

## Master Services Agreement

This Master Services Agreement (the “Agreement” or “MSA”) is made as of 4/22/2025 (the “Commencement Date”), by and between *City of Orange* a municipality, with offices at 300 E Chapman Avenue Orange California 92866 (“Client”), and Grant Thornton LLP, a Delaware limited liability company, with offices at 171 N. Clark St., Suite 200, Chicago, IL 60601 (“Grant Thornton”).

Client and Grant Thornton agree as follows:

### 1. Services

- a) **Services.** Client hereby engages Grant Thornton to provide professional services (the “Services”). Such Services shall be described in any statement of work, or equivalent, (each, an “SOW”) executed by the parties in the form of Schedule A or a form mutually agreed upon by the parties, and Grant Thornton accepts such engagement subject to the following terms. In the event of a conflict or inconsistency between the terms of this Agreement and any SOW, this Agreement shall control unless a SOW explicitly states that the particular provision of the Agreement in conflict that is to be superseded by the SOW.
- b) Grant Thornton and Grant Thornton Advisors LLC (“GT Advisors”) (Grant Thornton and GT Advisors are collectively referred to as “GT”) operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct. Grant Thornton, a licensed certified public accounting firm, provides audit and other attest services as well as related services to clients within its accounting and auditing practice. GT Advisors, which is not a licensed certified public accounting firm, provides tax, consulting, and other advisory services. Grant Thornton has engaged GT Advisors to provide administrative, operational, and engagement team resources and personnel to support Grant Thornton’s professional services. GT Advisors and its professionals are subject to confidentiality obligations to protect the confidentiality of Client data. Grant Thornton takes sole responsibility for the services performed under this Agreement and the Client agrees that with respect to such services its sole recourse is against Grant Thornton. **Scope of Services.** Grant Thornton shall be obligated to perform the Services described in a SOW, and only for changes in such scope that are set forth in writing and agreed to by the parties hereto (a “Change Order”). Grant Thornton will not be obligated to start work on any change to a SOW until the fee and/or impact on the schedule is agreed upon in a Change Order. Further, Grant Thornton’s obligation shall not extend to any subsequent periods for which Grant Thornton is not engaged. To the extent all specific details of an engagement are not so documented, the parties shall work diligently and in good faith to document them at the request of either party. From time to time, Grant Thornton may perform in the course of the relationship, Services without a SOW. This Agreement will cover all Services rendered, whether or not the parties execute a SOW. Such Services will be billed at Grant Thornton’s standard hourly rates as appropriate or as otherwise agreed.
- c) **Change in the Law or Regulations.** If applicable to the Services, including but not limited to tax services, Grant Thornton’s Services and Deliverables, as defined below, may be based on its interpretation of the federal and state laws, regulations, administrative and judicial pronouncements, and other relevant authorities, in effect when the Deliverables or Services are provided. All of these authorities are subject to change, and such change may be retroactive or prospective in effect. Grant Thornton assumes no responsibility to either advise Client of, or to update any conclusions, for changes in respect to federal and state laws, regulations, administrative and judicial pronouncements, or other relevant authorities. However, Client may engage Grant Thornton to perform an update under a separate SOW. Client should understand that the technical issues Grant Thornton will address are not free from doubt.

Another party, such as a judicial authority or a governmental agency, might reach different conclusions. For the avoidance of doubt, the information provided by Grant Thornton in the provision of Services does not, and is not intended to, constitute legal advice.

- d) **Standards of Performance.** Client acknowledges that the Services will involve analysis, judgment, and other performance from time to time in a context where the participation of Client or others is necessary, where answers often are not certain or verifiable in advance, and where facts and available information change with time. Accordingly, evaluation of the Services shall be based solely on their substantial conformance with any standards or specifications expressly set forth in this Agreement and any applicable SOW hereunder, and all applicable federal and state laws and regulations and applicable professional standards, and any claim of non-conformance (and applicability of such standards) must be clearly and convincingly shown. Client acknowledges that the Services will involve the participation and cooperation of management and others of Client. Unless the Parties agree otherwise in writing, Grant Thornton shall have no responsibility to update any of its work after its completion.
- e) **Third-Party Proceedings.** Unless expressly provided for, the Services do not include giving testimony or appearing or participating in discovery proceedings, administrative hearings, court, or other legal or regulatory inquiries or proceedings. Except with respect to a dispute or litigation between the parties, Grant Thornton's costs (including reasonable attorneys' fees) and time spent in legal and regulatory matters or proceedings relating to Grant Thornton's engagement, whether made at the Client's request or by subpoena, request for testimony, or consultation involving private litigation, arbitration, industry, or government regulatory inquiries, will be billed to Client separately.

## 2. Deliverables

- a) Unless provided for differently in an SOW, all reports, information, or documents (the "Deliverables") provided by Grant Thornton to Client in performing the Services are the sole and exclusive property of Grant Thornton and are prepared solely for the internal use of Client's management, employees, and board of directors. Except as provided below, upon full payment of Grant Thornton's billings, Client shall acquire a limited, non-transferable, royalty-free license to use the Deliverables for Client's internal business purposes.
- b) Grant Thornton shall retain sole and exclusive ownership of and all right, title, and interest in and to any know-how, concepts, techniques, methodologies, ideas, processes, models, templates, tools, utilities, routines, and trade secrets that (i) existed prior to, or were developed independent of, this engagement or (ii) may have been discovered, created, or developed by Grant Thornton as a result of its own efforts during this engagement, which are of general application and do not contain Client's Confidential Information (collectively, the "Grant Thornton Property"). Client shall acquire no right to or interest in the Grant Thornton Property, except for a non-exclusive, non-transferable, royalty-free right to use such Grant Thornton Property solely in connection with Client's permitted use of the Deliverables to the extent any Grant Thornton Property is incorporated therein. Client will not sublicense or otherwise grant any other party any rights to use, copy, or otherwise exploit or create derivative works from the Grant Thornton Property.
- c) Client agrees to protect the Deliverables from unauthorized use and to prevent disclosure of the Deliverables to unauthorized third parties who may attempt to rely on them. Further, Grant Thornton has not and shall not be deemed to assume any duties or obligations to any third party.

- d) Unless otherwise provided for in the SOW, if Client wishes to make reference to Grant Thornton or to disclose or disseminate in any manner and in any medium (e.g., Client website), any portion of any Deliverable to a third party, Client agrees to first (i) provide Grant Thornton with a draft of the proposed disclosure, (ii) obtain Grant Thornton's advance written approval, and (iii) if requested by Grant Thornton, obtain from the third party and provide to Grant Thornton a non-disclosure agreement and/or release in a form satisfactory to Grant Thornton in its sole discretion.
- e) Unless specifically contemplated by the scope of the Services, Client shall not file any report, opinion, or similar Deliverable provided to Client pursuant to this Agreement with any Regulators (as defined in Section 6(e) below), including but not limited to, the U.S. Securities and Exchange Commission ("SEC").

### 3. Staff

- a) **Grant Thornton Personnel.** Grant Thornton shall provide qualified employees and contractors ("Personnel") to complete the Services specified in the SOW. The Personnel shall perform the Services in accordance with the scope of Services set forth in the applicable SOW.
- b) **Hiring of Personnel.** During the term of an SOW and for a period of one (1) year after the Services are completed under the applicable SOW, Client agrees not to solicit, directly or indirectly, or hire any Personnel performing Services hereunder without Grant Thornton's written consent. If this provision is violated, Client will pay Grant Thornton a fee equal to the hired Personnel's annual salary in effect at the time of the violation as reimbursement for the estimated costs of replacement Personnel. The foregoing shall not apply if the Personnel is hired in response to a general advertisement made available to the public.

