

PROFESSIONAL SERVICES AGREEMENT
[District Administration Services]

THIS PROFESSIONAL SERVICES AGREEMENT (the “Agreement”) is made at Orange, California, on this ____ day of _____, 2026 (the “Effective Date”) by and between the CITY OF ORANGE, a municipal corporation (“City”), and WILLDAN FINANCIAL SERVICES, a California corporation (“Contractor”), who agree as follows:

1. Services. Subject to the terms and conditions set forth in this Agreement, Contractor shall provide to the reasonable satisfaction of City the services set forth in Exhibit “A,” which is attached hereto and incorporated herein by reference. As a material inducement to City to enter into this Agreement, Contractor represents and warrants that it has thoroughly investigated and considered the scope of services and fully understands the difficulties and restrictions in performing the work. The services which are the subject of this Agreement are not in the usual course of City’s business and City relies on Contractor’s representation that it is independently engaged in the business of providing such services and is experienced in performing the work. Contractor shall perform all services in a manner reasonably satisfactory to City and in a manner in conformance with the standards of quality normally observed by an entity providing such services to a municipal agency. All services provided shall conform to all federal, state and local laws, rules and regulations and to the best professional standards and practices. The terms and conditions set forth in this Agreement shall control over any terms and conditions in Exhibit "A" to the contrary.

Trang Nguyen, Finance Director (“City’s Project Manager”), shall be the person to whom Contractor will report for the performance of services hereunder. It is understood that Contractor’s performance hereunder shall be under the supervision of City’s Project Manager (or his/her designee), that Contractor shall coordinate its services hereunder with City’s Project Manager to the extent required by City’s Project Manager, and that all performances required hereunder by Contractor shall be performed to the satisfaction of City’s Project Manager and the City Manager.

2. Compensation and Fees.

a. Contractor's total compensation for all services performed under this Agreement, shall not exceed a cumulative total of ONE HUNDRED NINETY-NINE THOUSAND THREE HUNDRED EIGHTY-FIVE DOLLARS and 00/100 (\$199,385.00) for the next five fiscal years (July 1 through June 30) beginning July 1, 2026 with fiscal year 2026/27 without the prior written authorization of City. Additionally, Contractors total compensation for all services performed under this Agreement during each fiscal year shall not exceed the year-by-year cost breakdown, as set forth on Attachment A, without the prior written authorization of the City.

b. Beginning in FY 2027/28 and each fiscal year thereafter, the fees shall be adjusted annually based on the percentage change in the Consumer Price Index (CPI) for Los Angeles-Long Beach-Anaheim region, or the closest equivalent index published at the time of adjustment.

c. The above compensation shall include all costs, including, but not limited to, all clerical, administrative, overhead, insurance, reproduction, telephone, travel, auto rental, subsistence and all related expenses.

3. Payment.

a. As scheduled services are completed, Contractor shall submit to City an invoice for the services completed, authorized expenses and authorized extra work actually performed or incurred.

b. All such invoices shall state the basis for the amount invoiced, including services completed, the number of hours spent and any extra work performed.

c. City will pay Contractor the amount invoiced within thirty (30) days after the approval of the invoice.

d. Payment shall constitute payment in full for all services, authorized costs and authorized extra work covered by that invoice.

4. Change Orders. No payment for extra services caused by a change in the scope or complexity of work, or for any other reason, shall be made unless and until such extra services and a price therefor have been previously authorized in writing and approved by City as an amendment to this Agreement. City's Project Manager is authorized to approve a reduction in the services to be performed and compensation therefor. All amendments shall set forth the changes of work, extension of time, and/or adjustment of the compensation to be paid by City to Contractor and shall be signed by the City's Project Manager, City Manager or City Council, as applicable.

5. Licenses. Contractor represents that it and any subcontractors it may engage, possess any and all licenses which are required under state or federal law to perform the work contemplated by this Agreement and that Contractor and its subcontractors shall maintain all appropriate licenses, including a City of Orange business license, at its cost, during the performance of this Agreement.

6. Independent Contractor. At all times during the term of this Agreement, Contractor shall be an independent contractor and not an employee of City. City shall have the right to control Contractor only insofar as the result of Contractor's services rendered pursuant to this Agreement. City shall not have the right to control the means by which Contractor accomplishes services rendered pursuant to this Agreement. Contractor shall, at its sole cost and expense, furnish all facilities, materials and equipment which may be required for furnishing services pursuant to this Agreement. Contractor shall be solely responsible for, and shall indemnify, defend and save City harmless from all matters relating to the payment of its subcontractors, agents and employees, including compliance with social security withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever. Contractor acknowledges that it and any subcontractors, agents or employees employed by Contractor shall not, under any circumstances, be considered employees of City, and that they shall

not be entitled to any of the benefits or rights afforded employees of City, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits.

7. **Contractor Not Agent.** Except as City may specify in writing, Contractor shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Contractor shall have no authority, express or implied, to bind City to any obligation whatsoever.

8. **Designated Persons.** Only those qualified persons authorized by City's Project Manager, or as designated in Exhibit "A," shall perform work provided for under this Agreement. It is understood by the parties that clerical and other nonprofessional work may be performed by persons other than those designated.

9. **Assignment or Subcontracting.** No assignment or subcontracting by Contractor of any part of this Agreement or of funds to be received under this Agreement shall be of any force or effect unless the assignment has the prior written approval of City. City may terminate this Agreement rather than accept any proposed assignment or subcontracting. Such assignment or subcontracting may be approved by the City Manager or his/her designee.

10. **Time of Completion.** Except as otherwise specified in Exhibit "A," Contractor shall commence the work provided for in this Agreement within five (5) days of the Effective Date of this Agreement and diligently prosecute completion of the work in accordance with the time period set forth in Exhibit "A" hereto] or as otherwise agreed to by and between the representatives of the parties.

