rendered for the benefit of Client; and (3) any attorney's fees recovered by Client as part of any cause of action that provides a basis for such an award. "Gross recovery" may come from any source, including, but not limited to, the adverse parties to the Action and/or their insurance carriers and/or any third party, whether or not a party to the Action.

Any court order establishing a fee award in Client's case controls the fee percentage that will be charged to Client. This includes orders entered in a specific case, in an MDL, or in a class action. Where a common benefit fee or class fee reduces the contractual fee percentage, the reduced fee percentage is divided pro rata among contracting Attorneys as set out in Paragraph 10.

If Client and Attorneys disagree as to the fair market value of any non-monetary property or services as described above, Attorneys and Client agree that a binding appraisal will be conducted to determine this value.

It is possible that payment to the Client by the adverse parties to the Action or their insurance carrier(s) or any third-party may be deferred, as in the case of an annuity, a structured settlement, or

periodic payments. In such event, gross recovery will consist of the initial lump sum payment plus the present value (as of the time of the settlement) of the total of all payments to be received thereafter. The contingent fee is calculated, as described above, by multiplying the net recovery by the fee percentage. The Attorneys' fees will be paid out of the initial lump-sum payment if there are sufficient funds to satisfy the Attorneys' fee. If there are insufficient funds to pay the Attorneys' fees in full from the initial lump sum payment, the balance owed to Attorney will be paid from subsequent payments to Client before there is any distribution to Client.

C. Reasonable Fee if Contingent Fee is Unenforceable or if Attorney is Discharged Before Any Recovery.

In the event that the contingent fee portion of this agreement is determined to be unenforceable for any reason or the Attorneys are prevented from representing Client on a contingent fee basis, Client agrees to pay a reasonable fee for the services rendered. If the parties are unable to agree on a reasonable fee for the services rendered, Attorneys and Client agree that the fee will be determined by arbitration proceedings before a neutral affiliated with the Judicial Arbitration and Mediation Services (JAMS); in any event, Attorneys and Client agree that the fee determined by arbitration shall not exceed twenty five percent (25 %) of the gross recovery as defined in this agreement.

D. Order or Agreement for Payment of Attorneys' Fees or Costs by Another Party.

If a court orders, or the parties to the dispute agree, that another party shall pay some or all of Client's attorneys' fees, costs, or both, Attorneys shall be entitled to the greater of (i) the amount of any attorney's fees awarded by the court or included in the settlement or (ii) the percentage or other formula applied to the recovery amount not including such attorney's fees.

8. COSTS AND EXPENSES.

A. General

In addition to paying legal fees, Client authorizes Attorneys to incur all reasonable costs and expenses and to hire any investigators, consultants, or expert witnesses. Attorneys will advance those costs and expenses. Attorneys will deduct those costs and expenses out of Client's recovery after attorney's fees have been calculated and deducted. If there is no recovery, Client will not be required to reimburse Attorneys for costs and fees. In the event a recovery is less than incurred costs and expenses, Client will not be required to reimburse Attorneys for costs/expenses, above and beyond the recovery, and fees.

B. Document Management Costs

Attorneys have explored two means of managing litigation documents:

- (1) Outsource to outside vendor. Attorneys contract with outside vendors to collect, copy, and store documents. Attorneys advance these costs, and Client reimburses Attorneys out of any recovery; or
- (2) Internal processing. Attorneys can create an internal document management system by obtaining computer software, hardware, and related resources necessary to collect, copy,

store, organize, and produce documents and data. This option obviates the need to outsource this work to an outside vendor.

Attorneys represent that the second option above, internal processing, is the better choice for promoting efficiency, saving Client costs, and limiting legal expenses. Client agrees that Attorneys may purchase the resources necessary to provide an internal document management system for Client, subject to cost review and approval by Client. Attorneys may, however, use outside vendors where costs or circumstances warrant.

9. **SHARED EXPENSES.** Client understands that Attorneys may incur certain expenses that jointly benefit multiple clients, including, for example, expenses for travel, experts, and copying. Client agrees that Attorneys may, in their discretion, divide such expenses equally or pro rata among such clients, and deduct Client's portion of those expenses from Client's share of any recovery. Prior client approval is not required for shared expenses.

10. **DIVISION OF ATTORNEYS' FEES.** At the conclusion of the case, if a recovery is made on behalf of Client, Client understands and agrees that the total Attorneys' contingent fee calculated under paragraph 7.A, above, will be divided among Attorneys as follows: Baron & Budd, P.C. will receive forty-two and one-half percent (42.5 %); Cossich, Sumich, Parsiola & Taylor will receive forty-two and one-half percent (42.5%), and Wigod Law Office will receive fifteen percent (15%). Where a common benefit fee or class fee reduces the contractual fee percentage, the reduced fee percentage is divided pro rata among contracting Attorneys in the percentages set out in this paragraph. Any fee awarded as a "common benefit" or "class" fee will not be divided among Attorneys but will remain the sole property of the firm(s) to which it is awarded.