### 4. Independent Contractor

Grant Thornton is acting, in performance of the Services under this Agreement, as an independent contractor, on a non-exclusive basis, and nothing contained in this Agreement shall be construed as creating an employment relationship, agency, partnership, or joint venture between the parties. Personnel and subcontractors supplied by Grant Thornton are not employees or agents of Client for any purpose. Each party shall control and direct the methods by which it performs its responsibilities hereunder. Except as provided herein, the parties agree that neither party shall have the right, power, or authority, and shall not represent to any person that it has such power, to create any obligation, express or implied, on the other party's behalf without the other party's prior written consent. Grant Thornton shall be solely responsible for the payment of compensation of Personnel and subcontractors it supplies and for any associated taxes assessed by any relevant taxing authority and Personnel, and subcontractors shall not be entitled to any pension, bonus, profit-sharing, health, or similar rights or benefits, offered by Client to its employees.

### 5. Payments

- a) Unless otherwise stated in the SOW, Grant Thornton will invoice Client for fees and expenses incurred in performing the Services. In addition, Grant Thornton may bill Client an administrative recovery fee for administrative time and expenses. Out-of-pocket expenses (e.g., travel, authorized purchases of data) will be billed separately at cost. The fees and expenses under this Agreement shall be set forth in the applicable SOW. If no SOW is in place, fees will be at standard rates, or rates otherwise agreed to, and related expenses will be charged. Grant Thornton may charge additional fees if Client requests that Grant Thornton perform services in addition to the Services described in the SOW. The amount of fees is based upon the expectation that certain information and assistance will be received by Grant Thornton in a timely manner from Client as detailed in the applicable SOW.

- b) From time to time, Grant Thornton may receive certain incentives in the form of bonuses and rewards from its corporate card and other vendors. Such incentives, to the extent received, will be retained by Grant Thornton to cover its expenses.
- c) Client shall pay all invoices upon receipt. Invoices that are unpaid thirty (30) days past the invoice date will be deemed delinquent and Grant Thornton reserves the right to charge interest on the past due amount at the lesser of 1.0% per month or the maximum amount permitted by law. If any collection action is undertaken, Client agrees to reimburse Grant Thornton's costs of collection, including attorneys' fees. If Client disagrees with or questions any amount on any of Grant Thornton's invoices, Client shall communicate such disagreement to Grant Thornton in writing within thirty (30) days of the invoice date. Any claim not made (or disagreement not raised) within that period shall be deemed waived. If Client, in good faith, disputes any invoice within the aforementioned time frame, it may withhold payment of such disputed amounts and the parties agree that a representative of each party, authorized to resolve a fee dispute, will use commercially reasonable efforts to resolve such dispute within fifteen (15) days of receipt of written notice of a dispute. If the dispute is not resolved within this fifteen (15) day period, the parties shall comply with the dispute resolution procedures set forth in this Agreement.

## 6. Confidential Information

- a) Each party (a "Disclosing Party") may disclose to the other party (a "Receiving Party") information that it considers confidential or proprietary ("Confidential Information"). Confidential Information includes but is not limited to: (i) reports, financial information, studies, drawings, contracts, business plans, inventions, technical information, know-how, plans, and specifications; and (ii) any information or data which is disclosed by a party to the other party under or in contemplation of this Agreement and which has been marked or identified as confidential or which a reasonable person would know to be confidential or proprietary due to the circumstances of its disclosure. Client will provide the minimum amount of Confidential Information and minimum access to such information necessary for Grant Thornton to perform the Services.
- b) A party's Confidential Information shall not include information that: (i) is or becomes part of the public domain through no act or omission of the other party; (ii) was in the other party's lawful possession prior to the disclosure and had not been obtained from the Disclosing Party; (iii) is lawfully disclosed to the other party by a third party without restriction on disclosure; or (iv) is independently developed by one party without use of or reference to the other party's Confidential Information. In addition, nothing contained herein shall be construed as preventing either party from using the information retained from the Confidential Information of the other party as part of its general skill, knowledge, talent, and expertise, so long as such party does not breach its confidentiality obligations hereunder or violate the other party's intellectual property rights.
- c) The Receiving Party agrees to hold in confidence and not to disclose or reveal to any person or entity except its Representatives (as defined below), the Confidential Information of the Disclosing Party. The Receiving Party further agrees to protect the Disclosing Party's Confidential Information in the same manner it protects its own confidential information, provided no less than reasonable care shall be used. The Receiving Party may disclose Confidential Information to its partners, principals, officers, directors, employees, agents, GTIL member firms, and contractors (collectively, its "Representatives"), as permitted by this Agreement.

- d) Notwithstanding anything in this Agreement to the contrary, personal information is always the Confidential Information of the Disclosing Party, even if it might otherwise fall into one of the exceptions to the definition of Confidential Information contained in Section 6(b). Grant Thornton will maintain Client's personal information in confidence in accordance with the Data Processing Addendum attached as Schedule C, professional standards, and governing laws. Client will not provide any personal information unless necessary for Grant Thornton to perform the Services. Client will: (i) strictly limit provision of personal information to that personal information essential to Grant Thornton's performance of the Services; (ii) anonymize, mask, obfuscate, and/or de-identify all personal information unless Grant Thornton requires otherwise to provide the Services; and, (iii) establish legal authorization to disclose personal information to Grant Thornton pursuant to applicable law or regulation prior to making personal information available to Grant Thornton.
- e) If the Receiving Party is requested or required by law, regulation, legal process, or an oversight body to disclose Confidential Information, the Receiving Party will, to the extent practical and legally permitted, notify Disclosing Party of such request or requirement so that the Disclosing Party may seek an appropriate protective order or other relief. In the absence of a protective order or other applicable relief, the Receiving Party may disclose the portion of Confidential Information subject to such request or requirement without liability hereunder. Further, Grant Thornton may be requested to make certain documentation available to regulators, governmental agencies, or their representatives ("Regulators") pursuant to law or regulations. If requested, access to the documentation may be provided to Regulators under the supervision of Grant Thornton personnel and at a location designated by Grant Thornton. Furthermore, upon request, Grant Thornton may provide photocopies of selected documentation to Regulators. Regulators may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies. Client hereby authorizes Grant Thornton to allow Regulators access to, and photocopies of, the documentation in the manner discussed above.
- f) Notwithstanding anything to the contrary herein, Grant Thornton imposes no conditions of confidentiality with respect to Client on any information it provides to Client to the extent that it concerns the tax structure or tax treatment of any transaction.
- g) Grant Thornton may, in the ordinary course of business and without obtaining Client's prior written approval, utilize third-party service providers that are not dedicated to performance of the Services to Client or that are not a material aspect of the Services under this Agreement. Such entities may be located within or outside the United States. All these third-party service providers are subject to confidentiality obligations to protect the confidentiality of client data.
- h) Each party acknowledges and agrees that, due to the unique nature of Confidential Information, there can be no adequate remedy at law for breach of this Agreement and that such breach may cause irreparable harm to the non-breaching party. The non-breaching party shall thus be entitled to seek immediate injunctive relief, in addition to whatever other remedies it might have at law or in equity, in the event of an actual or threatened breach of this Agreement.

## 7. Business Risk Allocations

The terms of this Section 7 shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, statute, tort, strict liability, or any form of negligence, whether of Client, Grant Thornton, or others) and whether or not Grant Thornton was advised of the possibility of the damage or loss asserted; but such terms shall not apply to the extent finally determined to be contrary to applicable law.