11. **Time Is of the Essence.** Time is of the essence in this Agreement. Contractor shall do all things necessary and incidental to the prosecution of Contractor's work.

12. **Reserved.**

13. **Delays and Extensions of Time.** Contractor's sole remedy for delays outside its control, other than those delays caused by City, shall be an extension of time. No matter what the cause of the delay, Contractor must document any delay and request an extension of time in writing at the time of the delay to the satisfaction of City. Any extensions granted shall be limited to the length of the delay outside Contractor's control. If Contractor believes that delays caused by City will cause it to incur additional costs, it must specify, in writing, why the delay has caused additional costs to be incurred and the exact amount of such cost at the time the delay occurs. No additional costs can be paid that exceed the not to exceed amount stated in Section 2.a, above, absent a written amendment to this Agreement.

14. **Products of Contractor.** The documents, studies, evaluations, assessments, reports, plans, citations, materials, manuals, technical data, logs, files, designs and other products produced or provided by Contractor for this Agreement shall become the property of City upon receipt. Contractor shall deliver all such products to City prior to payment for same. City may use, reuse or otherwise utilize such products without restriction.

15. Equal Employment Opportunity. During the performance of this Agreement, Contractor agrees as follows:

a. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Contractor shall ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law. Such actions shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, a notice setting forth provisions of this non-discrimination clause.

b. Contractor shall, in all solicitations and advertisements for employees placed by, or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, mental or physical disability, or any other basis prohibited by applicable law.

c. Contractor shall cause the foregoing paragraphs (a) and (b) to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to subcontracts for standard commercial supplies or raw materials.

16. Conflicts of Interest. Contractor agrees that it shall not make, participate in the making, or in any way attempt to use its position as a consultant to influence any decision of City in which Contractor knows or has reason to know that Contractor, its officers, partners, or employees have a financial interest as defined in Section 87103 of the Government Code.

17. Indemnity.

a. To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold City, its City Council and each member thereof, and the officers, officials, agents and employees of City (collectively the "Indemnitees") entirely harmless from all liability arising out of:

(1) Any and all claims under workers' compensation acts and other employee benefit acts with respect to Contractor's employees or Contractor's subcontractor's employees arising out of Contractor's work under this Agreement, including any and all claims under any law pertaining to Contractor or its employees' status as an independent contractor and any and all claims under Labor Code section 1720 related to the payment of prevailing wages for public works projects; and

(2) Any claim, loss, injury to or death of persons or damage to property caused by any act, neglect, default, or omission of Contractor, or person, firm or corporation employed by Contractor, either directly or by independent contract, including all damages due to

loss or theft sustained by any person, firm or corporation including the Indemnitees, or any of them, arising out of, or in any way connected with the work or services which are the subject of this Agreement, including injury or damage either on or off City's property; but not for any loss, injury, death or damage caused by the active negligence or willful misconduct of City. Contractor, at its own expense, cost and risk, shall indemnify any and all claims, actions, suits or other proceedings that may be brought or instituted against the Indemnitees on any such claim or liability covered by this subparagraph, and shall pay or satisfy any judgment that may be rendered against the Indemnitees, or any of them, in any action, suit or other proceedings as a result of coverage under this subparagraph.

b. To the fullest extent permitted by law, and as limited by California Civil Code 2782.8, Contractor agrees to indemnify and hold Indemnitees harmless from all liability arising out of any claim, loss, injury to or death of persons or damage to property to the extent caused by its negligent professional act or omission in the performance of professional services pursuant to this Agreement.

c. Except for the Indemnitees, the indemnifications provided in this Agreement shall not be construed to extend any third party indemnification rights of any kind to any person or entity which is not a signatory to this Agreement.

d. The indemnities set forth in this section shall survive any closing, rescission, or termination of this Agreement, and shall continue to be binding and in full force and effect in perpetuity with respect to Contractor and its successors.

18. Insurance.

a. Contractor shall carry workers' compensation insurance as required by law for the protection of its employees during the progress of the work. Contractor understands that it is an independent contractor and not entitled to any workers' compensation benefits under any City program.

b. Contractor shall maintain during the life of this Agreement the following minimum amount of comprehensive general liability insurance or commercial general liability insurance: the greater of (1) One Million Dollars (\$1,000,000) per occurrence; or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage and be written on an occurrence basis.

c. Contractor shall maintain during the life of this Agreement, the following minimum amount of automotive liability insurance: the greater of (1) a combined single limit of One Million Dollars (\$1,000,000); or (2) all the insurance coverage and/or limits carried by or available to Contractor. Said insurance shall cover bodily injury, death and property damage for all owned, non-owned and hired vehicles and be written on an occurrence basis.

d. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits which are applicable to a given loss shall be available

to City. No representation is made that the minimum insurance requirements of this Agreement are sufficient to cover the obligations of Contractor under this Agreement.

e. Each policy of general liability and automotive liability shall provide that City, its officers, officials, agents, and employees are declared to be additional insureds under the terms of the policy, but only with respect to the work performed by Contractor under this Agreement. A policy endorsement to that effect shall be provided to City along with the certificate of insurance. In lieu of an endorsement, City will accept a copy of the policy(ies) which evidences that City is an additional insured as a contracting party. The minimum coverage required by Subsection 18.b and c, above, shall apply to City as an additional insured. Any umbrella liability insurance that is provided as part of the general or automobile liability minimums set forth herein shall be maintained for the duration of the Agreement.

f. Contractor shall maintain during the life of this Agreement professional liability insurance covering errors and omissions arising out of the performance of this Agreement with a minimum limit of One Million Dollars (\$1,000,000) per claim. Contractor agrees to keep such policy in force and effect for at least five (5) years from the date of completion of this Agreement.

g. The insurance policies maintained by Contractor shall be primary insurance and no insurance held or owned by City shall be called upon to cover any loss under the policy. Contractor will determine its own needs in procurement of insurance to cover liabilities other than as stated above.