11. **MULTIPLE REPRESENTATIONS.** Client understands that Attorneys do or may represent many other individuals with actual or potential PFAS litigation claims. Attorneys' representation of multiple claimants at the same time may create certain actual or potential conflicts of interest in that the interests and objectives of each client individually on certain issues are, or may become, inconsistent with the interests and objectives of the other. Attorneys are governed by specific rules and regulations relating to professional responsibility in representation of clients, and especially where conflicts of interest may arise from representation of multiple clients against the same or similar defendants, Attorneys must advise clients of any actual or potential conflicts of interest and obtain their informed written consent to our representation when actual, present, or potential conflicts of interest exist. Client has conferred with its own separate corporate or municipal counsel and has determined that it is in its own best interests to waive any and all potential or actual conflicts of interest which may occur as the result of Attorneys' current and continuing representation of other entities in similar litigation. By signing this agreement, Client states that (1) it has been advised of the potential conflicts of interest which may be or are associated with our representation of Client and other multiple claimants; (2) it nevertheless wants Attorneys to represent Client; and (3) Client consents to Attorneys' representation of others in connection with the PFAS litigation. Client remains completely free to seek other legal advice at any time even after signing this agreement.

12. **POWER OF ATTORNEY.** Client gives Attorneys a power of attorney to execute all reasonable and necessary documents connected with the handling of this cause of action, including pleadings, contracts, settlement agreements, compromises and releases, verifications, dismissals and

orders, and all other documents that Client could properly execute. Client's claims will not be settled without obtaining Client's consent.

13. **SETTLEMENT.** Attorneys will not settle Client's claim without the approval of Client, who will have the absolute right to accept or reject any settlement. Attorneys will notify Client promptly of the terms of any settlement offer received by Attorneys.

14. **AGGREGATE SETTLEMENTS.** Often times in cases where Attorneys represent multiple clients in similar litigation, the opposing parties or defendants attempt to settle or otherwise resolve all of Attorneys' cases in a group or groups, by making a single settlement offer to settle a number of cases simultaneously. There exists a potential conflict of interest whenever a lawyer represents multiple clients in a settlement of this type because it necessitates choices concerning the allocation of limited settlement amounts among the multiple clients. However, if all clients consent, a group settlement can be accomplished and a single offer can be fairly distributed among the clients by assigning settlement amounts based upon the strengths and weaknesses of each case, the relative nature, severity and extent of injuries, and individual case evaluations. In the event of a group or aggregate settlement proposal, Attorneys may implement a settlement program, overseen by a referee or special master, who may be appointed by a court, designed to ensure consistency and fairness for all claimants, and which will assign various settlement values and amounts to each client's case depending upon the facts and circumstances of each individual case. Client authorizes Attorneys to enter into and engage in group settlement discussions and agreements that may include Client's individual claims. Although Client authorizes Attorneys to engage in such group settlement discussions and agreements, Client retains the right to approve any settlement of Client's claims, and Attorneys are required to obtain Client's approval before settling Client's claims.

15. **ATTORNEYS' LIEN.** Attorneys will have a lien for attorneys' fees and costs advanced on all claims and causes of action that are the subject of the representation of Client under this Agreement and on all proceeds of any recovery obtained (whether by settlement, arbitration award, or court judgment).

16. **DISCHARGE OF ATTORNEYS.** Client may discharge Attorneys at any time by written notice effective when received by Attorneys. Unless specifically agreed by Attorneys and Client, Attorneys will provide no further services and advance no further costs on Client's behalf after receipt of the notice. If Attorneys appear as Client's attorneys of record in any proceeding, Client will execute and return a substitution-of-attorney form immediately on its receipt from Attorneys. In the event that Attorneys are discharged, for whatever reason, Client remains obligated to pay Attorneys the entire percentage as agreed in paragraph 7.A or a reasonable fee as described in paragraph 7.C and to reimburse Attorneys for all reasonable costs and expenses not later than thirty (30) days after the receipt of a final cost accounting from Attorneys.