- a) **Client Indemnity.** Client shall, upon the receipt of written notice, indemnify, defend, and hold harmless Grant Thornton and its present, future, and former partners, principals, officers, directors, employees, agents and contractors (collectively referred to as the “Grant Thornton Firm”) from and against any liability, damages, fees, expenses, losses, demands and costs (including reasonable defense costs) (collectively, “Losses”) associated with third-party claims arising out of or relating to: (i) misrepresentations made by, or false or incomplete information provided by, Client or its agents or representatives; or (ii) a third party’s use of or reliance upon the Services or Deliverables. Client agrees to reimburse the Grant Thornton Firm for all reasonable expenses, including reasonable attorneys’ fees and expenses, as they are incurred in connection with the investigation of, preparation for, or defense of, any pending or threatened claim or action or proceeding for which the Grant Thornton Firm is entitled to indemnification.
- b) **Grant Thornton Indemnity.** Grant Thornton shall defend, indemnify, and hold Client harmless against any and all Losses arising from a third-party claim relating to either: (i) any bodily injury or tangible property damage caused by Grant Thornton or its Personnel in performance of the Services; or (ii) or any infringement of such third party’s United States intellectual property rights by the Services or Deliverables. The foregoing indemnification will not apply to the extent any infringement results from: (A) the use of the Deliverables other than in accordance with the terms of this Agreement and any applicable documentation or instructions supplied by Grant Thornton; (B) any modification to the Deliverables not expressly agreed to in writing by Grant Thornton; or (C) the combination of the Deliverables with any materials not provided or expressly approved by Grant Thornton. This indemnification obligation is Client’s sole and exclusive remedy and Grant Thornton’s sole and exclusive liability for a claim of intellectual property infringement. Grant Thornton shall have sole control of the defense of any such claims.
- c) **LIMITATION OF LIABILITY.** WITH RESPECT TO THE SERVICES AND THIS AGREEMENT GENERALLY, CLIENT AGREES THAT THE LIABILITY OF THE GT ADVISORS FIRM FOR ALL CLAIMS (INCLUDING THE GT ADVISORS FIRM’S OWN NEGLIGENCE) SHALL NOT EXCEED AND SHALL BE LIMITED TO THE FEES PAYABLE FOR THE PORTION OF THE WORK GIVING RISE TO SUCH LIABILITY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THAT IT IS FINALLY DETERMINED THAT ANY CLAIMS, LOSSES, OR DAMAGES ARE THE RESULT OF THE GT ADVISORS FIRM’S WILLFUL MISCONDUCT OR FRAUD.
- d) **SPECIAL DAMAGES.** EACH PARTY HEREBY WAIVES, AND IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR, ANY INDIRECT, SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL, EXEMPLARY DAMAGES OR LOSS, LOST PROFITS, TAXES, INTEREST, PENALTIES, LOSS OF SAVINGS, OR LOST BUSINESS OPPORTUNITY.
- e) **Proportional Liability.** In responding to any claim asserted, each party may avail itself of any defense available under applicable law, but in no event shall the aggregate liability of each party for any claims, losses or damages related to this Agreement exceed an amount that is proportional to the relative fault of such party that is finally determined to have caused the other party’s losses.
- f) **Release.** Because of the importance of the information that Client provides to Grant Thornton with respect to Grant Thornton’s ability to perform the Services, Client hereby releases the Grant Thornton Firm from any liability, damages, fees, expenses, and costs (including defense costs) relating to the Services, that arise from or relate to any information (including representations by management) provided by Client, its personnel or agents, that is misleading or not complete, accurate, or current.

- g) **Limitation on Period to File Claims.** It is expressly agreed by each party that any action, regardless of form, arising out of the Services, whether it be in contract, tort, or otherwise, shall be deemed waived if a claim is asserted more than two (2) years from the earlier of the date that the applicable Deliverable is issued, or the Services are completed.

## 8. Responsibilities

- a) Grant Thornton shall maintain sufficient documentation to support its work. This documentation may include copies of Client's Confidential Information. However, to the extent that Grant Thornton has copies of Client's information, Grant Thornton will protect and safeguard Client's information from unauthorized disclosure. Upon Client's request, Grant Thornton will return Client provided documents as well as provide copies of other information to the extent required by applicable professional standards.
- b) Unless specified in an SOW as the responsibility of Grant Thornton to provide, Client shall have obtained on a timely basis as required for Grant Thornton's performance of the Services (i) any internal and third-party permissions, licenses or approvals (including use of any necessary software or data) and (ii) all information and assistance as may be necessary or as Grant Thornton may reasonably request. The Personnel assigned to perform Services under a SOW shall not be assumed or deemed to have knowledge of information provided to other Grant Thornton engagement teams or third parties.
- c) Client acknowledges the Services are highly dependent on the availability of Client's personnel, other contractors, and/or representatives, and other factors beyond Grant Thornton's control. Grant Thornton will use commercially reasonable efforts to assist Client in meeting any stated deadlines, but Client acknowledges that despite these efforts, due to such factors, any stated deadlines and timelines may not be met. Client acknowledges that it is responsible for adjustments in deadlines due to delays or lack of availability on the part of its personnel, contractors, or representatives. Client hereby acknowledges and agrees that Grant Thornton will not be liable for any delay or failure in the performance of its obligations under this Agreement that directly results from any failure of Client to perform its obligations under this Agreement.
- d) Grant Thornton shall be entitled to rely on the accuracy, completeness, and reliability of all information provided by, and on all decisions and approvals of, Client and its retained advisors, consultants, or legal counsel. Therefore, Grant Thornton does not guarantee (i) that errors and irregularities will not occur and (ii) that it will detect errors or irregularities if they arise.
- e) Client agrees to designate an individual, preferably within senior management, who possesses suitable skill, knowledge, and experience to evaluate the adequacy and results of the Services performed and accept responsibility for the results of the Services ("Client's Designated Manager"). Grant Thornton assumes no management responsibilities for Client. Accordingly, Client agrees that its management, including Client's Designated Manager, will make an informed judgment on the results of the Services and be responsible for making the significant judgments and decisions that are the responsibility of management. In addition, Client agrees to undertake: (i) all management decisions and performance of all management functions and responsibilities, including maintaining all internal books and records; (ii) the evaluation of the adequacy and results of the Services and responsibility for such results; and (iii) the establishment and maintenance of effective internal controls, including monitoring activities, retaining custody of Client's assets, and controlling Client's premises.

## 9. Basis for Conclusions

Grant Thornton's findings, conclusions, and recommendations are limited solely to the matters for which Grant Thornton was engaged. No conclusions should be inferred as to any matters not specifically covered herein. Further, the findings, conclusions, and recommendations are based upon the facts and information presented by Client and may be inapplicable if the actual facts differ from those presented in any respect. Client represents that Grant Thornton may rely on the following, to the extent applicable, without verification:

- a) All original documents, signatures, and copies of documents provided by Client are authentic;
- b) When only drafts of pertinent documents are available, the executed versions of the draft documents will not vary materially from the ones provided by Client for examination;
- c) There are no inconsistent or adverse facts that are not otherwise provided by Client and not apparent from the face of the documents that Grant Thornton has relied upon; and
- d) All legal documents necessary to perform the Services have been duly and validly authorized, approved, and executed by the appropriate persons.

## 10. Investment Advice

Under no circumstances will Grant Thornton recommend, vouch for the *bona fides* of, or act as a "broker dealer" or "purchaser representative" with respect to any investments. Grant Thornton provides its clients with tax and consulting services and advice, and not investment advice. If requested, Grant Thornton will render advice solely with respect to the tax aspects of Client's investments. However, Grant Thornton does not directly recommend the purchase or sale of stocks, bonds, or any other investment(s). Instead, Client should consult its investment advisor or business advisor with respect to any such matters. In addition to not making investment decisions on Client's behalf, Grant Thornton will not: (a) have discretionary authority over Client's investments; (b) execute transactions to buy or sell Client's investments; or (c) have custody, even temporarily, of Client's assets.