h. Before Contractor performs any work or prepares or delivers any materials, Contractor shall furnish certificates of insurance and endorsements, as required by City, evidencing the aforementioned minimum insurance coverages on forms acceptable to City, which shall provide that the insurance in force will not be canceled or allowed to lapse without at least ten (10) days' prior written notice to City.

i. Except for professional liability insurance coverage that may be required by this Agreement, all insurance maintained by Contractor shall be issued by companies admitted to conduct the pertinent line of insurance business in California and having a rating of Grade A or better and Class VII or better by the latest edition of Best Key Rating Guide. In the case of professional liability insurance coverage, such coverage shall be issued by companies either licensed or admitted to conduct business in California so long as such insurer possesses the aforementioned Best rating.

j. Contractor shall immediately notify City if any required insurance lapses or is otherwise modified and cease performance of this Agreement unless otherwise directed by City. In such a case, City may procure insurance or self-insure the risk and charge Contractor for such costs and any and all damages resulting therefrom, by way of set-off from any sums owed Contractor.

k. Contractor agrees that in the event of loss due to any of the perils for which it has agreed to provide insurance, Contractor shall look solely to its insurance for recovery.

Contractor hereby grants to City, on behalf of any insurer providing insurance to either Contractor or City with respect to the services of Contractor herein, a waiver of any right to subrogation which any such insurer may acquire against City by virtue of the payment of any loss under such insurance.

I. Contractor shall include all subcontractors, if any, as insureds under its policies or shall furnish separate certificates and endorsements for each subcontractor to City for review and approval. All coverages for subcontractors shall be subject to all of the requirements stated herein.

19. Termination. City may for any reason terminate this Agreement by giving Contractor not less than five (5) days' written notice of intent to terminate. Upon receipt of such notice, Contractor shall immediately cease work, unless the notice from City provides otherwise. Upon the termination of this Agreement, City shall pay Contractor for services satisfactorily provided and all allowable reimbursements incurred to the date of termination in compliance with this Agreement, unless termination by City shall be for cause, in which event City may withhold any disputed compensation. City shall not be liable for any claim of lost profits.

20. Maintenance and Inspection of Records. In accordance with generally accepted accounting principles, Contractor and its subcontractors shall maintain reasonably full and complete books, documents, papers, accounting records, and other information (collectively, the "records") pertaining to the costs of and completion of services performed under this Agreement. City and its authorized representatives shall have access to and the right to audit and reproduce any of Contractor's records regarding the services provided under this Agreement. Contractor shall maintain all such records for a period of at least three (3) years after termination or completion of this Agreement. Contractor agrees to make available all such records for inspection or audit at its offices during normal business hours and upon three (3) days' notice from City, and copies thereof shall be furnished if requested.

21. Compliance with all Laws/Immigration Laws.

a. Contractor shall be knowledgeable of and comply with all local, state and federal laws which may apply to the performance of this Agreement.

b. If the work provided for in this Agreement constitutes a "public works," as that term is defined in Section 1720 of the California Labor Code, for which prevailing wages must be paid, to the extent Contractor's employees will perform any work that falls within any of the classifications for which the Department of Labor Relations of the State of California promulgates prevailing wage determinations, Contractor hereby agrees that it, and any subcontractor under it, shall pay not less than the specified prevailing rates of wages to all such workers. The general prevailing wage determinations for crafts can be located on the website of the Department of Industrial Relations (www.dir.ca.gov/DLSR). Additionally, to perform work under this Contract, Contractor must meet all State registration requirements and criteria, including project compliance monitoring.

c. Contractor represents and warrants that it:

(1) Has complied and shall at all times during the term of this Agreement comply, in all respects, with all immigration laws, regulations, statutes, rules, codes, and orders, including, without limitation, the Immigration Reform and Control Act of 1986 (IRCA); and

(2) Has not and will not knowingly employ any individual to perform services under this Agreement who is ineligible to work in the United States or under the terms of this Agreement; and

(3) Has properly maintained, and shall at all times during the term of this Agreement properly maintain, all related employment documentation records including, without limitation, the completion and maintenance of the Form I-9 for each of Contractor's employees; and

(4) Has responded, and shall at all times during the term of this Agreement respond, in a timely fashion to any government inspection requests relating to immigration law compliance and/or Form I-9 compliance and/or worksite enforcement by the Department of Homeland Security, the Department of Labor, or the Social Security Administration.

d. Contractor shall require all subcontractors or subconsultants to make the same representations and warranties as set forth in Subsection 21.c.

e. Contractor shall, upon request of City, provide a list of all employees working under this Agreement and shall provide, to the reasonable satisfaction of City, verification that all such employees are eligible to work in the United States. All costs associated with such verification shall be borne by Contractor. Once such request has been made, Contractor may not change employees working under this Agreement without written notice to City, accompanied by the verification required herein for such employees.

f. Contractor shall require all subcontractors or sub-consultants to make the same verification as set forth in Subsection 21.e.

g. If Contractor or subcontractor knowingly employs an employee providing work under this Agreement who is not authorized to work in the United States, and/or fails to follow federal laws to determine the status of such employee, that shall constitute a material breach of this Agreement and may be cause for immediate termination of this Agreement by City.

h. Contractor agrees to indemnify and hold City, its officers, officials, agents and employees harmless for, of and from any loss, including but not limited to fines, penalties and corrective measures City may sustain by reason of Contractor's failure to comply with said laws, rules and regulations in connection with the performance of this Agreement.

22. Governing Law and Venue. This Agreement shall be construed in accordance with and governed by the laws of the State of California and Contractor agrees to submit to the

jurisdiction of California courts. Venue for any dispute arising under this Agreement shall be in Orange County, California.

23. Integration. This Agreement constitutes the entire agreement of the parties. No other agreement, oral or written, pertaining to the work to be performed under this Agreement shall be of any force or effect unless it is in writing and signed by both parties. Any work performed which is inconsistent with or in violation of the provisions of this Agreement shall not be compensated.