17. **WITHDRAWAL OF ATTORNEYS.** Client and Attorneys agree that if, after investigation of the facts and research of the law, Attorneys believe that Client's claims are of limited merit, Attorneys may terminate this agreement with Client prior to and without filing suit. Termination releases Attorneys from any further action on Client's claim and discharges Attorneys from this Agreement. Termination will be effected via delivery service with signature receipt to the last address provided by Client to Attorneys. After filing suit, Attorneys may withdraw with Client's consent as permitted under the governing Rules of Professional Conduct. The circumstances under which the Rules permit such

withdrawal include, but are not limited to, the following: (a) the representation will result in violation of the rules of professional conduct or other law; (b) if withdrawal can be accomplished without material adverse effect on the interests of Client; (c) if Client persists in a course of action involving Attorneys' services that Attorneys reasonably believe is criminal or fraudulent or if Client has used Attorneys' services to perpetrate a crime or fraud; (d) if Client insists upon pursuing an objective that Attorneys consider repugnant or imprudent; (e) if Client fails substantially to fulfil an obligation to Attorneys regarding Attorneys' services and has given reasonable warning that Attorneys will withdraw unless the obligation is fulfilled; (f) the representation will result in an unreasonable financial burden on Attorneys; or (g) if other good cause for withdrawal exists. Upon termination of representation, Attorneys shall take steps to the extent reasonably practicable to protect Client's interests, will give reasonable notice to Client, will allow time for employment of other counsel, will surrender papers and property to which Client is entitled, and will refund any advance payment of fee that has not been earned. Notwithstanding Attorneys' withdrawal, Client will remain obligated to pay Attorneys at the agreed rate for all services provided, and to reimburse Attorneys for all costs advanced, before the withdrawal.

18. **RELEASE OF CLIENT'S PAPERS AND PROPERTY.** At the termination of services under this Agreement, Attorneys will release promptly to Client on request all of Client's papers and property. "Client's paper and property" includes correspondence, deposition transcripts, exhibits, experts' reports, legal documents, physical evidence, and other items reasonably necessary to Client's representation, whether Client has paid for them or not.

19. **INDEPENDENT CONTRACTOR.** The relationship to Client of Attorneys, and any associate counsel or paralegal provided through Attorneys, in the performance of services under this Agreement is that of Client to independent contractor and not that of Client to employee. No other wording in this Agreement shall stand in derogation of this subparagraph. The fees and costs paid to Attorneys for legal services rendered pursuant to this Agreement shall be deemed revenues of their law office practices and not as a remuneration for individual employment apart from the business of that law office.

20. **NOTICES.** Client agrees to receive communications and documents from Attorneys via email. Attorneys agree to receive communications and documents from Client via email. In the event that Client needs to send hardcopy documents or other physical materials, Client agrees to send those to Attorneys at the following addresses:

Baron & Budd, P.C.
3102 Oak Lawn Ave., Suite 1100
Dallas, Texas 75219

Cossich, Sumich, Parsiola & Taylor LLC
8397 Highway 23, Suite 100
Belle Chasse, Louisiana 770037

Wigod Law Office
7175 S.W. Beveland St. #210
Tigard, Oregon 97223

21. **DISCLAIMER OF GUARANTEE.** Although Attorneys may offer an opinion about possible results regarding the subject matter of this Agreement, Attorneys cannot guarantee any particular result. Client acknowledges that Attorneys have made no promises about the outcome and that any opinion offered by Attorneys in the future will not constitute a promise, guarantee, or warranty.
22. **ENTIRE AGREEMENT.** This Agreement contains the entire agreement of the parties. No other agreement, statement, or promise made on or before the effective date of this Agreement will be binding on the parties.
23. **SEVERABILITY IN EVENT OF PARTIAL INVALIDITY.** If any provision of this Agreement is held in whole or in part to be unenforceable for any reason, the remainder of that provision and of the entire Agreement will be severable and remain in effect.
24. **MODIFICATION BY SUBSEQUENT AGREEMENT.** The parties may agree to modify this Agreement by executing a new written agreement.
25. **DISPUTES ARISING UNDER AGREEMENT.** Client and Attorneys agree that any controversy, claim, or dispute (including issues relating to the fee) arising out of or relating to this Agreement, its performance, and/or its breach will be resolved by arbitration proceedings before a neutral associated with the Judicial Arbitration and Mediation Services (JAMS). Disagreement as to the fair market value of any non-monetary property or services, however, will be resolved in accordance with paragraph 7.C.
26. **ATTORNEY'S FEES AND COSTS IN ACTION ON AGREEMENT.** The prevailing party in any action or proceeding to enforce any provision of this Agreement will be awarded reasonable attorney's fees and costs incurred in that action or proceeding or in efforts to negotiate the matter.
27. **EFFECTIVE DATE OF AGREEMENT.** This Agreement is effective when the Client signs the Agreement. This Agreement applies to any services provided by Attorneys before its effective date.
28. **MULTIPLE COUNTERPARTS.** This Agreement will be effective whether or not executed in multiple counterparts.

This agreement and its performance are subject to the Texas Disciplinary Rules of Professional Conduct, the Louisiana Rules of Professional Conduct, and the Oregon Rules of Professional Conduct.

Agreed by:

City of St. Helens ("Client")

Scott Summy, Baron & Budd, P.C. (“Attorney”)

Phil Cossich, Cossich, Sumich, Parsiola & Taylor, LLC (“Attorney”)

Ashley Wigod, Wigod Law Office (“Attorney”)