## 11. Warranties

- a) Grant Thornton and Client each represent and warrant that they have the right to enter into this Agreement.
- b) Client and Grant Thornton further represent and warrant that each shall comply with all applicable laws and regulations in performing the Services.
- c) Grant Thornton warrants that it will perform its Services on a reasonable professional efforts basis in accordance with the applicable professional standards.
- d) These warranties are in lieu of, and Grant Thornton expressly disclaims, all other warranties, express, implied, or otherwise, including without limitation, any implied warranties of merchantability or fitness for a particular purpose. Grant Thornton cannot and does not warrant computer hardware, software, or services provided by other parties.



## 12. Electronic Communications

During the course of this Agreement, the parties may need to electronically transmit Confidential Information to each other and to third-party service providers or other entities engaged by either party. Electronic methods include telephones, mobile devices, e-mail, cloud services, and fax. All forms of electronic communication have inherent security weaknesses, and the risk of compromised confidentiality cannot be eliminated. Client agrees to the use of electronic methods to transmit and receive information, including Confidential Information. Grant Thornton shall not be liable for any loss, damage, expense, inconvenience, or harm resulting from the loss, delay, interception, corruption, or alteration of any electronic communication due to any reason beyond its reasonable control.

Grant Thornton shall not be responsible for any service interruptions of, or corruption or damages to, Client's or third-party information systems and the information and data contained therein, including but not limited to denial of access, and automatic shutdown of information systems caused by or resulting from Grant Thornton's performance of the Services.

## 13. Tax Services Terms

The following sections apply to tax services engagements:

### a. Reportable Transactions

- i. Taxpayers are required to disclose their participation in certain types of transactions ("Reportable Transactions") on forms filed with their federal income tax returns and/or with the IRS Office of Tax Shelter Analysis, and with agencies of certain states (or in some cases, foreign jurisdictions) that impose similar requirements. Failure to adhere to Reportable Transaction disclosure and filing requirements may result in the imposition of significant penalties under applicable federal, state and/or foreign law. Grant Thornton may be a "Material Advisor" with regard to Services provided to Client and Grant Thornton may be subject to Grant Thornton's own federal and/or state reporting, registration and list maintenance obligations, which are separate and independent of any taxpayer disclosure obligation. Grant Thornton may be required to maintain and disclose to applicable federal and/or state regulatory agencies certain information regarding Client's participation in a Reportable Transaction, including Client's name and federal identification number, and other information as required.
- ii. Except as specifically stated in this Agreement, Grant Thornton does not assume any obligation to express any opinion on, provide any advice related to, or identify from any information provided by Client or obtained by Grant Thornton during the course of providing Services to Client under this Agreement, whether any particular transaction is a Reportable Transaction or the potential consequences of non-compliance with disclosure and filing requirements pertaining to a Reportable Transaction. Reliance on any opinion or advice Grant Thornton may provide regarding whether a transaction is or is not a Reportable Transaction and/or any disclosure and filing requirements may not avoid the imposition of any penalty imposed on Client under federal or state law for the failure to comply with such disclosure and filing obligations.
- iii. A completed and signed Reportable Transactions Questionnaire, where applicable, and Client cooperation with regard to any follow-up requests for information are required prior to processing any tax returns Grant Thornton may be engaged to prepare.

## **b. Privileges Relating to Taxpayer Communications**

Any advice given by Grant Thornton with respect to a matter that is within the scope of Grant Thornton's authority to practice before the IRS may be privileged under federal and state laws. This privilege may be asserted in any non-criminal tax matter before the IRS and in any non-criminal tax proceeding in Federal court and may be asserted to the extent such communication would be considered privileged communication if it were between a taxpayer and an attorney. At Client's sole cost and expense, Grant Thornton will cooperate with Client's efforts to assert taxpayer privileges when it receives a demand or inquiry for Client's information to the extent responses to a demand or inquiry are required by law.

## **c. Professional Responsibilities for Tax Return Preparers**

- i. Federal and state laws and professional standards impose significant responsibilities on tax return preparers, including non-signing preparers who provide tax advice. Grant Thornton prepares tax returns and/or provides tax advice consistent with its professional responsibilities. Such professional responsibilities may include communicating with Client about differences between standards applicable to tax return preparers and penalty provisions that may be imposed on a taxpayer regarding a tax position. Grant Thornton may not sign a tax return or provide tax advice unless it feels that a position is supported by sufficient authority or is appropriately disclosed.
- ii. Unless expressly stated otherwise in an SOW, any written advice provided is limited to the matters and potential tax consequences specifically addressed therein, and not intended or written as advice on the application or potential application of any penalties that may be imposed under any federal, state, or foreign statute or regulation in any manner.

## **14. Term, Termination and Consequences of Termination**

- a) This Agreement shall commence on the Commencement Date and shall continue in full force and effect unless otherwise terminated as described in this Section (the "Term"). Each SOW shall set forth the period of performance and the Services to be performed under such SOW.
- b) Either party may terminate this Agreement, and is not required to complete performance of the SOWs under the Agreement, if the other party has availed itself of, or been subjected to by any third party, a proceeding in bankruptcy in which such party is the named debtor, an assignment by the other party for the benefit of its creditors, the appointment of a receiver for the other party, or any other proceeding involving insolvency or the protection of, or from, creditors, and appointment of a receiver for the other party, or any other proceeding involving insolvency or the protection of or from creditors.
- c) Either party may at any time and without cause terminate this Agreement or any SOW hereunder by providing forty-five (45) days' prior written notice to the other party.
- d) Either party may terminate this Agreement if the other party breaches any obligation under this Agreement, and such breach is not cured within fifteen (15) days of its receipt of written notice of such breach from the non-breaching party. In the event of Client's failure to cure its breach for non-payment, Grant Thornton shall have the option, in addition to its right to immediately terminate the Agreement, to immediately: (i) suspend performance of the Services; or (ii) change the payment conditions under this Agreement so that Client must make payments weekly and in advance. If Grant Thornton elects to suspend performance due to nonpayment, the Services will not be resumed until Client's account is paid as agreed.

- e) Grant Thornton shall have the right to immediately terminate this Agreement or any SOW hereunder or decline to perform Services if it discovers practices by Client that Grant Thornton deems dishonest, fraudulent, or illegal. Additionally, Grant Thornton may terminate this Agreement or any SOW if it determines that application of or changes in applicable rules or professional standards, such as those established by the AICPA, Public Company Accounting Oversight Board, and SEC, restrict Grant Thornton's ability to complete the Services, including any independence or conflict of interest concerns. Following notice terminating this Agreement or a specific SOW, but prior to the effective date of such termination, each party shall continue to abide by the terms and conditions of this Agreement and comply fully with its obligations hereunder, and such termination notice shall not in any way hinder or interrupt the performance of this Agreement during any period between the date of a termination notice and the date of actual termination.
- f) Payment of Grant Thornton's fees is not contingent on the completion of the Services. In the event Grant Thornton stops performance of the Services for any reason (including, but not limited to, nonpayment or Client's request or termination under this Section 14), Client shall pay Grant Thornton for all Services provided and all expenses incurred through the date of termination. On termination of this Agreement for whatever reason: (i) Grant Thornton shall render an invoice in respect of any Services performed and expenses incurred since the date of the last invoice issued, and (ii) Client shall pay the undisputed amounts of such invoice within fifteen (15) days of receipt of such properly documented invoice.

## **15. Force Majeure**

Neither party shall be liable for any delay or failure in performance (except for payment obligations) due to any strikes, work stoppages, accidents, acts of war or terrorism, governmental actions, civil or military disturbances, pandemics, epidemics, contagious diseases, nuclear or natural catastrophes or acts of god, or other circumstances beyond its reasonable control.