24. Notice. Except as otherwise provided herein, all notices required under this Agreement shall be in writing and delivered personally, by e-mail, or by first class U.S. mail, postage prepaid, to each party at the address listed below. Either party may change the notice address by notifying the other party in writing. Notices shall be deemed received upon receipt of same or within three (3) days of deposit in the U.S. Mail, whichever is earlier. Notices sent by e-mail shall be deemed received on the date of the e-mail transmission.

“CONTRACTOR”

“CITY”

Willdan Financial Services
27368 Via Industria, Suite 200
Temecula, CA 92590
Attn.: Tony Thrasher

City of Orange
300 E. Chapman Avenue
Orange, CA 92866-1591
Attn.: Trang Nguyen

Telephone: (951) 972-8110
E-Mail: TThrasher@willdan.com

Telephone: (714) 744-2235
E-Mail: nguyent@cityoforange.org

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures transmitted electronically shall have the same effect as original signatures.

[Remainder of page intentionally left blank; signatures on next page]


IN WITNESS of this Agreement, the parties have entered into this Agreement as of the year and day first above written.

“CONTRACTOR”


“CITY”

WILLDAN FINANCIAL SERVICES,
a California corporation

CITY OF ORANGE, a municipal corporation

*By: 
Printed Name: Chris Fisher
Title: Vice President / Director

By: _____
Daniel R. Slater, Mayor

*By: 
Printed Name: Rebekah Smith
Title: Assistant Secretary

ATTEST:

Pamela Coleman, City Clerk

APPROVED AS TO FORM:

Nathalie Adourian, City Attorney

***NOTE:**
-- City requires the following signature(s) on behalf of the Contractor:
-- (1) the Chairman of the Board, the President or a Vice-President, AND (2) the Secretary, the Chief Financial Officer, the Treasurer, an Assistant Secretary or an Assistant Treasurer. If only one corporate officer exists or one corporate officer holds more than one corporate office, please so indicate. OR
-- The corporate officer named in a corporate resolution as authorized to enter into this Agreement. A copy of the corporate resolution, certified by the Secretary close in time to the execution of the Agreement, must be provided to City.

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IN WITNESS of this Agreement, the parties have entered into this Agreement as of the year and day first above written.

“CONTRACTOR”

“CITY”

WILLDAN FINANCIAL SERVICES,
a California corporation

CITY OF ORANGE, a municipal corporation

*By: _____
Printed Name: _____
Title: _____

By: _____
Daniel R. Slater, Mayor

*By: _____
Printed Name: _____
Title: _____

ATTEST:

Pamela Coleman, City Clerk

APPROVED AS TO FORM:

Nathalie Adourian, City Attorney

***NOTE:**
-- City requires the following signature(s) on behalf of the Contractor:
-- (1) the Chairman of the Board, the President or a Vice-President, AND (2) the Secretary, the Chief Financial Officer, the Treasurer, an Assistant Secretary or an Assistant Treasurer. If only one corporate officer exists or one corporate officer holds more than one corporate office, please so indicate. OR
-- The corporate officer named in a corporate resolution as authorized to enter into this Agreement. A copy of the corporate resolution, certified by the Secretary close in time to the execution of the Agreement, must be provided to City.

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EXHIBIT “A”

SCOPE OF SERVICES

[Beneath this sheet.]

Exhibit A

Arbitrage Scope of Services

Task 1: Define Compliance Needs and Provide Implementation Schedule

Objective: Obtain bond documents, prior reports, and transactional data necessary to prepare arbitrage computations.

Description: WFS will review the bond documents and prior reports provided by the Client and assess the special elections made at issue and the availability of regulatory exceptions.

Task 2: Verify Bond Yield and Prepare Arbitrage Rebate and Yield Restriction Analysis

Objective: Compute the cumulative arbitrage rebate liability and/or yield reduction payment accrual for each bond.

Description: Utilizing data provided by the Client and authorized third parties, WFS will:

- Verify the bond yield as stated in the bond documents;
- Identify the bond proceeds subject to arbitrage rebate compliance;
- Assume all expenditures of bond proceeds have been made in accordance with Section 148(f) of the Internal Revenue Code;
- Compute investment earnings, taking into account the proper allocation of commingled funds;
- Future value transactions to the computation date;
- Test for exceptions to rebate and penalty in-lieu requirements;
- Analyze unspent project funds and overfunded reserves subject to yield restriction pursuant to Section 148(f) of the Internal Revenue Code;
- Determine the cumulative arbitrage liability pursuant to Section 148(f) of the Internal Revenue Code; and
- Determine the yield reduction payment pursuant to Section 148(f) of the Internal Revenue Code.

Task 3: Review and Assess Analysis Outcome

Objective: Multi-tiered review of each prepared report and internal discussion of assumptions and opportunities to reduce the rebate liability.

Description: Proper application of the arbitrage rebate regulations requires understanding the purpose of the financing and the investment and expenditure of bond proceeds. Once the mathematical analysis is complete, a comprehensive review of the report will be performed noting computational assumptions and technical issues to be evaluated. If appropriate, these issues will be communicated to the Client.

Deliverable: Possible discussion with your staff.

Exhibit A

Task 4: Conclusions, Recommendations, and Action Plan

Objective: Develop conclusions, recommendations, and produce reports.

Description: WFS will deliver a cumulative inception to current bond year arbitrage rebate report for each bond under contract and, if warranted, will offer recommendations for actions to be taken including:

- Areas where allocation and accounting methodology could be enhanced;
- Identification of technologies not currently in use that may be applicable and appropriate for future consideration;
- Identification of obstacles or challenges that could prevent timely or accurate compliance; and
- Instructions for filing IRS forms.

Deliverable: Completed arbitrage rebate report for each bond under contract inclusive of:

- Executive Summary detailing the assumptions and methodology used;
- Summary Analysis of all relevant dates;
- Sources and uses of funds;
- Arbitrage yield and yield restriction requirements;
- Rebate liability summarized and by fund;
- Arbitrage/Investment Yield Comparison Graph;
- Rebate Calculations by fund; and
- Outstanding Investments Summary.

Task 5: Review Results

Objective: Discuss arbitrage rebate positions, opportunities, and possible areas of enforcement concern.

Description: Key strategic and procedural issues will be discussed, as well as strengths and challenges relating to long-term arbitrage rebate compliance.

Deliverable: Discussion with Client staff.

Task 6: File IRS Payment and Refund Requests

Objective: Assist with filing arbitrage rebate payments and refund requests.

Description: WFS will supply completed IRS forms and payment instructions, as needed.

Deliverable: Completed IRS Payment and Refund Request Forms, with accompanying instructions.

Task 7: Monitor Regulatory Enhancement and Enforcement Actions

Objective: WFS will help Client staff stay abreast of regulatory interpretation and enforcement.

Description: WFS requires analyst staff to participate in yearly continuing education events and encourages discussion of current regulatory interpretation with clients. Depending upon the circumstances, WFS may recommend procedural and documentation changes to Client staff.

Deliverable: Audit assistance.

Exhibit A

Continuing Disclosure Scope of Services

Willdan (WFS) will provide assistance and advice specific to ongoing continuing disclosure matters. With regard to the City's outstanding debt financings, Willdan will support the City in preparing annual continuing disclosure reports. Willdan will help the City provide required financial and operating data requested by investors and/or required by the bond documents to keep securities holders informed of the investment quality of debt issue. Willdan will also assist the City in responding to questions from investors and other market participants.

Task 1: Define Compliance Needs and Provide Implementation Schedule

Objective: Collect bond documents relating to the debt issue, including but not limited to, the formation documents, the official statement, financial statements, Annual Continuing Disclosure Information Statement, and prior CDIAC report, if applicable.

Description: WFS will review the bond documents and establish an annual reporting schedule.

Deliverable: Reporting schedule.

Task 2: Compile Data Necessary to Complete Continuing Disclosure and/or CDIAC Report

Objective: Collect data and other third-party information required to be included in the continuing disclosure report and/or CDIAC Report directly from the Client, trustees, fiscal agents, state and county agencies and others.

Description: Review the information for accuracy and compliance with continuing disclosure documents.

Task 3: Report Preparation and Review

Objective: Create a draft of the continuing disclosure report and/or CDIAC Report for review.

Description: WFS will discuss with Client staff any relevant issues and provide suggestions regarding industry standards.

Deliverable: Continuing Disclosure and/or CDIAC Report.

Task 4: Report Dissemination

Objective: Provide timely Disclosure Report filings to the municipal market, CDIAC reports, if applicable, to the State of California.

Description: Once authorization to disseminate has been received, WFS will post the report to EMMA and provide confirmation of the date and time of the posting. If applicable, WFS will post the CDIAC report on the CDIAC website.

Deliverable: Upload completed and approved Disclosure Report to EMMA, or the currently recognized public repository. Submit CDIAC report to CDIAC.

Task 5: Notices of Occurrence of Listed Events and Supplemental Reporting

Objective: Provide timely Notice of Occurrence of Listed Events to the municipal market and supplement annual filings as necessary.

Description: WFS will prepare Notices of Occurrence of Listed Events covering events enumerated in Rule 15c2-12(b). WFS will also prepare Supplemental Disclosure Reports, as necessary.

Deliverable: Upload Notices of Occurrence of Listed Events and Supplemental Disclosure Reports to EMMA, or the currently recognized public repository. Provide confirmation of the date and time of the posting.

Task 6: Investor Support

Objective: Present a unified message to the municipal market.

Description: WFS will respond to investor calls either directly or after consultation with your staff.

Deliverable: Investor Call Support.

Task 7: Ongoing Regulatory Education

Objective: Ensure communication with the secondary market meets current regulatory requirements and is mindful of enforcement actions and investor concerns.

Description: WFS will monitor information releases from CDIAC, the SEC and the MSRB regarding enforcement actions and regulatory changes. If requested, WFS will review draft disclosure documents for new issues.

Deliverable: Upon request.

Exhibit A

Landscape and Lighting District Administration Services

Outlined below are the steps necessary to meet the needs of the following Landscape Maintenance Districts (“LMDs”): No. 86-2 (Santiago Hills); No. 94-1 (Sycamore Crossing); and No. 15-1 (Santiago Hills Overlay).

1. Create and maintain a parcel levy database by using parcel information from various sources. As new data becomes available, update the database, and enhance the data through parcel research using current secured roll information, County Assessor maps, various third-party resources, and specific information provided by the City (e.g., up-to-date map approval status, building permits or certificate of occupancy data). Updates to the database will include those necessitated by the addition and/or removal of parcels, land subdivisions and merges, ownership and mailing address changes, and adjusted benefit unit information.
2. Attend up to two (2) City Council meetings, public hearings, and/or staff meetings; and be available to answer questions posed by City Council or staff.
3. Update the parcel levy database by using the parcel listing and Engineer’s Reports provided by the City. The data will be verified against the County secured roll to identify and resolve any anomalies.
4. Provide the assessment amount for each parcel by APN to the County Auditor/Controller’s Office in the media, format and configuration required by the County for placement on the annual property tax roll.
5. Submit the electronic collection file, the Resolution to Levy, and other necessary documentation required by the County Auditor/Controller’s Office for collection of the assessments.
6. Research parcel exceptions provided by the County and, if possible, resubmit installment amounts that are unapplied by the County Auditor/Controller’s Office.
7. Provide a final applied listing of parcels, special assessment billing characteristics, and corresponding charge amounts.
8. Provide a toll-free number to field inquiries from City staff, property owners, and other interested parties regarding special assessment installments and related information.
9. As requested, prepare and mail invoices (handbills) to all property owners whose annual assessment could not be applied to the County tax roll (parcels for which the County does not generate a tax bill). These invoices would provide for two (2) installments, similar to the County tax bills, and would be payable directly to the City.