## **16. Notices**

Any notice or communication required or permitted to be given by either party under this Agreement shall be in writing and shall be hand delivered or sent by registered or certified mail, return receipt requested, or by an overnight delivery service to the party receiving such communication at the address specified below:

If to Grant Thornton:  
Grant Thornton LLP  
Address 4695 MacArthur Court Suite 1600  
Attention: Shawn Stewart, with a copy to

If to Client: City of Orange  
Address 300 E Chapman Ave. Orange Ca 92866  
Attention: Tom Kisela

Grant Thornton LLP  
171 N. Clark St., Suite 200  
Chicago, IL 60601  
Attention: Chief Legal Officer

or such other address as either party may in the future specify to other party.

## 17. Dispute Resolution

It is the parties' mutual intent that the obligation to mediate (and subsequently to arbitrate if mediation is unsuccessful) as set forth below shall be interpreted broadly to encompass any and all claims arising from or related in any way to the Services or related fees. The decision whether a claim or dispute is subject to mediation or arbitration shall be made in the first instance by the mediator or arbitrator, and not by a court.

- a) **Mediation.** Any controversy or claim arising out of or relating to the Services, or related fees, or this Agreement shall first be submitted to mediation. A mediator will be selected by agreement of the parties, or if the parties cannot agree, a mediator acceptable to all parties will be appointed by the American Arbitration Association. The mediation shall proceed in accordance with the customary practice of mediation and shall be concluded within sixty (60) days from receipt of written notice unless the parties agree otherwise. Any facts disclosed related to the mediation shall be kept confidential and each side shall pay its own costs of the mediation but will share equally the mediator's expenses.
- b) **Arbitration.** In the event mediation is not successful, then the parties agree that the dispute(s) or claim(s) shall be settled by binding arbitration. The provisions herein supersede any contrary arbitral rules that might otherwise apply. The arbitration proceeding shall take place in Chicago, Illinois unless the parties mutually agree to a different location. The proceedings, including any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the provisions of the Federal Arbitration Act and will proceed in accordance with the then current Conflict Prevention & Resolution or the similar rules of another arbitration association if another is selected, except that pre-hearing discovery shall be limited as provided for herein or unless specifically authorized by the arbitrators. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the Federal Arbitration Act and resolved by the arbitrator(s).
  - i. To begin the arbitration process, a party shall provide written notice of the issues to be resolved by arbitration (the "Notice") within fifteen (15) days of the parties' agreement to terminate or waive mediation, and the other party shall respond within twenty-one (21) days and shall add any other issues to be resolved within the arbitration. The arbitrators shall only resolve those issues identified in the Notice, and issues that are not identified in the Notice shall not be arbitrated nor brought to court.
  - ii. The arbitration shall be conducted by three (3) arbitrators. Each party shall select an arbitrator experienced in the relevant subject matters within twenty-one (21) days of the Notice. The two (2) designated arbitrators shall then select a third neutral arbitrator within twenty-one (21) days of their selection. It is the parties' intention that the two (2) arbitrators selected by the parties be "neutrals" who will not be informed as to which party selected them. If the two (2) arbitrators cannot agree on selection of a third arbitrator within twenty-one (21) days of their appointment, the governing arbitration agency shall request a list of arbitrators and select a third arbitrator under the agency's rules within thirty (30) days. If both parties are in agreement, the dispute may be heard by one (1) arbitrator selected within sixty (60) days following receipt of the Notice.
  - iii. The parties shall not be entitled to discovery except as it directly relates to the underlying Services that are at issue between the parties and shall submit a joint proposed schedule to the arbitrators within thirty (30) days of the arbitrators' selection. Other than described herein, no other discovery is allowed except by the arbitrators and only for good cause shown.

- iv. Except for impeachment-only information, each party must disclose within thirty (30) days after the selection of the arbitrators: (A) the names, addresses, telephone numbers, and email addresses of persons who have knowledge and/or discoverable information relating to the issues submitted for resolution; (B) its claims and defenses; and (C) a computation showing each element of claimed damages.
- v. The parties shall be entitled to take (A) up to three (3) depositions, and (B) the depositions of any expert witness who will testify in the arbitration proceeding. No deposition shall exceed seven (7) hours. Each testifying expert shall provide the same materials required under Federal Rule of Civil Procedure 26(a)(2)(B). The parties must confer in good faith to resolve all discovery disputes. If they cannot resolve these themselves, the parties must attempt to do so in conference with the arbitrators. If the dispute is not resolved in conference, the arbitrators must promptly rule on the issues. Each side may file dispositive motions without obtaining leave from the arbitrators but must first confer with the other side prior to filing any dispositive motions. All motions should be filed no later than sixty (60) days prior to the arbitration hearing, unless agreed otherwise by the parties or ordered by the arbitrators.
- vi. The arbitrators shall have no authority to award non-monetary equitable relief or indirect, consequential, or punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well-reasoned opinion. The award issued by the arbitrators may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for its own costs associated with the arbitration, except that the costs of the arbitrators shall be equally divided by each side involved in the arbitration. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required to confirm the award, or disclosed to professional or regulatory bodies, as required by law or a court of law, or in a related confidential mediation or arbitration. The parties agree that arbitration is the sole and exclusive remedy for disputes arising out of or related to this Agreement. If arbitration is initiated and the other party declines to participate and instead initiates litigation elsewhere, doing so will constitute a default judgment.

## 18. The Grant Thornton Network and Third-Party Service Providers

- a) **Grant Thornton International Ltd.** Grant Thornton is a U.S. member firm of Grant Thornton International Ltd (“GTIL”), a global organization of member firms. Member firms are neither members of one international partnership nor otherwise legal partners with one another. There is no common ownership, control, governance, or agency relationship among member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another’s acts or omissions.

Grant Thornton may use third-party service providers, such as GTIL member firms, affiliates or other vendors, to assist in providing the Services. In the event Grant Thornton subcontracts some of the Services to a third party, Grant Thornton takes sole responsibility for all work performed in relation to the applicable SOW and Client agrees that, with respect to work that is the subject of the SOW, its sole recourse is against Grant Thornton.

- b) **Local Firm Engagement.** In the event that Client or a Client affiliate wishes to engage a GTIL member firm directly for services outside of the United States (other than as a subcontractor arrangement through Grant Thornton), such arrangement shall be documented in a local agreement adoption agreement incorporating the provisions of this Agreement (“Adoption Agreement”) in the form of Schedule B which will constitute a separate agreement.



Because professional, legal, regulatory and tax regimes will differ by jurisdiction, Client and the applicable GTIL member firm may add or modify terms of this Agreement in the applicable Adoption Agreement in order to comply with local law or custom. This Agreement is solely for the purpose of establishing a flexible framework for contracting between such parties and does not oblige any party to provide or receive Services. In case the terms and provisions contained in the relevant Adoption Agreement conflict with the terms and provisions of the present Agreement, the Adoption Agreement shall prevail locally. Neither Grant Thornton nor any GTIL member firm shall be jointly or severally liable, or have any responsibility, for the obligations of any other GTIL member firm under this Agreement, an SOW, or an Adoption Agreement to which it is not a signatory.