Community Facilities District Administration

The following outlines the steps necessary to annually administer CFD No. 91-2 (Serrano Heights) and CFD No. 06-1 (Del Rio).

1. Updated and maintain a parcel levy database by using parcel information from various sources. As new data becomes available, update the database, and enhance the data through parcel research using current secured roll information, County Assessor maps, various third-party resources, and specific information provided by the City (e.g., up-to-date map approval status, building permits or certificate of occupancy data). Updates to the database will include those necessitated by the addition and/or removal of parcels, land subdivisions and merges, ownership and mailing address changes, and adjusted benefit unit information. This database will then become the source for the calculation of the annual special tax.
2. Annually calculate and apportion the special taxes as specified in the Rate and Method of Apportionment of Special Tax (RMA).
3. Prepare, if necessary, staff report and/or an annual resolution that establishes the budget for the fiscal year and application of the special tax to be submitted to the County, including the special tax summary for the fiscal year.
4. Attend up to two (2) in-person City Council and/or staff meetings. Willdan will also be available to answer any questions requested by City staff.

Exhibit A

5. Provide special tax levies for each parcel by APN to the County Auditor/Controller's Office in the media, format and configuration required by the County for placement on the annual property tax roll.
6. Research parcel exceptions provided by the County and, if possible, resubmit installment amounts that are unapplied by the County Auditor/Controller's Office.
7. Provide a toll-free number to field inquiries from City staff, property owners, and other interested parties regarding special tax installments and related information.
8. Submit periodic delinquency reports to the City each February and June.
9. Provide the City with an annual report detailing the levy summary, delinquency status, special tax billing characteristics, RMA, debt service detail, and the charge detail for all parcels.
10. Provide the annual report to the California Debt and Investment Advisory Commission (CDIAC) by October 30 if required by the California Government Code, section 53359.5(b), as amended.
11. Prepare "Notice of Special Tax" as required by the California Government Code, Sections 53340.2(b) and 53341.5, as amended. The fee for this service is \$15 per notice and is to be paid by the requestor.
12. Prepare and mail invoices (handbills) to all property owners whose proposed annual tax for their parcel could not be applied to the County tax roll (parcels for which the County does not generate a tax bill). These invoices would be provided in two (2) installments, similar to the County tax bills, and would be payable directly to the Client.
13. Calculate written prepayment quotes (if allowable) for individual special tax liens, as described in the Rate and Method of Apportionment of Special Tax or by resolution. For parcels prepaying the special tax, Willdan will coordinate the removal of the lien. The fee for this service is \$500 per calculation, which is to be paid by the requestor.
14. Perform required bond call spreads and coordinate the early redemption of outstanding bonds. The fee for this service is hourly, using our then-current hourly rates (located within the cost proposal).

Sanitation District Administration

1. Update and maintain a parcel levy database by using parcel and billing information provided by the City and Water Utility.
2. Provide assessments for each parcel by APN to the County Auditor/Controller's Office in the media, format and configuration required by the County for placement on the annual property tax roll.
3. Research parcel exceptions provided by the County and, if possible, resubmit installment amounts that are unapplied by the County Auditor/Controller's Office.
4. Provide the City with a final applied listing of parcels, assessment characteristics, and corresponding charge amounts.
5. Provide a toll-free number to field inquiries from City staff, property owners, and other interested parties regarding the assessment installments and related information.

Exhibit A

Client Responsibilities

The Client will submit to WFS:

- Financial and Operating Information, including but not limited to: Bond documentation, Adopted Budget, Audited and Unaudited Financial Statements (if audited financials are not available), communications with CDIAC, bank statements/transactional data, and fund balances.
- Timely review of draft Disclosure Report.
- Authorization to disseminate Disclosure Report.
- All information relating to any change to the credit ratings or the occurrence of Listed Events as identified in the Continuing Disclosure Agreement or Certificate within three business days from the date of occurrence of such event.
- All Ratings Reports sent to Client by any Rating Agencies. Authorization for Rating Agencies, Trustees, and any other third parties to send information directly to WFS.

Project Disclaimer

Willdan is a registered municipal advisory firm with the U.S. Securities and Exchange Commission (“SEC”), as such the City of Orange represents, acknowledges, and agrees that Willdan is not acting as a “municipal advisor” (as defined by the SEC), to the City, in any capacity as it relates to the project proposed in this community facilities district administration, sanitation district administration, and arbitrage/disclosure/CDIAC reporting agreement.

The City uses, or may use, the services of one or more municipal advisors registered with the SEC to advise it in connection with municipal financial products and the issuance of municipal securities;

(ii) The City is not looking to Willdan to provide, and the City shall not otherwise request or require Willdan to provide any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);

(iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”), and the rules and regulations adopted thereunder;

(iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the City with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the City, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the City, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and

(v) Notwithstanding all of the foregoing, the City recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the City will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the City is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.

Exhibit B

FEES FOR SERVICES

Arbitrage Rebate Services

To the extent that the necessary information is available, WFS endeavors to quote fees that accurately reflect the complexity of the services needed. If circumstances are encountered that affect our ability to proceed, such as additional information coming to our attention not determined or available during our scoping efforts, we will inform you promptly and seek your approval for any changes in scope, timing or fees that may result from such circumstances.