## 19. Miscellaneous

- a) **Entire Agreement.** This Agreement, including any other incorporated attachments, sets forth the entire understanding between and among the parties regarding the Services and the exchange of information and supersedes all prior and contemporaneous agreements (whether written or oral), arrangements and communications and may not be modified or amended, except by the mutual written agreement of both parties that references and is incorporated into this Agreement. Except as otherwise agreed in an attachment to this Agreement, no “click-through,” “shrink-wrap,” “browse-wrap,” similar agreements or other terms, whether entered into before, on, or after the date of this Agreement, will be effective to add to or modify the terms of this Agreement or alter the relationship of the parties, regardless of any party's (or its personnel's) acceptance of or agreement to such terms by electronic or other means.
- b) **Client.** For the purposes of this Agreement, “Client” shall include all affiliates that are recipients or intended beneficiaries of the Services, including, but not limited to, any affiliates identified in the Agreement or any Statement of Work. The individual executing this Agreement has the authority to bind the Client to the terms and conditions of this Agreement.
- c) **Successors and Affiliates.** Recognizing that at times the Services may pertain not only to Client but also to various of its subsidiaries, other affiliates, advisors, contractors, partnerships, companies, estates, or foundations, Client shall, as may be requested by Grant Thornton from time to time (including subsequent to completion of the Services), obtain written consent of their agreement to the terms of this Agreement. This Agreement is binding on each party hereto and on each of its successors, assigns, heirs, legatees, and legal representatives.
- d) **Effect of Invalidity.** If any portion of this Agreement is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions. Moreover, if the terms of any provision hereof are determined to be unenforceable under applicable law as a result of their duration, scope, limitation, or exclusions, such provision shall be construed to the extent possible to be valid and enforceable while adhering as closely as possible to the parties' intent as contemplated hereby. If because of a change in Client's status or due to any other reason, any provision in this Agreement or the Services hereunder would be prohibited by laws, regulations, or published interpretations by governmental bodies, commissions, state boards of accountancy, or other regulatory agencies, such provision shall, to that extent, be of no further force and effect, and the Agreement shall consist of the remaining portions.
- e) **No Waiver.** The failure by either party to insist upon strict performance of any of the provisions of this Agreement shall in no way constitute a waiver of its rights under this Agreement, at law or in equity, or a waiver of any other provisions or subsequent default by the other party in the performance of or compliance with any of the terms of this Agreement.

- f) **Governing Law.** This Agreement, including its formation and the parties' respective rights and duties and all disputes that might arise from or in connection with this Agreement or its subject matter, shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to its conflicts of laws rules that would require the application of another state's laws.
- g) **Headings.** The headings of this Agreement are intended solely for convenience of reference and shall be given no effect in the interpretation or construction of this Agreement.
- h) **Survival.** The Sections regarding confidentiality, business risk allocations, third-party proceedings, dispute resolution and any such terms that by their nature should survive shall survive termination of this Agreement.
- i) **No Assignment.** Neither party shall assign any rights, obligations or claims relating to this Agreement without the prior written consent of the other party, except Grant Thornton may assign this Agreement to a successor in interest in connection with a change of control, sale of a line of business, or sale of all or substantially all of its assets.
- j) **No Third-Party Beneficiaries.** No third-party beneficiaries are intended under this Agreement.
- k) **Name Use.** Neither party shall use the other's name, service marks, or trademarks in external publicity materials without prior written consent.

IN WITNESS WHEREOF, the parties, each acting under due and proper authority, have executed this Agreement as of the Commencement Date.

**GRANT THORNTON LLP**

By: Shawn D. Stewart  
Shawn Stewart  
Principal

**CITY OF ORANGE,  
ON BEHALF OF ITSELF  
AND ITS AFFILIATES**

By: \_\_\_\_\_  
Daniel R. Slater  
Mayor

Attest:

By: \_\_\_\_\_  
Pamela Coleman  
City Clerk

Approved as to Form:

By: \_\_\_\_\_  
Nathalie Adourian  
Senior Assistant City Attorney

**City of Orange  
Statement of Work  
Related to Budget Risk & Economic Opportunities Advisory Services  
As of April 22, 2025**

This Statement of Work ("SOW") dated April 22, 2025 between Grant Thornton LLP ("Grant Thornton", "Firm," or "we") and City of Orange ("Client," "City," or "you") becomes a part of and is subject to the terms and conditions of the Engagement Letter– Standard Engagement Terms dated April 22, 2025 between Grant Thornton and City of Orange (the "SOW"). Any capitalized terms that are not defined in this Statement of Work shall have the meanings set forth in the SOW. The purpose of this Statement of Work is to describe the scope of services ("Services") the City is requesting Grant Thornton to perform, and to set forth the agreed fee, timing and other matters related to the Services.

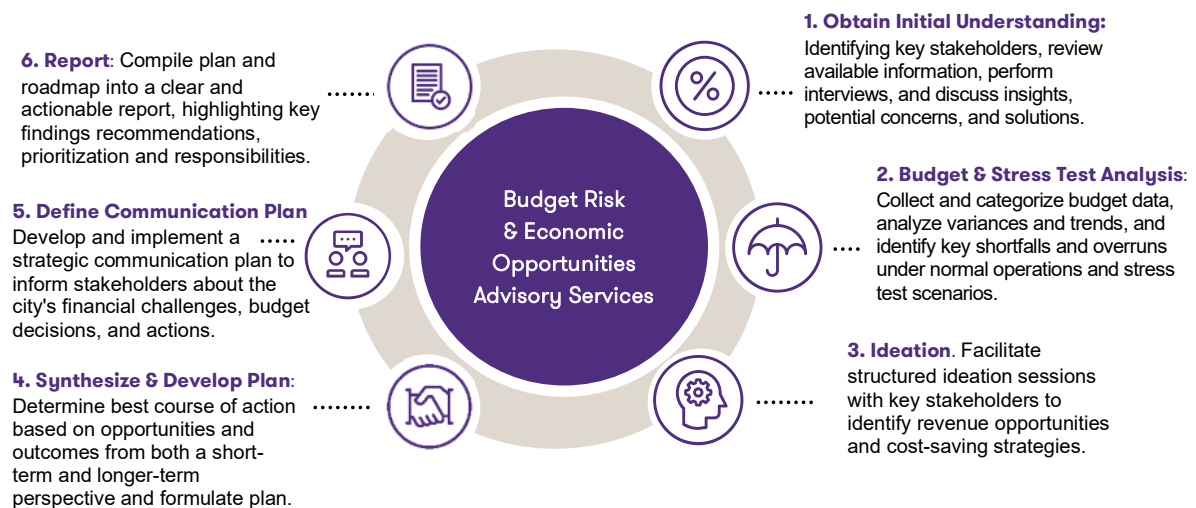
#### **Relationship with Grant Thornton Advisors LLC**

Grant Thornton and Grant Thornton Advisors LLC ("GT Advisors") (Grant Thornton and GT Advisors are collectively referred to as "GT") operate as an alternative practice structure in accordance with the AICPA Code of Professional Conduct. Grant Thornton, a licensed certified public accounting firm, provides audit and other attest services as well as related services to clients within its accounting and auditing practice. GT Advisors, which is not a licensed certified public accounting firm, provides tax, consulting, and other advisory services. Grant Thornton has engaged GT Advisors to provide administrative, operational, and engagement team resources and personnel to support Grant Thornton's professional services. GT Advisors and its professionals are subject to confidentiality obligations to protect the confidentiality of Client data. Grant Thornton takes sole responsibility for the services performed under this Agreement and the Client agrees that with respect to such services its sole recourse is against Grant Thornton.

#### **Project Objectives and Scope**

The City of Orange is seeking the assistance and expertise of a trusted Certified Public Accounting firm. A budget shortfall has led residents to question the budgeting process, revenues, and expenses, while also expressing doubts about departmental management. The city is requesting to gain a clearer understanding of the situation and identify the best solutions for the city's current challenges.

To that end, Grant Thornton is being engaged to collaborate with city employees and key stakeholders on a Budget Risk and Economic Opportunities Advisory Services engagement. The details of the engagement are listed below.



- **Preliminary meetings with city council and city employees to understand perspectives and align on engagement objectives.**

This phase will assist to establish a well-structured, collaborative, and efficient engagement process that aligns stakeholders and sets the foundation for meaningful outcomes by identifying key stakeholders, researching background information, and preparing materials to facilitate productive discussions. Meetings will be conducted to gather insights, address concerns, and document key takeaways, followed by post-meeting actions to summarize findings, ensure alignment, and plan next steps.

- **Conduct a high-level analysis of budget to identify how the budget compares to current and prior year actuals to better understand where budget shortfalls and overruns occurred.**

This phase involves collecting and categorizing budget data, analyzing variances and trends, and identifying key shortfalls and overruns. Findings will be summarized in a presentation, followed by discussions with stakeholders to provide insights and recommend actions for financial optimization. The value of these activities include enhancing financial transparency, identifying risks, and optimizing resource allocation to improve the city's financial stability

- **Facilitate ideation sessions with a committee of Grant Thornton consultants, city employees, and key stakeholders, as applicable, to determine opportunities to enhance revenue through economic development and reduction in expenses.**

This phase involves planning and facilitating structured ideation sessions with key stakeholders to identify revenue opportunities and cost-saving strategies which may include long- and short-term economic development opportunities, tax increases, and cost reductions. Discussions will be documented, prioritized based on feasibility and impact, and summarized in a report with recommendations and next steps for implementation. The value of this phase is in providing practical financial options that enable City leaders to boost revenue, reduce costs, and assist with long- and short-term economic opportunities.

- **Synthesize and Develop Plan**

This phase involves consolidating key findings from prior analyses, stakeholder discussions, and budget assessments to develop a comprehensive financial strategy. Grant Thornton consultants will work closely with City employees and leadership to refine insights, prioritize recommendations, and establish a clear action plan. This phase provides an actionable plan for financial improvement opportunities and growth. By distilling insights into a structured plan, City leaders can gain a framework for execution—assisting them in making informed decisions and financial improvements.

- **Assist city employees in developing a communication plan to address city finances and budget challenges.**

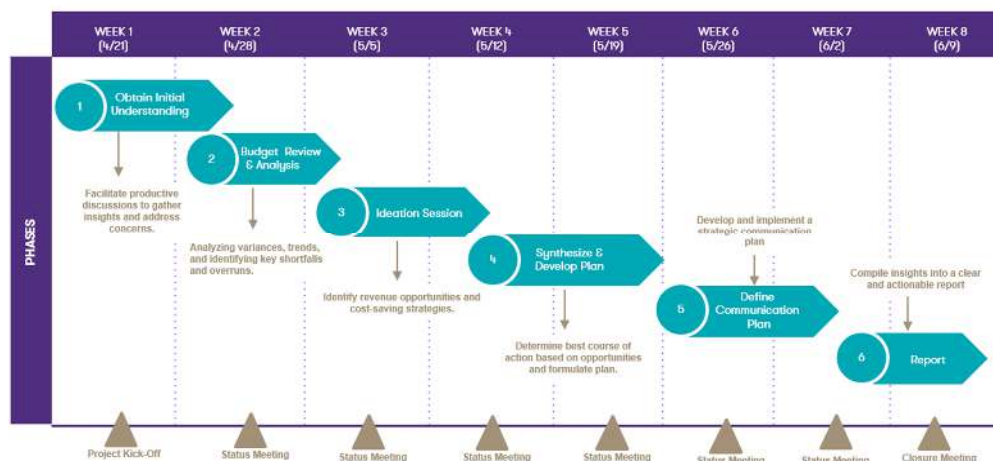
This phase focuses on developing and assisting with implementing a strategic communication plan to inform stakeholders about the City's financial challenges and budget decisions. It includes crafting key messages, selecting communication channels, engaging the public, and continuously refining messaging based on feedback and evolving financial conditions. This phase will assist with transparency, trust, and public engagement by assisting city employees with communicating the City's financial challenges and decisions. The communication plan is intended to reduce misinformation, and foster community support for budget initiatives.

- **Provide a final report and make recommendations.**

This phase involves compiling insights from previous phases of the engagement into a clear and actionable report, highlighting key findings, financial trends, and recommendations. The report will be refined through stakeholder feedback, presented to City leadership, and supported with follow-up planning to guide implementation. This phase leverages data, insights, and strategic discussions into a clear, actionable roadmap for City leadership. By compiling key findings and financial trends into a structured report, decision-makers can gain a comprehensive understanding of budget challenges, opportunities, and recommendations.

## Engagement Timeline

It is anticipated the engagement will take place over the course of eight weeks and follow the timeline shown below



### Grant Thornton's Responsibilities and Deliverables

Grant Thornton will perform the Services in accordance with the terms of this SOW. Client shall promptly review the Deliverables and provide written notice of non-conformity within ten (10) business days of receipt of such Deliverables. Grant Thornton's sole obligation shall be to correct such non-conformities within a reasonable time period.

Grant Thornton shall be entitled to rely on the accuracy, completeness and reliability of all information provided by, and on all decisions and approvals of, the City and its retained advisors, consultants or legal counsel. Grant Thornton's work does not guarantee that errors and irregularities will not occur and it may not detect errors or irregularities if they arise.

Grant Thornton will perform the Services in accordance with the American Institute of Certified Public Accountants (AICPA) Statement on Standards for Consulting Services. Grant Thornton is not being engaged to perform audit or attest services under AICPA auditing or attestation standards or to provide any form of attest report or opinion under such standards in conjunction with this engagement.

Grant Thornton's Responsibilities and Deliverables (both as defined herein) include the following:

#### Grant Thornton's Responsibilities:

- Facilitate stakeholder meetings and gather input from City Council and key stakeholders.
- Conduct a high-level financial analysis to identify budget trends, shortfalls, and overruns.
- Organize and lead ideation sessions to explore revenue growth and cost reduction strategies.
- Examine budget under normal conditions and stress economic scenarios.
- Develop a communication strategy and assist in messaging for public transparency.
- Prepare reports, summaries, and presentations related to engagement findings.
- Provide recommendations based on data analysis, stakeholder input, and industry best practices.

#### Grant Thornton's Deliverables:

- Planning & Kickoff Agenda
- Budget Review (standard operations and stress test)
- Strengths, Weaknesses, Opportunities, & Threats (SWOT) Analysis
- Ideation Opportunities for Revenue and Expenses
- Communication Plan
- Final Report
- Exit Meeting Agenda

### City Responsibilities and Assumptions

The City's management acknowledges that it will undertake the following responsibilities (the "City Responsibilities"):

- Make all management decisions and perform all management functions, including maintaining all internal books and records.
- Designate the following individual(s), preferably within senior management, who possess the suitable skills, knowledge and/or experience as project leaders to oversee the project
  - Tom Kisela, City Manager or designee.
- Evaluate the adequacy and results of the Services and accept responsibility for such results.
- Establish and maintain care and control of its premises and effective internal controls, including monitoring activities, retaining custody of the City's assets and controlling its premises.
- Provide, on a timely basis, such information, decisions, approvals and assistance that are necessary to Grant Thornton's work or that Grant Thornton reasonably requests (including third-party permissions and licenses related to software or data) and Grant Thornton's personnel assigned to any work hereunder shall not be assumed or deemed to have knowledge of information provided to others, whether external to or within Grant Thornton.
- Provide suitable workspace, including furniture, computers, and access to electronic and written information necessary to perform the Services.
- Ensure to the best of its ability that all information provided to Grant Thornton is complete, accurate and current in all material respects, contains no material omissions and updated promptly and continuously.
- Select any products or services to be purchased from third-parties in connection with this engagement.