Issue	Issue Date	Calculation Date	Fee
\$18,492,000 CFD No. 91-2 (Serrano Heights), Series 2021	12/21/2021	12/21/2026	\$1,750 *
\$20,375,000 2018 Tax Allocation Refunding Bonds, Series A	7/12/2018	7/12/2028	\$1,500
\$23,920,000 Community Facilities District No. 06-1 (Del Rio Public Improvements) 2015 Special Tax Refunding Bonds	3/18/2015	9/30/2029	\$1,500
\$29,930,000 Lease Revenue Bonds 2020A (Fire and Police Station Headquarters)	7/16/2020	7/16/2030	\$1,250
IRS Audit Assistance			\$200 per hour
Request for Refund of Overpayment			No Charge
Preparation of IRS Form 8038-T (Payment)			No Charge
* Includes one-time engagement fee.			

Billed invoices are required to be paid within 30 days.

Consultant shall receive reasonable adjustment for delays and costs incurred due to tariffs, or other similar acts of government.

Exhibit B

Continuing Disclosure Services

Continuing Disclosure Services	Fee
Engagement Fee	\$250 per Issue *
Base Annual Report Fee:	
• Tax Allocation Bonds	\$2,100
• Lease Revenue/Pension Obligation Bonds	\$1,500
Dissemination per Document	\$100
Incremental Fee per Parity Bond Issue (applies to all bond types above)	\$900 per issue
Supplemental/Amended Reports	\$250 - 450 per Report
Notice of Occurrence of Listed Events, if necessary	\$250 per Notice
Annual Third-Party Expenses	At Cost plus 15%
CDIAC Report Preparation and Filing	
CDIAC Yearly Status Report (due annually in October)	\$450 per Report
CDIAC Yearly Transparency Report (due annually in January) (while proceeds are outstanding)	\$950 per Report
CDIAC Yearly Transparency Report (due annually in January) (once proceeds are fully expended)	\$250 per Report
* No charge for issues that WFS has worked on in the past.	

Exhibit B

District Administration Services

CITY of ORANGE			Company	Willdan Financial Services		
DISTRICT ADMINISTRATION SERVICES						
Proposed Costs						
	~ Parcels Active	Annual District Administration Beginning FY 2026/27				
District						
Community Facilities District No. 91-2 (Serrano Heights)	1,084	\$ 4,109.00				
Community Facilities District 06-1 (Del Rio)	599	5,229.00				
Landscape Maintenance District No. 86-2 (Santiago Hills)	1,517	611.00				
Landscape Maintenance District No. 15-1 (Santiago Hills Overlay)	1,517	611.00				
Landscape Maintenance District No. 94-1 (Sycamore Crossing)	163	611.00				
Sanitation District	693	343.00				

**Beginning in FY 2027/28 and each fiscal year thereafter, the fees listed above shall be adjusted annually based on the percentage change in the Consumer Price Index (CPI), for Los Angeles–Long Beach–Anaheim region, or the closest equivalent index published at the time of adjustment.

Reimbursable Expenses

Any additional expense from outside services will be billed to the Client. Charges for meeting and consulting with counsel, the Client, or other parties regarding services not listed in the scope of work above will be at our then-current hourly rates (see “Hourly Rates” section).

In the event that a third party requests any documents, WFS may charge such third party for providing said documents in accordance with WFS’ applicable rate schedule.

Hourly Rates

Additional authorized services will be billed at WFS’ then-current hourly consulting rates. Our current hourly rates are presented below.

Position	Hourly Rate
Vice President - Director	\$ 250
Assistant Director	240
Principal Consultant	210
Senior Project Manager	185
Project Manager	165
Senior Project Analyst	135
Senior Analyst	125
Analyst II	110
Analyst	100
Analyst Assistant	75

April 10, 2026

Mr. Trang Nguyen
Finance Director
City of Orange
300 E. Chapman Avenue
Orange, CA 92866

Re: Refunding of Community Facilities District No. 06-1, Del Rio for the City of Orange

Dear Mr. Nguyen:

Pursuant to your request, attached is a letter proposal for the refunding of the Community Facilities District No. 06-1, Del Rio.

Scope of Services

CFD Refunding

To assist City of Orange ("City") with the refunding of its special tax bonds for Community Facilities District No. 06-1, Del Rio ("CFD"), Willdan will perform the following tasks:

1. Prepare calculations for the Preliminary Official Statements (POS) and Official Statements (OS). Calculations may include the following elements as requested:
 - a. Tables providing special tax amounts, special tax categories, assessed valuations, assessed value categories, calculated debt burdens, and value-to-liens.
 - b. Value-to-lien and value-to-bonded debt computations.
 - c. Overlapping debt tables indicating property values, as compared to existing and new district debt; and any other CFD outstanding parcel debt.
 - d. Effective tax rate schedules indicating projected tax rate on parcels resulting from new and prior debts.
 - e. Historical delinquency and assessed valuation information.
 - f. Projected levy and debt service coverage.
 - g. Other data tables and analysis (as requested by City, underwriter, financial advisor, or bond counsel).
2. Participate in financing team conference calls and meetings (as requested).
3. **Optional:** As requested, preparation of Refunding notice to impacted property owners of record within the CFD.

Fee

CFD Refunding

Willdan will provide refunding services for a **fixed fee of \$6,500**.

Our fees will not be contingent on the outcome of the refunding of the CFD.

The fixed fee does not include the direct costs associated with the printing, processing, and mailing of notices. We will bill the City for these at our cost, plus 15 percent (15%), based on actual costs. These costs are estimated at \$2.25 per mailed piece and they will be billed directly to the City at the time of the mailing once the actual costs are known.

Reimbursable Expenses

Willdan will be reimbursed for out of pocket expenses. Examples of reimbursable expenses include, but are not limited to:

- Postage,
- Travel expenses,
- Mileage (current federal prevailing rate),
- Maps,
- Electronic data provided from the county and/or other applicable resources,
- Copying (currently 6¢ per copy), and
- Overlapping Debt Table provided by Cal-Muni.