- Assume responsibility for any delays, additional costs, or other liabilities caused by or associated with any deficiencies in (a) discharging the City Responsibilities, and (b) the Assumptions. Moreover, the City will satisfy its obligations and responsibilities under the law.
- Provide timely access to key stakeholders, including City Council members and finance personnel.
- Supply all relevant budget documents, financial reports, and historical spending data.
- Identify key stakeholders to participate in ideation session(s)
- Participate actively in ideation sessions, meetings, and discussions.
- Review and approve deliverables within agreed-upon timelines.
- Implement recommendations and strategies as deemed appropriate.
- Manage public communication and outreach efforts using the developed strategy.
- Provide necessary information and completing project tasks in a timely manner so project progress is not delayed.
- The City will provide the necessary key employees with availability, knowledge, and expertise to assist with all phases of the engagement, assisting the project to remain on schedule and within budget.
- The City gives Grant Thornton permission to record (video and audio) meetings, interviews, walkthroughs, and other procedures/interactions/meetings to help facilitate documentation and procedures that we will perform and to allow us to complete the work within the budgets and fixed fees as agreed upon herein. Grant Thornton agrees not to share any recorded content with any third parties without city's prior consent.
- Assist with finalization and approval of deliverables requiring specific Client input, knowledge, or decision-making.

### Project Assumptions

The Services and fees for this SOW are based upon the following assumptions, representations or information supplied by the City ("Assumptions").

- The City of Orange is seeking the assistance and expertise of a trusted Certified Public Accounting firm.
- The City will provide timely access to relevant city Council members, employees, and other decision-makers for meetings, interviews, and feedback sessions.
- The City will provide all necessary financial reports, budget documents, historical spending data, and other relevant information in a timely manner.
- The City will coordinate and schedule meetings with stakeholders as needed to ensure project milestones are met.
- The City will provide a key stakeholder to schedule all meetings to assist with the engagement
- The City will identify and engage key stakeholders to fully participate in all phases of the engagement, as needed, to ensure project milestones are met.
- City employees and identified key stakeholders will actively participate in ideation sessions, budget discussions, and communication planning.
- The engagement will focus on high-level analysis and strategic recommendations; detailed implementation support will require a separate SOW.
- The city will provide the necessary employees to complete administrative tasks during the engagement, such as scheduling meetings with key City Council members, City employees, and Grant Thornton consultants, among others.
- The consulting team will provide recommendations, but all final decisions on budgetary changes, policy adjustments, and implementation will be made by the City.
- This engagement is advisory in nature and does not include an audit, attestation, or forensic investigation of financials.

### Grant Thornton Engagement Team

Grant Thornton will assign the individuals listed below to the engagement. While we will attempt to fulfill requests for specific individuals, we may need to add or re-assign personnel. We will inform you of such changes within a reasonable amount of time.

- *Shawn Stewart, Partner*
- *Seth Morgan, Manager*
- *Other Grant Thornton personnel as needed*

### Use of Third-party Services Providers and Affiliates

Grant Thornton intends to use the technology and resources of the following (additional) entities to assist us with providing the Services:

- GT US Shared Services Center India Private Limited ("GTSSC") and/or the Grant Thornton Knowledge and Capability Center India Private Limited ("KCC"), Grant Thornton's service centers located in India

The City hereby authorizes us to disclose its information to the above-named entities for the purposes described above. Grant Thornton takes sole responsibility for all work performed in relation to this SOW and Client agrees that, with respect to work that is the subject of this SOW, its sole recourse is against Grant Thornton.

### Use of Client Data

Grant Thornton and Grant Thornton Advisors LLC (collectively, "Grant Thornton") are committed to enhancing our services and improving quality through technology, including data analytics. Grant Thornton may use Client data to provide services to the Client in connection with this engagement, other Client engagements, and to present Client with additional service offerings. Grant Thornton may also anonymize Client data and aggregate such data with anonymized data of its other clients for purposes of performing analytics and enhancing our services for, and providing insights to, Client and/or its other clients. Grant Thornton will never disclose non-anonymized Client data to third parties without the Client's prior consent, except as otherwise agreed to herein.

### Fees

This engagement will be undertaken on a fixed fee basis. We expect our professional fees to be \$110,000 based on the scope of Services set forth in this SOW. Prior to starting the work, our practice is to obtain a \$20,000 advance billing of our engagement fees upon execution of the SOW.

Our billings which are payable upon receipt will be rendered as follows:

Billing date	Fees
Upon Execution of SOW	\$20,000
May 5 <sup>th</sup> 2025	\$25,000
May 19 <sup>th</sup> 2025	\$25,000
June 2 <sup>nd</sup> 2025	\$25,000
June 16 <sup>th</sup> 2025 or upon completion of work	\$15,000

In addition to our professional fees, we will bill for any travel and out-of-pocket expenses and an administrative expense, which is six percent (6%) of the professional fees, to cover items such as copies, postage, supplies, computer and technology usage, software licensing, research and library databases and similar expense items.

If it appears that the estimated fee will be exceeded, we will bring this to your attention in writing and in advance of the work being performed.

All quoted fees, charges, and other amounts payable to Grant Thornton under this SOW do not include any sales, use, excise, rental, gross receipts (in the nature of a sales tax), value added or other applicable taxes, tariffs or duties, payment of which shall be Client's sole responsibility, excluding any applicable taxes based on Grant Thornton's net income, property, or taxes arising from the employment or independent contractor relationship between Grant Thornton and its personnel.

If our work is delayed because the City is unable to adequately prepare information on a timely basis or because of any unforeseen event, we will inform you of the additional costs we incur due to rescheduling our work.

As we have discussed, the fees quoted above represent a discount from our standard rates for this type of work. This discount takes into consideration a commitment for a long-term relationship. Accordingly, if the City terminates our relationship for any reason prior to the completion and billing of the services described herein, we will bill for all services provided until the date of our termination, including services over and above those set forth in this SOW, at our standard rates for this type of work.

### Additional Billings

Of course, circumstances may arise that require us to do more work. Some of the more common circumstances include: changing professional requirements, incorrect accounting applications or errors in your records, inability to obtain information from third-parties, failure to furnish accurate and complete information to us on a timely basis, and unforeseen events – including regulatory changes. If it appears that the estimated fee will be exceeded, we will consult with you so that you will have a better understanding of our fees before we continue. Additionally, our fee is neither a maximum nor a fixed fee quotation; therefore, we will keep you informed of any circumstances that affect the work's scope, the timetable or our level of participation.

Payment of our fees is not contingent on the completion of our Services. Furthermore, in the event we stop work for any reason (including, but not limited to, nonpayment or your request), you agree to pay our fees and expenses for all Services performed through the date work is stopped, whether or not we have produced any Deliverables.

We pride ourselves on our ability to provide outstanding service and meeting our clients' deadlines. To help accomplish this goal, we work hard to have the right professionals available. This involves complex scheduling models to balance the needs of our clients and the utilization of our people, particularly during peak periods of the year. Last minute client requested scheduling changes result in costly downtime due to our inability to make alternate arrangements for our staff.

We will contact you shortly to coordinate a convenient time for Grant Thornton to begin work. If you do not provide proper notice, which we consider to be one week, of your inability to meet these dates for any reason, or do not provide us with sufficient information required to complete the work in a timely manner, additional billings will be rendered for any downtime of our professional staff.

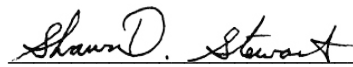
#### Change Order Process

During the project either party may request additions, deletions or modifications to the scope or nature of the Services (a "Change"). Grant Thornton will not be obligated to start work on any Change until the fee and/or impact on the schedule is agreed on in a written change order. The change order should be signed by Grant Thornton and the City.

#### Authorization

Please confirm your acceptance of this SOW by signing below and returning one copy to us. We appreciate the opportunity to work with you.

#### GRANT THORNTON LLP



Shawn Stewart  
Principal

Date: 04/15/2025

#### Agreed and accepted by:

I am authorized to engage Grant Thornton to conduct this engagement and, by signing below, hereby agree to the terms and conditions as set forth above.

\_\_\_\_\_  
Daniel R. Slater  
Mayor

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Pamela Coleman  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Nathalie Adourian  
Senior Assistant City Attorney