Any additional expense for reports or outside services will be billed to the City. Charges for meeting and consulting with the counsel, the City, or other parties regarding services not listed in the scope of work above will be at our then-current hourly rates. In the event that a third party requests any documents, Willdan may charge such third party for providing said documents, in accordance with Willdan's applicable rate schedule.

Project Disclaimer

Willdan is a registered municipal advisory firm with the U.S. Securities and Exchange Commission ("SEC"), as such the City of Orange represents, acknowledges, and agrees that Willdan is not acting as a "municipal advisor" (as defined by the SEC), to the City, in any capacity as it relates to the project proposed in this CFD Refunding project.

- (i) The City uses, or may use, the services of one or more municipal advisors registered with the SEC to advise it in connection with municipal financial products and the issuance of municipal securities;
- (ii) The City is not looking to Willdan to provide, and the City shall not otherwise request or require Willdan to provide any advice or recommendations with respect to municipal financial products or the issuance of municipal securities (including any advice or recommendations with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues);
- (iii) The provisions of this proposal and the services to be provided hereunder as outlined in the scope of services are not intended (and shall not be construed) to constitute or include any municipal advisory services within the meaning of Section 15B of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations adopted thereunder;
- (iv) For the avoidance of doubt and without limiting the foregoing, in connection with any revenue projections, cash-flow analyses, feasibility studies and/or other analyses Willdan may provide the City with respect to financial, economic or other matters relating to a prospective, new or existing issuance of municipal securities of the City, (A) any such projections, studies and analyses shall be based upon assumptions, opinions or views (including, without limitation, any assumptions related to revenue growth) established by the City, in conjunction with such of its municipal, financial, legal and other advisers as it deems appropriate; and (B) under no circumstances shall Willdan be asked to provide, nor shall it provide, any advice or recommendations or subjective assumptions, opinions or views with respect to the actual or proposed structure, terms, timing, pricing or other similar matters with respect to any municipal financial products or municipal securities issuances, including any revisions or amendments thereto; and
- (v) Notwithstanding all of the foregoing, the City recognizes that interpretive guidance regarding municipal advisory activities is currently quite limited and is likely to evolve and develop during the term of the potential engagement and, to that end, the City will work with Willdan throughout the term of the potential Agreement to ensure that the Agreement and the services to be provided by Willdan hereunder, is interpreted by the parties, and if necessary amended, in a manner intended to ensure that the City is not asking Willdan to provide, and Willdan is not in fact providing or required to provide, any municipal advisory services.



Authorization

General terms and conditions for this engagement are included as Attachment 1. If the terms of this engagement are acceptable to you, please sign where indicated and email this letter back to:

Avery Perier
Proposal Coordinator II
Ph. (951) 587-3500 | E-mail: Aperier@willdan.com

We are excited about this opportunity to use our skills and expertise to assist the City of Orange and look forward to hearing from you. If you have any questions regarding this proposal, please contact me at (951) 587-3575 or via email at MMedve@willdan.com.

Sincerely,

Willdan Financial Services



Mike Medve
Principal Consultant
Financial Consulting Services

City of Orange, CA

Trang Nguyen
Finance Director

Date



ATTACHMENT 1 TO LETTER AGREEMENT

TERMS AND CONDITIONS

The Letter Agreement between the City of Orange ("Client") and Willdan Financial Services ("WFS") is subject to these Terms and Conditions (collectively, this "Agreement").

1. Additional Services. Additional services shall be performed by WFS only upon Client's request evidenced by a written addendum executed by both parties.
2. Compensation. WFS shall submit monthly statements for services. Payments shall be due and payable within 30 days of invoice and if not timely paid shall bear interest at the rate of 1.5% per month.
3. Termination. Either party may terminate this Agreement at any time upon 30 days' written notice. In the event of early termination, WFS shall be paid for services performed prior to the effective date of termination.
4. Data Provided by Client. WFS shall rely upon data provided by Client without independent verification of accuracy. WFS shall not be responsible for any errors resulting from its use of inaccurate data provided by Client.
5. Indemnification. Each Party shall indemnify the other from claims resulting from their respective negligence or other wrongful conduct or the negligence or other wrongful conduct of their respective officers, agents or employees.
6. Insurance. WFS shall maintain the following insurance:
 - a. Workers' Compensation and Employer's Liability Insurance as prescribed by applicable law.
 - b. Commercial General Liability Insurance, with limits not less than \$1,000,000 per occurrence and general aggregate.
 - c. Commercial Automobile Liability with limits not less than \$1,000,000 per occurrence.
 - d. Professional Liability with limits not less than \$1,000,000 per claim and annual aggregate.
 - e. All policies except Professional Liability and Workers Compensation shall include Client as an additional insured and be primary with respect to any insurance carried by WFS. All policies shall include a waiver of subrogation in favor of Client.
 - f. WFS shall provide Client with certificates of insurance evidencing compliance with the above insurance requirements prior to commencing services.
7. Miscellaneous.
 - a. Titles used in this Agreement are for general reference and are not a part of the Agreement.
 - b. This Agreement shall be interpreted as though prepared by both parties.
 - c. Any provision of this Agreement held to violate any law shall be deemed void, and all remaining provisions shall continue in full force and effect.
 - d. This Agreement shall be interpreted under the laws of the State of California.
 - e. This Agreement comprises a final and complete repository of the understandings between the parties and supersedes all prior or contemporary communications, representations, or agreements, whether oral or written, relating to the subject matter of this Agreement.
 - f. Any notices given pursuant to this agreement shall be effective on the third business day after posting by first class mail, postage prepaid, to the address appearing immediately after the signatures below.
 - g. WFS shall not be liable for damages resulting from the actions or inactions of governmental agencies including, but not limited to, permit processing or environmental impact reports.
 - h. WFS's waiver of any term, condition, or covenant, or breach of any term, condition, or covenant, shall not constitute the waiver of any subsequent breach of any other term, condition or covenant.
 - i. WFS shall not be responsible for the performance of services by third parties not retained by WFS.